

## About Emerson

Emerson (NYSE: EMR) is a global technology and engineering company providing innovative solutions for customers in industrial, commercial and residential markets. Our Automation Solutions business helps process, hybrid and discrete manufacturers maximize production, protect personnel and the environment while optimizing their energy and operating costs. Our Commercial & Residential Solutions business helps ensure human comfort and health, protect food quality and safety, advance energy efficiency and create sustainable infrastructure.

FOUNDED IN  
**1890**

  
HEADQUARTERED IN  
St. Louis, Missouri, USA  
**\$17.4B**  
sales (in fiscal 2018)

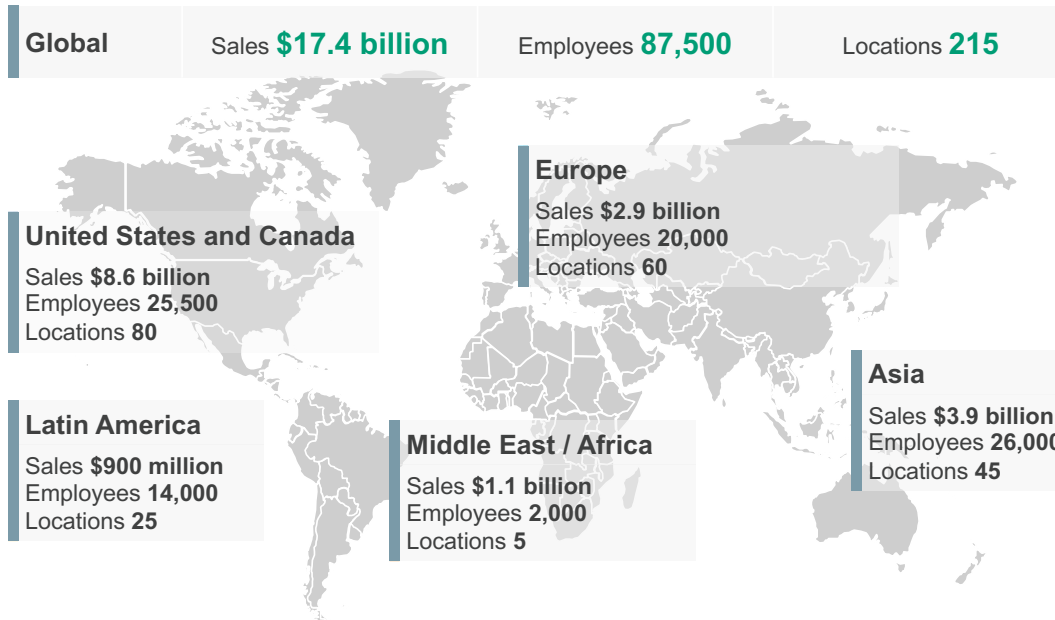
TRACK RECORD OF RETURNING CAPITAL TO SHAREHOLDERS  
DIVIDEND HAS INCREASED AT A COMPOUND ANNUAL RATE OF  
**10.1 percent since 1956**

**\$1B**  
in shares repurchased in 2018

**\$1.2B**  
annual cash dividend

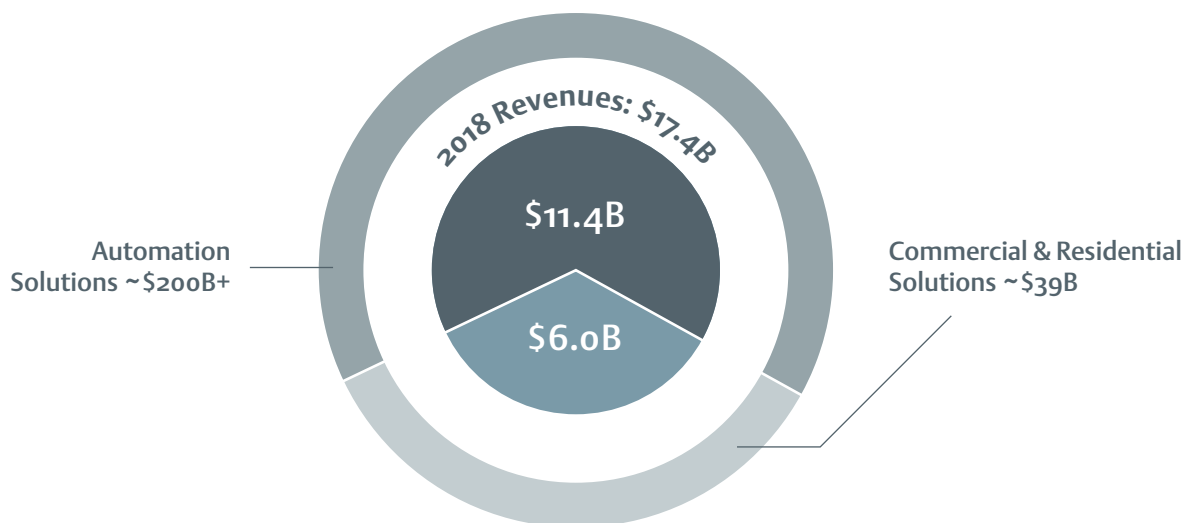
**No. 178**  
on 2018 FORTUNE 500 list of  
America's largest corporations

  
**\$2.9B**  
operating cash flow  
**\$2.2M**  
cash returned  
to shareholders  
**\$2.3B**  
Free cash flow



NOTE: Locations include manufacturing locations only.

## Market Growth Opportunities



## Dividend Chart

**62** consecutive years of increased dividends

*Emerson (NYSE: EMR) is one of the few public companies with 60+ years of increased dividends.*



## AUTOMATION SOLUTIONS

Automation Solutions helps process, hybrid and discrete manufacturers achieve Top Quartile performance by maximizing production and optimizing energy and operating costs while also protecting personnel and the environment.

### Industries served include



# Sales: \$11.4 Billion

### Core Expertise & Key Brands

#### Industrial Internet of Things

- Plantweb

#### Systems and Asset Management

- DeltaV
- Ovation

#### Measurement Instrumentation

- Rosemount
- Micro Motion

#### Fluid Control and Pneumatics

- ASCO
- AVENTICS

#### Valves, Actuators and Regulators

- Bettis
- Fisher
- Keystone
- KTM
- Vanessa

#### Welding, Assembly and Cleaning

- Branson

#### Electrical and Lighting

- Appleton

#### Industry Services and Solutions

### Key Customers

- Amgen
- BASF
- BP
- Cargill
- Dow

- Duke Energy
- Novo Nordisk
- Reliance Industries
- Sasol
- Saudi Aramco

- Shell
- Sinopec
- Tesla

## COMMERCIAL & RESIDENTIAL SOLUTIONS

*Commercial & Residential Solutions helps ensure human comfort and health, protect food quality and safety, advance energy efficiency and create sustainable infrastructure.*

### Industries served include



CONSTRUCTION



COMMERCIAL  
BUILDINGS



FOOD RETAIL



FOOD  
SERVICE



TRANSPORTATION



CONTRACTOR



HOMEOWNERS

# Sales: \$6.0 Billion

#### Core Expertise

- Heating and Air Conditioning
- Refrigeration and Cold Chain
- Monitoring Systems and Facility Controls
- Food Waste Solutions
- Home Repair and Maintenance
- Professional Tools for Mechanical, Electrical, Plumbing and Industrial Infrastructure

#### Key Brands

- Copeland
- Greenlee
- InSinkErator
- Klauke
- ProAct
- RIDGID
- Sensi

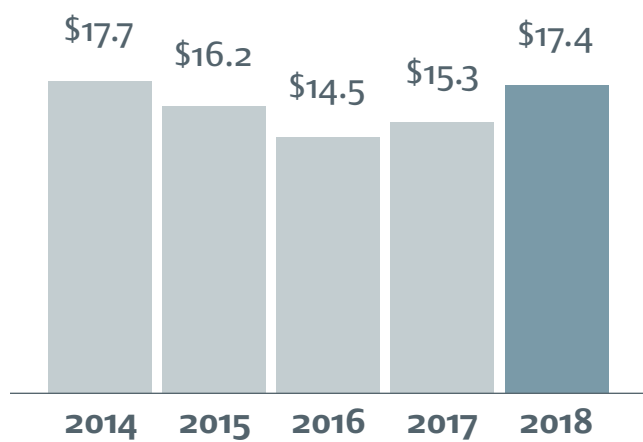
#### Key Customers

- Amazon
- Daikin-Goodman
- Ferguson
- The Home Depot
- Ingersoll-Rand
- Johnson Controls
- Lennox
- Lowe's
- Midea
- Mitsubishi
- Rheem
- United Refrigeration
- United Technologies
- Viessmann
- W.W. Grainger

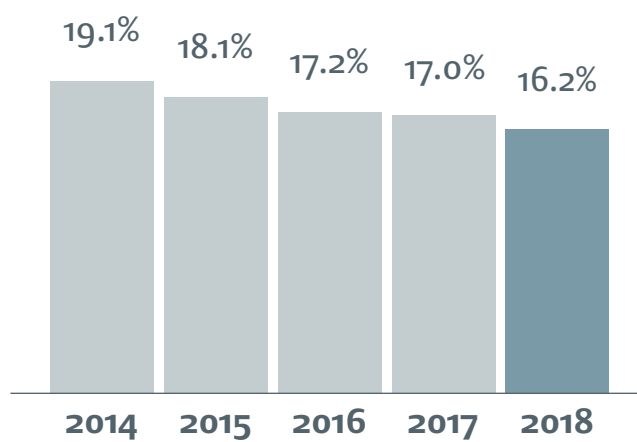
## Financial Performance

Dollars in billions except per share amounts

### SALES

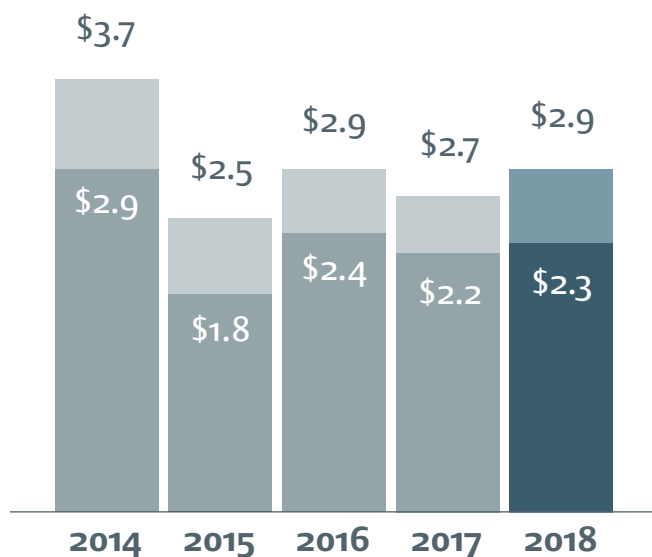


### EBIT MARGIN CONTINUING OPERATIONS Excluding items<sup>a</sup>

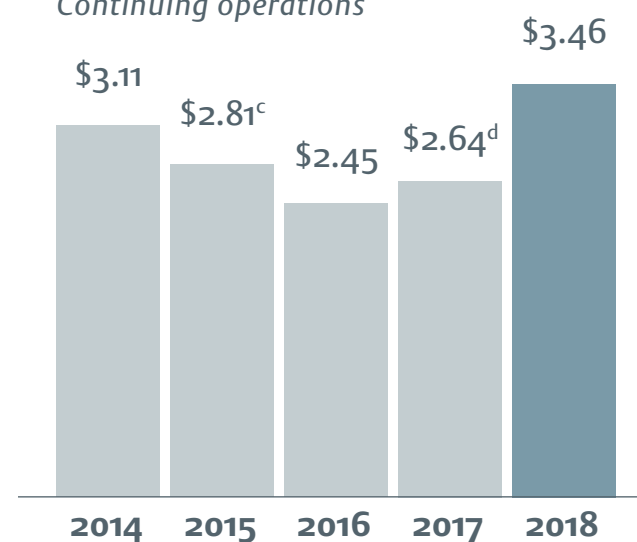


<sup>a</sup> Non-GAAP: EBIT margin excludes interest and taxes for all years, Valves & Controls' first year acquisition accounting charges in 2017 and gains from divestitures of businesses in 2015. Including the items, which had an impact of +0.9%, +1.7%, +1.2%, (5.3)% and +1.1% for 2018, 2017, 2016, 2015 and 2014, respectively, pretax margin was 15.3%, 15.3%, 16.0%, 23.4%, and 18.0%, respectively.

### OPERATING CASH FLOW AND FREE CASH FLOW<sup>b</sup>



### DILUTED EARNINGS PER SHARE Continuing operations



<sup>b</sup> Non-GAAP: Free Cash Flow equals Operating Cash Flow in the above table less Capital Expenditures on page 6. 2017 Operating Cash Flow is from continuing operations.

<sup>c</sup> 2015 reported earnings per share were \$3.71 which includes gains from divestitures of businesses of \$0.90 per share.

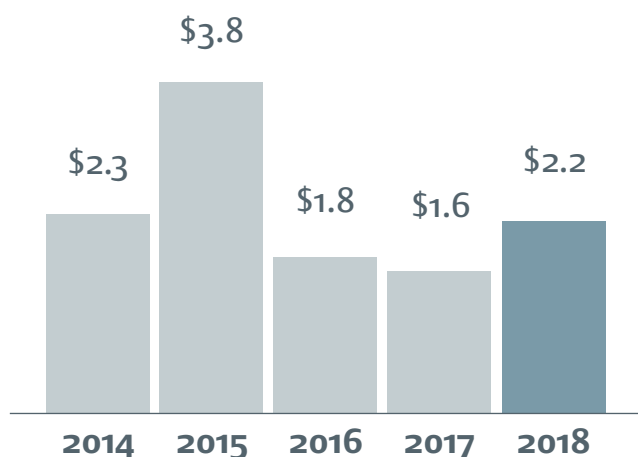
<sup>d</sup> 2017 reported earnings per share were \$2.54 which includes Valves & Controls' first year acquisition accounting charges of \$0.10 per share.



## Capital Deployment

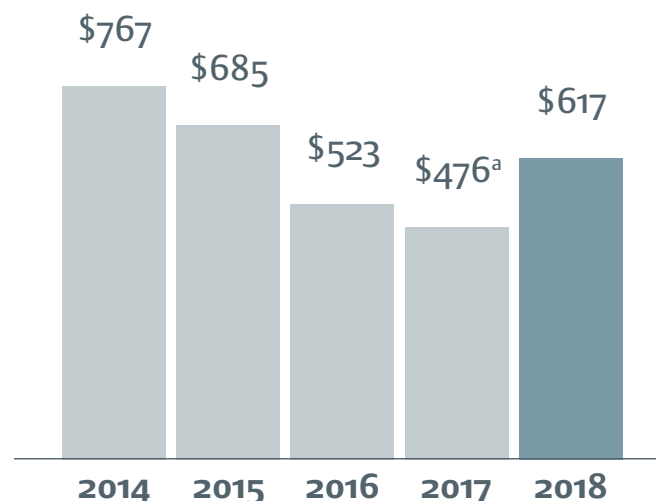
### CASH FLOW RETURNED TO SHAREHOLDERS

Dollars in billions



### CAPITAL EXPENDITURES

Dollars in millions



<sup>a</sup> Capital expenditures from continuing operations

### ACQUISITIONS

### AUTOMATION SOLUTIONS

- **Advanced Engineering Valves**

The Advanced Engineering Valves (A.E. Valves) business enables Emerson to provide its customers with the world's broadest portfolio of valves to improve process performance and reliability.

- **Intelligent Platforms**

Intelligent Platforms' programmable logic controller (PLC) technologies enable Emerson to provide its customers broader control and management of their operations.

- **Aventics**

Aventics is among the global leaders in smart pneumatics technologies that power machine and factory automation applications, and significantly expands Emerson's reach in the growing \$13 billion market for fluid automation technologies.

- **Paradigm**

Paradigm, joined with Emerson's existing Roxar software business, creates a best-in-class, end-to-end Exploration & Production (E&P) software portfolio with offerings spanning seismic processing and interpretation to production modeling.

### COMMERCIAL & RESIDENTIAL SOLUTIONS

- **Tools & Test**

Tools & Test is a leading manufacturer of electrical and utility tools, diagnostics, and test and measurement instruments with strong global distribution and highly respected brands, including Greenlee and Klauke. Joined with Emerson's Ridge Tool Company, this acquisition creates a global \$1 billion professional tools business for Emerson, with the broadest offering for mechanical, electrical and plumbing contractors.

- **Cooper-Atkins**

Cooper-Atkins, a leading manufacturer of temperature management and environmental measurement devices and wireless monitoring solutions, is a strong complement to Emerson's global cold chain business. This includes the ProAct™ Services portfolio for supermarkets and the Cargo Solutions business, which provides real-time perishable cargo tracking and monitoring.