# 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 June 30, 2011**

o **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 o

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 o

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 o | Non-accelerated filer o<br>(Do not check if a smaller reporting company) | Smaller reporting company o |
|---|---|---|---|

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

The number of shares outstanding of the Class A Common Stock and Class B Common Stock as of July 18, 2011 were 7,167,506 and 52,775,144 respectively.

**HUBBELL INCORPORATED**

## ITEM 1. FINANCIAL STATEMENTS

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

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| **Net Sales** | $ 709.2 | $ 646.4 | $ 1,367.3 | $ 1,216.9 |
| Cost of goods sold | 479.3 | 435.4 | 932.2 | 830.2 |
| **Gross Profit** | 229.9 | 211.0 | 435.1 | 386.7 |
| Selling & administrative expenses | 124.8 | 117.5 | 246.4 | 227.5 |
| **Operating income** | 105.1 | 93.5 | 188.7 | 159.2 |
| Interest expense, net | (7.5) | (7.5) | (15.0) | (15.1) |
| Other expense, net | (1.7) | (0.5) | (3.8) | (1.0) |
| Total other expense, net | (9.2) | (8.0) | (18.8) | (16.1) |
| **Income before income taxes** | 95.9 | 85.5 | 169.9 | 143.1 |
| Provision for income taxes | 30.2 | 27.6 | 53.5 | 46.2 |
| **Net income** | 65.7 | 57.9 | 116.4 | 96.9 |
| Less: Net income attributable to noncontrolling interest | 0.5 | 0.3 | 0.9 | 0.7 |
| **Net income attributable to Hubbell** | $ 65.2 | $ 57.6 | $ 115.5 | $ 96.2 |
| **Earnings per share** | | | | |
| Basic | $ 1.08 | $ 0.96 | $ 1.91 | $ 1.60 |
| Diluted | $ 1.07 | $ 0.95 | $ 1.89 | $ 1.59 |
| Cash dividends per common share | $ 0.38 | $ 0.36 | $ 0.76 | $ 0.72 |

See notes to unaudited condensed consolidated financial statements.

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

| | June 30, 2011 | December 31, 2010 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| Cash and cash equivalents | $ 510.4 | $ 520.7 |
| Short-term investments | 6.8 | 8.8 |
| Accounts receivable, net | 408.1 | 341.8 |
| Inventories, net | 324.2 | 298.4 |
| Deferred taxes and other | 58.4 | 56.4 |
| Total Current Assets | 1,307.9 | 1,226.1 |
| **Property, Plant, and Equipment, net** | 365.0 | 358.3 |
| **Other Assets** | | |
| Investments | 34.7 | 30.2 |
| Goodwill | 727.6 | 724.0 |
| Intangible assets, net | 266.5 | 273.5 |
| Other long-term assets | 73.7 | 93.7 |
| Total Assets | $ 2,775.4 | $ 2,705.8 |
| **LIABILITIES AND EQUITY** | | |
| **Current Liabilities** | | |
| Short-term debt | $ 2.2 | $ 1.8 |
| Accounts payable | 225.7 | 160.8 |
| Accrued salaries, wages and employee benefits | 49.2 | 70.4 |
| Accrued insurance | 53.8 | 48.5 |
| Dividends payable | 22.8 | 21.9 |
| Other accrued liabilities | 130.1 | 141.6 |
| Total Current Liabilities | 483.8 | 445.0 |
| **Long-Term Debt** | 596.1 | 595.9 |
| **Other Non-Current Liabilities** | 201.2 | 201.4 |
| Total Liabilities | 1,281.1 | 1,242.3 |
| **Total Hubbell Shareholders' Equity** | 1,489.8 | 1,459.2 |
| Noncontrolling interest | 4.5 | 4.3 |
| Total Equity | 1,494.3 | 1,463.5 |
| Total Liabilities and Equity | $ 2,775.4 | $ 2,705.8 |

See notes to unaudited condensed consolidated financial statements.

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

| | Six Months Ended June 30 | |
|---|---|---|
| | **2011** | **2010** |
| **Cash Flows from Operating Activities** | | |
| Net income | $ 116.4 | $ 96.9 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 34.8 | 36.8 |
| Deferred income taxes | 15.3 | 3.2 |
| Stock-based compensation | 5.1 | 4.5 |
| Tax benefit on stock-based awards | (3.9) | (2.2) |
| Changes in assets and liabilities: | | |
| Increase in accounts receivable, net | (62.5) | (61.2) |
| Increase in inventories, net | (22.3) | (14.6) |
| Increase in current liabilities | 34.4 | 23.9 |
| Changes in other assets and liabilities, net | 2.4 | 2.7 |
| Contribution to defined benefit pension plans | (1.4) | (1.7) |
| Other, net | (1.9) | 4.8 |
| Net cash provided by operating activities | 116.4 | 93.1 |
| **Cash Flows from Investing Activities** | | |
| Capital expenditures | (31.1) | (22.3) |
| Purchases of available-for-sale investments | (3.8) | (14.7) |
| Proceeds from available-for-sale investments | 2.9 | 5.5 |
| Other, net | 4.0 | 1.1 |
| Net cash used in investing activities | (28.0) | (30.4) |
| **Cash Flows from Financing Activities** | | |
| Short-term debt borrowings, net | 0.3 | 3.4 |
| Payment of dividends | (44.9) | (42.4) |
| Payment of dividends to noncontrolling interest | (0.7) | (0.5) |
| Acquisition of common shares | (82.2) | (2.9) |
| Proceeds from exercise of stock options | 17.0 | 10.0 |
| Tax benefit on stock-based awards | 3.9 | 2.2 |
| Other, net | 0.1 | — |
| Net cash used in financing activities | (106.5) | (30.2) |
| Effect of foreign currency exchange rate changes on cash and cash equivalents | 7.8 | (3.2) |
| **(Decrease) increase in cash and cash equivalents** | (10.3) | 29.3 |
| **Cash and cash equivalents** | | |
| Beginning of period | 520.7 | 258.5 |
| End of period | $ 510.4 | $ 287.8 |

See notes to unaudited condensed consolidated financial statements.

**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 six months ended June 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 June 2011, the Financial Accounting Standards Board ("FASB") issued an amendment on 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.

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 June 30,** | | | | | | |
| Electrical | $ 497.9 | $ 458.4 | $ 69.2 | $ 61.1 | 13.9% | 13.3% |
| Power | 211.3 | 188.0 | 35.9 | 32.4 | 17.0% | 17.2% |
| Total | $ 709.2 | $ 646.4 | $ 105.1 | $ 93.5 | 14.8% | 14.5% |
| **Six Months Ended June 30,** | | | | | | |
| Electrical | $ 964.0 | $ 867.7 | $ 126.8 | $ 101.2 | 13.2% | 11.7% |
| Power | 403.3 | 349.2 | 61.9 | 58.0 | 15.3% | 16.6% |
| Total | $ 1,367.3 | $ 1,216.9 | $ 188.7 | $ 159.2 | 13.8% | 13.1% |

## 3. Inventories, net

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

| | June 30, 2011 | December 31, 2010 |
|---|---|---|
| Raw material | $ 114.9 | $ 106.0 |
| Work-in-process | 68.3 | 62.4 |
| Finished goods | 221.7 | 206.4 |
| | 404.9 | 374.8 |
| Excess of FIFO over LIFO cost basis | (80.7) | (76.4) |
| Total | $ 324.2 | $ 298.4 |

## 4. Goodwill and Other Intangible Assets

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

| | Segment | | |
|---|---|---|---|
| | Electrical | Power | Total |
| Balance December 31, 2010 | $ 448.2 | $ 275.8 | $ 724.0 |
| Translation adjustments | 2.7 | 0.9 | 3.6 |
| Balance June 30, 2011 | $ 450.9 | $ 276.7 | $ 727.6 |

The Company performs its goodwill impairment testing as of April 1st of each year, unless circumstances dictate the need for more frequent assessments. Goodwill impairment testing involves a two-step process. Step 1 compares the fair value of the Company's reporting units to their carrying values. If the fair value of the reporting unit exceeds its carrying value, no further analysis is necessary. If the carrying value of the reporting unit exceeds its fair value, Step 2 must be completed to quantify the amount of impairment.

Goodwill impairment testing requires judgment, including the identification of reporting units, assigning assets and liabilities to reporting units and determining the fair value of each reporting unit. Significant judgments required to estimate the fair value of reporting units include estimating future cash flows, determining appropriate discount rates and other assumptions. The Company uses internal discounted cash flow estimates to determine fair value. These cash flow estimates are derived from historical experience and future long-term business plans and the application of an appropriate discount rate. Changes in these estimates and assumptions could materially affect the determination of fair value and/or goodwill impairment for each reporting unit. The Company's estimated aggregate fair value of its reporting units is compared to the Company's market capitalization on the valuation date to assess its reasonableness.

As of April 1, 2011, the impairment testing resulted in implied fair values for each reporting unit that exceeded the reporting unit's carrying value, including goodwill. The Company did not have any reporting units at risk of failing Step 1 of the impairment test as the excess of the estimated fair value over carrying value (expressed as a percentage of carrying value) ranged from approximately 75% to approximately 225% for the respective reporting units. Additionally, the Company did not have any reporting units with zero or negative carrying amounts.

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

| | June 30, 2011 | | December 31, 2010 | |
|---|---|---|---|---|
| | **Gross Amount** | **Accumulated Amortization** | **Gross Amount** | **Accumulated Amortization** |
| **Definite-lived:** | | | | |
| Patents, tradenames and trademarks | $ 84.0 | $ (17.3) | $ 83.6 | $ (15.2) |
| Customer/Agent relationships and other | 183.7 | (40.7) | 183.1 | (34.6) |
| Total | 267.7 | (58.0) | 266.7 | (49.8) |
| **Indefinite-lived:** | | | | |
| Tradenames and other | 56.8 | — | 56.6 | — |
| Total | $ 324.5 | $ (58.0) | $ 323.3 | $ (49.8) |

Amortization expense associated with these definite-lived intangible assets was $8.3 million and $8.2 million for the six months ended June 30, 2011 and 2010. Future amortization expense associated with these intangible assets is expected to be $7.7 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.

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**5. Total Equity**

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

| | June 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 52.8 and 53.5 shares | 0.5 | 0.5 |
| Additional paid-in-capital | 143.8 | 201.3 |
| Retained earnings | 1,408.3 | 1,338.6 |
| Accumulated other comprehensive loss: | | |
| Pension and post retirement benefit plan adjustment, net of tax | (92.9) | (95.6) |
| Cumulative translation adjustment | 30.1 | 14.6 |
| Unrealized gain on investment, net of tax | 0.7 | 0.5 |
| Cash flow hedge loss, net of tax | (0.8) | (0.8) |
| Total Accumulated other comprehensive loss | (62.9) | (81.3) |
| Hubbell Shareholders' equity | 1,489.8 | 1,459.2 |
| Noncontrolling interest | 4.5 | 4.3 |
| Total equity | $ 1,494.3 | $ 1,463.5 |

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

| | Six Months Ended June 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2011 | | | 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 | 133.9 | 0.9 | 134.8 | 92.4 | 0.7 | 93.1 |
| Stock-based compensation | 5.1 | — | 5.1 | 4.5 | — | 4.5 |
| Exercise of stock options | 17.0 | — | 17.0 | 10.0 | — | 10.0 |
| Income tax windfall from stock-based awards, net | 3.9 | — | 3.9 | 2.2 | — | 2.2 |
| Acquisition/surrender of common shares | (84.3) | — | (84.3) | (3.5) | — | (3.5) |
| Issuance of shares related to director's deferred compensation | 0.8 | — | 0.8 | — | — | — |
| Dividends to noncontrolling interest | — | (0.7) | (0.7) | — | (0.5) | (0.5) |
| Cash dividends declared | (45.8) | — | (45.8) | (43.2) | — | (43.2) |
| **Equity, June 30,** | $ 1,489.8 | $ 4.5 | $ 1,494.3 | $ 1,360.6 | $ 4.0 | $ 1,364.6 |

The detailed components of total comprehensive income are presented in Note 6 — Comprehensive Income.

### 6. Comprehensive Income

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

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| Net income | $ 65.7 | $ 57.9 | $ 116.4 | $ 96.9 |
| Foreign currency translation adjustments | 6.4 | (3.1) | 15.5 | (6.4) |
| Amortization of net prior service costs and net actuarial losses, net of tax | 1.3 | 0.7 | 2.7 | 1.7 |
| Change in unrealized gains on investments, net of tax | 0.2 | 0.2 | 0.2 | 0.1 |
| Change in unrealized gains on cash flow hedges, net of tax | 0.1 | 0.8 | — | 0.8 |
| Total Comprehensive income | 73.7 | 56.5 | 134.8 | 93.1 |
| Less: Comprehensive income attributable to noncontrolling interest | 0.5 | 0.3 | 0.9 | 0.7 |
| Comprehensive income attributable to Hubbell | $ 73.2 | $ 56.2 | $ 133.9 | $ 92.4 |

### 7. Earnings Per Share

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 six months ended June 30, 2011 and 2010 (in millions, except per share amounts):

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| Numerator: | | | | |
| Net income attributable to Hubbell | $ 65.2 | $ 57.6 | $ 115.5 | $ 96.2 |
| Less: Earnings allocated to participating securities | 0.3 | 0.2 | 0.5 | 0.4 |
| Net income available to common shareholders | 64.9 | 57.4 | 115.0 | 95.8 |
| Denominator: | | | | |
| Average number of common shares outstanding | 60.0 | 59.8 | 60.2 | 59.7 |
| Potential dilutive shares | 0.8 | 0.4 | 0.8 | 0.4 |
| Average number of diluted shares outstanding | 60.8 | 60.2 | 61.0 | 60.1 |
| Earnings per share: | | | | |
| Basic | $ 1.08 | $ 0.96 | $ 1.91 | $ 1.60 |
| Diluted | $ 1.07 | $ 0.95 | $ 1.89 | $ 1.59 |
| Anti-dilutive securities excluded from the calculation of earnings per diluted share: | | | | |
| Stock options and performance shares | — | 0.7 | — | 0.7 |
| Stock appreciation rights | — | 1.6 | — | 1.6 |

The Company did not have any anti-dilutive securities during the three and six month periods ended June 30, 2011.

### 8. Pension and Other Benefits

The following table sets forth the components of pension and other benefits cost for the three and six months ended June 30, 2011 and 2010, (in millions):

| | Pension Benefits | | Other Benefits | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| **Components of net periodic benefit cost for the three months ended June 30** | | | | |
| Service cost | $ 3.5 | $ 3.0 | $ — | $ 0.1 |
| Interest cost | 9.6 | 9.3 | 0.4 | 0.5 |
| Expected return on plan assets | (10.5) | (10.4) | — | — |
| Amortization of prior service cost | 0.1 | 0.1 | — | — |
| Amortization of actuarial losses/(gains) | 2.1 | 1.2 | (0.2) | (0.1) |
| Net periodic benefit cost | $ 4.8 | $ 3.2 | $ 0.2 | $ 0.5 |
| **Components of net periodic benefit cost for the six months ended June 30** | | | | |
| Service cost | $ 7.0 | $ 6.0 | $ — | $ 0.1 |
| Interest cost | 19.1 | 18.6 | 0.8 | 1.0 |
| Expected return on plan assets | (21.0) | (20.7) | — | — |
| Amortization of prior service cost | 0.2 | 0.2 | — | — |
| Amortization of actuarial losses/(gains) | 4.1 | 2.5 | (0.4) | (0.1) |
| Net periodic benefit cost | $ 9.4 | $ 6.6 | $ 0.4 | $ 1.0 |

**Employer Contributions**

The Company anticipates making required contributions of approximately $3.0 million to its foreign pension plans during 2011, of which $1.4 million has been contributed through June 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.

### 9. 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 June 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.

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

| | |
|---|---|
| Balance at December 31, 2010 | $ 6.7 |
| Provision | 3.3 |
| Expenditures/other | (3.3) |
| Balance at June 30, 2011 | $ 6.7 |

**10. 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 June 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 |
|---|---|---|---|
| **June 30, 2011** | | | |
| Available for sale investments | $ 37.4 | $ — | $ 37.4 |
| Trading securities | 4.1 | — | 4.1 |
| Deferred compensation plan liabilities | (4.1) | — | (4.1) |
| Derivatives: | | | |
| Forward exchange contracts | — | (0.6) | (0.6) |
| | $ 37.4 | $ (0.6) | $ 36.8 |

| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Quoted Prices in Active Markets for Similar Assets (Level 2) | Total |
|---|---|---|---|
| **December 31, 2010** | | | |
| 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.

During the three and six months ended June 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. At June 30, 2011 and December 31, 2010, the Company did not have any financial assets or liabilities that fell within the Level 3 hierarchy.

***Investments***

At June 30, 2011 and December 31, 2010, the Company had $37.4 million and $36.4 million, respectively, of municipal bonds classified as available-for-sale securities. The Company also had $4.1 million and $2.6 million of trading securities at June 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 six months ended June 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):

| | Asset/(Liability) Derivatives | | |
|---|---|---|---|
| | | Fair Value | |
| **Derivatives designated as hedges** | **Balance Sheet Location** | **June 30, 2011** | **December 31, 2010** |
| Forward exchange contracts designated as cash flow hedges | Other accrued liabilities | $ (0.6) | $ (0.6) |

*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 June 30, 2011, the Company had 18 individual forward exchange contracts for $1.0 million each, which have various expiration dates through June 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 six months ended June 30, 2011 and 2010 was not material. As of June 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 June 30, 2011 and 2010, (in millions):

| Derivative Instrument | Derivative Gain/(Loss) Recognized in Accumulated Other Comprehensive Loss (net of tax) 2011 | 2010 | Location of Gain/(Loss) Reclassified into Income (Effective Portion) | Gain/(Loss) Reclassified into Earnings (Effective Portion) 2011 | 2010 |
|---|---|---|---|---|---|
| Forward exchange contract | $ (0.1) | $ 0.5 | Cost of goods sold | $ (0.4) | $ (0.4) |

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

| Derivative Instrument | Derivative Gain/(Loss) Recognized in Accumulated Other Comprehensive Loss (net of tax) 2011 | 2010 | Location of Gain/(Loss) Reclassified into Income (Effective Portion) | Gain/(Loss) Reclassified into Earnings (Effective Portion) 2011 | 2010 |
|---|---|---|---|---|---|
| Forward exchange contract | $ (0.5) | $ 0.2 | Cost of goods sold | $ (0.7) | $ (1.1) |

There was no hedge ineffectiveness with respect to the forward exchange cash flow hedges during the three and six month periods ended June 30, 2011 and 2010.

***Long-term Debt***

The total carrying value of long-term debt as of June 30, 2011 was $596.1 million, net of unamortized discount. As of June 30, 2011, the estimated fair value of the long-term debt was $628.8 million based on quoted market prices.

## 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 13,500 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 six months ended June 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 plan to 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 expect the pricing environment to remain competitive in spite of escalating raw material and fuel costs. During the last three quarters 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. In addition, transportation costs are also increasing, reflecting higher levels of fuel costs. As a result, broad price increases have been implemented. For the full year, 2011, we expect these price increases to offset the 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.

- ***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 — Second Quarter of 2011 compared to the Second Quarter of 2010**

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

| | Three Months Ended June 30 | | | |
|---|---|---|---|---|
| | 2011 | % of Net sales | 2010 | % of Net sales |
| Net Sales | $ 709.2 | | $ 646.4 | |
| Cost of goods sold | 479.3 | | 435.4 | |
| Gross Profit | 229.9 | 32.4% | 211.0 | 32.6% |
| Selling & administrative expense | 124.8 | 17.6% | 117.5 | 18.2% |
| Operating income | 105.1 | 14.8% | 93.5 | 14.5% |
| Net income attributable to Hubbell | 65.2 | 9.2% | 57.6 | 8.9% |
| Earnings per share — diluted | $ 1.07 | | $ 0.95 | |

**Net Sales**

Net sales of $709.2 million for the second quarter of 2011 increased 10% compared to the second quarter of 2010 due to higher organic volume, price realization and favorable foreign currency translation. Compared to the second quarter of 2010, organic volume increased net sales by approximately six percentage points while foreign currency translation and price realization each added approximately two percentage points.

**Gross Profit**

The consolidated gross profit margin in the second quarter of 2011 was 32.4% compared to 32.6% in the second quarter of 2010. The decrease in gross profit margin was due to commodity cost increases and other inflationary spending slightly in excess of price realization and productivity improvements.

**Selling & Administrative Expenses (“S&A”)**

S&A expenses in the second quarter of 2011 were $124.8 million compared to $117.5 million in the second quarter of 2010. As a percentage of net sales, S&A expenses declined to 17.6% in the second quarter of 2011 compared to 18.2% in the second quarter of 2010 due to leveraging of the higher sales volume.

**Total Other Expense, net**

Total other expense, net increased $1.2 million in the second quarter of 2011 compared to the second quarter of 2010. This increase is primarily due to higher net foreign currency transaction losses in the second quarter of 2011 compared to the comparable prior year period.

**Income Taxes**

The effective tax rate in the second quarter of 2011 decreased to 31.5% from 32.3% in the second quarter of 2010. The decrease is primarily due to the reinstatement of the federal research and development tax credit during the fourth quarter of 2010.

**Net income attributable to Hubbell and Earnings Per Diluted Share**

Net income attributable to Hubbell and earnings per diluted share each increased 13% in the second quarter of 2011 compared to the second quarter of 2010. The increase in net income attributable to Hubbell is due to higher operating income and a lower tax rate partially offset by higher foreign currency transaction losses.

**Segment Results**

**Electrical**

| (In millions) | Three Months Ended June 30 2011 | 2010 |
|---|---|---|
| Net sales | $ 497.9 | $ 458.4 |
| Operating income | 69.2 | 61.1 |
| Operating margin | 13.9% | 13.3% |

Net sales in the Electrical segment increased 9% in the second quarter of 2011 compared with the second quarter of 2010 due to higher organic volume, with broad based growth except in the residential construction market. Compared to the second quarter of 2010, organic volume increased net sales by approximately five percentage points while price realization and foreign currency translation each added approximately two percentage points to net sales.

Within the segment, electrical systems products net sales increased 10% in the second quarter of 2011 compared to the second quarter of 2010 due to higher organic volume, price realization and favorable foreign currency translation. Sales of lighting products increased 6% in the second quarter of 2011 compared to 2010. Compared to the second quarter of 2010, sales of commercial and industrial lighting products increased primarily driven by the retrofit and relight markets while sales of residential lighting products decreased.

Operating income in the second quarter of 2011 increased 13% to $69.2 million compared to the second quarter of 2010 and operating margin increased by 60 basis points. Operating income and margin increased primarily due to volume leverage partially offset by commodity costs in excess of price realization. Productivity improvements were essentially offset by inflationary spending increases.

**Power**

| (In millions) | Three Months Ended June 30 2011 | 2010 |
|---|---|---|
| Net sales | $ 211.3 | $ 188.0 |
| Operating income | 35.9 | 32.4 |
| Operating margin | 17.0% | 17.2% |

Net sales in the Power segment increased 12% in the second quarter of 2011 compared to the second quarter of 2010. Organic volume increased net sales by approximately nine percentage points due to higher net sales of distribution and transmission products while price realization was favorable by three percentage points.

Operating income increased 11% to $35.9 million but operating margin decreased slightly to 17.0% in the second quarter of 2011 compared to 17.2% in the second quarter of 2010. The operating income increase was primarily due to the higher volume partially offset by commodity costs in excess of price realization; however the gap narrowed in the second quarter of 2011 compared to the first quarter of 2011. Productivity improvements were offset by other inflationary increases and spending to support product development initiatives. The operating margin decline was due to commodity cost increases only partially offset by price realization and higher volume.

**Results of Operations — Six Months Ended June 30, 2011 compared to the Six Months Ended June 30, 2010**

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

| | Six Months Ended June 30 | | | |
|---|---|---|---|---|
| | 2011 | % of Net sales | 2010 | % of Net sales |
| Net Sales | $ 1,367.3 | | $ 1,216.9 | |
| Cost of goods sold | 932.2 | | 830.2 | |
| Gross Profit | 435.1 | 31.8% | 386.7 | 31.8% |
| Selling & administrative expense | 246.4 | 18.0% | 227.5 | 18.7% |
| Operating income | 188.7 | 13.8% | 159.2 | 13.1% |
| Net income attributable to Hubbell | 115.5 | 8.4% | 96.2 | 7.9% |
| Earnings per share — diluted | $ 1.89 | | $ 1.59 | |

**Net Sales**

Net sales of $1.4 billion for the first six months of 2011 increased 12% compared to the first six months of 2010 due higher organic volume, price realization and favorable foreign currency translation. Compared to the first six months of 2010, organic volume increased net sales by nine percentage points. Foreign currency translation and price realization increased net sales by two and one percentage points, respectively.

**Gross Profit**

The consolidated gross profit margin was 31.8% in both the first six months of 2011 and 2010. Higher volume leverage was offset by higher commodity costs and other inflationary spending increases slightly in excess of price realization and productivity improvements.

**Selling & Administrative Expenses**

S&A expenses in the first six months of 2011 were $246.4 million compared to $227.5 million in the first six months of 2010. As a percentage of net sales, S&A expenses declined to 18.0% in the first six months of 2011 compared to 18.7% in the first six months of 2010 due to leveraging the higher volume.

**Total Other Expense, net**

Total other expense, net increased $2.7 million in the first six months of 2011 compared to the first six months of 2010. This increase is primarily due to higher net foreign currency transaction losses in the first six months of 2011 compared to the comparable prior year period.

**Income Taxes**

The effective tax rate in the first six months of 2011 decreased to 31.5% from 32.3% in the first six months of 2010 primarily due to the reinstatement of the federal research and development tax credit during the fourth quarter of 2010.

**Net income attributable to Hubbell and Earnings Per Diluted Share**

Net income attributable to Hubbell and earnings per diluted share increased 20% and 19%, respectively, in the first six months of 2011 compared to the first six months of 2010. The increase in net income attributable to Hubbell is due to higher operating income and a lower tax rate partially offset by higher foreign currency transaction losses. In addition, earnings per diluted share reflect an increase in the average shares outstanding in 2011 compared to 2010.

**Segment Results**

**Electrical**

| (In millions) | Six Months Ended June 30 2011 | 2010 |
|---|---|---|
| Net sales | $ 964.0 | $ 867.7 |
| Operating income | 126.8 | 101.2 |
| Operating margin | 13.2% | 11.7% |

Net sales in the Electrical segment increased 11% in the first six months of 2011 compared with the first six months of 2010 due to higher organic volume, favorable foreign currency translation and price realization. Compared to the first six months of 2010, organic volume added approximately eight percentage points to net sales. In addition, foreign currency translation and price realization increased net sales by two and one percentage points, respectively.

Within the segment, electrical systems products net sales increased 14% in the first six months of 2011 compared to the first six months of 2010 due to higher organic volume and favorable foreign currency translation. Sales of lighting products increased 6% in the first six months of 2011 compared to 2010. Compared to the first six months of 2010, sales of commercial and industrial lighting products increased primarily driven by the retrofit and relight markets while sales of residential lighting products decreased.

Operating income in the first six months of 2011 increased 25% to $126.8 million compared to the first six months of 2010 while operating margin increased 150 basis points. Operating income and operating margin increased primarily due to volume leverage partially offset by commodity costs in excess of price realization. Productivity improvements were essentially offset by inflationary spending increases.

**Power**

| (In millions) | Six Months Ended June 30 2011 | 2010 |
|---|---|---|
| Net sales | $ 403.3 | $ 349.2 |
| Operating income | 61.9 | 58.0 |
| Operating margin | 15.3% | 16.6% |

Net sales in the Power segment increased 15% in the first six months of 2011 compared to the first six months of 2010. Organic volume increased net sales by approximately twelve percentage points due to higher net sales of distribution and transmission products while price realization and foreign currency translation added two and one percentage points, respectively, to net sales.

Operating income increased 7% to $61.9 million but operating margin decreased 130 basis points to 15.3% in the first six months of 2011 compared to the first six 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.

## OUTLOOK

For 2011, we expect net sales to increase by approximately seven to nine 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 in the high single digit range as utility companies spend on distribution products to maintain the network and invest in large scale transmission projects. The industrial markets that we serve are 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. The non-residential construction market is expected to be up slightly compared to 2010 as expected declines in new construction spending should be offset by stronger demand for renovation, relight and controls. Our residential market, driven by single family home construction, is expected to decline by low single digits as high levels of unemployment, slow wage growth and home foreclosures continue to dampen demand for new single family housing construction.

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. Although the pricing environment is expected to remain competitive in 2011, we still expect to achieve parity with commodity costs. We plan to continue to invest in people and resources to support our growth initiatives. Overall we expect to expand operating margin by approximately 50 basis points in 2011 compared to 2010. Additionally, we expect our 2011 tax rate to be approximately 31.5% for the year.

In 2011, we anticipate generating free cash flow approximately equal to net income. Finally, with our strong financial position, we expect to continue to pursue additional acquisitions.

## FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

**Cash Flow**

| (In millions) | Six Months Ended June 30 2011 | Six Months Ended June 30 2010 |
|---|---|---|
| Net cash provided by (used in): | | |
| Operating activities | $ 116.4 | $ 93.1 |
| Investing activities | (28.0) | (30.4) |
| Financing activities | (106.5) | (30.2) |
| Effect of foreign currency exchange rate changes on cash and cash equivalents | 7.8 | (3.2) |
| Net change in cash and cash equivalents | $ (10.3) | $ 29.3 |

Cash provided by operating activities for the six months ended June 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 $50.4 million and $51.9 million for the six month periods ended June 30, 2011 and 2010, respectively. This slight improvement is primarily due to increases in accounts payable partially offset by higher levels of inventory.

Investing activities used cash of $28.0 million in the first six months of 2011 compared to cash used of $30.4 million during the comparable period in 2010. During the six months ended June 30, 2011, the Company had lower net purchases of available for sale securities partially offset by higher capital spending. Financing activities used cash of $106.5 million in the first six months of 2011 compared to $30.2 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 six months of 2011.

**Investments in the Business**

Investments in our business include both expenditures required to maintain the operation of our equipment and facilities as well as expenditures in support of our strategic initiatives. During the first six months of 2011, we used cash of $31.1 million for capital expenditures, an increase of $8.8 million from the comparable period of 2010. The majority of this increase is due to the Company’s purchase of a previously leased facility in Switzerland for approximately $13 million during the first quarter of 2011.

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. In February 2011, the Board of Directors extended the term of this program through February 20, 2012. 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. We have spent $82.2 million on the repurchase of common shares during the first six months of 2011. As of June 30, 2011, approximately $56 million remains authorized for future repurchases under this program.

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

| (In millions) | June 30, 2011 | December 31, 2010 |
|---|---|---|
| Total Debt | $ 598.3 | $ 597.7 |
| Total Hubbell Shareholders' Equity | 1,489.8 | 1,459.2 |
| Total Capital | $ 2,088.1 | $ 2,056.9 |
| Total Debt to Total Capital | 29% | 29% |
| | | |
| Total Debt | $ 598.3 | $ 597.7 |
| Less: Cash and cash equivalents | (510.4) | (520.7) |
| Investments | (41.5) | (39.0) |
| Net Debt | $ 46.4 | $ 38.0 |
| Net Debt to Total Capital | 2% | 2% |

At June 30, 2011, the Company's total debt consisted of $2.2 million of short-term debt and $596.1 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 June 30, 2011.

The Company has a credit agreement for a 5.0 million Brazilian Real line of credit to fund its Brazilian operations. At June 30, 2011, 3.5 million Brazilian Reais were outstanding (equivalent to $2.2 million). This line of credit expires in August 2011 and the Company anticipates that it will renew this facility upon its expiration. This credit line is not subject to annual commitment fees.

**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 June 30, 2011, the Company's $350 million committed bank credit facility had not been drawn against and remains a backup to our commercial paper program. 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. In addition, the Company continues to also monitor the potential downgrading of the U.S. government's credit rating, including the uncertainty surrounding the U.S. government's ability to raise the federal debt ceiling. 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 six months of 2011, there were no significant changes in our estimates and critical accounting policies.

### 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", "forecast", "projected", "purport", "might", "if", "contemplate", "potential", "pending," "target", "goals", "scheduled", "will likely be", and similar words and 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 benefits 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.

- 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 six 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.

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 June 30, 2011, the Company's disclosure controls and procedures were effective at a reasonable assurance level.

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. In February 2011, the Board of Directors extended the term of this program through February 20, 2012. Depending upon numerous factors, including market conditions and alternative uses of cash, the Company may conduct discretionary repurchases through open market and privately negotiated transactions during its normal trading windows. As of June 30, 2011, approximately $56 million remains authorized for future repurchases under this program.

| Period | Total Number of Class B Shares Purchased (000's) | Average Price Paid per Class B Share | Approximate Value of Shares that May Yet Be Purchased Under the Dec. 2007 Program |
|---|---|---|---|
| | | | (In millions) |
| **Balance as of March 31, 2011** | | | **$ 77.8** |
| April 2011 | — | $ — | 77.8 |
| May 2011 | — | — | 77.8 |
| June 2011 | 348 | 64.18 | 55.5 |
| **Total for the quarter ended June 30, 2011** | **348** | **$ 64.18** | **$ 55.5** |

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

## ITEM 6. EXHIBITS

### EXHIBITS

| Number | Description |
| --- | --- |
| 10.1 | Hubbell Incorporated Senior Executive Incentive Compensation Plan, as amended and restated effective as of January 1, 2011. Exhibit 10.1 of the registrant's report on Form 8-K filed on May 5, 2011, is incorporated by reference. |
| 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.

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: July 22, 2011 | HUBBELL INCORPORATED |
| /s/ David G. Nord | /s/ Darrin S. Wegman |
| David G. Nord | Darrin S. Wegman |
| Senior Vice President and Chief Financial Officer | Vice President, Controller (Chief Accounting Officer) |

I, Timothy H. Powers, certify that:

1 I have reviewed this quarterly report on Form 10-Q of Hubbell Incorporated (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 22, 2011

/s/ Timothy H. Powers

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

Exhibit 31.2

I, David G. Nord, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hubbell Incorporated (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 22, 2011

/s/ David G. Nord

David G. Nord
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Hubbell Incorporated (the "Company") on Form 10-Q for the period ended June 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Timothy H. Powers, Chairman of the Board, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Timothy H. Powers

Timothy H. Powers
Chairman of the Board, President and Chief Executive Officer
July 22, 2011

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Hubbell Incorporated (the “Company”) on Form 10-Q for the period ended June 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, David G. Nord, Senior Vice President and Chief Financial Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David G. Nord

David G. Nord
Senior Vice President and Chief Financial Officer
July 22, 2011

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.