



REF:INABB:STATUT:LODR:PRESS REL:

May 13, 2020

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

Attn: Listing Dept.

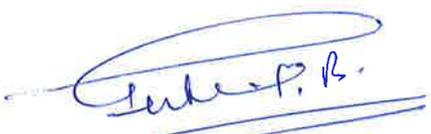
Dear Sirs

Sub: Press Release

We are sending herewith a copy of Press Release, which is being issued by the Company today to the media, for the information of the Stock Exchanges, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you

Yours faithfully
For ABB India Limited



B. Gururaj

General Counsel & Company Secretary
FCS 2631

Encl: as above

BENGALURU, INDIA, MAY 13, 2020

ABB India Limited first quarter (Jan– Mar) CY2020 results

Q1 HIGHLIGHTS

- Orders up 10%
- Nation-wide lockdown in March impacts revenues and profit, partly mitigated by cost actions
- Stable cash position to support future growth and operations
- Focus on well-being of communities, cash, and cost; ensuring continuity of mission critical establishments of the nation

“ABB has been responding to the COVID-19 pandemic by looking after the health and well-being of our entire eco-system from employees to customers and suppliers with focus on health awareness and safety measures. Our contingency planning is evolving each day alongside the government’s daily advisory to hedge against supply disruption and production downtimes,” said Sanjeev Sharma, Managing Director, ABB India.

“With relentless efforts by our team, we have sustained growth momentum with increase in orders and maintained a solid cash position. ABB remains committed to drive growth in post COVID-19 period in relevant market segments in domestic and international markets,” he added.

KEY FIGURES

INR Crores (for continuing business without Power Grid)

| | Q1 2020 | Q1 2019 | Q4 2019 | CY 2019 |
|--|---------|---------|---------|---------|
| Orders | 1,953 | 1,780 | 1596 | 6,970 |
| Revenues | 1,522 | 1,850 | 1953 | 7,315 |
| Profit before exceptional item and tax | 30 | 139 | 150 | 514 |
| Exceptional item loss / (gain) | (57) | - | 70 | 70 |
| Profit before tax | 87 | 139 | 80 | 444 |
| PBT % | 5.7 | 7.5 | 4.1 | 6.1 |
| Profit after tax | 66 | 89 | 65 | 302 |
| Profit after tax % | 4.3 | 4.8 | 3.4 | 4.1 |
| Operational EBITA* | 43 | 126 | 109 | 497 |
| Operational EBITA% | 2.8 | 6.8 | 5.6 | 6.8 |

Q1 2020 results

Orders

Total orders increased by 10 percent from various sectors including engineering, manufacturing of electrical and transportation equipment and the metals and energy sector. In a quarter, marked by a national lockdown, customer trust in ABB was reinforced by increased orders despite the divestment of the solar inverter portfolio at the end of February. Virtual pitches to customers, non-system product packaging, remote services and remote troubleshooting are just some of the channels deployed in a COVID-19-impacted business environment. Postponement of major capex to subsequent quarters due to COVID-19 has also led to greater focus on plant upkeep and optimization resulting in opening new frontiers in the digital service business.

During the quarter, key orders received include:

- Order from Indian Railways for propulsion equipment and converters
- Order for wind turbine generators and energy efficiency drives for the energy sector
- Order for developing and implementing a custom SCADA-based solution that controls and monitors gas flow in tea estates spread across a northeastern state
- Flue Gas Desulphurization project orders
- Order for analyzer systems for a green-field project in the pulp & paper sector
- Low voltage switchgear and busbar orders for electrical major

ABB India's order backlog as of March 31, 2020 stood at INR 4,444 crore, higher than earlier, and this provides some revenue visibility in the coming quarters. The company shall exercise caution to ensure that conversion value chain is completed in all aspects.

Revenue and operations

Revenues for the first quarter stood at INR 1,522 crore, impacted by lower sales, non-receipt of delivery clearance, lower service revenue in the nationwide lockdown due to the COVID-19 pandemic. This impact primarily occurred in the month of March 2020.

Despite many activities coming to a standstill in March, the quarter was marked by commissioning for a mining major in Raigarh, electrical and automation systems for a cement major and port and electrics, drives and automation for a leading mill in Bangladesh. Terminal installation and commissioning for LPG, power management Electrical Control System (ECS) for a leading refinery, and commissioning of two units of a power plant in Kerala are some of the other projects where ABB's involvement ensured continuity and safe operations.

Profit and cash flow from operating activities

The Company reported a profit including exceptional item and before tax (PBT) of INR 87 crore and profit after tax (PAT) of INR 66 crore during the first quarter due to lower volumes including service revenue and unfavorable mix. Resultant under-absorption and mark to market (MTM) impact due to forex volatility was partly offset by refund incomes and one-time gain on sale of solar business during the quarter.

The Company continued to maintain a stable cash position of INR 1464 crore as on March 31, 2020, in a market where cash collection continues to be a challenge.

COVID-19 response

ABB's primary focus is on securing the health and safety of our employees while maintaining business continuity. ABB is constantly monitoring the evolving situation and taking all necessary precautions in line with local government and WHO guidelines. With the COVID-19 pandemic ongoing, ABB is working constantly with customers and partners to maintain the supply of goods and services. As part of this response, ABB is maximizing use of remote service tools and ABB Ability™ digital solutions, including free remote services. Where possible, the company is adjusting resources to meet the anticipated slow-down in demand and eliminating non-essential costs. ABB is also helping maintain continuity, de-risking operations with remote technologies for acceptance tests, commissioning and maintenance, supplying

critical equipment and helping customers transition to seamless ramp up for emergency supply for the pandemic.

Short term outlook

The global economy is expected to contract in 2020 after a rapid deterioration in outlook driven by the COVID-19 pandemic. Despite unprecedented stimuli by governments and central banks around the world and initial signs of recovering economic activity in China, macro-indicators point to a global recession of uncertain duration, as many countries, continue to face restrictions with anticipated long-term economic consequences.

The impact of COVID-19, as well as the fall in oil prices, has significantly impacted the short-term outlook.

While the company is taking prompt action to adapt its operations and cost base to safeguard profitability, it expects the results in the coming quarter to be impacted due to the loss of volumes. Despite short-term disruptions, ABB is confident in the underlying resilience of its businesses and operating model. The company has a strong balance sheet and is confident that its liquidity needs will be well covered.

ABB (ABBN: SIX Swiss Ex) is a technology leader that is driving the digital transformation of industries. With a history of innovation spanning more than 130 years, ABB has four, customer-focused, globally leading businesses: Electrification, Industrial Automation, Motion, and Robotics & Discrete Automation, supported by the ABB Ability™ digital platform. ABB's Power Grids business will be divested to Hitachi in 2020. ABB operates in more than 100 countries with about 144,000 employees. www.abb.com/in

**Operational EBITA margin*

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 operation 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 includes: 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.

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