



# Summary Financial Information

## Nine Months Ended September 2002

### ABB Ltd Summary Consolidated Income Statements

	January - September		July - September	
	2002	2001	2002	2001
(Unaudited)				
(in millions, except per share data )				
Revenues	\$ 16,042	\$ 16,363	\$ 5,457	\$ 5,609
Cost of sales	(12,376)	(12,513)	(4,299)	(4,438)
<b>Gross profit</b>	<b>3,666</b>	3,850	<b>1,158</b>	1,171
Selling, general and administrative expenses	(3,195)	(3,057)	(1,057)	(1,007)
Amortization expense	(33)	(172)	(11)	(58)
Other income (expense), net	(33)	106	(43)	26
<b>Earnings before interest and taxes</b>	<b>405</b>	727	<b>47</b>	132
Interest and dividend income	<b>196</b>	329	<b>58</b>	116
Interest and other finance expense	(408)	(505)	(121)	(172)
<b>Income (loss) from continuing operations before taxes and minority interest</b>	<b>193</b>	551	<b>(16)</b>	76
Provision for taxes	(62)	(177)	(3)	(38)
Minority interest	(87)	(36)	(39)	(15)
<b>Income (loss) from continuing operations</b>	<b>44</b>	338	<b>(58)</b>	23
Income (loss) from discontinued operations, net of tax	(126)	14	(125)	--
Cumulative effect of change in accounting principles (SFAS 133), net of tax	--	(63)	--	--
<b>Net income (loss)</b>	<b>\$ (82)</b>	\$ 289	<b>\$ (183)</b>	\$ 23
Weighted average number of shares outstanding	1,113	1,139	1,113	1,116
Dilutive potential shares	--	3	--	--
Diluted weighted average number of shares outstanding	1,113	1,142	1,113	1,116
Basic earnings (loss) per share:				
Income (loss) from continuing operations	\$ 0.04	\$ 0.30	\$ (0.05)	\$ 0.02
Net income (loss)	\$ (0.07)	\$ 0.25	\$ (0.16)	\$ 0.02
Diluted earnings (loss) per share:				
Income (loss) from continuing operations	\$ 0.04	\$ 0.30	\$ (0.05)	\$ 0.02
Net income (loss)	\$ (0.07)	\$ 0.25	\$ (0.16)	\$ 0.02

Amounts in prior periods have been reclassified to conform to the Company's current presentation.



**ABB Ltd**  
**Summary Consolidated Balance Sheets**

	At September 30, 2002	At June 30, 2002	At December 31, 2001
	(Unaudited) (in millions)		
Cash and equivalents	\$ 1,943	\$ 2,332	\$ 2,741
Marketable securities	1,912	2,225	2,947
Receivables, net	8,090	8,491	7,794
Inventories, net	3,399	3,444	3,015
Prepaid expenses and other	2,288	2,459	2,314
Assets held for sale	3,577	3,742	3,237
<b>Total current assets</b>	<b>21,209</b>	<b>22,693</b>	<b>22,048</b>
Financing receivables, non-current	2,034	2,075	1,878
Property, plant and equipment, net	2,803	2,976	2,910
Goodwill	2,813	2,774	2,619
Other intangible assets, net	642	651	638
Investments and other	2,426	2,402	2,251
<b>Total assets</b>	<b>\$ 31,927</b>	<b>\$ 33,571</b>	<b>\$ 32,344</b>
Accounts payable, trade	\$ 4,145	\$ 4,294	\$ 3,929
Accounts payable, other	2,548	2,721	2,662
Short-term borrowings and current maturities of long-term borrowings	3,658	3,966	4,732
Accrued liabilities and other	7,347	7,615	7,401
Liabilities held for sale	1,229	1,277	1,092
<b>Total current liabilities</b>	<b>18,927</b>	<b>19,873</b>	<b>19,816</b>
Long-term borrowings	5,696	5,831	5,020
Pension and other related benefits	1,898	1,877	1,673
Deferred taxes	1,040	1,097	1,074
Other liabilities	2,297	2,451	2,532
<b>Total liabilities</b>	<b>29,858</b>	<b>31,129</b>	<b>30,115</b>
Minority interest	270	218	215
Capital stock and additional paid-in capital (1,280,009,432 shares authorized, 1,200,009,432 shares issued)	2,027	2,027	2,028
Retained earnings	3,353	3,536	3,435
Accumulated other comprehensive loss	(1,831)	(1,589)	(1,699)
Treasury stock, at cost (86,875,616 shares)	(1,750)	(1,750)	(1,750)
<b>Total stockholders' equity</b>	<b>1,799</b>	<b>2,224</b>	<b>2,014</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 31,927</b>	<b>\$ 33,571</b>	<b>\$ 32,344</b>

Amounts in prior periods have been reclassified to conform to the Company's current presentation.



**ABB Ltd**  
**Summary Consolidated Statements of Cash Flows**

	<b>January - September</b>		<b>July-September</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
	<b>(Unaudited)</b>			
	<b>(in millions)</b>			
<b>Operating activities</b>				
Net income (loss)	\$ (82)	\$ 289	\$ (183)	\$ 23
<i>Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:</i>				
Depreciation and amortization	442	583	151	199
Change in provisions*	(418)	(908)	(89)	(10)
Pension and other related benefits	69	14	40	3
Deferred taxes	(124)	13	(96)	(28)
Net gain from sale of property, plant and equipment	(20)	(13)	(10)	(7)
Other	67	2	25	(20)
<i>Changes in operating assets and liabilities:</i>				
Marketable securities (trading)	498	79	35	15
Trade receivables	374	(134)	161	43
Inventories	(135)	(549)	67	(18)
Trade payables	(53)	444	(131)	179
Other assets and liabilities, net	(852)	367	(108)	(177)
<b>Net cash provided by (used in) operating activities</b>	<b>(234)</b>	<b>187</b>	<b>(138)</b>	<b>202</b>
<b>Investing activities</b>				
Changes in financing receivables	112	(1,105)	192	(166)
Purchases of marketable securities (other than trading)	(2,336)	(2,248)	(792)	(620)
Purchases of property, plant and equipment	(444)	(560)	(147)	(196)
Acquisitions of businesses (net of cash acquired)	(99)	(575)	(35)	(71)
Proceeds from sales of marketable securities (other than trading)	2,636	2,768	797	945
Proceeds from sales of property, plant and equipment	390	80	47	26
Proceeds from sales of businesses (net of cash disposed)	257	31	28	(1)
<b>Net cash provided by (used in) investing activities</b>	<b>516</b>	<b>(1,609)</b>	<b>90</b>	<b>(83)</b>
<b>Financing activities</b>				
Changes in borrowings	(1,019)	4,300	(272)	331
Treasury and capital stock transactions	--	(1,433)	--	(186)
Dividends paid	--	(502)	--	--
Other	(67)	(61)	(17)	(17)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,086)</b>	<b>2,304</b>	<b>(289)</b>	<b>128</b>
Effects of exchange rate changes on cash and equivalents	49	(47)	(34)	30
<b>Net change in cash and equivalents</b>	<b>(755)</b>	<b>835</b>	<b>(371)</b>	<b>277</b>
Cash and equivalents (beginning of period - restated)	2,741	1,375	2,332	1,937
Cash and equivalents (beginning of period - assets held for sale)	26	22	51	18
<b>Cash and equivalents (beginning of period - total)</b>	<b>2,767</b>	<b>1,397</b>	<b>2,383</b>	<b>1,955</b>
Cash and equivalents (end of period - restated)	1,943	2,212	1,943	2,212
Cash and equivalents (end of period - assets held for sale)	69	20	69	20
<b>Cash and equivalents (end of period - total)</b>	<b>\$ 2,012</b>	<b>\$ 2,232</b>	<b>\$ 2,012</b>	<b>\$ 2,232</b>
Interest paid	\$ 444	\$ 579	\$ 168	\$ 215
Taxes paid	\$ 202	\$ 263	\$ 62	\$ 24

\* Restated to reflect the change in all provisions (previously this line comprised of restructuring provisions only)

Amounts in prior periods have been reclassified to conform to the Company's current presentation.



## ABB Ltd notes to summary consolidated financial statements (unaudited)

(US\$ in millions, except per share amounts)

### *Note 1 Developments in the nine months ended September 30, 2002:*

- Annual general meeting

At the Company's annual general meeting held on March 12, 2002, the Company's shareholders approved the resolution to not pay a dividend in 2002. In addition, shareholders approved the resolution to not effect a capital reduction of 24 million shares purchased during the first half of 2001, as a result of changed market conditions.

- Restructuring program

In July 2001, the Company announced a restructuring program anticipated to extend over 18 months. This restructuring program was initiated in an effort to simplify product lines, reduce multiple location activities and perform other downsizing in response to consolidation of major customers in certain industries.

As of September 30, 2002, the Company recognized total restructuring charges and related asset write-downs of \$148 million. Charges of \$129 million were related to workforce reductions and charges of \$29 million were related to lease terminations and other exit costs associated with the restructuring program. These costs are included in other income (expense), net. Based on analysis, Management's estimate has been revised resulting in a \$22 million reduction in the amounts accrued for workforce reductions, lease terminations and other exit costs. This revision is recognized as a component of other income (expense), net. Termination benefits of \$115 million were paid in the first nine months of 2002 to approximately 2,750 employees and \$21 million was paid to cover costs associated with lease terminations and other exit costs. Workforce reductions include production, managerial and administrative employees. At September 30, 2002, accrued liabilities included \$93 million for termination benefits and \$48 million for lease terminations and other exit costs.

As a result of the Company's restructuring, certain assets have been identified as impaired or will no longer be used in continuing operations. The Company recorded \$12 million to write down these assets to net realizable value. These costs are included in other income (expense), net.

- Borrowings

The Company's total borrowings outstanding at December 31, 2001, amounted to \$9,790 million (\$38 million of which have been reclassified to liabilities held for sale in connection with the discontinuation of certain businesses), of which \$3,297 million was in the form of commercial paper with an average interest rate of 2.7%. In March 2002, the Company drew down \$2,845 million, at an interest rate of 4.7%, from a \$3 billion committed bank facility established in December 2001, using a portion of these proceeds to reduce its outstanding commercial paper borrowings to \$1,760 million at March 31, 2002. In the second quarter of 2002, primarily as a result of amounts maturing, the outstanding commercial paper borrowings were further reduced to \$349 million at June 30, 2002. Following the issuance of additional commercial paper in the third quarter of 2002, and less amounts maturing in this period, the outstanding commercial paper borrowings increased to \$674 million at September 30, 2002.

In May 2002, the Company issued \$968 million aggregate principal amount of convertible unsubordinated bonds due 2007. The bonds pay interest semi-annually in arrears at a fixed annual rate of 4.625% and are convertible into the Company's shares.

Also in May 2002, the Company issued bonds due 2009 with an aggregate principal amount of 200 million pound sterling, or approximately \$292 million, which pay interest semi-annually in arrears at 10% per annum. In addition, the Company also issued in May 2002, bonds due 2008 with an aggregate principal amount of 500 million euro, or approximately \$466 million, which pay interest annually in arrears at 9.5% per annum.

Pursuant to the terms of the Company's amended revolving credit facility, the issuance of the convertible bonds, the euro-denominated bonds and the sterling-denominated bonds reduced the amount available



under the \$3 billion committed bank facility to \$1,315 million at June 30, 2002. As a consequence, the Company utilized a portion of the proceeds from these bond offerings to reduce the borrowings under the credit facility to \$1,315 million at June 30, 2002. The sale of the Company's Swedish real estate property announced in the second quarter of 2002, further reduced the amount available under the facility to \$1,000 million at September 30, 2002. As a consequence, in the third quarter of 2002, the Company utilized the proceeds from the sale to repay an additional \$315 million, further reducing the amount outstanding under the credit facility to \$1,000 million at September 30, 2002.

- Discontinued operations

In September 2002, the Company announced that it had signed an agreement to sell the majority of its Structured Finance business to GE Commercial Finance for total cash proceeds of approximately \$2.3 billion. The Structured Finance portfolio being divested includes global infrastructure financing, equipment leasing and financing businesses. As a result of the planned disposal of the Structured Finance business, the Company recognized losses of approximately \$112 million from the adjustment of the carrying value of assets held for sale to their fair value less cost to sell. The divestment of this activity is in line with the Company's strategy to focus on power and automation technologies for industry and utility customers. In addition, the sale of Structured Finance is an important step in the Company's ongoing program to strengthen the balance sheet and reduce net debt. The Company expects the sale of Structured Finance to be completed in the coming months.

Also in September 2002, the Company announced the sale of its Metering business to Ruhrgas Industries GmbH of Germany, for approximately \$244 million on a cash and debt free basis. Water and electricity metering is no longer a core business for the Company, and its divestment is part of the Company's strategy to focus on power and automation technologies for industry and utility customers. The Company expects the sale of the Metering business to be completed in the coming months.

In addition, the Company has discontinued a minor operation in its Power Technology Products division and another minor operation in the New Ventures business area.

These divestments and discontinuations qualify as discontinued operations under Statement of Financial Accounting Standards No. 144 (SFAS 144), *Accounting for the Impairment or Disposal of Long-Lived Assets*, issued in August 2001 by the Financial Accounting Standards Board. The balance sheet and income statement data for all periods presented have been restated to present the financial position and results of operations of the businesses meeting the criteria of SFAS 144 as assets and liabilities held for sale and as discontinued operations. The cash flows from these businesses have not been segregated from the cash flows from continuing operations, as it is not required by SFAS 144.

The loss from discontinued operations, including taxes, of \$126 million recorded in the first nine months of 2002 includes revenues of \$524 million.

At September 30, 2002, the major classes of assets held for sale are: cash for \$69 million; receivables for \$727 million; inventories for \$64 million; financing receivables for \$2,538 million; property, plant and equipment for \$101 million; and other assets for \$78 million. At September 30, 2002, the major classes of liabilities held for sale are: accounts payable for \$146 million; borrowings for \$46 million; accrued liabilities for \$189 million; deferred tax liabilities for \$337 million; and other liabilities for \$511 million.

- Earnings per share

The potential common shares from the convertible bonds, as well as the warrants and options outstanding in connection with the Company's management incentive plan, were excluded from the computation of diluted earnings per share in the 2002 periods presented, as their inclusion would have been antidilutive. In the 2001 periods presented, only those warrants and options that were considered dilutive have been included in the computation of diluted earning per share.



- Commitments and contingencies

**Asbestos related claims**

A subsidiary of the Company has followed a practice of maintaining a reserve to cover its estimated settlement costs for asbestos claims and an asset representing estimated insurance reimbursement. The reserve represents an estimate of the costs associated with asbestos claims, including defense costs, based upon historical claims trends, available industry information and incidence rates of new claims. At December 31, 2001, the subsidiary had reserved approximately \$940 million, for asbestos-related claims. The subsidiary also recorded receivables of approximately \$150 million at December 31, 2001, for probable insurance recoveries. Allowances against the insurance receivables are established at such time as it becomes likely that insurance recoveries are not probable. New claims filed during the first nine months of 2002 were approximately 45,400, compared to 39,700 in the first nine months of 2001. Approximately 27,900 claims were settled during the first nine months of 2002, more than 35% of which were without payment. The total number of pending claims was approximately 111,000 at the end of September 2002, compared to 102,700 at June 30, 2002. Settlement costs in the first nine months of 2002 prior to insurance reimbursement were approximately \$161 million, compared to approximately \$103 million in the first nine months of 2001.

The Company and the subsidiary are considering various options for resolving the asbestos liability, including the possible reorganization of the subsidiary under Chapter 11 of the U.S. Bankruptcy code. Many factors will affect the ultimate cost of resolving the subsidiary's liability, and it is not possible as of September 30, 2002, to determine the magnitude of those costs. Because the ultimate cost of resolution is uncertain, the current reserve is not being increased.

**Note 2 Significant Accounting Policies**

The summary consolidated financial information is prepared on the basis of United States (US) Generally Accepted Accounting Principles (USGAAP) and is presented in U.S. dollars (\$) unless otherwise stated. Data for orders and number of employees are shown for purposes of presenting additional information and are not a required disclosure under USGAAP.

Par value of capital stock is denominated in Swiss francs (CHF). The summary financial information as of September 30, 2002, should be read in conjunction with the December 31, 2001, financial statements contained in the Company's Annual Report and the Form 20-F.

**New accounting standards**

In 2001, the Company accounted for the adoption of Statement of Financial Accounting Standards No. 133 (SFAS 133), *Accounting for Derivative Instruments and Hedging Activities*, as amended, as a change in accounting principle. Based on the Company's derivative positions at January 1, 2001, the Company recognized the cumulative effect of the accounting change as a loss of \$63 million, net of tax, in the consolidated income statement and a reduction of \$41 million, net of tax, in accumulated other comprehensive income (loss).

In June 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 141, *Business Combinations*, and Statement of Financial Accounting Standards No. 142 (SFAS 142), *Goodwill and Other Intangible Assets*, which modify the accounting for business combinations, goodwill and identifiable intangible assets. All business combinations initiated after June 30, 2001, must be accounted for by the purchase method. Goodwill from acquisitions completed after that date will not be amortized, but will be charged to operations when specified tests indicate that the goodwill is impaired, that is, when the goodwill's fair value is lower than its carrying value. Certain intangible assets will be recognized separately from goodwill, and will be amortized over their useful lives. During 2002, all goodwill must be tested for impairment as of January 1, 2002, and a transition adjustment must be recognized for any impairment found. The Company has completed this test in the second quarter of 2002 and has determined that no impairment of goodwill existed at January 1, 2002. All goodwill amortization also ceased at that date. The Company recognized goodwill amortization expense of \$134 million and \$45 million in the nine months and three months ended September 30, 2001, respectively. Accordingly, income from continuing operations and net income would have been \$472 million (\$0.41 per share) and \$423 million (\$0.37 per share), respectively, in the nine months ended September 30, 2001, and \$68 million (\$0.06 per share) and \$68 million (\$0.06 per share), respectively, in the three months ended September 30, 2001, if the Company had not recognized amortization expense for goodwill that is no longer being amortized in accordance with SFAS 142.

In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 144 (SFAS 144), *Accounting for the Impairment or Disposal of Long-Lived Assets*. This Statement supersedes Statement of Financial Accounting Standards No. 121, *Accounting for the Impairment of Long-Lived Assets and for Long-lived Assets to Be Disposed Of*, while retaining many of its requirements regarding impairment loss recognition and measurement. In addition, the new Statement requires the use of one accounting model for long-lived assets to be disposed of by sale and broadens the presentation of discontinued operations to include more disposal transactions. The Company adopted this statement on January 1, 2002. In the first nine months of 2002 certain sale transactions were affected by SFAS 144. The Company expects to present more disposals as discontinued operations in the future.

In April 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 145, *Rescission of FASB Statements No. 4, 44 and 64, Amendment of FASB Statement No. 13, and Technical Corrections*, which rescinds previous requirements to reflect all gains and losses from debt extinguishment as extraordinary. The Company has elected to adopt the new standard effective April 1, 2002, and, as a result, the gains from extinguishment of debt of \$6 million, net of tax, recorded as extraordinary items in the first quarter of 2002 have been reclassified and included in income from continuing operations.

**Note 3 Summary of Consolidated Stockholders' Equity**

(in millions)	
Stockholders' equity at January 1, 2002	\$ 2,014
Comprehensive loss:	
Net loss	(82)
Foreign currency translation adjustments	(173)
Unrealized loss on available-for-sale securities, net of tax	(45)
Derivatives qualifying as hedges (SFAS 133), net of tax	86
Total comprehensive loss	(214)
Other	(1)
Stockholders' equity at September 30, 2002 (unaudited)	\$ 1,799

**Note 4 Segment and Geographic Data**

During 2001, the Company realigned its worldwide enterprise around customer groups, replacing its former business segments with four end-user divisions, two channel partner divisions, and a financial services division. The four end-user divisions – Utilities, Process Industries, Manufacturing and Consumer Industries, and Oil, Gas and Petrochemicals – serve end-user customers with products, systems and services. The two channel partner divisions – Power Technology Products and Automation Technology Products – serve external channel partners such as wholesalers, distributors, original equipment manufacturers and system integrators directly and end-user customers indirectly through the end-user divisions. The Financial Services division provides services and project support for the Company as well as for external customers.

In April 2002, the Company announced its intention to divest the Building Systems business area, previously part of the Manufacturing and Consumer Industries division, in line with Company's strategy to focus on power and automation technologies for utility and industry customers. In addition, the Company has merged its Process Industries division and its Manufacturing and Consumer Industries division to form a new Industries division, consisting of the following business areas: Automotive Industries; Manufacturing; Electronics and Consumer Industries; Marine and Turbocharging; Paper, Printing, Metals and Minerals; and Petroleum, Chemicals and Life Sciences. Segment data are presented below to reflect this change and prior period data have been restated accordingly.

- The Utilities division serves electric, gas and water utilities - whether state-owned or private, global or local, operating in liberalized or regulated markets - with a portfolio of products, services and systems. The division's principal customers are generators of power, owners and operators of power transmission systems, energy traders and local distribution companies.
- The Industries division serves the automotive, cement, chemical, distribution, electronics, food and beverage, life sciences, marine, metals, mining, paper, petroleum, printing and telecommunications industries with application-specific power and automation technology.
- The Oil, Gas and Petrochemicals division supplies a comprehensive range of products, systems and services to the global oil, gas and petrochemicals industries, from the development of onshore and offshore exploration technologies to the design and supply of production facilities, refineries and petrochemicals plants.
- The Power Technology Products division covers the entire spectrum of technology for power transmission and power distribution including transformers, switchgear, breakers, capacitors and cables as well as other products, platforms and technologies for high- and medium-voltage applications. Power technology products are used in industrial, commercial and utility applications. They are sold through the Company's



end user divisions as well as through external channel partners, such as distributors, contractors and original equipment manufacturers and system integrators.

- The Automation Technology Products division provides products, software and services for the automation and optimization of industrial and commercial processes. Key technologies include measurement and control, instrumentation, process analysis, drives and motors, power electronics, robots, and low voltage products, all geared toward one common industrial IT architecture for real-time automation and information solutions throughout a business. These technologies are sold to customers through the end-user divisions as well as through external channel partners such as wholesalers, distributors, original equipment manufacturers and system integrators.
- The Financial Services division supports the Company's business and customers with financial solutions in structured finance, leasing, project development and ownership, financial consulting, insurance and treasury activities.

In order to streamline the Company's structure and improve operational performance, the Company is envisaging the possibility to put into place two divisions: Power Technologies, which will combine the Power Technology Products and Utilities divisions; and Automation Technologies, which will combine the Automation Technology Products and Industries divisions.

The Company evaluates performance of its divisions based on earnings before interest and taxes (EBIT), which excludes interest and dividend income, interest expense, provision for taxes, minority interest, and income from discontinued operations, net of tax. In accordance with Statement of Financial Accounting Standards No. 131, *Disclosures about Segments of an Enterprise and Related Information*, the Company presents division revenues, depreciation and amortization, and EBIT, all of which have been restated to reflect the changes to the Company's internal structure, including the effect of increased inter-division transactions. Accordingly, division revenues and EBIT are presented as if certain historical third-party sales by subsidiaries in the product divisions had been routed through other divisions as they would have been under the new customer-centric structure. Management has restated historical division financial information in this way to allow analysis of trends in division revenues and margins on a basis consistent with the Company's new internal structure and transaction flow.



**Segment data**

(in millions)	<b>Orders received</b>			
	<b>January - September</b>		<b>July - September</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
Utilities	\$ 3,653	\$ 4,816	\$ 924	\$ 1,754
Industries	3,448	3,794	1,045	1,023
Oil, Gas and Petrochemicals	2,471	2,602	351	612
Power Technology Products	3,323	3,272	1,039	1,138
Automation Technology Products	3,768	3,633	1,218	1,163
Financial Services	1,034	1,251	409	348
Corporate/ Other <sup>(1)</sup>	(1,535)	(2,006)	(351)	(988)
<b>Total</b>	<b>\$ 16,162</b>	<b>\$ 17,362</b>	<b>\$ 4,635</b>	<b>\$ 5,050</b>

(in millions)	<b>Revenues</b>			
	<b>January - September</b>		<b>July - September</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
Utilities	\$ 3,543	\$ 3,974	\$ 1,213	\$ 1,423
Industries	3,093	3,632	1,049	1,194
Oil, Gas and Petrochemicals	2,887	2,450	911	902
Power Technology Products	3,220	2,876	1,072	1,063
Automation Technology Products	3,672	3,590	1,250	1,242
Financial Services	1,034	1,251	409	348
Corporate/ Other <sup>(1)</sup>	(1,407)	(1,410)	(447)	(563)
<b>Total</b>	<b>\$ 16,042</b>	<b>\$ 16,363</b>	<b>\$ 5,457</b>	<b>\$ 5,609</b>

(in millions)	<b>EBIT (operating income)<sup>(2)</sup></b>			
	<b>January - September</b>		<b>July - September</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
Utilities	\$ 74	\$ 122	\$ 8	\$ 36
Industries	128	132	43	32
Oil, Gas and Petrochemicals	109	119	33	31
Power Technology Products	241	192	76	59
Automation Technology Products	274	315	86	110
Financial Services	177	204	40	22
Corporate/ Other <sup>(1)</sup>	(598)	(357)	(239)	(158)
<b>Total</b>	<b>\$ 405</b>	<b>\$ 727</b>	<b>\$ 47</b>	<b>\$ 132</b>



(in millions)	Depreciation and amortization <sup>(2)(3)</sup>			
	January - September		July - September	
	2002	2001	2002	2001
Utilities	\$ 38	\$ 54	\$ 13	\$ 18
Industries	39	69	15	23
Oil, Gas and Petrochemicals	28	55	9	18
Power Technology Products	86	88	28	30
Automation Technology Products	124	174	41	63
Financial Services	12	18	4	6
Corporate/ Other	115	125	41	41
<b>Total</b>	<b>\$ 442</b>	<b>\$ 583</b>	<b>\$ 151</b>	<b>\$ 199</b>

	Number of employees <sup>(3)</sup>	
	September 30, 2002	December 31, 2001
Utilities	15,315	15,745
Industries	21,859	23,392
Oil, Gas and Petrochemicals	13,774	13,471
Power Technology Products	27,089	27,555
Automation Technology Products	37,881	39,834
Financial Services	1,093	1,220
Corporate/Other	29,457	35,648
<b>Total</b>	<b>146,468</b>	<b>156,865</b>

<sup>(1)</sup> Includes adjustments to eliminate inter-company transactions.

<sup>(2)</sup> The Company recognized, in its operating segments, the following amortization expense for goodwill in the first nine months of 2001 and the third quarter of 2001, respectively: Utilities, \$18 million and \$6 million; Industries, \$30 million and \$10 million; Oil, Gas and Petrochemicals, \$23 million and \$7 million; Power Technology Products, \$4 million and \$1 million; Automation Technology Products, \$40 million and \$14 million; Financial Services, \$5 million and \$2 million. The Company's total amortization expense for goodwill in the first nine months of 2001 and the third quarter of 2001 was \$134 million and \$45 million, respectively.

<sup>(3)</sup> Includes businesses held for sale.



**Geographic Information**

(in millions)	Orders received <sup>(4)</sup>			
	January – September		July – September	
	2002	2001	2002	2001
Europe	\$ 9,337	\$ 9,068	\$ 3,554	\$ 2,648
The Americas	3,546	4,169	53	1,071
Asia	1,926	2,222	692	953
Middle East and Africa	1,353	1,903	336	378
<b>Total</b>	<b>\$ 16,162</b>	<b>\$ 17,362</b>	<b>\$ 4,635</b>	<b>\$ 5,050</b>

(in millions)	Revenues <sup>(4)</sup>			
	January – September		July – September	
	2002	2001	2002	2001
Europe	\$ 8,543	\$ 8,914	\$ 3,029	\$ 3,043
The Americas	3,466	4,057	1,074	1,292
Asia	2,024	1,848	689	680
Middle East and Africa	2,009	1,544	665	594
<b>Total</b>	<b>\$ 16,042</b>	<b>\$ 16,363</b>	<b>\$ 5,457</b>	<b>\$ 5,609</b>

<sup>(4)</sup> Orders received and revenues have been reflected in the regions based on the location of the customer.



**Note 5 Summary balance sheets of ABB Ltd Consolidated, ABB Group and Financial Services (unaudited)**

In the balance sheet data appearing on this page, “ABB Ltd Consolidated” means the accounts of ABB Ltd and all its subsidiaries presented in a summarized form on the basis of USGAAP, with all significant intercompany balances eliminated in consolidation. The balance sheet data for “Financial Services” and “ABB Group” is reported on the same basis as management uses to evaluate segment performance, which includes the following adjustments:

- “Financial Services” represents the accounts of all subsidiaries in the Company’s Financial Services division, with net intercompany balances and certain capital contributions received from other subsidiaries of the Company presented on a one-line basis.
- “ABB Group” represents the accounts of ABB Ltd and all its subsidiaries other than those in the Company’s Financial Services division, with net intercompany balances and the Company’s investment in its Financial Services division presented on a one-line basis. For the purposes of this presentation, the Company’s investment in its Financial Services division is accounted for under the equity method of accounting.

(in millions)	ABB Ltd Consolidated			ABB Group <sup>(1)</sup>			Financial Services		
	Sep 30, 2002	Jun 30, 2002	Dec 31, 2001	Sep 30, 2002	Jun 30, 2002	Dec 31, 2001	Sep 30, 2002	Jun 30, 2002	Dec 31, 2001
Cash and equivalents and marketable securities	\$ 3,855	\$ 4,557	\$ 5,688	\$ 1,406	\$ 1,425	\$ 1,651	\$ 2,449	\$ 3,132	\$ 4,037
Receivables, net	8,090	8,491	7,794	6,123	6,342	5,725	1,967	2,149	2,069
Inventories, net	3,399	3,444	3,015	3,399	3,444	3,015	--	--	--
Prepaid expenses and other	2,288	2,459	2,314	1,209	1,270	1,165	1,079	1,189	1,149
Assets held for sale	3,577	3,742	3,237	257	258	249	3,320	3,484	2,988
<b>Total current assets</b>	<b>21,209</b>	<b>22,693</b>	<b>22,048</b>	<b>12,394</b>	<b>12,739</b>	<b>11,805</b>	<b>8,815</b>	<b>9,954</b>	<b>10,243</b>
Financing receivables, non-current	2,034	2,075	1,878	295	280	452	1,739	1,795	1,426
Property, plant and equipment, net	2,803	2,976	2,910	2,776	2,948	2,885	27	28	25
Goodwill	2,813	2,774	2,619	2,750	2,710	2,562	63	64	57
Other intangible assets, net	642	651	638	634	646	631	8	5	7
Investments and other	2,426	2,402	2,251	1,687	1,673	1,594	739	729	657
Net intercompany balances	--	--	--	--	473	--	1,838	1,187	2,106
<b>Total assets</b>	<b>\$ 31,927</b>	<b>\$ 33,571</b>	<b>\$ 32,344</b>	<b>\$ 20,536</b>	<b>\$ 21,469</b>	<b>\$ 19,929</b>	<b>\$ 13,229</b>	<b>\$ 13,762</b>	<b>\$ 14,521</b>
Accounts payable, trade	\$ 4,145	\$ 4,294	\$ 3,929	\$ 4,120	\$ 4,279	\$ 3,914	\$ 25	\$ 15	\$ 15
Accounts payable, other	2,548	2,721	2,662	1,477	1,642	1,630	1,071	1,079	1,032
Short-term borrowings <sup>(2)</sup>	3,658	3,966	4,732	1,674	1,900	232	1,984	2,066	4,500
Accrued liabilities and other	7,347	7,615	7,401	4,316	4,309	4,258	3,031	3,306	3,143
Liabilities held for sale	1,229	1,277	1,092	105	113	112	1,124	1,164	980
<b>Total current liabilities</b>	<b>18,927</b>	<b>19,873</b>	<b>19,816</b>	<b>11,692</b>	<b>12,243</b>	<b>10,146</b>	<b>7,235</b>	<b>7,630</b>	<b>9,670</b>
Long-term borrowings	5,696	5,831	5,020	1,808	1,917	2,014	3,888	3,914	3,006
Pension and other related benefits	1,898	1,877	1,673	1,891	1,869	1,666	7	8	7
Deferred taxes	1,040	1,097	1,074	487	552	576	553	545	498
Other liabilities	2,297	2,451	2,532	2,294	2,446	2,525	3	5	7
Net intercompany balances	--	--	--	295	--	773	--	--	--
<b>Total liabilities</b>	<b>29,858</b>	<b>31,129</b>	<b>30,115</b>	<b>18,467</b>	<b>19,027</b>	<b>17,700</b>	<b>11,686</b>	<b>12,102</b>	<b>13,188</b>
Minority interest	270	218	215	270	218	215	--	--	--
Total stockholders' equity	1,799	2,224	2,014	1,799	2,224	2,014	1,543	1,660	1,333
<b>Total liabilities and stockholders' equity</b>	<b>\$ 31,927</b>	<b>\$ 33,571</b>	<b>\$ 32,344</b>	<b>\$ 20,536</b>	<b>\$ 21,469</b>	<b>\$ 19,929</b>	<b>\$ 13,229</b>	<b>\$ 13,762</b>	<b>\$ 14,521</b>

<sup>(1)</sup> ABB industrial operations/holdings with equity accounting of participation in Financial Services

<sup>(2)</sup> Includes current maturities of long-term borrowings