

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For nine months ended September 30, 1994

Commission File No. 1-4018

DOVER CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware 53-0257888
(State of Incorporation) (I.R.S. Employer Identification No.)

280 Park Avenue, New York, NY 10017
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (212) 922-1640

Indicate by checkmark 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, and (2) has been subject to such filing
requirements for the past 90 days. Yes NO
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The number of shares outstanding of the Registrant's common stock as of the
close of the period covered by this report was 57,226,818.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

DOVER CORPORATION AND SUBSIDIARIES
 CONSOLIDATED STATEMENT OF EARNINGS
 Three months ended September 30, 1994 and 1993
 ('000 omitted)

	1994	1993
Net sales	\$804,459	\$642,178
Cost of sales	559,231	442,260
Gross profit	245,228	199,918
Selling and administrative expenses	157,149	129,091
Operating profit	88,079	70,827
Other deductions (income):		
Interest expense	9,910	6,040
Interest income	(3,164)	(4,844)
Foreign exchange	547	105
All other	1,194	357
Earnings before taxes on income	8,487	1,658
Federal and other taxes on income	79,592	69,169
Net earnings	27,722	26,809
Weighted average number of common shares outstanding during the period	\$ 51,870	\$ 42,360
Net earnings per common share	=====	=====
	\$ 91	\$.74
	=====	=====

DOVER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF EARNINGS
Nine months ended September 30, 1994 and 1993
('000 omitted)

	1994	1993
Net sales	\$2,246,411	\$1,803,469
Cost of sales	1,552,355	1,258,263
Gross profit	694,056	545,206
Selling and administrative expenses	450,649	360,646
Operating profit	243,407	184,560
Other deductions (income):		
Interest expense	25,029	15,416
Interest income	(12,857)	(14,903)
Foreign exchange	828	306
All other	1,374	(123)
	14,374	696
Earnings before taxes on income	229,033	183,864
Federal and other taxes on income	82,150	67,981
Net earnings	\$ 146,883	\$ 115,883
Weighted average number of common shares outstanding during the period	57,205	57,102
Net earnings per common share	\$ 2.57	\$ 2.03

CONSOLIDATED STATEMENT OF RETAINED EARNINGS
Nine Months ended September 30, 1994 and 1993
('000 omitted)

	1994	1993
Balance at beginning of period	\$1,121,817	\$1,051,949
Net earnings	146,883	115,883
	-----	-----
	1,268,700	1,167,832
Deduct:		
Common stock cash dividends of \$.72 per share (\$.68 in 1993)	41,178	38,259
Distribution; DOVatron	-	36,983
	-----	-----
Balance at end of period	\$1,227,522	\$1,092,590
	=====	=====

DOVER CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
('000 OMITTED)

	SEPTEMBER 30 1994	DECEMBER 31 1993
Assets		
-----	-----	-----
Current Assets:		
Cash and cash equivalents	\$ 93,991	\$ 63,685
Marketable securities	53,163	32,592
Receivables, net of allowance for doubtful accounts	553,445	475,155
Inventories at cost (determined principally on the last-in, first-out basis, which is less than market value)	355,117	294,319
Prepaid expenses	42,033	37,889
-----	-----	-----
Total current assets	1,097,749	903,640
-----	-----	-----
Property, plant & equipment, at cost	796,654	714,637
Accumulated depreciation	(465,340)	(431,274)
-----	-----	-----
Net property, plant & equipment	331,314	283,363
-----	-----	-----
Intangible assets, net of amortization	618,393	535,136
Other intangible assets	10,258	10,258
Deferred charges and other assets	38,139	41,292
-----	-----	-----
	\$2,095,853	\$1,773,689
	=====	=====
Liabilities		
-----	-----	-----
Current liabilities:		
Notes Payable	\$ 284,209	\$ 174,980
Current maturities of long-term debt	1,127	311
Accounts payable	132,677	117,206
Accrued compensation & employee benefits	78,407	71,084
Accrued insurance	94,428	74,501
Other accrued expenses	150,576	116,916
Income taxes	44,208	40,796
-----	-----	-----
Total current liabilities	785,632	595,794
Long-term debt	260,015	252,065
Deferred taxes	16,895	20,409
Deferred compensation	42,938	35,419
Minority interest	687	-
Stockholders' Equity:		
Preferred stock	-	-
Common stock	66,364	66,299
Additional paid-in surplus	15,015	12,531
Cumulative translation adjustments	(1,117)	(12,761)
Unrealized holding gains (losses)	(111)	-
Retained earnings	1,227,522	1,121,817
-----	-----	-----
	1,307,673	1,187,886
Less: treasury stock	317,987	317,884
-----	-----	-----
	989,686	870,002
	-----	-----
	\$2,095,853	\$1,773,689
	=====	=====

DOVER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
Nine Months ended September 30, 1994 and 1993
('000 omitted)

	1994	1993
Cash flows from operating activities:	-----	-----
Net income	\$ 146,883	\$ 115,883
Adjustments to reconcile net income to net cash provided by operating activities:	-----	-----
Depreciation	41,818	37,471
Amortization	27,781	16,967
Net increase (decrease) in deferred taxes	(3,514)	(4,425)
Net increase (decrease) in LIFO reserves	148	1,226
Increase (decrease) in deferred compensation	7,519	9,984
Other, net	6,573	6,197
Changes in assets and liabilities (excluding acquisitions):	-----	-----
Decrease (increase) in accounts receivable	(39,086)	(42,812)
Decrease (increase) in inventories, excluding LIFO reserve	(19,182)	(3,976)
Decrease (increase) in prepaid expenses	(2,382)	(3,934)
Increase (decrease) in accounts payable	(6,216)	(8,297)
Increase (decrease) in accrued expenses	47,230	19,543
Increase (decrease) in federal and other taxes on income	3,413	(10,871)
Total adjustments	64,102	17,073
Net cash provided by operating activities	210,985	132,956
Cash flows from (used in) investing activities:	-----	-----
Additions to property, plant & equipment	(55,256)	(32,288)
Acquisitions	(182,615)*	(236,046)**
Purchase of treasury stock	(105)	(1,079)
Increase in marketable securities	(20,571)	(1,610)
Net cash from (used in) investing activities	(258,547)	(271,023)
Cash flows from (used in) financing activities:	-----	-----
Increase (decrease) in notes payable	109,229	170,321
Increase of long-term debt	7,950	458
Proceeds from exercise of stock options	1,867	1,091
Cash dividends to stockholders	(41,178)	(38,259)
Net cash from (used in) investing activities	77,868	133,611
Net increase (decrease) in cash and cash equivalents	30,306	(4,456)
Cash and cash equivalents at beginning of period	63,685	71,632
Cash and cash equivalents at end of period	\$ 93,991	\$ 67,176

* Includes long-term debt assumed of \$14,745, but excludes cash acquired and reorganization costs aggregating \$15,503.

** Includes long-term debt assumed of \$11,587, but excludes cash acquired of \$5,370.

DOVER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 1994

NOTE A - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and changes in financial position in conformity with generally accepted accounting principles. In the opinion of the Company, all adjustments, consisting only of normal recurring items necessary for a fair presentation of the operating results have been made. The results of operations of any interim period are subject to year-end audit and adjustments, and are not necessarily indicative of the results of operations for the fiscal year.

NOTE B - Inventory

Inventories, by components, are summarized as follows:

	SEPTEMBER 30 1994	DECEMBER 31 1993
Raw materials	\$107,635	\$ 92,341
Work in progress	159,459	136,031
Finished goods	131,553	109,329
-----	-----	-----
Total	398,647	337,701
Less LIFO reserve	43,530	43,382
-----	-----	-----
Net amount per balance sheet	\$355,117	\$294,319
	=====	=====

NOTE C - Additional Information

For a more adequate understanding of the company's financial position, operating results, business properties and other matters, reference is made to the Company's Annual Report on Form 10-K which was filed with the Securities and Exchange Commission in March 1994.

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

(1) MATERIAL CHANGES IN CONSOLIDATED FINANCIAL CONDITION:

The Company's liquidity increased slightly during the first nine months of 1994 as compared with its position at December 31, 1993.

Working capital increased from \$307.8 million at the end of last year to \$312.1 million at September 30, 1994, despite acquisition expenditures during this same period of close to \$183 million.

As mentioned in the previous 10-Q, Dover Corporation ended the June 30, 1994 quarter with net debt (defined as long-term debt plus current maturities of long-term debt plus notes payable less cash and equivalents) of \$408 million, or 30% of total capital. At September 30, 1994, net debt has decreased to \$398.7 million and represents 28.7% of total capital.

(2) MATERIAL CHANGES IN RESULTS OF OPERATIONS:

The Company earned \$.91 per share in the Third Quarter, an increase of 23% from the \$.74 earned in the Third Quarter of 1993. Sales advanced 25% to \$804,460,000 while net income rose 22% to \$51,870,000.

Following a First Quarter earnings per share (EPS) gain of 25%, and a Second Quarter gain of 31%, the results of the quarter just ended put 9 month EPS 27% ahead of prior year and at a record level. Year-to-date net income of \$146,883,000 and sales of \$2,246,411,000 were also records for Dover.

Four of Dover's five market segments achieved earnings gains in the Third Quarter, while one declined, with the total for the five segments gaining 24%. Dover's pretax income rose only 15% primarily due to increased interest expense. The higher gain in net income, 22%, reflected last years abnormally high tax provision which included a catch-up charge for the retroactive nature of the 1993 Tax Bill. At its August meeting, Dover's Board of Directors announced the company's 32nd consecutive increase in annual dividends, raising the quarterly rate by 13% to \$.26 per share. Dover acquired three companies in the quarter for a combined price of \$32.7 million, bringing total acquisition expenditures for the year to \$182.6 million (considering certain debt and cash acquired).

DOVER RESOURCES

Profits in the Third Quarter at Dover Resources rose 20% on a 12% sales gain as 11 of 16 individual companies had higher earnings, including OPW despite now comparing against its very strong second half of 1993. Midland Manufacturing, acquired earlier this year, contributed 4 points of the sales gain and a smaller portion of the earnings gain. Internal profit growth over the prior year at Dover Resources was the highest so far in 1994. De-Sta-Co improved its already strong earnings gains, helped by the strong U.S. auto and industrial markets and some improvement in Germany. Profits at three companies manufacturing oil field production equipment remained at the depressed levels of the first half but were only 9% below last years Third Quarter. This area now contributes less than 15% of Dover Resources income. Quarterly bookings for Dover Resources were again slightly higher than sales.

DOVER INDUSTRIES

Dover Industries profits gained 24% on a 13% sales increase as all but one company had earnings above last year and half had gains of 25% or more. Acquisition activity since last year provided only about 3 points of the sales gain and a smaller portion of the earnings gain, primarily relating to Tipper Ties acquisition of Technopak earlier this year. Rotary Lift continued its strong profit growth as volume gains and manufacturing improvements from investments made at the start of the year improved margins. Heil's bookings were 22% ahead of last year with continued strength for trailerized tanks, where backlog is at an all time high. A major expansion of Heil's Athens, Tennessee, tank trailer plant has now been completed and will add to Fourth Quarter production. Dover Industries overall orders in the Third Quarter exceeded shipments by 15%.

Dover Elevator International (DEI) reported a decline of 25% in earnings compared to last years Third Quarter which was 1993's strongest earnings quarter. After 9 months DEI profits are now slightly ahead of their 1993 pace. All of the decline in Third Quarter earnings was attributable to a swing at the General Elevator Company from a 1993 profit to a 1994 loss of about \$3 million. The loss in the current years quarter primarily reflected a more conservative valuation, undertaken by a new management team installed in June, of General's working capital assets. A further loss at General is likely in the Fourth Quarter which will make it difficult, but not impossible, for DEI to achieve its original 1994 goal--an earnings increase over 1993. Bookings for new elevators at DEI for the quarter were 2% below last year putting new elevator backlog 10% lower than one year ago.

In the Third Quarter, DEI began to implement a broad re-organization of its North American field and factory operations. All General Elevator offices outside its core operating area of Delaware, Maryland, Washington, DC, and Virginia are being consolidated with other Dover offices. Conversely, Dover offices in General's core area are being merged into General. This will avoid duplication of effort and provide customers with seamless access to all of Dover's high quality products and services. Also, effective January 1, 1995, all factory and product engineering functions of Dover Elevator-Canada and Dover Elevator-U.S. will be combined under a single management, and the field operations of Elevator-U.S. and Elevator-Canada will both begin to report directly to the CEO of Dover Elevator International. The objective of this change is to improve field support while avoiding duplication in North America and to permit the focus of engineering/manufacturing resources on export markets, which represent DEI's best growth opportunity. Export shipments of new elevator components and systems from North America, though still a small percentage of total sales, have grown over 50% so far this year. Also, in the international area, a joint venture agreement to build a new Dover Elevator production facility near Beijing, China, is expected to be finalized before the end of the year.

DOVER TECHNOLOGIES

Dover Technologies achieved a 37% sales gain and reported a 95% earnings increase against a year ago quarter that had included a \$4.5 million special charge to settle a lawsuit. Excluding this charge, earnings improved by 37%. Universal Instruments continued to provide most of the growth as its own sales grew 46% in the quarter with a 56% growth in earnings to a record quarterly level. Orders continued strong for Universals new surface mount GSM-1 machine and further progress was made on improving its gross profit margins, although these remain well below those achieved on thru-hole products. Universals total orders were 55% higher than last year but the quarters strong shipments reduced the quarterly book-to-bill to .93. Dover Technologies book-to-bill was also .93. This segment begins the Fourth Quarter with a somewhat smaller total backlog than at the start of the Third Quarter and a higher mix of lower margin surface mount products within this backlog. It is unlikely that Fourth Quarter profits will match Third Quarter, although they will be substantially improved from 1993.

DOVER DIVERSIFIED

Dover Diversified reported a 38% gain in profits and a 155% sales increase reflecting substantial acquisition activity since the start of last year's Third Quarter. The acquisition of Belvac, Thermal Equipment and Phoenix last year plus several additional acquisitions in 1994, including Hill (described below) in the

Third Quarter of this year provided more than three fourths of the \$80 million sales gain. Companies owned throughout the Third Quarter of both years achieved a modest gain in profits primarily due to a strong shipments quarter at A-C Compressor. Bookings continued very strong at Belvac but shipments and profits were softer than hoped after a very strong Second Quarter this year. Dover Diversified's total bookings for the quarter exceeded shipments by 11%. Profits are expected to be higher in the Fourth Quarter than in the Third Quarter.

OTHER MATTERS

Dover acquired three companies in the Third Quarter. Midstate Elevator was purchased by Dover Elevator Company, expanding its direct presence in the upper New York State area. Tie-Net, a producer of plastic netting, became part of Tipper Tie in the Dover Industries segment. Tie-Net has been a supplier of netting products to Tipper Tie for many years. Hill Refrigeration Company of Trenton, New Jersey was acquired and its operations merged with Phoenix Refrigeration to become Hill Phoenix, now part of our Dover Diversified segment.

The \$32.7 million acquisition expenditure in the quarter was primarily for Hill, which makes both display cases and refrigeration systems for supermarkets, serving essentially the same market as Phoenix. Hills annual sales of more than \$100 million make it one of four major companies in the display case business. Its financial record has been weak but improving in recent years. Hill Phoenix will focus its refrigeration system line at their very efficient plant in Conyers, Georgia, and build a new plant for low cost production of display cases. In addition to profit improvement opportunities, Hill Phoenix foresees market share gain opportunities, especially from customers who have been unwilling to unbundle their purchase of display cases and refrigeration units. The Hill acquisition will have no meaningful impact on Dover's profits during 1994-5, but represents a significant opportunity beginning in 1996.

OUTLOOK

Dover expects to finish 1994 with a strong Fourth Quarter. Barring an economic slowdown prospects are good for continued strong growth in 1995.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

No report on Form 8-K was filed during the quarter for which this report is filed.

SIGNATURES

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.

DOVER CORPORATION

Date: 10/25/94

/s/ John F. McNiff

John F. McNiff, Vice President
and Treasurer

Date: 10/25/94

/s/ John F. McNiff

Alfred Suesser, Controller and
Assistant Treasurer

EXHIBIT INDEX

Exhibit No.	Description
27	Financial Data Schedule

9-MOS DEC-31-1994
 JAN-01-1994
 SEP-30-1994
 93,991
 53,163
 567,200
 13,755
 355,117
 1,097,749
 796,654
 465,340
 2,095,853
 785,632
 260,015
 66,364
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 0
 923,322
2,095,853 2,246,411
 2,246,411
 1,552,355
 2,003,004
 (2,202)
 0
 25,029
 229,033
 82,150
146,883 0
 0
 0
146,883 .91
 0

Information is immaterial/inapplicable.