

Appendix 2

Key financial figures by division (new structure) Q1-Q4 2002, full-year 2001 Unaudited

Please note that this is a preliminary restatement. The figures may change depending on adjustments to the scope of activities within each division.

Orders Received

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Automation Technologies	2,177	2,036	2,322	2,164	8,319
Power Technologies	1,589	1,514	1,809	1,931	7,474
Non-core activities	1,091	1,105	1,023	942	5,072
Corporate	-356	-406	-487	-342	-1,193
Total	4,501	4,249	4,667	4,695	19,672

Revenues

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Automation Technologies	2,386	2,064	2,171	1,861	8,508
Power Technologies	2,047	1,743	1,786	1,527	6,873
Non-core activities	1,166	1,113	1,040	867	5,130
Corporate	-331	-395	-440	-310	-1,129
Total	5,268	4,525	4,557	3,945	19,382

Earnings before interest and taxes

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Automation Technologies	107	141	162	108	515
Power Technologies	91	97	130	110	392
Non-core activities ¹⁾	-110	-72	-12	-23	-397
Corporate ¹⁾	-88	-154	-166	15	-331
Total	0	12	114	210	179

1) See next page for detailed breakdown of EBIT for these activities

Depreciation and amortization

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Automation Technologies	55	52	54	53	312
Power Technologies	45	42	38	44	192
Non-core activities	34	31	24	24	120
Corporate	25	17	15	20	86
Total	159	142	131	141	710

Restructuring

US\$ in millions	Full year 2002	Full year 2001
Automation Technologies	-129	-81
Power Technologies	-60	-76
Non-core activities	-52	-22
Corporate	-20	-41
Total	-261	-220

Restructuring and related asset write-downs

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Automation Technologies	-89	-10	-16	-18	-83
Power Technologies	-24	-12	-5	-24	-76
Non-core activities	-30	-45	-7	-17	-91
Corporate	-3	-9	-54	9	-61
Total	-146	-76	-82	-50	-311

Capital expenditure

US\$ in millions	Full year 2002	Full year 2001
Automation Technologies	146	157
Power Technologies	117	132
Non-core activities	54	145
Corporate	143	173
Total	460	607

Number of Employees

	Full year 2002	Full year 2001
Automation Technologies	56,600	62,854
Power Technologies	41,166	43,300
Non-core activities	26,441	33,953
Corporate	2,929	3,287
Oil, Gas and Petrochemicals	11,915	13,471
Total	139,051	156,865

Earnings before interest and taxes (EBIT) for Non-core activities, Corporate

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Non-core activities	-110	-72	-12	-23	-397
Equity Ventures	8	-1	17	14	76
Remaining Structured Finances	-14	43	19	10	82
Insurance	-3	12	14	17	-342
Building Systems	-42	-42	-22	-8	20
Other activities	-59	-84	-40	-56	-233
Corporate	-88	-154	-166	15	-331
HQ/Stewardship	7	-115	-77	29	-137
Research & development	-24	-24	-27	-18	-103
Other	-71	-15	-62	4	-91

Summary Consolidated Income Statements (unaudited)

US\$ in millions	Oct.-Dec. 2002	July-Sep. 2002	April-June 2002	Jan.-Mar. 2002	Full year 2001
Revenues	5,268	4,525	4,557	3,945	19,382
Cost of sales	(4,122)	(3,478)	(3,326)	(2,843)	(14,910)
Gross profit	1,146	1,047	1,231	1,102	4,472
Selling, general and administrative expenses	(1,052)	(984)	(1,090)	(907)	(3,993)
Amortization expense	(11)	(10)	(10)	(10)	(195)
Other income (expense), net	(83)	(41)	(17)	25	(105)
Earnings (loss) before interest and taxes	0	12	114	210	179
Finance, net	(161)	177	(87)	(58)	(190)
Income (loss) from continuing operations before taxes and minority interest	(161)	189	27	152	(11)
Provision for taxes	55	(64)	(9)	(52)	(80)
Minority interest	(22)	(22)	(14)	(13)	(36)
Income (loss) from continuing operations	(128)	103	4	87	(127)
Income (loss) from discontinued operations, net of tax	(710)	(173)	3	27	(501)
Cumulative effect of change in accounting principles (SFAS 133), net of tax	--	--	--	--	(63)
Net income (loss)	(838)	(70)	7	114	(691)

Summary Consolidated Balance Sheet (unaudited)

US\$ in millions	At Dec. 31 2002	At Sept. 30 2002	At June 30 2002	At Mar. 31 2002	At Dec. 31 2001
Cash and equivalents	2,478	1,597	2,040	3,670	2,442
Marketable securities	2,212	1,896	2,212	2,578	2,924
Receivables, net	7,197	6,513	6,980	6,395	6,692
Inventories, net	2,377	2,883	2,914	2,675	2,568
Prepaid expenses and other	2,694	2,097	2,257	1,757	2,122
Assets in discontinued operations	3,095	7,124	7,157	6,137	5,912
Total current assets	20,053	22,110	23,560	23,212	22,660
Financing receivables, non-current	1,802	1,996	2,033	2,143	2,086
Property, plant and equipment, net	2,792	2,657	2,829	2,792	2,753
Goodwill	2,321	2,333	2,295	2,186	2,188
Other intangible assets, net	591	594	601	573	587
Investments and other	1,990	2,237	2,253	2,133	2,070
Total assets	29,549	31,927	33,571	33,039	32,344
Accounts payable, trade	2,961	2,495	2,567	2,569	2,506
Accounts payable, other	2,195	2,410	2,600	2,267	2,517
Short-term borrowings and current maturities of long-term borrowings	2,576	3,641	3,945	6,626	4,701
Accrued liabilities and other	8,352	7,038	7,297	6,618	7,100
Liabilities in discontinued operations	2,295	3,664	3,857	3,080	3,342
Total current liabilities	18,379	19,248	20,266	21,250	20,166
Long-term borrowings	5,376	5,475	5,789	4,367	5,003
Pension and other related benefits	1,659	1,829	1,812	1,612	1,617
Deferred taxes	1,179	1,088	1,072	1,069	1,049
Other liabilities	1,647	2,085	2,170	2,285	2,280
Total liabilities	28,240	29,725	31,109	30,583	30,115
Minority interest	257	270	218	217	215
Capital stock and additional paid-in capital (1,280,009,432 shares authorized, 1,200,009,432 shares issued)	2,027	2,027	2,027	2,028	2,028
Retained earnings	2,648	3,486	3,556	3,549	3,435
Accumulated other comprehensive loss	(1,873)	(1,831)	(1,589)	(1,588)	(1,699)
Treasury stock, at cost (86,830,312)	(1,750)	(1,750)	(1,750)	(1,750)	(1,750)
Total stockholders' equity	1,052	1,932	2,244	2,239	2,014
Total liabilities and stockholders' equity	29,549	31,927	33,571	33,039	32,344

Summary Consolidated Statements of Cash Flows (unaudited)

US\$ in millions	Oct-Dec 2002	July-Sept 2002	April-June 2002	Jan-Mar 2002	Full year 2001
Operating Activities					
Net income (loss)	(838)	(70)	7	114	(691)
<i>Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:</i>					
Depreciations and amortization	169	151	139	152	787
Change in provisions ¹⁾	230	(89)	(183)	(146)	1,146
Pension and other related benefits	75	40	28	1	1
Deferred taxes	(72)	(27)	(28)	6	(89)
Net gain from sale of property, plant and equipment	(3)	(9)	(8)	(3)	(23)
Other	213	(158)	56	(40)	121
Changes in operating assets and liabilities:					
Marketable securities (trading)	--	35	397	66	72
Trade receivables	231	161	(134)	347	65
Inventories	502	67	(38)	(164)	(106)
Trade payables	132	(131)	111	(33)	736
Other assets and liabilities, net	(278)	(109)	(262)	(481)	(36)
Net cash provided by (used in) operating activities	361	(139)	85	(181)	1,983
Investing activities					
Changes in financing receivables	(99)	192	73	(153)	(907)
Purchases of marketable securities (other than trading)	(1,848)	(792)	(708)	(836)	(3,280)
Purchases of property, plant and equipment	(158)	(147)	(145)	(152)	(761)
Acquisitions of businesses (net of cash acquired)	(45)	(35)	(54)	(10)	(578)
Proceeds from sales of marketable securities (other than trading)	1,696	797	736	1,103	3,873
Proceeds from sales of property, plant and equipment	86	47	320	23	152
Proceeds of sales from businesses (net of cash disposed)	2,326	28	59	170	283
Net cash provided by (used in) investing activities	1,958	90	281	145	(1,218)

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

Summary Consolidated Statements of Cash Flows (unaudited)

(cont'd)

US\$ in millions	Oct-Dec 2002	July-Sept 2002	April-June 2002	Jan-Mar 2002	Full year 2001
Financing activities					
Changes in borrowings	(1,796)	(272)	(2,083)	1,336	2,639
Treasury and capital stock transactions	--	--	--	--	(1,393)
Dividends paid	--	--	--	--	(502)
Other	140	(16)	18	(69)	(67)
Net cash provided by (used in) financing activities	(1,656)	(288)	(2,065)	1,267	677
Effects of exchange rate changes on cash and cash equivalents	91	(34)	90	(6)	(72)
Net change in cash and cash equivalents	754	(371)	(1,609)	1,225	1,370
Cash and equivalents (beginning of period – restated)	1,597	2,041	3,670	2,442	1,244
Cash and equivalents (end of period – assets in discontinued operations)	415	342	322	325	153
Cash and equivalents (beginning of period – total)	2,012	2,383	3,992	2,767	1,397
Cash and equivalents (end of period – restated)	2,478	1,597	2,041	3,670	2,442
Cash and equivalents (end of period – assets in discontinued operations)	288	415	342	322	325
Cash and equivalents (end of period – total)	2,766	2,012	2,383	3,992	2,767
Interest paid	30	169	139	137	702
Taxes paid	96	62	97	43	273