



Zurich, February 17, 2011

ABB Q4 and full-year 2010 results

Joe Hogan, CEO
Michel Demaré, CFO

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” 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, business risks related to the economic environment, costs associated with compliance activities, the amount of revenues we are able to generate from backlog and orders received, raw materials 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.

Agenda

- Summary of 2010 Q4 and full-year results
- Financial review
- Roadmap to profitable growth
- Discrete Automation and Motion
- Marketing and Customer Solutions
- Summary and Outlook
- Q&A

Joe Hogan

Michel Demaré

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Joe Hogan

Summary of 2010 Q4 and full-year results

ABB steers through 2010 in good position for profitable growth

Joe Hogan

ABB steers through 2010 in good position for profitable growth

Lean cost base, leading technologies, dynamic business portfolio



Full-year highlights

- Delivered EBIT margin well within target corridor
- Operational EBIT margin at 13.1% despite \$850 million of price pressure
- \$1.5 billion in cost savings more than offset lower volumes and price pressure
- Strong growth, operating leverage and execution in the automation divisions
- 4% backlog growth* vs end-2009 will support revenues in 2011
- Strong free cash flow at 133% of net income
- Return to M&A: >\$6.5 billion of deals closed in key growth areas (incl. Baldor)
- Dividend raised to CHF 0.60 - strong confidence in the business, confirms dividend policy

* local currencies

Q4 lifted by strong economic rebound and leverage in automation Great execution on savings, resilient portfolio balance power challenges



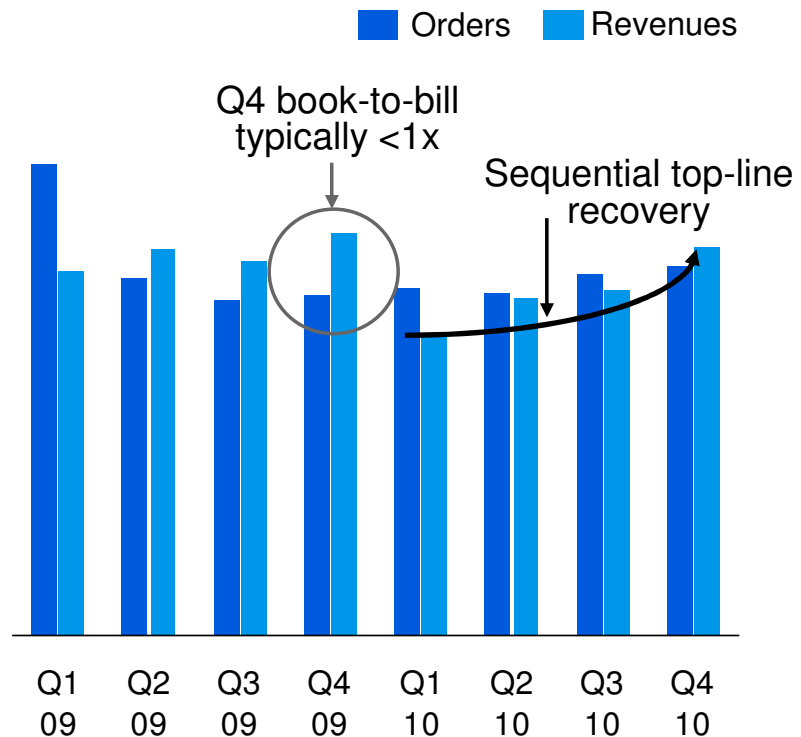
Q4 highlights

- Orders and revenues reflect clear recovery, strong market position
- Base orders up 17%; also higher in PP and PS – a positive lead indicator
- Gross order margins stable year-on-year – successfully managing price pressure
- Additional charges of \$120 million, mainly one cables project
- EBIT margin benefits from leverage in automation plus further \$370 million cost savings
- Operational EBIT margin (12.3%) in target range despite PS charge and price pressure
- Cash from operations at \$1.8 billion

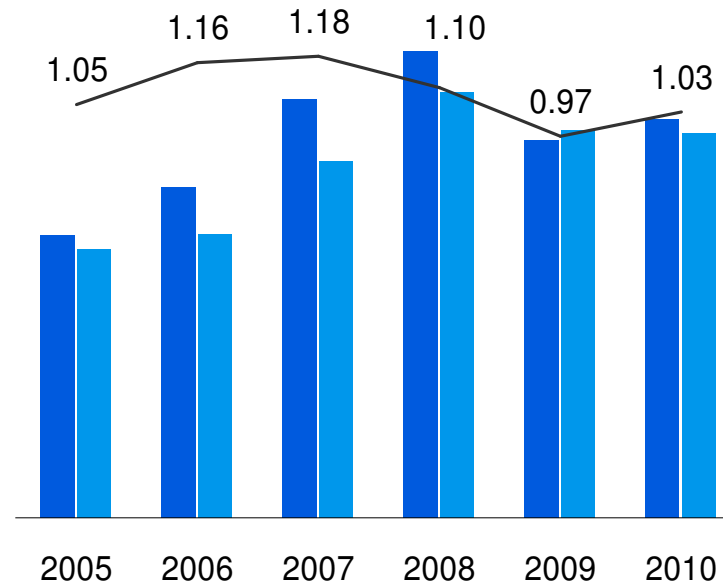
Q4 orders and revenues show continued cyclical upturn

Full-year book-to-bill returns to positive trend

Orders and revenues Q1 2009 to Q4 2010
In local currencies



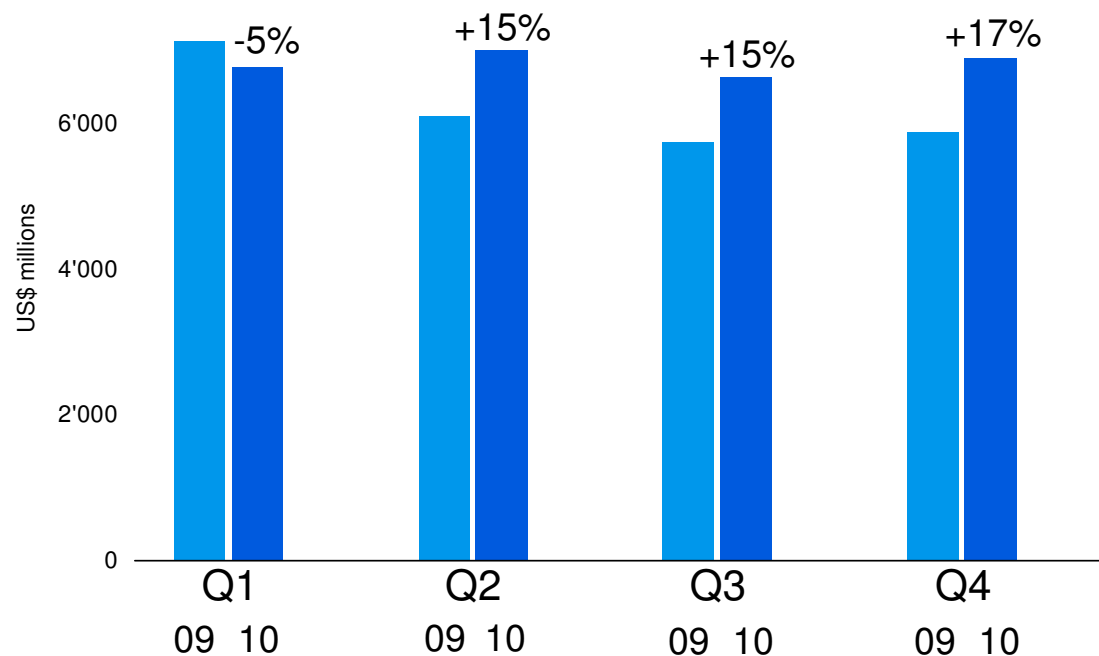
Orders, revenues and book-to-bill 2005-10
Nominal



Base orders continue to improve Up in both automation and power

Year-on-year change in base orders 2009-2010, by quarter

Percent change in local currencies (base orders = >\$15 million)



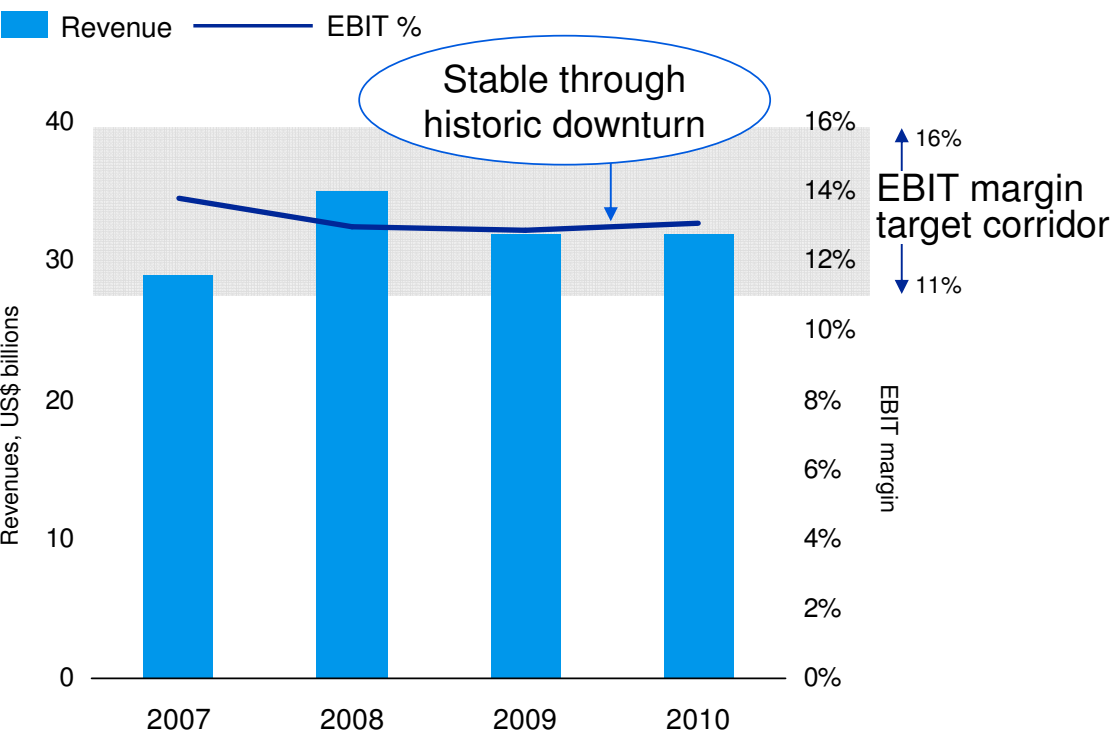
Consistent base order development

- Q4 was 3rd consecutive quarter of base order growth
- December was 8th consecutive month of base order growth

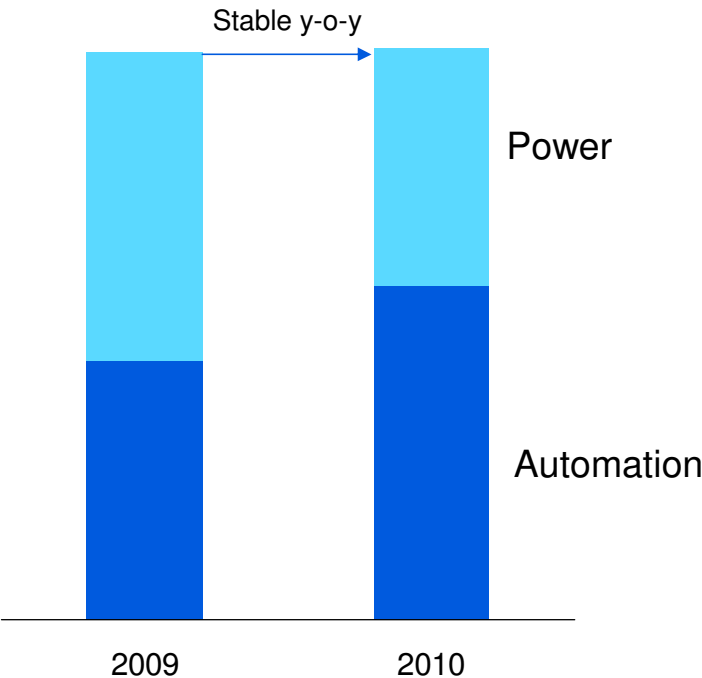
Steady EBIT margin through downturn

Revenue and earnings moderated by strong execution, resilient portfolio

Revenue and operational EBIT margin, 2007-2010



Contribution to operational EBIT, 2009-2010
US\$



Short- to mid-cycle businesses continue to fuel Q4 EBIT growth

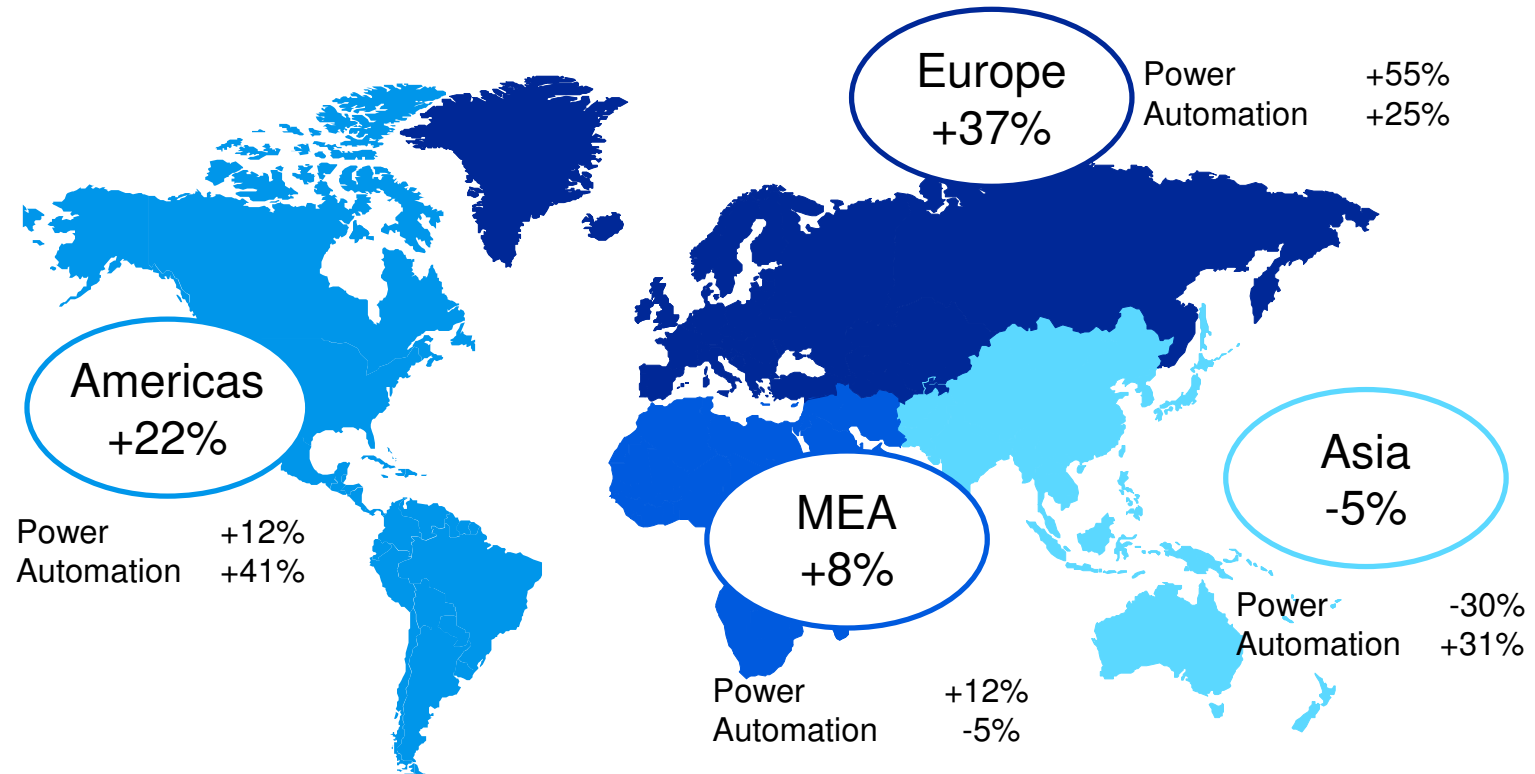
Operating leverage and cost savings support margins

	US\$ millions, percentage change in local currencies vs same period in 2009	Orders	Revenue	Operational EBIT %	Δ vs Q4 2009	
Weak utility spend but sequentially better	Power Products	-5%	-6%	16.3%	-0.2	Steady on cost savings
Large and base orders, great backlog	Power Systems	40%	10%	2.1%	-6.5	7.8% excluding cables
	Discrete Automation	34%	14%	17.2%	+6.7	Robotics turnaround
Short-cycle recovery	Low-Voltage Products	14%	16%	17.8%	+2.9	
Turbos, minerals, pulp and paper, oil and gas	Process Automation	25%	4%	12.9%	+0.9	Good project execution
	ABB Group	18%	6%	12.3%	-0.4	

Automation orders up strongly in most regions

Power in Asia down on fewer large transmission orders

Order growth by region Q4 2009 vs Q4 2010
(in local currencies)



Power and automation performance in key markets

Expanding Brazilian economy needs more power

Order growth by selected countries
Q4 2009 vs Q4 2010
(in local currencies)

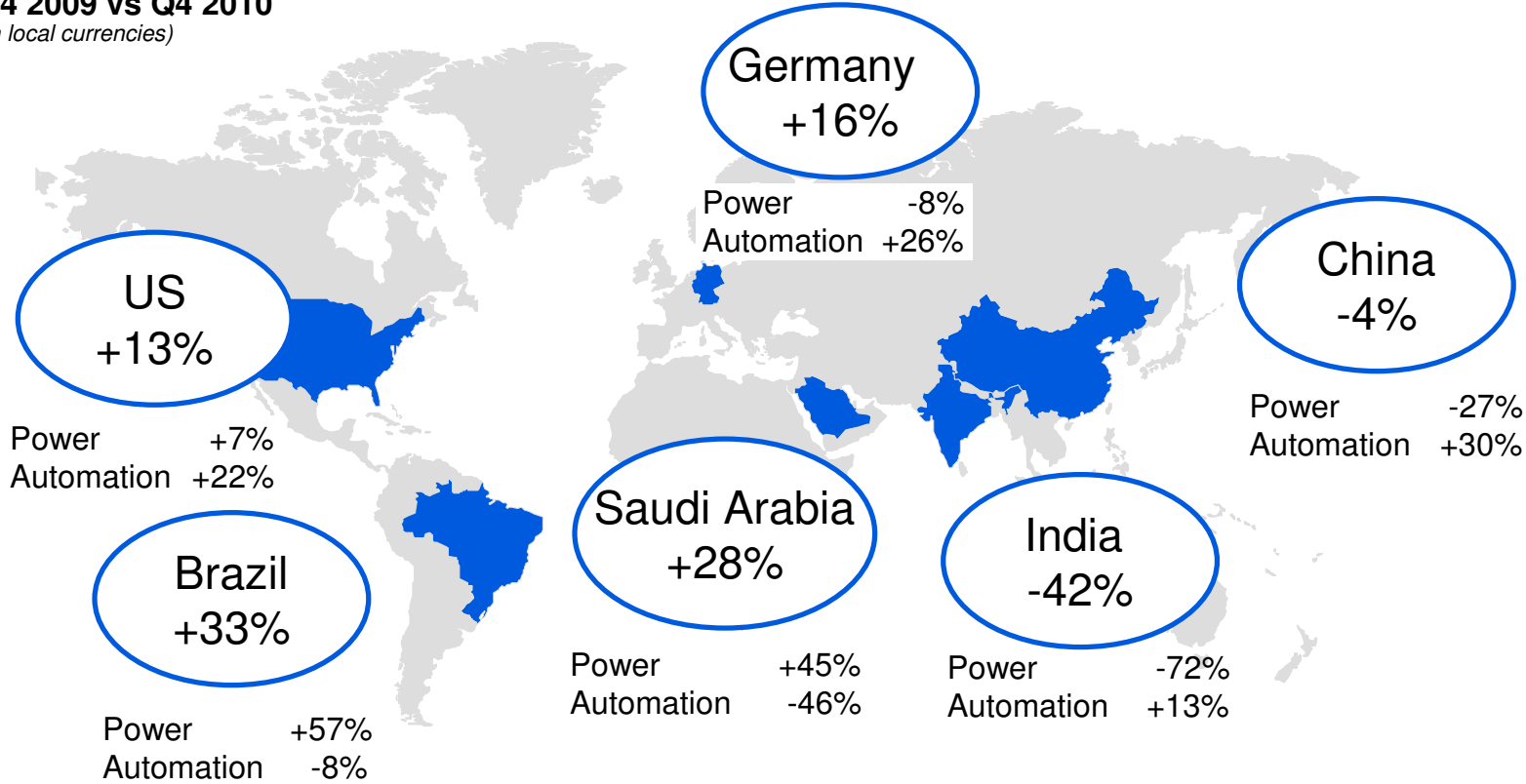
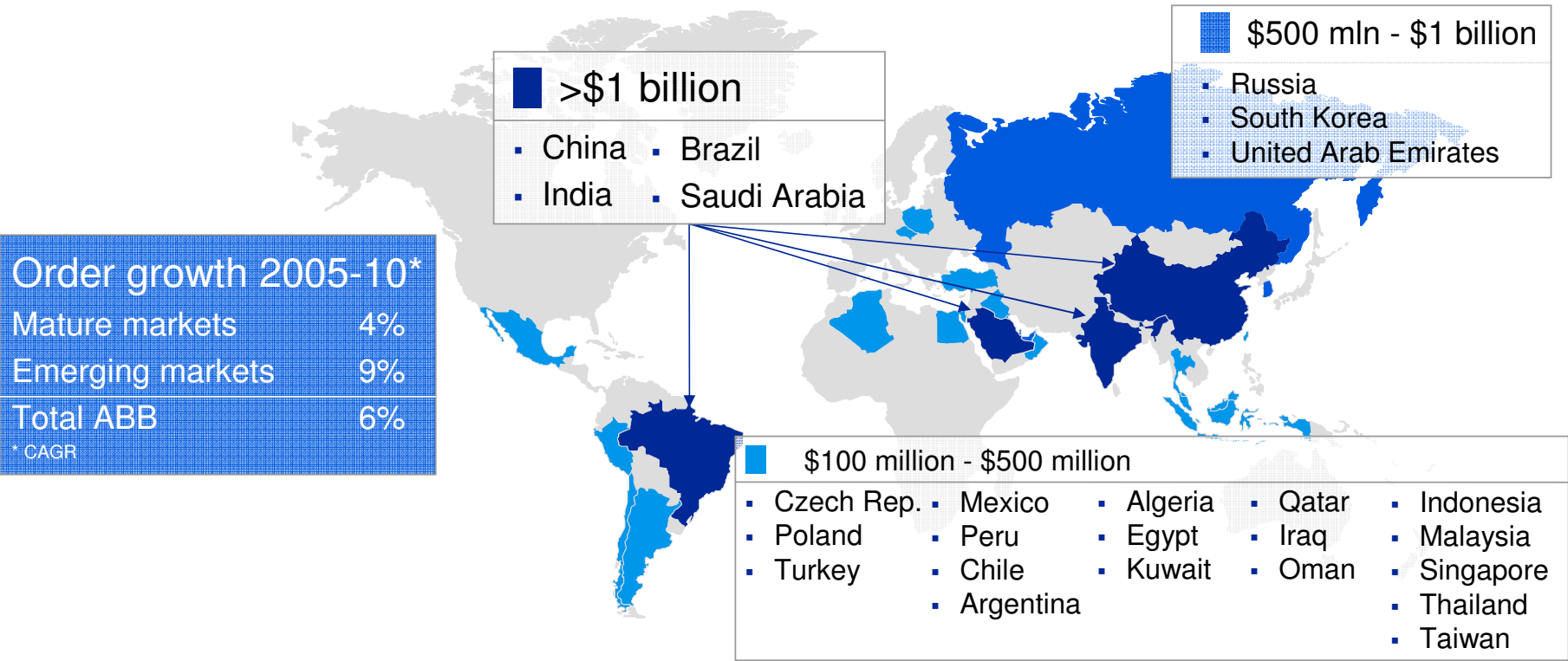


ABB with a broad base of emerging market demand

Emerging markets now account for ~50% of total revenues

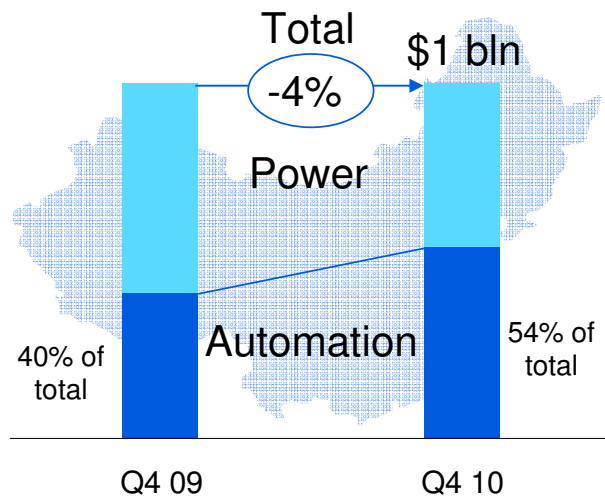
ABB's top emerging markets by orders received 2010
US\$



China update: industrial growth driving automation, power distribution Offset by low level of large transmission projects

Orders in China Q4 2009 vs Q4 2010

(change in local currencies)



- Key drivers: General industry, discrete automation, minerals
- Strong medium-voltage growth in power, transformer orders lower

Power

- Grid investments expected to grow 10-15%
- Demand for ultra-HV equipment >2x vs 2010
- Ambitious timetable, technology gaps favor global players

Automation

- 2011 GDP growth expected ~9%
- 5-yr plan: 17% cut in energy consumption per unit GDP
- ABB with strong 2010 performance across the board:

Automation full year order growth 2010

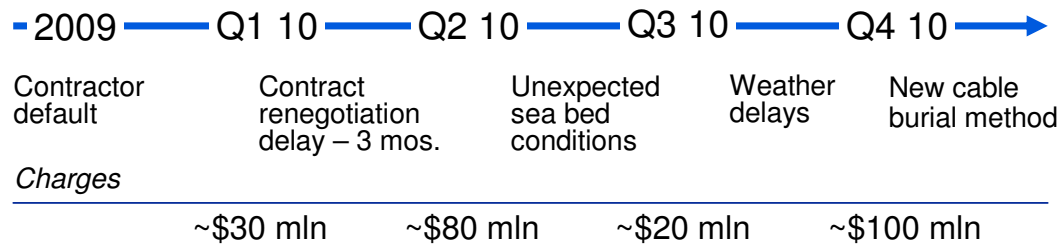
(change in local currencies)

Discrete Automation & Motion	43%
Low Voltage Products	25%
Process Automation	51%

Power Systems project costs: risk mitigation in new growth market

ABB pioneering a new technology

Project timeline



Status today

- Connection completed, cable successfully tested
- Additional cable protection work ongoing
- Cable expected in commercial operation April 1, 2011

Short- and long-term risk mitigation

- More robust terms and conditions to further limit liabilities
- Higher level of project selectivity (willing to walk away)
- Long-term security on cable vessel and trenching

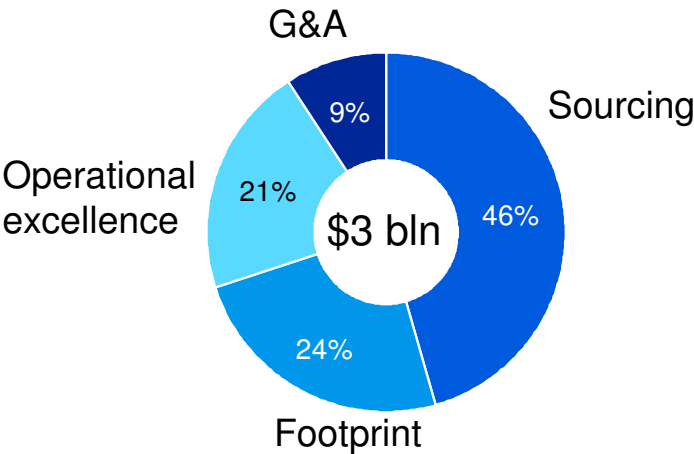
A promising growth market

- Driven by renewables, interconnects, offshore oil and gas
- ABB a pioneer with leading-edge technology
- Regulations changing, technical specs more demanding

Subsea HV power cable demand expected to grow from ~\$2 billion in 2010 to ~\$8-9 billion in 2015

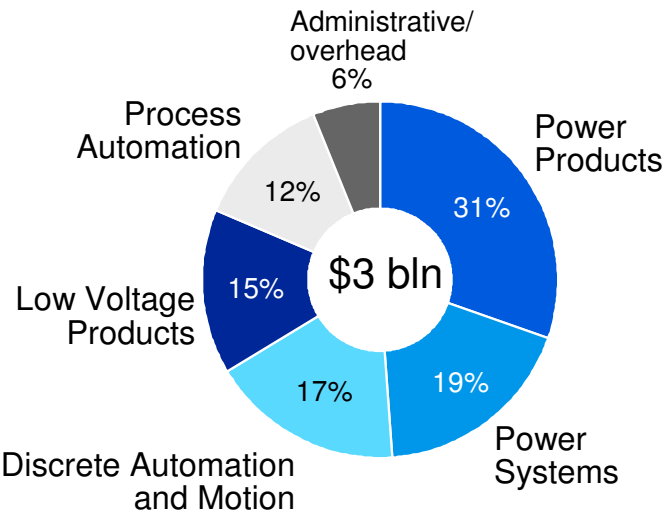
\$3 billion cost savings program hits target on schedule

Share of total savings by source 2009-10
Percent



In line with original targets

Share of total savings by division 2009-10
Percent



Balanced savings across the businesses

Excellent project control and execution on cost

No. of projects	Sourcing ~110,000	Footprint ~150	Operational excellence ~2,400	G&A ~2,600
Measures	<ul style="list-style-type: none"> ▪ 180 commodity teams ▪ Supply base rationalization ▪ Emerging market sourcing 	<ul style="list-style-type: none"> ▪ Localized manufacturing ▪ R&D and product design ▪ Global centers of excellence ▪ Service capacity 	<ul style="list-style-type: none"> ▪ Common processes ▪ Engineering productivity ▪ Inventory control ▪ Development time ▪ Scrap & re-work 	<ul style="list-style-type: none"> ▪ Shared services, finance, HR ▪ IT outsourcing, shift to emerging markets ▪ Strict cost control in travel, external suppliers
Savings examples	<ul style="list-style-type: none"> ▪ Commodity teams >\$400 mln ▪ Transport & logistics >\$50 mln ▪ Emerging markets >\$80 mln, +\$600 mln sourcing spend 	<ul style="list-style-type: none"> ▪ >5 high-cost plants closed ▪ >30 production lines moved ▪ Dozens of greenfield expansions 	<ul style="list-style-type: none"> ▪ Mfg productivity: \$100 mln ▪ Project mgmt: \$60 mln ▪ Service savings: \$70 mln ▪ Warranty savings: \$30 mln 	<ul style="list-style-type: none"> ▪ Finance & HR >\$100 mln ▪ IT sourcing >\$50 mln ▪ External spend ~\$30 mln
2-year savings achieved	\$1.4 bln	\$750 mln	\$600 mln	\$250 mln

Another \$1 billion+ savings targeted for 2011

- Later-cycle businesses will continue to see volume and price pressure as 2010 order declines feed through to the P&L
- Build on momentum of current program to drive for additional savings
- Specific actions identified, some already launched
- Total cost max. 0.8% of revenues

Targeted price increases to address commodity inflation in 2011

Expected share of total savings by source 2011 *Percent*

Operational excellence

Productivity, speed to market, working capital management

Footprint

Continued capacity build-out in emerging markets

Sourcing

Leverage emerging market supply network

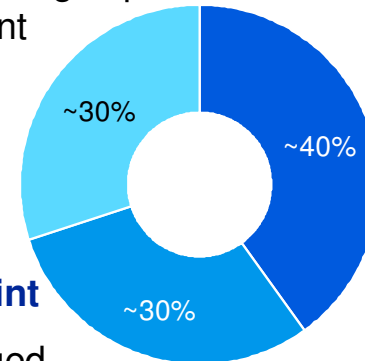





ABB used its strong balance sheet for strategic growth in 2010

Some \$6.5 billion* spent on acquisitions

Division	Description		Revenue <i>US\$ mln</i>	Rationale
PS	Ventyx	 An ABB Company	250	Growth (smart grid), regional gap, customer access, business model
All	Increase holding in ABB India		---	Growth (domestic and export), earnings upside
PA	K-Tek Holding		20	Close technology gap (measurement equipment)
DM	Baldor Electric	 A MEMBER OF THE ABB GROUP	1,725	Close regional gap, sales synergies, portfolio (energy efficiency)

- M&A strategy continues: geographic gaps (e.g., US), technology adjacencies, growth verticals (e.g., smart grids)
- Strong processes in place at top level to drive integration

* Includes Baldor which was closed and paid in January 2011

Increased dividend for 2010: CHF 0.60 per share vs 0.51 in 2009

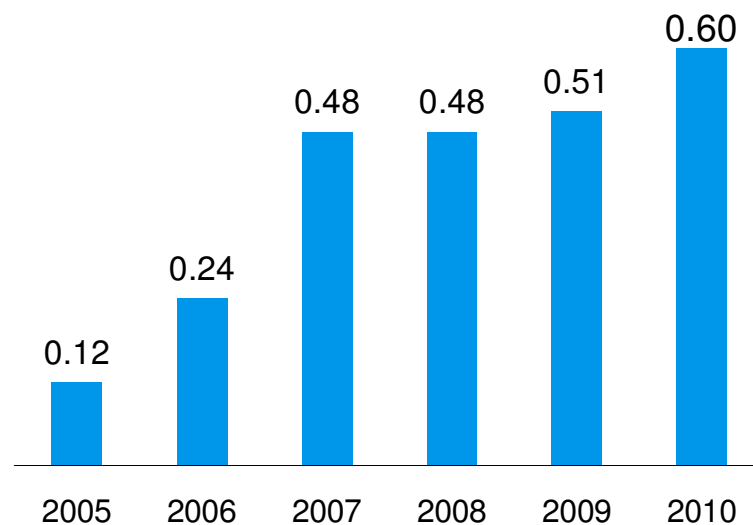
Capital repayment maintains tax advantage for shareholders

Dividend policy

A steadily rising, sustainable annual dividend throughout the business cycle

Dividend payout 2005-2010

CHF per share



- 18% dividend increase vs 2009
- Confidence in the business
- Payment from capital contribution reserve retains Swiss tax benefits
- CHF 6.4 bln for tax-free dividend payments
- Equivalent to 54% payout ratio
- Requires AGM approval, payment of dividend in early May

Entering 2011 in a stronger position

ABB proves the strength of its business portfolio and geographic scope

- Early- and mid-cycle business recovery well under way, later-cycle in H2 2011
- \$26 billion order backlog to support 2011 revenues
- Acquisitions will be accretive to 2011 performance
- Earnings to benefit from operating leverage, favorable product mix
- Lean cost base, >\$1 billion more in savings to come in 2011
- Proven cash generation power through the cycle
- Organization better aligned with markets to support growth opportunities
- Higher dividend shows confidence in the future

Fit to compete, with lean cost structure and strong balance sheet

Financial review

ABB emerges leaner, stronger and with intact ambitions

Michel Demaré

Q4 and full-year 2010 key figures

Increasing the dividend: confident in the strength of the business

Key figures Q4 and full year 2010 vs 2009

<i>US\$ millions unless otherwise stated</i>	Q4 2010	Q4 2009	Change		FY 2010	FY 2009	Change	
			US\$	Local			US\$	Local
Orders received	8,752	7,450	17%	18%	32,681	30,969	6%	4%
Revenues	9,179	8,761	5%	6%	31,589	31,795	-1%	-2%
Order backlog	26,193	24,771	6%	4%				
EBIT	978	798	23%		3,818	4,126	-7%	
as % of revenues	10.7%	9.1%			12.1%	13.0%		
Net income	700	540	30%		2,561	2,901	-12%	
Basic earnings per share (US\$)	0.31	0.24			1.12	1.27		
Dividend per share (CHF)					0.60	0.51		
Cash from operations	1,759	1,783			4,197	4,027		
Free cash flow					3,397	3,089		
as % of net income					133%	106%		
Return on capital employed					21%	27%		

Key figures by division

Q4 2010

<i>US\$ mill, % change in local currencies vs same period in 2009</i>	Orders	Change	Revenue	Change	EBIT	Operational EBIT %*
Power Products	2,533	-5%	2,913	-6%	453	16.3%
Power Systems	2,626	40%	2,088	10%	5	2.1%
Discrete Automation & Motion	1,505	34%	1,657	14%	285	17.2%
Low Voltage Products	1,142	14%	1,254	16%	198	17.8%
Process Automation	1,764	25%	2,101	4%	200	12.9%

Full year 2010

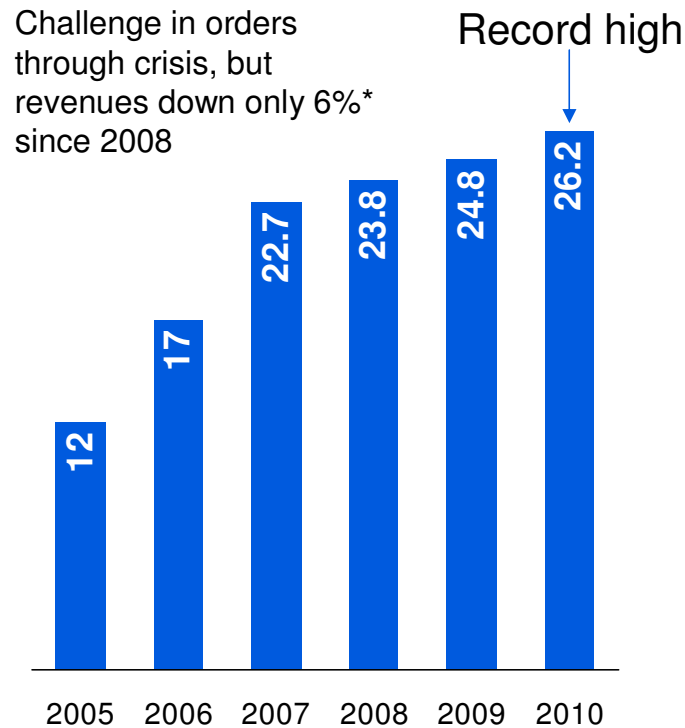
Power Products	9,778	-13%	10,199	-11%	1,622	16.4%
Power Systems	7,896	-1%	6,786	2%	111	3.2%
Discrete Automation & Motion	5,862	23%	5,617	3%	926	17.2%
Low Voltage Products	4,686	15%	4,554	13%	806	18.4%
Process Automation	7'383	7%	7,432	-6%	755	11.4%

* Excluding restructuring-related costs and the impact of the mark-to-market treatment of hedging transactions

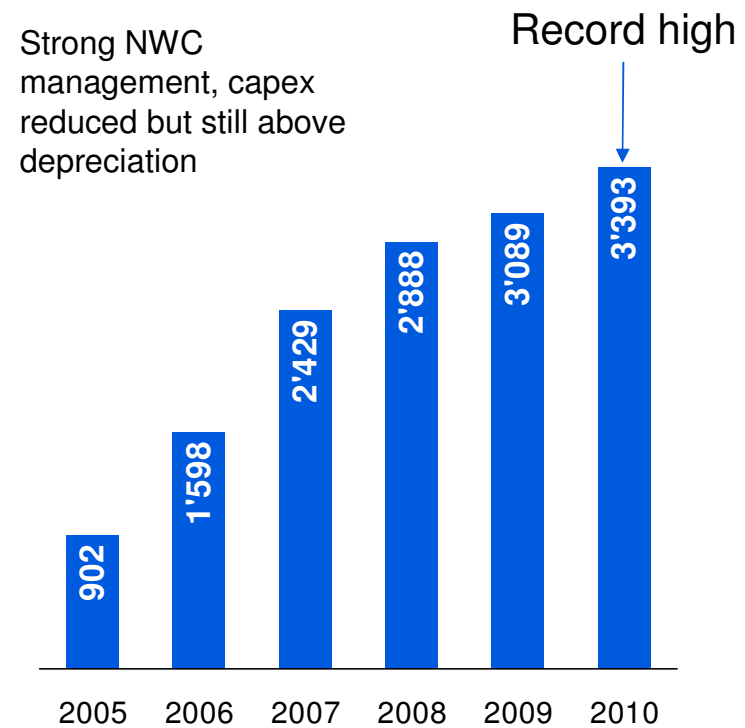
2008–2010: Two years of economic crisis

ABB emerges leaner, stronger and with intact ambitions

Order backlog 2005-2010
US\$ billions



Free cash flow 2005-2010
US\$ millions



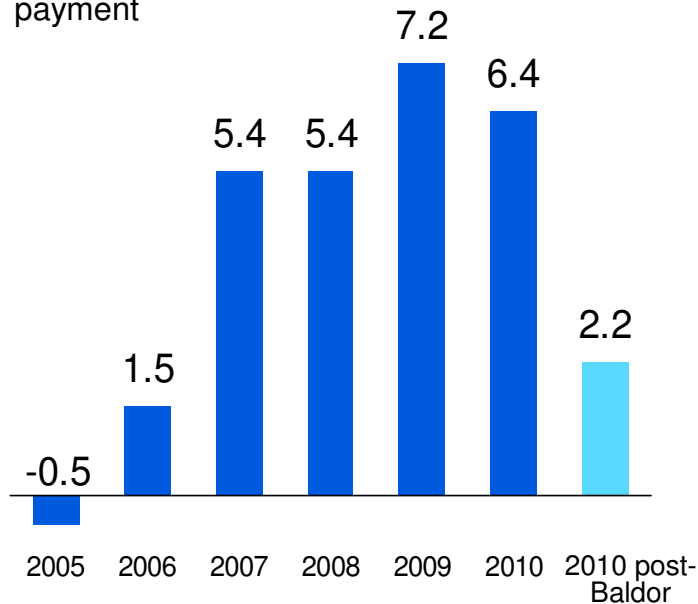
* local currencies

2008–2010: Two years of economic crisis

ABB emerges with one of the strongest balance sheets in the sector

Net cash position 2005-2010
US\$ billions

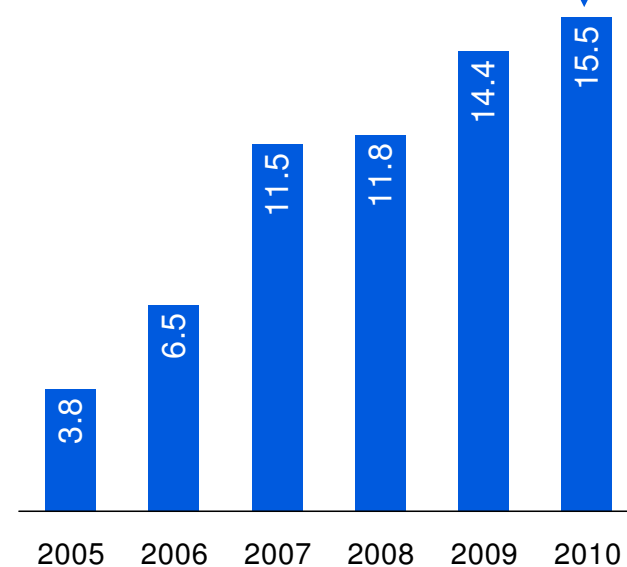
Still strong net cash 2010
2nd-best year ever,
>\$2 bln cash after Baldor
payment



Stockholders' equity 2005-2010
US\$ billions

Highest equity ever, despite
higher dividend and ABB India
transaction

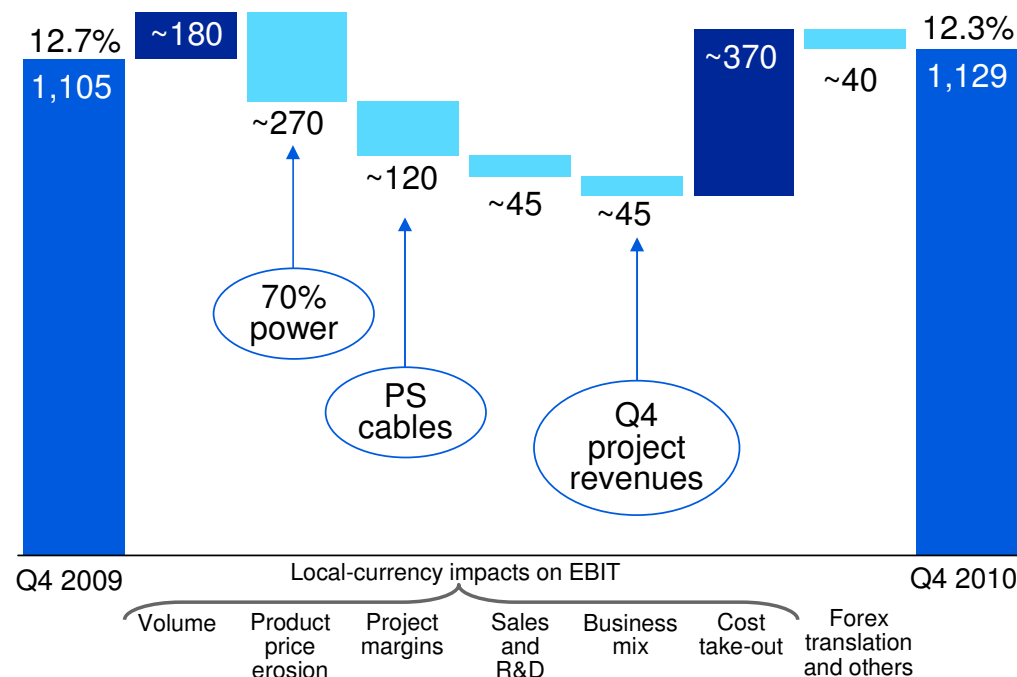
Record high



Q4 EBIT bridge

Cost savings gain further support from leverage effects

Local currency analysis of change in operational EBIT*

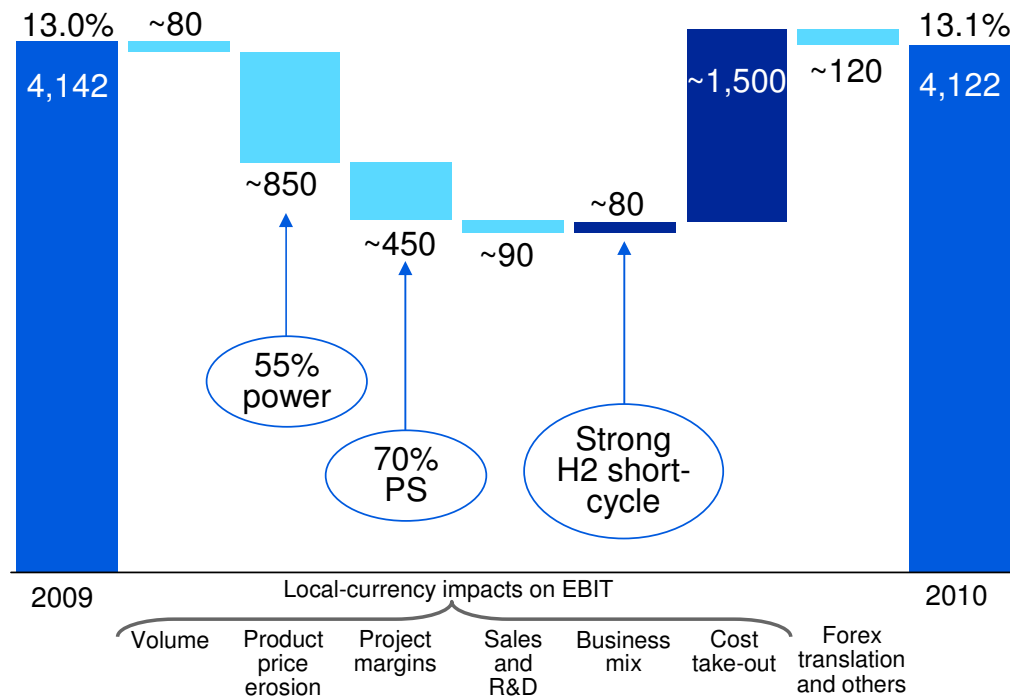


* Reported EBIT adjusted for restructuring-related expenses, mark-to-market valuation of hedging transactions and adjustments to compliance-related and other provisions

- Cost take-out more than offsets price impact
- Operating leverage contributes 2% to margin
- Price impact ~3% of revenues, same as previous quarter
- PS project issues with 1.3% margin impact
- Mix reflects typical seasonal project revenues

Full-year EBIT bridge

Local currency analysis of change in operational EBIT*

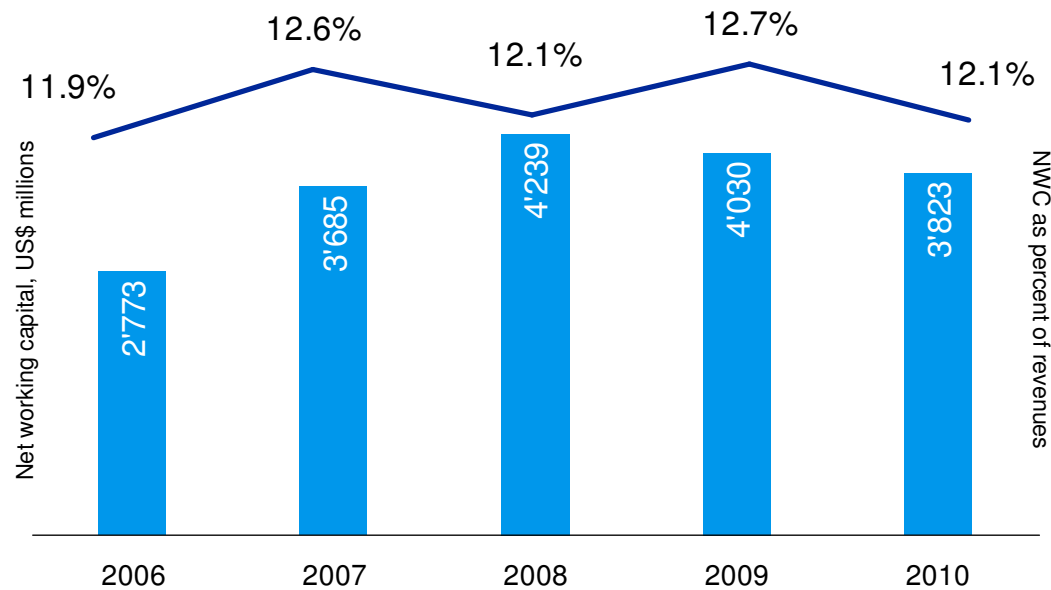


* Reported EBIT adjusted for restructuring-related expenses, mark-to-market valuation of hedging transactions and adjustments to compliance-related and other provisions

- Pricing impact ~3%
- Project business hit by PS one-offs, margin pressure in PS & PA
- Increased selling and R&D investments to capture growth
- Positive business mix with recovery of short cycle offering
- Significant upsides in volume, mix and project margins going forward; pricing still a challenge

Net working capital remained under tight control

Net working capital 2006-2010



- Net working capital down 5% vs 2009
- NWC as % of revenues = 12.1% vs 12.7% in Q4 09
- NWC reduction offsets higher capex spending (110% of depreciation)

Another year of strong cash generation

Tight NWC management, control of capex

Free cash flow 2009 vs 2010
US\$

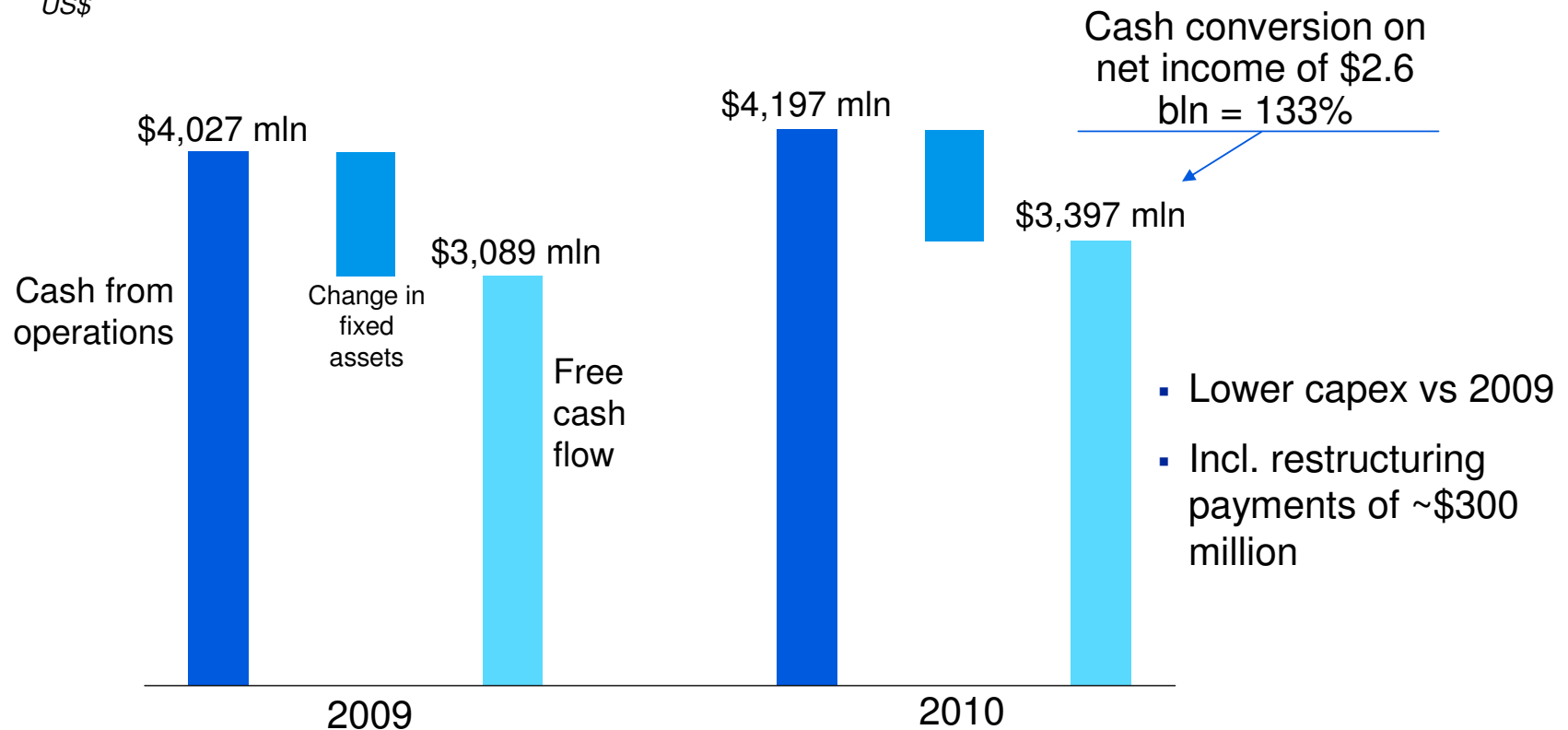
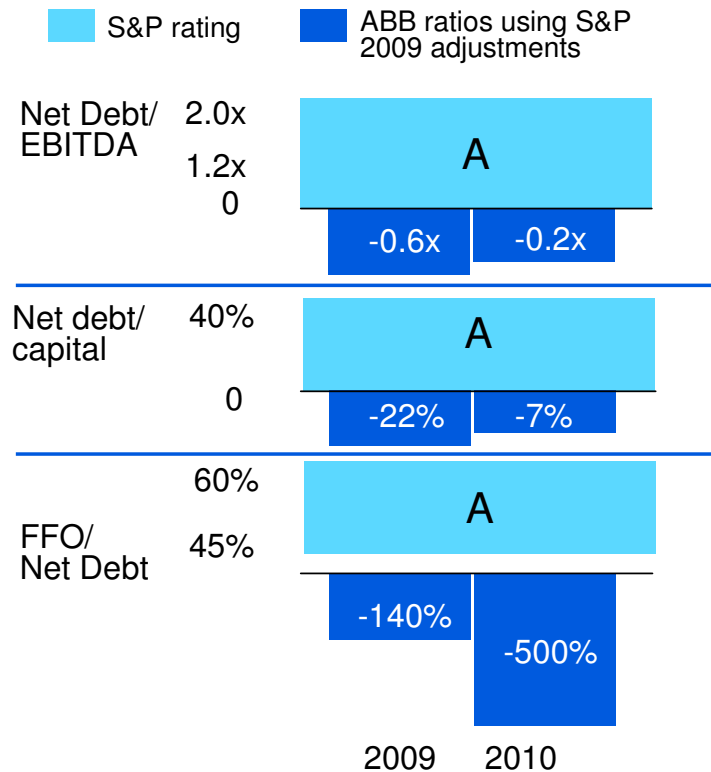


ABB with a sound financial footing

ABB committed to a solid A rating



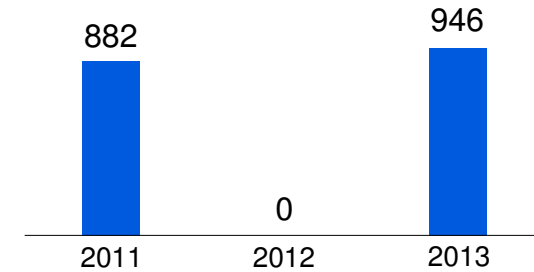
New \$2 bln credit facility

- Extended to 2015
- Lower commitment, utilization and upfront fees
- No covenants, 50% less annual cost
- 28 banks involved

A high level of financial flexibility

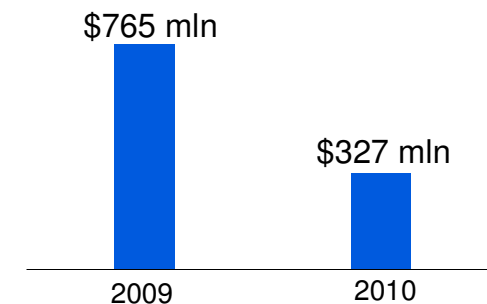
Debt easily serviced with operating cash

Debt maturity profile



Effective pension management

Pension deficit

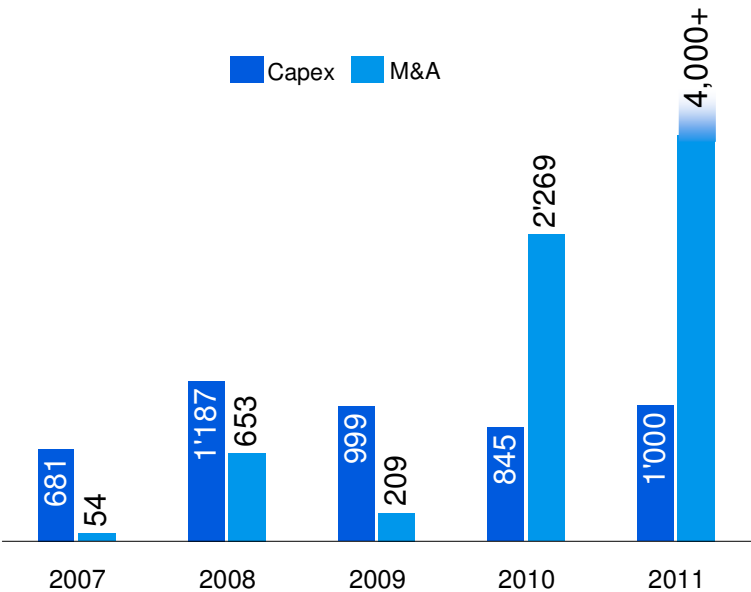


Year-end net cash position at \$6.4 billion

Priorities for uses of cash

Organic and inorganic growth

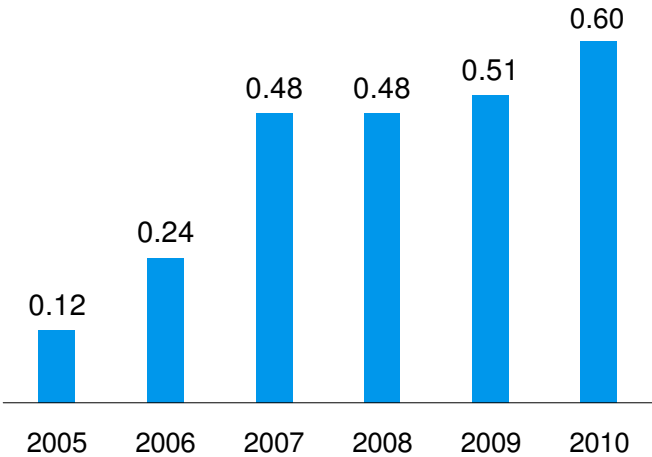
Capex and acquisitions 2007-2011
US\$ millions



Return to shareholders

Dividend development 2005-2010
CHF per share

~\$4.5 bln back to shareholders since 2005
▪ Incl. \$650 million share buyback in 2008



Dividend payment method provides favorable tax treatment

- Under new Swiss tax legislation (as of Jan 1, 2011), certain shareholder contributions made since 1997 can be returned free of 35% withholding tax
 - Same tax treatment as previous nominal value reduction
 - Faster payout (early May vs late July)
- For ABB, capital contribution reserves amount to ca. CHF 6.4 billion
- ABB re-initiating Swedish Dividend Access Facility (DAF)
 - Provides similar tax treatment free of Swiss withholding tax

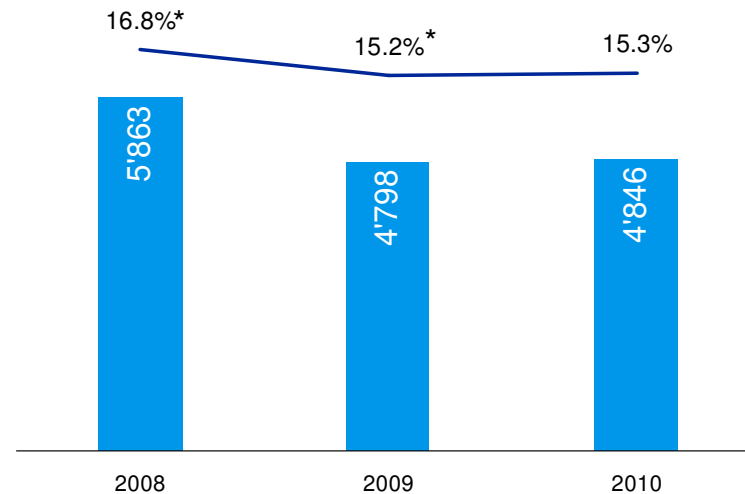
Future focus on EBITDA as acquisitions impact the P&L

- Acquisitions contributed ~\$170 million to full-year revenues (mainly Ventyx)
- Acquisition amortization and PPA led to EBIT loss of ~\$20 million
- EBITDA contribution: + ~\$20 million

As of 2011, management discussion will focus on **Operational EBITDA**:

= EBIT
+/- derivatives' impact
+ restructuring charges
+ depreciation & amortization

Operational EBITDA margin 2008-10
US\$ millions



* excl. the impacts of certain compliance-related provisions

Ventyx update

Integration on track, solid value creation expected in 2011



- Results consolidated since July 2010
- 2010 growth in line, EBITDA ~10% above plan
- 2011 revenue growth expected >15%, stand-alone EBITDA margin >30%
- All key managers successfully retained
- Integration of portfolio and sales force completed in October 2010
- Breakthrough orders
 - China National Nuclear Power asset management software (using ABB scope)
 - 1st integrated Ventyx/ABB grid management order with US utility (CenterPoint)
 - Demand-response smart grid application >1,000 MW with US utility
- Key acquisitions to expand offering (IKS) and integrate applications (Obvient)

Roadmap to profitable growth

Significant growth opportunities ahead

Joe Hogan

Significant growth opportunities ahead



- Market drivers for growth are intact: emerging markets, climate change, energy efficiency, infrastructure renewal and build

- Global economy headed in the right direction, especially emerging markets

- Energy efficiency requirements in industry and buildings will continue to grow

- Rising commodity prices drive key customer capex and opex (esp. oil and gas)

- Renewable energy needs will continue to grow as governments tackle climate change

- Need to connect remote renewable power resources to meet higher energy demand

- Power grids must become smarter, more flexible – technology driven

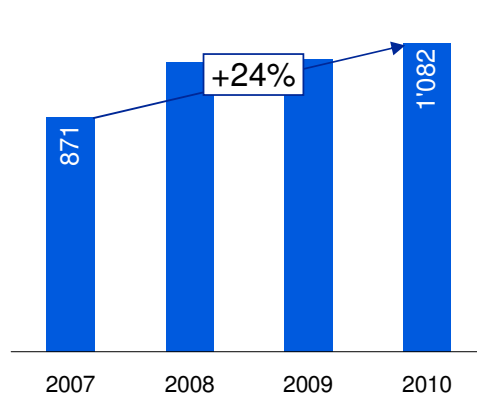
- Industrial and grid customers have new service requirements



Key growth areas of focus for ABB

More investment into R&D

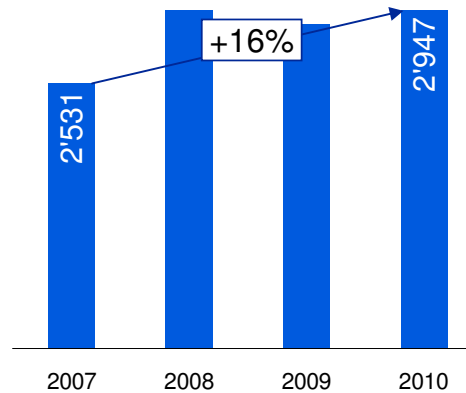
US\$ millions, % change in US\$



- Technology remains a competitive advantage
- Major push into emerging markets

More investment into sales

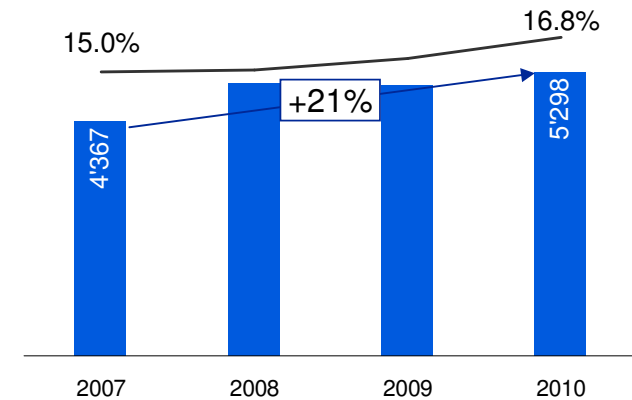
Selling expenses, US\$ millions



- Targeted by product, business and geography
- Sales expenses in emerging markets up >40% since 2007, vs 5% in mature markets

More service revenues

US\$ millions, and as % total revenues



- Large untapped potential in both power and automation
- Solid growth despite targeted withdrawal from some large full-service contracts

Localizing R&D is just as important as manufacturing

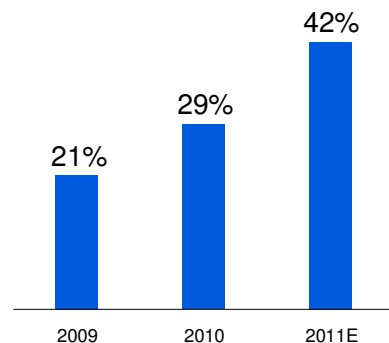
Clearer market signals, more competitive cost

- Gain market share in emerging economies with fully localized value chain
- Local R&D needed to design products that are optimized for local requirements
- Modified regional designs using local components

Examples

R&D employees in emerging markets *% of total*

Example: Low Voltage Products

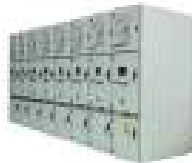


Power Products initiatives *Examples*

- 35% R&D personnel in emerging markets
- New products designed to Chinese mid-segment ratings
 - 245 kV high-voltage GIS
 - MV switchgear
- Chinese production, assembly and logistics environment
- ABB core components for critical functions



Mid-segment GIS for China market



Medium-voltage switchgear

LP mid-segment product launches *Examples*



Circuit breakers



Relays



Softstarters

Process Automation initiatives *Examples*

- >30% of R&D in emerging markets
 - 60% control system R&D
- India and China: hubs for control and measurement products
- Minerals build-up in China

Chart 39

Highly targeted product development

Maintaining our lead in conventional technologies, opening new areas



Gas insulated switchgear

Compact, reliable, and more environmentally friendly switchgear for urban applications where space is limited.



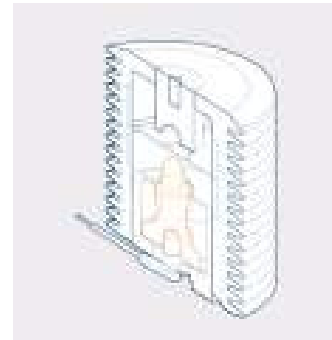
Automated circuit breaker

Reliably protects and monitors installations, such as cables, overhead lines, transformers, and motors, communicating directly with substation control systems.



Low-loss motors

Smaller, lighter and more efficient, with a longer lifespan and capable of high-speed operation without the use of gears.



Ultrafast switchgear

Prevents damage and injury through ultrahigh-speed grounding capability.

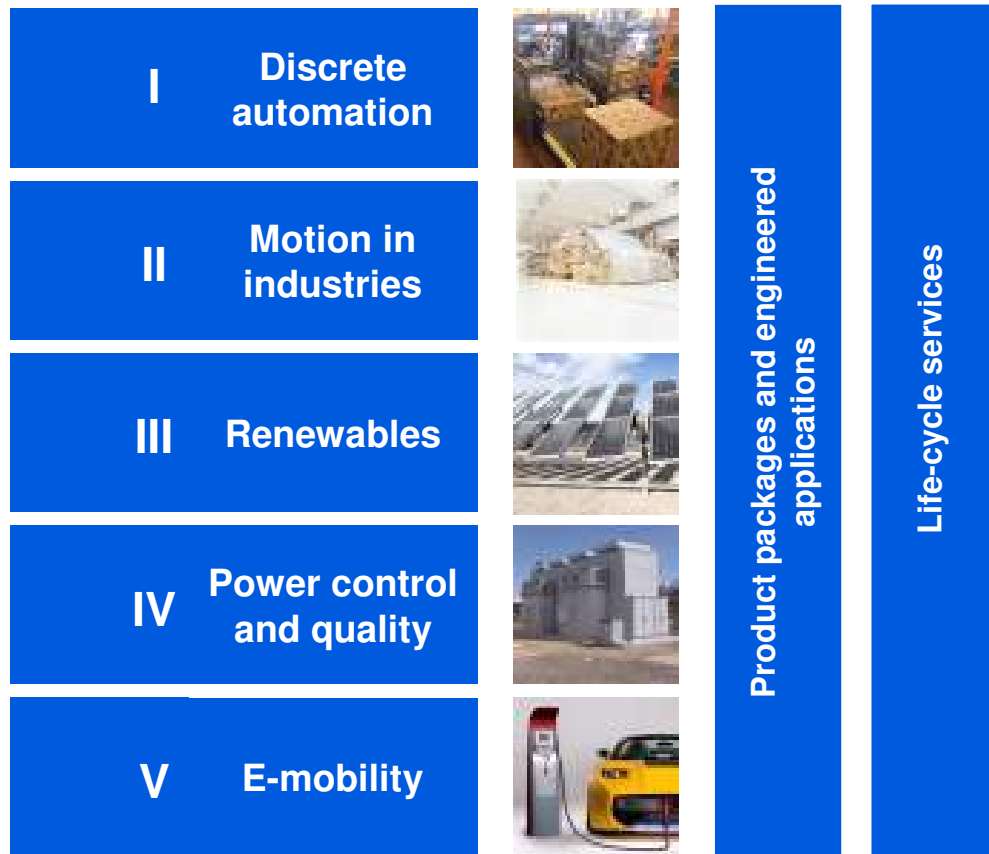
Roadmap to profitable growth

Discrete Automation & Motion

Ulrich Spiesshofer

Discrete Automation and Motion

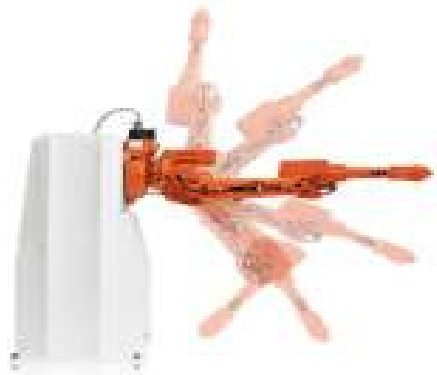
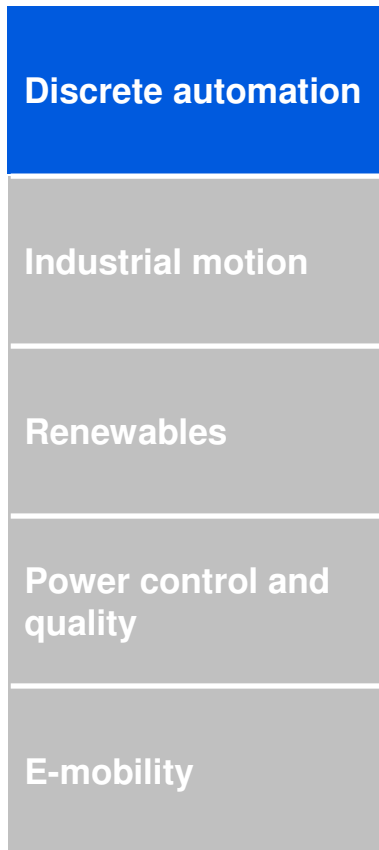
Great markets to serve – great business to be in



Ambitions

- Accelerate growth
 - Leverage technology for new applications
 - Penetrate underserved markets
 - Packages and bundling
- Leadership in industrial motion
- Faster growth in tailored services
 - Service share of 20%
- Increased profitability, solid mid-teen EBIT margins
 - Cost reductions
 - Robotics turnaround

Turnaround in robotics strengthens ABB's position in discrete automation



- Back to profitability
- Strong growth
 - >60% in orders
 - ~90% in units to >12,000, all-time high
- New generation mid-range robots launched
 - Up to 25% shorter cycle times
 - 20-70% payload increase
 - Up to 90% shorter programming time
 - Supported by user-friendly configuration tool

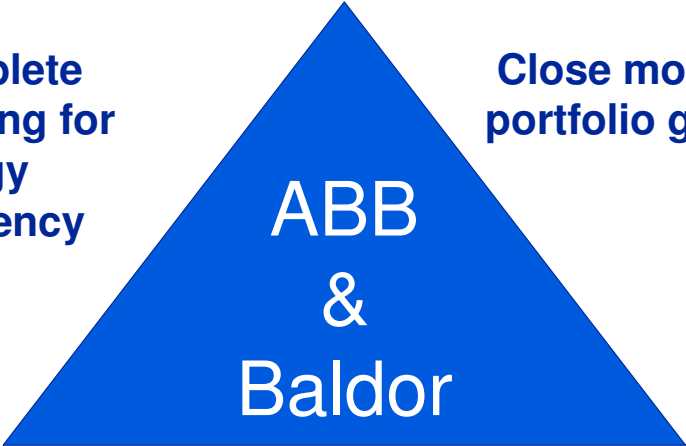
Baldor acquisition builds ABB's position in key North American market

- Discrete automation
- Industrial motion**
- Renewables
- Power control and quality
- E-mobility



Complete offering for energy efficiency

Close motor portfolio gap



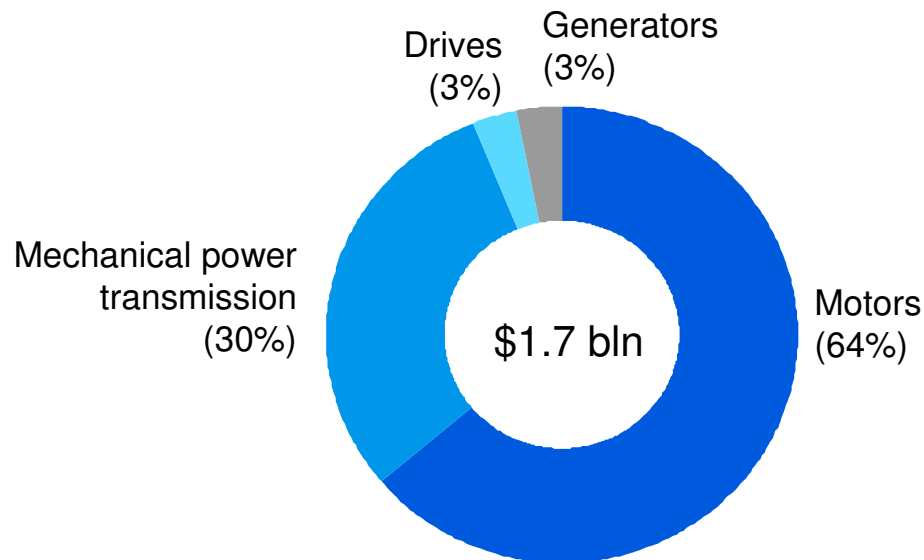
Improve presence in North America



Baldor turned in a strong performance in 2010

Set for further improvements in 2011

2010 revenue split



Strong performance in 2010

- Revenues up 13% to \$1.7 billion
- 14% EBIT margin
- 18% EBITDA margin

Further improvements expected for 2011 (before synergies)

- Double-digit revenue growth
- EBITDA margin (excl. one-time costs) above 2010 level

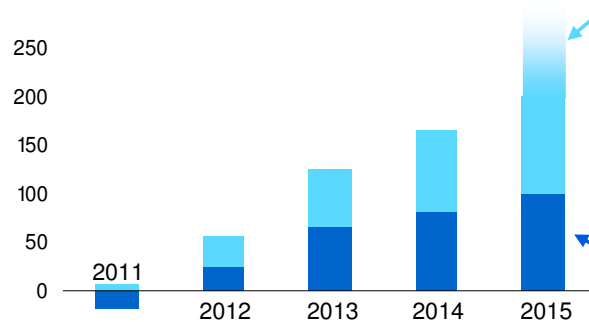
Synergies are expected to generate additional growth and profit starting in 2011

Overall operating profit to increase >30% in 2011

Baldor synergies confirmed, upsides identified

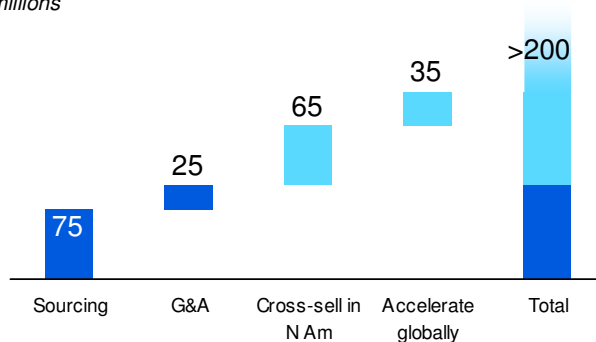
Minimum expected annual synergies

US\$ millions



Synergies by type

US\$ millions



Revenue synergies

In North America

- ABB drives through Baldor market access
- Cross-sell complementary motors
- ABB LV products

Globally

- Baldor mechanical power transmission
- Baldor NEMA motors
- Complete offering to global accounts

Cost synergies

- Global sourcing, emerging market supply, joint commodity teams
- Quick hits via cost leveling and scale
- Consolidate global office network
- Eliminate Baldor public company costs

Potential upsides (selected examples)

- Accelerated growth in wind and rail in North America
- Service synergies
- Additional G&A cost reduction (eg, insurance)

Chart 46

Launch of solar inverter portfolio takes ABB into growth market

Discrete automation

Industrial motion

Renewables

Power control and
quality

E-mobility



Organic entry into ~\$5-bln solar inverter market

ABB now has a broad product range, from residential to power plant scale

- PVS300 string inverters for small commercial and residential applications
- PVS800-MWS megawatt station for utility-scale solar power plants
- Expanded production and sales in 2010

Example ABB PV installations:

- Slovakia: 1MW
- Italy: 750 kW
- India: 1 MW

More than 100 MW delivered in 1st year on the market

Expanded power control and quality across a wide range of industries

Building on ABB's strength in power electronics

Discrete automation

Industrial motion

Renewables

Power control and quality

E-mobility



Rail example: \$55 mln Stadler order

- 28 double-decker trains, 30 shunter locomotives
- Specially designed traction converters with integrated onboard power supplies
- Traction transformers and battery chargers

Providing a broad range of energy storage solutions

Cabinet



70-550kW

Rack/NEMA



300-700kW

Rack/NEMA



650-1,300kW

2MW container



1,000-2,600kW

4MW container



2,000-5,200kW

ABB with complete charging solutions for e-mobility growth

Discrete automation
Industrial motion
Renewables
Power control and quality
E-mobility



- New power electronics application
- Significant long-term potential
- ABB lead in DC technology is a key advantage

Example: DC fast charger in Hong Kong

- 15-30 minutes charging time vs hours for AC
- Used with a production model e-vehicle (Mitsubishi iMiev)



Example: AC charging stations and wall chargers

- Installed at WEF in Davos
- Cooperation with Nissan/Renault to charge the Nissan Leaf and the Renault Fluence Z.E.

DM on track with strategy execution and target achievement

Strengthen the core

- Product launches
- Service growth

Close gaps through acquisitions

- North America and NEMA motors through Baldor
- Show discipline

Expand offering for growth segments

- Solar
- E-mobility
- Energy storage

Improve profitability

- Cost reduction through global footprint optimization, operational excellence and sourcing
- Turnaround robotics

Roadmap to profitable growth Marketing and Customer Solutions

Brice Koch

Marketing and Customer Solutions

Driving new growth on many fronts

Solutions	<ul style="list-style-type: none"> ▪ Address key growth sectors ▪ Make it easier to do business with ABB ▪ Deliver cross-divisional energy efficiency and productivity solutions 	<ul style="list-style-type: none"> ▪ Wind ▪ Water ▪ Rail ▪ Smart Grids ▪ Energy Efficiency 	<ul style="list-style-type: none"> ▪ Group Account Mgmt ▪ Solar ▪ Data Centers ▪ Non-Systems Packages ▪ Shore-to-Ship Power 	Net Promoter Score	Customer Contact Management
Service	<ul style="list-style-type: none"> ▪ Utilize installed base, technology, footprint and capabilities to further build ABB's service business 	<ul style="list-style-type: none"> ▪ Service Full Potential <ul style="list-style-type: none"> ▪ Product-attached lifecycle services ▪ Location-based services ▪ Capability-based services 			
Innovation	<ul style="list-style-type: none"> ▪ Drive innovation to support customer needs and market development 	<ul style="list-style-type: none"> ▪ ABB Technology Ventures ▪ Research partnerships ▪ Growth fund 			



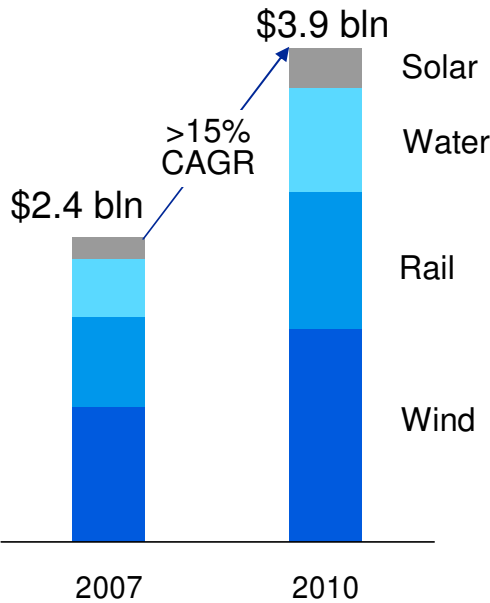
Targeting large, promising infrastructure markets

ABB's full scope addresses opportunities



	ABB-relevant market size	ABB orders in 2010	
Wind	\$6 bln	\$1.7 bln	Record 40% growth in China, major North Sea service contract wins
Rail	\$16 bln	\$1.1 bln	#1 in traction transformers, strong divisional convergence
Water	\$8-11 bln	\$825 mln	New market expansion strategy in place, pumping stations strong, desalination growth
Solar	\$3 bln	\$350 mln	Low-voltage breakers & switches, control products, full line of solar inverters, power plant control systems

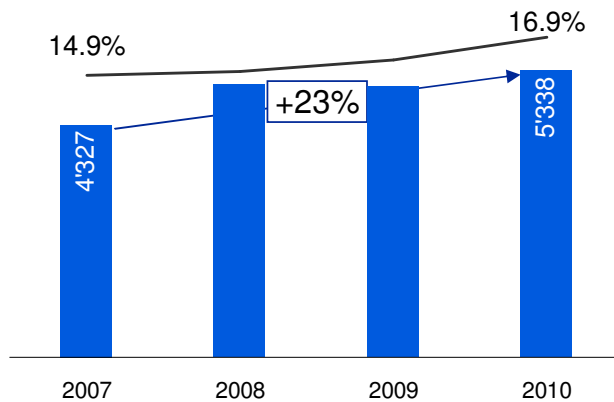
ABB orders 2007-10



Growing the full potential of service

Service revenues 2007-2010

US\$ millions, and as % total revenues



“Service Full Potential”

- A far-reaching expansion of ABB’s current strategy
- Reinforcement of marketing and business development, customer focus and sales
- Expansion of R&D, people competencies and operational excellence

Growth vectors

- Product-attached lifecycle services
- Location-based services
- Capability-based services



ABB Technology Ventures: investing in future growth

More than \$60 million invested to date

- Investing in new technologies and business models relevant for ABB
- > 300 investment opportunities reviewed so far
- Stimulate and increase the pace of innovation, strengthen market signals








Company		Description
Trilliant		Smart grid radio mesh communications
Industrial Defender		Cyber security
Power Assure		Data center energy efficiency software
Pentalum Technologies		LIDAR for wind turbine efficiency
Aquamarine		Wave electricity generation
China Cleantech Fund		Venture fund for cleantech in China
ECOtality		Fast-charging for electrical vehicles

ABB Technology Ventures

Market access is key strategic benefit



- Trilliant - \$20 million investment
 - Access to Trilliant installed base; potential to partner in projects
 - Connection point to the meter market (data acquisition)
 - Combined forces to address US and European distribution automation market



- Aquamarine Power - \$13 million investment
 - ABB established as preferred supplier to Aquamarine Power
 - Provides access to marine energy market
 - Strategic fit and synergy with ABB offshore wind business



- ECOtality - \$10 million investment
 - Leads largest-ever charging infrastructure deployment, positioned for US market leadership
 - Gives ABB instant North American market access, automation pull-through
 - ABB smart grid expertise + ECOtality's microclimate studies = pole position for e-mobility

Summary and outlook

In a good position for improved growth and profitability

Summary of 2010

In a strong position for improved growth and profitability



- Revenue and earnings performance demonstrated strong execution & portfolio strength
 - Recovery in early-cycle automation mitigated later-cycle pressures in power
 - Heading into 2011 with a strong order backlog
- Strong execution on cost savings
- Profitability well within target corridor
- Excellent cash generation through the cycle
- Return to M&A with targeted bolt-ons and strong integration focus
- Higher dividend shows confidence in the business going forward

Outlook for 2011



Emerging markets will be significant drivers of growth

- Connecting remote power, eg, hydro and wind, to large load centers
- Demand for commodities to fuel economic growth
- Need for higher product and process quality to be globally competitive

Mature market demand expected to remain robust

- Grid interconnections, renewables integration, replacement and refurbishment
- Drive for industrial productivity in existing production base
- Construction in northern Europe and intelligent buildings
- New service trends in both power and automation linked to software and product “intelligence”

Higher utility spending in power transmission products most likely in H2 2011

Recent competitive trends expected to continue

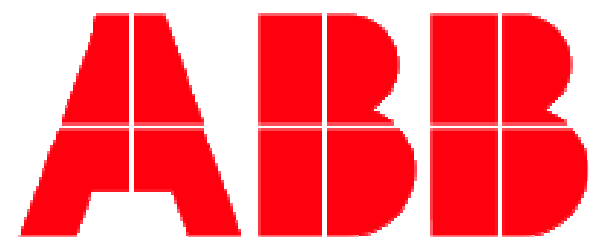
- High power equipment capacity to push prices, emerging competitors increase exports
- ABB’s emerging market footprint helps it to remain globally competitive

Management focus in 2011 and beyond



- Capture growth opportunities in early- and mid-cycle businesses
- Position cost and capacity for later-cycle recovery
- Invest more in sales and R&D to secure market leadership
- Increase capex, focus on further building emerging market presence
- Strong focus on acquisition integration for 2011
- Cost control to ensure competitiveness, maintain margins within target ranges
- Strategy development under way for Capital Markets Day – Nov. 4, 2011

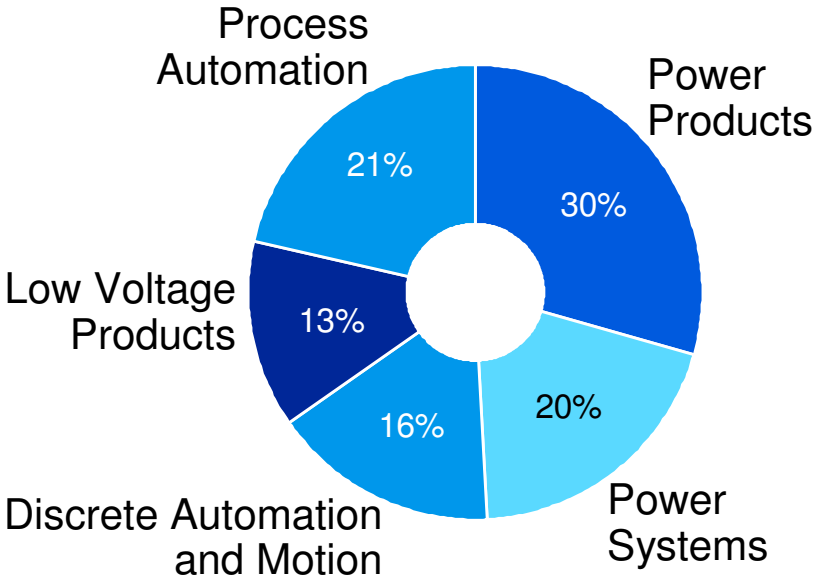
Power and productivity
for a better world™



A balanced portfolio of power and automation businesses

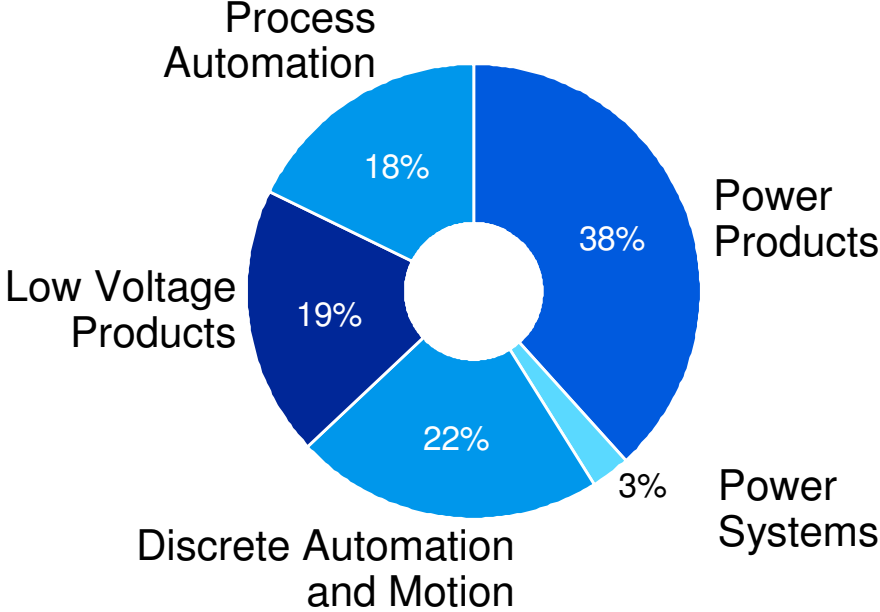
2010 revenues by division

Share of total revenues in %, unconsolidated



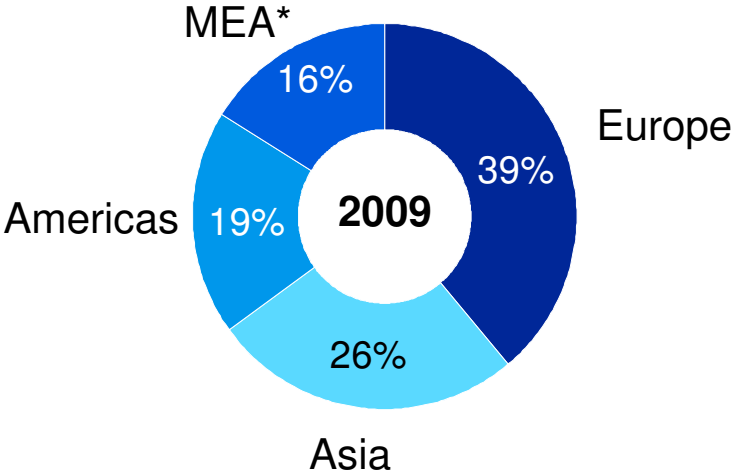
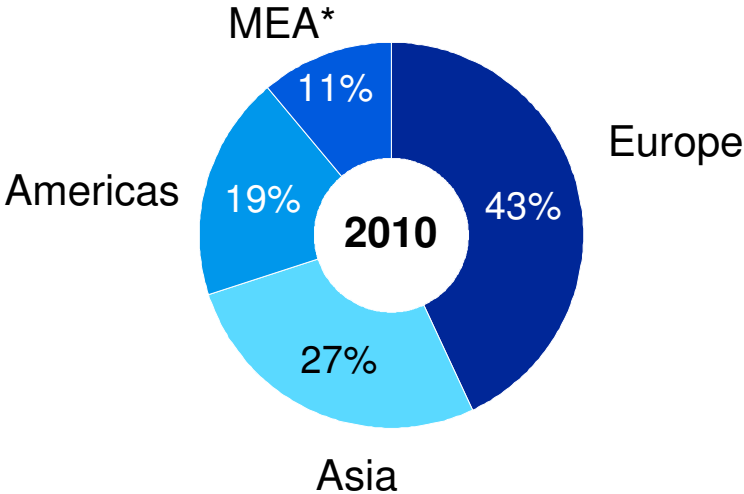
2010 EBIT by division

Share of total EBIT in %, unconsolidated



Geographic distribution of orders received 2010 vs 2009

Share of total orders by region, %



* Middle East and Africa

Power Products Q4 and full-year 2010 summary

Key data Q4 and full year 2010

US\$ millions unless otherwise stated	Q4 2010	Q4 2009	Change		FY 2010	FY 2009	Change	
			US\$	Local			US\$	Local
Orders received	2,533	2,667	-5%	-5%	9,778	10,940	-11%	-13%
Order backlog (end Dec.)	7,930	8,226	-4%	-5%				
Revenues	2,913	3,109	-6%	-6%	10,199	11,239	-9%	-11%
EBIT	453	495	-8%		1,622	1,969	-18%	
as % of revenues	15.6%	15.9%			15.9%	17.5%		
Cash from operations	658	754			1'756	1'977		

- Higher MV and distribution transformer orders, driven by industrial growth and recovery in power distribution, offset by order declines in large power transformers and some HV equipment due to fewer large power transmission projects, mainly in China
- Revenues reflect lower level of orders received in recent quarters
- EBIT in line with revenues, EBIT margin steady as cost reductions offset the impacts of lower volumes and price on orders booked in preceding quarters

Power Systems Q4 and full-year 2010 summary

Key data Q4 and full year 2010

US\$ millions unless otherwise stated	Q4 2010	Q4 2009	Change		FY 2010	FY 2009	Change	
			US\$	Local			US\$	Local
Orders received	2,626	1,863	41%	40%	7,896	7,830	1%	-1%
Order backlog (end Dec.)	10,929	9,675	13%	12%				
Revenues	2,088	1,908	9%	10%	6,786	6,549	4%	2%
EBIT	5	66	-92%		111	388	-71%	
as % of revenues	0.2%	3.5%			1.6%	5.9%		
Cash from operations	512	242			443	333		

- A record quarter for orders, both base and large orders higher, double-digit growth in all regions except Asia, where orders in India declined from very high year-earlier levels
- Revenue reflected mainly execution of strong order backlog, supported by Ventyx acquisition
- EBIT and EBIT margin negatively impacted by charges of ca. \$120 million, most of which are related to a cable project

Discrete Automation and Motion Q4 and full-year 2010 summary

Key data Q4 and full year 2010

US\$ millions unless otherwise stated	Q4 2010	Q4 2009	Change		FY 2010	FY 2009	Change	
			US\$	Local			US\$	Local
Orders received	1,505	1,142	32%	34%	5,862	4,702	25%	23%
Order backlog (end Dec.)	3,350	3,046	10%	8%				
Revenues	1,657	1,470	13%	14%	5,617	5,405	4%	3%
EBIT	285	43	n/a		926	557	66%	
as % of revenues	17.2%	2.9%			16.5%	10.3%		
Cash from operations	204	236			573	745		

- Orders up in all businesses, esp. robotics and mid- to late-cycle eg, power electronics, MV drives, generators; orders grew double digits in Europe, Americas and Asia, incl. up 40% in China
- Revenues mainly reflect execution of strong short-cycle backlog, e.g., robotics, LV motors and drives
- Higher EBIT and EBIT margin due to robotics turnaround, cost reductions and footprint measures

Low Voltage Products Q4 and full-year 2010 summary

Key data Q4 and full year 2010

US\$ millions unless otherwise stated	Q4 2010	Q4 2009	Change		FY 2010	FY 2009	Change	
			US\$	Local			US\$	Local
Orders received	1,142	1'027	11%	14%	4,686	4,079	15%	15%
Order backlog (end Dec.)	838	734	14%	14%				
Revenues	1,254	1'109	13%	16%	4,554	4,071	12%	13%
EBIT	198	149	33%		806	519	55%	
as % of revenues	15.8%	13.4%			17.7%	12.7%		
Cash from operations	280	285			717	665		

- Orders and revenues up across all businesses on good demand from general industry and construction in most regions; solar and critical power especially strong
- Orders grew in all regions; Europe led by increased demand in construction and industry
- EBIT and EBIT margin reflect both higher revenues and sustained savings during 2010

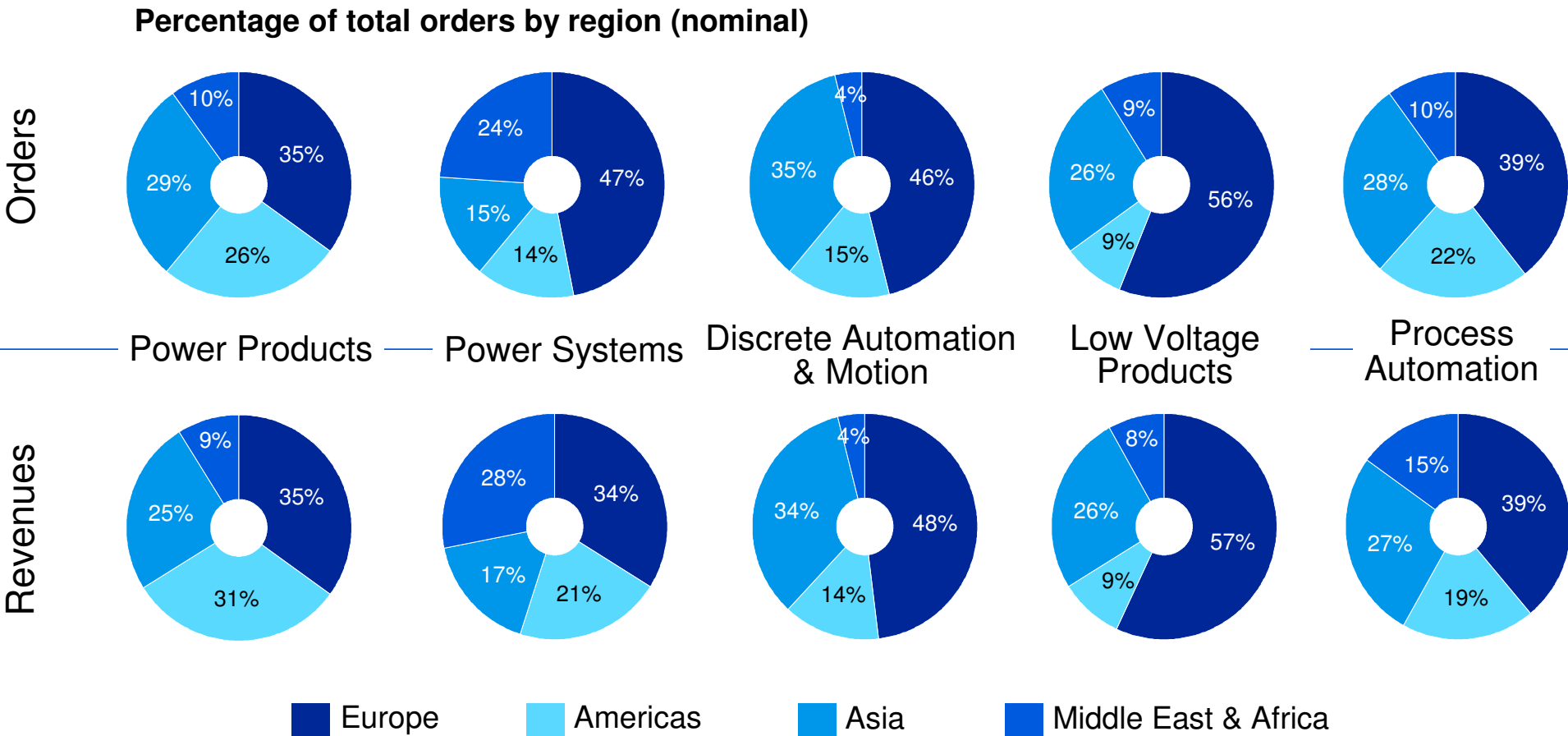
Process Automation Q4 and full-year 2010 summary

Key data Q4 and full year 2010

US\$ millions unless otherwise stated	Q4 2010	Q4 2009	Change		FY 2010	FY 2009	Change	
			US\$	Local			US\$	Local
Orders received	1,764	1,422	24%	25%	7,383	6,684	10%	7%
Order backlog (end Dec.)	5,530	5,523	0%	-1%				
Revenues	2,101	2,054	2%	4%	7,432	7,839	-5%	-6%
EBIT	200	170	18%		755	643	17%	
as % of revenues	9.5%	8.3%			10.2%	8.2%		
Cash from operations	222	327			738	695		

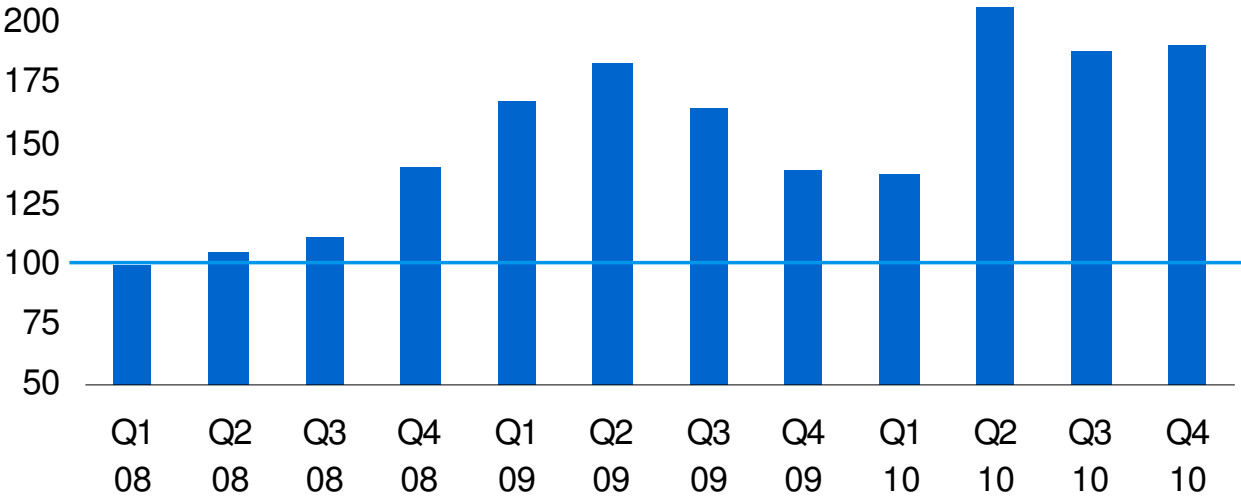
- Large orders up, mainly reflecting higher spending in energy and commodities; product orders also higher
- Order growth led by S America (eg, minerals in Chile, Peru) and Asia (eg, minerals in China, marine in S Korea); also up double-digits in Europe and N America
- Revenues driven by product volumes, service, execution of strong order backlog
- EBIT and EBIT margin reflect savings and higher share of product and service sales

Order and revenue distribution by region and division - 2010



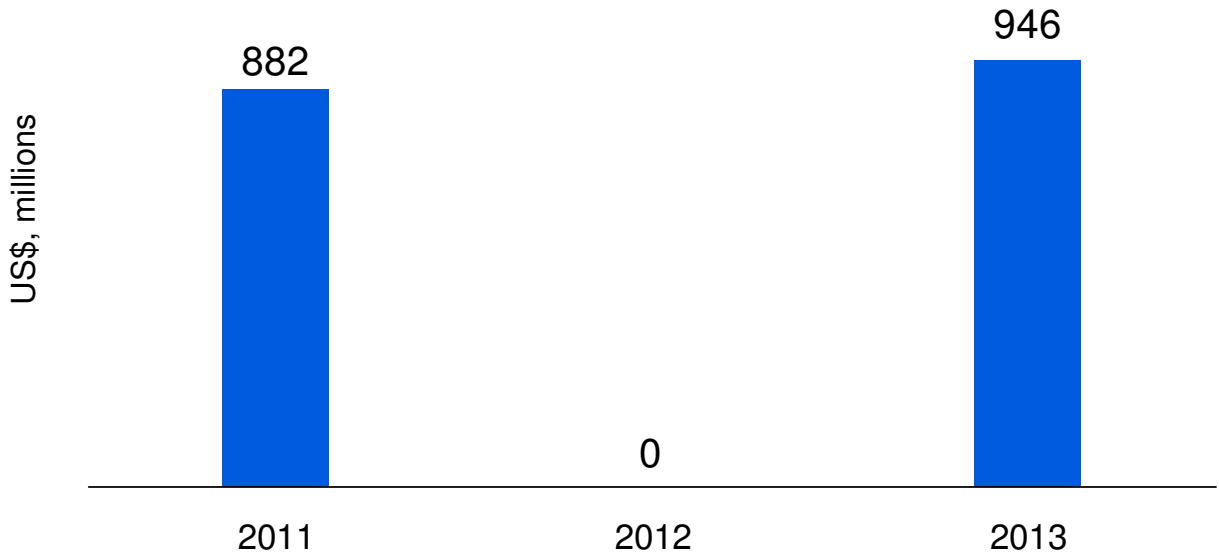
Power Systems tender backlog shows increased order awards

Power Systems tender backlog
Rebased Q1 2008 = 100



Maturity profile of outstanding debt securities

Total debt securities of approx. \$1.8 billion as of Dec. 31, 2010



Based on Dec. 31, 2010, forex rates

Reconciliation of financial measures for fiscal year 2009

Reconciliation of non-GAAP measures (\$ in millions)			
	3 months ended Dec. 31,		Year ended Dec. 31,
EBIT Margin	2010	2009	2010
(= EBIT as % of revenues)			
Earnings before interest and taxes (EBIT)	978	798	3'818
Revenues	9'179	8'761	31'589
EBIT Margin	10.7%	9.1%	12.1%
EBIT as per financial statements	978	798	3'818
<i>adjusted for the effects of:</i>			
Unrealized gains and losses on derivatives (FX, commodities, embedded derivatives)	26	37	3
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	(2)	(42)	9
Unrealized foreign exchange movements on receivables/payables (and related assets/liabilities)	11	(27)	79
Restructuring and restructuring-related expenses	116	339	213
Operational EBIT	1'129	1'105	4'122
Revenues as per financial statements	9'179	8'761	31'589
<i>adjusted for the effects of:</i>			
Unrealized gains and losses on derivatives	17	6	(80)
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	(21)	(56)	(28)
Unrealized foreign exchange movements on receivables (and related assets)	36	-	100
Operational Revenues	9'211	8'711	31'581
Operational EBIT Margin (= Operational EBIT as % of Operational Revenues)	12.3%	12.7%	13.1%

	Dec. 31, 2010	Sep. 30, 2010
Net Cash		
(= Cash and equivalents plus marketable securities and short-term investments, less total debt)		
Cash and equivalents	5'897	5'269
Marketable securities and short-term investments	2'713	2'353
Cash and marketable securities	8'610	7'622
Short-term debt and current maturities of long-term debt	1'043	253
Long-term debt	1'139	2'080
Total debt	2'182	2'333
Net Cash	6'428	5'289
Free Cash Flow		
(= Net cash provided by operating activities adjusted for i) changes in financing receivables and ii) purchases of property, plant and equipment and intangible assets and iii) proceeds from sales of property, plant and equipment)		
Net cash provided by operating activities	4'197	4'027
<i>adjusted for the effects of:</i>		
Changes in financing receivables	(7)	(7)
Purchases of property, plant and equipment and intangible assets	(840)	(967)
Proceeds from sales of property, plant and equipment	47	36
Free Cash Flow	3'397	3'089
Net Income attributable to ABB	2'561	2'901
Free Cash Flow as % of Net Income	133%	106%
Free cash flow as a percentage of net income (also referred to as "cash conversion ratio") is a financial measure that management believes is helpful in analyzing the cash generated. Management uses Free cash flow as a percentage of net income as a performance target.		

	2010	2009
Return on Capital Employed (ROCE)		
(= EBIT x (1-tax rate) / Capital Employed)		
EBIT	3'818	4'126
Provision for taxes	(1'018)	(1'001)
Income from continuing operations before taxes	3'740	4'120
Tax rate	27%	24%
Capital employed		
(= fixed assets and net working capital)		
Property, plant and equipment, net	4'356	4'072
Goodwill	4'085	3'026
Other intangible assets, net	701	443
Investments in equity method companies	19	49
Total fixed assets	9'161	7'590
Receivables, net	9'970	9'451
Inventories, net	4'878	4'550
Prepaid expenses	193	236
Accounts payable, trade	(4'555)	(3'853)
Billings in excess of sales	(1'730)	(1'623)
Accounts payable, other	(1'526)	(1'326)
Advances from customers	(1'764)	(1'806)
Accrued expenses	(1'644)	(1'600)
Net working capital	3'822	4'029
Capital employed	12'983	11'619
ROCE (after tax)	21%	27%
Return on capital employed is a financial measure (defined above) that management believes is a useful measure to assess how efficiently we are using our capital.		

Target definitions

Revenue growth CAGR	Compound annual growth rate of revenues for the five years from 2007 to 2011 (ie, starting point = 2006), excluding major acquisitions and divestitures and assuming constant exchange rates
EBIT margin corridor	The minimum and maximum earnings before interest and taxes as a percentage of revenues expected for each year within the period 2007 to 2011
EPS growth	Compound annual growth rate of earnings per share (undiluted) from 2007 to 2011 (ie, starting point = 2006)
Cash conversion	Free cash flow (cash flow from operating activities adjusted for changes in financing receivables as well as net investments in property, plant and equipment) as a percentage of net income
Return on capital employed	EBIT (less tax), divided by the sum of fixed assets plus net working capital (at year end) $\text{EBIT (less tax)} = \text{EBIT} \times (1 - \text{tax rate})$ $\text{Tax rate} = \text{Provision for taxes} / \text{Income from continuing operations before taxes and minority interest}$

For more information, call ABB Investor Relations
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