

HUBBELL INC
Form 10-Q
October 21, 2011

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10Q**

**☐ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2011

**○ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 1-2958

HUBBELL INCORPORATED

(Exact name of registrant as specified in its charter)

State of Connecticut

06-0397030

(State or other jurisdiction of incorporation or
organization)

(I.R.S. Employer Identification No.)

40 Waterview Drive, Shelton, CT

06484

(Address of principal executive offices)

(Zip Code)

(475) 882-4000

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether 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 required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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 number of shares outstanding of the Class A Common Stock and Class B Common Stock as of October 17, 2011 were 7,167,506 and 51,768,996, respectively.

HUBBELL INCORPORATED

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HUBBELL INCORPORATED
Condensed Consolidated Statement of Income
(unaudited)
(in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2011	2010	2011	2010
Net Sales	\$ 764.3	\$ 685.0	\$ 2,131.6	\$ 1,901.9
Cost of goods sold	512.0	449.8	1,444.2	1,280.0
Gross Profit	252.3	235.2	687.4	621.9
Selling & administrative expenses	127.0	117.6	373.4	345.1
Operating income	125.3	117.6	314.0	276.8
Interest expense, net	(7.3)	(7.8)	(22.3)	(22.9)
Other expense, net		(0.6)	(3.8)	(1.6)
Total other expense, net	(7.3)	(8.4)	(26.1)	(24.5)
Income before income taxes	118.0	109.2	287.9	252.3
Provision for income taxes	34.7	37.5	88.2	83.7
Net income	83.3	71.7	199.7	168.6
Less: Net income attributable to noncontrolling interest	0.9	0.4	1.8	1.1
Net income attributable to Hubbell	\$ 82.4	\$ 71.3	\$ 197.9	\$ 167.5
Earnings per share				
Basic	\$ 1.38	\$ 1.19	\$ 3.29	\$ 2.79
Diluted	\$ 1.37	\$ 1.18	\$ 3.25	\$ 2.77
Cash dividends per common share	\$ 0.38	\$ 0.36	\$ 1.14	\$ 1.08

See notes to unaudited condensed consolidated financial statements.

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HUBBELL INCORPORATED
Condensed Consolidated Balance Sheet
(unaudited)
(in millions)

	September 30, 2011	December 31, 2010
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 511.8	\$ 520.7
Short-term investments	6.7	8.8
Accounts receivable, net	455.3	341.8
Inventories, net	331.2	298.4
Deferred taxes and other	59.5	56.4
Total Current Assets	1,364.5	1,226.1
Property, Plant, and Equipment, net	357.3	358.3
Other Assets		
Investments	39.3	30.2
Goodwill	722.7	724.0
Intangible assets, net	259.9	273.5
Other long-term assets	66.4	93.7
Total Assets	\$ 2,810.1	\$ 2,705.8
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt	\$ 2.3	\$ 1.8
Accounts payable	221.0	160.8
Accrued salaries, wages and employee benefits	60.7	70.4
Accrued insurance	49.7	48.5
Dividends payable	22.4	21.9
Other accrued liabilities	173.7	141.6
Total Current Liabilities	529.8	445.0
Long-Term Debt	596.2	595.9
Other Non-Current Liabilities	201.6	201.4
Total Liabilities	1,327.6	1,242.3
Total Hubbell Shareholders' Equity	1,477.1	1,459.2
Noncontrolling interest	5.4	4.3
Total Equity	1,482.5	1,463.5
Total Liabilities and Equity	\$ 2,810.1	\$ 2,705.8

See notes to unaudited condensed consolidated financial statements.

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HUBBELL INCORPORATED
Condensed Consolidated Statement of Cash Flows
(unaudited)
(in millions)

	Nine Months Ended	
	September 30	
	2011	2010
Cash Flows from Operating Activities		
Net income	\$ 199.7	\$ 168.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	51.7	54.8
Deferred income taxes	14.5	4.7
Stock-based compensation	7.7	6.9
Tax benefit on stock-based awards	(4.0)	(2.4)
Changes in assets and liabilities:		
Increase in accounts receivable, net	(116.3)	(97.4)
Increase in inventories, net	(33.5)	(29.3)
Increase in current liabilities	89.6	59.4
Changes in other assets and liabilities, net	13.1	13.8
Contribution to defined benefit pension plans	(2.1)	(2.6)
Other, net	(3.2)	(0.5)
Net cash provided by operating activities	217.2	176.0
Cash Flows from Investing Activities		
Capital expenditures	(41.3)	(33.8)
Purchases of available-for-sale investments	(14.0)	(22.1)
Proceeds from available-for-sale investments	8.2	10.1
Other, net	5.5	2.3
Net cash used in investing activities	(41.6)	(43.5)
Cash Flows from Financing Activities		
Short-term debt borrowings, net	0.6	2.2
Payment of dividends	(67.7)	(64.0)
Payment of dividends to noncontrolling interest	(0.7)	(0.9)
Acquisition of common shares	(137.7)	(2.9)
Proceeds from exercise of stock options	17.2	11.1
Tax benefit on stock-based awards	4.0	2.4
Other, net	0.1	
Net cash used in financing activities	(184.2)	(52.1)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(0.3)	3.9
(Decrease) increase in cash and cash equivalents	(8.9)	84.3
Cash and cash equivalents		
Beginning of period	520.7	258.5

End of period	\$	511.8	\$	342.8
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See notes to unaudited condensed consolidated financial statements.

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HUBBELL INCORPORATED
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Hubbell Incorporated (Hubbell , the Company , registrant , we , our or us , which references shall include its divisions and subsidiaries) have been prepared in accordance with generally accepted accounting principles (GAAP) for interim financial information. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America (U.S.) for complete financial statements. In the opinion of management, all adjustments consisting only of normal recurring adjustments considered necessary for a fair statement of the results of the periods presented have been included. Operating results for the nine months ended September 30, 2011 are not necessarily indicative of the results that may be expected for the year ending December 31, 2011.

The balance sheet at December 31, 2010 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the U.S. for complete financial statements.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Hubbell Incorporated Annual Report on Form 10-K for the year ended December 31, 2010.

Recent Accounting Pronouncements

In September 2011, the Financial Accounting Standards Board (FASB) amended its goodwill guidance by providing entities an option to use a qualitative approach to test goodwill for impairment. An entity will be able to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If it is concluded that this is the case, it is necessary to perform the currently prescribed two step goodwill impairment test. Otherwise, the two-step goodwill impairment test is not required. The amendment will be effective for the Company on January 1, 2012. The Company does not anticipate that this amendment will have a material impact on its financial statements.

In September 2011, the FASB amended the disclosure requirements related to multiemployer pension plans. The amendment is applicable to all entities that participate in multiemployer pension plans and will expand the information currently disclosed about an employer's financial obligations to the multiemployer plans as well as the financial health of all significant plans in which the employer participates. The amendment is effective for fiscal years ending after December 15, 2011, with early adoption permitted and retrospective application required. The Company does not anticipate that this amendment will have a material impact on its financial statements.

In June 2011, the FASB issued an amendment regarding the presentation of other comprehensive income. Under this amendment, entities will be required to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The current option to report other comprehensive income and its components in the statement of changes in equity has been eliminated. This amendment will be effective for the Company on January 1, 2012 and full retrospective application is required. The Company does not anticipate that this amendment will have a material impact on its financial statements.

In May 2011, the FASB issued an amendment to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between GAAP and International Financial Reporting Standards (IFRS). This amendment changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This amendment will be effective for the Company on January 1, 2012. The Company is currently evaluating the impact this amendment will have, if any, on its financial statements.

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In December 2010, the FASB issued amended guidance to clarify the acquisition date that should be used for reporting pro forma financial information for business combinations. If comparative financial statements are presented, the pro forma revenue and earnings of the combined entity for the comparable prior reporting period should be reported as though the acquisition date had been completed as of the beginning of the comparable prior annual reporting period. The Company has adopted this amendment effective January 1, 2011 and will apply the guidance prospectively for business combinations, if any, occurring on or after January 1, 2011.

In December 2010, the FASB issued an amendment to the guidance on goodwill impairment testing. The amendment modifies Step 1 of the goodwill impairment test for reporting units with zero or negative carrying amounts. For those reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. In making that determination, an entity should consider whether there are any adverse qualitative factors indicating that an impairment may exist. The Company has adopted this amendment effective January 1, 2011. This amendment had no impact on the Company's financial position, results of operations or cash flows. See Note 4 – Goodwill and Other Intangible Assets.

2. Segment Information

The Company's reporting segments consist of the Electrical segment and the Power segment. The following table sets forth financial information by business segment (in millions):

	Net Sales		Operating Income		Operating Income as a % of Net Sales	
	2011	2010	2011	2010	2011	2010
Three Months Ended						
September 30,						
Electrical	\$ 526.6	\$ 490.6	\$ 81.5	\$ 83.9	15.5%	17.1%
Power	237.7	194.4	43.8	33.7	18.4%	17.3%
Total	\$ 764.3	\$ 685.0	\$ 125.3	\$ 117.6	16.4%	17.2%
Nine Months Ended						
September 30,						
Electrical	\$ 1,490.6	\$ 1,358.3	\$ 208.3	\$ 185.1	14.0%	13.6%
Power	641.0	543.6	105.7	91.7	16.5%	16.9%
Total	\$ 2,131.6	\$ 1,901.9	\$ 314.0	\$ 276.8	14.7%	14.6%

3. Inventories, net

Inventories, net are comprised of the following (in millions):

	September 30, 2011	December 31, 2010
Raw material	\$ 119.6	\$ 106.0
Work-in-process	72.6	62.4
Finished goods	221.9	206.4
	414.1	374.8
Excess of FIFO over LIFO cost basis	(82.9)	(76.4)
Total	\$ 331.2	\$ 298.4

Table of Contents**4. Goodwill and Other Intangible Assets**

Changes in the carrying values of goodwill for the nine months ended September 30, 2011, by segment, were as follows (in millions):

	Segment		Total
	Electrical	Power	
Balance December 31, 2010	\$ 448.2	\$ 275.8	\$ 724.0
Translation adjustments	(0.3)	(1.0)	(1.3)
Balance September 30, 2011	\$ 447.9	\$ 274.8	\$ 722.7

The Company performs its annual goodwill impairment test as of April 1st of each year, unless circumstances dictate the need for more frequent assessments. As of April 1, 2011, the Company's impairment testing resulted in fair values for each reporting unit that exceeded the reporting unit's carrying value, including goodwill. The Company has not recorded any goodwill impairments since the initial adoption of the accounting guidance in 2002.

The carrying value of other intangible assets included in Intangible assets, net in the Condensed Consolidated Balance Sheet is as follows (in millions):

	September 30, 2011		December 31, 2010	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Definite-lived:				
Patents, tradenames and trademarks	\$ 83.3	\$ (18.1)	\$ 83.6	\$ (15.2)
Customer/Agent relationships and other	181.7	(43.2)	183.1	(34.6)
Total	265.0	(61.3)	266.7	(49.8)
Indefinite-lived:				
Tradenames and other	56.2		56.6	
Total	\$ 321.2	\$ (61.3)	\$ 323.3	\$ (49.8)

Amortization expense associated with these definite-lived intangible assets was \$12.4 million and \$12.3 million for the nine months ended September 30, 2011 and 2010. Future amortization expense associated with these intangible assets is expected to be \$3.6 million for the remainder of 2011, \$15.4 million in 2012, \$15.0 million in 2013, \$14.5 million in 2014, \$13.2 million in 2015 and \$12.5 million in 2016.

5. Other Accrued Liabilities

Other accrued liabilities are comprised of the following, (in millions):

	September 30, 2011	December 31, 2010
Deferred revenue	\$ 33.6	\$ 34.9
Customer incentive programs	27.3	31.2
Accrued income taxes	44.4	15.2
Other	68.4	60.3
Total	\$ 173.7	\$ 141.6

Table of Contents**6. Total Equity**

Total equity is comprised of the following (in millions, except per share amounts):

	September 30, 2011	December 31, 2010
Common stock, \$.01 par value:		
Class A authorized 50.0 shares; issued and outstanding 7.2 and 7.2 shares	\$ 0.1	\$ 0.1
Class B authorized 150.0 shares; issued and outstanding 51.8 and 53.5 shares	0.5	0.5
Additional paid-in-capital	91.2	201.3
Retained earnings	1,468.3	1,338.6
Accumulated other comprehensive loss:		
Pension and post retirement benefit plan adjustment, net of tax	(91.7)	(95.6)
Cumulative translation adjustment	7.6	14.6
Unrealized gain on investment, net of tax	0.9	0.5
Cash flow hedge gain (loss), net of tax	0.2	(0.8)
Total Accumulated other comprehensive loss	(83.0)	(81.3)
Hubbell Shareholders equity	1,477.1	1,459.2
Noncontrolling interest	5.4	4.3
Total equity	\$ 1,482.5	\$ 1,463.5

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A summary of the changes in equity for the nine months ended September 30, 2011 and 2010 is provided below (in millions):

	Nine Months Ended September 30, 2011			Nine Months Ended September 30, 2010		
	Hubbell Shareholders Equity	Noncontrolling interest	Total Equity	Hubbell Shareholders Equity	Noncontrolling interest	Total Equity
Equity, January 1,	\$ 1,459.2	\$ 4.3	\$ 1,463.5	\$ 1,298.2	\$ 3.8	\$ 1,302.0
Total comprehensive income	196.2	1.8	198.0	178.7	1.1	179.8
Stock-based compensation	7.7		7.7	6.9		6.9
Exercise of stock options	17.2		17.2	11.1		11.1
Income tax windfall from stock-based awards, net	4.0		4.0	2.4		2.4
Acquisition/surrender of common shares	(139.8)		(139.8)	(3.6)		(3.6)
Issuance of shares related to director s deferred compensation	0.8		0.8			
Dividends to noncontrolling interest		(0.7)	(0.7)		(0.9)	(0.9)
Cash dividends declared	(68.2)		(68.2)	(64.8)		(64.8)
Equity, September 30,	\$ 1,477.1	\$ 5.4	\$ 1,482.5	\$ 1,428.9	\$ 4.0	\$ 1,432.9

The detailed components of total comprehensive income are presented in Note 7 Comprehensive Income.

7. Comprehensive Income

Total comprehensive income and its components are as follows (in millions):

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Net income	\$ 83.3	\$ 71.7	\$ 199.7	\$ 168.6
Foreign currency translation adjustments	(22.5)	14.2	(7.0)	7.8
Amortization of net prior service costs and net actuarial losses, net of tax	1.2	0.8	3.9	2.5
Change in unrealized gains on investments, net of tax	0.2	0.2	0.4	0.3
Change in unrealized gains (losses) on cash flow hedges, net of tax	1.0	(0.2)	1.0	0.6
Total Comprehensive income	63.2	86.7	198.0	179.8
Less: Comprehensive income attributable to noncontrolling interest	0.9	0.4	1.8	1.1
Comprehensive income attributable to Hubbell	\$ 62.3	\$ 86.3	\$ 196.2	\$ 178.7

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The Company computes earnings per share using the two-class method, which is an earnings allocation formula that determines earnings per share for common stock and participating securities. Restricted stock granted by the Company is considered a participating security since it contains a non-forfeitable right to dividends.

The following table sets forth the computation of earnings per share for the three and nine months ended September 30, 2011 and 2010 (in millions, except per share amounts):

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2011	2010	2011	2010
Numerator:				
Net income attributable to Hubbell	\$ 82.4	\$ 71.3	\$ 197.9	\$ 167.5
Less: Earnings allocated to participating securities	0.2	0.3	0.7	0.7
Net income available to common shareholders	82.2	71.0	197.2	166.8
Denominator:				
Average number of common shares outstanding	59.3	59.8	59.9	59.8
Potential dilutive shares	0.6	0.4	0.7	0.4
Average number of diluted shares outstanding	59.9	60.2	60.6	60.2
Earnings per share:				
Basic	\$ 1.38	\$ 1.19	\$ 3.29	\$ 2.79
Diluted	\$ 1.37	\$ 1.18	\$ 3.25	\$ 2.77

Anti-dilutive securities excluded from the calculation of earnings per diluted share:

Stock options and performance shares	0.8	0.8
Stock appreciation rights	1.6	1.6

The Company did not have any anti-dilutive securities during the three and nine months ended September 30, 2011.

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The following table sets forth the components of net pension and other benefit costs for the three and nine months ended September 30, 2011 and 2010, (in millions):

	Pension Benefits		Other Benefits	
	2011	2010	2011	2010
Three Months Ended September 30				
Service cost	\$ 3.5	\$ 3.0	\$	\$ 0.1
Interest cost	9.5	9.4	0.4	0.5
Expected return on plan assets	(10.4)	(10.4)		
Amortization of prior service cost	0.1	0.1		
Amortization of actuarial losses/(gains)	2.1	1.3	(0.2)	(0.1)
Net periodic benefit cost	\$ 4.8	\$ 3.4	\$ 0.2	\$ 0.5
Nine Months Ended September 30				
Service cost	\$ 10.5	\$ 9.1	\$	\$ 0.2
Interest cost	28.6	28.1	1.2	1.6
Expected return on plan assets	(31.4)	(31.3)		
Amortization of prior service cost	0.3	0.2		
Amortization of actuarial losses/(gains)	6.2	3.8	(0.6)	(0.2)
Net periodic benefit cost	\$ 14.2	\$ 9.9	\$ 0.6	\$ 1.6

Employer Contributions

The Company anticipates making required contributions of approximately \$3.0 million to its foreign pension plans during 2011, of which \$2.1 million has been contributed through September 30, 2011. In addition, the Company may make a voluntary contribution to its foreign pension plans in 2011. Although not required under the Pension Protection Act of 2006, the Company may also make a voluntary contribution to its qualified domestic benefit pension plans in 2011.

10. Guarantees

The Company accrues for costs associated with guarantees when it is probable that a liability has been incurred and the amount can be reasonably estimated. The most likely costs to be incurred are accrued based on an evaluation of currently available facts and, where no amount within a range of estimates is more likely, the minimum is accrued.

The Company records a liability equal to the fair value of guarantees in the Condensed Consolidated Balance Sheet in accordance with the guarantees accounting guidance. As of September 30, 2011, the fair value and maximum potential payment related to the Company's guarantees were not material.

The Company offers product warranties which cover potential defects on most of its products. These warranties primarily apply to products that are properly installed, maintained and used for their intended purpose. The Company accrues estimated warranty costs at the time of sale. Estimated warranty expenses, recorded in cost of goods sold, are based upon historical information such as past experience, product failure rates, or the number of units to be repaired or replaced. Adjustments are made to the product warranty accrual as claims are incurred or as historical experience indicates. The product warranty accrual is reviewed for reasonableness on a quarterly basis and is adjusted as additional information regarding expected warranty costs becomes known.

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Changes in the accrual for product warranties during the nine months ended September 30, 2011 are set forth below (in millions):

Balance at December 31, 2010	\$	6.7
Provision		5.2
Expenditures/other		(5.3)
Balance at September 30, 2011	\$	6.6

11. Fair Value Measurement

Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The FASB fair value measurement guidance established a fair value hierarchy that prioritizes the inputs used to measure fair value. The three broad levels of the fair value hierarchy are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly

Level 3 Unobservable inputs for which little or no market data exists, therefore requiring a company to develop its own assumptions

The following table shows, by level within the fair value hierarchy, our financial assets and liabilities that are accounted for at fair value on a recurring basis at September 30, 2011 and December 31, 2010 (in millions):

Asset (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)	Total
September 30, 2011			
Available for sale investments	\$ 42.3	\$	\$ 42.3
Trading securities	3.7		3.7
Deferred compensation plan liabilities	(3.7)		(3.7)
Derivatives:			
Forward exchange contracts		0.9	0.9
	\$ 42.3	\$ 0.9	\$ 43.2

Asset (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)	Total
December 31, 2010			

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Available for sale investments	\$	36.4	\$	\$	36.4
Trading securities		2.6			2.6
Deferred compensation plan liabilities		(2.5)			(2.5)
Derivatives:					
Forward exchange contracts				(0.6)	(0.6)
	\$	36.5	\$	(0.6)	\$ 35.9

The methods and assumptions used to estimate the Level 2 fair values were as follows:

Forward exchange contracts The fair value of forward exchange contracts were based on quoted forward foreign exchange prices at the reporting date.

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During the three and nine months ended September 30, 2011 there were no transfers of financial assets or liabilities in or out of Level 1 or Level 2 of the fair value hierarchy. During the nine months ended September 30, 2011 and as of December 31, 2010, the Company did not have any financial assets or liabilities that fell within the Level 3 hierarchy.

Investments

At September 30, 2011 and December 31, 2010, the Company had \$42.3 million and \$36.4 million, respectively, of municipal bonds classified as available-for-sale securities. The Company also had \$3.7 million and \$2.6 million of trading securities at September 30, 2011 and December 31, 2010, respectively. These investments are carried on the balance sheet at fair value. Unrealized gains and losses associated with available-for-sale securities are reflected in Accumulated other comprehensive loss, net of tax, while unrealized gains and losses associated with trading securities are reflected in the results of operations.

Deferred compensation plans

The Company offers certain employees the opportunity to participate in non-qualified deferred compensation plans. A participant's deferrals are invested in a variety of participant-directed debt and equity mutual funds that are classified as trading securities. During the nine months ended September 30, 2011 and 2010, the Company purchased \$1.4 million and \$0.7 million, respectively, of trading securities related to these deferred compensation plans. The unrealized gains and losses associated with these trading securities are directly offset by the changes in the fair value of the underlying deferred compensation plan obligation.

Derivatives

In order to limit financial risk in the management of its assets, liabilities and debt, the Company may use derivative financial instruments such as foreign currency hedges, commodity hedges, interest rate hedges and interest rate swaps. All derivative financial instruments are matched with an existing Company asset, liability or proposed transaction. Market value gains or losses on the derivative financial instrument are recognized in income when the effects of the related price changes of the underlying asset or liability are recognized in income.

The fair values of derivative instruments in the Condensed Consolidated Balance Sheet are as follows (in millions):

	Balance Sheet Location	Asset/(Liability) Derivatives Fair Value	
		September 30, 2011	December 31, 2010
Derivatives designated as hedges			
Forward exchange contracts designated as cash flow hedges	Other accrued liabilities	\$	\$ (0.6)
Forward exchange contracts designated as cash flow hedges	Deferred taxes and other	0.9	
		\$ 0.9	\$ (0.6)

Table of Contents*Forward exchange contracts*

In 2011 and 2010, the Company entered into a series of forward exchange contracts to purchase U.S. dollars in order to hedge its exposure to fluctuating rates of exchange on anticipated inventory purchases. As of September 30, 2011, the Company had 18 individual forward exchange contracts for \$1.0 million each, which have various expiration dates through September 2012. These contracts have been designated as cash flow hedges in accordance with the accounting guidance for derivatives.

Interest rate locks

Prior to the 2010 and 2008 issuance of long-term notes, the Company entered into forward interest rate locks to hedge its exposure to fluctuations in treasury rates. The 2010 interest rate lock resulted in a \$1.6 million loss while the 2008 interest rate lock resulted in a \$1.2 million gain. These amounts were recorded in Accumulated other comprehensive loss, net of tax, and are being amortized over the life of the respective notes. The amortization associated with these interest rate locks is reclassified from Accumulated other comprehensive loss to Interest expense, net in the Condensed Consolidated Statement of Income. The reclassification for the nine months ended September 30, 2011 and 2010 was not material. As of September 30, 2011 and December 31, 2010 there was \$0.4 million and \$0.5 million, respectively, of net unamortized losses reflected in Accumulated other comprehensive loss.

The following table summarizes the results of cash flow hedging relationships for the three months ended September 30, 2011 and 2010, (in millions):

Derivative Instrument	Derivative Gain/(Loss) Recognized in Accumulated Other Comprehensive Loss (net of tax)		Location of Gain/(Loss) Reclassified into Income (Effective Portion)	Loss Reclassified into Earnings (Effective Portion)	
	2011	2010		2011	2010
Forward exchange contract	\$ 0.8	\$ (0.3)	Cost of goods sold	\$ (0.2)	\$ (0.1)

The following table summarizes the results of cash flow hedging relationships for the nine months ended September 30, 2011 and 2010, (in millions):

Derivative Instrument	Derivative Gain/(Loss) Recognized in Accumulated Other Comprehensive Loss (net of tax)		Location of Gain/(Loss) Reclassified into Income (Effective Portion)	Loss Reclassified into Earnings (Effective Portion)	
	2011	2010		2011	2010
Forward exchange contract	\$ 0.3	\$ (0.1)	Cost of goods sold	\$ (1.0)	\$ (1.2)

There was no hedge ineffectiveness with respect to the forward exchange cash flow hedges during the three and nine months ended September 30, 2011 and 2010.

Long-term Debt

The total carrying value of long-term debt as of September 30, 2011 was \$596.2 million, net of unamortized discount. As of September 30, 2011, the estimated fair value of the long-term debt was \$666.0 million based on quoted market prices.

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12. Subsequent Events

In October 2011, the Company entered into a five year \$500 million revolving credit facility to replace the \$350 million credit facility scheduled to expire in October 2012. The new credit facility, which serves as a backup to our commercial paper program, is scheduled to expire in October 2016. The interest rate applicable to borrowing under the new credit agreement is generally either the prime rate or a surcharge over LIBOR. The single financial covenant in the \$500 million credit facility requires that total debt not exceed 55% of total capitalization. Annual commitment fees to support availability under the credit facility are not material.

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**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
EXECUTIVE OVERVIEW OF THE BUSINESS**

The 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. Products are either sourced complete, manufactured or assembled by subsidiaries in the United States, Canada, Switzerland, Puerto Rico, China, Mexico, Italy, the United Kingdom, Brazil and Australia. The Company also participates in joint ventures in Taiwan and China, and maintains sales offices in Singapore, China, Mexico, South Korea and countries in the Middle East. The Company employs approximately 14,000 individuals worldwide and operates approximately 75 facilities in 11 countries.

The Company's reporting segments consist of the Electrical segment and the Power segment. Results for the three and nine months ended September 30, 2011 are included under Segment Results within this Management's Discussion and Analysis.

We believe our current strategy provides the means for the Company to continue to grow profits and deliver attractive returns to our shareholders. In 2011, we continue to execute a business plan focused on:

Revenue

Organic Demand: The Company remains focused on expanding market share through an emphasis on new product introductions and more effective utilization of sales and marketing efforts across the organization. In 2011, organic demand is expected to be higher than 2010 primarily due to strength in the industrial and utility markets.

Acquisitions: The Company continues to assess opportunities to expand sales through acquisitions of businesses that fill product line gaps or allow for expansion into new markets.

Price Realization

Our goal is to achieve parity between pricing and commodity cost increases. In 2011, we are experiencing a competitive pricing environment. Since the fourth quarter of 2010, we have experienced increases in the cost of commodity raw materials used in our products including steel, copper, zinc and aluminum, as well as certain purchased electronic components such as ballasts and fluorescent lamps. While these costs have declined from their peaks they are still higher than their 2010 average cost. In addition, transportation costs are also increasing, reflecting higher levels of fuel costs. As a result, broad price increases have been implemented. For the fourth quarter of 2011 we expect price realization to be at parity with commodity cost increases.

Cost Containment

Global sourcing: We remain focused on expanding our global product and component sourcing and supplier cost reduction program. We continue 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 2011, we expect these costs to remain flat as a percent of net sales. Cost increases due to rising diesel fuel and ocean container costs are expected to be offset by productivity initiatives including increasing the effectiveness of our internal freight and logistics processes through capacity utilization and network optimization.

Table of Contents**Productivity**

The Company expects to expand upon the benefits of our enterprise-wide information technology system, including standardizing best practices in inventory management, production planning and scheduling to improve manufacturing throughput and to reduce costs. Value-engineering efforts and product transfers, including those to our recently expanded manufacturing operations in China, are also expected to contribute to our productivity improvements. This continuing emphasis on operational improvements is expected to lead to further reductions in lead times and improved service levels to our customers.

Transformation of business processes. We are continuing 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. We plan to continue to build on the shared services model that has been implemented in information technology, sourcing and logistics and expect to apply those principles in other areas.

Results of Operations Third Quarter of 2011 compared to the Third Quarter of 2010**Summary of Consolidated Results (in millions, except per share data):**

	Three Months Ended September 30			
	2011	% of Net sales	2010	% of Net sales
Net Sales	\$ 764.3		\$ 685.0	
Cost of goods sold	512.0		449.8	
Gross Profit	252.3	33.0%	235.2	34.3%
Selling & administrative expense	127.0	16.6%	117.6	17.2%
Operating income	125.3	16.4%	117.6	17.2%
Net income attributable to Hubbell	82.4	10.8%	71.3	10.4%
Earnings per share diluted	\$ 1.37		\$ 1.18	

Net Sales

Net sales of \$764.3 million for the third quarter of 2011 increased 12% compared to the third quarter of 2010 due to higher organic volume, price realization and favorable foreign currency translation. Compared to the third quarter of 2010, organic volume increased net sales by approximately eight percentage points while foreign currency translation and price realization each added approximately two percentage points.

Gross Profit

The consolidated gross profit margin in the third quarter of 2011 was 33.0% compared to 34.3% in the third quarter of 2010. The decrease in gross profit margin was due to higher commodity costs in excess of price realization and a less favorable mix.

Selling & Administrative Expenses (S&A)

S&A expenses in the third quarter of 2011 were \$127.0 million compared to \$117.6 million in the third quarter of 2010. As a percentage of net sales, S&A expenses declined to 16.6% in the third quarter of 2011 compared to 17.2% in the third quarter of 2010 due to leveraging of the higher sales volume.

Total Other Expense, net

Total other expense, net decreased \$1.1 million in the third quarter of 2011 compared to the third quarter of 2010. This decrease is primarily due to lower net foreign currency transaction losses and reduced net interest costs in the third quarter of 2011 compared to the comparable prior year period.

Income Taxes

The effective tax rate in the third quarter of 2011 decreased to 29.4% from 34.3% in the third quarter of 2010. This decrease is due to a \$2.5 million benefit resulting primarily from a change in estimates, the reinstatement of the federal research and development tax credit in the fourth quarter of 2010 and an additional \$2.2 million of tax expense recorded in the third quarter of 2010 related to the conclusion of an IRS audit of the Company's 2006 and 2007 federal income tax returns.

Table of Contents**Net income attributable to Hubbell and Earnings Per Diluted Share**

Net income attributable to Hubbell and earnings per diluted share each increased 16% in the third quarter of 2011 compared to the third quarter of 2010. These increases are due to higher operating income and a lower effective tax rate.

Segment Results**Electrical**

(In millions)	Three Months Ended September 30	
	2011	2010
Net sales	\$ 526.6	\$ 490.6
Operating income	81.5	83.9
Operating margin	15.5%	17.1%

Net sales in the Electrical segment increased 7% in the third quarter of 2011 compared with the third quarter of 2010. This improvement was due to higher broad based organic volume with the exception of the industrial market due to lower high voltage test equipment project sales. Compared to the third quarter of 2010, organic volume increased net sales by approximately four percentage points while foreign currency translation and price realization added approximately two and one percentage points, respectively, to net sales.

Within the segment, electrical systems products net sales increased 7% in the third quarter of 2011 compared to the third quarter of 2010 due to higher organic volume, price realization and favorable foreign currency translation. Sales of lighting products increased 8% in the third quarter of 2011 compared to 2010. Compared to the third quarter of 2010, sales of commercial and industrial lighting products increased 9% primarily driven by stronger demand in the retrofit and relight markets. Sales of residential lighting products increased 5% year-over-year.

Operating income in the third quarter of 2011 decreased 3% to \$81.5 million compared to the third quarter of 2010 and operating margin decreased by 160 basis points. Operating income and margin decreased primarily due to the less favorable mix and higher commodity costs partially offset by income from higher sales and price realization.

Power

(In millions)	Three Months Ended September 30	
	2011	2010
Net sales	\$ 237.7	\$ 194.4
Operating income	43.8	33.7
Operating margin	18.4%	17.3%

Net sales in the Power segment increased 22% in the third quarter of 2011 compared to the third quarter of 2010. Organic volume increased net sales by approximately eighteen percentage points due to strong growth in both distribution and transmission products including international growth. Price realization was favorable by three percentage points while favorable foreign currency translation added one percentage point.

Operating income increased 30% to \$43.8 million and operating margin increased to 18.4% in the third quarter of 2011 compared to 17.3% in the third quarter of 2010. The operating income and margin increases were primarily due to the higher volume partially offset by commodity costs in excess of price realization; however the gap continued to narrow in the third quarter of 2011 compared to the second quarter of 2011. Productivity improvements were offset by other inflationary increases and spending to support product development initiatives.

Table of Contents**Results of Operations** **Nine Months Ended September 30, 2011 compared to the Nine Months Ended September 30, 2010****Summary of Consolidated Results (in millions, except per share data):**

	Nine Months Ended September 30			
	2011	% of Net sales	2010	% of Net sales
Net Sales	\$ 2,131.6		\$ 1,901.9	
Cost of goods sold	1,444.2		1,280.0	
Gross Profit	687.4	32.2%	621.9	32.7%
Selling & administrative expense	373.4	17.5%	345.1	18.1%
Operating income	314.0	14.7%	276.8	14.6%
Net income attributable to Hubbell	197.9	9.3%	167.5	8.8%
Earnings per share diluted	\$ 3.25		\$ 2.77	

Net Sales

Net sales of \$2.1 billion for the first nine months of 2011 increased 12% compared to the first nine months of 2010 due to higher organic volume, price realization and favorable foreign currency translation. Compared to the first nine months of 2010, organic volume increased net sales by eight percentage points. Foreign currency translation and price realization each increased net sales by two percentage points.

Gross Profit

The consolidated gross profit margin was 32.2% the first nine months of 2011 compared to 32.7% in the first nine months of 2010. The decrease in gross profit margin was primarily due to lower mix of industrial sales caused by timing of project sales. The unfavorable impact of higher commodity costs in excess of price realization was essentially offset by productivity in excess of other cost increases.

Selling & Administrative Expenses

S&A expenses in the first nine months of 2011 were \$373.4 million compared to \$345.1 million in the first nine months of 2010. As a percentage of net sales, S&A expenses declined to 17.5% in the first nine months of 2011 compared to 18.1% in the first nine months of 2010 due to leveraging the higher sales.

Total Other Expense, net

Total other expense, net increased \$1.6 million in the first nine months of 2011 compared to the first nine months of 2010. This increase is primarily due to higher net foreign currency transaction losses in the first nine months of 2011 compared to the comparable prior year period. These losses were partially offset by lower net interest expense.

Income Taxes

The effective tax rate in the first nine months of 2011 decreased to 30.6% from 33.2% in the first nine months of 2010. This decrease is due to a \$2.5 million benefit resulting primarily from a change in estimates, the reinstatement of the federal research and development tax credit in the fourth quarter of 2010 and an additional \$2.2 million of tax expense recorded in the third quarter of 2010 related to the conclusion of an IRS audit of the Company's 2006 and 2007 federal income tax returns.

Table of Contents**Net income attributable to Hubbell and Earnings Per Diluted Share**

Net income attributable to Hubbell and earnings per diluted share increased 18% and 17%, respectively, in the first nine months of 2011 compared to the first nine months of 2010. The increase in net income attributable to Hubbell is due to higher operating income, lower net interest expense and a lower effective tax rate partially offset by higher foreign currency transaction losses.

Segment Results**Electrical**

(In millions)	Nine Months Ended September 30	
	2011	2010
Net sales	\$ 1,490.6	\$ 1,358.3
Operating income	208.3	185.1
Operating margin	14.0%	13.6%

Net sales in the Electrical segment increased 10% in the first nine months of 2011 compared with the first nine months of 2010 due to higher organic volume, favorable foreign currency translation and price realization. Compared to the first nine months of 2010, organic volume added approximately six percentage points to net sales. In addition, foreign currency translation and price realization each increased net sales by two percentage points.

Within the segment, electrical systems products net sales increased 12% in the first nine months of 2011 compared to the first nine months of 2010 due to higher organic volume and favorable foreign currency translation. Sales of lighting products increased 7% in the first nine months of 2011 compared to 2010. Compared to the first nine months of 2010, sales of commercial and industrial lighting products increased 10% primarily driven by stronger demand in the retrofit and relight markets while sales of residential lighting products decreased 5%.

Operating income in the first nine months of 2011 increased 13% to \$208.3 million compared to the first nine months of 2010 while operating margin increased 40 basis points. Operating income and operating margin increased primarily due to sales volume leverage partially offset by commodity costs in excess of price realization. Productivity improvements were essentially offset by inflationary spending increases.

Power

(In millions)	Nine Months Ended September 30	
	2011	2010
Net sales	\$ 641.0	\$ 543.6
Operating income	105.7	91.7
Operating margin	16.5%	16.9%

Net sales in the Power segment increased 18% in the first nine months of 2011 compared to the first nine months of 2010. Organic volume increased net sales by approximately fifteen percentage points due to higher net sales of distribution and transmission products, including international growth. Price realization and foreign currency translation added two and one percentage points, respectively, to net sales.

Operating income increased 15% to \$105.7 million but operating margin decreased 40 basis points to 16.5% in the first nine months of 2011 compared to the first nine months of 2010. The increase in operating income was due to higher volume; partially offset by commodity costs and other cost increases in excess of price realization and productivity improvements. Cost increases included spending to support growth initiatives such as product development and inflationary increases. The margin decline was primarily due to higher commodity costs in excess of price realization partially offset by higher sales.

Table of Contents**OUTLOOK**

For 2011, we expect net sales to increase by approximately twelve percent compared to 2010. We expect to achieve this increase through higher organic sales including new product introductions and improved price realization. Demand for our power products is expected to increase as utility companies spend on distribution products to maintain the network and invest in large scale transmission projects. The industrial market that we serve is expected to continue to grow overall, due to higher factory utilization rates and increased demand for harsh and hazardous products that are benefitting from strong energy markets. In the non-residential construction market, we expect stronger demand for renovation, relight and controls to be partially offset by declines in new construction spending. Our residential market, driven by single family home construction, is expected to decline as high levels of unemployment, slow wage growth and home foreclosures continue to dampen demand.

For 2011, we plan to continue to work on productivity initiatives, including improved sourcing, product redesign and lean projects focused on factory efficiency. We anticipate cost increases from commodities, fuel, pension, healthcare and other inflationary costs. In 2011, due to the competitive pricing environment, we expect commodity cost increases to be in excess of price realization. We plan to continue to invest in people and resources to support our growth initiatives. Overall, we expect to expand operating margin by approximately 20 to 30 basis points in 2011 compared to 2010. Additionally, we expect our 2011 effective tax rate to be approximately 31.0% and we anticipate generating free cash flow approximately equal to net income.

For 2012, we expect our overall organic sales to increase in the low single-digit range compared to 2011. The non-residential construction market is expected to have strong demand for retrofit and relighting projects offset by new construction weakness. The utility market is expected to grow with modest increases anticipated for our distribution products. We also anticipate the recent growth we have experienced for transmission related projects will continue in 2012. The industrial market is expected to expand although the growth is likely to be more modest than 2011. For the residential market, we do not anticipate any significant improvements in 2012. We expect to increase our earnings in 2012 through higher sales, careful management of pricing relative to commodity costs and by continuing our productivity programs. We also expect to continue to evaluate and pursue additional acquisitions to add to our portfolio.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES**Cash Flow**

(In millions)	Nine Months Ended September 30	
	2011	2010
Net cash provided by (used in):		
Operating activities	\$ 217.2	\$ 176.0
Investing activities	(41.6)	(43.5)
Financing activities	(184.2)	(52.1)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(0.3)	3.9
Net change in cash and cash equivalents	\$ (8.9)	\$ 84.3

Cash provided by operating activities for the nine months ended September 30, 2011 increased from the comparable period in 2010 primarily as a result of higher net income. Cash used for changes in working capital was \$60.2 million and \$67.3 million for the nine month periods ended September 30, 2011 and 2010, respectively. This slight improvement is primarily due to increases in accounts payable partially offset by higher levels of accounts receivable. Investing activities used cash of \$41.6 million in the first nine months of 2011 compared to cash used of \$43.5 million during the comparable period in 2010. During the nine months ended September 30, 2011, the Company had lower net purchases of available for sale securities partially offset by higher capital spending. Financing activities used cash of \$184.2 million in the first nine months of 2011 compared to \$52.1 million of cash used during the comparable period

of 2010. The increase is primarily due to the repurchase of common shares partially offset by higher proceeds from the exercise of stock options during the first nine months of 2011.

Table of Contents**Investments in the Business**

Investments in our business include both expenditures required to maintain the operation of our equipment and facilities as well as cash outlays in support of our strategic initiatives. During the first nine months of 2011, we used cash of \$41.3 million for capital expenditures, an increase of \$7.5 million from the comparable period of 2010.

In December 2007, the Board of Directors approved a stock repurchase program (December 2007 program) and authorized the repurchase of up to \$200 million of Class A and Class B Common Stock. During the nine months ended September 30, 2011, the Company has spent \$137.7 million on the repurchase of common shares and has completed the December 2007 program.

In September 2011, the Board of Directors approved a new stock repurchase program (September 2011 program) and authorized the repurchase of up to \$200 million of Class A and Class B Common Stock. As of September 30, 2011, the entire \$200 million remains authorized for repurchases under the September 2011 program. Depending upon numerous factors, including market conditions and alternative uses of cash, we may conduct discretionary repurchases through open market and privately negotiated transactions during our normal trading windows.

Debt to Capital

At September 30, 2011, the Company's total debt consisted of \$2.3 million of short-term debt and \$596.2 million of long-term notes, net of unamortized discount. The long-term fixed-rate notes, with amounts of \$300 million due in both 2018 and 2022, respectively, are callable with a make whole provision 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 September 30, 2011.

The Company has a credit agreement for a 5.0 million Brazilian Real line of credit to fund its Brazilian operations. At September 30, 2011, 4.1 million Brazilian Reals were utilized (equivalent to \$2.3 million). This line of credit expires in February 2012 and is not subject to annual commitment fees.

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 a useful measure of our financial leverage for evaluating the Company's ability to meet its funding needs.

(In millions)	September 30, 2011	December 31, 2010
Total Debt	\$ 598.5	\$ 597.7
Total Hubbell Shareholders' Equity	1,477.1	1,459.2
Total Capital	\$ 2,075.6	\$ 2,056.9
Total Debt to Total Capital	29%	29%
Total Debt	\$ 598.5	\$ 597.7
Less: Cash and cash equivalents	(511.8)	(520.7)
Investments	(46.0)	(39.0)
Net Debt	\$ 40.7	\$ 38.0
Net Debt to Total Capital	2%	2%

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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.

As of September 30, 2011, the Company's \$350 million committed bank credit facility had not been drawn against. In October 2011, the Company entered into a five year \$500 million revolving credit facility to replace the \$350 million credit facility scheduled to expire in October 2012. The new credit facility, which serves as a backup to our commercial paper program, is scheduled to expire in October 2016. The interest rate applicable to borrowing under the new credit agreement is generally either the prime rate or a surcharge over LIBOR. The single financial covenant in the \$500 million credit facility requires that total debt not exceed 55% of total capitalization. Annual commitment fees to support availability under the credit facility are not material.

Although not the principal source of liquidity, we believe our credit facility is capable of providing significant financing flexibility at reasonable rates of interest. However, in the event of a significant deterioration in the results of our operations or cash flows, leading to deterioration in financial condition, our borrowing costs could increase and/or our ability to borrow could be restricted. We have not entered into any guarantees that could give rise to material unexpected cash requirements.

We have contractual obligations for long-term debt, operating leases, purchase obligations, and certain other long-term liabilities that were summarized in a table of Contractual Obligations in our Annual Report on Form 10-K for the year ended December 31, 2010. Since December 31, 2010, there were no material changes to our contractual obligations.

Internal cash generation together with currently available cash and investments, available borrowing facilities and credit lines, if needed, are expected to be sufficient to fund operations, the current rate of cash dividends, capital expenditures, and an 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 Company maintains a conservative financial structure to provide the strength and flexibility necessary to achieve its strategic objectives. The 2008 disruption in the credit markets had a significant adverse impact on a number of financial institutions. While the Company's liquidity was not negatively impacted by this disruption, management will continue to closely monitor the Company's liquidity and credit markets. Management cannot predict with any certainty the impact to the Company should any future disruptions occur in the credit environment as a result of these issues.

Critical Accounting Estimates

A summary of our critical accounting estimates is included in Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2010. We are required to make estimates and judgments in the preparation of our financial statements that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosures. We continually review these estimates and their underlying assumptions to ensure they are appropriate for the circumstances. Changes in the estimates and assumptions we use could have a significant impact on our financial results. During the first nine months of 2011, there were no significant changes in our estimates and critical accounting policies.

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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-Q, 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, estimated, predict, could, may, subject to, continues, growing, prospective, purport, might, if, contemplate, potential, pending, target, goals, scheduled, will likely be, and similar phrases. Discussions of strategies, plans or 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, or 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 information technology 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, as well as inflationary trends.

The anticipated impacts from the 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 or more 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 which 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.

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 as well as the acquisition related costs.

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Unanticipated difficulties integrating acquisitions as well as the realization of expected synergies and benefits anticipated when we first enter into a transaction.

The ability of governments to meet their financial obligations.

Political unrest in foreign countries.

Natural disasters.

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

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 the Company s Annual Report on Form 10-K for the year ended December 31, 2010.

Any such forward-looking statements are not guarantees of future performances 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 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the operation of its business, the Company has exposures to fluctuating foreign currency exchange rates, availability of purchased finished goods and raw materials, changes in material prices, foreign sourcing issues, and changes in interest rates. The Company s procurement strategy continues to emphasize an increased level of purchases from international locations, primarily China and India, which subjects the Company to increased political and foreign currency exchange risk. Changes in the Chinese government s policy regarding the value of the Chinese currency versus the U.S. dollar has not had a significant impact on our financial condition, results of operations or cash flows. However, strengthening of the Chinese currency could increase the cost of the Company s products procured from this country. These factors have not increased significantly since the beginning of 2011. Accordingly, there has been no significant change in the Company s strategies to manage these exposures during the first nine months of 2011. For a complete discussion of the Company s exposure to market risk, refer to Item 7A, Quantitative and Qualitative Disclosures about Market Risk, contained in the Company s Annual Report on Form 10-K for the year ended December 31, 2010.

ITEM 4. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed under the Securities Exchange Act of 1934, as amended, the (Exchange Act) is recorded, processed, summarized and reported within the time periods specified and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

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The Company carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), as of the end of the period covered by this report on Form 10-Q. Based upon that evaluation, each of the Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2011, the Company's disclosure controls and procedures were effective to allow timely decisions regarding disclosure.

There have been no changes in the Company's internal control over financial reporting that occurred during the Company's most recently completed quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION**ITEM 1A. RISK FACTORS**

There have been no material changes in the Company's risk factors from those disclosed in the Annual Report on Form 10-K for the year ended December 31, 2010.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS
ISSUER PURCHASES OF EQUITY SECURITIES**

In December 2007, the Board of Directors approved a stock repurchase program and authorized the repurchase of up to \$200 million of Class A and Class B Common Stock. During the nine months ended September 30, 2011, the Company has spent \$137.7 million on the repurchase of common shares and has completed the December 2007 program.

In September 2011, 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. As of September 30, 2011, the entire \$200 million remains authorized for repurchases under the September 2011 program. Depending upon numerous factors, including market conditions and alternative uses of cash, we may conduct discretionary repurchases through open market and privately negotiated transactions during our normal trading windows.

Period	Total		Approximate Value of Shares that May Yet Be Purchased Under the Programs (In millions)
	Number of Class B Shares Purchased (000 s)	Average Price Paid per Class B Share	
Balance as of June 30, 2011			\$ 55.5
July 2011		\$	55.5
August 2011	358	52.41	36.7
September 2011	650	56.44	200.0
Total for the quarter ended September 30, 2011	1,008	\$ 55.01	

The Company did not repurchase any Class A Common Stock during the quarter ended, September 30, 2011.

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**ITEM 6. EXHIBITS
EXHIBITS**

Number	Description
31.1*	Certification of Chief Executive Officer Pursuant to Item 601(b)(31) of Regulation S-K, as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer Pursuant to Item 601(b)(31) of Regulation S-K, as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002.
101.INS**	XBRL Instance Document.
101.SCH**	XBRL Taxonomy Extension Schema Document.
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith

** In accordance with Rule 406T of Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: October 21, 2011

HUBBELL INCORPORATED

/s/ David G. Nord

/s/ Darrin S. Wegman

David G. Nord
Senior Vice President and Chief Financial Officer

Darrin S. Wegman
Vice President, Controller (Chief Accounting Officer)