Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-K
ANNUAL REPORT

Pursuant to Section 13 or 15 (d) of the
Securities Exchange Act of 1934
For the fiscal year ended
December 31, 1994

Commission file number 0-2504

MINE SAFETY APPLIANCES COMPANY
A Pennsylvania Corporation
IRS Employer Identification No. 25-0668780
121 Gamma Drive
RIDC Industrial Park
O'Hara Township
Pittsburgh, Pennsylvania 15238
Telephone 412/967-3000

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, no par value

(COVER PAGE)

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1994   Commission File No. 0-2504

MINE SAFETY APPLIANCES COMPANY

(Exact name of registrant as specified in its charter)

Pennsylvania	25-0668780
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
121 Gamma Drive RIDC Industrial Park O'Hara Township Pittsburgh, Pennsylvania	15238
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 412/967-3000

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, no par value

(Title of Class)

Indicate by check mark 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 X   No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in the definitive proxy statement incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.
[ ]

As of February 17, 1995, there were outstanding 5,816,016 shares of common stock, no par value.

The aggregate market value of voting stock held by non-affiliates as of February 17, 1995 was $158,185,000.

(COVER PAGE)

DOCUMENTS INCORPORATED BY REFERENCE

The following documents have been incorporated by reference:

DOCUMENT	FORM 10-K PART NUMBER
(1) Annual Report to Shareholders for the year ended December 31, 1994	I, II, IV
(2) Proxy Statement filed pursuant to Regulation 14A in connection with the registrant's Annual Meeting of Shareholders to be held on April 26, 1995	III

PART I

Item 1. Business

Products and Markets:

The primary business of the registrant and its affiliated companies is the manufacture and sale of products designed to protect the safety and health of workers throughout the world.

Principal products include respiratory protective equipment that is air-purifying, air-supplied and self-contained in design. The registrant also produces instruments that monitor and analyze workplace environments and control industrial processes. Personal protective products include head, eye and face, body and hearing protectors. For the mining industry, the registrant provides mine lighting, rockdusting equipment, fire-fighting foam and foam application equipment. Health-related products include emergency care items and hospital instruments.

Many of these products are sold under the registered trademark "MSA", and have wide application for workers in industries that include manufacturing, fire service, public utilities, mining, chemicals, petroleum, construction, pulp and paper processing, transportation, government, automotive, aerospace, asbestos abatement, and hazardous materials clean-up.

Other products manufactured and sold, which do not fall within the category of safety and health equipment, include boron-based and other specialty chemicals.

The registrant and its affiliated companies are in competition with many large and small enterprises. In the opinion of management, the registrant is a leader in the manufacture of safety and health equipment.

Orders, except under contracts with the Department of Defense and with international governments, are generally filled promptly after receipt and the production period for special items is usually less than one year. The backlog of orders under contracts with the Department of Defense and certain international governments is summarized as follows:

	December 31		
	1994	1993	1992
	(In thousands)		
Department of Defense	$36,200	$54,900	$65,600
International Governments	8,800	12,500	12,500

Approximately $8,900,000 under contracts with the Department of Defense and $3,800,000 with international governments are expected to be shipped after December 31, 1995.

Further information with respect to the registrant's products, operations in different geographic areas, equity in earnings and assets of international affiliated companies, and significant customers is reported at Note 6 of Notes to Consolidated Financial Statements contained in the registrant's Annual Report to Shareholders for the year ended December 31, 1994, incorporated herein by reference.

Research:

The registrant and its affiliated companies engage in applied research with a view to developing new products and new applications for existing products. Most of its products are designed and manufactured to meet currently applicable performance and test standards published by groups such as ANSI (American National Standards Institute), MSHA (Mine Safety & Health Administration), NIOSH (National Institute for Occupational Safety and Health), UL (Underwriters' Laboratories), SEI (Safety Equipment Institute) and FM (Factory Mutual). The registrant also from time to time engages in research projects for others such as the Bureau of Mines and the Department of Defense or its prime contractors. Registrant-sponsored research and development costs were $20,575,000 in 1994, $21,000,000 in 1993, and $20,938,000 in 1992.

In the aggregate, patents have represented an important element in building up the business of the registrant and its affiliates, but in the opinion of management no one patent or group of patents is of material significance to the business as presently conducted.

General:

The company was founded in 1914 and is headquartered in Pittsburgh, Pennsylvania. As of December 31, 1994, the registrant and its affiliated companies had approximately 4,500 employees, of which 2,000 were employed by international affiliates. None of the U.S. employees are subject to the provisions of a collective bargaining agreement.

In the United States and in those countries in which the registrant has affiliates, its products are sold primarily by its own salespersons, supplemented in the case of certain markets by independent distributors and/or manufacturers' representatives. In international countries where the registrant has no affiliate, products are sold primarily through independent distributors located in those countries.

The registrant is cognizant of environmental responsibilities and has taken affirmative action regarding this responsibility. There are no current or expected legal proceedings or expenditures with respect to environmental matters which would materially affect the operations of the registrant and its affiliates. Generally speaking, the operations of the registrant and its affiliates are such that it is possible to maintain sufficient inventories of raw materials and component parts on the manufacturing premises. Equipment and machinery for processing chemicals and rubber, plastic injection molding equipment, molds, metal cutting, stamping and working equipment, assembly fixtures and similar items are regularly acquired, repaired or replaced in the ordinary course of business at prevailing market prices as necessary.

As of the end of 1992, the registrant decided to discontinue the operation of Transfer-Metallisierte Produkte GmbH (TMP), a joint venture in Germany to produce metallized paper. This venture, unrelated to the registrant's safety products, had been a financial drain on the registrant. Operating activities ceased during 1993; the registrant continues to dispose of its assets and settle its liabilities, and continues to believe that this action will not have a significant effect on the registrant's financial condition. In the third quarter of 1993, the registrant acquired HAZCO Services, a U.S. based distribution and rental supplier serving the hazardous materials/environmental market. No material changes in the registrant's commercial operations are expected to occur during 1995. Sales of defense products, which continue to be an important market segment, increased in 1994. Incoming orders were significantly less than shipments in 1994, and lower than 1993 incoming orders. In January 1995 the registrant was awarded an additional contract for gas masks totalling $15,200,000, for which deliveries are scheduled over a one year period from October 1995. Further information about the registrant's business is included in Discussion and Analysis of Financial Condition and Results of Operations at pages 10 to 12 of the Annual Report to Shareholders, incorporated herein by reference.

(Item 1 continued at page 7)

Executive Officers and Significant Employees:

Name	Age	All Positions and Offices Presently Held
J. T. Ryan III	51	President, Chairman and Chief Executive Officer
T. B. Hotopp	53	Senior Vice President
J. E. Herald	54	Vice President - Finance (Chief Financial Officer)
W. E. Christen	50	Vice President
J. W. Joy	62	Vice President
W. B. Miller, Jr.	61	Vice President
G. W. Steggles	60	Vice President
F. Tepper	60	Vice President
D. H. Cuozzo	61	Secretary
D. L. Zeitler	46	Treasurer
B. V. DeMaria	47	Director of Human Resources
J. R. Heggestad	58	Director of Operations, Safety Products

All the executive officers and significant employees have been employed by the registrant since prior to January 1, 1990 and have held their present positions since prior to that date except as follows:

(a) Mr. Ryan III was elected Chief Executive Officer and Chairman of the Board on August 28, 1991, effective from October 1, 1991. On April 25, 1990 he was elected President. He previously was the Executive Vice President.

(b) Mr. Hotopp was employed by the registrant on July 29, 1991 and elected Senior Vice President and General Manager, Safety Products. From prior to January 1, 1990 until he joined the registrant, Mr. Hotopp was Senior Vice President, Sales and Marketing and later President of Kingston Warren Corporation, a manufacturer of rubber-metal composites for automotive, computer and material handling industries.

(c) Mr. Christen was elected a corporate Vice President on October 31, 1991. He was previously General Director, Auergesellschaft, an affiliate of the registrant, and Vice President and Managing Director of MSA Europe, a division of the registrant.

(d) Mr. Joy was elected Vice President on October 31, 1991. He was previously Director, Sales and Market Development.

(e) Mr. Steggles was employed by the registrant on May 4, 1992 and elected Vice President. From prior to January 1, 1990 until he joined the registrant, Mr. Steggles was Vice President of International Marketing and Sales with the BMY Division of Harsco Corp., a manufacturer of tracked and wheeled vehicles.

(f) Mr. DeMaria was appointed Director, Human Resources on September 1, 1994. He previously was Manager, Employee Benefits.

The primary responsibilities of these officers and significant employees follows:

Individual	Responsibilities
Mr. Hotopp	Product planning and engineering, manufacturing development and sales of safety products in the U.S.
Mr. Christen	European operations
Mr. Joy	Sales and marketing of safety products in the U.S.
Mr. Miller	Product planning and engineering for safety products in the U.S.
Mr. Steggles	International operations outside the U.S. and Europe.
Mr. Tepper	Product planning and engineering, manufacturing development and sales of instrument and battery products in the U.S.
Mr. Cuozzo	General Counsel and corporate taxes
Mr. Zeitler	Cash and risk insurance management
Mr. DeMaria	Personnel, benefits, training
Mr. Heggestad	Manufacturing operations, safety products in the U.S.

Item 2. Properties

World Headquarters:

The registrant's executive offices are located at 121 Gamma Drive, RIDC Industrial Park, O'Hara Township, Pittsburgh, Pennsylvania 15238. This facility contains approximately 138,000 sq. ft.

Production and Research Facilities:

The registrant's principal U.S. manufacturing and research facilities are located in the Greater Pittsburgh area in buildings containing approximately 1,104,000 square feet. Other U.S. manufacturing and research facilities of the registrant are located in Esmond, Rhode Island (186,000 sq. ft.), Jacksonville, North Carolina (107,000 sq. ft.), Lyons, Colorado (10,000 sq. ft.), Sparks, Maryland (37,000 sq. ft.), and Dayton, Ohio (23,000 sq. ft.).

Manufacturing facilities of international affiliates of the registrant are located in major cities in Australia, Brazil, Canada, France, Germany, Italy, Japan, Mexico, Peru, Scotland, Spain, and Sweden. The most significant are located in Germany (approximately 430,000 sq. ft., excluding 127,000 sq. ft. leased to others), and in Glasgow, Scotland (approximately 141,000 sq. ft.); research activities are also conducted at these facilities.

Virtually all of these buildings are owned by the registrant and its affiliates and are constructed of granite, brick, concrete block, steel or other fire-resistant materials. The German facility is owned subject to encumbrances securing indebtedness in the aggregate amount of $5,587,000 as of December 31, 1994.

Sales Offices and Warehouses:

The registrant and its U.S. affiliates own seven warehouses and lease 13 other distribution warehouses with aggregate floor space of approximately 279,000 sq. ft. in or near principal cities in 13 states in the United States. Leases expire at various dates through 1998. Sales offices and distribution warehouses are owned or leased in or near principal cities in 22 other countries in which the registrant's affiliates are located.

Item 3. Legal Proceedings

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during fourth quarter 1994.

PART II

Item 5. Market for the Registrant's Common Equity and Related Stockholder Matters

Item 6. Selected Financial Data

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 8. Financial Statements and Supplementary Data

Incorporated by reference herein pursuant to Rule 12b - 23 are

Item 5 - "Common Stock" appearing at page 12

Item 6 - "Five-Year Summary of Selected Financial Data" appearing at page 23

Item 7 - "Discussion and Analysis of Financial Condition and Results of Operations" appearing at pages 10 to 12

Item 8 - "Financial Statements and Notes to Consolidated Financial Statements" appearing at pages 13 to 22

of the Annual Report to Shareholders for the year ended December 31, 1994. Said pages of the Annual Report are submitted with this report and pursuant to Item 601(b)(13) of Regulation S-K shall be deemed filed with the Commission only to the extent that material contained therein is expressly incorporated by reference in Items 1, 5, 6, 7, 8 and 14 (a) hereof.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

PART III

Item 10. Directors and Executive Officers of the Registrant

Item 11. Executive Compensation

Item 12. Security Ownership of Certain Beneficial Owners and Management

Item 13. Certain Relationships and Related Transactions

Incorporated by reference herein pursuant to Rule 12b - 23 are (1) "Election of Directors" appearing at pages 1 to 3, (2) "Other Information Concerning Directors and Officers" appearing at pages 4 to 9 (except as excluded below), and (3) "Security Ownership" appearing at pages 10 to 12 (except as excluded below) of the Proxy Statement filed pursuant to Regulation 14A in connection with the registrant's Annual Meeting of Shareholders to be held on April 26, 1995. The information appearing in such Proxy Statement under the captions "Compensation Committee Report on Executive Compensation" and "Comparison of Five-Year Cumulative Total Return" is not incorporated herein.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) 1 and 2. Financial Statements

The following information appearing on pages 13 to 22 inclusive in the Annual Report to Shareholders of the registrant for the year ended December 31, 1994, is incorporated herein by reference pursuant to Rule 12b-23.

Report of Independent Accountants

Consolidated Balance Sheet - December 31, 1994 and 1993

Consolidated Statement of Income - three years ended December 31, 1994

Consolidated Statement of Earnings Retained in the Business - three years ended December 31, 1994

Consolidated Statement of Cash Flows - three years ended December 31, 1994

Notes to Consolidated Financial Statements

Said pages of the Annual Report are submitted with this report and, pursuant to Item 601(b)(13) of Regulation S-K shall be deemed to be filed with the Commission only to the extent that material contained therein is expressly incorporated by reference in Items 1, 5, 6, 7, 8 and 14 (a)(1) and (2) hereof.

The following additional financial information for the three years ended December 31, 1994 is filed with the report and should be read in conjunction with the above financial statements:

Report of Independent Accountants on Financial Statement Schedule

Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements listed above.

(a) 3. Exhibits

(3)(i) Restated Articles of Incorporation as amended to April 27, 1989, filed in Form 10-Q on August 5, 1994, are incorporated herein by reference.

(3)(ii) By-laws of the registrant, as amended to August 29, 1990, filed in Form 10-Q on November 9, 1990, are incorporated herein by reference.

(10)(a) * 1987 Management Share Incentive Plan, filed in Form 10-K on March 25, 1994, is incorporated herein by reference.

(10)(b) * 1990 Non-Employee Directors' Stock Option Plan, as amended to April 27, 1994, filed in Form 10-Q on August 5, 1994, is incorporated herein by reference.

(10)(c) * Executive Insurance Program, filed in Form 10-Q on August 5, 1994, is incorporated herein by reference.

(10)(d) * Extension of Consulting Agreement for the period January 1, 1992 through December 31, 1996, and June 30, 1977 Consulting Agreement with John T. Ryan, Jr. filed in Form 10-K on March 27, 1992, is incorporated herein by reference.

(10)(e) * December 29, 1993 Consulting agreement with Leo N. Short, Jr., filed in Form 10-K on March 25, 1994, is incorporated herein by reference.

(10)(f) * Board of Directors April 24, 1984 Resolution providing for payment by the Company to officers the difference between amounts payable under terms of the Company's Non-Contributory Pension Plan and the benefit limitations of Section 415 of the Internal Revenue Code, filed in Form 10-K on March 28, 1990 is incorporated herein by reference.

* The exhibits marked by an asterisk are management contracts or compensatory plans or arrangements.

(a) 3. Exhibits (continued)

(13) Annual Report to Shareholders for year ended December 31, 1994

(21) Affiliates of the registrant

(23) Consent of Price Waterhouse LLP, independent accountants

(27) Financial Data Schedule (filed in electronic format only)

The registrant agrees to furnish to the Commission upon request copies of all instruments with respect to long-term debt referred to in Note 12 of the Notes to Consolidated Financial Statements filed as part of Exhibit 13 to this annual report which have not been previously filed or are not filed herewith.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the last quarter of the year ended December 31, 1994.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

MINE SAFETY APPLIANCES COMPANY

March 27, 1995	By /s/ John T. Ryan III
(Date)	John T. Ryan III President, Chairman of the Board and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ John T. Ryan III John T. Ryan III	Director; President, Chairman of the Board and Chief Executive Officer	March 27, 1995
/s/ James E. Herald James E. Herald	Vice President--Finance; Principal Financial and Accounting Officer	March 27, 1995
/s/ Joseph L. Calihan Joseph L. Calihan	Director	March 27, 1995
/s/ Calvin A. Campbell, Jr. Calvin A. Campbell, Jr.	Director	March 27, 1995
/s/ G. Donald Gerlach G. Donald Gerlach	Director	March 27, 1995
/s/ Helen Lee Henderson Helen Lee Henderson	Director	March 27, 1995
/s/ John T. Ryan, Jr. John T. Ryan, Jr.	Director	March 27, 1995
/s/ Leo N. Short, Jr. Leo N. Short, Jr.	Director	March 27, 1995

Report of Independent Accountants
on Financial Statement Schedule

To the Board of Directors of
Mine Safety Appliances Company

Our audits of the consolidated financial statements referred to in our report dated February 17, 1995, appearing on page 13 of the 1994 Annual Report to Shareholders of Mine Safety Appliances Company (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K), also included an audit of the Financial Statement Schedule listed in Item 14(a) of this Form 10-K. In our opinion, this Financial Statement Schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

Price Waterhouse LLP

Pittsburgh, Pennsylvania
February 17, 1995

MINE SAFETY APPLIANCES COMPANY AND AFFILIATES
VALUATION AND QUALIFYING ACCOUNTS
THREE YEARS ENDED DECEMBER 31, 1994
(IN THOUSANDS)

	1994	1993	1992
Allowance for doubtful accounts:			
Balance at beginning of year	$2,516	$2,453	$1,601
Additions-			
Charged to costs and expenses	741	644	1,383
Deductions from reserves (1)	1,155	581	531
Balance at end of year	$2,102	$2,516	$2,453

(1) Bad debts written off, net of recoveries.

Discussion and Analysis of Financial Condition and Results of Operations

Sales and Earnings

Sales were $459,607,000 in 1994, a 7% increase over the prior year's $429,220,000. Sales in 1992 were $502,366,000. Income from continuing operations increased 45% in 1994 to $15,329,000 from $10,555,000 in 1993, which was 37% lower than 1992's income of $16,703,000. Income from continuing operations, per share of common stock, was $2.58 in 1994, $1.73 in 1993, and $2.67 in 1992.

The increased sales in 1994 has occurred primarily in domestic commercial product sales, with the main factor being the inclusion of HAZCO Services, Inc., acquired in the last half of 1993. Equipment rentals to the hazardous materials/environmental market by HAZCO have grown significantly since the acquisition. Domestic commercial sales of instruments and specialty chemicals have continued to grow, while the U.S. market for safety products continued to be flat in 1994. U.S. commercial sales in 1994 were about 9% higher than in 1993, which was minimally higher than 1992.

Sales by international operations, stated in U.S. dollars, increased 4 1/2% in 1994, after having decreased 10 1/2% in 1993 and 3 1/2% in 1992. Notable market growth occurred in Australia, Brazil, Chile and Japan, and economic conditions stabilized in Europe. The prior years' decreases were due primarily to currency exchange rate changes and the widespread economic recession, particularly in Europe.

Shipments of defense products to U.S. government agencies in 1994 were $46,478,000, a 7 1/2% increase over 1993 shipments of $43,234,000. Shipments in 1993 were 57% lower than 1992 shipments of $99,991,000. Defense product sales of gas masks and parts were especially high in early 1992 and late 1991 due to orders relating to the Middle East conflict. These sales represent 10% of consolidated sales in 1994 and 1993, as compared to 20% in 1992. New contracts received in 1994 were $27,832,000 as compared to $32,558,000 in 1993. The 1994 year-end backlog was $36,243,000, a 34% decrease from the 1993 year-end backlog of $54,889,000. In January 1995 the company was awarded a new contract for masks totalling $15,200,000. Deliveries are scheduled over a one year period from October 1995.

The 1994 gross profit rate was 37.6%, as compared to 36.3% in 1993 and 34.8% in 1992. Historically and currently, commercial sales carry much greater margins than military sales; thus the change of sales mix has contributed to higher profit margins. Furthermore, military sales profit rates dropped significantly in 1992, reflecting the impacts of development and start-up costs for new model designs and the results of competitive bidding pressures. The 1994 gross profit has also been favorably affected by a LIFO credit of $6,923,000 arising from liquidations of LIFO inventory values calculated at lower costs incurred in prior years, and adversely affected by charges of $1,940,000 arising from inventory costing adjustments. The completion of some government contracts and ongoing process reengineering has resulted in significant reductions in U.S. manufacturing inventories.

Depreciation, selling and administrative expenses were 31% of sales in 1994, as compared to 32% in 1993 and 29% in 1992. Charges in 1994 included $1,650,000

----
applicable to the implementation of new cost and manufacturing control systems and the creation of a customer service center. Additionally, 1994 operations has absorbed charges of $3,086,000 for facilities consolidations and restructuring, as compared to credits of $223,000 in 1993 and charges of $5,500,000 in 1992. The 1994 charges relate primarily to completing the disposition of assets of the former Catalyst Research Division, which was closed in 1992. The company also consolidated certain other U.S. manufacturing operations in 1992.

Net income in 1994 was $15,329,000 or $2.58 per share of common stock, compared to 1993 net income of $10,555,000 or $1.73 per share and $2,672,000 or $.42 per share in 1992 (includes special charges for accounting changes and discontinued operations). The above-mentioned LIFO credit, inventory cost adjustments, systems and restructuring costs in aggregate have had minimal effect on net income and earnings per share in 1994 and 1993. Restructuring costs in 1992 were an after-tax charge of $3,163,000 or $.51 per share. The accounting changes in 1992 resulted in an after-tax cumulative effect charge, as of January 1, 1992, of $8,964,000 or $1.44 per share of common stock. SFAS No. 106-"Employers' Accounting for Postretirement Benefits Other Than Pensions" was implemented on an immediate recognition basis rather than spreading the accumulated obligation over 20 years. This one-time transition effect decreased net income $8,672,000 ($1.39 per share). SFAS No. 112-"Employers' Accounting for Postemployment Benefits," pertaining to benefits such as workers' compensation and other disability expenses, reduced earnings $2,440,000 ($.39 per share). SFAS No. 109-"Accounting for Income Taxes" increased earnings $2,148,000 ($.34 per share). This Standard requires that deferred tax balances be stated at tax rates expected to be in effect when taxes are actually paid or recovered, and may have a more volatile effect on future earnings than the previous method which provided deferred taxes at tax rates prevailing during the periods that timing differences occurred. Although these three new Standards significantly reduced 1992 net income, they did not have any cash flow impact.

The company decided, as of the end of 1992, to discontinue the operation of Transfer-Metallisierte Produkte GmbH (TMP), a joint venture in Germany to produce metallized paper. This venture, unrelated to the company's safety products, had been a financial drain on the company. Operating activities ceased during 1993; the company continues to dispose of its assets and settle its liabilities. TMP's cumulative losses since inception in the company's consolidated results, adjusted for the after-tax effects of intercompany transactions, aggregate approximately $10.9 million. The company continues to believe that any losses that may be incurred from the disposition of TMP will not affect net income or cash flows after deducting the aforementioned accumulated losses already recognized and the tax benefits associated with any write-off.

The after-tax effects of foreign currency exchange losses charged to income in 1994 reduced net income $3,840,000 or $.65 per share, as compared to $3,204,000 or $.53 per share in 1993 and $5,022,000 or $.81 per share in 1992. The more significant losses resulted from the currency valuation changes that occurred in Brazil in each of the three years, and the devaluation of the Mexican peso in 1994. The effective income tax rates, for which further information is included at note 8, were 40.6% in 1994, 42.1% in 1993, and 39.9% in 1992.

Financial Condition and Funds Flow

Cash and cash equivalents increased $7,986,000 during 1994. Accounts receivable of $88,698,000 at December 31, 1994 includes $8,158,000 from the sale of fixed assets. Trade receivables expressed in number of days' sales outstanding were 64 days, as compared to 61 days in 1993. Inventories decreased $4,488,000 to $76,966,000 at December 31, 1994. Inventory measured against sales turned 6.0 times in 1994 and 5.3 times in 1993. Inventories decreased in the domestic companies but increased in the international companies, primarily because of currency exchange rate changes. The working capital ratio was 3.4 and 3.7 to 1 at years-end 1994 and 1993, respectively.

Short-term debts of international affiliates are payable in local currencies, which is in keeping with the company's policy of minimizing foreign currency exposures by offsetting foreign currency assets with foreign currency debt. The average interest rate on these loans, which includes the effects of borrowing in certain countries where local inflation has resulted in high interest rates, was approximately 19%.

Long-term debt and the current portion thereof decreased $9,399,000 to $21,583,000, a conservative 8% of total capital. Total capital is defined as long-term debt plus current portion of long-term debt and shareholders' equity.

Capital expenditures of $22,614,000 in 1994 represent an increase of $972,000 from 1993 expenditures of $21,642,000. The company has continued its program of plant and equipment modernization to increase efficiency of existing manufacturing and distribution facilities. For the most part, capital expenditures were financed internally through retained earnings. In the past five years, approximately $111 million has been spent on new plants, equipment and distribution facilities.

Dividends paid on the common stock during 1994 (the 77th consecutive year of a dividend payment) were $.94 per share, up from the $.92 per share paid during 1993 and $.89 per share paid in 1992. The current quarterly cash dividend is $.25 per share on common stock. Cash dividends have been paid at a conservative percentage of income which has permitted the company to finance its growth almost exclusively through retained earnings. Common shares are repurchased from time-to-time in keeping with the company's policy of buying back a limited number of its shares. As of December 31, 1994, an additional 180,071 shares may be repurchased under current authorizations.

Credit available at year-end with banks was the U.S. dollar equivalent of $10,686,000. The company's financial position remains strong and should provide adequate capital resources for growth.

Cumulative Currency Translation Adjustment

The year-end position of the U.S. dollar relative to foreign currencies resulted in a translation gain of $5,050,000 being credited to the cumulative translation adjustments shareholders equity account in 1994, as compared to losses of $5,400,000 in 1993 and $4,736,000 in 1992. Significant translation gains occurred in Australia, Britain, and Germany in 1994, while significant losses occurred in Germany and Italy in 1993, and in Australia, Britain, Canada, and Italy in 1992.

Common Stock

At December 31, 1994, there were 5,815,672 shares of common stock outstanding. There were approximately 450 identifiable common stockholders as of November 18, 1994, a recent date for dividends. The common stock last-sale price and up-to-the-minute volume information (Symbol: MNES) is included in the National Association of Security Dealers, Inc., (NASDAQ) National Market System. The quarterly high and low price quotations for common shares follow:

	1994		1993	
Quarter	High	Low	High	Low
First	$44 1/2	$41 1/2	$46	$39 3/4
Second	42 1/2	39 1/2	49	44
Third	46 1/2	40 3/4	45 3/4	41 1/4
Fourth	45 3/4	42 3/4	45	41 3/4

Common stock quarterly cash dividend information is as follows:

Quarter	Amount Per Share	Record Date	Payment Date

		1994	
First	$ .23	Feb. 18, 1994	March 10, 1994
Second	.23	May 13, 1994	June 10, 1994
Third	.23	Aug. 12, 1994	Sept. 10, 1994
Fourth	.25	Nov. 18, 1994	Dec. 10, 1994
Total	.94		

		1993	
First	$ .23	Feb. 19, 1993	March 10, 1993
Second	.23	May 14, 1993	June 10, 1993
Third	.23	Aug. 13, 1993	Sept. 10, 1993
Fourth	.23	Nov. 19, 1993	Dec. 10, 1993
Total	.92		

The company's stock transfer agent is Norwest Bank Minnesota, N.A., 161 North Concord Exchange, P.O. Box 738, South St. Paul, MN 55075-0738.

Report of Management

Mine Safety Appliances Company's consolidated financial statements and related notes that appear in this Annual Report to Shareholders were prepared by the company in accordance with generally accepted accounting principles. In fulfilling its responsibilities for the integrity and objectivity of the consolidated financial statements, management maintains accounting procedures designed to provide accurate books, records and accounts which reasonably and fairly reflect the transactions of the company in a consistent manner on the accrual basis of accounting.

Company personnel are trained and given responsibilities to ensure adequate internal accounting controls at a cost commensurate with the risks involved. Internal accounting controls, monitored by an internal audit staff, provide reasonable assurances that transactions are executed in accordance with proper authorization and that adequate accountability for the company's assets is maintained.

The Board of Directors, through its Audit Committee, is responsible for assuring that management fulfills its responsibilities in the preparation of the financial statements. The Audit Committee meets at least twice a year with the company's independent accountants to discuss the scope of their examination and any significant findings resulting therefrom.

/s/ James E. Herald

James E. Herald
Vice President-Finance
Chief Financial Officer

Report of Independent Accountants

To the Shareholders and Board of Directors
of Mine Safety Appliances Company:

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, of earnings retained in the business, and of cash flows present fairly, in all material respects, the financial position of Mine Safety Appliances Company and its subsidiaries at December 31, 1994 and 1993, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1994, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Note 18 to these consolidated financial statements, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," SFAS No. 109, "Accounting for Income Taxes," and SFAS No. 112, "Employers' Accounting for Postemployment Benefits" in 1992.

/s/ Price Waterhouse LLP

Price Waterhouse LLP
Pittsburgh, Pennsylvania
February 17, 1995

Consolidated Statement of Income

(In thousands, except per share amounts) Year Ended December 31	1994	1993	1992
Net sales	$459,607	$429,220	$502,366
Other income	5,463	5,885	9,755
	465,070	435,105	512,121
Costs and expenses			
Cost of products sold	286,725	273,350	327,555
Selling, general and administrative	124,714	121,529	130,182
Depreciation	18,527	17,294	16,831
Interest	2,224	1,713	1,536
Foreign currency losses	3,968	3,201	5,507
Facilities consolidation and restructuring charges	3,086	(223)	5,500
Contract costs recovery			(2,800)
	439,244	416,864	484,311
Income from continuing operations before income taxes	25,826	18,241	27,810
Provision for income taxes	10,497	7,686	11,107
Income from continuing operations	15,329	10,555	16,703
Losses from discontinued operations (Note 7)			(5,067)
Cumulative effect to January 1, 1992 of changes in accounting principles (Note 18)			(8,964)
Net income	$ 15,329	$ 10,555	$ 2,672
Earnings per common share			
Continuing operations	$2.58	$1.73	$2.67
Discontinued operations			(.81)
Cumulative effect to January 1, 1992 of changes in accounting principles			(1.44)
Net income	$2.58	$1.73	$.42

Consolidated Statement of Earnings Retained in the Business

(In thousands, except per share amounts) Year Ended December 31	1994	1993	1992
At beginning of year	$287,286	$282,371	$285,307
Net income	15,329	10,555	2,672
Dividends			
Common-$.94, $.92 and $.89 per share	(5,569)	(5,584)	(5,550)
Preferred-$2.25 per share	(53)	(56)	(58)
At end of year	$296,993	$287,286	$282,371

See notes to consolidated financial statements

Consolidated Balance Sheet

(In thousands, except per share amounts)

	December 31	1994	1993
Assets			
Current Assets	Cash	$ 10,108	$ 10,953
	Temporary investments, at cost which approximates market	44,312	35,481
	Receivables, less allowance for doubtful accounts $2,102 and $2,516	88,698	81,897
	Inventories	76,966	81,454
	Prepaid expenses and other current assets	17,232	14,824
	Total current assets	237,316	224,609
Property	Land	6,502	6,766
	Buildings	104,487	104,942
	Machinery and equipment	206,001	183,776
	Construction in progress	5,119	11,207
	Total	322,109	306,691
	Less accumulated depreciation	(170,153)	(153,162)
	Net property	151,956	153,529
Other Assets	Assets of discontinued business	1,208	7,175
	Other assets	26,571	22,571
	Total other assets	27,779	29,746
	Total	$ 417,051	$ 407,884
Liabilities			
Current Liabilities	Notes payable and current portion of long-term debt	$ 9,743	$ 6,294
	Accounts payable	25,864	20,925
	Employees' compensation	12,180	11,460
	Insurance	8,675	7,509
	Taxes on income	(1,090)	(3,474)
	Other current liabilities	15,450	17,696
	Total current liabilities	70,822	60,410
Long-term Debt		16,564	27,476
Other Liabilities	Deferred income taxes	14,424	12,142
	Pensions and other employee benefits	48,191	46,856
	Other noncurrent liabilities	1,075	1,256
	Total other liabilities	63,690	60,254
Shareholders' Equity			
	Preferred stock, 4 1/2% cumulative, $50 par value (callable at $52.50)	3,569	3,569
	Common stock, no par value (shares outstanding: 1994-5,815,672; 1993-6,011,628)	8,048	8,048
	Cumulative translation adjustments	(699)	(5,749)
	Earnings retained in the business	296,993	287,286
	Treasury shares, at cost	(41,936)	(33,410)
	Total shareholders' equity	265,975	259,744
	Total	$ 417,051	$ 407,884

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

(In thousands) Year Ended December 31	1994	1993	1992
Operating Activities			
Income from continuing operations	$ 15,329	$ 10,555	$ 16,703
Depreciation	18,527	17,294	16,831
Pensions	(1,305)	151	2,600
Deferred income taxes	61	(82)	99
Receivables	(6,801)	(6,118)	7,281
Inventories	4,488	6,330	11,937
Accounts payable and accrued liabilities	6,963	5,442	(12,406)
Other assets and liabilities	(754)	(3,797)	(2,470)
Other-including currency exchange adjustments	4,163	(3,956)	(3,682)
Cash Flow From Operating Activities	40,671	25,819	36,893
Investing Activities			
Property additions	(22,614)	(21,642)	(22,762)
Property disposals	4,983	3,420	1,189
Acquisitions and other investing	6,130	(4,180)	443
Cash Flow From Investing Activities	(11,501)	(22,402)	(21,130)
Financing Activities			
Additions to long-term debt	2,167	1,472	6,883
Reductions of long-term debt	(13,949)	(1,850)	(1,227)
Financing funds in escrow			(2,922)
Cash dividends	(5,622)	(5,640)	(5,608)
Stock options and purchases of company's stock	(8,526)	(4,141)	(8,310)
Changes in notes payable and short-term debt	2,978	399	(218)
Cash Flow From Financing Activities	(22,952)	(9,760)	(11,402)
Effect of exchange rate changes on cash	1,768	(2,632)	(3,311)
Increase (decrease) in cash and cash equivalents	7,986	(8,975)	1,050
Beginning cash and cash equivalents	46,434	55,409	54,359
Ending cash and cash equivalents	$ 54,420	$ 46,434	$ 55,409
Supplemental cash flow information:			
Interest payments	$ 1,983	$ 1,467	$ 1,504
Income tax payments	13,947	9,013	25,610

See notes to consolidated financial statements.

Note 1-Basis of Presentation

Significant accounting policies are stated in italics at the applicable notes to consolidated financial statements.

ALL SIGNIFICANT MAJORITY-OWNED COMPANIES ARE INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS. INVESTMENTS IN WHICH THE COMPANY HAS AN EQUITY INTEREST OF 20% TO 50% ARE CARRIED AT EQUITY IN NET ASSETS. INTERCOMPANY TRANSACTIONS ARE ELIMINATED IN CONSOLIDATION.

SALES UNDER CONTRACTS ARE RECORDED AT FIXED OR ESTIMATED CONTRACT SALES PRICES AS DELIVERIES ARE MADE. CONTRACTS REQUIRING PERFORMANCE OVER SEVERAL PERIODS ARE ACCOUNTED FOR BY THE PERCENTAGE-OF-COMPLETION METHOD OF ACCOUNTING. PROFITS EXPECTED TO BE REALIZED ARE BASED ON ESTIMATES OF TOTAL SALES AND COSTS AT COMPLETION. THESE ESTIMATES ARE PERIODICALLY REVIEWED AND REVISED DURING THE CONTRACT PERFORMANCE PERIOD. ADJUSTMENTS TO PROFITS ARE RECORDED IN THE PERIOD IN WHICH ESTIMATES ARE REVISED; LOSSES ARE RECOGNIZED IN FULL AS THEY ARE IDENTIFIED.

PROPERTY IS STATED AT COST. DEPRECIATION IS BASED ON ESTIMATED USEFUL LIVES USING ACCELERATED AND STRAIGHT-LINE METHODS. MAINTENANCE AND REPAIRS ARE CHARGED TO EXPENSE. RENEWALS AND BETTERMENTS WHICH SUBSTANTIALLY EXTEND THE USEFUL LIFE OF PROPERTY ARE CAPITALIZED. ACCUMULATED ALLOWANCES FOR DEPRECIATION OF BUILDINGS, MACHINERY AND EQUIPMENT RETIRED OR OTHERWISE DISPOSED OF ARE ELIMINATED FROM THE ACCOUNTS UPON DISPOSITION. PROFITS OR LOSSES RESULTING FROM SUCH DISPOSITIONS ARE INCLUDED IN INCOME.

CASH AND CASH EQUIVALENTS IN THE CONSOLIDATED STATEMENT OF CASH FLOWS INCLUDES TEMPORARY INVESTMENTS THAT ARE READILY MARKETABLE AND HAVE MINIMAL RISK AS TO CHANGE IN VALUE. CERTAIN SECURITIES HAVE MATURITIES IN EXCESS OF NINETY DAYS; BUT, AS PART OF THE COMPANY'S CASH MANAGEMENT PROGRAM, MATURITIES ARE SCHEDULED BASED ON EXPECTED CASH NEEDS FOR THE ENSUING TWELVE MONTHS.

EARNINGS PER SHARE ARE COMPUTED BASED UPON THE WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING DURING EACH YEAR. THE COMPUTATION RECOGNIZES DIVIDENDS PAID ON PREFERRED STOCK BUT DOES NOT INCLUDE A NEGLIGIBLE DILUTIVE EFFECT OF STOCK OPTIONS.

Note 2-Leases

The company leases warehouses, sales offices, manufacturing facilities and equipment under agreements expiring at various dates through 2004, with renewal options existing for varying periods. Rental expense for these leases charged to income was $6,452,000 in 1994, $6,438,000 in 1993, and $6,500,000 in 1992. Future minimum rental commitments under noncancelable leases are not significant.

Note 3-Research and Development Expense

RESEARCH AND DEVELOPMENT COSTS, CHARGED AGAINST INCOME AS INCURRED, were $20,575,000 in 1994, $21,000,000 in 1993, and $20,938,000 in 1992.

Note 4-Other Income

Other income is summarized as follows:

	(In thousands)		
	1994	1993	1992
Interest.................	$3,043	$3,732	$6,857
Commissions, royalties and product services..	1,940	1,335	897
Dispositions of assets...	103	127	435
Other....................	377	691	1,566
Total....................	5,463	5,885	9,755

Note 5-Stock Plans

The company's Management Share Incentive Plan permits the granting of restricted stock awards and stock options to eligible key employees through December 1997. The 1990 Non-Employee Directors' Stock Option Plan provides for annual grants of stock options to eligible directors. Pursuant to these Plans, 340,225 shares were reserved for future grants as of December 31, 1994.

Shares of common stock, in the form of restricted stock bonus, have been given to employees without payment to the company in consideration of services to be performed in ensuing five-year periods. So long as certain restrictions apply, these shares may not be sold and may be subject to forfeiture under certain circumstances. THE EXPENSE TO THE COMPANY IS MEASURED BY THE MARKET VALUE OF THE SHARES WHEN AWARDED AND IS AMORTIZED BY CHARGES TO OPERATIONS OVER THE PERIOD THAT THE EMPLOYEE PROVIDES THE SERVICE. The expense charged to operations was $413,000 in 1994, $371,000 in 1993, and $318,000 in 1992. A summary of the restricted stock bonus awards is as follows:

Shares of

	common stock
As of December 31, 1994:	
Awards.................	112,471
Restrictions lapsed....	84,865
Restrictions lapsing in:	
1995...................	3,475
1996, 1997 and 1998....	24,131

Stock options of 42,160 shares for key employees and 7,100 shares for non-employee directors were outstanding at December 31, 1994. These options may be exercised in whole or in part at various dates through December 18, 2001 at option prices equivalent to or higher than the market values at date of grant. Changes in stock options outstanding follow:

	Shares	Price Per Share
December 31, 1991..	41,720	$27.00 to 61.33
Granted.........	1,400	44.00
Exercised.......	(4,000)	29.70
Forfeited.......	(400)	44.00 to 55.00
December 31, 1992..	38,720	27.00 to 61.33
Granted.........	1,400	47.13
Forfeited.......	(7,600)	55.75
December 31, 1993..	32,520	27.00 to 61.33
Granted.........	20,140	40.43 to 48.40
Forfeited.......	(3,400)	61.33
December 31, 1994..	49,260	27.00 to 55.75

Notes to Consolidated Financial Statements

Note 6-Business Segments and International Operations

The company is primarily engaged in the manufacture and sale of safety and health equipment. Principal products include respiratory protective equipment, head protection, eye and face protection, hearing protectors, safety clothing, industrial emergency care products, mining safety equipment and monitoring instruments. These safety and health products account for more than 90% of revenues, operating profits and assets. Other products which do not fall within the safety and health equipment segment of the company's business include boron-based and other specialty chemicals.

Information about the company's continuing operations in different geographic areas is summarized as follows:

	(In thousands)		
	1994	1993	1992
Net Sales and Revenues			
U.S. operations	$277,591	$254,823	$307,535
European operations	114,030	114,169	138,006
Other non-U.S. operations	70,091	61,969	59,612
Net Sales and Revenues	461,712	430,961	505,153
Intercompany Transfers			
U.S. operations	19,067	17,937	18,982
European operations	13,601	12,886	16,556
Other non-U.S. operations	625	550	330
Intercompany Transfers	33,293	31,373	35,868
Operating Profit and Income Before Income Taxes			
U.S. operations	20,332	13,183	21,203
European operations	3,716	(1,345)	3,965
Other non-U.S. operations	8,671	6,036	6,697
Eliminations	(971)	922	(1,280)
Operating Profit	31,748	18,796	30,585
Interest expense	(2,224)	(1,713)	(1,536)
Foreign currency losses	(3,968)	(3,201)	(5,507)
Corporate income/(expense)--net	270	4,359	4,268
Income Before Income Taxes	25,826	18,241	27,810
Identifiable Assets and Total Assets			
U.S. operations	236,286	234,650	220,441
European operations	96,963	96,064	102,160
Other non-U.S. operations	38,615	33,705	36,254
Eliminations	(14,476)	(12,657)	(15,199)
Identifiable Assets	357,388	351,762	343,656
Corporate assets	58,455	48,947	58,024
Discontinued operations	1,208	7,175	6,092
Total Assets	417,051	407,884	407,772
Net Assets of Non-U.S. Operations/(1)/	92,285	82,273	89,383
Net Income of Non-U.S. Operations	4,675	2,666	4,046

(1) See Note 17 to consolidated financial statements for effects of currency translation adjustments.

Transfers between geographic areas are stated at established intercompany selling prices. Operating profit is total revenues less operating expenses. Interest income and expense, equity in unconsolidated affiliates, foreign currency gains and losses, facilities consolidation and restructuring charges, and income taxes have not been included in computing operating profit. Corporate assets not included in identifiable assets are principally cash and investments.

Sales by U.S. operations to U.S. government agencies were $46,478,000 in 1994, $43,234,000 in 1993, and $99,991,000 in 1992.

Note 7-Discontinued Operations

In 1992 the company decided to discontinue the operations of Transfer-Metallisierte Produkte GmbH (TMP), a joint venture in Germany to produce metallized paper. Accordingly, the operating losses of TMP, adjusted for the after-tax effects of intercompany transactions, have been reported separately in the consolidated statement of income. Operating activities ceased during 1993. The company is in the process of disposing of the assets and settling its liabilities. After recognizing the accumulated operating losses of TMP included in consolidation, the company estimates a loss on disposal, including provision for operating losses during the phase-out period, of $11,550,000 which will be fully offset by tax benefits.

Note 8-Income Taxes

EFFECTIVE AS OF JANUARY 1, 1992, THE COMPANY ADOPTED STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 109-ACCOUNTING FOR INCOME TAXES. AS A RESULT OF THIS ACCOUNTING CHANGE, DEFERRED TAX BALANCES ARE STATED AT TAX RATES EXPECTED TO BE IN EFFECT WHEN TAXES ARE ACTUALLY PAID OR RECOVERED. THE CUMULATIVE EFFECT OF THIS CHANGE WAS A CREDIT TO INCOME OF $2,148,000 IN 1992. NO PROVISION IS MADE FOR UNDISTRIBUTED EARNINGS OF INTERNATIONAL COMPANIES SINCE LITTLE OR NO TAX WOULD RESULT UNDER APPLICABLE EXISTING STATUTES OR BECAUSE MANAGEMENT INTENDS THAT THESE EARNINGS BE PERMANENTLY REINVESTED FOR WORKING CAPITAL AND CAPITAL EXPENDITURE REQUIREMENTS.

The U.S. and non-U.S. components of income from continuing operations before income taxes, and provisions for income taxes are summarized as follows:

	(In thousands)		
	1994	1993	1992
Income Before Income Taxes			
U.S. income	$ 19,933	$ 16,304	$ 32,256
Non-U.S. income	11,177	6,055	12,592
Currency translations (losses)	(3,024)	(3,080)	(4,478)
Eliminations	(2,260)	(1,038)	(12,560)
Income Before Income Taxes	25,826	18,241	27,810
Provisions For Income Taxes			
Current			
Federal	6,220	4,427	6,422
State	1,537	1,122	1,237
Non-U.S.	2,679	2,219	3,349
Total current provision	10,436	7,768	11,008
Deferred			
Federal	(801)	351	1,187
State	(43)	(2)	378
Non-U.S.	905	(431)	(1,466)
Total deferred provision	61	(82)	99
Provisions for Income Taxes	10,497	7,686	11,107

The components of the net deferred tax liability are as follows:

	1994	1993	1992
Deferred tax assets:			
Postretirement benefits	5,903	5,792	5,540
Inventory reserves and unrealized profits	5,344	5,027	4,441
Vacation allowances	2,054	2,059	1,925
Postemployment benefits	1,580	1,630	1,560
Liability insurance	2,319	1,749	1,524
Loss carryforwards	2,502	5,360	8,437
Other	3,583	2,258	985
Total deferred tax assets	23,285	23,875	24,412
Deferred tax (liability)-depreciation	(24,588)	(25,065)	(25,662)
Net deferred tax (liability)	(1,303)	(1,190)	(1,250)

The following is a reconciliation of income taxes calculated at the U.S. Federal income tax rate (35% in 1994 and 1993, and 34% in 1992) to the provision for income taxes for continuing operations:

	1994	1993	1992
Provision for income taxes at statutory rate	9,039	6,384	9,455
State income taxes	971	728	1,066
Currency translation	1,058	1,078	1,523
Research tax credits	(150)	(50)	(50)
Non-U.S. taxes	(293)	(817)	(1,321)
Other-net	(128)	363	434
Provision for income taxes	10,497	7,686	11,107

Undistributed earnings of international companies for which U.S. income taxes have not been provided were $57,756,000 at December 31, 1994.

Note 9-Capital Stock

The authorized capital of the company consists of:

- Common stock, no par value-20,000,000 shares
- Second cumulative preferred voting stock, $10 par value-1,000,000 shares
- 4 1/2% cumulative preferred stock, $50 par value-100,000 shares

Common stock activity is summarized as follows:

	Shares Issued	Shares In Treasury	(In thousands) Common Stock	Treasury Cost
Balances January 1, 1992....	6,682,317	406,344	$6,754	$(19,376)
Stock options exercised.....	4,000		118	
Purchased for treasury......		201,187		(8,403)
Balances December 31, 1992..	6,686,317	607,531	6,872	(27,779)
Management Share Incentive Plan issues...............	27,186		1,176	
Purchased for treasury......		94,344		(4,099)
Balances December 31, 1993..	6,713,503	701,875	8,048	(31,878)
Management Share Incentive Plan forfeitures...........		632		(27)
Purchased for treasury......		195,324		(8,483)
Balances December 31, 1994..	6,713,503	897,831	8,048	(40,388)

Second cumulative preferred voting stock-none has been issued.

As to the 4 1/2% cumulative preferred stock, 71,373 shares have been issued (none during the three years ended December 31, 1994), while the amounts held in treasury are as follows:

December 31	Shares	Cost (in thousands)
1992	46,030	$(1,490)
1993	47,268	(1,532)
1994	47,775	(1,548)

Note 10-Quarterly Financial Information (Unaudited)

(In thousands, except earnings per share)

	1994					1993				
	Quarters					Quarters				
	1st	2nd	3rd	4th	Year	1st	2nd	3rd	4th	Year
Net sales..................	$109,522	$115,133	$114,889	$120,063	$459,607	$104,863	$107,840	$103,899	$112,618	$429,220
Gross profit...............	39,009	43,854	42,749	47,270	172,882	37,773	40,269	35,823	42,005	155,870
Net income.................	2,560	3,468	4,593	4,708	15,329	2,516	2,963	1,411	3,665	10,555
Earnings per share.........	.43	.57	.78	.80	2.58	.41	.48	.24	.60	1.73

Note 11-Inventories

THE U.S. INVENTORIES ARE VALUED ON THE LAST-IN, FIRST-OUT (LIFO) COST METHOD. OTHER INVENTORIES ARE VALUED AT THE LOWER OF COST, USING AVERAGE OR CURRENT STANDARD COSTS WHICH APPROXIMATE ACTUAL COSTS ON A FIRST-IN, FIRST-OUT (FIFO) BASIS, OR MARKET, DETERMINED BY REPLACEMENT COST OR NET REALIZABLE VALUE.

Significant reductions of domestic inventories during 1994 caused liquidations of LIFO inventory values calculated at lower costs incurred in prior years. The effect of these liquidations has been to reduce cost of sales by $6,923,000 and to increase net income by $4,189,000, or $.71 per share of common stock.

Inventories are summarized as follows:

	(In thousands) 1994	1993	1992
Finished products...........	$33,576	$30,409	$33,643
Work in process.............	14,013	20,001	20,952

Raw materials and supplies..	29,377	31,044	33,189
Total inventories...........	76,966	81,454	87,784
Excess of FIFO costs over LIFO costs........	59,178	63,033	62,564

Inventories stated on the LIFO basis represent 43%, 58%, and 52% of the total inventories at December 31, 1994, 1993, and 1992, respectively.

Note 12-Long-Term Debt

	(In thousands)	
	1994	1993
U.S.		
Industrial development debt issues payable through 2022, 5.9%...........	$13,650	$13,650
Other, 4.2% to 16.9%....................	952	950
International companies		
Various notes payable through 1998, 5.25% to 9.6% ($5,587 secured by pledge of assets located abroad)..	6,981	16,382
Total....................................	21,583	30,982
Amounts due within one year..............	5,019	3,506
Long-term debt............................	16,564	27,476

Approximate maturities of these obligations over the next five years are $5,019,000 in 1995, $1,582,000 in 1996, $1,360,000 in 1997, $970,000 in 1998, and $384,000 in 1999. Some U.S. loan agreements contain covenants to maintain specified levels of shareholders' equity.

Note 13-Contingencies

A portion of the company's business is with departments and agencies of the United States government. Contracts related to this business are subject to profit limitations and terminations. The company also has certain contingent liabilities with respect to commitments and litigation. In the opinion of management, these contingencies will not result in any significant losses to the company.

Note 14-Retirement Plans

Substantially all employees are covered by non-contributory pension plans. Various U.S. employees also participate in a contributory retirement savings plan wherein employees may contribute from 1% to 8% of their compensation to a trust fund, to which the company contributes an amount equal to 50% of the employees' contributions. The company's expense for these plans was $4,647,000 in 1994, $4,408,000 in 1993, and $7,572,000 in 1992.

THE NON-CONTRIBUTORY PENSION PLANS ARE ACCOUNTED FOR IN ACCORDANCE WITH STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 87 WHICH REQUIRES USE OF THE PROJECTED UNIT CREDIT COST METHOD TO DETERMINE THE PROJECTED BENEFIT OBLIGATION AND PLAN COST. THE PRINCIPAL U.S. PLAN IS FUNDED IN COMPLIANCE WITH THE EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA). IT IS THE GENERAL POLICY TO FUND CURRENT COSTS FOR THE INTERNATIONAL PLANS EXCEPT IN GERMANY, WHERE IT IS COMMON PRACTICE AND PERMISSIBLE UNDER TAX LAWS TO ACCRUE BOOK RESERVES. Non-contributory plan benefits are generally based on years of service and employees' compensation during the last years of employment. Benefits are paid from funds previously provided to trustees or are paid by the company and charged to the book reserves.

Information pertaining to the non-contributory defined benefit plans is provided in the following tables.

Cost for Defined Benefits Plans

(In thousands)	U.S. Plans			International Plans		
	1994	1993	1992	1994	1993	1992
Service cost-benefits earned during the period..	$ 3,458	$ 2,894	$ 2,646	$ 1,686	$ 1,361	$ 1,707
Interest cost on projected benefit obligation........	9,834	9,558	9,903	3,170	2,910	2,927
Actual (return)/loss on plan assets...............	(971)	(22,879)	(15,509)	(704)	(2,219)	(898)
Net amortization and deferral..................	(13,137)	9,937	3,087	(267)	1,320	(55)
Special pension benefit adjustments associated with early retirement programs and restructuring............		(728)	(643)		(1,655)	
Pension expense (income)...	(816)	(1,218)	(516)	3,885	1,717	3,681

Funding Status and Projected Benefit Obligation Reconciliation

December 31 (In thousands)	U.S. Plans			International Plans		
	1994	1993	1992	1994	1993	1992
Actuarial present value of benefit obligations:						
Accumulated benefit obligation						
Vested...................	108,697	108,439	97,767	41,058	22,157	21,993
Nonvested...............	2,043	1,917	300	2,422	980	762
Total....................	110,740	110,356	98,067	43,480	23,137	22,755
Plan assets at fair value, primarily listed stocks and bonds.................	173,171	179,832	164,832	16,922	16,071	13,591
Projected benefit obligation...............	128,389	136,034	118,084	48,112	35,621	35,881
Plan assets in excess of (less than) projected benefit obligation........	44,782	43,798	46,748	(31,190)	(19,550)	(22,290)
The excess (less than) consists of:						
Unamortized portion of transition gain (loss), being recognized over future years............	7,931	9,231	10,173	(1,325)	(886)	(1,361)
Unrecognized net gain (loss) from past experience different from that assumed................	38,144	37,331	41,066	(1,719)	1,836	136
Unrecognized prior service cost............	(3,074)	(3,380)	(3,925)	(544)	(579)	(656)
Minimum liability for unfunded plans...........	1,042	1,097	1,369			
Accrued pension cost included in the consolidated balance sheet...................	739	(481)	(1,935)	(27,602)	(19,921)	(20,409)
Total.....................	44,782	43,798	46,748	(31,190)	(19,550)	(22,290)

Assumed long-term rates of return on assets..........	9%	9%	9%	8-9%	7-9%	8-9 1/2%
Assumed discount rates for future benefits...........	8 1/4	7 1/2	8 1/2	7-8.9	5 3/4-9	7 3/4-9 1/2
Assumed long-term rates for compensation increases	5	5	5	4-6	3-6	6-6 1/2

Note 15-Short-Term Debt

Short-term bank lines of credit amounted to $15,365,000 of which $10,686,000 was unused at December 31, 1994. Generally, these short-term lines of credit are renewable annually and there are no significant commitment fees or compensating balance requirements. Short-term borrowings with banks, which exclude the current portion of long-term debt, were $4,679,000 and $2,722,000 at December 31, 1994 and 1993, respectively. The average month-end balance of total short-term borrowings during 1994 was $4,220,000 while the maximum month-end balance of $5,499,000 occurred at August 31, 1994. The average interest rate during 1994 was approximately 19% based upon total short-term interest expense divided by the average month-end balance outstanding, and 10% at year-end. This average interest rate is affected by borrowings in certain countries where local inflation has resulted in relatively high interest rates.

Note 16-Postretirement Benefits

The company provides certain health care benefits and limited life insurance for retired employees and their eligible dependents. STATEMENT OF FINANCIAL ACCOUNTING STANDARDS (SFAS) NO. 106-"EMPLOYERS' ACCOUNTING FOR POSTRETIREMENT BENEFITS OTHER THAN PENSIONS" WAS IMPLEMENTED AS OF JANUARY 1, 1992, USING THE IMMEDIATE RECOGNITION TRANSITION OPTION. SFAS NO. 106 REQUIRES RECOGNITION OF RETIREE HEALTH AND LIFE INSURANCE BENEFITS DURING THE EMPLOYEES' SERVICE WITH THE COMPANY.

The accumulated postretirement benefit of $14,212,000 as of January 1, 1992 was charged to 1992 earnings. Further information about these benefits is provided in the following tables:

Cost for Benefits (In thousands)	1994	1993	1992
Service cost-benefits earned during the period	$ 471	$ 447	$ 385
Interest cost on projected benefit obligation	1,198	1,192	1,201
Amortization of (gain)/loss	40		
Retirement benefits expense	1,709	1,639	1,586

Funded Status and Accumulated Postretirement Benefit Obligation Reconciliation December 31 (In thousands)	1994	1993	1992
Accumulated postretirement benefit obligation:			
Active employees	3,188	3,582	2,913
Other active participants	6,098	7,647	5,779
	9,286	11,229	8,692
Retirees	5,389	5,615	5,895
Total	14,675	16,844	14,587
Unamortized (loss)	(222)	(2,565)	(275)
Accrued postretirement benefit cost included in consolidated balance sheet	14,453	14,279	14,312
Assumed discount rates for future benefits	8 1/4%	7 1/2%	8 1/2%

Annual rates of increase in the costs of covered health care benefits assumed for 1994 were 10%, decreasing gradually to 5% for the year 1998 and thereafter. The health care cost trend rate assumption has a significant effect on the amounts reported; a one-percentage-point increase in each year would increase the accumulated postretirement benefit obligation by $918,000 and increase the current service and interest costs for the year by $127,000.

Note 17-Foreign Currency

AN APPROPRIATE FUNCTIONAL CURRENCY IS DETERMINED FOR EACH ENTITY. THE FINANCIAL STATEMENTS OF COMPANIES FOR WHICH THE UNITED STATES DOLLAR IS DETERMINED TO BE THE FUNCTIONAL CURRENCY ARE TRANSLATED USING APPROPRIATE CURRENT AND HISTORIC EXCHANGE RATES; ADJUSTMENTS RELATED THERETO ARE INCLUDED IN INCOME FOR THE CURRENT PERIOD. THE FINANCIAL STATEMENTS OF ALL OTHER COMPANIES ARE TRANSLATED FROM THEIR FUNCTIONAL CURRENCY INTO UNITED STATES DOLLARS USING CURRENT EXCHANGE RATES; THE RESULTANT TRANSLATION ADJUSTMENTS ARE NOT INCLUDED IN INCOME BUT ARE ACCUMULATED IN A SEPARATE EQUITY ACCOUNT. TRANSACTION GAINS AND LOSSES ARE RECOGNIZED IN INCOME FOR THE CURRENT PERIOD.

Foreign currency effects are summarized as follows:

	(In thousands) 1994	1993	1992
Currency (gains)/losses charged to income arising from:			
Translation-Latin American companies	$ 3,024	$3,080	$4,478
Transactions	944	121	1,029
Total	3,968	3,201	5,507
Currency translation (gains)/losses charged directly to equity adjustment account	(5,050)	5,400	4,736

Note 18-Accounting Changes

Effective January 1, 1992, the company adopted three new Statements of Financial Accounting Standards (SFAS). The after tax effect of these changes was a charge of $8,964,000 against 1992 net income. Aside from this cumulative effect as of January 1, 1992, adoption of these Standards did not materially affect 1992 financial results. SFAS No. 106-"Employers' Accounting for

Postretirement Benefits Other Than Pensions" was implemented using the immediate recognition transition option, resulting in a charge of $8,672,000, after recognizing related deferred taxes. SFAS No. 112-"Employers' Accounting for Postemployment Benefits" pertains to benefits, such as workers' compensation and other disability expenses, for inactive employees before retirement. The after tax costs recognized for implementing this Standard were $2,440,000 (pretax $4,000,000). SFAS No. 109-"Accounting for Income Taxes" requires that deferred tax balances are stated at tax rates expected to be in effect when taxes are actually paid or recovered, whereas deferred taxes were previously provided at tax rates prevailing during the periods when timing differences between financial income and taxable income occurred. Adjustment of the previously provided deferred taxes resulted in a net credit to income of $2,148,000.

Five-Year Summary of Selected Financial Data

SUMMARY OF OPERATIONS	1994	1993	1992	1991	1990
(In thousands, except as noted)					
Net sales	$459,607	$429,220	$502,366	$499,240	$473,933
Other income	5,463	5,885	9,755	8,886	8,807
Cost of products sold	286,725	273,350	327,555	324,448	287,345
Selling, general and administrative	124,714	121,529	130,182	124,983	121,137
Depreciation	18,527	17,294	16,831	16,230	14,904
Interest expense	2,224	1,713	1,536	1,739	1,926
Foreign currency losses	3,968	3,201	5,507	2,456	4,238
Unusual items	3,086	(223)	2,700		700
Taxes on income	10,497	7,686	11,107	15,846	21,583
Income from continuing operations	15,329	10,555	16,703	22,424	30,907
Per common share (in dollars)/(1)/	2.58	1.73	2.67	3.52	4.77
Discontinued operations			(5,067)	(3,773)	(1,703)
Cumulative effect to January 1, 1992 of changes in accounting principles			(8,964)		
Net income	15,329	10,555	2,672	18,651	29,204
Per common share (in dollars)/(1)/	2.58	1.73	.42	2.92	4.50
Cash dividends	5,622	5,640	5,608	5,659	5,372
Per common share (in dollars)	.94	.92	.89	.88	.82
Weighted average number of common shares outstanding	5,921	6,069	6,225	6,353	6,471

YEAR-END POSITION					
Working capital	$166,494	$164,199	$177,287	$184,378	$185,371
Working capital ratio	3.4	3.7	4.2	3.7	3.7
Property, at cost	322,109	306,691	305,908	292,338	285,961
Total assets	417,051	407,884	407,772	430,869	436,118
Long-term debt	16,564	27,476	28,868	23,009	24,606
Common shareholders' equity	264,795	258,539	261,927	277,866	278,199
Equity per common share (in dollars)	45.53	43.00	43.09	44.27	43.49

(1) Earnings per common share are calculated after deducting dividends on preferred stock and are based on the weighted average number of shares outstanding during each year.

EXHIBIT 21

MINE SAFETY APPLIANCES COMPANY

The registrant's present affiliates include the following:

Name	State or Other Jurisdiction of Incorporation
MSA (Aust.) Pty. Limited	Australia
MSA Export Limited	Barbados
MSA do Brasil Ltda.	Brazil
MSA Canada	Canada
MSA de Chile Ltda.	Chile
Baseline Industries, Inc.	Colorado
MSA International, Inc.	Delaware
MSA de France	France
Auergesellschaft GmbH	Germany
MSA/Auer Safety Technology	Hungary
MSA Italiana S.p.A.	Italy
MSA Japan Ltd.	Japan
MSA de Mexico, S.A. de C.V.	Mexico
MSA Nederland, B.V.	Netherlands
HAZCO Services, Inc.	Ohio
MSA del Peru S.A.	Peru
MSA (Britain) Limited	Scotland
MSA S.E. Asia Pte. Ltd.	Singapore
MSA Espanola S.A.	Spain
AB Tegma	Sweden
MSA (Switzerland) Ltd.	Switzerland
MSA Zimbabwe (Pvt.) Limited	Zimbabwe

The above-mentioned affiliated companies are included in the consolidated financial statements of the registrant filed as part of this annual report. The names of certain other affiliates, which considered in the aggregate as a single affiliate would not constitute a significant affiliate, have been omitted.

EXHIBIT 23

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 33-22284) of the 1987 Management Share Incentive Plan (the 1987 Plan) and the Registration Statement on Form S-8 (No. 33-43696) of the 1990 Non-Employee Directors' Stock Option Plan of Mine Safety Appliances Company of our report dated February 17, 1995, appearing on page 13 of the 1994 Annual Report to Shareholders of Mine Safety Appliances Company, which is incorporated by reference in this Annual Report on Form 10-K. The 1987 Plan also relates to the Registration Statement on Form S-8 (No. 2-72044) of the 1980 Management Share Incentive Plan of Mine Safety Appliances Company. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears on page F-1 of this Form 10-K. We also consent to the reference to us under the heading "Experts" in such Statements.

Price Waterhouse LLP

Pittsburgh, Pennsylvania
March 24, 1995

5

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM DECEMBER 1994
FINANCIAL STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH
FINANCIAL STATEMENTS.

1000

12-MOS
DEC-31-1994
DEC-31-1994
54,420
0
90,800
2,102
76,966
237,316
322,109
170,153
417,051
70,822
16,564
8,048
0
3,569
254,358
417,051
459,607
465,070
286,725
305,252
3,968
0
2,224
25,826
10,497
15,329
0
0
0
15,329
2.58
2.58