



REF:INABB:STATUT:LODR:PRESS REL:

February 20, 2024

BSE Limited
P.J. Towers
Dalal Street
Mumbai 400 001
(Attn : DCS CRD)

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Dear Sirs

Sub: Press Release titled “Solid finish to a record year”

Please find enclosed Press Release being issued by the Company on the captioned subject.
Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

For ABB India Limited

Trivikram Guda
Company Secretary and Compliance Officer
ACS 17685

Encl: as above

NASHIK, FEBRUARY 20, 2024

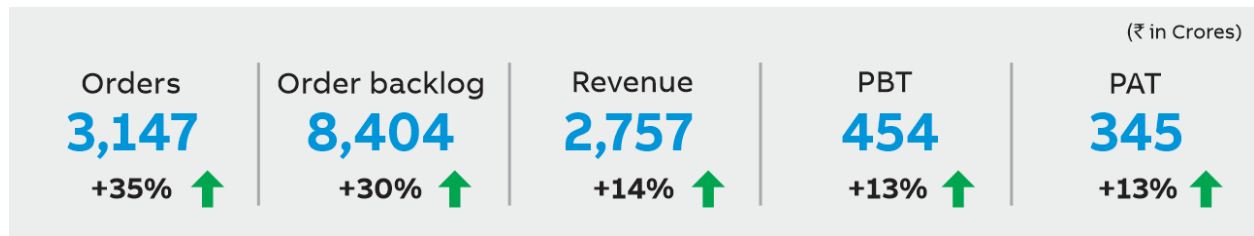
Solid finish to a record year

ABB India Limited posts October-December quarter (Q4) and full year CY2023 results

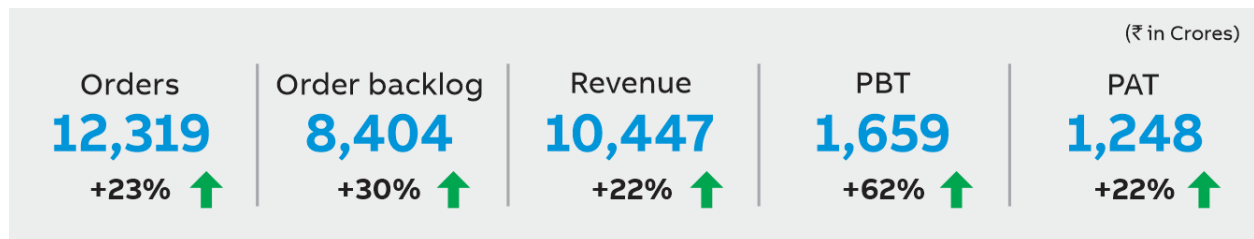
October-December Q4 and CY2023 HIGHLIGHTS

All values are Y-o-Y with October-December Q4 CY2022 comparison

Q4 CY2023



CY2023



Q4 CY2023 HIGHLIGHTS

- Total orders up by 35%, strong contribution by large orders
- Highest ever Q4 revenue in the last 5 years
- All time high "PBT before exceptional (%)" at 13% driven by operational leverage, differentiated offerings and customer preference, PAT up by 13% Y-o-Y

CY2023 full year HIGHLIGHTS

- Record high orders of INR 12,319 crore and revenue of INR 10,447 crore
- Strong price execution and increased volumes bolsters margins - PBT before exceptional up by 62% and PAT by 22% Y-o-Y
- Return on capital employed (ROCE) doubles from 2019 levels to reach 21%
- Customer outreach to 7000+ customers across 31 tier 2 and 3 markets with ABB Technology Day
- 50% of the company's manufacturing campuses certified as water-positive
- Board recommends a final dividend of INR 23.8 per share, this is in addition to special dividend declared in Q2 CY2023

Commenting on the company’s performance, Sanjeev Sharma, Managing Director, ABB India said,

“We are pleased to close another year with a record-high performance, achieving our highest quarter revenues in the last five years. This milestone highlights our business divisions’ exceptional focus on customer connect, execution capabilities and commitment to continued improvement. Our broad-based growth has come on the back of the deepening engagement into diverse market segments and portfolio expansion and localization for Indian market. We are grateful for the enduring confidence our customers place in our value adding Electrification and Automation products, solutions, and services. Our focus on superior margins and a strategic mix continues to aid in robust cash generation. We continue to make strides in sustainability at the core of all our activities, aligning with ABB Group’s Sustainability agenda.”

KEY FIGURES	INR Crores (for continuing business)				
	Q4 2023	Q4 2022	Q3 2023	CY 2023	CY 2022
Orders	3,147	2,335	3,004	12,319	10,028
Order backlog	8,404	6,468	8,008	8,404	6,468
Revenues	2,757	2,427	2,769	10,447	8,568
PBT before exceptional / one off and tax	454	400	484	1,659	1,024
PBT before exceptional / one off and tax %	16.5	16.5	17.5	15.9	11.9
Exceptional Item					339
Profit before tax	454	400	484	1,659	1,363
Profit before tax %	16.5	16.5	17.5	15.9	15.9
Profit After Tax	345	306	362	1248	1,026
Profit after tax %	12.5	12.6	13.1	11.9	12.0
Operational EBITA*	409	301	361	1,384	897
Operational EBITA%	14.8	12.4	13.0	13.3	10.5

Orders

Total orders for the fourth quarter CY2023 was at INR 3147 crore and for CY 2023 at INR 12,319 crore. The calendar year and the quarter under review continued to witness traction in large orders while base orders held steady. Service business across divisions contributed to the growth led by the maintenance component of a large order. Electrification witnessed growth across divisions led by projects and systems. Motion benefited from the continued strength in long cycle demand. Growth trajectory of overall market demand and service marked orders in Process Automation while for Robotics and Discrete Automation optimized requirements for specialized manufacturing, data driven automation and energy efficiency. Sectors contributing to the growth during the quarter include railways, metals, data centers, cement, specialty chemicals, and construction machinery, to name a few.



Consistent strong order momentum over the last quarters

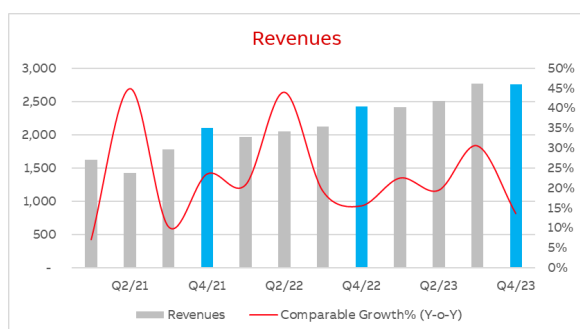
Key orders during Q4 include:

- Traction technology service/AMC offering for railways
- Distributed control systems and HMI upgrades for an integrated Indian energy major
- Power distribution package for datacenter of IT major
- Robotics solutions for electronics business of a conglomerate
- Robotics solutions for leading Indian auto major and leading paints company
- Bulk powder handling systems for an Indian major
- Electrics, drives and automation for a leading integrated metals and mining company
- Mining motors for continuous mining and feeder breakers for a leading construction machinery manufacturer
- Distributed control systems for a specialty chemicals company

ABB India continues to have a strong order backlog as of December 31, 2023, at INR 8,404 crore, an increase of 30 percent Y-o-Y, which provides revenue visibility and is well aligned to support growth plans in the coming periods.

Revenue and operations

The Company reported INR 2,757 crore revenue for the fourth quarter and for the first time INR 10,447 crore for CY2023. Seamless execution of a strong backlog, revenue mix, service focus and capacity utilization led to increased revenue across almost all businesses and divisions. In addition to the above, Electrification leveraged positive price impact, Motion from products, system drives, Process Automation from commissioning projects complementing the infrastructure surge and energy requirement, and Robotics from construction and automotive industry's recovery.



Double digit growth with a high base effect

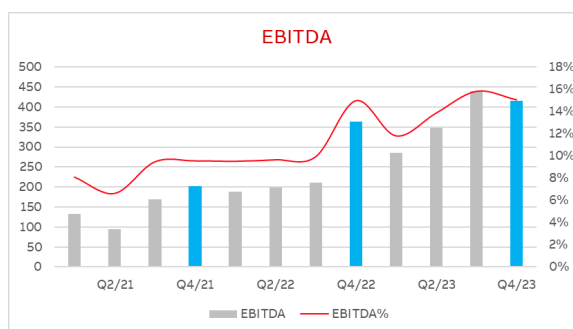
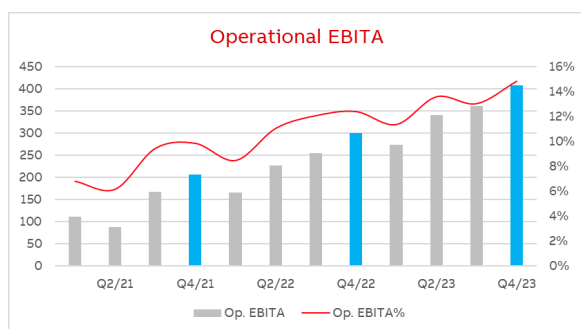
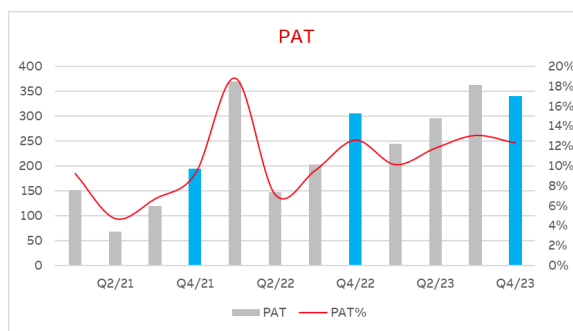
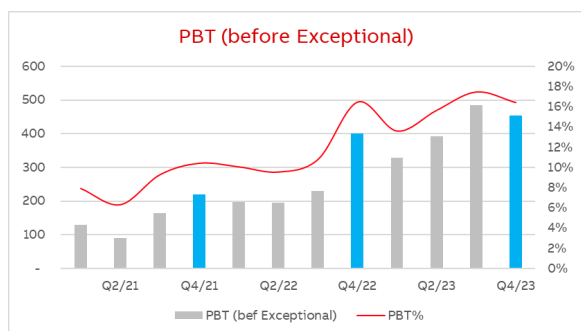
During the quarter, the Company's Measurement and Analytics division launched ABB Ability SmartMaster, an asset performance management platform designed for the verification and condition monitoring of instrumentation and field devices across various industries in India. ABB India's traction division formed a strategic partnership with Titagarh Rail Systems to supply propulsion systems for metro rolling stock projects in India and another one with Tata Steel to jointly explore technologies to help reduce carbon footprint for steel production.

Profit and cash flow from operating activities

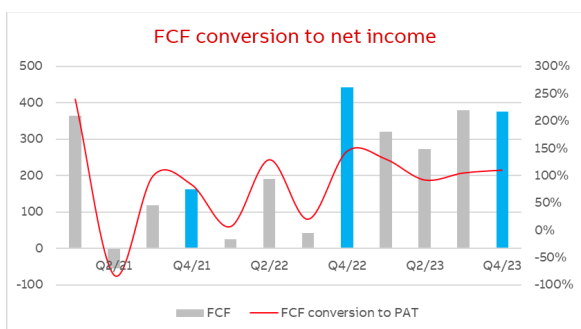
The company reported a Profit before tax (before exceptional items and one-offs) of INR 454 crore, up 13 percent for the quarter and INR 1,659 crore for CY2023 up by 22 percent. For the year all the business areas posted a solid double digit growth riding on higher margin orders along with operating leverage across diverse market segments. The increase of profitability during the quarter was due to better cost absorption driven by higher capacity utilization, revenue mix and price realization, supported by softening of commodity prices. It is also to be noted that the above results for the quarter include a cost impact of INR 10.5 crore compared to a positive impact of INR 30 crore in the previous year's same quarter.

Income Tax expenses for the quarter was INR 108.5 crore with an Effective Tax Rate (ETR) of 23.9 percent and for the calendar year it was INR 410.7 crore with an ETR of 24.8 percent.

Profit after tax reported at INR 345 crores for the quarter, and INR 1248 crore for CY2023, Y-o-Y.



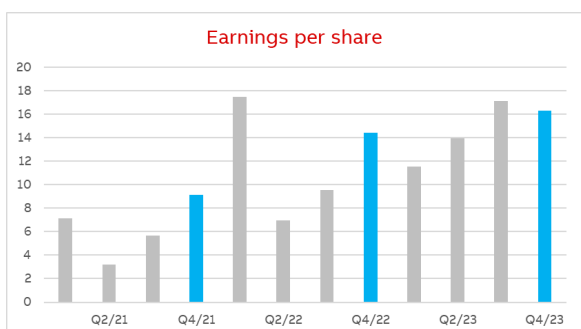
The company's cash position continues to remain robust at INR 4,727 crore at the end of Q4 and CY2023. The Net Working Capital increase is mainly witnessed in inventories which are consciously built to cater to the delivery of the backlog as per the agreed schedule.



Sustained Free cash flow (FCF) conversion in line with PAT

EPS

The Company reported an EPS of INR 16.29 for the fourth quarter as compared to INR 14.44 and INR 58.90 for CY2023 vis-à-vis INR 48.40 Y-o-Y reflecting the growth in profitability of the operations.



Robust uptrend in EPS trajectory

Dividend

The Board recommends a final dividend of INR 23.8 per share, this is in addition to special dividend of INR 5.5 per share declared in Q2 CY2023.

Sustainability in practice

In CY2023, ABB India has achieved 87.3* percent reduction in own GHG (scope 1 and 2) emissions as compared to 2019 baseline, across all manufacturing locations. Aligned with the resource conservation commitment, 50% of manufacturing facilities have been certified as Water Positive with an improvement of 6% of water recyclability in the year 2023 as compared to last year. The Company is also promoting circularity in its operations & products where, one of the factories has been certified as Zero waste to landfill site with overall waste recyclability of ~95% this year.

**Assumption was taken for 2023 fleet emission based on Q4'22 data (highest fleet).*

Outlook

ABB India is poised for enhanced market penetration, leveraging its diverse portfolio to capitalize on increased economic activities across power transmission, clean energy, railways and metro, public infrastructure, automation, ably supported by government investments. The Company is pioneering advancements in sectors like data centers, electronics, and logistics, aiming for sustained growth despite external headwinds and challenges such as exchange rate volatility, climate change and food inflation, escalation of geopolitical tensions and impact on international trade, global trade imbalances, commodity price fluctuations and possible drying up of global liquidity for industrial countries. ABB India remains steadfast in its commitment to navigate these obstacles with more efficiency and agility. Its differentiated offerings and leadership position driving growth, while embedding sustainability across its operations.

ABB is a technology leader in electrification and automation, enabling a more sustainable and resource-efficient future. The company's solutions connect engineering know-how and software to optimize how things are manufactured, moved, powered and operated. Building on over 140 years of excellence, ABB's more than 105,000 employees are committed to driving innovations that accelerate industrial transformation. www.abb.com

For more information please contact:

Sohini Mookherjea

Phone: +91 9632726608

Email: sohini.mookherjea@in.abb.com

*Operational EBITA

Operational EBITA margin is Operational EBITA as a percentage of Operational revenues. Operational EBITA is Operational earnings before interest, taxes and acquisition-related amortization. Operational EBITA represents income from operations excluding:

- acquisition-related amortization (as defined below),*
- restructuring, related and implementation costs,*
- changes in the amount recorded for obligations related to divested businesses occurring after the divestment date (changes in obligations related to divested businesses),*
- changes in estimates relating to opening balance sheets of acquired businesses (changes in pre-acquisition estimates),*
- gains and losses from sale of businesses,*
- acquisition- and divestment-related expenses and integration costs,*
- certain other non-operational items, as well as*
- foreign exchange/commodity timing differences in income from operations consisting of: (a) unrealized gains and losses on derivatives (foreign exchange, commodities, embedded derivatives), (b) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, and (c) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities).*

Certain other non-operational items generally include certain regulatory, compliance and legal costs, certain asset write downs/impairments as well as other items which are determined by management on a case-by-case basis.

Operational EBITA is our measure of segment profit but is also used by management to evaluate the profitability of the Company as a whole.

This detailed performance summary will be made available only post H1 and H2/full year. ABB India follows a calendar year of January to December as the accounting period.