

Reconciliation of Operational revenues

(\$ in millions)	2012	2011	2010	2009
Total revenues	39,336	37,990	31,589	31,795
<i>Foreign exchange/commodity timing differences in total revenues</i>				
Unrealized gains and losses on derivatives	(131)	188	(80)	(198)
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	21	33	(28)	(24)
Unrealized foreign exchange movements on receivables (and related assets)	20	(123)	100	74
Operational revenues	39,246	38,088	31,581	31,647

Reconciliation of Free cash flow

(\$ in millions)	2012	2011	2010	2009	2008
Net cash provided by operating activities	3,779	3,612	4,197	4,027	3,958
<i>adjusted for the effects of:</i>					
Purchases of property, plant and equipment and intangible assets	(1,293)	(1,021)	(840)	(967)	(1,171)
Proceeds from sales of property, plant and equipment ⁽¹⁾	40	57	47	36	94
Changes in financing receivables and other non-current receivables ⁽¹⁾	29	(55)	(7)	(7)	7
Free cash flow	2,555	2,593	3,397	3,089	2,888

⁽¹⁾ Included in "Other investing activities" in the Consolidated Statements of Cash Flows for the years 2010-2012

Reconciliation of Cash return on invested capital

(\$ in millions)	2012	2011	2010	2009	2008
Net cash provided by operating activities	3,779	3,612	4,197	4,027	3,958
Interest paid	189	165	94	156	244
Adjustment to annualize the net cash provided by operating activities of certain acquisitions ⁽¹⁾	(8)	27	-	-	-
Adjusted cash return	3,960	3,804	4,291	4,183	4,202
Capital invested					
Property, plant and equipment, net	5,947	4,922	4,356	4,072	3,562
Goodwill	10,226	7,269	4,085	3,026	2,817
Other intangible assets, net	3,501	2,253	701	443	411
Investments in equity-accounted companies	213	156	19	49	68
Total fixed assets	19,887	14,600	9,161	7,590	6,858
Less: deferred taxes in certain acquisitions ⁽²⁾	(1,773)	(693)	-	-	-
Total fixed assets, adjusted	18,114	13,907	9,161	7,590	6,858
Receivables, net	11,575	10,773	9,970	9,451	9,245
Inventories, net	6,182	5,737	4,878	4,550	5,306
Prepaid expenses	311	227	193	236	237
Accounts payable, trade	(4,992)	(4,789)	(4,555)	(3,853)	(4,451)
Billings in excess of sales	(2,035)	(1,819)	(1,730)	(1,623)	(1,224)
Employee and other payables	(1,449)	(1,361)	(1,526)	(1,326)	(1,292)
Advances from customers	(1,937)	(1,757)	(1,764)	(1,806)	(2,014)
Accrued expenses	(2,096)	(1,822)	(1,644)	(1,600)	(1,569)
Net working capital	5,559	5,189	3,822	4,029	4,238
Accumulated depreciation of property plant and equipment	6,599	6,121	5,902	5,652	5,134
Accumulated amortization of intangible assets including goodwill ⁽³⁾	2,321	1,900	1,689	1,691	1,543
Accumulated depreciation and amortization	8,920	8,021	7,591	7,343	6,677
Capital invested	32,593	27,117	20,574	18,962	17,773
Cash return on invested capital	12%	14%	21%	22%	24%

(1) Thomas & Betts (2012) and Baldor (2011)

(2) Thomas & Betts and Baldor (2012) and Baldor (2011)

(3) Includes accumulated goodwill amortization up to Dec. 31, 2001. Thereafter goodwill is not amortized (under U.S. GAAP) but subject to annual testing for impairment.