

HUBBELL INC
Form 10-K
February 20, 2009

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**SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
Form 10-K**

- þ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**
- o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Commission file no. 1-2958
Hubbell Incorporated**

(Exact name of Registrant as specified in its charter)

Connecticut

*(State or other jurisdiction of
incorporation or organization)*

**584 Derby Milford Road
Orange, Connecticut**

(Address of principal executive offices)

06-0397030

*(I.R.S. Employer
Identification Number)*

06477-4024

(Zip Code)

(203) 799-4100

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Name of Exchange on which Registered
Class A Common \$.01 par value (20 votes per share)	New York Stock Exchange
Class B Common \$.01 par value (1 vote per share)	New York Stock Exchange
Series A Junior Participating Preferred Stock Purchase Rights	New York Stock Exchange
Series B Junior Participating Preferred Stock Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark if the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was

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required to file such report), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated
filer

Accelerated filer

Non-accelerated filer

Smaller reporting
Company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The approximate aggregate market value of the voting stock held by non-affiliates of the registrant as of June 30, 2008 was \$2,071,927,017*. The number of shares outstanding of the Class A Common Stock and Class B Common Stock as of February 12, 2009 was 7,167,506 and 49,231,160, respectively.

Documents Incorporated by Reference

Portions of the definitive proxy statement for the annual meeting of shareholders scheduled to be held on May 4, 2009, to be filed with the Securities and Exchange Commission (the SEC), are incorporated by reference in answer to Part III of this Form 10-K.

* Calculated by excluding all shares held by Executive Officers and Directors of registrant and the Louie E. Roche Trust, the Harvey Hubbell Trust, the Harvey Hubbell Foundation and the registrant's pension plans, without conceding that all such persons or entities are affiliates of registrant for purpose of the Federal Securities Laws.

HUBBELL INCORPORATED
ANNUAL REPORT ON FORM 10-K
For the Year Ended December 31, 2008

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PART I

Item 1. *Business*

Hubbell Incorporated (herein referred to as Hubbell, the Company, the registrant, we, our or us, which references include its divisions and subsidiaries as the context may require) was founded as a proprietorship in 1888, and was incorporated in Connecticut in 1905. Hubbell is primarily engaged in the design, manufacture and sale of quality electrical and electronic products for a broad range of non-residential and residential construction, industrial and utility applications. Products are either sourced complete, manufactured or assembled by subsidiaries in the United States, Canada, Switzerland, Puerto Rico, Mexico, the People's Republic of China, Italy, the United Kingdom, Brazil and Australia. Hubbell also participates in joint ventures in Taiwan and the People's Republic of China, and maintains sales offices in Singapore, the People's Republic of China, Mexico, South Korea, and the Middle East.

During the first quarter of 2008, the Company realigned its internal organization and operating segments. This reorganization included combining the electrical products business (included in the Electrical segment) and the industrial technology business (previously its own reporting segment) into one operating segment. This combined operating segment is part of the Electrical reporting segment. Effective for the first quarter of 2008, the Company's reporting segments consist of the Electrical segment (comprised of wiring, electrical and lighting products) and the Power segment. Previously reported data has been restated to reflect this change.

In December 2008, a decision was made to further consolidate the businesses within the Electrical segment. The wiring products and electrical products businesses were combined to form the electrical systems business. The combination of these two businesses did not have an impact on the Company's reporting segments. See also Note 21 Industry Segments and Geographic Area Information in the Notes to Consolidated Financial Statements.

In December 2008, the Company purchased all of the outstanding common stock of The Varon Lighting Group, LLC, (Varon) for approximately \$55.6 million in cash. Varon is a leading provider of energy-efficient lighting fixtures and controls designed for the indoor commercial and industrial lighting retrofit and relight market, as well as outdoor new and retrofit pedestrian-scale lighting applications. The company has manufacturing operations in California, Florida, and Wisconsin. This acquisition has been added to the lighting business within the Electrical segment.

In September 2008, the Company purchased all of the outstanding common stock of CDR Systems Corp. (CDR), for approximately \$68.8 million in cash. CDR, based in Ormond Beach, Florida, with multiple facilities throughout North America, manufactures polymer concrete and fiberglass enclosures serving a variety of end markets, including electric, gas and water utilities, cable television and telecommunications industries. This acquisition has been added to the Power segment.

In August 2008, the Company purchased all of the outstanding common stock of USCO Power Equipment Corporation (USCO) for approximately \$26.1 million in cash. USCO, based in Leeds, Alabama, provides high quality transmission line and substation disconnect switches and accessories to the electric utility industry. This acquisition has been added to the Power segment.

In January 2008, the Company purchased all of the outstanding common stock of Kurt Versen, Inc. (Kurt Versen) for \$100.2 million in cash. Located in Westwood, New Jersey, Kurt Versen manufactures premium specification-grade lighting fixtures for a full range of office, commercial, retail, government, entertainment, hospitality and institution applications. The acquisition enhances the Company's position and array of offerings in the key spec-grade downlighting market. Kurt Versen has been added to the lighting business within the Electrical segment.

During 2008, the Company also purchased three product lines; a manufacturer of rough-in electrical products, added to the Electrical segment, a Canadian manufacturer of high voltage condenser bushings and a Brazilian supplier of preformed wire products which were both added to the Power segment. The aggregate cost of these acquisitions was approximately \$16.7 million.

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The Company's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports are also made available free of charge through the Investor Relations section of the Company's website at <http://www.hubbell.com> as soon as practicable after such material is electronically filed with, or furnished to, the SEC. These filings are also available for reading and copying at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the Company's SEC filings can be accessed from the SEC's homepage on the Internet at <http://www.sec.gov>. The information contained on the Company's web site or connected to our web site is not incorporated by reference into this Annual Report on Form 10-K and should not be considered part of this report.

ELECTRICAL SEGMENT

The Electrical segment (72%, 75% and 76% of consolidated revenues in 2008, 2007 and 2006, respectively) is comprised of businesses that sell stock and custom products including standard and special application wiring device products, rough-in electrical products and lighting fixtures and controls, and other electrical equipment. The products are typically used in and around industrial, commercial and institutional facilities by electrical contractors, maintenance personnel, electricians, and telecommunications companies. In addition, certain businesses design and manufacture a variety of high voltage test and measurement equipment, industrial controls and communication systems used in the non-residential and industrial markets. Many of these products may also be found in the oil and gas (onshore and offshore) and mining industries. Certain lighting fixtures, wiring devices and electrical products also have residential applications.

These products are primarily sold through electrical and industrial distributors, home centers, some retail and hardware outlets, and lighting showrooms. Special application products are sold primarily through wholesale distributors to contractors, industrial customers and original equipment manufacturers (OEMs). High voltage products are sold primarily by direct sales to customers through its sales engineers. Hubbell maintains a sales and marketing organization to assist potential users with the application of certain products to their specific requirements, and with architects, engineers, industrial designers, OEMs and electrical contractors for the design of electrical systems to meet the specific requirements of industrial, non-residential and residential users. Hubbell is also represented by sales agents for its lighting fixtures and controls, electrical wiring devices, rough-in electrical products and high voltage products lines.

Wiring Products

Hubbell designs, manufactures and sells wiring products which are supplied principally to industrial, non-residential and residential customers. These products, comprising several thousand catalog items, include items such as:

Cable/cord reels	Pin & sleeve devices	Service poles
Connectors	Marine products	Surge suppression devices
Floor boxes/poke throughs	Mesh grips	Switches & dimmers
Ground fault devices	Occupancy/vacancy sensors	Switched enclosures

These products, sold under the Hubbell®, Kellems®, Bryant®, Gotcha®, Dua-Pull®, and Circuit Guard® trademarks, are sold to industrial, non-residential, utility and residential markets. Hubbell also manufactures TVSS (transient voltage surge suppression) devices, under the Spikeshield® trademark, which are designed to protect electronic

equipment such as personal computers and other supersensitive electronic equipment.

Hubbell also manufactures and/or sells components designed for use in local and wide area networks and other telecommunications applications supporting high-speed data and voice signals.

Electrical Products

Hubbell designs and manufactures electrical products with various applications. These include commercial and industrial products, products for harsh and hazardous locations, and high voltage test and measurement equipment.

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Commercial Products

Hubbell manufactures and/or sells outlet boxes, enclosures and fittings under the following trademarks:

Raco®- steel and plastic boxes, covers, metallic and nonmetallic electrical fittings and floor boxes

Bell®- outlet boxes, a wide variety of electrical boxes, covers, combination devices, lampholders and lever switches with an emphasis on weather-resistant types suitable for outdoor applications

Wiegmann®- a full-line of fabricated steel electrical equipment enclosures such as rainproof and dust-tight panels, consoles and cabinets, wireway and electronic enclosures and a line of non-metallic electrical equipment enclosures

Industrial Controls

Hubbell manufactures and sells a variety of heavy-duty electrical and radio control products which have broad application in the control of industrial equipment and processes. These products range from standard and specialized industrial control components to combinations of components that control industrial manufacturing processes.

Products for Harsh and Hazardous Locations

Hubbell's special application products are intended to protect the electrical system from the environment and/or the environment from the electrical system. Harsh and hazardous locations are those areas (as defined and classified by the National Electrical Code and other relevant standards) where a potential for fire and explosion exists due to the presence of flammable gasses, vapors, combustible dust and fibers. Such classified areas are typically found in refineries, offshore oil and gas platforms, petro-chemical plants, pipelines, dispensing facilities, grain elevators and related processing areas. These products are sold under a number of brand names and trademarks, such as Killark®, Disconex™, HostileLite®, Hawke™, GAI-Tronics®, FEMCO®, DAC™, and Elemec™, and include:

Cable connectors, glands and fittings	Junction boxes, plugs, receptacles
Conduit raceway fittings	Land mobile radio peripherals
Electrical distribution equipment	Lighting fixtures
Electrical motor controls	Switches
Enclosures	Telephone systems
Intra-facility communications	

Other products manufactured and sold for use primarily in the mining industry under the trademark Austdac™ include material handling, conveyer control and monitoring equipment, gas detection equipment, emergency warning lights and sounders.

High Voltage Test and Measurement Equipment

Hubbell manufactures and sells, under the Hipotronics[®], Haefely[®] and Tettex[®] trademarks, a broad line of high voltage test and measurement systems to test materials and equipment used in the generation, transmission and distribution of electricity, and high voltage power supplies and electromagnetic compliance equipment for use in the electrical and electronic industries.

Lighting Products

Hubbell manufactures and sells lighting fixtures and controls for indoor and outdoor applications within three categories:

- 1) Commercial/Institutional and Industrial Outdoor, 2) Commercial/Institutional and Industrial Indoor, and
- 3) Residential.

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Commercial/Institutional and Industrial Outdoor products are sold under a number of brand names and trademarks, including Kim Lighting®, Architectural Area Lighting, Beacon Products, Hubbell Outdoor Lighting, Security™, Spaulding™, Whiteway™, Sportsliter®, Sterner®, Devine®, and Lightscaper® and include:

Bollards

Canopy light fixtures

Decorative landscaping fixtures

Fixtures used to illuminate athletic and recreational fields

Floodlights and poles

Pedestrian zone, path/egress, landscape, building and area lighting fixtures and poles

Series fixtures

Signage fixtures

Flood/step/wall mounted lighting

Inverter power systems

Commercial/Institutional and Industrial Indoor products are sold under the Alera™, Columbia Lighting®, Precision Lighting™, Paragon Lighting, Kurt Versen, Prescolite®, Dual-Lite®, Compass™ Products, Hubbell Industrial Lighting, Chalmit™, Victor™, Killark® and Thomas Research Products trademarks and include:

Architectural and specification and commercial grade fluorescent fixtures

Emergency lighting/exit signs

Fluorescent high bay fixtures

High intensity discharge high bay and low bay fixtures

International Electrotechnical Commission lighting fixtures designed for hazardous, hostile corrosive applications

Inverter power systems

Recessed, surface mounted and track fixtures

Specification grade light-emitting diodes (LED) fixtures

Residential products are sold under the Progress Lighting®, HomeStyle™ Lighting, and Thomasville Lighting® (a registered trademark of Thomasville Furniture Industries, Inc.) tradenames and include:

Bath/vanity fixtures and fans

Ceiling fans

Chandeliers, sconces, directionals

Close to ceiling fixtures

Dimmers and door chimes

Linear fluorescent

Outdoor and landscape fixtures

Residential LED fixtures

Track and recessed lighting

Under-cabinet lighting

POWER SEGMENT

The Power segment (28%, 25% and 24% of consolidated revenues in 2008, 2007 and 2006, respectively) consists of operations that design and manufacture various transmission, distribution, substation and telecommunications products primarily used by the utility industry. In addition, certain of these products are used in the civil construction and transportation industries. Products are sold to distributors and directly to users such as electric utilities, mining operations, industrial firms, construction and engineering firms. While Hubbell believes its sales in this area are not materially dependent upon any customer or group of customers, a decrease in purchases by public utilities does affect this category.

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Transmission and Distribution Products

Hubbell manufactures and sells a wide variety of electrical transmission and distribution products. These products are sold under a number of brand names and trademarks, such as Ohio Brass[®], Chance[®], Anderson[®], Fargo[®], Hubbell[®], Polycast[®], Quazite[®], Comcore[®], Hot Box[®] and PCORE[®] and include:

Aluminum transformer equipment mounts

Arresters

Automatic line splices

Cable elbow terminations and accessories

High voltage condenser bushings

Switches, cutouts and sectionalizers

Hot line taps

Mechanical and compression electrical connectors and tools

Pole line and tower hardware

Polymer concrete in-ground enclosures, equipment pads and special drain products

Specialized insulated hot line tools

Insulators

Hubbell also manufactures and sells under the Chance[®] trademark products that include:

Line construction materials including power-installed foundation systems and earth anchors to secure overhead power and communications line poles, guyed and self-supporting towers, streetlight poles and pipelines. Additionally, helical pier foundation systems are used to support homes and buildings, and earth anchors are used in a variety of farm, home and construction projects including tie-back applications.

Pole line hardware, including galvanized steel fixtures and extruded plastic materials used in overhead and underground line construction, connectors, fasteners, pole and cross arm accessories, insulator pins, mounting brackets and related components, and other accessories for making high voltage connections and linkages.

Construction tools and accessories for building overhead and underground power and telephone lines.

Hubbell also manufactures and sells helical and resistance piercing products under the Atlas Systems, Inc[®] trademark.

INFORMATION APPLICABLE TO ALL GENERAL CATEGORIES

International Operations

The Company has several operations located outside of the United States. These operations manufacture and/or market Hubbell products in the following countries and service the following segments:

Chalmit Lighting and Hawke International are located in the United Kingdom (UK). These operations manufacture and/or sell products within the Electrical segment.

GAI-Tronics and GAI-Tronics S.r.l., located in the UK and Italy, respectively, manufacture and/or market specialized communication systems designed to withstand harsh and hazardous environments. These products are sold within the Electrical segment.

Hubbell Canada LP and Hubbell de Mexico, S.A. de C.V. market and sell a variety of products across most of the business segments. Hubbell Canada LP also designs and manufactures electrical outlet boxes, metallic wall plates and related accessories.

Electro Composites (2008) ULC, based in Montreal, Quebec, Canada, manufactures high voltage condenser bushings and is included within the Power segment.

Hawke Asia Pacific, Pte. Ltd. based in Singapore markets products within the Electrical segment.

Haefely Test, AG based in Switzerland designs and manufactures high voltage test and instrumentation systems and is included within the Electrical segment.

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In Brazil, Hubbell manufactures, markets and sells under the Delmar[™] and IBRAP[™] trademarks products used in the electric utility transmission and distribution industries. These products are sold primarily in Latin America and are included in the Power segment.

Austdac Pty. Limited, based in Australia, manufactures a variety of products used in harsh and hazardous applications including material handling, conveyor control and monitoring equipment, gas detection equipment, voice communications systems and emergency warning lights and sounders. Austdac distributes to various industries, but primarily to the coal mining industry. These products are sold within the Electrical segment.

Hubbell also manufactures lighting products, weatherproof outlet boxes and fittings, and power products in its factories in Juarez, Tijuana and Matamoros, Mexico.

The Company has a 50% interest in a joint venture located in Hong Kong. The principal objective of the joint venture is to manage the operations of its wholly-owned manufacturing company in the People's Republic of China. This operation manufactures products for the Electrical segment.

As a percentage of total net sales, international shipments from foreign operations directly to third parties were 16% in 2008, 14% in 2007, and 13% in 2006 with the Switzerland, Canadian and United Kingdom operations representing approximately 16%, 24% and 31%, respectively, of the 2008 total. See also Note 21-Industry Segments and Geographic Area Information in the Notes to Consolidated Financial Statements.

Raw Materials

Raw materials used in the manufacture of Hubbell products primarily include steel, brass, copper, aluminum, bronze, plastics, phenolics, zinc, nickel, elastomers and petrochemicals. Hubbell also purchases certain electrical and electronic components, including solenoids, lighting ballasts, printed circuit boards, integrated circuit chips and cord sets, from a number of suppliers. Hubbell is not materially dependent upon any one supplier for raw materials used in the manufacture of its products and equipment, and at the present time, raw materials and components essential to its operation are in adequate supply. However, certain of these principal raw materials are sourced from a limited number of suppliers. See also Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Patents

Hubbell has approximately 1,200 active United States and foreign patents covering many of its products, which expire at various times. While Hubbell deems these patents to be of value, it does not consider its business to be dependent upon patent protection. Hubbell licenses under patents owned by others, as may be needed, and grants licenses under certain of its patents.

Working Capital

Inventory, accounts receivable and accounts payable levels, payment terms and, where applicable, return policies are in accordance with the general practices of the electrical products industry and standard business procedures. See also Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Backlog

Backlog of orders believed to be firm at December 31, 2008 was approximately \$291.5 million compared to \$246.4 million at December 31, 2007. The increase in the backlog in 2008 is attributable to increased order levels in the Electrical segment and the backlog associated with the 2008 acquisitions. A majority of the backlog is expected to

be shipped in the current year. Although this backlog is important, the majority of Hubbell's revenues result from sales of inventoried products or products that have short periods of manufacture.

Competition

Hubbell experiences substantial competition in all categories of its business, but does not compete with the same companies in all of its product categories. The number and size of competitors vary considerably depending

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on the product line. Hubbell cannot specify with precision the number of competitors in each product category or their relative market position. However, some of its competitors are larger companies with substantial financial and other resources. Hubbell considers product performance, reliability, quality and technological innovation as important factors relevant to all areas of its business, and considers its reputation as a manufacturer of quality products to be an important factor in its business. In addition, product price, service levels and other factors can affect Hubbell's ability to compete.

Research, Development & Engineering

Research, development and engineering expenditures represent costs incurred in the experimental or laboratory sense aimed at discovery and/or application of new knowledge in developing a new product or process, or in bringing about significant improvement in an existing product or process. Research, development and engineering expenses are recorded as a component of Cost of goods sold. Expenses for research, development and engineering were less than 1% of Cost of goods sold for each of the years 2008, 2007 and 2006.

Environment

The Company is subject to various federal, state and local government requirements relating to the protection of employee health and safety and the environment. The Company believes that, as a general matter, its policies, practices and procedures are properly designed to prevent unreasonable risk of environmental damage and personal injury to its employees and its customers' employees and that the handling, manufacture, use and disposal of hazardous or toxic substances are in accord with environmental laws and regulations.

Like other companies engaged in similar businesses, the Company has incurred or acquired through business combination remedial response and voluntary cleanup costs for site contamination and is a party to product liability and other lawsuits and claims associated with environmental matters, including past production of product containing toxic substances. Additional lawsuits, claims and costs involving environmental matters are likely to continue to arise in the future. However, considering past experience and reserves, the Company does not anticipate that these matters will have a material impact on earnings, capital expenditures, or competitive position. See also Note 16 - Commitments and Contingencies in the Notes to Consolidated Financial Statements.

Employees

As of December 31, 2008, Hubbell had approximately 13,000 salaried and hourly employees of which approximately 7,900 of these employees or 60% are located in the United States. Approximately 3,000 of these U.S. employees are represented by twenty-two labor unions. Hubbell considers its labor relations to be satisfactory.

Item 1A. Risk Factors

Our business, operating results, financial condition, and cash flows may be impacted by a number of factors including, but not limited to those set forth below. Any one of these factors could cause our actual results to vary materially from recent results or future anticipated results. See also Item 7. Management's Discussion and Analysis - Executive Overview of the Business, Outlook, and Results of Operations.

We operate in markets that are subject to competitive pressures that could affect selling prices or demand for our products.

We compete on the basis of product performance, quality, service and/or price. Our competitive strategy is to design and manufacture high quality products at the lowest possible cost. Our competitors include companies that have

greater sales and financial resources than our Company. Competition could affect future selling prices or demand for our products.

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A global recession and continued worldwide credit constraints could adversely affect us.

Recent global economic events, including concerns over the tightening of credit markets and failures or material business deterioration of financial institutions and other entities, have resulted in a heightened concern regarding the global recession. If these conditions continue or worsen, we could experience additional declines in revenues, profitability and cash flow due to reduced orders, payment delays, supply chain disruptions or other factors caused by economic challenges faced by our customers, prospective customers and suppliers.

We source products and materials from various suppliers located in countries throughout the world. A disruption in the availability, price, or quality of these products could impact our operating results.

We use a variety of raw materials in the production of our products including steel, brass, copper, aluminum, bronze, zinc, nickel and plastics. We have multiple sources of supply for these products and are not dependent on any single supplier. However, significant shortages of these materials or price increases could increase our operating costs and adversely impact the competitive positions of our products which would directly impact our results of operations.

We continue to increase the amount of product materials, components and finished goods which are sourced from low cost countries including Mexico, the People's Republic of China, and other countries in Asia. A political disruption or significant changes related to transportation from one of these countries could affect the availability of these materials and components which would directly impact our results of operations.

We rely on our suppliers in low cost countries to produce high quality materials, components and finished goods according to our specifications. Although we have quality control procedures in place, there is a risk that products may not meet our specifications which could impact the ability to ship high quality products to our customers on a timely basis and this could adversely impact our results of operations.

We engage in acquisitions and strategic investments and may encounter difficulty in obtaining appropriate acquisitions and in integrating these businesses.

We have pursued and will continue to seek potential acquisitions and other strategic investments to complement and expand our existing businesses within our core markets. The rate and extent to which appropriate acquisitions become available may impact our growth rate. The success of these transactions will depend on our ability to integrate these businesses into our operations. We may encounter difficulties in integrating acquisitions into our operations and in managing strategic investments. Therefore, we may not realize the degree or timing of the benefits anticipated when we first enter into a transaction.

Our operating results may be impacted by actions related to our enterprise-wide business system initiative.

At the end of 2006, our implementation of SAP software throughout most of our domestic businesses was substantially complete. We continue to work on standardization of business processes and better utilization and understanding of the system. Based upon the complexity of this system, there is risk that we will continue to incur additional costs to enhance the system, perform process reengineering and perform future implementations at our remaining businesses and recent acquisitions. Any future reengineering or implementations could result in operating inefficiencies which could impact our operating results or our ability to perform necessary business transactions. These risks could adversely impact our operating results.

A deterioration in the credit quality of our customers could have a material adverse effect on our operating results and financial condition.

We have an extensive customer base of distributors and wholesalers, electric utilities, OEMs, electrical contractors, telecommunications companies, and retail and hardware outlets. We are not dependent on a single customer, however, our top 10 customers account for approximately 30% of our total accounts receivable. A deterioration in credit quality of several major customers could adversely affect our results of operations, financial condition and cash flows.

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Inability to access capital markets may adversely affect our business.

Our ability to invest in our business and make strategic acquisitions may require access to the capital markets. If we are unable to access the capital markets, we could experience a material adverse affect on our business and financial results.

We are subject to litigation and environmental regulations that may adversely impact our operating results.

We are, and may in the future be, a party to a number of legal proceedings and claims, including those involving product liability and environmental matters, which could be significant. Given the inherent uncertainty of litigation, we can offer no assurance that a future adverse development related to existing litigation or any future litigation will not have a material adverse impact to our business. We are also subject to various laws and regulations relating to environmental protection and the discharge of materials into the environment, and we could incur substantial costs as a result of the noncompliance with or liability for clean up or other costs or damages under environmental laws.

We face the potential harms of natural disasters, terrorism, acts of war, international conflicts or other disruptions to our operations.

Natural disasters, acts or threats of war or terrorism, international conflicts, and the actions taken by the United States and other governments in response to such events could cause damage to or disrupt our business operations, our suppliers or our customers, and could create political or economic instability, any of which could have an adverse effect on our business. Although it is not possible to predict such events or their consequences, these events could decrease demand for our products, make it difficult or impossible for us to deliver products, or disrupt our supply chain.

Item 1B. *Unresolved Staff Comments*

None

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Hubbell's manufacturing and warehousing facilities, classified by segment, are located in the following areas. The Company believes its manufacturing and warehousing facilities are adequate to carry on its business activities.

Segment	Location	Number of Facilities		Total Approximate Floor Area in Square Feet	
		Warehouses	Manufacturing	Owned	Leased
Electrical segment	Arkansas	1	1	73,300	
	Australia		3		34,100
	California	2	5	138,000	570,000
	Canada	1	1	178,700	
	Connecticut		1	144,500	
	Florida	1	2		64,800
	Georgia		1	57,100	
	Illinois	3	2	223,100	398,500
	Indiana		1	314,800	
	Italy		1		8,200
	Mexico	1	2	595,900(1)	43,300
	Missouri	1	1	150,100	44,000
	New Jersey		1		116,300
	New York		1	92,200	
	North Carolina	1		424,800	90,500
	Pennsylvania	1	1	410,000	105,000
	People's Republic of China		1		188,000
	Puerto Rico		1	162,400	
	South Carolina	3		327,200	145,900
	Singapore	1			6,700
	Switzerland		1		73,800
	Texas	2	1	81,200	26,000
	United Kingdom		3	133,600	40,000
	Virginia		2	328,000	78,200
	Washington		1		284,100
	Wisconsin		3	73,000	66,600
	Power segment	Alabama		2	473,500
Brazil			1	103,000	
California		1			36,600
Canada			1	30,000	
Florida			2	96,000	
Iowa			1	30,000	
Mexico			3	203,600(1)	120,900
Michigan			1		13,700
Missouri		1	1	1,071,600	
New York			1		94,700
Ohio			1	89,000	
Oklahoma			1	25,000	

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South Carolina	1	360,000
Tennessee	1	92,800

(1) Shared between Electrical and Power segments.

Table of Contents**Item 3. *Legal Proceedings***

As described in Note 16 Commitments and Contingencies in the Notes to Consolidated Financial Statements, the Company is involved in various legal proceedings, including workers' compensation, product liability and environmental matters, including, for each, past production of product containing toxic substances, which have arisen in the normal course of its operations and with respect to which the Company is self-insured for certain incidents at various amounts. Management believes, considering its past experience, insurance coverage and reserves, that the final outcome of such matters will not have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Item 4. *Submission of Matters to a Vote of Security Holders*

No matters were submitted to a vote of security holders during the fourth quarter of 2008.

Executive Officers of the Registrant

Name.	Age(1)	Present Position	Business Experience
Timothy H. Powers	60	Chairman of the Board, President and Chief Executive Officer	Chairman of the Board since September 15, 2004; President and Chief Executive Officer since July 1, 2001; Senior Vice President and Chief Financial Officer September 21, 1998 to June 30, 2001; previously Executive Vice President, Finance & Business Development, Americas Region, Asea Brown Boveri.
David G. Nord	51	Senior Vice President and Chief Financial Officer	Present position since September 19, 2005; previously Chief Financial Officer of Hamilton Sundstrand Corporation, a United Technologies company, from April 2003 to September 2005, and Vice President, Controller of United Technologies Corporation from October 2000 to March 2003.
Richard W. Davies	62	Vice President, General Counsel and Secretary	Present position since January 1, 1996; General Counsel since 1987; Secretary since 1982; Assistant Secretary 1980-1982; Assistant General Counsel 1974-1987.
James H. Biggart, Jr.	56		

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Vice President and
Treasurer

Present position since January 1, 1996;
Treasurer since 1987; Assistant Treasurer
1986 - 1987; Director of Taxes 1984-1986.

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Name.	Age(1)	Present Position	Business Experience
Darrin S. Wegman	41	Vice President and Controller	Present position since March 1, 2008; Vice President and Controller of the former Hubbell Industrial Technology segment/Hubbell Electrical Products March 2004-February 2008; Vice President and Controller of the former Hubbell Industrial Technology segment March 2002-March 2004; Controller of GAI-Tronics Corporation July 2000-February 2002.
W. Robert Murphy	59	Executive Vice President, Marketing and Sales	Present position since October 1, 2007; Senior Group Vice President 2001-2007; Group Vice President 2000-2001; Senior Vice President Marketing and Sales (Wiring Systems) 1985-1999; and various sales positions (Wiring Systems) 1975-1985.
Scott H. Muse	51	Group Vice President (Lighting Products)	Present position since April 27, 2002 (elected as an officer of the Company on December 3, 2002); previously President and Chief Executive Officer of Lighting Corporation of America, Inc. (LCA) 2000-2002, and President of Progress Lighting, Inc. 1993-2000.
William T. Tolley	51	Group Vice President (Power Systems)	Present position since December 23, 2008; Group Vice President (Wiring Systems) October 1, 2007-December 23, 2008; Senior Vice President of Operations and Administration (Wiring Systems) October 2005-October 2007; Director of Special Projects April 2005-October 2005; administrative leave November 2004-April 2005; Senior Vice President and Chief Financial Officer February 2002 - November 2004.

Gary N. Amato	57	Group Vice President (Electrical Systems)	Present position since December 23, 2008; Group Vice President (Electrical Products) October 2006-December 23, 2008; Vice President October 1997-September 2006; Vice President and General Manager of the Company's Industrial Controls Divisions (ICD) 1989-1997; Marketing Manager, ICD, April 1988-March 1989.
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There are no family relationships between any of the above-named executive officers.

(1) As of February 20, 2009.

Table of Contents**PART II****Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

The Company's Class A and Class B Common Stock is principally traded on the New York Stock Exchange under the symbols HUBA and HUBB. The following tables provide information on market prices, dividends declared, number of common shareholders, and repurchases by the Company of shares of its Class A and Class B Common Stock.

Market Prices (Dollars Per Share) Years Ended December 31,		Common A		Common B	
		High	Low	High	Low
2008	Fourth quarter	41.31	28.19	36.64	25.88
2008	Third quarter	51.65	38.75	44.64	33.57
2008	Second quarter	53.75	45.92	48.63	39.87
2008	First quarter	54.00	46.01	50.56	42.40
2007	Fourth quarter	61.15	53.95	58.11	50.04
2007	Third quarter	59.76	54.00	58.15	50.97
2007	Second quarter	56.67	46.60	57.10	48.25
2007	First quarter	49.19	43.60	50.11	43.39

Dividends Declared (Dollars Per Share) Years Ended December 31,		Common A		Common B	
		2008	2007	2008	2007
	First quarter	0.33	0.33	0.33	0.33
	Second quarter	0.35	0.33	0.35	0.33
	Third quarter	0.35	0.33	0.35	0.33
	Fourth quarter	0.35	0.33	0.35	0.33

Number of Common Shareholders of Record At December 31,		2008	2007	2006	2005	2004
		Class A	551	571	617	665
Class B	3,055	3,068	3,243	3,319	3,515	

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Purchases of Equity Securities

In February 2007, the Board of Directors approved a new stock repurchase program and authorized the repurchase of up to \$200 million of the Company's Class A and Class B Common Stock to be completed over a two year period. The February 2007 program was completed in February 2008. In December 2007, the Board of Directors approved a new stock repurchase program and authorized the repurchase of up to \$200 million of Class A and Class B Common Stock to be completed over a two year period. This program was implemented upon completion of the February 2007 program. Stock repurchases are being completed through open market and privately negotiated transactions.

In August 2007, in connection with the Company's previously announced stock repurchase program, the Company established a prearranged repurchase plan (10b5-1 Plan) intended to comply with the requirements of Rule 10b5-1 and Rule 10b-18 under the Securities Exchange Act of 1934, as amended (the Exchange Act). Pursuant to the 10b5-1 Plan, a broker appointed by the Company had the authority to repurchase, without further direction from the Company, up to 750,000 shares of Class A Common Stock during the period which began on August 3, 2007 and expired on August 2, 2008, subject to conditions specified in the 10b5-1 Plan. The Company repurchased 473,142 shares of Class A Common Stock through the expiration date of this plan.

During 2008, the Company repurchased approximately 2.0 million shares of its common stock for \$96.6 million. As of December 31, 2008, approximately \$160 million remains available under the December 2007 Program. Depending upon market conditions and other factors, including alternative uses of cash, the Company also expects to continue to conduct discretionary repurchases in privately negotiated transactions during its normal trading windows.

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Corporate Performance Graph

The following graph compares the total return to shareholders on the Company's Class B Common Stock during the five years ended December 31, 2008, with a cumulative total return on the (i) Standard & Poor's MidCap 400 (S&P MidCap 400) and (ii) the Dow Jones U.S. Electrical Components & Equipment Index (DJUSEC). The Company is a member of the S&P MidCap 400. As of December 31, 2008, the DJUSEC reflects a group of approximately thirty-four company stocks in the electrical components and equipment market segment, and serves as the Company's peer group. The comparison assumes \$100 was invested on December 31, 2003 in the Company's Class B Common Stock and in each of the foregoing indices and assumes reinvestment of dividends.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Hubbell, Inc., The S&P Midcap 400 Index
And The Dow Jones US Electrical Components & Equipment Index

* \$100 invested on 12/31/03 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

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Table of Contents**Item 6. Selected Financial Data**

The following summary should be read in conjunction with the consolidated financial statements and notes contained herein (dollars and shares in millions, except per share amounts).

	2008	2007	2006	2005	2004
OPERATIONS, years ended					
December 31,					
Net sales	\$ 2,704.4	\$ 2,533.9	\$ 2,414.3	\$ 2,104.9	\$ 1,993.0
Gross profit	\$ 803.4	\$ 735.8	\$ 656.8 ⁽¹⁾	\$ 595.0 ⁽¹⁾	\$ 561.9 ⁽¹⁾
Special charges, net	\$	\$	\$ 7.3 ⁽¹⁾	\$ 10.3 ⁽¹⁾	\$ 15.4 ⁽¹⁾
Operating income	\$ 346.0 ⁽³⁾	\$ 299.4 ⁽³⁾	\$ 233.9 ⁽³⁾	\$ 226.8	\$ 212.6
Operating income as a % of sales	12.8%	11.8%	9.7%	10.8%	10.7%
Net income	\$ 222.7	\$ 208.3 ⁽⁴⁾	\$ 158.1	\$ 165.1 ⁽⁴⁾	\$ 154.7 ⁽⁴⁾
Net income as a % of sales	8.2%	8.2%	6.5%	7.8%	7.8%
Net income to common shareholders					
average equity	21.3%	19.9%	15.7%	17.0%	17.4%
Earnings per share Diluted	\$ 3.94	\$ 3.50	\$ 2.59	\$ 2.67	\$ 2.51
Cash dividends declared per common share	\$ 1.38	\$ 1.32	\$ 1.32	\$ 1.32	\$ 1.32
Average number of common shares outstanding diluted	56.5	59.5	61.1	61.8	61.6
Cost of acquisitions, net of cash acquired	\$ 267.4	\$ 52.9	\$ 145.7	\$ 54.3	\$
FINANCIAL POSITION, at year-end					
Working capital	\$ 494.1	\$ 368.5	\$ 432.1	\$ 459.6	\$ 483.1
Total assets	\$ 2,115.5	\$ 1,863.4	\$ 1,751.5	\$ 1,667.0	\$ 1,656.4
Total debt	\$ 497.4	\$ 236.1	\$ 220.2	\$ 228.8	\$ 299.0
Debt to total capitalization ⁽⁵⁾	33%	18%	18%	19%	24%
Common shareholders equity:					
Total	\$ 1,008.1 ⁽²⁾	\$ 1,082.6 ⁽²⁾	\$ 1,015.5 ⁽²⁾	\$ 998.1	\$ 944.3
Per share	\$ 17.84	\$ 18.19	\$ 16.62	\$ 16.15	\$ 15.33
NUMBER OF EMPLOYEES, at year-end					
	13,000	11,500	12,000	11,300	11,400

(1) The Company recorded pretax special charges in 2004 through 2006. These special charges primarily related to a series of actions related to the consolidation of manufacturing, sales and administrative functions across our commercial and industrial lighting businesses. Also included were costs associated with the closure of a wiring products factory in Puerto Rico. These actions were significantly completed as of December 31, 2006.

(2) Effective December 31, 2006, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 158, Employers Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of Financial Accounting Standards Board (FASB) Statements No. 87, 88, 106, and 132(R) . Related adjustments to Shareholders equity resulted in a charge of \$92.1 million, net of tax in 2008, a credit of \$44.9 million, net of tax in 2007 and a charge of \$36.8 million, net of tax in 2006.

- (3) In 2008, 2007, and 2006, operating income includes stock-based compensation expense of \$12.5 million, \$12.7 million and \$11.8 million, respectively. On January 1, 2006 the Company adopted the modified prospective transition method of SFAS No. 123(R) and therefore previously reported amounts have not been restated.
- (4) In 2007, 2005 and 2004, the Company recorded tax benefits of \$5.3 million, \$10.8 million and \$10.2 million, respectively, in Provision for income taxes related to the completion of U.S. Internal Revenue Service (IRS) examinations for tax years through 2005.
- (5) Debt to total capitalization is defined as total debt as a percentage of the sum of total debt and shareholders equity.

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Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

EXECUTIVE OVERVIEW OF THE BUSINESS

Our Company is primarily engaged in the design, manufacture and sale of quality electrical and electronic products for a broad range of non-residential and residential construction, industrial and utility applications. During the first quarter of 2008, the Company realigned its internal organization and operating segments. This reorganization included combining the electrical products business (included in the Electrical segment) and the industrial technology business (previously its own reporting segment) into one operating segment. This combined operating segment is part of the Electrical reporting segment. Effective in the first quarter of 2008, the Company's reporting segments consist of the Electrical segment (comprised of wiring, electrical and lighting products) and the Power segment. Previously reported data has been restated to reflect this change. Results for 2008, 2007 and 2006 by segment are included under Segment Results within this Management's Discussion and Analysis.

In December 2008, a decision was made to further consolidate the businesses within the Electrical segment. The wiring products and electrical products businesses were combined to form the electrical systems business. The combination of these two businesses did not have an impact on the Company's reporting segments.

In 2008, we continued to execute a business strategy with four primary areas of focus: price realization, cost containment, productivity and revenue growth. These efforts resulted in sales growth of 7% and operating margins increasing by 100 basis points compared to 2007.

Price Realization

In 2008, we experienced unprecedented volatility in commodity costs, steel and fuel in particular. During 2008, the cost of certain types of steel nearly doubled by the middle of the year. These increases were followed by a sharp decline as the year ended due to the dramatic events of the fourth quarter including the credit market crisis and rapid decline in overall market activity. We believe these cost increases were recovered through selling price increases.

Cost Containment

Global sourcing. We remained focused on expanding our global product and component sourcing and supplier cost reduction program. We continued to consolidate suppliers, utilize reverse auctions, and partner with vendors to shorten lead times, improve quality and delivery and reduce costs.

Freight and Logistics. Transporting our products from suppliers, to warehouses, and ultimately to our customers, is a major cost to our Company. In 2008, we recognized opportunities to further reduce costs and increase the effectiveness of our freight and logistics processes through capacity utilization and network optimization. These efforts resulted in a 40 basis point reduction in our freight and logistics expenses as a percentage of net sales.

Productivity

We continued to leverage the benefits of the SAP system, including standardizing best practices in inventory management, production planning and scheduling to improve manufacturing throughput and reduce costs. In addition, value-engineering efforts and product transfers to lower cost locations contributed to our productivity improvements. We plan to continue to reduce lead times and improve service levels to our customers.

Working Capital Efficiency. Working capital efficiency is principally measured as the percentage of trade working capital (inventory plus accounts receivable, less accounts payable) divided by annual net sales. In 2008, trade working capital as a percentage of net sales improved to 19.4% compared to 19.8% in 2007 primarily due to improvements in both inventory and accounts payable management.

Transformation of business processes. We continued our long-term initiative of applying lean process improvement techniques throughout the enterprise, with particular emphasis on reducing supply chain complexity to eliminate waste and improve efficiency and reliability.

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Revenue Growth

Organic Growth. In 2008, we continued to maintain pricing discipline, particularly in light of the significant increases in commodity costs such as steel and oil, but also expanded market share through a greater emphasis on new product introductions and better leverage of sales and marketing efforts across the organization.

Acquisitions. In 2008, we invested a total of \$267.4 million on seven acquisitions and their related costs. Three of these acquisitions were added to our Electrical segment, while the remaining four were added to our Power segment. These businesses are expected to contribute approximately \$200 million in annual net sales.

OUTLOOK

During 2009 we anticipate significant recessionary conditions in the U.S. and a slow down in overall global demand. Non-residential construction is expected to be down significantly with fewer new project starts. The residential market is expected to continue to decline by a comparable percentage to 2008 due to the effects of tighter mortgage standards, the overall disruption in the housing market, an oversupply of inventory and higher unemployment levels. Domestic utility markets are also expected to be lower in 2009 with capital spending on transmission projects being delayed and distribution investments being reduced due to the residential market decline. Industrial markets will be weaker in 2009 due to a slowdown in manufacturing production. Excluding any effects of fluctuations in foreign currency exchange rates, overall volumes are expected to be down low to mid-teens compared to 2008. The full year impact of 2008 acquisitions is expected to contribute approximately \$100 million of incremental sales in 2009. We also plan to focus on gaining market share through new product introductions and will continue to exercise pricing discipline in line with the volatile commodity cost changes. Finally, while we anticipate some benefit from the recently enacted Federal stimulus package, the timing and magnitude of such benefits remain uncertain.

Based on expected lower net sales in 2009, the Company will continue to move forward with the successful productivity programs currently in place, including streamlining operations. Reducing costs across the Company will include further staff reductions in 2009 to appropriately size the Company for the economic environment.

While we are preparing for a decrease in net sales and earnings in 2009, our focus and strategy remain largely unchanged. Managing the cost price equation, improving productivity, both factory and back office, and acquiring strategic businesses may position the company to meet its long term financial goals. In 2009, the Company expects free cash flow to exceed net income and plans to maintain a conservative balance sheet. We will also continue to be focused on trade working capital with a specific emphasis on inventory.

RESULTS OF OPERATIONS

Our operations are classified into two segments: Electrical and Power. For a complete description of the Company's segments, see Part I, Item 1. of this Annual Report on Form 10-K. Within these segments, Hubbell primarily serves customers in the non-residential and residential construction, industrial and utility markets.

The table below approximates percentages of our total 2008 net sales generated by the markets indicated.

Hubbell's Served Markets

Segment	Non-residential	Residential	Industrial	Utility	Other	Total
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Electrical	52%	12%	28%	3%	5%	100%
Power	12%	3%	6%	77%	2%	100%
Hubbell Consolidated	40%	10%	22%	23%	5%	100%

In 2008, market conditions deteriorated in several of our served markets throughout the year. Non-residential construction was positive for the year, however put-in-place spending slowed as we exited the year. The residential market declined sharply due to credit conditions, job losses and an over supply of inventory. The industrial market continued to benefit from a strong worldwide oil and gas market and strong demand for high voltage instrumentation. The utility market grew modestly based on continued investment in transmission systems while distribution

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was hampered by the residential weakness. During this period of changing market conditions our share of these served markets has remained relatively consistent compared to 2007.

Summary of Consolidated Results (in millions, except per share data)

	For the Year Ending December 31,					
	2008	% of Net Sales	2007	% of Net Sales	2006	% of Net Sales
Net sales	2,704.4		\$ 2,533.9		\$ 2,414.3	
Cost of goods sold	1,901.0		\$ 1,798.1		1,757.5	
Gross profit	803.4	29.7%	735.8	29.0%	656.8	27.2%
Selling & administrative expenses	457.4	16.9%	436.4	17.2%	415.6	17.2%
Special charges, net					7.3	0.3%
Operating income	346.0	12.8%	299.4	11.8%	233.9	9.7%
Earnings per share diluted	\$ 3.94		\$ 3.50		\$ 2.59	

2008 Compared to 2007**Net Sales**

Net sales for the year ended 2008 were \$2.7 billion, an increase of 7% over the year ended 2007. This increase was primarily due to acquisitions and selling price increases. Acquisitions and selling price increases added approximately four and three percentage points, respectively, to net sales in 2008 compared to 2007. Organic growth, primarily due to new products sales, was offset by the residential market decline. Currency translation had no material impact on net sales in 2008 compared with 2007.

Gross Profit

The gross profit margin for 2008 increased to 29.7% compared to 29.0% in 2007. The increase was primarily due to productivity improvements, including lower freight and logistics costs and the favorable impact of acquisitions. In addition, selling price increases more than offset rising commodity costs.

Selling & Administrative Expenses (S&A)

S&A expenses increased 5% compared to 2007 primarily due to the added S&A expenses of the businesses acquired and increased advertising. As a percentage of sales, S&A expenses of 16.9% in 2008 were lower than the 17.2% reported in 2007 due to cost containment initiatives including lower headcount, excluding acquisitions, as well as better leverage of fixed costs on higher sales.

Operating Income

Operating income increased 16% primarily due to higher sales and gross profit partially offset by increased selling and administration costs. Operating margins of 12.8% in 2008 increased 100 basis points compared to 11.8% in 2007 as a result of increased sales and higher gross profit margins as well as leveraging of selling and administrative costs.

Total Other Expense, net

In 2008, interest expense increased compared to 2007 due to higher long term debt in 2008 compared to 2007. The higher long term debt level was primarily due to the Company completing a \$300 million bond offering in May 2008 to support strategic growth initiatives. Other expense, net was impacted by net foreign currency transaction losses in 2008 compared to net foreign currency transaction gains in 2007.

Income Taxes

The effective tax rate in 2008 was 29.9% compared to 26.7% in 2007. The higher year-over-year annual effective tax rate reflects a higher level of U.S. earnings in 2008 and non-recurring favorable adjustments impacting

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the 2007 rate related to the closing of an IRS examination of the Company's 2004 and 2005 federal tax returns. Additional information related to our effective tax rate is included in Note 13 – Income Taxes in the Notes to the Consolidate Financial Statements.

Net Income and Earnings Per Share

Net income and earnings per dilutive share in 2008 increased 7% and 13%, respectively, compared to 2007 as a result of higher sales and operating income, including the favorable impact of acquisitions, partially offset by higher net interest expense and a higher effective tax rate. In addition, the increase in earnings per dilutive share reflects a reduction in average shares outstanding in 2008 compared to 2007 due to shares repurchased under our stock repurchase programs, net of employee stock option exercises.

Segment Results**Electrical Segment**

	2008	2007
	(In millions)	
Net Sales	\$ 1,958.2	\$ 1,897.3
Operating Income	\$ 227.3	\$ 202.1
Operating Margin	11.6%	10.7%

Net sales in the Electrical segment increased 3% in 2008 compared with 2007 due to the favorable impact of the Kurt Versen acquisition and selling price increases partially offset by weaker residential product sales. Within the segment, wiring product sales increased slightly in 2008 compared to 2007 due to selling price increases and market share gains partially due to increased demand for energy management controls and sensors offset by weaker overall industry market demand. Sales of electrical products increased by approximately 10% in 2008 compared to 2007 due to strong demand for harsh and hazardous and high voltage products and selling price increases. Sales of lighting products decreased slightly in 2008 compared to 2007 due to lower residential volume largely offset by acquisitions and selling price increases. Sales of residential lighting fixture products were lower by approximately 21% in 2008 compared to 2007 as a result of a decline in the U.S. residential construction market. Acquisitions and selling price increases added approximately three and two percentage points, respectively, to the segment's net sales in 2008 compared to 2007.

Operating margins increased in 2008 compared to 2007 due to the favorable impact of the Kurt Versen acquisition, productivity improvements and selling price increases partially offset by residential volume declines and higher commodity costs. Wiring products operating margins were virtually flat in 2008 compared 2007 due to selling price increases and productivity improvements offset by higher inflationary costs. Operating income and margins rose at electrical products in 2008 compared to 2007 due to selling price increases, a favorable product mix of higher margin harsh and hazardous products and strong performance from the high voltage businesses. Lighting product margins were unchanged in 2008 compared to 2007 due to lower margins for the residential business as a result of volume declines offset by improved margins in commercial and industrial lighting products. The improvement in commercial and industrial margins was due to acquisitions, selling price increases and productivity improvements, partially offset by commodity increases and volume decreases.

Power Segment

	2008	2007
	(In millions)	
Net Sales	\$ 746.2	\$ 636.6
Operating Income	\$ 118.7	\$ 97.3
Operating Margin	15.9%	15.3%

Net sales in the Power segment in 2008 increased 17% compared to 2007 due to acquisitions, selling price increases and modest market share gains. The impact of the PCORE Electric Company, Inc. (PCORE) acquisition completed in the fourth quarter of 2007, combined with the four acquisitions that occurred in the second half of

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2008, added approximately eight percentage points to net sales in 2008 compared to 2007. In addition, we estimate that selling price increases added approximately four percentage points to net sales in 2008 compared to 2007. Operating income increased 22% in 2008 compared to 2007 due to increased sales and acquisitions. Operating margins increased in 2008 compared to 2007 due to productivity improvements and selling price increases offset by higher commodity and inflationary costs and the impact of acquisitions.

2007 Compared to 2006

Net Sales

Consolidated net sales for the year ended December 31, 2007 were \$2.5 billion, an increase of 5% over the year ended December 31, 2006. The majority of the year-over-year increase was due to higher selling prices and several acquisitions, partially offset by lower residential product sales. We estimated that selling price increases and the impact of acquisitions accounted for approximately four percentage points and two percentage points, respectively, of the year-over-year increase in sales.

Gross Profit

The consolidated gross profit margin for 2007 increased to 29.0% compared to 27.2% in 2006. The increase was primarily due to selling price increases and productivity improvements, including lower freight and logistics costs and lower product costs from strategic sourcing initiatives. These improvements in 2007 compared to 2006 were partially offset by the negative impact of an unfavorable product sales mix due to lower sales of higher margin residential products.

Selling & Administrative Expenses

S&A expenses increased 5% compared to 2006. The increase was primarily due to S&A expenses of acquisitions and higher selling costs associated with increased sales. As a percentage of sales, S&A expenses in 2007 of 17.2% were unchanged from the comparable period of 2006. Numerous cost containment initiatives; primarily advertising and lower spending on the enterprise wide systems implementation of SAP were offset by expenses for certain strategic initiatives related to reorganizing operations, including office moves, severance costs associated with reductions in workforce and costs incurred to support new products sales.

Special Charges

Operating results in 2006 included pretax special charges related to our Lighting Business Integration and Rationalization Program (the Program or Lighting Program). The Lighting Program was approved following our acquisition of LCA in April 2002 and was undertaken to integrate and rationalize the combined lighting operations. This Program was substantially completed by the end of 2006. Any remaining costs in 2007 were reflected in S&A expense or Cost of goods sold in the Consolidated Statement of Income. At the end of 2006, one of the remaining actions within the Lighting Program was the completion of construction of a new lighting headquarters. The construction was completed in the early part of 2007. Cash capital expenditures of \$13 million related to the headquarters were reflected in the 2007 Consolidated Statement of Cash Flow.

Operating Income

Operating income increased 28% primarily due to higher sales and gross profit partially offset by increased selling and administration costs. Operating margins of 11.8% in 2007 increased compared to 9.7% in 2006 as a result of increased sales and higher gross profit margins.

Other Income/Expense

Interest expense was \$17.6 million in 2007 compared to \$15.4 million in 2006. The increase was due to higher average outstanding commercial paper borrowings in 2007 compared to 2006. Investment income decreased in 2007 compared to 2006 due to lower average investment balances due to the funding of two acquisitions in 2006 and

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one in 2007 as well as a higher amount of share repurchases. Other expense, net in 2007 decreased \$2.1 million compared to 2006 primarily due to net foreign currency transaction gains in 2007 compared to net foreign currency losses in 2006.

Income Taxes

Our effective tax rate was 26.7% in 2007 compared to 28.6% in 2006. In 2007, a favorable tax settlement was recognized in connection with the closing of an IRS examination of the Company's 2004 and 2005 tax returns and this benefit reduced the effective tax rate by 1.9 percentage points in 2007. Additional information related to our effective tax rate is included in Note 13 - Income Taxes in the Notes to Consolidated Financial Statements.

Net Income and Earnings Per Share

Net income and earnings per dilutive share in 2007 increased 31.8% and 35.1%, respectively, compared to 2006 as a result of higher sales and gross profit, a lower tax rate and fewer diluted shares outstanding.

Segment Results**Electrical Segment**

	2007	2006
	(In millions)	
Net Sales	\$ 1,897.3	\$ 1,840.6
Operating Income	\$ 202.1	\$ 158.1
Operating Margin	10.7%	8.6%

Net sales in the Electrical segment increased by 3% in 2007 compared to 2006 due to higher sales of electrical and wiring products and selling price increases partially offset by lower sales of residential lighting fixtures. Overall for the segment, higher selling prices increased net sales by approximately three percentage points compared to 2006. Within the segment, sales of electrical products increased by approximately 14% in 2007 compared to 2006 due to strong demand for harsh and hazardous products, selling price increases and the impact of the Austdac Pty Ltd. acquisition in November 2006. Wiring products experienced 6% higher sales in 2007 compared to 2006 principally due to increased new product sales and higher selling prices. Sales of residential lighting fixture products were lower in 2007 by approximately 22% compared to the prior year as a result of a decline in the U.S. residential construction market.

Operating income and operating margin in the segment improved in 2007 compared to 2006 primarily due to selling price increases, productivity gains and lower costs, including employee benefits and SAP implementation cost reductions. We estimated that selling price increases exceeded commodity cost increases by nearly two percentage points in 2007 compared to 2006. In addition, productivity improvements including lower freight and logistics costs, strategic sourcing initiatives and completed actions within our Lighting Program benefited results in 2007. These improvements were partially offset by overall lower unit volume, specifically lower shipments of higher margin residential lighting fixture products and costs associated with a product quality issue within our wiring business.

Power Segment

	2007	2006
	(In millions)	
Net Sales	\$ 636.6	\$ 573.7
Operating Income	\$ 97.3	\$ 75.8
Operating Margin	15.3%	13.2%

Power segment net sales increased 11% in 2007 compared to 2006 due to the impact of acquisitions and selling price increases. The acquisition of Hubbell Lenoir City, Inc. completed in the second quarter of 2006 as well as PCORE in the fourth quarter of 2007 accounted for approximately two-thirds of the sales increase in 2007

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compared to the same period in 2006. Price increases were implemented across most product lines throughout 2006 and into 2007 where costs had risen due to increased metal and energy costs. We estimated that price increases accounted for approximately five percentage points of the year-over-year sales increase. Operating income and margins increased in 2007 compared to 2006 as a result of acquisitions, selling price increases and productivity improvements including strategic sourcing, factory efficiencies and lean programs. The Hubbell Lenoir City, Inc. and PCORE acquisitions contributed approximately one-quarter of the operating income increase in 2007 compared to 2006. In addition, increased sales of higher margin new products and favorable product mix also contributed to the increase in operating margins in 2007 compared to 2006.

LIQUIDITY AND CAPITAL RESOURCES**Cash Flow**

	2008	December 31, 2007 (In millions)	2006
Net cash provided by (used in):			
Operating activities	\$ 319.2	\$ 335.2	\$ 139.9
Investing activities	(306.4)	(105.7)	(66.7)
Financing activities	93.7	(200.4)	(139.6)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(5.8)	3.1	1.1
Net change in cash and cash equivalents	\$ 100.7	\$ 32.2	\$ (65.3)

2008 Compared to 2007

Cash provided by operating activities for the year ended 2008 decreased compared to 2007 primarily as a result of a lower benefit from working capital, partially offset by higher net income, lower contributions to defined benefit pension plans, and lower tax payments. As a result of higher net sales in 2008, working capital changes during 2008 resulted in cash provided of \$22.1 million compared to cash provided of \$94.1 million in 2007. Accounts receivable increased \$3.7 million in 2008 compared to a decrease of \$27.8 million in 2007 due to higher net sales. Inventory balances decreased in 2008, albeit at a lower level than 2007, due to continued improvements in inventory management. Current liabilities contributed \$18.9 million to operating cash flow in 2008 primarily due to increased deferred revenues associated with cash received in advance from customers in the high voltage businesses.

Investing activities used cash of \$306.4 million in 2008 compared to cash used of \$105.7 million during 2007. Cash outlays to acquire new businesses increased \$214.5 million in 2008 compared to 2007. Capital expenditures decreased \$6.5 million in 2008 compared to 2007 as a result of the completion of the lighting headquarters in early 2007.

Financing activities provided cash of \$93.7 million in 2008 compared to a \$200.4 million use of cash during 2007. This increase is the result of the \$300 million debt offering completed during the second quarter of 2008 combined with a lower level of share repurchases. In 2008, the Company repurchased 2.0 million shares of common stock for \$96.6 million as compared to 3.6 million shares repurchased in 2007 for \$193.1 million. These increases were partially offset by a higher level of net commercial paper repayments and lower proceeds from exercises of stock options.

2007 Compared to 2006

Cash provided by operating activities in 2007 was \$195.3 million higher than cash provided by operating activities in 2006 as a result of an increased focus in 2007 on working capital, specifically inventory and improved profitability. Inventory decreased \$24.2 million in 2007 compared to a build of inventory of \$86.3 million in 2006 primarily attributable to a better utilization of the SAP system, including standardizing best practices in inventory

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management, production planning and scheduling. Accounts receivable balances decreased by \$27.8 million in 2007 compared to an increase of \$30.7 million in 2006 due to improved collection efforts related in part to better utilization of the SAP system. Current liability balances in 2007 were higher than in 2006 primarily as a result of an increase in deferred revenue in 2007 due to cash received in advance primarily related to the high voltage business and higher employee related compensation. However, contributions to defined benefit pension plans resulted in an increased use of cash of \$20.7 million in 2007 compared to 2006.

Cash flows from investing activities used an additional \$39 million of cash in 2007 compared to 2006. Purchases and maturities/sales of investments used net cash of \$2.6 million in 2007 compared to \$163.8 million of net cash proceeds in 2006. Investing activities include capital expenditures of \$55.9 million in 2007 compared to \$86.8 million in 2006. The \$30.9 million decrease is primarily the result of completion of the new lighting headquarters in early 2007 and lower implementation costs associated with the enterprise-wide business system. Cash outlays to acquire new businesses decreased \$92.8 million in 2007 compared to 2006.

Financing activities used \$200.4 million of cash in 2007 compared to \$139.6 million in 2006. During 2007, the Company repurchased approximately 3.6 million shares of its common stock for \$193.1 million compared to 2.1 million shares repurchased in 2006 for \$95.1 million. Net borrowings of short-term debt were \$15.8 million in 2007 compared to net repayments of \$8.9 million in 2006. Proceeds from stock options were \$48.0 million in 2007 compared to \$38.5 million in 2006.

Investments in the Business

We define investments in our business to include both normal expenditures required to maintain the operations of our equipment and facilities as well as expenditures in support of our strategic initiatives.

Capital expenditures were \$49.4 million and \$55.9 million for the year ending December 31, 2008 and December 31, 2007, respectively. Additions to property, plant, and equipment were \$48.9 million in 2008 compared to \$55.1 million in 2007 as a result of lower investments made in buildings and equipment due to the completion of the new lighting headquarters in early 2007. In 2008 and 2007, we capitalized \$0.5 million and \$0.8 million of software, respectively (recorded in Intangible assets and other in the Consolidated Balance Sheet).

In 2008, we invested a total of \$267.4 million on seven acquisitions, net of cash acquired. Three of these acquisitions were added to our Electrical segment, while the remaining four were added to our Power segment. These businesses are expected to add approximately \$200 million in annual net sales. These acquisitions are part of our core markets growth strategy. Additional information regarding business acquisitions is included in Note 3 Business Acquisitions in the Notes to Consolidated Financial Statements.

In 2008, we spent a total of \$96.6 million on the repurchase of common shares compared to \$193.1 million spent in 2007. These repurchases were executed under Board of Director approved stock repurchase programs which authorized the repurchase of our Class A and Class B Common Stock up to certain dollar amounts. In February 2007, the Board of Directors approved a stock repurchase program and authorized the repurchase of up to \$200 million of the Company's Class A and Class B Common Stock to be completed over a two year period. In December 2007, the Board of Directors approved a new stock repurchase program and authorized the repurchase of up to \$200 million of Class A and Class B Common Stock to be completed over a two year period. This program was implemented in February 2008 upon completion of the February 2007 program. Stock repurchases can be implemented through open market and privately negotiated transactions. The timing of such transactions depends on a variety of factors, including market conditions. As of December 31, 2008, approximately \$160 million remains available under the December 2007 Program.

Additional information with respect to future investments in the business can be found under Outlook within Management's Discussion and Analysis.

Table of Contents**Capital Structure*****Debt to Capital***

Net debt, defined as total debt less cash and investments, is a non-GAAP measure that may not be comparable to definitions used by other companies. We consider net debt to be more appropriate than total debt for measuring our financial leverage as it better measures our ability to meet our funding needs.

	December 31,	
	2008	2007
	(In millions)	
Total Debt	\$ 497.4	\$ 236.1
Total Shareholders' Equity	1,008.1	1,082.6
Total Capital	\$ 1,505.5	\$ 1,318.7
Debt to Total Capital	33%	18%
Cash and Investments	\$ 213.3	\$ 116.7
Net Debt	\$ 284.1	\$ 119.4

Debt Structure

	December 31,	
	2008	2007
	(In millions)	
Short-term debt	\$	\$ 36.7
Long-term debt	497.4	199.4
Total Debt	\$ 497.4	\$ 236.1

At December 31, 2007, Short-term debt in our Consolidated Balance Sheet consisted of \$36.7 million of commercial paper. Commercial paper is used to help fund working capital needs, in particular inventory purchases.

At December 31, 2008 and 2007, Long-term debt in our Consolidated Balance Sheet consisted of \$497.4 and \$199.4 million, respectively, of ten year senior notes issued in May 2002 and May 2008. These fixed rate notes, with amounts of \$200 million and \$300 million due in 2012 and 2018, respectively, are not callable and are only subject to accelerated payment prior to maturity if we fail to meet certain non-financial covenants, all of which were met at December 31, 2008 and 2007. The most restrictive of these covenants limits our ability to enter into mortgages and sale-leasebacks of property having a net book value in excess of \$5 million without the approval of the Note holders.

Prior to the issuance of both these notes, we entered into forward interest rate locks to hedge our exposure to fluctuations in treasury interest rates. The 2002 interest rate lock resulted in a \$1.3 million loss, while the 2008 interest rate lock resulted in a \$1.2 million gain. Both of these amounts have been recorded in Accumulated other comprehensive (loss) income, net of tax, and are being amortized over the respective lives of the notes.

In October 2007, we entered into a revised five year, \$250 million revolving credit facility to replace the previous \$200 million facility which was scheduled to expire in October 2009. In March 2008, we exercised our option to expand this revolving credit facility from \$250 million to \$350 million. The expiration date of the new credit agreement is October 31, 2012. All other aspects of the original credit agreement remain unchanged. The interest rate applicable to borrowings under the credit agreement is either the prime rate or a surcharge over LIBOR. The covenants of the facility require that shareholders' equity be greater than \$675 million and that total debt not exceed 55% of total capitalization (defined as total debt plus total shareholders' equity). We were in compliance with all debt covenants at December 31, 2008 and 2007. Annual commitment fee requirements to support availability of the credit facility were not material. This facility is used as a backup to our commercial paper program and was undrawn as of December 31, 2008 and through the filing date of this Form 10-K. Additional information related to our debt is included in Note 12 Debt in the Notes to Consolidated Financial Statements.

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Although these facilities are not the principal source of our liquidity, we believe these facilities are capable of providing adequate financing at reasonable rates of interest. However, a significant deterioration in results of operations or cash flows, leading to deterioration in financial condition, could either increase our future borrowing costs or restrict our ability to sell commercial paper in the open market. We have not entered into any other guarantees, commitments or obligations that could give rise to unexpected cash requirements.

Liquidity

We measure liquidity on the basis of our ability to meet short-term and long-term operational funding needs, fund additional investments, including acquisitions, and make dividend payments to shareholders. Significant factors affecting the management of liquidity are cash flows from operating activities, capital expenditures, cash dividend payments, stock repurchases, access to bank lines of credit and our ability to attract long-term capital with satisfactory terms.

Internal cash generation together with currently available cash and investments, available borrowing facilities and an ability to access credit lines, if needed, are expected to be sufficient to fund operations, the current rate of cash dividends, capital expenditures, and any increase in working capital that would be required to accommodate a higher level of business activity. We actively seek to expand by acquisition as well as through the growth of our current businesses. While a significant acquisition may require additional debt and/or equity financing, we believe that we would be able to obtain additional financing based on our favorable historical earnings performance and strong financial position.

The recent and unprecedented disruption in the current credit markets has had a significant adverse impact on a number of financial institutions. At this point in time, the Company's liquidity has not been impacted by the current credit environment and management does not expect that it will be materially impacted in the near future. Management will continue to closely monitor the Company's liquidity and the credit markets. However, management can not predict with any certainty the impact to the Company of any further disruption in the credit environment.

Pension Funding Status

We have a number of funded and unfunded non-contributory U.S. and foreign defined benefit pension plans. Benefits under these plans are generally provided based on either years of service and final average pay or a specified dollar amount per year of service. The funded status of our qualified, defined benefit pension plans is dependant upon many factors including future returns on invested pension assets, the level of market interest rates, employee earnings and employee demographics.

Effective December 31, 2006, the Company adopted the provisions of SFAS No. 158 which required the Company to recognize the funded status of its defined benefit pension and postretirement plans as an asset or liability in its Consolidated Balance Sheet. In 2008, the Company recorded a total charge to equity through Accumulated other comprehensive (loss) income, net of tax, related to pension and postretirement plans of \$92.1 million, of which \$91.9 million is related to pensions. In 2007, the Company recorded a total credit to equity through Accumulated other comprehensive (loss) income, net of tax, related to pension and postretirement plans of \$44.9 million, of which \$42.0 million is related to pensions. Further details on the pretax impact of these items can be found in Note 11 Retirement Benefits in the Notes to Consolidated Financial Statements.

Changes in the value of the defined benefit plan assets and liabilities will affect the amount of pension expense ultimately recognized. Although differences between actuarial assumptions and actual results are no longer deferred for balance sheet purposes, deferral is still required for pension expense purposes. Unrecognized gains and losses in

excess of an annual calculated minimum amount (the greater of 10% of the projected benefit obligation or 10% of the market value of assets) are amortized and recognized in net periodic pension cost over our average remaining service period of active employees, which approximates 11-14 years. During 2008 and 2007, we recorded \$1.3 million and \$1.9 million, respectively, of pension expense related to the amortization of these unrecognized losses. We expect to record \$7.2 million of expense related to unrecognized losses in 2009.

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The actual return on our pension assets in 2008 as well as the cumulative return over the past five and ten year periods has been less than our expected return for the same periods. In addition, there has been a decline in long-term interest rates and a resulting increase in our pension liabilities. These lower than expected rates of return combined with declines in long-term interest rates have had a negative impact on the funded status of the plans. Consequently, we contributed approximately \$11 million in 2008, \$28 million in 2007 and \$8 million in 2006 to both our foreign and domestic defined benefit pension plans. These contributions have improved the funded status of all of our plans. We expect to make additional contributions of approximately \$4 million to our foreign plans during 2009. Although not required under the Pension Protection Act of 2006, we may decide to make a voluntary contribution to the Company's qualified U.S. defined benefit plans in 2009. This level of funding is not expected to have any significant impact on our overall liquidity.

Assumptions

The following assumptions were used to determine projected pension and other benefit obligations at the measurement date and the net periodic benefit costs for the year:

	Pension Benefits		Other Benefits	
	2008	2007	2008	2007
Weighted-average assumptions used to determine benefit obligations at December 31,				
Discount rate	6.46%	6.41%	6.50%	6.50%
Rate of compensation increase	4.07%	4.58%	4.00%	4.00%
Weighted-average assumptions used to determine net periodic benefit cost for years ended December 31,				
Discount rate	6.41%	5.66%	6.50%	5.75%
Expected return on plan assets	8.00%	8.00%	N/A	N/A
Rate of compensation increase	4.07%	4.58%	4.00%	4.00%

At the end of each year, we estimate the expected long-term rate of return on pension plan assets based on the strategic asset allocation for our plans. In making this determination, we utilize expected rates of return for each asset class based upon current market conditions and expected risk premiums for each asset class. A one percentage point change in the expected long-term rate of return on pension fund assets would have an impact of approximately \$4.7 million on 2009 pretax pension expense. The expected long-term rate of return is applied to the fair market value of pension fund assets to produce the expected return on fund assets that is included in pension expense. The difference between this expected return and the actual return on plan assets was recognized at December 31, 2008 for balance sheet purposes, but continues to be deferred for expense purposes. The net deferral of past asset gains (losses) ultimately affects future pension expense through the amortization of gains (losses) with an offsetting adjustment to Shareholders equity through Accumulated other comprehensive (loss) income.

At the end of each year, we determine the discount rate to be used to calculate the present value of pension plan liabilities. The discount rate is an estimate of the current interest rate at which the pension plans' liabilities could effectively be settled. In estimating this rate, we look to rates of return on high-quality, fixed-income investments with maturities that closely match the expected funding period of our pension liability. The discount rate of 6.50% which we used to determine the projected benefit obligation for our U.S. pension plans at December 31, 2008 was determined using the Citigroup Pension Discount Curve applied to our expected annual future pension benefit payments. An increase of one percentage point in the discount rate would lower 2009 pretax pension expense by

approximately \$6.1 million. A discount rate decline of one percentage point would increase pretax pension expense by approximately \$7.0 million.

Other Post Employment Benefits (OPEB)

We had health care and life insurance benefit plans covering eligible employees who reached retirement age while working for the Company. These benefits were discontinued in 1991 for substantially all future retirees with the exception of certain operations in our Power segment which still maintain a limited retiree medical plan for their union employees. However, effective January 1, 2010 the A.B. Chance division of the Power segment will cease to

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offer retiree medical benefits to all future union retirees. Furthermore, effective February 11, 2009, PCORE will also cease to offer retiree medical benefits to all future union retirees. These plans are not funded and, therefore, no assumed rate of return on assets is required. The discount rate of 6.50% used to determine the projected benefit obligation at December 31, 2008 was based upon the Citigroup Pension Discount Curve as applied to our projected annual benefit payments for these plans. In 2008 and 2007 in accordance with SFAS No. 158 we recorded (charges) credits to Accumulated other comprehensive (loss) income within Shareholders' equity, net of tax, of \$(0.2) million and \$2.9 million, respectively, related to OPEB.

Off-Balance Sheet Arrangements

Off-balance sheet arrangements are defined as any transaction, agreement or other contractual arrangement to which an entity that is not included in our consolidated results is a party, under which we, whether or not a party to the arrangement, have, or in the future may have: (1) an obligation under a direct or indirect guarantee or similar arrangement, (2) a retained or contingent interest in assets or (3) an obligation or liability, including a contingent obligation or liability, to the extent that it is not fully reflected in the financial statements.

We do not have any off-balance sheet arrangements as defined above which have or are likely to have a material effect on financial condition, results of operations or cash flows.

Contractual Obligations

A summary of our contractual obligations and commitments at December 31, 2008 is as follows (in millions):

Contractual Obligations	Total	Payments due by period			
		Less than 1 Year	1-3 Years	4-5 Years	More than 5 Years
Debt obligations	\$ 500.0	\$	\$	\$ 200.0	\$ 300.0
Expected interest payments	209.7	30.6	61.2	40.5	77.4
Operating lease obligations	53.2	13.0	16.9	8.0	15.3
Purchase obligations	174.5	165.7	8.8		
Income tax payments	3.5	3.5			
Obligations under customer incentive programs	25.4	25.4			
Total	\$ 966.3	\$ 238.2	\$ 86.9	\$ 248.5	\$ 392.7

Our purchase obligations include amounts committed under legally enforceable contracts or purchase orders for goods and services with defined terms as to price, quantity, delivery and termination liability. These obligations primarily consist of inventory purchases made in the normal course of business to meet operational requirements, consulting arrangements and commitments for equipment purchases. Other long-term liabilities reflected in our Consolidated Balance Sheet at December 31, 2008 have been excluded from the table above and primarily consist of costs associated with retirement benefits. See Note 11 Retirement Benefits in the Notes to Consolidated Financial Statements for estimates of future benefit payments under our benefit plans. As of December 31, 2008, we have \$17.3 million of uncertain tax positions. We are unable to make a reasonable estimate regarding settlement of these uncertain tax positions, and as a result, they have been excluded from the table. See Note 13 Income Taxes in the Notes to Consolidated Financial Statements.

Critical Accounting Estimates

Note 1 Significant Accounting Policies of the Notes to Consolidated Financial Statements describes the significant accounting policies used in the preparation of our financial statements.

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Use of Estimates

We are required to make assumptions and estimates and apply judgments in the preparation of our financial statements that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors deemed relevant by management. We continually review these estimates and their underlying assumptions to ensure they are appropriate for the circumstances. Changes in estimates and assumptions used by us could have a significant impact on our financial results. We believe that the following estimates are among our most critical in fully understanding and evaluating our reported financial results. These items utilize assumptions and estimates about the effect of future events that are inherently uncertain and are therefore based on our judgment.

Revenue Recognition

We recognize revenue in accordance with SEC Staff Accounting Bulletin No. 101, Revenue Recognition in Financial Statements and the SEC revisions in SEC Staff Accounting Bulletin No. 104. Revenue is recognized when title to goods and risk of loss have passed to the customer, there is persuasive evidence of a purchase arrangement, delivery has occurred or services are rendered, the price is determinable and collectibility reasonably assured. Revenue is typically recognized at the time of shipment. Further, certain of our businesses account for sales discounts and allowances based on sales volumes, specific programs and customer deductions, as is customary in electrical products markets. These items primarily relate to sales volume incentives, special pricing allowances, and returned goods. This requires us to estimate at the time of sale the amounts that should not be recorded as revenue as these amounts are not expected to be collected in cash from customers. We principally rely on historical experience, specific customer agreements, and anticipated future trends to estimate these amounts at the time of shipment. Also see Note 1 Significant Accounting Policies of the Notes to Consolidated Financial Statements.

Inventory Valuation

We routinely evaluate the carrying value of our inventories to ensure they are carried at the lower of cost or market value. Such evaluation is based on our judgment and use of estimates, including sales forecasts, gross margins for particular product groupings, planned dispositions of product lines, technological events and overall industry trends. In addition, the evaluation is based on changes in inventory management practices which may influence the timing of exiting products and method of disposing of excess inventory.

Excess inventory is generally identified by comparing future expected inventory usage to actual on-hand quantities. Reserves are provided for on-hand inventory in excess of pre-defined usage forecasts. Forecast usage is primarily determined by projecting historical (actual) sales and inventory usage levels forward to future periods. Application of this reserve methodology can have the effect of increasing reserves during periods of declining demand and, conversely, reducing reserve requirements during periods of accelerating demand. This reserve methodology is applied based upon a current stratification of inventory, whether by commodity type, product family, part number, stock keeping unit, etc. As a result of our lean process improvement initiatives, we continue to develop improved information concerning demand patterns for inventory consumption. This improved information is introduced into the excess inventory reserve calculation as it becomes available and may impact required levels of reserves.

Customer Credit and Collections

We maintain allowances for doubtful accounts receivable in order to reflect the potential uncollectibility of receivables related to purchases of products on open credit. If the financial condition of our customers were to deteriorate, resulting in their inability to make required payments, we may be required to record additional allowances

for doubtful accounts.

Capitalized Computer Software Costs

We capitalize certain costs of internally developed software in accordance with Statement of Position 98-1,

Accounting for the Costs of Computer Software Developed or Obtained for Internal Use . Capitalized costs include purchased materials and services, and payroll and payroll related costs. General and administrative,

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overhead, maintenance and training costs, as well as the cost of software that does not add functionality to the existing system, are expensed as incurred. The cost of internally developed software is amortized on a straight-line basis over appropriate periods, generally five years. The unamortized balance of internally developed software is included in Intangible assets and other in the Consolidated Balance Sheet.

Employee Benefits Costs and Funding

We sponsor domestic and foreign defined benefit pension, defined contribution and other postretirement plans. Major assumptions used in the accounting for these employee benefit plans include the discount rate, expected return on the pension fund assets, rate of increase in employee compensation levels and health care cost increase projections. These assumptions are determined based on Company data and appropriate market indicators, and are evaluated each year as of the plans measurement date. Further discussion on the assumptions used in 2008 and 2007 are included above under Pension Funding Status and in Note 11 Retirement Benefits in the Notes to Consolidated Financial Statements.

Taxes

We account for income taxes in accordance with SFAS No. 109, Accounting for Income Taxes and FASB Interpretation No. (FIN) 48, Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109. SFAS No. 109 requires that deferred tax assets and liabilities be recognized using enacted tax rates for the effect of temporary differences between the book and tax basis of recorded assets and liabilities. SFAS No. 109 also requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized. The factors used to assess the likelihood of realization of deferred tax assets are the forecast of future taxable income and available tax planning strategies that could be implemented to realize the net deferred tax assets. Failure to achieve forecasted taxable income can affect the ultimate realization of net deferred tax assets.

We operate within multiple taxing jurisdictions and are subject to audit in these jurisdictions. The IRS and other tax authorities routinely review our tax returns. These audits can involve complex issues, which may require an extended period of time to resolve. In accordance with FIN 48, effective January 1, 2007, the Company records uncertain tax positions only when it has determined that it is more-likely-than-not that a tax position will be sustained upon examination by taxing authorities based on the technical merits of the position. The Company uses the criteria established in FIN 48 to determine whether an item meets the definition of more-likely-than-not. The Company's policy is to recognize these tax benefits when the more-likely-than-not threshold is met, when the statute of limitations has expired or upon settlement. In management's opinion, adequate provision has been made for potential adjustments arising from any examinations.

Contingent Liabilities

We are subject to proceedings, lawsuits, and other claims or uncertainties related to environmental, legal, product and other matters. We routinely assess the likelihood of an adverse judgment or outcome to these matters, as well as the range of potential losses. A determination of the reserves required, if any, is made after careful analysis, including consultations with outside advisors, where applicable. The required reserves may change in the future due to new developments.

Valuation of Long-Lived Assets

Our long-lived assets include land, buildings, equipment, molds and dies, software, goodwill and other intangible assets. Long-lived assets, other than goodwill and indefinite-lived intangibles, are depreciated over their estimated useful lives. We review depreciable long-lived assets for impairment to assess recoverability from future operations

using discounted cash flows. For these assets, no impairment charges were recorded in 2008 or 2007.

Goodwill and indefinite-lived intangible assets are reviewed annually for impairment unless circumstances dictate the need for more frequent assessment under the provisions of SFAS No. 142, Goodwill and Other Intangible Assets . The identification and measurement of impairment of goodwill involves the estimation of the fair value of reporting units. The estimates of fair value of reporting units are based on the best information available

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as of the date of the assessment, which primarily incorporates certain factors including our assumptions about operating results, business plans, income projections, anticipated future cash flows, and market data. Future cash flows can be affected by changes in industry or market conditions or the rate and extent to which anticipated synergies or cost savings are realized from newly acquired entities and therefore contain uncertainty. The identification and measurement of impairment of indefinite-lived intangible assets involves testing which compares carrying values of assets to the estimated fair values of assets. When appropriate, the carrying value of assets will be reduced to estimated fair values.

Forward-Looking Statements

Some of the information included in this Management's Discussion and Analysis of Financial Condition and Results of Operations, and elsewhere in this Form 10-K and in the Annual Report attached hereto, which does not constitute part of this Form 10-K, contain forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These include statements about capital resources, performance and results of operations and are based on our reasonable current expectations. In addition, all statements regarding anticipated growth or improvement in operating results, anticipated market conditions, and economic recovery are forward looking. Forward-looking statements may be identified by the use of words, such as believe, expect, anticipate, intend, depend, should, plan, estimate, may, subject to, continues, growing, prospective, forecast, projected, purport, might, if, contemplating, target, goals, scheduled, will likely be, and similar words and phrases. Discussions of strategies, plans and intentions often contain forward-looking statements. Factors, among others, that could cause our actual results and future actions to differ materially from those described in forward-looking statements include, but are not limited to:

Changes in demand for our products, market conditions, product quality, product availability adversely affecting sales levels.

Changes in markets or competition adversely affecting realization of price increases.

Failure to achieve projected levels of efficiencies, cost savings and cost reduction measures, including those expected as a result of our lean initiative and strategic sourcing plans.

The expected benefits and the timing of other actions in connection with our enterprise-wide business system.

Availability and costs of raw materials, purchased components, energy and freight.

Changes in expected or future levels of operating cash flow, indebtedness and capital spending.

General economic and business conditions in particular industries or markets.

The anticipated benefits from the recently enacted Federal stimulus package.

Regulatory issues, changes in tax laws or changes in geographic profit mix affecting tax rates and availability of tax incentives.

A major disruption in one of our manufacturing or distribution facilities or headquarters, including the impact of plant consolidations and relocations.

Changes in our relationships with, or the financial condition or performance of, key distributors and other customers, agents or business partners could adversely affect our results of operations.

Impact of productivity improvements on lead times, quality and delivery of product.

Anticipated future contributions and assumptions including changes in interest rates and plan assets with respect to pensions.

Adjustments to product warranty accruals in response to claims incurred, historical experiences and known costs.

Unexpected costs or charges, certain of which might be outside of our control.

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Changes in strategy, economic conditions or other conditions outside of our control affecting anticipated future global product sourcing levels.

Ability to carry out future acquisitions and strategic investments in our core businesses and costs relating to acquisitions and acquisition integration costs.

Future repurchases of common stock under our common stock repurchase programs.

Changes in accounting principles, interpretations, or estimates.

The outcome of environmental, legal and tax contingencies or costs compared to amounts provided for such contingencies.

Adverse changes in foreign currency exchange rates and the potential use of hedging instruments to hedge the exposure to fluctuating rates of foreign currency exchange on inventory purchases.

Other factors described in our Securities and Exchange Commission filings, including the *Business*, *Risk Factors* and *Quantitative and Qualitative Disclosures about Market Risk* Sections in this Annual Report on Form 10-K for the year ended December 31, 2008.

Any such forward-looking statements are not guarantees of future performance and actual results, developments and business decisions may differ from those contemplated by such forward-looking statements. The Company disclaims any duty to update any forward-looking statement, all of which are expressly qualified by the foregoing, other than as required by law.

Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

In the operation of our business, we have various exposures to areas of risk related to factors within and outside the control of management. Significant areas of risk and our strategies to manage the exposure are discussed below.

We manufacture our products in the United States, Canada, Switzerland, Puerto Rico, Mexico, the People's Republic of China, Italy, United Kingdom, Brazil and Australia and sell products in those markets as well as through sales offices in Singapore, the People's Republic of China, Mexico, South Korea and the Middle East. International shipments from non-U.S. subsidiaries as a percentage of the Company's total net sales were 16% in 2008, 14% in 2007 and 13% in 2006. The United Kingdom operations represent 31%, Canada 24%, Switzerland 16%, and all other countries 29% of total 2008 international sales. As such, our operating results could be affected by changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we sell our products. To manage this exposure, we closely monitor the working capital requirements of our international units. In 2008, we entered into a series of forward exchange contracts on behalf of our Canadian operation to purchase U.S. dollars in order to hedge a portion of their exposure to fluctuating rates of exchange on anticipated inventory purchases. As of December 31, 2008 we had 18 outstanding contracts for \$1.0 million each, which expire through December 2009.

Product purchases representing approximately 15% of our net sales are sourced from unaffiliated suppliers located outside the United States, primarily in the People's Republic of China and other Asian countries, Europe and Brazil. We are actively seeking to expand this activity, particularly related to purchases from low cost areas of the world. Foreign sourcing of products may result in unexpected fluctuations in product cost or increased risk of business interruption due to lack of product or component availability due to any one of the following:

Political or economic uncertainty in the source country

Fluctuations in the rate of exchange between the U.S. dollar and the currencies of the source countries

Increased logistical complexity including supply chain interruption or delay, port of departure or entry disruption and overall time to market

Loss of proprietary information

Product quality issues outside the control of the Company

We have developed plans that address many of these risks. Such actions include careful selection of products to be outsourced and the suppliers selected; ensuring multiple sources of supply; limiting concentrations of activity by

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port, broker, freight forwarder, etc., processes related to quality control; and maintaining control over operations, technologies and manufacturing deemed to provide competitive advantage. Many of our businesses have a dependency on certain basic raw materials needed to produce their products including steel, brass, copper, aluminum, bronze, plastics, phenols, zinc, nickel, elastomers and petrochemicals as well as purchased electrical and electronic components. Our financial results could be affected by the availability and changes in prices of these materials and components.

Certain of these materials are sourced from a limited number of suppliers. These materials are also key source materials for many other companies in our industry and within the universe of industrial manufacturers in general. As such, in periods of rising demand for these materials, we may experience both (1) increased costs and (2) limited supply. These conditions can potentially result in our inability to acquire these key materials on a timely basis to produce our products and satisfy our incoming sales orders. Similarly, the cost of these materials can rise suddenly and result in materially higher costs of producing our products. We believe we have adequate primary and secondary sources of supply for each of our key materials and that, in periods of rising prices, we expect to recover a majority of the increased cost in the form of higher selling prices. However, recoveries typically lag the effect of cost increases due to the nature of our markets.

Our financial results are subject to interest rate fluctuations to the extent there is a difference between the amount of our interest-earning assets and the amount of interest-bearing liabilities. The principal objectives of our investment management activities are to preserve capital while earning net investment income that is commensurate with acceptable levels of interest rate, default and liquidity risk taking into account our funding needs. As part of our investment management strategy, we may use derivative financial products such as interest rate hedges and interest rate swaps. Refer to further discussion under **Capital Structure** within this **Management's Discussion and Analysis**.

From time to time or when required, we issue commercial paper, which exposes us to changes in interest rates. Our cash position includes amounts denominated in foreign currencies. We manage our worldwide cash requirements by considering available funds held by our subsidiaries and the cost effectiveness with which these funds can be accessed.

We continually evaluate risk retention and insurance levels for product liability, property damage and other potential exposures to risk. We devote significant effort to maintaining and improving safety and internal control programs, which are intended to reduce our exposure to certain risks. We determine the level of insurance coverage and the likelihood of a loss and believe that the current levels of risk retention are consistent with those of comparable companies in the industries in which we operate. There can be no assurance that we will not incur losses beyond the limits of our insurance. However, our liquidity, financial position and profitability are not expected to be materially affected by the levels of risk retention that we accept.

The following table presents cost information related to interest risk sensitive instruments by maturity at December 31, 2008 (dollars in millions):

	2009	2010	2011	2012	2013	Thereafter	Total	Fair Value 12/31/08
Assets								
Available-for-sale investments	\$ 6.4	\$ 2.6	\$ 2.1	\$ 8.4	\$ 1.2	\$ 13.9	\$ 34.6	\$ 35.1
Avg. interest rate	5.02%	6.05%	5.63%	4.89%	4.00%	5.05%		
Liabilities								

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Long-term debt	\$	\$	\$	\$ 199.6	\$	\$ 297.8	\$ 497.4	\$ 484.7
Avg. interest rate				6.38%		5.95%	6.12%	

All of the assets and liabilities above are fixed rate instruments. We use derivative financial instruments only if they are matched with a specific asset, liability, or proposed future transaction. We do not speculate or use leverage when trading a financial derivative product.

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Item 8. *Financial Statements and Supplementary Data*

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All other schedules are omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

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**REPORT OF MANAGEMENT
HUBBELL INCORPORATED AND SUBSIDIARIES**

Report on Management's Responsibility for Financial Statements

Our management is responsible for the preparation, integrity and fair presentation of its published financial statements. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and include amounts based on informed judgments made by management.

We believe it is critical to provide investors and other users of our financial statements with information that is relevant, objective, understandable and timely, so that they can make informed decisions. As a result, we have established and we maintain systems and practices and internal control processes designed to provide reasonable, but not, absolute assurance that transactions are properly executed and recorded and that our policies and procedures are carried out appropriately. Management strives to recruit, train and retain high quality people to ensure that controls are designed, implemented and maintained in a high-quality, reliable manner.

Our independent registered public accounting firm audited our financial statements and the effectiveness of our internal control over financial reporting in accordance with Standards established by the Public Company Accounting Oversight Board (United States). Their report appears on the next page within this Annual Report on Form 10-K.

Our Board of Directors normally meets at least five times per year to provide oversight, to review corporate strategies and operations, and to assess management's conduct of the business. The Audit Committee of our Board of Directors (which meets approximately nine times per year) is comprised of at least three individuals all of whom must be independent under current New York Stock Exchange listing standards and regulations adopted by the SEC under the federal securities laws. The Audit Committee meets regularly with our internal auditors and independent registered public accounting firm, as well as management to review, among other matters, accounting, auditing, internal controls and financial reporting issues and practices. Both the internal auditors and independent registered public accounting firm have full, unlimited access to the Audit Committee.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate systems of internal control over financial reporting as defined by Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2008. In making this assessment, management used the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management concluded that our internal control over financial reporting was effective as of December 31, 2008.

The effectiveness of our internal control over financial reporting as of December 31, 2008 has been audited by PricewaterhouseCoopers LLP, our independent registered public accounting firm as stated in their report which is included on the next page within this Annual Report on Form 10-K.

Timothy H. Powers
Chairman of the Board,
President & Chief Executive Officer

David G. Nord
Senior Vice President and
Chief Financial Officer

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Hubbell Incorporated:

In our opinion, the consolidated financial statements listed in the accompanying index present fairly, in all material respects, the financial position of Hubbell Incorporated and its subsidiaries (the Company) at December 31, 2008 and 2007, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 1 to the consolidated financial statements, the Company changed the manner in which it accounts for share-based compensation in 2006, and the manner in which it accounts for defined benefit pension and other postretirement plans effective December 31, 2006.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Stamford, Connecticut
February 18, 2009

Table of Contents**HUBBELL INCORPORATED AND SUBSIDIARIES****CONSOLIDATED STATEMENT OF INCOME**

	Year Ended December 31		
	2008	2007	2006
	(In millions except per share amounts)		
Net sales	\$ 2,704.4	\$ 2,533.9	\$ 2,414.3
Cost of goods sold	1,901.0	1,798.1	1,757.5
Gross profit	803.4	735.8	656.8
Selling & administrative expenses	457.4	436.4	415.6
Special charges, net			7.3
Operating income	346.0	299.4	233.9
Investment income	2.8	2.4	5.1
Interest expense	(27.4)	(17.6)	(15.4)
Other expense, net	(3.5)		(2.1)
Total other expense	(28.1)	(15.2)	(12.4)
Income before income taxes	317.9	284.2	221.5
Provision for income taxes	95.2	75.9	63.4
Net income	\$ 222.7	\$ 208.3	\$ 158.1
Earnings per share			
Basic	\$ 3.97	\$ 3.54	\$ 2.62
Diluted	\$ 3.94	\$ 3.50	\$ 2.59
Average number of common shares outstanding			
Basic	56.0	58.8	60.4
Diluted	56.5	59.5	61.1
Cash dividends per common share	\$ 1.38		