CONSOLIDATED BALANCE SHEETS

Eaton Corporation

December 31

(Millions of dollars)

Assets

Current assets
- Cash
- Short-term investments
- Accounts receivable
- Inventories
- Deferred income taxes
- Other current assets

Property, plant and equipment
- Land
- Buildings
- Machinery and equipment

- Accumulated depreciation

Excess of cost over net assets of businesses acquired
Deferred income taxes
Other assets

Liabilities and Shareholders' Equity

Current liabilities
- Short-term debt
- Current portion of long-term debt
- Accounts payable
- Accrued compensation
- Accrued income and other taxes
- Other current liabilities

Long-term debt
Postretirement benefits other than pensions
Other long-term liabilities
Shareholders' equity
- Common Shares (71.3 million in 1993 and 34.7 million in 1992)
- Capital in excess of par value
- Retained earnings
- Foreign currency translation adjustments
- Unallocated Employee Stock Ownership Plan shares

The Financial Review on pages 22 to 30 is an integral part of the consolidated financial statements