

A. O. SMITH CORPORATION

Adjusted Segment Earnings

(dollars in millions)

(unaudited)

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

	Three Months Ended March 31,	
	2022	2021
Segment Earnings (GAAP)		
North America	\$ 151.8	\$ 130.4
Rest of World	24.8	11.8
Inter-segment earnings elimination	(0.1)	-
Total Segment Earnings (GAAP)	<u>\$ 176.5</u>	<u>\$ 142.2</u>
Adjustments:		
North America pension expense (income)	\$ 2.6	\$ (2.6)
Rest of World	-	-
Inter-segment earnings elimination	-	-
Total Adjustments	<u>\$ 2.6</u>	<u>\$ (2.6)</u>
Adjusted Segment Earnings (non-GAAP)		
North America	\$ 154.4	\$ 127.8
Rest of World	24.8	11.8
Inter-segment earnings elimination	(0.1)	-
Total Adjusted Segment Earnings (non-GAAP)	<u>\$ 179.1</u>	<u>\$ 139.6</u>

Adjusted Corporate Expense

(dollars in millions)

(unaudited)

The following is a reconciliation of reported Corporate Expense to adjusted Corporate Expense (non-GAAP):

	Three Months Ended March 31,	
	2022	2021
Corporate Expense (GAAP)	\$ (18.4)	\$ (15.1)
Adjustments:		
Corporate pension expense (income)	0.3	(0.6)
Corporate Expense (non-GAAP)	<u>\$ (18.1)</u>	<u>\$ (15.7)</u>