



**Rockwell
Automation**

expanding human possibility[®]

Q4 Fiscal 2023 Earnings Presentation

November 2, 2023



PUBLIC

SAFE HARBOR STATEMENT

This presentation includes statements related to the expected future results of the company and are therefore forward-looking statements. Actual results may differ materially from those projections due to a wide range of risks and uncertainties, including those that are listed in our SEC filings.

This presentation also contains non-GAAP financial information and reconciliations to GAAP are included in the appendix. All information should be read in conjunction with our historical financial statements.

Q4 FY23 Results Highlights

- ▶ Reported sales up 20.5% YOY; organic sales increased 17.7% YOY
 - ▶ Currency increased sales 1.4%
 - ▶ Acquisitions contributed 1.4%
- ▶ Information Solutions & Connected Services (IS/CS) sales up 10% YOY
- ▶ Total Annual Recurring Revenue (ARR) up 16% YOY
- ▶ Segment margin of 22.3%, down (100) bps YOY
- ▶ Adjusted EPS of \$3.64, up 20% YOY
- ▶ Ending FY23 with over \$4.1B in backlog, well above pre-pandemic levels

Strong execution and improving lead times drove double-digit growth in sales and earnings

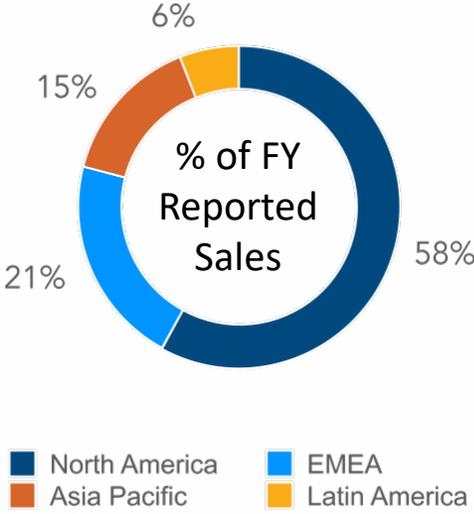
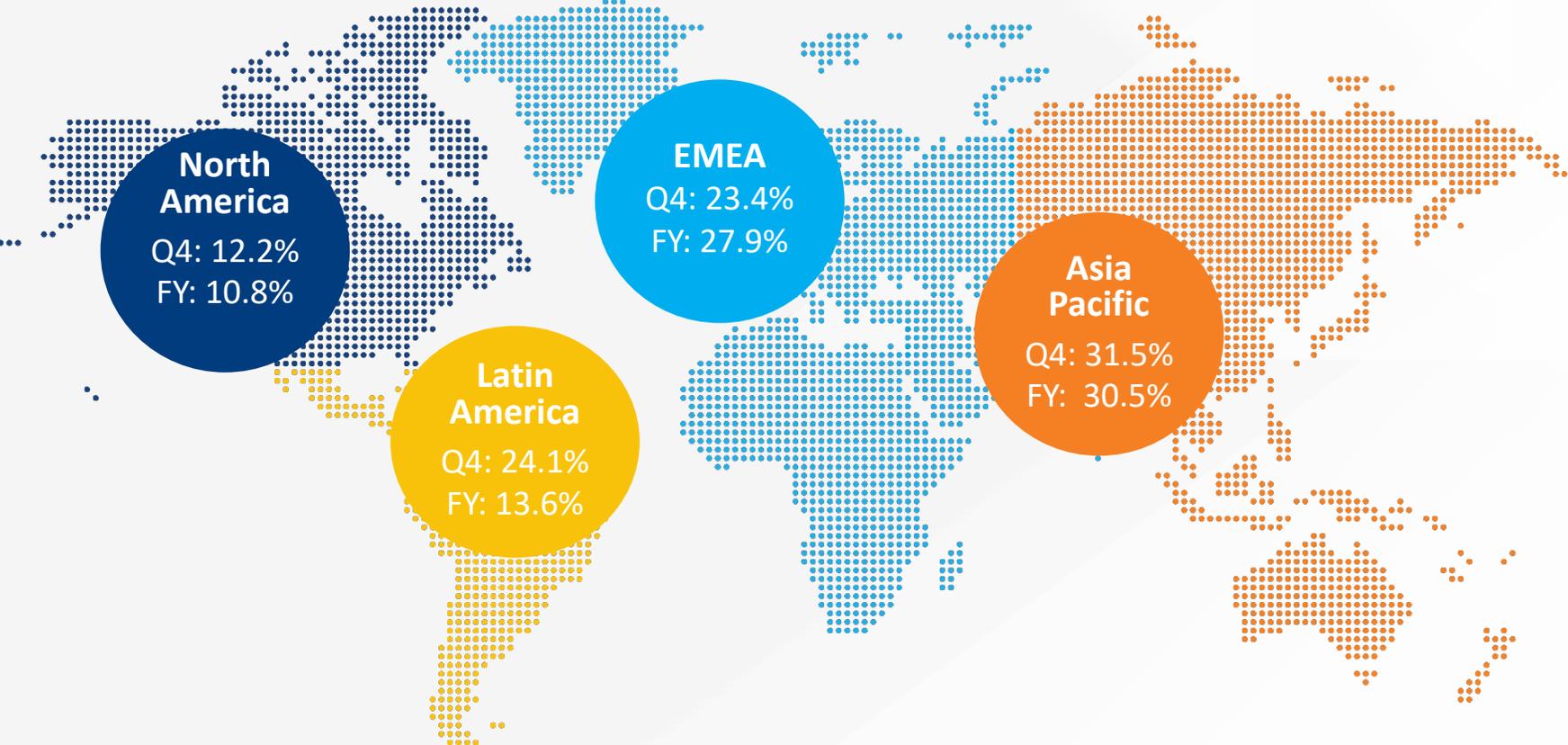
Q4 FY23 Organic Industry Segment Performance

	% of Q4 FY23 Sales	Q4 FY23 vs. Q4 FY22	Q4 FY23 vs. Q4 FY22
 <p>DISCRETE</p>	~25%	Up ~15%	<ul style="list-style-type: none"> ▲ Automotive up ~30% ▲ Semiconductor up high single digits ▼ e-Commerce & Warehouse Automation down mid single digits
 <p>HYBRID</p>	~ 40%	Up low teens	<ul style="list-style-type: none"> ▲ Food & Beverage up low double digits ▲ Life Sciences up mid single digits ▲ Tire up high teens
 <p>PROCESS</p>	~ 35%	Up ~25%	<ul style="list-style-type: none"> ▲ Oil & Gas up ~30% ▲ Mining up ~60% ▲ Chemicals up high single digits

Note: Organic sales growth rates depicted above exclude the impact of acquisitions and currency. Arrows reflect positive/negative directional growth vs prior year. Results primarily impacted by composition of backlog versus underlying demand.



Q4 and Full Year FY23 Organic Sales Growth



Double-digit sales growth in all regions primarily driven by backlog composition



Full Year FY23 Results Highlights

- ▶ Total sales exceeded \$9B; ahead of 2019 strategic framework growth rate expectations
- ▶ Reported sales up 16.7% YOY; organic sales up 16.9% YOY
 - ▶ Currency decreased sales (1.4)%
 - ▶ Acquisitions contributed 1.2%
- ▶ IS/CS sales up 9% YOY
- ▶ Total ARR up 16% YOY
- ▶ Segment margin of 21.3%, up 140 bps YOY
- ▶ Adjusted EPS of \$12.12, up 28% YOY
- ▶ Free Cash Flow of \$1.2B, 86% conversion
- ▶ Acquired Clearpath Robotics and Verve Industrial Protection

Record year of sales & earnings and strong foundation for future growth

Why Clearpath for ROK

- ▶ Leading portfolio of AMRs, fleet management and navigation software
- ▶ Market for industrial mobile robots is slated to grow ~30% per year over the next 5 years to \$6.2B by 2027
- ▶ Growth driven by industrial customers' increasing need to address labor shortage, optimize cost, and drive further operational efficiency
- ▶ Important source of data for existing SaaS solutions like PLEX and Fiix
- ▶ Rounds out ROK's advanced material handling solutions making ROK the **only end-to-end autonomous production logistics player** in the market
- ▶ Well-positioned to serve a diverse set of industries across discrete, hybrid, and process segments
- ▶ Expected to contribute about **a point to ROK's revenue in FY24**
- ▶ Acquisition funded with a portion of the proceeds from the monetization of our prior PTC investment
- ▶ Transaction closed in October 2023



Full Year FY24 Outlook

- ▶ Orders expected to increase low single digits
- ▶ Total sales growth range of 0.5% - 6.5%; organic growth range of (2.0)% - 4.0%
 - ▶ Currency to increase sales ~1.5 pts
 - ▶ Acquisitions to contribute ~1.0 pt of growth
- ▶ Total ARR expected to grow ~15% YOY
- ▶ Expect segment margin of ~21.5%
- ▶ Adjusted EPS range of \$12.00 - \$13.50, up 5% YOY at the midpoint
- ▶ Expect Free Cash Flow conversion of ~100%

Note: Guidance as of November 2, 2023; includes estimated impact of Clearpath Robotics and Verve Industrial Protection acquisitions in fiscal year 2024

Focus on productivity and earnings growth while investing in long-term differentiation

Q4 FY23 Key Financial Information

(\$ in millions, except per share amounts)

	Q4 FY23	Q4 FY22	YOY B/(W)
Sales	\$2,563	\$2,126	Organic Growth +17.7 % Inorganic Growth +1.4 % Currency Translation +1.4 % Reported Growth <u>+20.5 %</u>
Segment Operating Margin	22.3%	23.3%	(100) bps
Corporate and Other	\$39	\$35	\$(4)
Adjusted EPS	\$3.64	\$3.04	20%
Adjusted Effective Tax Rate	17.0%	17.8%	0.8 pts
Free Cash Flow	\$776	\$359	\$417

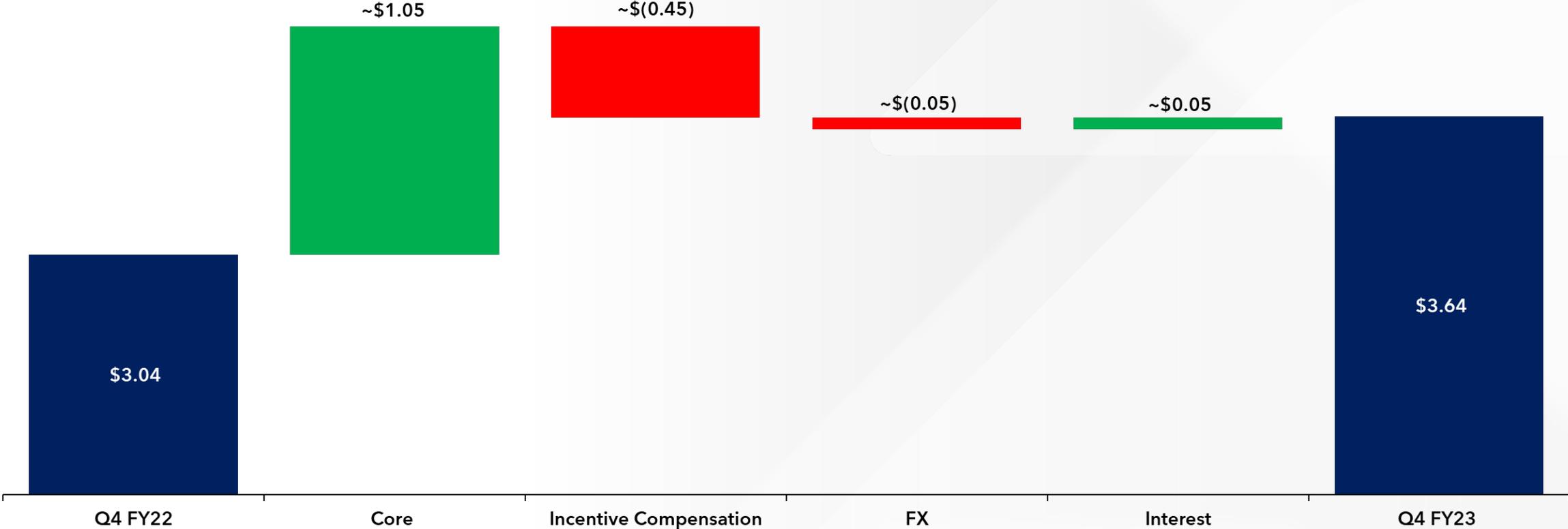


Q4 FY23 Segment Results

	Sales (\$ in millions; YOY growth %)	Segment Operating Margin	Segment Highlights								
Intelligent Devices	<p>\$1,171M</p> <table border="1"> <tr> <td>Organic</td> <td>+17.8 %</td> </tr> <tr> <td>Inorganic</td> <td>+2.8 %</td> </tr> <tr> <td>Currency</td> <td>+1.7 %</td> </tr> <tr> <td>Reported</td> <td>+22.3 %</td> </tr> </table>	Organic	+17.8 %	Inorganic	+2.8 %	Currency	+1.7 %	Reported	+22.3 %	<p>21.3%</p> <p>(100) bps YOY</p>	<p>Lower segment margin driven by higher investment spend, unfavorable mix, and higher incentive compensation, partially offset by higher sales</p> <p>Margin expanded 450 bps from Q3 from higher sequential sales</p>
Organic	+17.8 %										
Inorganic	+2.8 %										
Currency	+1.7 %										
Reported	+22.3 %										
Software & Control	<p>\$821M</p> <table border="1"> <tr> <td>Organic</td> <td>+23.4 %</td> </tr> <tr> <td>Inorganic</td> <td>— %</td> </tr> <tr> <td>Currency</td> <td>+1.5 %</td> </tr> <tr> <td>Reported</td> <td>+24.9 %</td> </tr> </table>	Organic	+23.4 %	Inorganic	— %	Currency	+1.5 %	Reported	+24.9 %	<p>33.5%</p> <p>(100) bps YOY</p>	<p>Lower segment margin driven by higher investment spend and incentive compensation partially offset by higher sales</p>
Organic	+23.4 %										
Inorganic	— %										
Currency	+1.5 %										
Reported	+24.9 %										
Lifecycle Services	<p>\$571M</p> <table border="1"> <tr> <td>Organic</td> <td>+10.2 %</td> </tr> <tr> <td>Inorganic</td> <td>+0.5 %</td> </tr> <tr> <td>Currency</td> <td>+0.9 %</td> </tr> <tr> <td>Reported</td> <td>+11.6 %</td> </tr> </table>	Organic	+10.2 %	Inorganic	+0.5 %	Currency	+0.9 %	Reported	+11.6 %	<p>8.4%</p> <p>(230) bps YOY</p>	<p>Book-to-bill of 0.97</p> <p>Lower segment margin driven by higher incentive compensation, partially offset by higher sales</p> <p>Non-cash accounting charge for impairment of goodwill for our Sensia joint venture; expect Sensia to add meaningful growth and profit in coming years</p>
Organic	+10.2 %										
Inorganic	+0.5 %										
Currency	+0.9 %										
Reported	+11.6 %										



Q4 FY22 to Q4 FY23 Adjusted EPS Walk



Full Year FY23 Key Financial Information

(\$ in millions, except per share amounts)

	FY23	FY22	YOY B/(W)
Sales	\$9,058	\$7,760	Organic Growth +16.9 % Inorganic Growth +1.2 % Currency Translation (1.4) % Reported Growth +16.7 %
Segment Operating Margin	21.3%	19.9%	140 bps
Corporate and Other	\$128	\$105	\$(23)
Adjusted EPS	\$12.12	\$9.49	28%
Adjusted Effective Tax Rate	16.4%	16.0%	(0.4) pts
Free Cash Flow	\$1,214	\$682	\$532
ROIC	20.9%	15.2%	5.7 pts



Fiscal Year 2024 Guidance

Sales Midpoint

Organic Growth Range

Inorganic Growth

Currency Translation

Segment Operating Margin

Adjusted Effective Tax Rate

Adjusted EPS Range

Free Cash Flow Conversion

Full Year Outlook

~ \$9.4B

(2.0)% - 4.0%

~ 1.0%

~ 1.5%

~ 21.5%

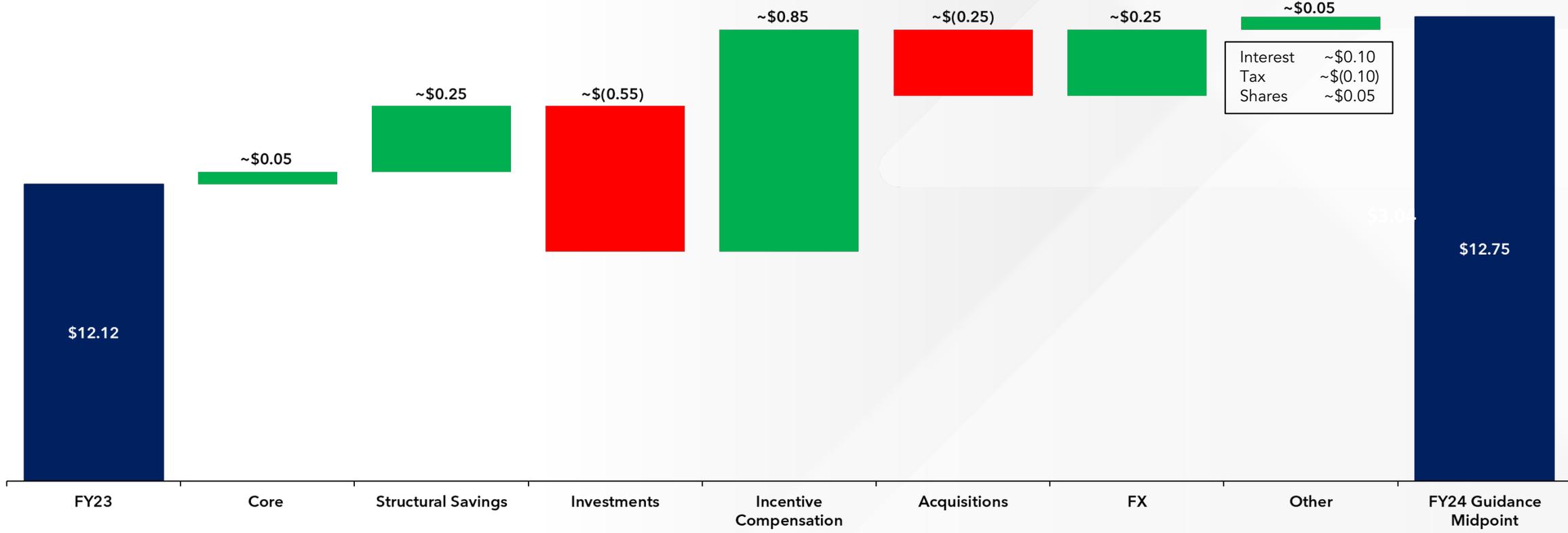
~ 17.0%

\$12.00 - \$13.50

~ 100%

Note: Guidance as of November 2, 2023; includes estimated impact of Clearpath Robotics and Verve Industrial Protection acquisitions in fiscal year 2024

FY23 Actuals to FY24 Guidance Adjusted EPS Walk



Note: Guidance as of November 2, 2023; includes estimated impact of Clearpath Robotics and Verve Industrial Protection acquisitions in fiscal year 2024



INVESTOR DAY

SAVE THE DATE

NOV 7-8, 2023 | BOSTON, MA USA

Appendix



FY23 Organic Industry Segment Performance

	% of FY23 Sales	FY23 vs. FY22	FY23 vs. FY22
 <p>DISCRETE</p>	~25%	Up ~15%	<ul style="list-style-type: none"> ▲ Automotive up strong double digits ▲ Semiconductor up strong double digits ▼ e-Commerce & Warehouse Automation down low teens
 <p>HYBRID</p>	~ 40%	Up ~15%	<ul style="list-style-type: none"> ▲ Food & Beverage up high teens ▲ Life Sciences up mid single digits ▲ Tire up strong double digits
 <p>PROCESS</p>	~ 35%	Up ~20%	<ul style="list-style-type: none"> ▲ Oil & Gas up strong double digits ▲ Mining up ~35% ▲ Chemicals up high single digits

Note: Organic sales growth rates depicted above exclude the impact of acquisitions and currency. Arrows reflect positive/negative directional growth vs prior year. Results primarily impacted by composition of backlog versus underlying demand.

Industry Segmentation

% of FY23 Sales



DISCRETE

~25%
of sales

- ~10% Automotive
- ~5% Semiconductor
- ~5% e-Commerce & Warehouse Automation
- ~5% General Industries
 - ▶ Printing & Publishing
 - ▶ Marine
 - ▶ Glass
 - ▶ Fiber & Textiles
 - ▶ Airports
 - ▶ Aerospace
 - ▶ Other Discrete



HYBRID

~40%
of sales

- ~20% Food & Beverage
- ~5% Life Sciences
- ~5% Household & Personal Care
- ~5% Tire
- ~5% Eco Industrial
 - ▶ Water / Wastewater
 - ▶ Waste Management
 - ▶ Mass Transit
 - ▶ Renewable Energy

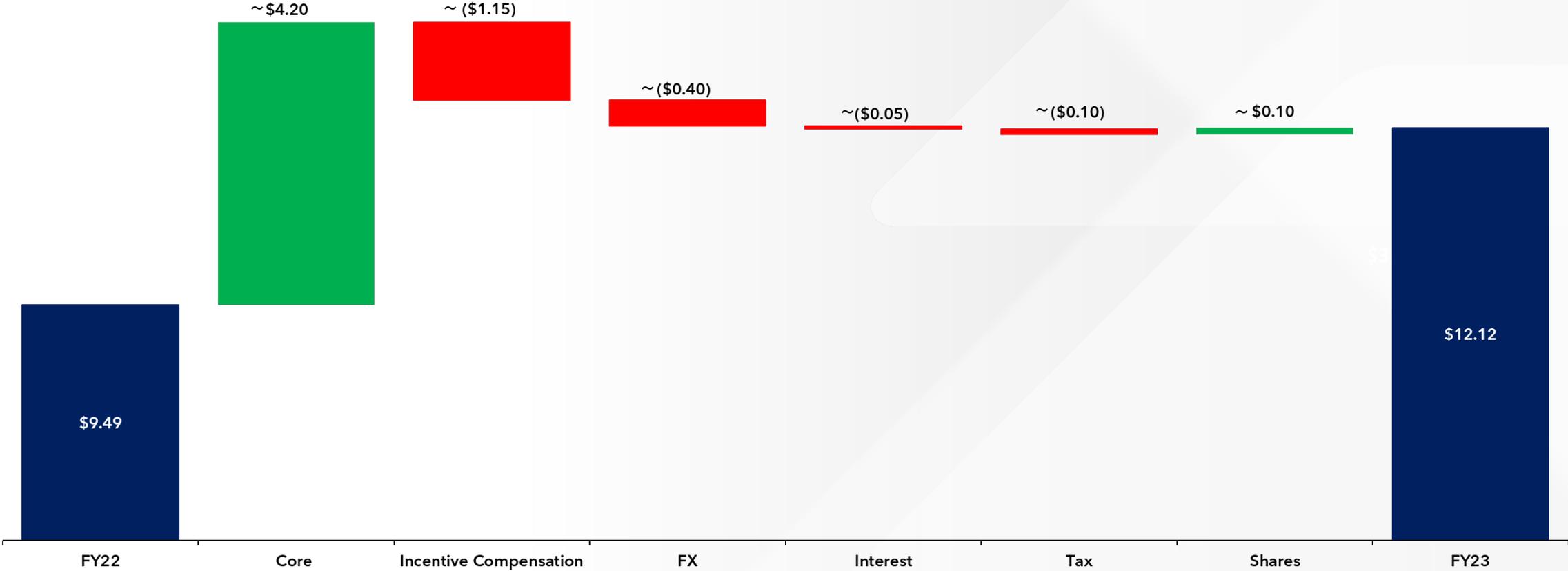


PROCESS

~35%
of sales

- ~10% Oil & Gas
- ~5% Mining
- ~5% Metals
- ~5% Chemicals
- ~5% Pulp & Paper
- ~5% Other Process

FY22 to FY23 Adjusted EPS Walk



FY24 Organic Industry Segment Outlook

	% of FY23 Sales	FY24 vs. FY23	Assumptions at Guidance Midpoint
 <p>DISCRETE</p>	~25%	Down low single digits	<ul style="list-style-type: none"> ▲ Automotive up low single digits ▼ Semiconductor down low single digits ▲ e-Commerce & Warehouse Automation up low single digits
 <p>HYBRID</p>	~40%	Up low single digits	<ul style="list-style-type: none"> ▲ Food & Beverage up low single digits ▲ Life Sciences up low single digits ▼ Tire down low single digits
 <p>PROCESS</p>	~35%	Up low single digits	<ul style="list-style-type: none"> ▲ Oil & Gas up high single digits ▲ Mining up low single digits ▲ Chemicals up low single digits

Note: Organic sales growth rates depicted above exclude the impact of acquisitions and currency. Arrows reflect positive/negative directional growth vs prior year.

Note: Guidance as of November 2, 2023



Q4 FY23 Results: Summary

(in millions, except per share amounts)

	<u>Q4 2023</u>	<u>Q4 2022</u>
Total sales	\$ 2,562.9	\$ 2,126.3
Total segment operating earnings	\$ 571.7	\$ 494.9
Purchase accounting depreciation and amortization, and impairment	(184.6)	(25.8)
Corporate and other	(39.1)	(35.1)
Non-operating pension and postretirement benefit credit	4.8	0.3
Change in fair value of investments ¹	(10.0)	1.4
Interest (expense) income, net	(25.4)	(29.9)
Income tax provision	(111.7)	(69.8)
Net income	\$ 205.7	\$ 336.0
Net loss attributable to noncontrolling interests	(97.2)	(2.9)
Net income attributable to Rockwell Automation	<u>\$ 302.9</u>	<u>\$ 338.9</u>
<u>Adjustments</u>		
Non-operating pension and postretirement benefit credit (cost), net of tax	(3.8)	(1.3)
Purchase accounting depreciation and amortization, and impairment, net of tax ²	115.5	17.3
Change in fair value of investments, net of tax ¹	7.6	(1.1)
Adjusted Income	<u>\$ 422.2</u>	<u>\$ 353.8</u>
Adjusted EPS	<u>\$ 3.64</u>	<u>\$ 3.04</u>
Average Diluted Shares	<u>115.6</u>	<u>115.8</u>

¹Primarily relates to the change in value of our previous investment in PTC.

²Includes (\$97.3) million net expense from (\$157.5) goodwill impairment charge included in Income before income taxes, (\$33.1) tax effect from goodwill impairment and related valuation allowances recorded in Income tax provision, and \$93.3 million Net loss attributable to noncontrolling interests.



Reconciliation to Non-GAAP Measures

Free Cash Flow

(in millions)

	<u>Q4 2023</u>	<u>FY 2023</u>
Net Income	\$ 205.7	\$ 1,278.0
Depreciation/Amortization	68.4	250.4
Retirement benefits expense	6.8	125.3
Receivables/Inventory/Payables	205.3	(594.4)
Compensation and benefits	134.2	209.1
Pension contributions	(7.4)	(25.9)
Income taxes	53.2	4.0
Change in fair value of investments ¹	10.0	(279.3)
Goodwill impairment	157.5	157.5
Other	5.8	249.9
Cash flow from operations	839.5	1,374.6
Capital expenditures	(63.2)	(160.5)
Free Cash Flow	<u>\$ 776.3</u>	<u>\$ 1,214.1</u>
Adjusted Income	\$ 422.2	\$ 1,406.7
Free Cash Flow as a % of Adjusted Income	184 %	86 %

¹Primarily relates to the change in value of our previous investment in PTC.



Reconciliation to Non-GAAP Measures

Organic Sales

(in millions, except percentages)

Three Months Ended September 30,									
2023					2022				
	Reported Sales(a)	Less: Effect of Acquisitions(e)	Effect of Changes in Currency(d)	Organic Sales(b)	Reported Sales(c)	Reported Sales Growth (a)/(c)	Acquisition Growth (e)/(c)	Currency Growth (Decline) (d)/(c)	Organic Growth (b)/(c)
North America	\$ 1,473.6	\$ 7.0	\$ (3.3)	\$ 1,469.9	\$ 1,309.8	12.5%	0.5%	(0.2)%	12.2%
EMEA	516.9	15.8	30.4	470.7	381.4	35.5%	4.1%	8.0%	23.4%
Asia Pacific	383.8	6.0	(11.7)	389.5	296.1	29.6%	2.0%	(3.9)%	31.5%
Latin America	188.6	0.1	16.0	172.5	139.0	35.7%	0.1%	11.5%	24.1%
Total	\$ 2,562.9	\$ 28.9	\$ 31.4	\$ 2,502.6	\$ 2,126.3	20.5%	1.4%	1.4%	17.7%

Twelve Months Ended September 30,									
2023					2022				
	Reported Sales(a)	Less: Effect of Acquisitions(e)	Effect of Changes in Currency(d)	Organic Sales(b)	Reported Sales(c)	Reported Sales Growth (a)/(c)	Acquisition Growth (e)/(c)	Currency Growth (Decline) (d)/(c)	Organic Growth (b)/(c)
North America	\$ 5,224.0	\$ 15.6	\$ (23.9)	\$ 5,232.3	\$ 4,722.0	10.6%	0.3%	(0.5)%	10.8%
EMEA	1,870.6	57.5	(26.3)	1,839.4	1,437.6	30.1%	4.0%	(1.8)%	27.9%
Asia Pacific	1,358.0	18.2	(80.5)	1,420.3	1,088.0	24.8%	1.7%	(7.4)%	30.5%
Latin America	605.4	0.1	22.8	582.5	512.8	18.1%	—%	4.5%	13.6%
Total	\$ 9,058.0	\$ 91.4	\$ (107.9)	\$ 9,074.5	\$ 7,760.4	16.7%	1.2%	(1.4)%	16.9%

Reconciliation to Non-GAAP Measures

Organic Sales

(in millions, except percentages)

	Three Months Ended September 30,					Sales Growth (a)/(c)	Acquisition Growth (e)/(c)	Currency Growth (d)/(c)	Organic Growth (b)/(c)
	2023		2022						
	Reported Sales(a)	Less: Effect of Acquisitions(e)	Effect of Changes in Currency(d)	Organic Sales(b)	Reported Sales(c)				
Intelligent Devices	\$ 1,170.7	\$ 26.4	\$ 16.5	\$ 1,127.8	\$ 957.4	22.3%	2.8%	1.7%	17.8%
Software & Control	821.0	—	10.3	810.7	657.2	24.9%	—%	1.5%	23.4%
Lifecycle Services	571.2	2.5	4.6	564.1	511.7	11.6%	0.5%	0.9%	10.2%
Total	\$ 2,562.9	\$ 28.9	\$ 31.4	\$ 2,502.6	\$ 2,126.3	20.5%	1.4%	1.4%	17.7%

	Twelve Months Ended September 30,					Sales Growth (a)/(c)	Acquisition Growth (e)/(c)	Currency Growth (Decline) (d)/(c)	Organic Growth (b)/(c)
	2023		2022						
	Reported Sales(a)	Less: Effect of Acquisitions(e)	Effect of Changes in Currency(d)	Organic Sales(b)	Reported Sales(c)				
Intelligent Devices	\$ 4,098.2	\$ 80.6	\$ (46.4)	\$ 4,064.0	\$ 3,544.6	15.6%	2.3%	(1.3)%	14.6%
Software & Control	2,886.0	—	(30.7)	2,916.7	2,312.9	24.8%	—%	(1.3)%	26.1%
Lifecycle Services	2,073.8	10.8	(30.8)	2,093.8	1,902.9	9.0%	0.6%	(1.6)%	10.0%
Total	\$ 9,058.0	\$ 91.4	\$ (107.9)	\$ 9,074.5	\$ 7,760.4	16.7%	1.2%	(1.4)%	16.9%

Reconciliation to Non-GAAP Measures

Segment Operating Margin

(in millions, except percentages)

	Three Months Ended		Twelve Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Sales				
Intelligent Devices (a)	\$ 1,170.7	\$ 957.4	\$ 4,098.2	\$ 3,544.6
Software & Control (b)	821.0	657.2	2,886.0	2,312.9
Lifecycle Services (c)	571.2	511.7	2,073.8	1,902.9
Total sales (d)	\$ 2,562.9	\$ 2,126.3	\$ 9,058.0	\$ 7,760.4
Segment operating earnings				
Intelligent Devices (e)	\$ 248.8	\$ 213.2	\$ 828.2	\$ 717.6
Software & Control (f)	275.1	227.0	953.2	666.7
Lifecycle Services (g)	47.8	54.7	148.4	158.3
Total segment operating earnings ¹ (h)	571.7	494.9	1,929.8	1,542.6
Purchase accounting depreciation and amortization, and impairment	(184.6)	(25.8)	(264.4)	(103.9)
Corporate and other	(39.1)	(35.1)	(127.9)	(104.7)
Non-operating pension and postretirement benefit credit (cost)	4.8	0.3	(82.7)	(4.7)
Change in fair value of investments	(10.0)	1.4	279.3	(136.9)
Interest expense, net	(25.4)	(29.9)	(125.6)	(118.8)
Income before income taxes (i)	\$ 317.4	\$ 405.8	\$ 1,608.5	\$ 1,073.6
Pretax margin (i/d)	12.4 %	19.1 %	17.8 %	13.8 %
Segment operating margin:				
Intelligent Devices (e/a)	21.3 %	22.3 %	20.2 %	20.2 %
Software & Control (f/b)	33.5 %	34.5 %	33.0 %	28.8 %
Lifecycle Services (g/c)	8.4 %	10.7 %	7.2 %	8.3 %
Total segment operating margin (h/d)	22.3 %	23.3 %	21.3 %	19.9 %

⁽¹⁾ Total segment operating earnings and total segment operating margin are non-GAAP financial measures. We exclude purchase accounting depreciation and amortization, impairment, corporate and other, non-operating pension and postretirement benefit credit (cost), change in fair value of investments, interest expense, net, and income tax provision because we do not consider these items to be directly related to the operating performance of our segments. We believe total segment operating earnings and total segment operating margin are useful to investors as measures of operating performance. We use these measures to monitor and evaluate the profitability of our operating segments. Our measures of total segment operating earnings and total segment operating margin may be different from measures used by other companies.



Reconciliation to Non-GAAP Measures

Adjusted Income, Adjusted EPS, and Adjusted Effective Tax Rate

(in millions, except per share amounts)

	Three Months Ended		Twelve Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net Income attributable to Rockwell Automation	\$ 302.9	\$ 338.9	\$ 1,387.4	\$ 932.2
Non-operating pension and postretirement benefit (credit) cost	(4.8)	(0.3)	82.7	4.7
Tax effect of non-operating pension and postretirement benefit (credit) cost	1.0	(1.0)	(20.6)	(1.9)
Purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation ¹	107.6	22.8	178.3	91.9
Tax effect of purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation ¹	7.9	(5.5)	(9.4)	(22.3)
Change in fair value of investments ²	10.0	(1.4)	(279.3)	136.9
Tax effect of change in fair value of investments ²	(2.4)	0.3	67.6	(30.8)
Adjusted Income	\$ 422.2	\$ 353.8	\$ 1,406.7	\$ 1,110.7
Diluted EPS	\$ 2.61	\$ 2.91	\$ 11.95	\$ 7.97
Non-operating pension and postretirement benefit (credit) cost	(0.04)	—	0.72	0.04
Tax effect of non-operating pension and postretirement benefit (credit) cost	0.01	(0.01)	(0.18)	(0.02)
Purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation ¹	0.93	0.20	1.54	0.78
Tax effect of purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation ¹	0.07	(0.05)	(0.08)	(0.19)
Change in fair value of investments ²	0.09	(0.01)	(2.42)	1.17
Tax effect of change in fair value of investments ²	(0.03)	—	0.59	(0.26)
Adjusted EPS	\$ 3.64	\$ 3.04	\$ 12.12	\$ 9.49
Effective Tax Rate	35.2 %	17.2 %	20.5 %	14.4 %
Tax effect of non-operating pension and postretirement benefit (credit) cost	0.2 %	0.3 %	0.3 %	0.1 %
Tax effect of purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation ¹	(18.0)%	0.3 %	(3.7)%	0.6 %
Tax effect of change in fair value of investments ²	(0.4)%	— %	(0.7)%	0.9 %
Adjusted Effective Tax Rate	17.0 %	17.8 %	16.4 %	16.0 %

Non-operating pension and postretirement benefit cost

(in millions)

	Three Months Ended		Twelve Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Interest cost	\$ 36.2	\$ 36.7	\$ 151.9	\$ 136.9
Expected return on plan assets	(43.6)	(55.6)	(190.6)	(230.7)
Amortization of prior service (credit) cost	—	(0.4)	0.1	(0.2)
Amortization of net actuarial (gain) loss	(0.7)	4.6	(2.1)	60.1
Settlements	3.3	14.4	123.4	38.6
Non-operating pension and postretirement benefit (credit) cost	\$ (4.8)	\$ (0.3)	\$ 82.7	\$ 4.7

¹Includes \$97.3 million net expense from \$157.5 goodwill impairment charge included in Income before income taxes, \$33.1 tax effect from goodwill impairment and related valuation allowances recorded in Income tax provision, and (\$93.3) million Net loss attributable to noncontrolling interests.

²Primarily relates to the change in value of our previous investment in PTC.



Reconciliation to Non-GAAP Measures

Return On Invested Capital

(\$ in millions)

	Twelve Months Ended	
	September 30,	
	2023	2022
(a) Return		
Net income	\$ 1,278.0	\$ 919.1
Interest expense	135.3	123.2
Income tax provision	330.5	154.5
Purchase accounting depreciation and amortization, and impairment	264.4	103.9
Return	<u>2,008.2</u>	<u>1,300.7</u>
(b) Average invested capital		
Short-term debt	847.6	665.3
Long-term debt	2,866.5	3,346.3
Shareowners' equity	3,401.2	2,826.6
Accumulated amortization of goodwill and intangibles	1,107.1	1,012.1
Cash and cash equivalents	(584.4)	(523.8)
Short-term and long-term investments	(5.4)	(5.3)
Average invested capital	<u>7,632.6</u>	<u>7,321.2</u>
(c) Effective tax rate		
Income tax provision	330.5	154.5
Income from continuing operations before income taxes	\$ 1,608.5	\$ 1,073.6
Effective tax rate	<u>20.5 %</u>	<u>14.4 %</u>
(a) / (b) * (1-c) Return On Invested Capital	<u>20.9 %</u>	<u>15.2 %</u>

Reconciliation to Non-GAAP Measures

Fiscal 2024 Guidance

(in billions, per share amounts)

Organic Sales

Organic sales growth
Inorganic sales growth
Foreign currency impact
Reported sales growth

Segment Operating Margin

Total sales (a)
Total segment operating earnings (b)
Costs not allocated to segments
Income before income taxes (c)
Total segment operating margin (b/a)
Pretax margin (c/a)

Adjusted Effective Tax Rate

Effective tax rate
Tax effect of non-operating pension and postretirement benefit credit
Tax effect of purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation
Tax effect of change in fair value of investments¹
Adjusted Effective Tax Rate

Adjusted EPS

Diluted EPS
Non-operating pension and postretirement benefit credit
Tax effect of non-operating pension and postretirement benefit credit
Purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation
Tax effect of purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation
Change in fair value of investments¹
Tax effect of change in fair value of investments¹
Adjusted EPS²

Fiscal 2024 Guidance

		(2.0)% - 4.0%
		~1.0%
		~1.5%
		0.5% - 6.5%
	\$	~ 9.4
		~ 2.0
		~ 0.3
	\$	~ 1.7
		~ 21.5 %
		~ 18.1 %
		~ 16.8 %
		~ — %
		~ 0.2 %
		~ — %
		~ 17.0 %
		\$11.49 - \$12.99
		(0.17)
		0.04
		0.82
		(0.18)
		—
		—
		\$12.00 - \$13.50

¹Fiscal 2024 guidance excludes estimates of changes in fair value of investments on a forward-looking basis due to variability, complexity, and limited visibility of these items.

²Fiscal 2024 guidance based on Adjusted Income attributable to Rockwell, which includes an adjustment for SLB's non-controlling interest in Sensia.

Note: Guidance as of November 2, 2023; includes estimated impact of Clearpath Robotics and Verve Industrial Protection acquisitions in fiscal year 2024

Reconciliation to Non-GAAP Measures

Free Cash Flow Conversion

(\$ in billions)

	Fiscal 2024 Guidance	
Net income attributable to Rockwell Automation at the mid-point	\$ ~	1.4
Non-operating pension and postretirement benefit credit, net of tax	~	—
Purchase accounting depreciation and amortization, and impairment attributable to Rockwell Automation, net of tax	~	0.1
Change in fair value of investments, net of tax ⁽¹⁾	~	—
Adjusted income at the mid-point (a)	\$ ~	1.5
Cash provided by operating activities	\$ ~	1.7
Capital expenditures	~	(0.2)
Free cash flow (b)	\$ ~	1.5
Free cash flow conversion (b/a)	~	100%

¹Fiscal 2024 guidance excludes estimates of changes in fair value of investments on a forward-looking basis due to variability, complexity, and limited visibility of these items.

Note: Guidance as of November 2, 2023

Performance Metric Definitions

Organic ARR

Annual recurring revenue (ARR) is a key metric that enables measurement of progress in growing our recurring revenue business. It represents the annual contract value of all active recurring revenue contracts at any point in time. Recurring revenue is defined as a revenue stream that is contractual, typically for a period of 12 months or more, and has a high probability of renewal. The probability of renewal is based on historical renewal experience of the individual revenue streams, or management's best estimates if historical renewal experience is not available. Organic ARR growth is calculated as the dollar change in ARR, adjusted to exclude the effects of currency translation and acquisitions, divided by ARR as of the prior period. The effects of currency translation are excluded by calculating Organic ARR on a constant currency basis. When we acquire businesses, we exclude the effect of ARR in the current period for which there was no comparable ARR in the prior period. We believe that Organic ARR provides useful information to investors because it reflects our recurring revenue performance period over period without the effect of acquisitions and changes in currency exchange rates. Organic ARR growth is also used as a financial measure of performance for our annual incentive compensation. Our measure of ARR may be different from measures used by other companies. Because ARR is based on annual contract value, it does not represent revenue recognized during a particular reporting period or revenue to be recognized in future reporting periods and is not intended to be a substitute for revenue, contract liabilities, or backlog.

Total ARR

Total ARR growth is calculated as the dollar change in ARR, adjusted to exclude the effects of currency. The effects of currency translation are excluded by calculating Total ARR on a constant currency basis. Total ARR includes acquisitions even if there was no comparable ARR in the prior period. We believe that Total ARR provides useful information to investors because it reflects our recurring revenue performance period over period including the effect of acquisitions.

Book to bill

Book to bill is a key metric that provides an indication on the level of demand. Book to bill represents the growth or decline in backlog in the Lifecycle Services segment. A book to bill greater than one indicates a growing backlog while a book to bill less than one indicates a declining backlog. Book to bill is calculated as net orders divided by sales for a specified period. We believe that book to bill provides useful information to investors about the strength of our Lifecycle Services segment backlog. Our measure of book to bill may be different from measures used by other companies.



Thank you



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