

ABB Ltd Interim Consolidated Income Statements (unaudited)

Three months ended

(\$ in millions, except per share data in \$)	Mar. 31, 2010	Mar. 31, 2009
Sales of products	5,753	6,116
Sales of services	1,181	1,093
Total revenues	6,934	7,209
Cost of products	(4,058)	(4,343)
Cost of services	(790)	(747)
Total cost of sales	(4,848)	(5,090)
Gross profit	2,086	2,119
Selling, general and administrative expenses	(1,377)	(1,277)
Other income (expense), net	--	20
Earnings before interest and taxes	709	862
Interest and dividend income	24	38
Interest and other finance expense	(42)	22
Income from continuing operations before taxes	691	922
Provision for taxes	(201)	(240)
Income from continuing operations, net of tax	490	682
Income from discontinued operations, net of tax	1	11
Net income	491	693
Net income attributable to noncontrolling interests	(27)	(41)
Net income attributable to ABB	464	652
Amounts attributable to ABB shareholders:		
Income from continuing operations, net of tax	463	641
Income from discontinued operations, net of tax	1	11
Net income	464	652
Basic earnings per share attributable to ABB shareholders:		
Income from continuing operations, net of tax	0.20	0.28
Income from discontinued operations, net of tax	--	0.01
Net income	0.20	0.29
Diluted earnings per share attributable to ABB shareholders:		
Income from continuing operations, net of tax	0.20	0.28
Income from discontinued operations, net of tax	--	0.01
Net income	0.20	0.29
Average number of shares (in millions) used to compute:		
Basic earnings per share attributable to ABB shareholders	2,290	2,283
Diluted earnings per share attributable to ABB shareholders	2,295	2,285

See Notes to the Interim Consolidated Financial Information

ABB Ltd Interim Consolidated Balance Sheets (unaudited)

(\$ in millions, except share data)	Mar. 31, 2010	Dec. 31, 2009
Cash and equivalents	7,408	7,119
Marketable securities and short-term investments	2,005	2,433
Receivables, net	9,211	9,451
Inventories, net	4,689	4,550
Prepaid expenses	288	236
Deferred taxes	852	900
Other current assets	568	540
Total current assets	25,021	25,229
Financing receivables, net	446	452
Property, plant and equipment, net	3,956	4,072
Goodwill	3,002	3,026
Other intangible assets, net	414	443
Prepaid pension and other employee benefits	109	112
Investments in equity method companies	51	49
Deferred taxes	1,031	1,052
Other non-current assets	298	293
Total assets	34,328	34,728
Accounts payable, trade	3,772	3,853
Billings in excess of sales	1,632	1,623
Accounts payable, other	1,307	1,326
Short-term debt and current maturities of long-term debt	205	161
Advances from customers	1,807	1,806
Deferred taxes	316	327
Provisions for warranties	1,228	1,280
Provisions and other current liabilities	2,440	2,603
Accrued expenses	1,434	1,600
Total current liabilities	14,141	14,579
Long-term debt	2,061	2,172
Pension and other employee benefits	1,147	1,179
Deferred taxes	303	328
Other non-current liabilities	1,978	1,997
Total liabilities	19,630	20,255
Commitments and contingencies		
Stockholders' equity:		
Capital stock and additional paid-in capital (2,329,324,797 issued shares at March 31, 2010 and December 31, 2009)	3,951	3,943
Retained earnings	13,292	12,828
Accumulated other comprehensive loss	(2,359)	(2,084)
Treasury stock, at cost (39,173,474 shares at March 31, 2010 and 39,901,593 shares at December 31, 2009)	(885)	(897)
Total ABB stockholders' equity	13,999	13,790
Noncontrolling interests	699	683
Total stockholders' equity	14,698	14,473
Total liabilities and stockholders' equity	34,328	34,728

See Notes to the Interim Consolidated Financial Information

ABB Ltd Interim Consolidated Statements of Cash Flows (unaudited)

	Three months ended	
(\$ in millions)	Mar. 31, 2010	Mar. 31, 2009
Operating activities:		
Net income	491	693
<i>Adjustments to reconcile net income to net cash provided by (used in) operating activities:</i>		
Depreciation and amortization	169	148
Pension and postretirement benefits	22	(12)
Deferred taxes	24	6
Net gain from sale of property, plant and equipment	(6)	(5)
Loss from equity accounted companies	1	1
Other	9	(78)
<i>Changes in operating assets and liabilities:</i>		
Trade receivables, net	83	(70)
Inventories, net	(280)	(232)
Trade payables	25	(375)
Billings in excess of sales	42	55
Provisions, net	(93)	(21)
Advances from customers	37	(24)
Other assets and liabilities, net	(97)	(190)
Net cash provided by (used in) operating activities	427	(104)
Investing activities:		
Changes in financing receivables	(7)	2
Purchases of marketable securities (available-for-sale)	(244)	(20)
Purchases of marketable securities (held-to-maturity)	(15)	(222)
Purchases of short-term investments	(1,438)	--
Purchases of property, plant and equipment and intangible assets	(148)	(185)
Acquisition of businesses (net of cash acquired)	(53)	(48)
Proceeds from sales of marketable securities (available-for-sale)	71	21
Proceeds from maturity of marketable securities (available-for-sale)	137	855
Proceeds from maturity of marketable securities (held-to-maturity)	186	--
Proceeds from short-term investments	1,643	92
Proceeds from sales of property, plant and equipment	14	8
Proceeds from sales of businesses and equity accounted companies (net of cash disposed)	(1)	--
Net cash provided by investing activities	145	503
Financing activities:		
Net changes in debt with maturities of 90 days or less	22	21
Increase in debt	81	211
Repayment of debt	(64)	(221)
Dividends paid to noncontrolling shareholders	(16)	(14)
Other	(6)	(13)
Net cash provided by (used in) financing activities	17	(16)
Effects of exchange rate changes on cash and equivalents	(300)	(232)
Net change in cash and equivalents - continuing operations	289	151
Cash and equivalents beginning of period	7,119	6,399
Cash and equivalents end of period	7,408	6,550
Supplementary disclosure of cash flow information:		
Interest paid	22	45
Taxes paid	228	255

See Notes to the Interim Consolidated Financial Information

ABB Ltd Interim Consolidated Statements of Changes in Stockholders' Equity (unaudited)

(\$ in millions)	Accumulated other comprehensive loss										
	Capital stock and additional paid-in capital	Retained earnings	Foreign currency translation adjustment	Unrealized gain (loss) on available-for-sale securities	Pension and other postretirement plan adjustments	Unrealized gain (loss) of cash flow hedge derivatives	Total accumulated other comprehensive loss	Treasury stock	Total ABB stockholders' equity	Noncontrolling interests	Total stockholders' equity
Balance at January 1, 2009	4,841	9,927	(1,654)	83	(978)	(161)	(2,710)	(900)	11,158	612	11,770
Comprehensive income:											
Net income		652							652	41	693
Foreign currency translation adjustments			(439)				(439)		(439)	(11)	(450)
Effect of change in fair value of available-for-sale securities, net of tax				(85)			(85)		(85)		(85)
Unrecognized income related to pensions and other postretirement plans, net of tax					27		27		27		27
Change in derivatives qualifying as cash flow hedges, net of tax						18	18		18		18
Total comprehensive income									173	30	203
Dividends paid to noncontrolling shareholders										(13)	(13)
Share-based payment arrangements	17								17		17
Balance at March 31, 2009	4,858	10,579	(2,093)	(2)	(951)	(143)	(3,189)	(900)	11,348	629	11,977

(\$ in millions)	Accumulated other comprehensive loss								Total ABB stockholders' equity	Noncontrolling interests	Total stockholders' equity
	Capital stock and additional paid-in capital	Retained earnings	Foreign currency translation adjustment	Unrealized gain (loss) on available-for-sale securities	Pension and other postretirement plan adjustments	Unrealized gain (loss) of cash flow hedge derivatives	Total accumulated other comprehensive loss	Treasury stock			
Balance at January 1, 2010	3,943	12,828	(1,056)	20	(1,068)	20	(2,084)	(897)	13,790	683	14,473
Comprehensive income:											
Net income		464							464	27	491
Foreign currency translation adjustments			(362)				(362)		(362)	4	(358)
Effect of change in fair value of available-for-sale securities, net of tax				(9)			(9)		(9)		(9)
Unrecognized income related to pensions and other postretirement plans, net of tax					78		78		78		78
Change in derivatives qualifying as cash flow hedges, net of tax						18	18		18		18
Total comprehensive income									189	31	220
Changes in noncontrolling interests	2								2	2	4
Dividends paid to noncontrolling shareholders										(17)	(17)
Treasury stock transactions	(12)							12	--		--
Share-based payment arrangements	18								18		18
Balance at March 31, 2010	3,951	13,292	(1,418)	11	(990)	38	(2,359)	(885)	13,999	699	14,698

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