UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended December 31, 2008

OR

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

For the transition period from ____________________ to __________________

Commission file number 1-278

EMERSON ELECTRIC CO.

(Exact name of registrant as specified in its charter)

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer **x** Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company) Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No **x**

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. Common stock of $0.50 par value per share outstanding at January 31, 2009: 755,037,306 shares.

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements.

EMERSON ELECTRIC CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
THREE MONTHS ENDED DECEMBER 31, 2007 AND 2008
(Dollars in millions, except per share amounts; unaudited)

	Three Months Ended December 31, 2007	2008
Net Sales	$ 5,520	5,415
Costs and expenses:		
Cost of sales	3,510	3,419
Selling, general and administrative expenses	1,184	1,193
Other deductions, net	3	91
Interest expense (net of interest income of $14 and $11, respectively)	50	43
Earnings from continuing operations before income taxes	773	669
Income taxes	254	211
Earnings from continuing operations	519	458
Discontinued operations, net of tax	46	-
Net earnings	$ 565	458
Basic earnings per common share:		
Earnings from continuing operations	$ 0.66	0.60
Discontinued operations	0.06	-
Basic earnings per common share	$ 0.72	0.60
Diluted earnings per common share:		
Earnings from continuing operations	$ 0.65	0.60
Discontinued operations	0.06	-
Diluted earnings per common share	$ 0.71	0.60
Cash dividends per common share	$ 0.30	0.33

See accompanying Notes to Consolidated Financial Statements.

EMERSON ELECTRIC CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except per share; unaudited)

	September 30, 2008	December 31, 2008
ASSETS		
Current assets		
Cash and equivalents	$ 1,777	1,668
Receivables, less allowances of $90 and $89, respectively	4,618	4,007
Inventories	2,348	2,470
Other current assets	588	728
Total current assets	9,331	8,873
Property, plant and equipment, net	3,507	3,459
Other assets		
Goodwill	6,562	6,556
Other	1,640	1,634
Total other assets	8,202	8,190
	$ 21,040	20,522
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings and current maturities of long-term debt	$ 1,221	2,042
Accounts payable	2,699	2,171
Accrued expenses	2,480	2,412
Income taxes	173	203
Total current liabilities	6,573	6,828
Long-term debt	3,297	3,234
Other liabilities	2,057	2,058
Stockholders' equity		
Preferred stock of $2.50 par value per share		
Authorized 5.4 shares; issued – none	-	-
Common stock of $0.50 par value per share		
Authorized 1,200.0 shares; issued 953.4 shares; outstanding 771.2 shares and 759.0 shares, respectively	477	477
Additional paid-in capital	146	140
Retained earnings	14,002	14,208
Accumulated other comprehensive income	141	(356)
Cost of common stock in treasury, 182.2 shares and 194.4 shares, respectively	(5,653)	(6,067)
Total stockholders' equity	9,113	8,402
	$ 21,040	20,522

See accompanying Notes to Consolidated Financial Statements.

EMERSON ELECTRIC CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED DECEMBER 31, 2007 AND 2008
(Dollars in millions; unaudited)

	Three Months Ended December 31, 2007	2008
Operating activities		
Net earnings	$ 565	458
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	171	176
Changes in operating working capital	(307)	(316)
Other	(6)	1
Net cash provided by operating activities	423	319
Investing activities		
Capital expenditures	(127)	(132)
Purchases of businesses, net of cash and equivalents acquired	(377)	(271)
Other	183	(12)
Net cash used in investing activities	(321)	(415)
Financing activities		
Net increase in short-term borrowings	1,050	968
Proceeds from long-term debt	-	2
Principal payments on long-term debt	-	(186)
Dividends paid	(237)	(252)
Purchases of treasury stock	(194)	(433)
Other	(61)	(35)
Net cash provided by financing activities	558	64
Effect of exchange rate changes on cash and equivalents	38	(77)
Increase (decrease) in cash and equivalents	698	(109)
Beginning cash and equivalents	1,008	1,777
Ending cash and equivalents	$ 1,706	1,668
Changes in operating working capital		
Receivables	$ 143	439
Inventories	(170)	(164)
Other current assets	74	(85)
Accounts payable	(244)	(424)
Accrued expenses	(152)	(142)
Income taxes	42	60
	$ (307)	(316)

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

1. The accompanying unaudited consolidated financial statements, in the opinion of management, include all adjustments necessary for a fair presentation of the results for the interim periods presented. These adjustments consist of normal recurring accruals. The consolidated financial statements are presented in accordance with the requirements of Form 10-Q and consequently do not include all the disclosures required for annual financial statements presented in conformity with U.S. generally accepted accounting principles. First quarter 2008 results in this Form 10-Q reflect the Company's reclassification of its European appliance motor and pump business as discontinued operations, which occurred in the second quarter of 2008. For further information refer to the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended September 30, 2008.

2. Reconciliations of weighted average common shares for basic earnings per common share and diluted earnings per common share follow (shares in millions):

	Three Months Ended December 31,	
	2007	**2008**
Basic	786.5	763.2
Dilutive shares	10.0	4.7
Diluted	796.5	767.9

3. Comprehensive income (loss) is summarized as follows (dollars in millions):

	Three Months Ended December 31,	
	2007	**2008**
Net earnings	$ 565	458
Foreign currency translation	95	(400)
Cash flow hedges and other	(33)	(97)
	$ 627	(39)

Changes in foreign currency translation are due to the stronger U.S. dollar.

4. Other Financial Information (dollars in millions):

		September 30, 2008	December 31, 2008
Inventories			
Finished products	$	884	980
Raw materials and work in process		1,464	1,490
	$	2,348	2,470
Property, plant and equipment, net			
Property, plant and equipment, at cost	$	8,691	8,589
Less accumulated depreciation		5,184	5,130
	$	3,507	3,459
Goodwill by segment			
Process Management	$	2,043	2,002
Industrial Automation		1,107	1,178
Network Power		2,432	2,387
Climate Technologies		412	407
Appliance and Tools		568	582
	$	6,562	6,556

Changes in the goodwill balances since September 30, 2008, are primarily due to foreign currency translation, as well as additions from acquisitions, primarily in the Industrial Automation segment ($131 million). Valuations of certain assets are in-process; purchase price allocations for acquisitions are subject to refinement.

		September 30, 2008	December 31, 2008
Other assets, other			
Intellectual property and customer relationships	$	627	680
Pension plans		436	393
Capitalized software		192	196
Other		385	365
	$	1,640	1,634
Product warranty liability	$	204	187
Other liabilities			
Deferred income taxes	$	533	566
Postretirement plans, excluding current portion		417	419
Retirement plans		325	314
Minority interests		188	158
Other		594	601
	$	2,057	2,058

5. Net periodic pension expense is summarized as follows (dollars in millions):

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2008
Service cost	$ 18	18
Interest cost	52	56
Expected return on plan assets	(68)	(72)
Net amortization	24	21
	$ 26	23

Net postretirement plan expense is summarized as follows (dollars in millions):

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2008
Service cost	$ 1	1
Interest cost	7	7
Net amortization	7	2
	$ 15	10

6. Other deductions, net are summarized as follows (dollars in millions):

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2008
Other deductions, net		
Rationalization of operations	$ 9	43
Amortization of intangibles	17	23
Other	41	29
Gains	(64)	(4)
	$ 3	91

Other deductions, net increased due to higher rationalization costs in fiscal 2009 (see note 7 for further details) and nonrecurring gains in fiscal 2008. For the three months ended December 31, 2007, the Company received $54 million and recognized a gain of $39 million ($20 million after-tax) on the sale of an equity investment in Industrial Motion Control Holdings, LLC, a manufacturer of motion control components for automation equipment, and recorded a pretax gain of $18 million related to the sale of a facility. For the first quarter of fiscal 2009, Other included approximately $7 million of losses on foreign exchange transactions compared with $4 million of gains in the prior year period. During the first quarter of fiscal 2008, Other included an approximate $15 million charge for in-process research and development in connection with the acquisition of Motorola Inc.'s Embedded Computing business.

7. The change in the liability for rationalization of operations during the three months ended December 31, 2008, follows (dollars in millions):

	September 30, 2008	Expense	Paid/Utilized	December 31, 2008
Severance and benefits	$ 33	34	12	55
Lease/contract terminations	5	1	1	5
Fixed asset write-downs	-	1	1	-
Vacant facility and other shutdown costs	1	2	2	1
Start-up and moving costs	1	5	5	1
	$ 40	43	21	62

Expense associated with the rationalization of operations summarized by business segment follows (dollars in millions):

	Three Months Ended December 31, 2007	2008
Process Management	$ 1	2
Industrial Automation	3	3
Network Power	3	20
Climate Technologies	1	14
Appliance and Tools	1	4
	$ 9	43

Rationalization of operations comprises expenses associated with the Company's efforts to continuously improve operational efficiency and to expand globally in order to remain competitive on a worldwide basis. These expenses result from numerous individual actions implemented across the divisions on an ongoing basis. Rationalization of operations includes costs for moving facilities, starting-up plants after relocation or business expansion, exiting product lines, curtailing/downsizing operations because of changing economic conditions, and other costs resulting from asset redeployment decisions. Noteworthy rationalization actions during the first quarter of 2009 included Network Power which incurred severance and benefits and start up and moving costs related to the consolidation of certain power systems production into low cost areas in North America and Europe, severance and start up and moving costs related to shifting certain engineering capabilities from Europe to Asia, as well as integration costs related to the Embedded Computing acquisition. Climate Technologies incurred severance related to relocation of a production facility in Europe. Appliance and Tools incurred severance related to consolidation and downsizing of certain production facilities in North America.

Given the difficult economic environment, the Company expects actions to be taken that will increase rationalization expense for all of fiscal 2009 to a total of approximately $175 million to $200 million. This total includes the $43 million shown above, as well as costs to complete actions initiated before the end of the first quarter and actions anticipated to be approved and initiated during the remainder of the year.

8. Summarized information about the Company's operations by business segment follows (dollars in millions):

	Sales			Earnings	
Three months ended December 31,		**2007**	**2008**	**2007**	**2008**
Process Management	$	1,436	1,553	258	302
Industrial Automation		1,125	1,103	171	153
Network Power		1,406	1,435	180	149
Climate Technologies		766	692	102	53
Appliance and Tools		932	771	132	79
		5,665	5,554	843	736
Differences in accounting methods				53	50
Corporate and other				(73)	(74)
Eliminations/Interest		(145)	(139)	(50)	(43)
Net sales/Earnings before income taxes	$	5,520	5,415	773	669

Compared to the prior year, fiscal 2009 reflects lower stock compensation expense of $31 million due to a decrease in Emerson's stock price, and lower commodity mark-to-market costs of $27 million, offset by higher one-time gains in fiscal 2008. Intersegment sales of the Appliance and Tools segment for the three months ended December 31, 2008 and 2007, respectively, were $112 million and $122 million.

9. Effective October 1, 2008, the Company adopted the recognition and disclosure provisions of Statement of Financial Accounting Standards (FAS) No. 157, "Fair Value Measurements." FAS 157 defines fair value, establishes a formal hierarchy and framework for measuring fair value, and expands disclosures about fair value measurements and the reliability of valuation inputs. Under FAS 157, a fair value measurement assumes that the transaction to sell an asset or transfer a liability occurs in the principal market for that asset or liability or, in the absence of a principal market, the most advantageous market available. Level 1 instruments have the most reliable valuations and are measured using observable market prices for the same item in active markets. Fair values using market-observable inputs in active markets, including forward and spot prices, interest rates and volatilities for similar underlying currencies or commodities are considered Level 2. Unobservable inputs are the least reliable for valuation and are considered Level 3. In February 2008, the FASB delayed until fiscal 2010 the effective date of FAS 157 for nonfinancial assets and nonfinancial liabilities. This includes goodwill and certain other intangible and long-lived assets. The Company has in place bilateral collateral agreements with thresholds indexed to credit ratings that limit both Emerson's and its counterparties' exposure in the event of default. Due to the high credit quality of the Company and its counterparties there was only an inconsequential impact on the fair value of the Company's derivative assets and liabilities due to the adoption of FAS 157.

A summary of financial assets and liabilities that were measured at fair value on a recurring basis as of December 31, 2008, follows (dollars in millions):

	Level		**Assets**	**Liabilities**
Commodity futures	2	$	-	135
Commodity options	2	$	6	-
Foreign currency forwards	2	$	1	92
Foreign currency options	2	$	11	-
Available for sale investments	1	$	4	-

10. In December 2008, the Company acquired System Plast, a manufacturer of engineered modular belts and custom conveyer components for the bottling, baking, food processing and packaging industries, for approximately $200 million in cash. System Plast has annual revenues of approximately $100 million and is reported in the Industrial Automation business segment.

Items 2 and 3. Management's Discussion and Analysis of Financial Condition and Results of Operations.

OVERVIEW

The first quarter of fiscal 2009 was challenging, but the Company's diverse international presence provided strong underlying sales growth in Asia, Latin America, and Canada and modest sales growth in Europe, while sales in the United States declined. Unfavorable foreign currency translation negatively impacted the first quarter results due to the strength in the U.S. dollar. Sales increased for the Process Management and Network Power segments over the prior year period, while the Industrial Automation business experienced a slight decline as foreign currency translation had an unfavorable impact. Sales and earnings for the Climate Technologies and Appliance and Tools businesses declined due to the weakness in the U.S. consumer markets. Despite the economic downturn, Emerson's financial position remains strong and the Company continues to generate substantial operating cash flow.

THREE MONTHS ENDED DECEMBER 31, 2008, COMPARED WITH THREE MONTHS ENDED DECEMBER 31, 2007

RESULTS OF OPERATIONS

Three months ended December 31, (dollars in millions, except per share amounts)		2007	2008	Change
Net sales	$	5,520	5,415	(2)%
Gross profit	$	2,010	1,996	(1)%
Percent of sales		36.4%	36.9%	
SG&A	$	1,184	1,193	
Percent of sales		21.4%	22.1%	
Other deductions, net	$	3	91	
Interest expense, net	$	50	43	
Earnings from continuing operations before income taxes	$	773	669	(14)%
Earnings from continuing operations	$	519	458	(12)%
Net earnings	$	565	458	(19)%
Percent of sales		10.2%	8.5%	
EPS- Continuing operations	$	0.65	0.60	(8)%
EPS- Net earnings	$	0.71	0.60	(15)%

Net sales for the quarter ended December 31, 2008 were $5,415 million, a decrease of $105 million, or 2 percent, compared with net sales of $5,520 million for the quarter ended December 31, 2007. The consolidated results reflect underlying sales (which exclude acquisitions, divestitures and foreign currency translation) that were essentially flat, with an increase of only $12 million, a 4 percent ($208 million) unfavorable impact from foreign currency translation and a 2 percent ($91 million) positive contribution from acquisitions. The underlying sales for the first quarter were driven by a 7 percent increase in total international sales, offset by a 7 percent decrease in the United States. The international sales growth reflects increased international demand in all of the major geographic regions, including Asia (8 percent), Europe (4 percent), Latin America (16 percent), Canada (16 percent) and Middle East/Africa (4 percent). Underlying sales reflect a less than 2 percent loss from volume, which includes an estimated 1 percent positive impact from penetration gains, and a 2 percent positive impact from higher sales prices. Strong sales growth in the Process Management business and slight sales growth in the Network Power business were offset by a slight sales decline in the Industrial Automation business and significant declines in the Climate Technologies and Appliance and Tools businesses which continued to be impacted by the U.S. consumer slowdown.

Costs of sales for the first quarters of fiscal 2009 and 2008 were $3,419 million and $3,510 million, respectively. Cost of sales as a percent of net sales was 63.1 percent in the first quarter of 2009, compared with 63.6 percent in the first quarter of 2008. Gross profit was $1,996 million and $2,010 million for the first quarters ended December 31, 2008 and 2007, respectively, primarily due to losses on foreign currency translation and lower sales volume, which were partially offset by savings from productivity improvements. Gross profit margin was 36.9 percent and 36.4 percent for the first quarters of fiscal 2009 and 2008, respectively, reflecting benefits realized from productivity improvements and higher sales prices, which were partially offset by higher raw material and wage costs.

Selling, general and administrative (SG&A) expenses for the first quarter of 2009 were $1,193 million, or 22.1 percent of net sales, compared with $1,184 million, or 21.4 percent of net sales, for the first quarter of 2008. The increase of $9 million was largely due to acquisitions. The increase in SG&A as a percent of sales was primarily the result of deleverage on lower sales volume and acquisitions, partially offset by lower incentive stock compensation expense of $31 million due to a decrease in Emerson's stock price.

Other deductions, net were $91 million for the first quarter of 2009, an $88 million increase from the $3 million for the same period in the prior year, due to higher rationalization costs in 2009 and nonrecurring gains in 2008. For the quarter ended December 31, 2008, ongoing costs for the rationalization of operations were $43 million, compared with $9 million in the prior year period. Gains were $4 million in the first quarter of fiscal 2009, compared with $64 million in the prior year period. In the first quarter of fiscal 2008, the Company recognized gains of $39 million ($20 million after-tax) on the sale of an equity investment in Industrial Motion Control Holdings, LLC and $18 million on the sale of a facility. See notes 6 and 7 for further details regarding other deductions, net and rationalization costs.

Earnings from continuing operations before income taxes for the first quarter of 2009 decreased $104 million, or 14 percent, to $669 million, compared with $773 million for the first quarter of 2008, primarily due to the increase in other deductions, net. The earnings results predominantly reflect decreases by business segment of $53 million in Appliance and Tools, $49 million in Climate Technologies and $31 million in Network Power, partially offset by a $44 million increase in Process Management.

Income taxes were $211 million and $254 million for the three months ended December 31, 2008 and 2007, respectively, resulting in effective tax rates of 31 percent and 33 percent, respectively. The effective tax rate for the entire fiscal year 2009 is currently estimated to be 32 percent.

Earnings from continuing operations were $458 million and earnings per share from continuing operations were $0.60 for the three months ended December 31, 2008, decreases of 12 percent and 8 percent, respectively, compared with $519 million and $0.65 for the three months ended December 31, 2007. Higher restructuring expenses in 2009 combined with lower gains versus the prior year negatively impacted earnings per share comparisons by $0.08 per share.

As there were no discontinued operations in the first quarter of fiscal 2009, net earnings were also $458 million and earnings per share were also $0.60 for the three months ended December 31, 2008, decreases of 19 percent and 15 percent, respectively, compared with $565 million and $0.71 for the three months ended December 31, 2007. Earnings for the first quarter of fiscal 2008 included discontinued operations of $46 million, or $0.06 per share, which included $43 million related to the Brooks Instrument flow meters and flow controls unit and $3 million related to the European appliance motor and pump business. The 15 percent decrease in earnings per share also reflects the purchase of treasury shares.

BUSINESS SEGMENTS

Process Management

Three months ended December 31,		2007	2008	Change
(dollars in millions)				
Sales	$	1,436	1,553	8%
Earnings	$	258	302	17%
Margin		18.0%	19.4%	1.4 pts

Process Management sales were $1,553 million in the first quarter of fiscal 2009, an increase of 8 percent over the prior year period. Nearly all of the businesses reported higher sales, with sales and earnings (defined as earnings before interest and taxes for the business segments discussion) strong for the valves and measurement and flow businesses, reflecting continued worldwide demand in the oil and gas and power markets that the Company expects to weaken as the year progresses. Underlying sales increased 14 percent, while foreign currency translation had a 6 percent ($77 million) negative impact. The underlying sales increase reflects higher volume of approximately 13 percent, which includes an estimated 2 percent from penetration gains, and a 1 percent positive impact from higher prices. Nearly all major geographic regions increased compared with the prior year period, including underlying sales growth in the United States (10 percent), Asia (23 percent), Europe (12 percent), Latin America (29 percent) and Canada (33 percent). First quarter earnings increased 17 percent to $302 million from $258 million in the prior year period, reflecting higher sales volume and costs reductions. The increase in margin reflects leverage on the higher volume and savings from cost reduction programs, while sales price increases and material containment nearly offset higher wage costs.

Industrial Automation

Three months ended December 31, (dollars in millions)		2007	2008	Change
Sales	$	1,125	1,103	(2)%
Earnings	$	171	153	(10)%
Margin		15.2%	13.9%	(1.3) pts

Sales decreased 2 percent to $1,103 million in the Industrial Automation segment for the three months ended December 31, 2008. The first quarter results reflect declines in the fluid automation, electrical distribution and mechanical power transmission businesses due to slowing in the capital goods markets, partially offset by solid growth in the power generating alternator business. The Company anticipates continued weakness in the capital goods markets for the remainder of the year. Underlying sales grew 2 percent, foreign currency translation had a 5 percent ($51 million) unfavorable impact and the System Plast acquisition had a 1 percent ($6 million) positive contribution. The underlying growth reflects an estimated 3 percent positive impact from price, as well as an approximate 1 percent decline from volume. The underlying sales increase included 3 percent growth internationally and 1 percent growth in the United States. The increase in international sales primarily reflects growth in Asia (7 percent), while sales in Europe were flat. Earnings were $153 million compared with $171 million in the prior year period. The decrease reflects significant negative mix with deleverage on lower sales volume of higher margin businesses. Additionally, higher sales prices were more than offset by higher material and wage costs, diluting the margin.

Network Power

Three months ended December 31, (dollars in millions)		2007	2008	Change
Sales	$	1,406	1,435	2%
Earnings	$	180	149	(17)%
Margin		12.8%	10.4%	(2.4) pts

Sales in the Network Power segment increased 2 percent to $1,435 million for the first quarter of 2009 compared with the prior year period, reflecting strength in the China power systems and inbound power businesses, partially offset by a decline in the embedded power business and weakness in the uninterruptible power supply and precision cooling businesses due to the slowdown in customers' capital spending. The sales increase reflects underlying sales that were flat, a 6 percent ($85 million) contribution from the Embedded Computing acquisition and a 4 percent ($49 million) unfavorable impact from foreign currency translation. The underlying sales reflect lower volume of less than 1 percent, which includes an estimated 2 percent from penetration gains, and a less than 1 percent positive impact from higher sales prices. Geographically, underlying sales reflect increases of 9 percent in Asia and 16 percent in Latin America, while sales decreased 9 percent in the United States and 6 percent in Europe. The Company's market penetration in China and other Asian markets continued. Earnings of $149 million decreased 17 percent from the prior year period primarily due to higher restructuring costs of $17 million (including acquisition integration costs) and higher wage costs. The margin decrease also reflects a negative impact from acquisitions and unfavorable product mix, which was partially offset by savings from cost reduction actions.

Climate Technologies

Three months ended December 31, (dollars in millions)		2007	2008	Change
Sales	$	766	692	(10)%
Earnings	$	102	53	(48)%
Margin		13.4%	7.7%	(5.7) pts

Climate Technologies sales decreased 10 percent to $692 million for the quarter ended December 31, 2008, reflecting declines across all of the businesses, including the compressor and water-heater controls businesses. The sales decrease was driven by a 7 percent decrease in underlying sales and a 3 percent ($19 million) unfavorable impact from foreign currency translation. The underlying sales decrease includes an estimated 10 percent decline from lower volume, which includes an approximate 2 percent benefit from penetration gains, and an estimated 3 percent positive impact from higher sales prices. Sales declines in the compressor business reflect the slowdown in the U.S. and Asian air-conditioning and refrigeration markets. Sales in the United States decreased 13 percent. International sales decreased 1 percent reflecting declines in Asia (21 percent) and Latin America (5 percent), partially offset by sales growth in Europe (30 percent) due to higher heat pump compressor sales compared with low levels in the prior year period. Earnings decreased 48 percent during the quarter to $53 million primarily due to lower sales volume, higher restructuring costs of $13 million and a negative $13 million impact from foreign currency transactions related to strengthening of the U.S. dollar in 2009 versus weakening in the prior year. The decrease in profit margin also reflects deleverage on the lower sales volume, partially offset by favorable product mix, and higher material costs which were only partially offset by sales price increases.

Appliance and Tools

Three months ended December 31, (dollars in millions)		2007	2008	Change
Sales	$	932	771	(17)%
Earnings	$	132	79	(40)%
Margin		14.1%	10.2%	(3.9) pts

The Appliance and Tools segment sales decreased 17 percent to $771 million in the first quarter of 2009. This decrease reflects a 16 percent decline in underlying sales and a 1 percent ($12 million) unfavorable impact from foreign currency translation. Declines in the storage, tools and appliance businesses were driven by the continued downturn in the U.S. residential market and declines in the motors and appliance solutions businesses reflect major customers reducing inventory and production levels due to the difficult economic conditions. The underlying sales decrease of 16 percent reflects an estimated 21 percent decline in volume and a 5 percent positive impact from price. Total international underlying sales declined approximately 3 percent during the quarter, while underlying sales in the United States decreased 19 percent. Earnings were $79 million, a decrease of 40 percent compared with the prior year period. The decrease reflects deleverage on the lower sales volume, partially offset by savings from cost reductions. Higher sales prices were substantially offset by higher raw material and wage costs.

FINANCIAL CONDITION

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

		September 30, 2008	**December 31, 2008**
Working capital (in millions)	$	2,758	2,045
Current ratio		1.4 to 1	1.3 to 1
Total debt to total capital		33.1%	38.6%
Net debt to net capital		22.7%	29.6%
Interest coverage ratio		15.7	13.4

The ratios of debt to capital have changed due to an increase in short-term debt as a result of acquisitions and a decrease in capital primarily as a result of unfavorable foreign currency translation. The Company's long-term debt is rated A2 by Moody's Investors Service and A by Standard and Poor's. The Company's interest coverage ratio (earnings before income taxes and interest expense, divided by interest expense) was 13.4 times for the three months ended December 31, 2008, compared with 13.2 times for the same period in the prior year primarily due to lower interest expense in the first quarter of 2009.

In January 2009, the Company issued $500 million of 4.875% notes due October 2019, under an automatic shelf registration statement filed with the Securities and Exchange Commission. The net proceeds from the sale of the notes are expected to be used for general corporate purposes and to repay a portion of commercial paper borrowings.

Cash and equivalents decreased by $109 million during the three months ended December 31, 2008. Cash flow provided by operating activities of $319 million was down $104 million compared with $423 million in the prior year period as a result of decreased earnings and an $81 million margin deposit for commodity futures contracts. Operating cash flow and a $968 million increase in short-term borrowings were the primary funding sources for treasury stock purchases of $433 million, acquisitions of $271 million, dividends of $252 million and capital expenditures of $132 million. For the three months ended December 31, 2008, free cash flow of $187 million (operating cash flow of $319 million less capital expenditures of $132 million) was down 37 percent from free cash flow of $296 million (operating cash flow of $423 million less capital expenditures of $127 million) for the same period in the prior year, primarily due to lower operating cash flows. Other investing cash flow for fiscal 2008 included proceeds of $54 million related to the sale of an equity investment and $100 million related to the divestiture of the Brooks Instrument unit.

Based on the decline in asset values stemming from adverse conditions in the financial markets, and with a discount rate of 5.75%, the Company estimates the funded status of its pension plans is a $1 billion deficit at December 31, 2008. The Company currently anticipates increasing its planned pension contributions for fiscal 2009 from $200 million to approximately $300 million, subject to review later in the year. Fiscal 2009 pension expense is not impacted by the change in funded status. The impact on fiscal 2010 expense is currently unknown and will be determined based on the funded status as of September 30, 2009, when the Company's adopts the measurement date provisions of FAS 158.

Emerson maintains a conservative financial structure to provide the strength and flexibility necessary to achieve our strategic objectives. Although the credit markets have continued to experience adverse conditions, the Company currently believes that sufficient funds will be available to meet the Company's needs for the foreseeable future through existing resources, ongoing operations and commercial paper (or backup credit lines). However, the Company could be adversely affected if credit market conditions deteriorate further or continue for an extended period of time and customers, suppliers and financial institutions are unable to meet their commitments to the Company. Emerson is in a strong financial position, with total assets of $21 billion and stockholders' equity of $8 billion, and has the resources available for reinvestment in existing businesses, strategic acquisitions and managing its capital structure on a short- and long-term basis.

New Accounting Pronouncements

In March 2008, the FASB issued FAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities." FAS 161 requires additional derivative disclosures, including objectives and strategies for using derivatives, fair values, balance sheet locations, gains and losses for derivative instruments, and credit-risk-related contingent features in derivative agreements. The Company believes FAS 161, which will be effective for the second quarter of fiscal 2009, will not have a material impact on the financial statements.

Emerson plans to adopt the measurement provision of FAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," in the fourth quarter of fiscal 2009. This provision requires employers to measure defined benefit plan assets and obligations as of the date of the employer's fiscal year-end. To transition to a fiscal year-end measurement date pursuant to FAS 158, the Company expects to record an approximate $15 million after-tax adjustment to ending retained earnings and accumulated other comprehensive income, and will measure its defined benefit plan assets and obligations as of September 30, 2009.

OUTLOOK

Based on current economic conditions and the Company's performance in the first quarter of 2009, reported sales are forecast to be in the range of $23 billion to $23.7 billion, or negative 8 percent to negative 5 percent compared to 2008 sales of $24.8 billion. Underlying sales growth is expected to be in the range of negative 6 percent to negative 3 percent, which excludes an estimated 5 percent unfavorable impact from foreign currency translation at current exchange rates, and a favorable impact from completed and assumed future acquisitions of approximately 3 percent. Based on this level of sales, the Company forecasts 2009 earnings per share in the range of $2.70 to $2.95. There can be no assurance when and if future acquisitions will be completed, and what impact future exchange rates will have. Rationalization of operations expense is estimated to be approximately $175 million to $200 million for fiscal 2009. Operating cash flow is estimated at approximately $3.2 billion to $3.4 billion and capital expenditures are estimated to be $0.7 billion for 2009.

Statements in this report that are not strictly historical may be "forward-looking" statements, which involve risks and uncertainties, and Emerson undertakes no obligation to update any such statements to reflect later developments. These risks and uncertainties include economic and currency conditions, market demand, pricing, and competitive and technological factors, among others which are set forth in the “Risk Factors” of Part I, Item 1, and the "Safe Harbor Statement" of Exhibit 13, to the Company's Annual Report on Form 10-K for the year ended September 30, 2008, which are hereby incorporated by reference.

Item 4. Controls and Procedures

Emerson maintains a system of disclosure controls and procedures which are designed to ensure that information required to be disclosed by the Company in the reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to management, including the Company’s certifying officers, as appropriate to allow timely decisions regarding required disclosure. Based on an evaluation performed, the Company's certifying officers have concluded that the disclosure controls and procedures were effective as of December 31, 2008, to provide reasonable assurance of the achievement of these objectives.

Notwithstanding the foregoing, there can be no assurance that the Company's disclosure controls and procedures will detect or uncover all failures of persons within the Company and its consolidated subsidiaries to report material information otherwise required to be set forth in the Company's reports.

There was no change in the Company's internal control over financial reporting during the quarter ended December 31, 2008, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Issuer Purchases of Equity Securities.

Period	Total Number of Shares Purchased (000s)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (000s)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (000s)
October 2008	4,600	$34.65	4,600	67,792
November 2008	3,800	$32.89	3,800	63,992
December 2008	4,400	$33.41	4,400	59,592
Total	12,800	$33.70	12,800	59,592

The Company’s Board of Directors authorized the repurchase of up to 80 million shares under the May 2008 program. The maximum number of shares that may yet be purchased under this program is 59.6 million as of December 31, 2008.

Item 6. Exhibits.

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

3.1 Bylaws of Emerson Electric Co., as amended through November 4, 2008.

4 Emerson agrees to furnish to the Securities and Exchange Commission, upon request, copies of any long-term debt instruments that authorize an amount of securities constituting 10 percent or less of the total assets of Emerson and its subsidiaries on a consolidated basis.

12 Ratio of Earnings to Fixed Charges.

31 Certifications pursuant to Exchange Act Rule 13a-14(a).

32 Certifications pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EMERSON ELECTRIC CO.

Date: February 4, 2009

By /s/ Walter J. Galvin

Walter J. Galvin
Senior Executive Vice President
and Chief Financial Officer

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

INDEX TO EXHIBITS

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

Exhibit No.	Exhibit
3.1	Bylaws of Emerson Electric Co., as amended through November 4, 2008.
12	Ratio of Earnings to Fixed Charges.
31	Certifications pursuant to Exchange Act Rule 13a-14(a).
32	Certifications pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350.

Exhibit 3.1

EMERSON ELECTRIC CO.

BYLAWS

As Amended through November 4, 2008

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EMERSON ELECTRIC CO.

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BYLAWS

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ARTICLE I

OFFICES; DEFINITIONS

Section 1. Registered Office. The registered office of Emerson Electric Co. (the "Corporation") shall be located in the County of St. Louis, State of Missouri.

Section 2. Other Offices. The Corporation may also have offices at such other places both within and without the State of Missouri as the Board may, from time to time, determine or the business of the Corporation may require.

Section 3. Definitions. Unless the context otherwise requires, defined terms herein shall have the meaning ascribed thereto in the Articles of Incorporation (the "Articles").

ARTICLE II

MEETINGS OF SHAREHOLDERS

Section 1. Place of Meeting. All meetings of the shareholders shall be held at such place within or without the State of Missouri as may be, from time to time, fixed or determined by the Board.

Section 2. Annual Meeting. The annual meeting of the shareholders shall be held on the first Tuesday in February of each year if not a legal holiday, or, if a legal holiday, then on the next business day following, at such hour as may be specified in the notice of the meeting; provided, however, that the day fixed for such meeting in any year may be changed by resolution of the Board to such other day not a legal holiday as the Board may deem desirable or appropriate. At the annual meeting the shareholders shall elect Directors in accordance with Article 5 of the Articles of Incorporation and Article III of these Bylaws, and shall transact such other business as may properly be brought before the meeting. If no other place for the annual meeting is determined by the Board of Directors and specified in the notice of such meeting, the annual meeting shall be held at the principal offices of the Corporation at 8000 West Florissant Avenue, St. Louis, Missouri.

Section 3. Special Meetings.

(a) Unless otherwise limited by statute or by the Articles, special meetings of the shareholders, for any purpose or purposes, may be called at any time by the Chairman of the Board or a majority of the Board.

(b) A special meeting may also be called by the holders of not less than 85% of all of the outstanding shares entitled to vote at such meeting, upon written request delivered to the Secretary of the Corporation. Such request shall state the purpose or purposes of the proposed meeting. Upon receipt of any such request, it shall be the duty of the Secretary to call a special meeting of the shareholders to be held at any time, not less than ten (10) nor more than seventy (70) days thereafter, as the Secretary may fix. If the Secretary shall neglect to issue such call, the person or persons making the request may issue the call.

Section 4. Notice of Meetings. Written notice of every meeting of the shareholders, specifying the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered or mailed, postage prepaid, by or at the direction of the Secretary, not less than ten (10) nor more than seventy (70) days before the date of the meeting to each shareholder of record entitled to vote at such meeting.

Section 5. List of Shareholders Entitled to Vote. At least ten (10) days before each meeting of the shareholders, a complete list of the shareholders entitled to vote at such meeting shall be prepared and arranged in alphabetical order with the address of each shareholder and the number of shares held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting, and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in the State of Missouri, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book or to vote at any meeting of the shareholders. Failure to comply with the above requirements in respect of lists of shareholders shall not affect the validity of any action taken at such meeting.

Section 6. Quorum. The holders of a majority of the issued and outstanding shares entitled to vote, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the shareholders for the transaction of business, except as otherwise provided by law, the Articles or by these Bylaws. The shareholders present at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of such number of shareholders as to reduce the remaining shareholders to less than a quorum. Whether or not a quorum is present, the chairman of the meeting or a majority of the shareholders entitled to vote thereat, present in person or by proxy, shall have power, except as otherwise provided by statute, successively to adjourn the meeting to such time and place as they may determine, to a date not longer than ninety (90) days after each such adjournment, and no notice of any such adjournment need be given to shareholders other than the announcement of the adjournment at the meeting. At any adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally called.

Section 7. Requisite Vote. When a quorum is present or represented at any meeting, the vote of the holders of a majority of the shares entitled to vote which are present in person or represented by proxy shall decide any questions brought before such meeting, unless the question is one upon which, by express provision of law, the Articles or by these Bylaws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 8. Voting. Each shareholder shall, at every meeting of the shareholders, be entitled to one vote in person or by proxy for each share having voting power held by such shareholder, but no proxy shall be voted after eleven (11) months from the date of its execution unless otherwise provided in the proxy. In each election for Directors, no shareholder shall be entitled to vote cumulatively or to cumulate his votes.

Section 9.   Notice of Shareholder Business at Annual Meetings. At any annual meeting of shareholders, only such business shall be conducted as shall have been properly brought before the meeting. In addition to any other requirements imposed by or pursuant to law, the Articles or these Bylaws, each item of business to be properly brought before an annual meeting must (a) be specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board or the persons calling the meeting pursuant to the Articles; (b) be otherwise properly brought before the meeting by or at the direction of the Board; or (c) be otherwise properly brought before the meeting by a shareholder. For business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not less than 90 days nor more than 120 days prior to the annual meeting; provided, however, that in the event less than 100 days' notice or prior public disclosure of the date of the annual meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the 10th day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. For purposes of these Bylaws “public disclosure” shall mean disclosure in a press release reported by the Dow Jones, Associated Press, Reuters or comparable national news service, or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the “1934 Act”). A shareholder's notice to the Secretary shall set forth as to each matter he or she proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the shareholder(s) proposing such business, (c) the class and number of shares of the Corporation which are beneficially owned by the proposing shareholder(s), and (d) any material interest of the proposing shareholder(s) in such business. Notwithstanding anything in these Bylaws to the contrary, but subject to Article III, Section 1(c) hereof, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section. The chairman of the annual meeting shall, if the facts warrant, determine and declare to the annual meeting that business was not properly brought before the annual meeting in accordance with the provisions of this Section; and if he or she should so determine, shall so declare to the meeting and any such business not properly brought before the annual meeting shall not be transacted. The chairman of the meeting shall have absolute authority to decide questions of compliance with the foregoing procedures, and his or her ruling thereon shall be final and conclusive. The provisions of this Section 9 shall also govern what constitutes timely notice for purposes of Rule 14a-4(c) under the 1934 Act.

ARTICLE III

DIRECTORS

Section 1.   Number; Classification; Nominations; Election; Term of Office.

(a)   The Board shall consist of such number of Directors as the Board may from time to time determine, provided that in no event shall the number of Directors be less than three (3), and provided further that no reduction in the number of Directors shall have the effect of shortening the term of any incumbent Director.

(b)   The Board of Directors (herein the “Board”) shall be divided into three classes, as nearly equal in number as possible. In the event of any increase in the number of Directors, the additional Director(s) shall be added to such class(es) as may be necessary so that all classes shall be as nearly equal in number as possible. In the event of any decrease in the number of Directors, all classes of Directors shall be decreased as nearly equally as may be possible. Subject to the foregoing, the Board shall determine the class(es) to which any additional Director(s) shall be added and the class(es) which shall be decreased in the event of any decrease in the number of Directors. At each annual meeting of shareholders the successors to the class of Directors whose term shall then expire shall be elected for a term expiring at the third succeeding annual meeting after such election.

(c)   In addition to the qualifications set out in Section 3 of this Article III, in order to be qualified for election as a Director, persons must be nominated in accordance with the following procedure:

Nominations of persons for election to the Board of the Corporation may be made at a meeting of shareholders by or at the direction of the Board or by any shareholder of the Corporation entitled to vote for the election of Directors at the meeting who complies with the procedures set forth in this Section 1(c). In order for persons nominated to the Board, other than those persons nominated by or at the direction of the Board, to be qualified to serve on the Board, such nominations shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a shareholder's notice shall be delivered to or mailed and received by the Secretary of the Corporation not less than 90 days nor more than 120 days prior to the meeting; provided, however, that in the event less than 100 days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the 10th day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. Such shareholder's notice shall set forth (i) as to each person whom the shareholder proposes to nominate for election or re-election as a Director, (A) the name, age, business address and residence address of such person, (B) the principal occupation or employment of such person, (C) the class and number of shares of the Corporation which are beneficially owned by such person, (D) any other information relating to such person that is required to be disclosed in solicitations of proxies for election of Directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, (including without limitation such person's written consent to being named in the proxy statement as a nominee and to serving as a Director if elected) and (E) if the shareholder(s) making the nomination is an Interested Person, details of any relationship, agreement or understanding between the shareholder(s) and the nominee; and (ii) as to the shareholder(s) making the nomination (A) the name and address, as they appear on the Corporation's books, of such shareholder(s) and (B) the class and number of shares of the Corporation which are beneficially owned by such shareholder(s). At the request of the Board, any person nominated by the Board for election as a Director shall furnish to the Secretary of the Corporation that information required to be set forth in a shareholder's notice of nomination which pertains to the nominee. No person shall be qualified for election as a Director of the Corporation unless nominated in accordance with the procedures set forth in this Section 1(c). The chairman of a meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by the Bylaws, and if he or she should so determine, shall so declare to the meeting, and the defective nomination shall be disregarded. The chairman of a meeting shall have absolute authority to decide questions of compliance with the foregoing procedures, and his or her ruling thereon shall be final and conclusive.

(d) Directors shall be elected at annual meetings of the shareholders, except as provided in Section 2 of this Article III, and each Director shall hold office until his or her successor is elected and qualified.

Section 2. Filling of Vacancies. Vacancies and newly created directorships shall be filled only by a majority of the remaining Directors, though less than a quorum, and each person so elected shall be a Director until his or her successor is elected by the shareholders, who may make such election at the next annual meeting of the shareholders at which Directors of his or her class are elected or at any special meeting of shareholders duly called for that purpose and held prior thereto.

Section 3. Qualifications. Directors must be nominated in accordance with the procedure set out in Section 1(c) of this Article III. Directors need not be shareholders. No person shall be eligible for election as a Director, either under Section 1 or Section 2 of this Article III, if such person's seventy-second (72d) birthday shall fall on a date prior to the commencement of the Term for which such Director is to be elected or appointed; provided, however, that this limitation shall not apply to Mr. D. C. Farrell until the annual meeting of shareholders held in 2009, and shall not apply to Mr. V. R. Loucks, Jr. until the annual meeting of shareholders held in 2010. No person shall be qualified to be elected and to hold office as a Director if such person is determined by a majority of the whole Board to have acted in a manner contrary to the best interests of the Corporation, including, but not limited to, violation of either State or Federal law, maintenance of interests not properly authorized and in conflict with the interests of the Corporation, or breach of any agreement between such Director and the Corporation relating to such Director's services as a Director, employee or agent of the Corporation.

Section 4. Removal. By action of a majority of the whole Board, any Director may be removed from office for cause if such Director shall at the time of such removal fail to meet the qualifications for election as a Director as set forth under Article III, Section 3 hereof. Notice of the proposed removal shall be given to all Directors of the Corporation prior to action thereon. Directors may be otherwise removed only in the manner prescribed in the Articles.

Section 5. General Powers. The property and business of the Corporation shall be controlled and managed by its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not, by law, the Articles or by these Bylaws, directed or required to be exercised and done by the shareholders or the Continuing Directors.

Section 6. Place of Meetings. The Board may hold meetings, both regular and special, either within or without the State of Missouri.

Section 7. Regular Annual Meeting. A regular annual meeting of the Board, including newly elected Directors, shall be held immediately following the annual meeting of the shareholders and shall be held at the principal offices of the Corporation at 8000 West Florissant Avenue, St. Louis, Missouri, unless another time or place shall be fixed therefore by the Directors. No notice of such meeting shall be necessary to the Directors in order, legally, to constitute the meeting, provided a majority of the whole Board shall be present. In the event such annual meeting of the Board is not held at the time and place specified herein, or at such other time and place as may be fixed by the Directors, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for meetings of the Board, or as shall be specified in a written waiver signed by all of the Directors.

Section 8. Additional Regular Meetings. Additional regular meetings of the Board shall be held once each month on the first Tuesday thereof, or on such other day thereof as the Board may, by resolution, prescribe, and at such hour of such day as shall be stated in the notice of the meeting; provided that the Chairman, in his or her discretion, may dispense with any one or more of such meetings, by having notice of the intention so to do given, by letter, facsimile or e-mail, to each Director not less than ten (10) days prior to the regularly scheduled date of each meeting so to be dispensed with. If the first Tuesday of any month shall be a legal holiday, the regular meeting for such month shall be held on the Thursday following, and if the Monday preceding the first Tuesday of any month shall be a legal holiday, the regular meeting for such month shall be held on the Wednesday following, in each case unless the Board shall otherwise prescribe by resolution. Notice of any regular meeting shall be given to each Director at least forty-eight (48) hours in advance thereof, either personally, by mail, facsimile, or e-mail.

Section 9. Special Meetings. Special meetings of the Board may be called by the Chairman on notice given personally, by mail, by telephone, by e-mail or by facsimile to each Director given twenty-four (24) hours in advance of such meeting. Special meetings shall be called by the Chairman in like manner and on like notice on the written request of any two Directors.

Section 10. Place of Meetings. Special meetings and regular meetings of the Board, other than the regular annual meeting, shall be held at such place within the City or County of St. Louis, Missouri, as may be specified in the notice of such meeting; provided that any meeting may be held elsewhere, within or without the State of Missouri, pursuant to resolution of the Board or pursuant to the call of the Chairman. Members of the Board and its Committees may participate in meetings by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and such participation shall constitute presence at the meeting.

Section 11. Notices. Notice of any meeting may be given by the Chairman, any Vice Chairman, the President, any Vice President or the Secretary and shall specify the time and place of the meeting.

Section 12. Quorum. At all meetings of the Board a majority of Directors in office (the “whole Board”) shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board, except as otherwise may be specifically provided by law or by the Articles. If a quorum shall not be present at any meeting of the Board, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. A Director who may be disqualified, by reason of personal interest, from voting on any particular matter before a meeting of the Board may nevertheless be counted for the purpose of constituting a quorum of the Board.

Section 13. Compensation of Directors. Directors, as such, shall receive for their services such compensation as may be fixed, from time to time, by resolution of the Board, together with a stipend for attendance, and expenses of attendance, if any, for each meeting of the Board or meetings of any committee on which the Directors may serve; provided that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore.

Section 14. Executive Committee. The Board may, by resolution passed by a majority of the whole Board, designate two or more of its number to constitute an Executive Committee which, to the extent provided in such resolution, shall have and exercise the authority of the Board in the management and business of the Corporation.

Section 15. Finance Committee. The Board may, by resolution passed by a majority of the whole Board, designate two or more of its number, one of whom shall be the Committee Chairman, as the Finance Committee of the Board, which to the extent provided in such resolution shall have and exercise the authority of the Board in the management and business of the Corporation. The Committee shall study and consider financial matters affecting the operations of the Corporation, including its long range financial requirements, shall advise the Board in respect thereto, and shall have such other duties as shall be specified by resolution of the Board.

Section 16. Other Committees of the Board. The Board may, by resolution passed by a majority of the whole Board, designate two or more of its members to constitute such other Committees of the Board as the Board by such resolution or resolutions may determine. To the extent provided in such resolution or resolutions, such Committees shall have and exercise the authority of the Board in the management and business of the Corporation.

Section 17. Committees-General Rules. Each Committee of the Board shall keep regular minutes of its proceedings and report the same to the Board when required. Vacancies in the membership of each Committee shall be filled by the Board at any regular or special meeting of the Board. A Director who may be disqualified, by reason of personal interest, from voting on any particular matter before a meeting of a Committee may nevertheless be counted for the purpose of constituting a quorum of the Committee. At all meetings of a Committee, a majority of the Committee members then in office shall constitute a quorum for the purpose of transacting business, and the acts of a majority of the Committee members present at any meeting at which there is a quorum shall be the acts of the Committee.

Section 18. Directors Emeritus and Advisory Directors. The Board may from time to time create one or more positions of Director Emeritus and Advisory Director, and may fill such position or positions for such term as the Board deems proper. Each Director Emeritus and Advisory Director shall have the privilege of attending meetings of the Board but shall do so solely as an observer. Notice of such meetings to a Director Emeritus or Advisory Director shall not be required under any applicable law, the Articles, or these Bylaws. Each Director Emeritus and Advisory Director shall be entitled to receive such compensation as may be fixed from time to time by the Board. No Director Emeritus or Advisory Director shall be entitled to vote on any business coming before the Board, nor shall they be counted as members of the Board for the purpose of determining the number of Directors necessary to constitute a quorum, for the purpose of determining whether a quorum is present, or for any other purpose whatsoever. In the case of a Director Emeritus or Advisory Director, the occurrence of any event which in the case of a Director would create a vacancy on the Board, shall be deemed to create a vacancy in such position; but the Board may declare the position terminated until such time as the Board shall again deem it proper to create and to fill the position.

ARTICLE IV

NOTICES

Section 1. Service of Notice. Notices to Directors and shareholders shall be in writing and delivered personally or mailed or sent by e-mail or facsimile transmission to the Directors or shareholders at their addresses appearing on the books of the Corporation, except that notice to Directors of a special meeting of the Board may be given orally. Notice by mail shall be deemed to be given at the time when the same shall be mailed; notice by e-mail when such notice is delivered to the Director’s e-mail address; notice by facsimile transmission when transmitted.

Section 2. Waiver of Notices. Whenever any notice is required to be given under the provisions of law, the Articles, or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE V

OFFICERS

Section 1. Titles. The Officers of the Corporation shall be chosen by the Board of Directors and shall be a Chairman of the Board (herein the "Chairman"), a President, at least one Vice President, a Secretary and a Treasurer. The Board may also elect one or more Vice Chairmen of the Board (herein "Vice Chairmen"), additional Vice Presidents, a Controller, one or more Assistant Controllers, and such other officers as the Board may deem appropriate. Any two or more of the aforesaid offices, except those of President and Vice President or President and Secretary, may be held by the same person. Vice Presidents of the Corporation may be given distinctive designations such as Executive Vice President, Group Vice President, Senior Vice President and the like.

Section 2. Election. The Board, at its annual meeting immediately following each annual meeting of the shareholders, shall elect a Chairman and a President, and may elect one or more Vice Chairmen, all of whom shall be Directors or Advisory Directors; and the Board shall also at such annual meeting elect one or more Vice Presidents, a Secretary and a Treasurer, who may, but need not, be Directors or Advisory Directors. The Board may elect such other officers and agents as it shall determine necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. In connection with the election of any officer of the Corporation, the Board may determine that such officer, in addition to the title of the office to which he is elected, shall have a further title such as Chief Administrative Officer, Chief Operating Officer or such other title as the Board may designate, and the Board may prescribe powers to be exercised and duties to be performed by any such officer to whom any such additional title of office is given in addition to those powers and duties provided for by these Bylaws for such office.

Section 3. Term. The officers of the Corporation shall hold office until their respective successors are elected and qualify. Any officer elected or appointed by the Board may be removed by the Board at any time with or without cause by the affirmative vote of a majority of the whole Board. Any vacancy occurring in any such office may be filled only by the Board.

Section 4. Chairman of the Board. The Chairman shall be the Chief Executive Officer of the Corporation. In addition to his or her duties as Chairman and Chief Executive Officer, the Chairman shall be responsible for the general and active management of the business and affairs of the Corporation, subject only to the control of the Board; shall have full authority with respect to the signing and execution of deeds, bonds, mortgages, contracts and other instruments of the Corporation; and, in the absence or disability of a Vice Chairman or the President, shall exercise all of the powers and discharge all of the duties of such Vice Chairman or the President. The Chairman shall be Chairman of the Executive Committee of the Board; shall preside at all meetings of shareholders and Directors; and shall perform such other duties as the Board may prescribe.

Section 5. President. The President shall be an executive officer of the Corporation. The President, (i) in the absence or disability of the Chairman, (a) shall preside at meetings of shareholders, (b) if a member of the Board of Directors, shall preside at meetings of the Directors and shall otherwise exercise all the powers and discharge all of the duties of the Chairman; and (ii) shall perform such other duties as the Chairman or the Board shall prescribe. The President shall have equal authority with the Chairman and the Vice Chairmen, if any, to sign and execute deeds, bonds, mortgages, contracts and other instruments of the Corporation.

Section 6. Vice Chairmen of the Board. Vice Chairmen, if any, may but need not be executive Officers of the Corporation. In the absence or disability of the Chairman and the President, the Vice Chairmen, in order of their seniority with the Corporation, shall perform the duties and exercise the powers of the President. The Vice Chairmen shall perform such other duties, and have such other powers as the Chairman or the Board may, from time to time, prescribe. Each Vice Chairman shall have equal authority with the Chairman and the President with respect to the signing and execution of deeds, bonds, mortgages, contracts and other instruments of the Corporation.

Section 7. Vice Presidents. The Vice President, or if there shall be more than one, the Vice Presidents in order of seniority, in the absence or disability of the Chairman, the President and all Vice Chairmen, shall perform the duties and exercise the powers of the President. Each Vice President shall perform such other duties and have such other powers as the Chairman and the Board may, from time to time, prescribe.

Section 8. Secretary and Assistant Secretaries. The Secretary shall attend all meetings of the Board and all meetings of the shareholders and record all the proceedings of the meetings of the Corporation and of the Board in books to be kept for that purpose, shall perform like duties for Committees of the Board when required, and shall perform such other duties as may be prescribed by the Board, the Chairman, any Vice Chairman, or the President. The Secretary shall keep in safe custody the seal of the Corporation and affix the same to any instrument requiring it, and, when so affixed, it shall be attested by his or her signature or by the signature of an Assistant Secretary. The Assistant Secretary, or, if there be more than one, the Assistant Secretaries, in the order determined by the Board, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board may, from time to time, prescribe.

Section 9. Treasurer and Assistant Treasurers. The Treasurer shall have charge of the funds of the Corporation; shall keep the same in depositories designated by the Board or by officers of the Corporation authorized by the Board to make such designation; shall cause said funds to be disbursed upon checks, drafts, bills of exchange or orders for the payment of money signed in such manner as the Board or authorized officers of the Corporation may, from time to time, direct; shall perform such other duties as directed by the Board, the Chairman or other senior officers; and, if required by the Board, shall give bond for the faithful performance of his or her duties in such form and amount as may be determined by the Board. The Assistant Treasurer, or, if there be more than one, the Assistant Treasurers, in the order determined by the Board, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall have such other duties and powers as the Board may prescribe.

Section 10. Controller and Assistant Controllers. The Controller, if one is elected by the Board, shall have charge of the accounting records of the Corporation; shall keep full and accurate accounts of all receipts and disbursements in books and records belonging to the Corporation; shall maintain appropriate internal control and auditing of the Corporation; and shall perform such other duties as directed by the Board, the Chairman or other senior officers. The Assistant Controller or, if there be more than one, the Assistant Controllers, in the order determined by the Board, shall, in the absence or disability of the Controller, perform the duties and exercise the powers of the Controller and shall have such other duties and powers as the Board may prescribe.

Section 11. Appointed Officers. In addition to the corporate officers elected by the Board as hereinabove in this Article V provided, the Chairman may, from time to time, appoint one or more other persons as appointed officers who shall not be deemed to be corporate officers, but may, respectively, be designated with such titles as the Chairman may deem appropriate. The Chairman may prescribe the powers to be exercised and the duties to be performed by each such appointed officer, may designate the term for which each such appointment is made, and may, from time to time, terminate any or all of such appointments with or without cause. Such appointments and termination of appointments shall be reported periodically to the Board.

ARTICLE VI

SHARES

Section 1. Certificates of Shares and Uncertificated Shares. The shares of the Corporation shall be represented by certificates in such form as the appropriate officers of the Corporation may from time to time prescribe; provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of stock of the Corporation shall be uncertificated shares. Notwithstanding the foregoing, every holder of uncertificated shares of a class or series some but not all of which are represented by certificates, shall be entitled, upon request, to a certificate representing such shares. Every holder of uncertificated shares shall be entitled to receive a statement of holdings as evidence of share ownership. Shares represented by certificates shall be numbered and registered in a share register as they are issued. Share certificates shall exhibit the name of the registered holder, the number and class of shares and the series, if any, represented thereby, the par value of each share or a statement that such shares are without par value as the case may be, and any other information required by law, regulation or stock exchange rule. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated shares and the rights and obligations of the holders of certificated shares of the same class and series shall be identical.

Section 2. Signatures on Certificates. Every share certificate shall be signed by the Chairman, the President or a Vice President; and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer; and shall be sealed with the Corporation's seal which may be facsimile, engraved or printed. The signature of any of the foregoing officers on any share certificate may be a facsimile signature.

Section 3. Transfer Agents and Registrars; Facsimile Signatures. The Board may appoint one or more transfer agents and one or more registrars (any one of which may be appointed as both transfer agent and registrar) and may require all certificates for shares to bear the signature or signatures of any of them, any of which signature or signatures may be facsimile. In case any officer or officers of the Corporation who have signed, or whose facsimile signature or signatures have been used on, any such certificate or certificates shall cease to be such officer or officers, whether because of death, resignation or otherwise, before such certificate or certificates have been delivered by the Corporation, such certificate or certificates may, nevertheless, be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of the Corporation.

Section 4. Lost Certificates. In case of loss or destruction of any certificate of stock or other security of the Corporation, another may be issued in its place upon satisfactory proof of such loss or destruction and upon the giving of a satisfactory bond of indemnity to the Corporation and to the transfer agents and registrars, if any, of such stock or other security, in such sum as the Board may provide. The Board may delegate to any officer or officers of the Corporation, and such officer or officers may further delegate to a transfer agent or registrar, the authorization of the issue of such new certificate or certificates and the approval of the form and amount of such indemnity bond and the surety thereon.

Section 5. Transfer of Shares. Upon surrender to the Corporation, or a transfer agent of the Corporation, of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, the Corporation may issue to the person entitled thereto (a) a new certificate for such shares or (b) if requested by the holder and such shares are of a class or series of stock which may be uncertificated, (i) evidence of equivalent uncertificated shares or (ii) both a new certificate and evidence of uncertificated shares equaling in the aggregate the number of shares represented by the surrendered certificate, and in any case, the Corporation shall cancel the old certificate and record the transaction upon its books. Upon receipt by the Corporation, or a transfer agent of the Corporation, of proper transfer instructions for uncertificated shares, accompanied by proper evidence of succession, assignment or authority to transfer, the Corporation may issue to the person entitled thereto (a) evidence of equivalent uncertificated shares or (b) if requested by the holder, (i) a certificate for such shares or (ii) both a certificate and evidence of uncertificated shares equaling in the aggregate the number of shares covered by such transfer instructions, and in any case, the Corporation shall cancel the old uncertificated shares and record the transaction upon its books.

Section 6. Registered Shareholders. The Corporation and its transfer agents shall be entitled to treat the holder of record of any share or shares as the holder in fact thereof and shall not be bound to recognize any equitable or other claims to, or interest in, such shares on the part of any other person and shall not be liable for any registration or transfer of shares which are registered, or to be registered, in the name of a fiduciary or the nominee of a fiduciary unless made with actual knowledge that a fiduciary, or nominee of a fiduciary, is committing a breach of trust in requesting such registration or transfer, or with knowledge of such facts that its participation therein amounts to bad faith.

Section 7. Interested Shareholders. The provisions of these Bylaws, including without limitation the provisions of this Article VI as they apply to any Interested Person or shares beneficially owned by such Interested Person, are subject to the provisions of Article 9 of the Articles.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 1. Actions Involving Directors, Officers or Employees. The Corporation shall indemnify any person who was or is a party (other than a party plaintiff suing on his own behalf or in the right of the Corporation), or who is threatened to be made such a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, but not limited to, an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director, officer or employee of the Corporation, or is or was serving at the request of the Corporation as a director, officer or employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided, that no such person shall be indemnified (a) except to the extent that the aggregate of losses to be indemnified under the provisions of this Article VII exceeds the amount of such losses for which the Director, officer or employee is insured pursuant to any directors and officers liability insurance policy maintained by the Corporation; (b) in respect to remuneration paid to such person if it shall be finally adjudged that such remuneration was in violation of law; (c) on account of any suit in which judgment is rendered against such person for an accounting of profits made from the purchase or sale by such person of securities of the Corporation pursuant to the provisions of Section 16(b) of the 1934 Act and amendments thereto or similar provisions of any federal, state or local statutory law; (d) on account of such person's conduct which is finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct; (e) if it shall be finally adjudged that such indemnification is not lawful; and (f) as provided in subsection (b) of Section 5 of this Article VII.

Section 2. Actions Involving Agents. The Corporation may indemnify any person who was or is a party (other than a party plaintiff suing on his own behalf or in the right of the Corporation), or who is threatened to be made such a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, but not limited to, an action in the right of the Corporation) by reason of the fact that he or she is an agent of the Corporation, or is or was serving at the request of the Corporation as an agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, all to the full extent permitted by law.

Section 3. Determination of Right to Indemnification in Certain Instances.

(a) Any indemnification under Section 1 of this Article VII (unless ordered by a court) shall be made by the Corporation unless a determination is reasonably and promptly made that indemnification of the director, officer or employee is not proper in the circumstances because he or she has not satisfied the conditions to indemnification set forth in such Section 1. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the shareholders; provided, that no such determination shall preclude an action brought in an appropriate court to challenge such determination.

(b) Any indemnification under Section 2 of this Article VII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the agent is proper in the circumstances. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the shareholders.

Section 4. Advance Payment of Expenses. Expenses incurred by an employee or agent in defending any action, suit or proceeding referred to in Section 1 or Section 2 of this Article may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the employee or agent to repay such amounts unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article. Expenses incurred by a director or officer in defending any action, suit or proceeding referred to in Section 1 of this Article shall be paid by the Corporation as incurred; provided, however, that the Corporation shall have first received an undertaking by or on behalf of the director or officer to repay such amounts unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.

Section 5. Successful Defense.

(a) Notwithstanding any other provision of this Article VII (but except as set forth in subsection (b) of this Section), to the extent that a director, officer or employee of the Corporation has been successful on the merits or otherwise (including the dismissal of an action without prejudice) in defense of any action, suit or proceeding referred to in Section 1 of this Article VII, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. This Section 5 shall not apply to the defense of any action suit or proceeding against, or to related expenses incurred by, an agent of the Corporation; the eligibility of an agent of the Corporation for indemnification by the Corporation shall be determined solely pursuant to the provisions of Section 2 of this Article VII.

(b) Indemnification shall not be provided under this Section or under Section 1 of this Article VII in defense of an action, suit or proceeding brought by the Corporation against an officer or employee; provided that such indemnification shall be provided as to such action, suit or proceeding brought in the right of the Corporation, or as to such action, suit or proceeding which arises as a result of or is related to the acquisition of the Corporation in a transaction not approved by a majority of its continuing Directors. "Continuing Directors", for the purpose of this Article VII, shall be those Directors holding office as Directors prior to the time of such acquisition, or any successors thereof approved as successors by Directors in office prior to the time of such acquisition.

Section 6. Not Exclusive Right. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office. Without limiting the generality of the foregoing, in the event of conflict between the provisions of this Article VII and the provisions of any agreement adopted by the shareholders between the Corporation on the one hand, and any director, officer, employee or agent of the Corporation on the other, providing for indemnification, the terms of such agreement shall prevail. Any indemnification, whether required under this Bylaw or permitted by statute or otherwise, shall continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 7. Insurance. The Board shall have the power to cause the Corporation to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

Section 8. Subsidiaries of Corporation. For the purposes of this Article VII, (a) any officer, Director, or employee of the Corporation who shall serve as an officer, director, employee or agent of any other corporation, joint venture, trust or other enterprise of which the Corporation, directly or indirectly, is or was a stockholder or creditor, or in which the Corporation is or was in any way interested, or (b) any officer, director, or employee of any subsidiary corporation, venture, trust or other enterprise wholly owned by the Corporation, shall be deemed to be serving as such director, officer, employee or agent at the request of the Corporation, unless the Board shall determine otherwise. In all instances where any person shall serve as a director, officer, employee or agent of another corporation, joint venture, trust or other enterprise of which the Corporation is or was a stockholder or creditor, or in which it is or was otherwise interested, if it is not otherwise established that such person is or was serving as such director, officer, employee or agent at the request of the Corporation, the Board may determine whether such service is or was at the request of the Corporation, and it shall not be necessary to show any actual or prior request for such service.

Section 9. Spousal Indemnification. The spouse of a person entitled to indemnification under Section 1 hereof or who is granted indemnification under Section 2 hereof, shall be entitled to be so indemnified; provided, that the spouse was or is a party (other than a party plaintiff suing on his or her own behalf or in the right of the Corporation), or was or is threatened to be made a party, to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (including, but not limited to, an action by or in the right of the Corporation), solely by reason of the spousal relationship to the person who is entitled to indemnification under Section 1 hereof or who is granted indemnification under Section 2 hereof.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the shares of the Corporation, subject to the provisions of the Articles, if any, may be declared by the Board at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock or other securities of the Corporation, in rights or warrants relating thereto, or in any other form authorized by law.

Section 2. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board, or officers authorized by the Board, may, from time to time, designate.

Section 3. Fiscal Year. The fiscal year of the Corporation shall commence on October 1, and close on September 30.

Section 4. Seal. The Corporation's seal shall have inscribed thereon the name of the Corporation, the numeral “1890” being the year of the incorporation of the Corporation, and the words “Corporate Seal, Missouri”. The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed, reproduced or otherwise.

Section 5. Closing of Transfer Books and Fixing of Record Dates. The Board shall have power to close the share transfer books of the Corporation for a period not exceeding seventy (70) days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change, conversion or exchange of shares shall go into effect; provided, however, that, in lieu of closing the share transfer books as aforesaid, the Board may fix in advance a date, not exceeding seventy (70) days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect, as a record date for the determination of the shareholders entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise rights in respect of any such change, conversion or exchange of shares; and, in each such case, such shareholders and only such shareholders as shall be shareholders of record on the date of closing the share transfer books, or on the record date so fixed, shall be entitled to notice of, and to vote at, such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any shares after such date of closing of the share transfer books or such record date fixed as aforesaid.

ARTICLE IX

AMENDMENTS

These Bylaws may be altered, amended or repealed solely by a majority vote of the members of the whole Board at any regular or special meeting thereof duly called and convened.

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

	YEAR ENDED SEPTEMBER 30,					THREE MONTHS ENDED DECEMBER 31,
	2004	2005	2006	2007	2008	2008
Earnings:						
Earnings before income taxes (a)	$ 1,893	2,200	2,749	3,178	3,666	681
Fixed charges	311	323	313	361	356	82
Earnings, as defined	$ 2,204	2,523	3,062	3,539	4,022	763
Fixed Charges:						
Interest expense	$ 234	243	225	261	244	54
One-third of all rents	77	80	88	100	112	28
Total fixed charges	$ 311	323	313	361	356	82
Ratio of Earnings to Fixed Charges	7.1X	7.8X	9.8X	9.8X	11.3X	9.3X

(a) Represents earnings from continuing operations before income taxes and minority interests in the income of consolidated subsidiaries with fixed charges.

Certification

I, D. N. Farr, certify that:

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

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

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

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

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

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2009

/s/ D. N. Farr

D. N. Farr
Chairman of the Board,
Chief Executive Officer and President
Emerson Electric Co.

Certification

I, W. J. Galvin, certify that:

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

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

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

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

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

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2009

/s/ W. J. Galvin

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

Exhibit 32

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULE 13a-14(b) AND
18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Emerson Electric Co. (the "Company") on Form 10-Q for the period ended December 31, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, D. N. Farr, certify, to the best of my knowledge, pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ D. N. Farr

D. N. Farr
Chairman of the Board,
Chief Executive Officer and President
Emerson Electric Co.
February 4, 2009

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULE 13a-14(b) AND
18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Emerson Electric Co. (the "Company") on Form 10-Q for the period ended December 31, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, W. J. Galvin, certify, to the best of my knowledge, pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ W. J. Galvin

W. J. Galvin
Senior Executive Vice President and
Chief Financial Officer
Emerson Electric Co.
February 4, 2009