Electrical Products Group Conference

David N. Farr
Emerson Chairman and Chief Executive Officer
May 22, 2019

Safe Harbor Statement
Our commentary and responses to your questions may contain forward-looking statements, including our outlook for the remainder of the fiscal year, and Emerson undertakes no obligation to update any such statements to reflect later developments. Factors that could cause actual results to vary materially from those discussed today are provided in our most recent Annual Report on Form 10-K and subsequent reports filed with the SEC.

Non-GAAP Measures
In this presentation we will discuss some non-GAAP measures (denoted with *) in talking about our company’s performance, and the reconciliation of those measures to the most comparable GAAP measures is contained within this presentation or available at our website www.Emerson.com under Investors.
Inventory Correction Has Begun In Europe -- Already Seeing Improvements
Gap Has Yet to Tighten In the United States -- Distribution Related Business Rebound Will Take Several Months
Total Emerson Underlying Order Trends
Trailing 3-Month Average vs. Prior Year

Orders data includes the Valves & Controls acquisition results on a pro forma basis for all periods. The acquisition closed April 28, 2017.

Trailing Three-month Underlying Orders Increased 4% in April, Marking Twenty-Six Consecutive Months of Positive Orders
Long-term Outlook Remains Intact -- Large Project Funnel Robust With Additional Commitments to Emerson

Investment Decision Dates By Destination

<table>
<thead>
<tr>
<th>Destination</th>
<th>2019</th>
<th>2020</th>
<th>2021+</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2018</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>191 Projects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$6.8B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>195 Projects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$7.6B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>204 Projects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$7.7B</td>
<td></td>
<td></td>
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</tbody>
</table>

Total Automation Solutions Backlog

- August 2018: ~$850M Committed Not Booked in May 2019 Funnel
- February 2019: ~$450M @ Q2’19 Earnings Call
- May 2019: ~$850M Committed Not Booked in May 2019 Funnel

WORLD AREA VS. FEB EXPECTATION

- Americas: ✓
- Asia Pacific, Middle East & Africa: ✓
- Europe: ✓

Growth of Long-cycle Backlog and Healthy Project Funnel Supports Visibility and Sales Growth into 2020 -- Still Committed to Investments
Systems & Solutions Top 120 Projects

UPDATES SINCE FEB INVESTOR CONFERENCE

+$110M of Additional Projects

+$75M in Commitments to Emerson
+3 new checks

~$250M Shifted out of 2019 into 1H20

Content Intentionally Omitted
## Final Control Top 120 Projects

<table>
<thead>
<tr>
<th>Updates Since Feb Investor Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>+$170M of Additional Projects</td>
</tr>
<tr>
<td>+$40M in Commitments to Emerson</td>
</tr>
<tr>
<td>+5 new checks</td>
</tr>
<tr>
<td>~$50M Shifted out of 2019 into 1H20</td>
</tr>
</tbody>
</table>

Content Intentionally Omitted
Final Control is Delivering Ahead of Synergy Plan and Continues to Outperform Competitors

Indexed Quarterly Underlying* Sales Growth

<table>
<thead>
<tr>
<th>EMR FY</th>
<th>Acquisition Closed April 28, 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
<th>Q1 2019</th>
<th>Q2 2019</th>
</tr>
</thead>
</table>

Valves & Controls Integration

- **Synergy programs on track** to deliver on $200M Year 5 commitment
- **Total Final Control** significant improvements (May'17 to Mar'19):
  - Service level
  - Trade working capital
  - Overdue backlog

Strong Project Wave Continues

- **~50% win rate** in the first half of 2019
- **Significant orders opportunity** in the next 18 months, 60% are in LNG and chemical/petrochemical markets

闭合日期：2017年4月28日
## 2019 Outlook

### Net Sales Growth

<table>
<thead>
<tr>
<th></th>
<th>Earnings Call Feb 5, 2019</th>
<th>Updated Guidance May 7, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation Solutions</td>
<td>7% to 10%</td>
<td>7% to 8.5%</td>
</tr>
<tr>
<td>Commercial &amp; Residential Solutions</td>
<td>7% to 10%</td>
<td>7% to 9%</td>
</tr>
<tr>
<td></td>
<td>8% to 10%</td>
<td>~7%</td>
</tr>
</tbody>
</table>

### Underlying Sales* Growth

<table>
<thead>
<tr>
<th></th>
<th>Earnings Call Feb 5, 2019</th>
<th>Updated Guidance May 7, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation Solutions</td>
<td>4% to 7%</td>
<td>4% to 5.5%</td>
</tr>
<tr>
<td>Commercial &amp; Residential Solutions</td>
<td>5% to 8%</td>
<td>5% to 7%</td>
</tr>
<tr>
<td></td>
<td>3% to 5%</td>
<td>~2%</td>
</tr>
</tbody>
</table>

### GAAP EPS

<table>
<thead>
<tr>
<th></th>
<th>Earnings Call Feb 5, 2019</th>
<th>Updated Guidance May 7, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Rate</td>
<td>$3.60 to $3.75</td>
<td>$3.60 to $3.70</td>
</tr>
<tr>
<td></td>
<td>24 to 25%</td>
<td>~23%</td>
</tr>
</tbody>
</table>

### Operating Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Earnings Call Feb 5, 2019</th>
<th>Updated Guidance May 7, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>$3.2B</td>
<td>$3.2B</td>
</tr>
<tr>
<td>Free Cash Flow Conversion*</td>
<td>$650M</td>
<td>$650M</td>
</tr>
<tr>
<td></td>
<td>&gt;100%</td>
<td>&gt;100%</td>
</tr>
</tbody>
</table>

### Q3 Sales Growth Net / Underlying*

<table>
<thead>
<tr>
<th></th>
<th>Earnings Call Feb 5, 2019</th>
<th>Updated Guidance May 7, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 GAAP EPS</td>
<td>~9% / ~4.5%</td>
<td>~$0.94</td>
</tr>
<tr>
<td>% change vs. PY</td>
<td>(16%)</td>
<td>(16%)</td>
</tr>
</tbody>
</table>

### Q4 Sales Growth Net / Underlying*

<table>
<thead>
<tr>
<th></th>
<th>Earnings Call Feb 5, 2019</th>
<th>Updated Guidance May 7, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 GAAP EPS</td>
<td>~6.5% / ~5.5%</td>
<td>~$1.13</td>
</tr>
<tr>
<td>% change vs. PY</td>
<td>+16%</td>
<td></td>
</tr>
</tbody>
</table>

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No Change to the Second Half Outlook from the May Conference Call --
We Still Expect A Very Strong Growth Year in Sales, Profits, and Cash Flows

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Stronger USD continues to weigh on sales and profits – also closed 2 smaller software deals and 1 more likely in Q4

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*Underlying Sales Growth excludes the impact of acquisitions, divestitures, foreign exchange, and other items.
Tailwinds and Volume Leverage Drive Strong Second Half Segment Margin Performance

The Second Half of 2019 Sets Up Strong Profitability and Operating Cost Position Heading into 2020

Content Intentionally Omitted
Industry-leading Global Service Coverage Is the Foundation of Serving and Expanding Our Installed Base

$112B Global Installed Base

<table>
<thead>
<tr>
<th>World Area</th>
<th>Service Engineers</th>
<th>Service Centers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Today</td>
<td>Planned</td>
</tr>
<tr>
<td>North America</td>
<td>1,500</td>
<td>+700</td>
</tr>
<tr>
<td>Europe</td>
<td>1,300</td>
<td>+250</td>
</tr>
<tr>
<td>Asia</td>
<td>880</td>
<td>+500</td>
</tr>
<tr>
<td>Middle East &amp; Africa</td>
<td>215</td>
<td>+70</td>
</tr>
<tr>
<td>Latin America</td>
<td>175</td>
<td>+80</td>
</tr>
<tr>
<td>Total</td>
<td>4,070</td>
<td>+1,600</td>
</tr>
</tbody>
</table>

Strategic Programs

- Site Walkdowns
- Shutdowns, Turnarounds, & Outages
- Long-term Service Agreements
- Connected Services

+$250M growth in 2018

We Will Continue Our Investment Plans Unless Market Demand Shifts Out
We Are Responding to a Slower First Half Underlying Sales Growth with Accelerated Restructuring Actions

**AUTOMATION SOLUTIONS**

Added $8M of restructuring actions to Q3 and full year

- Accelerate Aventics integration – driving synergy plans
- Additional Paradigm integration actions

Adjusted investment spending trajectory matched to slower short-term growth expectations – but end market investment cycle still intact

**COMMERCIAL & RESIDENTIAL SOLUTIONS**

~$2M of actions in Asia

Move aggressively to mitigate volume losses

Tools & Test integration progress – synergy plan on-track

Actions taken since closing drive over $15M of annualized savings

Emerson’s Management Process Drives Incremental Actions to Protect Profitability and Cash Flow As the Cycle Takes a Different Shape -- and Positions Better Start to 2020.
Reconciliations of Non-GAAP measures (denoted by *) with the most directly comparable GAAP measure (dollars in millions, except per share amounts):

<table>
<thead>
<tr>
<th>Final Control Average Quarterly Sales Growth Rate</th>
<th>H2'17-H1'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Control average quarterly sales growth rate (GAAP)</td>
<td>40%</td>
</tr>
<tr>
<td>V&amp;C acquisition &amp; FX impact</td>
<td>(32)%</td>
</tr>
<tr>
<td>Underlying average quarterly sales growth rate*</td>
<td>8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2019E Underlying Sales Change</th>
<th>Auto Solns</th>
<th>Comm &amp; Res Solns</th>
<th>Emerson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported (GAAP)</td>
<td>7 - 9%</td>
<td>~ 7%</td>
<td>7 - 8.5%</td>
</tr>
<tr>
<td>(Favorable) / Unfavorable FX</td>
<td>~ 2%</td>
<td>~ 1%</td>
<td>~ 2%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>~ (4)%</td>
<td>~ (6)%</td>
<td>~ (5)%</td>
</tr>
<tr>
<td>Underlying*</td>
<td>5 - 7%</td>
<td>~ 2%</td>
<td>4 - 5.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2019E February Prior Guidance Underlying Sales Change</th>
<th>Auto Solns</th>
<th>Comm &amp; Res Solns</th>
<th>Emerson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported (GAAP)</td>
<td>7 - 10%</td>
<td>8 - 10%</td>
<td>7 - 10%</td>
</tr>
<tr>
<td>(Favorable) / Unfavorable FX</td>
<td>~ 2%</td>
<td>~ 1%</td>
<td>~ 2%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>~ (4)%</td>
<td>~ (6)%</td>
<td>~ (5)%</td>
</tr>
<tr>
<td>Underlying*</td>
<td>5 - 8%</td>
<td>3 - 5%</td>
<td>4 - 7%</td>
</tr>
</tbody>
</table>
## Reconciliation of Non-GAAP Measures

Reconciliations of Non-GAAP measures (denoted by *) with the most directly comparable GAAP measure (dollars in millions, except per share amounts):

### Earnings Per Share

<table>
<thead>
<tr>
<th></th>
<th>Q3 FY18</th>
<th>Q3 FY19E</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share (GAAP)</td>
<td>$1.12</td>
<td>$0.94</td>
<td>(16)%</td>
</tr>
<tr>
<td>Benefit from the Tax Cuts and Jobs Act</td>
<td>(0.24)</td>
<td>-</td>
<td>23%</td>
</tr>
<tr>
<td>Earnings per share excluding tax benefit related to the Tax Cuts and Jobs Act*</td>
<td>$0.88</td>
<td>$0.94</td>
<td>7%</td>
</tr>
</tbody>
</table>

### Cash Flow to Net Earnings Conversion

<table>
<thead>
<tr>
<th></th>
<th>FY19E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow conversion (GAAP)</td>
<td>~ 140%</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>~ (40)</td>
</tr>
<tr>
<td>Free cash flow conversion*</td>
<td>&gt; ~ 100%</td>
</tr>
</tbody>
</table>

### Quarterly Guidance Underlying Sales Change

<table>
<thead>
<tr>
<th></th>
<th>Q3 FY19E</th>
<th>Q4 FY19E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported (GAAP)</td>
<td>~ 9%</td>
<td>~ 6.5%</td>
</tr>
<tr>
<td>(Favorable) / Unfavorable FX</td>
<td>~ 1.5%</td>
<td>~ 0%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>~ (6)%</td>
<td>~ (1)%</td>
</tr>
<tr>
<td>Underlying</td>
<td>~ 4.5%</td>
<td>~ 5.5%</td>
</tr>
</tbody>
</table>