

A photograph of an industrial facility, likely a refinery or chemical plant, at dusk. The sky is a mix of blue and orange, with the sun low on the horizon. The facility is illuminated by numerous lights, creating a bright, industrial scene. Two tall, dark smokestacks are prominent in the foreground. The overall atmosphere is one of a busy, active industrial site.

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

Enterprise Management

Production Management
(Data Management, Manufacturing Execution System (MES))

Process Control

Machine Control

I/O Networking

Instrumentation

Intelligent Sensors

Control & Actuated Valves

Motion Control

On/Off Valves & Fittings

Pneumatics

Mechanical Processes

Specialty & Robotics

Rotating Equipment

Motors & Drives

Electrical & Power

Safety & Control

Solutions & Services

- Packaged Solutions
- Machine Integration
- Energy & Environment

Process

Hybrid

Discrete

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



IMPROVED
PERFORMANCE



MAXIMIZED
SAFETY



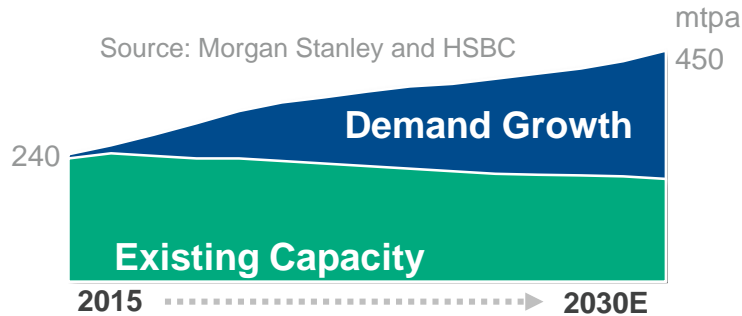
EASE OF
MAINTENANCE



A.E. Valves Designs and Manufactures Highly Engineered Valves for Critical Applications in LNG and Chemical Markets

Acquisition Strengthens Final Control Technology Leadership in **Growing LNG Market**

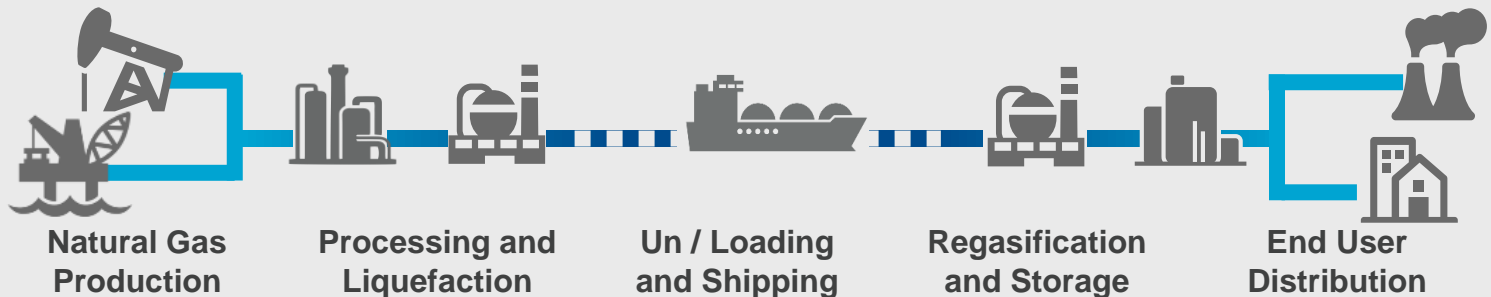
LNG Market



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

LNG Value Chain



Final Control



AEV



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

Desirable Target

- Leader in key technologies for **LNG market**, including cryogenic and other severe service applications

Strategic Fit

- Broadens Emerson's offering to provide **complete valves solutions** across the LNG value chain
- Strengthens **greenfield offering, aftermarket services and position as Main Valve Partner™**
- Reinforces Emerson's leadership in isolation valves for challenging applications, utilizing **differentiated technologies** that improve reliability and performance for customers

Value Creation

- Strengthens Emerson as a **leading supplier of Final Control products** for the LNG market
- Positions Emerson for success in **growing LNG project funnel**
- Strong pull-through opportunity leveraging the strength and breadth of **Automation Solutions channel**

A.E. Valves Strengthens Emerson's Position to Benefit from Global Investment Waves in LNG and Chemical