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Fiscal Year 2011  
Second Quarter  
Conference Call

April 27, 2011

# Safe Harbor Statement

- This presentation contains statements (including certain projections and business trends) that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Words such as “believe”, “estimate”, “project”, “plan”, “expect”, “anticipate”, “will”, “intend” and other similar expressions may identify forward-looking statements. Actual results may differ materially from those projected as a result of certain risks and uncertainties, many of which are beyond our control, including but not limited to:
  - macroeconomic factors, including global and regional business conditions, the availability and cost of capital, the cyclical nature of our customers' capital spending, and currency exchange rates, all of which may affect our revenue and our profitability;
  - laws, regulations and governmental policies affecting our activities in the countries where we do business;
  - successful development of advanced technologies and demand for and market acceptance of new and existing products;
  - the availability, effectiveness and security of our information technology systems;
  - competitive product and pricing pressures;
  - disruption of our operations due to natural disasters, acts of war, strikes, terrorism or other causes;
  - intellectual property infringement claims by others and the ability to protect our intellectual property;
  - our ability to successfully address claims by taxing authorities in the various jurisdictions where we do business;
  - our ability to attract and retain qualified personnel;
  - our ability to manage costs related to employee retirement and health care benefits;
  - the uncertainties of litigation;
  - disruption of our distribution channels;
  - the availability and price of components and materials;
  - successful execution of our cost productivity, restructuring and globalization initiatives; and
  - other risks and uncertainties, including but not limited to those detailed from time to time in our Securities and Exchange Commission filings.
- These forward-looking statements reflect our beliefs as of the date of this presentation. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

# Notice Regarding Financial Information

- This presentation contains non-GAAP financial information. Reconciliations from GAAP to non-GAAP measures are contained in the appendix of this presentation.
- All information should be read in conjunction with the historical financial statements and financial information contained in Rockwell Automation's Annual Report on Form 10-K, periodic reports on Form 10-Q and Form 8-K, and public announcements of financial information.
- Copies of these reports, as well as a financial information overview, are available on the Investor Relations section of Rockwell Automation's website at <http://www.rockwellautomation.com/investors/>

# Highlights of Q2 Results

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- Sales up 26% YOY – strong across all regions
- Segment operating margin improved 1.5 pts YOY
- EPS from continuing operations a record \$1.14
- Return on invested capital a record 27.5%
- Strong free cash flow of \$226M - 136% of net income
- Great first half performance

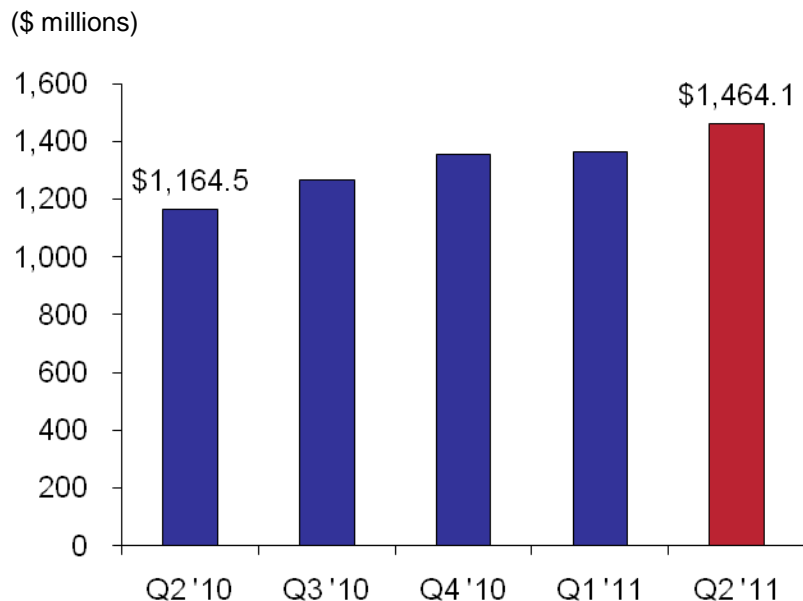
# Q2 Results: Summary

(\$ millions, except per share amounts)

	<u>Q2 2011</u>	<u>Q2 2010</u>
Total Sales	\$ 1,464.1	\$ 1,164.5
Total Segment Operating Earnings	\$ 244.2	\$ 177.3
Purchase Accounting Depreciation and Amortization	(4.7)	(5.0)
General Corporate - Net	(20.5)	(23.6)
Interest Expense	(15.4)	(15.1)
Income Tax Provision	(37.2)	(21.7)
Income from Continuing Operations	<u>\$ 166.4</u>	<u>\$ 111.9</u>
Diluted EPS from Continuing Operations	<u>\$ 1.14</u>	<u>\$ 0.77</u>
Diluted EPS	<u>\$ 1.14</u>	<u>\$ 0.95</u>
Average Diluted Shares	<u>146.3</u>	<u>144.4</u>

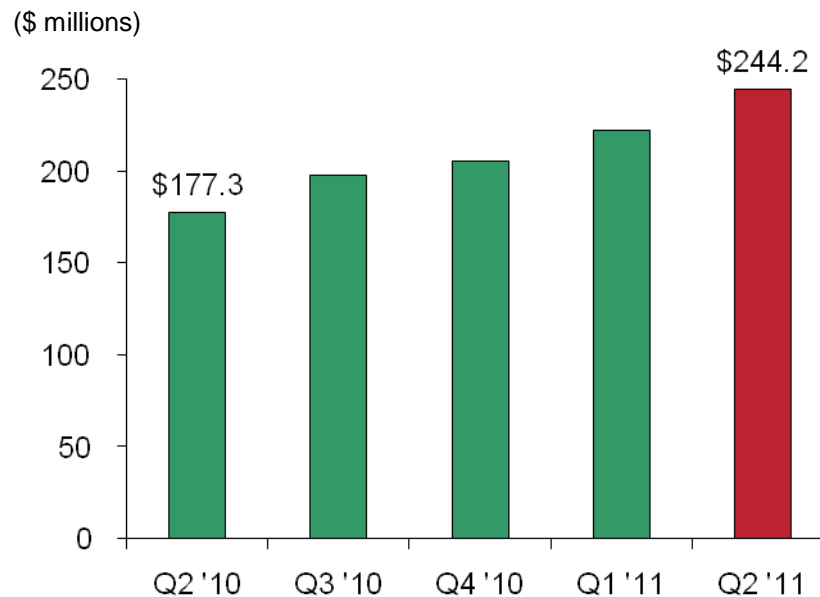
# Q2 Results: Rockwell Automation Total

## Sales



- Sales increased 26% YOY
- Sales increased 7% sequentially

## Segment Operating Earnings

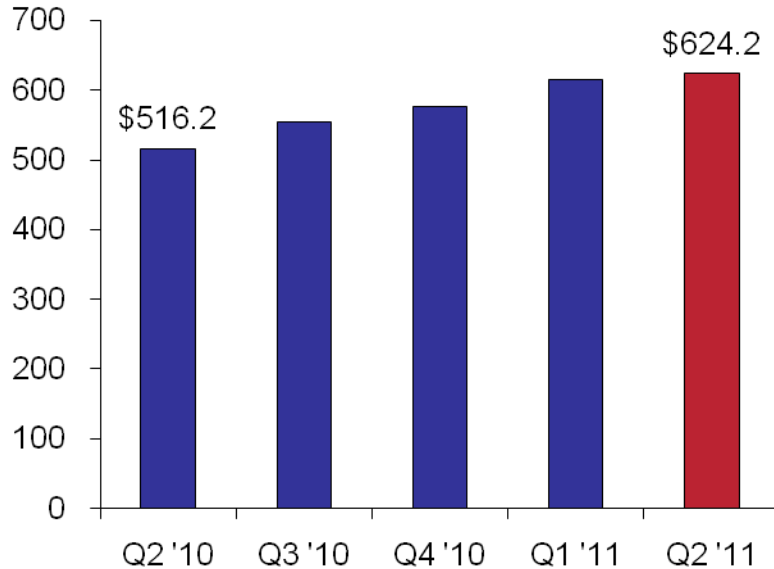


- Segment operating earnings up 38% YOY
- Segment operating margin expanded 1.5 pts YOY to 16.7%, primarily due to volume leverage partially offset by spending, mix and inflation

# Q2 Results: Architecture & Software

## Sales

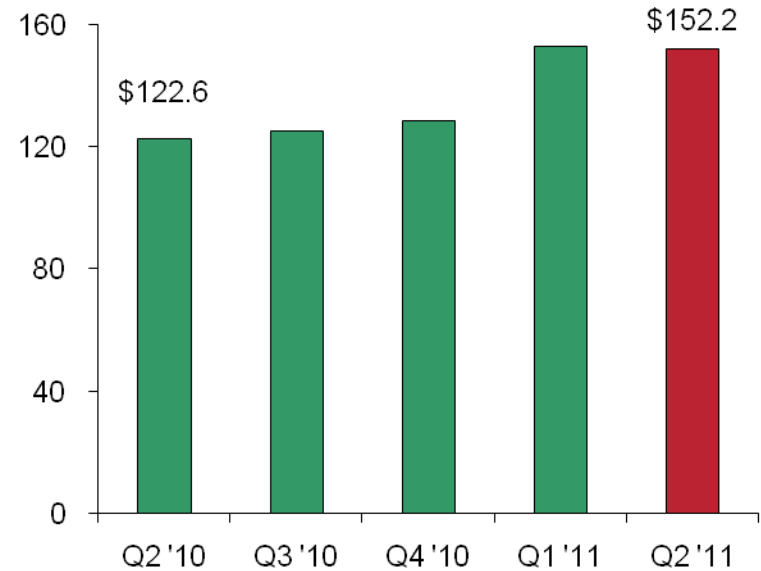
(\$ millions)



- Sales increased 21% YOY
- Sales increased 2% sequentially

## Segment Operating Earnings

(\$ millions)

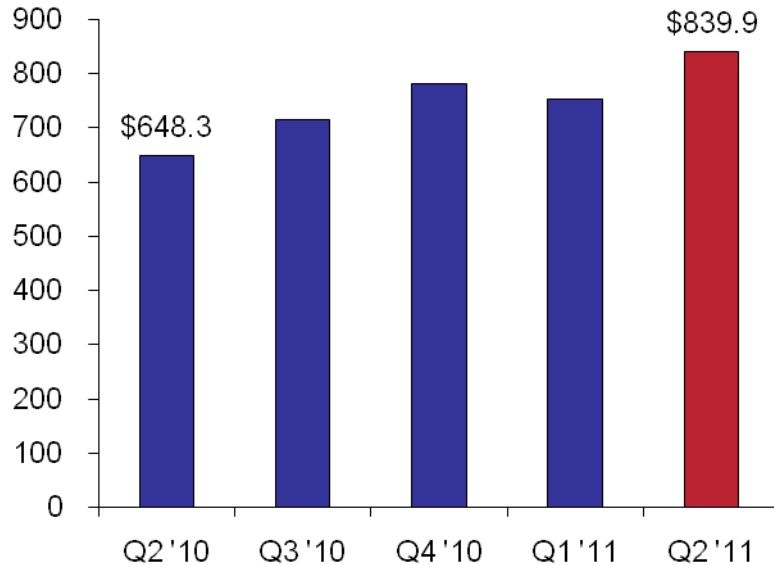


- Segment operating earnings up 24% YOY
- Segment operating margin expanded 0.6 pts YOY to 24.4%

# Q2 Results: Control Products & Solutions

## Sales

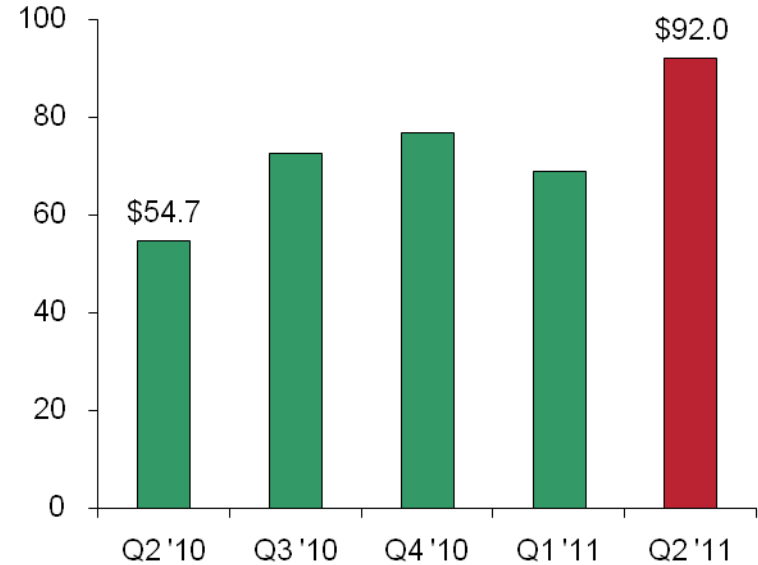
(\$ millions)



- Sales increased 30% YOY
- Sales increased 12% sequentially

## Segment Operating Earnings

(\$ millions)



- Segment operating earnings up 68% YOY
- Segment operating margin expanded 2.6 pts YOY to 11.0%

# Q2 Results: Regional Sales

(\$ millions)

<u>Region</u>	<u>Reported Sales</u>	<u>% Change vs. Q2 10</u>	<u>Adjusted For Currency % Change</u>
U.S.	\$ 723.4	22%	21%
Canada	94.7	16%	9%
EMEA	313.8	30%	30%
Asia-Pacific	209.6	28%	22%
Latin America	<u>122.6</u>	47%	38%
TOTAL	<u>\$ 1,464.1</u>	26%	24%

**Strong year-over-year growth in all regions**

# Free Cash Flow

(\$ millions)

	<u>Q2 2011</u>	<u>YTD</u>
Income from Cont. Ops.	\$ 166.4	\$ 316.5
Depreciation/Amortization	31.8	63.7
Retirement Benefits Expense	25.3	50.5
Receivables/Inventory/Payables	16.2	(99.4)
Compensation and Benefits	35.8	(105.8)
Pension Contributions	(7.7)	(15.5)
Income Taxes	(12.1)	37.4
Other	(6.9)	26.1
Capital Expenditures	<u>(22.6)</u>	<u>(42.9)</u>
Free Cash Flow	<u>\$ 226.2</u>	<u>\$ 230.6</u>

# 2011 Revised Guidance

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Sales	\$5.7B to \$5.8B
Sales Increase (Excluding Currency Translation)	15% to 17%
Currency Translation	+2%
Segment Operating Margin	~17%
Diluted EPS	\$4.40 to \$4.60
Free Cash Flow	~100% of Net Income

Note: As of April 27, 2011

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## Appendix

### Reconciliation to Non-GAAP Measures

# Reconciliation to Non-GAAP Measures

## Segment operating margin

(in millions, except percentages)

	<u>Three Months Ended March 31, 2011</u>	<u>Three Months Ended March 31, 2010</u>
Sales		
Architecture & Software (a)	\$ 624.2	\$ 516.2
Control Products & Solutions (b)	839.9	648.3
Total sales (c)	<u>\$ 1,464.1</u>	<u>\$ 1,164.5</u>
Segment operating earnings		
Architecture & Software (d)	\$ 152.2	\$ 122.6
Control Products & Solutions (e)	92.0	54.7
Total segment operating earnings (f)	244.2	177.3
Purchase accounting depreciation and amortization	(4.7)	(5.0)
General corporate - net	(20.5)	(23.6)
Interest expense	(15.4)	(15.1)
Income from continuing operations before income taxes	<u>\$ 203.6</u>	<u>\$ 133.6</u>
Segment operating margin:		
Architecture & Software (d/a)	24.4%	23.8%
Control Products & Solutions (e/b)	11.0%	8.4%
Total segment operating margin (f/c)	16.7%	15.2%

# Reconciliation to Non-GAAP Measures cont'd

## Free Cash Flow

(in millions)

	Three Months Ended March 31, 2011	Six Months Ended March 31, 2011
	<u>          </u>	<u>          </u>
Cash provided by (used for):		
Operating activities	\$ 225.2	\$ 237.8
Investing activities	(22.6)	(38.8)
Financing activities	28.1	(9.6)
Effect of exchange rate changes on cash	20.5	17.9
	<u>          </u>	<u>          </u>
Cash provided by continuing operations	<u>\$ 251.2</u>	<u>\$ 207.3</u>
Cash provided by continuing operating activities	\$ 225.2	\$ 237.8
Capital expenditures of continuing operations	(22.6)	(42.9)
Excess income tax benefit from the exercise of stock options	23.6	35.7
	<u>          </u>	<u>          </u>
Free cash flow	<u>\$ 226.2</u>	<u>\$ 230.6</u>

# Reconciliation to Non-GAAP Measures cont'd

## Organic Sales

(in millions, except percentages)

	Three Months Ended March 31,								
	2011					2010			
	Sales(a)	Effect of Changes in Currency	Sales Excluding Changes in Currency(b)	Effect of Acquisitions	Organic Sales(c)	Sales(d)	Revenue Growth (Decline) (a)/(d)	Revenue Growth (Decline) Ex-currency (b)/(d)	Organic Growth (Decline) (c)/(d)
United States	\$ 723.4	\$ (2.4)	\$ 721.0	\$ -	\$ 721.0	\$ 593.7	22%	21%	21%
Canada	94.7	(5.1)	89.6	-	89.6	81.9	16%	9%	9%
Europe, Middle East, Africa	313.8	0.9	314.7	-	314.7	241.2	30%	30%	30%
Asia-Pacific	209.6	(10.1)	199.5	-	199.5	164.1	28%	22%	22%
Latin America	122.6	(7.4)	115.2	-	115.2	83.6	47%	38%	38%
Total	<u>\$ 1,464.1</u>	<u>\$ (24.1)</u>	<u>\$ 1,440.0</u>	<u>\$ -</u>	<u>\$ 1,440.0</u>	<u>\$ 1,164.5</u>	26%	24%	24%

	Six Months Ended March 31,								
	2011					2010			
	Sales(a)	Effect of Changes in Currency	Sales Excluding Changes in Currency(b)	Effect of Acquisitions	Organic Sales(c)	Sales(d)	Revenue Growth (Decline) (a)/(d)	Revenue Growth (Decline) Ex-currency (b)/(d)	Organic Growth (Decline) (c)/(d)
United States	\$ 1,384.9	\$ (3.3)	\$ 1,381.6	\$ -	\$ 1,381.6	\$ 1,119.6	24%	23%	23%
Canada	190.3	(9.2)	181.1	-	181.1	151.0	26%	20%	20%
Europe, Middle East, Africa	597.0	19.8	616.8	-	616.8	474.3	26%	30%	30%
Asia-Pacific	421.6	(18.5)	403.1	-	403.1	326.2	29%	24%	24%
Latin America	236.1	(11.2)	224.9	-	224.9	160.9	47%	40%	40%
Total	<u>\$ 2,829.9</u>	<u>\$ (22.4)</u>	<u>\$ 2,807.5</u>	<u>\$ -</u>	<u>\$ 2,807.5</u>	<u>\$ 2,232.0</u>	27%	26%	26%

# Reconciliation to Non-GAAP Measures cont'd

## Return On Invested Capital

ROIC is calculated as follows:

	Twelve Months Ended March 31, <u>2011</u>
<b>(a) Return</b>	
Income from continuing operations	\$ 567.2
Interest expense	60.2
Income tax provision	136.4
Purchase accounting depreciation and amortization	18.8
Return	<u>782.6</u>
<b>(b) Average invested capital</b>	
Long-term debt	904.9
Shareowners' equity	1,539.7
Accumulated amortization of goodwill and intangibles	696.6
Cash and cash equivalents	(849.2)
Average invested capital	<u>2,292.0</u>
<b>(c) Effective tax rate</b>	
Income tax provision	136.4
Income from continuing operations before income taxes	<u>\$ 703.6</u>
Effective tax rate	<u>19.4%</u>
<b>(a) / (b) * (1-c) Return On Invested Capital</b>	<u><u>27.5%</u></u>

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