

FINANCIAL REVIEW

Eaton Corporation

BUSINESS SEGMENT INFORMATION

	1993	1992	1991
(Millions of dollars)			
Net sales by classes of similar products			
Vehicle Components			
Truck Components	\$1,504	\$1,244	\$1,022
Passenger Car Components	524	542	477
Off-Highway Vehicle Components	329	307	307
	2,357	2,093	1,806
Electrical and Electronic Controls			
Industrial and Commercial Controls	779	745	730
Automotive and Appliance Controls	735	723	529
Specialty Controls	338	308	316
	1,852	1,776	1,575
Defense Systems	192	232	278
	\$4,401	\$4,101	\$3,659
Operating profit			
Vehicle Components	\$ 247	\$ 170	\$ 63
Electrical and Electronic Controls (includes a \$55 million acquisition integration charge in 1993)	83	85	88
Defense Systems	2	9	23
	332	264	174
Interest expense	(75)	(89)	(83)
Interest income	8	9	12
General corporate expenses - net	(3)	(3)	(2)
Income before income taxes	\$ 262	\$ 181	\$ 101
Identifiable assets			
Vehicle Components	\$1,230	\$1,194	\$1,244
Electrical and Electronic Controls	1,119	1,128	1,089
Defense Systems	117	250	340
	2,466	2,572	2,673
General corporate assets	802	648	511
Total assets	\$3,268	\$3,220	\$3,184
Capital expenditures			
Vehicle Components	\$ 124	\$ 93	\$ 107
Electrical and Electronic Controls	68	67	55
Defense Systems	7	14	24
Corporate	28	12	8
	\$ 227	\$ 186	\$ 194
Depreciation			
Vehicle Components	\$ 101	\$ 103	\$ 99
Electrical and Electronic Controls	58	59	48
Defense Systems	13	14	14
Corporate	10	8	8
	\$ 182	\$ 184	\$ 169

Operating profit of the Electrical and Electronic Controls segment was reduced in 1993 by an acquisition integration charge of \$55 million. Operating profit of the Vehicle Components segment was reduced in 1993 by a restructuring charge of \$9 million.

Operating profit in 1992 was reduced by expense related to the accounting change for postretirement benefits other than pensions of \$14 million for the Vehicle Components segment and \$11 million for the Electrical and Electronic Controls segment.

Operating profit in 1991 was reduced by a restructuring charge of \$22 million for the Vehicle Components segment and \$17 million for the Electrical and