



Zurich, February 17, 2011

ABB Q4 and full-year 2010 results

Joe Hogan, CEO
Michel Demaré, CFO

Power and productivity
for a better world™



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.

Agenda

- Summary of 2010 Q4 and full-year results
- Financial review
- Roadmap to profitable growth
- Discrete Automation and Motion
- Marketing and Customer Solutions
- Summary and Outlook
- Q&A

Joe Hogan

Michel Demaré

Joe Hogan

Ulrich Spiesshofer

Brice Koch

Joe Hogan

Summary of Q4-2010 and full-year results 2010

ABB steers through 2010 in good position for profitable growth

Joe Hogan

Full-year highlights 2010

Energy efficiency, grid reliability and industrial productivity drive recovery



- Return to organic growth in second half on strong portfolio and global balance
- Backlog up 4% vs 2009 to \$26 billion will support revenues in 2011
- Operational EBIT margin well within target range, cash from operations ~\$4.2 billion
- \$1.5 billion costs savings successfully more than offset lower volumes and price pressure
- Return to M&A: >\$6.5 billion invested in key growth areas (incl. Baldor), more balanced global footprint
- Recommended increase of dividend to CHF 0.60 on strong confidence in the business

Q4 lifted by strong economic rebound and demand in automation Balanced portfolio mitigates risks

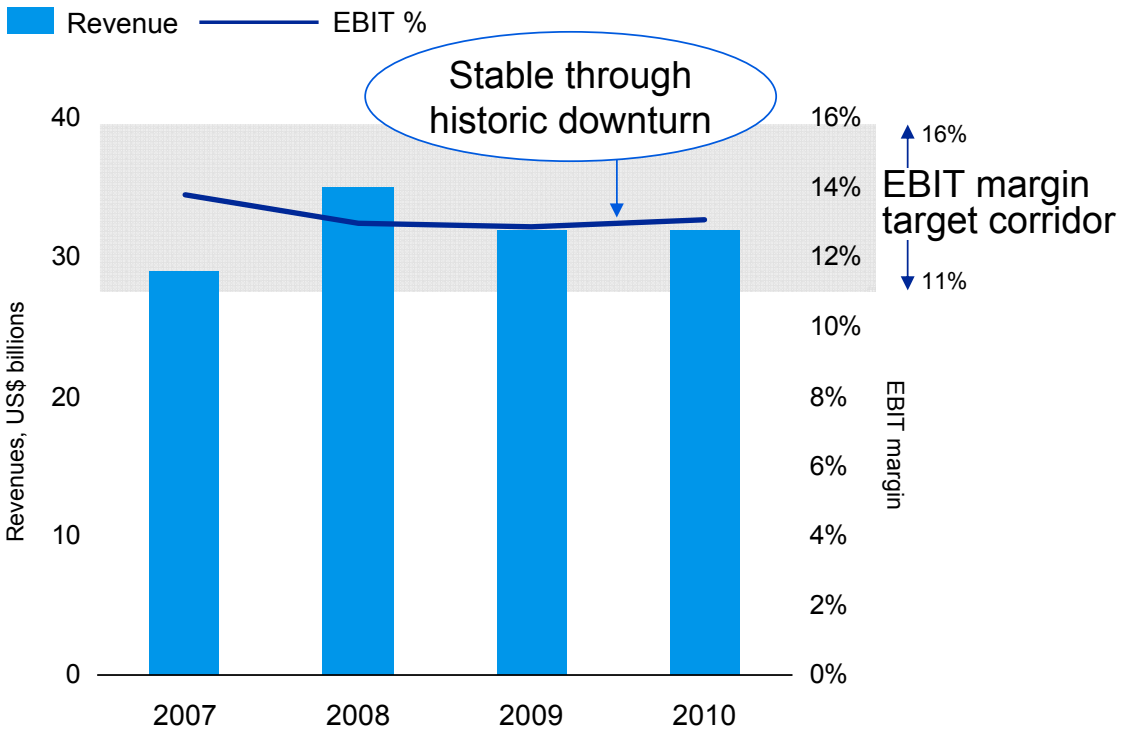


- Total orders rise 17%, in Brazil up 33%, in Saudi Arabia 28% and in Germany 16%
- Power Systems: record orders up 41%, EBIT down on \$120 million project charge
- Discrete Automation and Motion: orders up 32%, boosted by 40% growth in China, and increase in all units, especially robotics and MV drives
- Operational EBIT margin stable on short-cycle recovery and \$370 million cost savings
- Cash from operations at \$1.8 billion, near previous Q4 record

Steady EBIT margin through downturn

Balanced product portfolio mitigates industry cycles

Revenue and operational EBIT margin, 2007-2010



Contribution to operational EBIT, 2009-2010

US\$

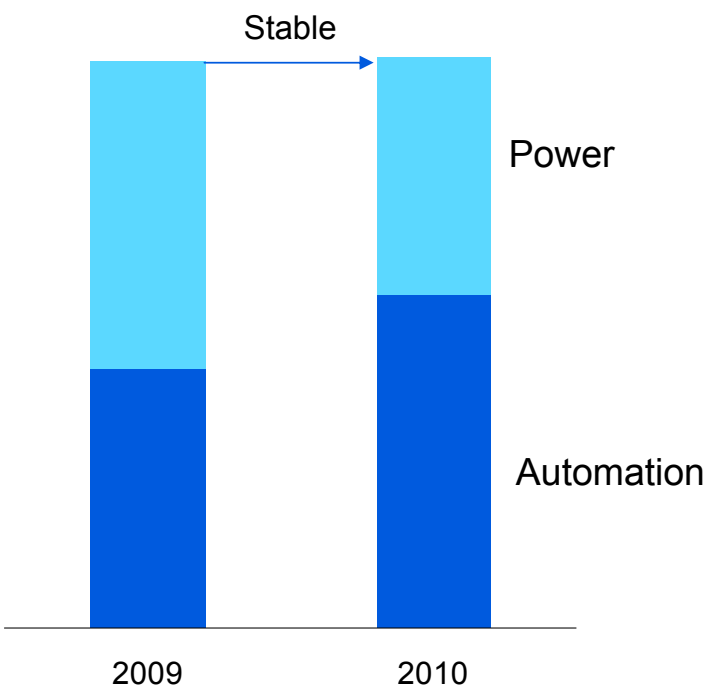


Chart 7



Short- to mid-cycle businesses continue to fuel Q4 EBIT growth

Product mix and cost savings support margins

	US\$ millions, percentage change in local currencies vs same period in 2009	Orders	Revenue	Operational EBIT %	Δ vs Q4 2009	
Weak utility spend but sequentially better	Power Products	-5%	-6%	16.3%	-0.2	Steady on cost savings
Large and base orders, great backlog	Power Systems	40%	10%	2.1%	-6.5	7.8% excluding cables
	Discrete Automation	34%	14%	17.2%	+6.7	Robotics turnaround
Short cycle recovery	Low-Voltage Products	14%	16%	17.8%	+2.9	
Turbos, minerals, pulp and paper, oil and gas	Process Automation	25%	4%	12.9%	+0.9	
	ABB Group	18%	6%	12.3%	-0.4	Good project execution

Chart 8

Automation orders up strongly almost everywhere

Power in Asia down on fewer large transmission orders

Order growth by region Q4 2009 vs Q4 2010
(in local currencies)

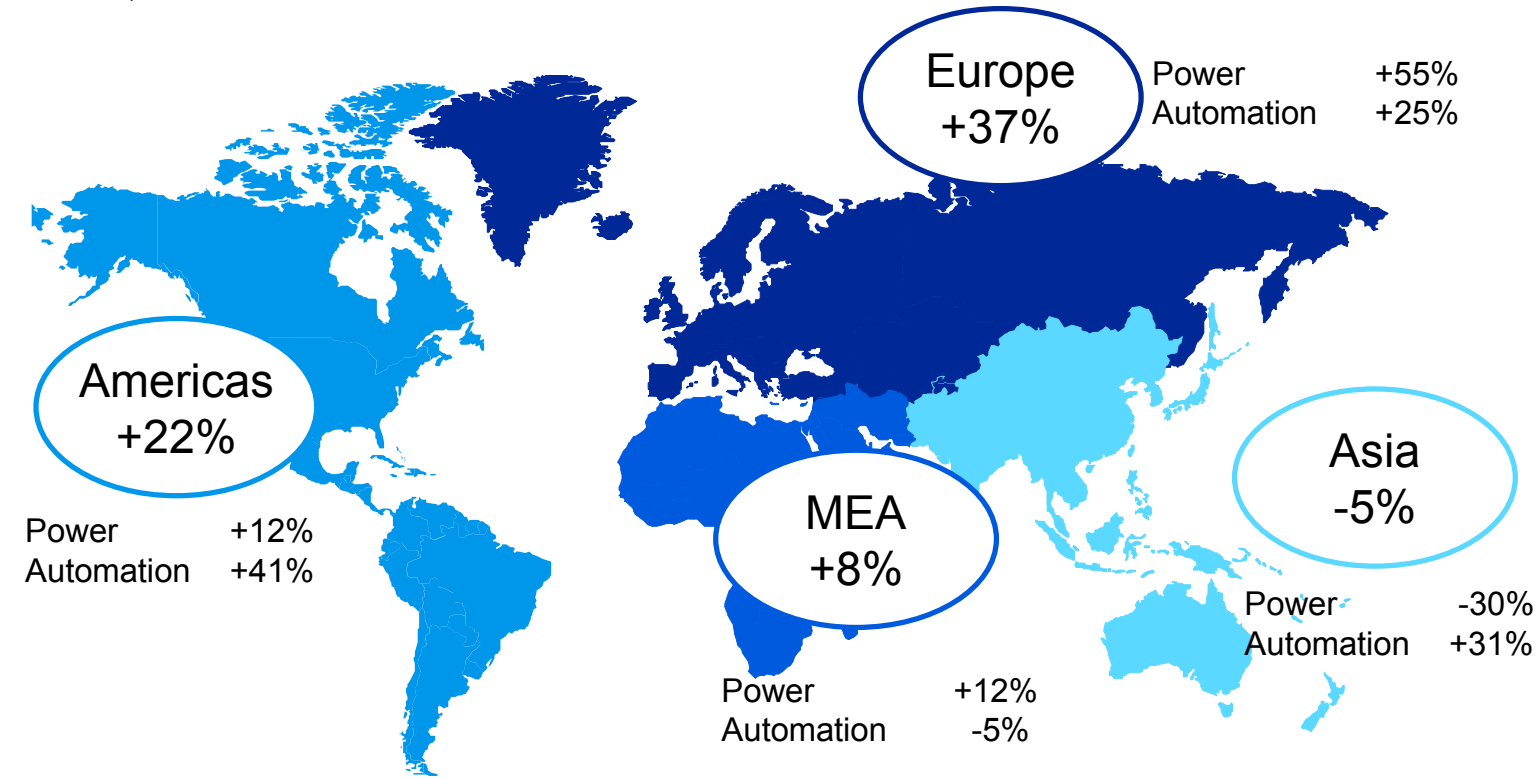


Chart 9



Power and automation performance in key markets

Expanding Brazilian economy needs more power

Order growth by selected countries
Q4 2009 vs Q4 2010
(in local currencies)

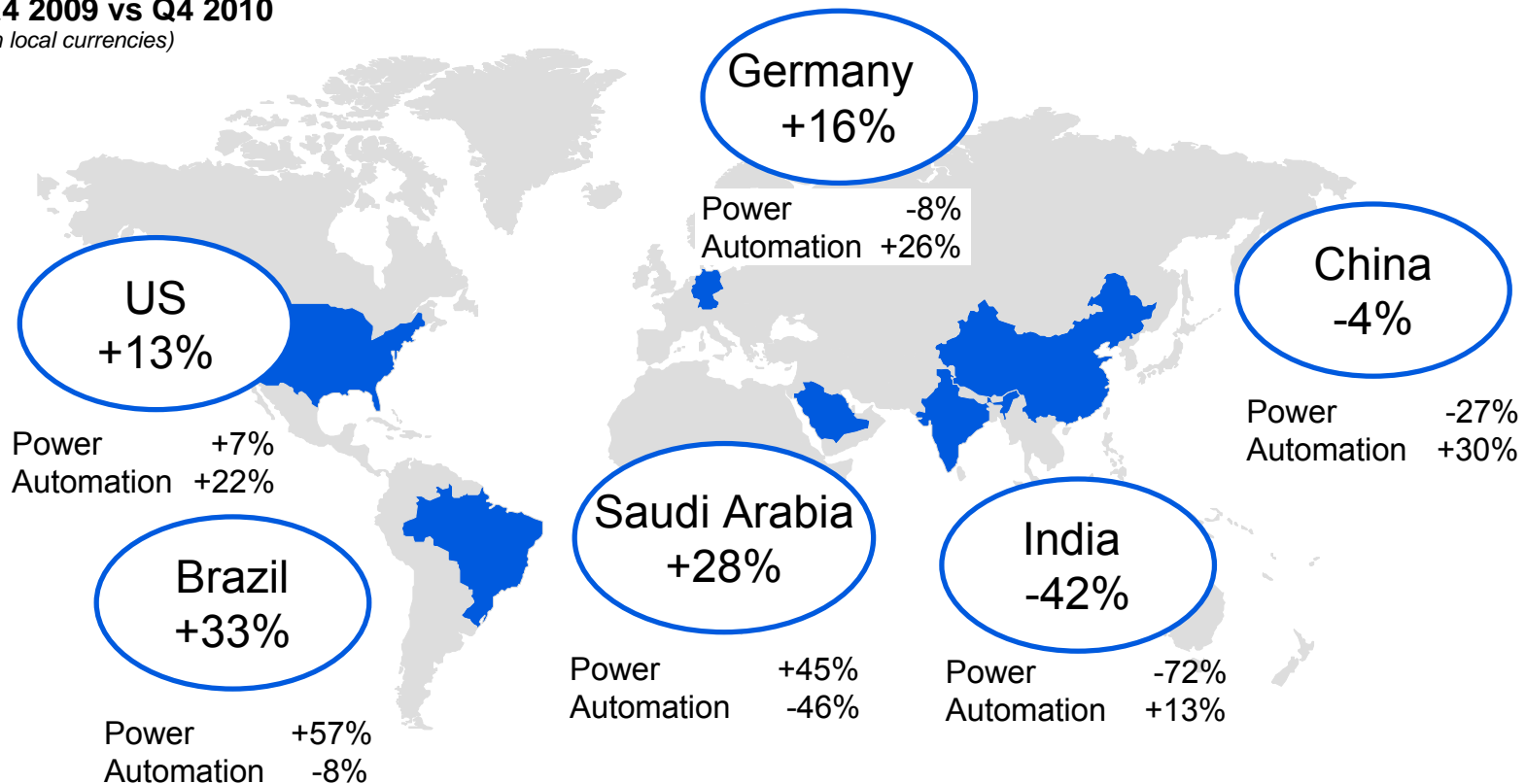


Chart 10

ABB with a broad base of emerging market demand

Emerging markets now account for ~50% of total revenues

ABB's top emerging markets by orders received 2010
US\$

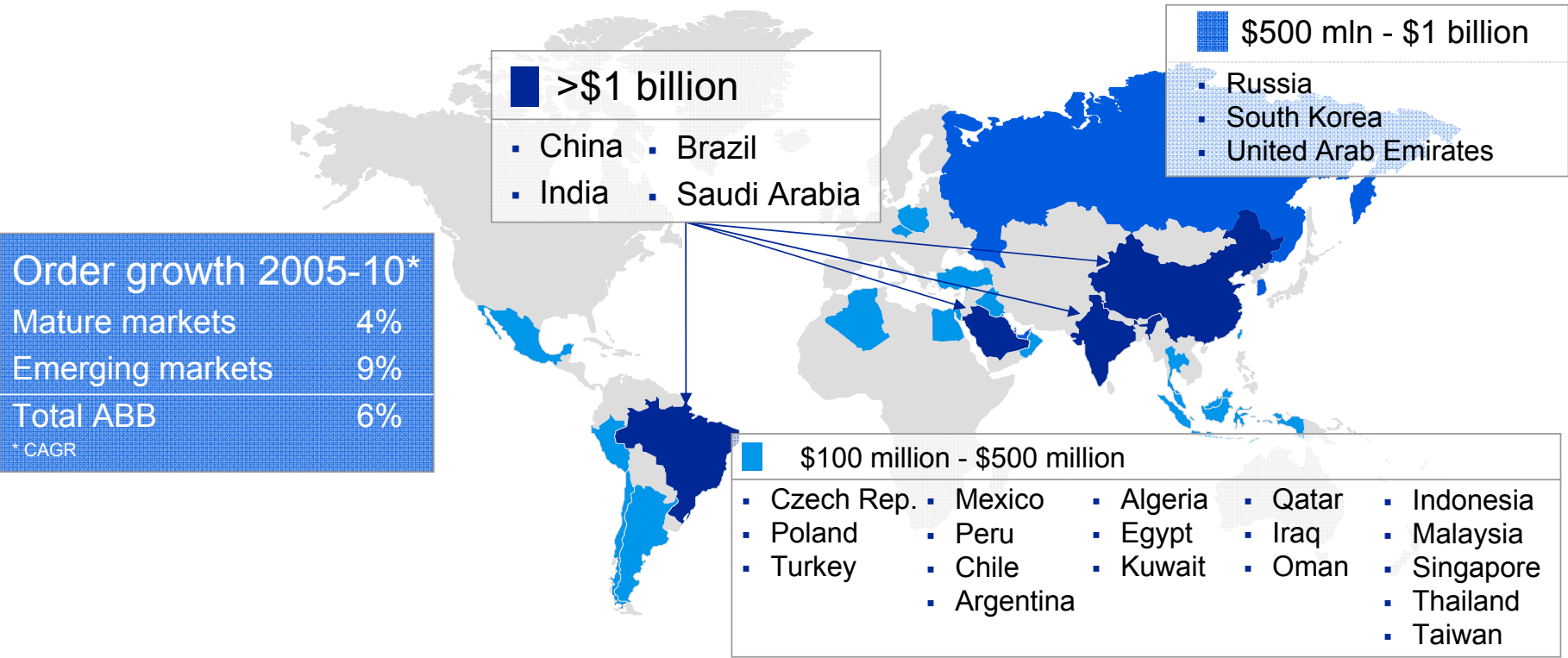


Chart 11

China update: industrial growth driving automation, power distribution

Offset by low level of large transmission projects



Outlook for 2011

China market

- Robust demand in all main industrial sectors
- 5-year plan focus on energy efficiency to support further

Power

- Grid investments expected to grow 10-15%
- Demand for ultra-HV equipment >2x vs 2010
- Locals with high headline share, but ABB components still key
- Ambitious timetable, technology gaps favor global players

Automation

- Diverse customer base favors strong brands, technology
- Commodity-based sectors with strong growth
- Energy efficiency needs will dominate for several years

Germany update: order book boosted on push for renewables

Strong industrial base



Outlook for 2011

German market

- Government puts ambitious energy act into place
- Industrial activity and export strength fuels GDP growth

Power

- Renewable generation and its grid integration is prime focus
- Grid investments expected to grow by >10%
- HVDC and smart grid are key pillars for grid extension
- Growing opportunities in energy efficiency solutions, especially heat recovery and energy management

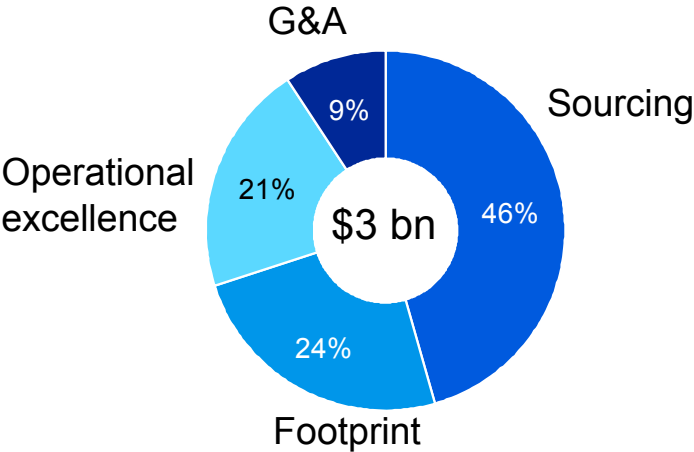
Automation

- Strong focus to improve energy efficiency in existing plants
- New smart home solutions, fast innovation rate

\$3 billion cost savings program hits target on schedule

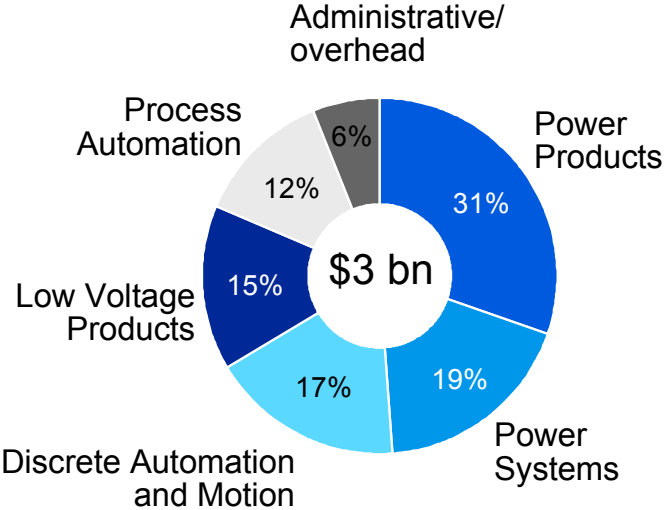
Cost control ensures competitiveness

Share of total savings by source 2009-10
Percent



In line with original targets

Share of total savings by division 2009-10
Percent



Balanced savings across the businesses

Another \$1 billion+ savings targeted for 2011

Cost control maintains margins within target ranges

- Later-cycle businesses will continue to see volume and price pressure as recent order declines feed through to the P&L
- Build on momentum of current program to drive for additional savings
- Specific actions identified, some already launched
- Total cost max. 0.8% of revenues

Targeted price increases to address commodity inflation in 2011

Expected share of total savings by source 2011

Percent

Operational excellence

- Productivity, speed to market, working capital management

Footprint

- Continued capacity build-out in emerging markets

Sourcing

- Leverage emerging market supply network

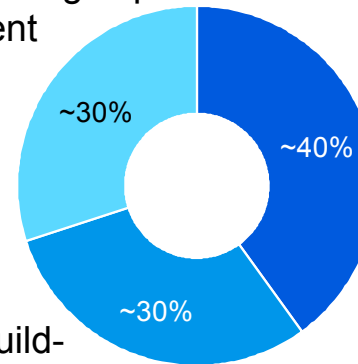





ABB used its strong balance sheet for strategic growth in 2010

Some \$6.5 billion* spent on acquisitions

Division	Description		Revenue <i>US\$ mln</i>	Rationale
PS	Ventyx	 An ABB Company	250	Growth (smart grid), regional gap, customer access, business model
All	Increase holding in ABB India		---	Growth (domestic and export), earnings upside
PA	K-Tek Holding	 A MEMBER OF THE ABB GROUP	20	Close technology gap (measurement equipment)
DM	Baldor Electric	 A MEMBER OF THE ABB GROUP	1,725	Close regional gap, sales synergies, portfolio (energy efficiency)

- M&A strategy continues: geographic gaps (eg, US), technology adjacencies, growth verticals (eg, smart grids)
- Strong processes in place at top level to drive integration

* Includes Baldor which was closed and paid in January 2011

Increased dividend for 2010: CHF 0.60 per share vs 0.51 in 2009

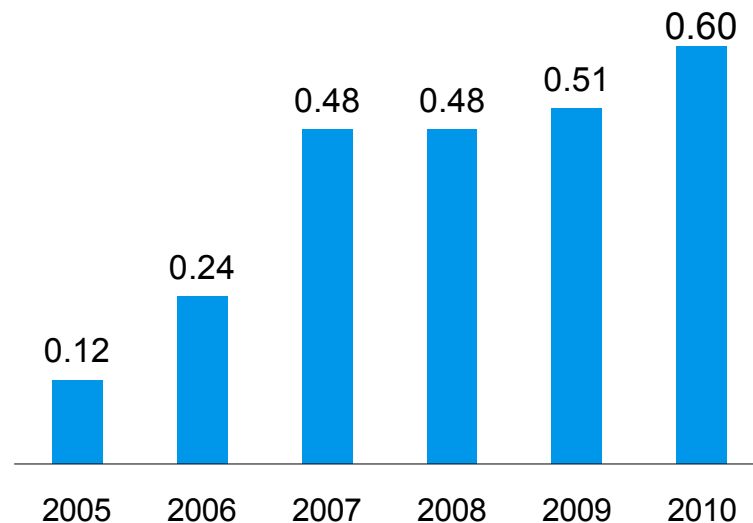
Capital repayment maintains tax advantage for shareholders

Dividend policy

A steadily rising, sustainable annual dividend throughout the business cycle

Dividend payout 2005-2010

CHF per share



- 18% dividend increase vs 2009
- Confidence in the business
- Payment from capital contribution reserve retains Swiss tax benefits
- CHF 6.4 bln for tax-free dividend payments
- Equivalent to 54% payout ratio
- Requires AGM approval, payment of dividend in early May

Chart 17

Financial review

Revenue and earnings performance
demonstrated our portfolio strength

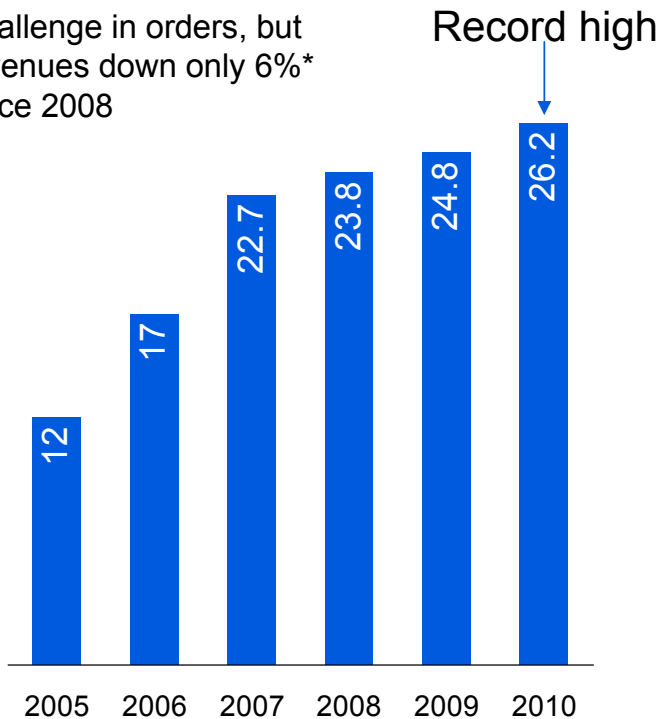
Michel Demaré

2008 – 2010: two years of economic crisis

Order backlog and free cash flow at record high

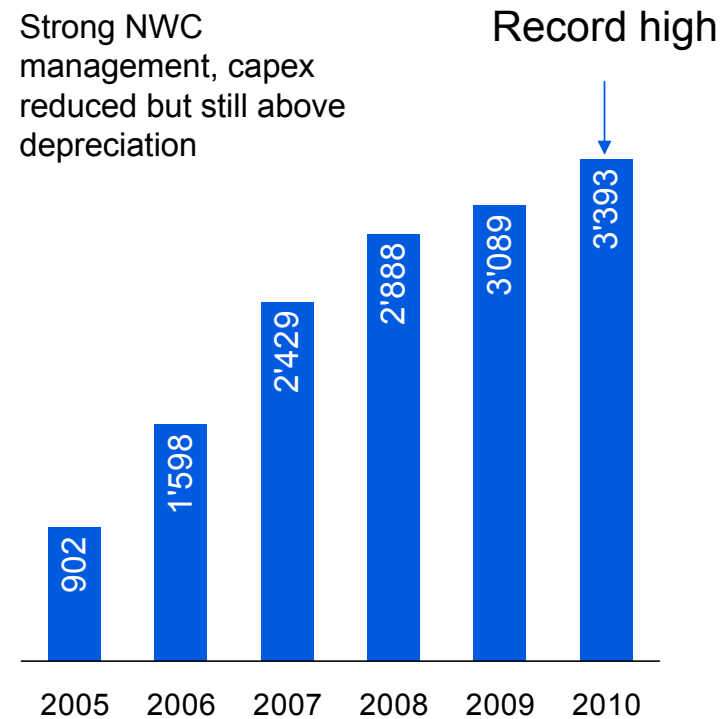
Order backlog 2005-2010
US\$ billions

Challenge in orders, but
revenues down only 6%*
since 2008



Free cash flow 2005-2010
US\$ millions

Strong NWC
management, capex
reduced but still above
depreciation



* local currencies

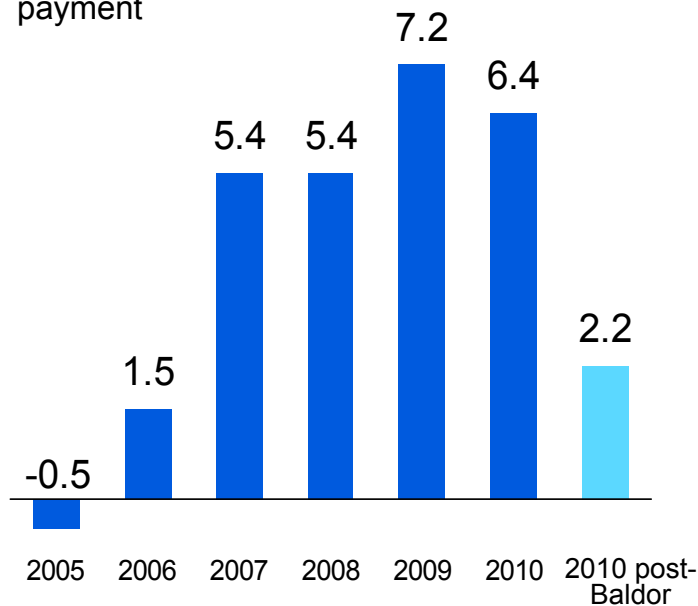
Chart 19

2008 – 2010: two years of economic crisis

ABB emerges with one of the strongest balance sheets in the sector

Net cash position 2005-2010
US\$ billions

Still strong net cash 2010
2nd-best year ever,
>\$2 bln cash after Baldor
payment



Stockholders' equity 2005-2010
US\$ billions

Highest equity ever, despite
higher dividend and ABB India
transaction

Record high

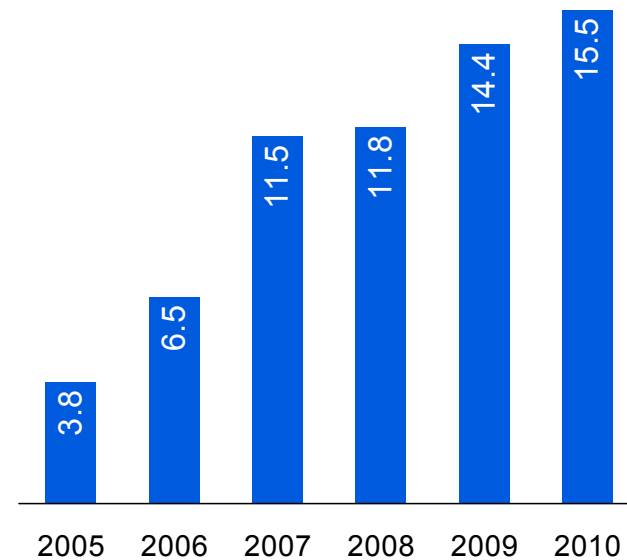


Chart 20

Another year of strong cash generation

Free cash flow rises more than \$300 million

Free cash flow 2009 vs 2010
US\$

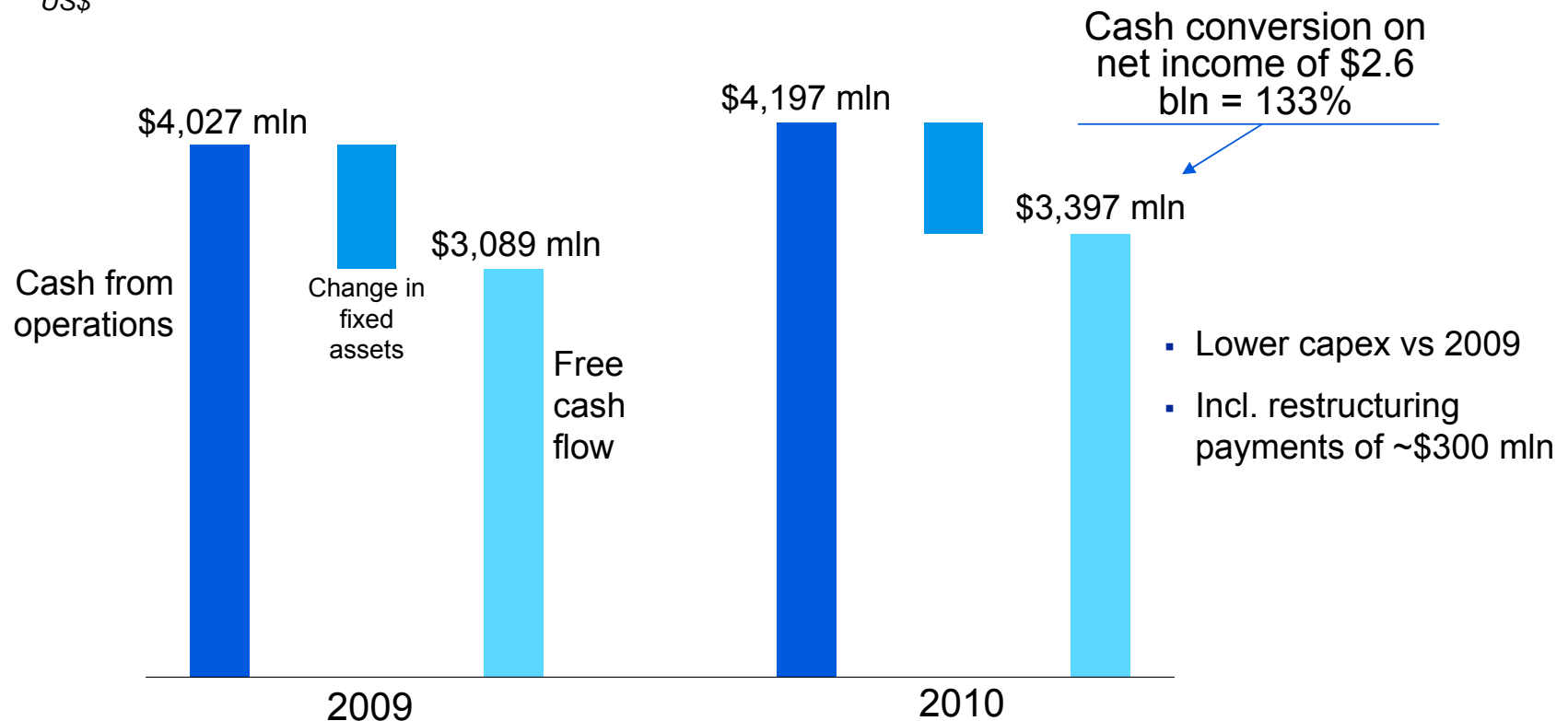
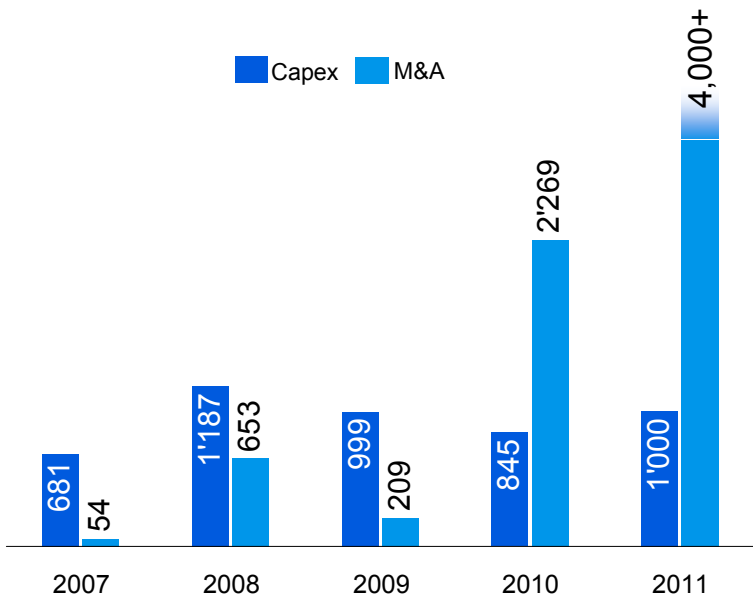


Chart 21

Year-end net cash position at \$6.4 billion

Priorities for uses of cash

Organic and inorganic growth
Capex and acquisitions 2007-2011
US\$ millions



Return to shareholders
Dividend development 2005-2010
CHF per share

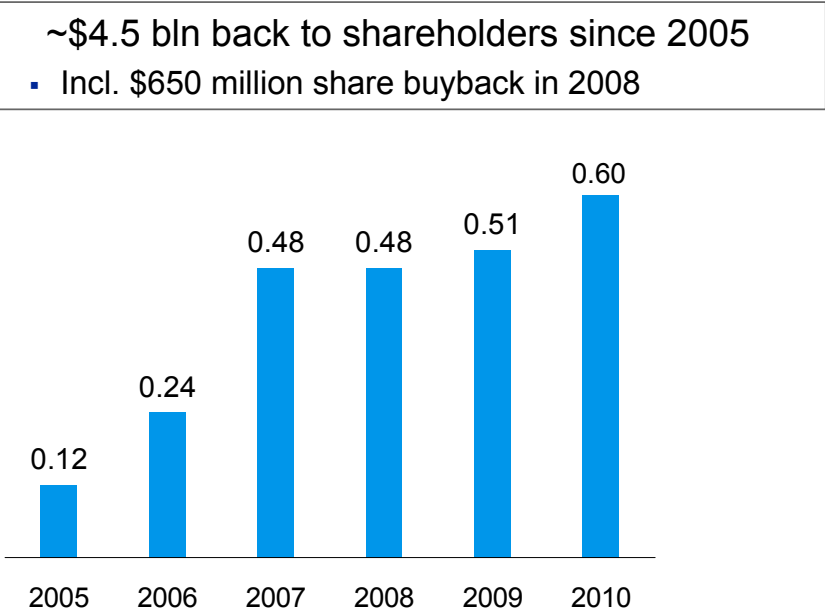


Chart 22



Ventyx update

Integration on track, solid value creation expected in 2011



- Results consolidated since July 2010
- 2010 growth in line, EBITDA ~10% above plan
- 2011 revenue growth expected >15%, stand-alone EBITDA margin >30%
- All key managers successfully retained
- Integration of portfolio and sales force completed in October 2010
- Breakthrough orders
 - China National Nuclear Power asset management software (using ABB scope)
 - 1st integrated Ventyx/ABB grid management order with US utility (CenterPoint)
 - Demand-response smart grid application >1,000 MW with US utility
- Key acquisitions to expand offering (IKS) and integrate portfolio (Obvient)

Roadmap to profitable growth

Significant growth opportunities ahead

Joe Hogan

Significant growth opportunities ahead

Energy efficiency, grid reliability, industrial productivity remain the drivers



- Infrastructure renewal needed
- Global economy headed in the right direction, especially emerging markets
- Energy efficiency requirements in industry and buildings will continue to grow
- Rising commodity prices drive key customer capex and opex (esp. oil and gas)
- Renewable energy needs will continue to grow as governments tackle climate change
- Need to connect remote renewable power resources to meet higher energy demand
- Power grids must become smarter, more flexible – technology driven
- Industrial and grid customers have new service requirement

Energy efficiency

Doing more while lowering costs and emissions



Transportation

Container ships fitted with high-performance ABB diesel engine turbochargers can increase power output four-fold



Industries and utilities

Upgrading hundreds of millions of electric motors would achieve large savings as they account for about two-thirds of industry's electricity usage



Buildings

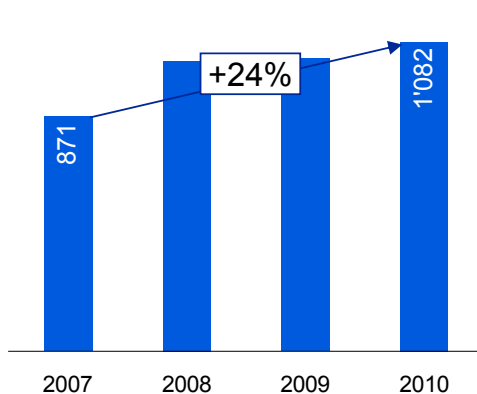
ABB intelligent building solutions manage temperature, lighting and electrical appliances to exact requirements

Key growth areas of focus for ABB

Investment in core competencies

More investment into R&D

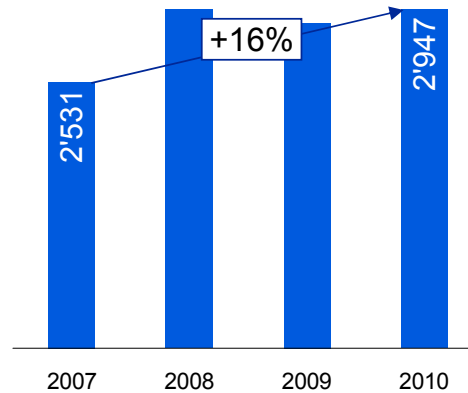
US\$ millions, % change in US\$



- Technology remains a competitive advantage
- Major push into emerging markets

More investment into sales

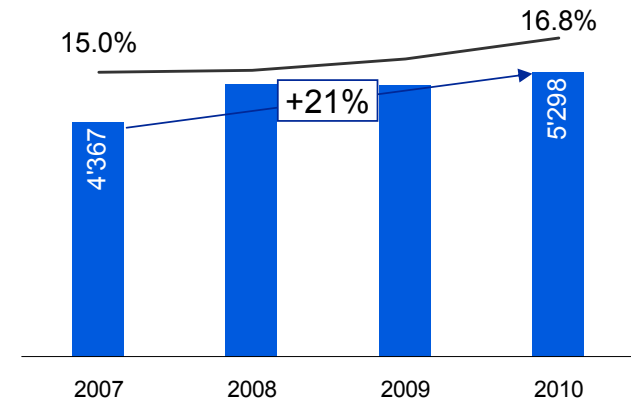
Selling expenses, US\$ millions



- Targeted by product, business and geography
- Sales expenses in emerging markets up >40% since 2007, vs 5% in mature markets

More service revenues

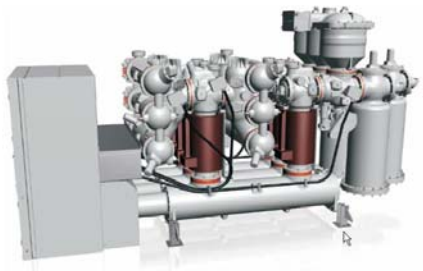
US\$ millions, and as % total revenues



- Large untapped potential in both power and automation
- Solid growth despite targeted withdrawal from some large full-service contracts

Highly targeted product development

Maintaining our lead in conventional technologies, opening new areas



Gas insulated switchgear

Compact, reliable, and more environmentally friendly switchgear for urban applications where space is limited.



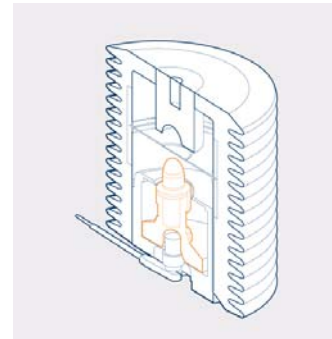
Automated circuit breaker

Reliably protects and monitors installations, such as cables, overhead lines, transformers, and motors, communicating directly with substation control systems.



Low-loss motors

Smaller, lighter and more efficient, with a longer lifespan and capable of high-speed operation without the use of gears.



Ultrafast switchgear

Prevents damage and injury through ultrahigh-speed grounding capability.

Powering world's tallest building Burj Khalifa

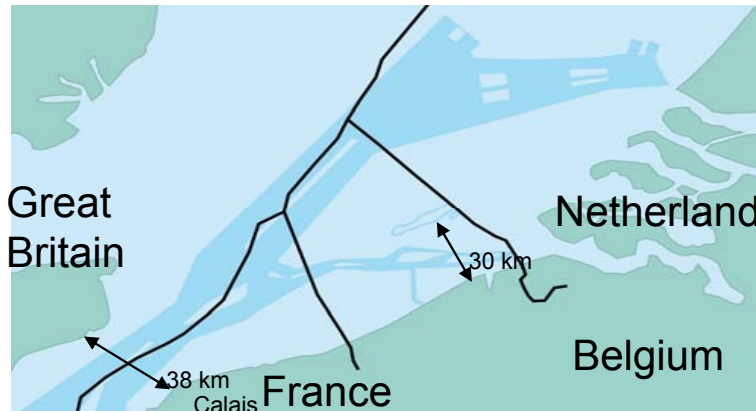
Custom solutions for energy efficient, reliable and safe power delivery



- Several ABB substations within the building, highest substation is at 155th floor
- 50 lightweight gas-insulated medium voltage switchgears, which offer a space-saving design that is easy to service
- 72 dry-type transformers, specially designed for the tower with a flexible enclosure to fit in a tight space

Offshore wind connection in North Sea

Power link brings 325 megawatts of green energy into the European grid



- Linking renewable energy sources to the grid is a key component to balance the growing need for electricity with climate change concerns
- HVDC technology ensures connection of 325 MW of volatile windpower while protecting grid reliability
- Wind turbines to be connected via underwater medium-voltage cables to the offshore transformer station
- Voltage stepped up to 150 kilovolts offshore for efficient mainland transmission
- Scheduled to be operational in 2013
- Reduces CO₂ emissions of 450,000 tons per year compared with the most efficient gas-powered power plants

Automation and power for Europe's largest copper mine in Aitik, Sweden

Making mining profitable with only 0.27% copper ore content



- Doubling annual production to 36 million tons
- Entire mining site controlled by 800xA
- 880 energy efficient motors and drives
- Two 22.5 MW gearless mill drives for largest gearless mill drives ever built
- Four 1.4 MW permanent-magnet motors
- Ensuring stable power demand of 120 MW
- Smart grid technology to ensure stable power supply in Northern Sweden during peak loads

Efficient automation processes and power reliability

Plant controlled by ABB's System 800xA



System 800xA controls

- Concentrator
- Belt conveyors
- Crushers
- Intermediate storage
- Harmonic filter system for stable power

The most powerful mill drives ever built

Doubling production capacity while only adding 10% more employees



- Modernization of entire operation, total order volume of \$84 million
- Two ABB gearless mill drives (GMD) to crush the ore included
- 22.5 MW each, largest GMDs ever built, can crush up to 2,200 tons of ore per hour
- GMD eliminates need for gears thus
 - Increasing efficiency (~40% lower loss possible)
 - Reducing mechanical wear and tear resulting in lower maintenance costs

Drive systems for 3,000 meter overland belt conveyor Powered by hundreds of ABB drives power conveyor belt



Chart 34

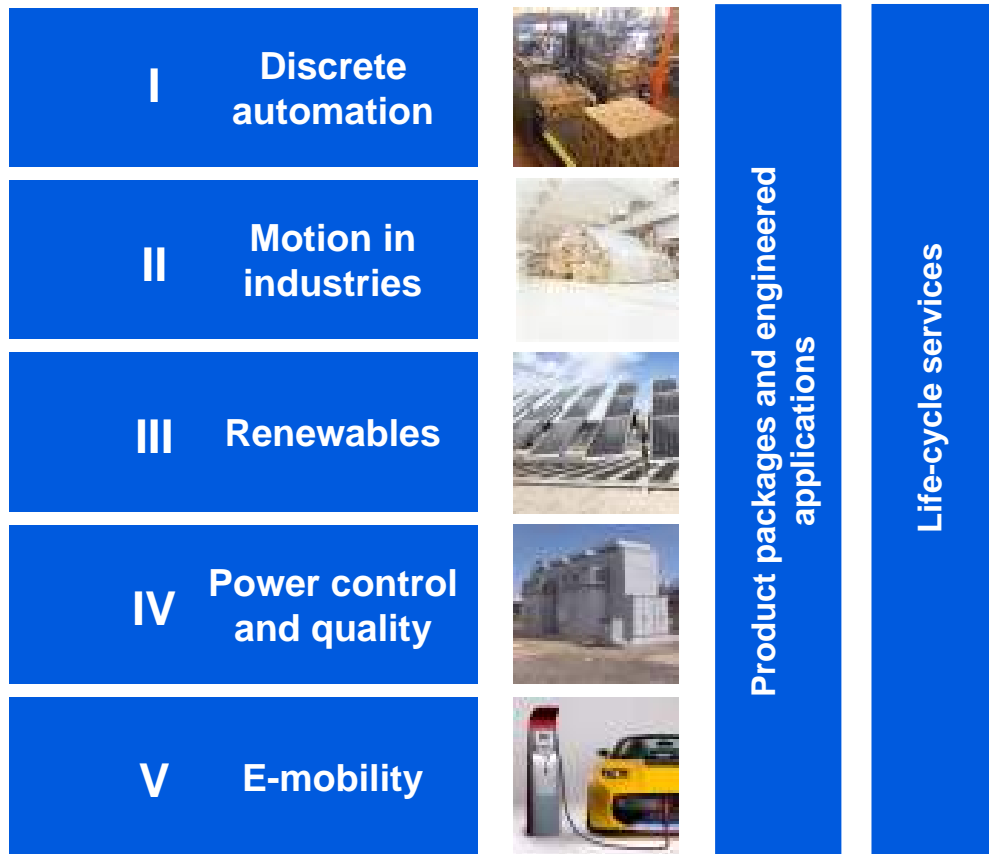
Roadmap to profitable growth

Discrete Automation and Motion

Ulrich Spiesshofer

Discrete Automation and Motion

Great markets to serve – great business to be in



Ambitions

- Accelerate growth
 - Leverage technology for new applications
 - Penetrate underserved markets
 - Packages and bundling
- Leadership in industrial motion
- Faster growth in tailored services
 - Service share of 20%
- Increased profitability, solid mid-teen EBIT margins
 - Cost reductions
 - Robotics turnaround

Chart 36

Turnaround in robotics strengthens ABB's position in discrete automation

Discrete automation
Industrial motion
Renewables
Power control and quality
E-mobility



- Back to profitability
- Strong growth
 - >60% in orders
 - ~90% in units to >12,000, all-time high
- New generation mid-range robots launched
 - Up to 25% shorter cycle times
 - 20-70% payload increase
 - Up to 90% shorter programming time
 - Supported by user-friendly configuration tool

Chart 37

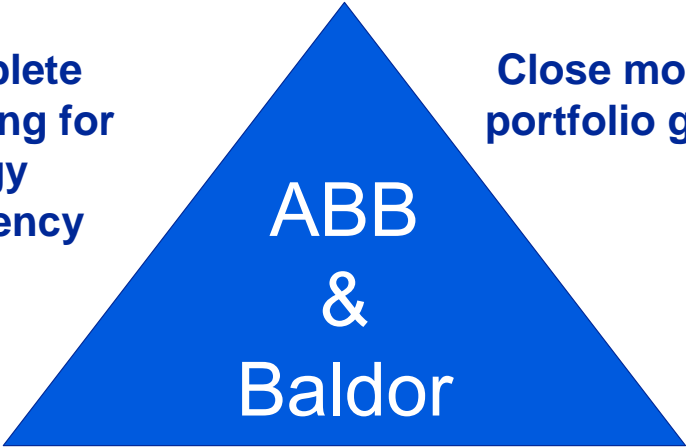
Baldor acquisition builds ABB's position in key North American market

- Discrete automation
- Industrial motion**
- Renewables
- Power control and quality
- E-mobility



Complete offering for energy efficiency

Close motor portfolio gap



Improve presence in North America

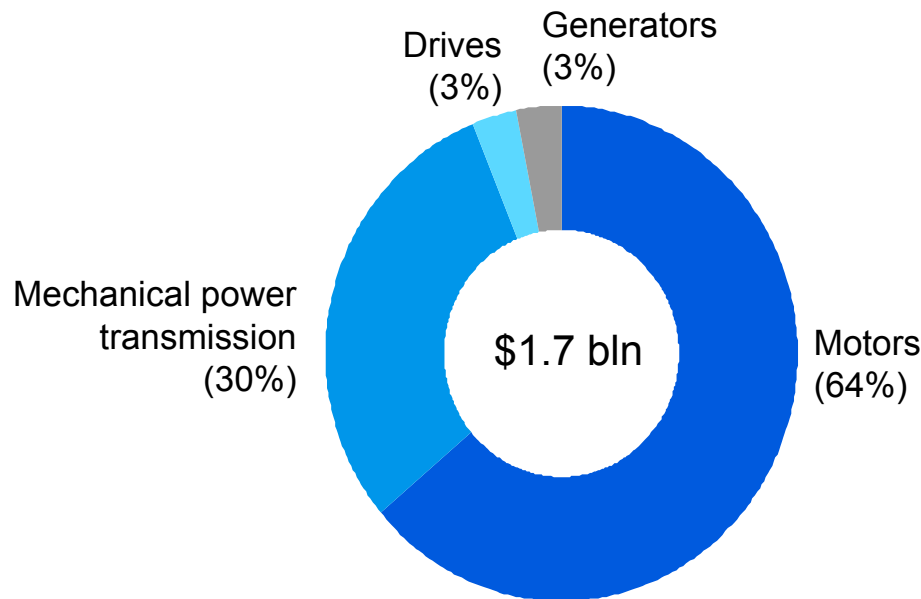
Chart 38



Baldor turned in a strong performance in 2010

Set for further improvements in 2011

2010 revenue split



Strong performance in 2010

- Revenues up 13% to \$1.7 billion
- 14% EBIT margin
- 18% EBITDA margin

Further improvements expected for 2011 (before synergies)

- Double-digit revenue growth
- EBITDA margin (excl. one-time costs) above 2010 level

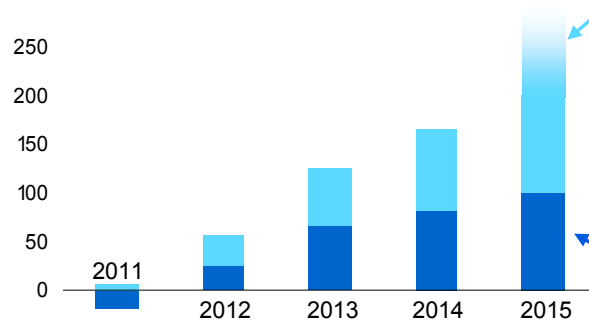
Synergies are expected to generate additional growth and profit starting in 2011

Overall operating profit to increase >30% in 2011

Baldor synergies confirmed, upsides identified

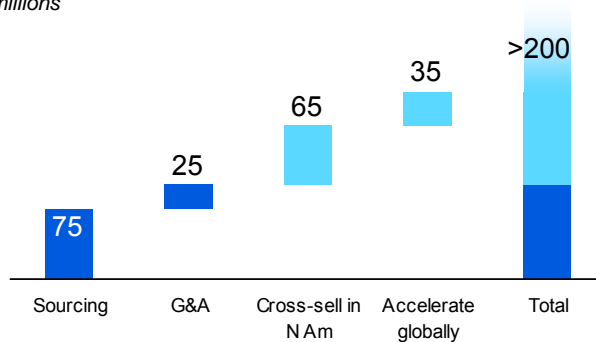
Minimum expected annual synergies

US\$ millions



Synergies by type

US\$ millions



Revenue synergies

In North America

- ABB drives through Baldor market access
- Cross-sell complementary motors
- ABB LV products

Globally

- Baldor mechanical power transmission
- Baldor NEMA motors
- Complete offering to global accounts

Cost synergies

- Global sourcing, emerging market supply, joint commodity teams
- Quick hits via cost leveling and scale
- Consolidate global office network
- Eliminate Baldor public company costs

Potential upsides (selected examples)

- Accelerated growth in wind and rail in North America
- Service synergies
- Additional G&A cost reduction (eg, insurance)

Chart 40

Launch of solar inverter portfolio takes ABB into growth market

Discrete automation

Industrial motion

Renewables

Power control and
quality

E-mobility



Organic entry into ~\$5-bln solar inverter market

ABB now has a broad product range, from residential to power plant scale

- PVS300 string inverters for small commercial and residential applications
- PVS800-MWS megawatt station for utility-scale solar power plants
- Expanded production and sales in 2010

Example ABB PV installations:

- Slovakia: 1 MW
- Italy: 750 kW
- India: 1 MW

More than 100 MW delivered in 1st year on the market

Expanded power control and quality across a wide range of industries

Building on ABB's strength in power electronics

Discrete automation
Industrial motion
Renewables
Power control and quality
E-mobility



Rail example: \$55 million Stadler order

- 28 double-decker trains, 30 shunter locomotives
- Specially designed traction converters with integrated onboard power supplies
- Traction transformers and battery chargers

Providing a broad range of energy storage solutions

Cabinet



70-550kW

Rack/NEMA



300-700kW

Rack/NEMA



650-1,300kW

2MW container



1,000-2,600kW

4MW container



2,000-5,200kW

ABB with complete charging solutions for e-mobility growth

Discrete automation
Industrial motion
Renewables
Power control and quality
E-mobility



- New power electronics application
- Significant long-term potential
- ABB lead in DC technology is a key advantage

Example: DC fast charger in Hong Kong

- 15-30 minutes charging time vs hours for AC
- Used with a production model e-vehicle (Mitsubishi iMiev)

Example: AC charging stations and wall chargers

- Installed at WEF in Davos
- Cooperation with Nissan/Renault to charge the Nissan Leaf and the Renault Fluence Z.E.

DM on track with strategy execution and target achievement

Strengthen the core

- Product launches
- Service growth

Close gaps through acquisitions

- North America and NEMA motors through Baldor
- Show discipline

Expand offering for growth segments

- Solar
- E-mobility
- Energy storage

Improve profitability

- Cost reduction through global footprint optimization, operational excellence and sourcing
- Turnaround robotics

Roadmap to profitable growth Marketing and Customer Solutions

Brice Koch

Marketing and Customer Solutions

Driving new growth on many fronts

Solutions	<ul style="list-style-type: none"> ▪ Address key growth sectors ▪ Make it easier to do business with ABB ▪ Deliver cross-divisional energy efficiency and productivity solutions 	<ul style="list-style-type: none"> ▪ Wind ▪ Water ▪ Rail ▪ Smart Grids ▪ Energy Efficiency 	<ul style="list-style-type: none"> ▪ Group Account Mgmt ▪ Solar ▪ Data Centers ▪ Non-Systems Packages ▪ Shore-to-Ship Power 	Net Promoter Score	Customer Contact Management
Service	<ul style="list-style-type: none"> ▪ Utilize installed base, technology, footprint and capabilities to further build ABB's service business 	<ul style="list-style-type: none"> ▪ Service Full Potential <ul style="list-style-type: none"> ▪ Product-attached lifecycle services ▪ Location-based services ▪ Capability-based services 			
Innovation	<ul style="list-style-type: none"> ▪ Drive innovation to support customer needs and market development 	<ul style="list-style-type: none"> ▪ ABB Technology Ventures ▪ Research partnerships ▪ Growth fund 			

Targeting large, promising infrastructure markets

ABB's full scope addresses opportunities



	ABB-relevant market size	ABB orders in 2010	
Wind	\$6 bln	\$1.7 bln	Record 40% growth in China, major North Sea service contract wins
Rail	\$16 bln	\$1.1 bln	#1 in traction transformers, strong divisional convergence
Water	\$8-11 bln	\$825 mln	New market expansion strategy in place, pumping stations strong, desalination growth
Solar	\$3 bln	\$350 mln	Low-voltage breakers and switches, control products, full line of solar inverters, power plant control systems

ABB orders 2007-10

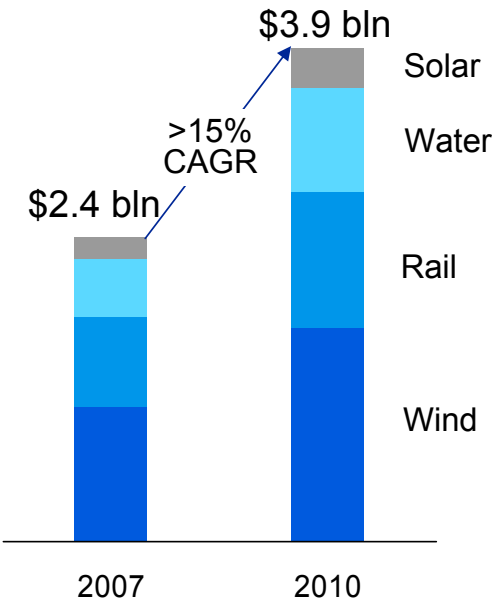
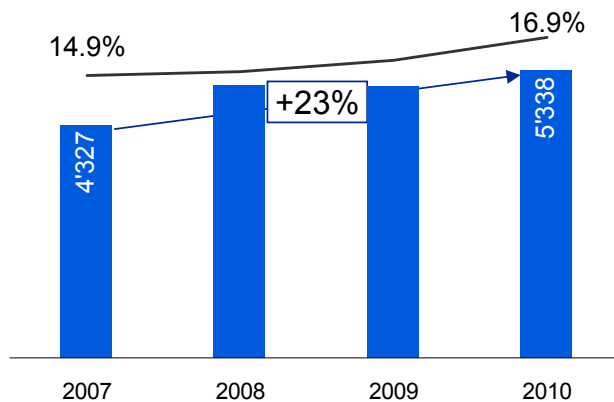


Chart 47

Growing the full potential of service

Service revenues 2007-2010

US\$ millions, and as % total revenues



“Service Full Potential”

- A far-reaching expansion of ABB’s current strategy
- Reinforcement of marketing and business development, customer focus and sales
- Expansion of R&D, people competencies and operational excellence

Growth vectors

- Product-attached lifecycle services
- Location-based services
- Capability-based services



Chart 48

ABB Technology Ventures: investing in future growth

More than \$60 million invested to date

- Investing in new technologies and business models relevant for ABB
- > 300 investment opportunities reviewed so far
- Stimulate and increase the pace of innovation, strengthen market signals








Company		Description
Trilliant		Smart grid radio mesh communications
Industrial Defender		Cyber security
Power Assure		Data center energy efficiency software
Pentalum Technologies		LIDAR for wind turbine efficiency
Aquamarine		Wave electricity generation
China Cleantech Fund		Venture fund for cleantech in China
ECOtality		Fast-charging for electrical vehicles

Chart 49

ABB Technology Ventures

Market access is key strategic benefit



- Trilliant - \$20 million investment
 - Access to Trilliant installed base; potential to partner in projects
 - Connection point to the meter market (data acquisition)
 - Combined forces to address US and European distribution automation market



- Aquamarine Power - \$13 million investment
 - ABB established as preferred supplier to Aquamarine Power
 - Provides access to marine energy market
 - Strategic fit and synergy with ABB off-shore wind business



- ECOtality - \$10 million investment
 - Leads largest-ever charging infrastructure deployment, positioned for US market leadership
 - Gives ABB instant North American market access, automation pull-through
 - ABB smart grid expertise + ECOtality's microclimate studies = pole position for e-mobility

Summary and outlook

In a good position for further improved growth and profitability

Joe Hogan

Summary of 2010

In a strong position for improved growth and profitability



- Revenue and earnings performance demonstrated strong execution & portfolio strength
 - Recovery in early-cycle automation mitigated later-cycle pressures in power
 - Heading into 2011 with a strong order backlog
- Strong execution on cost savings
- Profitability well within target corridor
- Excellent cash generation through the cycle
- Return to M&A with targeted bolt-ons and strong integration focus
- Higher dividend shows confidence in the business going forward

Outlook for 2011 and beyond

Capture growth opportunities in early- and mid-cycle businesses



- Energy efficiency, grid reliability and industrial productivity continue to drive
- Emerging markets will be significant drivers of demand
- Mature market demand expected to remain robust
- Plenty of growth opportunities in near-term industry-driven business
- Acquisitions will be accretive to 2011 performance
- Lean cost base, >\$1 billion more in savings to come in 2011
- Organization better aligned with markets to support growth opportunities

Q & A

**Power and productivity
for a better world™**

