ABB Ltd Consolidated Income Statements

$ millions, except per share data (unaudited)	Year Ended		Three Months Ended	
	Dec. 31, 2008	**Dec. 31, 2007**	**Dec. 31, 2008**	**Dec. 31, 2007**
Sales of products	29,705	24,816	7,779	7,384
Sales of services	5,207	4,367	1,361	1,329
Total revenues	**34,912**	**29,183**	**9,140**	**8,713**
Cost of products	(20,506)	(17,292)	(5,597)	(5,192)
Cost of services	(3,466)	(2,923)	(946)	(898)
Total cost of sales	**(23,972)**	**(20,215)**	**(6,543)**	**(6,090)**
Gross profit	**10,940**	**8,968**	**2,597**	**2,623**
Selling, general and administrative expenses	(5,822)	(4,975)	(1,502)	(1,446)
Other income (expense), net	(566)	30	(636)	(32)
Earnings before interest and taxes	**4,552**	**4,023**	**459**	**1,145**
Interest and dividend income	315	273	65	90
Interest and other finance expense	(349)	(286)	(210)	(62)
Income from continuing operations before taxes and minority interest	**4,518**	**4,010**	**314**	**1,173**
Provision for taxes	(1,119)	(595)	(5)	113
Minority interest	(260)	(244)	(76)	(87)
Income from continuing operations	**3,139**	**3,171**	**233**	**1,199**
Income (loss) from discontinued operations, net of tax	(21)	586	(20)	554
Net income	**3,118**	**3,757**	**213**	**1,753**
Basic earnings (loss) per share				
Income from continuing operations	**1.37**	1.40	**0.10**	0.52
Income (loss) from discontinued operations, net of tax	**(0.01)**	0.26	**(0.01)**	0.24
Net income	**1.36**	1.66	**0.09**	0.76
Weighted average basic shares (in millions)	**2,287**	2,258	**2,283**	2,294
Diluted earnings (loss) per share				
Income from continuing operations	**1.37**	1.38	**0.10**	0.52
Income (loss) from discontinued operations, net of tax	**(0.01)**	0.25	**(0.01)**	0.24
Net income	**1.36**	1.63	**0.09**	0.76
Weighted average dilutive shares (in millions)	**2,296**	2,308	**2,285**	2,311

ABB Ltd Consolidated Balance Sheets

$ millions, except share data (unaudited)	**Dec. 31, 2008**	**Dec. 31, 2007**
Cash and equivalents	6,399	4,650
Marketable securities and short-term investments	1,407	3,460
Receivables, net	9,245	8,582
Inventories, net	5,306	4,863
Prepaid expenses	237	307
Deferred taxes	1,020	783
Other current assets	733	368
Assets held for sale and in discontinued operations	-	132
Total current assets	**24,347**	**23,145**
Financing receivables, net	445	487
Property, plant and equipment, net	3,562	3,246
Goodwill	2,817	2,421
Other intangible assets, net	411	270
Prepaid pension and other employee benefits	73	380
Investments in equity method companies	68	63
Deferred taxes	1,190	862
Other non-current assets	268	127
Total assets	**33,181**	**31,001**
Accounts payable, trade	4,451	4,167
Billings in excess of sales	1,224	829
Accounts payable, other	1,292	1,289
Short-term debt and current maturities of long-term debt	354	536
Advances from customers	2,014	2,045
Deferred taxes	528	371
Provisions for warranties	1,105	1,121
Provisions and other	3,467	2,322
Accrued expenses	1,569	1,737
Liabilities held for sale and in discontinued operations	-	62
Total current liabilities	**16,004**	**14,479**
Long-term debt	2,009	2,138
Pension and other employee benefits	1,071	631
Deferred taxes	425	407
Other liabilities	1,902	1,797
Total liabilities	**21,411**	**19,452**
Minority interest	612	592
Stockholders' equity:		
Capital stock and additional paid-in capital	4,695	5,634
Retained earnings	10,073	6,955
Accumulated other comprehensive loss	(2,710)	(1,330)
Less: Treasury stock, at cost (40,108,014 and 18,725,475 shares at December 31, 2008 and December 31, 2007)	(900)	(302)
Total stockholders' equity	**11,158**	**10,957**
Total liabilities and stockholders' equity	**33,181**	**31,001**

ABB Ltd Consolidated Statements of Cash Flows

	Year Ended		Three Months Ended	
$ millions (unaudited)	**Dec. 31, 2008**	**Dec. 31, 2007**	**Dec. 31, 2008**	**Dec. 31, 2007**
Operating activities				
Net income	3,118	3,757	213	1,753
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	661	602	178	167
Pension and postretirement benefits	43	(61)	(3)	(43)
Deferred taxes	(199)	(351)	(421)	(408)
Net gain from sale of property, plant and equipment	(49)	(46)	(15)	(22)
Income from equity accounted companies	(15)	(55)	(3)	(5)
Minority interest	261	246	77	88
Loss (gain) on sale of discontinued operations	-	(541)	-	(541)
Other	232	132	168	24
Changes in operating assets and liabilities:				
Trade receivables	(1,266)	(1,323)	(73)	(286)
Inventories	(800)	(551)	217	258
Trade payables	522	530	121	108
Billings in excess of sales	539	374	105	243
Provisions, net	677	(362)	814	(166)
Advances from customers	130	411	(219)	63
Other assets and liabilities, net	104	292	236	236
Net cash provided by operating activities	**3,958**	**3,054**	**1,395**	**1,469**
Investing activities				
Changes in financing receivables	7	56	8	(1)
Purchases of marketable securities (other than trading) and short-term investments	(3,626)	(10,115)	(796)	(2,843)
Purchases of property, plant and equipment and intangible assets	(1,171)	(756)	(435)	(288)
Acquisition of businesses (net of cash acquired)	(653)	(54)	(101)	(10)
Proceeds from sales of marketable securities (other than trading) and short-term investments	5,417	7,361	1,141	678
Proceeds from sales of property, plant and equipment	94	75	49	31
Proceeds from sales of businesses and equity accounted companies (net of cash disposed)	46	1,142	-	790
Net cash provided by (used in) investing activities	**114**	**(2,291)**	**(134)**	**(1,643)**
Financing activities				
Net changes in debt with maturities of 90 days or less	(10)	(19)	(42)	(15)
Increase in debt	458	210	135	64
Repayment of debt	(786)	(247)	(145)	(80)
Issuance of shares	49	241	-	88
Purchase of treasury shares	(621)	(199)	(15)	-
Dividends paid	(1,060)	(449)	-	-
Dividends paid to minority shareholders	(152)	(117)	(3)	1
Other	3	(45)	(60)	(17)
Net cash provided by (used in) financing activities	**(2,119)**	**(625)**	**(130)**	**41**
Effects of exchange rate changes on cash and equivalents	(230)	275	(79)	76
Adjustment for the net change in cash and equivalents in assets held for sale and in discontinued operations	26	39	-	54
Net change in cash and equivalents - continuing operations	**1,749**	**452**	**1,052**	**(3)**
Cash and equivalents beginning of period	4,650	4,198	5,347	4,653
Cash and equivalents end of period	**6,399**	**4,650**	**6,399**	**4,650**
Supplementary disclosure of cash flow information				
Interest paid	244	246	70	70
Taxes paid	1,065	780	272	152
Carrying value of debt and accrued interest converted into capital stock	-	843	-	-

$ millions (unaudited)			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 stockholders' equity**
Balance at January 1, 2007	**4,514**	**3,647**	**(1,462)**	**(2)**	**(629)**	**74**	**(2,019)**	**(104)**	**6,038**
Comprehensive income:									
Net income	--	3,757	--	--	--	--	--	--	3,757
Foreign currency translation adjustments	--	--	505	--	--	--	505	--	505
Foreign currency translation adjustments related to divestments of businesses	--	--	51	--	--	--	51	--	51
Effect of change in fair value of available-for-sale securities, net of tax	--	--	--	9	--	--	9	--	9
Unrecognized income related to pensions and other postretirement plans, net of tax	--	--	--	--	59	--	59	--	59
Adjustments related to pensions and other postretirement plans allocated to divestments of businesses, net of tax	--	--	--	--	84	--	84	--	84
Change in derivatives qualifying as cash flow hedges, net of tax	--	--	--	--	--	(19)	(19)	--	(19)
Total comprehensive income									4,446
Treasury share transactions	(1)	--	--	--	--	--	--	(198)	(199)
Dividends paid	--	(449)	--	--	--	--	--	--	(449)
Conversion of convertible bonds	830	--	--	--	--	--	--	--	830
Issuance of shares	241	--	--	--	--	--	--	--	241
Share-based payment arrangements	45	--	--	--	--	--	--	--	45
Call options	5	--	--	--	--	--	--	--	5
Balance at December 31, 2007	**5,634**	**6,955**	**(906)**	**7**	**(486)**	**55**	**(1,330)**	**(302)**	**10,957**

$ millions (unaudited)			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 stockholders' equity**
Balance at January 1, 2008	**5,634**	**6,955**	**(906)**	**7**	**(486)**	**55**	**(1,330)**	**(302)**	**10,957**
Comprehensive income:									
Net income	--	3,118	--	--	--	--	--	--	3,118
Foreign currency translation adjustments	--	--	(754)	--	--	--	(754)	--	(754)
Foreign currency translation adjustments related to divestments of businesses	--	--	6	--	--	--	6	--	6
Effect of change in fair value of available-for-sale securities, net of tax	--	--	--	76	--	--	76	--	76
Unrecognized income (loss) related to pensions and other postretirement plans, net of tax	--	--	--	--	(492)	--	(492)	--	(492)
Change in derivatives qualifying as cash flow hedges, net of tax	--	--	--	--	--	(216)	(216)	--	(216)
Total comprehensive income									1,738
Dividends paid in the form of nominal value reduction	(1,060)	--	--	--	--	--	--	--	(1,060)
Treasury share transactions	(21)	--	--	--	--	--	--	21	--
Shares repurchased under buyback program	--	--	--	--	--	--	--	(619)	(619)
Issuance of shares	49	--	--	--	--	--	--	--	49
Share-based payment arrangements	63	--	--	--	--	--	--	--	63
Call options	30	--	--	--	--	--	--	--	30
Balance at December 31, 2008	**4,695**	**10,073**	**(1,654)**	**83**	**(978)**	**(161)**	**(2,710)**	**(900)**	**11,158**