Emerson’s Acquisition of Advanced Engineering Valves (A.E. Valves)

December 12, 2018

Forward-Looking and Cautionary Statements
Statements in this press release that are not strictly historical may be “forward-looking” statements, which involve risks and uncertainties, and Emerson undertakes no obligation to update any such statements to reflect later developments. These risks and uncertainties include economic and currency conditions, market demand, pricing, protection of intellectual property, cybersecurity, tariffs, competitive and technological factors, and the impact of the Tax Cuts and Jobs Act, among others, as set forth in the Company’s most recent Annual Report on Form 10-K and subsequent reports filed with the SEC.
A.E. Valves Extends our Final Control Portfolio in Key End Markets

Data Management
Converts rich data to information and develops actionable insights

Control
Performs action on rich data collected from the field

Devices / Instruments / Sensors
Generates rich data

Areas of Focus
- Solutions & Services
  - Packaged Solutions
  - Machine Integration
  - Energy & Environment
A.E. Valves Company Overview

**Key Facts**
- **Founded**: 2010
- **Headquarters**: Verviers, Belgium
- **Key Markets**:
  - LNG
  - Petrochemical
  - Chemical

**Focused Applications**
- Cryogenic & severe service double-eccentric C-ball valves
  - **LNG market**: liquefaction, carriers, regasification
  - **Severe service**: extreme temperature and reactive media environments

**Product Features & Benefits**
- **Valve Technology Leadership**
  - Friction Free
  - Zero Leakage
  - Safe Design

- **ENHANCED RELIABILITY**
- **MAXIMIZED SAFETY**
- **IMPROVED PERFORMANCE**
- **EASE OF MAINTENANCE**
Acquisition Strengthens Final Control Technology Leadership in Growing LNG Market

LNG investment underway; Upcoming projects LNG Canada, Driftwood, and Golden Pass are significant greenfield opportunities.

Final Control represents ~70% of the Emerson ~$1B LNG large project funnel.

A.E. Valves Broadens Emerson’s LNG Portfolio to Provide Full Scope Valves Offering for Greenfield Projects and Aftermarket Services.
A.E. Valves Is a Complementary Bolt-on to Emerson’s Final Control Business

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<th>Desirable Target</th>
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<td>• Leader in key technologies for <strong>LNG market</strong>, including cryogenic and other severe service applications</td>
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<th>Strategic Fit</th>
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<td>• Broadens Emerson’s offering to provide <strong>complete valves solutions</strong> across the LNG value chain</td>
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<td>• Strengthens <strong>greenfield offering, aftermarket services and position as Main Valve Partner™</strong></td>
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<td>• Reinforces Emerson’s leadership in isolation valves for challenging applications, utilizing <strong>differentiated technologies</strong> that improve reliability and performance for customers</td>
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<th>Value Creation</th>
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<td>• Strengthens Emerson as a <strong>leading supplier of Final Control products</strong> for the LNG market</td>
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<td>• Positions Emerson for success in <strong>growing LNG project funnel</strong></td>
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<td>• Strong pull-through opportunity leveraging the strength and breadth of <strong>Automation Solutions channel</strong></td>
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