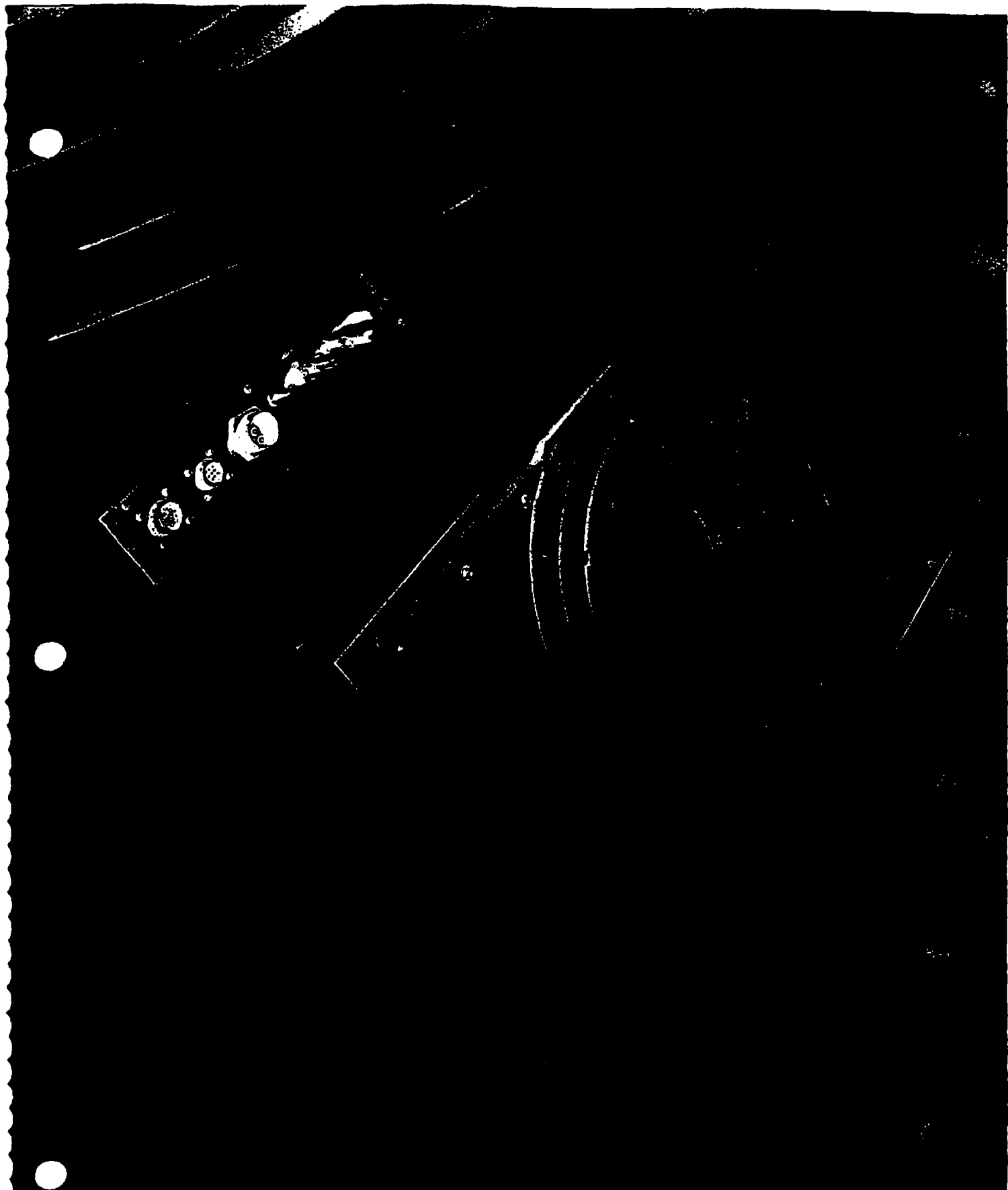




Front cover: The 1997 acquisition of Dana Corporation's Spicer Clutch business gives Eaton industry leadership in medium- and heavy-duty truck clutches, creating a powerful combination with the company's global leadership position in truck transmissions. The heavy-duty Solo clutch checks for wear and adjusts automatically. New friction materials and automatic adjustment mean up to 60 percent longer life. Inside front cover: During 1997, Eaton expanded its commitment to the semiconductor industry with the acquisition of Fusion Systems Corporation, a world-class supplier of photoresist processing equipment. The irradiator assembly (above) contains the microwave-driven UV source, which is the heart of Fusion's UV/bake process that combines high-intensity ultraviolet irradiance and thermal energy to "crosslink" and stabilize photoresist patterns on semiconductor wafers.