## UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

## **SCHEDULE 14A**

# (Rule 14a-101) INFORMATION REQUIRED IN PROXY STATEMENT SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. )

Filed by		other than the Registrant ⊠						
Cneck t	ne approj	Preliminary Proxy Statement						
☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))								
	☐ Definitive Proxy Statement							
	☐ Definitive Additional Materials							
⊠ Soliciting Material Under Rule 14a-12								
NATIONAL INSTRUMENTS CORPORATION								
		(Name of Registrant as Specified in Its Charter)						
EMERSON ELECTRIC CO.								
		(Name of Persons(s) Filing Proxy Statement, if other than the Registrant)						
Paymen	nt of Filin ⊠	g Fee (Check the appropriate box): No fee required.						
		Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.						
	(1) Title of each class of securities to which transaction applies:							
	(2) Aggregate number of securities to which transaction applies:							
	(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):							
	(4) Proposed maximum aggregate value of transaction:							
	(5) Total fee paid:							
	☐ Fee paid previously with preliminary materials:							
		Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.						
	(1)	Amount previously paid:						
	(2)	Form, Schedule or Registration Statement No.:						
	(3)	Filing Party:						
	(4)	Date Filed:						

Emerson Electric Co. ("Emerson"), together with the other participants to such solicitation, intends to file a preliminary proxy statement and an accompanying WHITE proxy card with the Securities and Exchange Commission (the "SEC") to be used to solicit proxies for the election of its slate of director nominees (the "Nominees") at the 2023 annual meeting of stockholders of National Instruments Corporation, a Delaware corporation (the "Company").

Item 1: On January 17, 2023, Emerson issued a press release announcing that Emerson had submitted a proposal (the "Proposal") to the board of directors of the Company to acquire the Company (the "Proposed Transaction") for \$53 per share in cash in a transaction valued at \$7.6 billion, a copy of which is filed herewith as Exhibit 1.

- Item 2: On January 17, 2023, Emerson launched a website in connection with its solicitation of stockholders of the Company, which is available at www.MaximizingValueAtNI.com (the "Website"). Copies of materials posted to the Website are filed herewith as Exhibit 2.
- Item 3: On January 17, 2023, Emerson issued an investor presentation regarding the Company titled "Immediate, Compelling and Certain Value for NI Shareholders," a copy of which is filed herewith as Exhibit 3.
- Item 4: On January 17, 2023, Emerson posted to the Website an infographic summarizing the Proposal and the Proposed Transaction, a copy of which is filed herewith as Exhibit 4.

## Additional Information and Where to Find It

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. This communication is not a substitute for any proxy statement or other documents Emerson may file with the SEC in connection with the election of the Nominees or 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 BY EMERSON, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, IN CONNECTION WITH THE ELECTION OF THE NOMINEES AND/OR THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE ELECTION OF THE NOMINEES, THE PROPOSED TRANSACTION, AND RELATED MATTERS. Any definitive proxy statement(s) (including any WHITE proxy card enclosed with any definitive proxy statement(s) or supplements filed and/or disseminated by Emerson) (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 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 St. Louis, MO www.emerson.com/en-us/investors

Investor Relations:

Colleen Mettler, Vice President (314) 553-1705 investor.relations@emerson.com

Innisfree M&A Incorporated Scott Winter / Jonathan Salzberger (212) 750-5833

## Participants in the Solicitation

Emerson and the Nominees are anticipated to be participants in the solicitation of proxies in connection with the election of the Nominees as directors of the Company.

Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the election of the Nominees as directors of the Company and/or the Proposed Transaction, including a description of their direct or indirect interests in such matters, by security holdings or otherwise, will be set forth in any proxy statement(s) and other relevant materials related to such matters if and when they are filed with the SEC.

## **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.

# EMERSON ANNOUNCES PREMIUM, ALL-CASH PROPOSAL TO ACQUIRE NATIONAL INSTRUMENTS FOR \$53 PER SHARE

Proposal Represents Immediate, Compelling Cash Premium of 32% Over NI's Closing Share Price on January 12, 2023

Offers Deal Certainty for NI Shareholders – No Financing Contingency, No Anticipated Regulatory Concerns

Public Proposal Follows Numerous Attempts to Engage with NI in Private over Last Eight Months, Leading Up to NI's Public Announcement of Strategic Review

NI's Test and Measurement Technology Fully Aligned with Emerson's Strategy to Develop a Cohesive, Higher Growth and Higher Margin Portfolio and Advance Global Automation Focus

Emerson to Host Conference Call to Discuss Proposal Today at 8:30 a.m. Eastern Time

ST. LOUIS, Missouri – January 17, 2023 – Emerson (NYSE: EMR) today announced that it submitted a proposal to the Board of Directors of National Instruments ("NI") (NASDAQ: NATI) to acquire NI for \$53 per share in cash at an implied enterprise value of \$7.6 billion.

The proposal, which is not subject to any financing conditions, was submitted to NI on November 3, 2022, and represents an improvement over an initial \$48 per share proposal submitted on May 25, 2022. Emerson has made numerous attempts to engage constructively with NI in private since May 16, 2022, as outlined in the correspondence below. Full details, including Emerson's previous correspondence with NI, are available at <a href="https://www.MaximizingValueAtNI.com">www.MaximizingValueAtNI.com</a>.

## The proposal represents:

- Immediate and certain cash value for all NI shareholders;
- A 32% premium to NI's closing share price as of January 12, 2023, the day prior to NI's public announcement of a strategic review on January 13, 2023;
- A 45% premium to NI's closing share price as of November 3, 2022, the day Emerson submitted its latest proposal to acquire NI;
- A 38% premium to the volume weighted average price for the last 30 trading days ending January 12, 2023; and
- A 23% premium to NI's 52-week high intra-day share price of \$43.12, as of January 12, 2023.

"Although Emerson would have preferred to reach an agreement privately, given NI's announcement that it is undertaking a strategic review, and after refusing to work with us toward a premium cash transaction over the past eight months, we are making our interest public for the benefit of all NI shareholders," said Lal Karsanbhai, President and Chief Executive Officer of Emerson. "Acquiring NI is another step forward in Emerson's journey to develop a cohesive, higher growth and higher margin portfolio and build on its global automation focus. As Emerson outlined at our recent Investor Conference, we are transforming our portfolio toward higher-growth automation markets aligned with secular macro trends, which will deliver significant growth and profitability for years to come."

Mr. Karsanbhai continued, "We have long admired NI and believe that combining its best-in-class electronic test and measurement product and software offerings with Emerson's industry-leading

automation technology and software would enhance our ability to bring comprehensive solutions to a diverse set of end markets, accelerating growth and positioning Emerson to create significant shareholder value. We stand ready to work immediately with NI's Board and management team to reach an agreement that would provide a compelling premium and certain cash value today for all NI shareholders."

### **Combination Would Advance Emerson's Global Automation Focus**

The proposed transaction continues Emerson's transformation into a global automation company. Benefits of the transaction include:

- Aligned with Emerson's Portfolio Transformation Into a Cohesive, Higher Growth, and More Profitable Company: Emerson is actively transforming its portfolio to create a higher value, cohesive industrial technology portfolio serving a diversified set of end markets. With NI, Emerson would gain a strong, complementary portfolio of differentiated electronic test and measurement offerings, and a technology stack of industry-leading intelligent devices, controls and software that complements Emerson's technology stack in its core automation markets. As outlined at Emerson's November 29, 2022 Investor Conference, test and measurement is one of Emerson's four priority segments.
- Further Diversification of End Markets: With favorable long-term trends and an estimated priority target TAM of \$35 billion, test and measurement is
  a fast-growing and complementary adjacency to Emerson's portfolio. This acquisition would enable Emerson to further expand and diversify its
  customer base within highly attractive end markets with strong secular trends including semiconductor, automotive and electric vehicles, and aerospace
  and defense.
- Significant Financial Benefits: The transaction is expected to be accretive to Emerson's adjusted EPS in the first year, meets Emerson's communicated returns threshold and will improve Emerson's overall growth. NI has an attractive financial profile, with approximately 70% gross margins. NI's business has strong positions in attractive and growing markets, creating sustainable top line growth potential. Emerson sees significant potential for profit and cash flow improvement across the NI business by applying proven operational excellence and productivity levers through Emerson's Management System.
- Emerson's Strong Commitment to the Transaction: Emerson believes its premium proposal will bring clear and realizable value to NI shareholders, who have faced years of share price underperformance across nearly any period. Underscoring its commitment to consummating a transaction, Emerson has purchased 2.3 million shares of NI stock and has received approval under HSR<sup>1</sup> to increase its stake. Emerson believes that there is a path to a friendly transaction and urges NI shareholders to make their views known to NI's management and Board. Furthermore, Emerson is prepared to nominate directors for election to NI's Board.

## Emerson's Public Proposal Follows Eight Months of Delay and Lack of Engagement

Emerson's first outreach to NI regarding a potential all-cash acquisition was on May 16, 2022, and Emerson's initial \$48 per share proposal was formalized in a letter on May 25, 2022. For eight months, NI delayed and refused to engage meaningfully with Emerson, as outlined in the correspondence below. In addition, after receiving the initial May 25, 2022 proposal from Emerson, NI not only refused to engage with Emerson – it repurchased more than 2 million shares at an average weighted price of \$40.25, the

<sup>&</sup>lt;sup>1</sup> Hart-Scott-Rodino Antitrust Improvements Act of 1976

largest quarterly repurchase in its history on a dollar basis, depriving its shareholders of the opportunity to realize immediate cash value through the transaction price, which is significantly above the repurchase price.

In a November 3, 2022 letter, Emerson outlined the terms of an improved all-cash proposal of \$53 per share and highlighted its numerous attempts to engage with NI to that date. On November 15, 2022, NI responded to Emerson, indicating that it had created a working group of its Board to examine Emerson's proposal in greater detail, as well as evaluate options with the assistance of advisors.

In the more than two months since, NI continued to resist engaging meaningfully with Emerson to work toward an agreement. Eight months after Emerson's approach, NI agreed to a January 4, 2023 meeting with representatives from Emerson, which was followed by one additional conference call. During these discussions, NI shared very limited, high-level information about its business and continued to demonstrate its unwillingness to provide more detailed information, including refusing to respond to key diligence questions provided ahead of the meeting. NI then informed Emerson that this would be the extent of its engagement. In a letter dated January 11, 2023, Emerson reiterated its \$53 per share proposal to acquire NI.

## NI Shareholders: Stop Your Board's Delay Tactics

Emerson is disappointed that NI chose to announce a strategic review and put in place a poison pill on January 13, 2023, rather than engaging privately and constructively. NI did not respond to Emerson's latest letter sent on January 11 before its public announcement.

NI's strategic review announcement comes more than two months after the NI Board purportedly formed a working group to evaluate options with its advisors – with no results.

NI shareholders should understand that for eight months they have been deprived of the opportunity to realize certain cash value at a significant premium. Emerson urges NI shareholders to engage with their Board to ensure this public strategic review process is not merely another delay tactic.

Emerson has organized the resources to work expeditiously toward a transaction with NI, has shared a merger agreement with NI, and is prepared to transact promptly. Emerson has performed due diligence with publicly available information and would have only limited and specific confirmatory due diligence requirements. Additionally, Emerson does not anticipate any significant regulatory risks or delays given the complementary nature of the two businesses. Finally, the Emerson proposal is not subject to any financing conditions.

Emerson feels compelled to disclose the contents of all its correspondence with NI, beginning in May 2022, to make public its consistent and sustained track record of attempted engagement with NI, without any meaningful or constructive response. This correspondence is below and is also available at <a href="https://www.MaximizingValueAtNI.com">www.MaximizingValueAtNI.com</a>.

### **Investor Conference Call and Presentation**

Today, beginning at 7:30 a.m. Central Time / 8:30 a.m. Eastern Time, Emerson management will discuss the proposal during an investor conference call. Participants can access a live webcast available at <a href="https://www.Emerson.com/en-us/investors">www.Emerson.com/en-us/investors</a> at the time of the call. A replay of the call will be available for 90 days on the company website and at <a href="https://www.MaximizingValueAtNI.com">www.MaximizingValueAtNI.com</a>. Conference call slides will be posted in advance of the call on the company website and at <a href="https://www.MaximizingValueAtNI.com">www.MaximizingValueAtNI.com</a>.

#### **Advisors**

Goldman Sachs & Co. LLC and Centerview Partners LLC are serving as financial advisors to Emerson and Davis Polk & Wardwell LLP and Sidley Austin LLP are serving as legal advisors.

## **Emerson's Correspondence with NI**

## May 25, 2022 - Emerson's First Offer Letter to NI

Eric Starkloff
President and Chief Executive Officer
National Instruments Corporation
11500 N Mopac Expwy
Austin, TX 78759-3504

Dear Eric:

Further to my recent discussions with you, I am excited to present you with this proposal (the "Proposal") for the acquisition of all outstanding shares of National Instruments Corporation ("NI") by Emerson Electric Co. ("Emerson").

We are very excited about the combination of our two firms and the potential we can achieve together. Emerson has long admired NI as a technology leader in the electronic test and measurement industry, a complementary adjacency to our Automation Solutions business with a similar technology stack of intelligent devices, controls, and software. We have been particularly impressed with NI's portfolio including modular intelligent devices and the LabVIEW suite of offerings, as well as NI's industry stewardship over many decades in this space. Combining NI with Emerson would lead to significant opportunities for both of our teams and further develop our position as a premier global automation company.

In addition to the immediate value created for your shareholders as outlined in the Proposal, Emerson has demonstrated long term stewardship and investment in acquired businesses over many decades. Our industry leading Automation Solutions platform was built through a combination of sustained organic investments as well as strategic acquisitions of highly innovative businesses including Rosemount, Micro Motion, Fisher, and most recently our acquisition of majority control in AspenTech. All of these businesses have thrived under Emerson ownership and are leaders in their respective markets. With the potential acquisition of NI, we are looking to continue our long history of stewardship and commitment to growth, development, and engineering leadership.

With that backdrop, I am pleased to present you and your Board with this Proposal:

### **Valuation**

Emerson proposes to purchase 100% of the outstanding common stock of NI for \$48 in cash per common share, which implies an equity value of \$6.49 billion and an enterprise value of \$6.67 billion. We believe our Proposal provides significant value to your shareholders:

- A 39% premium to NI's closing share price as of May 24, 2022;
- A 36% premium to the volume weighted average price for the last 30 trading days ending May 24, 2022;
- A 4% premium to the 52 week high trading price as of May 24, 2022

## **Financing**

Our Proposal is not subject to any financing condition and would be financed from cash on hand, committed lines of credit and/or other available sources of financing.

## Regulatory

While applicable regulatory approvals will be required, we do not expect there to be substantive impediments to closing. We note the complementary nature of our respective businesses.

## **Due Diligence**

This Proposal is based on publicly available information under the assumption that it presents fairly and completely NI and its businesses and its outstanding debt and share count. It is subject to the completion of customary and confirmatory due diligence (e.g., tax, environmental, legal, etc.). We are prepared to move quickly to complete such due diligence when appropriate.

## **Timing**

Emerson is prepared to proceed immediately to work with NI and its advisors to complete due diligence and to negotiate a mutually agreeable merger agreement (the "Definitive Agreement") in parallel. It is our expectation that the signing of the Definitive Agreement and announcement can be achieved in 4-6 weeks.

We have no current plan to disclose this letter and assume that you do not intend to either. Our strong preference is to work constructively and expeditiously with you and your board to announce a Definitive Agreement.

### **Board Review**

This Proposal has been reviewed with Emerson's board of directors who support the proposed transaction. The final approval of Emerson's board of directors would be required prior to entering into the Definitive Agreement.

## **Other**

The Definitive Agreement would be negotiated and executed by Emerson and NI and closing would be conditioned upon required NI shareholder approval, required regulatory approvals and other customary conditions. Emerson shareholder approval will not be required.

To reiterate, our Proposal – all cash consideration with no financing contingency and no substantive regulatory impediments – provides both significant value and certainty to NI's shareholders. We are prepared to move very quickly to complete our due diligence and sign definitive agreements.

We are highly enthusiastic about the prospects of what we can achieve together. On behalf of Emerson, I thank you again for the dialogue thus far and for your consideration of this Proposal. We look forward to hearing from you.

Sincerely,

Lal Karsanbhai President and Chief Executive Officer

## June 16, 2022 - NI's Response to May 25 Letter

Lal Karsanbhai President and Chief Executive Officer Emerson Electric Co. 8000 West Florissant Avenue PO Box 4100 St. Louis, MO 63136-8506

Dear Lal:

The Board of Directors (the "Board") of National Instruments Corporation ("NI") has carefully reviewed your letter dated May 25, 2022, with the assistance of our financial and legal advisors.

The Board has unanimously determined that your letter does not provide a basis for further discussions.

NI's Board and management team will remain focused, without distraction, on executing our strategies that are producing a significant and steady increase in bookings and revenue, strengthened operational performance, and advances in technology.

Sincerely,

/s/

Eric Starkloff
President and Chief Executive Officer

/s/

Michael E. McGrath Chairman of the Board

## June 22, 2022 - Emerson's Second Offer Letter to NI

Eric Starkloff
President and Chief Executive Officer

Michael E. McGrath Chairman of the Board

National Instruments Corporation 11500 N Mopac Expwy Austin, TX 78759-3504

Dear Eric and Michael:

I received your letter dated Thursday, June 16th, responding to our proposal from Wednesday, May 25th (the "Proposal") for the acquisition of all of the outstanding shares of National Instruments Corporation ("NI") by Emerson Electric Co. ("Emerson"). I am disappointed in your response and the lack of engagement from you and your Board to what is an extremely attractive Proposal for the shareholders of NI.

We have followed NI for many years and believe that the Proposal is a unique opportunity for NI shareholders to realize a certain cash value and to accelerate the execution of your vision to automate test across the product lifecycle. We are offering an immediate financial benefit to your shareholders, and a high-quality home for NI, benefiting your employees, customers, suppliers and communities.

Our Proposal to acquire all of NI's outstanding shares at \$48 per share in cash offers significant value to your shareholders measured against both short and longer-term metrics, specifically a:

- 51% premium to NI's closing share price as of June 21, 2022;
- 41% premium to the volume weighted average price for the last 30 trading days ending June 21, 2022;
- 39% premium to NI's closing share price as of May 24, 2022 (the day prior to when we made the Proposal); and
- 4% premium to the 52 week high trading price as of June 21, 2022.

We are highly confident your shareholders would view our cash offer favorably and recent market data points reinforce this view, including:

- The last time NI's share price closed above \$48 was on December 6th, 2018. NI's share price has underperformed both the broader market and its key peer, Keysight, since then, with the stock down 34% in a period where the NASDAQ Index gained 54% and Keysight gained 125%;
- · Four of the six brokers who cover NI have reduced their 12 month forward price targets following your Q1 earnings with the median price target being reduced from \$50 to \$43.50; and
- The top 10 active shareholders as of the end of Q1 2021 owned approximately 19% of the company with an estimated weighted average cost basis of \$35. Over the past year, 8 of those 10 shareholders have reduced their positions and sold stock materially below the price we are offering.

We prefer to engage in collaborative, bilateral discussions with minimal distraction to your management team to reach an agreement privately. Your letter referenced "significant and steady

increases in bookings and revenue" as well as "strengthened operational performance and advances in technology". We look forward to learning more about your internal plan and are confident that with access to limited non-public information after signing an NDA, we could work with you to find additional value that would allow us to increase our Proposal.

We are prepared to engage immediately and have organized the resources to move towards a transaction expeditiously, including:

- Diligence: We have performed extensive outside-in due diligence on NI over an extended period. As a result, we have limited and specific
  confirmatory due diligence requirements.
- · Timing: We are ready to begin our confirmatory due diligence exercise and we would work towards signing and announcing a definitive agreement within four weeks.
- · Regulatory: We do not anticipate any significant regulatory risks or delays given the complementary nature of our businesses.
- Financing: Our Proposal is not subject to any financing condition and would be financed from cash on hand, committed lines of credit and/or other available sources of financing. Emerson is an A2/A rated company with a strong balance sheet. We have obtained a Highly Confident Letter from Goldman Sachs.
- · Advisors: We have engaged Goldman Sachs & Co. LLC and Centerview Partners LLC as our financial advisors and Davis Polk Wardwell LLC as our legal counsel.
- · Certainty: Our Board of Directors has reviewed and supports the proposed transaction. Emerson shareholder approval will not be required.

Emerson considers this Proposal to be of the highest strategic priority. We are very motivated to conclude a transaction that benefits both companies as well as our respective shareholders. Please confirm receipt of this letter. Given the upcoming July 4th holiday, we recognize you may not be able to get back to us until the week of July 11th. I look forward to hearing from you by then at the latest.

Sincerely,

Lal Karsanbhai President and Chief Executive Officer

## July 6, 2022 - NI's First Response to June 22 Letter

From: Eric Starkloff

Sent: Wednesday, July 6, 2022

To: Lal Karsanbhai

Subject: Re: Follow-up to NI letter dated June 16

Lal:

I hope you had a good 4<sup>th</sup> of July weekend. I wanted to let you know that we will be discussing your follow-up letter at our regularly scheduled bord meeting at the end of this month. I will be in touch with you after the board meeting to discuss.

Regards, Eric

## August 2, 2022 - NI's Second Response to June 22 Letter

Lal Karsanbhai President and Chief Executive Officer Emerson Electric Co. 8000 West Florissant Avenue PO Box 4100 St. Louis, MO 63136-8506

Dear Lal:

Our Board of Directors has carefully reviewed your letter dated June 22, 2022, with the assistance of our financial and legal advisors. The Board remains unanimously of the view that your proposal is not in the best interests of NI and its shareholders.

Sincerely,

/s/

Eric Starkloff
President and Chief Executive Officer

/s

Michael E. McGrath Chairman of the Board

## November 3, 2022 - Emerson's Third Offer Letter to NI

Eric Starkloff
President and Chief Executive Officer

Michael E. McGrath Chairman of the Board

National Instruments Corporation 11500 N Mopac Expwy Austin, TX 78759-3504

Dear Eric and Michael:

I am writing to follow up on your August 2nd response to our June 22nd letter which reiterated our proposal for the acquisition of all of the outstanding shares of National Instruments Corporation ("NI") by Emerson Electric Co. ("Emerson"). After receiving your terse response and continued refusal to engage with Emerson

for the benefit of NI's shareholders, we decided to wait to see if your revised guidance, investor day communication, and Q3 results might fundamentally alter investors' views of NI's value or signal an acceleration in NI's outlook that we could incorporate into our thinking before reaching out to you again.

## Recap of Events of the Past Six Months

Over a period starting almost 6 months ago, we have consistently been prepared to provide your shareholders an all-cash offer at a meaningful premium, which your Board has repeatedly rebuffed and refused to provide even limited financial information. Given the time that has elapsed, we believe the context of our outreach, your Board's refusal to engage, and NI's investor communications since receiving our first offer are important to summarize:

- · May 16th: My initial outreach to you was premised on meeting in person to introduce myself and shape a compelling all-cash offer for your shareholders. I was surprised that you would not meet with me and instead offered a phone call.
- May 22nd: In an extremely brief phone call, you reiterated you would not engage and suggested we send a letter if Emerson should want to
  acquire NI.
- · May 25th: I sent you a letter describing our all-cash offer at a significant premium to NI's current and historical trading levels. The offer was based on public information and outlined key terms related to deal certainty, including no financing contingency.
- · June 16th: You sent a very short response letter refusing to engage, with limited elaboration to your Board's reasons.
- June 22nd: After your negative response on June 16th, I again attempted to engage with you with a second letter describing our all-cash offer
  on June 22nd in which I requested access to limited additional information to help find additional value to improve our proposal and asked for a
  response by July 11th.
- · July 6th: You responded that you could not get back to me by July 11th, and instead would get back to me after your earnings call at the end of the month
- July 28th Q2 Earnings Call: Despite solid order momentum, NI's performance demonstrated continued challenges to expanding margins, with gross margins down year-over-year by more than 400 bps and only a 2% incremental margin on 14% sales growth. With the knowledge of our approach (that you did not disclose to your shareholders), and despite the headwinds and weak financial performance, you substantially increased your outlook for 2023, guiding to a mid-teens topline growth rate and 300 basis points of margin improvement, a margin improvement three times larger than your prior guidance only three months earlier when you released 1st quarter earnings, at a time when you were not aware of Emerson's interest in acquiring NI.
- August 2nd: You sent a second, similarly curt response letter refusing to engage.
- · August 11th: You announced you would hold your annual investor day on September 15th.

- September 15th Investor Day: You reaffirmed the same 2023 guidance as provided with Q2 earnings and provided additional guidance to achieve a further 200 bps operating margin expansion by 2025. Despite your positive tone, your shares fell 3.2% on the day, underperforming the market as investors and analysts continue to doubt NI's ability to execute and deliver these results given its historical track-record and the current operating environment. In particular, the market remains unconvinced about NI's ability to expand EBIT margins through software and system-level solutions as well as the sustainability of order trends and NI's ability to capitalize on secular opportunities in ADAS/EVs/5G.
- October 27th Q3 Earnings: Despite achieving record quarterly revenue, NI's share price declined 3.0% the next day (a day in which the NASDAQ Index was up 2.9%) given decelerating order rates, as well as continued supply chain challenges and the potential impact of a deteriorating macro. NI's Q4 guidance was below street expectations, despite reaffirming the margin expansion guidance for 2023. Since your announcement, research has highlighted how NI continues to be a "wait and see" company as evidence of margin expansion was pushed out once again. The market is particularly concerned about your ability to achieve your expected growth in the face of a worsening economic outlook in many markets, particularly in your portfolio businesses. Factoring in these uncertainties, almost all brokers revised their estimates for both Q4 and 2023 downwards as well as their target prices

## **Improved Proposal**

From our first outreach, we have preferred to engage with you privately and have been committed to improving our offer to reflect the outlook for your company incorporating the latest financial information. Although we question the motivations for your updated guidance, we do believe in the long-term potential of the NI business under Emerson's leadership and, in the spirit of achieving engagement, we are willing to incorporate your updated outlook to improve our offer. As such, we are increasing our Proposal, from \$48 per share to \$53 per share (our "Improved Proposal").

Under our Improved Proposal, Emerson proposes to purchase 100% of the outstanding common stock of NI for \$53 in cash per common share which implies an equity value of \$7.1 billion and an enterprise value of \$7.6 billion. Our Improved Proposal delivers compelling all cash value and provides credit for significant future earnings, including your recently updated guidance. Rather than wait for you to achieve an uncertain 2023, our cash offer gives your shareholders immediate credit today. The offer provides substantial premiums to both current and historical metrics, specifically:

- 45% premium to NI's closing share price as of November 3, 2022;
- · 37% premium to the volume weighted average price for the last 30 trading days ending November 3, 2022;
- 53% premium to NI's closing share price as of May 24, 2022 (the day prior to when we made the original Proposal).

For reference, the last time NI's share price closed above \$53 was on March 12th, 2018. Since then, NI's share price has underperformed both the broader market and its key peer, Keysight, with the stock down 31% in a period where the NASDAQ Index gained 36% and NI's closest peer Keysight gained 206%.

## **Emerson is Prepared to Move Quickly**

We believe this Improved Proposal presents the best and most certain path to maximize value for NI shareholders. We are prepared to engage with NI's Board and management team immediately and have organized the resources to work towards a transaction expeditiously.

To emphasize the level of work completed and ability to move with certainty and speed, we reiterate to you our proposed next steps consistent with our prior letters:

- Diligence: We have performed extensive outside-in due diligence on NI over an extended period. As a result, we have limited and specific
  confirmatory due diligence requirements only.
- · Timing: We are ready to begin our confirmatory due diligence exercise and we would work towards signing and announcing a definitive agreement within four weeks.
- · Regulatory: We do not anticipate any significant regulatory risks or delays given the complementary nature of our businesses.
- Financing: Our Proposal is not subject to any financing condition and would be financed from cash on hand, committed lines of credit and/or
  other available sources of financing. Emerson is an A2/A rated company with a strong balance sheet. We have obtained a Highly Confident
  Letter from Goldman Sachs.
- Advisors: We have engaged Goldman Sachs & Co. LLC and Centerview Partners LLC as our financial advisors and Davis Polk & Wardwell
  LLP as our legal counsel. We have also engaged Joele Frank on public relations and Innisfree as our proxy solicitor.
- · Certainty: Our Board of Directors has reviewed and supports the proposed transaction. Emerson shareholder approval will not be required.

### **Next Steps**

We have invested considerable time and resources and remain fully committed to pursuing this transaction. It is our sincere hope that your Board—having had multiple opportunities to communicate its strategy and outlook to the market with no material change in NI's share price—will view this Improved Proposal favorably and now engage with us in a constructive dialogue. While it is our preference to work with your Board privately and collaboratively towards a potential transaction, another refusal to engage will force us to ensure your shareholders can assess our Improved Proposal directly. In preparation for all options, we would note:

- · We have accumulated 2.3 million NI shares in the open market and intend to file for HSR approval to facilitate additional purchases; and
- Given your Board's repeated attempts to move NI's share price higher have been unsuccessful, your remaining defense is neither your operational strategy nor shareholder support for management but rather NI's staggered board. As such, we are prepared to run a slate of directors specifically targeting the two members up for re-election, your Chairman and former CEO, which will provide NI's shareholders with an opportunity to express their views to your Board on its refusal to engage with us.

I continue to be available to meet with you at your convenience and have also instructed our financial and legal advisors to make themselves available to meet with your advisors. Given you have now been in possession of a Proposal from Emerson since May, and now an Improved Proposal, I request that you respond promptly to this letter. I look forward to hearing a more constructive answer and stand ready to engage.

Sincerely,

Lal Karsanbhai President and Chief Executive Officer

## November 15, 2022 - NI's Response to November 3 Letter

Lal Karsanbhai President and Chief Executive Officer Emerson Electric Co. 8000 West Florissant Avenue PO Box 4100 St. Louis, MO 63136-8506

Dear Lal:

We wanted to follow-up on our initial confirmation of receipt of your November 3, 2022 letter. NI and its Board of Directors take your proposal seriously, in accordance with our fiduciary duties. We have established a working group of the Board to examine your proposal in greater detail, as we examine and evaluate options with the assistance of our advisors, inclusive of other prospective purchasers and transaction partners.

Sincerely,

/s/

Eric Starkloff
President and Chief Executive Officer

/s/

Michael E. McGrath Chairman of the Board

## November 16, 2022 - Emerson's Response to NI

From: Lal Karsanbhai

Sent: Wednesday, November 16, 2022 To: Eric Starkloff; Michael McGrath

Subject: Re: Follow up to NI letter dated August 2nd

Michael and Eric:

I received your letter dated November 15th in response to our November 3rd letter.

We are pleased to hear that you have established a working group of the Board to evaluate our proposal and other strategic alternatives. I would like our respective advisors to speak before Thanksgiving so we can better understand your process and the timeline to evaluate our proposal and other options. Please advise me of the contact details of your advisers and I will have my advisers from Goldman and Centerview reach out to them.

Separately, as mentioned in our November 3rd letter, Emerson will be filing for HSR approval to acquire additional shares of National Instruments Corporation. Attached please find the required notice of such filing and of your company's HSR filing obligation.

Sincerely,

Lal

## November 21, 2022 - NI's Response to Emerson

From: Eric Starkloff

Sent: Monday, November 21, 2022 To: Lal Karsanbhai; Michael Mcgrath

Subject: Re: Follow up to NI letter dated August 2nd

Lal:

We received your email on November 16th responding to our letter of November 15th. As previously confirmed to you, NI and its Board of Directors take your proposal seriously, in accordance with our fiduciary duties, and a working group of the Board has been established to examine your proposal in greater detail, as we examine and evaluate options, inclusive of other prospective purchasers and transaction partners.

While it would be premature for our advisors to meet at this time, we will consider a future meeting with representatives from the working group and management after the Thanksgiving holiday.

Sincerely,

Eric

## December 7, 2022 - Emerson's Request to NI for Director and Officer Questionnaire

From: Lal Karsanbhai

Sent: Wednesday, December 7, 2022

To: Eric Starkloff

Subject: Re: Re: Follow up to NI letter dated August 2<sup>nd</sup>

Eric:

We received your email on November 21st responding to our email of November 16th requesting that our advisors meet before Thanksgiving. You advised that it would be premature for our advisors to meet at that time.

You have had our Revised Proposal since November 3rd and over two weeks have passed since your last communication. In your email, you advised that you had established a working group of the Board, and you would consider a meeting with representatives from the working group and management after the Thanksgiving holiday. Please provide an update on your process and advise when the advisors can connect, as well as timing for the meeting with the working group and management.

In addition, pursuant to NI's Bylaws, a stockholder proposing to nominate directors for election at the next AGM is required to submit two documents in the form provided by the Company Secretary. Attached please find a request for both documents and related confirmations for delivery to the Secretary. As the nomination window opens shortly (Wednesday, December 28, 2022), we would appreciate a timely response and in any case before the deadline stated in the attachment.

Sincerely,

Lal

### December 14, 2022 - Emerson's Section 220 Demand Letter and Follow Up to December 7 Request

From: Sara Bosco

Sent: Wednesday, December 14, 2022

To: Eddie Dixon

Subject: EMR Demand Letter and Response to NI Letter Dated December 14, 2022

Dear Mr. Dixon.

Attached please find Emerson's demand as a stockholder of National Instruments Corporation ("NI") for inspection of books and records of NI. Please note the statutorily mandated initial compliance date of Thursday, December 22, 2022 and continuing thereafter through NI's next annual general meeting of its stockholders. The attached demand provides the contact information for coordinating NI's response through Emerson's outside counsel, Davis Polk.

I also would like to follow-up on my letter dated Wednesday, December 7, 2022 to you requesting documentation mandated by NI's bylaws in connection with the nomination of directors and your letter earlier today. In your letter you advised that you will provide the documents "shortly" without more specificity. We are concerned that NI's delay in responding to this straightforward request will frustrate or impair Emerson's ability to nominate directors. We ask that NI respond fully to the request no later than Sunday, December 18, 2022. In that regard, we ask that you provide the supplemental information requested in my December 7 letter in addition to the two documents.

We look forward to prompt and complete responses on all of the above matters.

Sincerely,

Sara Yang Bosco

## December 14, 2022 - NI's Request for a Call with Emerson

From: Eric Starkloff

Sent: Wednesday, December 14, 2022

To: Lal Karsanbhai

Subject: Re: Re: Follow up to NI letter dated August 2nd

Lal

I'd like to schedule a call with you later this week to discuss next steps and a potential meeting. I can be available Thursday between 11:30 and 2:00 and after 3:30 CST, and Friday any time before noon. Let me know what works for you.

(And regarding the two bylaw documents referred to in your note, my GC Eddie Dixon will be separately replying to your counsel to get that addressed.)

Regards,

Eric

## December 14, 2022 - NI's Response to Emerson

Sara Bosco, Esq.
Senior Vice President, Secretary and Chief Legal Officer
Emerson Electric Co.
8000 West Florissant Avenue
PO Box 4100
St. Louis, MO 63136-8506

Dear Ms. Bosco:

This is to confirm that we are in receipt of your request regarding the materials referenced in our bylaws, and that we will provide you with the documents referenced in our bylaws shortly.

Sincerely,

/s/

R. Eddie Dixon, Jr.

Chief Legal Officer, Senior Vice President & Secretary

## December 16, 2022 - NI's Email Confirming January 4 Meeting with Emerson

From: Eric Starkloff

Sent: Friday, December 16, 2022

To: Lal Karsanbhai

Subject: Re: Re: Re: Follow up to NI letter dated August 2nd

Lal,

Following up on our call yesterday, just to confirm that your suggestion of getting together the first week of January in Austin works for us, and I'm looking forward to seeing you in person. Does Wednesday, January 4 work for you? If so, we can work to arrange the logistics. And based on your comments around the areas you are interested in learning more about our business, I think the meeting will be a mutually valuable one.

In preparation for that information sharing, I'll have our lawyers at Wachtell Lipton (Adam Emmerich, Sabastian Niles and Lina Tetelbaum) send along a proposed NDA. Please let me know who they should send it to from your advisor team. As we discussed yesterday, we are not seeking to prevent you from making board nominations for our next annual meeting, and expect we can get the NDA organized and agreed in short order.

Looking forward to seeing you in January. Best wishes for a happy holidays.

Eric

## January 11, 2023 - Emerson's Fourth Offer Letter to NI

Eric Starkloff
President and Chief Executive Officer

Michael E. McGrath Chairman of the Board

National Instruments Corporation 11500 N Mopac Expwy Austin, TX 78759-3504

Dear Eric and Michael:

I am writing to follow up on our November 3rd letter which outlined our improved proposal for the acquisition of all of the outstanding shares of National Instruments Corporation ("NI") by Emerson Electric Co. ("Emerson").

We appreciate you and your team hosting us in Austin on January 4th and the one follow-up call between the teams on January 9th. As you have seen through our discussions, we have a deep understanding of the test and measurement sector and specifically NI. While it has been helpful to receive some additional information on your business and plans, the superficial information your team shared has not addressed the 30 focused questions that we provided ahead of time, and as such we are not yet able to change our view on the financial outlook for NI.

Based on what you have cash per common share.	shared to date, we reiterate o Our offer	ur proposal for Emerson to pເ	urchase 100% of the outstandin	g common stock of NI for \$53 in

provides shareholders with credit today for significant future earnings, including your recently updated guidance at attractive premiums:

- · 37% premium to NI's closing share price as of January 10, 2023; and
- 45% premium to NI's closing share price as of November 3, 2022 (when we increased our proposal to \$53 a share).

From our first outreach in May 2022, we have attempted to work with you privately to see if we could reach a deal and we are highly confident we could announce a deal within days and by no later than your Q4 results on January 31st. To that end, we would be willing to extend the standstill agreement by one week and may see the potential for a very modest increase in value, subject to the following:

- · Receiving the outstanding business diligence responses to our prioritized list of 30 questions that we shared on January 6th, as outlined in Annex A:
- · Receiving details on all changes in compensation and benefits, equity awards (regular or special) made and anticipated, beyond what has previously been disclosed in NI's SEC filings so we can determine if there are meaningful new costs incurred that may impact our ability to modestly increase our offer;
- Davis Polk will share with Wachtell a draft merger agreement reflective of our proposal and we expect meaningful engagement on negotiating the agreement and aligning on key deal terms;
- · Arranging discussions between bankers to agree and align on the process and timeline to announcing a transaction by your Q4 results, and;
- Receiving a full response from your outside counsel to the information requested pursuant to the Section 220 Demand for Stockholder Information which we are entitled to as holders of 2.3 million shares of NI.

We believe our offer is compelling and that there is a path to working with your Board privately and collaboratively towards a potential transaction. We are in a position to move very quickly to finalize customary confirmatory diligence and negotiate the merger agreement, and subject to receiving the information requested, may see the potential for a very modest increase in value. However, if you are not willing to share the information requested, it will require us to reach out to your shareholders directly.

I look forward to hearing from you promptly.

Sincerely,

Lal Karsanbhai
President and Chief Executive Officer

#### **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 <a href="mailto:Emerson.com">Emerson.com</a>.

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 with the Company (the "Proposed Transaction"). It is anticipated that Emerson, together with the participants named therein, will file a proxy statement and accompanying WHITE proxy card with the Securities and Exchange Commission ("SEC") to be used to solicit votes for the election of a slate of director nominees identified and nominated by Emerson (the "Nominees") at the 2023 annual meeting of stockholders of National Instruments Corporation, a Delaware corporation (the "Company") and may file other proxy statements and/or other documents.

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. This communication is not a substitute for any proxy statement or other documents Emerson may file with the SEC in connection with the election of the Nominees or 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 BY EMERSON, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, IN CONNECTION WITH THE ELECTION OF THE NOMINEES AND/OR THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE ELECTION OF THE NOMINEES, THE PROPOSED TRANSACTION, AND RELATED MATTERS. Any definitive proxy statement(s) (including any WHITE proxy card enclosed with any definitive proxy statement(s) or supplements filed and/or disseminated by Emerson) (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 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 St. Louis, MO www.emerson.com/en-us/investors

Investor Relations:

Colleen Mettler, Vice President (314) 553-2197 investor.relations@emerson.com

Innisfree M&A Incorporated Scott Winter / Jonathan Salzberger (212) 750-5833

## Participants in the Solicitation

Emerson and the Nominees are anticipated to be participants in the solicitation of proxies in connection with the election of the Nominees as directors of the Company.

Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the election of the Nominees as directors of the Company and/or the Proposed Transaction, including a description of their direct or indirect interests in such matters, by security holdings or otherwise, will be set forth in any proxy statement(s) and other relevant materials related to such matters if and when they are filed with the SEC.

## **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. Forwardlooking 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.

### Contacts

Investors:

Colleen Mettler Vice President, Investor Relations (314) 553-2197

Media:

Jim Golden / Joseph Sala / Tanner Kaufman Joele Frank, Wilkinson Brimmer Katcher (212) 355-4449

## Materials Posted to www.MaximizingValueatNI.com



## Disclaimer

## Additional Information and Where to Find It

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("Emerson") has made for a business combination transaction with the
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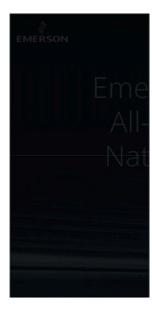




#### Transaction.

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contacting the investor relations department of Emerson:

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Investor Relations: Colleen Mettler, Vice President (3 14) 553-2197

investo r.relations@emerson.com

Innisfree M&A Incorporated Scott Winter / Jonathan Salzberger (212) 750-5833

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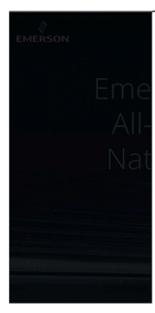
asdirectors of the Company.

Information regarding the persons who may, under the rules of the SEC, bedeemed participants in the solicitation of proxiesin connection with theelection of the Nominees asdirectors of the Company and/or the Proposed Transaction, including a description of their direct or indirect interests in such matters, by secur ity holdingsor otherwise, will beset forthinany proxy statement(s) and other relevantmaterials related to such matters if and when they are filed withthe SEC.

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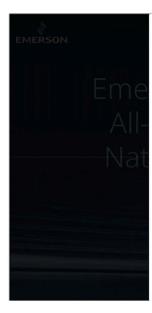
This communication contains "for ward -locking statements as that term is defined in Section 27A of the Securities Act and Section 21E of the Exchange Act, as amended by the Private Securities Litigation Reform Act of 1995, All statements, other than historical facts, are forward-looking statements, including: statements regarding the expected liming 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-lookingstatements 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, "lendeavor; "seek;" "anticipate," "isstimate;" "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 cangive no assurance that such plans, estimates or expectations will be-





achieved and breretore, actual results may ctitter materially tram any plans, estimates or expectations in such forward-looking statements. Import antifactors 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 condition s, il mitations 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; (6) failure to realize •





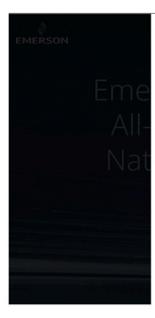
the anticipated benefits of the proposed transaction, including as a result of delay in completing the proposed transaction or integrating the business of the Company with thebusiness of Emerson; (7) the ability of Emerson to implement its business strategy;(8) difficulties anddelays in achieving revenue and cost synergies; (9) inability to retain andhire key personnel; (10) the occurrence of any event that could give riseto termination of the proposed transaction; (11) potential litigation in connection with theproposed transaction; (11) potential litigation in connection with theproposed transaction or other settlements or investigations that may affect the timing or occurrence of the contemplated transaction or result in significant costs of defense, indemnificationand 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 andvolatility, natural and man-made disasters, civilunrest, pandemics (e.g., the coronavirus (COVID-19) pandemic (the "COVID-19) pandemic (the "COVID-19) pandemic; the "COVID-19 pandemics"), geopolitical uncertainty, and conditions that may result from legislative, regulatory, trade andpolicy changes associated with the current or subsequent U.S. administration; (14) the ability of Emerson and the Company to





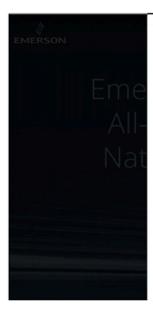
successfully recover from a disaster or other business continuity problem due to aburricane, flood, earthquake, terror ist attack, war, pandemic, security breach, cyber-attack, power loss, telecommunications failure or other natural or man-made event, including the ability to function remotely during 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 apportunities 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 theSEC, including Emerson's and the Company's reports filed with theSEC, including Emerson's and the Company's annual report on Form 10-K, periodic quarterly reports on Form 10-C, periodic current reports on Form 8-K and other documents filed with theSEC. These risks, as well as other risks associated with theproposed 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 theSEC. While the list of factors presented here is, and the list of factors to be presented in any such proxy statement(s) or mater lals will be considered representative, no such list should be considered to be a complete statement of all potential risks anduncertainties. Unlisted factors may present significant additional obstacles to the realization of forw and lookingstatements. Any forward-lookingstatements speak only as of the date of thiscommunication. Emerson undertakes no obligation to update any forw ard-looking statements, whether as a result of new defended and the second of the contents of the second of th





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-K, 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 factor sto 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 forw and looking statements. Any forward-lookingstatements 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.





On January 17, 2023, Emerson announced a proposal to acquire National Instruments (NI) for \$53 per share in cash at an implied enterprise value of \$7.6 billion. The proposal, which is not subject to any financing conditions, was submitted to NI on November 3, 2022, and represents an improvement over an initial \$48 per share proposal submitted on May 25, 2022. This public proposal follows numerous attempts to engage constructively with NI in private since May 16, 2022.

Emerson urges NI shareholders to engage with their Board to ensure NI's public strategic review process is not merely another delay tactic. Emerson has organized the resources to work expeditiously toward a transaction with NI, has shared a merger agreement with NI and is prepared to transact promptly.

# Immediate and Certain Cash Value for All NI Shareholders

## 32% premium

NI's closing share price as of January 12, 2023, the day prior to NI's public announcement of a strategic review on January 13, 2023

## 38% premium

NI's volume weighted average price for the last 30 trading days ending January 12, 2023

## 45% premium

NI's closing share price on November 3, 2022, the day Emerson submitted its latest proposal to acquire NI

## 23% premium

NI's 52-week high intra-day share price of \$43.12, as of January 12, 2023



## Aligned with Emerson's Portfolio Transformation Into a Cohesive, Higher Growth and More Profitable Company

Emerson is actively transforming its portfolio to create a higher value, cohesive industrial technology portfolio serving a diversified set of end markets. With NI, Emerson would gain a strong, complementary portfolio of differentiated electronic test and measurement offerings, and a technology stack of industry-leading intelligent devices, controls and software that complements Emerson's technology stack in its core automation markets.

### Further Diversification of End Markets

With favorable long-term trends and an estimated priority target TAM of \$35 billion, test and measurement is a fast-growing and complementary adjacency to Emerson's portfolio. This acquisition would enable Emerson to further expand and diversify its customer base within highly attractive end markets with strong secular trends including semiconductor, automotive and electric vehicles, and aerospace and defense.





## Significant Financial Benefits

The transaction is expected to be accretive to Emerson's adjusted EPS in the first year, meets Emerson's communicated returns threshold and will improve Emerson's overall growth. NI has an attractive financial profile, with approximately 70% gross margins. NI's business has strong positions in attractive and growing markets, creating sustainable top line growth potential. Emerson sees significant potential for profit and cash flow improvement across the NI business by applying proven operational excellence and productivity levers through Emerson's Management System.

## Emerson's Strong Commitment to the Transaction

Underscoring its commitment to consummating a transaction, Emerson has purchased 2.3 million shares of NI stock and has received approval under  ${\sf HSR}^1$  to increase its stake.

Emerson is prepared to nominate directors for election to NI's Board.

1 Hart-Scott-Rodino Antitrust Improvements Act of 1976





## Emerson's Public Proposal Follows Eight Months of Delay and Lack of Engagement

Emerson's first outreach to NI regarding a potential all-cash acquisition was on May 16, 2022, and Emerson's initial \$48 per share proposal was formalized in a letter on May 25, 2022. For eight months, NI delayed and refused to engage meaningfully with Emerson, as outlined in the correspondence below. In addition, after receiving the initial May 25, 2022 proposal from Emerson, NI not only refused to engage with Emerson – it repurchased more than 2 million shares at an average weighted price of \$40.25, the largest quarterly repurchase in its history on a dollar basis, depriving its shareholders of the opportunity to realize immediate cash value through the transaction price, which is significantly above the repurchase price.

In a November 3, 2022 letter, Emerson outlined the terms of an improved all-cash proposal of \$53 per share and highlighted its numerous attempts to engage with NI to that date. On November 15, 2022, NI responded to Emerson, indicating that it had created a working group of its Board to examine Emerson's proposal in greater detail, as well as evaluate options with the assistance of arbitrarys.

In the more than two months since, NI continued to resist engaging meaningfully with Emerson to work toward an agreement. Eight months after Emerson's approach, NI agreed to a January 4, 2023 meeting with representatives from Emerson, which was followed by one additional conference call. During these discussions, NI shared very limited, high-level information about its business and continued to demonstrate its unwillingness to provide more detailed information, including refusing to respond to key diligence questions provided ahead of the meeting and data requests. NI then informed Emerson that this would be the extent of its engagement. In a letter dated January 11, 2023, Emerson reiterated its \$53 per share proposal to acquire NI.

#### NI Shareholders: Stop Your Board's Delay Tactics

Emerson is disappointed that NI chose to announce a strategic review and put in place a poison pill on January 13, 2023, rather than engaging privately and constructively. NI did not respond to Emerson's latest letter sent on January 11, 2023 before its public announcement.

NI's strategic review announcement comes more than two months after the NI Board purportedly formed a working group to evaluate options with its advisors – with no results.

NI shareholders should understand that for eight months, they have been deprived of the opportunity to realize certain cash value at a significant premium. Emerson urges NI shareholders to engage with their Board to ensure this public strategic review process is not merely another delay tactic.

Emerson feels compelled to disclose the contents of all its correspondence with NI, beginning in May 2022, to make public its consistent and sustained track record of attempted engagement with NI, without any meaningful or constructive response.

MAY 16, 2022 EMERSON COMMUNICATION

Emerson initial outreach; proposed CEO-to-CEO in-person meeting

MAY 25, 2022 OFFER LETTER

Offer Price: \$48 Premium: 39%<sup>1</sup>

Telephone call between CEOs; Initial proposal submitted to NI's Board

READ EMERSON'S FIRST OFFER LETTER TO NI

1 NEclaring price on May 24, 2022

JUNE 16, 2022 NI COMMUNICATION

NI responded stating its Board had unanimously decided not to pursue discussions with Emerson

READ NES RESPONSE TO MAY 25 LETTER

JUNE 22, 2022 OFFER LETTER

Offer Price: \$48 Premium: 51%<sup>1</sup>

Emerson submitted a second letter; requesting response by week of July 11th

READ EMERSON'S SECOND OFFER LETTER TO NI

1 M doung price on June 21, 2072

JULY 6, 2022 NI COMMUNICATION

NI notified Emerson it would respond to Emerson's letter after its Board meeting

READ NES FIRST RESPONSE TO JUNE 22 LETTER

JULY 12, 2022

Emerson began accumulating shares in NI

AUGUST 2, 2022 | NI COMMUNICATION

NI responded reiterating that its Board remains unanimously opposed to engaging with Emerson

READ NI'S SECOND RESPONSE TO JUNE 22 LETTER

NOVEMBER 3, 2022 OFFER LETTER

Offer Price: \$53 Premium: 45%<sup>1</sup>

Emerson submitted a third letter, indicating increased offer price of \$53 per share

READ EMERSON'S THIRD OFFER LETTER TO NI

1 NI closing price on November 3, 2022

NOVEMBER 15, 2022 NI COMMUNICATION

NI responded that it is evaluating the offer and forming a working group of the Board; no meaningful engagement

READ NI'S RESPONSE TO NOVEMBER 3 LETTER

NOVEMBER 16, 2022 | EMERSON COMMUNICATION

Emerson requested an advisor-to-advisor call to understand NI's evaluation process

READ EMERSON'S RESPONSE TO NI

NOVEMBER 21, 2022 NI COMMUNICATION

NI reiterated that it had formed a working group, however noted that such a discussion is premature; no meaningful engagement

READ NI'S RESPONSE TO EMERSON

DECEMBER 7, 2022 EMERSON COMMUNICATION

Emerson requested director and officer questionnaire from NI

READ EMERSON'S REQUEST TO NI FOR D&O QUESTIONNAIRE

DECEMBER 14, 2022 EMERSON COMMUNICATION

Emerson submitted Section 220 demand to NI

READ EMERSON'S SECTION 220 DEMAND LETTER AND FOLLOW UP TO DECEMBER 7 REQUEST

DECEMBER 14, 2022 NI COMMUNICATION

READ NI'S RESPONSE TO EMERSON

DECEMBER 15, 2022 LIMITED ENGAGEMENT

NI CEO spoke with Emerson CEO and agreed to early January meeting

JANUARY 4, 2023 LIMITED ENGAGEMENT

NI presented to Emerson - indicated they are willing to be collaborative in the process

JANUARY 9, 2023 LIMITED ENGAGEMENT

NI held due diligence call, provided very high-level answers to reasonable questions, and stated this is the extent of their engagement

JANUARY 11, 2023 | OFFER LETTER

Offer Price: \$53 Premium: 37%<sup>1</sup>

 ${\it Emerson submitted a fourth letter reiterating price and offering to extend standstill}$ 

#### READ EMERSON'S FOURTH OFFER LETTER TO NI

1 NI closing price on January 10, 2023

JANUARY 13, 2023 NI COMMUNICATION

NI announced commencement of strategic review process and adoption of poison pill



Press Releases

## Press Releases

JANUARY 17, 2023

Emerson Announces Premium, All-Cash Proposal to Acquire National Instruments for \$53 Per Share

DOWNLOAD PDF

## Letters

JANUARY 11, 2023

Emerson's Fourth Offer Letter to NI

DOWNLOAD PDF

DECEMBER 16, 2022	DOWNLOAD PDF
NI's Email Confirming January 4 Meeting with Emerson	
DECEMBER 14, 2022	DOWNLOAD PDF
NI's Response to Emerson	970 TH TOURS OF THE
DECEMBER 14, 2022	DOWNLOAD PDF
NI's Request for a Call with Emerson	(SOUTH COMPANY)
DECEMBER 14, 2022	DOWNLOAD PDF
Emerson's Section 220 Demand Letter and Follow Up to December 7 Request	
DECEMBER 7, 2022	DOWNLOAD PDF
Emerson's Request to NI for D&O Questionnaire	17 had and debated
NOVEMBER 21, 2022	DOWNLOAD PDF
NI's Response to Emerson	

NOVEMBER 16, 2022	DOWNLOAD PDF
Emerson's Response to NI	
NOVEMBER 15, 2022	DOWNLOAD PDF
NI's Response to November 3 Letter	20011110000001301
NOVEMBER 3, 2022	DOWNLOAD PDF
Emerson's Third Offer Letter to NI	BOTTELOND 1 DE
AUGUST 2, 2022	DOWNLOAD PDF
NI's Second Response to June 22 Letter	
JULY 6, 2022	DOWNLOAD PDF
NI's First Response to June 22 Letter	
JUNE 22, 2022	DOWNLOAD PDF
Emerson's Second Offer Letter to NI	

JUNE 16, 2022 NI's Response to May 25 Letter		DOWNLOAD PDF
MAY 25, 2022 Emerson's First Offer Letter to NI		DOWNLOAD PDF
For More Information		
For More Information		
For More Information		



### **Events**

### **Events**

JANUARY 17, 2023

 $Investor\ Call:\ Emerson\ Announces\ Premium,\ All-Cash\ Proposal\ to\ Acquire\ National\ Instruments\ for\ \$53\ Per\ Share\ 8:30\ AM\ Eastern\ Time\ /\ 7:30\ AM\ Central\ Time$ 

DOWNLOAD PRESENTATION

LIVE INVESTOR CALL

### Presentations

JANUARY 17, 2023

Emerson Announces Premium, All-Cash Proposal to Acquire National Instruments for \$53 Per Share

DOWNLOAD PDF

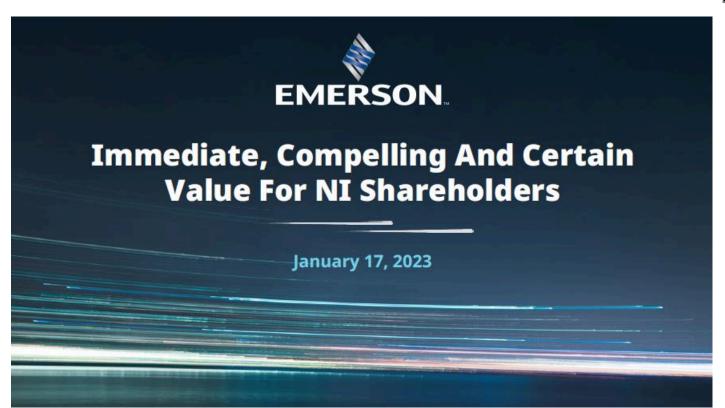
## Infographics

Emerson Announces Premium, All-Cash Proposal to Acquire National Instruments for \$53 Per Share

DOWNLOAD PDF

### For More Information

Emerson's Continuous Effort to Engage NI Press Releases + Letters Events + Presentations



#### Dear NI Shareholder,

Our proposed all-cash acquisition of NI is a clear and certain path to realizing increased value from your investment in NI.

We are offering to acquire NI for \$53 per share, a 32% premium to NI's closing share price as of January 12, 2023, the day prior to NI's announcement of a strategic review and a 38% premium to the 30-day VWAP ending January 12, 2023.

Emerson has long admired NI as a technology leader in electronic test and measurement and believes combining our two companies would further develop our position as a premier global automation company.

In this presentation, we provide an overview of why we firmly believe that our offer enables you to achieve an immediate, high-premium return on your investment.

- Compelling Premium and Value: \$53 per share, all-cash
- Transaction Certainty: No financing contingency, no expected regulatory concerns
- Expedited Timeline: Ready to sign and announce quickly following substantive engagement by NI

Emerson is committed to pursuing this transaction. Emerson has made numerous attempts to engage constructively with NI in private since May 2022 and for eight months, NI delayed and evaded our efforts. In November, NI noted that it had created a working group of its Board to examine Emerson's proposal in greater detail, as well as evaluate options with the assistance of advisors – and then last week, nearly two months later, NI announced publicly that it is initiating a review and evaluation of strategic options with its advisors and has adopted a poison pill. While we would have preferred to reach an agreement privately, we are making our interest public for the benefit of all NI shareholders. As a sign of our commitment, Emerson has purchased 2.3 million shares of NI and we have received HSR approval to increase our stake.

We urge NI shareholders to engage with their Board to ensure this public strategic review process is not merely another delay tactic.

Regards,

Lal Karsanbhai President and Chief Executive Officer

2)



## Emerson's Premium All-Cash Proposal Follows Repeated Engagement Attempts

· All-cash offer of \$53 per share Premium And Value - 38% premium to NI's 30-day VWAP1 May: proposed all-cash offer at \$48 per share - rejected

epeated Rejection - June: requested access to additional information to find additional value - re
And Limited - November: increased all-cash offer to \$53 per share to reflect NI's under
Engagement - January: NI finally acceed to November: increased all-cash offer to \$53 per share to reflect NI's updated guidance January: NI finally agreed to meet, only to provide high-level responses to reasonable questions – again rejected \$53 per share proposal - Emerson acquired 2.3M shares of NI - Received HSR approval to increase stake Willing to nominate directors for all seats up for election at NI's annual meeting if NI Board and management remain entrenched in their willingness to engage Transaction · No significant regulatory concerns anticipated Deal Certainty · No financing contingency · Limited confirmatory due diligence Expedited · Ready to sign and announce quickly Source: Bloomberg 1 As of January 12, 2023 3)

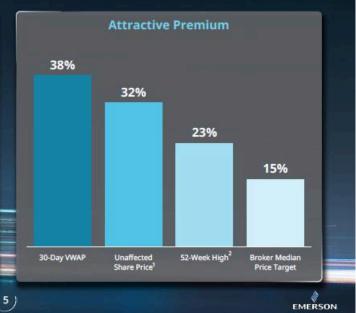
We urge NI's shareholders to encourage the Board to have constructive and meaningful engagement with Emerson to pursue this highly compelling all-cash proposal

EMERSON



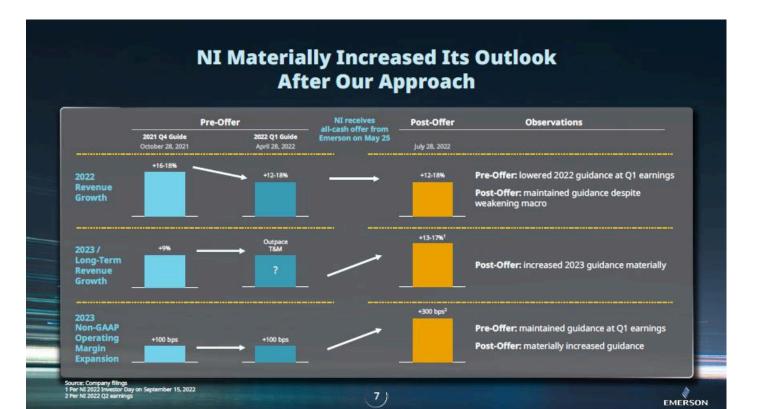
## \$53 Per Share All-Cash Offer Reflects Substantial Value And Provides Credit For NI's Updated Guidance



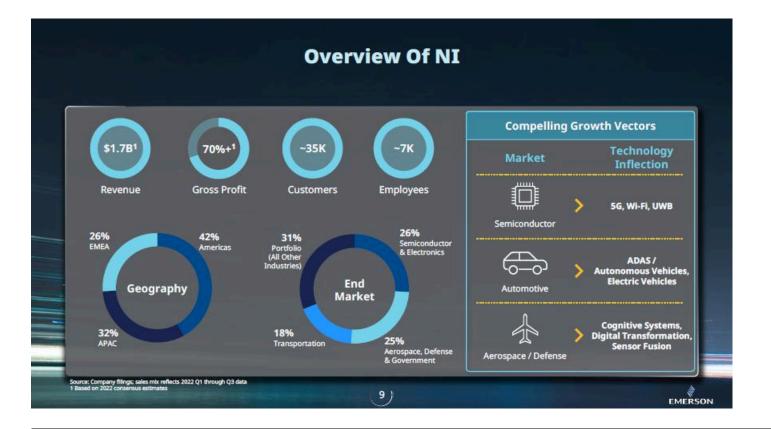


## Continuous Effort To Engage Constructively Has Been Consistently Rejected













### Opportunity For Enhanced Innovation; Emerson Brings Track Record Of Multiple Successes

### NI

### LabVIEW NXG

2017 - 30+ years after LabVIEW's original release

Next-generation integrated development environment that would succeed LabVIEW

Significant investment of non-reoccurring engineering and R&D

LabVIEW NXG failed to gain traction

NI announced in 2020 it would not release any new versions of the product beyond 2021

Misstep occurred during a time of exceptional growth through innovation by peers such as Keysight who successfully launched products tailored to the 5G transition

### Emerson Has Track Record Of Innovation And Successfully Launching New Products



Ovation Digital

Digital model of physical assets

40K+ MW of digital-twin supported generation



DeltaV PK Controller Modular control for process and hybrid applications

5K+ controllers sold



Fisher DLC3100 Digital level control with dynamic temperature compensation

Device diagnostics and local operator interface



Micro Motion CMFS Sensor Compact form factor Coriolis meter up to 1.5" with improved robustness and accuracy

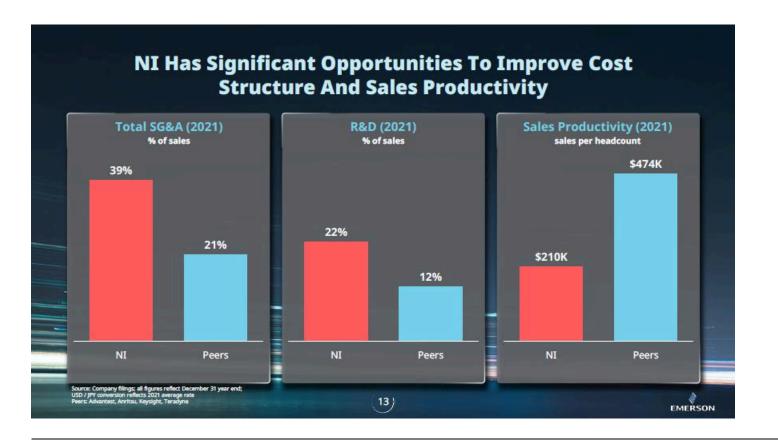
Hygienic, cryogenic and high-pressure applications

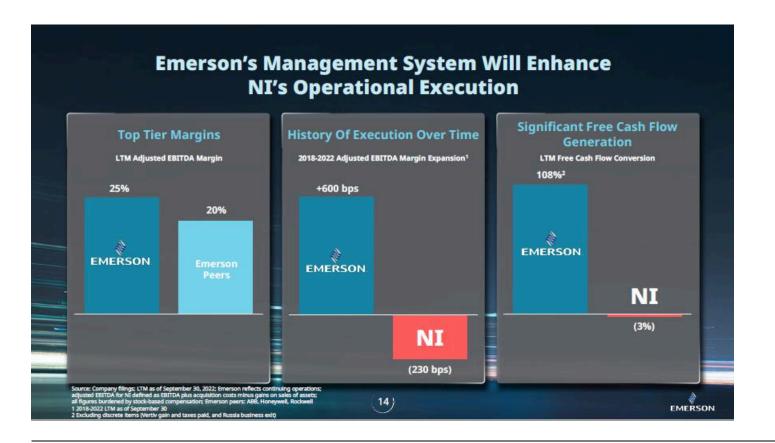


ASCO Series 290 Angle Valve Stainless steel air operated actuator FDA certified for sanitary conditions









#### **Significant Synergy And Immediate Value Creation Opportunity For Emerson Shareholders** Current Opportunity Enhance productivity of spend Industry high R&D spend at 22% of sales Research & **Transaction Meets** Development Streamline product portfolio **Emerson's Return Thresholds** Industry high sales and marketing spend at 31% of sales and low productivity per employee Accelerate shift to distribution Go-To-Utilize Emerson's global scale to drive efficiency Market Adjusted EPS Accretive In Year 1 Standalone back-office SG&A/ Streamline duplicative functions and corporate / support functions are inefficient at ~8% of sales Corporate Move to regional best-cost model Source: Company filings; financial metrics are adjusted non-GAAP metrics as of NI fiscal year 2021 EMERSON 15)

### We Are Prepared To Engage Immediately And Have Organized The Resources To Move Towards A Transaction Expeditiously

Emerson performed outside-in due diligence on NI
Limited and specific confirmatory due diligence requirements only

Ready to begin confirmatory due diligence
Would work towards signing and announcing a definitive agreement quickly

Do not anticipate any significant regulatory risks or delays
Received HSR approval to further increase stake

Proposal is not subject to any financing conditions

Emerson is an A2/A rated company with a strong balance sheet
We have obtained a Highly Confident Letter from Goldman Sachs

Certainty

Board of Directors has reviewed and supports the proposed transaction
Emerson shareholder approval will not be required

We urge NI's shareholders to encourage the Board to have constructive and meaningful engagement with Emerson to pursue this highly compelling all-cash proposal

EMERSON

16)

### NI Shareholders Can Act Now To Achieve A Certain, Cash Deal



Attractive all-cash offer at a 38% premium<sup>1</sup>



**High certainty deal** – all cash, no financing contingency, highly complementary business



We urge NI's Board and management to have constructive and meaningful engagement with Emerson to realize value for shareholders



Emerson committed to completing a transaction, already owns 2.3M shares and prepared to nominate directors for election to NI Board

Source: Bloomberg 1 Premium to 30-day VWAP as of January 12, 2023





### **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 with the Company (the "Proposed Transaction"). It is anticipated that Emerson, together with the participants named therein, will file a proxy statement and accompanying WHITE proxy card with the Securities and Enchange Commission ("SEC") to be used to solid to solid to solid to solid the dozen to a state of director normalizes identified and nominated by Emerson (the "Nominaes") at the 2023 annual meeting of socioloiders of National Instruments Comparation, a Delaware corporation that "Company" and may file other proxy statements and/or other documents.

This communication does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell or the solicitation of any securities or a solicitation of any vote or approval. This communication is not a substitute for any proxy statement or other documents memore on most like with the SEC in connection with the electric of the Representation of the Promosed Translation.

BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS ARE URGED TO READ CARREPLLY AND IN THEIR ENTIRETY ANY PROXY STATEMENTS) AND/OR OTHER DOCUMENTS IF AND COMMENTS OR SUPPLEMENTS OF THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS CONTAIN OR WILL CONTAIN INFORTANT INVORMATION ABOUT THE ELECTION OF THE NOTIFICATION OF THE NOMINES AND/OR STREAMSCATCH, BECAUSE THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS CONTAIN OR WILL CONTAIN INFORTANT INVORMATION ABOUT THE ELECTION OF THE NOMINES. THE PROPOSED TRANSACTION, AND RELATED MATTERS. Any definitive proxy statement(s) or supplements filled and/or disseminanted by Emersion (if and when available) will be mailed or otherwise made available to a tockholders of the Company, Investors and society 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 or, in the case of documents filed by Emerson, by contacting the investor relations deparatment of Emerson:

#### <u>Emerson</u> 8000 West Florissant Avenue, P.O.

St. Louis, MO

Investor Relations:

Colleen Mettler, Vice President (314) 553-2197

Innisfree M&A Incorporate Scott Winter / Jonathan Salzberge (212) 750-5833

#### Participants in the Solicitation

Emerson and the Nominees are anticipated to be participants in the solicitation of proxies in connection with the election of the Nominees as directors of the Company.

Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the election of the Nominees as directors of the Company and/or the Proposed Transaction Including a description of their direct or indirect interests in such matters, by security holdings or otherwise, will be set forth in any proxy statement(s) and other relevant materials related to such matters if and when they are filed with the SEC.

18)



## 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 27E of the Exchange Act, as amended by the Private Securities Litigation Reform Act of 1995. All statements in their than historical facts, and pravel-looking statements regarding the expected benefits of the proposed transaction, the expected benefits of the proposed transaction, such as improved operations, enhanced revenues and cach flow, synergies, growth potential, market profile, business plans, expanded portfolio and financial strength. The competitive ability and position of Emerson foliowing completion of the proposed transaction; programment of the proposed transaction; programment of the proposed transactions and results and other statements with a re-not historical facts and are sometimes identified by the words "may," well," "abouts," potential, "intend," repleting and a proposed transactions, and a proposed transaction and the proposed transaction and the proposed transaction and the proposed transaction and the proposed transaction and transactions and transactions and transactions and transactions and the proposed transaction and transactions and transactions and transactions and transactions are also assumed to the proposed transaction and transactions are also assumed to a proposed transaction and transactions are proposed transaction, including that a governmental entity in any plans, estimates or expectations include, approvals or that any required approval by the stockholders of the Company with respect to the proposed transaction, including get a results to differ materially ifform a proposed transaction, including plans to a proposed transaction and proposed transaction, including plans to a proposed transaction and proposed transaction, including plansactions and proposed transactions. The proposed transaction and propo

19)





### Emerson's Premium, All-Cash Proposal to Acquire National Instruments for \$53 Per Share

Proposal Represents Immediate, Compelling, and Certain Cash Premium of 32% Over NI's Closing Share Price on January 12, 2023

Emerson's Public Proposal Follows Eight Months of Delay and Lack of Engagement From NI. Emerson has made numerous attempts to engage constructively with NI in private since May 16, 2022. For eight months, NI delayed and refused to engage meaningfully with Emerson. On January 13, 2023, NI announced publicly that it is undertaking a strategic review process and put in place a poison pill. Emerson urges NI shareholders to engage with their Board to ensure this public strategic review process is not merely another delay tactic.

#### **ACQUISITION ADVANCES EMERSON'S GLOBAL AUTOMATION FOCUS**



Aligned with Emerson's Portfolio Transformation Into a Cohesive, Higher Growth, More Profitable Company



Expected to Be Accretive to Emerson's Adjusted EPS in First Year



Would Further Diversify Emerson's **End Markets** 

### SIGNIFICANT VALUE WITH CLEAR PATHWAY TO COMPLETION





No Anticipated Regulatory Concerns

### 32% Premium

To NI's closing share price as of 1/12/23, the day prior to NI's public announcement of a strategic review on 1/13/23

### 45% Premium

To NI's closing share price as of 11/3/22, the day Emerson submitted its latest proposal to acquire NI

### 38% Premium

To the volume weighted average price for the last 30 trading days ending 1/12/23

### 23% Premium

To NI's 52-week high intra-day share price of \$43.12, as of 1/12/23

Emerson owns 2.3M shares of NI stock and is prepared to nominate directors for election to NI's board.

For more information visit MaximizingValueAtNI.com





Emerson initial outreach; proposed CEO-to-CEO in-person meeting

#### 25-May-2022 Offer

Offer Price: \$48 Premium: 39%

Telephone call between CEOs; initial proposal submitted to NI's Board

NI responded stating its Board had unanimously decided not to pursue discussions with Emerson

#### 22-Jun-2022 Offer

Offer Price: \$48 Premium: 51%

Emerson submitted a second

#### 03-Nov-2022 Offer

Offer Price: \$63

Emerson submitted a third letter, indicating increased price of \$53 per share

NI responded that it is evaluating the offer and forming a working group of the Board; no meaningful engagement

Emerson requested director and officer questionnaire from NI

#### 14-Dec-2022

Emerson submitted Section 220 demand to NI

#### 15-Dec-2022

NI CEO spoke with Emerson CEO and agreed to early January meeting

#### 11-Jun-2023 Offer

Offer Price: \$53 Premium: 37%

Emerson submitted a fourth letter reiterating price and offering to extend standstill

### NI announced

commencement of strategic review process and adoption of poison pill

NI notified Emerson it would respond to Emerson's letter after its Board meeting

#### 12-Jul-2022

Emerson began accumulating shares in NI

NI responded reiterating that its Board remains unanimously opposed to engaging with Emerson

#### 16-Nov-2022

Emerson requested an advisor-to-advisor call to understand NI's evaluation process

NI reiterated that it had formed a working group, however noted that such a discussion is premature; no meaningful engagement

#### 04-Jan-2023

NI presented to Emerson— indicated they are willing to be collaborative in the process

NI held due diligence call, provided very high-level answers to reasonable questions and stated this is the extent of their engagement

Premium is based on the price of NI common stock as of the close immediately prior to the applicable offer letter; share price data from Bloomberg

### NI'S TOTAL SHAREHOLDER RETURN HAS MATERIALLY UNDERPERFORMED THE MARKET AND ITS KEY PEER



NI share price and TSR performance has materially lagged the market and nearest peer, Keysight, since all-time high in March 2018

NI has traded below the Emerson \$53 per share offer for >99.5% of trading days since March 2018 high

After receiving Emerson's offer, NI completed its largest ever quarterly share repurchase (~2M shares at \$40.25), depriving investors of meaningful value

<sup>1</sup> Per Mi 10-0, repurchased 200M shares at a weighted average price of \$40.25 per share or a total of \$32M reflect the largest quarterly share repurchase, on a total delay be in MS history

For more information visit
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### WE ARE PREPARED TO ENGAGE IMMEDIATELY AND HAVE ORGANIZED THE RESOURCES TO MOVE TOWARDS A TRANSACTION EXPEDITIOUSLY

· Emerson performed outside-in due diligence on NI DILIGENCE · Limited and specific confirmatory due diligence requirements only · Ready to begin confirmatory due diligence TIMING · Would work towards signing and announcing a definitive agreement quickly · Do not anticipate any significant regulatory risks or delays REGULATORY · Received HSR approval to further increase stake Proposal is not subject to any financing conditions FINANCING . Emerson is an A 2/A rated company with a strong balance sheet · We have obtained a Highly Confident Letter from Goldman Sachs . Board of Directors has reviewed and supports the proposed transaction CERTAINTY · Emerson shareholder approval will not be required

Additional information and there is End 8.
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This communication does not constitute an offerto buy or self or the additional or as offer to buy or self any securities or a selectation of any vote or approved. This communication is not a substitute for any proxy sildensers or other documents. Ensured may feel with the SEC in correction with the section of the Horsisses or the Proposed Transaction.

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