

LEADING THE FUTURE OF AUTOMATION

Emerson's (NYSE: EMR) unmatched portfolio of intelligent devices, control systems and industrial software delivers solutions that automate and optimize business performance.

2024 Emerson: \$17.5B Global Industrial Technology Leader Aligned to Secular Drivers*

53.3% Adjusted Gross Profit
>60% MRO / Recurring Revenue

\$1.4B Annual Contract Value (ACV)¹
10% ACV Growth YoY

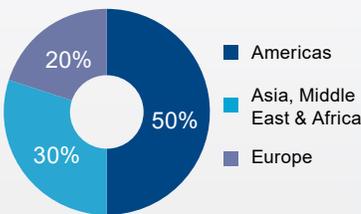
TRACK RECORD OF VALUE CREATION: 2021 – 2024

+3 consecutive years at or above organic growth framework

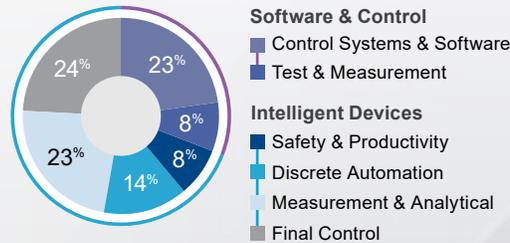
+550 bps Adjusted Segment EBITA Margin

>20% annual growth in Adjusted EPS

GEOGRAPHY



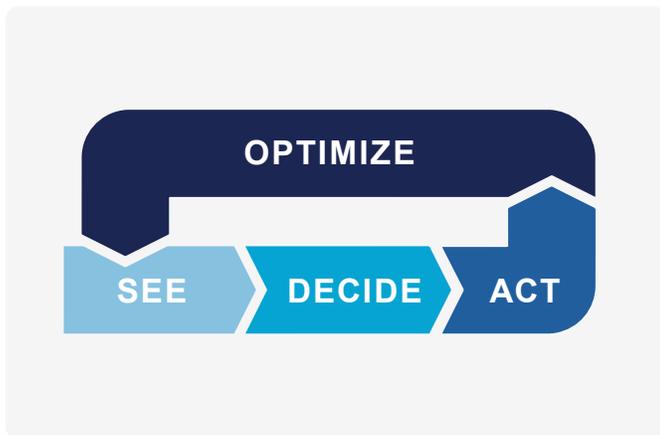
SEGMENT



Note: Annual contract value (ACV). See [here](#) for definition of ACV.
 * Figures shown include AspenTech consolidated within Control Systems & Software.
 For complete information regarding our financials, see our periodic [filings](#)

World-Class Automation Portfolio

Differentiated by complete and comprehensive offering



OPTIMIZE

Modeling & AI Powered Analytics
 for performance optimization

SOFTWARE

aspentech
DELTAV **OVATION**

DECIDE

Automation Systems
 for intuitive and automated decisions

CONTROL

DELTAV
OVATION **PACSYSTEMS**

SEE

Sensing & Measurement
 to optimize insight and decision making

INTELLIGENT DEVICES

ROSEMOUNT **ASCO**
MICRO MOTION
FISHER **AVENTICS**

ACT

Precision Control
 to ensure safe, responsive operations

Value Creation Priorities and Framework

Clear framework to create value and deliver strong financial performance

	ORGANIC GROWTH	4 – 7% Through-The-Cycle Organic Growth	35%+ Incremental Margins
	PORTFOLIO MANAGEMENT	Double-Digit Adjusted EPS Growth	15 – 18% Free Cash Flow Margin
	OPERATIONAL EXCELLENCE		

Organic Growth & Innovation

Portfolio aligned to major macro trends and supported by a strong legacy of innovation with 8% of sales to innovation spend in 2024

OUR GROWTH PLATFORMS

ENERGY TRANSITION & POWER

Leadership in energy transition and power generation, transmission & distribution markets to drive resilient through-the-cycle growth

LNG, nuclear & traditional power, renewables, hydrogen, clean fuels, carbon capture

INDUSTRIAL SOFTWARE

Enable customers to address the dual challenge of production and sustainability through productivity enhancements

AspenTech, NI, DeltaV, Ovation

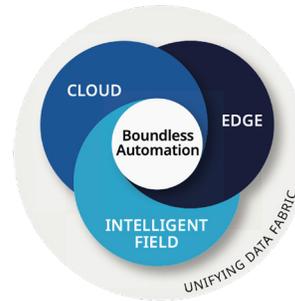
PRIORITY HYBRID & DISCRETE MARKETS

Accelerate end-market diversification by leveraging strong position in segments poised for continued investment

Life Sciences, Metals & Mining, Factory Automation, Semiconductor

THE FUTURE OF AUTOMATION

Liberating data to unleash the power of software for world-class performance



CLOUD

Powering enterprise operations with limitless scalability

EDGE

Unified automation and control software to enable IT / OT collaboration & innovation

FIELD

Streamlined connectivity and portfolio of next-gen wireless devices

UNDERPINNED BY SECULAR GROWTH TRENDS

DIGITAL TRANSFORMATION

ENERGY SECURITY & AFFORDABILITY

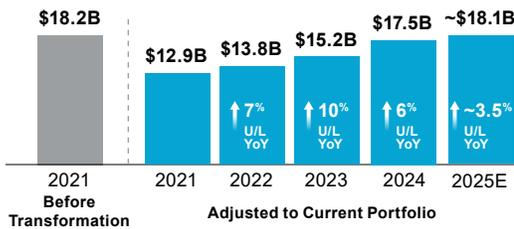
SUSTAINABILITY & DECARBONIZATION

NEARSHORING

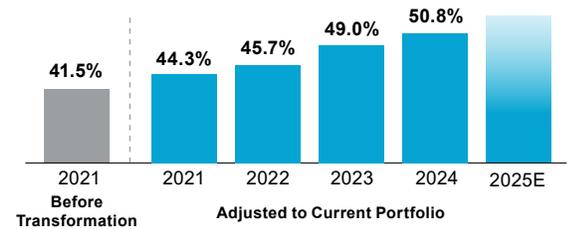
Delivering Excellence

Updated Emerson Management System has driven exceptional operating performance since 2021

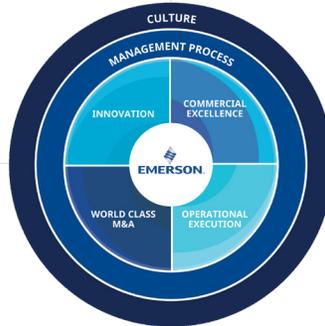
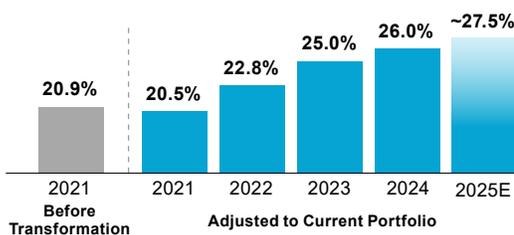
SALES



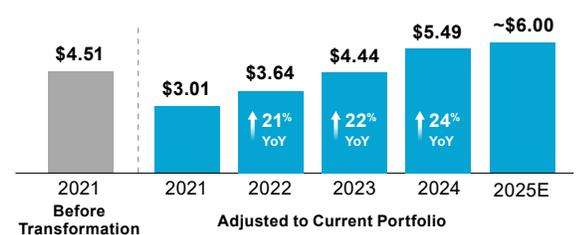
GROSS PROFIT MARGINS



ADJUSTED SEGMENT EBITA



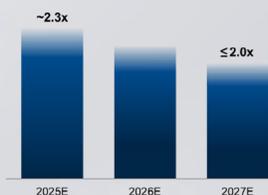
ADJUSTED EPS



Disciplined Capital Allocation

- Invest in **organic growth** opportunities and innovation
- Dividend** increase a priority
- Share repurchase** to offset dilution and/or opportunistic
- Strategic bolt-on M&A** to strengthen automation portfolio and diversify end markets

Net Debt / Adjusted EBITDA¹



Focused on maintaining A2 / A credit ratings

¹ at fiscal year end

Note: Data shown is on a continuing operations basis; 2025E based on August 6, 2025 guidance



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TO LEARN MORE, VISIT
emerson.com/en-us/investors



Forward Looking and Cautionary Statements:

Statements in this presentation and our commentary and responses to questions that are not strictly historical may be “forward-looking” statements, which represent management’s expectations, based on currently available information. Actual results, performance or achievements could differ materially from those expressed in any forward-looking statement. Any forward-looking statements in this presentation speak only as of the date of this presentation. Emerson undertakes no obligation to update any such statements to reflect new information or later developments. Examples of risks and uncertainties that may cause our actual results or performance to be materially different from those expressed or implied by forward-looking statements include the scope, duration and ultimate impacts of the Russia-Ukraine and other global conflicts, as well as economic and currency conditions, market demand, 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.

Annual Contract Value (ACV):

ACV is an estimate of the annual value of our portfolio of term license and software maintenance and support (SMS) contracts, the annual value of SMS agreements purchased with perpetual licenses and the annual value of standalone SMS agreements purchased with certain legacy AspenTech term license agreements. Because software revenue recognition rules require upfront recognition of a significant portion of agreements, comparisons of revenue across periods is primarily impacted by the timing of term license renewals. ACV approximates the estimated annual billings associated with our recurring term license and SMS agreements at a point in time, and management finds this business metric useful in evaluating the growth and performance of our industrial software business.

For agreements denominated in other currencies, a fixed historical rate is used to calculate ACV in U.S. dollars in order to eliminate the impact of currency fluctuations.

Non-GAAP Measures:

In this presentation we will discuss certain 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, under Investors. While we believe these non-GAAP financial measures are useful in evaluating our company’s performance, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Further, these non-GAAP financial measures may differ from similarly titled measures presented by other companies. The reasons management believes that these non-GAAP financial measures provide useful information are set forth in the Company’s most recent Form 10-K filed with the Securities and Exchange Commission and subsequent reports filed with the SEC.

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).

Underlying Sales Growth	2022	2023	2024	2025 Guidance
Reported (GAAP)	7%	10%	15%	~3.5%
(Favorable) / Unfavorable FX	3 pts	2 pts	-	-
(Acquisitions) / Divestitures	(3 pts)	(2 pts)	(9 pts)	-
Underlying (non-GAAP)	7%	10%	6%	~3.5%

Emerson Adjusted Gross Profit Margin

FY24

Emerson gross profit margin (GAAP)	50.8%
Amortization of acquisition-related inventory step-up	1.3%
Amortization of intangibles and restructuring costs	1.2%
Emerson adjusted gross profit margin (non-GAAP)	53.3%

Adjusted Segment EBITA	2021 Before Transformation	2021 Continuing Operations	2022 Continuing Operations	2023	2024
Net sales	\$18,236	\$12,932	\$13,804	\$15,165	\$17,492
Pretax earnings (GAAP)	\$2,912	\$1,762	\$2,432	2,903	2,020
<i>Pretax earnings margin (GAAP)</i>	16.0%	13.6%	17.6%	19.1%	11.5%
Corporate items and interest expense, net	369	442	186	135	1,069
Amortization of intangibles	357	304	430	678	1,274
Restructuring and related costs	173	151	99	78	189
Adjusted segment EBITA (non-GAAP)	\$3,811	\$2,659	\$3,147	\$3,794	\$4,552
<i>Adjusted segment EBITA margin (non-GAAP)</i>	20.9%	20.5%	22.8%	25.0%	26.0%

Adjusted Segment EBITA Margin

2025 Guidance

Pretax earnings margin (GAAP)	~16.5%
Corporate items and interest expense, net / amortization of intangibles / restructuring and related costs	~11%
Adjusted segment EBITA margin (non-GAAP)	~27.5%

Adjusted EPS	2021 Before Transformation	2021 Continuing Operations	2022 Continuing Operations	2023	2024	2025 Guidance
Earnings per share (GAAP)	\$3.82	\$2.35	\$3.16	\$3.96	\$2.82	\$4.08
Amortization of intangibles	0.41	0.38	0.45	0.62	1.43	~1.34
Restructuring and related costs	0.24	0.21	0.14	0.14	0.33	~0.22
Acquisition / divestiture fees and related costs	-	-	0.15 ¹	0.13	0.26	~0.27
Gain on subordinated interest	-	-	(0.60)	(0.21)	(0.10)	-
Russia business exit charge	-	-	0.32	0.08	-	-
Amortization of acquisition-related inventory step-up	-	-	-	-	0.38	-
Other investment-related gains	(0.03)	-	(0.02)	-	-	-
Loss on divestiture of businesses	-	-	-	-	0.09	-
Loss on Copeland note receivable	-	-	-	-	0.38	-
AspenTech Micromine purchase price hedge	-	-	0.04	(0.02)	-	-
Discrete taxes	-	-	-	-	(0.10)	0.09
OSI first year acquisition accounting charges and fees	0.07	0.07	-	-	-	-
National Instruments investment gain	-	-	-	(0.07)	-	-
Interest income on undeployed proceeds from Copeland transaction	-	-	-	(0.19)	-	-
Adjusted earnings per share (non-GAAP)	\$4.51	\$3.01	\$3.64	\$4.44	\$5.49	~\$6.00

¹ Includes pre-acquisition interest expense on AspenTech debt (in 2022)

Net Debt / Adjusted EBITDA

2025E

Net Debt / pretax earnings (GAAP)	3.8x
Interest, depreciation, amortization	(1.2)x
Acquisition / divestiture fees and related costs, restructuring and related costs	(0.3)x
Net Debt / Adjusted EBITDA (non-GAAP)	2.3x