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Q2 Fiscal 2025 Earnings Presentation

May 7, 2025



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.

Q2 FY25 Results Highlights

- ▶ Total company Book-to-bill was ~1.0, consistent with the normal historical range
- ▶ Reported sales down (6)% YOY; organic sales down (4)% with currency decreasing sales (2) pts YOY
- ▶ Organic sales up 8% sequentially
- ▶ Total Annual Recurring Revenue (ARR) up 8% YOY
- ▶ Segment margin of 20.4% and adjusted EPS of \$2.45, above expectations
- ▶ On track to exceed ~\$250M in YOY productivity benefits in FY25
- ▶ Tariffs did not have a meaningful impact on results in the quarter

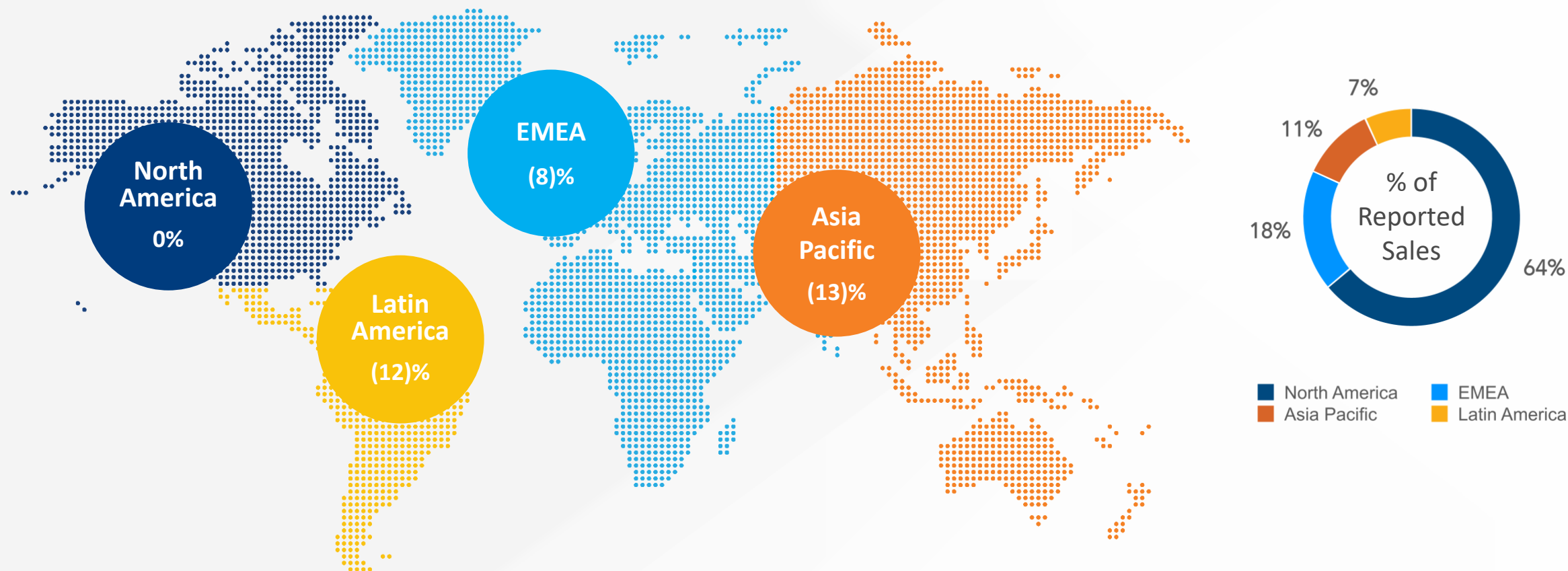
High-single-digit sequential sales growth and strong operating performance

Q2 FY25 Organic Industry Segment Performance

	Q2 FY25 vs. Q2 FY24	Q2 FY25 vs. Q2 FY24
 DISCRETE	Up low single digits	<ul style="list-style-type: none">↓ Automotive down mid teens↑ Semiconductor up mid single digits↑ e-Commerce & Warehouse Automation up ~45%
 HYBRID	Flat	<ul style="list-style-type: none">➤ Food & Beverage flat➤ Life Sciences flat↓ Tire down high single digits
 PROCESS	Down ~10%	<ul style="list-style-type: none">↓ Energy down mid teens↓ Mining down mid teens↑ 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.

Q2 FY25 Year-Over-Year Organic Sales Growth



North America expected to be our strongest region in FY25

Full Year Outlook Update

- ▶ Reaffirming organic sales growth range of (4)% to 2% YOY
 - ▶ Strong adoption of recent new offerings
- ▶ Updating reported sales growth range to (4.5)% to 1.5% YOY
 - ▶ Currency to decrease sales ~(0.5) pts
- ▶ Total ARR expected to grow ~10% YOY
- ▶ Expect segment margin of ~20%; includes over \$250M benefit from cost reduction and margin expansion actions
- ▶ Cost impacts from tariffs are expected to be offset through supply chain actions and price
- ▶ Updating adjusted EPS range to \$9.20 - \$10.20
- ▶ Expect Free Cash Flow conversion of ~100%

Note: Updated Guidance as of May 7, 2025

Investing in innovation and resiliency for sustained growth and profitability

Q2 FY25 Key Financial Information

(\$ in millions, except per share amounts)

	Q2 FY25	Q2 FY24	YOY B/(W)
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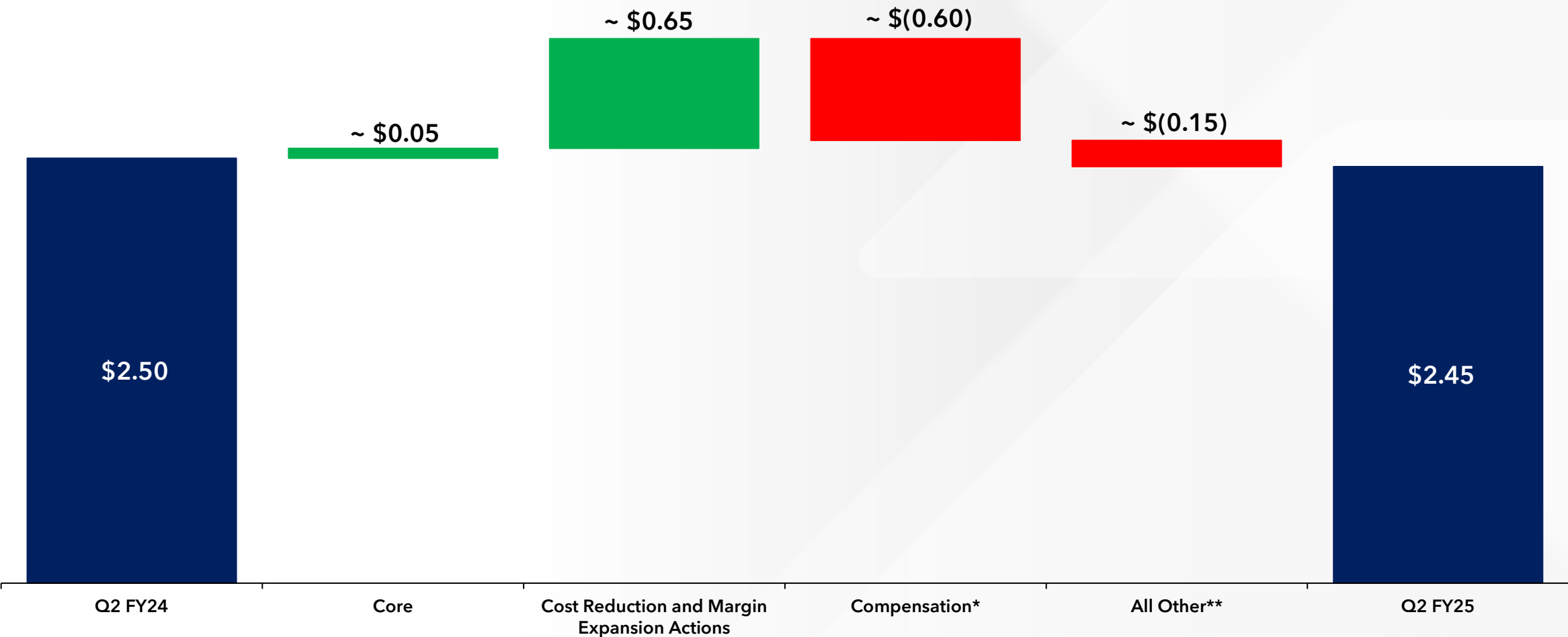
Sales	\$2,001	\$2,126	<div>Organic Growth(4)% Inorganic Growth— % Currency Translation(2)% Reported Growth(6)%</div>
Segment Operating Margin	20.4%	19.0%	140 bps
Corporate and Other	\$33	\$28	\$(5)
Adjusted EPS	\$2.45	\$2.50	(2)%
Adjusted Effective Tax Rate	17.7%	14.8%	(2.9) pts
Free Cash Flow	\$171	\$69	\$102



Q2 FY25 Segment Results

	Sales (\$ in millions; YOY growth %)		Segment Operating Margin	Segment Highlights
Intelligent Devices	\$896M	Organic (6)%	17.7% +120 bps YOY	Higher segment margin YOY driven by the benefits from cost reduction and margin expansion actions, positive price/cost, and favorable mix, partially offset by higher compensation and lower sales volume.
		Inorganic — %		
		Currency (2) %		
		Reported (8)%		
Software & Control	\$568M	Organic +2 %	30.1% +440 bps YOY	Higher segment margin YOY driven by the benefits from cost reduction and margin expansion actions and positive price/cost, partially offset by higher compensation.
		Inorganic — %		
		Currency (2) %		
		Reported — %		
Lifecycle Services	\$537M	Organic (6)%	14.5% (210) bps YOY	Book-to-bill of 1.07 Lower segment margin YOY driven by higher compensation and lower sales volume, partially offset by the benefits from cost reduction and margin expansion actions and strong project execution.
		Inorganic — %		
		Currency (2) %		
		Reported (8)%		

Q2 FY24 to Q2 FY25 Adjusted EPS Walk



*Compensation reflects merit and incentive compensation

**All Other includes: Currency, Tax, One-Time Costs, Shares, Prior Year Restructuring Costs, Non-Controlling Interest, Interest Expense, and Corporate Items

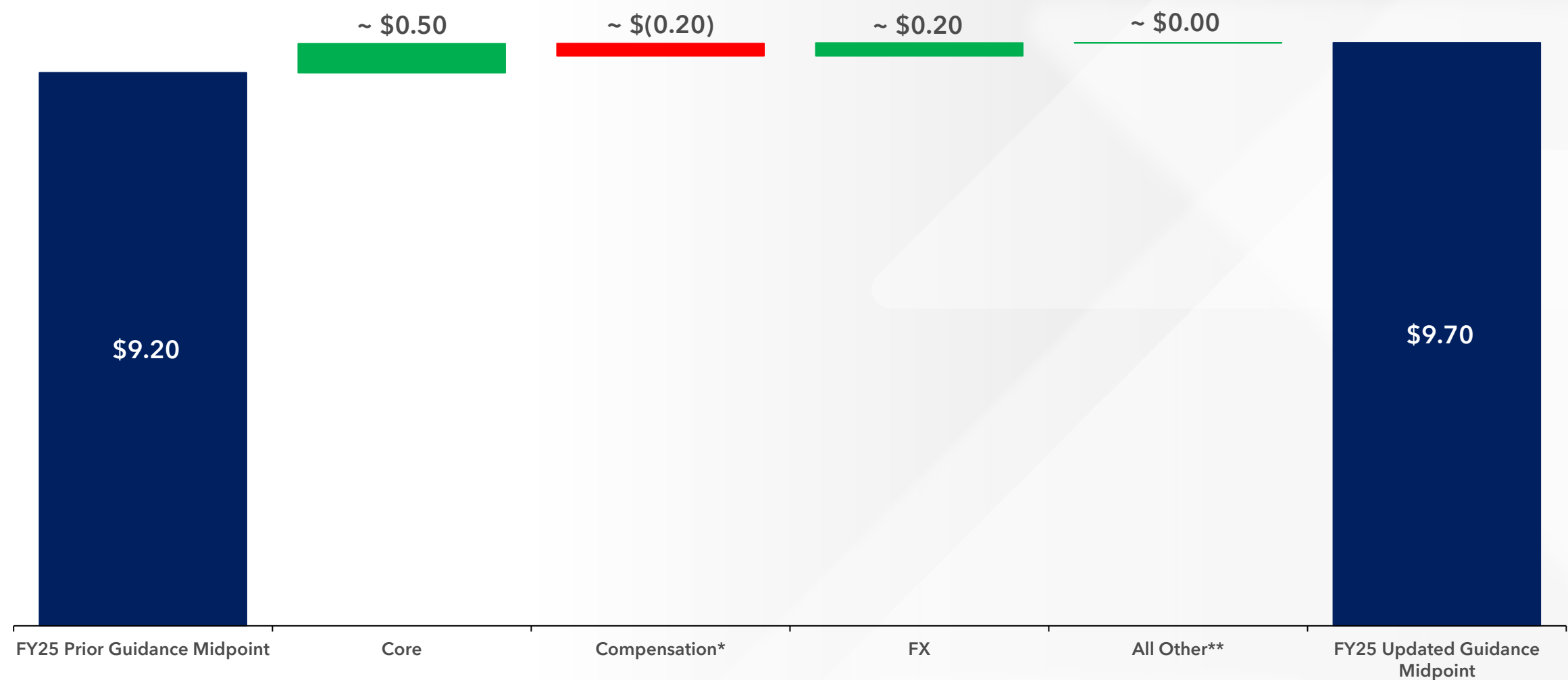


Fiscal Year 2025 Guidance

	Updated Guidance	Prior Guidance
Reported Sales Midpoint	~ \$8.1B	~ \$8.1B
Organic Growth	(4)% - 2%	(4)% - 2%
Inorganic Growth	~ 0%	~ 0%
Currency Translation	~ (0.5)%	~ (1.5)%
Segment Operating Margin	~ 20%	~ 19%
Adjusted Effective Tax Rate	~ 17%	~ 17%
Adjusted EPS Target	\$9.20 - \$10.20	\$8.60 - \$9.80
Free Cash Flow Conversion	~ 100%	~ 100%

Note: Updated Guidance as of May 7, 2025; Prior Guidance as of February 10, 2025

FY25 Updated vs Prior Guidance Adjusted EPS Walk



*Compensation reflects merit and incentive compensation

**All Other includes: Non-Controlling Interest, Corporate Items, Interest Expense, One-Time Costs, Shares, and Tax




Note: Guidance as of May 7, 2025; Prior Guidance as of February 10, 2025



Appendix



FY25 Organic Industry Segment Outlook

	FY25 vs. FY24	Assumptions at Guidance Midpoint	B/(W) vs. Prior Guidance
	Up mid single digits	Automotive down mid single digits Semiconductor down low single digits e-Commerce & Warehouse Automation up ~45%	+
	Down low single digits	Food & Beverage down low single digits Life Sciences up low single digits Tire down mid single digits	=
	Down low single digits	Energy down low single digits Mining down low single digits Chemicals flat	-

Note: Organic sales growth rates depicted above exclude the impact of acquisitions and currency.
 Guidance as of May 7, 2025; Prior Guidance as of February 10, 2025

Industry Segmentation

% of FY24 Sales



DISCRETE

~25%
of sales

- ~10% Automotive
- ~5% Semiconductor
- ~5% e-Commerce & Warehouse Automation
- ~5% General Industries

- ▶ Marine
- ▶ Mass Transit
- ▶ Glass
- ▶ Fibers & Textiles
- ▶ Entertainment
- ▶ Airports
- ▶ Aerospace
- ▶ Print & Publishing



HYBRID

~35%
of sales

- ~20% Food & Beverage
- ~5% Life Sciences
- ~5% Household & Personal Care
- ~5% Tire



PROCESS

~40%
of sales

- ~15% Energy
- ~5% Mining
- ~5% Metals
- ~5% Chemicals
- ~5% Water / Wastewater
- ~5% Pulp & Paper

Q2 FY25 Results: Summary

Financial Summary

(\$ in millions, except per share amounts)

Total sales

Total segment operating earnings
Purchase accounting depreciation and amortization
Corporate and other
Non-operating pension and postretirement benefit credit
Change in fair value of investments
Interest expense, net
Income tax provision
Net income
Net loss attributable to noncontrolling interests
Net income attributable to Rockwell Automation

Adjustments

Non-operating pension and postretirement benefit credit, net of tax
Purchase accounting depreciation and amortization attributable to Rockwell Automation, net of tax
Change in fair value of investments, net of tax
Adjusted income

Adjusted EPS

Average diluted shares

Three Months Ended	
March 31,	
2025	2024
\$ 2,001	\$ 2,126
\$ 408	\$ 404
(36)	(37)
(33)	(28)
—	5
(3)	3
(37)	(37)
(51)	(45)
\$ 248	\$ 265
(4)	(1)
\$ 252	\$ 266
\$ —	\$ (4)
25	29
2	(3)
\$ 279	\$ 288
\$ 2.45	\$ 2.50
113.3	114.8

Reconciliation to Non-GAAP Measures

Free Cash Flow

(\$ in millions)

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
Net income	\$ 248	\$ 265	\$ 426	\$ 478
Depreciation/Amortization	81	81	159	158
Change in fair value of investments	3	(3)	3	(6)
Retirement benefits expense	11	4	21	9
Receivables/Inventory/Payables	(93)	25	(18)	77
Compensation and benefits	43	(42)	31	(285)
Pension contributions	(3)	(6)	(6)	(12)
Income taxes	(111)	(230)	(119)	(228)
Other	20	26	66	(38)
Cash flow from operations	199	120	563	153
Capital expenditures	(28)	(51)	(99)	(119)
Free cash flow	<u>\$ 171</u>	<u>\$ 69</u>	<u>\$ 464</u>	<u>\$ 34</u>
Adjusted income	\$ 279	\$ 288	\$ 488	\$ 524
Free cash flow conversion	61 %	24 %	95 %	6 %

Reconciliation to Non-GAAP Measures

Organic Sales

(\$ in millions)

Three Months Ended March 31,									
2025					2024				
	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)	Less: Effect of Acquisitions (e)/(c)	Effect of Changes in Currency (d)/(c)	Organic Sales Growth (b)/(c)
North America	\$ 1,288	\$ —	\$ (7)	\$ 1,295	\$ 1,294	—%	—%	—%	—%
EMEA	358	—	(9)	367	399	(10)%	—%	(2)%	(8)%
Asia Pacific	227	—	(7)	234	270	(16)%	—%	(3)%	(13)%
Latin America	128	—	(16)	144	163	(22)%	—%	(10)%	(12)%
Total	\$ 2,001	\$ —	\$ (39)	\$ 2,040	\$ 2,126	(6)%	—%	(2)%	(4)%

Three Months Ended March 31,									
2025					2024				
	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)	Less: Effect of Acquisitions (e)/(c)	Effect of Changes in Currency (d)/(c)	Organic Sales Growth (b)/(c)
Intelligent Devices	\$ 896	\$ —	\$ (18)	\$ 914	\$ 974	(8)%	—%	(2)%	(6)%
Software & Control	568	—	(11)	579	569	—%	—%	(2)%	2%
Lifecycle Services	537	—	(10)	547	583	(8)%	—%	(2)%	(6)%
Total	\$ 2,001	\$ —	\$ (39)	\$ 2,040	\$ 2,126	(6)%	—%	(2)%	(4)%

Reconciliation to Non-GAAP Measures

Segment Operating Margin

(\$ in millions)

	Three Months Ended March 31,	
	2025	2024
Sales		
Intelligent Devices (a)	\$ 896	\$ 974
Software & Control (b)	568	569
Lifecycle Services (c)	537	583
Total sales (d)	<u>\$ 2,001</u>	<u>\$ 2,126</u>
Segment operating earnings		
Intelligent Devices (e)	\$ 159	\$ 161
Software & Control (f)	171	146
Lifecycle Services (g)	78	97
Total segment operating earnings ⁽¹⁾ (h)	<u>408</u>	<u>404</u>
Purchase accounting depreciation and amortization	(36)	(37)
Corporate and other	(33)	(28)
Non-operating pension and postretirement benefit credit	—	5
Change in fair value of investments	(3)	3
Interest expense, net	<u>(37)</u>	<u>(37)</u>
Income before income taxes (i)	<u>\$ 299</u>	<u>\$ 310</u>
Pretax margin (i/d)	14.9 %	14.6 %
Segment operating margin:		
Intelligent Devices (e/a)	17.7 %	16.5 %
Software & Control (f/b)	30.1 %	25.7 %
Lifecycle Services (g/c)	14.5 %	16.6 %
Total segment operating margin ⁽¹⁾ (h/d)	20.4 %	19.0 %

(1) Total segment operating earnings and total segment operating margin are non-GAAP financial measures. We exclude purchase accounting depreciation and amortization, corporate and other, non-operating pension and postretirement benefit credit, change in fair value of investments, and interest expense, net, 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)

Net income attributable to Rockwell Automation	
Non-operating pension and postretirement benefit credit	
Tax effect of non-operating pension and postretirement benefit credit	
Purchase accounting depreciation and amortization attributable to Rockwell Automation	
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation	
Change in fair value of investments	
Tax effect of change in fair value of investments	
Adjusted income	
Diluted EPS	
Non-operating pension and postretirement benefit credit	
Tax effect of non-operating pension and postretirement benefit credit	
Purchase accounting depreciation and amortization attributable to Rockwell Automation	
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation	
Change in fair value of investments	
Tax effect of change in fair value of investments	
Adjusted EPS	
Effective tax rate	
Tax effect of non-operating pension and postretirement benefit credit	
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation	
Tax effect of change in fair value of investments	
Adjusted effective tax rate	

Non-operating pension and postretirement benefit credit

(\$ in millions)

Interest cost
Expected return on plan assets
Amortization of net actuarial loss
Non-operating pension and postretirement benefit credit

Three Months Ended	
March 31,	
2025	2024
\$ 252	\$ 266
—	(5)
—	1
32	34
(7)	(5)
3	(3)
(1)	—
<u>\$ 279</u>	<u>\$ 288</u>
\$ 2.22	\$ 2.31
—	(0.04)
—	0.01
0.27	0.29
(0.06)	(0.05)
0.03	(0.02)
(0.01)	—
<u>\$ 2.45</u>	<u>\$ 2.50</u>
17.1 %	14.5 %
— %	(0.1)%
0.5 %	0.3 %
0.1 %	0.1 %
<u>17.7 %</u>	<u>14.8 %</u>

Three Months Ended	
March 31, 2025	
March 31, 2024	
\$ 34	\$ 37
(42)	(43)
8	1
<u>\$ —</u>	<u>\$ (5)</u>

Reconciliation to Non-GAAP Measures

Return On Invested Capital

(\$ in millions)

	Twelve Months Ended March 31,	
	2025	2024
(a) Return		
Net income	\$ 896	\$ 1,082
Interest expense	161	138
Income tax provision	145	277
Purchase accounting depreciation and amortization	142	285
Return	<u>\$ 1,344</u>	<u>\$ 1,782</u>
(b) Average invested capital		
Short-term debt	\$ 1,091	\$ 741
Long-term debt	2,567	2,809
Shareowners' equity	3,578	3,662
Accumulated amortization of goodwill and intangibles	1,366	1,230
Cash and cash equivalents	(454)	(576)
Short-term and long-term investments	(3)	(1)
Average invested capital	<u>\$ 8,145</u>	<u>\$ 7,865</u>
(c) Effective tax rate		
Income tax provision	\$ 145	\$ 277
Income before income taxes	1,041	1,359
Effective tax rate	<u>13.9 %</u>	<u>20.4 %</u>
(a) / (b) * (1-c) Return On Invested Capital	<u>14.2 %</u>	<u>18.0 %</u>

Reconciliation to Non-GAAP Measures

Fiscal 2025 Guidance

(\$ in billions, except 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 attributable to Rockwell Automation
Tax effect of change in fair value of investments ⁽²⁾
Adjusted effective tax rate

Adjusted EPS

Diluted EPS ⁽¹⁾
Non-operating pension and postretirement benefit credit
Tax effect of non-operating pension and postretirement benefit credit
Purchase accounting depreciation and amortization attributable to Rockwell Automation
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation
Change in fair value of investments ⁽²⁾
Tax effect of change in fair value of investments ⁽²⁾
Adjusted EPS

(1) Fiscal 2025 guidance based on adjusted income attributable to Rockwell, which includes an adjustment for SLB's non-controlling interest in Sensia.

(2) The actual year-to-date adjustments are used for guidance, as estimates of these adjustments on a forward-looking basis are not available due to variability, complexity, and limited visibility of these items.

Note: Guidance as of May 7, 2025

Fiscal 2025 Guidance

	(4)% - 2%
	~0%
	~(0.5)%
	(4.5)% -1.5%
\$	~8.1
	~1.6
	~(0.3)
\$	~1.3
	~20%
	~16%
	~17%
	~—%
	~—%
	~—%
	~17%
	\$8.23 - \$9.23
	—
	—
	1.14
	(0.19)
	0.03
	(0.01)
	\$9.20 - \$10.20

Reconciliation to Non-GAAP Measures

Free Cash Flow Conversion

(\$ in billions)

Net income attributable to Rockwell Automation at the mid-point	<div>Fiscal 2025 Guidance</div> <div>\$ ~1.0</div>
Non-operating pension and postretirement benefit credit, net of tax	
Purchase accounting depreciation and amortization 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)	<div>\$ ~1.1</div>
Cash provided by operating activities	\$ ~1.3
Capital expenditures	~(0.2)
Free cash flow (b)	<div>\$ ~1.1</div>
Free cash flow conversion (b/a)	~100%

⁽¹⁾ The actual year-to-date adjustments are used for guidance, as estimates of these adjustments on a forward-looking basis are not available due to variability, complexity, and limited visibility of these items.

Note: Guidance as of May 7, 2025



Performance Metric Definition

Total 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. Total ARR growth is calculated as the dollar change in ARR, adjusted to exclude the effects of currency, divided by ARR as of the prior period. 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. 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.

Book-to-bill

Book-to-bill is a key performance metric that provides an indication of the level of demand. It is calculated as orders divided by sales for a specified period. A book-to-bill greater than 1.0 indicates that orders exceeded sales and a growing backlog while a book-to-bill less than 1.0 indicates that sales exceeded orders and a declining backlog. We believe that book-to-bill provides useful information to investors about demand, and in our Lifecycle Services segment, about the strength of our backlog. Our measure of book-to-bill may be different from measures used by other companies.



Thank you



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