



JP MORGAN CAZENOVE EUROPEAN CAPITAL GOODS CEO CONFERENCE, LONDON, JUNE 15, 2017

Committed to unlocking value

Leadership in the digital revolution

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Important Notices

This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for ABB Ltd. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects,” “believes,” “estimates,” “targets,” “plans,” “outlook” or similar expressions.

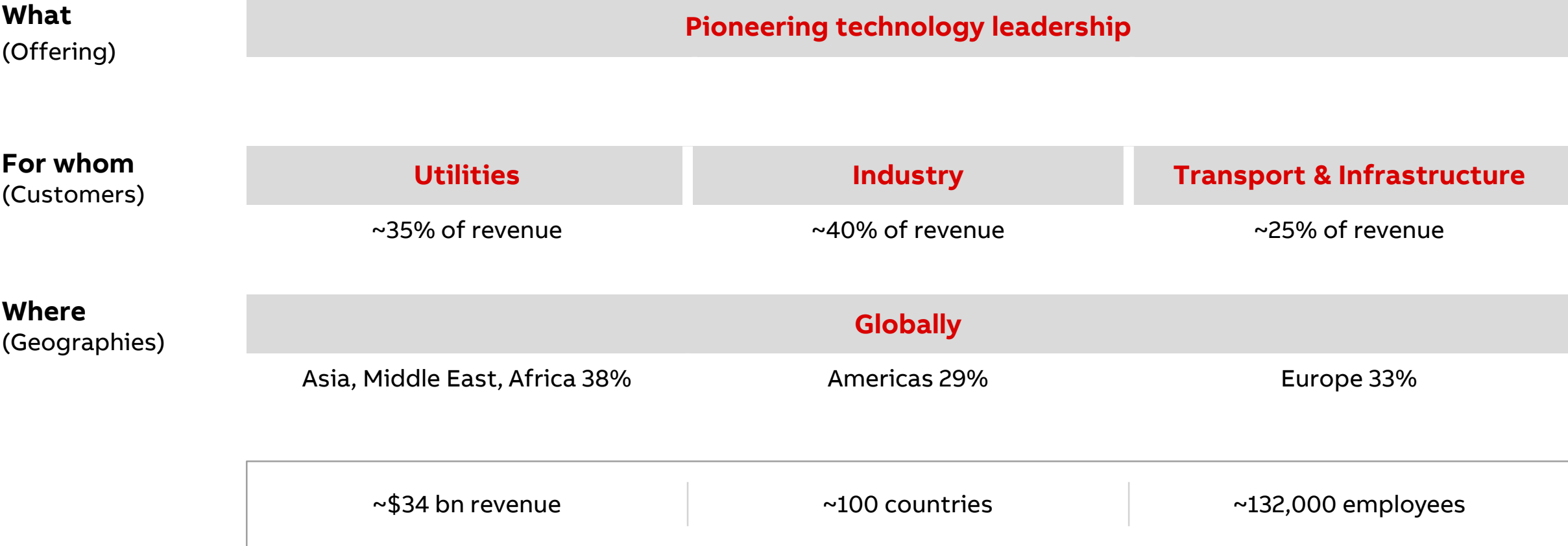
There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences include, among others:

- business risks associated with the volatile global economic environment and political conditions
- costs associated with compliance activities
- 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.

This presentation contains non-GAAP measures of performance. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in the ‘Supplemental reconciliations and definitions’ section of “Financial Information” under “Quarterly results and annual reports” on our website at www.abb.com/investorrelations

ABB: the pioneering technology leader



Next Level transformation

Profitable Growth

Starting point 2013

Lack of organic growth focus

2016 achievements

Growth momentum building (i.e. PIE¹) in key markets
Double digit growth in F&B², robotics
Launch of ABB Ability™, key partnerships
Strategic portfolio review Power Grids completed

Relentless Execution

Underperforming units
Fat, inefficient white collar organization
Inadequate cash culture
Static, lack of accountability

Power Grids transformation on track
Delivered +\$1 bn normal cost savings
Delivered ~\$550 mn of WCP gross savings
Reduced working capital ~\$550 mn
>70k people on performance/compensation system

Business-led Collaboration

Complex organizational setup
Fragmented brand landscape

Simpler, customer-focused organization
Unified brand and brand migration

ABB ready to deliver on growth – Next Level Stage 3

Next Level Stage 3 – committed to unlocking value

Four actions

ANNOUNCED OCTOBER 4TH, 2016

**Profitable
Growth**

1 Driving growth in four market-leading entrepreneurial divisions

2 Quantum leap in digital

**Relentless
Execution**

3 Accelerating momentum in operational excellence





**Business-led
Collaboration**

4 Strengthening the global ABB brand

Delivering attractive shareholder returns

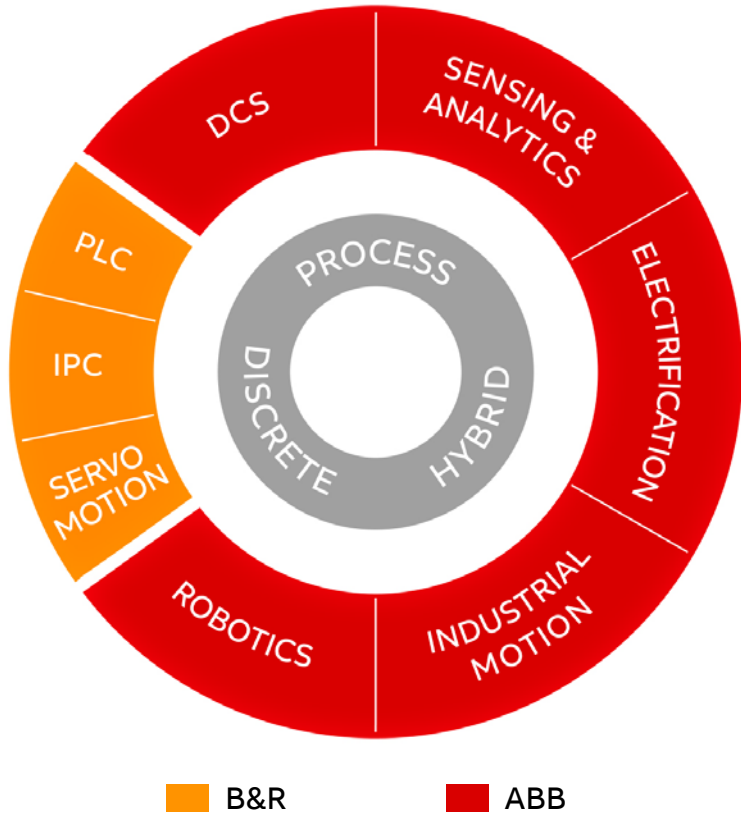
Four market-leading entrepreneurial divisions

All businesses in #1 or 2 positions

	Partner of choice for...	Market size ¹ and growth	Position	Revenues ²	Top 3 competitors
	...electrification of all consumption points	~\$140 bn 2 – 4%	#2 in electrification	\$9.9bn	Schneider Legrand Eaton
	...robotics and intelligent motion solutions	~\$110 bn 3 – 8% ³	#1 in motion #2 in robotics	\$7.9 bn	Siemens Fanuc Kuka
	...industrial automation	~\$130 bn 1 – 5% ⁴	#2 in industrial automation ⁷	\$6.8 bn	Siemens Emerson Schneider
	...a stronger, smarter and greener grid	~\$110 bn ⁵ 3 – >10% ⁶	#1 in T&D	\$10.9 bn	Siemens GE Hyundai

Leadership in industrial automation

B&R – closing ABB’s historic gap in machine and factory automation



Deal rationale

Attractive market segment
(CAGR 4-5%)

Attractive company
(CAGR ~11%)

Attractive strategic rationale
(shaping global #2 in industrial automation)

Attractive financials
(incl. strong growth and cost synergies)

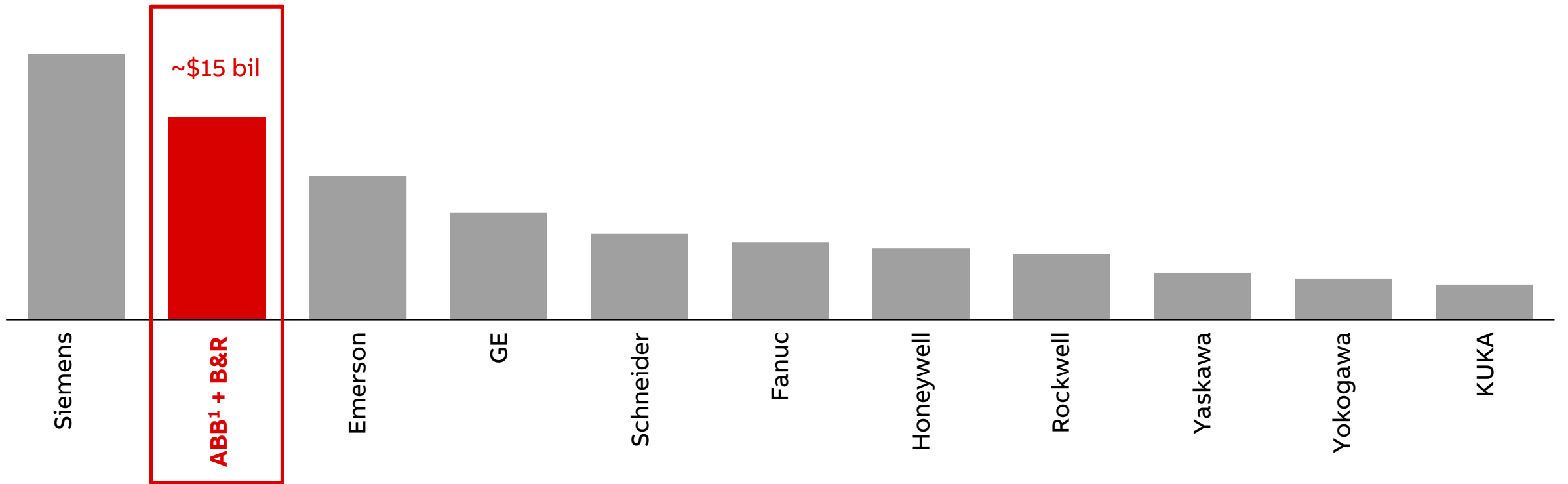
ABB and B&R – leadership in industrial automation

Closing the historic gap in machine and factory automation

	Sensing & analytics	DCS	PLC / IPC servo motion	Industrial motion ¹	Robotics	Digital platform	Electrification ²
B&R			Orange				
ABB	Red	Red		Red	Red	Red	Red
B&R + ABB	Red	Red	Orange	Red	Red	Red	Red
Siemens	Grey	Grey	Grey	Grey		Grey	Grey
Emerson	Grey	Grey					Grey
GE	Grey		Grey	Grey		Grey	Grey
Schneider	Grey	Grey	Grey	Grey		Grey	Grey
Fanuc			Grey		Grey		
Honeywell	Grey	Grey					
Rockwell	Grey		Grey	Grey			Grey
Yaskawa			Grey	Grey	Grey		
Yokogawa	Grey	Grey					
KUKA					Grey		

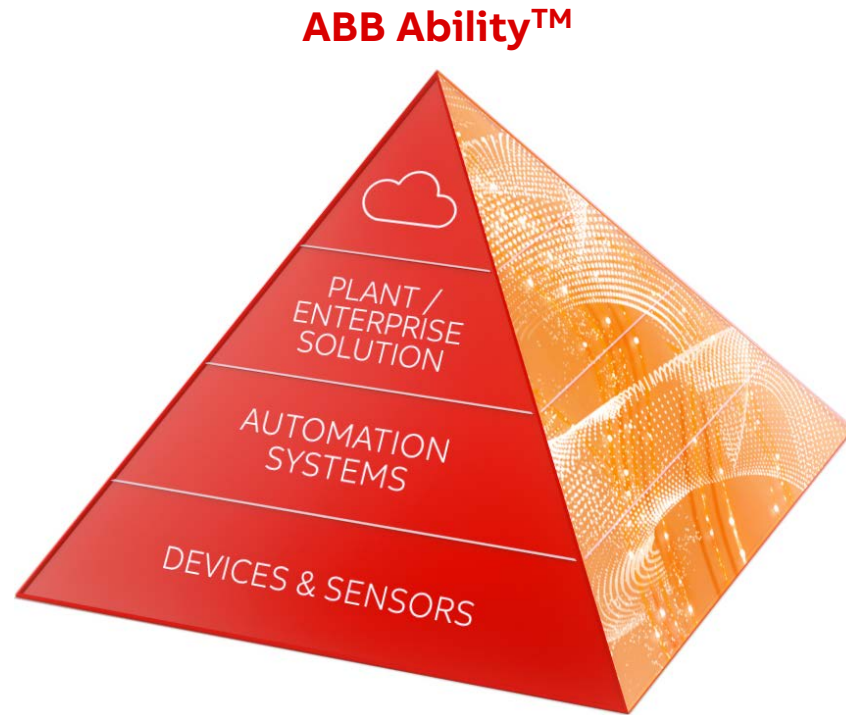
ABB and B&R – strong #2 in industrial automation

Business volume industrial automation (products, software, solutions, services)



Driving a quantum leap in digital – ABB Ability™

ABB and B&R - open architecture and large installed base



>6,000 solutions installed

>70,000 systems installed

70,000,000 digitally enabled devices connected

~4,000 machine builder / OEM customers

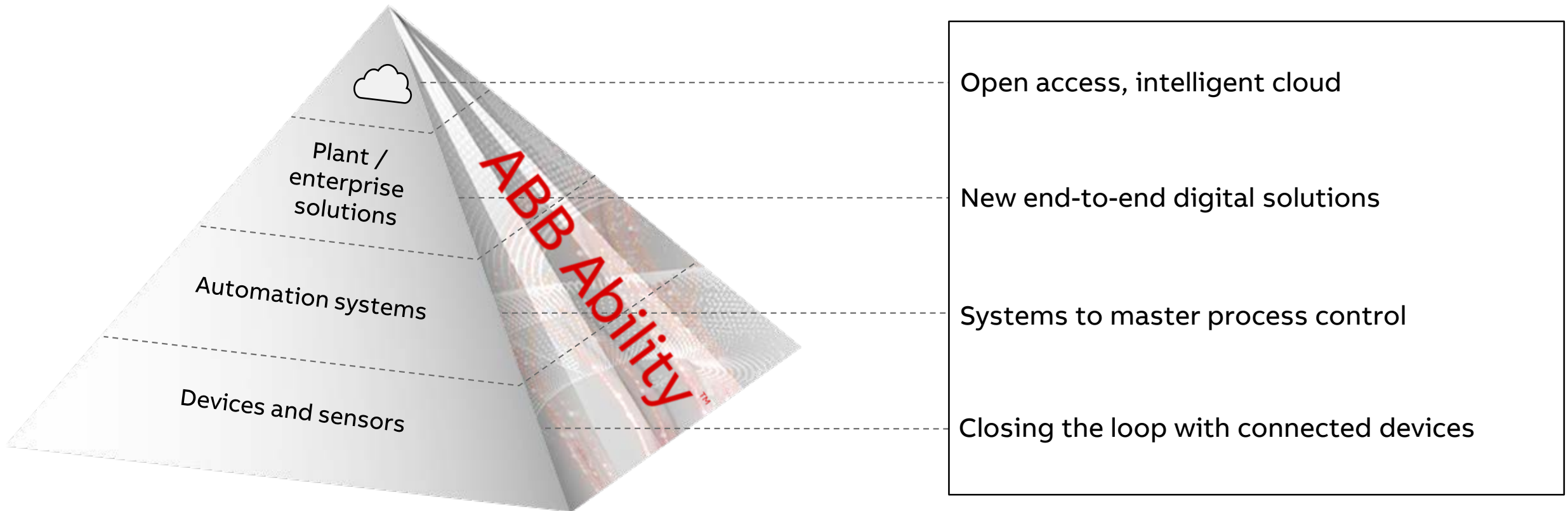
>3 mn automated machines

~27,000 plant installations

Strong expertise in machine and factory automation

ABB Ability™: industry-leading digital solutions

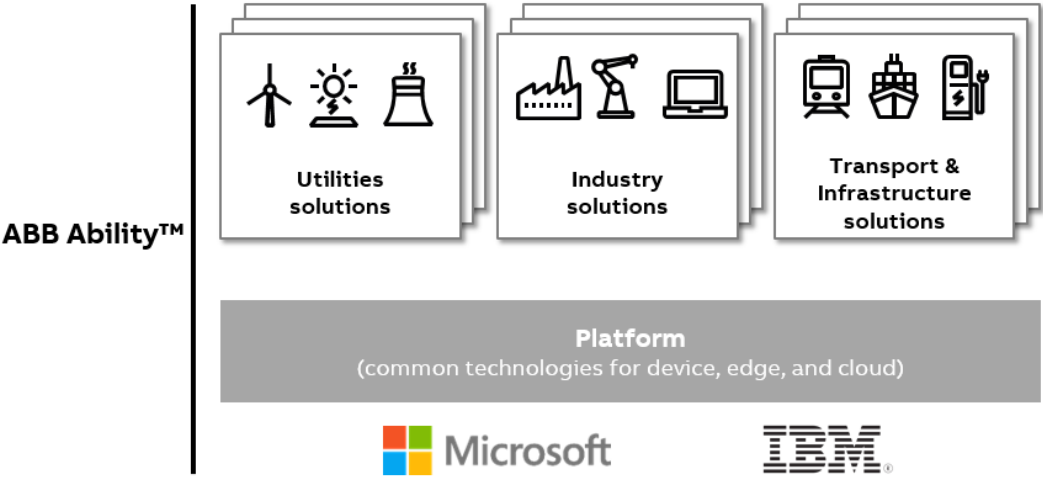
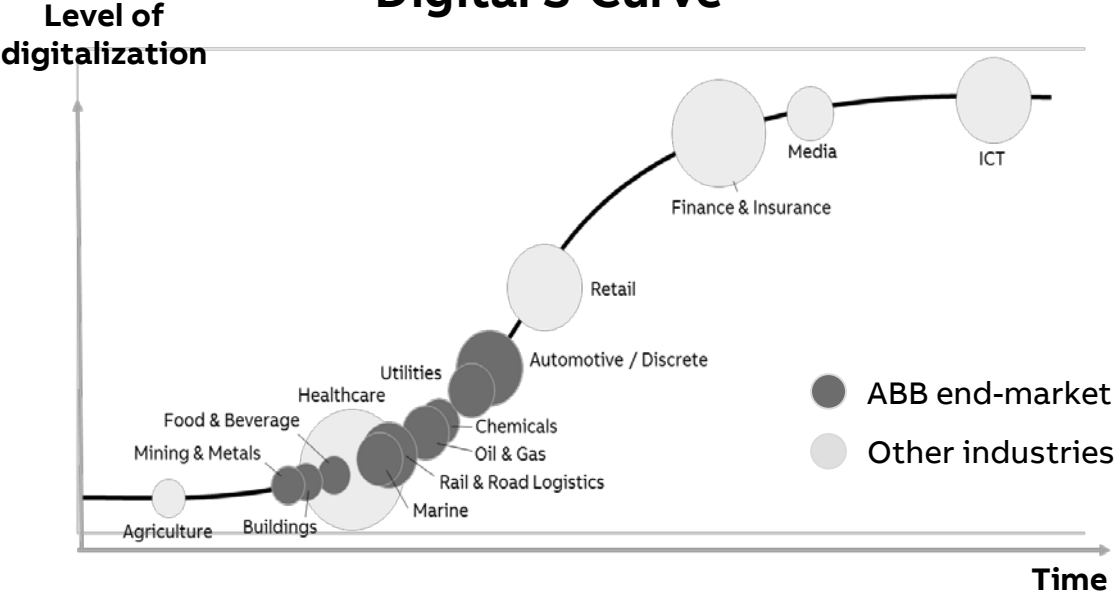
Built on a common set of standard technologies



Significant digital opportunities ahead

>\$1 trillion cost advantage possible for our customers

Digital S-Curve



>\$20 bn annual business opportunity to be captured

Why ABB?

- ▶ Pioneering technology leader
- ▶ Strong positions in attractive markets
- ▶ Clear transformation agenda driving operational EPS and CROI
- ▶ Efficient balance sheet; generating attractive returns for shareholders

Committed to unlocking value

Let's write the future.
Together.

The ABB logo is displayed in a bold, red, sans-serif font. It consists of the letters 'A', 'B', and 'B' in a row. Each letter is composed of two overlapping shapes: a top half and a bottom half, separated by a thin white vertical line. The 'A' has a white vertical line down its center, while the 'B's have white vertical lines down their centers. The overall appearance is that of a stylized, blocky font.