

Zurich, February 16, 2012, Ulrich Spiesshofer

Discrete Automation and Motion Driving profitable growth

2011 – a year of profitable growth

Highlights

Discrete automation

Build sizeable hub



- Strong profitable growth in robotics
- Building application-specific offering across portfolio

Industrial motion

Sustain and expand leadership



- Baldor acquisition and successful integration start
- Continued profitable growth in drives

Renewables

Top-tier component, package supplier



- Successful expansion of solar inverter business
- Launch of wind offshore packages, doubling of wind service

Power control and quality

Expand on strong base



- UPS entry through Newave acquisition
- Portfolio expansion, eg, energy storage

Transport

Lead development and penetration



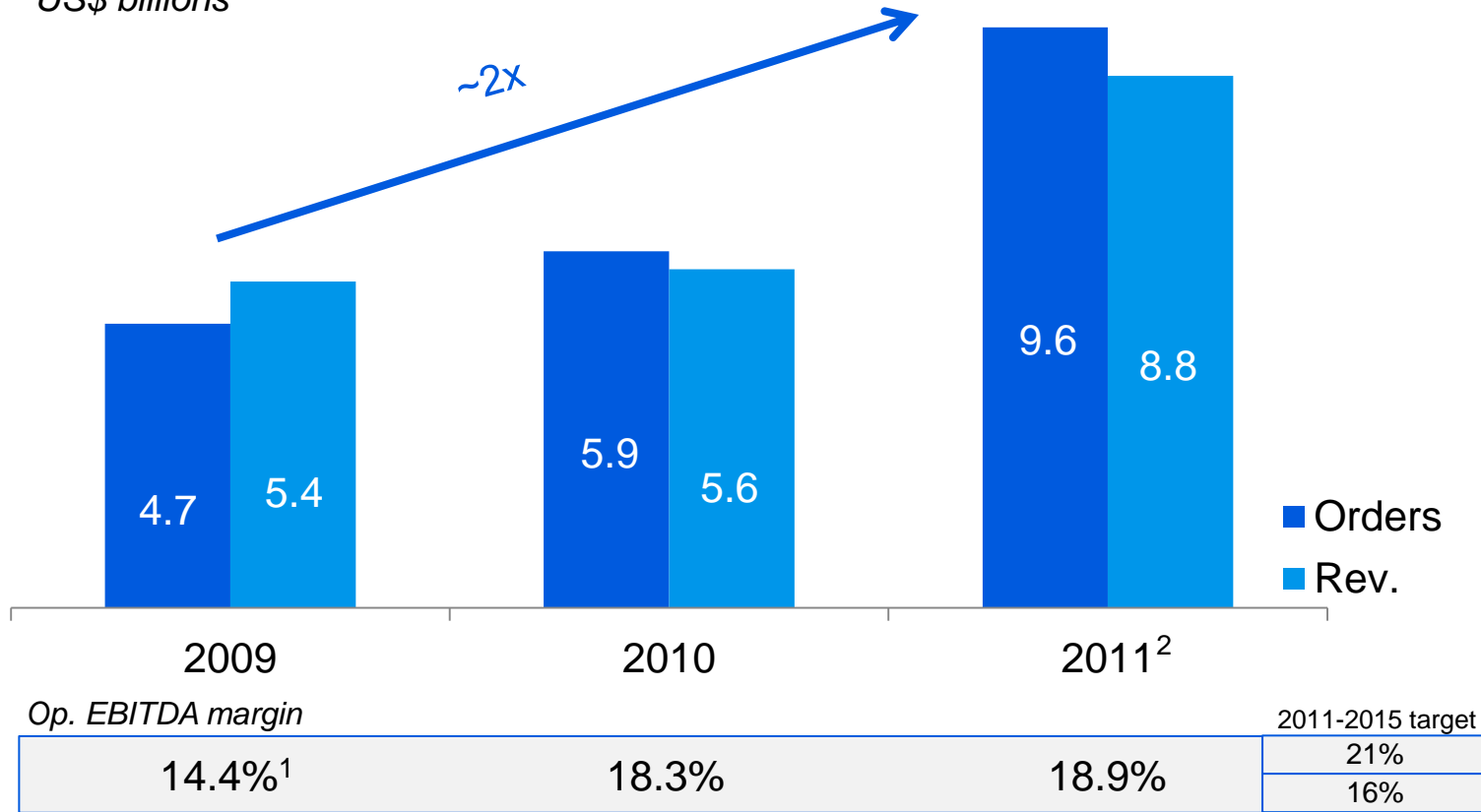
- Strengthened position in EV charging through Epyon acquisition
- Continued to win attractive traction projects

Results 2011

Delivering profitable growth

DM historical performance

US\$ billions



1: 2009 operational EBITDA estimated

2: 2011 including Baldor acquisition in ABB period

2009-2011 development highlights

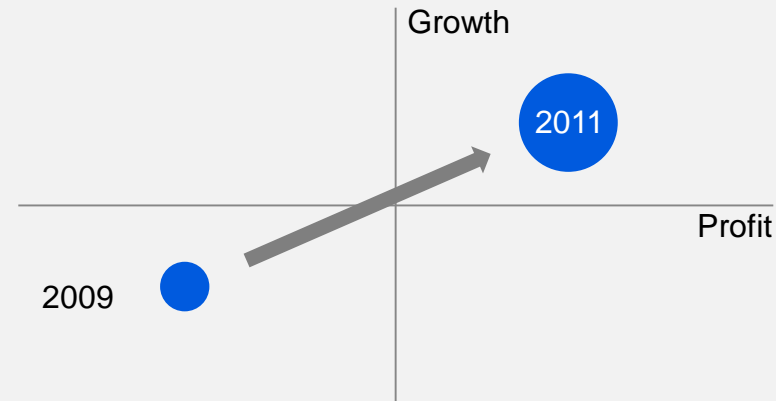
- Strong growth – including acquisitions
 - Orders have grown by +93% in local currencies
 - Revenues up 56% in local currencies
- Significant step-up of profitability
 - Operational EBITDA from \$0.8 bn¹ to \$1.7 bn, +105%
 - Operational EBITDA margin in 2011 at 18.9%
 - Up 4.5%-points since 2009¹

Profitable growth of the core

Example: Robotics



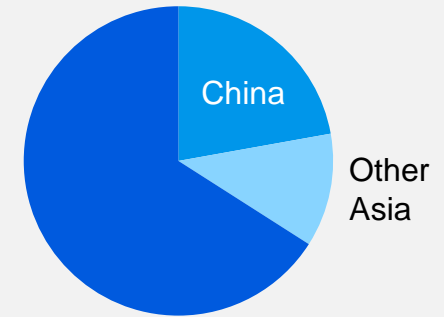
Back to profitable growth



- Product innovations
 - New palletizers with standardized grippers, software
 - Extended small range robot, incl. clean room version
 - Best-performing mid-sized robots
- Application focus
 - Material handling application centers
 - Strong competence in consumer electronics (3C)

Leading position in growth markets

Share of DM Robotics orders by region, 2011



- Strong growth in emerging markets, esp. China
 - Market leader, doubling business in China in last 3 years
 - Build-up of sales, R&D and manufacturing resources
- Significant improvements in system business
 - Focus on replicating proven concepts
 - Move to emerging markets
 - Rigorous risk review process and project selection
- Footprint and operational excellence

Profitable growth through acquisitions

Example: Baldor



Stand-alone performance

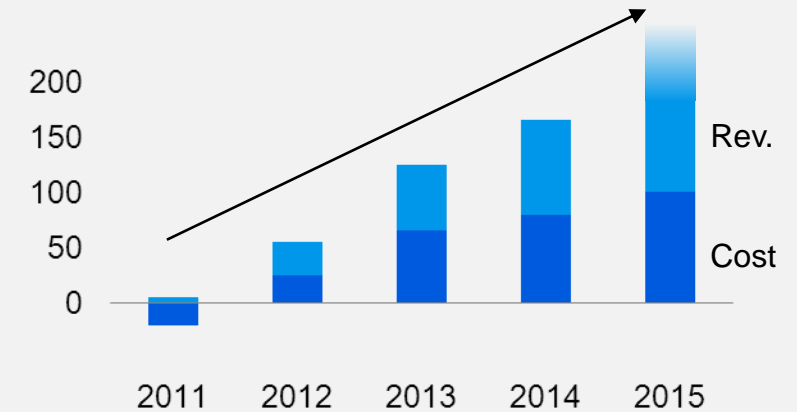
Feb-Dec 2011

| | |
|-------------------------------|----------|
| Revenues | \$2.0 bn |
| YoY growth | 21% |
| Operational EBITDA | \$0.4 bn |
| YoY operational EBITDA growth | 46% |
| Operational EBITDA margin | 20% |

- Best stand-alone year ever
- Baldor keeps identity in larger ABB family
- Retention of Baldor management team and front-end
- Customer satisfaction further increased

Delivered synergies as promised

US\$ millions – original plan



- Integration KPIs all fully on track
- Good progress in cross-selling NEMA/IEC motors and drives
- Large global frame agreement with Shell
- International growth of mechanical power transmission business

Profitable growth from new business

Example: electrical vehicle (EV) charging



- Launched EV charging business
 - Dedicated team
 - Capital investment
 - Power electronics expertise
- Expanded global offering through Epyon acquisition
 - Competitive products
 - Network management software
 - Service business model



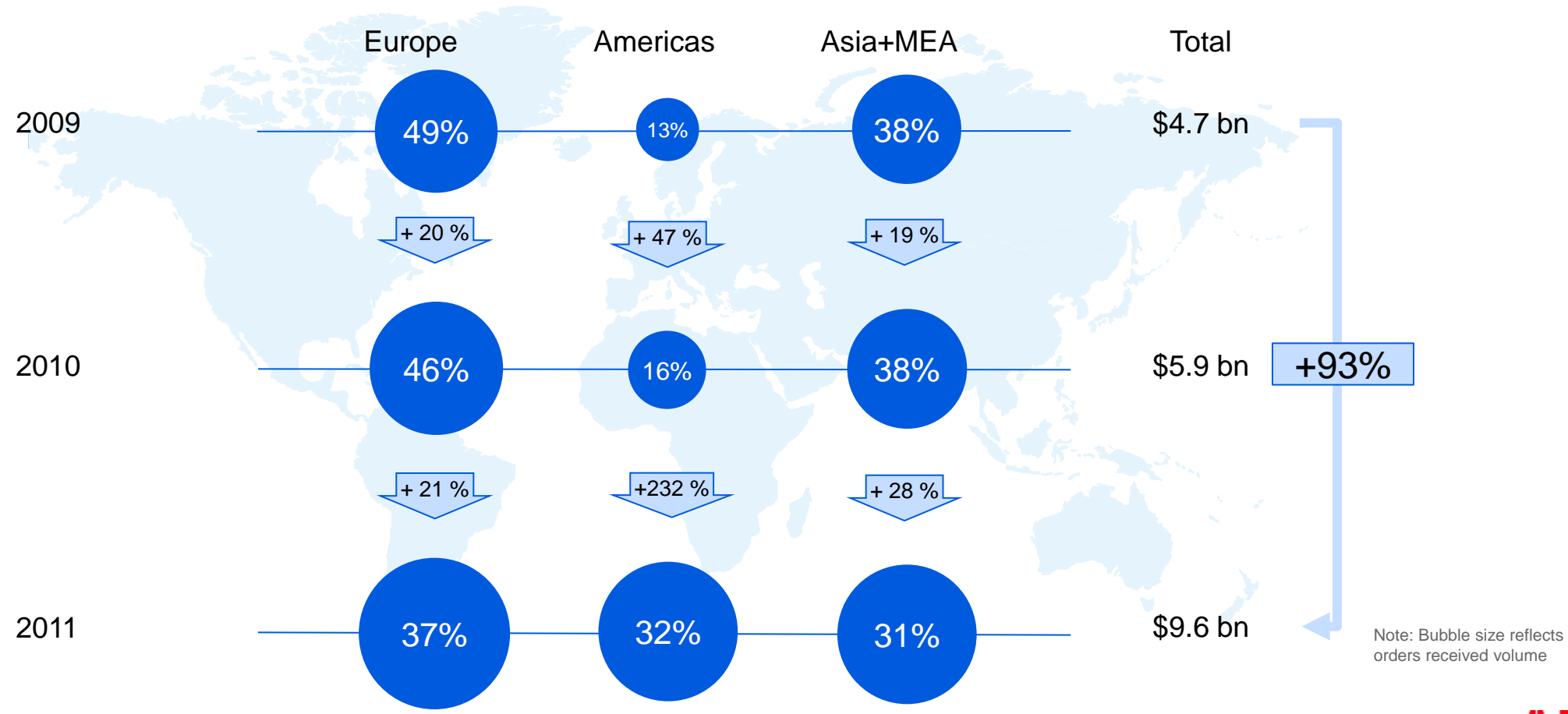
- Leading position in EV charging, full offering range
- Won breakthrough orders
 - Europe's largest EV fast-charging network in Estonia
 - Fast-charging network at BP service stations in the Netherlands
 - Automotive OEMs in Europe, Asia and Americas
- Multiple cooperation agreements
 - eg, strategic partnership with RWE

Globally balanced business

Ready to continue profitable growth

Discrete Automation and Motion orders received by region

Growth rates in local currencies US\$ billion



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