

A. O. SMITH CORPORATION

Adjusted Segment Earnings

(dollars in millions)

(unaudited)

The following is a reconciliation of reported segment earnings (losses) to adjusted segment earnings (losses) (non-GAAP):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Segment Earnings (Losses) (GAAP)				
North America	\$ 141.7	\$ 105.4	\$ 272.1	\$ 232.5
Rest of World	22.3	(5.8)	34.1	(48.0)
Inter-segment earnings elimination	-	(0.3)	-	(0.3)
Total Segment Earnings (GAAP)	<u>\$ 164.0</u>	<u>\$ 99.3</u>	<u>\$ 306.2</u>	<u>\$ 184.2</u>
Adjustments:				
North America severance and restructuring expenses	\$ -	\$ 2.2	\$ -	\$ 2.2
Rest of World severance and restructuring expenses	-	3.9	-	3.9
Inter-segment earnings elimination	-	-	-	-
Total Adjustments	<u>\$ -</u>	<u>\$ 6.1</u>	<u>\$ -</u>	<u>\$ 6.1</u>
Adjusted Segment Earnings (Losses)				
North America	\$ 141.7	\$ 107.6	\$ 272.1	\$ 234.7
Rest of World	22.3	(1.9)	34.1	(44.1)
Inter-segment earnings elimination	-	(0.3)	-	(0.3)
Total Adjusted Segment Earnings	<u>\$ 164.0</u>	<u>\$ 105.4</u>	<u>\$ 306.2</u>	<u>\$ 190.3</u>