

A. O. SMITH CORPORATION
2022 Adjusted EPS Guidance and 2021 Adjusted EPS
(unaudited)

The following is a reconciliation of diluted EPS to adjusted EPS (non-GAAP) (all items are net of tax):

	2022 Guidance	2021
Diluted EPS (GAAP)	<u>\$ 1.29 - 1.39</u>	<u>\$ 3.02</u>
Pension expense (income)	0.06 ¹	(0.06) ³
Estimated pension settlement charge	1.73 ²	-
Settlement income	(0.05)	-
Terminated acquisition-related expenses	0.02	-
Adjusted EPS (non-GAAP)	<u><u>\$ 3.05 - 3.15</u></u>	<u><u>\$ 2.96</u></u>

¹ Includes pre-tax pension expense of \$10.5 million and \$1.3 million, within the North America segment and Corporate expenses, respectively.

² Includes pre-tax pension settlement charges of \$378.3 million and \$66.7 million, within the North America segment and Corporate expenses, respectively.

³ Includes pre-tax pension income of \$10.5 million and \$2.6 million, within the North America segment and Corporate expenses, respectively.