SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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FORM 10-Q

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

For the quarterly period ended June 30, 1994

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

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 ( )

Common stock outstanding at June 30, 1994: 224,002,109 shares.

Item 1. Financial Statements.

EMERSON ELECTRIC CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
THREE MONTHS AND NINE MONTHS ENDED JUNE 30, 1994 AND 1993
(Dollars in millions except per share amounts; unaudited)

	Three Months		Nine Months	
	1994	1993	1994	1993
Net sales	$ 2,243.7	2,092.1	6,369.7	6,132.6
Costs and expenses:				
Cost of sales	1,459.7	1,356.4	4,133.9	3,994.9
Selling, general and administrative expenses	422.2	404.1	1,225.1	1,193.1
Interest expense	21.8	29.3	68.2	90.1
Gain on sale of business and other non-recurring items	-	-	(192.0)	-
Other deductions, net	13.5	7.5	33.6	22.8
Total costs and expenses	1,917.2	1,797.3	5,268.8	5,300.9
Earnings before income taxes and cumulative effect of change in accounting principle	326.5	294.8	1,100.9	831.7
Income taxes	118.5	107.6	404.7	303.6
Earnings before cumulative effect of change in accounting principle	208.0	187.2	696.2	528.1
Cumulative effect of change in accounting for postretirement benefits ($190.0 less income tax benefit of $74.1)	-	-	(115.9)	-
Net earnings	$ 208.0	187.2	580.3	528.1

See accompanying notes to consolidated financial statements.

NOTE: Including the pretax impact of the cumulative effect of accounting change, earnings before income taxes would have been $910.9 million for the nine months ended June 30, 1994 compared to $831.7 million for the same period of the prior year.

CONSOLIDATED STATEMENTS OF EARNINGS (Continued)
THREE MONTHS AND NINE MONTHS ENDED JUNE 30, 1994 AND 1993
(Dollars in millions except per share amounts; unaudited)

	Three Months		Nine Months	
	1994	1993	1994	1993
Per common share:				
Earnings before cumulative effect of change in accounting principle	$ .93	.83	3.11	2.35
Cumulative effect of change in accounting for postretirement benefits	-	-	(.52)	-
Earnings per common share	$ .93	.83	2.59	2.35
Cash dividends per common share	$ .39	.36	1.17	1.08
Average number of shares used in computing earnings per common share (in thousands)	224,083	225,206	224,332	225,033

See accompanying notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(Dollars in millions except per share amounts; unaudited)

ASSETS	June 30, 1994	September 30, 1993
CURRENT ASSETS		
Cash and equivalents	$ 219.4	101.9
Receivables, less allowances of $40.4 and $35.7	1,617.1	1,392.1
Inventories	1,320.3	1,298.3
Other current assets	281.6	282.0
Total current assets	3,438.4	3,074.3
PROPERTY, PLANT AND EQUIPMENT, NET	1,879.7	1,880.1
OTHER ASSETS		
Excess of cost over net assets of purchased businesses	1,827.5	1,834.3
Other	1,042.3	1,025.8
Total other assets	2,869.8	2,860.1
	$ 8,187.9	7,814.5

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Short-term borrowings and current maturities

of long-term debt	$ 1,182.9	1,183.9
Accounts payable	527.7	492.8
Accrued expenses	938.2	870.0
Income taxes	116.4	145.9
Total current liabilities	2,765.2	2,692.6
LONG-TERM DEBT	317.8	438.0
OTHER LIABILITIES	916.6	768.8
STOCKHOLDERS' EQUITY		
Preferred stock of $2.50 par value per share. Authorized 5,400,000 shares; issued - none	-	-
Common stock of $1 par value per share. Authorized 400,000,000 shares; issued 238,338,503 shares and 238,338,503 shares	238.3	238.3
Additional paid-in capital	-	4.1
Retained earnings	4,498.2	4,182.5
Cumulative translation adjustments	(49.3)	(69.1)
Cost of common stock in treasury, 14,336,394 shares and 13,575,263 shares	(498.9)	(440.7)
Total stockholders' equity	4,188.3	3,915.1
	$ 8,187.9	7,814.5

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED JUNE 30, 1994 AND 1993
(Dollars in millions; unaudited)

	1994	1993
OPERATING ACTIVITIES		
Net earnings	$ 580.3	528.1
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	261.0	264.0
Changes in operating working capital	(185.3)	(142.8)
Cumulative effect of change in accounting principle	115.9	-
Gain on sale of business and other non-recurring items, net of income taxes	(117.1)	-
Income taxes paid on sale of business	(95.8)	-
Other	1.5	(5.5)
Net cash provided by operating activities	560.5	643.8
INVESTING ACTIVITIES		
Capital expenditures	(217.0)	(208.7)
Purchases of businesses, net of cash and equivalents acquired	(38.6)	(1,254.6)
Proceeds from divestiture of business	301.3	-
Other	2.4	58.6
Net cash provided by (used in) investing activities	48.1	(1,404.7)
FINANCING ACTIVITIES		
Net increase in short-term borrowings with maturities of 90 days or less	15.2	1,105.1
Proceeds from short-term borrowings	227.6	74.7
Principal payments on short-term borrowings	(265.0)	(132.7)
Proceeds from long-term debt	1.1	187.8
Principal payments on long-term debt	(113.8)	(85.6)
Net issuances (purchases) of treasury stock	(98.2)	6.6
Dividends paid	(262.5)	(243.1)
Net cash provided by (used in) financing activities	(495.6)	912.8
Effect of exchange rate changes on cash and equivalents	4.5	(13.9)
INCREASE IN CASH AND EQUIVALENTS	117.5	138.0
Beginning cash and equivalents	101.9	80.2
ENDING CASH AND EQUIVALENTS	$ 219.4	218.2
CHANGES IN OPERATING WORKING CAPITAL		
Receivables	$ (201.0)	(76.7)
Inventories	(28.6)	16.8
Other current assets	31.0	22.2
Accounts payable	39.0	(69.3)
Accrued expenses	.1	(28.0)
Income taxes	(25.8)	(7.8)

	$ (185.3)	(142.8)
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See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

1. The accompanying unaudited consolidated financial statements, in the opinion of management, include all adjustments necessary for a fair presentation of the results for the interim periods presented. The consolidated financial statements are presented in accordance with the requirements of Form 10-Q and consequently do not include all the disclosures required by generally accepted accounting principles. For further information refer to the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended September 30, 1993.

2. Other Financial Information
   (Dollars in millions; unaudited)

Inventories	June 30, 1994	September 30, 1993
Finished products	$ 471.5	484.6
Raw materials and work in process	848.8	813.7
	$ 1,320.3	1,298.3

Property, plant and equipment, net	June 30, 1994	September 30, 1993
Property, plant and equipment, at cost	$ 3,730.2	3,586.6
Less accumulated depreciation	1,850.5	1,706.5
	$ 1,879.7	1,880.1

3. The Company has guaranteed performance under certain contracts related to the government and defense businesses distributed to stockholders in 1990, and has effectively guaranteed 50 percent of the indebtedness of a joint venture. For further information, refer to the Company's 1993 Annual Report on Form 10-K.

4. On December 14, 1993, the Company sold the Aerospace unit (Aero) of its Rosemount Inc. subsidiary (fiscal 1993 sales of approximately $130 million) for $301 million. The transaction resulted in a pretax gain of $242 million. The net earnings impact of this gain was substantially offset in the first quarter by other non-recurring items ($50 million pretax impact) and the adoption of SFAS No. 106 (see note 5). Other non-recurring items principally consist of severance and related costs arising from relocation of several operations, or workforce reductions, primarily in the Company's European heating, ventilating and air conditioning, and process control businesses.

   Excluding income taxes paid on the Aero divestiture ($95.8 million), cash flow provided by operating activities would have been $656.3 million compared to $643.8 million for the same period of the prior year.

5. Effective October 1, 1993, the Company adopted Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", which requires that these costs be accrued over the service lives of employees. The Company recognized the transition obligation arising from service prior to adoption in the first quarter as a cumulative effect of change in accounting principle of $115.9 million (net of $74.1 million in related income tax benefits). The statement will not have a material impact on the Company's ongoing results of operations.

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition.

Results of Operations

Sales, net earnings and earnings per share for the third quarter and first nine months of fiscal 1994 were the highest for any quarter and first nine-month period in the Company's history.

Net sales were $2,243.7 million for the quarter ended June 30, 1994, up 7.2 percent over net sales of $2,092.1 million for the quarter ended June 30, 1993, and $6,369.7 million for the nine months ended June 30, 1994, up 3.9 percent over net sales of $6,132.6 million for the same period a year ago. Orders grew faster than sales for the second consecutive quarter.

Domestic sales, excluding acquisitions and divestitures, increased over 11 percent as the Company's businesses continued to benefit from the domestic economic recovery. Underlying non-U.S. subsidiary sales increased approximately 2 percent as subsidiaries in all geographic regions except Japan reported sales growth, while export sales for the quarter increased modestly.

The Appliance and Construction-Related segment reported a double-digit sales increase compared to the third quarter of 1993. The heating, ventilating and air conditioning business reported the largest sales gain in the quarter, as it experienced a very strong increase in sales due to hot weather and increased market penetration. The appliance components business had a robust sales gain aided by an acquisition and continued strong end market demand. The fractional motor business experienced a double-digit sales increase as the result of strong performances by the appliance, hermetic and specialty divisions. Consolidated tool business sales experienced a nearly double-digit increase, while the unconsolidated tool joint ventures reported robust sales growth due to a strong domestic housing market and successful new product programs.

Commercial and Industrial segment sales were up slightly compared to the third quarter of the prior year. A double-digit sales increase for the electronics business resulted from continued success of new product programs and geographic expansion efforts. Sales of the industrial components and equipment and industrial motors and drives businesses rose modestly as European markets showed signs of strengthening. Sales in the process control business declined primarily due to the divestiture of Aero.

Cost of sales for the third quarter was $1,459.7 million or 65.1 percent of sales, compared with $1,356.4 million, or 64.8 percent of sales, for the third quarter of 1993. Cost of sales for the nine months ended June 30, 1994 was $4,133.9 million, or 64.9 percent of sales, compared to $3,994.9 million, or 65.1 percent of sales for the same period a year ago. Selling, general and administrative expenses for the three months ended June 30, 1994 were $422.2 million, or 18.8 percent of sales, compared to $404.1 million, or 19.3 percent of sales for the same period a year ago. For the first nine months of 1994, selling, general and administrative expenses were $1,225.1 million, or 19.2 percent of sales, compared to $1,193.1 million, or 19.5 percent of sales for the same period in 1993.

The third quarter consolidated profit margins remained at high levels as the result of ongoing commitment to cost reduction efforts and productivity improvement programs. Interest expense for the third quarter decreased by $7.5 million compared to the prior year due to continued strong cash flow.

Earnings in the first quarter of 1994 included a gain on sale of business which was substantially offset by other non-recurring items and the adoption of SFAS No. 106 (see notes 4 and 5).

Financial Condition

A comparison of key elements of the Company's financial condition at the end of the third quarter as compared to the end of the prior fiscal year follows:

	June 30, 1994	September 30, 1993
Working capital (in millions)	$673.2	381.7
Current ratio	1.2 to 1	1.1 to 1
Total debt to total capital	26.4%	29.3%
Net debt to net capital	23.4%	27.9%

The Company's interest coverage ratio (earnings before income taxes, non-recurring items and interest expense, divided by interest expense) was 14.3 times for the nine months ended June 30, 1994 compared to 10.2 times for the same period one year earlier.

Cash and equivalents increased by $117.5 million during the nine months ended June 30, 1994. Accounts receivable increased by $225.0 million from September 30, 1993 due primarily to strong sales growth and minor seasonality. Operating cash flow and proceeds from the Aero divestiture ($205.5 million net of income taxes) were primarily used to pay dividends of $262.5 million, fund capital expenditures of $217.0 million and manage the capital structure.

The Company is in a strong financial position, continues to generate strong operating cash flow, and has the resources available for reinvestment in existing businesses, strategic acquisitions and managing the capital structure.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits. None.

(b) Reports on Form 8-K. The Company did not file any reports on Form 8-K during the quarter ended June 30, 1994.

SIGNATURE

Pursuant to the requirements 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.

Date: August 12, 1994 By: /s/ Walter J. Galvin

Walter J. Galvin
Senior Vice President - Finance
and Chief Financial Officer

(on behalf of the registrant and as
Principal Financial Officer)