October 27, 2011

ABB Q3 2011 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” 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 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.

Solid quarter with good execution
Early-cycle market slowdown visible

- Orders up 12%[1] (6% organic[1]) to \$9.8 bn; 3% base order growth (excl Baldor)
- Automation orders up 17%, Power 7% higher
- Revenues stable to higher in all divisions, up 11% (4% organic) for Group
- \$1.6 bn operational EBITDA[2], up 24%
- 16.7% operational EBITDA margin, 0.4% higher vs Q3 2010
- Strong operational EBITDA not visible in higher EPS due to derivative accounting
- Baldor adds >\$500 mill in sales, ~\$110 mill in op EBITDA
- Cost savings of ~\$270 mill offset price pressure, helped fund growth initiatives
- High NWC on increased inventories and receivables, corrective steps being taken
- ~\$1 billion in new CHF bonds extends debt maturity at attractive rates (proceeds received October)

[1] Management discussion of orders and revenues focuses on local currency changes. US dollar changes are shown in the tables. Organic changes exclude the impact of the Baldor acquisition
[2] See reconciliation of non-GAAP measures at the end of this presentation

Key figures for Q3 2011

Key figures Q3 2011 vs Q3 2010

US$ millions unless otherwise indicated	Q3 2011	Q3 2010	*change* US$	*change* Local[1]
Orders received	9,826	8,197	*20%*	*12%*
Order backlog *(end Sept)*	*28,492*	*26,593*	*7%*	*8%*
Revenues	9,337	7,903	*18%*	*11%*
EBIT	1,194	1,156	*3%*	
as % of revenues	12.8%	14.6%		
Operational EBITDA[2]	1,580	1,274	*24%*	
as % of op. revenues[2]	16.7%	16.3%		
Net income	790	774	*2%*	
Basic earnings per share *(US$)*	0.34	0.34		
Cash from operations	811	1,362		

- Restructuring and restructuring-related costs ~$30 million in the quarter
- Negative derivative impacts of ~$100 million vs positive ~$80 million in Q3 2010
- Depreciation & amortization at ~$260 million

[1] Management discussion of orders and revenues focuses on local currency changes. U.S. dollar changes are shown in the tables. On an organic basis (excl. the acquisition of Baldor), orders and revenues rose 6% and 4%, respectively.

[2] See reconciliation of non-GAAP measures at the end of this presentation.

Solid margin performance
Pace of growth slower in some early-cycle businesses

percentage change in local currencies vs same period in 2010, except operational EBITDA - percentage change in US$	Orders	Revenues	Op. EBITDA	Op. EBITDA margin	Δ vs Q310 *(percentage points)*
Power Products	+6%	+3%	+13%	17.2%	+0.2
Power Systems	+9%	+2%	+61%	9.7%	+2.7
Discrete Automation and Motion	+51%	+49%	+59%	19.6%	-0.1
Low-Voltage Products	+2%	+7%	+2%	19.9%	-2.8
Process Automation	+5%	-1%	+17%	13.0%	+0.8
ABB Group	12%	11%	+24%	16.7%	+0.4

Growth confirmed

Project timing

+15% organic

Softening demand, challenging comps

Solid execution on savings

Return to profit in cables

Higher selling and R&D expenses, commodities

Project timing

ABB

Q3 scorecard: Power Products remains on target
Early cycle softening in line with lower GDP

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- PP: Q2 growth confirmed, led by medium-voltage
- PP: Full-year op. EBIT margin expected close to 15%
- PS: Largest HVDC order ever, total orders up 9%
- PA: Higher share of product and service sales lifts margins
- DM: Another strong quarter from Baldor; robotics and power electronics drive 15% organic growth
- Service orders up 12%

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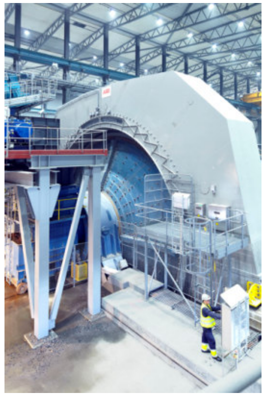
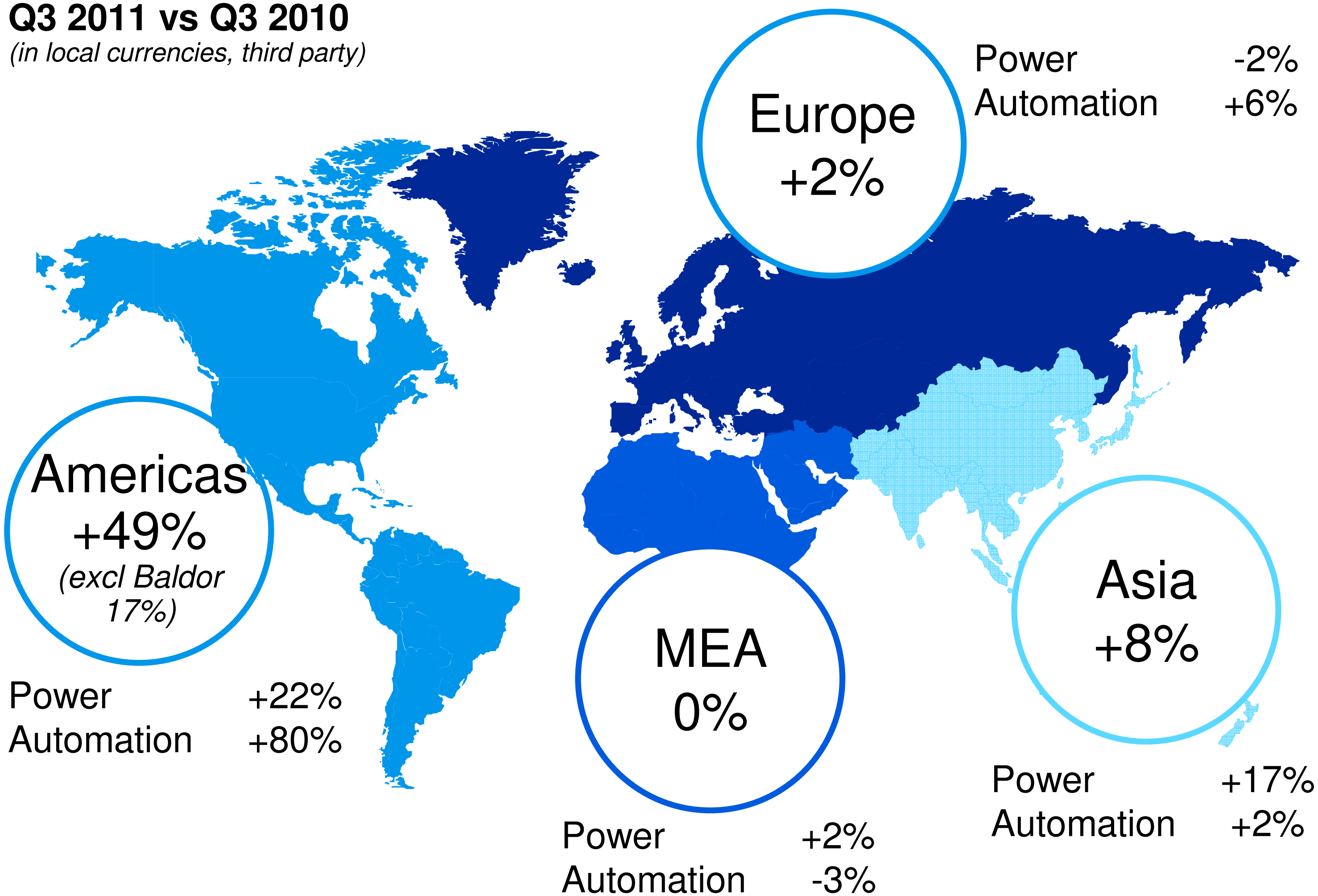
- Slower order growth in early cycle products on economic softening, tough year-on-year comparison
- Base orders growth slower at +3% (excl. Baldor)
- LP: Margin reflects investment in selling and R&D
- PP: Transmission pricing in backlog still a challenge
- PS/PA: Revenues reflect timing of project execution

Balanced regional exposure supports growth
Americas outperformed in Q3



Order growth by region
Q3 2011 vs Q3 2010
(in local currencies, third party)



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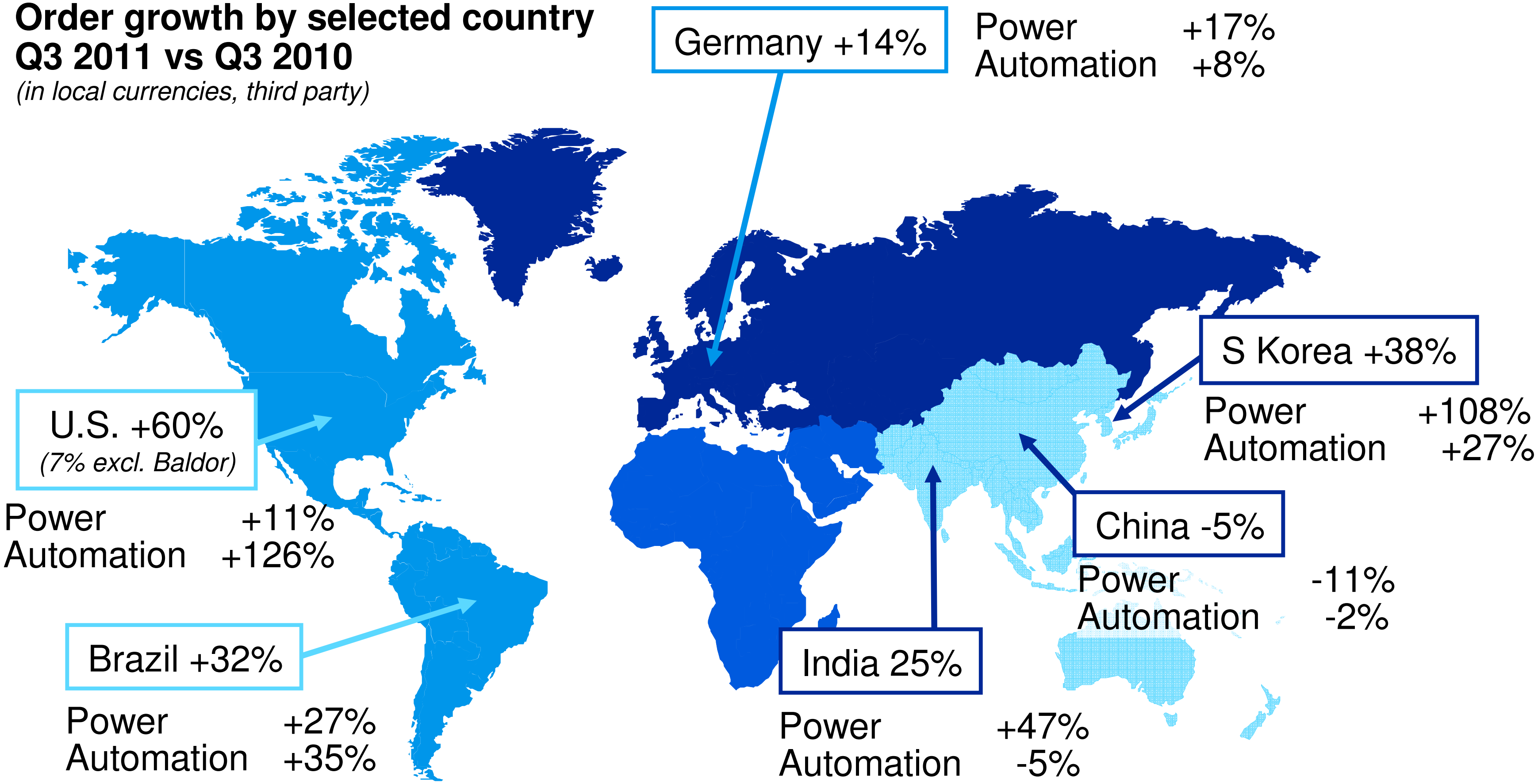
Solid growth in most of our largest country markets
PP and DM up in China, offset by weaker PS and PA

Order growth by selected country
Q3 2011 vs Q3 2010
(in local currencies, third party)



BRIC country orders up 10%

Power update Q3 2011
Orders driven by industry and power distribution

Upside

- Higher orders in industry and power distribution sectors
- Renewables integration remains a key driver
- Tendering activity in Power Systems remains at high levels
- Increased demand for specialty transformers

Risks

- Macro concerns (China inflation, U.S. and European debt)
- Cautious capex spend, limited public financing could delay transmission project awards
- Emerging competitors
- Continued price pressure

Key actions to tap opportunities, mitigate risks

- Speed up localized R&D and product design
- Further diversify customer base towards industry
- No let-up on cost take-out
- Further drive service growth

Automation update Q3 2011
Early cycle slowing but mid-cycle still strong



Upside

- Robust growth in robotics, medium-voltage drives
- Higher demand in O&G, marine, metals and P&P
- Further innovations to increase product efficiency
- ABB price increases start to impact, more to come

Risks

- Early-cycle slowdown
- Discipline on price increases
- Greenfield industrial capex has yet to fully recover
- Tougher comps to continue

Key actions to tap opportunities, mitigate risks

- Focus on maintaining/increasing cost flexibility
- Push further price increases
- Accelerate R&D investments
- Target key growth sectors (mining, oil & gas)
- Tap installed base for service growth

Baldor update: Solid execution, synergies on track
>$100 million contribution to operational EBITDA

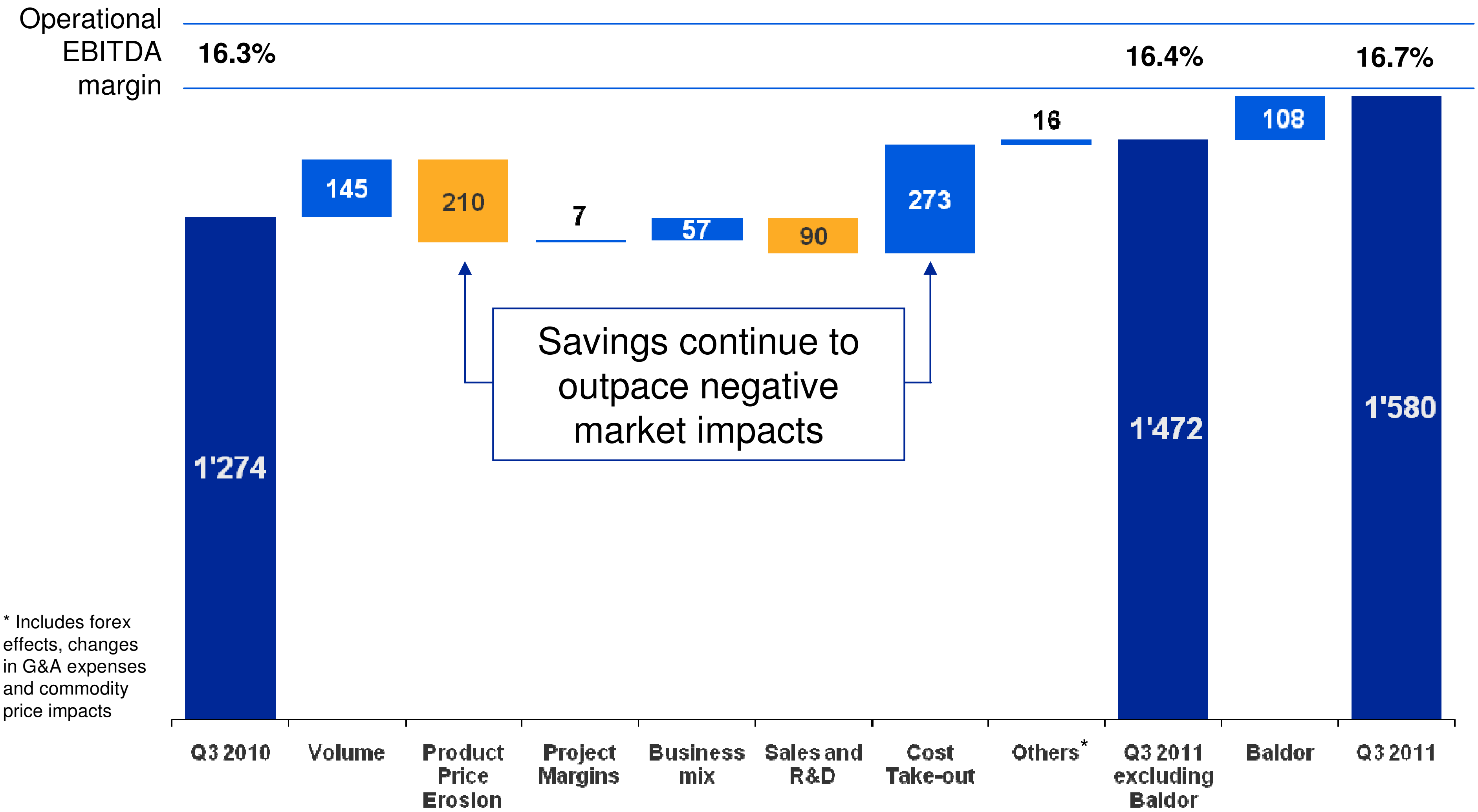
BALDOR
A MEMBER OF THE ABB GROUP

- Q3 2011 stand-alone vs year-earlier period:
  - 17% revenue growth
  - Operational EBITDA up 33%[1]
  - Operational EBITDA margin at ~20%, up from 2010[2]
- Synergy update:
  - Good progress in cross-selling NEMA/IEC motors and drives
  - Upside from mechanical power transmission orders outside U.S.
  - Sourcing and other cost savings in line with plan
- Integration on track
- Management retention successful
- No major acquisition-related charges in Q3
- Annual amortization expected at ~$110 million until 2017

[1] Indicative; [2] Operating profit margin based on Baldor historical definition at 17.0% in Q3 2011 vs 14.8% in Q3 2010

Cost-out more than offsets price pressure while contributing to accelerated R&D spend

Local currency analysis of change in operational EBITDA

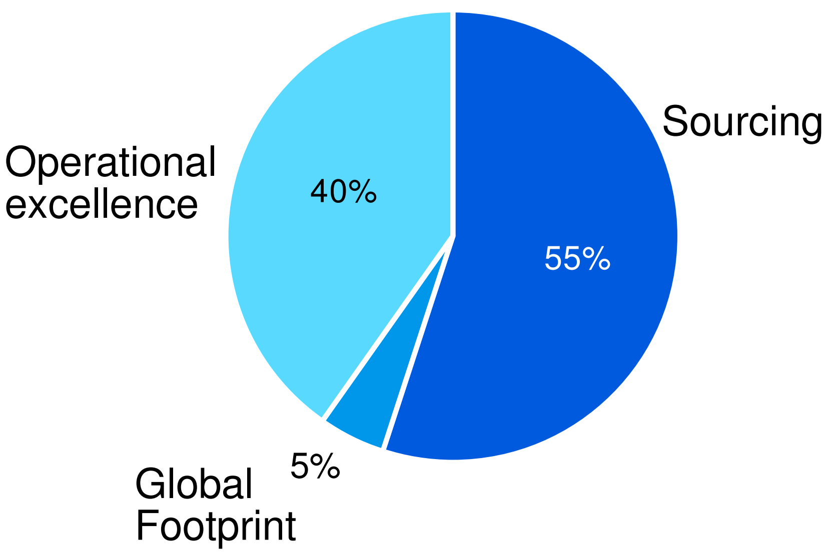


* Includes forex effects, changes in G&A expenses and commodity price impacts

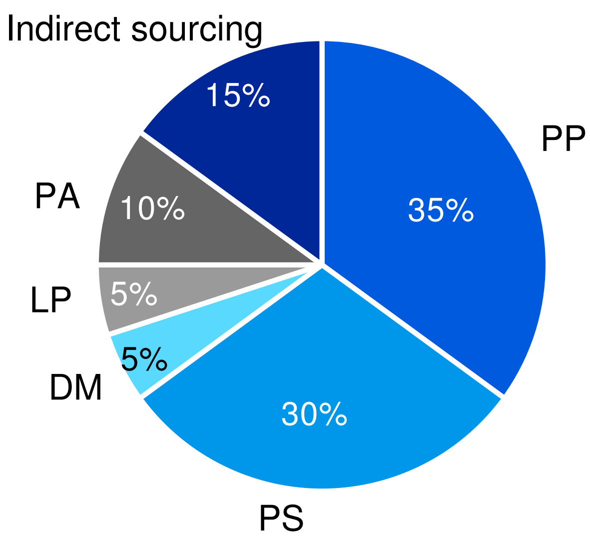
Cost savings year to date 2011

- On target for cost savings of $1 billion for 2011
- Q3 savings = ~$270 million (~$750 million YTD vs ~$650 price pressure)
- Operational excellence measures showing increased traction

Approximate share of savings by category YTD 2011

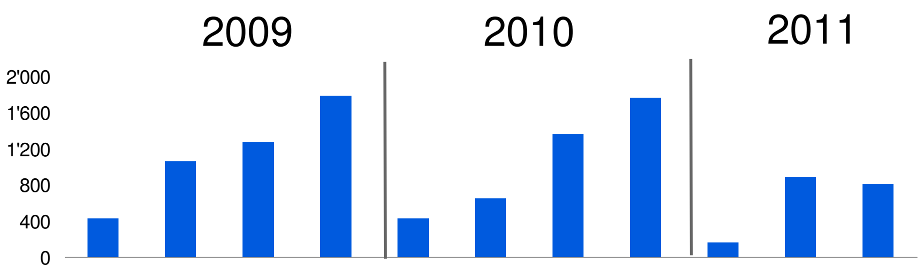


Approximate share of savings by division YTD 2011



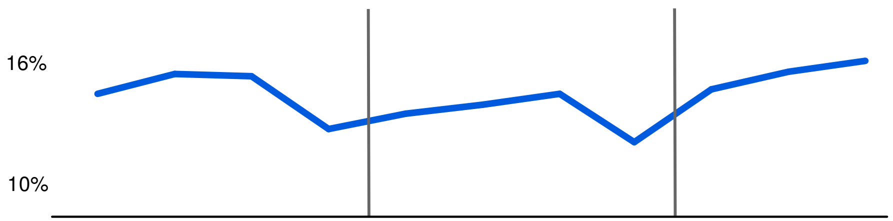
Disappointing cash development in Q3
Steps being taken to cut inventories, receivables in Q4

Cash from operations Q1 2009-Q3 2011
US$ millions



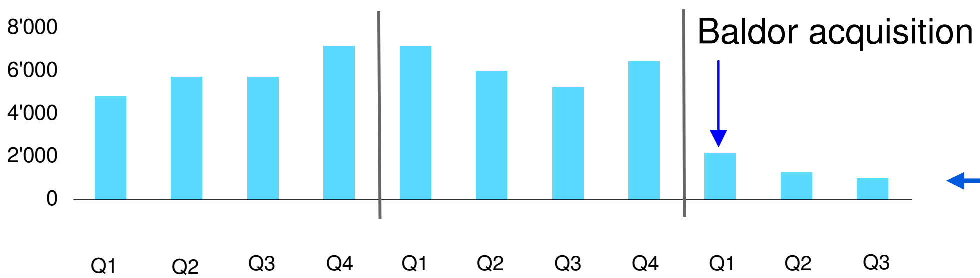
Weaker cash flow reflects softer market, higher NWC

Net working capital as % revs* Q1 2009-Q3 2011



Measures under way to improve NWC in Q4

Net cash position Q1 2009-Q3 2011



~$1 bn net cash

* Excl Baldor

ABB launched $1 bn of new CHF bonds
Extends debt maturity at attractive rates

CHF domestic bond launched (proceeds received in Oct)
- CHF 500 million 5-year at 1.25%
- CHF 350 million 10-year at 2.25%

- Lowest coupon ever paid by ABB for public bond financing
- Largest transaction in Swiss market in last 2 years

Bond maturities before issuance of USD and CHF bonds
US$ millions

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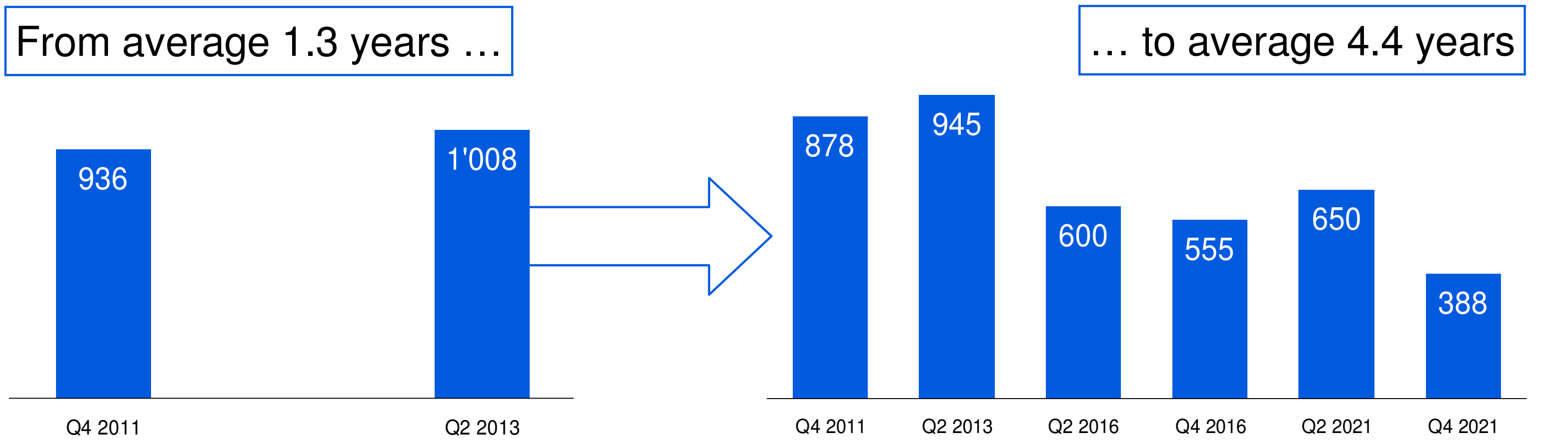
US$ millions



Summary and outlook
Solid execution in Q3, uncertain environment ahead

- Steady Q3 earnings as early cycle demand softens
- Savings again offset pricing pressure in power
- Baldor turned in another strong performance on top and bottom line
- Disappointing cash development, measures in place to improve in Q4

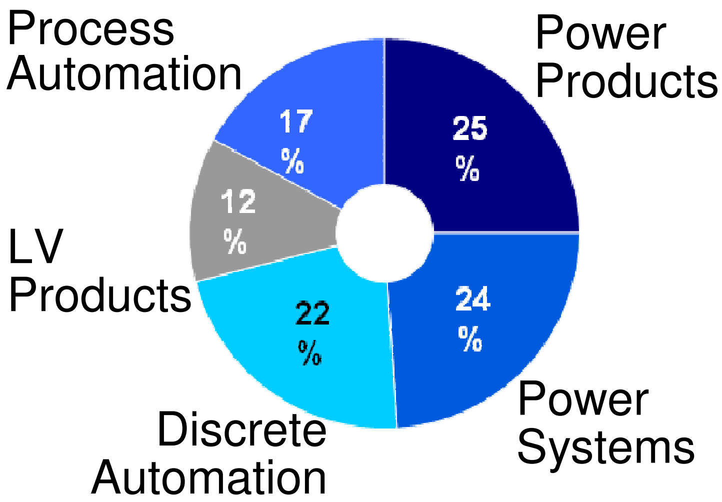
Outlook

- Macro concerns make short term forecasting more challenging
- Long-term remains positive around grids, energy-efficiency and emerging markets
- Mixed near-term view—some early-cycle softening, later-cycle may be prolonged on macro concerns
- Early-cycle order growth expected to remain near current levels until macroeconomic confidence improves
- Focus on flexibility and productivity will remain key

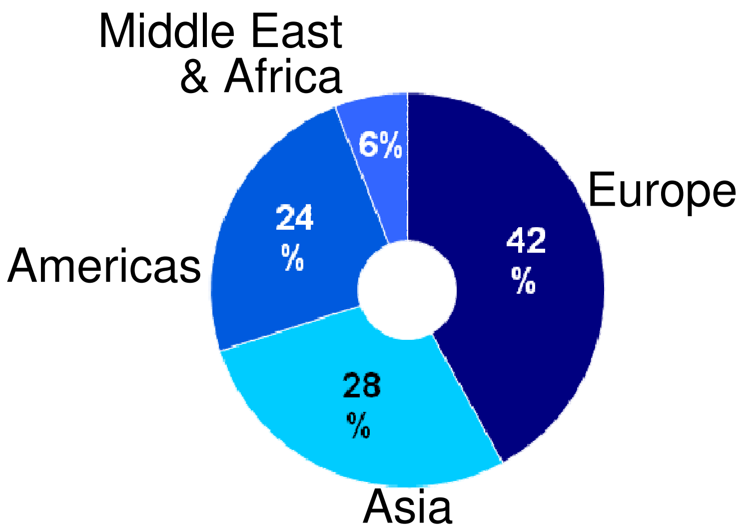
Power and productivity
for a better world™

Balanced business and geographic portfolio

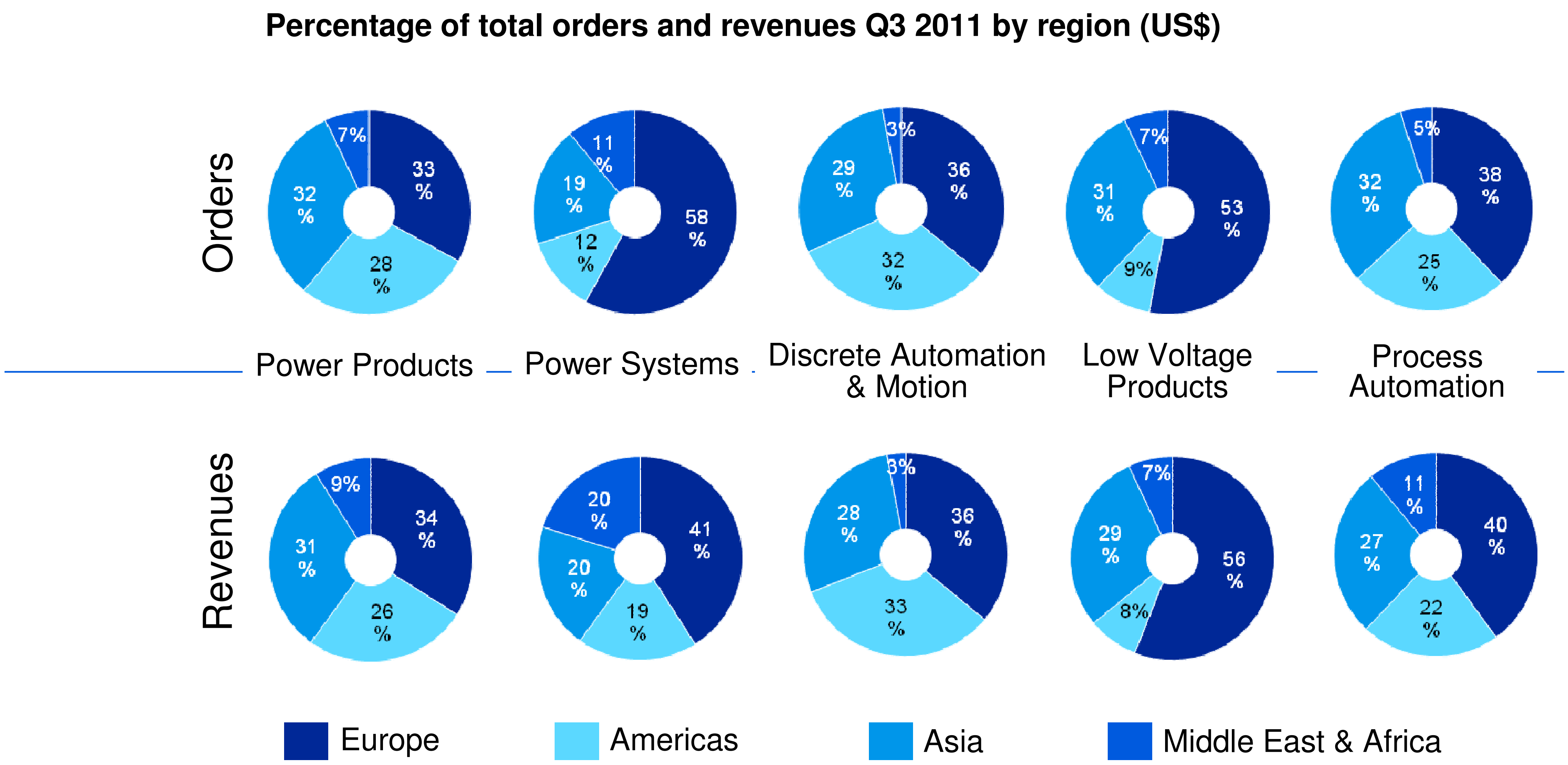
Orders by division
% of total orders Q3 2011 (non-consolidated)



Orders by region
% of total orders Q3 2011



ABB's businesses by division and region



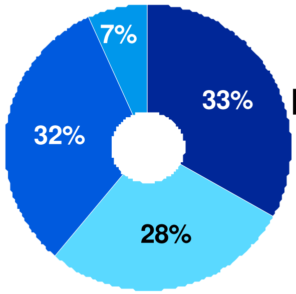
Power Products
Q3 2011 summary

Key data Q3 2011

US$ millions unless otherwise stated

	Q3 2011	Q3 2010	Change US$	Change Local
Orders received	2,660	2,364	*13%*	*6%*
Order backlog (end Sep)	*8,431*	*8,259*	*2%*	*3%*
Revenues	2,676	2,439	*10%*	*3%*
EBIT	356	406	*-12%*	
as % of revenues	13.3%	16.6%		
Operational EBITDA	464	411	*13%*	
as % of op. revenues	17.2%	17.0%		
Cash from operations	229	467		

Orders by region Q3 2011



- Orders up primarily on continued strength in industry and power distribution; later-cycle transmission demand is still to recover
- Revenue growth in the quarter spread across all businesses, largely reflecting increases in power distribution
- Operational EBITDA margin increased slightly on higher volumes, business mix and cost savings that offset price pressure on power transmission orders executed from the backlog

[1] Middle East and Africa

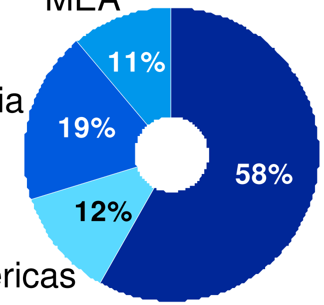
Power Systems
Q3 2011 summary

Key data Q3 2011

US$ millions unless otherwise stated

	Q3 2011	Q3 2010	Change US$	Change Local
Orders received	2,557	2,158	*18%*	*9%*
Order backlog (end Sep)	*11,199*	*10,446*	*7%*	*9%*
Revenues	1,831	1,679	*9%*	*2%*
EBIT	104	101	*3%*	
as % of revenues	5.7%	6.0%		
Operational EBITDA	184	114	*61%*	
as % of op. revenues	9.7%	7.0%		
Cash from operations	-81	33		

Orders by region Q3 2011



- Order increase driven by grid upgrades, integration of renewables; largest-ever power transmission order for $1-bn offshore wind power link in Germany
- Industry-related demand in power distribution also contributed to the growth
- Revenues grew slower than in recent periods, primarily due to timing of order execution; Order backlog >$11 bn
- Operational EBITDA increased significantly, mainly on higher revenues and return to profitability in cables business

[1] Middle East and Africa

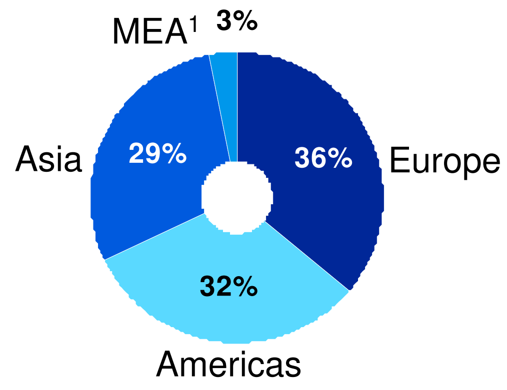
Discrete Automation and Motion
Q3 2011 summary

Key data Q3 2011

US$ millions unless otherwise stated

	Q3 2011	Q3 2010	Change US$	Change Local
Orders received	2,377	1,473	*61%*	*51%*
Order backlog (end Sep)	*4,373*	*3,486*	*25%*	*25%*
Revenues	2,313	1,460	*58%*	*49%*
EBIT	382	270	*41%*	
as % of revenues	16.5%	18.5%		
Operational EBITDA	456	286	*59%*	
as % of op. revenues	19.6%	19.7%		
Cash from operations	269	156		

Orders by region Q3 2011



- Strong order growth on continued demand for energy efficient automation solutions across all regions; orders up 15% excl. Baldor
- Revenues mainly reflect execution of the strong order backlog, which continued to increase
- Operational EBITDA up significantly on higher revenues, contribution from Baldor; operational EBITDA margin remained steady

[1] Middle East and Africa

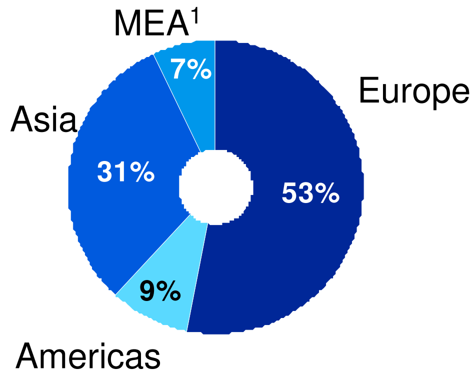
Low-Voltage Products
Q3 2011 summary

Key data Q3 2011

US$ millions unless otherwise stated

	Q3 2011	Q3 2010	Change US$	Change Local
Orders received	1,334	1,219	*9%*	*2%*
Order backlog (end Sep)	*1,048*	*970*	*8%*	*9%*
Revenues	1,364	1,187	*15%*	*7%*
EBIT	226	241	*-6%*	
as % of revenues	16.6%	20.3%		
Operational EBITDA	273	268	*2%*	
as % of op. revenues	19.9%	22.7%		
Cash from operations	155	240		

Orders by region Q3 2011



- Lower order growth due to slower demand in developed markets and lower investments in renewables
- Revenues grew faster than orders, reflecting the execution of the strong order backlog in low-voltage systems
- Lower operational EBITDA margin vs Q3 2010 due to higher raw material cost and investments in sales & R&D
- Q3 margin better vs Q2 11 due to price increases announced in July

[1] Middle East and Africa

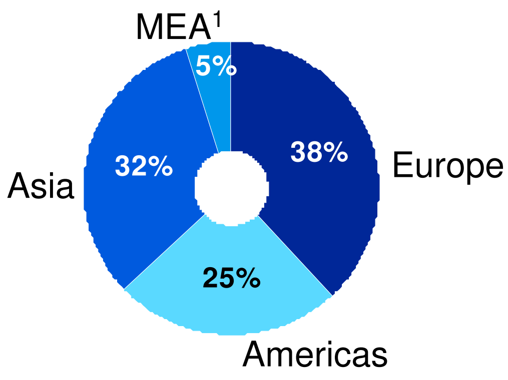
Process Automation
Q3 2011 summary

Key data Q3 2011

US$ millions unless otherwise stated

	Q3 2011	Q3 2010	Change US$	Change Local
Orders received	1,899	1,679	13%	5%
Order backlog (end Sep)	*6,334*	*5,853*	*8%*	*9%*
Revenues	1,988	1,859	7%	-1%
EBIT	246	214	15%	
as % of revenues	12.4%	11.5%		
Operational EBITDA	261	224	17%	
as % of op. revenues	13.0%	12.2%		
Cash from operations	189	236		

Orders by region Q3 2011



- Orders driven primarily by capital spending in oil & gas and related marine sector. Double digit growth in lifecycle service orders
- Flat revenues as metals, pulp & paper offset lower marine revenues
- Operational EBITDA and margin increased, mainly reflecting higher share of product and service revenues and lower share of systems revenues

[1] Middle East and Africa

Below the EBIT line

	Q3 2011	Q3 2010
EBIT	1,194	1,156
Finance net	(58)	(31)
Provision for taxes	(318)	(304)
Income from continuing operations	818	821
Discontinued operations	2	(2)
Non-controlling interests	(30)	(45)
Net income	**790**	**774**

- Tax rate steady vs Q3 2010 at ~29 percent

Summary of operational EBIT and EBITDA by division Q3 2011

Operational EBIT and Operational EBITDA Q3 2011 vs Q3 2010

	ABB		Power Products		Power Systems		Discrete Automation & Motion		Low Voltage Products		Process Automation	
	Q3 11	**Q3 10**	**Q3 11**	**Q3 10**	**Q3 11**	**Q3 10**	**Q3 11**	**Q3 10**	**Q3 11**	**Q3 10**	**Q3 11**	**Q3 10**
Revenues (as per Financial Statements)	**9'337**	**7'903**	**2'676**	**2'439**	**1'831**	**1'679**	**2'313**	**1'460**	**1'364**	**1'187**	**1'988**	**1'859**
FX/commodity timing differences on Revenues	152	-101	28	-22	68	-41	17	-6	11	-4	25	-28
Operational revenues	**9'489**	**7'802**	**2'704**	**2'417**	**1'899**	**1'638**	**2'330**	**1'454**	**1'375**	**1'183**	**2'013**	**1'831**
EBIT (as per Financial Statements)	**1'194**	**1'156**	**356**	**406**	**104**	**101**	**382**	**270**	**226**	**241**	**246**	**214**
FX/commodity timing differences on EBIT	104	-83	31	-40	32	-18	17	-6	20	-3	-8	-15
Restructuring-related costs	29	20	27	3	6	4	-3	3	-2	4	1	5
Charges (non-recurring) related to Baldor	-6	0	0	0	0	0	-6	0	0	0	0	0
Operational EBIT	**1'321**	**1'093**	**414**	**369**	**142**	**87**	**390**	**267**	**244**	**242**	**239**	**204**
Operational EBIT margin	**13.9%**	**14.0%**	**15.3%**	**15.3%**	**7.5%**	**5.3%**	**16.7%**	**18.4%**	**17.7%**	**20.5%**	**11.9%**	**11.1%**
Depreciation (reversal of)	167	138	43	37	16	12	34	17	26	24	17	14
Amortization (reversal of)	90	43	7	5	26	15	30	2	3	2	5	6
Backlog amortization related to Baldor	2	0	0	0	0	0	2	0	0	0	0	0
Operational EBITDA	**1'580**	**1'274**	**464**	**411**	**184**	**114**	**456**	**286**	**273**	**268**	**261**	**224**
Operational EBITDA margin	**16.7%**	**16.3%**	**17.2%**	**17.0%**	**9.7%**	**7.0%**	**19.6%**	**19.7%**	**19.9%**	**22.7%**	**13.0%**	**12.2%**

Summary of Q3 and 9 months 2011 results

Key data Q3 and 9 months 2011 vs 2010

US$ millions unless otherwise stated	Q3 2011	Q3 2010	Change US$	Change Local	9M 2011	9M 2010	Change US$	Change Local
Orders received	9,826	8,197	20%	12%	30,050	23,929	26%	18%
Order backlog (end Sep)	28,492	26,593	7%	8%	28,492	26,593	7%	8%
Revenues	9,337	7,903	18%	11%	27,419	22,410	22%	15%
EBIT	1,194	1,156	3%		3,544	2,840	25%	
as % of revenues	12.8%	14.6%			12.9%	12.7%		
Operational EBIT	1,321	1,093	21%		3,731	2,993	25%	
as % of revenues	13.9%	14.0%			13.6%	13.4%		
Operational EBITDA	1,580	1'274	24%		4,446	3,500	27%	
as % of revenues	16.7%	16.3%			16.2%	15.6%		
Cash from operations	811	1,362	-40%		1,938	2,438	-21%	

Reconciliation on non-GAAP measures

EBIT Margin *(= EBIT as % of revenues)*	**Three months ended Sep. 30, 2011**	**2010**
Earnings before interest and taxes (EBIT)	1'194	1'156
Revenues	9'337	7'903
EBIT Margin	**12.8%**	**14.6%**
EBIT as per financial statements	**1'194**	**1'156**
reversal of:		
Unrealized gains and losses on derivatives (FX, commodities, embedded derivatives)	170	(183)
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	9	(18)
Unrealized foreign exchange movements on receivables/payables (and related assets/liabilities)	(75)	118
Restructuring and restructuring-related expenses	29	20
Charges related to Baldor (1)	(6)	-
Operational EBIT	**1'321**	**1'093**
reversal of:		
Depreciation	167	138
Amortization	90	43
Backlog amortization related to significant acquisitions	2	-
Operational EBITDA	**1'580**	**1'274**
Revenues as per financial statements	**9'337**	**7'903**
reversal of:		
Unrealized gains and losses on derivatives	211	(180)
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	20	(25)
Unrealized foreign exchange movements on receivables (and related assets)	(79)	104
Operational Revenues	**9'489**	**7'802**
Operational EBITDA Margin (= Operational EBITDA as % of Operational Revenues)	**16.7%**	**16.3%**

(1) includes $2 million backlog amortization related to Baldor in the 3 months ended September 30, 2011

Net Cash *(= Cash and equivalents plus marketable securities and short-term investments, less total debt)*	**Sep. 30, 2011**	**Dec. 31, 2010**
Cash and equivalents	4'996	5'897
Marketable securities and short-term investments	598	2'713
Cash and marketable securities	**5'594**	**8'610**
Short-term debt and current maturities of long-term debt	2'238	1'043
Long-term debt	2'380	1'139
Total debt	**4'618**	**2'182**
Net Cash	**976**	**6'428**

Net Working Capital	**Sep. 30, 2011**	**Dec. 31, 2010**
Receivables, net	10'831	9'970
Inventories, net	6'492	4'878
Prepaid expenses	262	193
Accounts payable, trade	(4'772)	(4'555)
Billings in excess of sales	(1'748)	(1'730)
Employee and other payables	(1'322)	(1'526)
Advances from customers	(1'821)	(1'764)
Accrued expenses	(1'756)	(1'644)
Net Working Capital	**6'166**	**3'822**

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