

A. O. SMITH CORPORATION
Statement of Cash Flows
(dollars in millions)

	Twelve Months Ended	
	December 31,	
	(unaudited)	
	2021	2020
Operating Activities		
Net earnings	\$ 487.1	\$ 344.9
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation & amortization	77.9	80.0
Stock based compensation expense	11.9	12.7
Net changes in operating assets and liabilities:		
Current assets and liabilities	90.8	130.4
Noncurrent assets and liabilities	(26.6)	(5.9)
Cash Provided by Operating Activities	<u>641.1</u>	<u>562.1</u>
Investing Activities		
Capital expenditures	(75.1)	(56.8)
Acquisitions of businesses	(207.6)	-
Investment in marketable securities	(185.4)	(157.4)
Net proceeds from sale of marketable securities	118.2	226.0
Cash (Used in) Provided by Investing Activities	<u>(349.9)</u>	<u>11.8</u>
Financing Activities		
Long-term debt incurred (repaid)	83.5	(170.8)
Common stock repurchases	(366.5)	(56.7)
Net proceeds from stock option activity	32.1	11.4
Dividends paid	(170.1)	(158.7)
Cash Used In Financing Activities	<u>(421.0)</u>	<u>(374.8)</u>
Net (decrease) increase in cash and cash equivalents	(129.8)	199.1
Cash and cash equivalents - beginning of period	573.1	374.0
Cash and Cash Equivalents - End of Period	<u>\$ 443.3</u>	<u>\$ 573.1</u>