ABB LTD, ZURICH, SWITZERLAND, JULY 20, 2017, Q2 2017 RESULTS

Building growth momentum

Ulrich Spiesshofer, CEO; Timo Ihamuotila, CFO

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” 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 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.

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 “Financial Information” under “Quarterly results and annual reports” on our website at www.abb.com/investorrelations

Q2 2017: key figures

Orders	Base orders	Revenues
$8.3 bn	**$7.7 bn**	**$8.5 bn**
+3%[1]	+3%[1]	+1%[1]
Operational EBITA margin	**Operational EPS**	**Cash flow from operating activities**
12.4%	**$0.30**	**$467 mn**
-0.5pts	-11%[2]	-$615 mn[3]

[1]On a comparable basis; [2]Operational EPS growth is in constant currency (2014 foreign exchange rates); [3] Impacted by movement of incentive payments to Q2 2017

Q2 2017: building growth momentum

Profitable Growth

- Total and base orders up 3%; higher orders in all regions; service & software up 8%
- Revenues up 1%
- Key ABB Ability™ customer wins, artificial intelligence (AI) partnership with IBM
- Active portfolio mgmt: B&R acquisition closed July 6, KEYMILE's communication business to be acquired

Relentless Execution

- Op EBITA margin 12.4% dampened this quarter by commodity prices and some overcapacity
- Solid performance in IA & PG; sequential margin improvement in EP & RM
- White Collar Productivity program on track
- Net Working Capital as a percentage of revenues decreased 90 bps to 14.1%

Business-led Collaboration

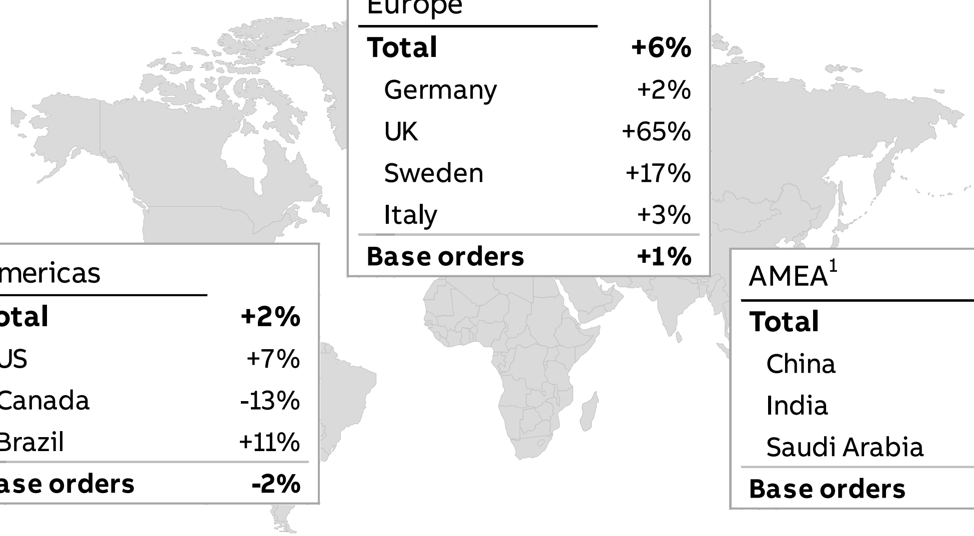
- Visible impact from country and account collaboration
- Ramp-up of Global Business Service centers in Krakow & Bangalore on track (2,500 employees)
- New Executive Committee composition better reflects geographic balance

EP: Electrification Products; RM: Robotics and Motion; IA: Industrial Automation; PG: Power Grids

Q2 2017: regional order development

2017 Q2 total order growth by region

Change on a comparable basis



Europe	
Total	**+6%**
Germany	+2%
UK	+65%
Sweden	+17%
Italy	+3%
Base orders	**+1%**

Americas	
Total	**+2%**
US	+7%
Canada	-13%
Brazil	+11%
Base orders	**-2%**

AMEA[1]	
Total	**+2%**
China	-17%
India	+11%
Saudi Arabia	+5%
Base orders	**+9%**

2017 Q2 base order growth[2]

Change on a comparable basis

US	+1%
China	+4%
Germany	-2%
India	+23%
Canada	-14%
Italy	+1%
Sweden	+6%
UK	+1%
Saudi Arabia	-9%
UAE	-20%
Finland	+4%
Norway	-19%
Spain	+12%

[1]AMEA: Asia, Middle East and Africa; [2]Selected countries from among ABB's Top 20 countries by total order volume

Q2 2017: performance by division

Key figures

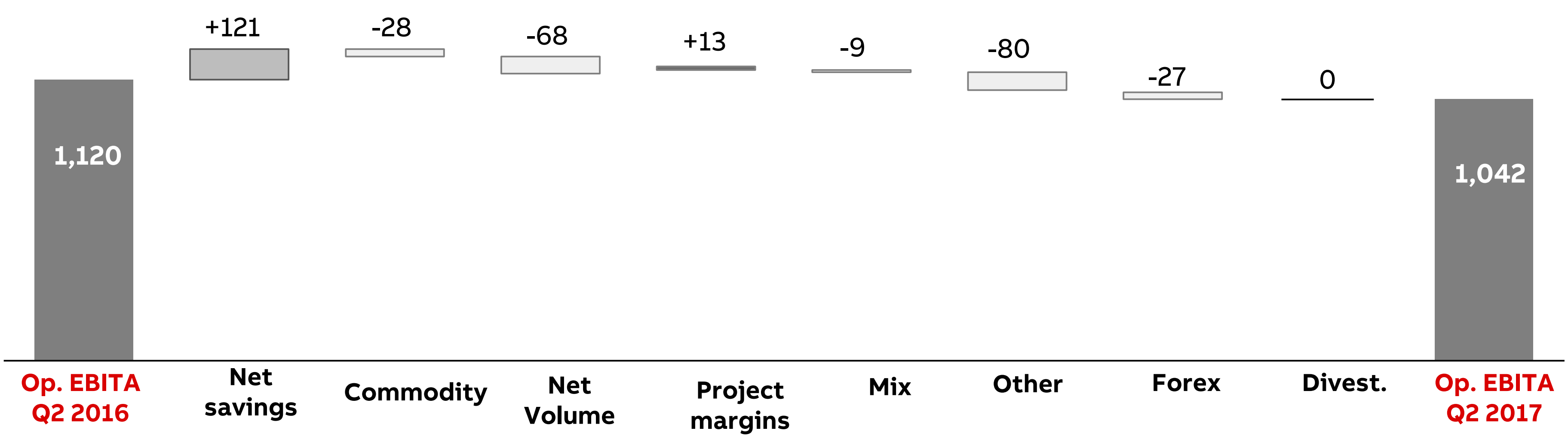
$ bn unless otherwise stated	ABB Group	Electrification Products	Robotics and Motion	Industrial Automation	Power Grids
Orders	8.3	2.5	2.2	1.5	2.5
Δ Comparable	+3%	-1%	+14%	+8%	-3%
Revenues	8.5	2.5	2.1	1.6	2.6
Δ Comparable	+1%	+2%	+5%	-7%	+0%
Op. EBITA %	12.4%	15.0%	14.9%	12.7%	9.8%
Δ	-50 bps	-80 bps	-130 bps	+30 bps	+50 bps

ABB

Q2 2017: operational EBITA

12.9% op. EBITA margin → **12.4% op. EBITA margin**

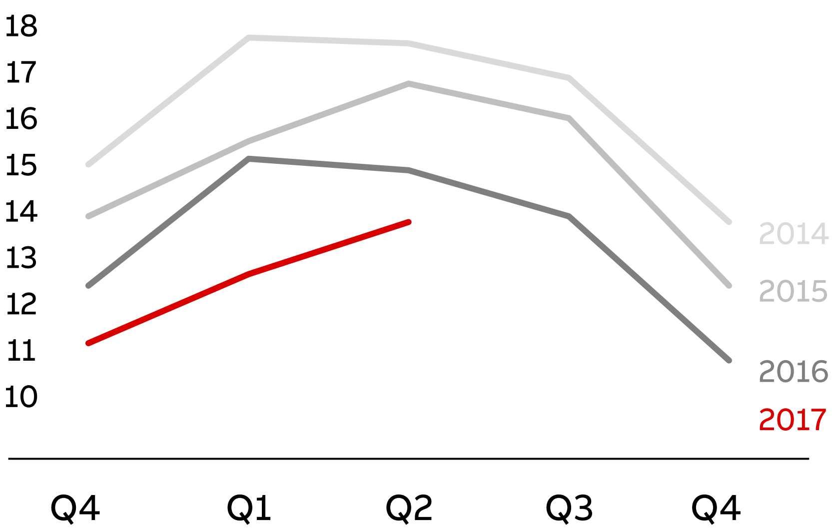
Operational EBITA bridge Q2 2016 to Q2 2017, *$ mn*



H1 2017: net working capital and cash flow

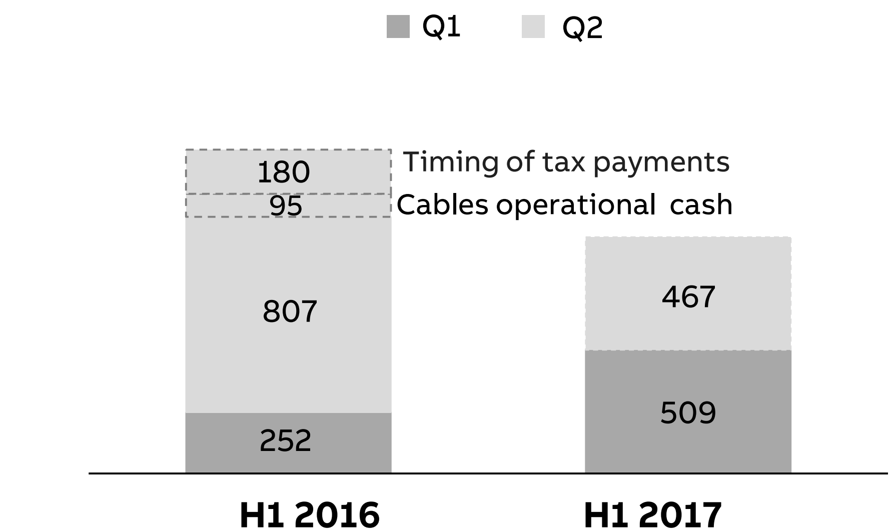
Net Working Capital reduction

NWC as a % of revenues



Cash flow from operating activities

$ mn



Next Level Stage 3 – committed to unlocking value

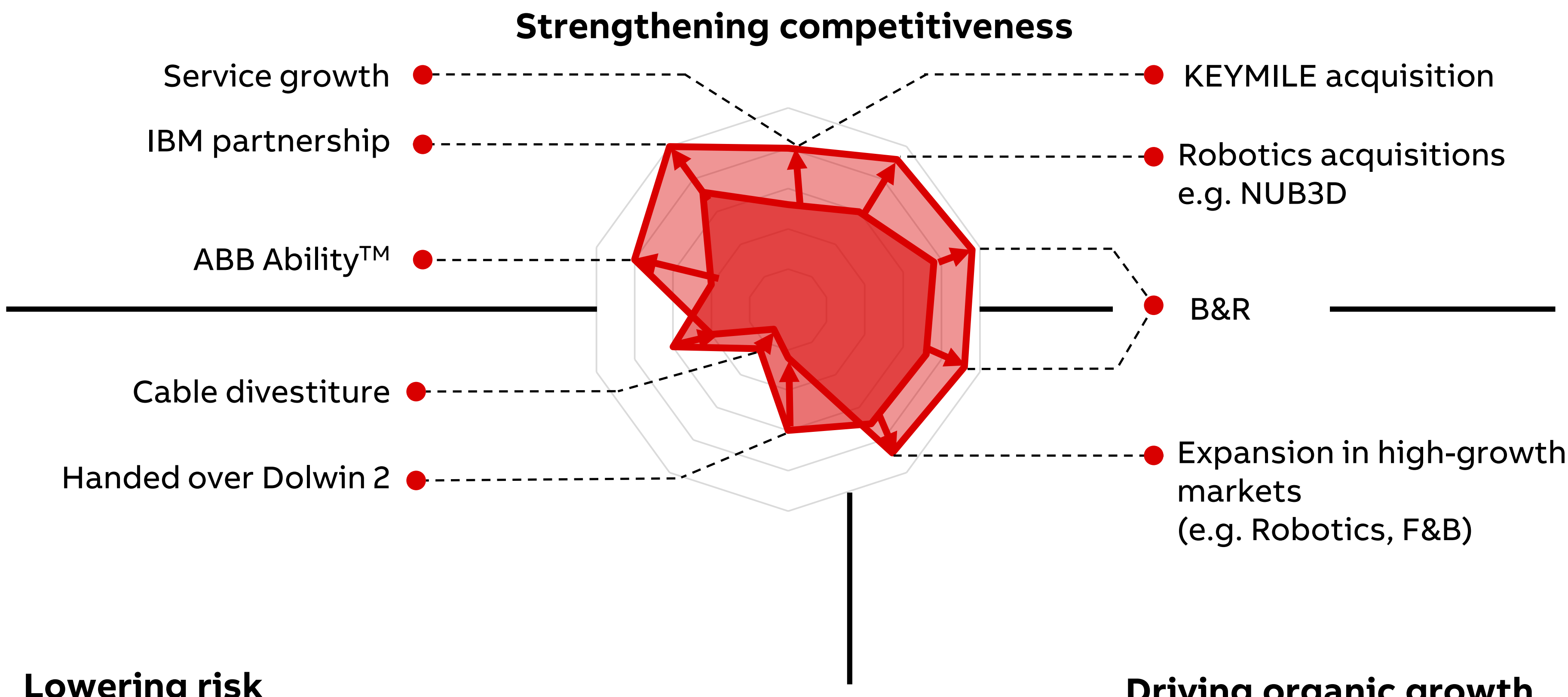
Four actions

ANNOUNCED OCTOBER 4TH, 2016

Profitable Growth	1	Driving growth in four market-leading entrepreneurial divisions
	2	Quantum leap in digital
Relentless Execution	3	Accelerating momentum in operational excellence
Business-led Collaboration	4	Strengthening the global ABB brand

Delivering attractive shareholder returns

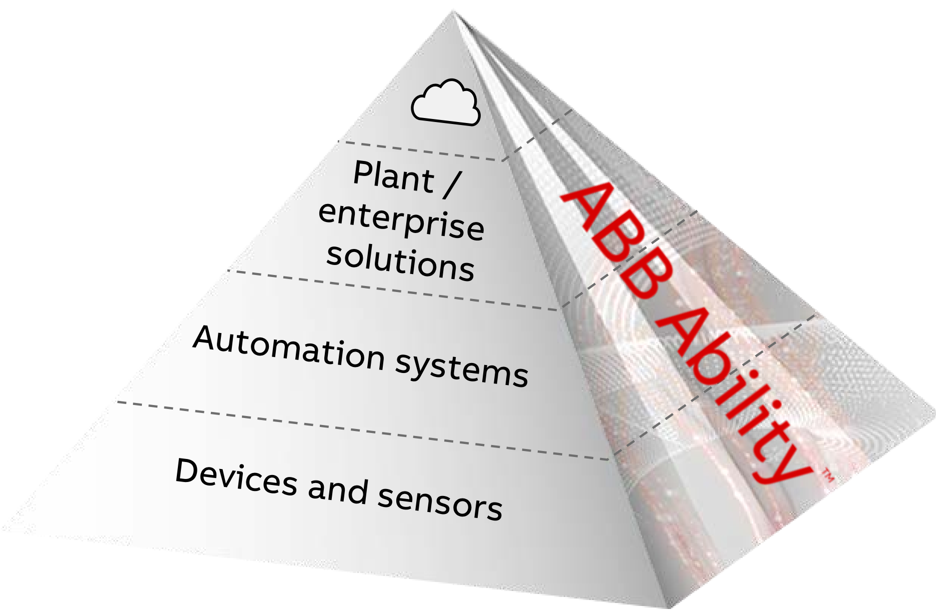
H1 2017: Continuing to shift ABB's Center of Gravity



H1 2017: ABB Ability™

Strong momentum building

Industry-leading offering



Global launch

~ 30'000 customer representatives in US, Europe and China

Innovation and expansion

180+ ABB Ability solutions

8 ABB Ability Collaborative Operations Centers

Partnership

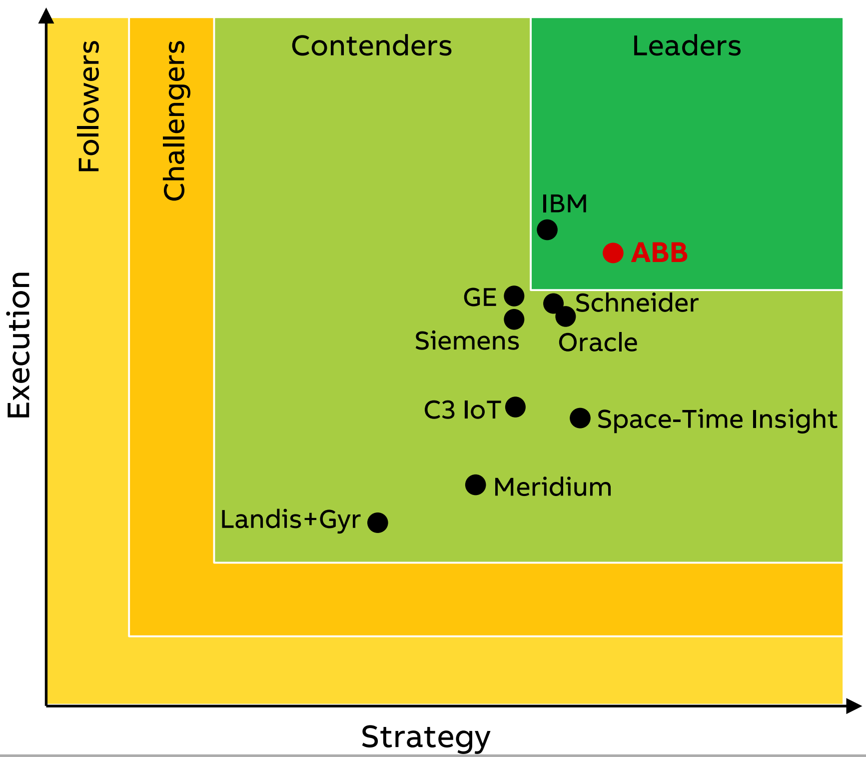
IBM Watson

H1 2017: ABB Ability™

Leadership and strong customer interest

Leadership in digital grid

Example: asset performance management



Key wins

Utilities – Nordic HVDC link

Solution for world-class grid reliability

ABB Ability MACH™ control system

Industry – Semiconductor Manufacturing Int'l Corp

Solution for improved asset effectiveness

ABB Ability iVD4® MV intelligent power distribution

Transport & Infrastructure

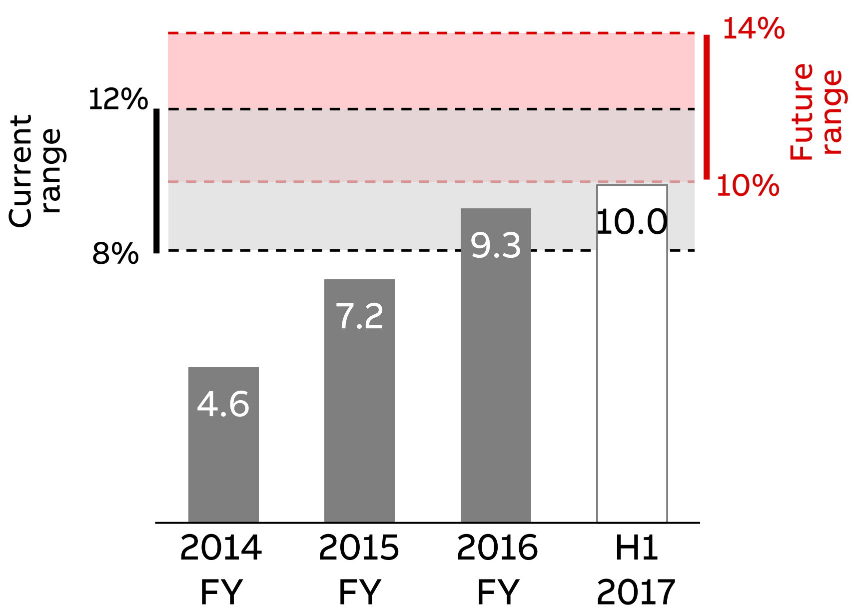
Powerful EV charging infrastructure for first electric buses in the UK

ABB Ability EV charging infrastructure

The leaderboard for asset performance management systems. Courtesy of Navigant Research

H1 2017: Power Grids transformation continuing

Operational EBITA margin, %



Shifting the Center of Gravity

- Business model change
- Investment in digitalization, ABB Ability™
- Keymile's communication business to be acquired
- Investment in Enbala – distributed energy mgmt.
- High Voltage cables business divested

Operational Excellence

- Dolwin 2 handed over
- Continuous improvement in project execution
- White Collar Productivity & Working Capital program

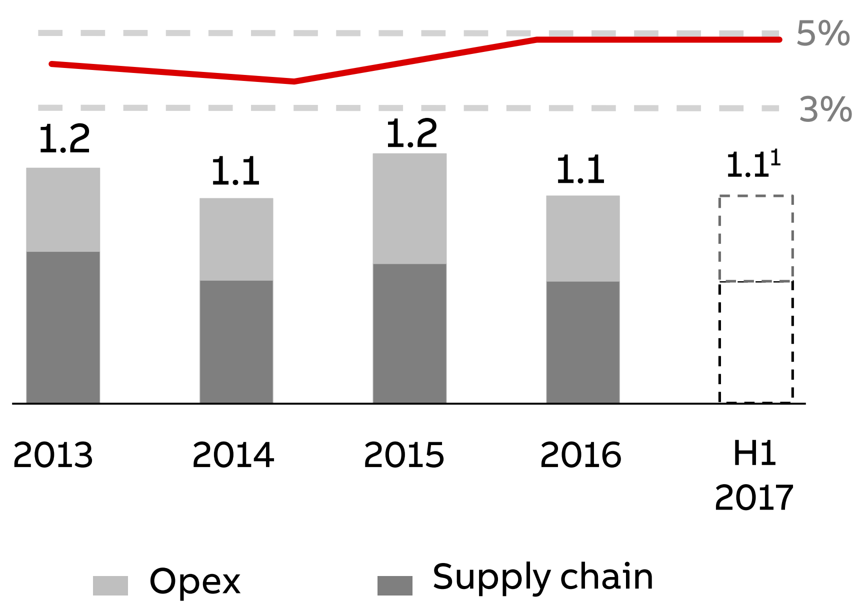
'Power Up' transformation program on track

* 2014FY Estimated to exclude the divestment of the Cables business which has been reclassified to Corporate and other for all periods prior to the divestment.
New target margin range of 10-14% effective in 2018

H1 2017: regular cost savings and White Collar Productivity

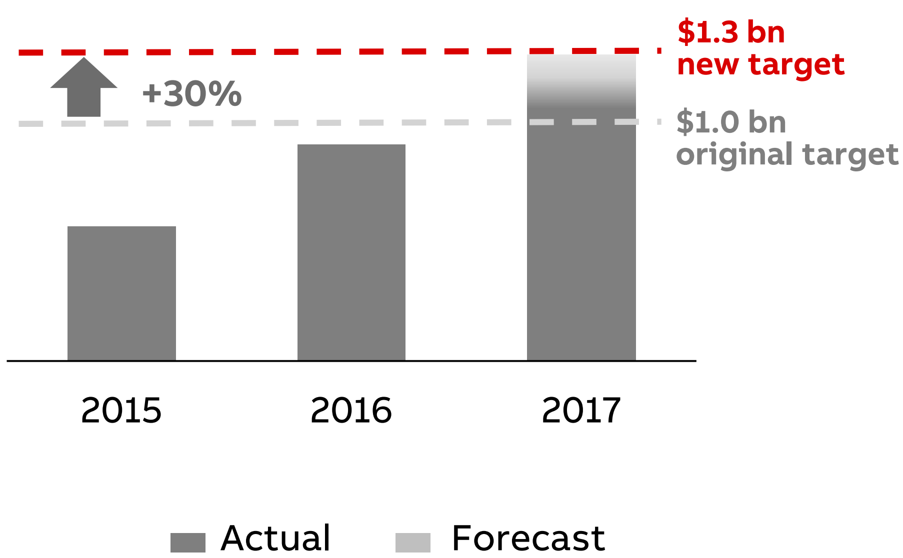
Constant Opex and SCM savings

Target 3-5% of cost of sales, $ bn



Increased White Collar Productivity ambition

Run rate gross savings



[1]Run-rate

Q2 2017: summary and outlook

Q2 2017 results

Total and base orders up 3%

Higher orders in all regions

Revenues up 1%
Op EBITA margin 12.4% dampened this quarter by commodity prices and some overcapacity

Net income $525 million

Cash flow from operating activities reflects timing of short term incentive payments

NWC as a % of revenues reduced 90bps to 14.1%

Active portfolio management:

- B&R acquisition closed on July 6
- Announced acquiring KEYMILE communication network business

Outlook unchanged

Mixed short-term picture

Some macroeconomic signs remain positive in US and growth in China expected to continue

Overall global market impacted by modest growth and increased uncertainties

Long-term demand outlook remains positive – growth drivers in place for utility, industry, transport & infrastructure

2017 – a transitional year

ABB

ABB

Key figures Q2 2017

$ mn unless otherwise indicated	Q2 17	Q2 16	Change $	Change Local currency	Change Comparable
Orders	8,349	8,316	+0%	+3%	+3%
Order backlog	23,553	25,338	-7%	-6%	-1%
Revenues	8,454	8,677	-3%	+0%	+1%
Operational EBITA	1,042	1,120	-7%	-5%	
as % of operational revenues	12.4%	12.9%	-0.5 pts		
Income from operations	884	647	+37%		
as % of revenues	10.5%	7.5%	+3.0 pts		
Net income	525	406	+29%		
Basic earnings per share ($)	0.25	0.19	+30%		
Operational earnings per share	0.30	0.35	-15%[1]		-11%[2]
Cash flow from operating activities	467	1,082	-57%		

[1] Calculated on earnings per share before rounding
[2] Operational EPS growth rate is in constant currency (2014 foreign exchange rates)

Third party base orders by division

	Q2 17	Q2 16	% Change
Third-party base orders $ mn			Comparable
Electrification Products	2,393	2,494	-1%
Robotics and Motion	1,967	1,826	+10%
Industrial Automation	1,327	1,325	+2%
Power Grids	1,977	1,980	+2%
Corporate and Other	17	32	
Total Group	**7,681**	**7,657**	**+3%**

Cash flow from operating activities by division

Cash flow from operating activities $ mn	Q2 17	Q2 16	% Change
Electrification Products	259	325	-20%
Robotics and Motion	213	289	-26%
Industrial Automation	143	270	-47%
Power Grids	75	241	-69%
Corporate and Other	-223	-43	n.a.
Total Group	**467**	**1,082**	**-57%**

ABB

Order backlog by division

	Q2 17	Q2 16	% Change	
Order backlog (end June) $ mn			$	Comparable
Electrification Products	3,220	3,452	-7%	-5%
Robotics and Motion	4,188	4,025	+4%	+4%
Industrial Automation	5,710	6,165	-7%	-7%
Power Grids	11,860	12,286	-3%	-2%
Corporate and Other	-1,425	-590		
Total Group	**23,553**	**25,338**	**-7%**	**-1%**

Operational EPS analysis

mn $, except per share data in $	Q2 17	EPS	Q2 16	EPS	△[1]
Net income (attributable to ABB)	525	0.25	406	0.19	+30%
Operational adjustments:					
Acquisition–related amortization	56		71		
Restructuring and restructuring-related expenses[2]	84		367		
Non-operational pension cost	-7		0		
Changes in retained obligations of divested businesses	0		0		
Changes in pre-acquisition estimates	0		14		
Gains and losses on sale of businesses	7		0		
Acquisition-related expenses and certain non-operational items	58		9		
FX / commodity timing differences in income from operations	-40		12		
Tax on operational adjustments[3]	-46		-123		
Operational net income / Operational EPS	**637**	**0.30**	**756**	**0.35**	**-11%**[4]

[1]Calculated on earnings per share before rounding; [2] Including white collar productivity implementation costs; [3]Tax amount is computed by applying the Adjusted Group effective tax rate to the operational adjustments, except for gains and losses from sale of businesses for which the actual provision for taxes resulting from the gain or loss has been computed; [4]Operational EPS growth rate is in constant currency (2014 foreign exchange rates)

ABB's Executive Committee

As of July 1, 2017

Frank Duggan Region Europe

Sami Atiya Division Robotics and Motion

Peter Terwiesch Division Industrial Automation

Diane de Saint Victor General Counsel

Jean-Christophe Deslarzes Chief Human Resources Officer

Ulrich Spiesshofer President and Chief Executive Officer

Claudio Facchin Division Power Grids

Timo Ihamuotila Chief Financial Officer

Tarak Mehta Division Electrification Products

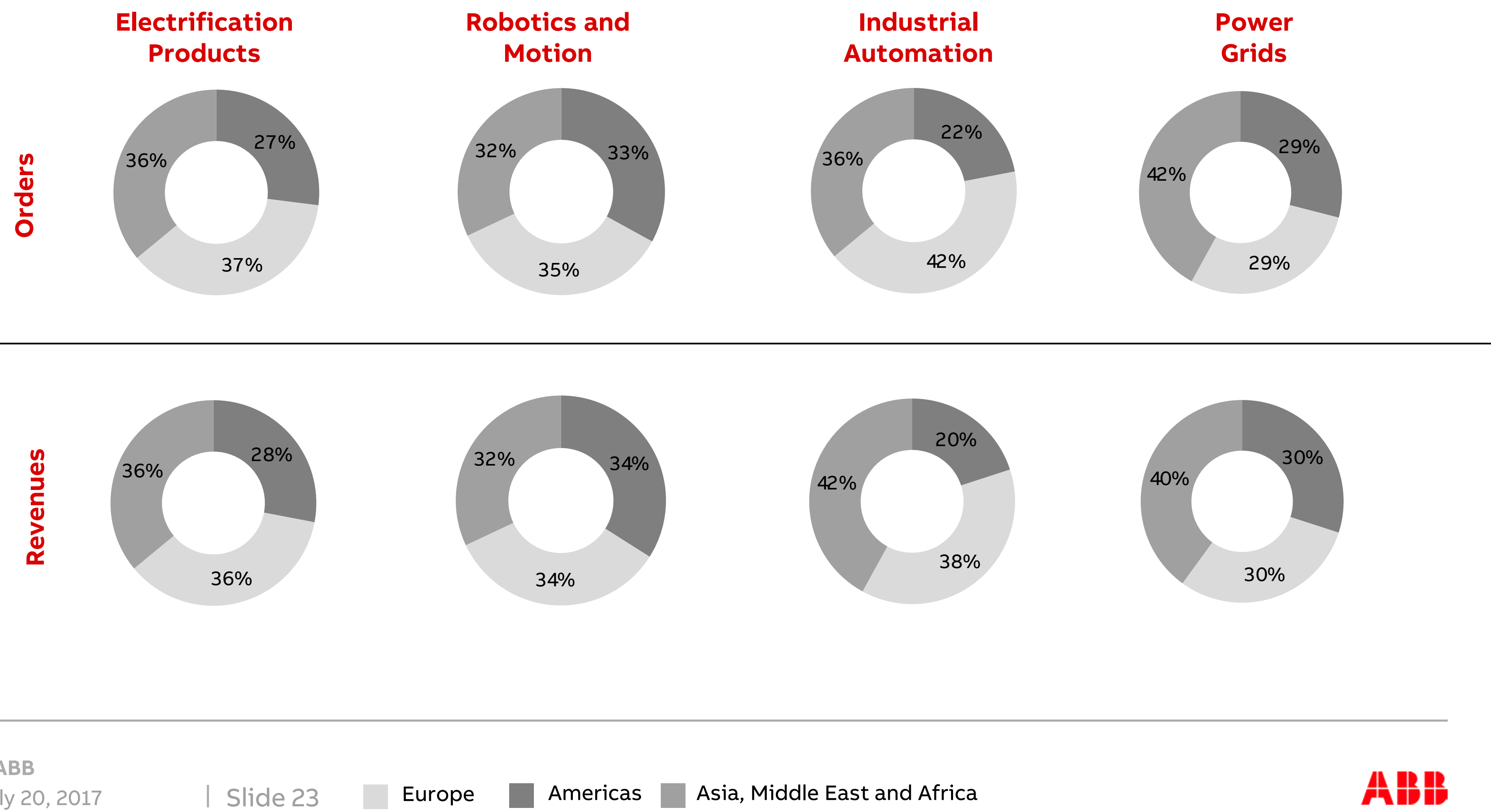
Chunyuan Gu Region AMEA

Greg Scheu Region Americas

ABB

Regional share of total orders and revenues by division

Q2 2017

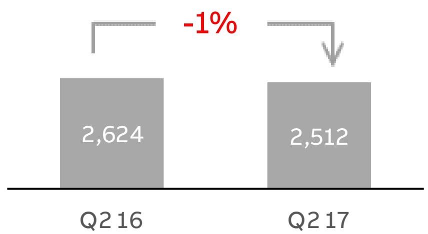


Electrification Products

Q2 2017

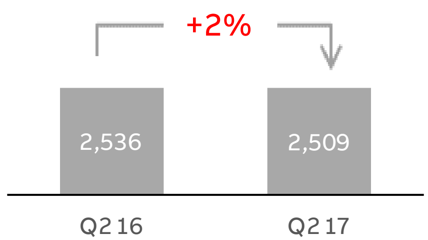
In $ mn, y-o-y change comparable

Orders



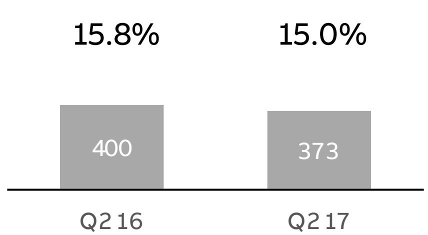
Orders impacted by fewer trading days in the quarter
Positive orders in Europe could not fully compensate the decline in the Americas and AMEA
H1 2017 orders up 1 percent

Revenues



Revenues grew 2 percent in the quarter

Op. EBITA & margin



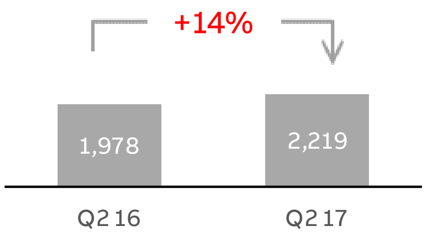
Operational EBITA margin improved sequentially but was lower in the quarter mainly due to higher material cost, which more than offset productivity and cost savings.

Robotics and Motion

Q2 2017

In $ mn, y-o-y change comparable

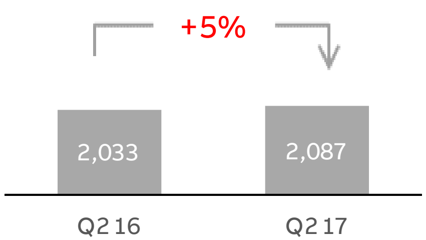
Orders



Total orders were 14 percent higher; up in all regions and business units

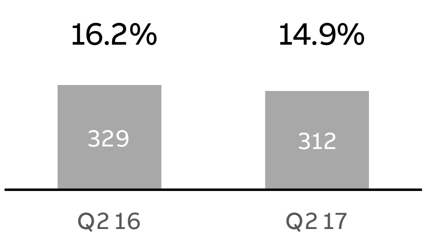
Third-party base orders increased 10 percent on continued strong growth in robotics and light industry

Revenues



Revenues improved 5 percent

Op. EBITA & margin



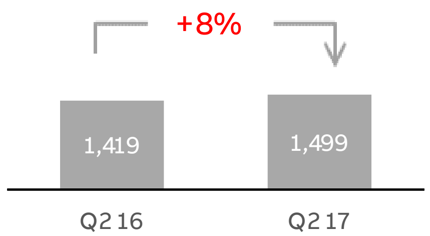
Operational EBITA margin was impacted by product mix, significantly higher commodity prices, and under absorption which more than offset cost-out measures

Industrial Automation

Q2 2017

In $ mn, y-o-y change comparable

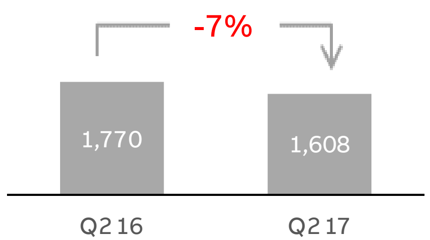
Orders



Total orders up 8 percent on selective CAPEX investments in oil and gas and mining

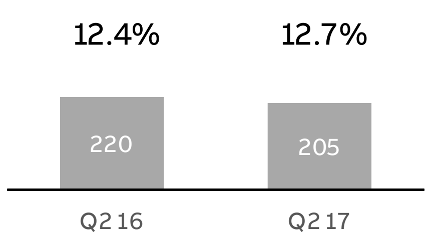
Third-party base orders continued positive development

Revenues



Revenues were 7 percent lower reflecting the execution of a lower order backlog

Op. EBITA & margin



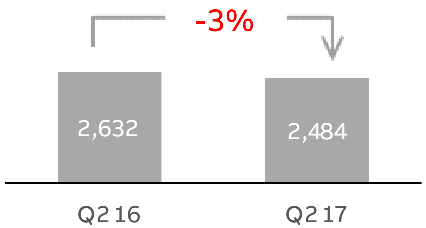
Operational EBITA margin increased slightly as cost and productivity savings offset lower revenue contribution

Power Grids

Q2 2017

In $ mn, y-o-y change comparable

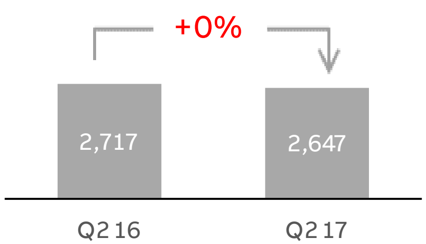
Orders



Third-party base orders grew 2 percent on investments in emerging markets

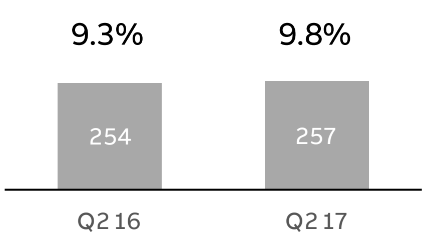
Total orders were impacted by timing of large order awards

Revenues



Revenues were steady on solid order backlog execution

Op. EBITA & margin



Operational EBITA margin increased 50 basis points to 9.8 percent, reflecting improved productivity, project execution and continued cost savings.

Power Up program to drive transformation and value creation underway; continue investments in coming quarters

More information available at ABB Investor Relations

Name	Telephone	Email
Alanna Abrahamson Head of Investor Relations	+41 43 317 3804	alanna.abrahamson@ch.abb.com
Beat Fueglistaller	+41 43 317 4144	beat.fueglistaller@ch.abb.com
Ruth Jaeger	+41 43 317 3808	ruth.jaeger@ch.abb.com