



**EMERSON**<sup>TM</sup>

# **Emerson 2023 Q1 Earnings**

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**February 8, 2023**

## Safe Harbor Statement

*Statements in this presentation and our commentary and responses to questions 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 the Company’s ability to successfully complete on the terms and conditions contemplated, and the financial impact of, the proposed Climate Technologies transaction, the potential National Instruments transaction, the scope, duration and ultimate impacts of the COVID-19 pandemic and the Russia-Ukraine conflict, as well as economic and currency conditions, market demand, including related to the pandemic and oil and gas price declines and volatility, pricing, protection of intellectual property, cybersecurity, tariffs, competitive and technological factors, inflation, among others, as set forth in the Company’s most recent Annual Report on Form 10-K and subsequent reports filed with the SEC. The outlook contained herein represents the Company’s expectation for its consolidated results, other than as noted herein.*

## Non-GAAP Measures

*In this presentation we will discuss some non-GAAP measures 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](http://www.Emerson.com), under Investors.*

## Continuing Operations

*All financial metrics in this presentation are on a continuing operations basis, unless otherwise noted. Please refer to the endnotes for more detail.*

## Endnotes

*Please refer to endnotes for the definition of certain terms used in this presentation.*

# 2023 Q1 Summary

	Results	Guidance	Comments
<b>Underlying Orders</b>	5%		Underlying orders as expected with broad strength partially offset by Safety & Productivity orders down double digits
<b>Underlying Sales Growth</b>	6%	6% – 8%	Underlying sales within expected range led by Americas and Software and Control, partially offset by China shutdowns
<b>Operating Leverage<sup>1</sup></b>	40%	Mid-to-High 30s	Strong execution drove operating leverage above expectations
<b>Adjusted EPS</b>	\$0.78	\$0.85 – \$0.89	Strong operational performance impacted unfavorably by: <ul style="list-style-type: none"> <li>• Stock compensation (\$0.08) versus expectations</li> <li>• FX (\$0.06) versus expectations</li> </ul>
<b>Share Repurchase</b>	\$2B	~\$2B for the year	Share repurchase completed in Q1

<sup>1</sup> Excluding AspenTech

# Immediate Progress On Our Value Creation Priorities

## INNOVATION / OPERATIONAL EXCELLENCE

State-of-the-art innovation and manufacturing hub in Saudi Arabia



## ENERGY TRANSITION

### NEOM Green Hydrogen Company

Emerson to provide automation solutions for world's largest green hydrogen production facility



## INDUSTRIAL SOFTWARE

### Ras Laffan Chemical Complex

Emerson and AspenTech selected for largest ethane facility in the Middle East



## PRIORITY HYBRID & DISCRETE MARKETS

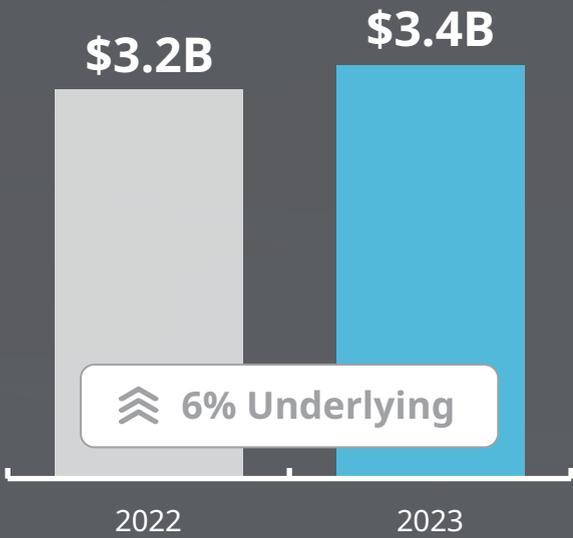
### FUJIFILM Diosynth Biotechnologies

Emerson control and software selected for one of the largest CDMOs in Europe



# 2023 Q1 Performance Summary

## SALES



4 pt headwind from FX; AspenTech contributed 5 pts

Led by double-digit growth in the Americas

Backlog<sup>1</sup> of \$6.6B, up \$0.7B from prior quarter

## ADJUSTED SEGMENT EBITA



Operating leverage (excluding AspenTech): 40%

Positive mix with North America strength

## ADJUSTED EPS

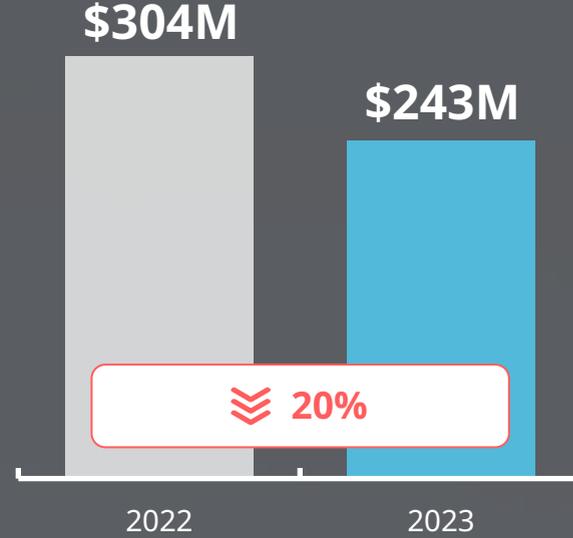


\$0.15 contributed from operations

\$0.09 unfavorable impact from stock compensation based on Q1 stock price increase of 31%

\$0.09 unfavorable impact from FX

## FREE CASH FLOW

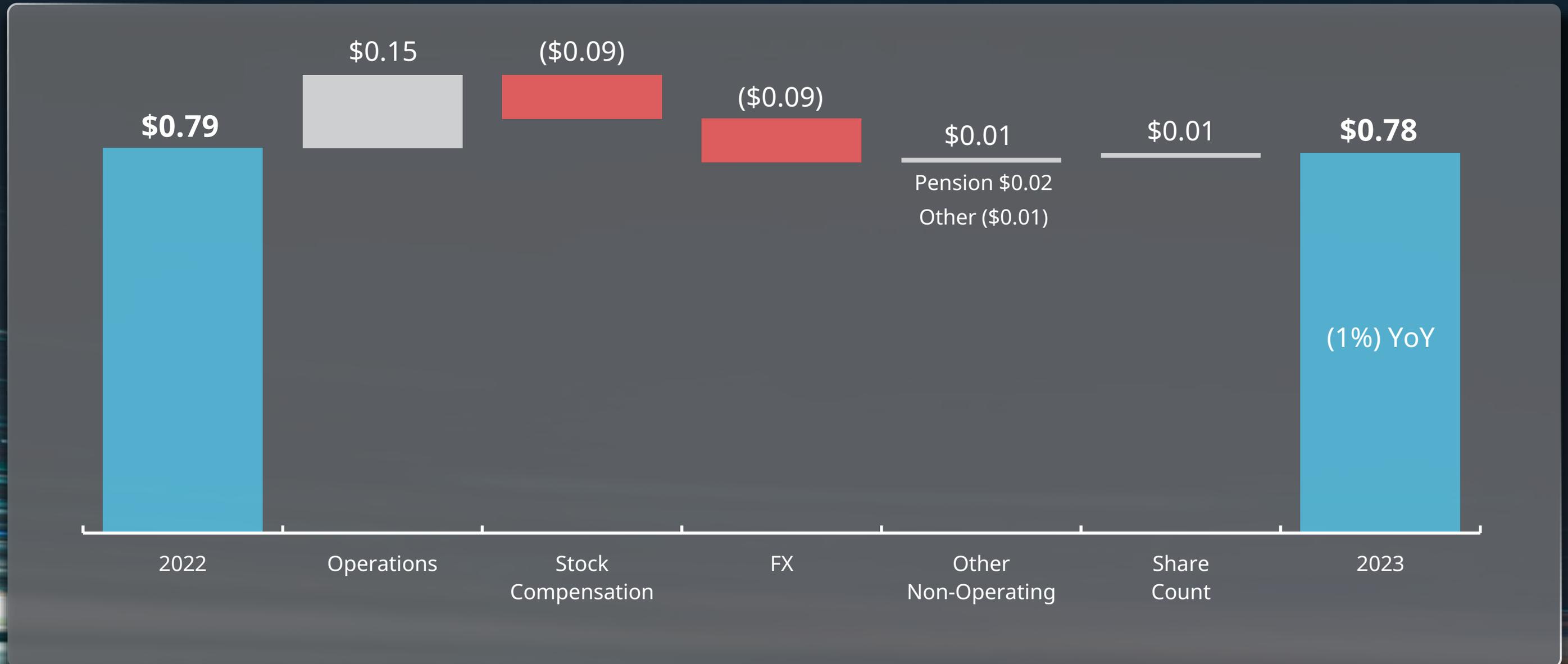


Impacted by trade working capital

Continue to expect full year free cash flow conversion of ~100%

<sup>1</sup> Excluding AspenTech

# 2022 Q1 To 2023 Q1 Adjusted EPS Bridge



# 2023 Industry Outlook

## PROCESS



Underlying Sales



Energy transition spend continues to accelerate  
LNG momentum in North America and Middle East  
Asia and U.S. chemical remains strong

## HYBRID



Underlying Sales



Reshoring trends driving life sciences activity  
Lithium and battery metals driving investment in Australia, U.S., Mexico and Southern Cone

## DISCRETE & OTHER



Underlying Sales



Battery manufacturing investments in U.S. and Asia  
Semiconductor projects to start converting in H2 2023  
Commercial markets facing tough comparisons

# 2023 Continuing Operations Guidance

	2023 Q2	2023
<b>Net Sales Growth</b>	<b>10.5% – 12.5%</b>	<b>8% – 10%</b>
FX	(~3 pts)	(~2 pts)
Acquisitions / Divestitures	~5.5 pts	~3.5 pts
<b>Underlying Sales Growth</b>	<b>8% – 10%</b>	<b>6.5% – 8.5%</b>
<b>Operating Leverage<sup>1</sup></b>		
<b>Mid-to-High 30s</b>		
<b>Adjusted EPS</b>	<b>\$0.95 – \$1.00</b>	<b>\$4.00 – \$4.15</b>
<b>Free Cash Flow Conversion</b>		<b>~100%</b>

## KEY ASSUMPTIONS

Robust backlog<sup>1</sup> (\$6.6B) supports rest of year sales growth

Tax rate: ~22.5%

\$2B share repurchase complete

12% adjusted EPS growth at midpoint of 2023 guidance

<sup>1</sup> Excluding AspenTech

# Appendix

The background features a dark blue gradient with numerous horizontal light trails in shades of cyan, teal, and white, creating a sense of motion and depth.

# Endnotes

**Operating Leverage**, or **Incremental Margins**, throughout the presentation is defined as the ratio of the change in adjusted segment EBITA for the current period less the prior period, divided by the change in the net sales for the current period less the prior period.

**Continuing Operations:** Following the announcement of its Climate Technologies divestiture, Emerson will report financial results for Climate Technologies, InSinkErator and Therm-O-Disc as discontinued operations for all periods presented, beginning in 2023. The earnings from discontinued operations for 2023 are expected to be \$10.5 billion to \$11.5 billion, or \$18 to \$20 per share, including the net gains on 2023 divestitures. The Company's 2023 continuing operations after the Climate Technologies divestiture (assumed to close March 31, 2023 for the purposes of guidance) will include interest income from the \$2.25 billion note receivable from Climate Technologies and reflect the 45% common equity ownership in the income, or loss, of Climate Technologies. Emerson will not control Climate Technologies post-closing and is therefore unable to estimate the amount of its 45% share of Climate Technologies' post-close results. The Company will exclude the interest income from the note receivable from Climate Technologies and its share of Climate Technologies' operations in its calculation of 2023 adjusted earnings per share. Also excluded from adjusted earnings per share is the interest income on any undeployed net proceeds. The effect of Emerson's 45% share of Climate Technologies is expected to be immaterial to post-closing cash flows. 2023 earnings per share guidance from continuing operations excludes any potential impact from the 45% common equity ownership in Climate Technologies' income or loss post-close. Emerson will not control Climate Technologies post-closing and is therefore unable to estimate the probable significance or impact on our earnings per share results from the 45% share of Climate Technologies' post-close results. Emerson will exclude its 45% share of Climate Technologies' post-close operations from the calculation of its 2023 adjusted earnings per share.

# 2023 Q1 Operations Summary

	Sales	Underlying Sales Growth	Adjusted EBITA %
AspenTech	\$243M	---	37%
Control Systems & Software	\$606M	10%	19%
<b>Software and Control</b>	<b>\$849M</b>	<b>10%</b>	<b>24%</b> ↑ 200 bps
Final Control	\$862M	10%	21%
Measurement & Analytical	\$749M	6%	24%
Discrete Automation	\$618M	6%	21%
Safety & Productivity	\$310M	(10%)	22%
<b>Intelligent Devices</b>	<b>\$2,539M</b>	<b>5%</b>	<b>22%</b> ↑ 110 bps

# Corporate And Other Items

	2023 Q1	2023 Q2 Expectations	2023 Expectations
<b>Stock Compensation</b>	(\$102)	~(\$50)	~(\$250)
<b>Pension</b>	\$45	~\$45	~\$180
<b>Interest Expense</b>	(\$48)	~(\$50)	~\$45
Interest on Note Receivable From Climate Technologies <sup>1</sup>	---	---	~(\$70)
Interest Income on Undeployed Proceeds <sup>1</sup>	---	---	~(\$175)
<b>Adjusted Interest Expense</b>	~(\$48)	~(\$50)	~(\$200)

<sup>1</sup> Please refer to endnotes for more details

# AspenTech Contribution To Emerson 2023 Q1 Adjusted EBITA

## AspenTech Reported Financials

(Millions)	2023 Q1
Sales	\$243
Net income	(\$66)
Income taxes	\$49
<b>Income before income taxes</b>	<b>(\$17)</b>
Interest income	(\$4)
Stock compensation	\$23
Micromine purchase price hedge	(\$35)
<b>Segment EBIT</b>	<b>(\$33)</b>

## Emerson Reported AspenTech Segment

(Millions)	2023 Q1
AspenTech sales	\$243
AspenTech segment earnings (EBIT)	(\$33)
Restructuring	---
Amortization of intangibles	\$121
<b>Segment EBITA</b>	<b>\$88</b>
<i>% of sales</i>	<i>37%</i>

## Emerson Corporate

(Millions)	2023 Q1
Interest income	(\$4)
Stock compensation	\$23
Micromine purchase price hedge	(\$35)

# AspenTech Contribution To Emerson 2023 Q1 GAAP EPS And Adjusted EPS

## AspenTech Reported Financials

(Millions)	2023 Q1
Sales	\$243
Net income	(\$66)
Interim tax reporting	\$54
Net earnings common stockholders	(\$12)

## Emerson EPS Contribution

(Millions)	2023 Q1
Sales	\$243
Net earnings	(\$12)
Non-controlling interest	\$5
Net earnings common stockholders	(\$7)
Shares	587
<b>GAAP EPS</b>	<b>(\$0.01)</b>
Amortization of intangibles	\$0.09
Micromine purchase price hedge	(\$0.03)
Restructuring	---
<b>AspenTech contribution to adjusted EPS</b>	<b>\$0.05</b>

55% add-back (consistent with ownership stake) of reconciling items

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

	Emerson	Software and Control	Intelligent Devices				
<b>Q1 2023 Underlying Sales Change</b>							
Reported (GAAP)	7%	30%	1%				
(Favorable) / Unfavorable FX	4%	4%	4%				
Acquisitions / Divestitures	(5)%	(24)%	-%				
Underlying (Non-GAAP)	6%	10%	5%				
<b>Q1 2023 Underlying Sales Change</b>							
Reported (GAAP)	6%	197%					
(Favorable) / Unfavorable FX	4%	-%					
Acquisitions / Divestitures	-%	(197)%					
Underlying (Non-GAAP)	10%	-%					
<b>Q1 2023 Underlying Sales Change</b>							
Reported (GAAP)	6%	2%	-%				(12)%
(Favorable) / Unfavorable FX	4%	4%	6%				2%
Acquisitions / Divestitures	-%	-%	-%				-%
Underlying (Non-GAAP)	10%	6%	6%				(10)%

References to underlying orders and underlying sales in this presentation exclude the impact of acquisitions, divestitures and currency translation

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

## Adjusted Business Segment EBITA Leverage

Pretax margin leverage	(239)%
Corp items and interest expense, net/ amortization / restructuring / acquisitions	279%
Adjusted business segment EBITA leverage (Non-GAAP)	40%

## 2023E Underlying Sales Change

	Q2 FY2023E	FY2023E
Reported (GAAP)	10.5% - 12.5%	8% - 10%
(Favorable) / Unfavorable FX	3%	2%
Acquisitions / Divestitures	(5.5)%	(3.5)%
Underlying (Non-GAAP)	8% - 10%	6.5% - 8.5%

## 2023E October 2022 Guidance Underlying Sales Change

	Q1 FY23E
Reported (GAAP)	6% - 8%
(Favorable) / Unfavorable FX	6%
Acquisitions / Divestitures	(6)%
Underlying (Non-GAAP)	6% - 8%

## Business Segment Adjusted EBITA

	Q1 FY22	Q1 FY23	Change
Pretax earning margin reported (GAAP)	29.8%	12.5%	(1730) bps
Corporate items and interest expense, net % of sales	(11.1)%	5.0%	1610 bps
Amortization of intangibles % of sales	2.3%	5.0%	270 bps
Restructuring and related costs % of sales	0.4%	0.2%	(20) bps
Business segment adjusted EBITA margin (Non-GAAP)	21.4%	22.7%	130 bps

References to underlying orders and underlying sales in this presentation exclude the impact of acquisitions, divestitures and currency translation

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

## Earnings Per Share

	Q1 FY22	Q1 FY23	Change
Earnings per share (GAAP)	\$ 1.25	\$ 0.56	(55)%
Amortization of intangibles	0.09	0.15	5%
Restructuring and related costs	0.02	0.02	-%
Gain on subordinated interest	(0.60)	-	47%
Acquisition/divestiture costs	0.03	-	(2)%
Russia business exit	-	0.08	6%
AspenTech Micromine purchase price hedge	-	(0.03)	(2)%
Adjusted earnings per share (Non-GAAP)	\$ 0.79	\$ 0.78	(1)%

## Earnings Per Share

	Q1 FY23E October Guidance	Q2 FY23E February Guidance	FY23E February Guidance
Earnings per share (GAAP)	\$0.67 - \$0.71	\$0.75 - \$0.80	\$3.55 - \$3.70
Amortization of intangibles	~ 0.15	~ 0.15	~ 0.60
Restructuring and related costs	~ 0.03	~ 0.05	~ 0.12
Russia business exit	-	-	0.08
AspenTech Micromine purchase price hedge	-	-	(0.03)
Interest on note receivable from Climate Technologies	-	-	~ (0.09)
Interest income on undeployed proceeds	-	-	~ (0.23)
Adjusted earnings per share (Non-GAAP)	\$0.85 - \$0.89	\$0.95 - \$1.00	\$4.00 - \$4.15

References to underlying orders and underlying sales in this presentation exclude the impact of acquisitions, divestitures and currency translation

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

	FY23 EPS Growth Midpoint
<b>Earnings Per Share Growth</b>	
Earnings per share (GAAP)	~ 15%
Amortization of intangibles	~ 15%
Restructuring & related costs	~ (2)%
Gain on subordinated interest	~ 60%
Acquisition/divestiture costs and interest on pre-acquisition AspenTech debt	~ (15)%
Russia business exit	~ (24)%
AspenTech Micromine purchase price hedge	~ (7)%
Interest on note receivable from Climate Technologies	~ (9)%
Interest income on undeployed proceeds	~ (23)%
Investment-related gains	~ 2%
Adjusted earnings per share growth (Non-GAAP)	~ 12%

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

## Software and Control Segment EBIT Margin

	Q1 FY22	Q1 FY23	Change
Software and Control Segment EBIT margin (GAAP)	17.6%	8.7%	(890) bps
Amortization of intangibles	4.1%	14.9%	1080 bps
Restructuring and related costs	0.1%	0.2%	10 bps
Software and Control adjusted segment EBITA margin (Non-GAAP)	21.8%	23.8%	200 bps

## Intelligent Devices Segment EBIT Margin

	Q1 FY22	Q1 FY23	Change
Intelligent Devices Segment EBIT margin (GAAP)	18.9%	20.4%	150 bps
Amortization of intangibles	1.7%	1.6%	(10) bps
Restructuring and related costs	0.5%	0.2%	(30) bps
Intelligent Devices adjusted segment EBITA margin (Non-GAAP)	21.1%	22.2%	110 bps

## Control Systems & Software EBIT Margin

	Q1 FY22	Q1 FY23	Change
Control Systems & Software EBIT margin (GAAP)	20%	18%	200 bps
Amortization of intangibles	1%	1%	- bps
Restructuring and related costs	-%	-%	- bps
Control Systems & Software adjusted segment EBITA margin (Non-GAAP)	21%	19%	200 bps

## AspenTech EBIT Margin

	Q1 FY22	Q1 FY23	Change
AspenTech EBIT margin (GAAP)	(2)%	(14)%	(1200) bps
Amortization of intangibles	27%	50%	2300 bps
Restructuring and related costs	-%	1%	100 bps
AspenTech adjusted segment EBITA margin (Non-GAAP)	25%	37%	1200 bps

References to underlying orders and underlying sales in this presentation exclude the impact of acquisitions, divestitures and currency translation

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

## Final Control EBIT Margin

	Q1 FY22	Q1 FY23	Change
Final Control EBIT margin (GAAP)	15%	18%	300 bps
Amortization of intangibles	3%	3%	- bps
Restructuring and related costs	1%	-%	(100) bps
Final Control adjusted segment EBITA margin (Non-GAAP)	19%	21%	200 bps

## Measurement & Analytical EBIT Margin

	Q1 FY22	Q1 FY23	Change
Measurement & Analytical EBIT margin (GAAP)	23%	23%	- bps
Amortization of intangibles	1%	1%	- bps
Restructuring and related costs	-%	-%	- bps
Measurement & Analytical adjusted segment EBITA margin (Non-GAAP)	24%	24%	- bps

## Discrete Automation EBIT Margin

	Q1 FY22	Q1 FY23	Change
Discrete Automation EBIT margin (GAAP)	19%	20%	100 bps
Amortization of intangibles	1%	1%	- bps
Restructuring and related costs	1%	-%	(100) bps
Discrete Automation adjusted segment EBITA margin (Non-GAAP)	21%	21%	- bps

## Safety & Productivity EBIT Margin

	Q1 FY22	Q1 FY23	Change
Safety & Productivity EBIT margin (GAAP)	19%	20%	100 bps
Amortization of intangibles	2%	2%	- bps
Restructuring and related costs	-%	-%	- bps
Safety & Productivity adjusted segment EBITA margin (Non-GAAP)	21%	22%	100 bps

# Reconciliation Of Non-GAAP Measures

This information reconciles non-GAAP measures with the most directly comparable GAAP measure (dollars in millions, except per share amounts)

## Cash Flow

	Q1 FY22	Q1 FY23	Change
Operating cash flow (GAAP)	\$ 377	\$ 302	(20)%
Capital expenditures	(73)	(59)	-%
Free cash flow (Non-GAAP)	\$ 304	\$ 243	(20)%

## Cash Flow to Net Earnings Conversion

	FY23E
Operating cash flow to net earnings (GAAP)	~ 120%
Capital expenditures	~ (20)%
Free cash flow to net earnings (Non-GAAP)	~ 100%

## Adjusted Backlog

	December 31, 2022
Backlog (GAAP)	\$7.8B
AspenTech backlog	\$(1.2)B
Adjusted backlog (Non-GAAP)	\$6.6B

# Additional Information And Where To Find It

This communication relates to a proposal which Emerson Electric Co. ("Emerson") has made for a business combination transaction (the "Proposed Transaction") with National Instruments Corporation, a Delaware corporation (the "Company"). This communication does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities or a solicitation of any vote or approval. In furtherance of this proposal and subject to future developments, if a negotiated transaction is agreed to, the Company and Emerson may file one or more proxy statement(s) or other documents with the U.S. Securities and Exchange Commission ("SEC"). This communication is not a substitute for any proxy statement or other documents the Company and Emerson may file with the SEC in connection with the Proposed Transaction.

BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS ARE URGED TO READ CAREFULLY AND IN THEIR ENTIRETY ANY PROXY STATEMENT(S) AND/OR OTHER DOCUMENTS IF AND WHEN THEY ARE FILED, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, IN CONNECTION WITH THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Any definitive proxy statement(s) (if and when available) will be mailed or otherwise made available to stockholders of the Company. Investors and security holders will be able to obtain free copies of these documents filed with the SEC if and when available without charge through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov) or, in the case of documents filed by Emerson, by contacting the investor relations department of Emerson:

Emerson  
8000 West Florissant Avenue, P.O. Box 4100  
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Innisfree M&A Incorporate  
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(212) 750-5833

## Participants in the Solicitation

Emerson and certain of its directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the Proposed Transaction.

Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the Proposed Transaction, including a description of their direct or indirect interests in the transaction, by security holdings or otherwise, will be set forth in any proxy statement(s) and other relevant materials related to the Proposed Transaction if and when they are filed with the SEC. Information regarding the directors and executive officers of Emerson is contained in Emerson's proxy statement for its 2023 annual meeting of stockholders, filed with the SEC on December 9, 2022 and its Annual Report on Form 10-K for the year ended September 30, 2022, which was filed with the SEC on November 14, 2022. To the extent holdings of Emerson securities by the directors and executive officers of Emerson have changed from the amounts of securities of Emerson held by such persons as reflected therein, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. These documents can be obtained free of charge from the sources indicated above.

# Additional Information And Where To Find It

## Caution Concerning Forward-Looking Statements

This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act and Section 21E of the Exchange Act, as amended by the Private Securities Litigation Reform Act of 1995. All statements, other than historical facts, are forward-looking statements, including: statements regarding the expected timing and structure of the Proposed Transaction; the ability of the parties to negotiate, enter into and complete the Proposed Transaction; the expected benefits of the Proposed Transaction, such as improved operations, enhanced revenues and cash flow, synergies, growth potential, market profile, business plans, expanded portfolio and financial strength; the competitive ability and position of Emerson following completion of the Proposed Transaction; legal, economic and regulatory conditions; and any assumptions underlying any of the foregoing. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "plan," "could," "would," "project," "predict," "continue," "target" or other similar words or expressions or negatives of these words, but not all forward-looking statements include such identifying words. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. We can give no assurance that such plans, estimates or expectations will be achieved and therefore, actual results may differ materially from any plans, estimates or expectations in such forward-looking statements. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others: (1) the outcome of any discussions between Emerson and the Company with respect to the Proposed Transaction, including the possibility that the parties will not agree to pursue a business combination transaction or that the terms of any such transaction will be materially different from those described herein, (2) that one or more closing conditions to the Proposed Transaction, including certain regulatory approvals, may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the Proposed Transaction, may require conditions, limitations or restrictions in connection with such approvals or that any required approval by the stockholders of the Company may not be obtained; (3) the risk that the Proposed Transaction may not be completed in the time frame expected, or at all; (4) unexpected costs, charges or expenses resulting from the Proposed Transaction; (5) uncertainty of the expected financial performance of Emerson following completion of the Proposed Transaction; (6) failure to realize the anticipated benefits of the Proposed Transaction, including as a result of delay in completing the Proposed Transaction or integrating the business of the Company with the business of Emerson; (7) the ability of Emerson to implement its business strategy; (8) difficulties and delays in achieving revenue and cost synergies; (9) inability to retain and hire key personnel; (10) the occurrence of any event that could give rise to termination of the Proposed Transaction; (11) potential litigation in connection with the Proposed Transaction or other settlements or investigations that may affect the timing or occurrence of the contemplated transaction or result in significant costs of defense, indemnification and liability; (12) evolving legal, regulatory and tax regimes; (13) changes in economic, financial, political and regulatory conditions, in the United States and elsewhere, and other factors that contribute to uncertainty and volatility, natural and man-made disasters, civil unrest, pandemics (e.g., the coronavirus (COVID-19) pandemic (the "COVID-19 pandemic")), geopolitical uncertainty, and conditions that may result from legislative, regulatory, trade and policy changes associated with the current or subsequent U.S. administration; (14) the ability of Emerson and the Company to successfully recover from a disaster or other business continuity problem due to a hurricane, flood, earthquake, terrorist attack, war, pandemic, security breach, cyber-attack, power loss, telecommunications failure or other natural or man-made event, including the ability to function remotely during longterm disruptions such as the COVID-19 pandemic; (15) the impact of public health crises, such as pandemics (including the COVID-19 pandemic) and epidemics and any related company or governmental policies and actions to protect the health and safety of individuals or governmental policies or actions to maintain the functioning of national or global economies and markets, including any quarantine, "shelter in place," "stay at home," workforce reduction, social distancing, shut down or similar actions and policies; (16) actions by third parties, including government agencies; (17) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the transaction; (18) the risk that disruptions from the Proposed Transaction will harm Emerson's and the Company's business, including current plans and operations; (19) certain restrictions during the pendency of the acquisition that may impact Emerson's or the Company's ability to pursue certain business opportunities or strategic transactions; (20) the ability to meet expectations regarding the accounting and tax treatments of the Proposed Transaction; and (21) other risk factors as detailed from time to time in Emerson's and the Company's reports filed with the SEC, including Emerson's and the Company's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. These risks, as well as other risks associated with the Proposed Transaction, will be more fully discussed in any proxy statement(s) and other relevant materials related to the Proposed Transaction if and when they are filed with the SEC. While the list of factors presented here is, and the list of factors to be presented in any such proxy statement(s) or materials will be, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Any forward-looking statements speak only as of the date of this communication. Emerson undertakes no obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.