July 26, 2012

ABB Q2 2012 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, 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
- raw materials availability and 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.

Chart 2
Q2 2012: Higher top line in a mixed market
Sequential improvement in operating margins

- Both orders and revenues higher despite uncertain markets
- Currency translation reduced reported revenues by ~$600 mill, op EBITDA by ~$100 mill
- China orders stabilized, North America still strong, rebound in Middle East, Europe steady
- Order price pressure in power easing slightly, steady Power Products margins over the past 3 quarters
- Operational EBITDA decreased vs Q2 2011 on negative mix and strong US dollar translation impact vs Q2 2011—savings offset price pressure
- Sequential op EBITDA margin improved 1.2% points vs Q1 2012
- Thomas & Betts acquisition completed, integration on track, solid contribution after 6 weeks
- Divisions delivered solid cash from operations
Key figures for Q2 2012

<table>
<thead>
<tr>
<th>Q2 2012 performance(^1)</th>
<th>Q2 2012</th>
<th>Q2 2011</th>
<th>Change vs Q2 2011 US$</th>
<th>Change vs Q2 2011 local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>10,052</td>
<td>9,867</td>
<td>+2%</td>
<td>+9% (organic +6%)</td>
</tr>
<tr>
<td>Revenues</td>
<td>9,663</td>
<td>9,680</td>
<td>0%</td>
<td>+6% (organic +3%)</td>
</tr>
<tr>
<td>Order backlog</td>
<td>29,070</td>
<td>29,983</td>
<td>-3%</td>
<td>+6%</td>
</tr>
<tr>
<td>Operational EBITDA</td>
<td>1,471</td>
<td>1,547</td>
<td>-5%</td>
<td>-5% (organic -9%)</td>
</tr>
<tr>
<td>Operational EBITDA %</td>
<td>15.1%</td>
<td>16.0%</td>
<td>-0.9 percentage points</td>
<td></td>
</tr>
<tr>
<td>Net income attributable to ABB</td>
<td>656</td>
<td>893</td>
<td>-27%</td>
<td></td>
</tr>
<tr>
<td>Cash from operations</td>
<td>595</td>
<td>891</td>
<td>-33%</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Incl. 6 weeks of Thomas & Betts results
Steady to higher demand in most regions
Strong Americas, resilient Europe, Asia sequentially better

Order growth by region Q2 2012 vs Q2 2011
(in local currencies)

- Europe: +2%
  - Power: -2%
  - Automation: +4%
- Americas: +20%
  - Power: +26%
  - Automation: +16%
  excl. T&B: +10%
- MEA: +34%
  - Power: +23%
  - Automation: +55%
- Asia: -1%
  - Power: +12%
  - Automation: -8%
Our geographic scope provides a natural hedge
Capturing growth opportunities where they arise

Order growth by selected country
Q2 2012 vs Q2 2011
(in local currencies)

- Canada +30%
  (+10% excl T&B)
- U.S. +26%
  (+13% excl T&B)
- UK +35%
- Spain -30%
- Italy -13%
- China -2%
- Germany -10%
- Norway +47%
- Russia +15%
- Ukraine $140 mill
- Iraq $220 mill
- Oman $140 mill
- India +11%
- Australia +49%
Q2 divisional overview: Power
Order price pressure eases, PP margins stabilizing

Orders\(^1\) vs Q2 11  Revenues\(^1\) vs Q2 11  Op EBITDA vs Q2 11  Op EBITDA %  Δ vs Q2 11 (percentage pts)  Δ vs Q1 12 (percentage pts)

**Power Products**
- +5%  +0%  -15%  14.7%  -1.8  +0.2

- Orders price pressure easing slightly, stable on revenues
- Revenues flat on timing of order execution out of the backlog
- Op EBITDA reflects weaker priced orders from backlog
- >$100 million cost savings in Q2

**Power Systems**
- +27%  +1%  -37%  6.2%  -3.2  -0.4

- Significant market opportunity remains, tender pipeline full
- As in PP, revenues reflect execution timing
- Margin slippage on a small number of projects in different businesses: cumulative impact ~$40 mill.

\(^1\) percentage change in local currencies vs same period in 2011 except operational EBITDA percentage change in US$
Successes and challenges in Power Q2 2012

Quarterly successes
- Strong order growth and tendering activity
- Power transformer capacity cut by >10% in past 12 months
- Major technology advance: World’s first 1,100 KV UHVDC converter transformer
- M&A for technology: Tropos, wireless systems for network communications

Challenges and action plans
- Projects: Drive risk management in contracts, technology, regulation, people
- Price pressure: No let-up on cost out, high selectivity in orders, broad end-market focus, in-country for-country
- Service: Leverage technology innovations, software, industry know-how, and large installed base to drive growth
Q2 divisional overview: Automation
Resilient performance, T&B makes first contribution

<table>
<thead>
<tr>
<th>Discrete Automation &amp; Motion</th>
<th>Orders(^1) Δ vs Q2 11</th>
<th>Revenues(^1) Δ vs Q2 11</th>
<th>Op EBITDA Δ vs Q2 11</th>
<th>Op EBITDA % (percentage pts) Δ vs Q2 11</th>
<th>Δ vs Q1 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>-2%</td>
<td>+11%</td>
<td>+6%</td>
<td>18.8%</td>
<td>+0.1</td>
<td>+0.2</td>
</tr>
</tbody>
</table>

- Lower demand in renewables and rail, esp. impacting LV drives
- Solid execution on revenues led by robotics, PE and MV drives
- Op EBITDA margin steady despite difficult market and unfavorable mix

<table>
<thead>
<tr>
<th>Low Voltage Products</th>
<th>23% (+1%)(^2)</th>
<th>21% (-2%)</th>
<th>+7%</th>
<th>17.9% (17.7%)</th>
<th>-1.3 (-1.5)</th>
<th>+1.3 (+1.1)</th>
</tr>
</thead>
</table>

- 6 weeks T&B contributed ~$310 million revenues, ~$60 million op EBITDA
- China construction demand recovering, trend confirmed in early July
- Product/system mix continues to challenge op EBITDA margin

<table>
<thead>
<tr>
<th>Process Automation</th>
<th>+3%</th>
<th>+5%</th>
<th>+8%</th>
<th>13.1%</th>
<th>+1.3</th>
<th>+0.7</th>
</tr>
</thead>
</table>

- Oil & gas and marine lead order growth
- Progress in lifecycle services, continued streamlining of full service portfolio
- Higher op EBITDA margin on project execution, cost savings, higher margins in lifecycle services and measurement products

\(^1\) Percentage change in local currencies vs same period in 2011, except operational EBITDA percentage change in US$.

\(^2\) Excl T&B
Successes and challenges in Automation Q2 2012

**Quarterly successes**
- Rapid margin recovery in LP vs Q1 2012: China plus cost
- Product pricing improvements in parts of DM and LP
- Closed T&B acquisition
- New launches in cyber security, LV breakers (smart grid), drives, motors, robots
- Inaugurated DC data center in Switzerland

**Challenges and action plans**
- Demand weakness in early-cycle: Fast and flexible capacity adjustments (e.g., temporary workers) in both mature and emerging markets
- Focus on cost: Ensure timely returns on growth investments in line with targets
- Optimize product and system mix (e.g., measurement products in PA)
Thomas & Betts update: A strong start
Integration on track

- Mid-May to end-June stand-alone\(^1\) vs. year-earlier period
  - 10% revenue growth on full-quarter basis
  - Q2 operational EBITDA margin\(^2\) 18.5% vs 16.7% in Q2 2011
  - Contributed ~$310 mill in revenues, ~$60 mill in operational EBITDA

- Integration on track
  - Early wins through ABB channels (e.g., South America)
  - Synergy estimates confirmed and actions started

- EPS accretive in year 1 (excl. one-time charges)

- Special items
  - Q2 acquisition-related costs of ~$70 mill (~$80 mill FY 12)
  - Q2 PPA amortization\(^3\) of $33 mill; $117 mill for full year 2012; ~$120 mill for full year 2013

---

\(^1\) Last 6 weeks trading to 30\(^{th}\) June (excl. purchase accounting impacts)
\(^2\) Estimated operational EBITDA margin based on ABB definition
\(^3\) Incl. acquisition-related amortization and inventory step-up
Factors affecting operational EBITDA Q2 2012

- Product price: -$235 mill
- Volume: +$122 mill
- Project margins: -$38 mill
- Cost savings: +$277 mill
- Sales and R&D: -$135 mill
- Business Mix: -$61 mill
- Other*: -$64 mill
- T&B: +$58 mill

Net negative impact of $76 mill

* Other includes FX translation effect, changes in G&A expenses and commodity price impacts
Cost savings update Q2 2012
Confident in our ability to take out cost long term

Approx. share of savings by type

- Operational Excellence: 45%
- Global footprint: 5%
- Sourcing: 50%

~$280 million

Approx. share of savings by business

- Power: 65%
- Automation: 25%
- Indirect sourcing: 10%

~$280 million

- Continue to build portfolio of operational excellence and productivity improvement initiatives, indirect sourcing initiatives paying off
- Sourcing from low-cost countries, product redesign remain large opportunities
- Expect to continue at current run rate >$250 million a quarter—set to exceed $1 billion for the full year

Chart 13
Operational EPS analysis

<table>
<thead>
<tr>
<th></th>
<th>Q2 11</th>
<th>Q2 12</th>
<th>change</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$</td>
<td>EPS</td>
<td>US$</td>
<td>EPS</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring-related costs $1</td>
<td>893</td>
<td>0.39</td>
<td>656</td>
<td>0.29</td>
</tr>
<tr>
<td>FX/commodity timing differences on EBIT $1</td>
<td>19</td>
<td>0.01</td>
<td>12</td>
<td>0.00</td>
</tr>
<tr>
<td>Acquisition-related expense and certain non-operational items $1</td>
<td>-41</td>
<td>-0.02</td>
<td>60</td>
<td>0.03</td>
</tr>
<tr>
<td><strong>Operational Net Income</strong></td>
<td>870</td>
<td>0.38</td>
<td>793</td>
<td>0.35</td>
</tr>
<tr>
<td>Amortization rel. to acquisitions $1,2</td>
<td>36</td>
<td>0.02</td>
<td>60</td>
<td>0.02</td>
</tr>
<tr>
<td><strong>Operational Net Income, before amortization</strong></td>
<td>906</td>
<td>0.40</td>
<td>853</td>
<td>0.37</td>
</tr>
</tbody>
</table>

$1 net of tax at Group tax rate; $2 includes amortization of intangibles assets and backlog amortization

- Basic EPS adversely affected by acquisition-related costs and amortization, as well as foreign exchange translation.
Improved cash flow from divisions

Strength of US dollar affected total cash flow

- Divisional cash flows increased ~$40 million versus Q2 a year ago
- Group cash flow reflects lower cash generation from hedging of corporate exposures as a result of the strengthening US dollar
- NWC at 15.6% of revenues (vs 16.5% in Q2 2011)—guidance remains at 11-14%
2011-2015 strategic plan
Five elements that drive management decisions

<table>
<thead>
<tr>
<th>Strategic Elements</th>
<th>Group targets – 2012 status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Drive competitiveness</td>
<td>Organic(^1) revenue growth (CAGR(^2)) 7-10%</td>
</tr>
<tr>
<td>2 Capitalize on mega trends</td>
<td>Op EBITDA margin corridor 13-19%</td>
</tr>
<tr>
<td>3 Aggressively expand core business</td>
<td>Organic(^1) EPS growth (CAGR(^2)) 10-15%</td>
</tr>
<tr>
<td>4 Disciplined M&amp;A</td>
<td>Free cash flow conversion Annual avg. &gt;90%</td>
</tr>
<tr>
<td>5 Exploit disruptive opportunities</td>
<td>Cash return on invested capital &gt;20% by 2015</td>
</tr>
</tbody>
</table>

\(^1\) Organic incl. acquisitions closed as of end–Oct 2011
\(^2\) CAGR = Compound annual growth rate, base year 2010
Outlook for the remainder of 2012

Short-term view
- Macro indicators in US, Europe and emerging markets remain mixed

But Q2 provided reasons for optimism
- Stability in op EBITDA margins in PP in recent quarters
- Price pressure easing in orders vs a year ago
- Resilience of orders in Europe
- Higher orders in key power and automation businesses in China
- Sustained order growth across the portfolio in the US
- Continued targeted investments in power transmission

Management focus for rest of 2012
- Leverage business/geographic scope, market channels and business models to capture growth
- Further measures to reduce costs, ensure investments in growth generating returns in line with targets
- Confirm longer-term Group and divisional targets

Cautiously optimistic that H2 business environment will support continued growth and profitability in line with 2011-2015 targets, provided there is no further deterioration in the macroeconomic environment
Balanced business and geographic portfolio

Orders by division
% of total orders Q2 2012 (non-consolidated)

- Process Automation: 20%
- LV Products: 15%
- Discrete Automation and Motion: 22%
- Power Products: 26%
- Power Systems: 17%

Orders by region
% of total orders Q2 2012

- Europe: 32%
- Asia: 28%
- Americas: 29%
- Middle East & Africa: 11%
Orders and revenues by region and division Q2 2012

Regional share of total orders and revenues by division

US$

Orders

- Power Products
  - Europe: 11%
  - Americas: 31%
  - Asia: 29%
  - Middle East & Africa: 29%

- Power Systems
  - Europe: 23%
  - Americas: 30%
  - Asia: 19%
  - Middle East & Africa: 28%

- Discrete Automation & Motion
  - Europe: 26%
  - Americas: 36%
  - Asia: 34%
  - Middle East & Africa: 4%

- Low Voltage Products
  - Europe: 25%
  - Americas: 43%
  - Asia: 23%
  - Middle East & Africa: 9%

- Process Automation
  - Europe: 13%
  - Americas: 33%
  - Asia: 31%
  - Middle East & Africa: 13%

Revenues

- Power Products
  - Europe: 8%
  - Americas: 32%
  - Asia: 32%
  - Middle East & Africa: 28%

- Power Systems
  - Europe: 22%
  - Americas: 40%
  - Asia: 18%
  - Middle East & Africa: 20%

- Discrete Automation & Motion
  - Europe: 3%
  - Americas: 36%
  - Asia: 33%
  - Middle East & Africa: 3%

- Low Voltage Products
  - Europe: 28%
  - Americas: 36%
  - Asia: 24%
  - Middle East & Africa: 8%

- Process Automation
  - Europe: 10%
  - Americas: 36%
  - Asia: 23%
  - Middle East & Africa: 31%

Chart 20
Maturity profile of long-term debt securities
Total debt securities of approx. $7.7 billion

Principal outstanding at June 30th, 2012
US$ millions

Based on June 30, 2012, FX rates
### Reconciliation of Operational EBITDA by Division
Q2 2012 vs Q2 2011

#### Operational EBITDA Q2 2012 vs Q2 2011

<table>
<thead>
<tr>
<th></th>
<th>ABB</th>
<th>Power Products</th>
<th>Power Systems</th>
<th>Discrete Automation &amp; Motion</th>
<th>Low Voltage Products</th>
<th>Process Automation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q2 12</td>
<td>Q2 11</td>
<td>Q2 12</td>
<td>Q2 11</td>
<td>Q2 12</td>
<td>Q2 11</td>
</tr>
<tr>
<td>Operational revenues</td>
<td>9'724</td>
<td>9'643</td>
<td>2'628</td>
<td>2'755</td>
<td>1'909</td>
<td>2'011</td>
</tr>
<tr>
<td>FX/commodity timing differences on Revenues</td>
<td>(61)</td>
<td>37</td>
<td>(18)</td>
<td>28</td>
<td>(37)</td>
<td>14</td>
</tr>
<tr>
<td>Revenues (as per Financial Statements)</td>
<td>9'663</td>
<td>9'680</td>
<td>2'610</td>
<td>2'783</td>
<td>1'872</td>
<td>2'025</td>
</tr>
<tr>
<td>Operational EBITDA</td>
<td>1'471</td>
<td>1'547</td>
<td>387</td>
<td>454</td>
<td>119</td>
<td>189</td>
</tr>
<tr>
<td>Amortization</td>
<td>(107)</td>
<td>(75)</td>
<td>(9)</td>
<td>(7)</td>
<td>(26)</td>
<td>(13)</td>
</tr>
<tr>
<td>Acquisition-related expenses and certain non-operational items*</td>
<td>(90)</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>(3)</td>
<td>-</td>
</tr>
<tr>
<td>FX/commodity timing differences on EBIT</td>
<td>(82)</td>
<td>58</td>
<td>(27)</td>
<td>14</td>
<td>(34)</td>
<td>42</td>
</tr>
<tr>
<td>Restructuring-related costs</td>
<td>(17)</td>
<td>(27)</td>
<td>(6)</td>
<td>(1)</td>
<td>(2)</td>
<td>(10)</td>
</tr>
<tr>
<td>EBIT (as per Financial Statements)</td>
<td>1'001</td>
<td>1'337</td>
<td>302</td>
<td>417</td>
<td>37</td>
<td>194</td>
</tr>
<tr>
<td>Operational EBITDA margin (%)</td>
<td>15.1%</td>
<td>16.0%</td>
<td>14.7%</td>
<td>16.5%</td>
<td>6.2%</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

*The Low Voltage Products Q2 12 amount of $81 million includes $15 million of Thomas & Betts inventory step-up.
Reconciliation of non-GAAP measures ($ in millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(= Cash and equivalents plus marketable securities and short-term investments, less total debt)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and equivalents</td>
<td>4'773</td>
<td>4'819</td>
</tr>
<tr>
<td>Marketable securities and short-term investments</td>
<td>375</td>
<td>948</td>
</tr>
<tr>
<td>Cash and marketable securities</td>
<td>5'148</td>
<td>5'767</td>
</tr>
<tr>
<td>Short-term debt and current maturities of long-term debt</td>
<td>2'217</td>
<td>765</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>6'977</td>
<td>3'231</td>
</tr>
<tr>
<td><strong>Total debt</strong></td>
<td><strong>9'194</strong></td>
<td><strong>3'996</strong></td>
</tr>
<tr>
<td><strong>Net Cash (Net Debt)</strong></td>
<td><strong>(4'046)</strong></td>
<td><strong>1'771</strong></td>
</tr>
</tbody>
</table>
Major forex movements

USD change Q2 2012 vs. Q2 2011

- BRL: 23%
- INR: 21%
- EUR: 12%
- SKR: 11%
- CHF: 8%
- AUD: 5%
- GBP: 3%
- RMB: -3%

Chart 24
Appendix: Definitions

- 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.

- Operational EBITDA: Earnings before interest and taxes (EBIT) excluding depreciation and amortization, 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) acquisition-related expenses and certain non-operational items.

- Operational EBITDA margin: Operational EBITDA as a percentage of Operational revenues.

- 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 net income: Net income adjusted for the net-of-tax impact of 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) acquisition-related expenses and certain non-operational items.

- Operational EPS: Operational net income per share.

- 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>
</tr>
</thead>
<tbody>
<tr>
<td>Alanna Abrahamson</td>
<td>+1 919 856 3827</td>
<td><a href="mailto:alanna.abrahamson@us.abb.com">alanna.abrahamson@us.abb.com</a></td>
</tr>
<tr>
<td>(Cary, NC)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>John Fox</td>
<td>+41 43 317 3812</td>
<td><a href="mailto:john.fox@ch.abb.com">john.fox@ch.abb.com</a></td>
</tr>
<tr>
<td>(Zurich)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tatyana Dubina</td>
<td>+41 43 317 3816</td>
<td><a href="mailto:tatyana.dubina@ch.abb.com">tatyana.dubina@ch.abb.com</a></td>
</tr>
<tr>
<td>(Zurich)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annatina Tunkelo</td>
<td>+41 43 317 3820</td>
<td><a href="mailto:annatina.tunkelo@ch.abb.com">annatina.tunkelo@ch.abb.com</a></td>
</tr>
<tr>
<td>(Zurich)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>