

A. O. SMITH CORPORATION
Adjusted Earnings and Adjusted EPS
(dollars in millions, except per share data)
(unaudited)

The following is a reconciliation of net earnings and diluted EPS to adjusted earnings (non-GAAP) and adjusted EPS (non-GAAP):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net Earnings (GAAP)	\$ 126.2	\$ 118.2	\$ 246.0	\$ 215.9
Pension expense (income), before tax	3.0	(3.1)	5.9	(6.3)
Tax effect of pension expense (income)	(0.7)	0.8	(1.4)	1.6
Adjusted Earnings (non-GAAP)	<u>\$ 128.5</u>	<u>\$ 115.9</u>	<u>\$ 250.5</u>	<u>\$ 211.2</u>
Diluted EPS (GAAP) ⁽¹⁾	\$ 0.81	\$ 0.73	\$ 1.56	\$ 1.33
Pension expense (income) per diluted share, before tax	0.02	(0.02)	0.04	(0.04)
Tax effect of pension expense (income), per diluted share	(0.01)	0.01	(0.01)	0.01
Adjusted EPS (non-GAAP) ⁽¹⁾	<u>\$ 0.82</u>	<u>\$ 0.72</u>	<u>\$ 1.59</u>	<u>\$ 1.30</u>

⁽¹⁾ Earning per share amounts are calculated discretely and, therefore, may not add up to the total due to rounding.