SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
- --- ACT OF 1934
For the quarterly period ended June 30, 2003.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
- --- EXCHANGE ACT OF 1934
For the transition period from ________________ to _______________

Commission File Number 1-475

A.O. SMITH CORPORATION

Delaware	39-0619790
(State of Incorporation)	(IRS Employer ID Number)

P. O. Box 245008, Milwaukee, Wisconsin 53224-9508
Telephone: (414) 359-4000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes X No
--- ---

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act) Yes X No
--- ---

Class A Common Stock Outstanding as of June 30, 2003 -- 8,533,888 shares

Common Stock Outstanding as of June 30, 2003 -- 20,602,373 shares

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A. O. Smith Corporation

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PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS

A.O. SMITH CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF EARNINGS
Three and Six Months ended June 30, 2003 and 2002
(dollars in millions, except for per share data)
(unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2003	2002	2003	2002
Electrical Products	$ 227.6	$ 219.2	$ 440.7	$ 415.4
Water Systems	190.0	167.1	364.8	342.8
Net Sales	417.6	386.3	805.5	758.2
Cost of products sold	333.8	304.9	643.5	599.9
Gross profit	83.8	81.4	162.0	158.3
Selling, general and administrative expenses	51.7	50.2	105.7	103.4
Interest expense	3.0	3.7	5.9	7.9
Other (income) expense - net	(0.1)	(0.2)	0.3	0.7
	29.2	27.7	50.1	46.3
Provision for income taxes	9.4	9.7	16.6	16.2
Net Earnings	$ 19.8	$ 18.0	$ 33.5	$ 30.1
Earnings per Common Share				
Basic	$ 0.68	$ 0.68	$ 1.16	$ 1.20
Diluted	$ 0.67	$ 0.66	$ 1.13	$ 1.17
Dividends per Common Share	$ 0.14	$ 0.13	$ 0.28	$ 0.26

See accompanying notes to unaudited condensed consolidated financial statements.

PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS

A.O. SMITH CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
June 30, 2003 and December 31, 2002
(dollars in millions, except share data)

	(unaudited) June 30, 2003	December 31, 2002
Assets		
Current Assets		
Cash and cash equivalents	$ 34.8	$ 32.8
Receivables	272.5	215.5
Inventories	233.2	200.4
Deferred income taxes	21.3	26.7
Other current assets	20.4	12.9
Total Current Assets	582.2	488.3
Property, plant and equipment	702.4	686.2
Less accumulated depreciation	350.1	323.5
Net property, plant and equipment	352.3	362.7
Goodwill	302.4	302.4
Other intangibles	6.6	6.8
Other assets	66.6	64.7
Total Assets	$ 1,310.1	$ 1,224.9
Liabilities		
Current Liabilities		
Trade payables	$ 162.7	$ 131.4
Accrued payroll and benefits	38.4	38.7
Accrued liabilities	49.9	58.6
Product warranty	19.1	19.5
Income taxes	2.8	1.8
Long-term debt due within one year	10.9	11.7
Total Current Liabilities	283.8	261.7
Long-term debt	269.2	239.1
Pension liability	84.9	90.8
Other liabilities	110.3	114.7
Deferred income taxes	14.5	7.5
Total Liabilities	762.7	713.8
Stockholders' Equity		
Class A common stock, $5 par value: authorized 14,000,000 shares; issued 8,566,483	42.8	43.0
Common stock, $1 par value: authorized 60,000,000 shares; issued 23,982,879	24.0	24.0
Capital in excess of par value	73.6	73.5
Retained earnings	613.9	588.5
Accumulated other comprehensive loss	(113.1)	(121.9)
Treasury stock at cost	(93.8)	(96.0)
Total Stockholders' Equity	547.4	511.1
Total Liabilities and Stockholders' Equity	$ 1,310.1	$ 1,224.9

See accompanying notes to unaudited condensed consolidated financial statements

PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS

A.O. SMITH CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS Six Months Ended June 30, 2003 and 2002
(dollars in millions)
(unaudited)

	Six Months Ended June 30	
	2003	2002
Operating Activities		
Continuing		
Net earnings	$ 33.5	$ 30.1
Adjustments to reconcile net earnings to net cash (used in) provided by operating activities:		
Depreciation	24.8	24.4
Amortization	1.0	0.7
Net change in current assets and liabilities	(62.4)	(2.3)
Net change in other noncurrent assets and liabilities	(1.7)	(3.6)
Other	(1.3)	0.9
Cash (Used in) Provided by Operating Activities	(6.1)	50.2
Investing Activities		
Capital expenditures	(14.8)	(16.4)
Acquisition of business	--	(2.2)
Cash Used in Investing Activities	(14.8)	(18.6)
Financing Activities		
Debt incurred	32.2	--
Long-term debt retired	(2.9)	(152.4)
Net proceeds from common stock offering	--	127.5
Other stock transactions	1.5	0.8
Dividends paid	(8.1)	(6.2)
Cash Provided by (Used in) Financing Activities	22.7	(30.3)
Cash Provided by Discontinued Operations	0.2	4.3
Net increase in cash and cash equivalents	2.0	5.6
Cash and cash equivalents-beginning of period	32.8	20.8
Cash and Cash Equivalents - End of Period	$ 34.8	$ 26.4

See accompanying notes to unaudited condensed consolidated financial statements.

PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS

A. O. SMITH CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2003
(unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three- and six-month periods ended June 30, 2003 are not necessarily indicative of the results expected for the full year. It is suggested that the accompanying condensed consolidated financial statements be read in conjunction with the audited consolidated financial statements and the notes thereto included in the company's latest Annual Report on Form 10-K. Certain prior year amounts have been reclassified to conform to the 2003 presentation.

2. Acquisitions

On July 1, 2002, A. O. Smith Corporation (the company) completed the purchase of the hermetic motor assets of the Athens Products (Athens) division of Electrolux Group for cash consideration of $9.7 million. The purchase price was allocated to the assets acquired and liabilities assumed based upon current estimates of their respective fair values at the date of acquisition.

In late 2002, the company acquired the motor manufacturing assets of Jiangsu Changheng Group Co. Ltd. (Changheng) for a total of $15.3 million including future payments of $3.8 million. The purchase price was allocated to the assets acquired and liabilities assumed based upon current estimates of their respective fair values at the date of acquisition.

In connection with the Athens acquisition and other acquisitions by the company, aggregate additional purchase liabilities of $26.5 million were recorded at the respective acquisition dates for employee severance and relocation, as well as certain facility exit costs. As of June 30, 2003, costs incurred and charged against these liabilities to date totaled $18.2 million.

3. Business Improvement Programs

In the fourth quarter of 2001, the company recorded restructuring and other charges of $9.4 million. The charges included employee separation costs of $7.7 million associated with product or component manufacturing repositioning and the realignment of certain administrative functions. The resulting reduction of workforce is approximately 150 salaried and 775 hourly employees. In addition, the company recorded facility impairment and lease charges of $1.7 million representing estimated costs of facilities to be vacated. The company spent $5.0 million through June 30, 2003 for employee severance and separation costs. At June 30, 2003, the company estimates approximately 180 employees are yet to be impacted. The realignment activities will be substantially completed prior to December 31, 2003.

4. Inventories (dollars in millions)

	June 30, 2003	December 31, 2002
Finished products	$ 150.2	$ 130.7
Work in process	45.2	39.7
Raw materials	66.1	58.3
	261.5	228.7
LIFO reserve	28.3	28.3
	$ 233.2	$ 200.4

5. Long-Term Debt

The company's credit agreement and term notes contain certain conditions and provisions which restrict the company's payment of dividends. Under the most restrictive of these provisions, retained earnings of $111.6 million were unrestricted as of June 30, 2003.

During June 2003, the company issued $50 million in senior notes with various insurance companies. The notes range in maturity between 2013 and 2016 and carry a weighted-average interest rate of slightly less than 4.5%. The proceeds of the notes were used to repay commercial paper and revolver borrowing.

6. Product Warranty (dollars in millions)

The company offers warranties on the sales of certain of its products and records an accrual for the estimated future claims. Such accruals are based upon historical experience and management's estimate of the level of future claims. The following table presents the company's warranty liability activity for the six-months ended June 30, 2003 and 2002, respectively:

	2003	2002
Balance at January 1	$ 70.5	$ 69.6
Expense	14.1	16.7
Claims settled	(15.3)	(14.7)
Balance at June 30	$ 69.3	$ 71.6

7. Common Stock Issuance

On May 10, 2002, the company completed the sale of 4,776,065 shares of its common stock held in treasury. The $127.5 million net proceeds from the offering were used to reduce long-term debt.

8. Comprehensive Earnings (dollars in millions)

The company's comprehensive earnings are comprised of net earnings, foreign currency translation adjustments, and realized and unrealized gains and losses on cash flow derivative instruments.

	Three Months Ended June 30		Six Months Ended June 30	
	2003	2002	2003	2002
Net Earnings	$ 19.8	$ 18.0	$ 33.5	$ 30.1
Other comprehensive earnings (loss):				
Foreign currency translation adjustments	1.3	2.4	1.8	2.1
Unrealized net gains (losses) on cash flow derivative instruments less related income tax provision (benefit): 2003 - $(4.0) & $(2.0); 2002 - $3.8 & $1.4	6.3	(6.0)	7.0	(1.7)
Comprehensive Earnings	$ 27.4	$ 14.4	$ 42.3	$ 30.5

9. Earnings per Share of Common Stock

The numerator for the calculation of basic and diluted earnings per share is net earnings. The following table sets forth the computation of basic and diluted weighted-average shares used in the earnings per share calculations:

	Three Months Ended June 30		Six Months Ended June 30	
	2003	2002	2003	2002
Denominator for basic earnings per share - weighted-average shares	29,002,640	26,486,407	28,972,816	25,136,771
Effect of dilutive stock options	653,070	745,678	616,502	645,508
Denominator for diluted earnings per share	29,655,710	27,232,085	29,589,318	25,782,279

10. Stock Based Compensation

The company has one stock-based employee compensation plan as more fully described in Note 11 of Notes to Consolidated Financial Statements of the Company's 2002 annual report on Form 10-K. SFAS No. 123, "Accounting for Stock-Based Compensation," encourages, but does not require companies to record compensation cost for stock-based employee compensation plans at fair value. The company has chosen to continue applying Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for its stock option plan. Accordingly, because the number of shares is fixed and the exercise price of the stock options equals the market price of the underlying stock on the date of grant, no compensation expense has been recognized.

Had compensation cost been determined based upon the fair value at the grant date for awards under the plans based on the provisions of SFAS No. 123, the company's pro forma earnings and earnings per share would have been as follows:

(dollars in millions, except per share amounts)	Three months ended June 30		Six months ended June 30	
	2003	2002	2003	2002
Earnings:				
As reported	$ 19.8	$ 18.0	$ 33.5	$ 30.1
Deduct: Total stock based employee compensation expense determined under fair value based method, net of tax	(0.4)	(0.4)	(0.9)	(0.8)
Pro forma	$ 19.4	$ 17.6	$ 32.6	$ 29.3
Earnings per share:				
As reported:				
Basic	$ 0.68	$ 0.68	$ 1.16	$ 1.20
Diluted	0.67	0.66	1.13	1.17
Pro forma:				
Basic	$ 0.67	$ 0.66	$ 1.13	$ 1.17
Diluted	0.65	0.65	1.10	1.14

11. Operations by Segment (dollars in millions)

	Three months ended June 30		Six months ended June 30	
	2003	2002	2003	2002
Net sales				
Electrical Products	$227.6	$219.2	$440.7	$415.4
Water Systems	190.0	167.1	364.8	342.8
	$417.6	$386.3	$805.5	$758.2
Earnings before interest and taxes				
Electrical Products	$ 18.6	$ 20.5	$ 36.2	$ 35.7
Water Systems	17.8	16.6	29.9	30.2
	36.4	37.1	66.1	65.9
Corporate expenses	(4.2)	(5.7)	(10.1)	(11.7)
Interest expense	(3.0)	(3.7)	(5.9)	(7.9)
Earnings before income taxes	29.2	27.7	50.1	46.3
Provision for income taxes	(9.4)	(9.7)	(16.6)	(16.2)
Earnings from continuing operations	$ 19.8	$ 18.0	$ 33.5	$ 30.1

Intersegment sales, which are immaterial, have been excluded from segment revenues.

PART I - FINANCIAL INFORMATION
ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS
SECOND QUARTER AND FIRST SIX MONTHS OF 2003 COMPARED TO 2002

Sales were $417.6 million in the second quarter of 2003, approximately eight percent higher than sales of $386.3 million in the second quarter of 2002. Sales for the first half of 2003 were $805.5 million or six percent higher than sales of $758.2 million in the same period last year. The increase in second quarter and first half sales was due primarily to our acquisitions of Athens Products (Athens) and Jiangsu Changheng Group Co. Ltd. in the last half of 2002 as well as higher residential gas water heater volume.

Our gross profit margin for the second quarter and first half of 2003 was 20.1 percent. Our gross profit margins for the second quarter and first half of 2002 were 21.1 percent and 20.9 percent, respectively. Much of the decline in our gross profit margins was due to increased steel prices, lower margin sales of recent acquisitions in our motor business, and unfavorable sales mix in the water heater operation.

Selling, general and administrative expenses in the second quarter and first half of 2003 were higher than the same periods in 2002 by $1.5 million and $2.3 million, respectively. The increase was due to the aforementioned acquisitions and was partially offset by cost reduction activities within our operating units and an insurance settlement of $.9 million recognized in the second quarter.

Interest expense for the second quarter and first half of 2003 was lower than the comparable periods in 2002 by $.7 million and $2.0 million, respectively, due to reduced debt levels throughout most of the first six months resulting from our May 10, 2002 stock offering and lower interest rates.

We have significant pension benefit costs and credits that are developed from actuarial valuation. The valuations reflect key assumptions regarding, among other things, discount rates, expected return on plan assets, retirement ages, and years of service. Consideration is given to current market conditions, including changes in interest rates, in making these assumptions. Our assumption for the expected rate of return on pension plan assets is 9.0 percent in 2003 compared with 9.75 percent in 2002. Pension income recognized in the second quarter and first half of 2003 was $3.4 million and $5.8 million, respectively, and compared with $4.1 million and $8.6 million in the comparable periods of 2002. Our pension income is reflected as reductions to cost of products sold and selling, general, and administrative expense.

Other expense decreased from $.7 million in the first half of 2002 to $.3 million in the first half of 2003 due mostly to a non-recurring gain on the sale of securities in the first quarter of 2003.

Our effective tax rates for the second quarter and first half of 2003 were 32.1 percent and 33.1 percent, respectively, and were both favorably impacted by release of a $.7 million reserve upon resolution of a federal tax audit in May 2003. The effective rate for the total year 2003 should approximate 34.0 percent. Our effective tax rate for the second quarter and first half of 2002 was 35.0 percent. The lower rates in 2003 were due to the aforementioned tax audit resolution and continued optimization of the tax structure of our international operations.

Net earnings for the second quarter were $19.8 million, surpassing the same quarter last year by $1.8 million. Net earnings of $33.5 million for the first half of 2003 were $3.4 million higher than net earnings of $30.1 million in the first half of 2002. The increase in earnings in both the second quarter and first half was attributable to lower interest expense, a liquidation distribution from a bankrupt insurer, and a favorable resolution of a tax credit issue. Second quarter diluted earnings per share increased from $.66 in 2002 to $.67 in 2003 overcoming most of the $.05 per share dilutive impact of the May 2002 stock offering of 4.8 million shares. On a year-to-date basis, diluted earnings per share declined to $1.13 from $1.17 in the same period last year. The dilutive impact of the May 2002 stock offering was $.13 per share in the first half of 2003.

Electrical Products

Second quarter sales for our Electrical Products segment were $227.6 million, approximately $8.4 million higher than sales of $219.2 million in the second quarter of 2002. Year-to-date sales for this segment were $440.7 million, an increase of $25.3 million from 2002 first half sales of $415.4 million. The increase in sales for the second quarter and first half was the result of our July 2002 acquisition of Athens and additional sales from our recently acquired Chinese motor operations. The additional sales from our acquisitions were partially offset by a five percent decline in sales of heating and air conditioning motors and pump motors as a result of cooler than normal weather conditions during the second quarter in the northern United States.

Operating earnings for our Electrical Products segment in the second quarter were $18.6 million or approximately nine percent lower than the $20.5 million of operating earnings in the second quarter of 2002. The decline in earnings was due mostly to the weather related decline in the base business sales. First half operating earnings in 2003 were higher than the same period in 2002 by $.5 million reflecting the favorable impact of cost reduction initiatives.

During the second quarter we closed the Athens, Tennessee plant and announced that our Ripley, Tennessee facility will cease production in July.

Water Systems

Second quarter and first half sales for our Water Systems segment both increased by approximately $22.0 million over the comparable periods in 2002. The higher sales were the result of a price increase introduced early in the year to offset increased steel costs, incremental sales of residential gas water heaters in advance of introducing the new higher cost flammable vapor ignition resistant product, and a substantial increase in sales at our Chinese operation. Sales of commercial product declined less than five percent in the second quarter when compared to the same period in 2002 due to a weak commercial construction market.

Operating earnings for our Water Systems segment were $17.8 million in the second quarter, over seven percent higher than the second quarter of 2002. While operating earnings improved, margins were adversely impacted by the unfavorable commercial and residential product mix. Operating earnings for the first half of 2003 were $29.8 million, slightly less than earnings of

$30.2 million in the same period last year. The lower first half earnings reflect the impact of increased steel costs.

We recently announced plans to consolidate the North American manufacture of residential water heaters at our Ashland City, Tennessee, and Juarez, Mexico, facilities. This initiative will involve transferring residential production from the McBee, South Carolina plant and will be complete by the first quarter of 2004. We are also consolidating most of our commercial manufacturing in the McBee plant by relocating production from Ashland City and our El Paso, Texas, boiler plant.

Outlook

The company's overall cost structure has improved significantly over the last year and a half, and our operating units will continue to aggressively manage cost as we go forward. We project per share earnings of $.42 to $.46 in the third quarter. We also are reaffirming and narrowing our guidance for full-year 2003 earnings to a range of between $2.10 and $2.25 per share.

While we don't anticipate any rebound in our served markets in 2003, the impact of operating improvements and new products will materialize and accelerate during the second half of the year. These improvements include the continued success of the motor repositioning programs and the ongoing integration of the State Industries acquisition. In addition to these operating improvements, the introduction of new water heater products during the second half of the year will generate additional sales and earnings. As a consequence, we expect earnings per share comparisons to improve significantly in the third and fourth quarters of this year.

Liquidity & Capital Resources

Our working capital was $298.4 million at June 30, 2003, $71.8 million higher than at December 31, 2002. The majority of the increase resulted from increases in accounts receivable of $57.0 million due to higher sales and higher inventory levels of $32.8 million partially related to product repositioning. These increases were partially offset by increases in accounts payable of $31.3 million. Cash used in operating activities during the first half of 2003 was $6.1 million compared with $50.2 million of cash provided by operating activities during the same period in 2002. Essentially all of the difference is due to the higher investment in working capital, as described above, during the first half of 2003 compared with the first half of 2002, and the receipt of a $12.4 million tax refund in the first half of 2002. We project cash provided by operating activities of $80 to $90 million for the full year due to improved working capital levels and second half earnings.

Our capital expenditures during the first half of 2003 totaled $14.8 million, which was slightly less than the capital spending during the same period last year. However, for the full year, we are projecting 2003 capital expenditures of approximately $45 million, slightly more than the $42.5 million spent during the full year last year. We expect that cash flow during 2003 will adequately cover planned capital expenditures. We believe that our present facilities and planned capital expenditures are sufficient to provide adequate capacity for our operations in 2003.

Our total debt increased by $29.3 million from $250.8 million at December 31, 2002 to $280.1 million at June 30, 2003. Our leverage as measured by the ratio of total debt to total capitalization was 34%, up slightly from the 33% at the end of 2002. We did not enter into any significant operating leases during the first six months of 2003.

To take advantage of historically low long-term borrowing rates, during June our company issued $50 million in senior notes with various insurance companies. The notes range in maturity between 2013 and 2016 and carry a weighted-average interest rate of slightly less than 4.50%. The proceeds of the notes were used to repay commercial paper and revolver borrowing.

At June 30, 2003, our company had available borrowing capacity of $239.8 million under our credit facilities. As a result of the new term notes in our capital structure (described above), we have chosen not to renew our $82.5 million 364 day credit facility that expires on July 25, 2003. We believe that the remaining combination of available borrowing capacity and operating cash flow will provide sufficient funds to finance our existing operations for the foreseeable future.

In connection with acquisitions, we have recorded aggregate purchase liabilities of $26.5 million at the respective acquisition dates for employee severance and relocation as well as certain facility exit costs. As of June 30, 2003, we incurred and charged $18.2 million against these liabilities. We expect the majority of the activities to be completed by December 31, 2003.

On July 8, 2003, our board of directors increased the quarterly dividend from $.14 per share to $.15 per share on our Common stock and Class A common stock, which is payable on August 15, 2003 to stockholders of record on July 31, 2003.

Critical Accounting Policies

Our accounting policies are described in Note 1 of Notes to Consolidated Financial Statements as disclosed in the Form 10-K for the fiscal year ended December 31, 2002. Also as disclosed in Note 1, the preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the use of estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Actual results inevitably will differ from those estimates, and such differences may be material to the financial statements.

The most significant accounting estimates inherent in the preparation of our financial statements include estimates associated with the evaluation of the impairment of goodwill, as well as the recoverability of receivables resulting from the payment of claims associated with the dip tube class action lawsuit (see Note 14 of notes to consolidated financial statements in the Form 10-K for the fiscal year ended December 31, 2002). There are also significant estimates used in the determination of liabilities related to warranty activity, litigation, product liability, environmental matters and pensions and other post-retirement benefits. Various assumptions and other factors underlie the determination of these significant estimates. The process of determining significant estimates is fact-specific and takes into account factors such as historical experience and trends, and in some cases, actuarial techniques. We constantly reevaluate these significant factors and adjustments are made when facts and circumstances dictate.

Recent Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued SFAS No. 143, "Accounting for Asset Retirement Obligations", SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities," SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure", and FASB Interpretation Number ("FIN") 46, "Consolidation of Variable Interest Entities." SFAS No. 143, which was adopted on January 1, 2003, did not have a material impact on our consolidated financial statements since its adoption. SFAS No. 146 is effective for exit or disposal activities initiated after December 31, 2002. Adoption of this statement did not have a material impact on our consolidated financial statements. Effective December 31, 2002, we began making the disclosures required under SFAS No. 148. To date, FIN 46 has not had a material impact on our consolidated financial statements nor is FIN 46 expected to have a material impact on our consolidated financial statements in the future.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISK

As is more fully described in our annual report on Form 10-K for the year ended December 31, 2002, we are exposed to various types of market risks, primarily currency and certain commodities. We monitor our risks in these areas on a continuous basis and generally enter into forward and futures contracts to minimize these exposures for periods of less than one year. Our company does not engage in speculation in our derivative strategies. It is important to note that gains and losses from our forward and futures contract activities are offset by changes in the underlying costs of the transactions being hedged.

ITEM 4 - CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures
The chief executive officer and chief financial officer have evaluated the effectiveness of the company's disclosure controls and procedures within the 90-day period prior to the filing of this report and have concluded that these disclosure controls and procedures were adequate and effective to ensure that material information relating to the company and its consolidated subsidiaries would be made known to them by others within those entities.

Changes in internal controls
There were no significant changes in our internal controls or in other factors that could significantly affect our disclosure controls and procedures subsequent to the date of their evaluation, nor were there any significant deficiencies or material weaknesses in our internal controls. As a result, no corrective actions were required or undertaken.

Forward Looking Statements
This document contains statements that we believe are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "continue," "expectation", or words of similar meaning. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this filing. Factors that could cause such a variance include the following: instability in the company's electric motor and water products markets; inability to generate the synergistic cost savings from the acquisition of State Industries; the inability to implement cost-reduction programs; adverse changes in general economic conditions; significant increases in raw material prices; competitive pressures on the company's businesses; and the potential that assumptions on which the company based its expectations are inaccurate or will prove to be incorrect.

Forward-looking statements included in this document are made only as of the date of this filing, and the company is under no obligation to update these statements to reflect subsequent events or circumstances. All subsequent written and oral forward-looking statements attributable to the company, or persons acting on its behalf, are qualified in their entirety by these cautionary statements.

PART II - OTHER INFORMATION
ITEM 1 - LEGAL PROCEEDINGS

There have been no material changes in the legal and environmental matters previously reported in Part 1, Item 3 and Note 14 of the Notes to Consolidated Financial Statements in the company's Form 10-K Report for the year ended December 31, 2002.

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On March 5, 2003, the company mailed a proxy statement to its stockholders relating to the annual meeting of stockholders on April 7, 2003. The annual meeting included the election of directors and the ratification of Ernst & Young LLP as the independent auditors of the company for 2003.

Directors are elected by a plurality of votes cast, by proxy or in person, with the holders voting as separate classes. A plurality of votes means that the nominees who receive the greatest number of votes cast are elected as directors. Consequently, any shares which are not voted, whether by abstention, broker nonvotes or otherwise, will have no effect on the election of directors.

For all other matters considered at the meeting, both classes of stock vote together as a single class, with the Class A Common Stock entitled to one vote per share and the Common Stock entitled to 1/10th vote per share. All such other matters are decided by a majority of the votes cast. On such other matters, an abstention will have the same effect as a "no" vote but, because shares held by brokers will not be considered to vote on matters as to which the brokers withhold authority, a broker nonvote will have no effect on the vote.

1. Election of Directors

Class A Common Stock Directors	Votes For	Votes Withheld
Ronald D. Brown	8,473,419	1,672
Robert J. O'Toole	8,473,239	1,852
Bruce M. Smith	8,473,345	1,746
Mark D. Smith	8,473,645	1,446

Common Stock Directors	Votes For	Votes Withheld
William F. Buehler	17,661,889	938,179
Kathleen J. Hempel	17,087,047	1,513,021

2. Ratification of Ernst & Young LLP as Independent Auditors Broker

COMBINED CLASS VOTE:	Votes For	Votes Against	Abstentions
Class A Common Stock and Common Stock (1/10th vote)	10,180,645	153,754	699

ITEM 5 - OTHER INFORMATION

None

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

On April 16, 2003 the Company filed a Current Report on Form 8-K, reporting under Items 7 and 9, announcing the Company's results for the quarter ended March 31, 2003 and its earnings outlook for 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has authorized this report to be signed on its behalf by the undersigned.

A. O. SMITH CORPORATION

July 31, 2003

/s/John J. Kita

John J. Kita
Vice President,
Treasurer and Controller

July 31, 2003

/s/Kenneth W. Krueger

Kenneth W. Krueger
Senior Vice President
and Chief Financial Officer

CERTIFICATION OF PERIODIC REPORT

I, Robert J. O'Toole, Chairman, President, and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of A. O. Smith Corporation (the "company");

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this quarterly report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the company and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the company's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls; and

6. The company's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 31, 2003

/s/ Robert J. O'Toole

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Robert J. O'Toole
Chairman, President, and Chief Executive Officer

CERTIFICATION OF PERIODIC REPORT

I, Kenneth W. Krueger, Senior Vice President and Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of A. O. Smith Corporation (the "company");

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this quarterly report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the company and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the company's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls; and

6. The company's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 31, 2003

/s/ Kenneth W. Krueger

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Kenneth W. Krueger
Senior Vice President and Chief Financial Officer

INDEX TO EXHIBITS

Exhibit Number	Description
99	Written Statement of the Chief Executive Officer and the Chief Financial Officer pursuant to 18 U.S.C. Section 1350.

Exhibit 99

Written Statement of the Chief Executive Officer and the
Chief Financial Officer Pursuant to 18 U.S.C. Section 1350

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, each of the undersigned certifies that to the best of our knowledge:

(1) the Quarterly Report on Form 10-Q of A. O. Smith Corporation for the quarter ended June 30, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of A. O. Smith Corporation.

Date: July 31, 2003

/s/ Robert J. O'Toole
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Robert J. O'Toole
Chairman, President, and Chief Executive Officer

/s/ Kenneth W. Krueger
- --
Kenneth W. Krueger
Senior Vice President and Chief Financial Officer