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Driving profitable growth over the cycle

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Power and productivity
for a better world™



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 global economic conditions, and 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,” “outlook” or similar expressions.

There are numerous 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 presentation 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:

- business risks associated with the with the volatile global economic environment and political conditions
- costs associated with compliance activities
- raw materials availability and prices
- market acceptance of new products and services
- changes in governmental regulations and currency exchange rates and
- such other factors as may be discussed from time to time in ABB Ltd'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.

ABB: A global leader in power and automation



Power Products

\$10.9 billion¹



Power Systems

\$8.1 billion¹



**Discrete
Automation and
Motion**

\$8.8 billion¹



**Low Voltage
Products**

\$7.7 billion^{1,2}



**Process
Automation**

\$8.3 billion¹

Power transmission & distribution
solutions for utilities and industry
Market leader across most of the portfolio

Energy efficiency solutions for process industries (e.g., oil &
gas), factory automation and building & construction

Among Top 3 in most markets

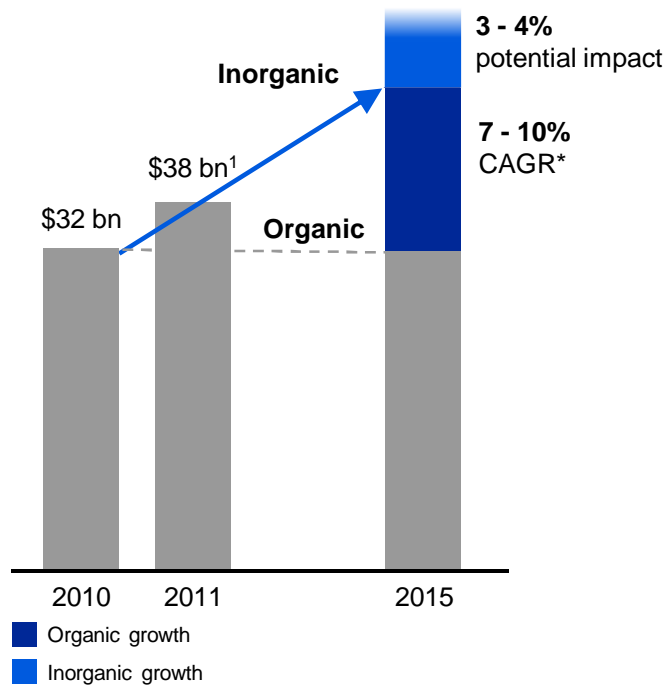
~145,000 employees in 100 countries
~\$38 billion in revenue (2011)
Head office in Zurich, Switzerland,
Listed on stock exchanges in Switzerland, Sweden and the US (NYSE)
Market capitalization ~\$44 bn³

¹ 2011 revenues per division before interdivisional eliminations; ² 2011 revenues, consolidated; including Thomas & Betts revenue ³ At Sept 28, 2012, Source: Bloomberg

Chart 3

ABB expects to outpace the world economy

Revenue growth at twice the pace of global GDP



*CAGR in local currency. Base year 2010

Macro growth drivers

- Emerging markets continued growth
- Energy savings and climate change investment
- Service and software productivity improvements
- Global infrastructure spend

Key growth areas

- Grid expansion, efficiency and reliability
- Emerging country demand for power and automation
- Service and software growth entitlement
- DC technology market expansion
- Automation business expansion
- Energy efficiency and renewables

Chart 4

2015 strategy overview

Strategy for the next 3 years – We will...

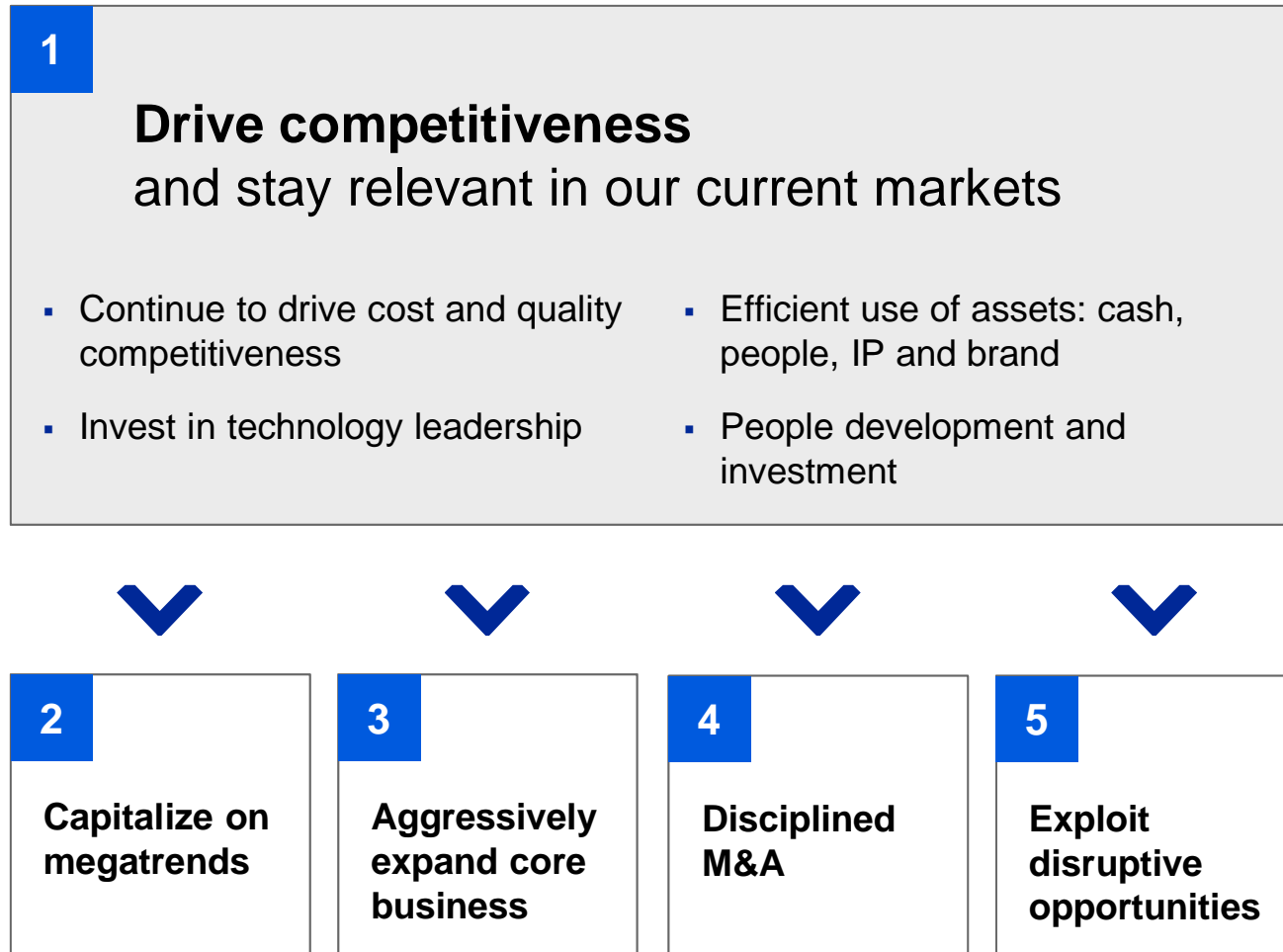
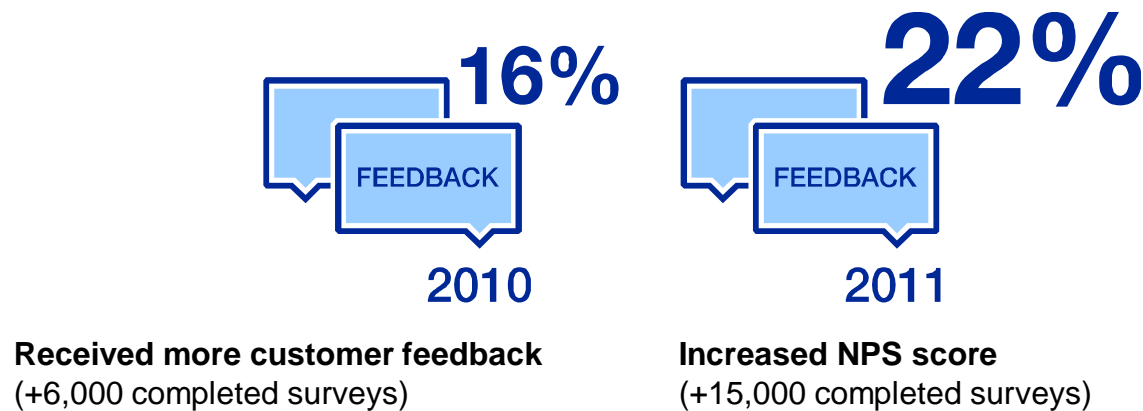


Chart 5

1 Drive competitiveness

NPS - looking at ABB through our customers' eyes



Customers like our...

- Technical support
- Industry & application knowledge
- Engineering / design capability

They tell us to improve...

- On-time delivery
- Issue resolution
- Complete & timely quotes

Source: ABB's Net Promoter Score (NPS) program, 2011 Data

It is 6-7 times more expensive to acquire a new customer than it is to keep a current one

1 Preliminary results from 2012 are encouraging Participation and scores continue to rise



Customers like our...	They tell us to improve...
<ul style="list-style-type: none">▪ Technical support▪ Industry & application knowledge▪ Partnering for mutual benefit	<ul style="list-style-type: none">▪ On-time delivery▪ Lead time▪ Complete & timely quotes

Source: ABB's Net Promoter Score (NPS) program, 2012 Data

Effective root cause analysis is key to NPS success

1 Preliminary results from 2012 are encouraging Participation and scores continue to rise

What are we doing about it?

- Unfavourable comments feed directly into complaint management system
- Results regularly reviewed – part of management meetings, at all levels
- Top issues receive highest possible attention – EC sponsors
- Level of progress is linked to our bonus scorecard

Goal: increase NPS score each year

- Te
- Industry & application knowledge
- Partnering for mutual benefit
- Lead time
- Complete & timely quotes

Source: ABB's Net Promoter Score (NPS) program, 2012 Data

Effective root cause analysis is key to NPS success

ABB Group Account Management

Focused customer benefits, clear responsibilities



The best customer fit

A compelling value proposition

- Integrated solutions across several ABB businesses

Long-term relationship focus

- E.g., C-Suite, joint R&D

Size and global scale

- ABB quality delivered everywhere

Consistent management approach

- Clear customer relationship management
- Secure customer satisfaction and loyalty
- Mobilize ABB across businesses
- Long-term strategic partnerships
- Order and share of wallet targets

Grow revenue greater than market and ABB average

Case study: Customer A

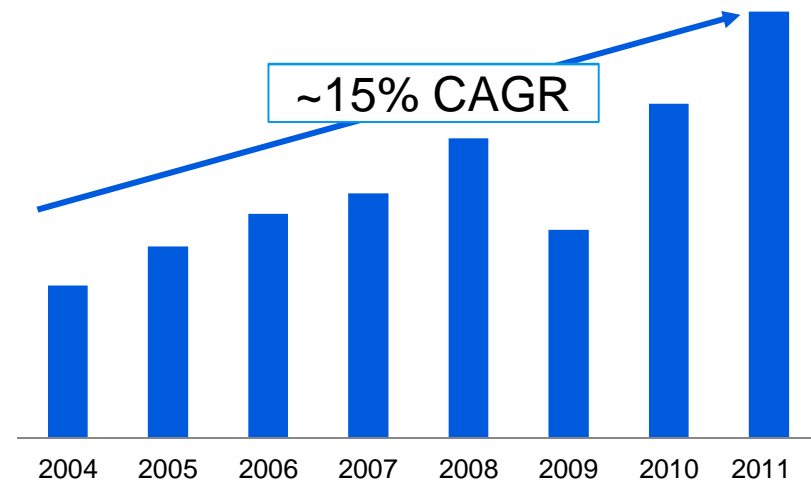
From undefined relationship to strategic supplier

Expanded scope of offering

- Turbochargers and service
- Breakers, switches, controls
Generators
- Instrumentation
- Robots
- Power systems and equipment
 - Medium-voltage and low-voltage switchgear
 - Transformers
 - Substations

ABB sales to Customer 2004-11

Compound annual growth rate in %

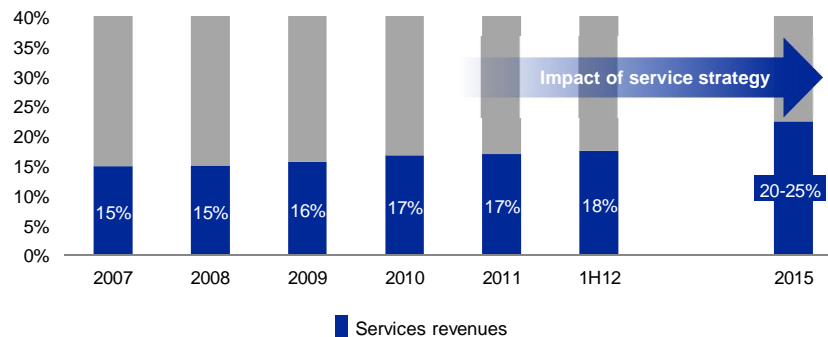


New opportunities: ABB supporting Customer's expansion in Asia with service and local production

3 Expand core business

Executing on the service strategy

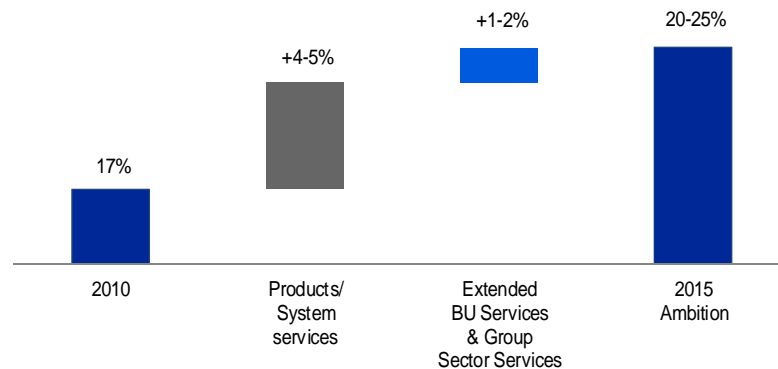
Service as % of total revenue¹, history and ambition



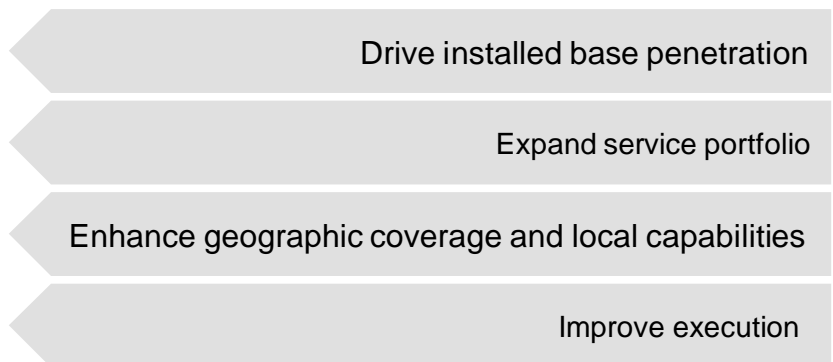
Takeaways from pilot countries ²⁾

- Actions and initiatives in line with customer feedback
- Large potential to further penetrate installed base
- One ABB service leverages company scale
- Service hubs/stations network extend coverage

Full potential service strategy



Strategic priorities



1) excl. Baldor and T&B revenues in 2011 and 2012

2) Pilot countries incl. US, Germany, China, Australia, Brazil, India, Italy and the UK

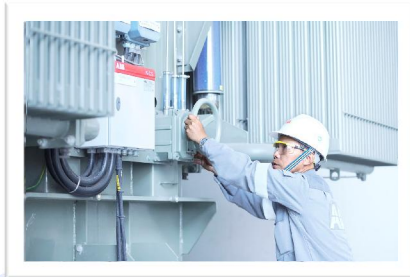
Next stage of service leadership

Growing service to 20-25% of total revenues by 2015

- Steady revenues, earnings and cash flow over the cycle
- Operational EBITDA margins above the Group average
- Attractive cash returns on low invested capital
- Implementation begun in 2011, showing good momentum
- Differentiated value proposition vs competitors
 - Leverages ABB's total power and automation offering
 - Strong customer relationships
 - High-value services built on top quality products and systems
 - ABB global market reach and knowledge

ABB aims to cover the entire service value chain

Tapping our leading installed base and global footprint



Responsive service

- Installation and commissioning
- Break and fix
- Technical support
- Spare parts
- Training



Advanced services

- Process improvement
- Lifecycle management
- Software services
- Evolution programs
- Optimization solutions
- Remote solutions



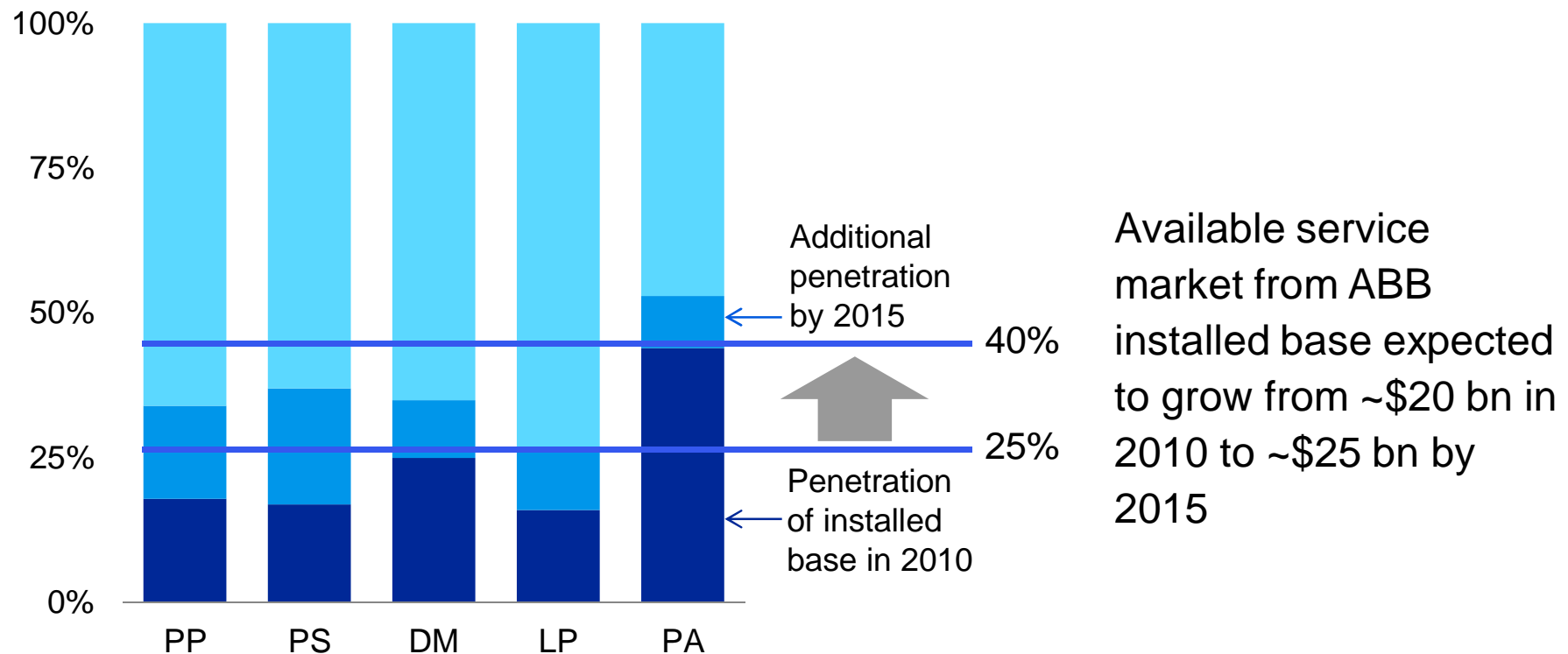
Value-creating partnerships

- Co-develop solutions
- Strategic partnerships
- Value-based offerings
- Productivity and energy efficiency solutions
- Consulting

Increasing penetration of installed base to drive growth

Opening up additional market opportunities

Penetration of installed base service market by division, 2010-15¹



¹ Management estimates; PP = Power Products; PS = Power Systems; DM = Discrete Automation and Motion; LP = Low Voltage Products; PA = Process Automation

Chart 14

Summary: A stronger external focus will be a key growth and profitability driver

- Measures to improve market signals across ABB, e.g.
 - Strategic accounts
 - NPS and customer responsiveness
 - ABB Technology Ventures
- Service strategy to generate 20-25% of sales by 2015
- Targeting our combined power & automation offering
 - By industry sector (e.g., rail, data centers, smart grids)
 - By growth driver (e.g., energy efficiency)

**Key initiatives to drive revenue growth and EBITDA
margin improvement in line with ABB's 2011-15 targets**

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Key figures for Q3 2012

Q3 2012 performance <i>US\$ millions unless otherwise stated</i>	Q3 2012	Q3 2011	<i>Change vs Q3 2011</i> US\$	<i>Change vs Q3 2011</i> local currencies
Orders	9,295	9,826	-5%	0% (organic ¹ : -6%)
Order backlog (end Sept.)	29,175	28,492	2%	3%
Revenues	9,745	9,337	4%	10% (organic: 4%)
Operational EBITDA	1,483	1,580	-6% (organic: -14%)	
Operational EBITDA %	15.3%	16.7%	-1.4% points	
Net income attributable to ABB	759	790	-4%	
Cash from operations	768	811	-5%	

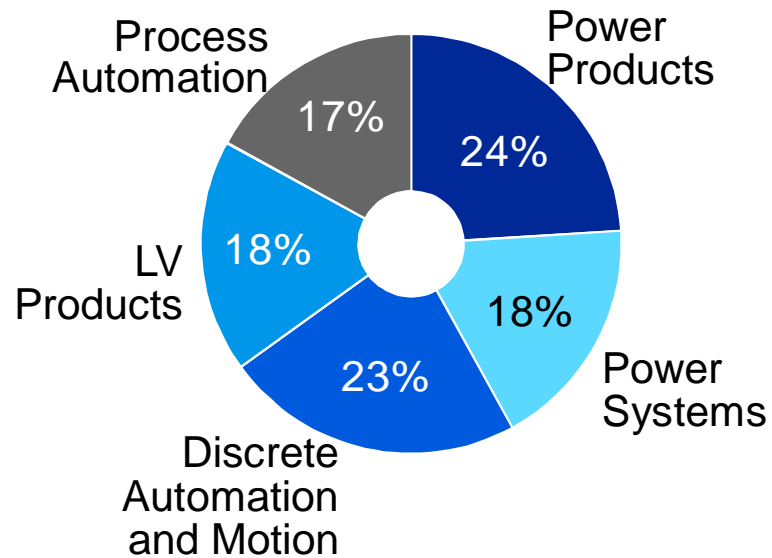
¹ Excluding Thomas & Betts

Chart 17

Balanced business and geographic portfolio

Orders by division

% of total orders Q3 2012 (non-consolidated)



Orders by region

% of total orders Q3 2012

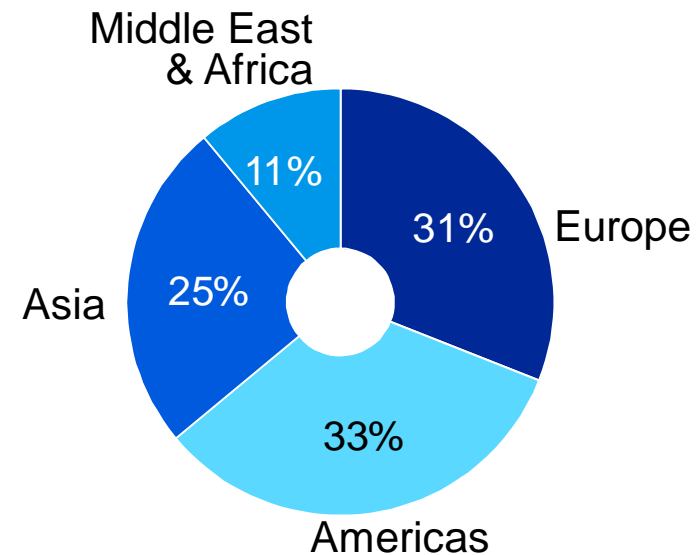


Chart 18

Appendix: Definitions 1

- Acquisition-related amortization: amortization expense on intangibles arising on acquisitions and the cost of sales impact from fair valuing inventory in an acquisition
- FX/commodity timing differences on EBIT: the sum of i) unrealized gains and losses on derivatives (foreign exchange, commodities, embedded derivatives), ii) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, and iii) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities).
- Net working capital (NWC): the sum of i) receivables, net, ii) inventories, net, and iii) prepaid expenses; less iv) accounts payable, trade, v) billings in excess of sales, vi) employee and other payables, vii) advances from customers, and viii) accrued expenses
- Operational EBITDA: Earnings before interest and taxes (EBIT) excluding depreciation and amortization, adjusted for i) unrealized gains and losses on derivatives (FX, commodities, embedded derivatives), ii) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, iii) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities), iv) restructuring and restructuring-related expenses, and v) acquisition-related expenses and certain non-operational items.
- Operational EBITDA margin: Operational EBITDA as a percentage of Operational revenues
- Operational revenues: Revenues adjusted for i) unrealized gains and losses on derivatives, ii) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, and iii) unrealized foreign exchange movements on receivables (and related assets).

Appendix: Definitions 2

- Operational net income: Net income adjusted for the net-of-tax impact (using the Group's effective tax rate) of i) unrealized gains and losses on derivatives (FX, commodities, embedded derivatives), ii) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, iii) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities), iv) restructuring and restructuring-related expenses, and v) acquisition-related expenses and certain non-operational items.
- Operational EPS: Operational net income per share
- Operational net income, before amortization: Operational net income adjusted for the net-of-tax impact (using the Group's effective tax rate) of amortization related to acquisitions
- Operational EPS, before amortization: Operational net income before amortization per share

For more information, call ABB Investor Relations
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