

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

- ☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended September 30, 1999  
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 (State or other jurisdiction of incorporation or organization)	43-0259330 (I.R.S. Employer Identification No.)
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8000 W. Florissant Ave. P.O. Box 4100 St. Louis, Missouri (Address of principal executive offices)	63136 (Zip Code)
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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 ☒ 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. ☐

Aggregate market value of the voting stock held by nonaffiliates of the  
registrant as of close of business on October 29, 1999: \$25,776 million.

Common stock outstanding at October 31, 1999: 432,429,882 shares.

Documents Incorporated by Reference

1. Portions of Emerson Electric Co. 1999 Annual Report to Stockholders  
(Parts I and II).
2. Portions of Emerson Electric Co. Notice of 2000 Annual Meeting of  
the Stockholders and Proxy Statement (Part III).

## PART I

### Item 1. Business

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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 the Company 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, 1999, are set forth in Note 12 of Notes to Consolidated Financial Statements on page 45 of the 1999 Annual Report, which note is hereby incorporated by reference. Information with respect to acquisition and divestiture activities by Emerson is set forth in Note 2 of Notes to Consolidated Financial Statements on page 39 of the 1999 Annual Report, which note is hereby incorporated by reference.

#### PROCESS CONTROL

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The Process Control segment provides a broad offering of instrumentation, valves and control systems for measurement and control of fluid flow, and integrated solutions for process and industrial applications. Products include various types of meters such as rotameters, positive displacement meters, magnetic flow meters, turbine meters, direct mass flow meters and instruments to measure water quality. Other products include solid state telemetering equipment, various types of pressure and vacuum relief valves, distributed control systems and personal computer-based software used for industrial automation applications. 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. The Company also manufactures and sells sliding stem valves, rotary valves, plastic-lined plug 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. Brand names of this segment include Bettis, Brooks, Daniel, El-o-matic, Fisher, Fisher-Rosemount Systems, Intellution, Micro Motion, Rosemount, Westinghouse Process Control and Xomox. Products and services of this segment are provided to industrial end-users for process and industrial applications and solutions.

## INDUSTRIAL AUTOMATION

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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,

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gear drives, 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, and a line of cam-operated index drives, 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 manufactures electronic measurement, data acquisition and condition monitoring equipment for use in industrial processing. In addition, Emerson produces vibratory separating equipment used primarily in the chemical, mining, pharmaceutical, food processing, pulp and paper, ceramic and metal-working industries. Emerson also produces a variety of industrial and commercial ultrasonic products for applications such as cleaning, sealing, welding and flaw detection. Other products include material preparation and microstructure analysis equipment. Emerson also manufactures electric circulation heaters, fluid heat transfer systems and component heating elements. 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 Appleton, ASCO, Branson, Browning, Buehler, CAMCO, Chromalox, Control Techniques, CSI, Joucomatic, Krautkramer, Leroy Somer, McGill, MORSE, O-Z/Gedney, Sweco and USEM. Products of this segment are sold to industrial distributors, original equipment manufacturers and end-users for automation applications.

## ELECTRONICS AND TELECOMMUNICATIONS

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The Electronics and Telecommunications segment provides power supplies and power distribution, protection and conversion equipment for computer, industrial and telecommunications markets. Emerson produces and services electronic uninterruptible and primary power supplies, power conditioning, conversion and distribution equipment, modular power systems, environmental control systems and electronic components used in communications and information processing applications. Emerson also provides electrical testing services and manufactures a line of automatic transfer switches, remote control switches and electric power and pump control systems for auxiliary power applications. Brand names of this segment include ASCO Switch, Astec, 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

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The Heating, Ventilating and Air Conditioning segment provides a variety of components and systems for refrigeration and comfort control markets. Emerson manufactures and sells hermetic and semi-hermetic, reciprocating and scroll compressors for refrigeration and air conditioning applications. The Company also produces terminals for hermetically sealed compressors, automatic

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devices, monitoring equipment and pumps for gas and electric heating systems, refrigeration and air conditioning equipment. Brand names of this segment include 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

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The Appliance and Tools segment provides motors, controls and other components for appliances, refrigeration and comfort control applications, as well as disposers, tools and storage products. Emerson manufactures and sells hermetic motors for hermetically sealed compressors, and fractional and sub-fractional horsepower motors for selected appliance, office equipment,

ventilating equipment, pump, heater and other motor-driven machine applications. Emerson also manufactures and sells a variety of electric heating elements and electrostatic air cleaners. 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, including certain kinds of wrenches, thread cutters, pipe cutters, reamers, vises, pipe and bolt threading machines and sewer and drain cleaning equipment. Emerson also manufactures power tool accessories such as drill, router and screwdriver bits, and saw blades. The principal markets for these professional tools and service equipment include 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 Chromalox, ClosetMaid, Digital Appliance Controls, Emerson, Gilmour, In-Sink-Erator, Mallory, METRO, RIDGID and Vermont American. 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

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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.

#### RAW MATERIALS AND ENERGY

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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

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The Company has a number of patents, trademarks, licenses and franchises, none of which is considered material to any segment of its consolidated operations.

#### BACKLOG

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The estimated consolidated order backlog of the Company was \$2,160 million and \$2,084 million at September 30, 1999 and 1998, respectively. Nearly all of the September 30, 1999 consolidated backlog amount is expected to be shipped within one year. The estimated backlog by business segment at September 30, 1999 and 1998, follows (dollars in millions):

	1999	1998
	-----	-----
Process Control	\$ 567	449
Industrial Automation	461	563
Electronics and Telecommunications	412	349
Heating, Ventilating and Air Conditioning	333	382
Appliance and Tools	387	341
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Consolidated Order Backlog	\$ 2,160	2,084
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#### COMPETITION

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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. 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

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Costs associated with Company-sponsored research, new product development and product improvement were \$510.3 million in 1999, \$491.3 million in 1998 and \$445.1 million in 1997.

#### ENVIRONMENT

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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

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Emerson and its subsidiaries had an average of approximately 116,900 employees during 1999. 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

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International sales were \$5,713 million in 1999, \$5,345 million in 1998 and \$5,208 million in 1997, including U.S. exports of \$960 million, \$968 million and \$1,054 million in 1999, 1998 and 1997, respectively. Although there are additional risks attendant to foreign operations, such as 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 12 of Notes to Consolidated Financial Statements on page 45 of the 1999 Annual Report for further information with respect to foreign operations.

#### Item 2. Properties

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At September 30, 1999, Emerson had approximately 380 manufacturing locations worldwide, of which approximately 200 were located outside the United States, primarily in Europe and to a lesser extent in Asia-Pacific, Canada and Latin America. The approximate number of manufacturing locations by business segment are: Process Control, 90; Industrial Automation, 120; Electronics and Telecommunications, 40; Heating, Ventilating and Air Conditioning, 60; and Appliance and Tools, 70. 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

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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, 1999.

#### Executive Officers of the Registrant

The following sets forth certain information as of December 1999 with respect to Emerson's executive officers. These officers have been elected or appointed to terms which will expire February 1, 2000:

Name ----	Position -----	Age ---	First Served as Officer -----
C. F. Knight*	Chairman of the Board and Chief Executive Officer	63	1972
G. W. Tamke*	Vice Chairman and Co-Chief Executive Officer	52	1989
J. G. Berges*	President	52	1989
D. N. Farr	Senior Executive Vice President and Chief Operating Officer	44	1985
W. J. Galvin	Senior Vice President-Finance and Chief Financial Officer	53	1984
A. E. Suter*	Chief Administrative Officer	64	1979
R. W. Staley*	Chairman-Emerson Electric Asia-Pacific	64	1975
W. W. Withers	Senior Vice President, Secretary and General Counsel	59	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 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 14 of Notes to Consolidated Financial Statements on page 46 of the 1999 Annual Report is hereby incorporated by reference. There were approximately 36,300 stockholders at September 30, 1999.

#### Item 6. Selected Financial Data

Years ended September 30

(Dollars in millions except per share amounts)

	1999 -----	1998 -----	1997 -----	1996 -----	1995 -----
Net sales	\$ 14,269.5	13,447.2	12,298.6	11,149.9	10,012.9
Net earnings	\$ 1,313.6	1,228.6	1,121.9	1,018.5	907.7
Basic earnings					

per common share \$	3.03	2.80	2.52	2.27	2.03
Diluted earnings per common share \$	3.00	2.77	2.50	2.25	2.01
Cash dividends per common share \$	1.30	1.18	1.08	.98	.89
Long-term debt	\$ 1,317.1	1,056.6	570.7	772.6	208.6
Total assets	\$ 13,623.5	12,659.8	11,463.3	10,481.0	9,399.0

Income before cumulative effect of change in accounting for postemployment benefits (\$21.3 million, \$.05 per share) was \$929.0 million in 1995. Net earnings in 1995 include non-recurring items which were substantially offset by the accounting change.

See Note 2 of Notes to Consolidated Financial Statements on page 39 of the 1999 Annual Report for information regarding the Company's acquisition and divestiture activities.

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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" and "Financial Position, Capital Resources and Liquidity" on pages 28 through 32, and the "Safe Harbor Statement" on page 52 of the 1999 Annual Report are hereby incorporated by reference.

On December 14, 1999, the Company announced that it had reached a definitive agreement to acquire Jordan Telecommunication Products, Inc., a global provider of fiber optic conduit systems, CATV components, power protection systems, cellular site structures, custom cables and connectors for wireline, wireless and data communications equipment. Under the terms of the transaction, Emerson will pay approximately \$440 million in cash and assume approximately \$540 million in debt and other liabilities. The transaction is subject to regulatory approval and other customary conditions.

### Item 7A. Quantitative and Qualitative Disclosures about Market Risk -----

Narrative discussion appearing under "Financial Instruments" on page 32 of the 1999 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 33 through 46 and the report thereon of KPMG LLP appearing on page 47 of the 1999 Annual Report are hereby incorporated by reference.

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

None.

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 2000 annual stockholders' meeting (the "2000 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 2000 Proxy Statement is hereby incorporated by reference.

Item 11. Executive Compensation

Information appearing under "Director Compensation" and "Executive Compensation" in the 2000 Proxy Statement is hereby incorporated by reference.

Item 12. Security Ownership of Certain Beneficial Owners and

Management

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 2000 Proxy Statement is hereby incorporated by reference.

Item 13. Certain Relationships and Related Transactions

Information appearing under "Certain Business Relationships" in the 2000 Proxy Statement is hereby incorporated by reference.

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PART IV

Item 14. 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 33 through 46 and the report thereon of KPMG LLP appearing on page 47 of the 1999 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 1999 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, 1997, 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 3, 1998, incorporated by reference to Emerson Electric Co. 1998 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).

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.

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- 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, and as further amended October 22, 1997, between Emerson Electric Co. and C. F. Knight, incorporated by reference to Emerson Electric Co. 1997 Form 10-K, Exhibit 10(c).
- 10(b)\* 1986 Stock Option Plan, as amended, incorporated by reference to Emerson Electric Co. 1992 Form 10-K, Exhibit 10(e) and Form 10-Q for the quarter ended December 31, 1992, Exhibit 10(b).
- 10(c)\* 1991 Stock Option Plan, as amended and restated effective October 1, 1997, incorporated by reference to Emerson Electric Co. 1997 Form 10-K, Exhibit 10(e).
- 10(d)\* 1988 Incentive Shares plan, incorporated by reference to Emerson Electric Co. 1988 Proxy Statement dated December 18, 1987, Exhibit A, and Form 10-Q for the quarter ended December 31, 1992, Exhibits 10(d) and 10(e), and Amendments No. 3 and No. 4 thereto, incorporated by reference to Emerson Electric Co. 1993 Form 10-K, Exhibit 10(g).
- 10(e)\* 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).
- 10(f)\* Emerson Electric Co. Directors' Continuing Compensation Plan, incorporated by reference to Emerson Electric Co. 1987 Form 10-K, Exhibit 10(g), and Amendment incorporated by reference to Emerson Electric Co. 1996 Form 10-K, Exhibit 10(i).
- 10(g)\* Deferred Compensation Plan for Non-Employee Directors, as amended, incorporated by reference to Emerson Electric Co. 1994 Form 10-K, Exhibit 10(k).
- 10(h)\* First Amendment to the Emerson Electric Co. Supplemental Executive Retirement Plan, filed herewith.
- 10(i)\* 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(j)\* Annual Incentive Plan incorporated by reference to

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- 10(k)\* 1997 Incentive Shares Plan, incorporated by reference to Emerson Electric Co. 1997 Proxy Statement dated December 6, 1996, Exhibit A.
- 10(l)\* 1998 Stock Option Plan, incorporated by reference to Emerson Electric Co. 1998 Proxy Statement dated December 12, 1997, Appendix A.
- 12 Ratio of Earnings to Fixed Charges
- 13 Portions of Emerson Electric Co. Annual Report to Stockholders for the year ended September 30, 1999, incorporated by reference herein.
- 21 Subsidiaries of Emerson Electric Co.
- 23 Independent Auditors' Consent.
- 24 Power of Attorney.
- 27 Financial Data Schedule.

\* Management contract or compensatory plan.

- B) No reports on Form 8-K were filed during the quarter ended September 30, 1999.

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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  
Senior Vice President -  
Finance and Chief Financial  
Officer (and Principal Accounting  
Officer)

Date: December 17, 1999

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on December 17, 1999, by the

following persons on behalf of the registrant and in the capacities indicated.

Signature -----	Title -----
* ----- C. F. Knight	Chairman of the Board and Chief Executive Officer and Director
/s/ W. J. Galvin ----- W. J. Galvin	Senior Vice President - Finance and Chief Financial Officer (and Principal Accounting Officer)
* ----- J. G. Berges	Director
* ----- L. L. Browning, Jr.	Director
* ----- A. A. Busch, III	Director
* ----- D. C. Farrell	Director

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* ----- J. A. Frates	Director
* ----- R. B. Horton	Director
* ----- G. A. Lodge	Director
* ----- V. R. Loucks, Jr.	Director
* ----- R. B. Loynd	Director
* ----- R. L. Ridgway	Director
* ----- R. W. Staley	Director
* ----- A. E. Suter	Director
* ----- G. W. Tamke	Director
* ----- W. M. Van Cleve	Director
* ----- E. E. Whitacre, Jr.	Director

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

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INDEX TO EXHIBITS

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

Exhibit No.	Exhibit
- - - - -	- - - - -
10(h)	First Amendment to the Emerson Electric Co. Supplemental Executive Retirement Plan
12	Ratio of Earnings to Fixed Charges
13	Portions of Annual Report to Stockholders for the year ended September 30, 1999, incorporated by reference herein
21	Subsidiaries of Emerson Electric Co.
23	Independent Auditors' Consent
24	Power of Attorney
27	Financial Data Schedule

See Item 14(A)(3) for a list of exhibits incorporated by reference.

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FIRST AMENDMENT TO THE  
EMERSON ELECTRIC CO.  
SUPPLEMENTAL EXECUTIVE  
RETIREMENT PLAN

WHEREAS, Emerson Electric Co. previously adopted the Emerson Electric Co. Supplemental Executive Retirement Plan to provide for the payment of a competitive retirement income and thereby attract and retain selected executives; and

WHEREAS, Emerson Electric Co. desires to amend the Supplemental Executive Retirement Plan effective October 4, 1999;

NOW, THEREFORE, effective as of October 4, 1999, the Emerson Electric Co. Supplemental Executive Retirement Plan is amended to read as follows:

SECTION I  
DEFINITIONS

A. "Beneficiary" means the Beneficiary designated by the Participant to receive a death benefit under the Plan.

B. "Change of Control" means any of the following: (a) the purchase or other acquisition (other than from the Company) by any person, entity or group of persons, within the meaning of Section 13(d) or 14(d) of the Exchange Act (excluding, for this purpose, the Company or its subsidiaries or any employee benefit plan of the Company or its subsidiaries), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of the then-outstanding shares of common stock of the Company or the combined voting power of the Company's then-outstanding voting securities entitled to vote generally in the election of directors; (b) individuals who, as of the date hereof, constitute the Incumbent Board cease for any reason to constitute at least the majority of the Board of Directors of the Company, provided that any person who becomes a director subsequent to the date hereof whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (other than an individual whose initial assumption of office is connection with an actual or threatened election contest relating to the election of directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act shall be, for purposes of This Section, considered as though such person were a member of the Incumbent Board; or (c) approval by the stockholders of the Company of a reorganization, merger or consolidation, in each case with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than 50% of, respectively, the common stock and the combined voting power entitled to vote generally in the election of directors of the reorganized, merged or consolidated corporation's then-outstanding voting securities, or of a liquidation or dissolution of the Company or of the sale of all or substantially all of the assets of the Company.

C. "Code" means the Internal Revenue Code of 1986, as amended.

D. "Committee" means the Compensation and Human Resources Committee of the Board of Directors of the Company.

E. "Company" means Emerson Electric Co., a Missouri corporation.

F. "Employee" means an Employee of an Employer.

G. "Employer" means the Company and any of its subsidiaries or affiliates which has, with the consent of the Board of Directors of the Company, adopted the Plan.

H. "Employment" means employment with an Employer.

I. "Exchange Act" means the Securities Exchange Act of 1934, as amended.

J. "Incumbent Board" means the individuals who, as of the date of adoption of this Plan, constitute the Board of Directors of the Company.

K. "Normal Retirement Benefit" means the normal retirement benefit to which a Participant is entitled under Section 5-1 of Appendix 10 of the Retirement Plan, computed without regard to the limitations of Section 18.6 of the Retirement Plan and without regard to the limitation on the amount of compensation which may be taken into account under Section 401(a)(17) of the Code and by adding to compensation for each calendar year the amount which the Participant elected to defer under the Supplemental Executive Savings Investment Plan for such year.

L. "Normal Retirement Benefit Under the Retirement Plan" means the Normal Retirement Benefit to which a Participant is entitled under Section 5-1 of Appendix 10 of the Retirement Plan as limited by Section 18.6 of the Retirement Plan and by the amount of compensation which may be taken into account under Section 401(a)(17) of the Code.

M. "Participant" means an Employee eligible to participate in the Plan pursuant to Section II.

N. "Plan" means this Emerson Electric Co. Supplemental Executive Retirement Plan.

O. "Retirement Plan" means the Emerson Electric Co. Retirement Plan.

P. "Surviving Spouse" means the surviving spouse of a deceased

Participant to whom such Participant had been married for at least one full year as of the date of the Participant's death.

Q. "Survivor Benefit" means a monthly benefit for the life of the Surviving Spouse equal to 50% of the monthly benefit to which the Participant would be entitled computed as if the Participant commenced receiving benefits on the date of his death in the form of a straight life annuity of equivalent actuarial value to the benefit accrued under Section III-A using the same actuarial assumptions as are used in computing equivalent actuarial values under the Retirement Plan.

## SECTION II ELIGIBILITY

Participation in the Plan shall be limited to those Employees whom the Committee selects by written notice to the Participant.

## SECTION III BENEFITS

A. A Participant who terminates Employment with a vested benefit under the Retirement Plan shall receive a monthly benefit under the Plan which, when expressed as a straight life annuity with sixty monthly payments guaranteed, is equal to his Normal Retirement Benefit reduced by his Normal Retirement Benefit Under the Retirement Plan.

B. Notwithstanding Section III-A the Committee, in its discretion, may direct that a different level of benefit shall be payable to any Participant.

## SECTION IV TIME AND FORM OF PAYMENTS

A. Except as otherwise provided in Section VI, the benefit payable under Section III shall commence on the first day of the month coincident with or next following the later of (a) the date the Participant attains age 65 or (b) the date the Participant terminates Employment. The benefit shall be payable for the life of the Participant with sixty monthly payments guaranteed. If the Participant dies prior to receiving sixty monthly payments, the unpaid installments shall be paid to his Beneficiary.

B. Notwithstanding Section IV-A, the Committee may, in its discretion, direct that a benefit, of equivalent actuarial value to the benefit described in Section III-A (or of another value established by the Committee under Section III-B), shall be payable to any Participant in such form and payable at such times as the Committee shall determine. All equivalent actuarial values shall be determined by using the same actuarial assumptions as are used in computing equivalent actuarial values under the Retirement Plan.

## SECTION V PRE-RETIREMENT DEATH BENEFIT

If a Participant dies in Employment leaving a Surviving Spouse, such Spouse shall receive the Survivor Benefit.

## SECTION VI CHANGE OF CONTROL

Notwithstanding anything else contained in the Plan, in the event of a Change of Control, all accrual of benefits under this Plan shall cease and each Participant shall become fully vested in his accrued benefits as of the date of the Change of Control, even if he is not fully vested under the Retirement Plan. Each Participant shall be paid, at the Participant's election, (a) upon the Change of Control or (b) upon the Participant's termination of Employment occurring after the Change of Control. If the Participant elects to receive payment upon the Change of Control, payment shall be made in the form of a lump sum distribution which is the actuarial equivalent of such accrued benefits (using the same actuarial assumptions as are used in computing equivalent actuarial values under the Retirement Plan). If the Participant elects to receive payment upon the termination of Employment occurring after the Change of Control, the Participant shall make an additional election to receive payment in the form of either a lump sum distribution or the form of benefit provided under Section IV. At the commencement of participation in the Plan, each Participant shall make an irrevocable election as to the timing and form of any payments due under this Section VI.

## SECTION VII FORFEITURE OF BENEFITS

If any Participant entitled to a benefit under the Plan is discharged for cause, or enters into competition with the Company, or interferes with the relations between the Company and any customer, or engages in any activity that would result in any decrease of, or loss in, sales by the Company, the rights of such Participant to a benefit under the Plan, including the rights of a Surviving Spouse to a benefit, will be forfeited, unless the Committee determines that such activity is not detrimental to the best interests of the Company. However, if the individual ceases such activity and notifies the

Committee of this action, then the Participant's right to receive a benefit, and any right of a Surviving Spouse to a benefit, may be restored within 60 days of said notification, unless the Committee in its sole discretion determines that the prior activity has caused serious injury to the Company, which determination shall be final and conclusive.

#### SECTION VIII ADMINISTRATION AND CLAIMS PROCEDURE

A. The Committee shall construe, interpret and administer all provisions of the Plan and a decision of a majority of the members of the Committee shall govern.

B. A decision of the Committee may be made by a written document signed by a majority of the members of the Committee or by a meeting of the Committee. The Committee may authorize any of its members to sign documents or papers on its behalf.

C. The Committee may appoint such agents, who need not be members of the Committee, as it may deem necessary for the effective exercise of its duties, and may, to the extent not inconsistent herewith, delegate to such agents any powers and duties, both ministerial and discretionary, as the Committee may deem expedient and appropriate.

D. No member of the Committee shall make any decision or take any action covering exclusively his own benefits under the Plan, but all such matters shall be decided by a majority of the remaining members of the Committee or, in the event of inability to obtain a majority, by the Board of Directors of the Company.

E. A Participant who believes that he is being denied a benefit to which he is entitled (hereinafter referred to as "Claimant") may file a written request for such benefit with the Committee setting forth his claim. The request must be addressed to: Compensation and Human Resources Committee, Emerson Electric Co., 8000 West Florissant, St. Louis, Missouri 63136.

F. Upon receipt of a claim the Committee shall advise the Claimant that a reply will be forthcoming within 90 days and shall in fact deliver such reply in writing within such period. The Committee may, however, extend the reply period for an additional 90 days for reasonable cause. If the claim is denied in whole or in part, the Committee will adopt a written opinion using language calculated to be understood by the Claimant setting forth:

1. the specific reason or reasons for denial,
2. the specific references to pertinent Plan provisions on which the denial is based,
3. a description of any additional material or information necessary for the Claimant to perfect the 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 G and for the review under Subsection H.

G. Within sixty days after the receipt by the Claimant of the written opinion described above, the Claimant may request in writing that the Chief Executive Officer of the Company review the determination of the Committee. Such request must be addressed to: Chief Executive Officer, Emerson Electric Co., 8000 West Florissant, St. Louis, Missouri 63136. The Claimant or his duly authorized representative may, but need not, review the pertinent documents and submit issues and comments in writing for consideration by the Chief Executive Officer. If the Claimant does not request a review of the Committee's determination by the Chief Executive Officer within such sixty-day period, he shall be barred and estopped from challenging the Committee's determination.

H. Within sixty days after the Chief Executive Officer's receipt of a request for review, he will review the Committee's determination. After considering all materials presented by the Claimant, the Chief Executive Officer 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 Plan provisions on which the decision is based. If special circumstances require that the sixty-day time period be extended, the Chief Executive Officer will so notify the Claimant and will render the decision as soon as possible but not later than 120 days after receipt of the request for review.

#### SECTION IX MISCELLANEOUS

A. Plan Year. The Plan Year shall be the calendar year.

B. Spendthrift. No Participant or beneficiary shall have the right to assign, transfer, encumber or otherwise subject to lien any of the benefits payable or to be payable under this Plan.

C. Incapacity. If, in the opinion of the Committee, a person to whom a benefit is payable is unable to care for his affairs because of illness, accident or any other reason, any payment due the person, unless prior claim therefor shall have been made by a duly qualified guardian or other duly appointed and qualified representative of such person, may be paid to some member of the person's family, or to some party who, in the opinion of the Committee, has incurred expense for such person. Any such payment shall be a payment for the account of such person and shall be a complete discharge of any liability.

D. Employee Rights. The Employer, in adopting this Plan, shall not be held to create or vest in any Employee or any other person any benefits other than the benefits specifically provided herein, or to confer upon any Employee the right to remain in the service of the Employer.

E. Service of Process and Plan Administrator.

1. The Vice President-Law of the Company shall be the agent for service of legal process.

2. The Company shall constitute the Plan Administrator.

F. Unfunded Plan. The Plan shall be unfunded. All payments to a Participant under the Plan shall be made from the general assets of the Employer. The rights of any Participant to payment shall be those of an unsecured general creditor of the Company.

G. Company Rights. The Company reserves the right to amend or terminate the Plan. Each Employer may terminate its participation in the Plan at any time.

H. Reemployment. If a Participant is receiving benefits under the Plan and is re-employed by an Employer, benefits shall cease until he is no longer employed by an Employer.

I. Governing Law. The Plan shall be governed and construed according to the laws of the State of Missouri.

IN WITNESS WHEREOF, Emerson Electric Co. has caused this Amendment to be executed by one of its duly authorized officers this 4th day of October, 1999.

EMERSON ELECTRIC CO.

By /s/ J. A. Harmon

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Senior Vice President

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## EXHIBIT 12

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

<TABLE>  
<CAPTION>

YEAR ENDED SEPTEMBER 30,					
	1995	1996	1997	1998	1999
<S>	<C>	<C>	<C>	<C>	<C>
Earnings:					
Income before income taxes <F1>	\$ 1,457.2	<F2> 1,611.3	1,821.7	2,002.3	2,064.0
Fixed charges	168.4	182.2	176.5	218.2	258.1
Earnings, as defined	\$ 1,625.6	1,793.5	1,998.2	2,220.5	2,322.1
Fixed charges:					
Interest expense	\$ 123.0	132.3	124.2	161.4	199.0
One-third of all rents	45.4	49.9	52.3	56.8	59.1
Total fixed charges	\$ 168.4	182.2	176.5	218.2	258.1
Ratio of Earnings to Fixed Charges	9.7x	9.8x	11.3x	10.2x	9.0x

<FN>

<F1>

Represents income before income taxes, cumulative effects of changes in accounting principles, and minority interests in the income of consolidated subsidiaries with fixed charges.

<F2>

Includes non-recurring items of \$34.3 million in 1995. Excluding these items, the ratio of earnings to fixed charges would have been 9.4x in 1995.

</FN>

</TABLE>

## FINANCIAL REVIEW

## RESULTS OF OPERATIONS

## Net Sales

Sales for 1999 were a record \$14.3 billion, an increase of \$822 million, or 6.1 percent, from 1998. The solid sales increase reflected modest underlying sales growth and the contribution of acquisitions. All businesses reported sales increases. United States sales increased approximately \$455 million, or 6 percent, while international sales increased approximately \$368 million, or 7 percent. Underlying sales growth in the consumer-related businesses continued at a moderate pace in the U.S. and internationally, led by strong growth in the Heating, Ventilating and Air Conditioning (HVAC) business. Underlying sales of the capital goods-related businesses were flat in 1999. Strong sales growth in the Electronics and Telecommunications business was offset by global weakness in the Industrial Automation and Process Control businesses. New product sales, from products introduced in the past five years, increased approximately \$570 million, or 13 percent, to a record \$5.0 billion, representing 35 percent of sales. Acquisitions completed throughout fiscal 1999 are expected to have total sales of nearly \$800 million in fiscal 2000.

In 1998, sales were \$13.4 billion, up \$1.1 billion, or 9.3 percent, from 1997. The strong sales growth reflected underlying gains from all businesses and the contribution of acquisitions. This growth was achieved despite the impact of a stronger dollar that reduced reported sales growth by more than 2 percent. Slightly more than half of the sales increase was attributable to solid underlying U.S. growth and modest international demand. U.S. sales increased approximately \$1.0 billion, or 14 percent, benefiting from very strong gains in Electronics and Telecommunications and HVAC and acquisitions. International sales increased approximately \$137 million, or 3 percent. Demand was solid throughout the year in the United States and Europe, which account for more than three-quarters of consolidated revenue. New product sales increased approximately \$490 million, or 13 percent, to \$4.4 billion, representing 33 percent of sales.

## International Sales

International sales, including U.S. exports, increased approximately 7 percent to a record \$5.7 billion in 1999, representing 40 percent of the Company's total sales. Underlying growth in Europe, Asia and other regions more than offset the impact of weakness in Latin America. Sales by non-U.S. subsidiaries were \$4.8 billion in 1999, up 9 percent from 1998. U.S. exports decreased 1 percent to \$960 million, primarily reflecting weakness in Latin America and Japan. International subsidiary sales increased approximately 2 percent excluding acquisitions and divestitures.

In 1998, international sales increased 3 percent to \$5.3 billion, representing 40 percent of total sales. Solid demand in Europe and the strong growth in other regions of the world, led by Latin America, more than offset the impact of significant weakness in Asian economies. Sales by non-U.S. subsidiaries were \$4.4 billion in 1998, up 5 percent from 1997. U.S. exports decreased 8 percent to \$968 million in 1998 compared with 1997, reflecting weakness in Asia. International subsidiary sales increased approximately 6 percent excluding acquisitions and the unfavorable impact of currency translation of approximately \$250 million.

## Business Segment Sales - 1999 vs. 1998

The Process Control business increased sales 7 percent to \$2.9 billion in 1999. This solid sales increase was driven by the strong growth of the PlantWeb initiative, and the Westinghouse Process Control and Daniel Industries acquisitions. Underlying sales decreased, reflecting the impact of weak oil prices on U.S. and Asian demand for process-related equipment, which more than offset modest growth in Europe. Sales of the Industrial Automation business were \$3.4 billion in 1999. Despite widespread softness in end markets, the Industrial Automation business realized a small increase in sales due to the contribution of acquisitions. The global weakness in capital spending, largely due to weak oil pricing earlier this year, has had a substantial impact on this business. These results exclude the impact of the F.G. Wilson divestiture. The Electronics and Telecommunications business increased sales 32 percent, to \$2.1 billion in 1999. This outstanding performance, particularly in the U.S. and Europe, was achieved due to rapid growth in power protection and environmental equipment, as well as in the service business that monitors and maintains this equipment. This business also benefited from a significant recovery in the market for power supply products, driven by recovery in Asia and robust growth in the computing and telecommunications infrastructure. The increase in the Electronics and Telecommunications business sales was also aided by the 1998 acquisitions of Nortel's Advanced Power Systems operations and Hiross environmental systems in Europe. Sales of the HVAC business were \$2.4 billion in 1999, an increase of 11

percent from 1998. Underlying sales of the HVAC business increased substantially, driven by a dramatic recovery in residential and light commercial construction in China, a warm summer in the United States, and continued market adoption of scroll technology. Sales of the Appliance and Tools business were \$3.5 billion in 1999, compared with \$3.4 billion in 1998. Underlying sales of the Appliance and Tools business grew slightly, with the results varying by geography and product area. In the United States, strong construction activity drove growth in several consumer-related areas, while European sales declined due to weakness in appliance products. During 1999, this business also made substantial gains in sales to home centers, such as The Home Depot and Lowe's, which are experiencing dramatic growth. Also in 1999, the Company contributed its Louisville Ladder operations into a joint venture with Grupo Imsa SA of Mexico and obtained an equity interest in the venture.

#### Business Segment Sales - 1998 vs. 1997

The Process Control business increased sales to \$2.7 billion in 1998 from \$2.6 billion in 1997. Excluding the effects of currency translation, this business reported moderate sales growth as demand was balanced across the major geographic regions it serves. Sales of the Industrial Automation business were \$3.3 billion in 1998, an increase of 9 percent from 1997. The Industrial Automation business increase was the result of modest underlying sales growth on a fixed rate basis, the majority-owned joint venture formed with General Signal's Electrical Group in September 1997, and the Computational Systems, Inc. acquisition. The Electronics and Telecommunications business increased sales 30 percent to \$1.6 billion in 1998. This business showed very strong underlying sales growth, reflecting broad strength across product lines and service offerings. In addition, sales of the business benefited from the acquisition of Hiross, an Italian manufacturer of precision environmental control and site monitoring products. Sales of the HVAC business were \$2.1 billion in 1998. The HVAC business reported modest sales growth, as very strong demand in the U.S. and Europe was partially offset by the impact of weak Asian economies on U.S. export sales. Sales of the Appliance and Tools business were up 12 percent to \$3.4 billion in 1998. Sales of the underlying Appliance and Tools business grew solidly, benefiting from solid demand in the U.S. and Europe. The increase in sales also reflected the 1997 acquisition of InterMetro Industries.

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#### Total Costs and Expenses

Cost of sales for 1999 was \$9.2 billion, an increase of 7.0 percent, due primarily to increased sales volume. In 1998, cost of sales was \$8.6 billion, compared with \$7.9 billion in 1997, an increase of 9.3 percent. Cost of sales as a percent of net sales was 64.4 percent in 1999 compared to 63.9 percent and 64.0 percent in 1998 and 1997, respectively. The 1999 gross profit margin was impacted by the effect of recent acquisitions, partially offset by the Company's ongoing commitment to cost reduction and containment efforts and productivity improvement programs.

Selling, general and administrative (SG&A) expenses were \$2.8 billion, \$2.7 billion, and \$2.5 billion in 1999, 1998, and 1997, respectively. As a percent of net sales, SG&A expenses were 19.4 percent in 1999, and 19.9 percent in 1998 and 1997. The decrease in SG&A as a percent of net sales was the result of ongoing cost reduction efforts, partially offset by new product development and other revenue growth programs and acquisitions. The Company continued its commitment to new product development by increasing engineering and development expense 4 percent to a record \$510 million in 1999, compared to \$491 million in 1998 and \$445 million in 1997.

Interest expense increased to \$190 million in 1999 from \$152 million in 1998, reflecting higher average borrowings resulting from acquisitions and share repurchases. In 1998, interest expense increased from \$121 million in 1997, reflecting higher average borrowings.

Other deductions, net, including amortization of intangibles, were \$95 million in 1999, compared with \$100 million and \$78 million in 1998 and 1997, respectively. Fiscal 1999 included a gain of \$64 million from the disposition of the Company's interest in F.G. Wilson. The fourth quarter of 1997 included a gain of approximately \$80 million from the formation of the joint venture between Emerson's Appleton Electric division and General Signal's Electrical Group. These gains were offset by other non-recurring items. See note 2 for additional information.

#### Income Before Income Taxes

Income before income taxes increased \$97 million, or 5.1 percent, to \$2.0 billion in 1999, reflecting increased sales and improvement in underlying margins, partially offset by increased interest expense. The base company (excluding acquisitions and divestitures) realized an outstanding performance in 1999, increasing underlying operating margins approximately 0.5 points. This improvement was offset by the acquisition of businesses with lower margins. Earnings before interest and income taxes in the Process Control business were \$313 million in 1999, a decrease from 1998, reflecting weak demand associated with lower oil prices and higher expenditures for cost reduction efforts and productivity improvement programs. The Industrial Automation business income increased \$17 million to \$448 million in 1999, driven by cost containment measures that mitigated the impact of a challenging economic environment. Income of the Electronics and Telecommunications business increased \$87 million, or 58

percent, to \$237 million in 1999, due to strong sales growth and the acquisition of the Advanced Power Systems business. Income of the HVAC business increased \$45 million, or 14 percent, to \$361 million in 1999, reflecting strong sales growth in both U.S. and international markets. The Appliance and Tools business income increased \$16 million to \$577 million in 1999, reflecting varying results by geography and product area.

Income before income taxes increased \$140 million, or 7.8 percent, to \$1.9 billion in 1998, reflecting increased sales and improvement in underlying margins, partially offset by increased interest expense. Earnings before interest and income taxes in the Process Control business increased \$24 million, or 8 percent, to \$343 million in 1998, due to moderate worldwide sales growth. Income of the Industrial Automation business was \$431 million in 1998, a decrease from 1997, due to non-recurring costs in this business. Income of the Electronics and Telecommunications business increased \$34 million, or 29 percent, from 1997 to 1998, reflecting strong underlying sales growth. The HVAC business increased income to \$316 million in 1998, due to modest sales growth. Income of the Appliance and Tools business increased \$81 million, or 17 percent, to \$561 million in 1998, reflecting solid U.S. demand and acquisitions. See note 12 for additional information by business segment and geographic area.

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#### Income Taxes

Income taxes were \$707 million, \$695 million and \$662 million in 1999, 1998 and 1997, respectively. The effective income tax rate was 35.0 percent in 1999, compared with 36.1 percent in 1998 and 37.1 percent in 1997, reflecting the continued implementation of global tax planning strategies and the impact of acquisitions and divestitures.

#### Net Earnings and Return on Equity

Net earnings for 1999 were a record \$1.3 billion, up 6.9 percent from \$1.2 billion in 1998. Net earnings as a percent of sales was 9.2 percent in 1999 compared with 9.1 percent in 1998. Diluted earnings per common share were a record \$3.00 in 1999, up 8.3 percent from \$2.77 in 1998. Earnings per share excluding goodwill amortization, a metric that management believes is more indicative of cash operating performance, were \$3.27 in 1999, up 9.4 percent from \$2.99 in the prior year. Emerson achieved a return on average stockholders' equity of 21.9 percent in 1999 and 1998 compared to 20.8 percent in 1997. Net earnings for 1998 were up 9.5 percent from \$1.1 billion in 1997. Diluted earnings per common share in 1998 increased 10.8 percent from \$2.50 in 1997. Earnings per share excluding goodwill amortization in 1998 were up 11.2 percent from \$2.69 in the prior year.

#### 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 record operating cash flow of \$1.8 billion in 1999, an increase of 10 percent compared to 1998. Operating cash flows were \$1.7 billion and \$1.5 billion in 1998 and 1997, respectively. Operating working capital was approximately 16 percent of sales in 1999, and 17 percent of sales in 1998 and 1997.

Capital expenditures were \$592 million, \$603 million and \$575 million in 1999, 1998 and 1997, respectively. These expenditures increase the Company's global capacity to leverage opportunities within the heating, ventilating and air conditioning industries, as well as improve manufacturing productivity in a number of our businesses. In 1999, construction of a ninth scroll production facility was completed. This plant, located in China, will become operational in early fiscal 2000. Cash paid in connection with Emerson's purchase acquisitions was \$1,202 million, \$573 million and \$319 million in 1999, 1998 and 1997, respectively.

Dividends were a record \$566 million (\$1.30 per share) in 1999, compared with \$521 million (\$1.18 per share) in 1998 and \$481 million (\$1.08 per share) in 1997. In November 1999, the Board of Directors voted to increase the quarterly cash dividend 10 percent to an annualized rate of \$1.43 per share.

#### Leverage/Capitalization

Total debt increased to \$3.3 billion in 1999, from \$2.6 billion in 1998 and \$2.0 billion in 1997, reflecting the impact of acquisitions and the Company's share repurchase program. The repurchase program, initiated in fiscal 1997, authorizes the repurchase of up to 40 million shares of the Company's outstanding common stock, with nearly 23 million shares repurchased through September 30, 1999. Net purchases of treasury stock totaled \$324 million and \$499 million in 1999 and 1998, respectively. See notes 2, 3 and 4 for additional information.

The total debt-to-capital ratio was 34.6 percent at year-end 1999, compared with 30.8 percent in 1998 and 27.1 percent in 1997. At September 30, 1999, net debt (total debt less cash and equivalents and short-term investments) was 32.7 percent of net capital, compared with 29.0 percent in 1998 and 24.9 percent in

1997. The Company's interest coverage ratio (income before income taxes, non-recurring items and interest expense divided by interest expense) was 11.7 times in 1999, compared with 13.7 times in 1998 and 15.8 times in 1997, as a result of higher average borrowings in 1999, partially offset by increased earnings.

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At year-end 1999, the Company and its subsidiaries maintained lines of credit amounting to \$2.4 billion to support commercial paper and had available non-U.S. bank credit facilities of \$630 million to support non-U.S. operations. Lines of credit totaling \$900 million are effective until 2003, with the remainder through June 2000. These lines of credit and bank credit facilities assure the availability of funds at prevailing interest rates. In addition, as of September 30, 1999, the Company could issue up to \$2 billion of additional debt securities under its shelf registration with the Securities and Exchange Commission.

#### Financial Instruments

The Company is exposed to market risk related to changes in interest rates 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 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 methodology has limitations; for example, a weaker U.S. dollar would benefit future earnings through favorable translation of non-U.S. operating results. See notes 1, 3, 4 and 5.

#### Year 2000 Readiness

The Company developed a comprehensive Year 2000 plan that includes assessment, hardware and software remediation, and testing. The Company's divisions have completed all phases of the plan, which addressed internal computer applications and information systems, products, facilities and equipment, as well as products and services provided by third parties. Numerous third parties were contacted to assess and monitor their compliance and remediation efforts, with particular emphasis placed on more than 3,000 key suppliers. The estimated costs of the Year 2000 compliance program are not material to the Company's operating results or financial condition.

The Company has supplemented existing emergency recovery plans to mitigate the impact of any unsuccessful remediation or third-party failures. These contingency plans include the identification of alternative suppliers, possible increases in inventory levels, and other backup procedures. In addition, the Company has established global, regional and divisional command centers to address Year 2000-related issues that may arise and respond, as appropriate, to minimize the potential impact. Management believes that the diversity of the Company's operations and systems reduces overall exposure and expects that the consequences of any unsuccessful remediation will not be significant. However, there can be no assurance that the Company's efforts or those of other entities will be successful, or that any potential failure would not have a material adverse effect on the Company's operating results or financial condition.

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#### CONSOLIDATED STATEMENTS OF EARNINGS

##### Emerson Electric Co. and Subsidiaries

<TABLE>

<CAPTION>

Years ended September 30

(Dollars in millions except per share amounts)

	1999	1998	1997
<S>	<C>	<C>	<C>
Net sales	\$14,269.5	13,447.2	12,298.6
Costs and expenses:			
Cost of sales	9,193.8	8,595.6	7,865.6
Selling, general and administrative expenses	2,770.2	2,676.7	2,450.9
Interest expense	189.7	151.7	120.9
Other deductions, net	94.9	99.7	77.6
Total costs and expenses	12,248.6	11,523.7	10,515.0
Income before income taxes	2,020.9	1,923.5	1,783.6
Income taxes	707.3	694.9	661.7
Net earnings	\$ 1,313.6	1,228.6	1,121.9
Basic earnings per common share	\$ 3.03	2.80	2.52
Diluted earnings per common share	\$ 3.00	2.77	2.50

</TABLE>

See accompanying notes to consolidated financial statements.

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# CONSOLIDATED BALANCE SHEETS

Emerson Electric Co. and Subsidiaries

<TABLE>

<CAPTION>

September 30

(Dollars in millions except per share amounts)

## Assets

	1999	1998
<S>	<C>	<C>
Current assets		
Cash and equivalents	\$ 266.1	209.7
Receivables, less allowances of \$60.5 in 1999 and \$54.6 in 1998	2,516.3	2,416.1
Inventories:		
Finished products	871.5	858.6
Raw materials and work in process	1,049.6	1,137.9
Total inventories	1,921.1	1,996.5
Other current assets	420.9	379.0
Total current assets	5,124.4	5,001.3
Property, plant and equipment		
Land	216.5	173.4
Buildings	1,287.1	1,205.5
Machinery and equipment	4,497.2	4,373.5
Construction in progress	377.0	318.3
	6,377.8	6,070.7
Less accumulated depreciation	3,223.4	3,059.1
Property, plant and equipment, net	3,154.4	3,011.6
Other assets		
Goodwill, less accumulated amortization of \$714.4 in 1999 and \$617.5 in 1998	4,263.0	3,702.7
Other	1,081.7	944.2
Total other assets	5,344.7	4,646.9
	\$13,623.5	12,659.8

</TABLE>

See accompanying notes to consolidated financial statements.

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<TABLE>

<CAPTION>

Liabilities and Stockholders' Equity

	1999	1998
<S>	<C>	<C>
Current liabilities		

Short-term borrowings and current maturities of long-term debt	\$ 1,953.7	1,524.4
Accounts payable	1,068.8	1,036.7
Accrued expenses	1,304.8	1,252.7
Income taxes	263.1	207.9
	-----	-----
Total current liabilities	4,590.4	4,021.7
	-----	-----
Long-term debt	1,317.1	1,056.6
	-----	-----
Other liabilities	1,535.5	1,778.2
	-----	-----
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 1999 and 1998	238.3	238.3
Additional paid-in capital	23.9	27.9
Retained earnings	7,803.7	7,056.5
Accumulated other nonstockholder changes in equity	(271.6)	(236.2)
	-----	-----
	7,794.3	7,086.5
	-----	-----
Less cost of common stock in treasury, 43,632,708 shares in 1999 and 38,452,823 shares in 1998	1,613.8	1,283.2
	-----	-----
Total stockholders' equity	6,180.5	5,803.3
	-----	-----
	\$13,623.5	12,659.8
	=====	=====

</TABLE>

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# CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Emerson Electric Co. and Subsidiaries

<TABLE>

<CAPTION>

Years ended September 30

(Dollars in millions except per share amounts)

	1999	1998	1997
	-----	-----	-----
<S>	<C>	<C>	<C>
Common stock	\$ 238.3	238.3	238.3
	-----	-----	-----
Additional paid-in capital			
Beginning balance	27.9	3.3	12.3
Stock plans	(3.5)	(43.4)	(2.8)
Treasury stock issued for acquisitions and other	(.5)	68.0	(6.2)
	-----	-----	-----
Ending balance	23.9	27.9	3.3
	-----	-----	-----
Retained earnings			
Beginning balance	7,056.5	6,348.9	5,707.7
Net earnings	1,313.6	1,228.6	1,121.9
Cash dividends (per share: 1999, \$1.30; 1998, \$1.18; 1997, \$1.08)	(566.4)	(521.0)	(480.7)
	-----	-----	-----
Ending balance	7,803.7	7,056.5	6,348.9
	-----	-----	-----

Accumulated other nonstockholder changes in equity

Beginning balance	(236.2)	(205.9)	(29.2)
Translation adjustments	(35.4)	(30.3)	(176.7)
Ending balance	(271.6)	(236.2)	(205.9)
Treasury stock			
Beginning balance	(1,283.2)	(963.9)	(575.7)
Acquired	(361.2)	(498.4)	(427.2)
Issued under stock plans	27.9	108.5	18.3
Issued for acquisitions and other	2.7	70.6	20.7
Ending balance	(1,613.8)	(1,283.2)	(963.9)
Total stockholders' equity	\$ 6,180.5	5,803.3	5,420.7
Nonstockholder changes in equity (Net earnings and Translation adjustments)	\$ 1,278.2	1,198.3	945.2

</TABLE>

See accompanying notes to consolidated financial statements.

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# CONSOLIDATED STATEMENTS OF CASH FLOWS

Emerson Electric Co. and Subsidiaries

<TABLE>  
<CAPTION>  
Years ended September 30  
(Dollars in millions)

	1999	1998	1997
	-----	-----	-----
<S>	<C>	<C>	<C>
Operating activities			
Net earnings	\$ 1,313.6	1,228.6	1,121.9
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	637.5	562.5	511.6
Changes in operating working capital	35.7	(81.0)	(42.6)
Gains on divestitures, pension funding and other	(176.3)	(58.5)	(92.3)
Net cash provided by operating activities	1,810.5	1,651.6	1,498.6
Investing activities			
Capital expenditures	(591.6)	(602.6)	(575.4)
Purchases of businesses, net of cash and equivalents acquired	(1,202.0)	(572.9)	(319.2)
Divestiture of businesses and other, net	215.5	76.2	34.0
Net cash used in investing activities	(1,578.1)	(1,099.3)	(860.6)
Financing activities			
Net increase in short-term borrowings	503.5	145.4	321.8
Proceeds from long-term debt	470.9	452.0	5.8
Principal payments on long-term debt	(257.0)	(132.5)	(13.1)
Net purchases of treasury stock	(323.7)	(499.4)	(376.6)
Dividends paid	(566.4)	(521.0)	(480.7)
Net cash used in financing activities	(172.7)	(555.5)	(542.8)
Effect of exchange rate changes on cash and equivalents	(3.3)	(8.2)	(23.1)
Increase (decrease) in cash and equivalents	56.4	(11.4)	72.1
Beginning cash and equivalents	209.7	221.1	149.0
Ending cash and equivalents	\$ 266.1	209.7	221.1
Changes in operating working capital			
Receivables	\$ (23.1)	(76.1)	(117.3)
Inventories	69.0	(27.7)	(64.4)
Other current assets	(12.2)	19.7	(19.5)
Accounts payable	(25.4)	.9	28.0
Accrued expenses	(31.5)	(2.8)	88.6
Income taxes	58.9	5.0	42.0
	\$ 35.7	(81.0)	(42.6)

</TABLE>

See accompanying notes to consolidated financial statements.

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## 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 as a separate component of stockholders' 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 the fiscal year, and variances incurred during the year 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.

#### Goodwill

Assets and liabilities related to business combinations accounted for as purchase transactions are recorded at their respective fair values. Goodwill is amortized on a straight-line basis to other deductions over the periods estimated to be benefited, not exceeding 40 years. 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 if expected future cash flows of the related assets are less than their carrying values.

#### Revenue Recognition

The Company recognizes nearly all of its revenues through the sale of manufactured products as shipped.

#### Financial Instruments

The net amount to be paid or received under interest rate swap agreements is accrued over the life of the agreement as a separate component of interest expense. Gains and losses on purchased currency option and forward exchange contracts that qualify for deferral accounting are recognized in income with the underlying hedged transactions; otherwise, the contracts are recorded in the balance sheet, and changes in fair value are recognized immediately in other deductions, net. Currency fluctuations on non-U.S. dollar obligations that have been designated as hedges of 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 \$1,140 at September 30, 1999), 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

In 1999, the Company adopted Statement of Financial Accounting Standards No. 130, which requires the reporting of changes in stockholders' equity that do not result from transactions with stockholders. Nonstockholder changes in equity are comprised of net earnings and foreign currency translation adjustments. The adoption of this statement had no impact on the Company's results of operations or financial condition.

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#### Financial Statement Presentation

The preparation of the financial statements in conformity with 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) Acquisitions and Divestitures

Cash paid in connection with the Company's purchase acquisitions, which include several smaller businesses, follows:

	1999	1998	1997
	-----	-----	-----
Fair value of assets acquired.....	\$1,475.7	947.0	359.4
Less liabilities assumed.....	271.4	214.5	38.2
Less notes and common stock issued to sellers.....	2.3	159.6	2.0
	-----	-----	-----
Cash paid (net of cash and equivalents acquired)..	\$1,202.0	572.9	319.2
	=====	=====	=====

During the first quarter of 1999, the Company purchased the Westinghouse Process Control Division ("WPC") from CBS Corporation for approximately \$260. WPC is a supplier of process controls for the power generation, water and wastewater treatment industries. In addition, in the first and second quarters of 1999, the Company paid \$230 to acquire the remaining ownership interest in Astec (BSR) Plc. In the third quarter of 1999, the Company acquired Daniel Industries, Inc. through a cash tender offer of approximately \$435 plus assumed debt. Daniel is a provider of measurement and control products and services for the oil and gas industry. In addition, the Company acquired MagneTek's alternator operations; Kato Engineering, an alternator business; and a number of smaller businesses in 1999. The companies acquired in 1999 had annualized sales of approximately \$760.

During 1999, the Company received \$226 from the disposition of its interest in F.G. Wilson, resulting in a pretax gain of \$64 (\$30 net of income taxes). The Company also incurred costs for the rationalization of other operations that more than offset this gain. In addition, the Company will receive a percentage of future F.G. Wilson revenue and expects a maximum of \$100 by 2002. F.G. Wilson had sales of approximately \$410 in 1998.

During the first quarter of 1998, the Company purchased Computational Systems, Inc. ("CSI") for approximately \$160, primarily in common stock. CSI is a supplier of condition monitoring and diagnostic products and services for motors and other rotational equipment. During the fourth quarter of 1998, Astec (BSR) Plc, a subsidiary of Emerson, purchased the Advanced Power Systems ("APS") business from Northern Telecom Limited for approximately \$325. APS manufactures power conversion products for a wide variety of telecommunications applications. In addition, the Company purchased Plaset SpA, a European manufacturer of appliance drain pumps, and acquired a majority interest in Hiross, an Italian manufacturer of precision environmental control and site monitoring products. Several smaller businesses were also purchased in 1998. The companies acquired in 1998 had annualized sales of approximately \$775.

During the second quarter of 1997, Emerson acquired a majority interest in Astec (BSR) Plc through additional share purchases and began consolidating its results. Astec had annual sales of approximately \$600 in calendar 1996. During the fourth quarter of 1997, the Company purchased InterMetro Industries for approximately \$275 and acquired Clairson International Corporation. These two companies produce free-standing and wall-mounted ventilated shelving and specialty storage products. Emerson previously owned a controlling interest in Clairson. InterMetro and Clairson had combined annual sales of more than \$300. Several smaller businesses were also purchased or sold in 1997.

In addition, in the fourth quarter of 1997, the Company and General Signal Corporation formed a joint venture combining Emerson's Appleton Electric operations and General Signal's Electrical Group. Emerson holds a controlling interest in this venture, and the transaction resulted in a pretax gain of approximately \$80, which was substantially offset by costs arising from relocation of several production facilities, asset impairments and litigation.

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

## (3) Short-term Borrowings and Lines of Credit

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

	1999	1998
	-----	-----
Commercial paper.....	\$1,358.3	992.7
Payable to banks.....	83.6	258.3
Other.....	511.8	273.4
	-----	-----
Total.....	\$1,953.7	1,524.4
	=====	=====
Weighted average interest rate at year end.....	5.2%	5.3%
	=====	=====

In 1999, the Company issued \$250 of 5.125%, one-year notes that were simultaneously swapped to floating interest rates at a cost less than the

Company's U.S. commercial paper, with an effective interest rate of 5.3 percent at September 30, 1999. In 1998, the Company entered into an interest rate agreement which capped the rate on \$250 of commercial paper at 6.0 percent through September 1999. In 1997, 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 152 million of British pound notes with interest rates of 5.3 and 7.5 percent swapped to \$256 and \$257 at U.S. commercial paper rates at September 30, 1999 and 1998, respectively.

The Company and its subsidiaries maintained lines of credit amounting to \$2,375 with various banks at September 30, 1999, to support commercial paper and to assure availability of funds at prevailing market interest rates. Lines of credit totaling \$900 are effective until 2003 with the remainder through June 2000. There were no borrowings against U.S. lines of credit in the last three years. The Company's non-U.S. subsidiaries maintained bank credit facilities in various currencies approximating \$700 (\$630 unused) at September 30, 1999. In some instances, borrowings against these credit facilities have been guaranteed by the Company to assure availability of funds at favorable interest rates. In addition, as of September 30, 1999, the Company could issue up to \$2,000 of additional debt securities under its shelf registration with the Securities and Exchange Commission.

#### (4) Long-term Debt

Long-term debt is summarized as follows:

<TABLE>  
<CAPTION>

	1999	1998
	-----	-----
<S>	<C>	<C>
Commercial paper with a weighted average interest rate of 5.6 percent at September 30, 1999.....	\$ 254.0	252.6
6.3% notes due 2006.....	250.0	250.0
5 1/2% notes due 2008.....	250.0	250.0
5% notes due 2008.....	175.0	-
5.85% notes due 2009.....	250.0	-
Term loan with a weighted average interest rate of 6.0 percent at September 30, 1998.....	-	200.0
Other.....	147.2	117.9
	-----	-----
	1,326.2	1,070.5
Less current maturities.....	9.1	13.9
	-----	-----
Total.....	\$1,317.1	1,056.6
	=====	=====

</TABLE>

The Company has the ability to refinance commercial paper on a long-term basis through its credit lines, and the obligation is included in long-term debt. In 1999, the Company issued \$250 of 5.85%, ten-year notes that were simultaneously swapped to U.S. commercial paper rates, with an effective interest rate of 5.4 percent at September 30, 1999.

Long-term debt maturing during each of the four years after 2000 is \$24, \$23, \$262 and \$4, respectively. Total interest paid related to short-term borrowings and long-term debt was approximately \$185, \$138 and \$108 in 1999, 1998 and 1997, respectively.

#### (5) Financial Instruments

The Company selectively uses derivative financial instruments to manage interest costs and minimize 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.

As part of its currency hedging strategy, the Company utilizes purchased option and forward exchange contracts to minimize the impact of currency fluctuations on transactions, cash flows and firm commitments. The Company and its subsidiaries had approximately \$405 and \$335 of contracts outstanding at September 30, 1999 and 1998, respectively. These contracts for the sale or purchase of European and other currencies generally mature within one year, and deferred gains and losses are not material.

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. At September 30, 1999 and 1998, the Company had outstanding 8% convertible subordinated debentures due through 2011 with a market value of \$40 and \$44, compared to the related carrying value of \$9 and \$10, respectively. Common stock has been reserved for the conversion of these debentures (see note 9). The fair values of derivative financial instruments were not material at September 30, 1999 and 1998, and the estimated fair value of each of the Company's other classes of financial instruments approximated the related carrying value at September 30, 1999 and 1998.

(6) Retirement Plans

Retirement plan expense includes the following components:

	U.S. Plans			Non-U.S. Plans		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Defined benefit plans:						
Service cost (benefits earned during the period)..	\$ 38.6	33.2	31.7	9.1	7.9	8.0
Interest cost.....	112.5	106.1	94.3	16.9	16.4	16.3
Expected return on plan assets.....	(161.4)	(152.2)	(134.6)	(19.0)	(17.0)	(16.0)
Net amortization.....	1.6	(2.3)	(3.6)	0.2	(.7)	(.1)
Settlement gains.....	-	-	-	-	-	(2.0)
Net periodic pension (income) expense.....	(8.7)	(15.2)	(12.2)	7.2	6.6	6.2
Defined contribution and multiemployer plans.....	59.4	54.6	48.5	8.5	9.4	8.1
Total retirement plan expense.....	\$ 50.7	39.4	36.3	15.7	16.0	14.3

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	
	1999	1998	1999	1998
<S>	<C>	<C>	<C>	<C>
Benefit obligation, beginning.....	\$1,437.9	1,248.4	263.2	231.1
Service cost.....	38.6	25.2	8.0	7.3
Interest cost.....	112.5	80.3	15.2	14.3
Actuarial (gains) losses.....	(42.8)	100.1	25.1	13.1
Benefits paid.....	(63.5)	(44.4)	(11.1)	(11.3)
Acquisitions/divestitures, net.....	61.1	28.3	14.2	-
Foreign currency and other.....	2.0	-	(8.3)	8.7
Benefit obligation, ending.....	\$1,545.8	1,437.9	306.3	263.2
Fair value of plan assets, beginning.....	\$1,513.8	1,544.1	232.6	205.3
Actual return on plan assets.....	78.3	(20.9)	20.1	26.9
Employer contributions.....	75.5	6.0	6.4	6.2
Benefits paid.....	(63.5)	(44.4)	(11.1)	(11.3)
Acquisitions/divestitures, net.....	29.7	29.0	15.2	-
Foreign currency and other.....	1.2	-	(3.5)	5.5
Fair value of plan assets, ending.....	\$1,635.0	1,513.8	259.7	232.6
Plan assets in excess of (less than) benefit obligation.....	\$ 89.2	75.9	(46.6)	(30.6)
Unamortized transition amount.....	(22.0)	(29.2)	(1.6)	(2.0)
Unrecognized net loss (gain).....	127.5	89.3	(10.8)	(32.4)
Unrecognized prior service costs.....	20.4	23.7	2.9	1.6
Adjustment for fourth quarter contributions.....	.6	1.7	.5	-
Net pension asset (liability) recognized in the balance sheet..	\$ 215.7	161.4	(55.6)	(63.4)
Weighted average assumptions:				
Discount rate.....	7.75%	7.50%	6.1%	6.8%
Expected return on plan assets.....	10.50%	10.50%	8.5%	8.6%
Rate of compensation increase.....	4.25%	4.00%	3.3%	3.7%

At September 30, 1999 and 1998, the pension assets recognized in the balance sheet were \$271.3 and \$205.9 and the pension liabilities recognized in the balance sheet were \$111.2 and \$107.9, respectively. 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 \$380.6, \$353.5, and \$208.6, respectively, as of September 30, 1999, and \$301.0, \$284.6, and \$160.9, respectively, as of September 30, 1998.

In 1998, the Company changed the measurement date for the defined benefit pension plans from September 30 to June 30 to improve administrative efficiencies and the timeliness and accuracy of its financial reporting and

planning process. The effect of the change on retirement plan expense was immaterial. The fair value of plan assets decreased approximately \$145 in the quarter ended September 30, 1998, reflecting the impact of the equity market decline; this change was offset by an increase in the unrecognized net loss. The 1998 reconciliations of benefit obligations and of the fair value of plan assets include nine months of activity.

#### (7) 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, 1999, 1998 and 1997, follows:

	1999	1998	1997
	-----	-----	-----
<S>	<C>	<C>	<C>
Service cost.....	\$ 4.5	4.1	3.6
Interest cost.....	21.6	20.2	19.0
Net amortization.....	(3.1)	(3.6)	(4.2)
	-----	-----	-----
Net postretirement plan expense.....	\$ 23.0	20.7	18.4
	=====	=====	=====

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

	1999	1998
	-----	-----
<S>	<C>	<C>
Benefit obligation, beginning.....	\$279.6	260.0
Service cost.....	4.5	4.1
Interest cost.....	21.6	20.2
Actuarial losses.....	6.0	12.8
Benefits paid.....	(20.4)	(20.3)
Acquisitions/divestitures and other.....	21.8	2.8
	-----	-----
Benefit obligation, ending.....	313.1	279.6
Unrecognized net gain.....	17.8	25.0
Unrecognized prior service benefit.....	5.9	8.2
	-----	-----
Postretirement benefit liability recognized in the balance sheet.....	\$336.8	312.8
	=====	=====

The assumed discount rates used in measuring the obligations as of September 30, 1999 and 1998, were 7.5 percent and 7.25 percent, respectively. The assumed health care cost trend rate for 2000 was 6.5 percent, declining to 4.5 percent in the year 2004. 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, 1999, and the 1999 postretirement plan expense by less than 5 percent.

#### (8) Earnings Per Common Share

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 basic earnings per common share and diluted earnings per common share follow (shares in millions):

	1999			1998			1997		
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	Earnings	Weighted Average Shares	Earnings Per Share	Earnings	Weighted Average Shares	Earnings Per Share	Earnings	Weighted Average Shares	Earnings Per Share
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Basic.....	\$1,313.6	433.8	\$ 3.03	\$1,228.6	439.2	\$ 2.80	\$1,121.9	445.0	\$ 2.52
	-----	-----	=====	-----	-----	=====	-----	-----	=====
Convertible debt..	.5	.7		.6	.9		.9	1.3	
Stock plans.....		3.9			4.0			3.2	
	-----	-----	-----	-----	-----	-----	-----	-----	-----
Diluted.....	\$1,314.1	438.4	\$ 3.00	\$1,229.2	444.1	\$ 2.77	\$1,122.8	449.5	\$ 2.50
	=====	=====	=====	=====	=====	=====	=====	=====	=====

(9) Common Stock

The Company has various stock option plans that permit certain 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, 1999, 5.4 million options were available for grant under these plans. Changes in the number of shares subject to option during 1999, 1998 and 1997, follow (shares in thousands):

<TABLE> <CAPTION>					
		1999		1998	
1997		-----		-----	
-----					
		Average	Shares	Average	Average
Shares		Price		Price	Price
-----		-----	-----	-----	-----
<S>		<C>	<C>	<C>	<C>
<C>					
Beginning of year.....		\$39.02	6,608	\$34.77	\$25.47
4,523					
Options granted.....		54.95	3,026	57.71	45.09
3,398					
Assumed options of acquired company.....		34.02	71	26.08	-
-					
Options exercised.....		29.29	(1,025)	25.91	22.55
(794)					
Options canceled.....		55.25	(176)	45.23	41.02
(429)					
-----			-----		-----
End of year.....		45.48	8,504	39.02	34.77
6,698			=====		=====
=====					
Exercisable at year end.....			3,952		3,479
2,727			=====		=====
=====					
</TABLE>					

Summarized information regarding stock options outstanding and exercisable at September 30, 1999, follows (shares in thousands):

<TABLE> <CAPTION>				
		Outstanding		
Exercisable		-----		
-----				
Range of		Average		Shares
Average		Shares	Contractual Life	
Exercise Prices				
Price		Price		
-----		-----		-----
<S>		<C>	<C>	<C>
<C>				
up to \$25.....		554	1.8 years	554
\$16.91				
\$26 to 43.....		1,495	5.0	1,442
31.00				
\$44 to 65.....		6,455	8.2	1,956
46.96				
-----		-----		-----
Total.....		8,504	7.3	3,952
36.92		=====		=====
</TABLE>				

The Company's Incentive Shares Plans authorize the distribution of common stock to key management personnel. At September 30, 1999, 1,916,549 shares are outstanding with restriction periods of three to ten years, including 59,500 shares issued in 1999. In addition, 2,292,440 rights to receive common shares have been awarded, including 57,147 shares awarded in 1999, which are contingent upon accomplishing certain objectives by 2001. At September 30, 1999, approximately 6 million shares remained available for award under these plans.

The Company applies Accounting Principles Board Opinion No. 25 in accounting for its stock plans. The compensation expense charged against income for the

Company's incentive shares plans was immaterial. 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 \$1,293 and \$2.95 per share in 1999, \$1,215 and \$2.74 per share in 1998, and \$1,110 and \$2.47 per share in 1997. 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 4.7 percent, 5.7 percent and 6.4 percent, dividend yield of 2.1 percent, 2.0 percent and 2.4 percent, expected volatility of 17 percent, 16 percent and 16 percent for 1999, 1998 and 1997, respectively, and expected life of 5 years for all years. The weighted average fair value of options granted was \$10.38, \$12.01 and \$9.46 for 1999, 1998 and 1997, respectively.

At September 30, 1999, 22,834,153 shares of common stock were reserved, including 22,201,609 shares for issuance under the Company's stock plans and 632,544 shares for conversion of the outstanding 8% convertible subordinated debentures at a price of \$13.49 per share. During 1999, 6,097,200 treasury shares were acquired, and 917,315 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.

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#### (10) Income Taxes

Income before income taxes consists of the following:

	1999	1998
1997		
-----	-----	-----
<S>	<C>	<C>
<C>		
United States.....	\$1,567.7	1,496.4
1,357.1		
Non-U.S.....	453.2	427.1
426.5		
-----	-----	-----
Income before income taxes.....	\$2,020.9	1,923.5
1,783.6		

=====	=====	=====
The principal components of income tax expense follow:		
	1999	1998
1997		
-----	-----	-----
Federal:		
Current.....	\$ 417.3	453.4
447.8		
Deferred.....	77.5	35.9
10.1		
State and local.....	49.8	51.4
48.2		
Non-U.S.....	162.7	154.2
155.6		
-----	-----	-----
Income tax expense.....	\$ 707.3	694.9
661.7		
-----	-----	-----
=====	=====	=====

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

	1999	1998
1997		
-----	-----	-----
Federal corporate statutory rate.....	35.0%	
35.0% 35.0%		
State and local taxes, less federal tax benefit.....	1.6	1.7

1.8		
Foreign Sales Corporation benefit and other.....	(1.6)	
(.6)	.3	
-----	-----	-----
Effective income tax rate.....	35.0%	
36.1% 37.1%		
=====	=====	=====

The principal components of deferred tax assets (liabilities) follow:

	1999	1998
Property, plant and equipment and intangibles.....	\$ (357.0)	
(344.1)		
Leveraged leases.....	(181.0)	
(185.4)		
Pension.....	(92.9)	
(69.3)		
Accrued liabilities.....	249.5	255.9
Postretirement and postemployment benefits.....	145.1	129.1
Employee compensation and benefits.....	109.1	99.4
Other.....	81.6	84.0
	-----	-----
Total deferred tax assets (liabilities).....	\$ (45.6)	
(30.4)		
	=====	=====

</TABLE>

At September 30, 1999 and 1998, respectively, net current deferred tax assets were \$261.7 and \$248.3, and net noncurrent deferred tax liabilities were \$307.3 and \$278.7. Total income taxes paid were approximately \$580, \$665 and \$645 in 1999, 1998 and 1997, respectively.

#### (11) Contingent Liabilities and Commitments

At September 30, 1999, 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 position, nor were there any material commitments outside the normal course of business.

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#### (12) 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. In 1999, the Company adopted Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information," which establishes standards for reporting operating segments and related disclosures. 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 factory automation software. The Industrial Automation segment includes integral horsepower industrial motors, variable-speed and index drives, mechanical power transmission equipment, predictive maintenance systems, ultrasonic welding and cleaning, solids separation, fluid control, materials 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, 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 fractional horsepower motors, controls, and heating elements, as well as hand, plumbing and bench power tools and accessories, and disposers. Summarized information about the Company's operations by business segment and by geographic area follows:

<TABLE> <CAPTION> Business Segments (See note 2)								
	Sales			Earnings Before Interest and Income Taxes			Total Assets	
	1999	1998	1997	1999	1998	1997	1999	1998
-----	-----	-----	-----	-----	-----	-----	-----	-----
1997								
-----	-----	-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>								
Process Control.....	\$ 2,878	2,684	2,645	313	343	319	3,489	2,643
2,654								
Industrial Automation.....	3,380	3,346	3,084	448	431	438	3,269	3,067
2,721								
Electronics and Telecommunications....	2,136	1,617	1,246	237	150	116	1,510	1,328
823								



HVAC.....	2,385	2,149	2,122	361	316	312	1,819	1,698
1,568								
Appliance and Tools.....	3,533	3,440	3,060	577	561	480	2,641	2,589
2,410								
-----								
	14,312	13,236	12,157	1,936	1,801	1,665	12,728	11,325
10,176								
Divested businesses.....	343	557	464	29	45	50	-	531
450								
Differences in accounting methods....				161	156	138		
Interest income, corporate and other..				85	74	52	896	804
837								
Sales eliminations/Interest expense...	(385)	(346)	(322)	(190)	(152)	(121)		
-----								
Total.....	\$14,270	13,447	12,299	2,021	1,924	1,784	13,624	12,660
11,463								
=====								

</TABLE>

<TABLE>  
<CAPTION>

	Intersegment Sales			Depreciation and Amortization Expense			Capital Expenditures		
	1999	1998	1997	1999	1998	1997	1999	1998	
-									
1997									
-									
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Process Control.....	\$ 4	2	1	166	147	146	78	83	
85									
Industrial Automation.....	28	25	17	144	130	115	99	115	
116									
Electronics and Telecommunications....	11	16	3	59	35	28	54	42	
31									
HVAC.....	30	27	26	97	86	81	177	147	
155									
Appliance and Tools.....	312	275	273	155	143	124	159	162	
149									
Divested businesses.....	-	1	2	8	14	12	17	39	
21									
Corporate and other.....				9	8	6	8	15	
18									
-									
Total.....	\$ 385	346	322	638	563	512	592	603	
575									
=====									

</TABLE>

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. Divested businesses include F.G. Wilson and other smaller businesses.

<TABLE>  
<CAPTION>  
Geographic

	Sales by Destination			Property, Plant and Equipment		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
United States.....	\$ 8,557	8,102	7,091	2,312	2,120	1,980
Europe.....	3,064	2,869	2,647	527	627	534
Asia.....	1,211	1,096	1,328	205	169	138
Latin America.....	458	484	402	88	77	65
Other regions.....	980	896	831	22	19	18
Total.....	\$14,270	13,447	12,299	3,154	3,012	2,735
	=====	=====	=====	=====	=====	=====

</TABLE>

1997, included the following:

<TABLE> <CAPTION>		1999	
1998	1997		
-----		-----	--
<S>		<C>	<C>
<C>			
Depreciation and other amortization.....		\$	508.1
459.4 421.0			
Goodwill amortization.....			129.4
103.1 90.6			
Research, new product development and product improvement costs.....			510.3
491.3 445.1			
Rent expense.....			177.4
170.4 156.9			
Interest revenue.....			16.1
25.1 18.4			
Other assets, other are summarized as follows:		1999	
1998			
-----		-----	--
Equity and other investments.....		\$	235.1
187.9			
Retirement plans.....			271.3
205.9			
Leveraged leases.....			185.5
187.5			
Other.....			389.8
362.9			
-----		-----	--
Total.....		\$1,081.7	
944.2			
=====		=====	
Other liabilities are summarized as follows:		1999	
1998			
-----		-----	--
Minority interest.....		\$	297.2
619.9			
Postretirement plans, excluding current portion.....			313.1
292.7			
Deferred taxes.....			333.9
306.6			
Other.....			591.3
559.0			
-----		-----	---
Total.....		\$1,535.5	
1,778.2			
=====		=====	
</TABLE>			

Accrued expenses include employee compensation of \$316.8 and \$295.2 at September 30, 1999 and 1998, 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 \$83 in 2000 and decline substantially thereafter.

#### (14) Quarterly Financial Information (Unaudited)

<TABLE> <CAPTION>		Net Sales		Gross Profit		Net
Financial Results						Earnings
-----		-----		-----		-----
		1999	1998	1999	1998	1999
-----		-----	-----	-----	-----	-----
<S>		<C>	<C>	<C>	<C>	<C>
<C>						
First Quarter.....		\$ 3,426.7	3,171.5	1,215.1	1,141.7	302.4
282.3						
Second Quarter.....		3,588.7	3,382.4	1,278.9	1,222.7	325.9
307.6						

Third Quarter..... 324.8	3,634.0	3,465.2	1,294.0	1,254.1	345.1
Fourth Quarter..... 313.9	3,620.1	3,428.1	1,287.7	1,233.1	340.2
-----	-----	-----	-----	-----	-----
Fiscal Year..... 1,228.6	\$14,269.5	13,447.2	5,075.7	4,851.6	1,313.6
=====	=====	=====	=====	=====	=====

</TABLE>  
<TABLE>  
<CAPTION>

Dividends per Common Share	Basic Earnings per Common Share		Diluted Earnings per Common Share		
	-----	-----	-----	-----	-----
	1999	1998	1999	1998	1999
-----	-----	-----	-----	-----	-----
1998					
-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
<C>					
First Quarter..... .295	\$ .69	.64	.69	.64	.325
Second Quarter..... .295	.75	.70	.74	.69	.325
Third Quarter..... .295	.80	.74	.79	.73	.325
Fourth Quarter..... .295	.79	.72	.78	.71	.325
-----	-----	-----	-----	-----	-----
Fiscal Year..... 1.18	\$ 3.03	2.80	3.00	2.77	1.30
=====	=====	=====	=====	=====	=====

</TABLE>

See Note 2 for information regarding non-recurring items and the Company's acquisition and divestiture activities.

Stock Prices (per common share) 1998	1999		
	-----	-----	-----
	High	Low	High
-----	-----	-----	-----
<S>	<C>	<C>	<C>
<C>			
First Quarter..... 49 3/4	\$66 15/16	58 5/16	58 1/4
Second Quarter..... 55 1/2	65	51 7/8	66 1/4
Third Quarter..... 58 9/16	71 7/16	51 7/16	67 7/16
Fourth Quarter..... 54 1/2	65 7/8	59 1/8	63 3/4
Fiscal Year..... 49 3/4	\$71 7/16	51 7/16	67 7/16

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

#### 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, 1999 and 1998, 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, 1999. 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 generally accepted auditing standards. 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, 1999 and 1998, and the results of their operations and their cash flows for each of the years in the three-year period ended September 30, 1999, in conformity with generally accepted accounting principles.

/s/ KPMG LLP

St. Louis, Missouri  
November 1, 1999

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#### 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, the absence 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) continuation of the current and projected future business environment, including interest rates and capital and consumer spending; (ii) competitive factors and competitor responses to Emerson initiatives; (iii) successful development and market introductions of anticipated new products; (iv) stability of government laws and regulations, including taxes; (v) stable governments and business conditions in emerging economies; (vi) successful penetration of emerging economies; (vii) continuation of the favorable environment to make acquisitions, domestic and foreign, including regulatory requirements and market values of candidates and (viii) timely resolution of the Year 2000 issues by the Company, its customers and suppliers.

## SUBSIDIARIES OF EMERSON ELECTRIC CO.

SEPTEMBER 30, 1999

Legal Name -----	Jurisdiction of Incorporation -----
ADI Control Techniques Drives, Inc.	California
Alco Controls S.A. de C.V.	Mexico
Applied Concepts, Inc.	Pennsylvania
Astec International Holdings Limited	UK
Astec America Inc.	Delaware
AAI Export Inc.	Barbados
BI Technologies Corporation	Delaware
BI Technologies S.A. de C.V.	Mexico
ENI Technology Inc.	Delaware
Emersub LXXV, 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 Ltd.	Canada
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) Co. Ltd.	China
Astec Japan Limited	Japan
Astec Pekan Sdn Bhd	Malaysia
Astec Power Supply (Shenzhen) Co. Ltd.	China
BI Technologies Corporation Sdn Bhd	Malaysia
BI Technologies Pte Ltd.	Singapore
ENI Taiwan Limited	Taiwan
Astec Power Inc.	BVI
BI Technologies GmbH	Germany
BI Technologies S.r.l.	Italy
BI Technologies Japan Limited	Japan
ENI Japan Limited	Japan
Stourbridge Holdings (UK) Limited	UK
BI Technologies Limited	UK
Brandenburg Limited	UK
Mirroware Manufacturing Limited	UK
Astec Europe Ltd.	UK
Astec International PLC	UK
Astec France S.A.R.L.	France
BI Technologies S.A.R.L.	France
Branson Ultrasonic S.A.	Switzerland
Brooks Instrument Canada Limited	Canada
Buehler Ltd.	Illinois
Buehler Holdings	Delaware
Wirtz-Buehler Corporation	Delaware
Clairson International Corp.	Florida
Clairson, Inc.	Delaware
Clairson de Mexico, S.A. de C.V.	Mexico
Clairson (Hong Kong) Limited	Hong Kong
Commercial Cam Co., Inc.	Delaware
Compania de Motores Domesticos S.A. de C.V.	Mexico
Computational Systems, Incorporated	Tennessee
CSI Services, Inc.	Tennessee
CSI Technology, Inc.	Delaware
CTL Japan	Japan
Canada Systems de Mexico	Mexico
Computational Systems, Inc. Europe	Belgium
Data Analysis Products, N.V.	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
Daniel Industries, Inc.	Delaware
Bettis Corporation	Delaware
Bettis Canada Ltd.	Canada
Bettis Electric Actuator Corporation	Delaware
Bettis Foreign Sales Corp.	Barbados
Bettis France SARL	France

Bettis GmbH	Germany
Bettis Holdings, Ltd.	UK
Bettis UK Ltd.	UK
Prime Actuator Control Systems Ltd.	UK
Prime Actuator Control Systems UK Ltd.	UK
Dantorque A/S	Denmark
Dantorque UK Ltd.	UK
Hytork Controls, Inc.	Delaware
Prime Actuator Control Systems, Inc.	Delaware
Shafer Valve Company	Ohio
Shafer Valve Company of Houston	Texas
Shafer Valve Company de Mexico	Mexico
Daniel Automation Company	Delaware
Daniel de Mexico, S.A. de C.V.	Mexico
Daniel Industrial, Inc.	Delaware
Daniel En-Fab Systems, Inc.	Delaware
Daniel International Ltd.	UK
Daniel Europe Ltd.	UK
Spectra-Tek International Limited	UK
Daniel Asia Pacific Ltd.	Singapore
Greenfield (UK) Ltd.	UK
Wagon Greenfield Sdn. Bhd.	Malaysia
Spectra-Tek Holdings Ltd.	UK
Spectra-Tek UK Ltd.	UK
Daniel Measurement and Control, Inc.	Delaware
Daniel Industries Canada Inc.	Canada
Daniel Measurement Services, Inc.	Delaware
Metco Services, Ltd.	UK
Daniel Valve Company	Delaware
Oilfield Fabricating & Machine, Inc.	Texas
Danmasa S.A. de C.V.	Mexico
Hytork International plc	UK
Hytork Controls, Inc.	Florida
Hytork Controls Ltd.	UK
Hytork Controls (Australia) Pty. Ltd.	Australia
Hytork LLC	Delaware
Hytork Services Limited	UK
Valcon Limited	UK
Digital Appliance Controls Manufacturing (Singapore) Pte Ltd.	Singapore
DACM SDN BHD	Malaysia
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 LLC	Delaware
Easy Heat Holding B.V.	Netherlands
Easy Heat Europe B.V.	Netherlands
Easy Heat Polska Sp. z.o.o.	Poland
Conameter Corporation	New Jersey
Copeland Corporation	Delaware
CDP International, Inc.	Delaware
Computer Process Controls, Inc.	Georgia
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-0-Matic USA, Inc.	Delaware
Emerson Electric (U.S.) Holding Corporation	Delaware
Automatic Switch Company	Delaware
Asco Investment Corp.	New Jersey
Angar Scientific Company, Inc.	New Jersey
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 Czech Republic	Czech Republic
Asco/Joucomatic Zuid Afrika B.V.	Netherlands
Asco Electrical Products Co., Inc.	New Jersey
Ascomation Pty. Ltd.	Australia
Ascomation (NZ) Limited	New Zealand
Asco Sweden AB	Sweden
Asco (Japan) Company Ltd.	Japan
Asco Services, Inc.	New Jersey

ASCO Valve Enterprises LLC	Delaware
ASCO Valve Investment, Inc.	Delaware
ASCO Valve, L.P.	Delaware
ASCO Valve Manufacturing, Inc.	Delaware
ASCO Valve Sales, Inc.	Delaware
Ascomatica S.A. de C.V.	Mexico
Ascoval Industria E Comercio Ltda.	Brazil
Firetrol, Inc.	North Carolina
Joucomatic Controls, Inc.	North Carolina
Branson Ultrasonics Corporation	Delaware
American Technology, Inc.	Connecticut
Amtech S.a.r.l.	France
Branson Korea Co., Inc.	Korea
Branson Ultrasonics S.A.	Sweden
Branson Ultrasonidos S.A.E.	Spain
Branson Ultrasons S.A.	France
Krautkramer France S.A.	France
Camco Vertriebs-GmbH	Germany
Camco Vertriebs-GmbH & Co.	Germany
Chromalox GmbH	Germany
Copeland GmbH	Germany
Copeland France S.A.	France
Copeland Corporation Limited	UK
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
Emerson Electric GmbH	Germany
Emerson Electric GmbH & Co.	Germany
Emerson Electric Overseas Finance Corp.	Delaware
Emerson Electric de Colombia, LTDA	Colombia
Motores U.S. de Mexico, S.A. de C.V.	Mexico
U.S.E.M. de Mexico S.A. de C.V.	Mexico
Emerson Technologies Verwaltungs GmbH	Germany
AmTech American Technologies GmbH & Co.	Germany
Emerson Technologies GmbH & Co.	Germany
Fisher-Rosemount GmbH	Germany
Fisher-Rosemount GmbH & Co.	Germany
Heraeus Sensor GmbH	Germany
KVT Technologies, GmbH	Germany
KVT Technologies GmbH & Co.	Germany
Krautkramer GmbH	Germany
Krautkramer GmbH & Co.	Germany
Liebert GmbH	Germany
Liebert A.G.	Switzerland
PEPT Investment Corporation	Delaware
Skil Europe Corporation	Delaware
Reglerwerk Dresden GmbH	Germany
Ridge Tool GmbH	Germany
Ridge Tool GmbH & Co.	Germany
RIDGID Peddinghaus Werkzeug GmbH	Germany
Rosemount Inc.	Minnesota
Dieterich Standard, Inc.	Delaware
Dieterich Technology Holding Corp.	Delaware
Fisher-Rosemount AB	Sweden
Fisher-Rosemount AS (Norway)	Norway
Fisher-Rosemount, S.A.	Spain
Rosemount Portugal Instrumentos Lda.	Portugal
Fisher-Rosemount Holding AG	Switzerland
Fisher-Rosemount AG	Switzerland
Fisher Rosemount Proses Kontrol	
Ticaret Limited Sirketi	Turkey
Fisher-Rosemount Sro	Czech Republic
Fisher-Rosemount A/S	Denmark
Fisher-Rosemount Ges. M.B.H.	Austria
Westinghouse Electric GES m.b.H.	Austria
Rosemount Poland Ltd.	Poland
Westinghouse Electric Poland Sp. z.o.o.	Poland
Westinghouse Process Control (Asia) S.A.	Switzerland
Fisher-Rosemount Instruments Pty. Ltd.	Australia
Emerson Electric Australia Co. Pty. Ltd.	Australia
Fisher-Rosemount Ltd.	New Zealand
Fisher-Rosemount Japan Co. Ltd.	Japan
Fisher-Rosemount Korea Ltd.	Korea
Fisher-Rosemount Middle East, Inc.	Delaware
Fisher-Rosemount Singapore Private Limited	Singapore
Fisher-Rosemount Manufacturing (M) SDN BHD	Malaysia
Rosemount Shanghai International Trade Co. Ltd.	
Westinghouse Electric (Singapore) Ltd.	China
Fisher-Rosemount Taiwan, Ltd.	Singapore
Rosemount Instruments Corporation	Taiwan
P I Components Corp.	BVI
Rosemount Analytical Inc.	Texas
	Delaware

Rosemount China Inc.	Minnesota
Rosemount Nuclear Instruments, Inc.	Delaware
Rosemount Shanghai Co. Ltd.	China
Tekmar Company	Ohio
Wirtz-Buehler GmbH	Germany
Xomox Corporation	Ohio
Fisher-Rosemount do Brasil	Brazil
Industria e Comercio Ltda.	Mexico
Fisher-Rosemount S.A. de C.V.	Ohio
Flow Technology, Inc. (Taiwan)	Mexico
Flow Technology S.A. de C.V.	France
Xomox France S.A.	Switzerland
Xomox A.G.	Mexico
Xomox Chihuahua S.A. de C.V.	Venezuela
Xomox Corporation de Venezuela, C.A.	Uruguay
Xomox South America S.A.	Uruguay
Xomox Uruguay S.A.	Germany
Xomox International GmbH	Germany
Xomox International GmbH & Co.	Germany
Pfannenschmidt GmbH	Delaware
Emerson Power Transmission Corporation	Delaware
Emerson Chain, Inc.	Minnesota
Emerson Motion Control, Inc.	
Emerson Power Transmission Drives and	Delaware
Components, Inc.	Delaware
Emerson Power Transmission Ithaca, Inc.	Indiana
McGill Manufacturing Company, Inc.	Delaware
Emerson Power Transmission Bearings, Inc.	
Emerson Power Transmissions	Missouri
Manufacturing, L.P.	Delaware
Emersub LXXII, Inc.	Taiwan
McGill International, Inc.	Delaware
Environmental Remediation Management, Inc.	Connecticut
Krautkramer-Branson, Incorporated	Ohio
Liebert Corporation	Delaware
Control Concepts Corporation	Ohio
Computersite-Preparations, Inc.	Delaware
Global Energy Services, Inc.	Hong Kong
Liebert Asia Ltd.	
Wuhan Liebert Computer Power Support System	China
Limited	Australia
Liebert Corporation Australia Pty, Ltd.	Australia
Atlas Air Australia Pty. Ltd.	Singapore
Rougemont Enterprises Pte. Ltd.	Singapore
Liebert Far East Pte. Ltd.	Singapore
Atlas Air (S.E.A.) Pte Ltd.	Malaysia
Liebert (Malaysia) Sdn. Bhd.	Delaware
Liebert Field Services, Inc.	Delaware
Liebert Global Services, Inc.	Netherlands
Liebert International B.V.	Delaware
Liebert North America, Inc.	Delaware
Liebert Property Holdings, LLC	Brazil
Liebert Tecnologia Ltda.	Thailand
Liebert (Thailand) Co. Ltd.	Delaware
Northeast Electrical Testing, Inc.	Colorado
Micro Motion, Inc.	Ohio
Ridge Tool Company	Italy
Emerson Electric SRL	Australia
Ridge Tool (Australia) Pty., Ltd.	Delaware
Ridge Tool Manufacturing Company	Delaware
Ridge Tool Pattern Company	Switzerland
Ridge Werkzeuge AG	Delaware
Ridgid, Inc.	Ohio
Therm-O-Disc, Incorporated	Mexico
Componentes Avanzados de Mexico, S.A. de C.V.	Mexico
Controles de Temperatura S.A. de C.V.	Delaware
E.G.P. Corporation	West Virginia
Electronic Control Systems, Inc.	West Virginia
Fairmont Building and Investment Corp.	Mexico
Emermex S.A. de C.V.	Hong Kong
Emerson Electric (Asia) Limited	Hong Kong
Branson Ultrasonics (Asia Pacific) Co. Ltd.	Singapore
Emerson Electric (South Asia/Pacific) Pte. Ltd.	Venezuela
Emerson Electric II, C.A.	Venezuela
Emerson Electric, C.A.	Virgin Islands
Emerson Electric Foreign Sales Corporation	Delaware
Emerson Electric International, Inc.	Bermuda
Emerson Electric Ireland Ltd.	Ireland
Emersub Treasury Ireland	India
Emerson Electric (Mauritius) Ltd.	India
Emerson Electric Company India Private Ltd.	India
Westinghouse Electric Private Ltd. (India)	India
Westinghouse Electric Private Ltd. (Mauritius)	Netherlands
Emerson Electric Nederland B.V.	Netherlands
Branson Ultrasonics B.V.	



Beckman Industrial B.V.	Netherlands
Brooks Instrument B.V.	Netherlands
Emerson Computer Power B.V.	Netherlands
Capax Electric Apparatenfabriek B.V.	Netherlands
Crouzet Appliance Controls D.O.O.	Slovenia
Emerson Electric RG	Russia
Emerson Electric Slovakia Limited	Slovakia
Vuma a.s.	Czech Republic
Emerson Electric, SpoL, s.r.o.	Czech Republic
Fisher-Rosemount B.V.	Netherlands
Fisher-Rosemount Manufacturing B.V.	Netherlands
Fisher-Rosemount Temperature B.V.	Netherlands
Fusite, B.V.	Netherlands
New-Tech Cuijk B.V.	Netherlands
El-0-Matic B.V.	Netherlands
El-0-Matic Valve Actuators (F.E.) Pte. Ltd.	Singapore
El-0-Matic S.A. (Proprietary) Ltd.	South Africa
Va-con (Pty.) Ltd.	South Africa
Therm-0-Disc Europe B.V.	Netherlands
Emerson Electric Puerto Rico, Inc.	Delaware
Emerson Puerto Rico, Inc.	Delaware
Emerson Electric (Taiwan) Company Limited	Taiwan
Emerson Finance Co.	Delaware
Emersub XIX, Inc.	Delaware
Emerson Global Finance Company	Missouri
Emerson Middle East, Inc.	Delaware
Emerson Pacific Pte. Ltd.	Singapore
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
Fisher-Rosemount Italia S.R.L.	Italy
Hiross Holding AG	Austria
Hiross International Corporation BV	Netherlands
Hiross Management SA	Switzerland
Hiross S.p.A.	Italy
Hiross AG	Switzerland
Hiross Ltd.	UK
Hiross SA	France
Hiross Austria GmbH	Austria
Hiross Hungaria Kft	Hungary
Hiross Batliboi Ltd.	India
Hiross Deutschland GmbH	Germany
Hiross Flexible Space System S.r.l.	Italy
Mecanotronic GmbH	Austria
Suvretta S.p.A.	Italy
Sirai Elettromeccanica s.r.l.	Italy
Sirai Deutschland GmbH	Germany
Xomox Italia S.R.L.	Italy
Emersub XLIII, Inc.	Ohio
Emersub XLV, Inc.	Delaware
Valycontrol, S.A. de C.V.	Mexico
Filcore, Inc.	Texas
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 LXVI, Inc.	Nevada
Emersub LXXIII, Inc.	Illinois
Emersub LXXVI, Inc.	Delaware
Lipe-Rollway Corporation	New York
Lipe-Rollway International Ltd.	Delaware
Lipe-Rollway Australia Pty. Ltd.	Australia
Lipe-Rollway de Mexico, S.A. de C.V.	Mexico
Lipe-Rollway Deutschland GmbH	Germany
Lipe-Rollway N.V.	Belgium
Emersub LXXVIII, Inc.	Delaware
Emersub LXXIX, Inc.	Delaware
Emersub LXXX, Inc.	Delaware
Emersub LXXXIV, Inc.	Delaware
Emersub LXXXV, Inc.	Delaware
Emersub LXXXVI, Inc.	Delaware
Emersub LXXXVII, Inc.	Delaware
Emersub LXXXVIII, Inc.	Delaware
Emsub, Inc.	Delaware
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
Digital Appliance Controls, S.A. de C.V.	Mexico
EMR Manufacturing (M) Sdn Bhd	Malaysia

Emerson Argentina S.A.	Argentina
Emerson Electric Canada Limited	Canada
Ascoelectric Limited	Canada
Ascoelectric Brantford Ltd.	Canada
Fisher Controls Inc. (Controles Fisher Inc.)	Canada
Fisher-Rosemount Instruments Ltd.	Canada
KVT Technologies, Inc.	Canada
Tech-Met Canada Limited	Canada
Thermo-O-Disc (Canada) Limited	Canada
Xomox Canada Ltd.	Canada
Emerson Electric Chile Ltda.	Chile
Emerson Electric (China) Holdings Ltd.	China
Beijing Rosemount Far East Instrument Co., Ltd.	China
Clairson (Jiangmen) Storage Limited	China
Emerson Electric (Suzhou) Co. Ltd.	China
Emerson Electric (Tianjin) Co., Ltd.	China
Emerson Engineering System (Shanghai) Co., Limited	China
Emerson Electric (Shenzhen) Co., Limited	China
Emerson Machinery & Equipment (Shenzhen) Co. Ltd.	China
Emerson Trading (Shanghai) Co. Ltd.	China
Emerson Fusite Electric (Shenzhen) Co. Ltd.	China
Emerson White-Rodgers Electric (Xiamen) Co., Ltd.	China
Ridge Tool (Hangzhou) Co., Ltd.	China
Shanghai Branson Ultrasonics Co., Ltd.	China
Shenyang Copeland Refrigeration Co., Ltd.	China
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
Emerson Electric Hungary Ltd.	Hungary
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 Europe S.A.	France
Asco Joucomatic S.A.	France
Asco Joucomatic GmbH	Germany
Asco Joucomatic GmbH & Co.	Germany
Joucomatic Controls Pty. Limited	Australia
Asco Joucomatic S.p.A.	Italy
Asco Joucomatic N.V.	Belgium
Fluidicontrol S.A.	Spain
Sotrac S.r.l.	Italy
Crouzet Appliance Controls S.A.	France
Crouzet Appliance Controls SpA	Italy
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-Quest S.A.	France
Atelier de Bobinage de Moteurs Electriques 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
Leroy-Somer Canada Ltd.	Canada
Lorraine Services Electrique Electronique Electromecanique S.a.r.l.	France
M.I.S. Kerebel Provence S.A.R.L.	France
M.I.S. Poitouaine S.A.R.L.	France
M.I.S. SPIRE S.A.R.L.	France
M.L.S. Holice Spol. s.r.o.	Czech Republic
Maintenance Industrie Service S.a.r.L.	France
Maintenance Industrie Service Flandres SARL	France
Maintenance Industrie Services Rennes S.a.r.L.	France
Maintenance Industrie Services Rhone-Alpes S.A.R.L.	France
Maintenance Industrie Services Toulouse 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
Societe Nouvelle Paillet Services S.A.R.L.	France
Societe Nouvelle Silvain S.A.R.L.	France

Societe DeReparation Electro-Mecanique S.A.R.L.	France
Sud Bobinage S.A.R.L.	France
Viet Services S.A.R.L.	France
Etablissements Sevenier S.A.	France
Etablissements Trepeau S.A.	France
Girard Transmissions S.A.	France
IMI Kft	Hungary
La Francaise de Manutention S.A.	France
Leroy-Somer AB	Sweden
Leroy-Somer A/S	Denmark
Leroy-Somer A/S	Norway
Leroy-Somer BV	Netherlands
Leroy-Somer Elektroantriebe GmbH	Austria
Leroy-Somer Elektromotoren GmbH	Germany
Leroy-Somer Ltd.	UK
Leroy-Somer Maroc S.A.	Morocco
Leroy-Somer Motores E Sistemas Electromecanicos Ltda.	Portugal
Leroy-Somer N.V.	Belgium
Leroy-Somer OY	Finland
Leroy-Somer Pty. Ltd.	South Africa
Leroy-Somer (Pty) Ltd.	Australia
Leroy-Somer S.A.	Switzerland
Leroy-Somer S.A.	Spain
Leroy-Somer (SEA) Pte. Ltd.	Singapore
Leroy-Somer S.p.A.	Italy
Maintenance Industrielle de Vierzon S.A.	France
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 Dorleans S.A.	France
Societe Confolentaise de Metalurgie S.A.	France
Societe de Mecanique et D'Electrothermie des Pays de L'Adour S.A.	France
Liebert France S.A.	France
Ridgid France S.A.	France
Emerson Holding AG	Switzerland
Fisher-Rosemount Europe Middle East & Africa GmbH	Switzerland
Fisher-Rosemount Systems GmbH	Switzerland
Emerson Laminaciones de Acero de Monterrey, S.A. de C.V.	Mexico
Emersub Mexico, Inc.	Nevada
Emersub 1 LLC	Delaware
Intermetro de Mexico, S. de R.L. de C.V.	Mexico
Emersub XXXVI, Inc.	Delaware
Digital Appliance Controls (UK) Limited	UK
Control Techniques Ltd.	UK
Control Techniques (Holding) GmbH	Germany
Control Techniques GmbH	Germany
INAG Industrielle Antriebs-systeme GmbH	Germany
Reta Anlagenbau GmbH	Germany
Reta Elektronik 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	UK
K.T.K. (Newton) Limited	UK
Control Techniques Dynamics Limited	UK
Evershed Powerotor Limited	UK
Moore Reed & Company Limited	UK
Control Techniques Italia srl	Italy
Control Techniques Precision Systems Limited	UK
Control Techniques SKS Oy	Finland
Dynamec KY	Finland
Mechatronics OY	Finland
Sofftpoint KY	Finland
Control Techniques SpA	Italy
Control Techniques Sweden AB	Sweden
Control Techniques Worldwide BV	Netherlands
Control Technika Kft.	Hungary
Control Techniques Automation BV	Netherlands
Control Techniques BV	Netherlands

Control Techniques Brno s.r.o.	Czech Republic
Control Techniques China Pte. Ltd.	Hong Kong
Control Techniques Denmark A/S	Denmark
Control Techniques Elpro Automation Limited	India
Control Techniques Endustriyel Control Sistemieri Sanayii Ve Ticaret A.S.	Turkey
Control Techniques GesbmH	Austria
Control Techniques India Limited	India
Control Techniques Norway A/S	Norway
Control Techniques NV/SA	Belgium
Control Techniques Vietnam Limited	Vietnam
CTS Control Techniques Antriebsregelungen GmbH	Switzerland
DrivesShop Limited	UK
Electric Drives Limited	Ireland
Electric Drives Manufacturing Limited	Ireland
Foray 600 Limited	UK
Foray 606 Limited	UK
Siliconics (Pty) Ltd.	South Africa
Emerson Holding Company Limited	UK
Asco Joucomatic Ltd.	UK
Joucomatic Controls Ltd.	UK
Computational Systems, Limited	UK
Copeland Ltd.	N. Ireland
El-O-Matic Limited	UK
Emerson Electric (U.K.) Limited	UK
Liebert Ltd.	UK
Liebert Swindon Ltd.	UK
Fisher-Rosemount Limited	UK
Emerson U.K. Trustees Limited	UK
Farris Engineering Ltd.	UK
Fisher-Rosemount Manufacturing Ltd.	UK
Fisher Governor Company Ltd.	UK
Westinghouse Process Control UK Ltd.	UK
Xomox Limited	UK
Pactrol Control Limited	UK
Switched Reluctance Drives Ltd. (SDRL)	UK
SR Drives Manufacturing Ltd.	UK
Reluctance Motors Ltd.	UK
F-R Tecnologias de Flujo, S.A. de C.V.	Mexico
Fisher-Rosemount del Peru S.A.C.	Peru
Fisher-Rosemount Hungary Ltd.	Hungary
Fisher-Rosemount Manufacture Ltd.	Hungary
Liebert Europe Espana S.A.	Spain
Motoreductores U.S., S.A. de C.V.	Mexico
P.T. Emerson Electric Indonesia	Indonesia
Rey-Lam, S. de R.L. de C.V.	Mexico
Rotores S.A. de C.V.	Mexico
Termotec de Chihuahua S.A. de C.V.	Mexico
Wilson Investment 1, Inc.	Delaware
Etirex S.A.	France
Fisher Controls International, Inc.	Delaware
Exac Corporation	California
Fisher Controles Industria E Comercio Ltda.	Brazil
Fisher-Rosemount Do Brasil Ltda.	Brazil
Fisher Controls De Mexico, S.A. de C.V.	Mexico
Fisher-Rosemount China Limited	Hong Kong
Tianjin Fisher Controls Valve Co. Ltd.	China
Fisher Controls Pty. Limited	Australia
Fisher Service Company	Delaware
Fisher-Rosemount Systems, Inc.	Delaware
Orion CEM, Inc.	Delaware
Westinghouse Process Control, Inc.	Delaware
Westinghouse International Process Control Corp.	Delaware
Fisher-Rosemount de Venezuela S.A.	Venezuela
Fro-Mex, S.A. de C.V.	Mexico
H.D. Baumann Inc.	Delaware
Mountain Controls Group Co.	West Virginia
Nippon Fisher Company Ltd.	Japan
Fisco Ltd. (Fisco Kabushiki Kaisha)	Japan
Fisher Rosemount, Inc.	Delaware
Fisher-Rosemount N.V./S.A.	Belgium
Senpro N.V.	Belgium
Fisher-Rosemount S.A.	France
Fusite Corporation	Ohio
Emerson Japan, Ltd.	Japan
F-R Intex Co. Ltd.	Japan
Taiyo Emerson Ltd. Japan	Japan
Fusite Land Company	Delaware
High Voltage Maintenance Corporation	Ohio
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	UK
Intellution SARL	France
Intellution South Asia Pte. Ltd.	Singapore
Wizdom Controls, Inc.	Delaware
Kato Engineering, Inc.	Delaware
Kop-Flex, Inc.	Delaware
Kop-Flex Canada Limited	Canada
Louisville Ladder Holding Corp.-Nevada	Nevada
Louisville Holding Corp.- Delaware	Delaware
MagneTek China Limited	Cayman Islands
MagneTek Fuzhou Generator Company Limited	China
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
Ridge Tool Europe S.A.	Belgium
Ridgid Vaerktojs A/S	Denmark
Ridgid Ferramentas E. Maquinas, Ltda.	Brazil
SWECO Europe, S.A.	Belgium
Termocontroles de Juarez S.A. de C.V.	Mexico
The Sulton Company, Inc.	Delaware
Transmisiones de Potencia Emerson S.A. de C.V.	Mexico
Vermont American Corporation	Delaware
Carbbits, Inc.	South Carolina
Credo Tool Company	Delaware
Carbide Blast Joints, Inc.	Texas
DML Industrial Products, Inc.	North Carolina
Vermont American Corporation, Fountain Inn	Delaware
Primark DML, Inc.	North Carolina
VAC Data Management, Inc.	Delaware
VAC Services LP	Kentucky
Gilmour Enterprises, Inc.	Delaware
Gilmour Manufacturing Company	Pennsylvania
Gilmour, Inc.	Delaware
VA Export, Ltd.	Virgin Islands
VA Holding Company	Delaware
VA (Hong Kong) Limited	Hong Kong
Vermont American Asia-Pacific, Inc.	Delaware
Vermont American (Australia) Ltd.	Nevada
Vermont American Canada Inc.	Canada
Vermont American Tool Company	Delaware
Vermont Westa Werkzeugbau GmbH	Germany
Wer Canada Inc.	Canada
Western Forge Corporation	Delaware
White-Rodgers 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. 333-46919, 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. 333-84673, 333-66865, 33-62545 and 33-39109 on Form S-3 of Emerson Electric Co. of our report dated November 1, 1999, relating to the consolidated balance sheets of Emerson Electric Co. and subsidiaries as of September 30, 1999 and 1998, 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, 1999, which report is incorporated by reference in the September 30, 1999 annual report on Form 10-K of Emerson Electric Co.

/s/ KPMG LLP

St. Louis, Missouri  
December 17, 1999

## 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, 1999.

Dated:                   October 5, 1999.

Signature -----	Title -----
/s/C. F. Knight ----- C. F. Knight	Chairman of the Board and Chief Executive Officer and Director
/s/W. J. Galvin ----- W. J. Galvin	Senior Vice President of Finance and Chief Financial Officer
/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
/s/D. C. Farrell ----- D. C. Farrell	Director
/s/J. A. Frates ----- J. A. Frates	Director
/s/R. B. Horton ----- R. B. Horton	Director
/s/G. A. Lodge ----- G. A. Lodge	Director
/s/R. B. Loynd ----- R. B. Loynd	Director
/s/V. R. Loucks, Jr. ----- V. R. Loucks, Jr.	Director

/s/R. L. Ridgway                      Director  
-----  
R. L. Ridgway

/s/R. W. Staley                      Director  
-----  
R. W. Staley

/s/A. E. Suter                      Director  
-----  
A. E. Suter

/s/G. W. Tamke                      Director  
-----  
G. W. Tamke

/s/W. M. Van Cleve                      Director  
-----  
W. M. Van Cleve

/s/E. E. Whitacre, Jr.                      Director  
-----  
E. E. Whitacre, Jr.



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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE 1999 EMERSON ELECTRIC CO. CONSOLIDATED STATEMENT OF EARNINGS AND CONSOLIDATED BALANCE SHEET FILED WITH THE COMPANY'S 1999 FORM 10-K AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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