

**EATON CORPORATION plc**  
**CONSOLIDATED STATEMENTS OF INCOME**

(In millions except for per share data)

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
<b>Net sales</b>	\$ 7,028	\$ 6,350	\$ 13,404	\$ 12,293
Cost of products sold	4,431	3,940	8,361	7,665
Selling and administrative expense	1,149	1,021	2,197	2,046
Research and development expense	192	196	390	385
Interest expense - net	71	29	103	59
Other income - net	(1)	(32)	(10)	(58)
<b>Income before income taxes</b>	1,186	1,195	2,363	2,195
Income tax expense	203	201	415	379
<b>Net income</b>	982	994	1,947	1,816
Less net income for noncontrolling interests	(1)	(1)	(2)	(2)
<b>Net income attributable to Eaton ordinary shareholders</b>	<u>\$ 982</u>	<u>\$ 993</u>	<u>\$ 1,945</u>	<u>\$ 1,814</u>
<b>Net income per share attributable to Eaton ordinary shareholders</b>				
Diluted	\$ 2.51	\$ 2.48	\$ 4.96	\$ 4.52
Basic	2.52	2.49	4.97	4.54
<b>Weighted-average number of ordinary shares outstanding</b>				
Diluted	391.4	401.0	392.5	401.5
Basic	390.3	399.2	391.2	399.6
<b>Reconciliation of net income attributable to Eaton ordinary shareholders to adjusted earnings</b>				
Net income attributable to Eaton ordinary shareholders	\$ 982	\$ 993	\$ 1,945	\$ 1,814
Excluding acquisition and divestiture charges, after-tax	54	8	61	20
Excluding restructuring program charges, after-tax	18	12	33	61
Excluding intangible asset amortization expense, after-tax	101	83	185	167
Adjusted earnings	<u>\$ 1,155</u>	<u>\$ 1,096</u>	<u>\$ 2,225</u>	<u>\$ 2,062</u>
Net income per share attributable to Eaton ordinary shareholders - diluted	\$ 2.51	\$ 2.48	\$ 4.96	\$ 4.52
Excluding per share impact of acquisition and divestiture charges, after-tax	0.14	0.02	0.16	0.05
Excluding per share impact of restructuring program charges, after-tax	0.05	0.03	0.08	0.15
Excluding per share impact of intangible asset amortization expense, after-tax	0.25	0.20	0.47	0.42
Adjusted earnings per ordinary share	<u>\$ 2.95</u>	<u>\$ 2.73</u>	<u>\$ 5.67</u>	<u>\$ 5.14</u>

See accompanying notes.

**EATON CORPORATION plc**  
**BUSINESS SEGMENT INFORMATION**

(In millions)	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
<b>Net sales</b>				
Electrical Americas	\$ 3,350	\$ 2,877	\$ 6,360	\$ 5,567
Electrical Global	1,753	1,606	3,362	3,105
Aerospace	1,080	955	2,059	1,826
Vehicle	663	723	1,280	1,447
eMobility	182	189	343	348
<b>Total net sales</b>	<u>\$ 7,028</u>	<u>\$ 6,350</u>	<u>\$ 13,404</u>	<u>\$ 12,293</u>
<b>Segment operating profit (loss)</b>				
Electrical Americas	\$ 987	\$ 859	\$ 1,891	\$ 1,644
Electrical Global	353	305	653	578
Aerospace	240	206	466	407
Vehicle	113	130	209	246
eMobility	(10)	2	(15)	(2)
<b>Total segment operating profit</b>	<u>1,682</u>	<u>1,502</u>	<u>3,204</u>	<u>2,873</u>
<b>Corporate</b>				
Intangible asset amortization expense	(129)	(106)	(235)	(212)
Interest expense - net	(71)	(29)	(103)	(59)
Pension and other postretirement benefits income	5	9	10	20
Restructuring program charges	(24)	(15)	(42)	(78)
Other expense - net	(277)	(166)	(471)	(349)
<b>Income before income taxes</b>	<u>1,186</u>	<u>1,195</u>	<u>2,363</u>	<u>2,195</u>
Income tax expense	<u>203</u>	<u>201</u>	<u>415</u>	<u>379</u>
<b>Net income</b>	<u>982</u>	<u>994</u>	<u>1,947</u>	<u>1,816</u>
Less net income for noncontrolling interests	(1)	(1)	(2)	(2)
<b>Net income attributable to Eaton ordinary shareholders</b>	<u>\$ 982</u>	<u>\$ 993</u>	<u>\$ 1,945</u>	<u>\$ 1,814</u>

See accompanying notes.

**EATON CORPORATION plc**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(In millions)

**Assets**

Current assets

Cash	\$ 398	\$ 555
Short-term investments	186	1,525
Accounts receivable - net	5,486	4,619
Inventory	4,581	4,227
Prepaid expenses and other current assets	1,246	874
Total current assets	11,897	11,801

Property, plant and equipment

4,032 3,729

Other noncurrent assets

Goodwill	15,790	14,713
Other intangible assets	5,227	4,658
Operating lease assets	709	806
Deferred income taxes	621	609
Other assets	2,230	2,066
Total assets	\$ 40,507	\$ 38,381

**Liabilities and shareholders' equity**

Current liabilities

Short-term debt	\$ 1,111	\$ —
Current portion of long-term debt	1,134	674
Accounts payable	3,762	3,678
Accrued compensation	529	670
Other current liabilities	3,058	2,835
Total current liabilities	9,594	7,857

Noncurrent liabilities

Long-term debt	8,751	8,478
Pension liabilities	758	741
Other postretirement benefits liabilities	161	164
Operating lease liabilities	587	669
Deferred income taxes	280	275
Other noncurrent liabilities	1,728	1,667
Total noncurrent liabilities	12,265	11,994

Shareholders' equity

Eaton shareholders' equity	18,606	18,488
Noncontrolling interests	41	43
Total equity	18,647	18,531
Total liabilities and equity	\$ 40,507	\$ 38,381

See accompanying notes.

**EATON CORPORATION plc**  
**NOTES TO THE SECOND QUARTER 2025 EARNINGS RELEASE**

Amounts are in millions of dollars unless indicated otherwise (per share data assume dilution). Columns and rows may not add and the sum of components may not equal total amounts reported due to rounding.

**Note 1. NON-GAAP FINANCIAL INFORMATION**

This earnings release includes certain non-GAAP financial measures. These financial measures include adjusted earnings, adjusted earnings per ordinary share, and free cash flow, each of which differs from the most directly comparable measure calculated in accordance with generally accepted accounting principles (GAAP). A reconciliation of each of these financial measures to the most directly comparable GAAP measure is included in this earnings release. Management believes that these financial measures are useful to investors because they provide additional meaningful financial information that should be considered when assessing our business performance and trends, and they allow investors to more easily compare Eaton Corporation plc's (Eaton or the Company) financial performance period to period. Management uses this information in monitoring and evaluating the on-going performance of Eaton and each business segment.

The Company's third quarter and full year net income per ordinary share and adjusted earnings per ordinary share guidance for 2025 is as follows:

	Three months ended September 30, 2025	Year ended December 31, 2025
Net income per share attributable to Eaton ordinary shareholders - diluted	\$2.58 - \$2.64	\$10.41 - \$10.61
Excluding per share impact of acquisition and divestiture charges, after tax	0.06	0.26
Excluding per share impact of restructuring program charges, after tax	0.11	0.31
Excluding per share impact of intangible asset amortization expense, after tax	0.26	0.99
Adjusted earnings per ordinary share	<u>\$3.01 - \$3.07</u>	<u>\$11.97 - \$12.17</u>

A reconciliation of net income attributable to Eaton ordinary shareholders per share to adjusted earnings per ordinary share is as follows:

	Year ended December 31, 2024
Net income per share attributable to Eaton ordinary shareholders - diluted	\$ 9.50
Excluding per share impact of acquisition and divestiture charges, after tax	0.06
Excluding per share impact of restructuring program charges, after tax	0.40
Excluding per share impact of intangible asset amortization expense, after tax	0.84
Adjusted earnings per ordinary share	<u>\$ 10.80</u>

A reconciliation of operating cash flow to free cash flow is as follows:

	Three months ended June 30, 2025
(In millions)	
Operating cash flow	\$ 918
Capital expenditures for property, plant and equipment	(202)
Free cash flow	<u>\$ 716</u>

## **Note 2. ACQUISITIONS OF BUSINESSES**

### *Acquisition of Exertherm*

On May 20, 2024, Eaton acquired Exertherm, a U.K.-based provider of thermal monitoring solutions for electrical equipment. Exertherm is reported within the Electrical Americas business segment.

### *Acquisition of a 49% stake in NordicEPOD AS*

On May 31, 2024, Eaton acquired a 49 percent stake in NordicEPOD AS, which designs and assembles standardized power modules for data centers in the Nordic region. Eaton accounts for this investment on the equity method of accounting and it is reported within the Electrical Global business segment.

### *Acquisition of Fibrebond Corporation*

On April 1, 2025, Eaton acquired Fibrebond Corporation (Fibrebond) for \$1.45 billion, net of cash acquired. Fibrebond is a U.S. based designer and builder of pre-integrated modular power enclosures for data center, industrial, utility and communications customers. Fibrebond had sales of approximately \$378 million for the twelve months ended February 28, 2025, and is reported within the Electrical Americas business segment.

As part of the acquisition, Eaton assumed \$240 million of employee transaction and retention awards. Awards vest in six equal annual installments starting in the second quarter of 2025, subject to continued employment with Eaton. Forfeited employee awards are paid to former Fibrebond shareholders annually. Eaton recognizes compensation expense for the awards over the requisite service period and any employee forfeitures owed to former Fibrebond shareholders are expensed immediately in Other income - net. During the second quarter of 2025, compensation expense of \$34 million, \$11 million and \$2 million were included in Costs of products sold, Selling and administrative expense, and Other income - net, respectively.

### *Agreement to Acquire Ultra PCS Limited*

On June 16, 2025, Eaton signed an agreement to acquire Ultra PCS Limited (Ultra PCS), which is headquartered in the United Kingdom with operations in the U.K. and the United States. Ultra PCS produces electronic controls, sensing, stores ejection and data processing solutions, enabling mission success for global aerospace customers in the air and on the ground. Under the terms of the agreement, Eaton will pay \$1.55 billion for Ultra PCS. The transaction is subject to customary closing conditions and regulatory approvals and is expected to close in the first half of 2026. Ultra PCS will be reported within the Aerospace business segment.

### *Agreement to Acquire Resilient Power Systems Inc.*

On July 11, 2025, Eaton signed an agreement to acquire Resilient Power Systems Inc., a leading North American developer and manufacturer of innovative energy solutions, including solid-state transformer-based technology. Under the terms of the agreement, Eaton will pay \$55 million of cash at closing and contingent future consideration and other payments that could reach \$95 million based on 2025 through 2028 revenue performance, achievement of technology-based milestones, and in certain cases subject to management's continued employment with Eaton. The transaction is subject to customary closing conditions and is expected to close in the third quarter of 2025. Resilient Power Systems Inc. will be reported within the Electrical Americas business segment.

### Note 3. ACQUISITION AND DIVESTITURE CHARGES

Eaton incurs integration charges and transaction costs to acquire and integrate businesses, and transaction, separation and other costs to divest and exit businesses. Eaton also recognizes gains and losses on the sale of businesses. A summary of these Corporate items is as follows:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
(In millions except for per share data)				
Acquisition integration, divestiture charges and transaction costs	\$ 70	\$ 10	\$ 80	\$ 27
Income tax benefit	16	3	19	7
Total after income taxes	<u>\$ 54</u>	<u>\$ 8</u>	<u>\$ 61</u>	<u>\$ 20</u>
Per ordinary share - diluted	\$ 0.14	\$ 0.02	\$ 0.16	\$ 0.05

Acquisition integration, divestiture charges and transaction costs in 2025 are primarily related to the acquisitions of Fibrebond and Exertherm, transactions completed prior to 2023, and other charges to acquire and exit businesses. Costs in 2025 include \$47 million of employee transaction and retention award compensation expense related to the acquisition of Fibrebond. Acquisition integration, divestiture charges and transaction costs in 2024 are primarily related to acquisitions completed prior to 2023, and include other charges and income to acquire and exit businesses. These charges were included in Cost of products sold, Selling and administrative expense, Research and development expense, or Other income - net. In Business Segment Information, the charges were included in Other expense - net.

#### Note 4. RESTRUCTURING CHARGES

During the first quarter of 2024, Eaton implemented a multi-year restructuring program to accelerate opportunities to optimize its operations and global support structure. These actions will better align the Company's functions to support anticipated growth and drive greater effectiveness throughout the Company. Since the inception of the program, the Company has incurred charges of \$244 million. This restructuring program is expected to be completed in 2026 and is expected to incur additional expenses related to workforce reductions of \$164 million and plant closing and other costs of \$67 million, resulting in total estimated charges of \$475 million for the entire program. The Company expects mature year benefits of \$375 million when the multi-year program is fully implemented.

A summary of restructuring program charges is as follows:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
(In millions except for per share data)				
Workforce reductions	\$ 7	\$ 9	\$ 19	\$ 68
Plant closing and other	17	7	23	11
Total before income taxes	24	15	42	78
Income tax benefit	5	3	9	18
Total after income taxes	\$ 18	\$ 12	\$ 33	\$ 61
Per ordinary share - diluted	\$ 0.05	\$ 0.03	\$ 0.08	\$ 0.15

Restructuring program charges related to the following segments:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
(In millions)				
Electrical Americas	\$ 9	\$ 1	\$ 10	\$ 8
Electrical Global	5	4	19	27
Aerospace	—	—	—	8
Vehicle	2	4	4	27
eMobility	2	—	2	—
Corporate	6	7	7	7
Total	\$ 24	\$ 15	\$ 42	\$ 78

These restructuring program charges were included in Cost of products sold, Selling and administrative expense, Research and development expense, or Other income - net, as appropriate. In Business Segment Information, these restructuring program charges are treated as Corporate items.

#### Note 5. INTANGIBLE ASSET AMORTIZATION EXPENSE

Intangible asset amortization expense is as follows:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
(In millions except for per share data)				
Intangible asset amortization expense	\$ 129	\$ 106	\$ 235	\$ 212
Income tax benefit	28	23	50	45
Total after income taxes	\$ 101	\$ 83	\$ 185	\$ 167
Per ordinary share - diluted	\$ 0.25	\$ 0.20	\$ 0.47	\$ 0.42

## **Contacts**

Eaton Corporation plc  
Jennifer Tolhurst  
Media Relations  
+1 (440) 523-4006  
[jennifertolhurst@eaton.com](mailto:jennifertolhurst@eaton.com)

Yan Jin  
Investor Relations  
+1 (440) 523-7558