

A. O. SMITH CORPORATION

Statement of Earnings

(condensed consolidated financial statements -
dollars in millions, except share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net sales	\$ 914.6	\$ 760.0	\$ 2,543.4	\$ 2,060.8
Cost of products sold	<u>574.3</u>	<u>462.9</u>	<u>1,593.1</u>	<u>1,276.7</u>
Gross profit	<u>340.3</u>	<u>297.1</u>	<u>950.3</u>	<u>784.1</u>
Selling, general and administrative expenses	177.6	159.4	517.2	489.1
Severance and restructuring expenses	-	1.6	-	7.7
Interest expense	1.0	1.6	2.9	6.3
Other income	<u>(4.7)</u>	<u>(2.8)</u>	<u>(13.6)</u>	<u>(11.0)</u>
Earnings before provision for income taxes	<u>166.4</u>	<u>137.3</u>	<u>443.8</u>	<u>292.0</u>
Provision for income taxes	<u>34.8</u>	<u>31.9</u>	<u>96.3</u>	<u>67.1</u>
Net earnings	<u>\$ 131.6</u>	<u>\$ 105.4</u>	<u>\$ 347.5</u>	<u>\$ 224.9</u>
Diluted earnings per share of common stock	<u>\$ 0.82</u>	<u>\$ 0.65</u>	<u>\$ 2.15</u>	<u>\$ 1.38</u>
Average common shares outstanding (000's omitted)	160,628	162,480	161,707	162,517