

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event
reported): November 29, 2022

Emerson Electric Co.

(Exact Name of Registrant as Specified in Charter)

Missouri ----- (State or Other Jurisdiction of Incorporation)	1-278 ----- (Commission File Number)	43-0259330 ----- (I.R.S. Employer Identification Number)
8000 West Florissant Avenue St. Louis, Missouri ----- (Address of Principal Executive Offices)		63136 ----- (Zip Code)

Registrant's telephone number, including area code:

(314) 553-2000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock of \$0.50 par value per share	EMR	New York Stock Exchange NYSE Chicago
0.375% Notes due 2024	EMR 24	New York Stock Exchange
1.250% Notes due 2025	EMR 25A	New York Stock Exchange
2.000% Notes due 2029	EMR 29	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition

Over the past 18 months, Emerson Electric Co. ("Emerson" or the "Company") has taken significant actions to accelerate the transformation of its portfolio through the completion of strategic acquisitions and divestitures of non-core businesses. The Company's recent portfolio actions include the combination of its industrial software businesses with Aspen Technology, Inc., with the Company owning 55 percent of the combined entity on a fully diluted basis upon closing of the transaction on May 16, 2022, the sale of its Therm-O-Disc business, which was completed on May 31, 2022, the sale of its InSinkErator business, which was completed on October 31, 2022, and the sale of a majority stake in its Climate Technologies business, which was announced on October 31, 2022, and is expected to close in the first half of calendar year 2023, subject to regulatory approvals and customary closing conditions.

Beginning in fiscal 2023, the Company will report financial results for Climate Technologies, InSinkErator and Therm-O-Disc as discontinued operations for all periods presented, and the assets and liabilities of Climate Technologies as held-for-sale. In addition, the Company will report six segments and two business groups, which are highlighted in the table below. The Company will also reclassify certain product sales that were previously reported in Control Systems & Software to Discrete Automation, which is reflected in the supplemental business segment information in this Form 8-K.

INTELLIGENT DEVICES	SOFTWARE AND CONTROL
<ul style="list-style-type: none">• Measurement & Analytical• Final Control• Discrete Automation• Safety & Productivity	<ul style="list-style-type: none">• AspenTech• Control Systems & Software

The new segments were previously described as follows: the Measurement & Analytical instrumentation product offering is now Measurement & Analytical; the Valves, Actuators & Regulators product offering is now Final Control; the Industrial Solutions product offering is now Discrete Automation; the Systems & Software product offering is now Control Systems & Software; the Tools & Home Products segment, excluding the divested InSinkErator business, is now Safety & Productivity; and, AspenTech remains unchanged.

The Company is providing the supplemental unaudited historical results to reflect the impact of reporting the divestitures described above in discontinued operations, the assets and liabilities of Climate Technologies as held-for-sale, and the new segment reporting to facilitate investors' understanding of the Company's consolidated and segment results that will be reported in fiscal 2023. The information in Exhibit 99.1 does not represent a restatement of previously issued financial statements and should be read in conjunction with the Company's Annual Report on Form 10-K. The information contained in this Form 8-K is being provided voluntarily and shall not be deemed "filed" for purposes of, or subject to liability under, Section 18 of the Securities Exchange Act of 1934, and shall not be deemed incorporated by reference into any Company filing with the Securities and Exchange Commission.

Non-GAAP Financial Measures

The supplemental unaudited historical results contain non-GAAP financial measures as such term is defined in Regulation G under the rules of the Securities and Exchange Commission. While the Company believes these non-GAAP financial measures are useful in evaluating the Company, 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.

Forward-Looking and Cautionary Statements

Statements in this Current Report on Form 8-K 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 Emerson's ability to successfully complete on the terms and conditions contemplated, and the financial impact of the proposed Climate Technologies transaction, the financial impact of the proposed sale, 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 Emerson's most recent Annual Report on Form 10-K and subsequent reports filed with the SEC.

Item 9.01 Financial Statements and Exhibits

The Company is including herein supplemental unaudited historical information as of September 30, 2022 and for the years ended September 30, 2022 and 2021, reflecting its consolidated results adjusted for the impact of discontinued operations, and results for its new business segments. This information is attached as Exhibit 99.1 and incorporated herein by reference.

(d) Exhibits.

Exhibit Number	Description of Exhibits
99.1	Supplemental unaudited historical information as of September 30, 2022 and for the years ended September 30, 2022, and 2021.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EMERSON ELECTRIC CO.
(Registrant)

Date: November 29, 2022

By: /s/ John A. Sperino
John A. Sperino
Vice President and
Assistant Secretary

Consolidated Statements of Earnings
EMERSON ELECTRIC CO. & SUBSIDIARIES

Years ended September 30
(Dollars in millions, except per share amounts; unaudited)

	2021	2022
Net sales	\$ 12,932	13,804
Cost of sales	7,202	7,498
Selling, general and administrative expenses	3,494	3,614
Gain on subordinated interest	—	(453)
Other deductions, net	319	519
Interest expense, net	155	194
Earnings from continuing operations before income taxes	1,762	2,432
Income taxes	346	549
Earnings from continuing operations	1,416	1,883
Discontinued operations, net of tax: 2021, \$239; 2022, \$306	911	1,347
Net earnings	2,327	3,230
Less: Noncontrolling interests in subsidiaries	24	(1)
Net earnings common stockholders	\$ 2,303	3,231
Earnings common stockholders:		
Earnings from continuing operations	\$ 1,414	1,886
Discontinued operations	889	1,345
Net earnings common stockholders	\$ 2,303	3,231
Basic earnings per share common stockholders:		
Earnings from continuing operations	\$ 2.36	3.17
Discontinued operations	1.49	2.27
Basic earnings per common share	\$ 3.85	5.44
Diluted earnings per share common stockholders:		
Earnings from continuing operations	\$ 2.35	3.16
Discontinued operations	1.47	2.25
Diluted earnings per common share	\$ 3.82	5.41
Weighted average outstanding shares:		
Basic	598.1	592.9
Diluted	601.8	596.3

Consolidated Balance Sheet
EMERSON ELECTRIC CO. & SUBSIDIARIES

September 30 (Dollars and shares in millions, except per share amounts; unaudited)

	<u>2022</u>
ASSETS	
Current assets	
Cash and equivalents	\$ 1,804
Receivables, less allowances of \$90	2,176
Inventories	1,661
Other current assets	1,450
Current assets held-for-sale	1,415
Total current assets	<u>8,506</u>
Property, plant and equipment, net	<u>2,098</u>
Other assets	
Goodwill	13,944
Other intangible assets	6,571
Other	2,312
Noncurrent assets held-for-sale	2,241
Total other assets	<u>25,068</u>
Total assets	<u>\$ 35,672</u>
LIABILITIES AND EQUITY	
Current liabilities	
Short-term borrowings and current maturities of long-term debt	\$ 2,115
Accounts payable	1,216
Accrued expenses	3,057
Current liabilities held-for-sale	1,389
Total current liabilities	<u>7,777</u>
Long-term debt	<u>8,259</u>
Other liabilities	<u>3,195</u>
Noncurrent liabilities held-for-sale	<u>125</u>
Equity	
Common stock, \$0.50 par value; authorized, 1,200.0 shares; issued, 953.4 shares; outstanding, 591.4 shares	477
Additional paid-in-capital	57
Retained earnings	28,053
Accumulated other comprehensive income (loss)	(1,485)
Cost of common stock in treasury, 362.0 shares	(16,738)
Common stockholders' equity	<u>10,364</u>
Noncontrolling interests in subsidiaries	5,952
Total equity	<u>16,316</u>
Total liabilities and equity	<u>\$ 35,672</u>

Consolidated Statements of Cash Flows
EMERSON ELECTRIC CO. & SUBSIDIARIES

Years ended September 30 (Dollars in millions; unaudited)

	2021	2022
Operating activities		
Net earnings	\$ 2,327	3,230
Earnings from discontinued operations, net of tax	(911)	(1,347)
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	762	842
Stock compensation	197	125
Pension expense	28	2
Pension funding	(41)	(43)
Changes in operating working capital	167	(312)
Gain on subordinated interest	—	(453)
Other, net	(71)	4
Cash from continuing operations	2,458	2,048
Cash from discontinued operations	1,117	874
Cash provided by operating activities	3,575	2,922
Investing activities		
Capital expenditures	(404)	(299)
Purchases of businesses, net of cash and equivalents acquired	(1,592)	(5,702)
Divestitures of businesses	30	17
Proceeds from subordinated interest	—	438
Other, net	(25)	(138)
Cash from continuing operations	(1,991)	(5,684)
Cash from discontinued operations	(129)	350
Cash used in investing activities	(2,120)	(5,334)
Financing activities		
Net increase in short-term borrowings	(504)	1,241
Proceeds from short-term borrowings greater than three months	71	1,162
Payments of short-term borrowings greater than three months	(71)	(1,165)
Proceeds from long-term debt	—	2,975
Payments of long-term debt	(308)	(522)
Dividends paid	(1,210)	(1,223)
Purchases of common stock	(500)	(500)
Other, net	100	80
Cash provided by (used in) financing activities	(2,422)	2,048
Effect of exchange rate changes on cash and equivalents	6	(186)
Decrease in cash and equivalents	(961)	(550)
Beginning cash and equivalents	3,315	2,354
Ending cash and equivalents	\$ 2,354	1,804
Changes in operating working capital		
Receivables	\$ (18)	(143)
Inventories	(11)	(334)
Other current assets	(91)	(56)
Accounts payable	107	147
Accrued expenses	180	74
Total changes in operating working capital	\$ 167	(312)

Supplemental Business Segment Information
EMERSON ELECTRIC CO. & SUBSIDIARIES

Years ended September 30 (Dollars in millions; unaudited)

	Sales		Earnings (Loss)	
	2021	2022	2021	2022
Measurement & Analytical	\$ 3,078	3,215	\$ 684	785
Final Control	3,488	3,607	432	592
Discrete Automation	2,474	2,612	457	542
Safety & Productivity	1,340	1,402	256	250
Intelligent Devices	10,380	10,836	1,829	2,169
AspenTech	319	656	(7)	12
Control Systems & Software	2,321	2,398	382	437
Software and Control	2,640	3,054	375	449
Corporate items:				
Stock compensation			(197)	(125)
Unallocated pension and postretirement costs			94	99
Corporate and other			(184)	(419)
Gain on subordinated interest			—	453
Eliminations/Interest	(88)	(86)	(155)	(194)
Total	\$ 12,932	13,804	\$ 1,762	2,432

Eliminations at consolidated net sales reflect the impact of intercompany sales between the two business groups.

Supplemental Business Segment Information
EMERSON ELECTRIC CO. & SUBSIDIARIES

Years ended September 30 (Dollars in millions; unaudited)

INTELLIGENT DEVICES

	2021	2022	Change
Sales:			
Measurement & Analytical	\$ 3,078	3,215	4 %
Final Control	3,488	3,607	3 %
Discrete Automation	2,474	2,612	6 %
Safety & Productivity	1,340	1,402	5 %
Total	\$ 10,380	10,836	4 %
Earnings:			
Measurement & Analytical	\$ 684	785	15 %
Final Control	432	592	37 %
Discrete Automation	457	542	18 %
Safety & Productivity	256	250	(2)%
Total	\$ 1,829	2,169	19 %
Margin	17.6 %	20.0 %	2.4 pts
Restructuring and related costs:			
Measurement & Analytical	\$ 58	3	
Final Control	66	75	
Discrete Automation	11	—	
Safety & Productivity	4	10	
Total	\$ 139	88	
Amortization of intangibles:			
Measurement & Analytical	\$ 25	21	
Final Control	107	94	
Discrete Automation	34	30	
Safety & Productivity	28	26	
Total	\$ 194	171	
Adjusted EBITA	\$ 2,162	2,428	12 %
Adjusted EBITA Margin	20.8 %	22.4 %	1.6 pts

SOFTWARE AND CONTROL

	2021	2022	Change
Sales:			
AspenTech	\$ 319	656	106 %
Control Systems & Software	2,321	2,398	3 %
Total	\$ 2,640	3,054	16 %
Earnings:			
AspenTech	\$ (7)	12	269 %
Control Systems & Software	382	437	14 %
Total	\$ 375	449	20 %
Margin	14.2 %	14.7 %	0.5 pts
Restructuring and related costs:			
AspenTech	\$ 2	—	
Control Systems & Software	11	11	
Total	\$ 13	11	
Amortization of intangibles:			
AspenTech	\$ 89	237	
Control Systems & Software	20	22	
Total	\$ 109	259	
Adjusted EBITA	\$ 497	719	45 %
Adjusted EBITA Margin	18.8 %	23.5 %	4.7 pts