Smith A O Corp.

AOS

NYSE; consumer durables; SIC 3630, Household Appliances; CIK 0000091142

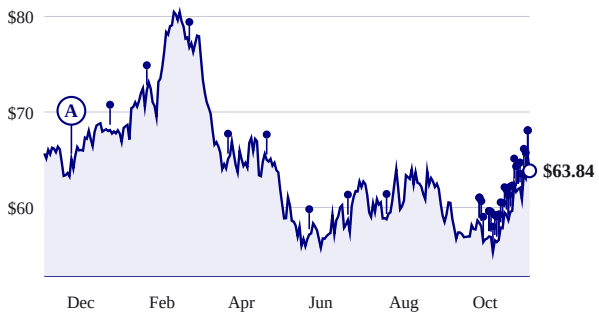
None

No letter

5 of 14 inputs computable; 7 are required, with a score in every sleeve

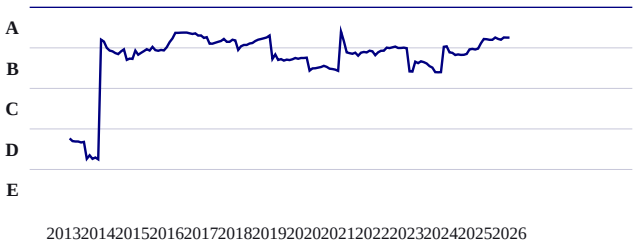
Scoreboard	
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $3.1B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	thin data; fortress balance sheet not computable: dilution, distress
Inputs computable	5 of 14
Graded from	filings received through Feb 10, 2026 267 days before the rescan; latest periodic filing 10-Q received Oct 29, 2026
Last close	$63.84 2026-11-03; market equity $0; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 10, 2026

As used in this annual report on Form 10-K, references to the "Company," "A. O. Smith," "AOS," "we," "us," and "our" refer to A. O. Smith and its consolidated subsidiaries. The following discussion should be read in conjunction with our consolidated financial statements and notes thereto under "Item 8 Financial Statements and Supplementary Data" in this annual report on Form 10-K. Our company is comprised of two reporting segments: North America and Rest of World. Both segments manufacture and market comprehensive lines of residential and commercial gas and electric water heaters, boilers, heat pumps, tanks and water treatment products.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 32.9						
Gross profitability	47.3%	34.4%		32.9	472	2025-12-31
Return on invested capital	not computable	8.9%				

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prior invested-capital observation is 731 days earlier						
Accruals ratio	not computable	(5.1%)				
prior assets observation is 731 days earlier						
Gross margin stability, five years	not computable	1.7 pts				
five consecutive annual gross margins are required						
Solvency, sleeve percentile 19.6						
Twelve-month failure probability	not computable	0.03%				
liabilities and a nearby cover-page share count are required at 2026-09-30						
Altman Z double-prime	8.07	2.12		6.3	397	2025-12-31
Net debt to EBITDA	(0.02x)	2.09x		15.1	186	2025-12-31
Interest coverage	53.97x	2.70x		4.8	126	2025-12-31
Current ratio	1.50x	1.55x		52.2	535	2025-12-31
Growth and financing						
Revenue growth, three-year compound	not computable	1.5%				
four consecutive annual observations are required						
Free cash flow growth, three-year compound	not computable	7.6%				
four consecutive annual FCF observations are required; found 15						
Reinvestment rate	not computable	13.6%				
prior working capital is not one fiscal year earlier						
Asset growth, three years	not computable	1.7%				
four consecutive annual observations are required						
Net share issuance, one year	not computable	(0.3%)				
two annual share counts are required; found 0						

Warnings

2 of 7 checks triggered; none of them enters the letter

Check	Measured
Thin data	5 of 14 grade factors are computable; minimum is 7
Fortress balance sheet	cash minus debt is 19,500,000 USD; Altman Z is not used

What the price implies

at the 2026-11-03 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(13.1%)	(1.3%)	37
Distance from 52-week high	(20.7%)	(21.4%)	51
EBIT to enterprise value	not computable	4.8%	
Free cash flow yield	not computable	4.3%	
Book value to price	not computable	0.44	
Sales to price	not computable	1.42	
Composite equity issuance, five years	not computable	(16.0%)	
Relative strength against the sector, log excess return	(0.05)	0.04	43

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	pass
Return on assets improved	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail

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No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	fail

Cash, filings, liquidity

Cash and equivalents	$234.5M
Operating cash flow, four quarters	$612.5M
Months of runway	not finite
Days since last periodic filing	6 (10-Q received Oct 29, 2026)
Median daily dollar volume, 63 sessions	$79.4M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$1.5B	2025-12-31	2026-02-10	10-K	26-000008
2	assets	us-gaap:Assets	$3.1B	2025-12-31	2026-02-10	10-K	26-000008
3	operating income	us-gaap:OperatingIncomeLoss	$728.6M	2025-12-31	2026-02-10	10-K	26-000008
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$715.1M	2025-12-31	2026-02-10	10-K	26-000008
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$168.9M	2025-12-31	2026-02-10	10-K	26-000008
6	total debt	us-gaap:LongTermDebt	$155.0M	2025-12-31	2026-02-10	10-K	26-000008
7	book equity	us-gaap:StockholdersEquity	$1.9B	2025-12-31	2026-02-10	10-K	26-000008
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$174.5M	2025-12-31	2026-02-10	10-K	26-000008
9	total debt	us-gaap:LongTermDebt	$127.3M	2023-12-31	2024-02-13	10-K	24-000041
10	book equity	us-gaap:StockholdersEquity	$1.8B	2023-12-31	2026-02-10	10-K	26-000008
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$339.9M	2023-12-31	2024-02-13	10-K	24-000041
12	net income	us-gaap:NetIncomeLoss	$546.2M	2025-12-31	2026-02-10	10-K	26-000008
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$616.8M	2025-12-31	2026-02-10	10-K	26-000008
14	assets	us-gaap:Assets	$3.2B	2023-12-31	2026-02-10	10-K	26-000008
15	current assets	us-gaap:AssetsCurrent	$1.3B	2025-12-31	2026-02-10	10-K	26-000008
16	current liabilities	us-gaap:LiabilitiesCurrent	$862.5M	2025-12-31	2026-02-10	10-K	26-000008
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$4.0B	2025-12-31	2026-02-10	10-K	26-000008
18	liabilities	us-gaap:Liabilities	$1.3B	2025-12-31	2026-02-10	10-K	26-000008
19	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$85.1M	2025-12-31	2026-02-10	10-K	26-000008
20	interest expense	us-gaap:InterestExpense	$13.5M	2025-12-31	2026-02-10	10-K	26-000008
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.8B	2025-12-31	2026-02-10	10-K	26-000008
22	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.9B	2023-12-31	2026-02-10	10-K	26-000008
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.8B	2022-12-31	2024-02-13	10-K	24-000041
24	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.5B	2021-12-31	2024-02-13	10-K	24-000041
25	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$70.8M	2025-12-31	2026-02-10	10-K	26-000008
26	assets	us-gaap:Assets	$3.3B	2022-12-31	2024-02-13	10-K	24-000041
27	assets	us-gaap:Assets	$3.5B	2021-12-31	2024-02-13	10-K	24-000041

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