

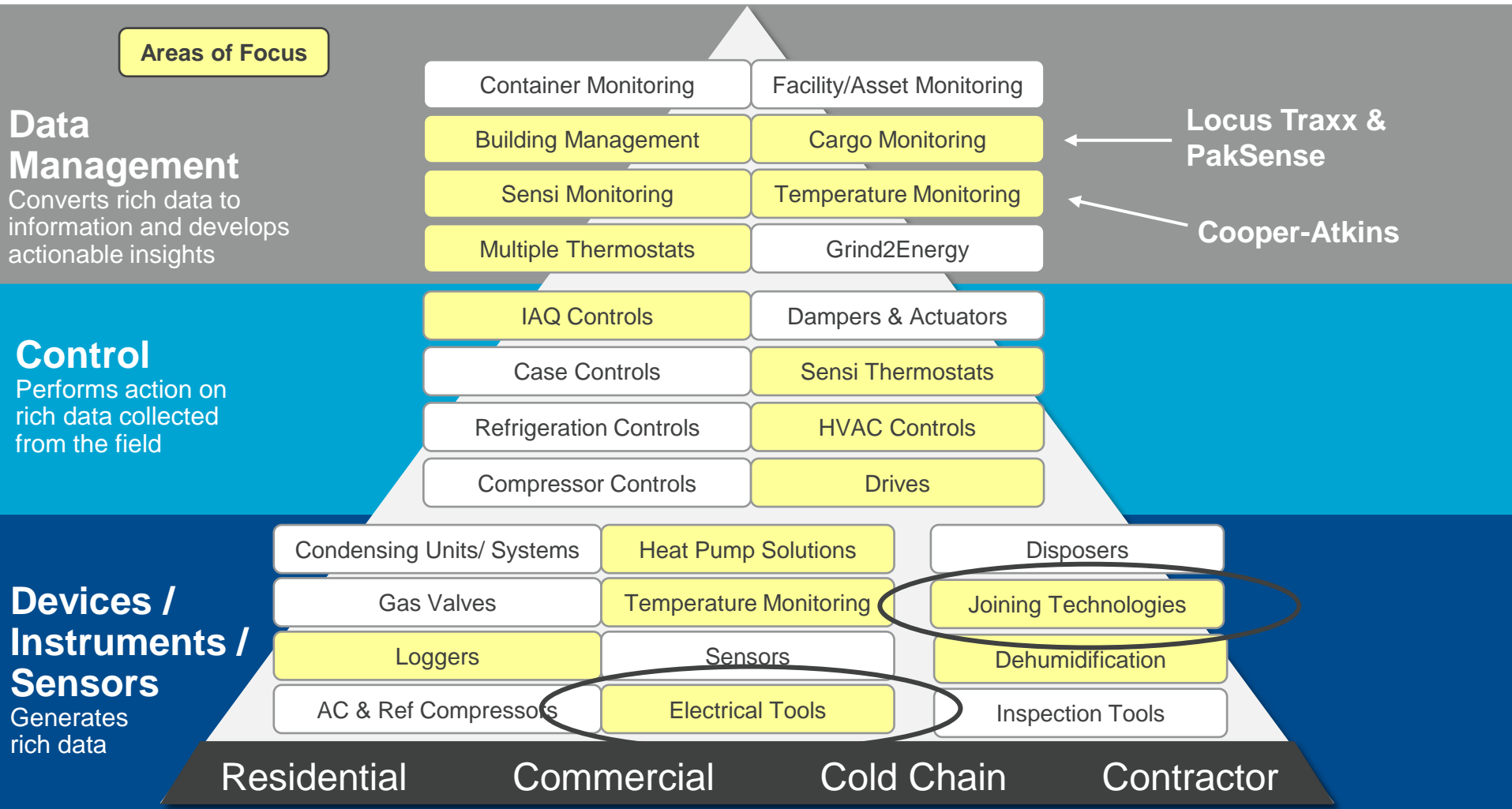
Emerson To Acquire Tools & Test from Textron

April 18, 2018

Safe Harbor Statement

Our commentary and responses to your questions may contain forward-looking statements, including our outlook for the remainder of the fiscal year, and Emerson undertakes no obligation to update any such statements to reflect later developments. Factors that could cause actual results to vary materially from those discussed today, including, among others, the impact of the Tax Cuts and Jobs Act, are provided in our most recent Annual Report on Form 10-K and subsequent reports filed with the SEC.

Emerson Will Continue to Expand Our Leadership in Residential, Commercial & Cold Chain through Organic Investments and Acquisitions



Tools & Test is a Great Addition to Emerson's Tools & Home Products Group and Provides Excellent Value Creation Opportunities to Increase Sales and Improve Margins and Cash Flow

Tools & Test Overview

Company Profile

Headquarters: Rockford, IL

2017 Sales: \$470M

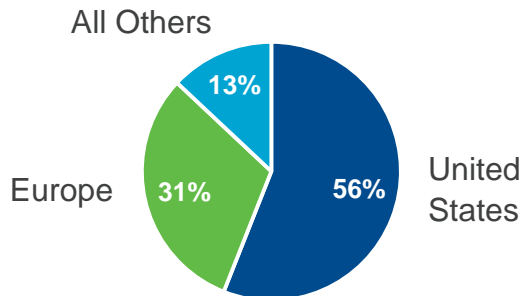
Employees: 2,260

Global Footprint: 11 mfg. facilities across four countries

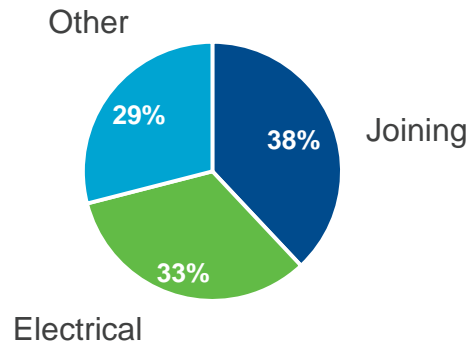
Description: Designs and manufactures tools and equipment for professionals in the electrical, construction, plumbing, utility, telecommunications, data communications, and maintenance industries

Sales Mix

By Geography:









By Product:



Products

Klauke®



Joining	Electrical
 <p>Crimp Tools</p>	 <p>Bending</p>
 <p>Press Tools</p>	 <p>Cable Tools</p>
 <p>Lugs</p>	 <p>Knockouts, Pullers</p>

Other
 <p>Utility Tools</p>
 <p>Wireless Communications</p>

Tools & Test Acquisition Rationale

Desirable Target

Highly Respected Portfolio Complements Emerson's

- Iconic professional trade brands: Greenlee & Klauke
- Leading portfolio of Joining and Diagnostic technologies
- Consistent performance and cash flow generation, with room to improve

Strengthen Market Position

Complements Emerson's Leadership in Professional Tools Market

- Expands Emerson's addressable market ~\$2B
- Creates broadest tools offering for professional tradespeople
- Scales channel presence and customer footprint
- Improves geographic mix

Value Creation

Bolt-On Acquisition with Potential for Meaningful Value Creation

- Significant margin expansion opportunity
- Trade working capital and cash flow improvement
- 3 to 5% market growth with channel leverage and cross-selling synergies

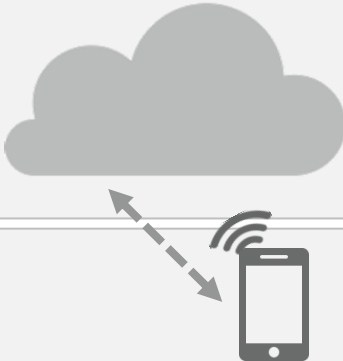
Acquisition Combines Iconic Professional Tools Brands – Greenlee and Klauke with Emerson's RIDGID – to Create the Industry's Broadest Portfolio for Pros and a Leading Position Globally in Joining, Diagnostic, and Mapping Technologies

Combination Gives Emerson the Broadest Portfolio to Serve Mechanical, Electrical and Plumbing Contractors

Ridge Tool

Tools & Test

JOINING



DIAGNOSTICS



**Core
Segment
Served**

Mechanical & **P**lumbing

Electrical

M-E-P Contractor

Synergies and Transaction Summary

FY 2017

EMR Tools & Home Products¹

Tools & Test

Sales

\$1,645M

\$470M

EBIT %

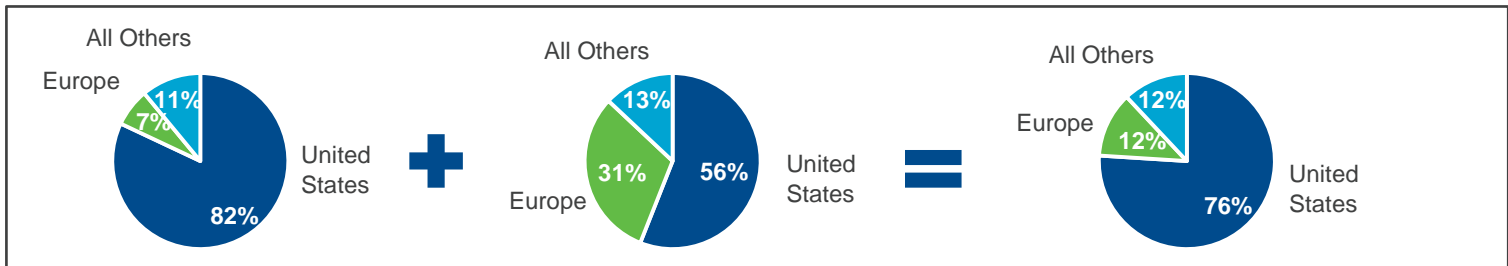
23%

11%

Ops. CF

Tools & Test contributes ~\$100M of OPCF in 2022

Sales by Geography



Transaction Update

- \$810M purchase price, <12x 2018E EBITDA
- Expected Q4 2018 one-time accounting charges of ~\$25M pre-tax
- Ongoing amortization (full year): ~\$25M
- Earnings and cash accretive in Fiscal 2019

Meaningful Value Creation

- ↑ • Grow sales 1% above market
- ↑ • Drive to ~20% EBIT margin excluding amortization costs
- ↓ • Reduce TWC by \$25M - \$50M

¹ Reported, includes ClosetMaid results (divested Oct 2017)