

Michel Demaré
Chief Executive Officer,
Chief Financial Officer



2008 Second-quarter results

Zurich, 24 July 2008



Safe-harbor statement

This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including the economic conditions of the regions and industries that are major markets for ABB Ltd. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects,” “believes,” “estimates,” “targets,” “plans” or similar expressions. However, there are many risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this press release and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences include, among others, the amount of revenues we are able to generate from order backlogs and orders received, raw materials prices, market acceptance of new products and services, changes in governmental regulations and costs associated with compliance activities, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in ABB’s filings with the U.S. Securities and Exchange Commission, including its Annual Reports on Form 20-F. Although ABB Ltd believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

“A record quarter for ABB”

- Demand for ABB’s market-leading technologies to provide reliable electrical power and improved industrial efficiency remained robust in both mature and emerging markets, resulting in another quarter of solid organic growth
 - Orders rose 19%* to \$11.3 billion – first-ever quarter in which emerging market orders exceeded mature markets
 - Revenues up 15%* to \$9 billion
- Continuing operational improvements, high levels of capacity utilization and further low-cost sourcing lifted EBIT by 42% to \$1.4 billion, producing an EBIT margin of 16.1%
- Net income rose by 34% on strong operational performance
- Cash flow up \$582 million on higher volumes and measures to improve working capital management
- 7.5 million shares repurchased in Q2, approximately 17 million since start of program
- Agreement to buy U.S. transformer company announced on July 16
- New CEO announced - Joseph Hogan, CEO of GE Healthcare – with appointment effective Sept. 1

Q2 2008: Overview of key figures

US\$ millions unless otherwise stated	Q2 2008	Q2 2007 ¹	Change	
			US\$	Local
Orders received	11,271	8,594	31%	19%
<i>Order backlog (end June)</i>	<i>29,127</i>	<i>20,264</i>	44%	31%
Revenues	9,025	7,092	27%	15%
EBIT	1,449	1,024	42%	
<i>as % of revenues</i>	<i>16.1%</i>	<i>14.4%</i>		
Net income	975	729	34%	
Basic earnings per share (US\$)	0.43	0.32		
Cash from operations	978	396		

¹ Adjusted to reflect the reclassification of activities to discontinued operations

- A 56%* increase in large orders was a key driver of total order growth – base orders were 12%* higher
- High capacity utilization and continued cost optimization supported record EBIT and solid margin growth
- Strong cash flow on high volume of business, working capital management

Strong organic growth trend continues

Year-on-year quarterly order growth rates, in local currencies

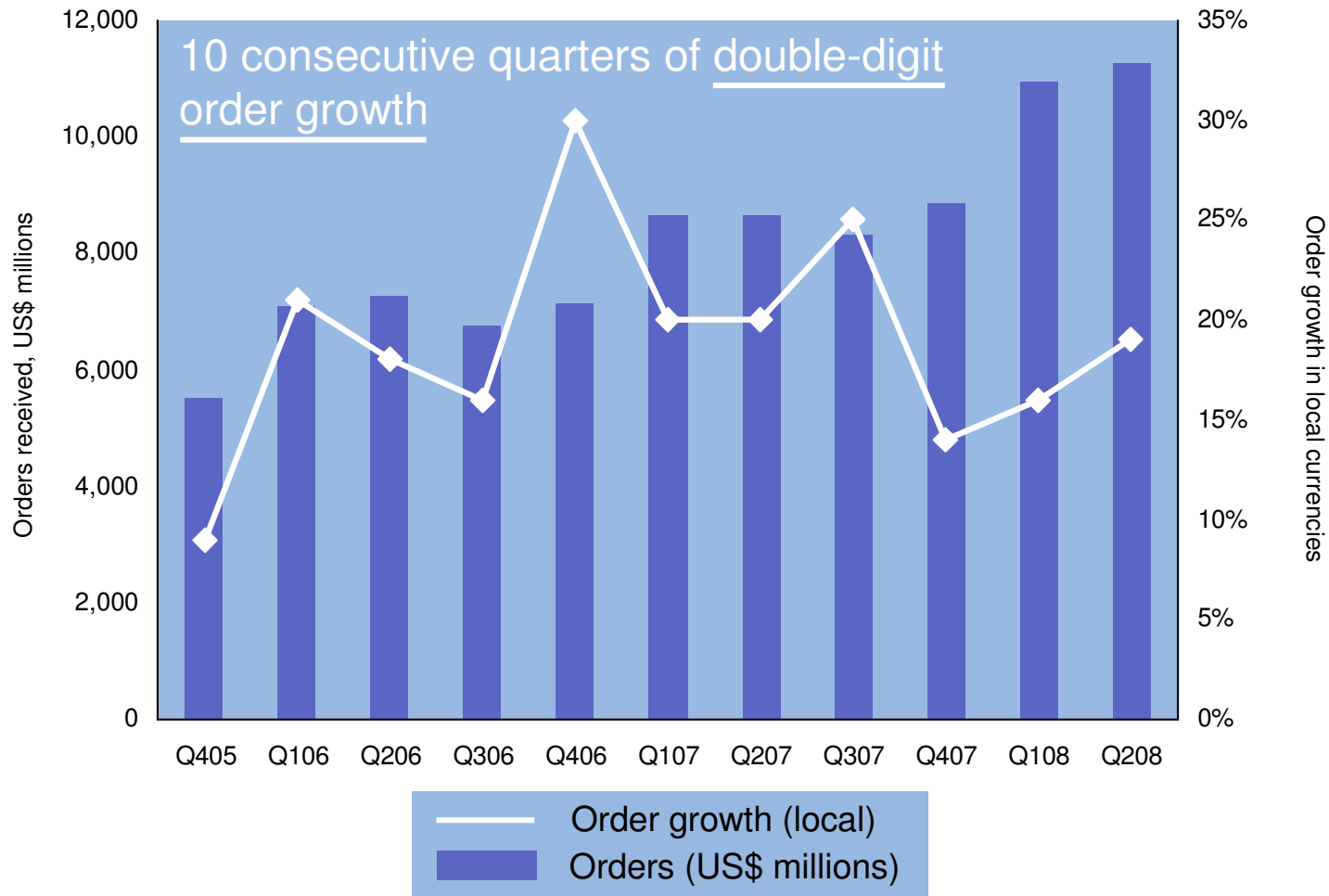
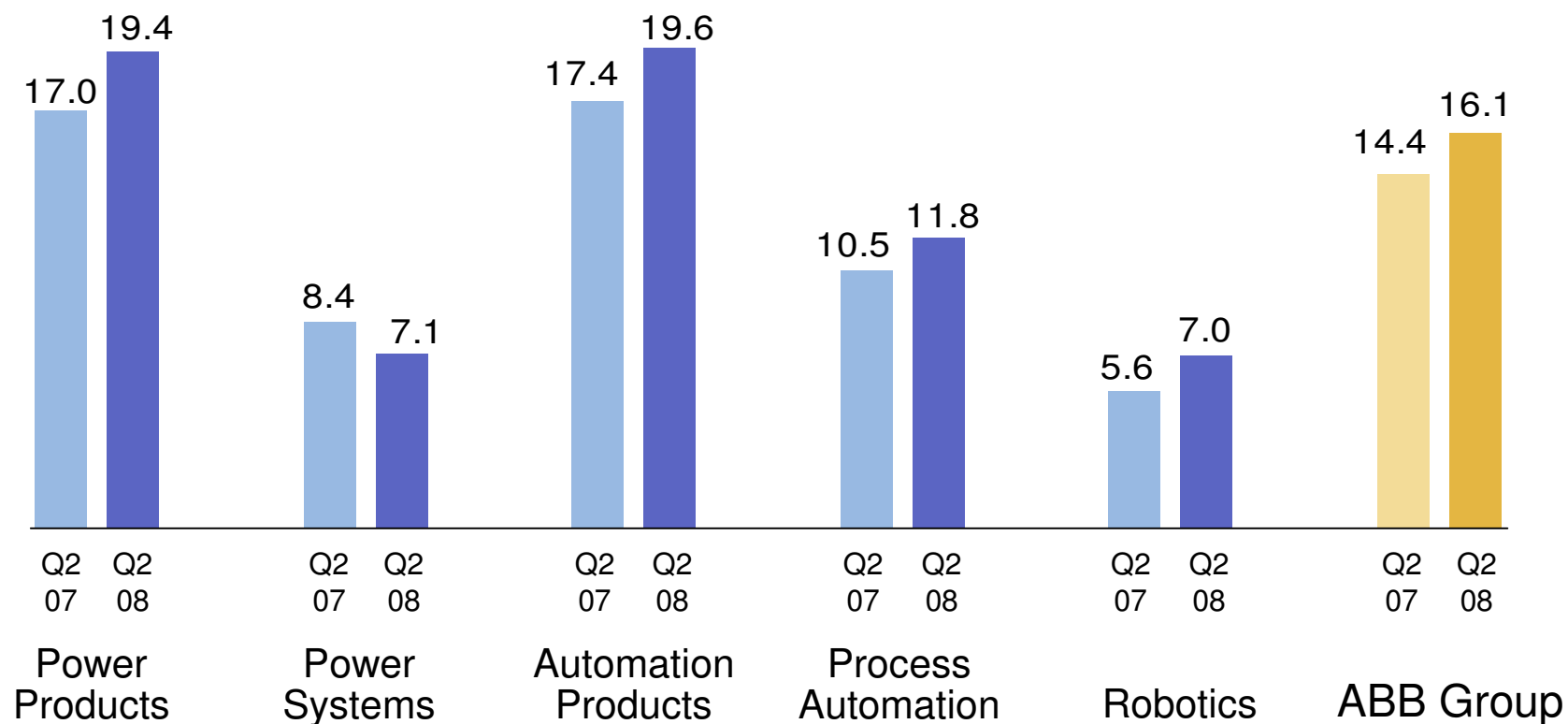


Chart 5

Divisional EBIT margin development

Quarterly EBIT margin by division, in %



Sustaining high revenue growth - Power

Power Products	Q2 08	Q2 07 ¹	Change	
			US\$	Local
Orders	3,592	2,707	33%	21%
Revenues	3,026	2,421	25%	14%
EBIT	586	412	42%	
<i>EBIT%</i>	19.4%	17.0%		
Cash from ops	324	286		

¹ Adjusted to reflect the reclassification of activities to discontinued operations

- Orders up in all businesses, led by transformers, on both utility and industry demand
- EBIT and EBIT margin up on higher factory efficiencies, supportive pricing environment

Power Systems	Q2 08	Q2 07	Change	
			US\$	Local
Orders	2,611	2,217	18%	8%
Revenues	1,736	1,300	34%	21%
EBIT	123	109	13%	
<i>EBIT%</i>	7.1%	8.4%		
Cash from ops	141	(4)		

- Orders continue to grow in a favorable market, strong large order intake in the quarter
- EBIT margin down on lower-margin project mix, provision on a large project related to personnel security

Markets remain robust - Automation

Automation Products	Q2 08	Q2 07	Change	
			US\$	Local
Orders	2,967	2,221	34%	20%
Revenues	2,751	2,147	28%	15%
EBIT	538	374	44%	
<i>EBIT%</i>	19.6%	17.4%		
Cash from ops	341	318		

- Double-digit growth in all regions, incl. more than 20% in the U.S.
- EBIT and EBIT margin higher on increased volumes and high capacity utilization

Process Automation	Q2 08	Q2 07	Change	
			US\$	Local
Orders	2,681	1,937	38%	24%
Revenues	2,058	1,586	30%	16%
EBIT	243	167	46%	
<i>EBIT%</i>	11.8%	10.5%		
Cash from ops	370	107		

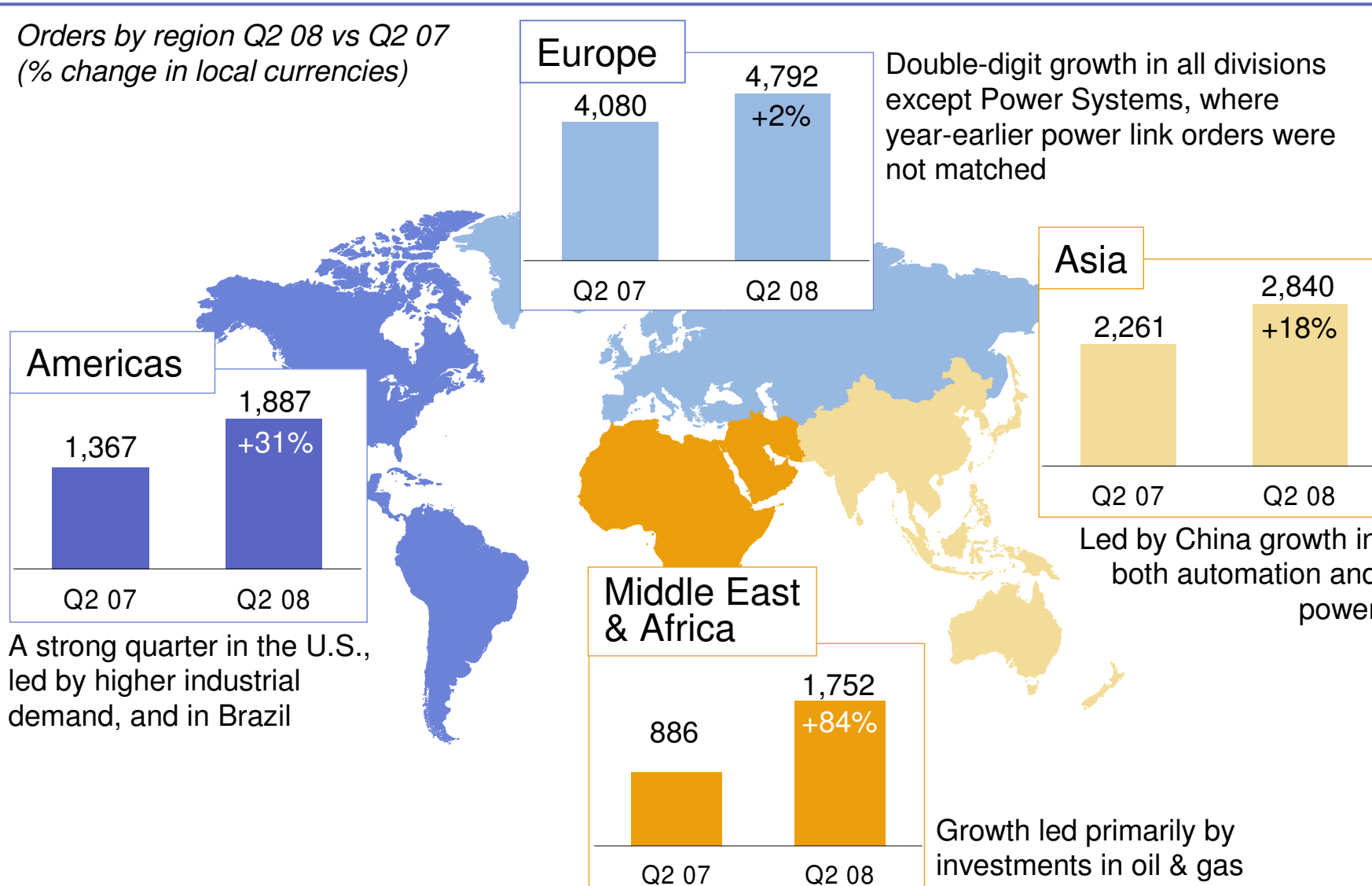
- Oil & gas, marine and minerals led the solid order growth
- Revenues up on execution of strong backlog, product & service sales
- Higher EBIT margin mainly due to improved project execution

Robotics	Q2 08	Q2 07	Change	
			US\$	Local
Orders	503	392	28%	15%
Revenues	417	339	23%	10%
EBIT	29	19	53%	
<i>EBIT%</i>	7.0%	5.6%		
Cash from ops	30	9		

- Orders from general industry drove strong order growth
- Europe and Asia led growth
- More general industry revenues supported better EBIT margin

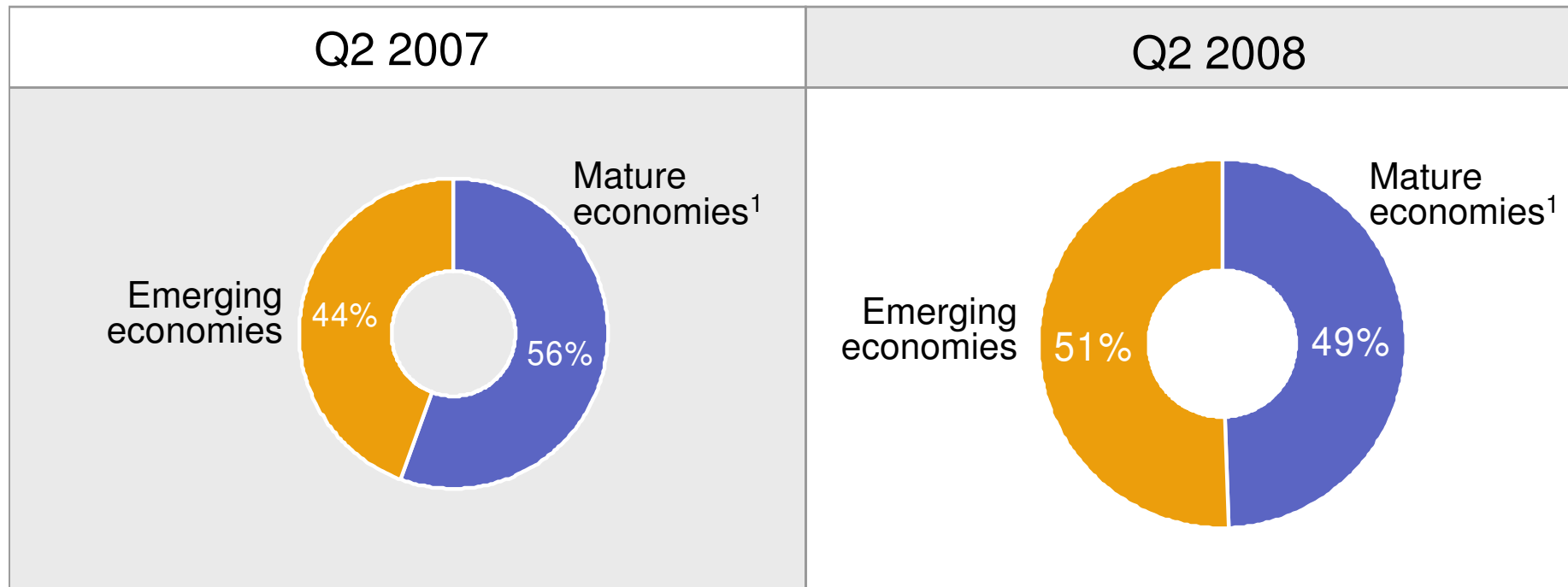
Regional scope brings further benefits

Orders by region Q2 08 vs Q2 07
(% change in local currencies)



Balance across mature and emerging economies

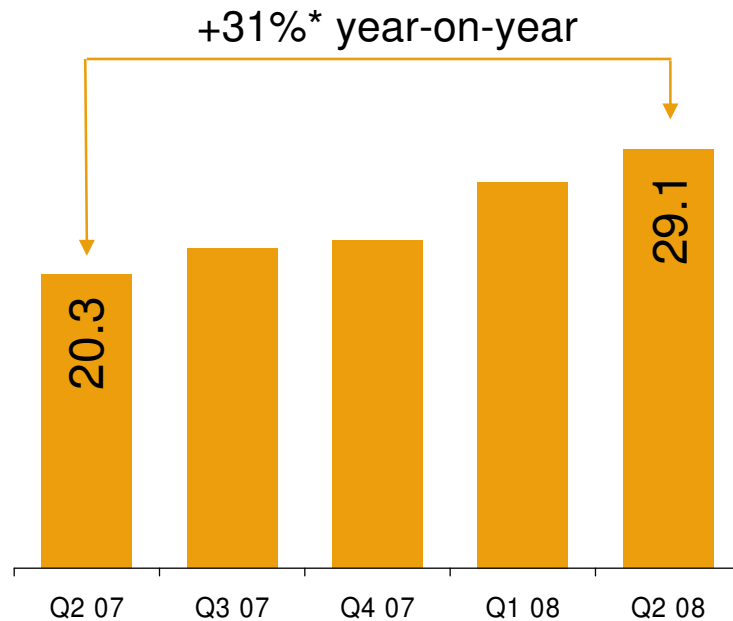
% of total orders by region Q2 08 vs Q2 07



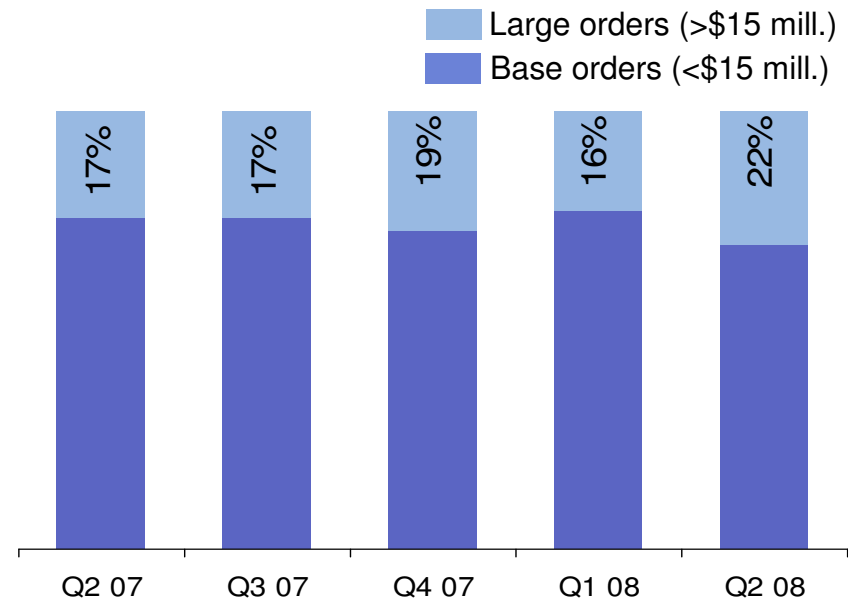
- This is the 1st quarter in which orders from emerging economies exceeded those from mature economies

Order backlog continues to grow

Order backlog at end of period
US\$ billions



Base vs large orders by quarter
% of total group orders received



- Continued backlog growth provides good visibility
- Large order intake a key growth driver in Q2
- High capacity utilization lifts profit margins, bottlenecks continue to be carefully monitored, adjustments made to secure on-time delivery, quality

* Local currency change vs same quarter in the previous year; Q2 2007 adjusted to reflect the reclassification of businesses to discontinued operations

Below the EBIT line

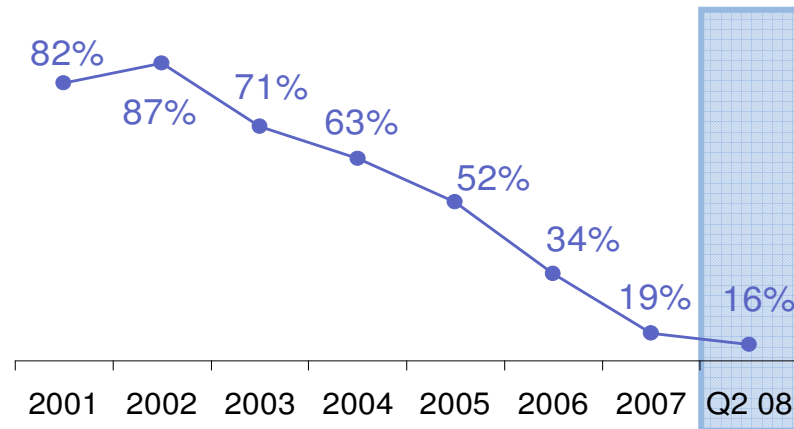
(\$ million)	Q2 2008	Q2 2007 ¹
Finance net	41	1
Provision for taxes	(430)	(259)
Minority interest	(68)	(60)
Income from continuing operations	992	706
Discontinued operations	(17)	23
Net income	975	729

¹ Adjusted to reflect the reclassification of activities to discontinued operations

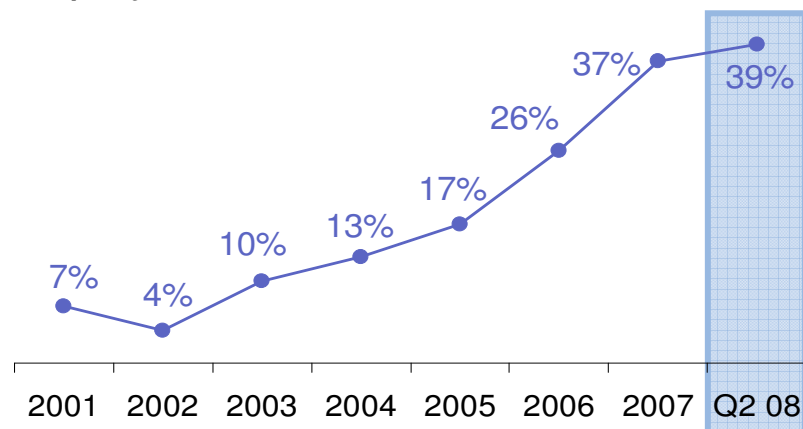
- Positive finance net on strong cash position and lower debt levels
- Q2 tax rate 29% vs 25% in the same quarter of 2007 – H1 2008 tax rate of 27%, same as H1 2007
- Minority interest reflects profitability of Asian JVs
- Discontinued operations includes pension adjustments related to sale of ABB Lummus Global

Key balance sheet ratios continue to strengthen

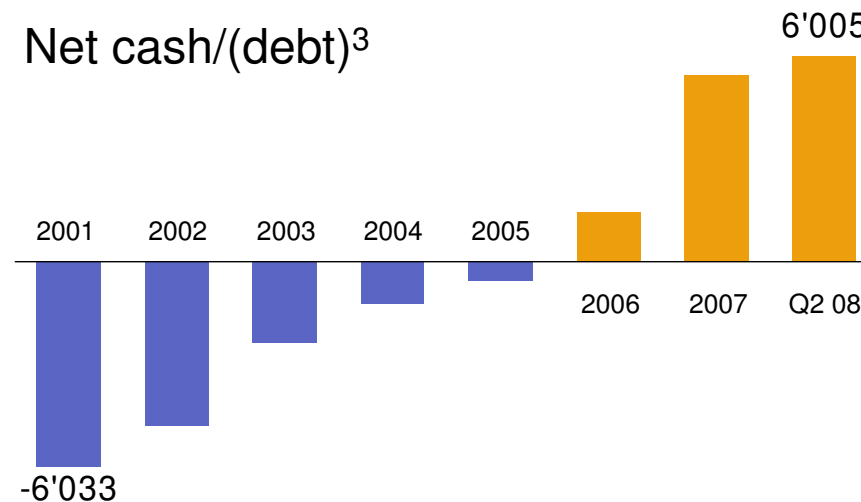
Gearing¹



Equity²/Total assets



Net cash/(debt)³



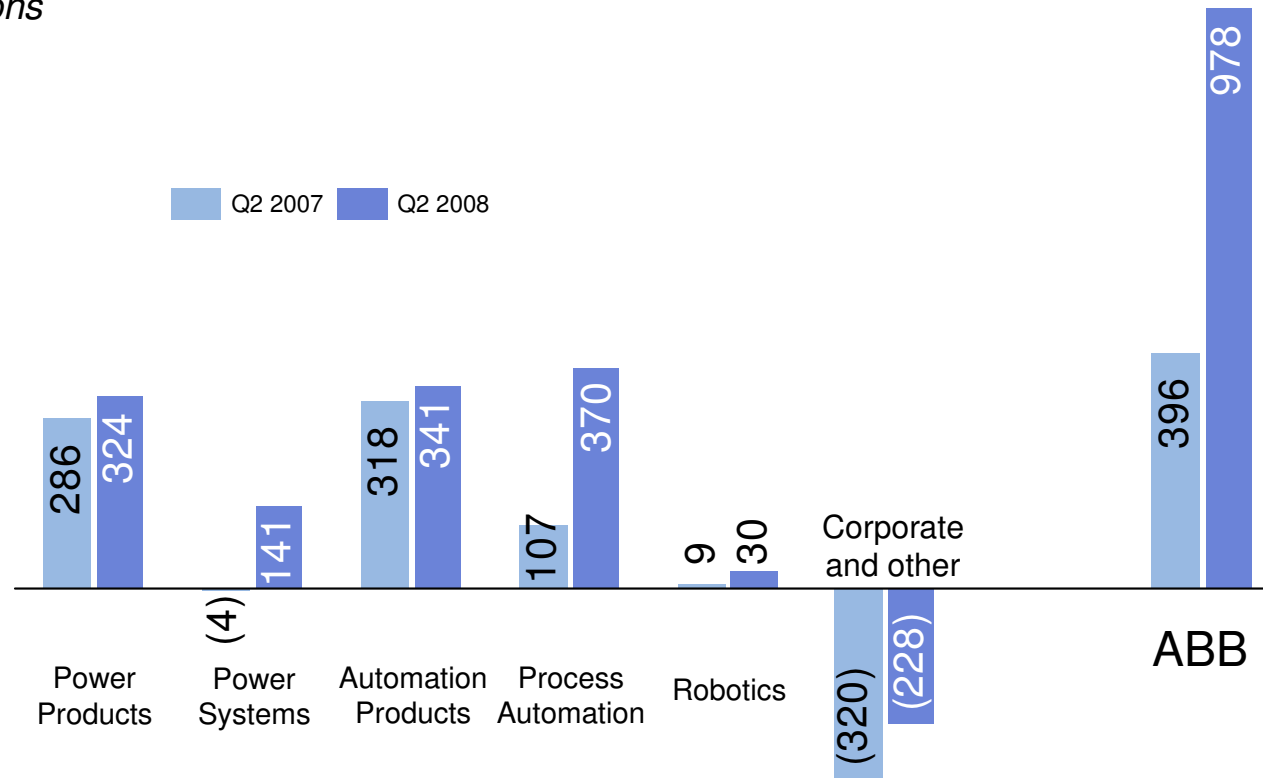
¹ Total debt divided by the sum of total debt plus stockholders' equity, incl. minority interest;

² incl. Minority interest

³ Cash and equivalents plus marketable securities & short-term investments, less total debt

Strong cash flow from operations

US\$ millions



- Cash flow improvement reflects strong volume of business, working capital management measures
- Corporate and other cash outflow includes \$25 million asbestos payment – other outflows related to timing of hedge activities

Macro outlook for rest of 2008



- Push for greater energy efficiency in both power and industrial sectors
- Replacement, refurbishment and interconnections in power T&D in mature markets
- Further build-up of new power infrastructure in emerging economies
- Oil and commodity prices to remain high = significant further industry investments
- Need for better industrial productivity and efficiency for greater competitiveness, even in a downturn



- The full impact of the economic slowdown in the U.S. remains to be seen
- The degree of de-coupling between the US and the rest of the world still open
- Capacity constraints in raw materials and people may slow down customer investments
- Uncertainty on the “credit crunch” could spark reduced or delayed investments
- Growth in construction-related sectors at low levels

ABB's outlook for the rest of 2008

- Market drivers remain positive
 - Power activities should remain very buoyant around the globe
 - Automation markets should remain attractive, especially related to energy and raw materials; early-cycle sectors in mature markets may see a dampening of demand
- Industry is running a very high and rising backlog; a potential slowdown would first impact delivery terms, then prices
- ABB confirms its previous growth guidance for the power-related activities for the full year 2008 of about 15-20 percent
- As a result of the very satisfactory growth recorded in the first half of the year and the robust outlook, the company expects full-year growth in its automation activities to be clearly above 10 percent

Q2 2008 summary

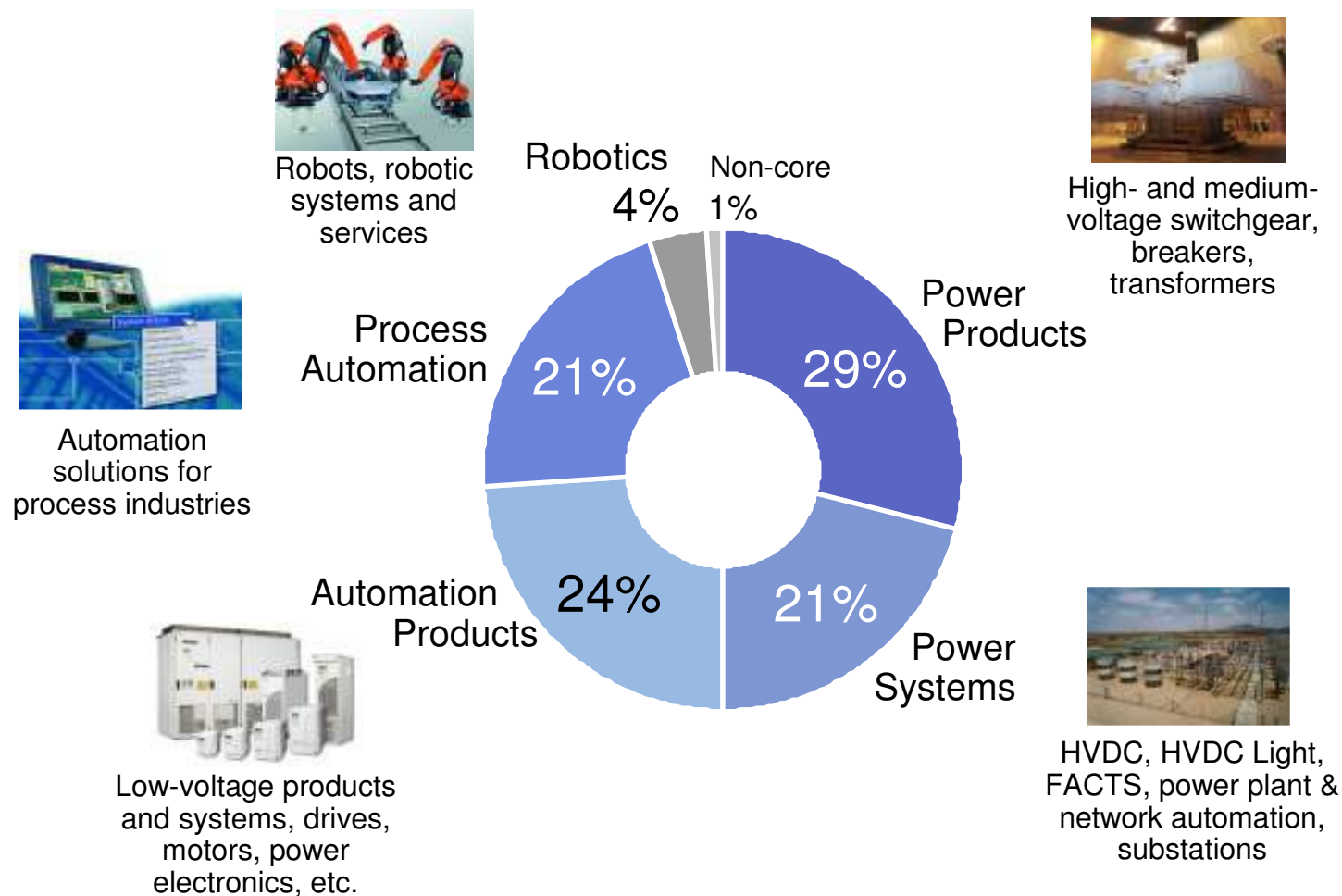
- Our operational improvements and global reach continue to pay off
 - Strong markets and leading technology provide significant organic growth opportunities
 - Markets, capacity utilization, better project execution and other operational improvements all contributed to higher EBIT and margins
 - Cash flow development reflects high volume of business, working capital management and customer advances on large projects
- The challenges for the rest of the year
 - Continue to aggressively tap the current strong market for further profitable organic growth opportunities
 - Manage growth prudently and execute with a focus on quality and delivery
 - Tight focus on working capital and G&A



Power and productivity
for a better world™

ABB: A focused power and automation company

Share of total ABB orders received in %, Q2 2008

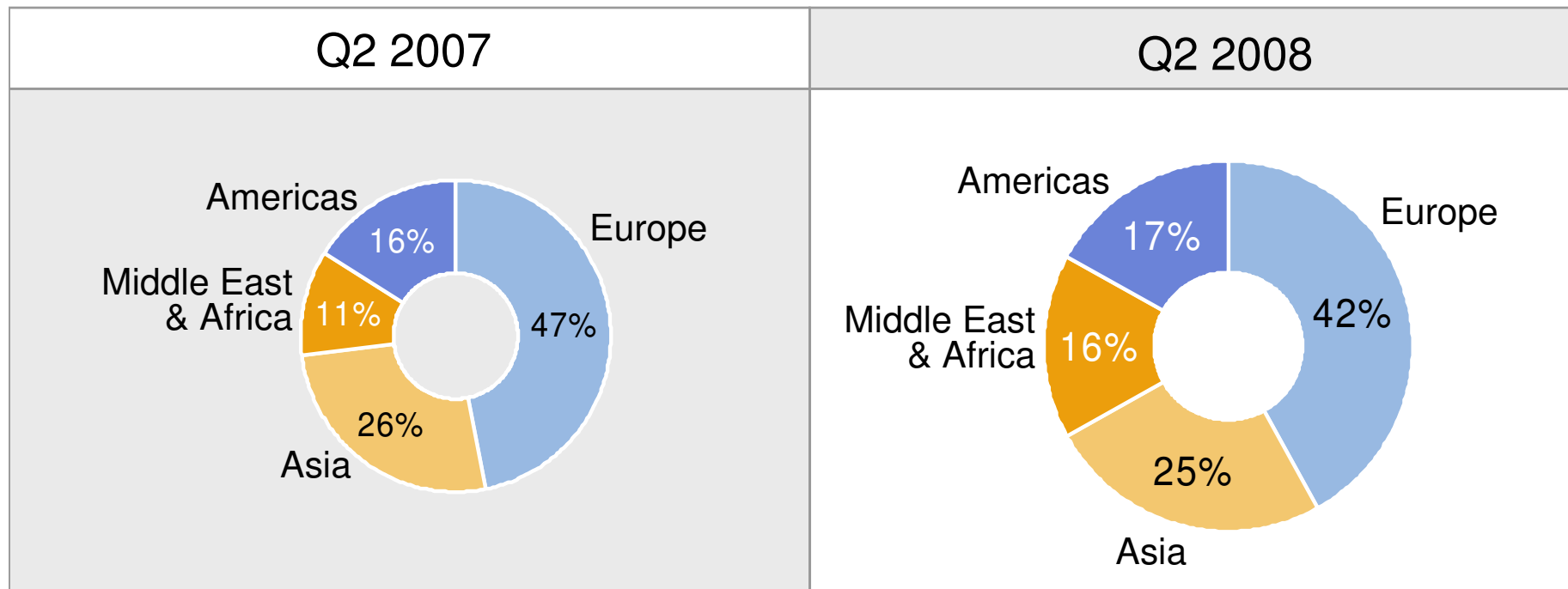


Headquartered in Zurich, Switzerland
117,000 employees in ca. 100 countries
Listed on Swiss, Stockholm & New York exchanges; traded on SWX Europe



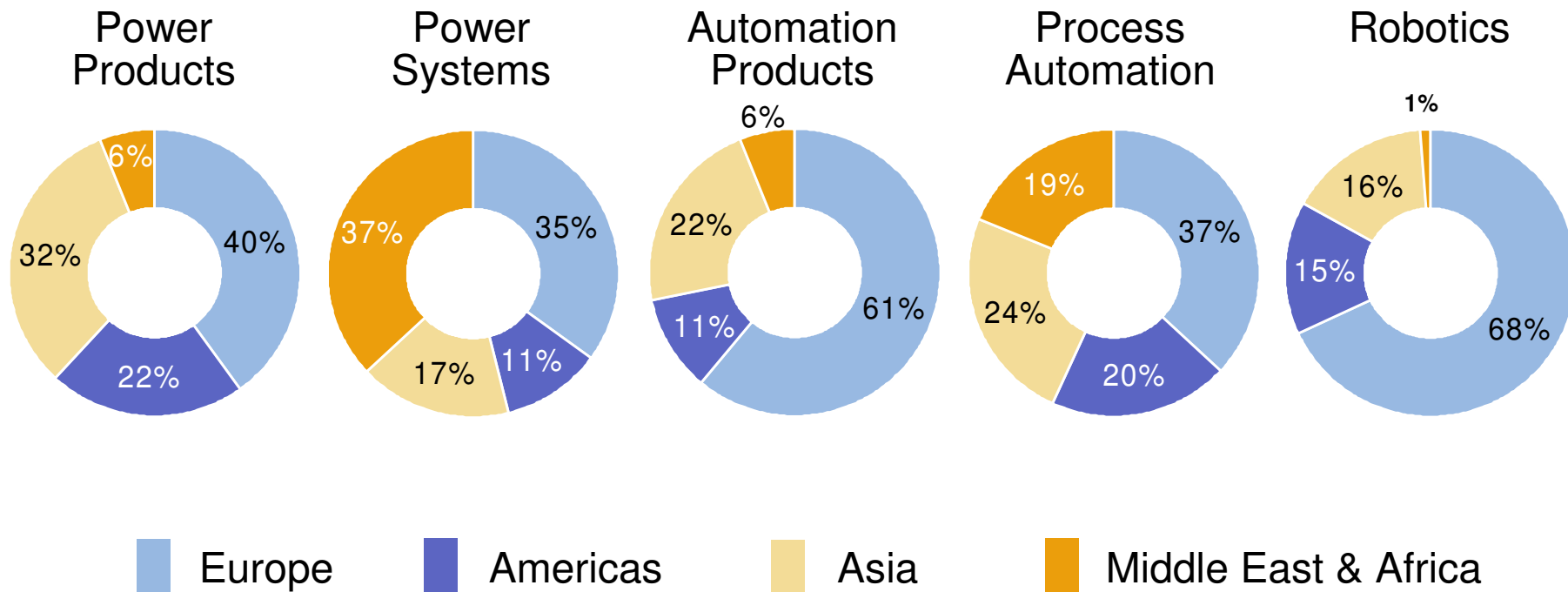
Regional order distribution

% of total orders by region Q2 08 vs Q2 07



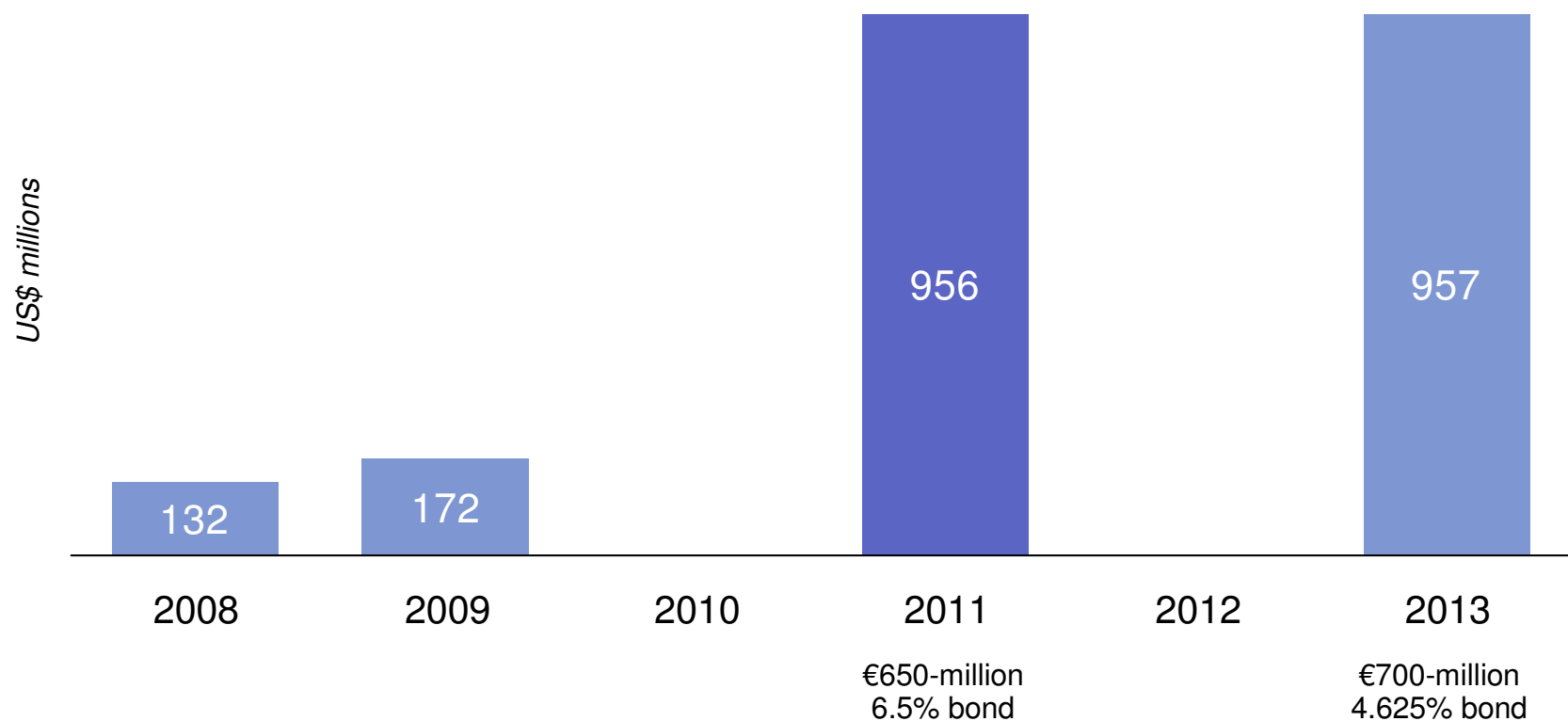
- Orders from the Middle East and Africa almost doubled in the quarter

Regional order distribution by division Q2 2008



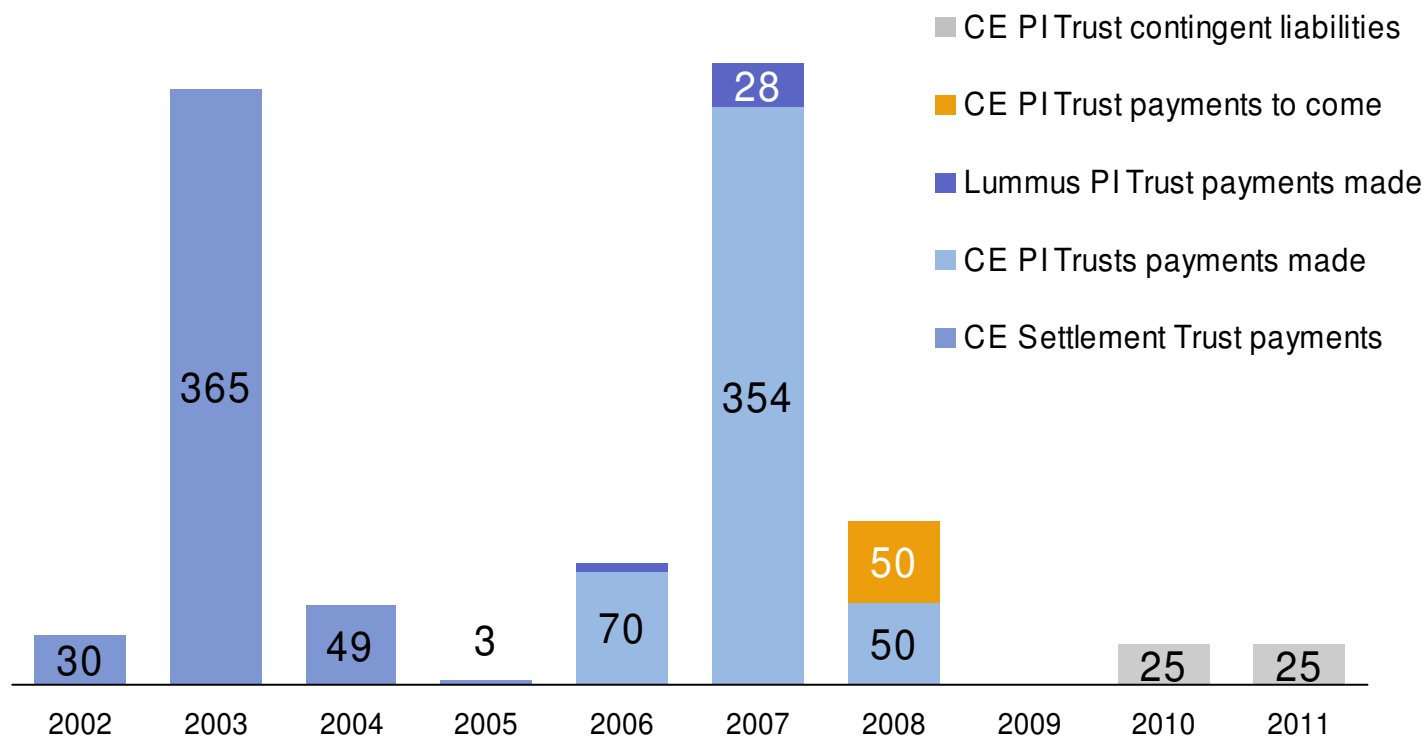
Maturity profile of debt securities

Total debt securities of \$2,217 million as of June 30, 2008



Asbestos cash payments to the PI Trusts

US\$ million



Total paid as of end Q2 2008: \$954 million

Still due in 2008: \$50 million

Contingent payments in 2010 and 2011: \$50 million

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