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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2002

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________________ to __________________

Commission file number 1-278

EMERSON ELECTRIC CO.
(Exact name of registrant as specified in its charter)

Missouri	43-0259330
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8000 W. Florissant Ave. P.O. Box 4100 St. Louis, Missouri	63136
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (314) 553-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock of $.50 par value per share	New York Stock Exchange Chicago Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange Chicago Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ( )

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Aggregate market value of the voting stock held by nonaffiliates of the registrant as of close of business on November 26, 2002: $20,561 million.

Common stock outstanding at November 26, 2002: 420,848,500 shares.

Documents Incorporated by Reference

1. Portions of Emerson Electric Co. 2002 Annual Report to Stockholders (Parts I and II).

2. Portions of Emerson Electric Co. Notice of 2003 Annual Meeting of the Stockholders and Proxy Statement (Part III).

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PART I

Item 1. Business

Emerson was incorporated in Missouri in 1890. Originally engaged in the manufacture and sale of electric motors and fans, Emerson subsequently expanded its product lines through internal growth and acquisitions. Emerson is now engaged principally in the worldwide design, manufacture and sale of a broad range of electrical, electromechanical and electronic products and systems.

The divisions of Emerson are organized into the following business segments based on the nature of the products and services provided: Process Control; Industrial Automation; Electronics and Telecommunications; Heating, Ventilating and Air Conditioning; and Appliance and Tools. Sales, earnings before interest and income taxes, and total assets attributable to each segment for the three years ended September 30, 2002, are set forth in Note 14 of Notes to Consolidated Financial Statements of the 2002 Annual Report, which note is hereby incorporated by reference. Information with respect to acquisition and divestiture activities by Emerson is set forth in Note 3 of Notes to Consolidated Financial Statements of the 2002 Annual Report, which note is hereby incorporated by reference.

PROCESS CONTROL

The Process Control segment is a leading worldwide producer of process management products including analytical and measurement instrumentation, valves, control systems and integrated solutions for process and industrial applications. Products include various types of meters such as Coriolis, positive displacement meters, magnetic flow meters, turbine meters, direct mass flow meters, radar based tank gauging and instruments to measure water quality. Other products include solid state telemetering equipment, distributed control systems, electronic measurement, data acquisition and condition monitoring equipment for use in industrial processing. In addition, Emerson manufactures and sells temperature sensors, pressure sensors and transmitters used to measure and/or control temperature, pressure, level and rate and amount of flow. Also produced are process gas chromatographs, in-situ oxygen analyzers, infrared gas and process fluid analyzers, combustion analyzers and systems, and other analyzers which measure pH and conductivity. Emerson also manufactures and sells sliding stem valves, rotary valves, butterfly valves, pressure regulators, and related actuators and controllers. In addition, Emerson provides repair services for many of these products, as well as engineered solutions and consulting services. Emerson utilizes smart device diagnostic, monitoring and control capabilities of the field-based plant architecture. Combined with consulting and implementation services, the architecture performs device loop monitoring and repair, plant optimization studies and project justification to systems integration and project management. Brand names of this segment include Emerson Process Management, Bettis, Brooks, CSI, Daniel, Delta V, El-o-matic, Fisher, Fisher-Rosemount Systems, Micro Motion, PlantWeb, EnTech, Kenonic Controls, Rosemount, SAAB Marine and Emerson Process Management Power & Water Solutions. Products and services of this segment are provided to industrial end-users for process and industrial applications and solutions.

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INDUSTRIAL AUTOMATION

The Industrial Automation segment provides industrial motors, drives, controls and equipment for industrial automation markets. Emerson's products for industrial automation include certain kinds of integral horsepower motors, gear drives, mechanical power transmissions, pump motors, alternators, and electronic variable speed drives. Emerson manufactures and sells components for the transmission and regulation of mechanical power, such as certain kinds of chains, sprockets, sheaves, gears, bearings, couplings and speed reducers, programmable motion controllers and automation accessories. These products are used primarily in industrial and commercial applications requiring the transmission of mechanical motion or drive systems of various types. Emerson also manufactures a line of multi-purpose pressure and solenoid valves, and pressure, vacuum and temperature switches widely used in the automation of equipment and industrial processes. Emerson also produces a variety of industrial and commercial ultrasonic products for applications such as cleaning, sealing and welding. Other products include material preparation and microstructure analysis equipment. Emerson manufactures a broad line of components for current- and noncurrent- carrying electrical distribution devices such as panelboards, receptacles, fittings, cable handling reels and lighting products for use in hazardous and nonhazardous environments. Brand names of this segment include Emerson Industrial Automation, AMTECH, Appleton, ASCO, Branson, Browning, Buehler, Control Techniques, Emerson Motion Control, Joucomatic, Kato Engineering, Kop-Flex, KVT, Leroy Somer, McGill, MORSE, O-Z/Gedney, Rollway and SIRAI. Products of this segment are sold to industrial distributors, original equipment manufacturers and end-users for automation applications.

ELECTRONICS AND TELECOMMUNICATIONS

The Electronics and Telecommunications segment is an industry leader in the design, manufacture, installation and maintenance of power solutions for network-dependent businesses. Emerson produces and services electronic uninterruptible and primary power supplies, power conditioning, precise power distribution equipment, modular power systems, precision environmental control systems, cables and connectors, cellular site structures, fiber-optic conduits, and electronic components used in computing, communications and industrial applications. Emerson also provides emergency and standby power transfer solutions, automatic transfer switches and power systems that safeguard data, telecommunications networks, industrial processes, and critical installations. Brand names of this segment include Emerson Network Power, ASCO, Astec, Duraline, Emerson Energy Systems, HIROSS, Liebert and Liebert Global Services. Products and services of this segment are provided to distributors and end-users for computer, industrial and telecommunications applications.

HEATING, VENTILATING AND AIR CONDITIONING

The Heating, Ventilating and Air Conditioning segment provides a variety of components and systems in virtually every aspect of climate-control engineering and manufacturing, spanning industrial, commercial and residential applications of air conditioning, refrigeration and heating. Emerson manufactures reciprocating and scroll compressors for commercial and residential refrigeration and air conditioning applications. Emerson also

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produces electronics, monitoring equipment and electronic flow controls for gas and electric heating systems, refrigeration and air conditioning equipment. Brand names of this segment include Emerson Climate Technologies, Alco Controls, Copeland, Fusite, Therm-O-Disc and White-Rodgers. Products of this segment are sold to distributors and original equipment manufacturers for inclusion in end products and systems (ultimately sold through commercial and residential building construction channels).

APPLIANCE AND TOOLS

The Appliance and Tools segment provides motors, controls and other components for appliance, industrial and comfort control applications, as well as disposers, tools and storage products. Emerson manufactures and sells hermetic motors for hermetically sealed compressors, and general and special purpose motors for selected appliance, office equipment, ventilating equipment, pump, heater and other motor-driven machine applications. Emerson also manufactures and sells a variety of electrostatic air cleaners. In addition, Emerson manufactures and sells a line of electrical products primarily for the residential markets, including electric waste disposers, hot water dispensers, ventilating equipment and exhaust fans. Emerson is a producer of selected professional and hardware tools and accessories, and service equipment, principally for the professional tools and service equipment market including plumbing, heating and air conditioning contractors, construction and maintenance companies, petroleum and gas producers, refiners and processors, and farm and home consumers. Emerson produces free-standing and wall-mounted ventilated shelving and specialty storage products. Also produced by Emerson for marketing by major retailers are shop vacuum cleaners, a line of bench power tools for home workshop use and a line of hand tools including adjustable wrenches, screwdrivers, pliers and chisels. Brand names of this segment include Emerson, Emerson Appliance Solutions, Emerson Motor Technologies, Emerson Professional Tools, Emerson Storage Solutions, ClosetMaid, Digital Appliance Controls, In-Sink-Erator, Knaack, Mallory, METRO, RIDGID, Stack-a-Shelf, U.S. Electrical Motors and Weatherguard. Products of this segment are sold to distributors and original equipment manufacturers for inclusion in appliances, heating, ventilating, air conditioning and refrigeration equipment and to distributors and retailers for sale to consumers and the professional trades.

PRODUCTION

Emerson utilizes various production operations and methods. The principal production operations are metal stamping, forming, casting, machining, welding, plating, heat treating, painting and assembly. In addition, Emerson also uses specialized production operations, including automatic and semiautomatic testing, automated material handling and storage, ferrous and nonferrous machining and special furnaces for heat treating and foundry applications. Management believes the equipment, machinery and tooling used in these processes are of modern design and are well maintained.

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RAW MATERIALS AND ENERGY

Emerson's major requirements for basic raw materials include steel, copper, cast iron, aluminum and brass and, to a lesser extent, plastics and other petroleum-based chemicals. Emerson has multiple sources of supply for each of its major requirements and is not significantly dependent on any one supplier. The raw materials and various purchased components required for its products have generally been available in sufficient quantities. Emerson uses various forms of energy, principally natural gas and electricity, obtained from public utilities. A majority of the plants have the capability of being converted to use alternative sources of energy.

PATENTS, TRADEMARKS, LICENSES AND FRANCHISES

The Company has a number of patents, trademarks, licenses and franchises, obtained over a number of years and expiring at various times. While proprietary intellectual property is important to the Company, management believes the loss or expiration of any intellectual property rights would not materially impact the Company or any of its segments.

BACKLOG

The estimated consolidated order backlog of the Company was $2,135 million and $2,072 million at September 30, 2001 and 2002, respectively. Nearly all of the September 30, 2002 consolidated backlog amount is expected to be shipped within one year. The estimated backlog by business segment at September 30, 2001 and 2002, follows (dollars in millions):

	2001	2002
Process Control	$ 847	898
Industrial Automation	336	279
Electronics and Telecommunications	414	367
Heating, Ventilating and Air Conditioning	233	242
Appliance and Tools	305	286
Consolidated Order Backlog	$2,135	2,072

COMPETITION

Emerson's businesses are highly competitive, and Emerson competes on product performance, quality, service or price across the industries and markets served. A significant element of the Company's competitive strategy is its objective to manufacture high quality products at the lowest relevant global cost. Although no single company competes directly with Emerson in all of the Company's product lines, various companies compete in one or more product lines. Some of these companies have substantially greater sales and assets than Emerson, and Emerson also competes with many smaller companies.

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The number of Emerson's competitors varies by product line, and management believes that Emerson has a market leadership position in many of these product lines.

RESEARCH AND DEVELOPMENT

Costs associated with Company-sponsored research, new product development and product improvement were $594 million in 2000 and 2001, and $530 million in 2002.

ENVIRONMENT

The Company's manufacturing locations generate waste, the treatment, storage, transportation and disposal of which are subject to federal, state and/or local laws and regulations relating to the protection of the environment. Compliance with laws regulating the discharge of materials into the environment or otherwise relating to the protection of the environment has not had a material effect upon Emerson's capital expenditures, earnings or competitive position. It is not anticipated that Emerson will have material capital expenditures for environmental control facilities during the next fiscal year.

EMPLOYEES

Emerson and its subsidiaries had an average of approximately 111,500 employees during 2002. Management believes that the Company's employee relations are favorable. Some of the Company's employees are represented under collective bargaining agreements, but none of these is considered significant.

DOMESTIC AND FOREIGN OPERATIONS

International sales were $5,894 million in 2000, $6,189 million in 2001 and $5,751 million in 2002, including U.S. exports of $1,049 million, $1,008 million and $946 million in 2000, 2001 and 2002, respectively. Although there are additional risks attendant to foreign operations, such as possible nationalization of facilities, currency fluctuations and restrictions on the movement of funds, Emerson's financial position has not been materially affected thereby to date. See Note 14 of Notes to Consolidated Financial Statements of the 2002 Annual Report for further information with respect to foreign operations.

INTERNET ACCESS

Forms 10-K, 10-Q, 8-K and all amendments to those reports are available without charge through Emerson's Web site on the Internet as soon as reasonably practicable after electronically filed with, or furnished to, the Securities and Exchange Commission. They may be accessed as follows: http://www.gotoemerson.com

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Item 2. Properties

At September 30, 2002, Emerson had approximately 320 manufacturing locations worldwide, of which approximately 185 were located outside the United States, primarily in Europe and to a lesser extent in Asia, Canada and Latin America. The approximate number of manufacturing locations by business segment are: Process Control, 75; Industrial Automation, 85; Electronics and Telecommunications, 50; Heating, Ventilating and Air Conditioning, 55; and Appliance and Tools, 55. The majority of the locations are owned, with the remainder occupied under operating or capital leases. The Company considers its facilities suitable and adequate for the purposes for which they are used.

Item 3. Legal Proceedings

Emerson is a party to a number of pending legal proceedings, several of which claim substantial amounts of damages. There are no pending legal proceedings that management believes will be material in relation to the Company's business or financial position.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the quarter ended September 30, 2002.

Executive Officers of the Registrant

The following sets forth certain information as of December 2002 with respect to Emerson's executive officers. Fiscal Year column indicates the first year the executive served as an officer of the Company. These officers have been elected or appointed to terms which will expire February 4, 2003:

Name	Position	Age	Fiscal Year
C. F. Knight*	Chairman of the Board	66	1972
D. N. Farr*	Chief Executive Officer	47	1985
J. G. Berges	President	55	1989
W. J. Galvin	Executive Vice President and Chief Financial Officer	56	1984
E. L. Monser	Chief Operating Officer	52	2002
C. A. Peters	Senior Executive Vice President	47	1990
R. J. Schlueter	Vice President and Chief Accounting Officer	48	1992
W. W. Withers	Senior Vice President, Secretary and General Counsel	62	1989

*Also chairman and/or member of certain committees of the Board of Directors.

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There are no family relationships among any of the executive officers and directors.

Each of the above has served as an officer or in a supervisory capacity with Emerson for at least the last five years.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The information regarding the market for the Company's common stock, quarterly market price ranges and dividend payments set forth in Note 16 of Notes to Consolidated Financial Statements of the 2002 Annual Report is hereby incorporated by reference. There were approximately 32,700 stockholders at September 30, 2002.

Item 6. Selected Financial Data

Years ended September 30
(Dollars in millions except per share amounts)

	1998	1999	2000	2001 (1)	2002 (2)
Net sales	$ 13,447	14,270	15,545	15,480	13,824
Net earnings	$ 1,229	1,314	1,422	1,032	1,060
Basic earnings per common share	$ 2.80	3.03	3.33	2.43	2.53
Diluted earnings per common share	$ 2.77	3.00	3.30	2.40	2.52

Cash dividends per common share	$ 1.18	1.30	1.43	1.53	1.55
Long-term debt	$ 1,057	1,317	2,248	2,256	2,990
Total assets	$ 12,660	13,624	15,164	15,046	14,545

See Note 3 of Notes to Consolidated Financial Statements of the 2002 Annual Report for information regarding the Company's acquisition and divestiture activities.

(1) Fiscal 2001 includes a charge of $260 million ($0.61 per share). See Note 4 of Notes to Consolidated Financial Statements of the 2002 Annual Report for additional information.

(2) Fiscal 2002 excludes a cumulative effect of a change in accounting principle of $938 million ($2.24 per basic share, or $2.23 per diluted share). Including the cumulative effect of a change in accounting principle, net earnings were $122 ($0.29 per basic share, $0.29 per diluted share). See Note 5 of Notes to Consolidated Financial Statements of the 2002 Annual Report for additional information.

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Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Narrative discussion appearing under "Results of Operations", "Financial Position, Capital Resources and Liquidity" and "Critical Accounting Policies" on pages 16 through 21, and the "Safe Harbor Statement" on page 44 of the 2002 Annual Report are hereby incorporated by reference.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Narrative discussion appearing under "Financial Instruments" on page 20 of the 2002 Annual Report is hereby incorporated by reference.

Item 8. Financial Statements and Supplementary Data

The consolidated financial statements of the Company and its subsidiaries on pages 23 through 39 and the report thereon of KPMG LLP appearing on page 22 of the 2002 Annual Report are hereby incorporated by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 10. Directors and Executive Officers of the Registrant

Information regarding nominees and directors appearing under "Nominees and Continuing Directors" in the Emerson Electric Co. Notice of Annual Meeting of the Stockholders and Proxy Statement for the February 2003 annual stockholders' meeting (the "2003 Proxy Statement") is hereby incorporated by reference. Information regarding executive officers is set forth in Part I of this report. Information appearing under "Section 16(a) Beneficial Ownership Reporting Compliance" in the 2003 Proxy Statement is hereby incorporated by reference.

Item 11. Executive Compensation

Information appearing under "Director Compensation" and "Executive Compensation" in the 2003 Proxy Statement is hereby incorporated by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information regarding beneficial ownership of shares by nominees and continuing directors and by all directors and executive officers as a group appearing under "Nominees and Continuing Directors" in the 2003 Proxy Statement is hereby incorporated by reference.

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Equity Compensation Plan Information

The following table sets forth aggregate information regarding the Company's equity compensation plans as of September 30, 2002:

Plan Category	Number of securities to be issued upon exercise	Weighted-average exercise price of outstanding options,	Number of securities remaining available for future issuance under

	of outstanding options, warrants and rights	warrants and rights	equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders(1)	11,605,807	$49.72	13,996,754
Equity compensation plans not approved by security holders (2)	-	- -	- -
Total	11,605,807	$49.72	13,996,754

(1) Includes the Company's Stock Option and Incentive Shares Plans. Included in column (a) are 1,124,612 rights to receive common shares that have been awarded and are contingent upon accomplishing certain objectives by 2006. These rights were disregarded for purposes of computing the weighted-average exercise price in column (b). Included in column (c) are 3,540,541 shares remaining available for award under the Incentive Shares Plans.

(2) Excludes 44,340 outstanding options assumed in connection with acquisitions with a weighted-average exercise price of $33.95.

Annually, the Board of Directors determines the amount of fees to be paid to non-employee Directors, including an award of restricted shares of Company common stock, as described under "Director Compensation" in the 2003 Proxy Statement, hereby incorporated by reference.

Information regarding stock option plans and incentive shares plans set forth in Note 13 of Notes to Consolidated Financial Statements of the 2002 Annual Report is hereby incorporated by reference.

Item 13. Certain Relationships and Related Transactions

Information appearing under "Certain Business Relationships and Transactions" in the 2003 Proxy Statement is hereby incorporated by reference.

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Item 14. Controls and Procedures

Based upon an evaluation performed within 90 days of the date of this report, the registrant's certifying officers have concluded that the Company's disclosure controls and procedures were effective.

There have been no significant changes in internal controls or other factors that significantly affect these controls subsequent to the date of the evaluation.

PART IV

Item 15. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

A) Documents filed as a part of this report:

1. The consolidated financial statements of the Company and its subsidiaries on pages 23 through 39 and the report thereon of KPMG LLP appearing on page 22 of the 2002 Annual Report.

2. Financial Statement Schedules

   All schedules are omitted because they are not required, not applicable or the information is given in the financial statements or notes thereto contained in the 2002 Annual Report.

3. Exhibits (Listed by numbers corresponding to the Exhibit Table of Item 601 in Regulation S-K).

   3(a) Restated Articles of Incorporation of Emerson Electric Co., incorporated by reference to Emerson Electric Co. Form 10-Q for the quarter ended March 31, 2001, Exhibit 3(a); Termination of Designated Shares of Stock and Certificate of Designation, Preferences and Rights of Series B Junior Participating Preferred Stock, incorporated by reference to Emerson Electric Co. 1998 Form 10-K, Exhibit 3(a).

   3(b) Bylaws of Emerson Electric Co., as amended through November 6, 2001, incorporated by reference to Emerson Electric Co. 2001 Form 10-K, Exhibit 3(b).

4(a) Indenture dated as of April 17, 1991, between Emerson Electric Co. and The Boatmen's National Bank of St. Louis, Trustee, incorporated by reference to Emerson Electric Co. Registration Statement on Form S-3, File No. 33-62545, Exhibit 4.1.

4(b) Indenture dated as of December 10, 1998, between Emerson Electric Co. and The Bank of New York, Trustee, incorporated by reference to Emerson Electric Co. 1998 Form 10-K, Exhibit 4(b).

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No other long-term debt instruments are filed since the total amount of securities authorized under any such instrument does not exceed 10 percent of the total assets of Emerson Electric Co. and its subsidiaries on a consolidated basis. Emerson Electric Co. agrees to furnish a copy of such instruments to the Securities and Exchange Commission upon request.

4(c) Rights Agreement dated as of November 1, 1998, between Emerson Electric Co. and ChaseMellon Shareholder Services, L.L.C. incorporated by reference to Emerson Electric Co. Form 8-A, dated October 6, 1998, Exhibit 1.

10(a)* Employment Agreement made as of October 1, 1975, as amended January 9, 1987, October 22, 1997, and December 11, 2000, between Emerson Electric Co. and C. F. Knight, incorporated by reference to Emerson Electric Co. 2000 Form 10-K, Exhibit 10(a); and Letter of Agreement, as of September 30, 2002, filed herewith.

10(b)* 1986 Stock Option Plan, as amended, incorporated by reference to Emerson Electric Co. 1992 Form 10-K, Exhibit 10(e), Form 10-Q for the quarter ended December 31, 1992, Exhibit 10(b), and Amendment No. 3 thereto, incorporated by reference to Emerson Electric Co. 2000 Form 10-K, Exhibit 10(b).

10(c)* 1991 Stock Option Plan, as amended, incorporated by reference to Emerson Electric Co. 1997 Form 10-K, Exhibit 10(e) and Amendment No. 1 thereto, incorporated by reference to Emerson Electric Co. 2000 Form 10-K, Exhibit 10(c).

10(d)* Third Amendment to the Emerson Electric Co. 1993 Incentive Shares Plan, as restated, incorporated by reference to Emerson Electric Co. 1996 Form 10-K, Exhibit 10(g), and Fourth Amendment thereto, incorporated by reference to Emerson Electric Co. 2001 Form 10-K, Exhibit 10(d).

10(e)* Emerson Electric Co. Continuing Compensation Plan for Non-Management Directors, incorporated by reference to Emerson Electric Co. Form 10-Q for the quarter ended June 30, 2002, Exhibit 10(e).

10(f)* Deferred Compensation Plan for Non-Employee Directors, as amended, incorporated by reference to Emerson Electric Co. 1994 Form 10-K, Exhibit 10(k).

10(g)* First Amendment to the Emerson Electric Co. Supplemental Executive Retirement Plan, incorporated by reference to Emerson Electric Co. 1999 Form 10-K, Exhibit 10(h).

10(h)* Fifth Amendment to the Supplemental Executive Savings Investment Plan, incorporated by reference to Emerson Electric Co. Form 10-Q for the quarter ended March 31, 1999, Exhibit 10(j).

10(i)* Annual Incentive Plan incorporated by reference to Emerson Electric Co. 2000 Proxy Statement dated December 8, 1999, Appendix A.

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10(j)* 1997 Incentive Shares Plan, incorporated by reference to Emerson Electric Co. 1997 Proxy Statement dated December 6, 1996, Exhibit A, and First Amendment thereto, incorporated by reference to Emerson Electric Co. 2001 Form 10-K, Exhibit 10(j).

10(k)* 1998 Stock Option Plan, incorporated by reference to Emerson Electric Co. 1998 Proxy Statement dated December 12, 1997, Appendix A, and Amendment No. 1 thereto, incorporated by reference to Emerson Electric Co. 2000 Form 10-K, Exhibit 10(l).

10(l)* 2001 Stock Option Plan, incorporated by reference to Emerson Electric Co. 2002 Proxy Statement dated December 12, 2001, Appendix A.

10(m)* Emerson Electric Co. Form of Split Dollar Agreement Life Insurance Policy, filed herewith.

10(n)* Description of Non-Employee Directors Restricted Stock Grants, filed herewith.

12 Ratio of Earnings to Fixed Charges.

13 Portions of Emerson Electric Co. Annual Report to Stockholders for the year ended September 30, 2002, incorporated by reference herein.

21 Subsidiaries of Emerson Electric Co.

23 Independent Auditors' Consent.

24 Power of Attorney.

* Management contract or compensatory plan.

B) Pursuant to Items 7 and 9, the Company filed a report on Form 8-K dated August 7, 2002, furnishing certifications and Regulation FD disclosures. Pursuant to Item 9, the Company filed Reports on Form 8-K dated August 27, 2002 and September 26, 2002, furnishing Regulation FD disclosures.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EMERSON ELECTRIC CO.

By /s/ W. J. Galvin
W. J. Galvin
Executive Vice President and
Chief Financial Officer

Date: December 19, 2002

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on December 19, 2002, by the following persons on behalf of the registrant and in the capacities indicated.

Signature	Title
* C. F. Knight	Chairman of the Board and Director
/s/ D. N. Farr D. N. Farr	Chief Executive Officer and Director
/s/ W. J. Galvin W. J. Galvin	Executive Vice President and Chief Financial Officer and Director
/s/ R. J. Schlueter R. J. Schlueter	Vice President and Chief Accounting Officer
* J. G. Berges	Director
* L. L. Browning, Jr.	Director

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____________________________________ Director
A. A. Busch III

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____________________________________ Director
D. C. Farrell

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C. Fernandez G.

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A. F. Golden

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R. B. Horton

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G. A. Lodge

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____________________________________ Director
V. R. Loucks, Jr.

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____________________________________ Director
R. B. Loynd

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____________________________________ Director
J. B. Menzer

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____________________________________ Director
C. A. Peters

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____________________________________ Director
J. W. Prueher

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____________________________________ Director
R. L. Ridgway

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____________________________________ Director
W. M. Van Cleve

*
____________________________________ Director
E. E. Whitacre, Jr.

* By /s/ W. J. Galvin
W. J. Galvin
Attorney-in-fact

Certification

I, D. N. Farr, Chief Executive Officer, Emerson Electric Co., certify that:

1. I have reviewed this annual report on Form 10-K of Emerson Electric Co.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: December 19, 2002

/s/ D. N. Farr
D. N. Farr
Chief Executive Officer
Emerson Electric Co.

Certification

I, W. J. Galvin, Executive Vice President and Chief Financial Officer, Emerson Electric Co., certify that:

1. I have reviewed this annual report on Form 10-K of Emerson Electric Co.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: December 19, 2002

/s/ W. J. Galvin
W. J. Galvin
Executive Vice President and Chief Financial Officer
Emerson Electric Co.

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INDEX TO EXHIBITS

Exhibits are listed by numbers corresponding to the Exhibit Table of Item 601 in Regulation S-K.

Exhibit No.	Exhibit
10(a)	Letter of Agreement, as of September 30, 2002
10(m)	Emerson Electric Co. Form of Split Dollar Agreement Life Insurance Policy
10(n)	Description of Non-Employee Directors Restricted Stock Grants
12	Ratio of Earnings to Fixed Charges
13	Portions of Annual Report to Stockholders for the year ended September 30, 2002, incorporated by reference herein
21	Subsidiaries of Emerson Electric Co.
23	Independent Auditors' Consent
24	Power of Attorney

See Item 15(A)(3) for a list of exhibits incorporated by reference.

December 19, 2002

Mr. David N. Farr
Chief Executive Officer
Emerson Electric Co.
8000 W. Florissant Ave.
St. Louis, MO 63136

Dear David:

I am writing to confirm our discussions on September 30, 2002 about my compensation for the recently concluded fiscal year (2002). As you know, during the year I was paid monthly at the annual rate of $700,000. As my employment agreement (dated December 11, 2000) calls for minimum compensation of $900,000 per year, we envisioned that the difference would be part of any bonus award to me by Emerson.

As we discussed, in light of the continuing problems with the economy and their impact on Emerson's performance, I elected to forego any further compensation for the year. My waiver of compensation applies only to this past year, and my employment agreement remains in effect in all respects for future years.

Sincerely,

/s/ Charles F. Knight

Charles F. Knight

Exhibit 10(m)

EMERSON ELECTRIC CO.

SPLIT DOLLAR AGREEMENT

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SPLIT DOLLAR AGREEMENT

THIS AGREEMENT made and entered into as of this *[day]* day of *[month]*, *[year]*, by and between Emerson Electric Co., a Missouri corporation, with principal offices and place of business in the County of St. Louis, State of Missouri (hereinafter referred to as the "Corporation"), and *[fullname]* (sometimes referred to hereinafter as the "Employee"), an individual residing in the State of *[state of residence]*.

WITNESSETH THAT:

WHEREAS, the Employee is employed by the Corporation; and

WHEREAS, the Employee wishes to provide life insurance protection for his family in the event of his death, under a Policy of life insurance insuring his life (hereinafter referred to as the "Policy"), which is described in Exhibit A attached hereto and by this reference made a part hereof, and which was or is being issued by Paragon Life Insurance Company (hereinafter referred to as the "Insurer"); and

WHEREAS, the Corporation is willing to pay the premiums due on the Policy as an additional employment benefit for the Employee, on the terms and conditions hereinafter set forth; and

WHEREAS, the Employee is the owner of the Policy and, as such, possesses all incidents of ownership in and to the Policy; and

WHEREAS, the Corporation wishes to have the Policy collaterally assigned to it by the Employee, in order to secure the repayment of the amounts which it will pay toward the premiums on the Policy;

NOW, THEREFORE, in consideration of the premises and of the mutual promises contained herein, the parties hereto agree as follows:

1. The Policy. The Employee has either obtained or will contemporaneously obtain the Policy from the Insurer in the total face amount of *$[value]*. The parties hereto have either taken or agree that they will take all necessary action to cause the Insurer to issue the Policy, and shall take any further action which may be necessary to cause the Policy to conform to the provisions of this Agreement. The parties hereto agree that the Policy shall be subject to the terms and conditions of this Agreement and of the collateral assignment filed with the Insurer relating to the Policy. All capitalized words and phrases not otherwise defined herein shall have the same meaning such words and phrases have in the Policy.

2. Ownership of Policy. The Employee shall be the sole and absolute owner of the Policy, and may exercise all ownership rights granted to the owner thereof by the terms of the Policy, including, but not limited to, the right to elect and to change the Death Benefit Option of the Policy, except as may otherwise be provided herein.

3. Payment of Premiums. On or before the due date of each Policy premium, or within the grace period provided therein, the Corporation shall pay the full amount of the premium to the Insurer, and shall, upon request, promptly furnish the Employee evidence of timely payment of such premium. Except with the consent of the Employee, the Corporation shall not pay less than such

premium for any year, but may, in its discretion, at any time and from time to time, pay more than such premium. The Corporation shall annually furnish the Employee a statement of the amount of income reportable by the Employee for federal and state income tax purposes, as a result of the insurance protection provided the Employee's beneficiary.

4. Collateral Assignment. To secure the repayment to the Corporation of the amount of the premiums on the Policy paid by it hereunder, the Employee has, contemporaneously herewith, assigned the Policy to the Corporation as collateral. The collateral assignment of the Policy to the Corporation hereunder shall not be terminated, altered or amended by the Employee, without the express written consent of the Corporation. The parties hereto agree to take all action necessary to cause such collateral assignment to conform to the provisions of this Agreement.

5. Limitation on Employees' Rights in Policy.

a) Except as otherwise provided herein, the Employee shall not sell, assign, transfer, borrow against, surrender, partially surrender, make partial withdrawals against, or cancel or exchange the Policy, change the beneficiary designation provision thereof, nor change the Death Benefit Option provision thereof, without, in any such case, the express written consent of the Corporation.

b) Notwithstanding any provision hereof to the contrary, the Employee shall have the right to absolutely and irrevocably give to a donee all of his right, title and interest in and to the Policy, subject to the collateral assignment of the Policy to the Corporation pursuant hereto. The Employee may exercise this right by executing a written transfer of ownership in the form used by the Insurer for irrevocable gifts of insurance policies, and delivering this form to the Corporation. Upon receipt of such form, executed by the Employee and duly accepted by the donee thereof, the Corporation shall consent thereto in writing, and shall thereafter treat the Employee's donee as the sole owner of all of the Employee's right, title and interest in and to the Policy, subject to this Agreement and the collateral assignment of the Policy to the Corporation pursuant hereto. Thereafter, the Employee shall have no right, title or interest in and to the Policy, all such rights being vested in and exercisable only by such donee.

6. Collection of Death Proceeds.

a) Upon the death of the Employee, the Corporation shall cooperate with the beneficiary or beneficiaries designated by the Employee to take whatever action is necessary to collect the death benefit provided under the Policy; when such benefit has been collected and paid as provided herein, this Agreement shall thereupon terminate.

b) Upon the death of the Employee, the Corporation shall have the unqualified right to receive a portion of such death benefit equal to the total amount of the premiums paid by it hereunder reduced by any outstanding indebtedness which was incurred by the Corporation and secured by the Policy, including any interest due on such indebtedness. The balance of the death benefit provided under the Policy, if any, shall be paid directly to the beneficiary or beneficiaries designated by the Employee, in the manner and in the amount or amounts provided in the beneficiary designation provision of the Policy. In no event shall the amount payable to the Corporation hereunder

exceed the Policy proceeds payable at the death of the Employee. No amount shall be paid from such death benefit to the beneficiary or beneficiaries designated by the Employee until the full amount due the Corporation hereunder has been paid. The parties hereto agree that the beneficiary designation provision of the Policy shall conform to the provisions hereof.

c) Notwithstanding any provision hereof to the contrary, in the event that, for any reason whatsoever, no death benefit is payable under the Policy upon the death of the Employee and in lieu thereof the Insurer refunds all or any part of the premiums paid for the Policy, the Corporation and the Employee's beneficiary or beneficiaries shall have the unqualified right to share such premiums based on their respective cumulative contributions thereto.

7. Termination of the Agreement During the Employee's Lifetime.

a) This Agreement shall terminate, during the Employee's lifetime, without notice, upon the occurrence of any of the following events: (a) total cessation of the Corporation's business; (b) bankruptcy, receivership or dissolution of the Corporation; or (c) termination of Employee's employment by the Corporation (other than by reason of his death).

b) In addition, the Employee or Corporation may terminate this Agreement, while no premium under the Policy is overdue, by written notice to the other party. Such termination shall be effective as of the date of such notice.

8. Disposition of the Policy on Termination of the Agreement During the Employee's Lifetime.

a) For sixty (60) days after the date of the termination of this Agreement during the Employee's lifetime, the Employee shall have the option of obtaining the release of the collateral assignment of the Policy to the Corporation. To obtain such release, the Employee shall repay to the Corporation the total amount of the premium payments made by the Corporation hereunder, less any indebtedness secured by the Policy which was incurred by the Corporation and remains outstanding as of the date of such termination, including any interest due on such indebtedness. Upon receipt of such amount, the Corporation shall release the collateral assignment of the Policy, by the execution and delivery of an appropriate instrument of release.

b) If the Employee fails to exercise such option within such sixty (60) day period, then, at the request of the Corporation, the Employee shall execute any document or documents required by the Insurer to transfer the interest of the Employee in the Policy to the Corporation. Alternatively, the Corporation may enforce its right to be repaid the amount of the premiums on the Policy paid by it from the cash surrender value of the Policy under the collateral assignment of the Policy; provided that in the event the cash surrender value of the Policy exceeds the amount due the Corporation, such excess shall be paid to the Employee. Thereafter, neither the Employee nor his respective heirs, assigns or beneficiaries shall have any further interest in and to the Policy, either under the terms thereof or under this Agreement.

9. Insurer Not a Party. The Insurer shall be fully discharged from its obligations under the Policy by payment of the Policy death benefit to the beneficiary or beneficiaries named in the Policy, subject to the terms and conditions of the Policy. In no event shall the Insurer be considered a party to this Agreement, or any modification or amendment hereof. No provision of this Agreement, nor of any modification or amendment hereof, shall in any way be construed as enlarging, changing, varying, or in any other way affecting the obligations of the Insurer as expressly provided in the Policy, except insofar as the provisions hereof are made a part of the Policy by the collateral assignment executed by the Employee and filed with the insurer in connection herewith.

10. Named Fiduciary, Determination of Benefits and Administration. The Corporation is hereby designated as the named fiduciary under this Agreement. The named fiduciary shall have authority to control and manage the operation and administration of this Agreement, and it shall be responsible for establishing and carrying out a funding Policy and method consistent with the objectives of this Agreement.

11. Claims Procedure.

a) A person who believes that he or she is being denied a benefit to which he or she is entitled under this Agreement (hereinafter referred to as a "Claimant") may file a written request for such benefit with the Corporation, setting forth his or her claim. The request must be addressed to the Chairman of the Board of Directors (the "Chairman") of the Corporation at its then principal place of business.

b) Upon receipt of a claim, the Chairman shall advise the Claimant that a reply will be forthcoming within ninety (90) days and shall, in fact, deliver such reply within such period. The Chairman may, however, extend the reply period for an additional ninety (90) days for reasonable cause.

c) If the claim is denied in whole or in part, the Chairman shall adopt a written opinion, using language calculated to be understood by the Claimant, setting forth: (1) the specific reason or reasons for such denial; (2) the specific reference to pertinent provisions of this Agreement on which such denial is based; (3) a description of any additional material or information necessary for the Claimant to perfect his or her claim and an explanation why such material or such information is necessary; (4) appropriate information as to the steps to be taken if the Claimant wishes to submit the claim for review; and (5) the time limits for requesting a review under subsection (d) and for review under subsection (e) hereof.

d) Within sixty (60) days after the receipt by the Claimant of the written opinion described above, the Claimant may request in writing that the Board of Directors of the Corporation (the "Board") review the determination of the Chairman. Such request must be addressed to the Board at the Corporation's then principal place of business. The Claimant or his or her duly authorized representative may, but need not, review the pertinent documents and submit issues and comments in writing for consideration by the Board. If the Claimant does not request a review of the Chairman's determination by the Board within such sixty (60) day period, he or she shall be barred and estopped from challenging the Chairman's determination.

e) Within sixty (60) days after the Board's receipt of a request for review, it will review the Chairman's determination. After considering all materials presented by the Claimant, the Board will render a written opinion, written in a manner calculated to be understood by the Claimant, setting forth the specific reasons for the decision and containing specific references to the pertinent provisions of this Agreement on which the decision is based. If special circumstances require that the sixty (60) day time period be extended, the Board will so notify the Claimant and will render the decision as soon as possible, but no later than one hundred twenty (120) days after receipt of the request for review.

12. Amendment. This Agreement may not be amended, altered or modified, except by a written instrument signed by the parties hereto, or their respective successors or assigns, and may not be otherwise terminated except as provided herein.

13. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Corporation and its successors and assigns, and the Employee, his successors, assigns, heirs, executors, administrators and beneficiaries.

14. Notices. Any notice, consent or demand required or permitted to be given under the provisions of this Agreement shall be in writing, and shall be signed by the party giving or making the same. If such notice, consent or demand is mailed to a party hereto, it shall be sent by United States certified mail, postage prepaid, addressed to such party's last known address as shown on the records of the Corporation. The date of such mailing shall be deemed the date of notice, consent or demand.

15. Governing Law. This Agreement, and the rights of the parties hereunder, shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Emerson Electric Co.
"Corporation"

By___________________________
Vice President

By___________________________
[fullname]
"Employee"

EXHIBIT A

The following life insurance policy is subject to the attached Split Dollar Agreement.

Insurer: Paragon Life Insurance Company

Insured: *[full name]*

Policy Number:

Face Amount: *$[value]*

Death Benefit Option: B

Date of Issue:

SD:500-00

ASSIGNMENT OF LIFE INSURANCE POLICY AS COLLATERAL

A. FOR VALUE RECEIVED, the undersigned (hereinafter the "Owner") hereby assigns, transfers and sets over to Emerson Electric Co., a Missouri corporation, with its principal offices and places of business in St. Louis County, the State of Missouri, its successors and assigns (hereinafter called the "Assignee"), Policy No. __________________________ issued by Paragon Life Insurance Company (hereinafter the "Insurer"), and any supplementary contracts issued in connection therewith (said policy and contracts hereinafter the "Policy"), insuring the life of *[full name]*, and all claims, options, privileges, rights, title and interest therein and thereunder (except as otherwise provided herein), subject to all the terms and conditions of the Policy and to all superior liens, if any, which the Insurer may have against the Policy. The Owner, by this Assignment, and the Assignee, by the acceptance of the assignment of the Policy to it hereunder, agree to the terms and conditions contained herein.

B. This Assignment is made and the Policy is to be held as collateral security for any and all liabilities of the Owner to the Assignee, either now existing or that may hereafter arise under and pursuant to that certain Split-Dollar Agreement between the parties, dated *[date of S$ agreement]* (hereinafter the "Liabilities").

C. It is expressly agreed that without detracting from the generality of the foregoing, the following specific rights are included in this Assignment and pass by virtue hereof:

1. The sole right to collect from the Insurer the net proceeds of the Policy when it becomes a claim by death or maturity;

2. The sole right to surrender the Policy and receive the surrender value thereof at any time provided by the terms of the policy and at such other times as the Insurer may allow;

3. The sole right to obtain one or more loans or advances on the Policy, either from the Insurer or, at any time, from other persons, and to pledge or assign the Policy as security for such loans or advances;

4. The sole right to collect and receive all distributions or shares of surplus, dividend deposits or additions to the Policy now or hereafter made or apportioned thereto, and to exercise any and all options contained in the Policy with respect thereto; provided, that unless and until the Assignee shall notify the Insurer in writing to the contrary, the distributions or shares of surplus, dividend deposits and additions shall continue on the plan in force at the time of this Assignment; and

5. The sole right to exercise all nonforfeiture rights permitted by the terms of the Policy or allowed by the Insurer and to receive all benefits and advantages derived therefrom.

D. It is expressly agreed that the following specific rights, so long as the Policy has not been surrendered, are reserved by the Owner and excluded from this Assignment and do not pass by virtue hereof:

1. The right to collect from the Insurer any disability benefit payable in cash that does not reduce the amount of insurance;

2. The right to designate and change the beneficiary;

3. The right to elect any optional mode of settlement permitted by the Policy or allowed by the Insurer. However, the reservation of these rights by the Owner shall in no way impair the right of the Assignee to surrender the Policy nor impair any other right of the Assignee hereunder; any designation or change of beneficiary or election of a settlement option shall be made subject to this Assignment and to the rights of the Assignee hereunder.

E. The assignee covenants and agrees with the Owner as follows:

1. Any balance of sums received hereunder from the Insurer remaining after payment of the then existing Liabilities shall be paid by the Assignee to the persons entitled thereto under the terms of the Policy had this Assignment not been executed;

2. The Assignee will not exercise either the right to surrender the Policy, nor (except for the purpose of paying premiums) the right to obtain policy loans from the Insurer, unless and until there has been default in any of the Liabilities or a failure to pay any premium when due, nor until twenty (20) days after the Assignee shall have mailed notice of intention to exercise such right, by first class mail, to the Owner at the address last supplied in writing to the Assignee specifically referring to this Assignment; and

The Assignee will, upon request, forward the Policy to the Insurer without unreasonable delay, for endorsement of any designation or change of beneficiary or any election of an optional mode of settlement.

F. The Insurer is hereby authorized to recognize the Assignee's claims to rights hereunder without investigating the reason for any action taken by the Assignee, or the validity or the amount of the Liabilities or the existence of any default therein, or the giving of any notice hereunder or otherwise, or the application to be made by the Assignee of any amounts to be paid to the Assignee. The sole signature of the Assignee shall be sufficient for the exercise of any rights under the Policy assigned hereby and the sole receipt of the Assignee for any sums received shall be a full discharge and release therefore to the Insurer. Payment for all or any part of the sums due under the Policy and assigned herein shall be drawn to the exclusive order of or as directed by the Assignee if, when, and in such amounts as may be requested by the Assignee.

G. The Assignee shall be under no obligation to pay any premium on the Policy nor the principal of or interest on any loans or advances on the Policy, whether or not obtained by the Assignee, or any other charges on the Policy.

H. The exercise of any right, option, privilege or power given herein to the Assignee shall be at the option of the Assignee, but (except as provided herein) the Assignee may exercise any such right, option, privilege or power without notice to, or assent by, or affecting the liability of, or releasing any interest hereby assigned by the Owner.

I. The Assignee may take or release other security, may release any party primarily or secondarily liable for any of the Liabilities, may grant extensions, renewals or indulgences with respect to the Liabilities, or may apply to the Liabilities in such order as the Assignee shall determine the proceeds of the Policy hereby assigned or any amount received on account of the Policy by the exercise of any right permitted under this Assignment, without resorting or regard to other security.

J. In the event of any conflict between the provisions of this Assignment and provisions of said Split-Dollar Agreement with respect to the Policy or the Assignee's rights of collateral security therein, the provisions of this Assignment shall prevail.

K. The Owner declares that no proceedings in bankruptcy are pending against the Owner and that the Owner's property is not subject to any assignment for the benefit of creditors of the Owner.

Signed this ______ day of ____________________, 2001.

____
Owner

RELEASE OF AGREEMENT

FOR VALUE RECEIVED, the Policy and all claims thereunder conveyed by the within assignment are hereby released.

____________________________ By:________________________
Date

By:_________________________

SD:500-00

DESCRIPTION OF NON-EMPLOYEE DIRECTORS
RESTRICTED STOCK GRANTS

The Company pays a portion of the annual retainer for non-employee Directors in the form of restricted shares of the Company's common stock. The shares vest upon retirement from the Board or earlier death or resignation. Prior to vesting, such shares are held in escrow, and may not be sold, transferred, pledged or otherwise disposed of. The portion of the annual retainer paid in restricted shares is recommended by the Compensation and Human Resources Committee and approved by the Board. The number of restricted shares is the amount so determined, divided by the market value of the Company's common stock on the date of grant.

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EMERSON ELECTRIC CO. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in Millions)

	YEAR ENDED SEPTEMBER 30,				
	1998	1999	2000	2001	2002
Earnings:					
Income before income taxes (a)	$ 2,002	2,064	2,213	1,625	1,597
Fixed charges	218	258	359	377	322
Earnings, as defined	$ 2,220	2,322	2,572	2,002	1,919
Fixed Charges:					
Interest expense	$ 161	199	292	304	250
One-third of all rents	57	59	67	73	72
Total fixed charges	$ 218	258	359	377	322
Ratio of Earnings to Fixed Charges	10.2x	9.0x	7.2x	5.3x	6.0x

(a) Represents income before income taxes and cumulative effect of change in accounting principle and minority interests in the income of consolidated subsidiaries with fixed charges.

FINANCIAL REVIEW

RESULTS OF OPERATIONS

Net Sales

Sales for 2002 were $13.8 billion, a decrease of $1.7 billion, or 10.7 percent, from 2001. The sharp decline in the telecommunications industry and continued weakness in the European and U.S. industrial goods markets negatively affected reported results. Sales benefited from acquisitions and a weaker U.S. dollar, which were offset by the impact of divestitures. Underlying sales (which exclude acquisitions, divestitures and currency) decreased 11 percent from the prior year, with U.S. sales down $1 billion, or 12 percent, and an international sales decline of $667 million, or 11 percent, driven by weakness in all major geographic regions. Underlying sales of the Electronics and Telecommunications business declined 38 percent while the Industrial Automation business declined 11 percent. A modest underlying increase in the Process Control business was more than offset by modest sales declines in both the Heating, Ventilating, and Air Conditioning (HVAC) and the Appliance and Tools businesses, reflecting the challenging economic environment. New product sales, from products introduced in the past five years, were $4.5 billion, representing 33 percent of sales.

In 2001, sales were $15.5 billion, down $65 million, or 0.4 percent, from 2000. Strong sales growth in the Process Control business from PlantWeb and solutions activities was negated by weakness in the Industrial Automation, HVAC, and Appliance and Tools businesses. In addition, robust gains in the Electronics and Telecommunications business in the first half of 2001 reversed in the second half. Sales also were impacted by divestitures and a stronger U.S. dollar, with each reducing reported sales by more than 2 percent. Underlying sales realized slight growth excluding acquisitions, divestitures and the unfavorable impact from currency. U.S. sales decreased by approximately $360 million, or 4 percent, while international sales increased approximately $295 million, or 5 percent. New product sales were $5.4 billion, representing 35 percent of sales.

International Sales

International destination sales, including U.S. exports, decreased 7 percent, to $5.8 billion in 2002, representing 42 percent of the Company's total sales. U.S. exports were down 6 percent from a year ago, at $946 million. International subsidiary sales, including shipments to the United States, were $5.0 billion in 2002, down 6 percent from 2001. All major geographic regions showed significant declines for the year, except Asia, which includes the impact of the Avansys acquisition. Emerson continues to expand in Asia, particularly in China, to capitalize on the market opportunities and further improve the Company's cost position. Excluding acquisitions, divestitures and the favorable impact of currency translation of approximately $45 million, international subsidiary sales decreased 11 percent from the prior year.

In 2001, international sales increased 5 percent, to a record $6.2 billion, representing 40 percent of the Company's total sales. U.S. exports were in line with 2000 at $1.0 billion. Sales by non-U.S. subsidiaries were $5.3 billion in 2001, up 7 percent from the prior year. Underlying international subsidiary sales increased 8 percent over 2000, excluding acquisitions, divestitures and the unfavorable impact of currency translation of approximately $310 million. Very strong growth in Asia and Latin America and moderate growth in Europe were slightly offset by the impact of currency exchange.

Business Segment Sales - 2002 vs. 2001

The Process Control business achieved sales of $3.4 billion in 2002, in line with the strong prior-year performance, a result of strong gains in the systems and solutions businesses despite the persistently challenging economy and the impact of the Xomox and Daniel Valve divestitures. Offsetting the strong growth in systems and solutions was an overall reduction in general maintenance and repair activity affecting the measurement and control device business, due to the broad reduction in capital spending. Underlying sales excluding the impact of acquisitions, divestitures and a favorable impact from currency exchange improved modestly compared to the prior year. Very strong growth in Latin America and moderate growth in Europe were partially offset by declines in the United States and Canada. Nearly $290 million in major projects were won during the year, signaling the acceptance of PlantWeb, Delta V, and solutions and engineering services in the market. Recent project activity has been strong, with nearly a third of these wins occurring in the last three months.

Sales of the Industrial Automation business fell to $2.5 billion in 2002 from $3.0 billion last year, as a result of underlying sales declines and the 2002 divestiture of the Chromalox industrial heating solutions business as well as the Sweco divestiture and the contribution of Camco into a joint venture in 2001. Underlying sales declined 11 percent from the prior year, reflecting the reduction in capital expenditures and excess capacity across the industrial sector in the United States and Europe. Although this segment experienced the greatest impact of reduced industrial spending, the business has recently shown signs of stabilizing at lower operating levels.

In the Electronics and Telecommunications business, sales fell 31 percent during the year to $2.5 billion. Excluding acquisitions, divestitures and currency exchange, underlying sales declined 38 percent from 2001 with significant sales declines in all geographic regions. Restructuring actions were taken during this demand reduction to improve profitability and expand international presence for future market share gains. Emerson acquired Avansys, the power business of Huawei Technologies in China, which was renamed Emerson Network Power China. This key acquisition provides access to the China market and a base for low-cost manufacturing and engineering resources, which will help drive sales growth, reduce costs and expand product development.

Sales of the HVAC business were $2.4 billion, down 2 percent from 2001. Softness in the first quarter from customers reducing inventory levels was partially offset by an improvement in the fourth quarter due to an upturn in U.S. residential air conditioning orders from the late summer heat. A modest decline in underlying sales resulted from declines in all major geographic regions versus the prior year. Emerson is rapidly developing a strong position as a provider of services and solutions to the commercial refrigeration market, as evidenced by agreements to provide energy efficiency and site monitoring services to Tesco PLC, the largest food retailer in the United Kingdom, and A & P food stores. Copeland Scroll compressor sales continued to grow during the year, reflecting new product platforms that expand our served market. Recent U.S. legislation to raise residential energy efficiency ratings and to phase-out chlorine refrigerants will stimulate increased market penetration and accelerated growth rates.

The Appliance and Tools business sales decreased 2 percent to $3.4 billion in 2002. Underlying sales declined modestly, with strong sales growth in the housing-related consumer businesses offset by broad declines in the commercial and industrial tools and motor businesses. Residential storage achieved very strong sales growth during the year, reflecting expanded customer offerings, innovative Web-enabled design and support services, and favorable market conditions.

Business Segment Sales - 2001 vs. 2000

The Process Control business achieved an 8 percent sales increase to $3.4 billion in 2001, reflecting continued high customer demand for PlantWeb technology and strong growth in the solutions and services areas. These capabilities have dramatically increased the Company's end-market opportunity, and the uniqueness of Emerson's offerings has allowed the Company to firmly establish a leading position. The Company's product strength in control systems, valve and measurement devices also played a key role in the growth, as general maintenance and repair spending returned to more normalized levels after a challenging 2000. Very strong growth in the United States and Asia and moderate growth in Europe were dampened by the impact of currency exchange.

Sales of the Industrial Automation business declined 7 percent to $3.0 billion in 2001, due to a modest decline in underlying sales, unfavorable currency exchange and the Krautkramer and Sweco divestitures. U.S. capital goods markets showed considerable weakness, while underlying European sales increased moderately and Asian sales grew modestly versus 2000.

The Electronics and Telecommunications business reported a 9 percent increase in sales, to $3.6 billion in 2001, due to the acquisitions of Jordan Telecommunication Products, Inc. and Ericsson Energy Systems in 2000. Underlying sales increased modestly, excluding the impact of acquisitions, divestitures and currency exchange. After a 30 percent underlying increase in the first half of 2001, sales declined over 20 percent in the second half. Fiber-optic and embedded power products were the first to be impacted by the overall downturn in computing and communications markets, and systems sales declined as the year progressed. U.S. sales declined slightly, partially offsetting very strong growth in Europe, Asia and Latin America, with all regions slowing dramatically in the second half of the year.

Sales of the HVAC business declined 2 percent from the prior year to $2.4 billion, primarily due to lower U.S. demand for air conditioning and refrigeration products at the residential, commercial and industrial levels. Underlying sales decreased slightly, excluding the unfavorable impact from currency exchange, with very strong gains in Asia and solid gains in Europe more than offset by a moderate decline in U.S. sales, which comprise approximately 65 percent of sales in this business.

The Appliance and Tools business reported $3.5 billion in sales in 2001, an 8 percent decrease from 2000. This decline is primarily the result of the Vermont American divestiture in fiscal 2000, the weak U.S. capital goods environment and a challenging appliances market. Underlying tools sales were flat versus 2000. A moderate decline in underlying sales was due to softness in both domestic and international markets.

Acquisitions, Divestitures and Repositioning

In the first quarter of 2002, the Company acquired Avansys Power Co., Ltd., a provider of network power products to the telecommunications industry in China, for approximately $750 million in cash. The Company also divested the Chromalox industrial heating solutions business and the Daniel Valve business. Also in 2002, Emerson exchanged its ENI semiconductor equipment division for an equity interest in MKS Instruments, Inc. of 12 million common shares.

In 2001, the Company continued to reposition into faster-growth markets, acquiring several businesses, divesting two slower-growth businesses and contributing another business into a joint venture. To accelerate cost reductions and better position the Company for the global economic environment, in the fourth quarter of 2001, the Company recognized a pretax incremental repositioning charge of $377 million ($260 million after-tax, or $0.61 per share). Cost of sales, selling, general and administrative expenses and other deductions, net include charges of $89 million, $51 million and $237 million, respectively, in 2001. The charge was primarily non-cash and was mainly associated with the planned disposition of facilities, exiting the manufacturing of non-strategic product lines and the writedown of inventory. See notes 3 and 4 for additional information.

Total Costs and Expenses

Cost of sales was $9.0 billion in 2002, a decrease of 11 percent. In 2001, cost of sales was $10.1 billion, compared with $10.0 billion in 2000. Cost of sales as a percent of net sales was 65.1 percent in 2002, compared with 65.4 percent in 2001 and 64.4 percent in 2000. Despite continued market weakness, gross profit margins have remained at high levels, reflecting the benefits of the rationalization initiatives put into place and Emerson's continued focus on cost control through many e-business initiatives and material containment efforts.

Selling, general and administrative (SG&A) expenses were $2.9 billion, $3.1 billion and $3.0 billion in 2002, 2001 and 2000, respectively. As a percent of net sales, SG&A expenses were 21.1 percent, 19.9 percent and 19.2 percent in 2002, 2001 and 2000, respectively. The increase in SG&A as a percent of net sales in 2002 was primarily due to the lower sales volume. Engineering and development expense was $530 million in 2002, compared with $594 million in 2001 and 2000. Engineering and development as a percent of net sales was 3.8 percent in 2002, 2001 and 2000, reflecting Emerson's continuing investment in technology to improve the Company's competitive position.

Interest expense, net decreased to $233 million in 2002 from $286 million in the prior year, reflecting the impact of lower interest rates, which was partially offset by higher average borrowings due to acquisitions. In 2001, interest expense, net increased from $271 million in 2000, reflecting the impact of higher average borrowings resulting from acquisitions and share repurchases.

Other deductions, net, including amortization of intangibles, were $104 million in 2002, compared with $404 million and $92 million in 2001 and 2000, respectively (see note 4). In connection with the adoption of FAS 142 (see discussion below), the amortization of goodwill was discontinued beginning with fiscal 2002. Other deductions, net includes goodwill amortization of $164 million and $155 million in 2001 and 2000, respectively. Fiscal 2002 included gains of $85 million and $42 million from the divestitures of the Chromalox and Daniel Valve businesses, respectively, and a $93 million gain from the ENI transaction. The increase in 2001 over 2000 is primarily due to the 2001 repositioning charge discussed above. Fiscal 2001 included a gain of $60 million from the disposition of the Sweco specialty separation business and a gain of $55 million from the disposition of the Xomox valve business. Also in 2001, the Company and Crane Co. formed a joint venture combining Emerson's Commercial Cam Co. subsidiary and Crane Co.'s Ferguson Company division, which resulted in a gain of $24 million. Fiscal 2000 included a gain of $80 million from the disposition of the Company's interest in the Krautkramer non-destructive testing business and a gain of approximately $37 million due to the disposition of the Company's interest in Vermont American. Also included in other deductions, net were ongoing costs for the rationalization of operations of $207 million, $111 million and $78 million in 2002, 2001 and 2000, respectively. Higher levels of rationalization in 2002 related to cost structure improvements in response to the difficult economic environment.

Income Before Income Taxes and Cumulative Effect of Change in Accounting Principle

Income before income taxes and cumulative effect of change in accounting principle decreased $24 million from 2001, or 1 percent, to $1.6 billion in 2002. These results were primarily due to the continued market weaknesses affecting all of the Company's segments, and rationalization and other charges. For comparative purposes, the following discussions of segment earnings exclude the 2001 incremental repositioning charges and goodwill amortization for 2001. Earnings in the Process Control business of $387 million were down 7 percent in 2002 compared to the prior year, primarily reflecting the impact of divestitures. Aggressive restructuring actions in response to the sharp market decline have allowed the Electronics and Telecommunications business to remain profitable, with $119 million of earnings in 2002, a 71 percent decrease from the prior year. The underlying sales declines resulting from the steep downturn in industrial goods spending and the impact of divestitures led to a 31 percent decrease in Industrial Automation earnings to $297 million in 2002. Earnings decreases of 8 percent and 12 percent, respectively, in the HVAC and Appliance and Tools businesses were mainly driven by lower sales volume and higher rationalization costs for the year. See note 14 for additional information by business segment and geographic area.

In 2001, income before income taxes decreased $589 million from 2000, or 27 percent, to $1.6 billion. These results were led by a sharp decline in second-half sales, reflecting an unprecedented decline in customer demand for network power products in the Electronics and Telecommunications business, and rationalization and other charges. For comparative purposes, the following discussions of segment earnings exclude the 2001 incremental repositioning charges and goodwill amortization for 2001 and 2000.

Earnings before interest and income taxes in the Process Control business were $414 million in 2001, a 24 percent increase from 2000, reflecting broad strength across virtually all areas of the business and rationalization of the cost structure completed over the past two years. The Industrial Automation business earnings were $428 million in 2001, a decrease of 14 percent from 2000, due to the steep downturn in industrial capital goods spending, divestitures and a stronger U.S. dollar. Earnings of the Electronics and Telecommunications business were $410 million in 2001, a decrease from 2000, reflecting the deleverage impact on profits resulting from the declining sales volume and higher costs for the rationalization of operations. Earnings of the HVAC business decreased $35 million, or 9 percent, to $361 million in 2001, due to lower U.S. demand for air conditioning and refrigeration products in all markets. The Appliance and Tools business earnings decreased to $520 million, or 14 percent, from 2000, primarily due to decreases in volume and the Vermont American divestiture.

Income Taxes

Income taxes were $505 million, $557 million and $756 million in 2002, 2001 and 2000, respectively. The effective tax rate was 32.3 percent, compared with 35.1 percent in 2001 and 34.7 percent in 2000. The decrease in the effective tax rate in 2002 was primarily the result of discontinuing goodwill amortization upon the adoption of FAS 142 due to the non-deductible nature of goodwill and lower taxation of foreign earnings, partially offset by higher taxes associated with divestitures.

Cumulative Effect of Change in Accounting Principle

Effective October 1, 2001, Emerson adopted SFAS No. 142, "Goodwill and Other Intangible Assets." The transitional goodwill impairment recognized upon adoption of FAS 142 is a required change in accounting principle, and the cumulative effect of adopting this standard resulted in a non-cash, after-tax decrease to 2002 net earnings and diluted earnings per common share of $938 million and $2.23, respectively. Also as a result of the adoption of this standard, goodwill is no longer subject to amortization, resulting in an increase to reported fiscal 2002 earnings of $0.35 per share. See note 5 for additional information.

Net Earnings and Return on Equity

Net earnings were $122 million and diluted earnings per common share were $0.29 for 2002. Return on average stockholders' equity was 17.9 percent (excluding the accounting change), 16.5 percent and 22.6 percent in 2002, 2001 and 2000, respectively.

The following discussion excludes the impact of the cumulative effect of accounting change of $938 million ($2.23 per share) in 2002. Earnings were $1.1 billion in 2002, down 18 percent from $1.3 billion in 2001, and diluted earnings per share were $2.52, down 16 percent from $3.01 in 2001, excluding the incremental repositioning charge. Earnings as a percent of sales were 7.7 percent in 2002, compared to 8.3 percent in 2001 and 9.2 percent in 2000. Excluding the 2001 incremental repositioning charge and goodwill amortization in 2001 and 2000, earnings were $1.1 billion in 2002, compared to $1.4 billion and $1.6 billion in 2001 and 2000, respectively. Excluding these items, diluted earnings per share were $2.52, $3.36 and $3.63 in 2002, 2001 and 2000, respectively.

FINANCIAL POSITION, CAPITAL RESOURCES AND LIQUIDITY

The Company continues to generate substantial cash from operations and remains in a strong financial position with resources available for reinvestment in existing businesses, strategic acquisitions and managing the capital structure on a short- and long-term basis.

Cash Flow

Emerson generated operating cash flow of $1.8 billion in 2002, a 6.5 percent increase over the prior year. Operating cash flow in 2001 decreased 7.2 percent compared with 2000. At September 30, 2002, operating working capital as a percentage of sales was 12.6 percent, compared with 13.1 percent and 15.0 percent in 2001 and 2000, respectively. Operating working capital improved primarily due to a reduction in inventory, reflecting the Company's ability to control inventory levels while operations slowed during the business downturn. Decreases in operating working capital as a percent of sales have been partially offset by pension contributions of $169 million, $174 million and $34 million in 2002, 2001 and 2000, respectively.

Free cash flow (operating cash flow less capital expenditures) increased to a record $1.4 billion in 2002, led by a 31 percent decrease in capital spending. Capital expenditures were $384 million, $554 million and $692 million in 2002, 2001 and 2000, respectively. In 2003, the Company is targeting capital spending of approximately 3 percent of net sales. Cash paid in connection with Emerson's acquisitions was $754 million, $200 million and $1,972 million in 2002, 2001 and 2000, respectively.

Dividends were $652 million ($1.55 per share, up 1.3 percent) in 2002, compared with $654 million ($1.53 per share) in 2001, and $613 million ($1.43 per share) in 2000. In November 2002, the Board of Directors voted to increase the quarterly cash dividend to an annualized rate of $1.57 per share. In fiscal 2002, the Company repurchased approximately 360,000 shares under the fiscal 1997 Board of Directors' authorization; 228,000 shares remain available for repurchase. Net purchases of treasury stock totaled $20 million, $534 million and $376 million in 2002, 2001 and 2000, respectively. In fiscal 2002, the Board of Directors authorized a share repurchase program for the repurchase of up to 40 million shares of the Company's outstanding common stock. No shares have been repurchased under this authorization.

Leverage/Capitalization

Total debt decreased to $4.6 billion at the end of 2002. Total debt in 2001 increased to $4.7 billion from $4.6 billion in 2000, reflecting the impact of acquisitions. The total debt-to-capital ratio was 44.2 percent at year-end 2002, compared with 43.5 percent in 2001 and 41.8 percent in 2000. At September 30, 2002, net debt (total debt less cash and equivalents and short-term investments) was 42.0 percent of net capital, compared with 41.5 percent of net capital in 2001 and 40.2 percent of net capital in 2000. The cumulative effect of change in accounting principle in 2002 increased these ratios by almost 4 percentage points. The operating cash flow-to-debt ratio was 39.9 percent, 36.3 percent and 40.0 percent in 2002, 2001 and 2000, respectively. The Company's interest coverage ratio (income before income taxes and cumulative effect of change in accounting principle and interest expense, divided by interest expense) was 7.3 times in 2002, compared with 6.2 times in 2001 and 8.6 times in 2000. The increase in the interest coverage ratio from 2001 to 2002 primarily reflects lower interest rates, partially offset by higher average borrowings. See notes 3, 7 and 8 for additional information.

At year-end 2002, the Company and its subsidiaries maintained lines of credit amounting to $3.1 billion to support short-term borrowings, and had uncommitted bank credit facilities to support non-U.S. operations for which approximately $300 million was unused at September 30, 2002. Lines of credit totaling $1.5 billion are effective until 2005, with the remainder effective until March 2003. These bank credit facilities and lines of credit facilitate funding at prevailing interest rates. In addition, as of September 30, 2002, the Company could issue up to $1.25 billion of additional debt securities under its shelf registration with the Securities and Exchange Commission. Subsequent to year-end, the Company issued $250 million of 4.625%, 10-year notes from the shelf, which were used to reduce commercial paper borrowings.

Financial Instruments

The Company is exposed to market risk related to changes in interest rates, copper and other commodity prices and European and other foreign currency exchange rates, and selectively uses derivative financial instruments, including forwards, swaps and purchased options, to manage these risks. The Company does not hold derivatives for trading purposes. The value of market risk sensitive derivative and other financial instruments is subject to change as a result of movements in market rates and prices. Sensitivity analysis is one technique used to evaluate these impacts. Based on a hypothetical ten-percent increase in interest rates, ten-percent decrease in commodity prices or ten-percent weakening in the U.S. dollar across all currencies, the potential losses in future earnings, fair value and cash flows are immaterial. This method has limitations; for example, a weaker U.S. dollar would benefit future earnings through favorable translation of non-U.S. operating results and lower commodity prices would benefit future earnings through lower cost of sales. See notes 1, 6, 7 and 8.

CRITICAL ACCOUNTING POLICIES

Preparation of the Company's financial statements requires management to make judgments, assumptions, and estimates regarding uncertainties that affect the reported amounts of assets, liabilities, stockholders' equity, revenues and expenses. Note 1 of the Notes to Consolidated Financial Statements describes the significant accounting policies used in preparation of the Consolidated Financial Statements. The most significant areas involving management judgments and estimates are described below. Actual results in these areas could differ materially from management's estimates under different assumptions or conditions.

Revenue Recognition

The Company recognizes substantially all of its revenues through the sale of manufactured products and records the sale as products are shipped and title passes to the customer and collection is reasonably assured. In certain instances, revenue is recognized on the percentage-of-completion method, when services are rendered, or in accordance with SOP No. 97-2, "Software Revenue Recognition." Management believes that all relevant criteria and conditions are considered when recognizing sales.

Inventories

Inventories are stated at the lower of cost or market. The majority of inventory values are based upon standard costs which approximate average costs, while the remainder are principally valued on a first-in, first-out basis. Standard costs are revised at the beginning of each fiscal year.

The effect of resetting standards and operating variances incurred during each period are allocated between inventories and cost of sales. Management regularly reviews inventory for obsolescence to determine whether a write-down is necessary. Various factors are considered in making this determination, including recent sales history and predicted trends, industry market conditions and general economic conditions. In 2002 and 2001, higher than average inventory obsolescence was incurred in connection with slowing business conditions. See notes 1 and 4.

Long-lived Assets

Long-lived assets, which primarily include goodwill and property, plant and equipment, are reviewed for impairment whenever events and changes in business circumstances indicate the carrying value of the assets may not be recoverable. If the Company determines that the carrying value of the long-lived asset may not be recoverable, a permanent impairment charge is recorded for the amount by which the carrying value of the long-lived asset exceeds its fair value. Fair value is generally measured based on a discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the Company's current business model. Management believes that the estimates of future cash flows and fair value are reasonable; however, changes in estimates of such cash flows and fair value could materially affect the evaluations. In 2002, the Company adopted FAS 142 and recorded a transitional impairment charge as a cumulative effect of change in accounting principle. See notes 1 and 5.

Retirement Plans

Retirement plan expense and obligations are dependent on assumptions used in calculating such amounts. These assumptions include discount rate, rate of compensation increases and expected return on plan assets. In accordance with U.S. generally accepted accounting principles, actual results that differ from the assumptions are accumulated and amortized over future periods. While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect the Company's retirement plan obligations and future expense. In 2002, the Company adjusted the expected long-term rate of return on plan assets to 9.0 percent, down from 10.5 percent, which increased retirement plan expense approximately $30 million. Pension expense in 2003 is expected to increase by approximately $20 million primarily due to amortization of differences between actual and expected returns on plan assets. If the equity markets continue recent trends, the Company could be required to record a material charge to accumulated other nonstockholder changes in equity. See note 9.

Income Taxes

Income tax expense and deferred tax assets and liabilities reflect management's assessment of actual future taxes to be paid on items reflected in the financial statements. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which the temporary differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. No provision is made for U.S. income taxes on the undistributed earnings of non-U.S. subsidiaries, primarily because retention of a significant portion of these earnings is considered essential for continuing operations. In those cases in which distributions have been made, additional income taxes, if any, have been minimal due to available foreign tax credits. See note 12.

Accounting Standards

In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," which addresses the impairment or disposal of long-lived assets and the reporting of discontinued operations. This statement, which must be adopted in 2003, is not expected to have a material impact on the financial statements.

In July 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 146, "Accounting for Costs Associated with Exit or Disposal Activities," which addresses financial accounting and reporting for costs associated with exit or disposal activities, and must be applied prospectively to exit or disposal activities initiated after December 31, 2002. The Company is in the process of reviewing the provisions of this statement to evaluate its impact on the financial statements.

Beginning in fiscal 2003, the Company plans to adopt the accounting provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation," for grants awarded after September 30, 2002. This standard requires stock awards be expensed (over the vesting period) based on the fair value of the award on the date of grant. Had compensation expense for stock options been determined in accordance with FAS 123, earnings per share would have been reduced approximately $0.04 in 2002. See note 13 for further discussion of FAS 123 and its impact.

Independent Auditors' Report

The Board of Directors and Stockholders
Emerson Electric Co.:

We have audited the accompanying consolidated balance sheets of Emerson Electric Co. and subsidiaries as of September 30, 2002 and 2001, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the years in the three-year period ended September 30, 2002. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Emerson Electric Co. and subsidiaries as of September 30, 2002 and 2001, and the results of their operations and their cash flows for each of the years in the three-year period ended September 30, 2002, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 5 to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" in the year ending September 30, 2002.

/s/ KPMG LLP

St. Louis, Missouri
November 4, 2002

Consolidated Statements of Earnings

Emerson Electric Co. and Subsidiaries

Years ended September 30
(Dollars in millions except per share amounts)

<TABLE>
<CAPTION>

<S>	2000 <C>	2001 <C>	2002 <C>
Net sales	$15,545	15,480	13,824
Costs and expenses:			
Cost of sales	10,016	10,119	9,000
Selling, general and administrative expenses	2,988	3,082	2,922
Interest expense, net	271	286	233
Other deductions, net	92	404	104
Total costs and expenses	13,367	13,891	12,259
Income before income taxes and cumulative effect of change in accounting principle	2,178	1,589	1,565
Income taxes	756	557	505
Earnings before cumulative effect of change in accounting principle	1,422	1,032	1,060
Cumulative effect of change in accounting principle, net of tax	--	--	(938)
Net earnings	$ 1,422	1,032	122
Basic earnings per common share:			
Before cumulative effect of change in accounting principle	$ 3.33	2.43	2.53
Cumulative effect of change in accounting principle	--	--	(2.24)
Basic earnings per common share	$ 3.33	2.43	0.29
Diluted earnings per common share:			
Before cumulative effect of change in accounting principle	$ 3.30	2.40	2.52
Cumulative effect of change in accounting principle	--	--	(2.23)
Diluted earnings per common share	$ 3.30	2.40	0.29

</TABLE>

See accompanying notes to consolidated financial statements.

Consolidated Balance Sheets

Emerson Electric Co. and Subsidiaries

September 30
(Dollars in millions except per share amounts)

Assets

	2001	2002
Current assets		
Cash and equivalents	$ 356	381
Receivables, less allowances of $79 in 2001 and $90 in 2002	2,551	2,513
Inventories:		
Finished products	723	662
Raw materials and work in process	1,174	962

	2001	2002
Total inventories	1,897	1,624
Other current assets	516	443
Total current assets	5,320	4,961
Property, plant and equipment		
Land	172	172
Buildings	1,303	1,318
Machinery and equipment	4,821	4,878
Construction in progress	368	281
	6,664	6,649
Less accumulated depreciation	3,376	3,533
Property, plant and equipment, net	3,288	3,116
Other assets		
Goodwill	5,182	4,910
Other	1,256	1,558
Total other assets	6,438	6,468
	$15,046	14,545

See accompanying notes to consolidated financial statements.

Liabilities and Stockholders' Equity

	2001	2002
Current liabilities		
Short-term borrowings and current maturities of long-term debt	$ 2,447	1,560
Accounts payable	1,127	1,268
Accrued expenses	1,620	1,448
Income taxes	185	124
Total current liabilities	5,379	4,400
Long-term debt	2,256	2,990
Other liabilities	1,297	1,414
Stockholders' equity		
Preferred stock of $2.50 par value per share. Authorized 5,400,000 shares; issued - none	--	--
Common stock of $.50 par value per share. Authorized 1,200,000,000 shares; issued 476,677,006 shares in 2001 and 2002	238	238
Additional paid-in capital	31	52
Retained earnings	8,991	8,461
Accumulated other nonstockholder changes in equity	(741)	(647)
	8,519	8,104
Less cost of common stock in treasury, 57,051,435 shares in 2001 and 55,967,097 shares in 2002	2,405	2,363
Total stockholders' equity	6,114	5,741
	$15,046	14,545

Consolidated Statements of Stockholders' Equity

Emerson Electric Co. and Subsidiaries

Years ended September 30
(Dollars in millions except per share amounts)

	2000	2001	2002
Common stock	$ 238	238	238
Additional paid-in capital			
Beginning balance	24	53	31
Stock plans and other	29	(22)	21
Ending balance	53	31	52
Retained earnings			
Beginning balance	7,804	8,613	8,991
Net earnings	1,422	1,032	122
Cash dividends (per share: 2000, $1.43; 2001, $1.53; 2002, $1.55)	(613)	(654)	(652)
Ending balance	8,613	8,991	8,461
Accumulated other nonstockholder changes in equity			
Beginning balance	(271)	(578)	(741)
Translation adjustments	(307)	(101)	132
Cash flow hedges and other, net of tax benefit (2001, $38; 2002, $23)	--	(62)	(38)
Ending balance	(578)	(741)	(647)
Treasury stock			
Beginning balance	(1,614)	(1,923)	(2,405)
Acquired	(354)	(562)	(17)
Issued under stock plans and other	45	80	59
Ending balance	(1,923)	(2,405)	(2,363)
Total stockholders' equity	$ 6,403	6,114	5,741
Nonstockholder changes in equity (Net earnings, Translation adjustments and Other)	$ 1,115	869	216

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Emerson Electric Co. and Subsidiaries

Years ended September 30
(Dollars in millions)

<TABLE>
<CAPTION>

	2000	2001	2002

<S>	<C>	<C>	<C>
Operating activities			
Net earnings	$ 1,422	1,032	122
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Cumulative effect of change in accounting principle	--	--	938
Depreciation and amortization	678	708	541
Changes in operating working capital	(105)	121	432
Gains on divestitures, pension funding and other	(155)	(153)	(215)
Net cash provided by operating activities	1,840	1,708	1,818
Investing activities			
Capital expenditures	(692)	(554)	(384)
Purchases of businesses, net of cash and equivalents acquired	(1,972)	(200)	(754)
Divestitures of businesses and other, net	169	206	257
Net cash used in investing activities	(2,495)	(548)	(881)
Financing activities			
Net increase (decrease) in short-term borrowings	515	97	(975)
Proceeds from long-term debt	1,198	36	751
Principal payments on long-term debt	(19)	(25)	(38)
Net purchases of treasury stock	(376)	(534)	(20)
Dividends paid	(613)	(654)	(652)
Net cash provided by (used in) financing activities	705	(1,080)	(934)
Effect of exchange rate changes on cash and equivalents	(35)	(5)	22
Increase in cash and equivalents	15	75	25
Beginning cash and equivalents	266	281	356
Ending cash and equivalents	$ 281	356	381

Changes in operating working capital			
Receivables	$ (236)	135	155
Inventories	(167)	99	265
Other current assets	(13)	(6)	12
Accounts payable	195	(77)	101
Accrued expenses	66	44	(72)
Income taxes	50	(74)	(29)
	$ (105)	121	432

</TABLE>

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Emerson Electric Co. and Subsidiaries

(Dollars in millions except per share amounts)

(1) Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its controlled affiliates. All significant intercompany transactions, profits and balances are eliminated in consolidation. Other investments of 20 to 50 percent are accounted for by the equity method. Investments of less than 20 percent are carried at cost.

Foreign Currency Translation

The functional currency of nearly all of the Company's non-U.S. subsidiaries is the local currency. Adjustments resulting from the translation of financial statements are reflected in accumulated other nonstockholder changes in equity.

Cash Equivalents

Cash equivalents consist of highly liquid investments with original maturities of three months or less.

Inventories

Inventories are stated at the lower of cost or market. The majority of inventory values are based upon standard costs which approximate average costs, while the remainder are principally valued on a first-in, first-out basis. Standard costs are revised at the beginning of each fiscal year. The effect of resetting standards and operating variances incurred during each period are allocated between inventories and cost of sales.

Property, Plant and Equipment

The Company records investments in land, buildings, and machinery and equipment at cost. Depreciation is computed principally using the straight-line method over estimated service lives. Service lives for principal assets are 30 to 40 years for buildings and 8 to 12 years for machinery and equipment. Long-lived assets are reviewed for impairment whenever events and changes in business circumstances indicate the carrying value of the assets may not be recoverable. Impairment losses are recognized based on fair value if expected future cash flows of the related assets are less than their carrying values.

Goodwill and Intangible Assets

In July 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 141, "Business Combinations." FAS 141 requires the purchase method of accounting, eliminates the pooling-of-interests method, and eliminates the amortization of goodwill for business combinations after June 30, 2001. Assets and liabilities related to business combinations accounted for as purchase transactions are recorded at their respective fair values. Effective October 1, 2001, Emerson adopted Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," and therefore ceased amortizing goodwill as of that date. Prior to the adoption of FAS 142, goodwill was amortized on a straight-line basis to other deductions over the periods estimated to be benefited, not exceeding 40 years. Accumulated amortization was $922 as of September 30, 2001. The Company conducts a formal impairment test of goodwill on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value.

All of the Company's intangible assets (other than goodwill) are subject to amortization. Capitalized software is being amortized on a straight-line basis with a remaining weighted-average life of three years. Intellectual property consists primarily of patents which are being amortized on a straight-line basis with a remaining weighted-average life of four years.

Revenue Recognition

The Company recognizes nearly all of its revenues through the sale of manufactured products and records the sale as products are shipped and title passes to the customer and collection is reasonably assured.

Financial Instruments

Effective October 1, 2000, the Company adopted Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, which requires that all derivative instruments be reported on the balance sheet at fair value and establishes criteria for designation and effectiveness of hedging relationships. The adoption of FAS 133 did not have a material effect on the Company's financial statements. For each derivative instrument designated as a cash flow hedge, the gain or loss on the derivative is deferred as a separate component of stockholders' equity until recognized in earnings with the underlying hedged item. For each derivative instrument designated as a fair value hedge, the gain or loss on the derivative and the offsetting gain or loss on the hedged item are recognized immediately in earnings. Currency fluctuations on non-U.S. dollar obligations that have been designated as hedges on non-U.S. net asset exposures are included in accumulated other nonstockholder changes in equity.

Income Taxes

No provision is made for U.S. income taxes on the undistributed earnings of non-U.S. subsidiaries (approximately $1,531 at September 30, 2002), primarily because retention of a significant portion of these earnings is considered essential for continuing operations. In those cases in which distributions have been made, additional income taxes, if any, have been minimal due to available foreign tax credits.

Nonstockholder Changes in Equity

Nonstockholder changes in equity are primarily comprised of net earnings and foreign currency translation adjustments. Accumulated translation adjustments were $679 and $547, pension adjustments were $29 and $59, and cash flow hedges were $33 and $41 at September 30, 2001 and 2002, respectively.

Financial Statement Presentation

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates. Certain prior year amounts have been reclassified to conform to the current year presentation.

(2) Weighted Average Common Shares

Basic earnings per common share consider only the weighted average of common shares outstanding while diluted earnings per common share consider the dilutive effects of stock options, incentive shares and convertible securities. Reconciliations of weighted average common shares for basic earnings per common share and diluted earnings per common share follow (shares in millions):

	2000	2001	2002
Basic	427.4	425.4	418.9
Dilutive shares	4.0	4.1	2.0
Diluted	431.4	429.5	420.9

(3) Acquisitions and Divestitures

Cash paid in connection with the Company's purchase acquisitions follows:

	2000	2001	2002
Fair value of assets acquired	$2,142	243	821
Less liabilities assumed	170	43	67
Cash paid (net of cash and equivalents acquired)	$1,972	200	754

During the first quarter of 2002, Emerson acquired Avansys Power Co., Ltd. (renamed Emerson Network Power China), a provider of network power products to the telecommunications industry in China, for $750 in cash (approximately $710 net of cash acquired), resulting in $624 of goodwill. Avansys and several other smaller businesses acquired during the year had annualized sales of approximately $270.

In the first quarter of 2002, Emerson received $165 from the divestiture of the Chromalox industrial heating solutions business, resulting in a pretax gain of $85. In the second quarter, Emerson exchanged its ENI semiconductor equipment business for an equity interest in MKS Instruments, Inc. of 12 million common shares, resulting in a pretax gain of approximately $93. During the third quarter, Emerson received $73 from the divestiture of the Daniel Valve business, resulting in a pretax gain of $42. Chromalox, ENI and Daniel Valve represent total annual 2001 sales of approximately $300.

In 2001, the Company acquired Saab Marine Electronics AB, a manufacturer of radar level gauging equipment, and other smaller businesses. During the first quarter of 2001, the Company received $75 from the divestiture of the Sweco specialty separation business resulting in a pretax gain of $60. The Company sold its Xomox valve business for $145 resulting in a pretax gain of $55 in the third quarter of 2001. During the fourth quarter of 2001, the Company and Crane Co. formed a joint venture combining Emerson's Commercial Cam Co. subsidiary and Crane Co.'s Ferguson Company division. The transaction resulted in a pretax gain of approximately $24, and the venture is accounted for by the equity method.

During the second quarter of 2000, the Company acquired Jordan Telecommunication Products, Inc. (renamed Emerson Telecommunication Products) for approximately $985. Emerson Telecom is a global provider of fiber optic conduit systems, custom cables and connectors for wireline, wireless and data communications equipment, CATV components, power protection systems, and cellular site structures. In the third quarter of 2000, the Company acquired Ericsson Energy Systems (renamed Emerson Energy Systems), a global provider of power supplies, power systems, switching equipment, climate control and energy management systems, and site monitoring services to the telecommunications industry, for approximately $725. In addition, the Company acquired Knaack, a manufacturer of professional tool storage equipment, and other smaller businesses. The companies acquired in 2000 had annualized sales of approximately $1,160.

The Company received $86 from the disposition of its interest in the Krautkramer non-destructive testing business resulting in a pretax gain of approximately $80 during the third quarter of 2000. The second half of 2000 included a gain of approximately $37 due to the disposition of the Company's interest in Vermont American ("VA"). Krautkramer, VA and another divestiture, BI Technologies, represent total annual 1999 sales of nearly $600.

The results of operations of these businesses have been included in the Company's consolidated results of operations since the respective dates of acquisition and prior to the respective dates of divestiture.

(4) Other Deductions, Net

Other deductions, net are summarized as follows:

	2000	2001	2002
Gains from divestitures of businesses	$(191)	(187)	(231)
Amortization of intangibles	178	191	28
Rationalization of operations	78	111	207
Repositioning	--	237	--
Other	27	52	100
Total	$ 92	404	104

Rationalization of operations includes ongoing costs for start-up, shutdown and moving of facilities, asset writedowns, severance and other costs in connection with improving the cost structure of operations. Rationalization of operations by segment is summarized as follows:

	2000	2001	2002
Process Control	$ 39	25	27
Industrial Automation	12	20	33
Electronics & Telecommunications	13	39	71
HVAC	16	20	26
Appliance and Tools	23	21	49
Corporate	(25)	(14)	1
Total	$ 78	111	207

In addition, operations for 2002 were impacted by higher than average inventory obsolescence, unabsorbed overhead on inventory reductions and bad debts of $70. Rationalization of operations and these costs totaled $277 ($187 after-tax), while gains from divestitures of businesses were $231 ($135 after-tax) in 2002.

In the fourth quarter of 2001, the Company recognized a pretax incremental repositioning charge of $377 ($260 after-tax) for the consolidation and rationalization of operations of $136, exiting the manufacturing of certain product lines of $124, and the writedown of certain non-strategic investments and other costs of $52. In addition, the charge includes the writedown of inventory to realizable value of $65 associated with the rapid acceleration of sales growth in 2000 and subsequent sharp decline in mid-year 2001, particularly in the Electronics and Telecommunications business. These charges were in addition to the recurring costs of operations and ongoing cost reduction and productivity improvement programs. Cost of sales, selling, general and administrative expenses and other deductions, net include charges of $89, $51 and $237, respectively.

Costs associated with the consolidation and rationalization of operations to improve the cost structure are primarily related to the Electronics and Telecommunications, Appliance and Tools and Process Control businesses, and include the writedown of fixed assets to liquidation value of $62, impairment of intangibles of $30, severance related costs of $22, and lease termination and other costs of $22. The costs to exit the manufacturing of certain product lines are principally in the Appliance and Tools business and include the writedown of fixed assets, investment and inventory related items of $46, impairment of intangibles of $23, and other obligations of $55. In total, the charge relates to the exit from over twenty production and office facilities in the United States, Europe and Asia. The repositioning charge includes the elimination of approximately 2,900 positions, along with other period costs for shutdown and moving. Exit costs for severance and lease terminations utilized during 2002 were $19 and $14, respectively. The remaining balance of lease termination costs for vacated facilities of $18 will be utilized over the remaining terms of the applicable lease or when the leases are terminated. See Note 14 for the impact of the charges by business segment.

(5) Goodwill and Intangible Assets

Effective October 1, 2001, Emerson adopted Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets." The statement requires, among other things, the discontinuation of goodwill amortization for business combinations before July 1, 2001, and completion of a transitional goodwill impairment test. Under the impairment test, if a reporting unit's carrying amount exceeds its estimated fair value, a goodwill impairment is recognized to the extent that the reporting unit's carrying amount of goodwill exceeds the implied fair value of the goodwill. Fair value of reporting units were estimated using discounted cash flows and market multiples.

Emerson completed the transitional impairment test and recorded a non-cash, after-tax charge of $938 (net of $17 tax benefit), as a cumulative effect of a change in accounting principle. The primary factors resulting in the impairment charge were the change in the goodwill impairment criteria from an undiscounted to a discounted cash flow method and the sharp decline in the telecommunication and computing equipment markets. The after-tax charge by segment was Electronics and Telecommunications $831, Industrial Automation $59, and Process Control $48. As of the adoption date, the Company estimated that if the reporting units with an impairment charge were actually sold, earnings could have been further decreased up to $200 due to realization of currency translation. In addition, earnings could have been increased for the potential realization of unrecognized tax benefits upon sale in excess of $250.

For comparison purposes, supplemental net earnings and earnings per share for the years ended September 30, 2000 and 2001, excluding goodwill amortization of $155 ($141 net of tax) and $164 ($149 net of tax), respectively, are provided as follows:

	2000	2001
Net earnings, excluding goodwill amortization	$1,563	1,181
Earnings per share, excluding goodwill amortization:		
Basic	$ 3.66	2.78
Diluted	$ 3.63	2.75

(6) Financial Instruments

The Company selectively uses derivative financial instruments to manage interest costs, commodity prices and currency exchange risk. The Company does not hold derivatives for trading purposes. No credit loss is anticipated as the counterparties to these agreements are major financial institutions with high credit ratings.

To efficiently manage interest costs, the Company utilizes interest rate swaps as cash flow hedges of variable rate debt or fair value hedges of fixed rate debt. Also as part of its hedging strategy, the Company utilizes purchased option and forward exchange contracts and commodity swaps as cash flow hedges to minimize the impact of currency and commodity price fluctuations on transactions, cash flows and firm commitments. These contracts for the sale or purchase of European and other currencies and the purchase of copper and other commodities generally mature within one year.

Notional transaction amounts and fair values for the Company's outstanding derivatives, by risk category and instrument type, as of September 30, 2001 and 2002, are summarized as follows. Fair values of the derivatives do not consider the offsetting underlying hedged item.

	2001		2002	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Foreign currency:				
Forwards	$1,099	4	1,001	(14)
Options	$ 54	2	57	1
Interest rate swaps	$ 865	(61)	324	5
Commodity contracts	$ 218	(28)	156	(11)

Fair values of the Company's financial instruments are estimated by reference to quoted prices from market sources and financial institutions, as well as other valuation techniques. The estimated fair value of long-term debt (including current maturities) exceeded the related carrying value by $296 at September 30, 2002. The carrying value of an equity investment in a publicly-traded company exceeded the related fair value by approximately $59 at September 30, 2002. The estimated fair value of each of the Company's other classes of financial instruments approximated the related carrying value at September 30, 2001 and 2002.

(7) Short-term Borrowings and Lines of Credit

Short-term borrowings and current maturities of long-term debt are summarized as follows:

	2001	2002
Commercial paper	$2,112	1,262
Payable to banks	91	56
Other	244	242
Total	$2,447	1,560
Weighted average interest rate at year end	3.9%	2.5%

In 2001, the Company entered into an interest rate swap agreement, which fixed the rate on $250 of commercial paper at 6.0 percent through December 2010. The Company terminated the swap in 2002. In 2000, the Company issued $300 of floating rate, one-year notes with an effective interest rate of 6.7 percent at September 30, 2000. Additionally, the Company issued 13 billion Japanese yen of commercial paper and simultaneously entered into a ten-year interest rate swap which fixed the rate at 2.2 percent. In November 1996, the Company entered into a five-year interest rate swap which fixed the rate on $250 of commercial paper at 6.1 percent. The Company had 151 million and 149 million of British pound notes with interest rates of 5.2 percent and 4.4 percent, swapped to $256 and $217 at U.S. commercial paper rates at September 30, 2001 and 2002, respectively.

The Company and its subsidiaries maintained lines of credit amounting to $3,100 with various banks at September 30, 2002, to support short-term borrowings and to assure availability of funds at prevailing interest rates. Lines of credit totaling $1,500 are effective until 2005 with the remainder until March 2003. There were no borrowings against U.S. lines of credit in the last three years. The Company's subsidiaries maintained uncommitted bank credit facilities in various currencies for which approximately $300 was unused at September 30, 2002. In some instances, borrowings against these credit facilities have been guaranteed by the Company to facilitate funding at favorable interest rates. In addition, as of September 30, 2002, the Company could issue up to $1,250 of additional debt securities under its shelf registration with the Securities and Exchange Commission.

(8) Long-term Debt

Long-term debt is summarized as follows:

	2001	2002
7 7/8% notes due 2005	$ 600	600
6.3% notes due 2006	250	250
5 1/2% notes due 2008	250	250
5% notes due 2009	175	175
5.85% notes due 2009	250	250
7 1/8% notes due 2010	500	500
5.75% notes due 2012	--	250
5 5/8% notes due 2014	--	250
6% notes due 2032	--	250
Other	252	224
	2,277	2,999
Less current maturities	21	9
Total	$2,256	2,990

In 2000, the Company issued $600 of 7 7/8%, five-year notes that were simultaneously swapped to floating U.S. commercial paper rates. The Company terminated the swap in 2001, establishing an effective interest rate of 6.9 percent. In 1999, the Company issued $250 of 5.85%, ten-year notes that were simultaneously swapped to U.S. commercial paper rates. The Company terminated the swap in 2001, establishing an effective interest rate of 5.7 percent.

Long-term debt maturing during each of the four years after 2003 is $4, $613, $252 and $1, respectively. Total interest paid related to short-term borrowings and long-term debt was approximately $273, $274 and $283 in 2000, 2001 and 2002, respectively.

(9) Retirement Plans

Retirement plan expense includes the following components:

	U.S. Plans			Non-U.S. Plans		
	2000	2001	2002	2000	2001	2002
Defined benefit plans:						
Service cost (benefits earned during the period) ...	$ 42	41	41	12	11	9
Interest cost	119	126	134	19	18	16
Expected return on plan assets	(179)	(186)	(178)	(25)	(24)	(21)
Net amortization	(2)	(1)	9	--	(1)	--
Net periodic pension (income) expense	(20)	(20)	6	6	4	4
Defined contribution and multiemployer plans	61	64	58	11	15	18
Total retirement plan expense	$ 41	44	64	17	19	22

The reconciliations of the actuarial present value of the projected benefit obligations and of the fair value of plan assets follow:

	U.S. Plans		Non-U.S. Plans	
	2001	2002	2001	2002
Benefit obligation, beginning	$1,566	1,725	301	304
Service cost	41	41	11	9
Interest cost	126	134	18	16
Actuarial losses	72	63	1	8
Benefits paid	(86)	(93)	(15)	(15)
Acquisitions/divestitures, net	(1)	(2)	(10)	(1)
Foreign currency and other	7	3	(2)	21
Benefit obligation, ending	$1,725	1,871	304	342
Fair value of plan assets, beginning	$1,726	1,753	315	293
Actual return on plan assets	(57)	(119)	(10)	(24)
Employer contributions	169	161	8	9
Benefits paid	(86)	(93)	(15)	(15)
Acquisitions/divestitures, net	--	--	(2)	--
Foreign currency and other	1	1	(3)	16
Fair value of plan assets, ending	$1,753	1,703	293	279
Plan assets in excess of (less than) benefit obligation as of June 30 ...	$ 28	(168)	(11)	(63)
Unamortized transition amount	(8)	(1)	--	--
Unrecognized net loss	401	748	4	66
Unrecognized prior service costs	17	14	--	(6)
Adjustment for fourth quarter contributions	--	--	1	--
Net amount recognized in the balance sheet	$ 438	593	(6)	(3)

	U.S. Plans			Non-U.S. Plans		
	2000	2001	2002	2000	2001	2002
Weighted average assumptions:						
Discount rate	8.00%	7.75%	7.25%	6.4%	6.4%	5.8%
Expected return on plan assets ..	10.50%	10.50%	9.00%	8.4%	8.5%	8.3%
Rate of compensation increase ...	4.50%	4.25%	3.75%	3.9%	3.9%	3.4%

At September 30, 2001 and 2002, the pension assets recognized in the balance sheet were $519 and $636, and the pension liabilities recognized in the balance sheet were $133 and $141, respectively; in addition, $46 and $95 were included in accumulated other nonstockholder changes in equity at September 30, 2001 and 2002, respectively. As of the plans' June 30 measurement date, the projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for the retirement plans with accumulated benefit obligations in excess of plan assets were $329, $307 and $199, respectively, for 2001, and $328, $312 and $210, respectively, for 2002. As of October 2002, the Company estimates that the accumulated benefit obligation for the primary defined benefit pension plans exceeded the fair value of plan assets by $180. If the equity markets continue the trend experienced subsequent to the measurement date, the Company estimates that a charge to accumulated other nonstockholder changes in equity of approximately $700 ($450 after-tax) could be required.

(10) Postretirement Plans

The Company sponsors unfunded postretirement benefit plans (primarily health care) for U.S. retirees and their dependents. Net postretirement plan expense for the years ended September 30, 2000, 2001 and 2002, follows:

	2000	2001	2002
Service cost	$ 5	5	6
Interest cost	22	24	26
Net amortization	(3)	(2)	--
Net postretirement plan expense ...	$24	27	32

The reconciliations of the actuarial present value of accumulated postretirement benefit obligations follow:

<TABLE>
<CAPTION>

<S>	2001 <C>	2002 <C>
Benefit obligation, beginning	$305	324
Service cost	5	6
Interest cost	24	26
Actuarial losses	21	54
Benefits paid	(28)	(35)
Acquisitions/divestitures and other	(3)	2
Benefit obligation, ending	324	377
Unrecognized net loss	(1)	(53)
Unrecognized prior service benefit	4	2
Postretirement benefit liability recognized in the balance sheet ...	$327	326

</TABLE>

The assumed discount rates used in measuring the obligations as of September 30, 2000, 2001 and 2002, were 7.75 percent, 7.50 percent and 7.00 percent, respectively. The assumed health care cost trend rate for 2003 was 9.0 percent, declining to 5.0 percent in the year 2011. The assumed health care cost trend rate for 2002 was 7.0 percent, declining to 4.5 percent in the year 2007. A one-percentage-point increase or decrease in the assumed health care cost trend rate for each year would increase or decrease the obligation as of September 30, 2002, and the 2002 postretirement plan expense by less than five percent.

(11) Contingent Liabilities and Commitments

At September 30, 2002, there were no known contingent liabilities (including guarantees, pending litigation, taxes and other claims) that management believes will be material in relation to the Company's financial statements, nor were there any material commitments outside the normal course of business.

(12) Income Taxes

Income before income taxes consists of the following:

	2000	2001	2002
United States	$1,615	1,143	1,110
Non-U.S.	563	446	455
Income before income taxes ...	$2,178	1,589	1,565

The principal components of income tax expense follow:

	2000	2001	2002
Current:			
Federal	$497	429	198
State and local	47	33	7
Non-U.S	199	172	108
Deferred:			

Federal	30	(36)	175
State and local	3	1	26
Non-U.S	(20)	(42)	(9)
Income tax expense	$756	557	505

The federal corporate statutory rate is reconciled to the Company's effective income tax rate as follows:

	2000	2001	2002
Federal corporate statutory rate	35.0%	35.0%	35.0%
State and local taxes, less federal tax benefit	1.4	1.4	1.4
Export benefit	(1.0)	(1.4)	(1.7)
Foreign rate differential	(.7)	(1.3)	(3.0)
Goodwill	1.6	2.3	--
Other	(1.6)	(.9)	.6
Effective income tax rate	34.7%	35.1%	32.3%

The principal items that gave rise to deferred tax assets (liabilities) follow:

	2001	2002
Property, plant and equipment	$(229)	(270)
Leveraged leases	(157)	(144)
Pension	(147)	(193)
Intangibles	(109)	(128)
Accrued liabilities	241	249
Postretirement and postemployment benefits	128	131
Employee compensation and benefits	128	82
NOL and tax credit carryforwards	95	133
Valuation allowance	(30)	(80)
Other	113	99
Total deferred tax assets (liabilities)	$ 33	(121)

At September 30, 2001 and 2002, respectively, net current deferred tax assets were $395 and $325, and net noncurrent deferred tax liabilities were $362 and $446. Total income taxes paid were approximately $700, $590 and $320 in 2000, 2001 and 2002, respectively.

(13) Common Stock

The Company has various stock option plans that permit key officers and employees to purchase common stock at specified prices. Options are granted at 100 percent of the market value of the Company's common stock on the date of grant, generally vest one-third each year and expire ten years from the date of grant. At September 30, 2002, approximately 10.5 million options were available for grant under these plans. Changes in the number of shares subject to option during 2000, 2001 and 2002, follow (shares in thousands):

<TABLE>
<CAPTION>

	2000		2001		2002	
	Average Price	Shares	Average Price	Shares	Average Price	Shares
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Beginning of year	$45.48	8,504	$47.15	10,147	$48.42	9,088
Options granted	46.42	3,095	67.27	451	52.85	2,112
Options exercised	30.54	(1,093)	44.05	(1,219)	40.86	(591)
Options canceled	51.96	(359)	51.58	(291)	52.85	(196)
End of year	47.15	10,147	48.42	9,088	49.66	10,413
Exercisable at year end		4,563		4,625		6,016

</TABLE>

Summarized information regarding stock options outstanding and exercisable at September 30, 2002, follows (shares in thousands):

	Outstanding			Exercisable	
Range of Exercise Prices	Shares	Average Contractual Life	Average Price	Shares	Average Price
up to $44	4,352	5.3 years	$41.36	2,981	$40.80
$45 to 54	3,885	8.0	52.62	1,250	52.37
$55 to 74	2,176	6.3	60.97	1,785	59.84
Total	10,413	6.5	49.66	6,016	48.85

The Company's Incentive Shares Plans authorize the distribution of common stock to key management personnel subject to certain conditions and restrictions. Upon accomplishment of the five-year performance objectives, 2,085,314 shares were distributed to participants in 2002, including 1,216,985 shares paid in cash; additionally, participants elected to defer 97,604 shares for future distribution. At September 30, 2002, 1,897,922 shares were outstanding with restriction periods of three to ten years, including 169,627 shares issued in 2002. In addition, 1,124,612 rights to receive common shares have been awarded, including 26,441 shares awarded in 2002, which are contingent upon accomplishing certain objectives by 2006. At September 30, 2002, approximately 3.5 million shares remained available for award under these plans. Compensation expense charged against income for the Company's Incentive Shares Plans was $43, $36 and $27 for 2000, 2001 and 2002, respectively.

The Company applies Accounting Principles Board Opinion No. 25 in accounting for its stock plans. Had compensation expense for the Company's stock plans been determined in accordance with Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation," net earnings and diluted earnings per common share, respectively, would have been $1,401 and $3.25 per share in 2000, $1,012 and $2.36 per share in 2001, and $1,043 and $2.48 per share ($105 and $0.25 per share including the cumulative effect of accounting change) in 2002. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions used for grants: risk-free interest rate of 6.5 percent, 5.7 percent and 4.2 percent, dividend yield of 2.3 percent, 2.3 percent and 2.9 percent, expected volatility of 22 percent, 25 percent and 25 percent for 2000, 2001 and 2002, respectively, and expected life of five years for all years. The weighted average fair value of options granted was $11.75, $12.03 and $11.03 for 2000, 2001 and 2002, respectively. The Company plans to adopt the accounting provisions of FAS 123 in fiscal 2003 for grants awarded after September 30, 2002.

At September 30, 2002, 25,704,892 shares of common stock were reserved, including 25,646,901 shares for issuance under the Company's stock plans and 57,991 shares for conversion of the outstanding 8% convertible subordinated debentures at a price of $13.49 per share. During 2002, 361,300 treasury shares were acquired and 1,445,638 treasury shares were issued.

Approximately 1.2 million preferred shares are reserved for issuance under a Preferred Stock Purchase Rights Plan. Under certain conditions involving acquisition of or an offer for 20 percent or more of the Company's common stock, all holders of Rights, except an acquiring entity, would be entitled (i) to purchase, at an exercise price of $260, common stock of the Company or an acquiring entity with a value twice the exercise price, or (ii) at the option of the Board, to exchange each Right for one share of common stock. The Rights remain in existence until November 1, 2008, unless earlier redeemed (at one-half cent per Right), exercised or exchanged under the terms of the plan.

(14) Business Segment Information

The Company is engaged principally in the worldwide design, manufacture and sale of a broad range of electrical, electromechanical and electronic products and systems. The divisions of the Company are primarily organized based on the nature of the products and services provided. The Process Control segment includes measurement and analytical instrumentation, valves, control systems, and predictive maintenance systems. The Industrial Automation segment includes integral horsepower industrial motors, variable-speed and index drives, mechanical power transmission equipment, ultrasonic welding and cleaning, fluid control, destructive testing, and heating and lighting equipment. The

Electronics and Telecommunications segment consists of uninterruptible power supplies, power conditioning equipment, environmental control systems, site monitoring systems, connectivity systems, and electrical switching equipment. The Heating, Ventilating and Air Conditioning (HVAC) segment consists of compressors, hermetic terminals, thermostats, and valves. The Appliance and Tools segment includes general and special purpose motors and controls, as well as hand, plumbing and bench power tools, and disposers.

The primary income measure used for assessing performance and making operating decisions is earnings before interest and income taxes. Intersegment sales approximate market prices. Accounting method differences between segment reporting and the consolidated financial statements primarily include management fees allocated to segments based on a percentage of sales and the accounting for pension and other retirement plans. Corporate assets primarily include cash and equivalents, investments, pensions, deferred charges, and certain fixed assets. Summarized information about the Company's operations by business segment and by geographic area follows:

Business Segments
(See Notes 3, 4 and 5)

<TABLE>
<CAPTION>

	Sales			Earnings			Total Assets		
	2000	2001	2002	2000 <F1>	2001 <F1><F2>	2002	2000	2001	2002
Process Control	$ 3,156	3,398	3,396	280	358	387	3,575	3,573	3,506
Industrial Automation	3,181	2,956	2,500	467	402	297	2,685	2,567	2,354
Electronics & Telecommunications	3,289	3,590	2,465	447	359	119	3,643	3,303	2,878
HVAC	2,500	2,438	2,389	382	347	333	1,840	1,920	1,876
Appliance and Tools	3,811	3,500	3,437	581	503	456	2,473	2,366	2,393
	15,937	15,882	14,187	2,157	1,969	1,592	14,216	13,729	13,007
Differences in accounting methods ...				190	191	149			
Repositioning charge				--	(377)	--			
Corporate and other				102	92	57	948	1,317	1,538
Sales eliminations / Interest	(392)	(402)	(363)	(271)	(286)	(233)			
Total	$15,545	15,480	13,824	2,178	1,589	1,565	15,164	15,046	14,545

<FN>
<F1> In connection with the adoption of FAS 142, fiscal 2002 segment earnings exclude goodwill amortization. Fiscal 2000 segment earnings include goodwill

amortization of $155 as follows: Process Control $53; Industrial Automation $27; Electronics and Telecommunications $40; HVAC $14; and Appliance and Tools $21. Fiscal 2001 segment earnings include goodwill amortization of $164 as follows: Process Control $56; Industrial Automation $26; Electronics and Telecommunications $51; HVAC $14; and Appliance and Tools $17.

<F2> Reported 2001 segment earnings exclude the incremental repositioning charge of $377. The charges by segment were Process Control $69, Industrial Automation $22, Electronics and Telecommunications $83, HVAC $6, and Appliance and Tools $163. Including the charges, 2001 segment earnings were Process Control $289, Industrial Automation $380, Electronics and Telecommunications $276, HVAC $341, and Appliance and Tools $340.
</FN>
</TABLE>

<TABLE>
<CAPTION>

	Intersegment Sales			Depreciation and Amortization Expense			Capital Expenditures		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Process Control	$ 6	4	3	182	188	124	100	77	76
Industrial Automation	14	18	12	128	125	93	88	85	67
Electronics & Telecommunications ...	12	15	14	95	128	81	115	104	33
HVAC	31	31	25	104	110	99	184	144	85
Appliance and Tools	329	334	309	160	148	134	196	135	105
Corporate and other				9	9	10	9	9	18
Total	$392	402	363	678	708	541	692	554	384

</TABLE>

Changes in the goodwill balances since September 30, 2001, are primarily due to the transitional impairment charge and the addition of goodwill associated with the Avansys acquisition. Goodwill balances by business segment follow:

	2001	2002
Process Control	$1,626	1,591
Industrial Automation	831	788
Electronics & Telecommunications ...	1,805	1,590
HVAC	376	377
Appliance and Tools	544	564
Total	$5,182	4,910

Geographic

	Sales by Destination			Property, Plant and Equipment		
	2000	2001	2002	2000	2001	2002
United States ...	$ 9,651	9,291	8,073	2,394	2,355	2,162
Europe	3,026	3,087	2,766	467	492	489
Asia	1,256	1,412	1,563	229	255	280
Latin America ...	545	670	525	117	138	130
Other regions ...	1,067	1,020	897	36	48	55
Total	$15,545	15,480	13,824	3,243	3,288	3,116

(15) Other Financial Data

Items reported in earnings during the years ended September 30, 2000, 2001 and 2002, include the following:

	2000	2001	2002
Depreciation	$454	462	457
Goodwill amortization	155	164	--
Intangible asset amortization	69	82	84
Research, new product development and product improvement costs	594	594	530
Rent expense	201	219	216
Interest expense	288	304	250
Interest income	17	18	17

Other assets, other are summarized as follows:

	2001	2002
Retirement plans	$ 519	636
Equity and other investments ...	163	326
Leveraged leases	163	145
Capitalized software	146	147
Intellectual property	127	113
Other	138	191
Total	$1,256	1,558

Other liabilities are summarized as follows:

	2001	2002
Deferred income taxes	$ 383	514
Postretirement plans, excluding current portion ...	307	306
Minority interest	100	104
Other	507	490
Total	$1,297	1,414

Accrued expenses include employee compensation of $335 and $344 at September 30, 2001 and 2002, respectively. The Company leases computers, transportation equipment and various other property under operating lease agreements. The minimum annual rentals under noncancelable long-term leases, exclusive of maintenance, taxes, insurance and other operating costs, will approximate $110 in 2003 and decline substantially thereafter.

(16) Quarterly Financial Information (Unaudited)

Financial Results

	Net Sales		Gross Profit		Net Earnings	
	2001	2002	2001	2002	2001	2002
First Quarter	$ 3,920	3,295	1,388	1,170	357	255<F2>
Second Quarter ...	4,103	3,421	1,451	1,189	359	275
Third Quarter	3,905	3,570	1,364	1,230	331	281
Fourth Quarter ...	3,552	3,538	1,158	1,235	(15)<F1>	249
Fiscal Year ...	$15,480	13,824	5,361	4,824	1,032	1,060

<TABLE>
<CAPTION>
Basic Earnings per Diluted Earnings per Dividends per

	Common Share		Common Share		Common Share	
	2001	2002	2001	2002	2001	2002
<S>	<C>	<C>	<C>	<C>	<C>	<C>
First Quarter	$ .84	.61<F2>	.83	.61<F2>	.3825	.3875
Second Quarter ...	.84	.65	.83	.65	.3825	.3875
Third Quarter	.77	.68	.77	.67	.3825	.3875
Fourth Quarter ...	(.03)<F1>	.59	(.03)<F1>	.59	.3825	.3875
Fiscal Year ...	$2.43	2.53	2.40	2.52	1.53	1.55

<FN>
<F1> Fourth quarter and fiscal 2001 include a charge of $260 ($0.61 per share). See Note 4 for additional information.

<F2> First quarter and fiscal 2002 exclude a cumulative effect of a change in accounting principle of $938 ($2.24 per basic share, or $2.23 per diluted share). Including the cumulative effect of a change in accounting principle, net earnings for the first quarter and fiscal 2002 were ($683), ($1.63) per basic share, or ($1.62) per diluted share, and $122, $0.29 per basic share, or $0.29 per diluted share, respectively. See Note 5 for additional information.
</FN>
</TABLE>

See Notes 3 and 4 for information regarding other non-recurring items and the Company's acquisition and divestiture activities.

Stock Prices
(per common share)

	2001		2002	
	High	Low	High	Low
First Quarter	$78.81	62.25	58.14	45.57
Second Quarter ...	77.56	59.81	65.51	52.00
Third Quarter	71.60	60.00	59.40	51.59
Fourth Quarter ...	63.05	45.80	54.15	43.20
Fiscal Year ...	$78.81	45.80	65.51	43.20

Emerson Electric Co. common stock (symbol EMR) is listed on the New York Stock Exchange and Chicago Stock Exchange.

Safe Harbor Statement

This Annual Report contains various forward-looking statements and includes assumptions concerning Emerson's operations, future results and prospects. These forward-looking statements are based on current expectations, are subject to risk and uncertainties and Emerson undertakes no obligation to update any such statement to reflect later developments. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Emerson provides the following cautionary statement identifying important economic, political and technological factors, among others, changes of which could cause the actual results or events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions.

Such factors include the following: (i) current and future business environment, including interest rates and capital and consumer spending; (ii) volatility of the end markets served, as demonstrated by the recent decline in the electronics and telecommunications market; (iii) competitive factors and competitor responses to Emerson initiatives; (iv) development and market introduction of anticipated new products; (v) availability of raw materials and purchased components; (vi) government laws and regulations, including taxes; (vii) outcome of pending and future litigation, including environmental compliance; (viii) stable governments and business conditions in emerging economies; (ix) penetration of emerging economies; (x) favorable environment for acquisitions, domestic and foreign, including regulatory requirements and market values of candidates; (xi) integration of acquisitions; (xii) favorable access to capital markets; and (xiii) execution of cost-reduction efforts.

Exhibit 21

SUBSIDIARIES AND AFFILIATES OF EMERSON ELECTRIC CO.
SEPTEMBER 30, 2002

LEGAL NAME	JURISDICTION OF INCORPORATION
3055334 Nova Scotia Corporation	Canada
ADI Control Techniques Drives, Inc.	California
AE Holding Ltd.	Bermuda
Alco Controls S.A. de C.V.	Mexico
Applied Concepts, Inc.	Pennsylvania
Woodstock Land Company, LLC	Missouri
Astec International Holdings Limited	United Kingdom
Astec America Inc.	Delaware
Astec America de Mexico, S.A. de C.V.	Mexico
Astec Electronics (Malaysia) Sdn Bhd	Malaysia
Astec Germany GmbH	Germany
Astec International Limited	Hong Kong
Astec Advanced Power Systems B.V.	Netherlands
Astec Advanced Power Systems Ltda.	Brazil
Astec Advanced Power Systems (Malaysia) Sdn Bhd	Malaysia
Astec Advanced Power Systems (Penang) Sdn Bhd	Malaysia
Astec Agencies Limited	Hong Kong
Astec Custom Power (Hong Kong) Limited	Hong Kong
Astec Custom Power (Philippines) Inc.	Philippines
Astec Custom Power (Singapore) Pte Ltd	Singapore
Astec Electronics Company Limited	China
Astec Electronics (Luoding) Company Ltd.	China
Astec International (Singapore) Pte. Limited	Singapore
Astec Pekan Sdn Bhd	Malaysia
Astec Power Supply (Shenzhen) Company Ltd.	China
Astec Power Inc.	BVI
EMR Holdings Limited	Japan
EMR Japan Limited	Japan
Stourbridge Holdings (UK) Limited	United Kingdom
Brandenburg Limited	United Kingdom
Mirroware Manufacturing Limited	United Kingdom
Astec Europe Ltd.	United Kingdom
Astec International PLC	United Kingdom
Astec France S.A.R.L.	France
Branson Ultrasonic S.A.	Switzerland
Brooks Instrument Canada (1967) Limited	Canada
Buehler Ltd.	Illinois
Buehler Holdings Inc.	Delaware
ClosetMaid Corporation	Florida
Clairson, Inc.	Delaware
Clairson de Mexico, S.A. de C.V.	Mexico
Clairson (Hong Kong) Limited	Hong Kong
ClosetMaid North America, Inc.	Delaware
Compania de Motores Domesticos S.A. de C.V.	Mexico
Computational Systems, Incorporated	Tennessee
CSI Services, Inc.	Tennessee
CSI Technology, Inc.	Delaware
Computational Systems, Inc. Europe	Belgium
Controles Electromecanicos de Mexico S.A. de C.V.	Mexico
Control Techniques (USA) Inc.	Delaware
Control Techniques Drives, Inc.	Delaware
Control Techniques Drives Limited	Canada
Control Techniques Iberia S.A.	Spain
Control Techniques Sweden AB	Sweden
Daniel Industries, Inc.	Delaware
Bettis Corporation	Delaware
Bettis Canada Ltd.	Canada
Bettis France SARL	France
Bettis Holdings, Ltd.	United Kingdom
Bettis UK Ltd.	United Kingdom

Prime Actuator Control Systems Ltd.	United Kingdom
Prime Actuator Control Systems UK Ltd.	United Kingdom
Dantorque A/S	Denmark
Hytork Controls, Inc.	Delaware
Shafer Valve Company	Ohio
Daniel Automation Company	Delaware
Daniel Industrial, Inc.	Delaware
Daniel En-Fab Systems, Inc.	Delaware
Daniel International Ltd.	United Kingdom
Daniel Europe Ltd.	United Kingdom
Spectra-Tek International Limited	United Kingdom
Greenfield (UK) Ltd.	United Kingdom
Spectra-Tek Holdings Ltd.	United Kingdom
Spectra-Tek UK Ltd.	United Kingdom
Daniel Measurement and Control, Inc.	Delaware
Daniel Industries Canada Inc.	Canada
Daniel Measurement Services, Inc.	Delaware
Metco Services, Ltd.	United Kingdom
Metco Services Venezuela, C.A.	Venezuela
Danmasa S.A. de C.V.	Mexico
Hytork International Limited	United Kingdom
Hytork Controls, Inc.	Florida
Hytork Controls Ltd.	United Kingdom
Hytork LLC	Delaware
Hytork Services Limited	United Kingdom
Valcon Limited	United Kingdom
Digital Appliance Controls Manufacturing (Singapore) Pte Ltd.	Singapore
EECO, Inc.	Delaware
Apple JV Holding Corp.	Delaware
EGS Electrical Group LLC	Delaware
Appleton Electric LLC	Delaware
Appleton Electric, S.A. de C.V.	Mexico
Appleton Holding Corp.	Delaware
EGS Electrical Group Canada Ltd.	Canada
Easy Heat Ltd.	Canada
EGS Holding S.A.R.L.	France
ATX S.A.	France
Easy Heat, Inc.	Delaware
GSEG LLC	Delaware
O-Z Gedney Company LLC	Delaware
Easy Heat Holding B.V.	Netherlands
Easy Heat Europe B.V.	Netherlands
Copeland Corporation	Delaware
Computer Process Controls, Inc.	Georgia
Emerson Retail Services, Inc.	Delaware
Clive Samuels & Associates, Inc.	New Jersey
Copeland Access +, Inc.	Delaware
CopelandBitzer L.P.	Delaware
CopelandBitzer Management LLC	Delaware
Copeland de Mexico S.A. de C.V.	Mexico
Copeland Redevelopment Corporation	Missouri
Newcope, Inc.	Delaware
Electro-Test, Inc.	California
El-O-Matic USA, Inc.	Delaware
Emerson Electric (U.S.) Holding Corporation	Delaware
Automatic Switch Company	Delaware
ASC Investments, Inc.	Delaware
Asco Controls A.G.	Switzerland
Asco Controls B.V.	Netherlands
Asco Mideast B.V.	Netherlands
Asco Magnesszelep Kft.	Hungary
Asco/Joucomatic sp. z.o.o.	Poland
Asco/Joucomatic s.r.o.	Czech Republic
Asco/Joucomatic ZA BV	Netherlands
Asco Electrical Products Co., Inc.	New Jersey
Ascomation Pty. Ltd.	Australia
Ascomation (NZ) Limited	New Zealand

Asco AB	Sweden
ASCO Japan Co., Ltd.	Japan
Ascomatica S.A. de C.V.	Mexico
Asco Services, Inc.	New Jersey
ASCO Switch Enterprises LLC	Delaware
ASCO Switch Investment, Inc.	Delaware
ASCO Power Technologies, L.P.	Delaware
ASCO Valve Enterprises LLC	Delaware
ASCO Valve, Inc.	Delaware
ASCO Valve Investment, Inc.	Delaware
ASCO Controls, L.P.	Delaware
ASCO Valve Manufacturing, Inc.	Delaware
Ascoval Industria E Commercio Ltda.	Brazil
Branson Ultrasonics Corporation	Delaware
American Technology, Inc.	Connecticut
Amtech S.a.r.L.	France
Branson Korea Co., Inc.	Korea
Branson Ultrasonidos S.A.E.	Spain
Branson Ultrasons S.A.	France
Buehler GmbH	Germany
Buehler S.A.R.L.	France
Camco Vertriebs-GmbH	Germany
Copeland GmbH	Germany
Copeland-Cool Sp. z.o.o.	Poland
Copeland Corporation Limited	United Kingdom
Copeland France S.A.	France
Copeland Italia S.a.R.l.	Italy
Copeland Iberica CIB S.A.	Spain
Copeland Refrigeration Europe S.A.	Belgium
Copeland S.A.	Belgium
El-O-Matic GmbH	Germany
Bettis GmbH	Germany
Emerson Dietzenbach GmbH	Germany
Emerson Electric GmbH	Germany
Emerson Electric GmbH & Co.	Germany
Emerson Electric Overseas Finance Corp.	Delaware
Motores U.S. de Mexico, S.A. de C.V.	Mexico
U.S.E.M. de Mexico S.A. de C.V.	Mexico
Emerson Energy Systems GmbH	Germany
Emerson Process Management Ltda.	Brazil
Emerson Retail Services Europe GmbH	Germany
Emerson Technologies Verwaltungs GmbH	Germany
Emerson Technologies GmbH & Co.	Germany
Emersub LXXXIV, Inc.	Delaware
Fisher-Rosemount S.A. de C.V.	Mexico
Emersub LXXXVI, Inc.	Delaware
Flow Technology, S.A. de C.V.	Mexico
EMR Deutschland GmbH & Co.	Germany
Lambdaaquarii Beteiligungs GmbH	Germany
Fisher-Rosemount GmbH	Germany
Fisher-Rosemount GmbH & Co.	Germany
Fisher-Rosemount MFG GmbH & Co. OHG	Germany
Fisher-Rosemount Services GmbH & Co. OHG	Germany
Marbaise Hanlo LS GmbH	Germany
Skil Europe Corporation	Delaware
Ridge Tool GmbH	Germany
Ridge Tool GmbH & Co.	Germany
RIDGID Peddinghaus Werkzeug GmbH	Germany
Rosemount Inc.	Minnesota
Dieterich Standard, Inc.	Delaware
Fisher-Rosemount AB	Sweden
Fisher-Rosemount AS (Norway)	Norway
Fisher-Rosemount, S.A.	Spain
Emerson Process Management Holding AG	Switzerland
Emerson Process Management AG	Switzerland
Emerson Process Management Kft.	Hungary
Emerson Process Management sp. z.o.o.	Poland

Emerson Process Management Ticaret Limited Sirketi	Turkey
Emerson Process Management, s.r.o.	Czech Republic
Fisher-Rosemount A/S	Denmark
Fisher-Rosemount Ges. M.B.H.	Austria
Westinghouse Electric GES m.b.H.	Austria
Westinghouse Electric Poland Sp. z.o.o.	Poland
Westinghouse Process Control (Asia) S.A.	Switzerland
Emerson Process Management (India) Pvt. Ltd.	India
Fisher-Rosemount Pty. Ltd.	Australia
Emerson Electric Australia Co. Pty. Ltd.	Australia
Fisher-Rosemount Ltd.	New Zealand
Emerson Process Management Korea Ltd.	Korea
Fisher Rosemount Middle East, Inc.	Delaware
Fisher-Rosemount Operaciones, S.L.	Spain
Emerson Process Management Asia Pacific Pte Ltd.	Singapore
Emerson Process Management Manufacturing (M) Sdn Bhd	Malaysia
Westinghouse Electric Singapore Limited	Singapore
HSFR Performance Services Pte Ltd.	Singapore
Rosemount Shanghai International Trading Co., Ltd.	China
Emerson Process Management Co. Ltd.	China
Fisher-Rosemount OY	Finland
Fisher-Rosemount Taiwan, Ltd.	Taiwan
P I Components Corp.	Texas
Rosemount Analytical Inc.	Delaware
Rosemount China Inc.	Minnesota
Rosemount EPM, LLC	Delaware
Rosemount Nuclear Instruments, Inc.	Delaware
Tekmar Company	Ohio
Rosemount Temperature GmbH	Germany
Xomox Uruguay S.A.	Uruguay
Emerson Power Transmission Corporation	Delaware
Emerson Chain, Inc.	Delaware
Emerson Motion Control, Inc.	Minnesota
Emerson Power Transmission Drives and Components, Inc.	Delaware
Emerson Power Transmission Manufacturing L.P.	Missouri
Emerson Power Transmission Ithaca, Inc.	Delaware
McGill Manufacturing Company, Inc.	Indiana
Emerson Power Transmission Bearings, Inc.	Delaware
McGill International, Inc.	Taiwan
Rollway Bearing Corp.	Delaware
Rollway Bearing International Ltd.	Delaware
Lipe-Rollway de Mexico, S.A. de C.V.	Mexico
Lipe-Rollway Deutschland GmbH	Germany
Rollway Bearing N.V.	Belgium
Environmental Remediation Management, Inc.	Delaware
Liebert Corporation	Ohio
Atlas Asia Limited	Hong Kong
Control Concepts Corporation	Delaware
Emerson Network Power Australia Pty. Ltd.	Australia
Atlas Air Australia Pty. Ltd.	Australia
Emerson Network Power (Hong Kong) Limited	Hong Kong
Wuhan Liebert Computer Power Support System Limited	China
Emerson Network Power (India) Private Limited	India
Emerson Network Power (Singapore) Pte. Ltd.	Singapore
Emerson Network Power (Malaysia) Sdn. Bhd.	Malaysia
Emerson Network Power (Thailand) Co. Ltd.	Thailand
Emerson Telecom Systems, Inc.	Ohio
Global Energy Services, Inc.	Delaware
Liebert Field Services, Inc.	Delaware
Liebert Global Services, Inc.	Delaware
Liebert International B.V.	Netherlands
Liebert North America, Inc.	Delaware
Liebert Property Holdings, LLC	Delaware
Liebert Tecnologia Ltda.	Brazil
Micro Motion, Inc.	Colorado

Ridge Tool Company	Ohio
Ridge Tool (Australia) Pty., Ltd.	Australia
Ridge Tool Manufacturing Company	Delaware
Ridge Tool Pattern Company	Delaware
Ridgid Werkzeuge AG	Switzerland
Ridgid, Inc.	Delaware
Ridgid Italia Srl	Italy
Ridgid Online, Inc.	Ohio
Therm-O-Disc, Incorporated	Ohio
Componentes Avanzados de Mexico, S.A. de C.V.	Mexico
Controles de Temperatura S.A. de C.V.	Mexico
E.G.P. Corporation	Delaware
Emermex S.A. de C.V.	Mexico
Emerson Arabia, Inc.	Delaware
Emerson Capital (Canada) Corporation	Canada
EMRCDNA I	Canada
EMRCDNA II	Canada
Emerson Climate Technologies - Distribution Services, Inc.	Delaware
Emerson Electric (Asia) Limited	Hong Kong
Branson Ultrasonics (Asia Pacific) Co. Ltd.	Hong Kong
Emerson Electric (South Asia/Pacific) Pte. Ltd.	Singapore
Emerson Electric, C.A.	Venezuela
Emerson Electric II, C.A.	Venezuela
Emerson Electric de Colombia, Ltda.	Colombia
Emerson Electric Foreign Sales Corporation	U.S. Virgin Islands
Emerson Electric International, Inc.	Delaware
Emerson Electric Ireland Ltd.	Bermuda
Emersub Treasury Ireland	Ireland
Emersub Finance Ireland	Ireland
Emerson Electric (Mauritius) Ltd.	Mauritius
Emerson Electric Co. (India) Private Ltd.	India
Westinghouse Electric Private Ltd. (India)	India
Westinghouse Electric Private Ltd. (Mauritius)	Mauritius
Emerson Electric Nederland B.V.	Netherlands
Alco Controls Spol s.r.o.	Czech Republic
Branson Ultrasonics B.V.	Netherlands
Beckman Industrial B.V.	Netherlands
Brooks Instrument B.V.	Netherlands
Liebert HIROSS Benelux B.V.	Netherlands
Capax Electrische Apparatenfabriek B.V.	Netherlands
Crouzet Appliance Controls D.O.O.	Slovenia
Emerson Electric RG	Russia
Emerson Electric Slovakia Spol. s.r.o.	Slovakia
Emerson a.s.	Slovakia
Emerson Electric Spol, s.r.o.	Czech Republic
Fisher-Rosemount B.V.	Netherlands
Fisher-Rosemount Operations B.V.	Netherlands
Fisher-Rosemount Temperature B.V.	Netherlands
Fusite, B.V.	Netherlands
New-Tech Cuijk B.V.	Netherlands
El-O-Matic B.V.	Netherlands
El-O-Matic Valve Actuators (F.E.) Pte. Ltd.	Singapore
El-O-Matic S.A. (Proprietary) Ltd.	South Africa
Ridge Tool Ag	Liechtenstein
Therm-O-Disc Europe B.V.	Netherlands
Emerson Electric Puerto Rico, Inc.	Delaware
Emerson Puerto Rico, Inc.	Delaware
Emerson Electric (Taiwan) Company Limited	Taiwan
Emerson Energy Systems de Mexico, S. de R.L. de C.V.	Mexico
Emerson Finance Co.	Delaware
Emerson Global Finance Company	Missouri
Emerson Middle East, Inc.	Delaware
Emerson Network Power, Inc.	Texas
Emerson Sice S.p.A.	Italy
Branson Ultrasuoni S.P.A.	Italy
C.E. Set S.R.L.	Italy

CODI S.p.A.	Italy
Plaset, S.p.A.	Italy
Emerson Energy Systems Srl	Italy
EMR Milano SRL	Italy
Fisher-Rosemount Italia S.R.L.	Italy
Fisher-Rosemount Operations S.r.l.	Italy
Fisher-Rosemount S.r.l.	Italy
L. H. Holding Srl	Italy
Hiross Holding GmbH	Austria
Hiross International Corporation BV	Netherlands
Hiross Management SA	Switzerland
Liebert Hiross SpA	Italy
Hiross AG	Switzerland
Liebert Hiross Italia Srl	Italy
Liebert Hiross Holding GmbH	Germany
Liebert Hiross Deutschland GmbH	Germany
Liebert HIROSS (Schweiz) AG	Switzerland
Liebert Hiross Poland sp. z.o.o.	Poland
Mecanotronic GmbH	Austria
Sirai Elettromeccanica s.r.l.	Italy
Sirai Deutschland Vertrieb Elektronischer GmbH	Germany
Emerson Telecommunication Products Inc.	Delaware
Fiber-Conn Assemblies, Inc.	Maryland
JTP Industries, Inc.	Delaware
Dura-Line Corporation	Delaware
Dura-Line International, Inc.	Delaware
Bharti Dura-Line Private Limited	India
Dura-Line CT s.r.o.	Czech Republic
Dura Line do Brasil, Ltda.	Brazil
Dura-Line Espana, S.L.	Spain
Dura-Line Iberia, S.L.	Spain
Dura-Line Limited	United Kingdom
Integral Limited	United Kingdom
Integral Conduit Products (M) Sdn. Bhd.	Malaysia
Dura-Line Mexico S.A. de C.V.	Mexico
Dura-Line Shanghai Plastics Company Ltd.	China
OOO Dura-Line	Russia
Emerson Electronic Connector and Components Company	Delaware
Emerson Electronic Connector and Components do Brasil, Ltda.	Brazil
Emerson Electronic Connector and Components Mexico S.A. de C.V.	Mexico
Vitelec Electronics Ltd.	United Kingdom
Engineered Endeavors, Inc.	Delaware
Engineered Endeavors do Brasil, Ltda.	Brazil
Engineered Endeavors do Brasil Servicos Ltda.	Brazil
Northern Technologies, Inc.	Idaho
NTI Services, Inc.	Delaware
Telephone Services, Inc. of Florida	Florida
Balance Manufacturing Services, Inc.	Texas
Cable Spec, Ltd.	Texas
LoDan de Mexico S.A. de C.V.	Mexico
LoDan West do Brasil, Ltda.	Brazil
Viewsonics, Inc.	Delaware
OOO Viewsonics	Russia
Shanghai Viewsonics Electronic Co., Ltd.	China
Viewsonics do Brasil, Ltda.	Brazil
Viewsonics Mexico S.A. de C.V.	Mexico
Emerson Ventures Inc.	Delaware
Emersub 3 LLC	Delaware
Emersub XXXVIII, Inc.	Delaware
Emersub XLVI, Inc.	Nevada
Wilson Investment 2, Inc.	Delaware
Copesub, Inc.	Delaware
Alliance Compressors LLC	Delaware
Emersub LII, Inc.	Delaware
Emersub LIV, Inc.	Delaware

Emersub XCI, Inc.	Delaware
Emersub XCII, Inc.	Delaware
Emersub XCIII, Inc.	Delaware
Emersub XCV, Inc.	Delaware
B/E Holdings, L.L.C.	Iowa
B/E Corporation of Mexico, L.L.C.	Delaware
Blackhawk de Mexico, S. de R.L. de C.V.	Mexico
Emersub Italia Srl	Italy
International Gas Distribution S.A.	Luxembourg
O. M. T. Officina Meccanica Tartarini SpA	Italy
Fisher Process Srl	Italy
Tartarini Industrial Gas Mexico S.A. de C.V.	Mexico
IGS Dataflow Srl	Italy
EMR Foundation, Inc.	Delaware
EMR Holdings, Inc.	Delaware
Branson de Mexico, S.A. de C.V.	Mexico
Copeland Compresores Hermeticos, S.A. de C.V.	Mexico
Copeland Korea, Inc.	Korea
Copeland Taiwan Refrigeration Co.	Taiwan
Digital Appliance Controls, S.A. de C.V.	Mexico
EEI Europe SAS	France
EMR Manufacturing (M) Sdn Bhd	Malaysia
Emerson Argentina S.A.	Argentina
Emerson (China) Motor Co. Ltd.	China
Emerson Electric Canada Limited	Canada
Entech Process Control, Inc.	Georgia
Kenonic Controls, Inc.	Delaware
Tech-Met Canada Limited	Canada
Emerson Electric Chile Ltda.	Chile
Emerson Electric de Mexico S.A. de C.V.	Mexico
Ascotech, S.A. de C.V.	Mexico
Motores Reynosa, S.A. de C.V.	Mexico
Emerson Electric do Brasil Ltda	Brazil
Copeland do Brasil Ltda.	Brazil
Radio-Frigor Ltda.	Brazil
Emerson Electric Holdings (Switzerland) GmbH	Switzerland
EMR Emerson Holdings (Switzerland) GmbH	Switzerland
Emerson Electric (China) Holdings Ltd.	China
Beijing Rosemount Far East Instrument Co., Ltd.	China
Branson Ultrasonics (Shanghai) Co., Ltd.	China
Clairson (Jiangmen) Storage Limited	China
Emerson Climate Technologies (Suzhou) Research & Development Co., Ltd.	China
Emerson Electric (Shenzhen) Co., Ltd.	China
Emerson Electric (Suzhou) Co. Ltd.	China
Emerson Electric (Tianjin) Co., Ltd.	China
Emerson Energy Systems (Shanghai) Co., Ltd.	China
Emerson Engineering Systems (Shanghai) Co., Limited	China
Emerson Fusite Electric (Shenzhen) Co. Ltd.	China
Emerson Machinery & Equipment (Shenzhen) Co. Ltd.	China
Emerson Network Power Co. Ltd. (f/k/a/ Avansys)	China
Emerson Trading (Shanghai) Co. Ltd.	China
Emerson White-Rodgers Electric (Xiamen) Co., Ltd.	China
Leroy Somer Fuzhou Generator Company Limited	China
Ridge Tool (Hangzhou) Co., Ltd.	China
Shenyang Copeland Refrigeration Co., Ltd.	China
Emerson Electric Korea Ltd.	Korea
Emerson Electric (M) Sdn Bhd	Malaysia
Emerson Electric Poland Sp. z.o.o.	Poland
Emerson Electric (Thailand) Limited	Thailand
Emerson energetski sustavi d.o.o.	Croatia
Emerson Energy Systems Argentina S.A.	Argentina
Emerson Energy Systems Australia Pty. Ltd.	Australia
Emerson Energy Systems del Peru S.A.C.	Peru
Emerson Energy Systems Iberia, S.A.	Spain

Emerson Network Power (Philippines), Inc.	Philippines
Emerson Energy Systems (Pty) Ltd.	South Africa
Emerson Energy Systems Sdn Bhd	Malaysia
Emerson Europe S.A.	France
Asco Joucomatic S.A.	France
Asco Joucomatic GmbH	Germany
Asco Joucomatic S.p.A.	Italy
Asco Joucomatic N.V.	Belgium
Fluidocontrol S.A.	Spain
Joucomatic Controls Ltd.	New Zealand
Sotrac S.r.l.	Italy
Crouzet Appliance Controls S.A.	France
Emerson Energy Systems EURL	France
Francel S.A.	France
CD GAZ Systemes S.A.	France
Leroy-Somer S.A.	France
Bertrand Polico S.A.	France
Comercial Leroy-Somer Ltda.	Chile
Constructions Electriques DeBeaucourt S.A.S.	France
Electronique du Sud-Ouest S.A.S.	France
Atelier de Bobinage de Moteurs Electriques - Viet S.a.r.L.	France
Atelier Equipement Electrique Wieprecht	France
SARL Wiepgrecht	France
Bobinage Electrique Industriel S.A.	France
Bobinage Electrique Industriel Roannais S.A.R.L.	France
Diffusion Mecanique Electricite S.A.	France
Electro Maintenance Courbon S.A.	France
Etablissements Belzon & Richardot S.A.R.L	France
Etablissements de Cocard S.A.	France
Etablissements J. Michel S.A.R.L.	France
Etablissements Suder et Fils S.A.R.L.	France
Houssin S.A.R.L.	France
Lorraine Services Electrique Electronique Electromecanique S.a.r.l.	France
M.I.S. Kerebel Provence S.A.R.L.	France
M.I.S. SPIRE S.A.R.L	France
Maintenance Industrie Service S.a.r.L.	France
Maintenance Industrie Services Rennes S.a.r.L.	France
M.I.S. SIBE S.a.r.l.	France
Marcel Oury S.A.R.L.	France
MEZIERES S.A.R.L.	France
Navarre Services S.A.R.L.	France
Ouest Electro Service S.A.R.L.	France
Poteau Moderne du Sud-Ouest S.A.	France
Radiel Bobinage S.A.R.L.	France
SA Prevost Michel	France
Societe Industrielle de Reparation Electromecanique	France
Societe Nouvelle Paillet Services S.A.R.L.	France
Societe Nouvelle Silvain S.A.R.L.	France
Societe De Reparation Electro-Mecanique S.A.R.L.	France
Sud Bobinage S.A.R.L.	France
Etablissements Trepeau S.A.	France
FZN Marbaise LS	Poland
Girard Transmissions S.A.	France
I.M.I Kft	Hungary
La Francaise de Manutention S.A.	France
Leroy-Somer Canada Ltd.	Canada
Leroy-Somer Norden AB	Sweden
Leroy-Somer Denmark A/S	Denmark
Leroy-Somer Norge A/S	Norway
Leroy-Somer BV	Netherlands
Leroy-Somer Elektroantriebe GmbH	Austria
Leroy-Somer Elektromotoren GmbH	Germany
Leroy-Somer Electromekanik Sistemler Ticaret Ltd. STI	Turkey
Leroy-Somer Ltd.	United Kingdom
Leroy-Somer Maroc S.A.	Morocco

Leroy-Somer Motores E Sistemas Electro Mecanicas CDA	Portugal
Leroy Somer S.A.	Belgium
Leroy-Somer OY	Finland
Leroy-Somer (Pty) Ltd.	South Africa
Leroy-Somer (Pty) Ltd.	Australia
Leroy-Somer Suise S.A.	Switzerland
Leroy-Somer Iberica S.A.	Spain
Leroy-Somer (SEA) Pte. Ltd.	Singapore
Leroy-Somer S.p.A.	Italy
E.M.S. Elettro Multi Service Srl	Italy
Maintenance Industrielle de Vierzon S.A.	France
M.L.S. Holice Spol. s.r.o.	Czech Republic
MLS Industries Inc.	Delaware
Yorba Linda International Inc.	Delaware
Motadour S.A.	France
Moteurs Leroy-Somer S.A.	France
Moteurs Patay S.A.	France
Societe Anonyme de Mecanique et D'outillage du Vivarais S.A.	France
Societe Commerciale des Ateliers de Constructions Electriques D'Orleans S.A.	France
Societe Confolentaise de Metallurgie S.A.	France
Societe de Mecanique et D'Electrothermie des Pays de L'Adour S.A.	France
Liebert France S.A.	France
Liebert Hiross S.A.	France
Ridgid France S.A.	France
Emerson Finance KB	Sweden
Emerson Finance (Canada) Corporation	Canada
Emerson Holding AG	Switzerland
Liebert Hiross Management SagL	Switzerland
Emerson Laminaciones de Acero de Monterrey, S.A. de C.V.	Mexico
Emerson Sistemas de Energia Ltda.	Brazil
Emerson Sweden AB	Sweden
Emerson Energy Systems AB	Sweden
Saab Marine Holding AB	Sweden
Saab Marine Electronics AB	Sweden
Saab Marine Electronics Singapore Pte. Ltd.	Singapore
CHP Navcom Pte. Ltd.	Singapore
MEP Marine AS	Norway
Saab Marine Middle-East (FZC)	UAE
Saab Marine RU	Russia
Saab Marine (UK) Ltd.	United Kingdom
Saab Tank Control Deutschland Vertriebs GmbH	Germany
Saab Tank Control (UK) Ltd.	United Kingdom
Saab Tank Control (India) Pvt. Ltd.	India
Saab Tank Control WLL	Bahrain
Scanjet Marine AB	Sweden
TCL Mekaniska Verkstad AB	Sweden
SF-Control OY	Finland
Emersub Mexico, Inc.	Nevada
Daniel Measurement and Control, S. de R.L. de C.V.	Mexico
Emerpowsys, S. de R.L. de C.V.	Mexico
Emersub 1 LLC	Delaware
Emerson Tool Company de Mexico S. de R.L. de C.V.	Mexico
In-Sink-Erator de Mexico, S. de R.L. de C.V.	Mexico
Intermetro de Mexico, S. de R.L. de C.V.	Mexico
Emersub 2 LLC	Delaware
Emersub XXXVI, Inc.	Delaware
Digital Appliance Controls (UK) Limited	United Kingdom
Control Techniques Ltd.	United Kingdom
Control Techniques (Holdings) GmbH	Germany
Control Techniques GmbH	Germany
Control Techniques Antriebssyteme GmbH	Germany
Reta Anlagenbau GmbH	Germany
Reta Elektronic GmbH	Germany
Control Techniques Asia-Pacific Pte. Ltd.	Singapore

Control Techniques Drives (Malaysia) Sdn Bhd	Malaysia
Control Techniques Singapore Pte Limited	Singapore
Control Techniques (Thailand) Limited	Thailand
PT Kontrol Teknik Indonesia	Indonesia
Control Techniques Australia Pty Ltd.	Australia
Control Techniques Bermuda Limited	Bermuda
Control Techniques Drives Limited	United Kingdom
KTK Newtown Limited	United Kingdom
Control Techniques Dynamics Limited	United Kingdom
Evershed Powerotor Limited	United Kingdom
Moore Reid & Company Limited	United Kingdom
Control Techniques Precision Systems Limited	United Kingdom
Control Techniques SKS Oy	Finland
Control Techniques Southern Africa (Pty.) Limited	South Africa
Control Techniques SpA	Italy
Control Techniques Worldwide BV	Netherlands
Control Technika Hungary Villamos Hajtastechnikai Kft.	Hungary
Control Techniques AG	Switzerland
Control Techniques BV	Netherlands
Control Techniques Brno s.r.o.	Czech Republic
Control Techniques China Pte. Ltd.	Hong Kong
Control Techniques AS	Denmark
Control Techniques Endustriyel Control Sistemieri Sanayii Ve Ticaret A.S.	Turkey
Control Techniques GesbmH	Austria
Control Techniques India Limited	India
Control Techniques Elpro Automation Limited	India
Control Techniques Norway AS	Norway
Control Techniques NV	Belgium
Control Techniques Vietnam Limited	Vietnam
DriveShop Limited	United Kingdom
Electric Drives Limited	Ireland
Electric Drives Manufacturing Ltd.	Ireland
Foray 600 Limited	United Kingdom
Foray 606 Limited	United Kingdom
Emerson Holding Company Limited	United Kingdom
Asco Joucomatic Ltd.	United Kingdom
Asco Power Technologies Ltd.	United Kingdom
Computational Systems, Limited	United Kingdom
Copeland Ltd.	United Kingdom
CSA Consulting Engineers, Ltd.	United Kingdom
El-O-Matic Limited	United Kingdom
Emerson Electric U.K. Limited	United Kingdom
Bray Lectroheat Limited	United Kingdom
Emerson FZE	UAE
Liebert Europe Limited	United Kingdom
Liebert Hiross Limited	United Kingdom
Hiross Limited	United Kingdom
Liebert Swindon Ltd.	United Kingdom
Emerson Energy Systems (UK) Limited	United Kingdom
Emerson U.K. Trustees Limited	United Kingdom
Emerson Process Management Limited	United Kingdom
Farris Engineering Ltd.	United Kingdom
Emerson Process Management Distribution Limited	United Kingdom
Fisher-Rosemount Properties Limited	United Kingdom
Emerson Process Management Shared Services Limited	United Kingdom
Fisher Governor Company Ltd.	United Kingdom
F-R Properties (UK) Limited	United Kingdom
Westinghouse Process Control UK Ltd.	United Kingdom
EMR Barnstaple Limited	United Kingdom
Emerson Process Management Services Limited	United Kingdom
MDC Technology Limited	United Kingdom
MDC Technology Trustees Limited	United Kingdom

Northern Technologies UK Limited	United Kingdom
Pactrol Controls Limited	United Kingdom
Switched Reluctance Drives Limited	United Kingdom
SR Drives Manufacturing Limited	United Kingdom
Reluctance Motors Limited	United Kingdom
F-R Technologias de Flujo, S.A. de C.V.	Mexico
Fisher-Rosemount Peru S.A.C.	Peru
Fisher-Rosemount Europe Middle East & Africa GmbH	Switzerland
Fisher-Rosemount Manufacture Ltd.	Hungary
Fisher-Rosemount Systems GmbH	Switzerland
Liebert Hiross Espana S.A.	Spain
Flexair Clima S.A.	Spain
Motoreductores U.S., S.A. de C.V.	Mexico
P.T. Emerson Electric Indonesia	Indonesia
RAC Technologies (Israel) Ltd.	Israel
Rey-Lam, S. de R.L. de C.V.	Mexico
Rotores S.A. de C.V.	Mexico
Saab Marine Korea Co., Ltd.	Korea
Termotec de Chihuahua S.A. de C.V.	Mexico
Emsub, Inc.	Delaware
EPMCO Holdings, Inc.	Delaware
Fisher Controls International LLC	Delaware
Baumann Inc.	Delaware
Exac Corporation	California
Fisher Controles Industria e Comercio Ltda.	Brazil
Fisher Controls De Mexico, S.A. de C.V.	Mexico
Fisher-Rosemount Do Brasil Ltda.	Brazil
Fisher-Rosemount China Limited	Hong Kong
Tianjin Fisher Controls Valve Co. Ltd.	China
Fisher Controls Pty. Limited	Australia
Corot Pty. Ltd.	Australia
Fisher Service Company	Delaware
Fisher-Rosemount de Venezuela C.A.	Venezuela
Fro-Mex, S.A. de C.V.	Mexico
Nippon Fisher Co. Ltd.	Japan
Fisco Ltd. (Fisco Kabushiki Kaisha)	Japan
Fisher-Rosemount Systems, Inc.	Delaware
Emerson Performance Solutions, Inc.	Georgia
Emerson Process Management Power & Water Solutions, Inc.	Delaware
Systems EPM, LLC	Delaware
Fiberconn Assemblies Morocco S.A.R.L.	Morocco
Fisher-Rosemount N.V./S.A.	Belgium
Senpro N.V.	Belgium
Fisher Rosemount Holding SAS	France
Fisher-Rosemount, Lda	Portugal
Fisher-Rosemount Services BVBA/SPRL	Belgium
Fusite Corporation	Ohio
Emerson Japan, Ltd.	Japan
Fusite Land Company	Delaware
High Voltage Maintenance Corporation	Ohio
Hiross India Private Limited	India
Liebert Hiross Austria GesmbH	Austria
Emerson Network Power Kft.	Hungary
Humboldt Hermetic Motor Corp.	Delaware
Innoven III Corporation	Delaware
Intellution, Inc.	Massachusetts
Intellution Australia Pty Ltd.	Australia
Intellution GmbH	Germany
Intellution Korea Limited	Korea
Intellution K.K. (Japan) Incorporated	Japan
Intellution Limited	United Kingdom
Intellution SARL	France
Intellution South Asia Pte. Ltd.	Singapore
Kato Engineering, Inc.	Delaware
Knaack Manufacturing Company	Delaware
Capsacorp LLC	Delaware
Kop-Flex, Inc.	Delaware

Kop-Flex Canada Limited	Canada
Louisville Holding Corp.- Nevada	Nevada
MDC Technology, Inc.	Texas
Metaloy, Inc.	Massachusetts
Metropolitan International, Inc.	Nevada
InterMetro Industries Corporation	Nevada
InterMetro Industries Corporation	Delaware
Metro Industries, Inc.	Nevada
Metropolitan Wire (Canada) Ltd.	Canada
Metropolitan Wire Corporation	Pennsylvania
Motores Hermeticos del Sur, S.A. de C.V.	Mexico
PC & E, Inc.	Missouri
Ridge Tool Europe NV	Belgium
Ridgid Scandinavia A/S	Denmark
Von Arx AG	Switzerland
Von Arx GmbH	Germany
Saab Tank Control Inc.	Texas
Termocontroles de Juarez S.A. de C.V.	Mexico
The Sulton Company, Inc.	Delaware
Thunderline Z, Inc.	Delaware
Transmisiones de Potencia Emerson S.A. de C.V.	Mexico
Ultrasonics for Less, Inc.	Nevada
Valycontrol, S.A. de C.V.	Mexico
Wer Canada (1984) Inc.	Canada
Western Forge Corporation	Delaware
White-Rodgers (1967) Limited	Canada
Wiegand S.A. de C.V.	Mexico

INDEPENDENT AUDITORS' CONSENT

The Board of Directors
Emerson Electric Co.:

We consent to incorporation by reference in Registration Statement Nos. 333-90240, 333-46919, 333-72591, 333-44163, 33-57161, 33-38805, 33-34948, 33-34633, 33-57985, 33-60399 and 33-2739 on Form S-8 and Registration Statement Nos. 333-52658, 333-84673, 333-66865, 33-62545 and 33-39109 on Form S-3 of Emerson Electric Co. of our report dated November 4, 2002, relating to the consolidated balance sheets of Emerson Electric Co. and subsidiaries as of September 30, 2002 and 2001, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the years in the three-year period ended September 30, 2002, which report is incorporated by reference in the September 30, 2002 annual report on Form 10-K of Emerson Electric Co.

Our report refers to a change in accounting for goodwill and other intangible assets.

/s/ KPMG LLP

St. Louis, Missouri
December 19, 2002

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POWER OF ATTORNEY

The undersigned members of the Board of Directors and Executive Officers of Emerson Electric Co., a Missouri corporation with principal offices at 8000 West Florissant Avenue, St. Louis, Missouri 63136, hereby appoint W. J. Galvin as their Attorney-in-Fact for the purpose of signing Emerson Electric Co.'s Securities and Exchange Commission Form 10-K (and any and all Amendments thereto) for the fiscal year ended September 30, 2002.

Dated: October 1, 2002

Signature	Title
/s/ C. F. Knight C. F. Knight	Chairman of the Board and Director
/s/ D. N. Farr D. N. Farr	Chief Executive Officer and Director
/s/ W. J. Galvin W. J. Galvin	Executive Vice President and Chief Financial Officer and Director
/s/ J. G. Berges J. G. Berges	Director
/s/ L. L. Browning, Jr. L. L. Browning, Jr.	Director
/s/ A. A. Busch III A. A. Busch III	Director

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Signature	Title
/s/ D. C. Farrell D. C. Farrell	Director
/s/ C. Fernandez G. C. Fernandez G.	Director
/s/ A. F. Golden A. F. Golden	Director
/s/ R. B. Horton R. B. Horton	Director
/s/ G. A. Lodge	Director

G. A. Lodge

/s/ V. R. Loucks, Jr.	Director
V. R. Loucks, Jr.	
/s/ R. B. Loynd	Director
R. B. Loynd	
/s/ J. B. Menzer	Director
J. B. Menzer	
/s/ C. A. Peters	Director
C. A. Peters	

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/s/ J. W. Prueher	Director
J. W. Prueher	
/s/ R. L. Ridgway	Director
R. L. Ridgway	
/s/ W. M. Van Cleve	Director
W. M. Van Cleve	
/s/ E. E. Whitacre, Jr.	Director
E. E. Whitacre, Jr.	