Anders H Nordström, Berenberg Energy Efficiency Sector Conference, Zurich, 23 May 2013

Energy efficiency
Doing more with less

Power and productivity for a better world™

Safe-harbor statement

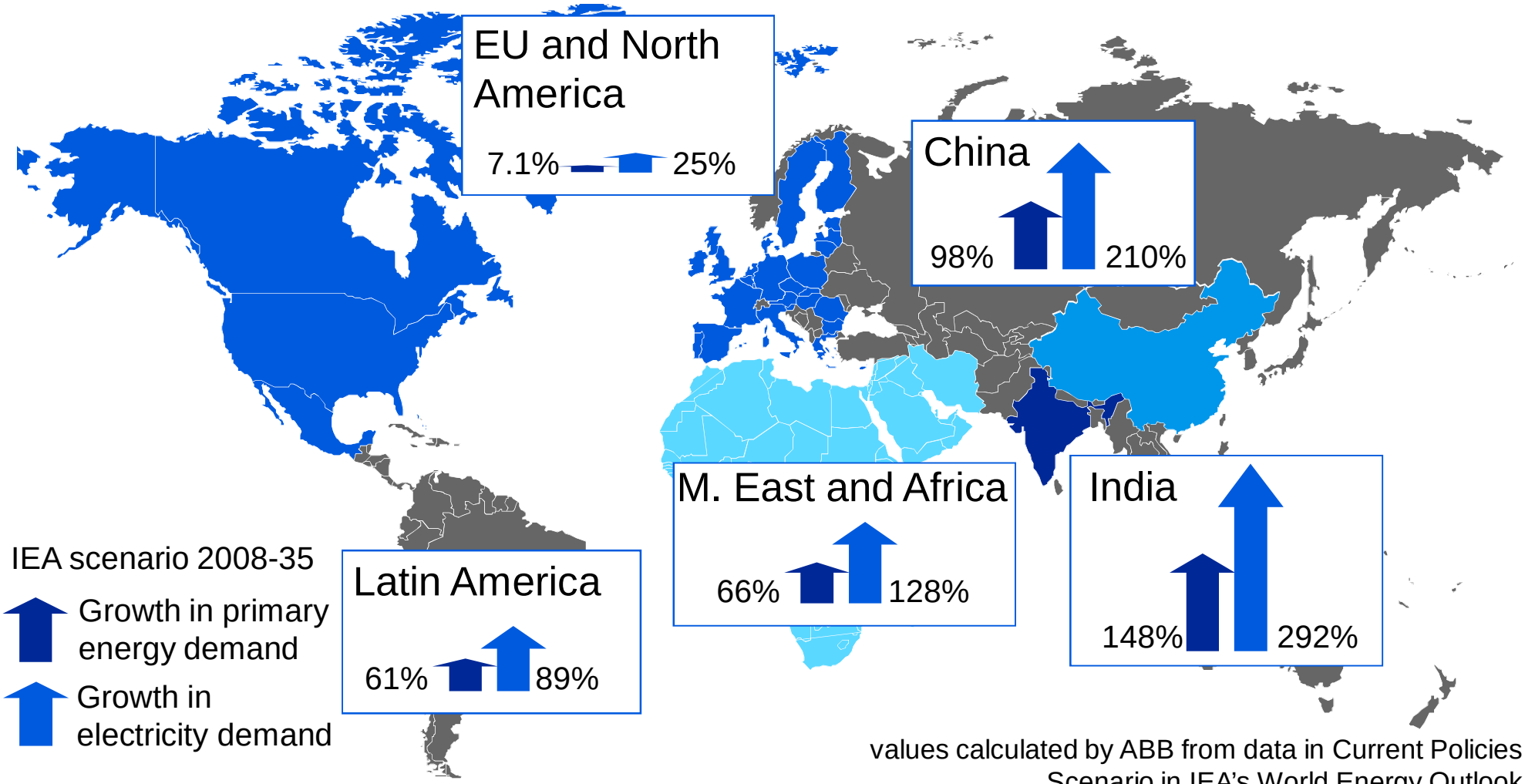
This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, 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.

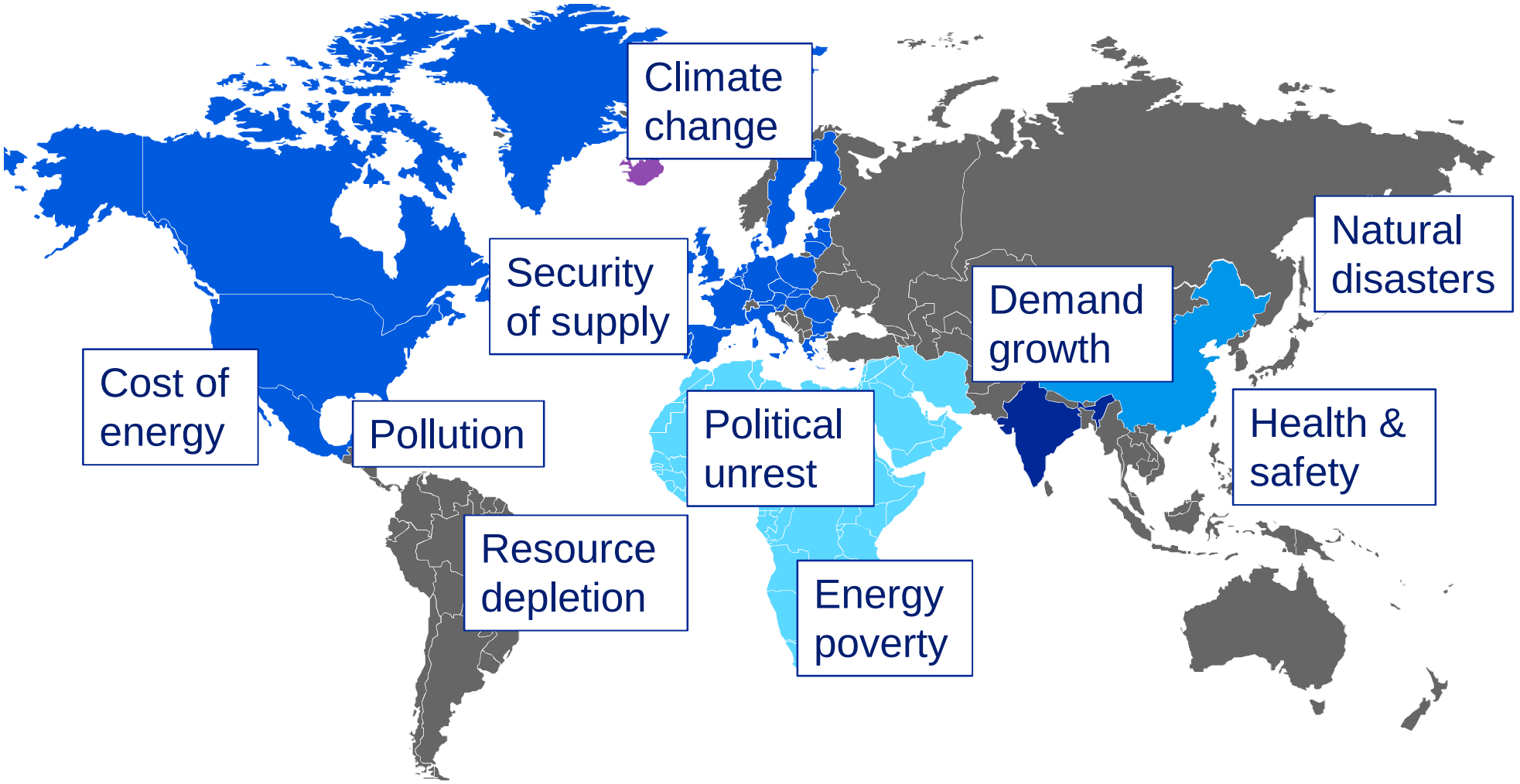
Although ABB Ltd believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

Today's main energy challenges
Soaring demand



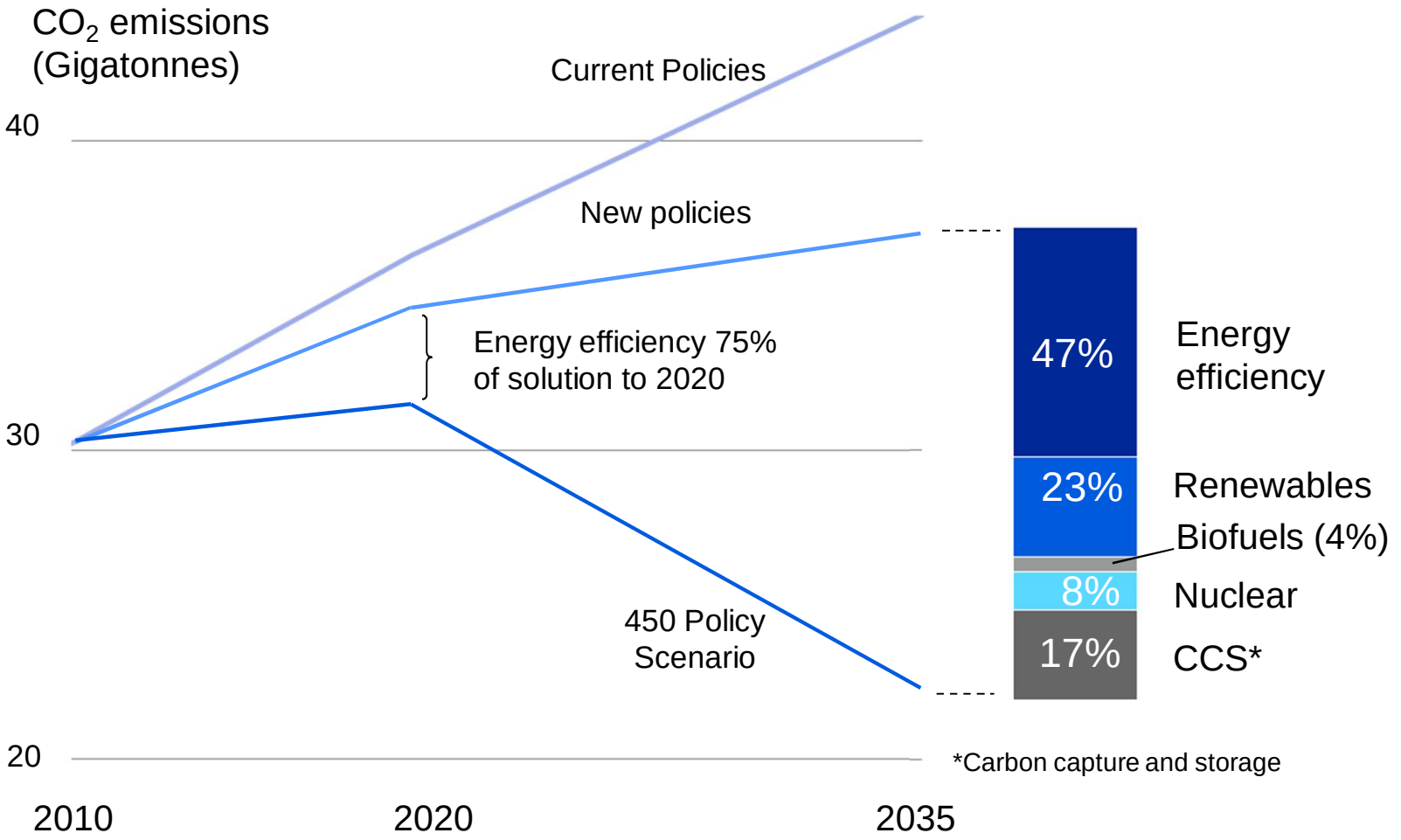
values calculated by ABB from data in Current Policies Scenario in IEA's World Energy Outlook

Today's main energy challenges
Soaring demand, climate change, ensure availability and affordability



Energy efficiency and renewables
Could deliver 2/3 of required emissions abatement

World energy-related CO_2 savings potential by policy measure under 450 Policy Scenario relative to New Policies Scenario



Source: IEA, World Energy Outlook 2012

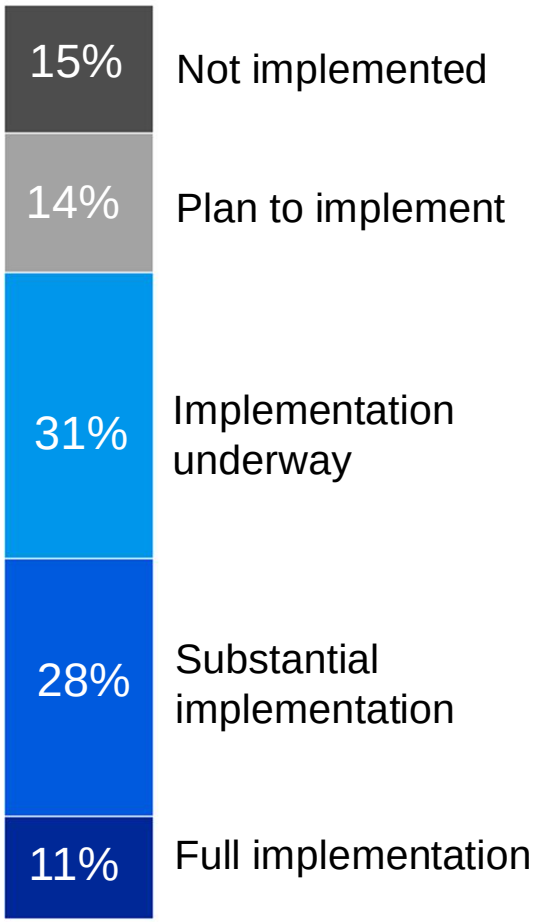
Drivers of government energy efficiency policies

▪ Energy security:	▪ Reduce imported energy ▪ Reduce domestic demand to maximize exports ▪ Increase reliability ▪ Control energy demand growth
▪ Economic developement and competitiveness:	▪ Reduce energy intensity ▪ Improve industrial competitiveness ▪ Reduce production cost ▪ More affordable energy customer costs
▪ Climate change:	▪ Contribute to global mitigation and adaptation efforts ▪ Meet international obligations on cutting emissions
▪ Public health:	▪ Reduce local and indoor pollution

Source: Energy Efficiency Governance: Handbook; OECD/IEA; 2010

Status of energy efficiency policy in OECD countries
Significant progress according to IEA evaluation

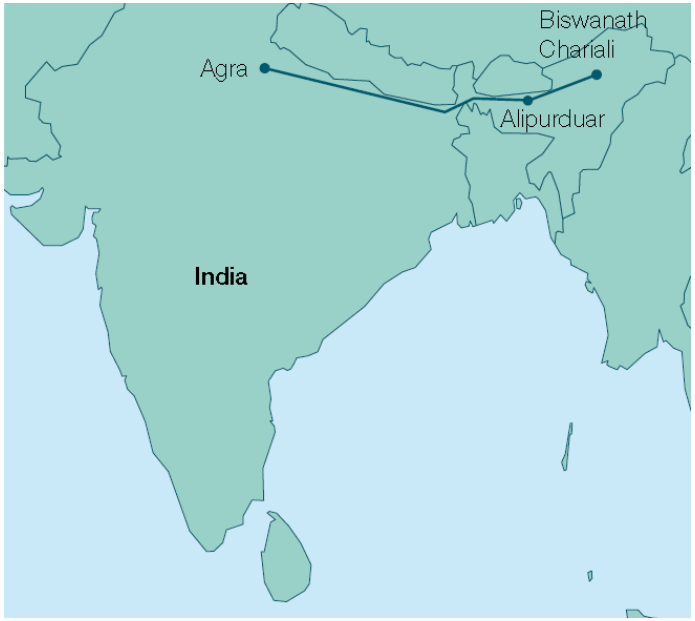
- IEA made energy efficiency policy recommendations to OECD governments…
- ...and tracks progress on how well energy efficiency policies meet recommendations
- 25 recommendations that cover:
  - Cross-sectoral
  - Buildings
  - Appliances
  - Lighting
  - Transport
  - Industry
  - Utilities
- 20% cut of global final energy use by 2030, if recommendations implemented widely



IEA = International Energy Agency

Source: IEA evaluation published in 2012

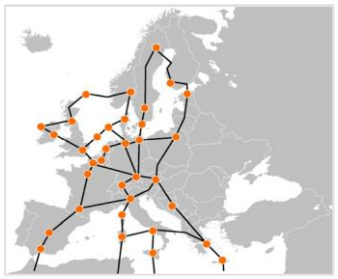
The power of technology and innovation
ABB and energy efficiency – power transmission



North-East – Agra HVDC

- World's highest-capacity power link
- 8,000 MW of hydropower
- Clean energy for 90 million people
- Ease pressure on power grid

The power of technology and innovation
More efficiency & renewables with new DC technology



DC Supergrids

- ABB's new hybrid DC breaker enables DC supergrids
- A 2013 top ten breakthrough technology according to MIT Technology Review

DC distribution for datacenters

- Global datacenters use 1.5x the amount of electricity used by the whole of New York City
- DC distribution in datacenters 10-20% more efficient than AC

Onboard DC grid

- ABB delivered world's first onboard DC grid for vessels
- Onboard DC grid increases vessel efficiency by up to 20%

DC fast-charging for electric vehicles

- Cuts charging time to 15-30 minutes from eight (8) hours
- ABB built world's first nationwide fast-charging network in Estonia

Energy efficiency in industry
Large opportunities and good progress while gap between awareness and action

* *Trends in global energy efficiency (2011),* by the Economist Intelligence Unit and Enerdata

- In global survey*, 88% of manufacturers say energy efficiency critical success factor for in next two decades
- However, only 40% had made energy efficiency investments in the past three years.

Industry accounts for about one third of the world's final energy demand

Industry's total energy use continues to grow

Manufacturing and process industry and utilities – Large savings from efficient products, automation systems and services

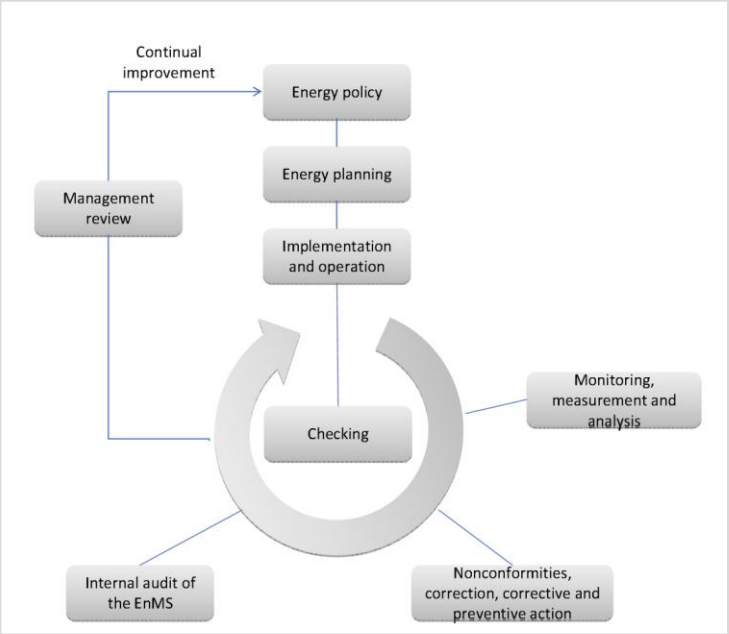
Energy savings at steel mill
ArcelorMittal's Fos-sur-Mer steel mill

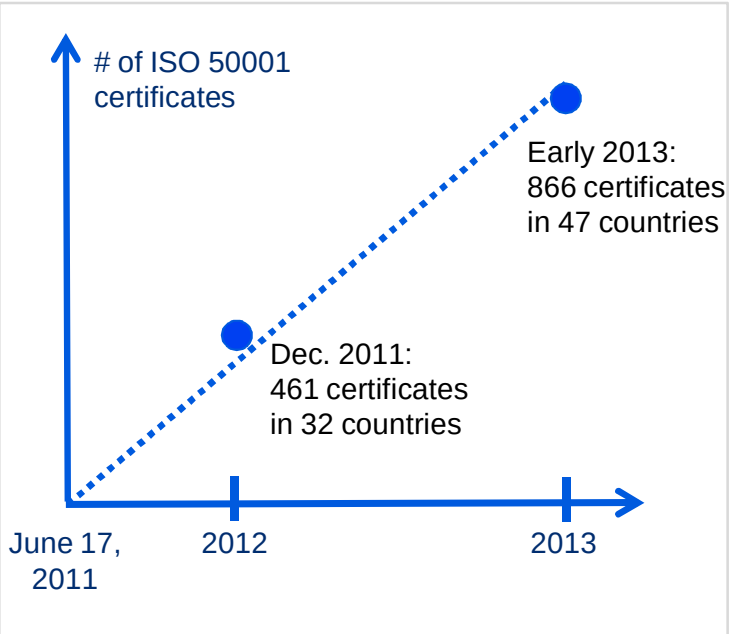
"For once we have completed a successful energy assessment on electricity opportunities in ArcelorMittal"

Jeroen van Lishout, Energy Manager, Europe

- ABB team identified €10 Million annual energy savings
- 53 saving opportunities identified
- ABB's Industrial Energy Efficiency (IEE) program:
  - Opportunity identification
  - Master Plan development
  - Implementation of quick wins
  - Prioritization of project portfolio
  - Development of top tier project specification

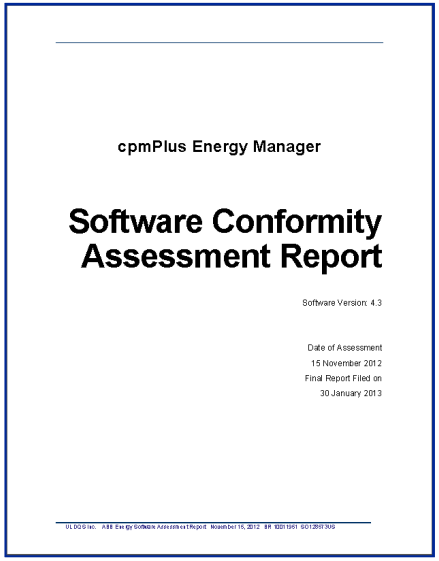
Increased global focus on energy management
ISO 50001 – new, global energy management standard





- Integrate energy efficiency into management practices
- Make better use of existing energy-consuming assets
- Benchmark, measure, document and report energy intensity improvements
- Evaluate and prioritize investment in new energy-efficient technologies

Increased global focus on energy management
ISO 50001 – new, global energy management standard


cpmPlus Energy Manager

Software Conformity Assessment Report

Software Version: 4.3

Date of Assessment
15 November 2012
Final Report Filed on
30 January 2013

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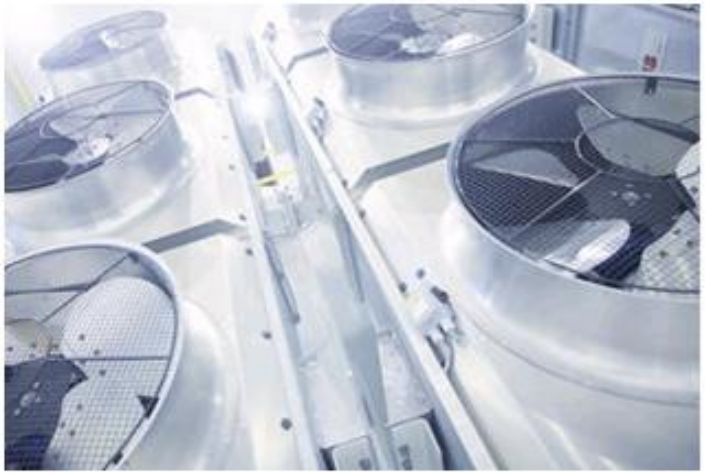
Conclusions



- Energy efficiency works – saves energy and cost
- It is cheapest and fastest way to tackle conflict between GDP growth and carbon emissions
- Innovation and technology development are key to achieve low carbon energy supply system
- At the same time, huge potential to cut energy waste with existing technology
- Large saving potential in industry
- Energy management helps shift from project-by-project approach to continuous improvement

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