

EATON CORPORATION CONSOLIDATED BALANCE SHEETS

December 31	1995	1994
(Millions)		
Assets		
Current assets		
Cash	\$ 56	\$ 18
Short-term investments	28	23
Accounts receivable	932	889
Inventories	735	698
Deferred income taxes	150	151
Other current assets	66	67
	1,967	1,846
Property, plant and equipment		
Land	52	50
Buildings	578	539
Machinery and equipment	2,584	2,321
	3,214	2,910
Accumulated depreciation	(1,561)	(1,441)
	1,653	1,469
Excess of cost over net assets of businesses acquired	895	850
Other assets	538	517
	\$ 5,053	\$ 4,682
Liabilities and Shareholders' Equity		
Current liabilities		
Short-term debt	\$ 30	\$ 14
Current portion of long-term debt	20	22
Accounts payable	486	449
Accrued compensation	168	163
Accrued income and other taxes	62	60
Other current liabilities	379	394
	1,145	1,102
Long-term debt	1,084	1,053
Postretirement benefits other than pensions	579	573
Other liabilities	270	274
Shareholders' equity		
Common Shares (77.6 in 1995 and 78.0 in 1994)	39	39
Capital in excess of par value	812	806
Retained earnings	1,232	988
Foreign currency translation adjustments	(55)	(71)
Unallocated Employee Stock Ownership Plan shares	(53)	(82)
	1,975	1,680
	\$ 5,053	\$ 4,682

The Financial Review on pages 24 to 32 is an integral part of the consolidated financial statements.