

MIRA INFORM REPORT

Report No. :	540574
Report Date :	27.11.2018

IDENTIFICATION DETAILS

Name :	EMERSON FZE
Registered Office :	Jebel Ali Free Zone, Plot No. S20137, PO Box: 17034, Dubai
Country :	United Arab Emirates
Date of Incorporation :	11.09.1993
Com. Reg. No.:	28207
Legal Form :	Free Zone Establishment
Line of Business :	<ul style="list-style-type: none"> • Manufacture of instruments and appliances for measuring, testing and navigation • Manufacture of other taps and valves
No. of Employees :	500 [2018]

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
United Arab Emirates	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

UNITED ARAB EMIRATES - ECONOMIC OVERVIEW

The UAE has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP from the oil and gas sector to 30%.

Since the discovery of oil in the UAE nearly 60 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement. The country's free trade zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors.

The global financial crisis of 2008-09, tight international credit, and deflated asset prices constricted the economy in 2009. UAE authorities tried to blunt the crisis by increasing spending and boosting liquidity in the banking sector. The crisis hit Dubai hardest, as it was heavily exposed to depressed real estate prices. Dubai lacked sufficient cash to meet its debt obligations, prompting global concern about its solvency and ultimately a \$20 billion bailout from the UAE Central Bank and Abu Dhabi Government that was refinanced in March 2014.

The UAE's dependence on oil is a significant long-term challenge, although the UAE is one of the most diversified countries in the Gulf Cooperation Council. Low oil prices have prompted the UAE to cut expenditures, including on some social programs, but the UAE has sufficient assets in its sovereign investment funds to cover its deficits. The government reduced fuel subsidies in August 2015, and introduced excise taxes (50% on sweetened carbonated beverages and 100% on energy drinks and tobacco) in October 2017. A five-percent value-added tax was introduced in January 2018. The UAE's strategic plan for the next few years focuses on economic diversification, promoting the UAE as a global trade and tourism hub, developing industry, and creating more job opportunities for nationals through improved education and increased private sector employment.

Source : CIA

SUMMARY

COMPANY NAME	Emerson FZE			
ADDRESS	Building Emerson Building	Area Jebel Ali Free Zone, South 2	Town Dubai	PO Box 17034 & 17033 Dubai
TEL/FAX	Verified Phones: (+971 4) 811 8100 / Fax: (+971 4) 886 5465			
EMAIL/WEBSITE	Email: corporate.emerson@emerson.com / Website: www.emerson.com			
ACTIVITY	NACE 2651 - Manufacture of instruments and appliances for measuring, testing and navigation; NACE 2814 - Manufacture of other taps and valves;			
PRINCIPAL	Giovanni Zullo President – India, Middle East and Africa		Workforce 500	
LEGAL INFO	Date Of Est. 11/09/1993	Reg. No. 28207	Legal Form Free Establishment	Status Zone Active
CAPITAL	CURRENCY AED	AMOUNT 1,000,000		

IDENTIFICATION

CO. NAME	Emerson FZE		
TRADEMARK	Emerson		
ALSO KNOWN NAME (S)	Emerson Process Management		
BUILDING	Emerson Building		
AREA	Jebel Ali Free Zone, South 2		
POSTAL ADDRESS	17034 & 17033 Dubai		
TOWN	Dubai		
COUNTRY	United Arab Emirates		
TELEPHONE	(+971 4) 811 8100 / Mobile (+971 55) 559 3098		
FAX	(+971 4) 886 5465		
VERIFIED EMAIL	corporate.emerson@emerson.com		
WEBSITE	www.emerson.com		
BUSINESS HOURS	DAYS Sun-Thu	OFFICE HOURS 08:00-17:00	BREAK TIME 13:00-14:00
REGISTERED ADDRESS	Jebel Ali Free Zone Plot No. S20137 PO Box: 17034 Dubai United Arab Emirates		

SENIOR PERSONNEL

MANAGEMENT

NAME

David N. Farr
Group Management

POSITION

Chairman & CEO

Edward L. Monser

President

Frank Dellaquila

Executive Vice President & CFO

Ed Purvis

Executive Vice President & COO

Senior Vice President, Secretary
and General Counsel

Sara Yang Bosco

Senior Vice President, Acquisition
Planning and Development

Senior Vice President and Chief
Marketing Officer

Mark Bulanda

Executive Vice President,
Organization Planning and
Development

Katherine Button Bell

Executive President, Emerson
Commercial & Residential
Solutions

Steve Pelch

Executive President, Emerson
Automation Solutions

Robert T. Sharp

President – India, Middle East and
Africa

Michael Train

WORKFORCE

Giovanni Zullo

NO. OF EMPLOYEES

500
76,500 (Emerson Group)

PERIOD

01.2018
01.2018

FINANCIAL SUMMARY

NOTES

Private companies in UAE are not required to publish or disclose balance sheets. Balance sheets are not available from other sources, and the subject interviewed declined to give any financial information, which the company regards as strictly confidential.

The following financial statements as at 31/12/2017 applies to subject's parent, Emerson Electric Co:

	31/12/2016	31/12/2017
	(in millions of USD)	
ASSETS		
Current assets		
Cash and equivalents	3,182	3,062
Receivables, less allowances of \$92 in 2016 and \$91 in 2017	2,701	3,072
Inventories	1,208	1,696
Other current assets	669	349
Current assets held-for-sale	2,200	73
Total current assets	9,960	8,252
Property, plant and equipment, net	2,931	3,321
Other assets		
Goodwill	3,909	5,316
Other intangible assets	902	1,890
Other	200	634
Noncurrent assets held-for-sale	3,830	176
Total other assets	8,841	8,016
Total assets	21,732	19,589
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings and current maturities of long-term debt	2,584	862
Accounts payable	1,517	1,776
Accrued expenses	2,126	2,286
Income taxes	180	65
Current liabilities held-for-sale	1,601	56

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Total current liabilities	8,008	5,045
Long-term debt	4,051	3,794
Other liabilities	1,729	1,975
Noncurrent liabilities		
held-for-sale	326	5
Equity		
Common stock, \$0.50 par value; authorized, 1,200,000,000 shares; issued, 953,354,012 shares; outstanding, 642,796,490 shares in 2016; 641,691,971 shares in 2017	477	477
Additional paid-in-capital	205	297
Retained earnings	21,716	21,995
Accumulated other comprehensive income (loss)	(1,999)	(1,019)
	20,399	21,750
Less: Cost of common stock in treasury, 310,557,522 shares in 2016; 311,662,041 shares in 2017	12,831	13,032
Common stockholders' equity	7,568	8,718
Noncontrolling interests in subsidiaries	50	52
Total equity	7,618	8,770
Total liabilities and equity	21,732	19,589

CONSOLIDATED STATEMENTS OF EARNINGS

	31/12/2016	31/12/2017
	(in millions of USD)	
Net sales	14,522	15,264
Costs and expenses:		
Cost of sales	8,260	8,860
Selling, general and administrative expenses	3,464	3,618
Gains on divestitures of businesses	—	—
Other deductions, net	294	286
Interest expense, net of interest income of: 2015, \$23; 2016, \$27; 2017, \$36	188	165
Earnings from continuing operations before income taxes	2,316	2,335
Income taxes	697	660

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	Earnings from continuing operations	1,619	1,675
	Discontinued operations, net of tax: 2015, \$161; 2016, \$269; 2017, \$671	45	(125)
FISCAL YEAR-END	Net earnings	1,664	1,550
	31 December.		

LEGAL STATUS

INCORPORATION	11/09/1993	
REGISTRATION NO.	LICENSE NUMBER	ISSUED BY
	DCCI Membership No.: 28207	Jebel Ali Free Zone Authority (JAFZA)
AUTHORISED CAPITAL	AMOUNT	CURRENCY
	1,000,000	AED
PAID-UP CAPITAL	AMOUNT	CURRENCY
	1,000,000	AED
BUSINESS HISTORY	The Company was incorporated in Jebel Ali Free Zone on 11 September 1993.	
LEGAL FORM	Free Zone Establishment	
STATUS	Active	
SOLE SHAREHOLDER	NAME	PERCENTAGE
	Emerson Electric UK Ltd	100.00%
	UK	

Ultimate Parent Company

Emerson Electric Co
8000 W Florissant Ave
PO Box 4100
ST. LOUIS MO 63136-8506
USA
Telephone: (+1 314) 553 2000
Fax : (+1 314) 553 3527
Emerson is an American multinational corporation headquartered in Ferguson, Missouri, United States. This Fortune 500 company manufactures products and provides engineering services for a wide range of industrial, commercial, and consumer markets. Emerson has approximately 76,500 employees and 205 manufacturing locations worldwide. Emerson was established in 1890 in St. Louis, Missouri as Emerson Electric Manufacturing Co. by Civil War Union veteran John Wesley

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Emerson to manufacture electric motors using a patent owned by the Scottish-born brothers Charles and Alexander Meston. In 1892, it became the first to sell electric fans in the United States. It quickly expanded its product line to include electric sewing machines, electric dental drills, and power tools.

OPERATION

BANKERS

1. HSBC Bank Middle East
Exit No 22 from Sheikh Zayed Road towards
Jebel Ali Free Zone main gate 3
P.O. Box : 66
Dubai
Telephone: (+971 4) 807 6207
Fax : (+971 4) 881 6378

2. Citibank
Khalid Bin Waleed Street
PO Box 749
Dubai
Telephone: (+971 4) 352 2100
Fax : (+971 4) 352 4942

ACTIVITY CODE (NACE)

2651 - Manufacture of instruments and appliances for measuring, testing and navigation; 2814 - Manufacture of other taps and valves; Solution providers in Process Management, Industrial Automation, Climate Technologies, Commercial & Residential.

LINE OF BUSINESS

Manufacturers and distributors of oil and gas fields equipment, valves, lighting fitting, fixtures and heating, ventilation, air conditioning equipment and non-electrical measuring and control systems.

Registered activity:

- Computer Software Trading;
- Electrical & Electronic Appliances Spare Parts Trading;
- Light Fitting & Fixtures Trading;
- Ventilators & Fans Trading;
- Air-Condition, Refrigeration Spare Parts & Components Trading;
- Wires and Cables Trading;
- Electrical Fittings Trading;
- Industrial Plant Equipment & Spare Parts Trading;
- Oilfield & Natural Gas Equipment & Spare Parts Trading;
- Telecommunications Equipment Trading;
- Measuring & Control Systems Trading;
- Refrigeration & Cold Storage Equipment Trading;

- Shop, Office Equipment & Fittings Trading;
- Pumps, Engines, Valves & Spare Parts Trading;
- Power Generation, Transmission & Distribution Equipment Trading;
- Wireless Equipment & Instruments Trading;
- Oil & Gas Fields Equipment Manufacturing;
- Cold Storage Compartment Manufacturing;
- Refrigerators, Freezers & Water Coolers Manufacturing;
- Power Distribution Equipment Manufacturing;
- Power Control Switchgears Manufacturing;
- Power Distribution Panels Manufacturing;
- Lighting Fitting & Fixtures Assembling;
- Electrical Measuring & Control Systems Manufacturing;
- Non Electrical Measuring & Control Systems Manufacturing;
- Air-conditioning Units Assembling;
- Electronic Appliances Assembling;
- Valves Manufacturing;
- Marine Equipment Installing & Repairing, (For its own products Only).
Worldwide.

**IMPORT FROM
EXPORT TO
FACILITIES**

India, Middle Eastern and African countries.

Premises comprising administrative offices, a manufacturing unit and warehousing facilities located at the heading address.

RELATED COMPANIES

Subject is a member of Emerson Group, which also includes the following companies:

Associates

1. Computational Systems, Incorporated
USA
2. Emerson Process Management Distribution n.v.
Belgium
3. Emerson Climate Technologies, Inc.
USA
4. Emerson Retail Services, Inc.
USA
5. Emerson Climate Services, LLC
USA
6. Emerson Climate Technologies (India) Limited
India
7. Emerson Electric (U.S.) Holding Corporation
USA
8. Emerson Dietzenbach GmbH
Germany

9. Emerson Electric GmbH
Germany
10. Emerson Electric GmbH & Co. OHG
Germany
11. Emerson Electric Overseas Finance Corp.
USA
12. Motores U.S. de Mexico, S.A. de C.V.
Mexico
13. U.S.E.M. de Mexico S.A. de C.V.
Mexico
14. Emerson Process Management GmbH
Germany
15. Emerson Process Management GmbH & Co. OHG
Germany
16. Emerson Process Management Manufacturing GmbH
& Co. OHG
Germany
17. Emerson Process Management Ltda.
Brazil
18. Emerson Retail Services Europe GmbH
Germany
19. Emerson Technologies Verwaltungs GmbH
Germany
20. Emerson Technologies GmbH & Co.
Germany
21. Emerson Process Management, S.A. de C.V.
Mexico
22. Emerson Process Management AB
Sweden
23. Emerson Process Management AS
Norway
24. Emerson Process Management Holding AG
Switzerland

- 25. Emerson Process Management AG
Switzerland
- 26. Emerson Process Management Kft.
Hungary
- 27. Emerson Process Management sp. z.o.o.
Poland
- 28. Emerson Process Management Ticaret Limited
Sirketi
Turkey
- 29. Emerson Process Management, s.r.o.
Czech Republic
- 30. Emerson Process Management, s.r.o.
Slovakia
- 31. Emerson Process Management AS
Denmark
- 32. Emerson Process Management Power and Water
Solutions Sp. z.o.o.
Poland
- 33. Emerson Process Management Asia Pacific Pte
Ltd.
Singapore
- 34. Emerson Process Management Manufacturing (M)
Sdn Bhd
Malaysia
- 35. Emerson Process Management (Shanghai)
International Trading Co. Ltd.
China
- 36. Emerson Process Management Valve Automation
(M) Sdn Bhd
Malaysia
- 37. HSNR Performance Services Pte Ltd.
Singapore
- 38. Emerson Process Management (India) Pvt. Ltd.
India

39. Emerson Process Management Korea Ltd.
South Korea
40. Emerson Process Management, S.L.
Spain
41. Emerson Process Management Oy
Finland
42. Emerson Network Power Australia Pty. Ltd.
Australia
43. Emerson Network Power (Hong Kong) Limited
Hong Kong
44. Emerson Network Power (India) Private Limited
India
45. Emerson Network Power (Singapore) Pte. Ltd.
Singapore
46. Emerson Network Power (Malaysia) Sdn. Bhd.
Malaysia
47. Emerson Network Power (Thailand) Co. Ltd.
Thailand
48. Emerson Arabia, Inc.
Delaware
49. Emerson Capital (Canada) Corporation
Canada
50. Emerson Climate Technologies de Mexico S.A.
de C.V.
Mexico
51. Emerson Climate Technologies - Distribution
Services, Inc.
USA
52. Emerson Electric (Asia) Limited
Hong Kong
53. Branson Ultrasonics (Asia Pacific) Co. Ltd.
Hong Kong
54. Emerson Electric (South Asia/Pacific) Pte.
Ltd.

- Singapore
- 55.Emerson Technology Service (Shenzhen) Co.
China
- 56.Emerson Electric II, C.A.
Venezuela
- 57.Emerson Electric de Colombia, Ltda.
Colombia
- 58.Emerson Electric Foreign Sales Corporation
U.S. Virgin Islands
- 59.Emerson Electric International, Inc.
USA
- 60.Emerson Electric Ireland Ltd.
Bermuda
- 61.Emersub Treasury Ireland
Ireland
- 62.Emerson Electric (Mauritius) Ltd.
Mauritius
- 63.Emerson Electric Co. (India) Private Ltd.
India
- 64.Emerson Process Management Power & Water
Solutions India Private Limited
India
- 65.Emerson a.s.
Slovakia
- 66.Emerson LLC
Russia
- 67.Emerson SRL
Romania
- 68.Emerson Climate Technologies s.r.o.
Czech Republic
- 69.Emerson Electric Slovakia Spol. s.r.o.
Slovakia
- 69.Emerson Electric Spol, s.r.o.

- Czech Republic
- 70.Emerson Process Management B.V.
Netherlands
- 71.Fisher Rosemount Temperature B.V.
Netherlands
- 72.Emerson Network Power del Peru S.A.C.
Peru
- 73.Emerson Network Power d.o.o.
Croatia
- 74.Emerson Network Power Limited
Nigeria
- 75.Emerson Network Power (Philippines), Inc.
Philippines
- 76.Emerson Network Power (South Africa) (Pty)
Ltd
South Africa
- 77.Emerson Europe S.A.
France
- 78.Emerson Network Power Guc Sistemleri Limited
Sirketinin
Azerbaycan Respublikasindaki Filiali
Badalbayli Street 36/10
Nasimi District
Baku AZ1014
Managing Director: Mehdi Mohammedshah Oglu
Amrahov
Est.: 12 June 2009
Tax No.: VOEN 1401593981
- 79.Isvechre Dovlatinin Emerson Process
Management AG Sirketinin
Numayendeliyi
Badamdar STQ, Massiv 1
Sabail District
Baku AZ1021
Managing Director: Agabala Ali Oglu Aleskerov
Est.: 18 March 2000
Tax No.: VOEN 1300169231
- 80.Emerson Process Management

P. O. Box 105958
Abu Dhabi
U.A.E.
Tel: (+971 2) 697 2000
Fax: (+971 2) 555 0364

81.Emerson Process Management
P.O. Box 10838
Manama, Bahrain
Telephone: (+973) 1751 7112
Fax : (+973) 1751 7100

82.ZAO Promyshlennaya Gruppa Metran
Russia

83.Emerson Process Management
c/o Doha Petroleum Construction Co. Ltd
4th Floor - Al Ahed Building
Museum Street, Old Salata
P.O. Box 32281
Doha
Qatar
Telephone: (+974) 4457 6777
Fax : (+974) 4431 5448

84.Emerson Process Management Arabia Ltd
Emerson Process Management Building
Road No. 112, Intersection 263
Jubail Support Area 2, Jubail Industrial City
P.O.Box No.: 10305
Jubail 31961
Saudi Arabia
Telephone : (+966 13) 340 8650
Fax : (+966 13) 340 8791
Est.: 3 January 2009 (06/01/1430 H)
C.R. No. : 2055011268
Chamber of Commerce Membership No.: 10112
Capital : SR 500,000

85.Emerson MMC
Azerbaijan

86.Emerson Process Management Distribution
Limited – Abu Dhabi
United Arab Emirates

87.Emerson Automation Solutions Final Control
UAE Inc
United Arab Emirates

88.Emerson Climate Technologies FZE
United Arab Emirates

PAYMENT RECORDS

CREDIT OPINION

We consider it is acceptable to deal with subject for LARGE amounts.

SPECIAL REMARKS

INTERVIEWED COMMENTS

Subject's employees.
The name which you provided: Emerson Process Management Fisher Valves applies to subject's division name only. Subject's correct registered name is as per heading.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.71
UK Pound	1	INR 90.65
Euro	1	INR 80.27
UAE Dh	1	INR 19.27

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)