

Eaton Corporation Consolidated Balance Sheets

December 31

1996

1995

(Millions)			
Assets			
Current assets			
Cash		\$ 22	\$ 23
Short-term investments		331	29
Accounts receivable		315	322
Inventory		728	750
Prepaid expenses and other		165	150
Other current assets		75	55
Property, plant and equipment		1,117	1,017
Leasehold improvements		110	80
Intangible assets		1,012	1,230
Deferred tax assets		1,012	1,012
Other assets		1,012	1,012
Liabilities and Shareholders' Equity			
Current liabilities			
Short-term debt		11	30
Accounts payable		21	21
Accrued liabilities		112	112
Deferred income taxes		112	112
Other current liabilities		112	112
Long-term debt		112	112
Deferred income taxes, net of current liabilities		112	112
Other liabilities		112	112
Shareholders' equity			
Common stock, \$1.00 par value		112	112
Capital in excess of par value		112	112
Retained earnings		112	112
Foreign currency translation adjustments		(68)	(65)
Shares to be issued		112	112
Employee stock ownership plan		112	112
Deferred compensation plans		112	112
		\$ 60	\$ 75
		\$ 5,307	\$ 5,053

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