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.
ABB: A global leader in power and automation

Power Products
- $10.9 billion*
- Power transmission & distribution solutions for utilities and industry
- Market leader across most of the portfolio

Power Systems
- $8.1 billion

Discrete Automation and Motion
- $8.8 billion

Low Voltage Products
- $5.3 billion

Process Automation
- $8.3 billion
- Energy efficiency solutions for process industries (e.g., oil & gas), factory automation and building & construction
- Among Top 3 in most markets

135,000 employees in 100 countries
- $38 billion in revenue (2011)
- Head office in Zurich, Switzerland, traded on stock exchanges in Switzerland, Sweden and the U.S. (NYSE)
- Market capitalization ~$45 bn

* 2011 revenues unconsolidated

Chart 3
Well-balanced business and geographic portfolio
Capturing growth opportunities, wherever they arise

Revenues by division
% of 2011 revenues (unconsolidated)

Revenues by region
% of 2011 revenues

Operational EBITDA by division
% of 2011 op EBITDA (unconsolidated)

Employees by region
2011

Chart 4
2011-2015 Strategy
ABB expects to outpace world economy
Revenue growth at twice the pace of global GDP through 2015

Macro growth drivers:
- Emerging markets
- Climate change investment
- Service & software expansion
- Infrastructure spend emerging & developed

Key growth areas
- Grid expansion & reliability
- Emerging market growth in Power & Automation
- Service & software growth entitlement
- DC technology market expansion
- Automation business expansion
- Energy efficiency
- Renewables
2015 strategy summary

Long term growth

- Find and exploit disruptive opportunities in relevant markets
- Disciplined M&A across products, markets and geographies
- Aggressively expand core business to secure next level of growth
- Capitalize on mega trends: anticipate, participate and lead in key mega trends

Execution is top priority

**Drive competitiveness, stay relevant in our current markets**

- Continue to drive cost and quality competitiveness
- Invest in technology leadership
- Efficient use of assets: cash, people, IP & brand
- People development and investment
Overview of new targets 2011 – 2015

<table>
<thead>
<tr>
<th>Group targets</th>
<th>Potential M&amp;A impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organic revenue growth (CAGR(^1))</strong></td>
<td>+3% to 4%</td>
</tr>
<tr>
<td><strong>Operational EBITDA margin corridor</strong></td>
<td>Within the same corridor</td>
</tr>
<tr>
<td><strong>Organic EPS growth (CAGR(^1))</strong></td>
<td>+3%</td>
</tr>
<tr>
<td><strong>Free cash flow conversion</strong></td>
<td>Same conversion rate</td>
</tr>
<tr>
<td><strong>Cash flow return on invested capital</strong></td>
<td>Depends on acquisition timing, steady over the long term</td>
</tr>
</tbody>
</table>

1 Organic incl acquisitions closed as of end-Oct. 2011; CAGR = Compound annual growth rate, base year 2010

Chart 8
2011 Financial Review

Chart 9
Full-year 2011: Record orders and revenues
Strong cash flow, redeployed in acquisitions, dividends

<table>
<thead>
<tr>
<th>YTD Performance</th>
<th>change vs 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>40,210 +18%(^1) (organic +11%)</td>
</tr>
<tr>
<td>Revenues</td>
<td>37,990 +15%(^1) (organic +9%)</td>
</tr>
<tr>
<td>Operational EBITDA</td>
<td>6,014 +25%</td>
</tr>
<tr>
<td>Operational EBITDA %</td>
<td>15.8% +0.5 percentage points</td>
</tr>
<tr>
<td>Net Income</td>
<td>3,168 + 24%</td>
</tr>
<tr>
<td>EPS (basic)</td>
<td>1.38 +23%</td>
</tr>
<tr>
<td>Dividend per share ((CHF, proposed))</td>
<td>0.65 +8%</td>
</tr>
<tr>
<td>Cash from operations</td>
<td>3,612 -14%</td>
</tr>
<tr>
<td>Cash return on invested capital</td>
<td>14% -7 percentage points</td>
</tr>
</tbody>
</table>

- $40 bn orders for 1st time ever, record revenues
- Solid delivery against growth, profitability and EPS targets
- Much improved project execution
- Cost savings >$1 bn offset price pressure, funded additional selling and R&D, lifted margins
- Acquired companies with strong revenue, earnings and cash generation contributions
- Net income up $600 mill.
- Q4 cash flow close to last year’s record
- 8% increase in dividend proposed to CHF 0.65
- CROI at 14%, initial impact of Baldor acquisition

\(^1\) In local currencies
# First-year performance against our targets

<table>
<thead>
<tr>
<th>Group targets</th>
<th>2011 performance(^1)</th>
<th>2011-15 Targets(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue growth (CAGR(^2))</td>
<td>15%</td>
<td>7 – 10%</td>
</tr>
<tr>
<td>Operational EBITDA margin corridor</td>
<td>15.8%</td>
<td>13 – 19%</td>
</tr>
<tr>
<td>EPS growth (CAGR(^2))</td>
<td>23%</td>
<td>10 – 15%</td>
</tr>
<tr>
<td>Free cash flow conversion</td>
<td>82%</td>
<td>Annual avg. &gt;90%</td>
</tr>
<tr>
<td>Cash return on invested capital</td>
<td>14%</td>
<td>&gt;20% by 2015</td>
</tr>
</tbody>
</table>

1. Includes acquisitions closed as of end-Oct. 2011
2. CAGR = Compound annual growth rate, base year 2010

- Starting well above the range
- Still a good buffer thanks to cost programs
- A strong first year
- High capital spending; to normalize over time
- 1\(^{st}\) year shows impact of Baldor acquisition

Chart 11
Successful cost mgmt secures growth & profitability
Product price erosion more than offset by savings

Factors affecting operational EBITDA full year 2011
US$ millions

- $973 mill
- $235 mill
+ $942 mill
+ $204 mill

<table>
<thead>
<tr>
<th>Factor</th>
<th>Impact ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market forces</td>
<td>- $973 mill</td>
</tr>
<tr>
<td>Volume</td>
<td>+ $942 mill</td>
</tr>
<tr>
<td>Project margins</td>
<td>+ $235 mill</td>
</tr>
<tr>
<td>Cost savings</td>
<td>+ $1.1 bn</td>
</tr>
<tr>
<td>Other*</td>
<td>+ $113 mill</td>
</tr>
<tr>
<td>Baldor</td>
<td>+ $387 mill</td>
</tr>
<tr>
<td>Net positive impact</td>
<td>+ $1.6 bn</td>
</tr>
</tbody>
</table>

Plan to take out ~$1 billion of costs in 2012

*Includes business mix, inventory, forex, acquisition costs and commodity impacts
Exceeded 2011 cost savings target
Savings continued to outpace negative market impact

Approx. share of savings by category

- $1.1 bn savings offset >$970 mill of price pressure
- Operational excellence measures continue to gain traction

Approx. share of savings by division

- Focus in power pays off with sector-leading profitability despite challenging price environment

Chart 13
Our regional breadth helped us weather the economic turbulence in 2011

Order growth by region 2010 vs 2011 (in local currencies)

- Americas: +50% excl Baldor 19%
  - Power: +19%
  - Automation: +87%

- US: +21% (organic)

- Europe: +4%
  - Power: -5%
  - Automation: +11%

- Germany: +11%

- MEA: -15%
  - Power: -19%
  - Automation: -7%

- Brazil: +20%
  - Power: +20%
  - Automation: +20%

- China: +17%
  - India: +82%

- Asia: +32%
  - Power: +48%
  - Automation: +20%

Chart 14
$5 billion invested in strategic acquisitions in 2011
ABB continued to fill strategic white spots

**Disciplined approach**

All transactions in line with stated acquisition strategy
Balancing integration challenges across divisions and geography

**Financial criteria**

Cash returns at or above WACC within 3 years
NPV positive (DCF at WACC + internal hurdles)
Conservative net debt/EBITDA and gearing ratios – maintain single A credit rating

<table>
<thead>
<tr>
<th><strong>Critical gap</strong></th>
<th>Baldor</th>
<th>Mincom</th>
<th>Epyon</th>
<th>Lorentzen &amp; Wettre</th>
<th>Trasfor</th>
<th>Envi-tech</th>
<th>Power-corp</th>
<th>Newave</th>
<th>T&amp;B*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographic</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Product/service/solution</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Industry/market</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

* Transaction expected to be closed in 2012
ABB’s balance sheet retains strong investment grade

Net cash position 2005-2011

- $1,250 mill in US bonds (5 and 10 year) issued in June 2011
- CHF 850 mill dual tranche (5 and 10 year) bond issue – Swiss bond of the year
- €650 mill bond repaid in November
- Another CHF 350 mill 2018 bond issue in January 2012
- Average debt duration now >5 years
- Pension underfunding at ~$1 bn on declining discount rates, adjusted mortality tables and low—but positive—asset return
- Gearing down from 22% end-Q3 to 20% end-Q4
- Moody’s and S&P reaffirmed A/A2 rating with stable outlook after T&B announcement

Chart 16
Conservative financial strategy
Solid single A rating remains our standard

- Net debt/EBITDA ratio ~1.5x, gearing <40%
- Debt maturities repaid out of free cash flow
- Customer financing without loading ABB balance sheet
- Centralized financial risk management and execution
- Strict hedging policy – forex, interest rates, commodities
- Acquisition financing always in line with balance sheet targets
- Steadily rising, sustainable annual dividend
- Additional distributions (special dividend, share buyback) only if/when M&A does not require full availability of cash

Investment priorities
1. Organic growth, R&D, and capex
2. Value-creating acquisitions
3. Paying annual dividend in line with policy
4. Returning additional cash to shareholders

M&A investment criteria
1. Cash return > WACC within 3 years
2. IRR > WACC + specific hurdles
3. Financing designed to retain investment grade

Chart 17
Financing Structure
ABB Group - Current borrowing structure

All issuers are 100% owned and are indirect subsidiaries of parent ABB Ltd
### ABB Debt Maturity Profile

**Average bond maturity as of Jan 2012 = 5.4 years**

*US$ millions using end-Dec 2011 exchange rates*

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Currency</th>
<th>Amount (millions)</th>
<th>MUSD equivalent</th>
<th>Coupon</th>
<th>Issuance</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABB Ltd</td>
<td>CHF</td>
<td>500</td>
<td>531</td>
<td>1.25%</td>
<td>October 2011</td>
<td>October 2016</td>
</tr>
<tr>
<td>ABB Ltd</td>
<td>CHF</td>
<td>350</td>
<td>372</td>
<td>1.50%</td>
<td>January 2012</td>
<td>November 2018</td>
</tr>
<tr>
<td>ABB Ltd</td>
<td>CHF</td>
<td>350</td>
<td>372</td>
<td>2.25%</td>
<td>October 2011</td>
<td>October 2021</td>
</tr>
<tr>
<td>ABB International Finance Ltd.</td>
<td>EUR</td>
<td>700</td>
<td>905</td>
<td>4.625%</td>
<td>June 2006</td>
<td>June 2013</td>
</tr>
<tr>
<td>ABB Treasury Center (USA), Inc.</td>
<td>USD</td>
<td>600</td>
<td>600</td>
<td>2.50%</td>
<td>June 2011</td>
<td>June 2016</td>
</tr>
<tr>
<td>ABB Treasury Center (USA), Inc.</td>
<td>USD</td>
<td>650</td>
<td>650</td>
<td>4.00%</td>
<td>June 2011</td>
<td>June 2021</td>
</tr>
</tbody>
</table>
Power and productivity for a better world™
Q&A
Appendix 1
Divisional Fact Sheets
Power Products Overview

Portfolio overview:
- High and medium voltage switchgears
- Power, distribution and specialty transformers
- Products to measure and control power flow
- Products for power quality
- Service

Business Characteristics:
- Critical technologies to ensure performance, efficiency and reliability of the power network

Major Competitors alphabetically

<table>
<thead>
<tr>
<th>Transformers</th>
<th>Medium Voltage Products</th>
<th>High Voltage Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alstom</td>
<td>Schneider</td>
<td>Alstom</td>
</tr>
<tr>
<td>Hyundai</td>
<td>Siemens</td>
<td>Siemens</td>
</tr>
<tr>
<td>Siemens</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Competitive Advantage:
- Leading market positions
- Presence in more than 100 countries
- Technology Leadership
- Comprehensive portfolio
- Large global installed base
- Economies of Scale
- Geographically balanced and global production footprint/ R&D
Power Products

Market Information

Customer Applications:
- Switch, protect, transform and measure power transmission and distribution for industries, utilities and power generation

Market Dynamics:
- Emerging markets growing faster than mature markets driven by infrastructure development
- Upgrade replacement and focus on grid efficiency and reliability for mature markets
- Industrial markets growing earlier in the cycle
- Increased investment in renewables
- Pricing pressure from emerging competitors

Total Market Size 2010: ~$55B

---

**Main Channels *:**
- Direct: 60%
- Indirect: 40%

**End Markets *:**
- Utility Transmission: 40%
- Industries: 25%
- Utility Distribution: 25%
- Power Generation: 10%

* As a percentage of total 2010 Divisional revenues; approximations

Chart 25
Power Products
Financial Data

Figures in BUSD

<table>
<thead>
<tr>
<th></th>
<th>2010 Full year</th>
<th>2011 Full year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders Received</td>
<td>9.8</td>
<td>11.1</td>
</tr>
<tr>
<td>Revenues</td>
<td>10.2</td>
<td>10.9</td>
</tr>
<tr>
<td>Oper. EBITDA</td>
<td>1.9</td>
<td>1.8</td>
</tr>
<tr>
<td>Oper. EBITDA Margin</td>
<td>18.2%</td>
<td>16.3%</td>
</tr>
<tr>
<td>Employees</td>
<td>~ 32,500</td>
<td>~ 35,000</td>
</tr>
</tbody>
</table>

2011 Orders by Type

Approximate

- Service: 10%
- Products: 90%

2011 Orders Geographic Mix

Approximate

- Mature Markets: 50%
- Emerging Markets: 50%

2011 Revenues by business

Approximate

- Transformers: 30%
- High Voltage Products: 45%
- Medium Voltage Products: 25%

2011 Revenues by region

- Europe: 34%
- Asia: 30%
- Americas: 27%
- MEA: 9%
Power Products
Secure market leadership, improve cost position

Target revenue growth vs market growth 2011-15
Compound annual growth rate, base year 2010, % change in local currencies

Execution plan for top-line growth
- Expand market coverage in key markets
- Strengthen channels to increase market penetration
- Enhance product portfolio to realize growth from megatrends
- Lead technological innovation
- Grow service business faster than core business

Op. EBITDA margin target corridors 2007-15
% revenues

Previous EBIT margin targets converted to operational EBITDA margins

Execution plan for profitability
- Implement product cost reduction programs
- Further optimize global footprint
- Drive flawless operations & increase customer loyalty
- Focus on continuous productivity improvements
- Enhance application-specific offering for industries

Chart 27
Power Systems Overview

Portfolio overview:
- Power plant electrification and automation
- Bulk power transmission (HVDC, FACTS)
- Substation solutions
- Power distribution and network management
- Software solutions
- Services

Business Characteristics:
- Turnkey solutions/ system integration
- Technology as a differentiator
- Domain expertise
- Global installed base
- Wide portfolio across the power value chain

Major Competitors alphabetically

<table>
<thead>
<tr>
<th>Grid Systems</th>
<th>Network Management</th>
<th>Substations</th>
<th>Power Generation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alstom</td>
<td>Alstom</td>
<td>Alstom</td>
<td>Alstom</td>
</tr>
<tr>
<td>Nexans</td>
<td>GE</td>
<td>Siemens</td>
<td>Emerson</td>
</tr>
<tr>
<td>Prysmian</td>
<td>Siemens</td>
<td></td>
<td>GE</td>
</tr>
<tr>
<td>Siemens</td>
<td></td>
<td>Siemens</td>
<td></td>
</tr>
</tbody>
</table>

Competitive Advantages:
- Technology and innovation
- Offering / breadth of portfolio
- Global presence
- Installed base
Power Systems
Market Information

Customer Applications:
- Serves utilities, industrial and commercial customers for the generation, transmission and distribution of electricity

Total Market Size 2010: ~$80B

Market Dynamics:
- Emerging market growth and need for industrialization
- Need for new power infrastructure in emerging markets: upgrade/replacement in mature markets
- Renewable integration

**Main Channels * **

- EPCs: 15%
- Direct: 85%

**End Markets * **

- Generation: 15%
- Distribution: 45%
- Transmission: 25%
- Industry: 15%
Power Systems
Financial Data

Figures in BUSD

<table>
<thead>
<tr>
<th></th>
<th>2010 Full year</th>
<th>2011 Full year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders Received</td>
<td>7.9</td>
<td>9.3</td>
</tr>
<tr>
<td>Revenues</td>
<td>6.8</td>
<td>8.1</td>
</tr>
<tr>
<td>Oper. EBITDA</td>
<td>0.3</td>
<td>0.7</td>
</tr>
<tr>
<td>Oper. EBITDA Margin</td>
<td>4.5%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Employees</td>
<td>~ 17,300</td>
<td>~ 19,400</td>
</tr>
</tbody>
</table>

2011 Orders Geographic Mix

- Mature Markets: 50%
- Emerging Markets: 50%

2011 Orders by Type

- Service: 15%
- Systems: 85%

2011 Revenues by business

- Substations: 15%
- Grid Systems: 40%
- Power Generation: 20%
- Network Management: 25%

2011 Revenues by region

- Europe: 22%
- Asia: 18%
- Americas: 40%
- MEA: 20%
Power Systems
Huge market opportunities, build on technology leadership

Target revenue growth vs market growth 2011-15
Compound annual growth rate, base year 2010, % change in local currencies

Execution plan for top-line growth
Tap opportunities in large-scale renewables: hydro, wind, solar
Build grid business around capacity, reinforcement and reliability
Leverage business opportunities in automation, network control
Expand software solutions business (OT/IT convergence)
Drive service and consulting growth above division average

Op. EBITDA margin target corridors 2007-15
% revenues
Previous EBIT margin targets converted to operational EBITDA margins

Execution plan for profitability
Further strengthen contract and risk management
Drive operational excellence
Sharper focus on supply management and footprint for cost competitiveness
Differentiate on technology and innovation leadership

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04 November 2011
Discrete Automation and Motion Overview

Portfolio overview:
- A leading player in drives, motors, generators, converters/power electronics and robotics
- Portfolio completed by PLC, mechanical power transmission
- Products, packages, solutions and related services for industries, utilities, infrastructure and transport

Business Characteristics:
- Standard and engineered products
- Application specific packages and solutions
- Strong service business
- Balanced across regions, industries and cycle
- Acquisition of Baldor has significantly improved position in North America

Major Competitors alphabetically

<table>
<thead>
<tr>
<th>Robotics</th>
<th>Industrial motion</th>
<th>Renewable</th>
<th>Power Control &amp; Quality</th>
<th>Transport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fanuc</td>
<td>GE/Converteam</td>
<td>Enercon</td>
<td>Areva</td>
<td>Alstom</td>
</tr>
<tr>
<td>Kuka</td>
<td>Hyundai</td>
<td>GE/Converteam</td>
<td>Eaton</td>
<td>Bombardier</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>Rockwell</td>
<td>PowerOne</td>
<td>Emerson</td>
<td>Siemens</td>
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<tr>
<td>Siemens</td>
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<td>Siemens</td>
<td>Friem</td>
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<tr>
<td>Rockwell</td>
<td>Schneider</td>
<td>SMA</td>
<td>GE/Converteam</td>
<td></td>
</tr>
<tr>
<td>Yasukawa</td>
<td>Weg</td>
<td>Vestas</td>
<td>Siemens</td>
<td>Schneider</td>
</tr>
</tbody>
</table>

Competitive Advantage:
- Very broad portfolio of high quality products
- Ability to deliver application-specific product packages and solutions
- Technology leadership
- Global presence: sales, R&D/engineering, sourcing, manufacturing, service
- Early mover in emerging markets
- Large installed base and innovative service concepts
Discrete Automation and Motion
Market Information

Customer Applications:
- Discrete automation: products and integrated automation solutions
- Industrial motion: movement and control for industrial applications
- Renewables: components and packages for wind power, solar inverters and solar tracker solutions
- Power control and quality: control of power supply and ensuring power quality for industry, utilities and infrastructure
- Transport: electrical components and packages for rolling stock and fixed rail applications, electrical vehicle charging infrastructure

Customer Applications:
- Discrete automation: products and integrated automation solutions
- Industrial motion: movement and control for industrial applications
- Renewables: components and packages for wind power, solar inverters and solar tracker solutions
- Power control and quality: control of power supply and ensuring power quality for industry, utilities and infrastructure
- Transport: electrical components and packages for rolling stock and fixed rail applications, electrical vehicle charging infrastructure

Market Dynamics:
- Next level of productivity
- Automation penetration in emerging markets
- Infrastructure investments especially in emerging markets
- Energy efficiency
- Renewable growth

Total Market Size 2010:~$115B

Main Channels *

- Distributors/Wholesalers: 20%
- OEMs/System Integrators: 10%
- EPCs: 20%
- Direct: 5%
- ABB Internal: 45%

End Markets *

- Discrete Manufacturing: 15%
- Generation: 14%
- Buildings: 14%
- Petrochemical Oil & Gas: 14%
- Minerals & Metals: 14%
- Pulp and Paper: 9%
- Transport: 5%
- Water: 5%
- Other: 11%
## Discrete Automation and Motion

### Financial Data

#### Figures in BUSD

<table>
<thead>
<tr>
<th></th>
<th>2010 Full year</th>
<th>2011 Full year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders Received</td>
<td>5.9</td>
<td>9.6</td>
</tr>
<tr>
<td>Revenues</td>
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<td>Oper. EBITDA</td>
<td>1.0</td>
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<td>Oper. EBITDA Margin</td>
<td>18.3%</td>
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<td>Employees</td>
<td>~ 18,300</td>
<td>~ 27,600</td>
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#### 2011 Orders Geographic Mix

- **Mature Markets**: Exclud. Baldor (54%) Includ. Baldor (64%)
- **Emerging Markets**: Exclud. Baldor (46%) Includ. Baldor (36%)

#### 2011 Orders by Type

- **Service**: Exclud. Baldor (15%) Includ. Baldor (10%)
- **Products**: Exclud. Baldor (85%) Includ. Baldor (90%)

#### 2011 Revenues by business

- **Low Voltage Drives**: 46%
- **Motors & Generators**: 32%
- **Power Electronics & Medium Voltage Drives**: 15%
- **Robotics**: 16%

**Approximate; Inner circle excludes Baldor**

#### 2011 Revenues by region

- **Europe**: 40%
- **Asia**: 38%
- **Americas**: 28%
- **MEA**: 12%

**Inner circle excludes Baldor**

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*Note: Figures in BUSD.*

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Discrete Automation and Motion
Expand product and application offering

Target revenue growth vs market growth 2011-15
Compound annual growth rate, base year 2010, % change in local currencies

Discrete Automation target revenues 12 – 15%¹
Discrete Automation market 7%

¹ Excl. Baldor, CAGR 7-10%

Op. EBITDA margin target corridors 2007-15
% revenues

Previous EBIT margin targets converted to operational EBITDA margins

2007-2011

Execution plan for top-line growth
Expand discrete automation offering
Industrial motion: Further expand presence & portfolio
Drive renewables component & package growth
Power electronics strength for new applications
Continue growth in traction, early-mover EV infrastructure
Further tap large installed base with advanced service concepts
Grow application business based on broad portfolio

Execution plan on op EBITDA margin
Drive pricing excellence
Aim for world-class operations supporting growth and profitability
Enhance target costing/design-to-cost
Continue successful footprint and sourcing optimization

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04 November 2011
Low Voltage Products Overview

Portfolio overview:

- The Low Voltage Products offering covers a wide range of products and services including low-voltage switchgear, breakers, switches, control products, DIN-rail components, enclosures and wiring accessories

Business Characteristics:

- Manufacture standardized products, shipping over 1 million items per day

Competitive Advantages:

- Price/value: Economies of scale, smart design and global sourcing
- Global Market Presence: Market penetration and above average growth secured by global scope
- Segmentation approach to the market with products and solution by the application
- Excellence: Products recognized for quality and reliability based on operational excellence in production, distribution and response time

Major Competitors alphabetically

<table>
<thead>
<tr>
<th>Wiring Accessories</th>
<th>LV systems</th>
<th>Enclosures &amp; Rail Products</th>
<th>Control Products</th>
<th>LV Breakers &amp; Switches</th>
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<td></td>
<td>Schneider</td>
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Low Voltage Products
Market information

Customer Applications:
- Products and solutions to provide protection, control and measurement for LV electrical installations
- Intelligent building control and automation

Total Market Size 2010: ~$60B

Market Dynamics:
- Automation and energy efficiency in industry and buildings
- Industrial production process
- Residential & commercial construction
- General GDP Development

* As a percentage of total 2010 Divisional revenues; approximation
Low Voltage Products
Financial Data

Figures in BUSD

<table>
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<tr>
<th></th>
<th>2010 Full year</th>
<th>2011 Full year</th>
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<tr>
<td>Orders Received</td>
<td>4.6</td>
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<tr>
<td>Revenues</td>
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<td>Oper. EBITDA</td>
<td>0.9</td>
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<td>Oper. EBITDA Margin</td>
<td>20.3%</td>
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<tr>
<td>Employees</td>
<td>~ 19,800</td>
<td>~ 21,100</td>
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2011 Orders Geographic Mix

- Mature Markets: 50%
- Emerging Markets: 50%

2011 Orders by Type

- Service: 5%
- Systems: 15%
- Products: 80%

2011 Revenues by business

- LV Breakers & Switches: 20%
- Enclosures & DIN Rail: 25%
- Control Products: 30%
- Wiring Accessories: 15%
- LV Systems: 10%

2011 Revenues by region

- Europe: 56%
- Asia: 9%
- Americas: 7%
- MEA: 28%
Low Voltage Products
Expand market access, broaden product scope

Target revenue growth vs market growth 2011-15
Compound annual growth rate, base year 2010, % change in local currencies

Execution plan on revenues
Market access in key geographies (N America and BRIC)
Application focus (e.g., buildings, renewables, data centers)
Broaden product scope (e.g., security, lifestyle, energy efficiency)
Develop additional channels to market (South Asia, Middle East & South America)
Expand service offering

Op. EBITDA margin target corridors 2007-15
% revenues

Execution plan on op EBITDA margin
Operations and logistics excellence
Products tailored for emerging markets (e.g., mid segment)
Technology leadership in switching, current interruption and power distribution
Price management

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04 November 2011
Process Automation Overview

Portfolio overview:
- Engineered solutions & products for
  - Process control
  - Safety
  - Instrumentation
  - Plant electrification
  - Energy management
- Industry specific control & measurement products
- Life-time service, maintenance and Full Service

Business Characteristics:
- Industry-specific system and software engineering automation for increased customer productivity, profitability, safety and environmental compliance

Competitive Advantage:
- Technology leadership: System 800xA control platform offers state of the art functionality, allows integration of existing control systems, reduces development costs for product variants
- Economies of scope: Broad industrial and geographic presence, industry expertise for tailor made solutions in many sectors
- Captive service business: Largest installed base >$30Bn

Major Competitors alphabetically

<table>
<thead>
<tr>
<th>Oil, Gas &amp; Petrochemicals</th>
<th>Metals &amp; Minerals</th>
<th>Marine</th>
<th>Pulp &amp; Paper</th>
<th>Turbocharging</th>
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<td>Emerson</td>
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<td>Yokogawa</td>
<td>TMEIC</td>
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Process Automation
Market Information

Customer Applications:
- Process control, safety, energy and information management
- Plant maintenance and performance enhancement

Market Dynamics:
- Commodity prices and process industry capex
- Need for industrial efficiency and productivity improvements

Total Market Size 2010: ~$110B
Process Automation
Financial Data

<table>
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<th>Figures in BUSD</th>
<th>2010 Full year</th>
<th>2011 Full year</th>
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<td>Orders Received</td>
<td>7.4</td>
<td>8.7</td>
</tr>
<tr>
<td>Revenues</td>
<td>7.4</td>
<td>8.3</td>
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<tr>
<td>Oper. EBITDA</td>
<td>0.9</td>
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</tr>
<tr>
<td>Oper. EBITDA Margin</td>
<td>12.5%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Employees</td>
<td>~ 26,700</td>
<td>~ 28,400</td>
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</table>

2011 Orders Geographic Mix

- Mature Markets: 55%
- Emerging Markets: 45%

2011 Orders by Type

- Products: 20%
- Systems: 45%
- Service: 35%

2011 Revenues by business

- Oil, Gas & Petrochemicals: 25%
- Minerals/Metals: 15%
- Pulp & Paper: 15%
- Marine: 10%
- Measurement Products: 10%
- Turbocharging: 5%
- Performance Services: 5%

2011 Revenues by region

- Europe: 39%
- Asia: 27%
- Americas: 22%
- MEA: 12%

Chart 42
Process Automation
Enhance offering mix, increase relevance in oil and gas

Target revenue growth vs market growth 2011-15
Compound annual growth rate, base year 2010, % change in local currencies

Process Automation target revenues 6 – 9%
Process Automation market 6%

Op. EBITDA margin target corridors 2007-15
% revenues

Execution plan on revenues
Consolidate lead in process control, #1 in all focus industries
Broaden portfolio and increase relevance to customers in oil&gas
Increase market share in measurement and control products
Tap service in large and growing installed base
Expand domain-specific products to differentiate ABB’s offering
Capture new business by offering solutions based on energy audits

Execution plan on op EBITDA margin
Focus on cost-competitive products, improve LCC footprint
Improve business models (e.g. mid-segment, software pricing)
Flawless project execution
Continue cost-out program

Chart 43
Appendix 2
Definitions of non-GAAP measures
Appendix: Definitions of non-GAAP measures 1

- **Organic**: includes acquisitions closed by October 31, 2011
- **Operational EBIT**: Earnings before interest and taxes (EBIT) 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) charges related to significant acquisitions.
- **Operational EBITDA**: Operational EBIT adjusted for depreciation and amortization
- **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).
- **Operational EBIT margin**: Operational EBIT as a percentage of operational revenues
- **Operational EBITDA margin**: Operational EBITDA as a percentage of operational revenues
Appendix: Definitions of non-GAAP measures 2

- ROCE: Return on capital employed, calculated as 12 months EBIT x (1-tax rate) divided by capital employed
- Capital employed: the sum of fixed assets and net working capital
- Fixed assets: the sum of property, plant and equipment (net), goodwill, other intangible assets (net) and investments in equity method companies
- 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
- Normalized earnings per share: Reported basic earnings per share (undiluted) adjusted in the relevant periods for i) the gain on the sale of ABB Lummus Global, ii) the recognition of certain deferred tax assets (DTA), iii) the impact of compliance provisions, iv) costs associated with the cost take-out program and/or restructuring and restructuring-related costs, v) the mark-to-market treatment of hedging transactions and unrealized FX movements on receivables/payables, and vi) Baldor acquisition costs
Appendix: Definitions of non-GAAP measures 3

- Gross gearing: Total debt divided by total debt plus total stockholders' equity (including noncontrolling interests)
- Total debt: the sum of short-term debt (including current maturities of long-term debt) and long-term debt
- Net cash/Net debt: Cash and equivalents plus marketable securities and short-term investments, less total debt
- Free cash flow (FCF): Net cash provided by operating activities adjusted for i) changes in financing and other non-current receivables; ii) purchases of property, plant and equipment and intangible assets; and iii) proceeds from sales of property, plant and equipment
- Cash conversion: Free cash flow as a percentage of net income
- CROI: Cash return on capital invested, calculated as i) cash provided by operating activities plus interest paid, divided by ii) capital employed plus accumulated amortization and depreciation
For more information, call ABB Investor Relations or visit our website at www.abb.com/investorrelations

<table>
<thead>
<tr>
<th>Name</th>
<th>Telephone</th>
<th>e-mail</th>
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<tbody>
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<td><a href="mailto:johanna.henttonen@ch.abb.com">johanna.henttonen@ch.abb.com</a></td>
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