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Fiscal Year 2016 Fourth Quarter Conference Call

November 7, 2016

- 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.

Fiscal 2016 Fourth Quarter and Full Year Results

Q4 Results

- Organic sales down 4.0% YOY
 - YOY growth in the Architecture & Software segment
 - Stabilization in some heavy industry markets
 - Continued strength in consumer and automotive
 - YOY growth in China
- Adjusted EPS of \$1.52 including restructuring charges of \$20M

Full Year Results

- Organic sales down 3.9% YOY
- Segment operating margin above 20% despite difficult market conditions
- Solid free cash flow conversion and ROIC

Growth and new value from The Connected Enterprise

Key Financial Information: Fourth Quarter

(in millions, except per share amounts)

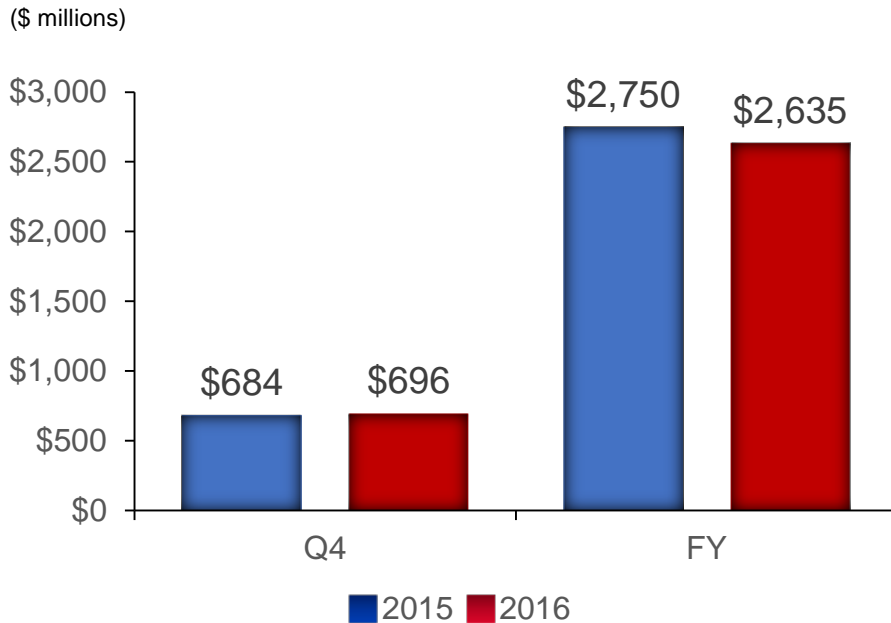
	<u>Q4 2016</u>	<u>Q4 2015</u>	<u>YOY B/(W)</u>
Sales	\$ 1,539	\$ 1,608	(4.3) %
Segment Operating Margin	19.8 %	20.9 %	(110) bps
General Corporate - Net	\$ 25	\$ 20	\$ (5)
Adjusted EPS	\$ 1.52	\$ 1.57	(3.2) %
Adjusted Effective Tax Rate	22.9 %	28.2 %	530 bps
Free Cash Flow	\$ 235	\$ 309	\$ (74)
ROIC	33.0 %	32.6 %	40 bps

Key Financial Information: Full Year

(in millions, except per share amounts)

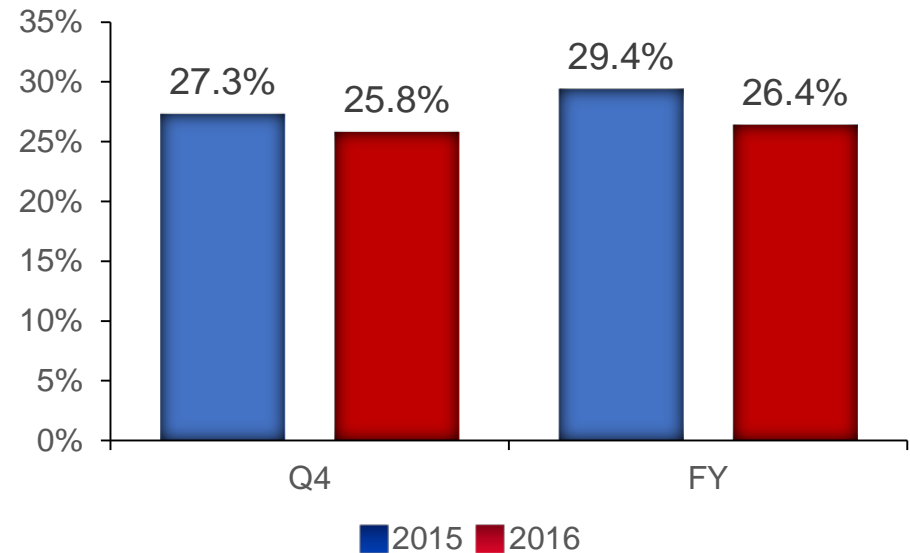
	<u>FY 2016</u>	<u>FY 2015</u>	<u>YOY B/(W)</u>
Sales	\$ 5,880	\$ 6,308	(6.8) %
Segment Operating Margin	20.2 %	21.6 %	(140) bps
General Corporate - Net	\$ 80	\$ 86	\$ 6
Adjusted EPS	\$ 5.93	\$ 6.40	(7.3) %
Adjusted Effective Tax Rate	23.6 %	27.0 %	340 bps
Free Cash Flow	\$ 834	\$ 1,077	\$ (243)
ROIC	33.0 %	32.6 %	40 bps

Sales



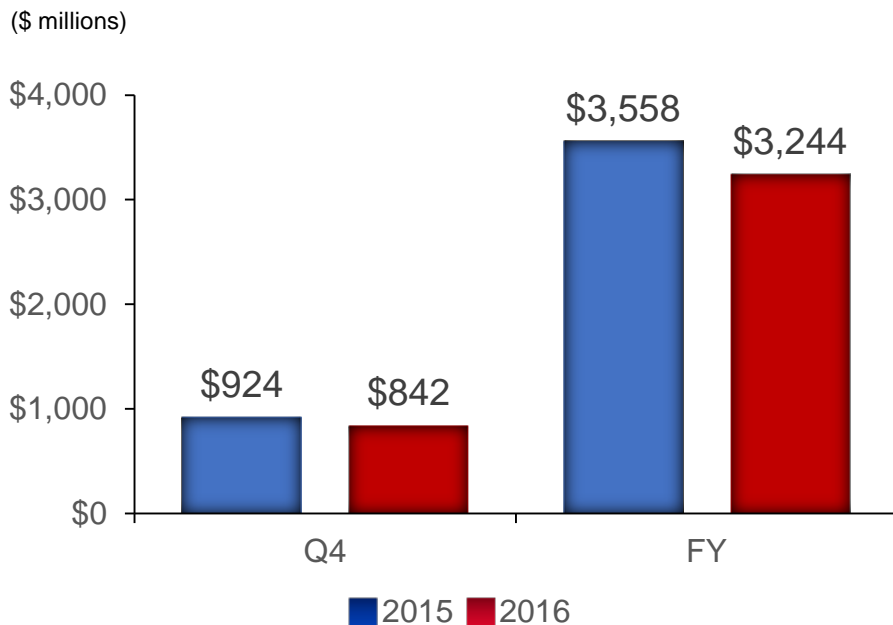
	YOY Sales % Change	
	Q4 2016	FY 2016
Reported	1.8%	(4.2)%
Organic	1.4%	(1.5)%

Segment Operating Margin



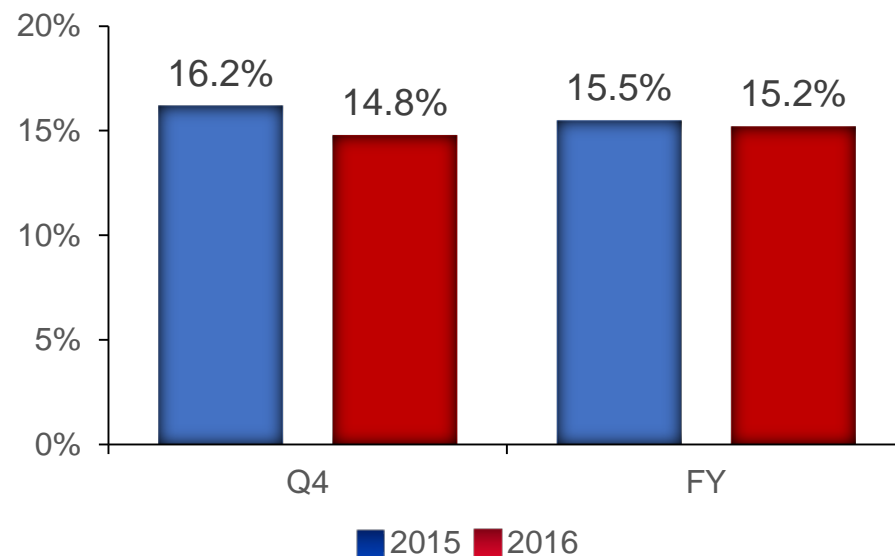
- Fourth quarter segment operating margin contracted 150 bps YOY primarily due to unfavorable mix and higher restructuring charges
- Full year segment operating margin contracted 300 bps primarily due to lower sales, and unfavorable mix and currency effects

Sales



	YOY Sales % Change	
	Q4 2016	FY 2016
Reported	(8.8)%	(8.8)%
Organic	(8.0)%	(5.8)%

Segment Operating Margin



- Fourth quarter segment operating margin contracted 140 bps YOY primarily due to lower sales, partially offset by productivity
- Full year segment operating margin contracted 30 bps on 9% lower reported sales

Regional Sales

(in millions, except percentages)

<u>Region</u>	<u>Q4 2016</u>		<u>FY 2016</u>	
	<u>Sales</u>	<u>Organic % Change</u>	<u>Sales</u>	<u>Organic % Change</u>
U.S.	\$ 822	(6.6)%	\$ 3,214	(6.9)%
Canada	79	(9.8)%	316	(6.8)%
EMEA	295	(3.3)%	1,147	1.8%
Asia Pacific	224	5.4%	765	(4.8)%
Latin America	119	0.9%	438	7.2%
TOTAL	<u>\$ 1,539</u>	(4.0)%	<u>\$ 5,880</u>	(3.9)%

Fourth Quarter *

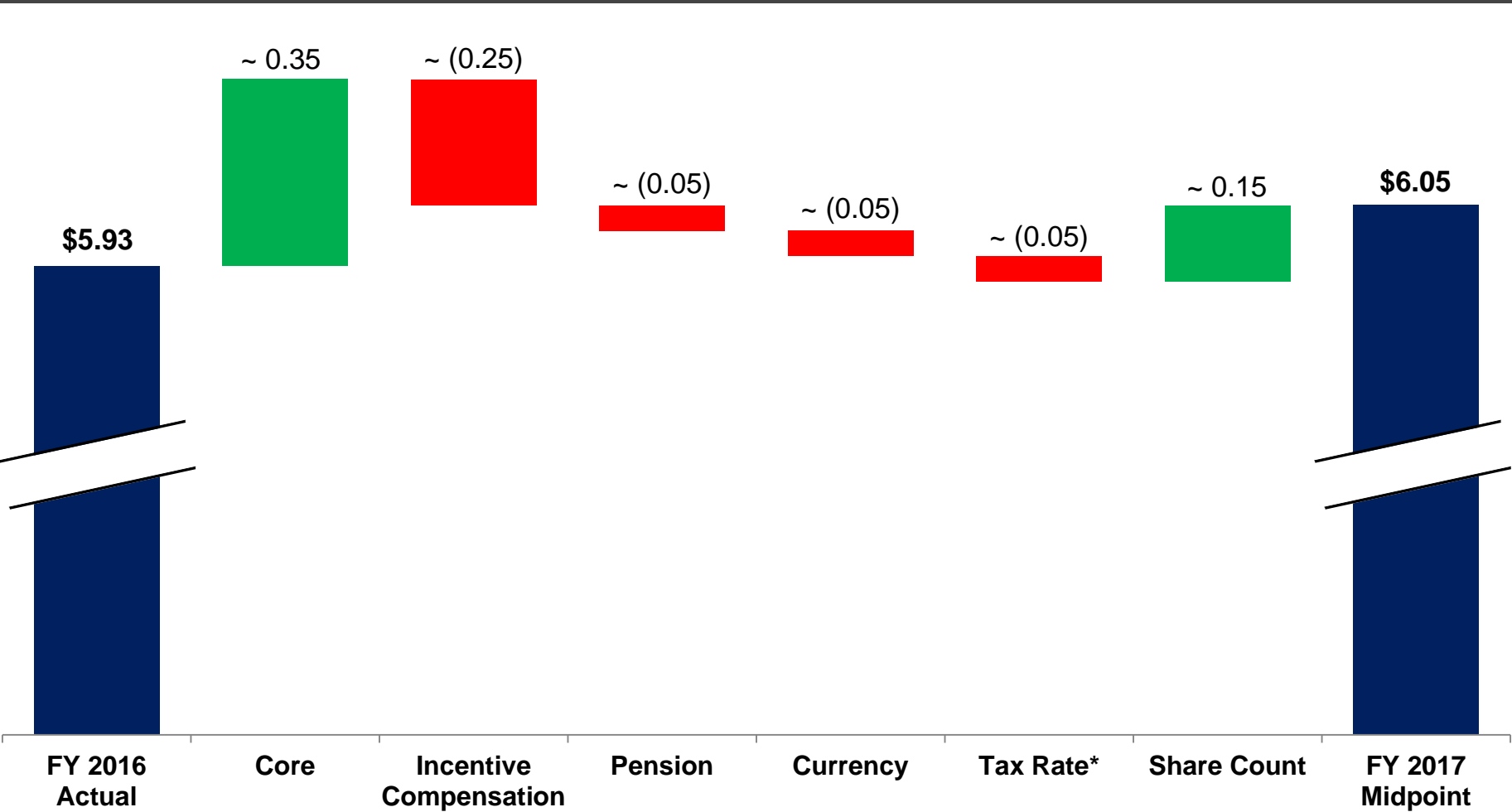
- U.S. and Canada decline driven by heavy industries
- China up low-single digits
- Continued growth in Mexico, offset by declines in balance of region

* All growth comments refer to organic growth

	<u>Full Year Outlook</u>
Sales Midpoint	~ \$6B
Organic Growth Range	0% to 4%
Currency Translation	~ (0.5)%
Acquisitions	~ 1.5%
Segment Operating Margin	~ 20%
Adjusted Effective Tax Rate	~ 24%
Adjusted EPS	\$5.85 - \$6.25
Free Cash Flow as a % of Adjusted Income	~ 100%

Note: As of November 7, 2016

Fiscal 2016 to Fiscal 2017 Midpoint Adjusted EPS Walk



*Adjusted Effective Tax Rate

Appendix

Supplemental Financial Information and
Reconciliation to Non-GAAP Measures

Fourth Quarter Results: Summary

**Rockwell
Automation**

(in millions, except per share amounts)

	<u>Q4 2016</u>	<u>Q4 2015</u>
Total Sales	<u>\$ 1,538.6</u>	<u>\$ 1,607.5</u>
Total Segment Operating Earnings	\$ 304.3	\$ 335.8
Purchase Accounting Depreciation and Amortization	(4.5)	(5.2)
General Corporate - Net	(25.2)	(19.5)
Non-Operating Pension Costs	(19.5)	(15.5)
Interest Expense	(18.2)	(16.7)
Income Tax Provision	(51.7)	(77.6)
Net Income	<u>\$ 185.2</u>	<u>\$ 201.3</u>
<u>Adjustments</u>		
Non-Operating Pension Costs, Net of Tax	12.5	10.0
Adjusted Income	<u>\$ 197.7</u>	<u>\$ 211.3</u>
Adjusted EPS	<u>\$ 1.52</u>	<u>\$ 1.57</u>
Average Diluted Shares	<u>129.8</u>	<u>134.3</u>

Free Cash Flow

(in millions)	<u>Q4 2016</u>	<u>FY 2016</u>
Net Income	\$ 185.2	\$ 729.7
Depreciation/Amortization	43.0	172.2
Retirement Benefits Expense	39.6	157.1
Receivables/Inventory/Payables	(4.1)	18.0
Compensation and Benefits	—	(81.1)
Pension Contributions	(12.5)	(44.3)
Income Taxes	(24.6)	(79.4)
Other	45.4	75.1
Cash Flow From Operations	272.0	947.3
Capital Expenditures	(37.5)	(116.9)
Excess Income Tax Benefit from Share Based Compensation	0.9	3.3
Free Cash Flow	<u>\$ 235.4</u>	<u>\$ 833.7</u>

Reconciliation to Non-GAAP Measures

Organic Sales

(in millions, except percentages)

	Three Months Ended September 30,							
	2016				2015			
	Sales(a)	Effect of Changes in Currency	Sales Excluding Changes in Currency	Effect of Acquisitions	Organic Sales(b)	Sales(c)	Sales Growth (Decline) (a)/(c)	Organic Growth (Decline) (b)/(c)
United States	\$ 821.7	\$ 0.3	\$ 822.0	\$ (5.5)	\$ 816.5	\$ 874.4	(6.0)%	(6.6)%
Canada	79.3	(0.2)	79.1	—	79.1	87.7	(9.6)%	(9.8)%
Europe, Middle East, Africa	294.7	1.3	296.0	(0.3)	295.7	305.8	(3.6)%	(3.3)%
Asia Pacific	223.7	1.6	225.3	(0.8)	224.5	212.9	5.1%	5.4%
Latin America	119.2	8.7	127.9	—	127.9	126.7	(5.9)%	0.9%
Total	\$ 1,538.6	\$ 11.7	\$ 1,550.3	\$ (6.6)	\$ 1,543.7	\$ 1,607.5	(4.3)%	(4.0)%

	Twelve Months Ended September 30,							
	2016				2015			
	Sales(a)	Effect of Changes in Currency	Sales Excluding Changes in Currency	Effect of Acquisitions	Organic Sales(b)	Sales(c)	Sales Growth (Decline) (a)/(c)	Organic Growth (Decline) (b)/(c)
United States	\$ 3,213.4	\$ 2.1	\$ 3,215.5	\$ (6.9)	\$ 3,208.6	\$ 3,446.8	(6.8)%	(6.9)%
Canada	316.4	25.1	341.5	—	341.5	366.6	(13.7)%	(6.8)%
Europe, Middle East, Africa	1,147.2	49.1	1,196.3	(1.1)	1,195.2	1,174.0	(2.3)%	1.8%
Asia Pacific	764.4	31.7	796.1	(1.6)	794.5	834.5	(8.4)%	(4.8)%
Latin America	438.1	83.0	521.1	—	521.1	486.0	(9.9)%	7.2%
Total	\$ 5,879.5	\$ 191.0	\$ 6,070.5	\$ (9.6)	\$ 6,060.9	\$ 6,307.9	(6.8)%	(3.9)%

Reconciliation to Non-GAAP Measures

Organic Sales

(in millions, except percentages)

	Three Months Ended September 30,						Sales Growth (Decline) (a)/(c)	Organic Growth (Decline) (b)/(c)
	2016					2015		
	Sales(a)	Effect of Changes in Currency	Sales Excluding Changes in Currency	Effect of Acquisitions	Organic Sales(b)	Sales(c)		
Architecture & Software	\$ 696.4	\$ 3.8	\$ 700.2	\$ (6.6)	\$ 693.6	\$ 683.9	1.8%	1.4%
Control Products & Solutions	842.2	7.9	850.1	—	850.1	923.6	(8.8)%	(8.0)%
Total	<u>\$ 1,538.6</u>	<u>\$ 11.7</u>	<u>\$ 1,550.3</u>	<u>\$ (6.6)</u>	<u>\$ 1,543.7</u>	<u>\$ 1,607.5</u>	(4.3)%	(4.0)%

	Twelve Months Ended September 30,						Sales Growth (Decline) (a)/(c)	Organic Growth (Decline) (b)/(c)
	2016					2015		
	Sales(a)	Effect of Changes in Currency	Sales Excluding Changes in Currency	Effect of Acquisitions	Organic Sales(b)	Sales(c)		
Architecture & Software	\$ 2,635.2	\$ 83.7	\$ 2,718.9	\$ (9.3)	\$ 2,709.6	\$ 2,749.5	(4.2)%	(1.5)%
Control Products & Solutions	3,244.3	107.3	3,351.6	(0.3)	3,351.3	3,558.4	(8.8)%	(5.8)%
Total	<u>\$ 5,879.5</u>	<u>\$ 191.0</u>	<u>\$ 6,070.5</u>	<u>\$ (9.6)</u>	<u>\$ 6,060.9</u>	<u>\$ 6,307.9</u>	(6.8)%	(3.9)%

Reconciliation to Non-GAAP Measures

Segment Operating Margin

(in millions, except percentages)

	<u>Three Months Ended September 30, 2016</u>	<u>Three Months Ended September 30, 2015</u>	<u>Twelve Months Ended September 30, 2016</u>	<u>Twelve Months Ended September 30, 2015</u>
Sales				
Architecture & Software (a)	\$ 696.4	\$ 683.9	\$ 2,635.2	\$ 2,749.5
Control Products & Solutions (b)	842.2	923.6	3,244.3	3,558.4
Total sales (c)	<u>\$ 1,538.6</u>	<u>\$ 1,607.5</u>	<u>\$ 5,879.5</u>	<u>\$ 6,307.9</u>
Segment operating earnings				
Architecture & Software (d)	\$ 180.0	\$ 186.5	\$ 695.0	\$ 808.6
Control Products & Solutions (e)	124.3	149.3	493.7	551.9
Total segment operating earnings (f)	<u>304.3</u>	<u>335.8</u>	<u>1,188.7</u>	<u>1,360.5</u>
Purchase accounting depreciation and amortization	(4.5)	(5.2)	(18.4)	(21.0)
General corporate - net	(25.2)	(19.5)	(79.7)	(85.6)
Non-operating pension costs	(19.5)	(15.5)	(76.2)	(62.7)
Interest expense	(18.2)	(16.7)	(71.3)	(63.7)
Income before income taxes (g)	<u>\$ 236.9</u>	<u>\$ 278.9</u>	<u>\$ 943.1</u>	<u>\$ 1,127.5</u>
Segment operating margin:				
Architecture & Software (d/a)	25.8%	27.3%	26.4%	29.4%
Control Products & Solutions (e/b)	14.8%	16.2%	15.2%	15.5%
Total segment operating margin (f/c)	19.8%	20.9%	20.2%	21.6%
Pretax margin (g/c)	15.4%	17.3%	16.0%	17.9%

Reconciliation to Non-GAAP Measures

Adjusted Income, Adjusted EPS and Adjusted Effective Tax Rate

(in millions, except per share amounts)

	<u>Three Months Ended</u> <u>September 30, 2016</u>	<u>Three Months Ended</u> <u>September 30, 2015</u>	<u>Twelve Months Ended</u> <u>September 30, 2016</u>	<u>Twelve Months Ended</u> <u>September 30, 2015</u>
Income from continuing operations	\$ 185.2	\$ 201.3	\$ 729.7	\$ 827.6
Non-operating pension costs	19.5	15.5	76.2	62.7
Tax effect of non-operating pension costs	(7.0)	(5.5)	(27.5)	(21.9)
Adjusted Income	<u>\$ 197.7</u>	<u>\$ 211.3</u>	<u>\$ 778.4</u>	<u>\$ 868.4</u>
Diluted EPS from continuing operations	\$ 1.43	\$ 1.50	\$ 5.56	\$ 6.09
Non-operating pension costs per diluted share	0.15	0.11	0.58	0.46
Tax effect of non-operating pension costs per diluted share	(0.06)	(0.04)	(0.21)	(0.15)
Adjusted EPS	<u>\$ 1.52</u>	<u>\$ 1.57</u>	<u>\$ 5.93</u>	<u>\$ 6.40</u>
Effective tax rate	21.8%	27.8%	22.6%	26.6%
Tax effect of non-operating pension costs	1.1%	0.4%	1.0%	0.4%
Adj. Effective Tax Rate	<u>22.9%</u>	<u>28.2%</u>	<u>23.6%</u>	<u>27.0%</u>

Non-Operating Pension Costs

(in millions)

Interest cost	\$ 42.3	\$ 41.6	\$ 169.5	\$ 167.2
Expected return on plan assets	(54.4)	(55.6)	(218.3)	(223.2)
Amortization of net actuarial loss	31.1	29.5	124.5	118.7
Special termination benefit	0.5	—	0.5	—
Non-operating pension costs	<u>\$ 19.5</u>	<u>\$ 15.5</u>	<u>\$ 76.2</u>	<u>\$ 62.7</u>

Free Cash Flow

(in millions)

Cash provided by continuing operating activities	\$ 272.0	\$ 348.0	\$ 947.3	\$ 1,187.7
Capital expenditures	(37.5)	(39.7)	(116.9)	(122.9)
Excess income tax benefit from share-based compensation	0.9	0.2	3.3	12.4
Free cash flow	<u>\$ 235.4</u>	<u>\$ 308.5</u>	<u>\$ 833.7</u>	<u>\$ 1,077.2</u>

Reconciliation to Non-GAAP Measures

Return On Invested Capital

(in millions, except percentages)

	Twelve Months Ended	
	September 30,	
	2016	2015
(a) Return		
Income from continuing operations	\$ 729.7	\$ 827.6
Interest expense	71.3	63.7
Income tax provision	213.4	299.9
Purchase accounting depreciation and amortization	18.4	21.0
Return	<u>1,032.8</u>	<u>1,212.2</u>
(b) Average invested capital		
Short-term debt	248.2	166.6
Long-term debt	1,509.0	1,261.9
Shareowners' equity	2,164.1	2,521.3
Accumulated amortization of goodwill and intangibles	811.8	792.6
Cash and cash equivalents	(1,461.7)	(1,376.1)
Short-term investments	(846.5)	(639.3)
Average invested capital	<u>2,424.9</u>	<u>2,727.0</u>
(c) Effective tax rate		
Income tax provision	213.4	299.9
Income from continuing operations before income taxes	\$ 943.1	\$ 1,127.5
Effective tax rate	<u>22.6%</u>	<u>26.6%</u>
(a) / (b) * (1-c) Return On Invested Capital	<u>33.0%</u>	<u>32.6%</u>

Reconciliation to Non-GAAP Measures

Fiscal 2017 Guidance

(in billions, except percentages and per share amounts)

Organic Sales

	<u>Fiscal 2017 Guidance</u>
Organic sales growth	0% to 4%
Foreign currency impact	~ (0.5)%
Acquisition impact	~ 1.5%
Reported sales growth	<u>1% to 5%</u>

Segment Operating Margin

Total sales (a)	\$ ~ 6
Total segment operating earnings (b)	~ 1.2
Costs not allocated to segments	~ (0.3)
Income before income taxes (c)	<u>\$ ~ 0.9</u>
Total segment operating margin (b/a)	~ 20%
Pretax margin (c/a)	~ 16%

Adjusted Effective Tax Rate

Effective tax rate	~ 23%
Tax effect of non-operating pension costs	~ 1%
Adjusted Effective Tax Rate	<u>~ 24%</u>

Adjusted EPS

Diluted EPS from continuing operations	\$5.46 - \$5.86
Non-operating pension costs per diluted share	(0.62)
Tax effect of non-operating pension costs per diluted share	0.23
Adjusted EPS	<u>\$5.85 - \$6.25</u>