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Emerson Accelerates Factory Automation Capabilities With Agreement to Acquire Afag

Acquisition expands Emerson's factory automation served market by \$9 billion and enhances exposure to key growth markets in discrete and hybrid

ST. LOUIS, Aug. 17, 2023 /PRNewswire/ -- Emerson (NYSE: EMR) today announced a definitive agreement to acquire Afag Holding AG ("Afag"), an innovative leader in electric linear motion, feeding and handling automation solutions.

Headquartered in Zell, Switzerland, Afag brings state-of-the-art technology and innovation to Emerson. The transaction will enhance Emerson's capabilities in factory automation, one of the Company's four priority adjacencies, and create a leading motion portfolio combining Afag's electric linear motion solutions with Emerson's pneumatic motion technology. Afag serves customers in attractive, growing end segments including battery manufacturing, automotive, packaging, medical, life sciences and electronics. The electric linear motion segment expands Emerson's served market by more than \$9 billion and is expected to grow mid-single digits annually, supporting Emerson's long-term, profitable organic growth.

"Afag brings exciting technology that will enable Emerson to accelerate growth in our existing \$900 million factory automation business," said Ram Krishnan, chief operating officer of Emerson. "As discrete and hybrid customers continue to accelerate electrification across their manufacturing processes, Afag's technology is ideally suited to provide improved energy efficiency and performance gains. We look forward to combining Afag's motion capabilities with our existing pneumatic leadership, creating a unique and differentiated solution for our customers. Afag and its employees will play an important role in enhancing Emerson's strength and innovation in factory automation."

"We are excited to join Emerson and build on its existing factory automation leadership, while further expanding our global reach," said Adrian Fuchser, chief executive officer of Afag. "Our customers rely on Afag for essential, customized systems and we are energized by this opportunity to create a more comprehensive and holistic solution for their motion needs. We share Emerson's vision of providing complete solutions in essential industries and we look forward to driving continued success as part of Emerson."

The transaction is expected to close by the end of Emerson's fiscal 2023, subject to customary closing conditions, including receipt of regulatory approvals. Terms of the transaction were not disclosed. Afag will be reported in Emerson's Discrete Automation segment.

For the transaction, Bryan Cave Leighton Paisner LLP is serving as legal advisor to Emerson.

About Emerson

Emerson (NYSE: EMR) is a global technology and software company providing innovative solutions for the world's essential industries. Through its leading automation portfolio, including its majority stake in AspenTech, Emerson helps hybrid, process and discrete manufacturers optimize operations, protect personnel, reduce emissions and achieve their sustainability goals. For more information, visit [Emerson.com](https://www.emerson.com).

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 the Company's ability to successfully complete on the terms and conditions contemplated, and the financial impact of, the proposed 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.

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