ABB financial summary

Revenues by division 2015¹

Revenues by region 2015

Revenues and Op. EBITA margin %

FCF and percentage of net income

Revenues by end market 2015

Employees by region 2015

Service revenue percentage

Capital allocation 2011 – 15

Revenues by product type 2015

Dividend per share

Operational EPS growth⁴

¹Revenues by new divisional structure effective January 1, 2017; ²Sales of products, systems, or services where software is part of what is delivered or requires real-time integration with customers’ systems; ³Adjusted for the impact of divested businesses; ⁴Constant currency
Electrification Products

Partner of choice for electrification of all consumption points

**Market**
~$140 bn market\(^2\) in 2015

**Offering**
Broadest global portfolio of low- and medium-voltage products and solutions for intelligent protection and connection
Pre-engineered, packaged solutions and services tailored to customers’ needs

**Main competitors**

**Position of strength**
Complete portfolio for electrification of “the site”
Strong distributor relationships
Geographically balanced production and R&D footprint
Strong growth segments renewables, data centers
Innovative products and solutions
Intelligent solutions for smarter buildings

**Orders and revenues**

<table>
<thead>
<tr>
<th></th>
<th>Current structure</th>
<th>New structure pro-forma(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders and revenues</td>
<td>10.6</td>
<td>10.2</td>
</tr>
<tr>
<td>$ bn</td>
<td>10.9</td>
<td>10.5</td>
</tr>
</tbody>
</table>

**Op. EBITA**

<table>
<thead>
<tr>
<th></th>
<th>Current structure</th>
<th>New structure pro-forma(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Op. EBITA</td>
<td>16.4%</td>
<td>14.7%</td>
</tr>
<tr>
<td>$ bn, margin %</td>
<td>1.6</td>
<td>1.5</td>
</tr>
</tbody>
</table>

**Employees**

<table>
<thead>
<tr>
<th>Year</th>
<th>Current structure</th>
<th>New structure pro-forma(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>42.5</td>
<td>43.6</td>
</tr>
<tr>
<td>Thousand</td>
<td>41.6</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\)New divisional structure as of January 2017; \(^2\)Unconsolidated \(^3\)Comparable growth; \(^4\)Portfolio changes
Electrification Products\textsuperscript{1}

Business breakdown and key end-market growth trends

**Channels**

- **Approximation, %**

**Customers**

- **Approximation, %**

**Geography**

- **Approximation, %**

**Digitalization:**
Connectivity and communication, digital models and configurators

**Service / software:**
Condition monitoring and diagnostics, cloud connection and cyber security, collect, provide and process data

**Buildings:**
Up globally, shift to smart buildings

**Industry:**
Solid growth from digitalization as well as safety

**Renewables:**
Double digit growth

**Emerging markets:**
Slowdown in China; uncertainty in Turkey
Moderate growth in Saudi Arabia & Russia
Strong growth India

**Mature markets:**
Pockets of growth USA & Canada
Growth slowdown in Germany, Italy & Finland; uncertainty in UK

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\textsuperscript{1}All comments and numbers pertain to the new divisional structure as of January 2017
## Electrification Products

**Partner of choice for electrification of all consumption points**

<table>
<thead>
<tr>
<th>Main offerings</th>
<th>Electrical distribution</th>
<th>Automation/Control</th>
<th>Installation</th>
<th>Building solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>LV/MV switchgear</td>
<td>MV grid automation</td>
<td>Enclosures</td>
<td>EV charging</td>
<td></td>
</tr>
<tr>
<td>Distribution boards</td>
<td>Motor control centers</td>
<td>DIN-rail products</td>
<td>Wiring accessories</td>
<td></td>
</tr>
<tr>
<td>Circuit breakers</td>
<td>Intelligent breakers</td>
<td>Wire and cable mgmt.</td>
<td>Intelligent building / smart home products</td>
<td></td>
</tr>
<tr>
<td>Solar inverters, UPS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Competitive position

- **MV #1**
- **Electrification #2**
- **EV charging #1**

### Major competitors

- **SIEMENS**
- **HUBBELL**
- **CHINT**
- **ABB**
- **EATON**
- **LEGRAND**
- **SMA**
- **Schneider Electric**

1 Reflects portfolio changes as of January 2017
Robotics and Motion

Partner of choice for robotics and intelligent motion solutions

Market
~$100 bn in 2015

Offering
Robotics and intelligent motion solutions

Main competitors
KUKA  WEG  SIEMENS  FANUC  Rockwell Automation

Position of strength
Technology leader in fast-growing robotics market
Broadest robotics portfolio and large installed base
Largest motion player with unmatched global reach
At the cutting edge of power electronics and quality, renewables, and electric transportation

Key figures

<table>
<thead>
<tr>
<th>Current structure Discrete Automation &amp; Motion</th>
<th>New structure pro-forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders and revenues $ bn</td>
<td></td>
</tr>
<tr>
<td>10.6</td>
<td>8.4</td>
</tr>
<tr>
<td>10.1</td>
<td>8.3</td>
</tr>
<tr>
<td>9.2</td>
<td>-5%</td>
</tr>
<tr>
<td>9.1</td>
<td>-2%</td>
</tr>
<tr>
<td>-5%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Op. EBITA $ bn, margin %</td>
<td></td>
</tr>
<tr>
<td>1.6</td>
<td>15.7%</td>
</tr>
<tr>
<td>13.9%</td>
<td>1.3</td>
</tr>
<tr>
<td>Employees Thousand</td>
<td></td>
</tr>
<tr>
<td>31.7</td>
<td>27.9</td>
</tr>
<tr>
<td>30.3</td>
<td>2014</td>
</tr>
<tr>
<td>2015</td>
<td>2015</td>
</tr>
</tbody>
</table>

1New divisional structure as of January 2017; 2Unconsolidated; 3Comparable growth; 4 Portfolio changes
Robotics and Motion\(^1\)

Business breakdown and key end-market growth trends

**Digitalization:** will continue gaining relevance and will drive customer expectations

**Service / software:** growing reliance on data management and statistical productivity

**Automotive:** growing specifically in emerging markets like Asia

**3C & semicon:** robotization of manufacturing processes

**Food & Beverage:** population & income growth; lifestyle changes

**Emerging markets:**
China and India driving global growth

**Mature markets:**
US growing
Europe mixed; impact of Brexit still unknown

\(^1\)All comments and numbers pertain to the new divisional structure as of January 2017
# Robotics and Motion

Partner of choice for robotics and intelligent motion solutions

<table>
<thead>
<tr>
<th>Robotics</th>
<th>Drives</th>
<th>Motors &amp; Generators</th>
</tr>
</thead>
</table>
| Industrial robots, software and IoTSP connected services  
Robotic applications and systems for diverse industries | LV AC drives up to 5600 kW  
MV drives to 100 MW  
Wind converters  
Digital services and software tools  
Propulsion converters | LV motors to 1'200 kW  
HV motors to 80 MW  
Power generators to 80 MW  
Mechanical power transmission |

**Main offerings**

**Competitive position**

**Major competitors**

1Reflects portfolio changes as of January 2017
Industrial Automation
Partner of choice for industrial automation

Market
~$120 bn market in 2015

Offering
Control systems, software, measurement & analytics
Industry-specific power & automation solutions, products (e.g. electric ship propulsion) and services

Main competitors

SIEMENS  EMERSON  YOKOGAWA

Honeywell  Schneider Electric

Position of strength
Integrated control product, system and service offering
Advanced process control & optimization software and know-how
Integrated power and automation solutions
Largest installed base, advanced services
Deep domain and process expertise

Key figures

Orders and revenues
$ bn

Current structure

Process Automation

New structure pro-forma

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>9.2</td>
<td>1.0</td>
</tr>
<tr>
<td>Revenues</td>
<td>8.6</td>
<td>11.8%</td>
</tr>
</tbody>
</table>

Op. EBITA
$ bn, margin %

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Automation</td>
<td>11.9%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>25.8</td>
<td>24.8</td>
</tr>
<tr>
<td>Revenues</td>
<td>25.2</td>
<td>25.2</td>
</tr>
</tbody>
</table>

1 New divisional structure as of January 2017; 2 Unconsolidated; 3 Comparable growth; 4 Portfolio changes
Industrial Automation

Business breakdown and key end-market growth trends

**Digitalization**: growth opportunity building on largest installed base in power generation and process industry

**Services and software**: supporting customers remotely with advanced services and optimization

**Chemicals**: positive fundamentals

**F&B, pharma & discrete industries**: population growth, increasing disposable income

**Cruise ships**: strong demand from Europe & Asia

**Emerging markets**: penetration of basic automation still rising, aging installed base provides upgrade opportunities

**Mature markets**: leveraging digital to achieve next level of productivity, energy efficiency and safety

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1All comments and numbers pertain to the new divisional structure as of January 2017
# Industrial Automation

Partner of choice for industrial automation

## Main offerings

### Industry-specific solutions & services
- Integrated electrification & automation solutions
- Systems and advanced services

### Control systems & software
- Process and discrete control (DCS, PLC)
- Adv. process control & manufacturing execution systems

### Measurement & analytics
- Pressure, temperature, flow, level, force measurement
- Analyzers

### Propulsion
- Electric propulsion systems for ships
- Large turbochargers >500kW

## Competitive position

### Process industries #1-5
- Marine #1

### DCS #1; PLC top 10
- APC/MES software #1/2

### Measurement & analytics top 3-5

### Electric marine propulsion #1
- Turbocharging #1

## Major competitors

- **Honeywell**
- **SIEMENS**
- **EMERSON**
- **Rockwell Automation**
- **Schneider Electric**
- **Endress+Hauser**
- **Rolls-Royce**
- **YOKOGAWA**
- **EMERSON**
- **YOKOGAWA**
- **SIEMENS**
- **Honeywell**

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1. Leader in Force Measurement

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October 04, 2016 | Slide 11
Power Grids
Partner of choice for a stronger, smarter and greener grid

Market
~$110 bn market in 2015

Offering
Broadest offering of products systems, services and software for power transmission and distribution

Main competitors
SIEMENS
GE
HYUNDAI

Position of strength
Market and technology leader
Unrivalled application know-how
Truly global player with largest installed base
Leading software and automation solutions
Industry leading margins

Key figures

Orders and revenues
$ bn

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>12.8</td>
<td>12.5</td>
</tr>
<tr>
<td>Revenues</td>
<td>12.2</td>
<td>11.6</td>
</tr>
</tbody>
</table>

Op. EBITA
$ bn, margin %

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.7%</td>
<td>0.6</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

Employees

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>38.1</td>
<td></td>
<td>37.2</td>
</tr>
</tbody>
</table>

1 Consolidated (unconsolidated ~$140 bn market); 2 Comparable growth;
Power Grids

Business breakdown and trends

**Offering¹**

- Products: 52%
- Systems: 34%
- Service and software: 14%

**Customers¹**

- Transmission: 78%
- Distribution: 14%
- Renewable generation: 6%
- Conventional generation: 6%
- Industry: 14%
- Transport & Infr.: 52%
- Rail: 38%
- Other Transport & Infrastructure: 30%

**Geography¹**

- AMEA: 38%
- Europe: 53%
- Americas: 47%
- Emerging markets: 32%

**Digital equipment:** real time supervision, higher reliability, maintenance optimization

**Digitally enhanced systems:** faster installation, more configurable power quality, higher penetration of renewables, managing less predictable supply & demand

**Software & operations:** more real-time control, smart asset mgmt., planning optimization

**Transmission & distribution:** increasing complexity, more take-out and feed-in points, interconnections, aging infrastructure, physical cyber security

**Integrating renewables:** long distance transmission, storage, bi-directional flow, power stability, microgrids

**Connecting consumers:** rail electrification, data centers, EVs, industry

**Emerging markets:** Grid build out, renewable integration, interconnections, electrification of society

**Mature markets:** Renewable integration, interconnections, aging infrastructure, power quality, security of supply, electrification of transport

¹Percent of division revenue 2015;
# Power Grids

Partner of choice for a stronger, smarter and greener grid

## Main offerings

### Products & components
- Distribution transformers
- Power transformers
- HV gas / air insulated switchgear
- Power quality components

### System & automation
- Substations
- Grid automation
- FACTS
- HVDC
- Microgrids

### Consultancy, services & software
- Consulting, planning services
- Network control, operation services
- Asset & workforce mgmt.
- Asset performance mgmt.
- Maintenance services

## Competitive position

- #1
- Automation
- HVDC
- #1

## Major competitors

- GE
- TBEA
- SIEMENS
- HYUNDAI
- NARI
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