

Eaton

NYSE: ETN • Intelligent Power Management

“The Power Behind the AI Revolution.” Founded 1911

Data as of April 9, 2026

THE ELECTRIFICATION MEGA-CYCLE
Eaton is a global power management company at the center of the AI data center buildout, grid modernization, and manufacturing reshoring. Electrical Americas — 49% of FY2025 revenue (~\$13.5B) — is the highest-quality pure-play on the U.S. data center super-cycle. Data center orders surged ~200% in Q4 2025, underpinned by a \$3 trillion mega-project pipeline. Record FY2025: \$27.4B revenue (+10%), \$12.07 adj. EPS (+12%), 24.5% segment margins — 650 bps of expansion since FY2021.

\$27.4B Trailing Revenue LTM FY2025	~\$5B+ Data Center Rev. Est. FY2025	30%+ Elec. Backlog Growth YoY	~12% 1yr Rev Growth Estimated	~17% 1yr EPS Growth Estimated
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THE COMPANY

The Essential Fabric of the AI Power Grid.

Eaton's Electrical Americas serves every layer of data center power — from utility substation to the rack — through UPS systems, medium-voltage switchgear, busway, rack PDUs, and Brightlayer DCIM software. No competitor matches this end-to-end North American breadth; spec-in relationships with design engineers create near-impenetrable switching costs. The announced spin-off of the mobility division separates the lower margin, slower growth vehicle and eMobility businesses by the end of 2026.

REVENUE TRAJECTORY

Quarterly Revenue (\$B)

Electrification & AI demand driving record results

Quarter	Revenue (\$B)
Q1'24	5.94B
Q2'24	6.19B
Q3'24	6.16B
Q4'24	6.61B
Q1'25	6.73B
Q2'25	7.10B

WHY WE OWN IT

01

Data Center Power Dominance

Top-3 global critical power provider with ~20–25% North American UPS market share. Data center revenue grew ~40% in Q4 2025 as hyperscalers deploy 50–100MW+ AI campuses; orders surged ~200%. Brightlayer DCIM software adds recurring revenue stickiness on top of irreplaceable hardware.

02

Record Backlog & Multi-Year Visibility

Electrical Americas book-to-bill >1.0x for 8+ consecutive quarters. Backlog grew 30%+ YoY to record levels, anchored by a \$3 trillion mega-project pipeline of AI data centers, utility upgrades, and CHIPS Act semiconductor fabs. Expect revenue growth to accelerate as the backlog materializes.

03

Portfolio Sharpening

Boyd Thermal acquisition and the January 2026 separation of Vehicle and eMobility units sharpen focus on the leading Electrical business driven by massive datacenter investment worldwide — supporting faster growth and a premium valuation.

PROFITABILITY

Adjusted EPS (\$)

18% CAGR | FY2021 – FY2025

Fiscal Year	Adjusted EPS (\$)
FY'21	\$6.86
FY'22	\$7.63
FY'23	\$9.12
FY'24	\$10.80
FY'25	\$12.07

RISKS TO MONITOR

● Valuation Premium

Eaton trades at 27.5x our 2026 earnings estimate. While we think the stronger growth profile supports a premium valuation, this requires sustained execution against the enormous future opportunity.

● Datacenter Opportunity Must Materialize

Between the Boyd Thermal acquisition and the announced spin-off of Vehicle and eMobility, Eaton is all in on datacenter-driven growth. Any signs of a slowdown in datacenter investment would materially change the outlook.

THE BOTTOM LINE
Eaton provides the essential power infrastructure behind the AI revolution — the irreplaceable industrial supplier to the data center super-cycle, with orders up ~200% and a \$3 trillion mega-project pipeline providing unprecedented multi-year visibility. Record adj. EPS compounding at an 18% CAGR since FY2021, record 24.5% segment margins, and a Mobility spin-off targeting 25–26%+ margins make ETN a premier industrial compounder for the electrification era.

Founded 1911	Headquarters Dublin / Cleveland	Employees ~100,000	CEO Paulo Ruiz	Key Segment Electrical Americas	Mkt Cap ~\$143B
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Important Disclosures

Applies to the Company Spotlight accompanying this page • *Please read in full.*

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