

A. O. SMITH CORPORATION

Statement of Earnings

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	(unaudited)		(unaudited)	
	2021	2020	2021	2020
Net sales	\$ 995.5	\$ 834.5	\$ 3,538.9	\$ 2,895.3
Cost of products sold	<u>634.9</u>	<u>510.4</u>	<u>2,228.0</u>	<u>1,787.1</u>
Gross profit	360.6	324.1	1,310.9	1,108.2
Selling, general and administrative expenses	184.2	171.2	701.4	660.3
Severance and restructuring expenses	-	-	-	7.7
Interest expense	1.4	1.0	4.3	7.3
Other income	<u>(6.8)</u>	<u>-</u>	<u>(20.4)</u>	<u>(11.0)</u>
Earnings before provision for income taxes	181.8	151.9	625.6	443.9
Provision for income taxes	<u>42.2</u>	<u>31.9</u>	<u>138.5</u>	<u>99.0</u>
Net earnings	<u>\$ 139.6</u>	<u>\$ 120.0</u>	<u>\$ 487.1</u>	<u>\$ 344.9</u>
Diluted earnings per share of common stock	<u>\$ 0.87</u>	<u>\$ 0.74</u>	<u>\$ 3.02</u>	<u>\$ 2.12</u>
Average common shares outstanding (000's omitted)	160,171	162,866	161,320	162,604