ZURICH, SWITZERLAND | JULY 21, 2022 | BJÖRN ROSENGREN, CEO; TIMO IHAMUOTILA, CFO

Q2 2022 results

Strong demand and good operational performance

Important notices

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,” “outlook,” “on track,” “framework” 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
- 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 US 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.**

This presentation contains non-GAAP measures of performance. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in the “Supplemental Reconciliations and Definitions” section of the “Financial Information” booklet found under “Q2 2022” on our website at global.abb/group/en/investors/quarterly-results.

Selected highlights

Strong order growth +20%[1], revenues +6%[1]

+50 bps Op. EBITA margin improvement to 15.5%

CFO[2] of $385 mn, -$278mn YoY, impacted by NWC buildup

MO and PA CMD held in Helsinki during May

Exit of non-core full train retrofit business

Wind down of Russian business announced

Agreement to acquire controlling stake in Numocity

Decision taken to spin off Accelleron business[3]

 1. YoY comparable. 2. Cash flow from operating activities in continuing operations. 3. Subject to approval by ABB's Extraordinary General Meeting. MO = Motion. PA = Process Automation.

Very strong business momentum
Q2 2022 results

Notable orders developments (comparable % YoY, unless otherwise indicated)

Short-cycle
Very strong growth across all business areas

Services
Orders +12%[1] and revenues +4%[1]

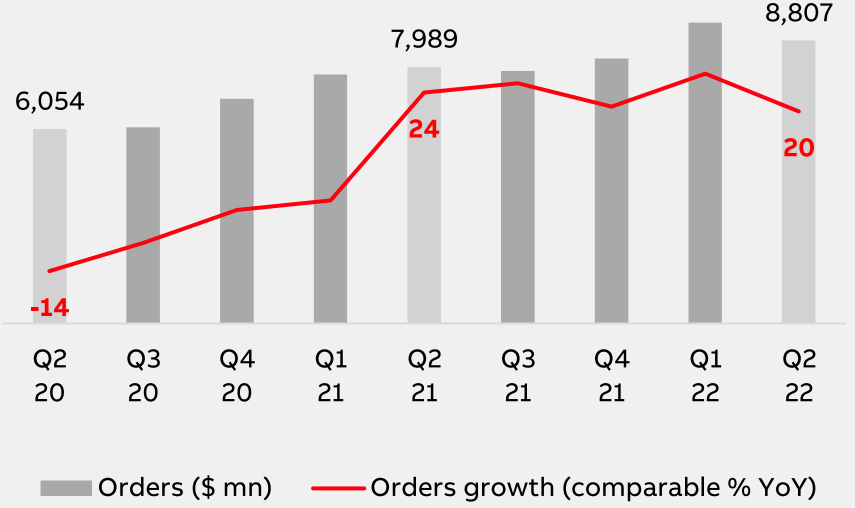
Discrete
Very strong development in machine building, F&B and general industries; automotive increased due to accelerating EV investments

Process
Improvement across all customer segments

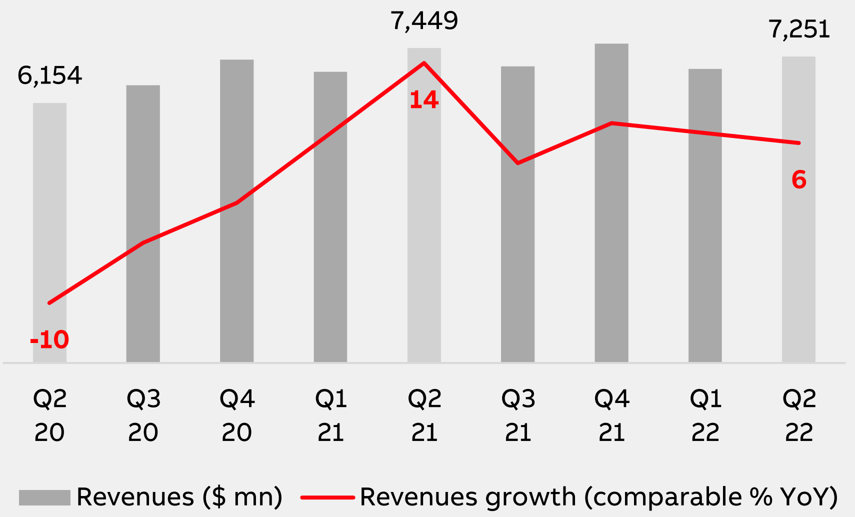
Transport & Infrastructure
Strong in renewables and e-mobility; positive development in buildings, marine and ports

Very high order backlog of $19.5 bn, +37%[1]

Orders +20%[1]



Revenues +6%[1]



Book-to-bill 1.21

1. YoY comparable. Note: $ millions reported orders and revenues are impacted by foreign exchange and changes in the business portfolio.

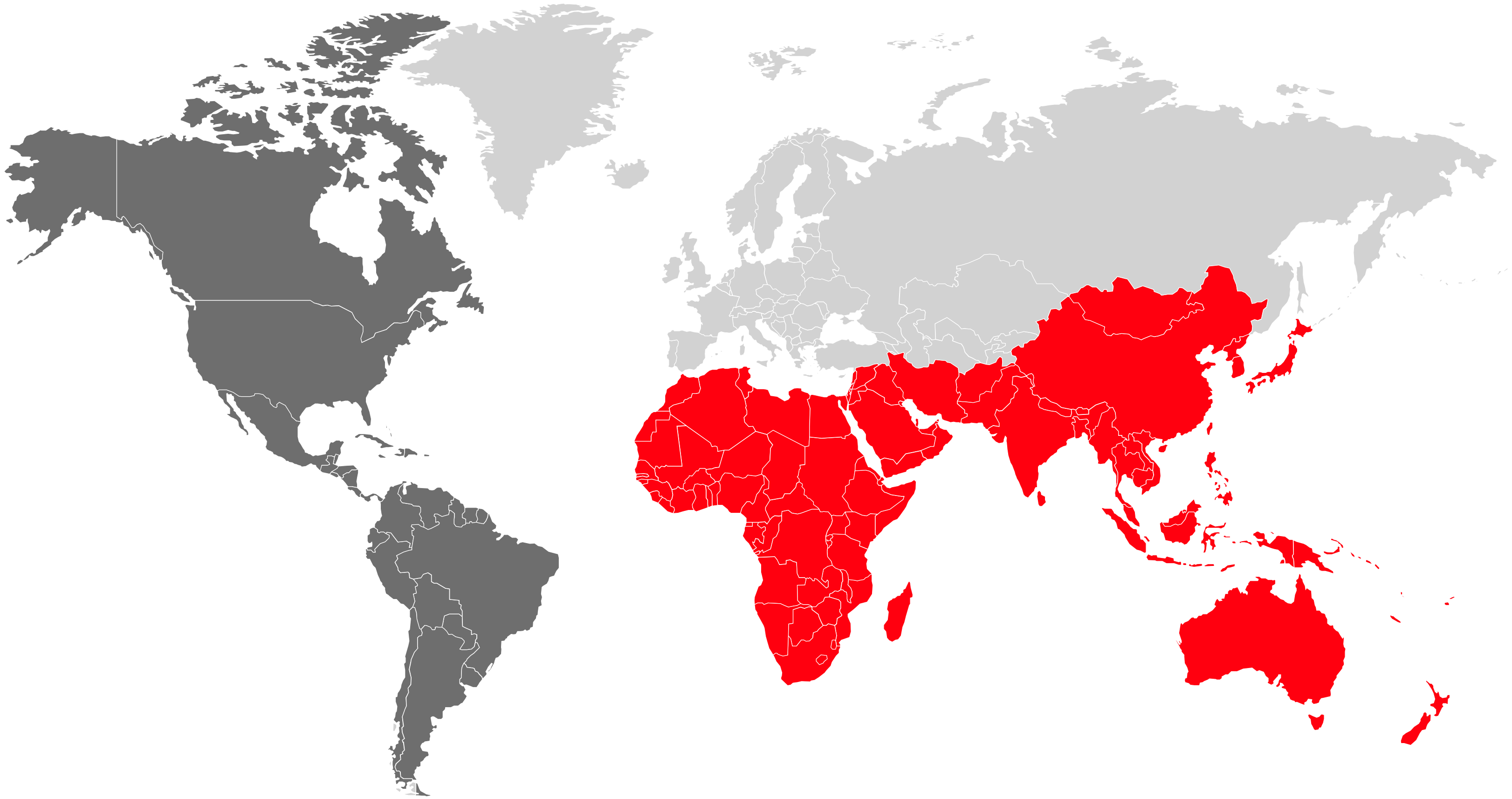
Strong demand across all regions

Q2 2022 regional, country orders

Americas	+33%
USA Steep growth in EL, MO and PA; decline in RA	+32%
Canada	+11%
Argentina	+523%

Europe	+15%
Germany Steep growth in PA, very strong growth in EL; growth in RA; decline in MO	+10%
Italy	+3%
Sweden	+34%

AMEA	+15%
China Steep growth in PA and RA; strong growth in MO; decline in EL	+10%
India	+81%
South Korea	+34%



All data presented on a YoY comparable basis; all growth comments refer to comparable growth trends. Performance highlighted for largest 3 countries in $ mn terms in each region.
EL = Electrification. MO = Motion. PA = Process Automation. RA = Robotics & Discrete Automation.

Q2 profitability positively impacted by volumes and pricing

Profitability drivers (comparable % YoY, unless otherwise indicated)

Gross Profit

-2%[1]

Gross profit in % of revenues declining from 33.7% to 31.6%, hampered by mark to market losses on commodity derivatives, under-absorption of fixed costs in RA

SG&A expenses

+7%[1]

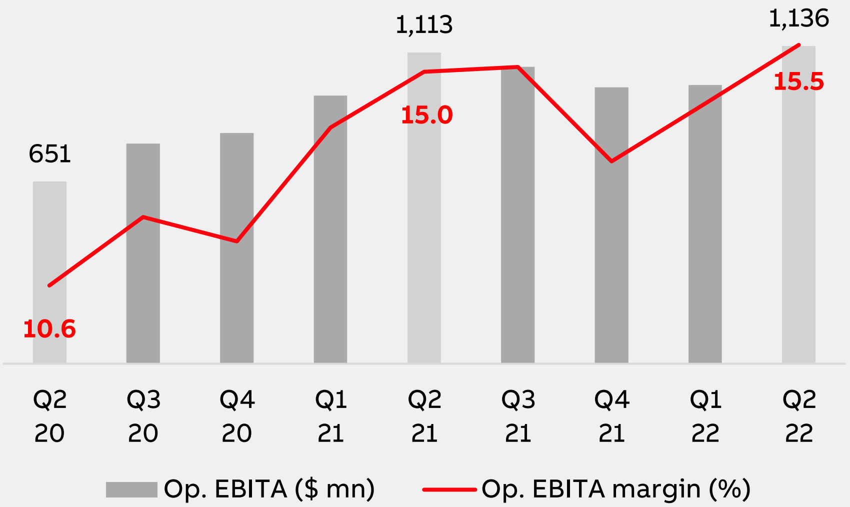
SG&A expense in % of revenues increasing to 18.2% from 17.6%

Corporate and Other Operational EBITA

-$13 mn, $79 mn lower YoY, including positive impact on Op. EBITA margin of ~60 bps related to exit of a legacy project and a real estate sale

Basic EPS	$0.20 -$0.17	**Cash flow** | from operating activities in continuing operations	+$385 mn -$278 mn

Operational EBITA +2%

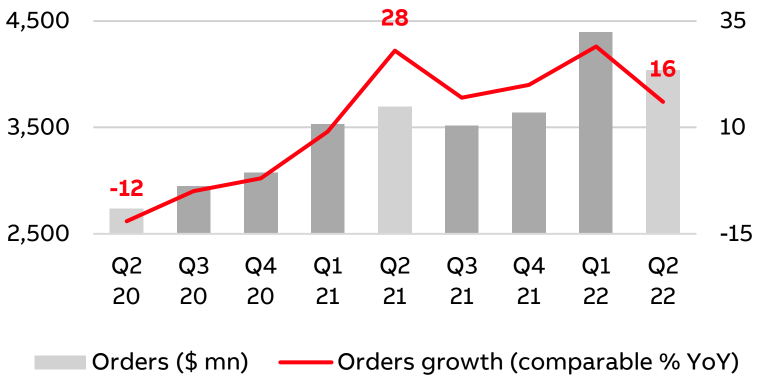


Operational EBITA margin +50 bps

1. Constant currency

Strong demand and price execution

Q2 2022 Electrification

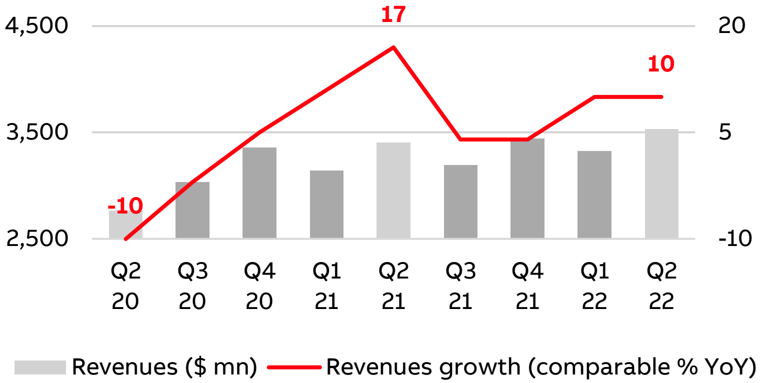


Orders $4,037 mn

Strong customer activity across segments with softness noted only in residential construction in China

Steepest growth in the Americas; lower growth in AMEA, as China declined -5% YoY impacted by lockdowns

Backlog $6.7 bn (prior Q-end $6.5 bn)

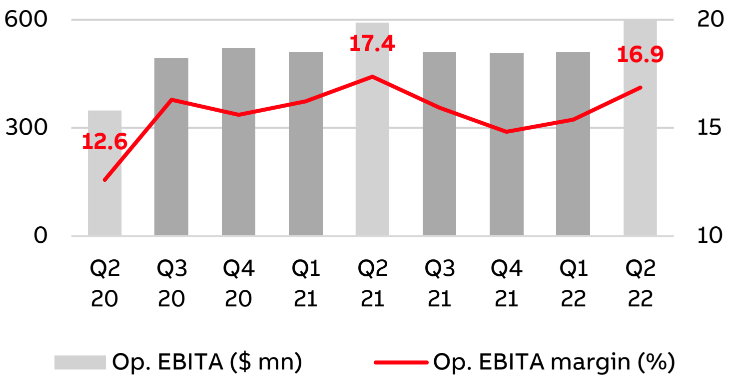


Revenues $3,531 mn

Revenue growth driven by strong pricing execution

Volumes continue to be impacted by supply chain disruptions, particularly in the Distribution Solutions division; challenges expected to slightly ease in coming quarters

Book-to-bill 1.14x



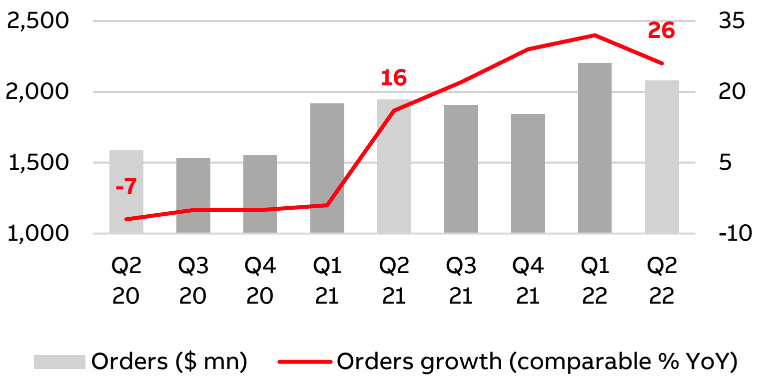
Operational EBITA $599 mn, +1% YoY

Margin -50 bps YoY

Margin decline primarily driven by under-absorption of fixed costs in Distribution Solution due to component shortages

China lockdown impacting volumes

Q2 2022 Motion

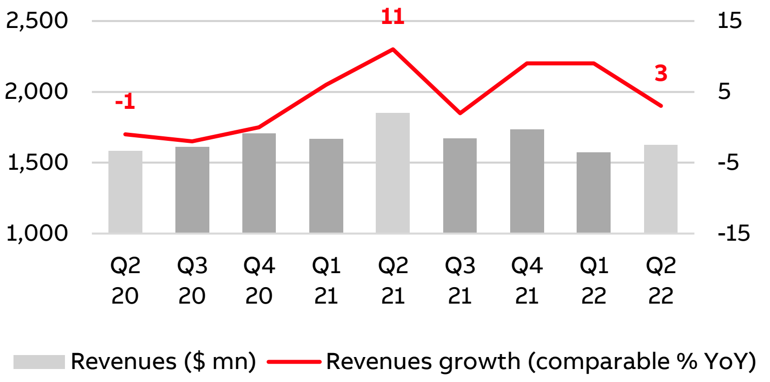


Orders $2,079 mn

Another $2 bn plus orders quarter, despite adverse impact from portfolio changes and changed exchange rates

Strong demand noted in all customer segments for motors, drives and service offering

Backlog $4.6 bn (prior Q-end $4.3 bn)

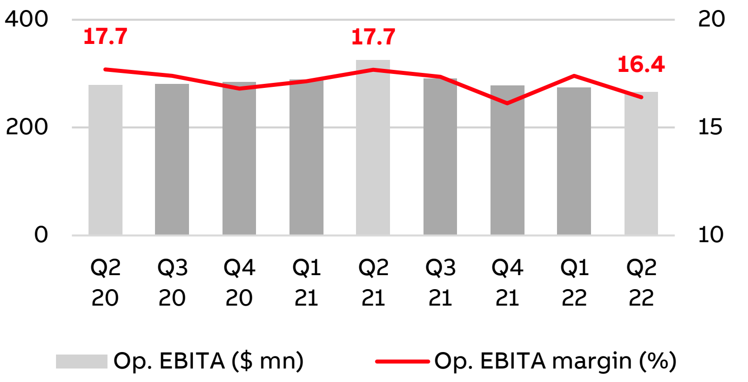


Revenues $1,626 mn

Strong price execution main driver of revenues growth

Volumes hampered by China lockdowns, impacting local logistics; gradual easing noted as quarter progressed

Book-to-bill 1.28x



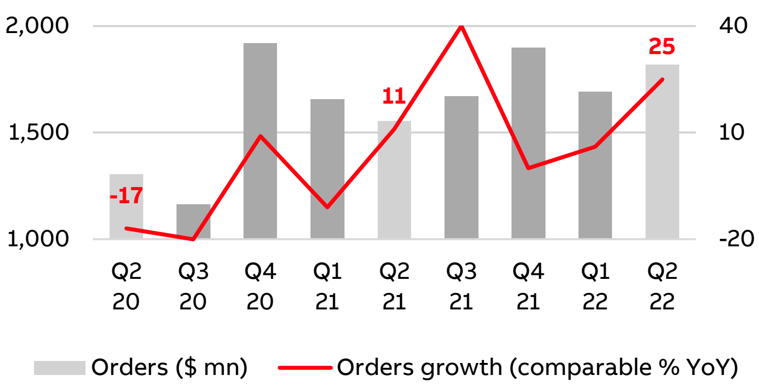
Operational EBITA $266 mn, -18% YoY

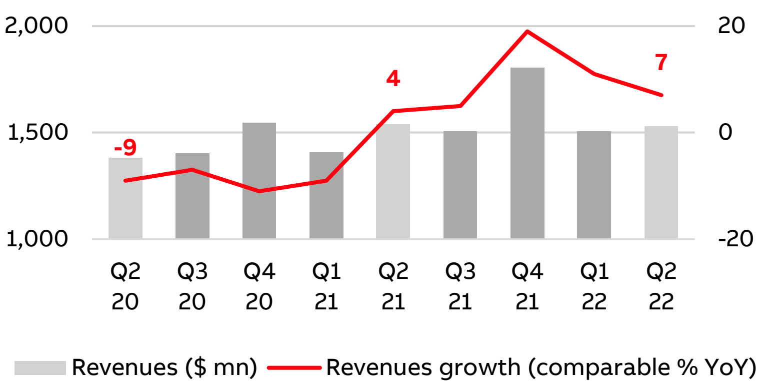
Margin -130 bps YoY; incl. approximately -60 bps impact from Dodge divestment

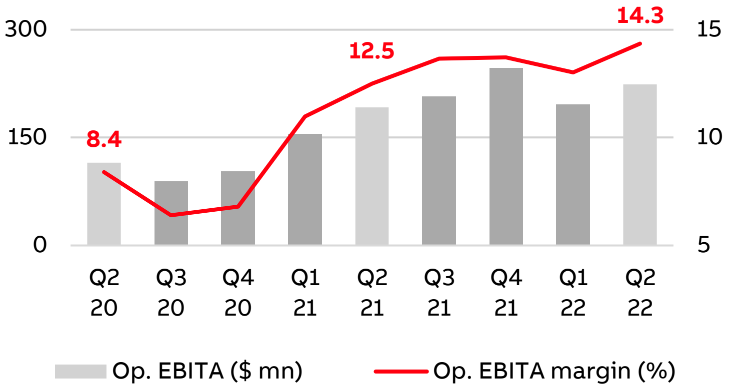
Margin decline primarily driven by under-absorption of fixed costs and adverse divisional mix

Strong price execution offsetting negative impact from higher input costs

Strong profitability improvement
Q2 2022 Process Automation







Orders $1,819 mn

Strong demand across customer segments, with particular strength in metals & mining and marine

Double-digit order growth across all divisions and regions, supported by base orders and higher contribution from large orders

Backlog $6.2 bn (prior Q-end $6.2 bn)

Revenues $1,529 mn

All divisions contributing to revenue growth

Some impact from component shortages; expected to continue as the year progresses

Book-to-bill 1.19x

Operational EBITA $224 mn, +17% YoY

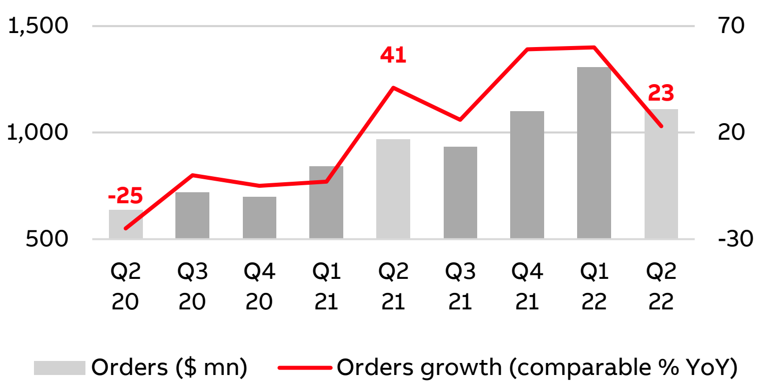
Margin +180 bps YoY

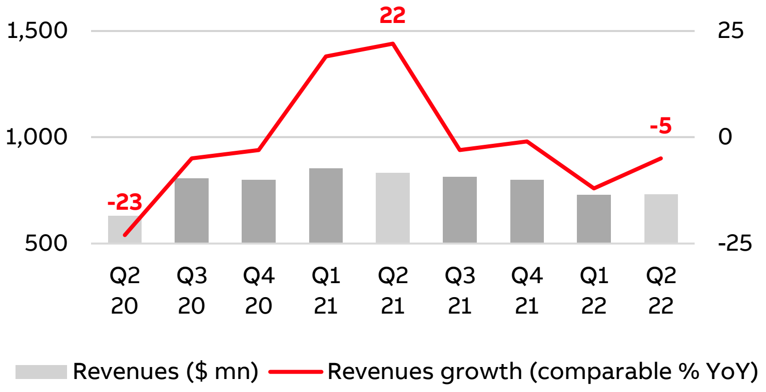
Most divisions with double-digit margins

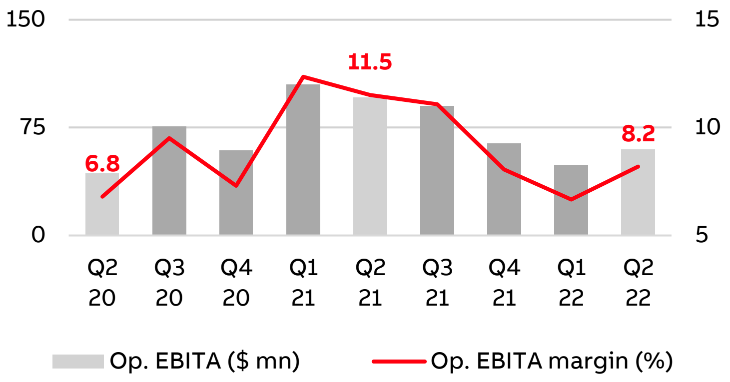
Profitability improvement driven by volume and efficiency measures, slightly offset by divisional mix and higher input costs mainly in freight and electrical components

Tight supply chain and China lockdowns weighing on results

Q2 2022 Robotics & Discrete Automation







Orders $1,109 mn

High customer demand in both divisions with a stable trend throughout the quarter

All customer segments increased, with particularly strong momentum in automotive – driven by EV investments in China and general industry

Backlog $2.7 bn (prior Q-end $2.5 bn)

Revenues $732 mn

General supply chain constraints and COVID-related lockdowns in China significantly hampered customer deliveries

Book-to-bill 1.52x

Operational EBITA $60 mn, -38% YoY

Margin -330 bps YoY

Low volumes and cost inflation linked to tight supply chain weighing on margin

Missing volumes from China lockdown and cost inflation more than offset the contribution from cost measures and positive price execution

Revenues and Operational EBITA bridge

($ million, unless otherwise indicated)	Q2 2021	Δ Comparable (core)	Δ Non-core business	Δ Acquisitions /divestments	Δ FX	Q2 2022
Revenues	**7,449**	365	-	-125	-438	**7,251**
Operational EBITA	**1,113**	116	19	-39	-73	**1,136**
Op. EBITA margin (%)	**15.0**					**15.5**
Margin accretion/ dilution (%)		+0.7	+0.2	-0.3	-0.1	

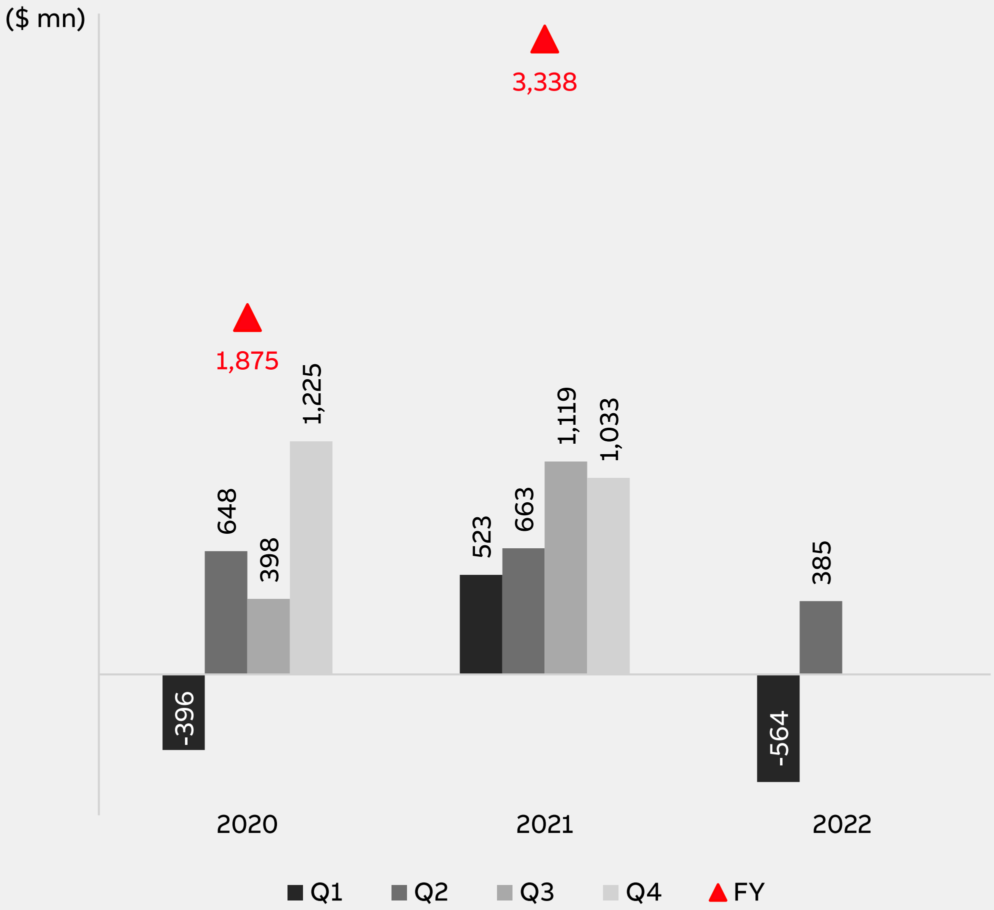
Cash generation analysis
Q2 2022 cash flow drivers

Cash flow from operating activities[1] (+$385 mn, -$278 mn YoY)

- Similar operational performance
- Higher build-up of trade working capital, mainly related to inventories to support future deliveries on the high order intake as well as payables

Solid cash flow expected for this year

Cash flow from operating activities[1]
+$385 mn



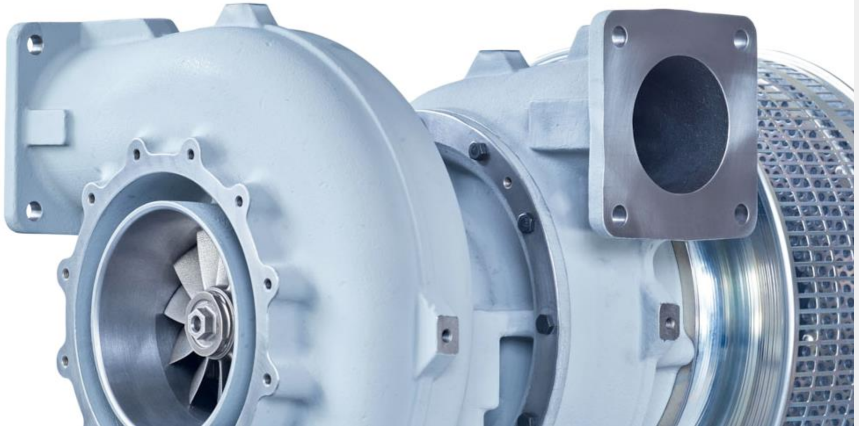
1. Continuing operations only

Update on active portfolio management
Accelleron and E-mobility

Accelleron announcement

- ABB to **spin off Accelleron** and list the company on SIX Swiss Exchange
- The transaction will allow both ABB and Accelleron to **focus on their respective core strategies** and long-term value creation for their stakeholders
  - ABB's shareholders can realize the full value of Accelleron while allowing ABB to focus on its core portfolio in the areas of electrification and automation
  - Accelleron as the market-leader in heavy-duty turbocharging can focus on reaching its full potential in the large engine industry
- **Accelleron is a profitable and cash generative business** targeting an attractive dividend policy
- ABB shareholders to receive **1 Accelleron share for every 20 ABB shares** they hold
- The spin-off is subject to approval by ABB's Extraordinary General Meeting (EGM) scheduled for September 7, 2022, and subsequent listing planned for October 3, 2022

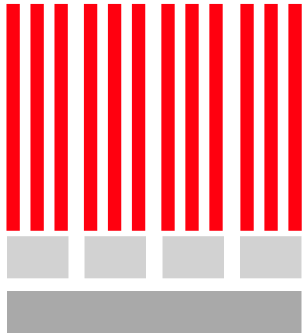
Accelleron



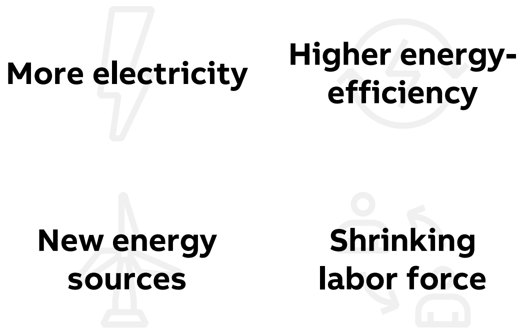
Update on planned IPO of E-mobility

- Planned **listing postponed** due to challenging market conditions
- ABB is monitoring market conditions and is **fully committed to proceed with a listing** of the business on the SIX Swiss Exchange as and **when market conditions are constructive**
- ABB E-mobility will **continue to execute its growth story**, driven organically and through M&A
- A **new dedicated identity under the ABB brand** is also being prepared for the business

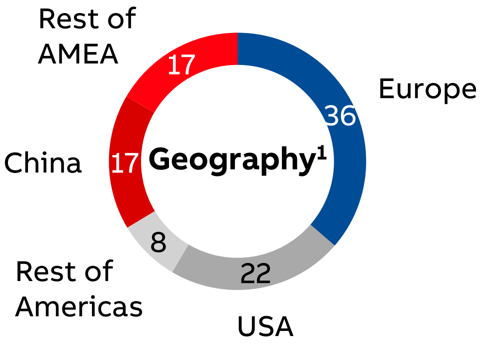
A resilient business



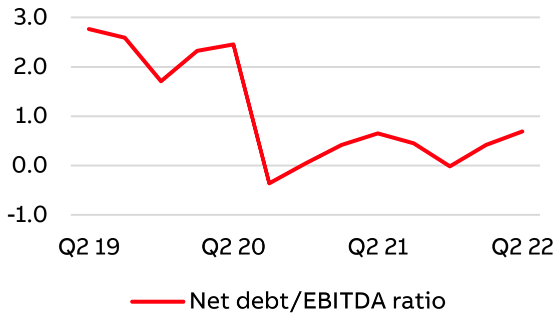
Decentralized operating model



Well-positioned to structural megatrends



Balanced across geographies



Strong balance sheet

Proven track record during the COVID-19 crisis

1. % of FY 2021 third party revenues. AMEA: Asia, Middle East and Africa.

Outlook

Q3 2022

Revenues

Double-digit comparable revenue growth

Operational EBITA %

Sequential improvement, excluding the 60 bps positive impact from special items in Q2

FY 2022

Orders and revenues

We expect support from a positive market momentum and our strong order backlog

Operational EBITA %

Steady margin improvement towards the 2023 target of at least 15%

Q&A

Appendix

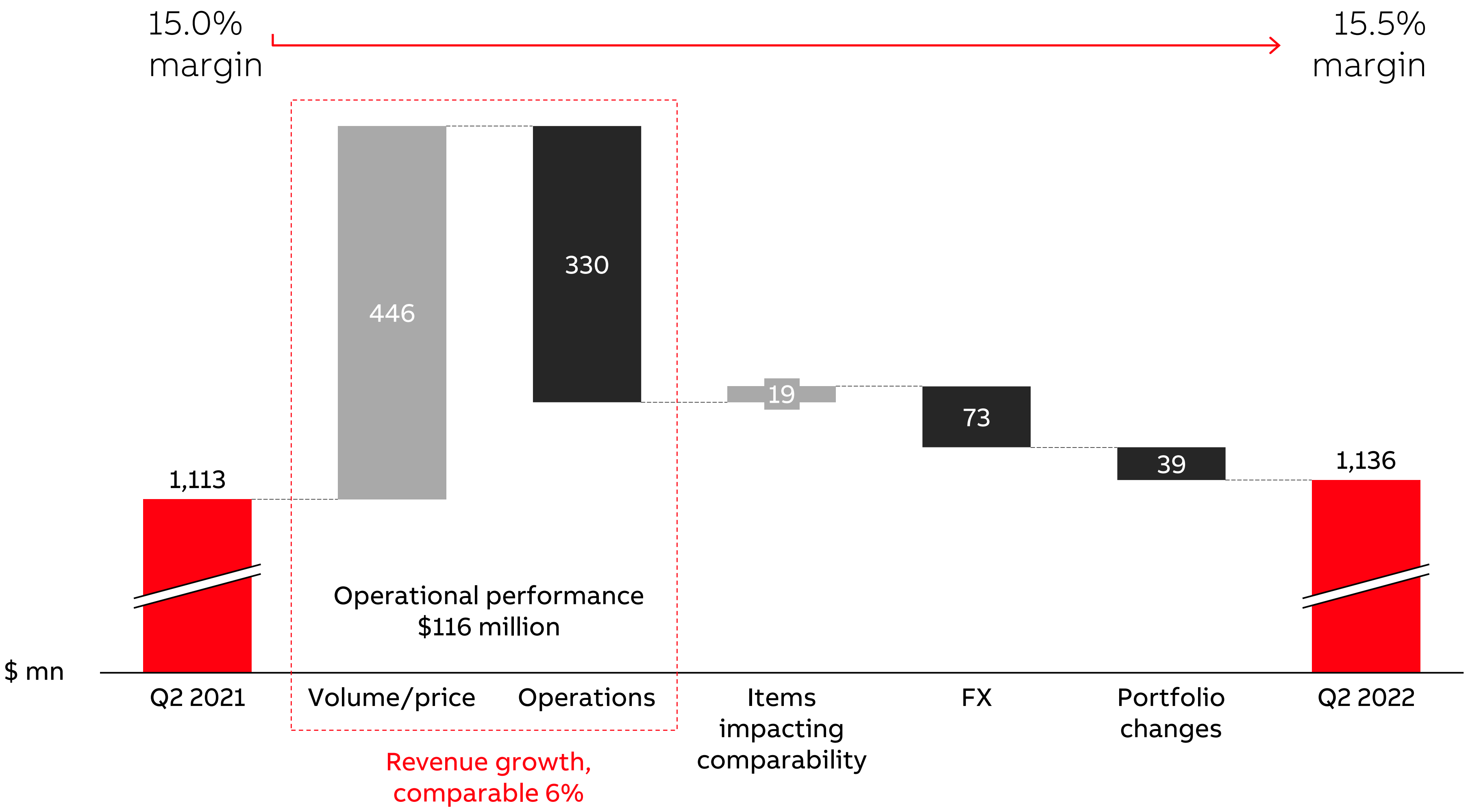
2022 framework

$ mn unless otherwise stated	Q2 22	Q3 22 framework	2022 framework[1]
Corporate and Other Operational EBITA	(13)	~(80)	↓~(200) from ~(300)
Non-operating items:			
Acquisition-related amortization	(59)	~(55)	~(230)
Restructuring and restructuring-related	(264)[2]	~(35)	↓~(100) + (252)[2] from ~130
Separation costs[3]	(40)	~(50)	~(180)
ABB Way transformation	(39)	~(40)	~(150)
Certain other income and expenses related to PG divestment[4]	(4)	-	~(25)
Net finance expenses	(20)	~(30)	~(100)
Non-operational pension (cost) / credit	32	~30	↓~120 from ~140
Effective tax rate	32.2%	~25%[5]	~25%[5]
Capital expenditure	(151)	~(200)	~(750)

1. Excludes one project estimated to a total of ~$100 million, that is ongoing in the non-core business. Exact exit timing is difficult to assess due to legal proceedings etc.
2. Includes restructuring-related expenses of $195 million from the exit of the full train retrofit business as well as $57 million respectively from the exit of the Russian market in Q2 2022.
3. Costs relating to the announced exits and the potential E-mobility listing.
4. Excluding share of net income from JV.
5. Excluding impact of acquisitions or divestments or any significant non-operational items.

↑↓ Revised guidance

Operational EBITA bridge



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