ZURICH, SWITZERLAND | JULY 18, 2024 | BJÖRN ROSENGREN, CEO; TIMO IHAMUOTILA, CFO

Q2 2024 results

Solid demand; record-high Operational EBITA margin

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,” “guidance”, “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.

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 alternative performance measures. 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 2024” on our website at global.abb/group/en/investors/quarterly-results.

Q2 2024 highlights

Solid demand, record-high Operational EBITA margin

01.

Financial performance

Orders flat[1] yoy, Revenue +4%[1]; Op. EBITA +10% year-on-year;
Op. EBITA margin 19.0% +150 bps; to some extent supported by non-repeats
Free cash flow $918 mn, +$312 mn YoY

02.

Sustainability

ABB's scope 1, 2 and 3 targets for 2030 and 2050 were approved by the Science Based Target initiative (SBTi).

03.

Investing for the future

ABB launches OmniCore next-generation Robotics control platform;
allows robots to operate 25% faster and consume up to 20% less energy.

ABB to expand electrification portfolio with announced acquisition of Siemens' Wiring Accessories business in China; annual revenues of more than $150 million in 2023.

ABB invests in Ndustrial to accelerate decarbonization through AI-powered energy management technologies.

ABB invests in strategic partnership with GridBeyond.

04.

New Business Area leaders announced

Giampiero Frisio appointed the new President of the Electrification Business Area and Brandon Spencer as the new President of the Motion Business Area.

1. YoY comparable

Short-cycle order growth returns

Q2 2024 results

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

Short-cycle
Low-single digit growth driven by Electrification and Motion

Data centers
Very strong growth

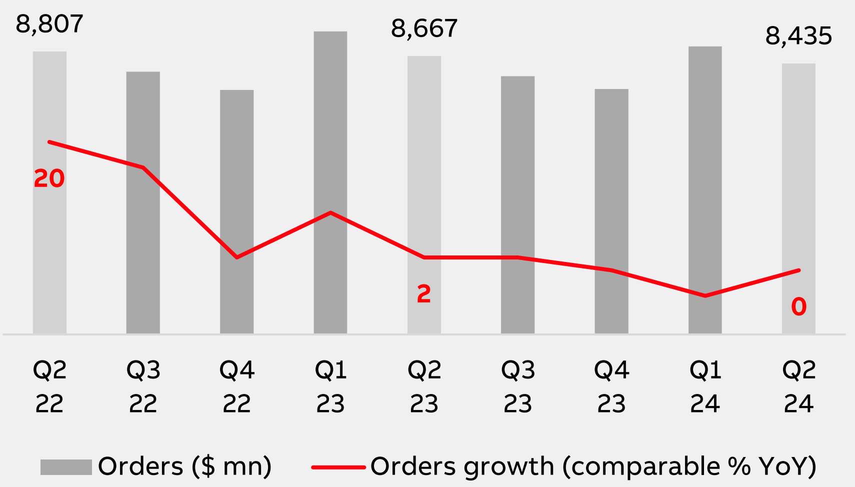
Discrete
Growth in consumer and general industry offset by weakness in automotive and machine builder segments

Process
Strong underlying momentum with strength noted in power generation and chemicals; weakness in pulp & paper, metals and mining

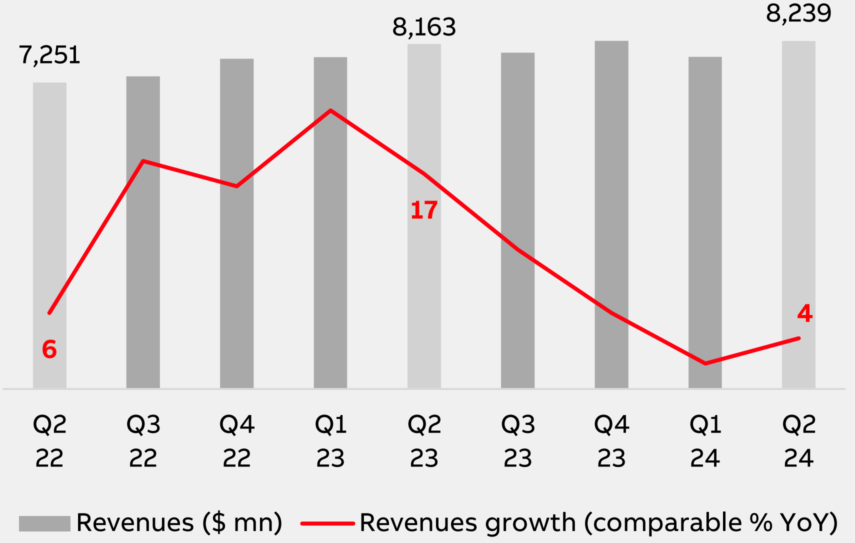
Transport & infrastructure
Positive in marine, ports and rail; buildings up year-on-year driven by commercial in the US; residential remains weak

Order backlog grew +4%[1] to $22 bn

Orders 0%[1]



Revenues +4%[1]



Book-to-bill 1.02

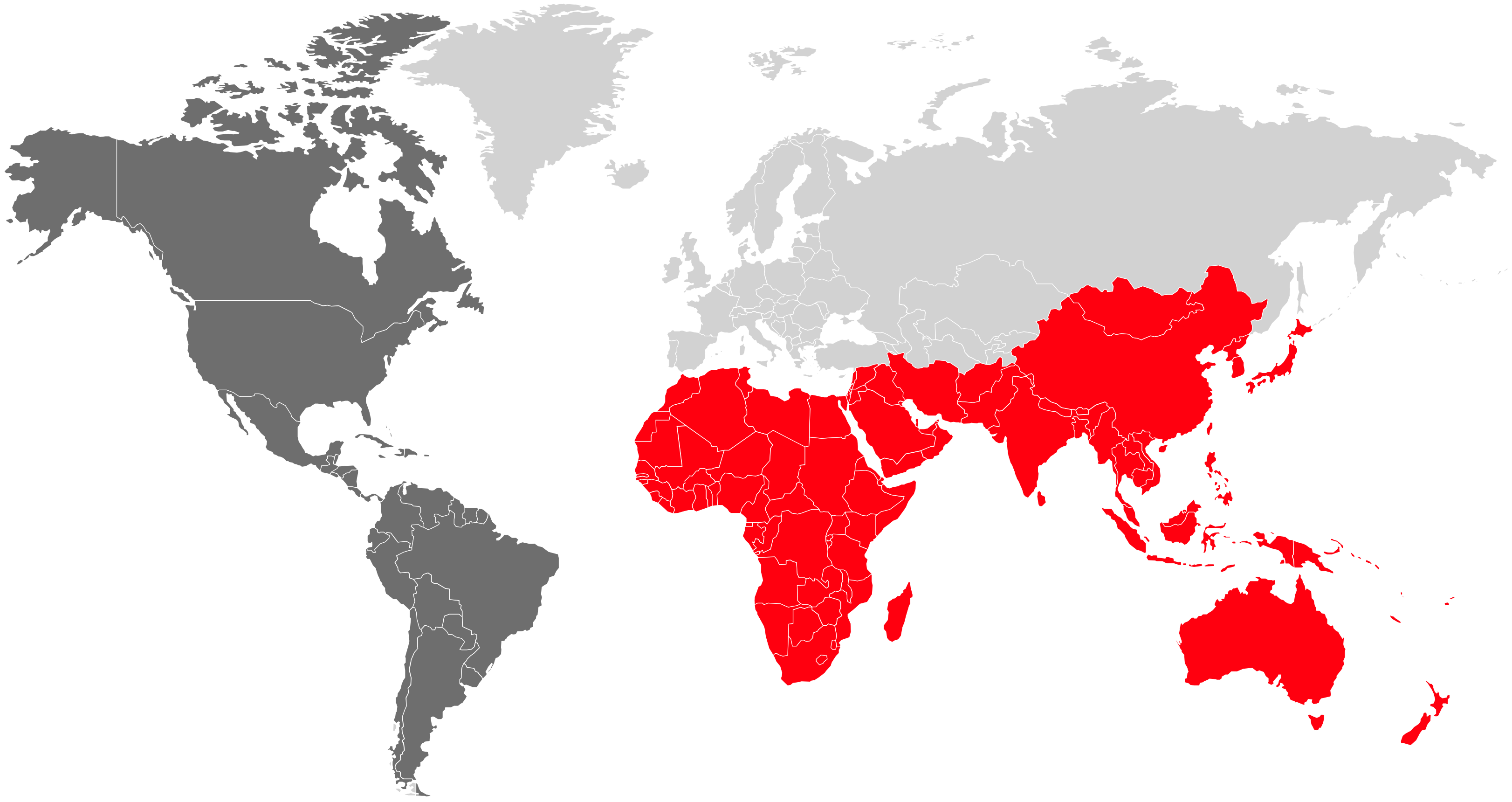
1. YoY comparable.

Declining in Americas and Europe, growing in AMEA
Q2 2024 regional, country orders

The Americas	-4%
USA Impacted by timing of large orders in last year period. Underlying strong. Steep growth in RA; strong growth in EL; decline in PA; strong decline in MO	-1%
Canada	+2%
Mexico	-13%

Europe	-4%
Germany Steep growth in EL and PA; steep decline in MO and RA	-13%
Italy	+11%
Netherlands	+58%

AMEA	+9%
China Slight decline in EL and MO; steep decline in PA and RA	-7%
India	+3%
Australia	+105%



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.

Record-high Operational EBITA margin of 19% reported

Profitability drivers

Gross Profit

+12%[1]

Gross profit as a % of revenues increased from 35.4% to 38.5%; expansion in 3 out of 4 business areas

SG&A expenses

+4%[1]

SG&A expense as a % of revenues at 17.3%, up slightly from 17.0%; driven primarily by higher sales expense across all business areas supporting revenue growth

Corporate and Other Operational EBITA

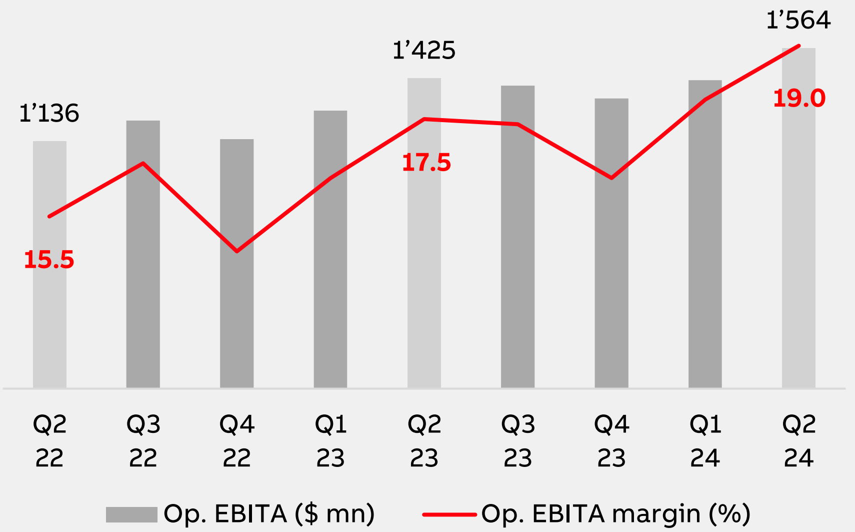
-$67 mn, of which:

Corporate costs and Other +$20mn, including $75mn non-repeats

E-mobility -$87mn, including -$48mn of impairments

Basic EPS	$0.59 **+$0.10 YoY**	**Cash flow** from operating activities	**+$1,067 mn** **+$307 mn YoY**

Operational EBITA +10%

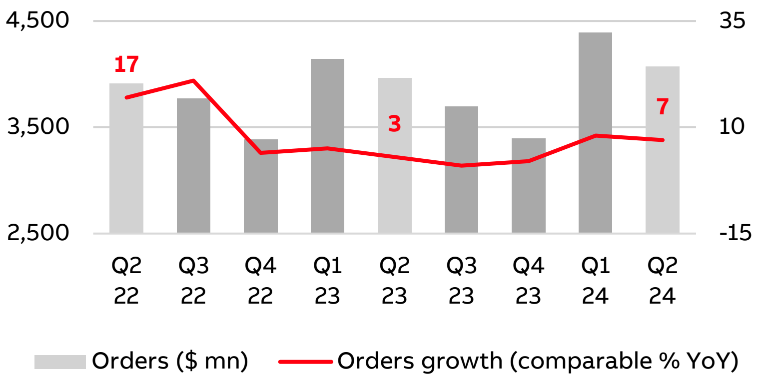


Operational EBITA margin +150 bps

1. Constant currency.

Record-high revenues, earnings and margin

Q2 2024 Electrification



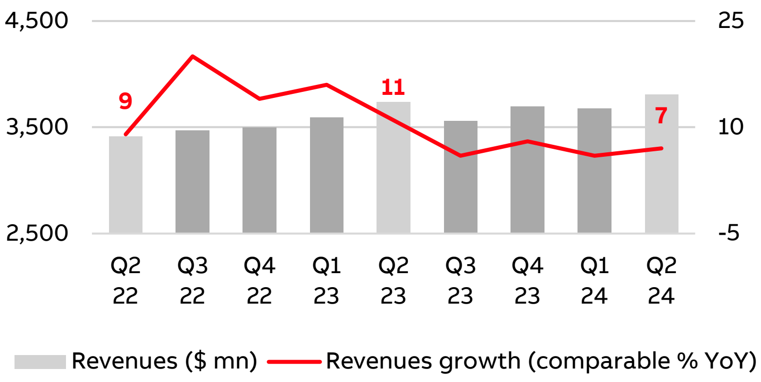
Orders $4,073 mn

Strong growth in short-cycle offset decline in long-cycle impacted by timing of large orders in the prior year

Strength in infrastructure and data centers; buildings up, driven by commercial in the US offsetting weakness in residential

Growth in all regions despite slight decline in China, which stabilized sequentially

Backlog $7.5 bn (prior Q-end $7.4 bn)

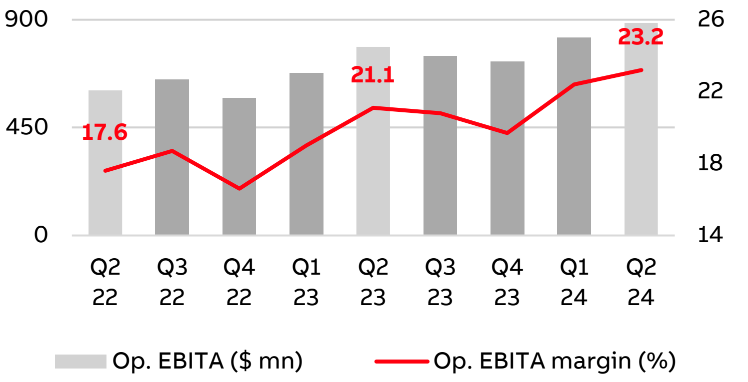


Revenues $3,809 mn

Growth driven mainly by volume with additional support from targeted pricing actions

Execution of the order backlog combined with higher demand in short-cycle resulted in stable to positive development in virtually all divisions

Book-to-bill 1.07x QTD



Operational EBITA $887 mn, +13% YoY

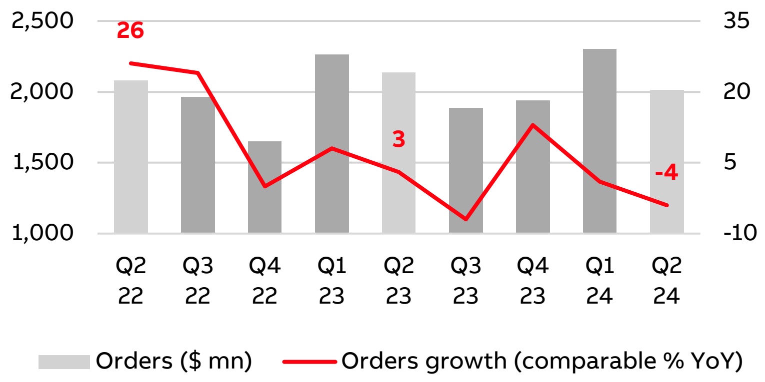
Margin +210 bps YoY

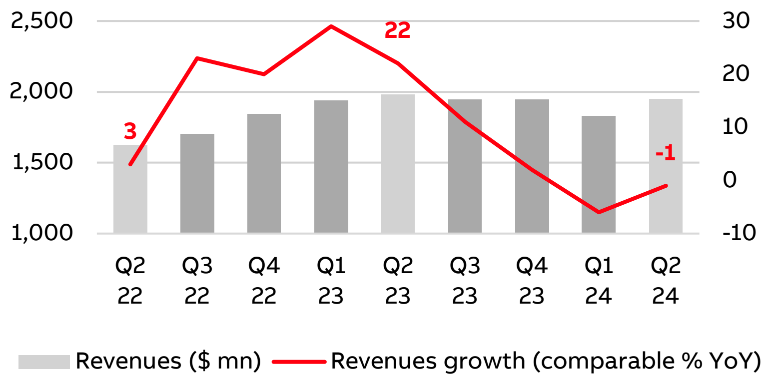
Margin improvement driven by higher volumes improving cost absorption and continuous improvement measures; slight positive price impact

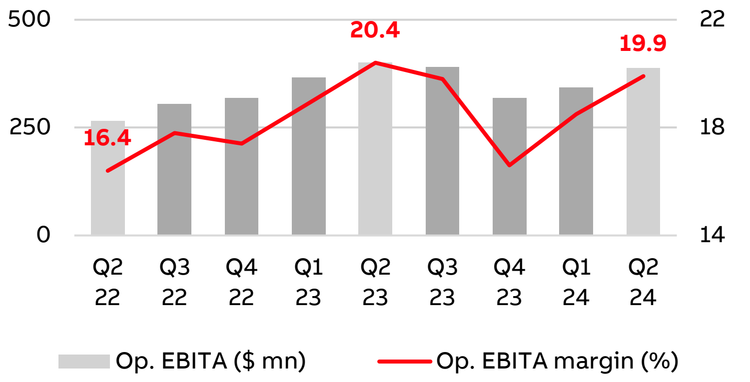
Margins improved in virtually all divisions led by both Smart Power and Distribution Solutions

Short-cycle order growth and strong profitability

Q2 2024 Motion







Orders $2,014 mn

Growth in the short-cycle offset by declines in the long-cycle businesses on the back of high comparables

Strength in rail and power generation; HVAC positive driven by commercial buildings; slowness noted in chemicals and metals; oil & gas down on high comparable base

Backlog $5.7 bn (prior Q-end $5.6 bn)

Revenues $1,951 mn

Strong execution of the order backlog was offset by declines in short-cycle businesses where order improvement did not yet convert to revenues

Higher pricing was more than offset by lower volumes in the short-cycle

Book-to-bill 1.03x QTD

Operational EBITA $388 mn, -3% YoY

Margin -50 bps YoY, but still at a high level of 19.9%

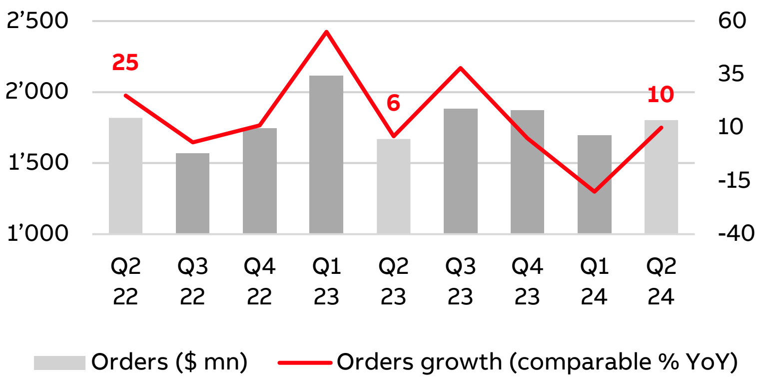
Decrease driven by operational leverage on lower volumes in short-cycle businesses, partially offset by improved profitability in the long-cycle divisions

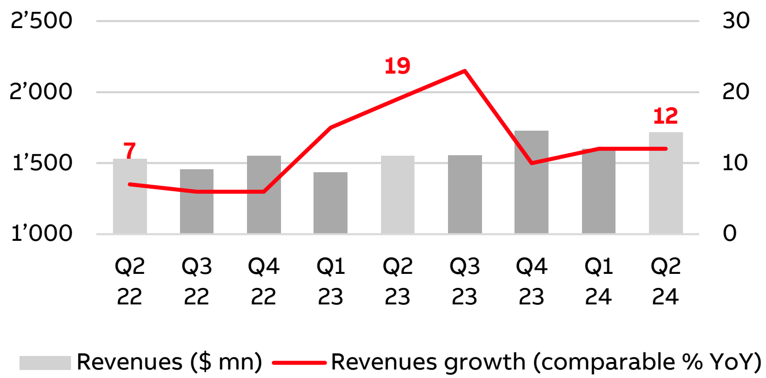
Positive price more than offset the negative impacts from inflation

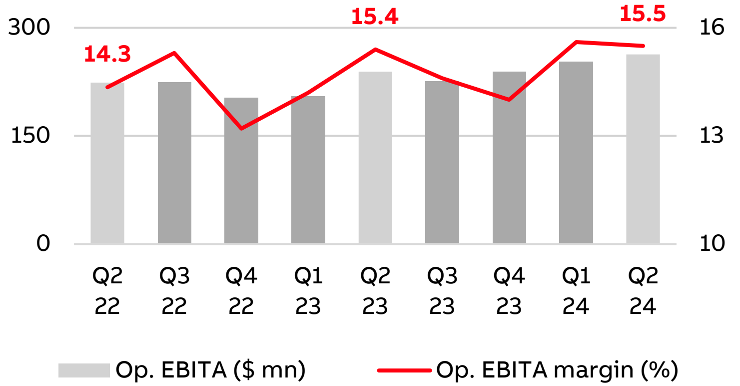
1. Oil & Gas

Continued strong execution

Q2 2024 Process Automation







Orders $1,802 mn

Markets remain buoyant with robust project pipeline intact; order growth supported by relatively easy comparable

Strength in marine, ports and chemicals; oil & gas stable; negative order development in pulp & paper, metals and mining

Backlog $7.4 bn (prior Q-end $7.3 bn)

Revenues $1,717 mn

Strong growth driven by execution of the high order backlog as well as service

Revenue growth in 3 out of 4 divisions

Strong growth across all regions

Book-to-bill 1.05x QTD

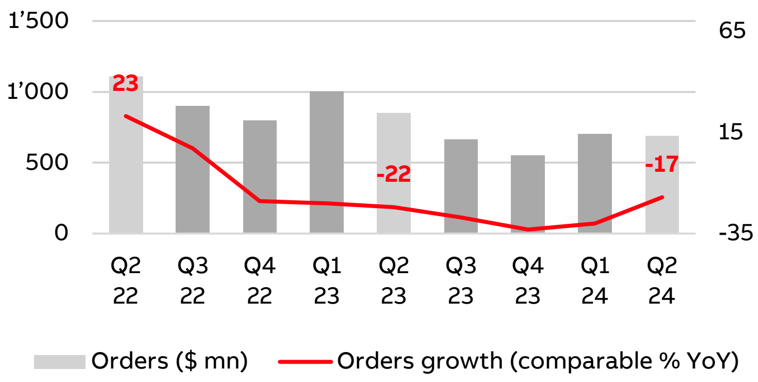
Operational EBITA $263 mn, +10% YoY

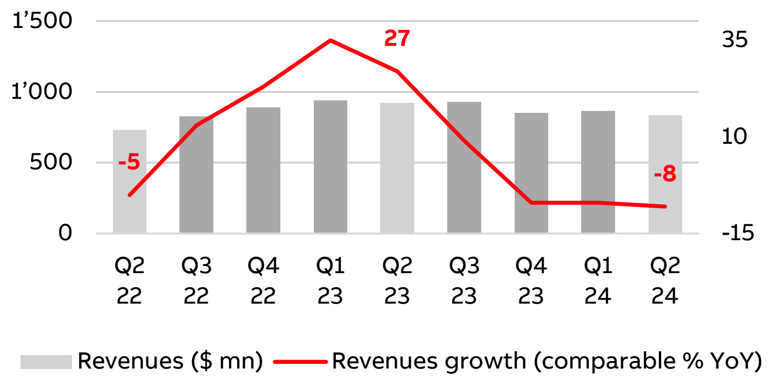
Margin +10 bps YoY

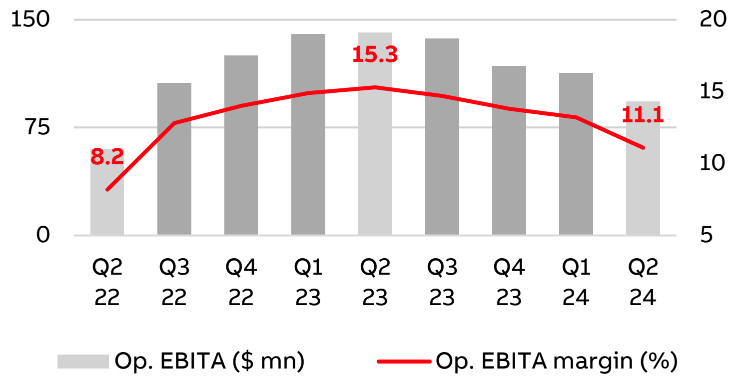
Supported by execution of the order backlog with a higher gross margin, partially offset by slight increase in SG&A, which declined as a percentage of revenues

Robotics orders improving; machine automation under pressure

Q2 2024 Robotics & Discrete Automation







Orders $688 mn

Robotics orders improved slightly, offset by a sharp decline in Machine Automation

Robotics demand increased in general industries and service; partially offset by declines in automotive and electronics

Machine Automation impacted by earlier pre-buys and soft underlying market which is expected to remain for the rest of the year

Backlog $1.8 bn (prior Q-end $1.9 bn)

Revenues $833 mn

Revenues declined in both divisions and across all regions

Positive order development in Robotics did not yet convert to revenues; Machine Automation impacted by market slowdown

Book-to-bill 0.83x QTD

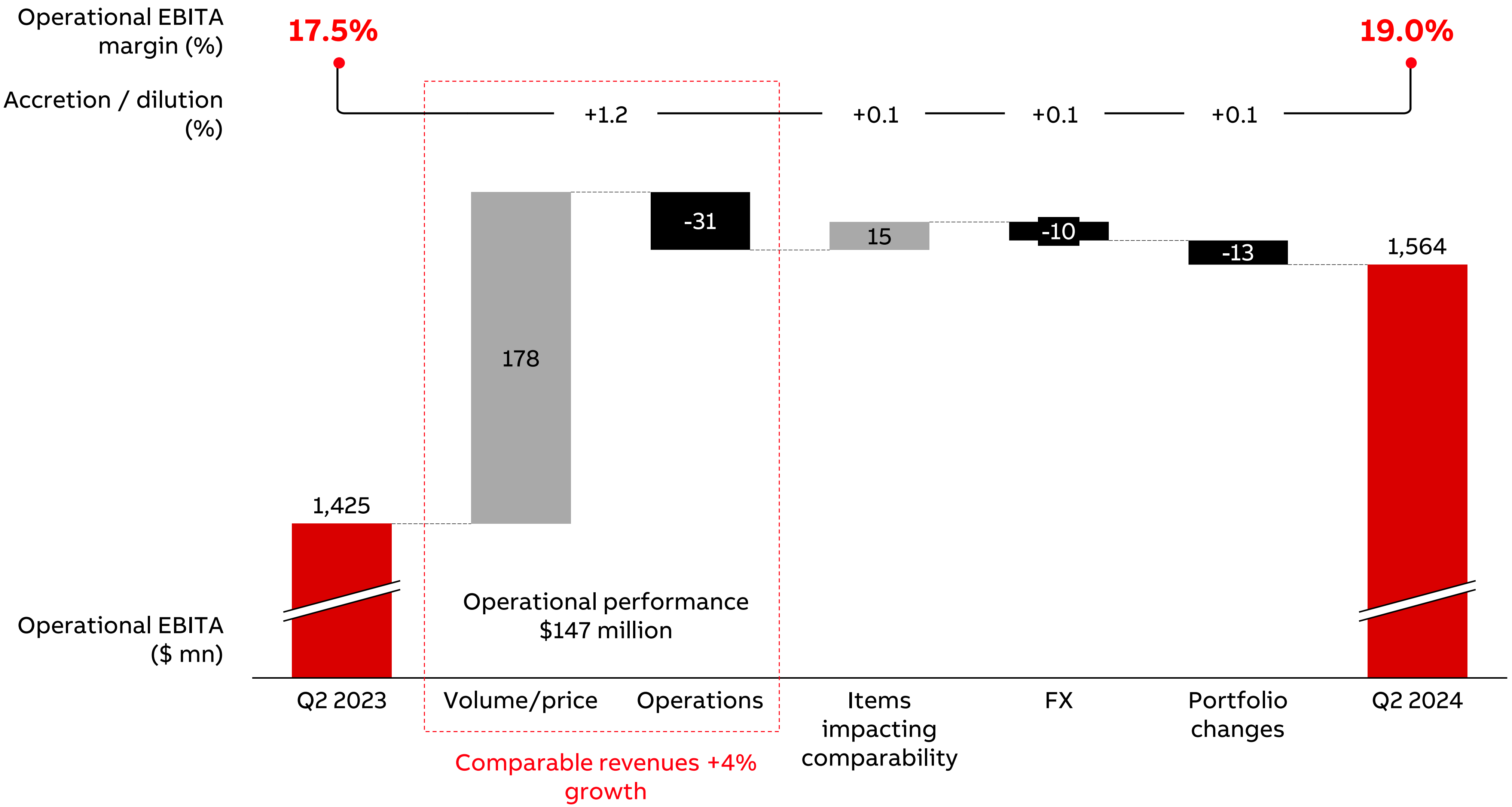
Operational EBITA $93 mn, -34% YoY

Margin -420 bps YoY

Lower production volumes triggered under absorption in both divisions, and largest margin decline in Machine Automation

Machine Automation initiated actions to defend future profitability; benefits from these measures expected towards the end of the year

Operational EBITA bridge



Operations include $58 mn related to a reduction in self-insurance liabilities
Items impacting comparability: Non-core business. Portfolio changes: Acquisition of Siemens NEMA motor, Divestment of Power Conversion businesses

Strong cash delivery

Q2 2024 cash flow drivers

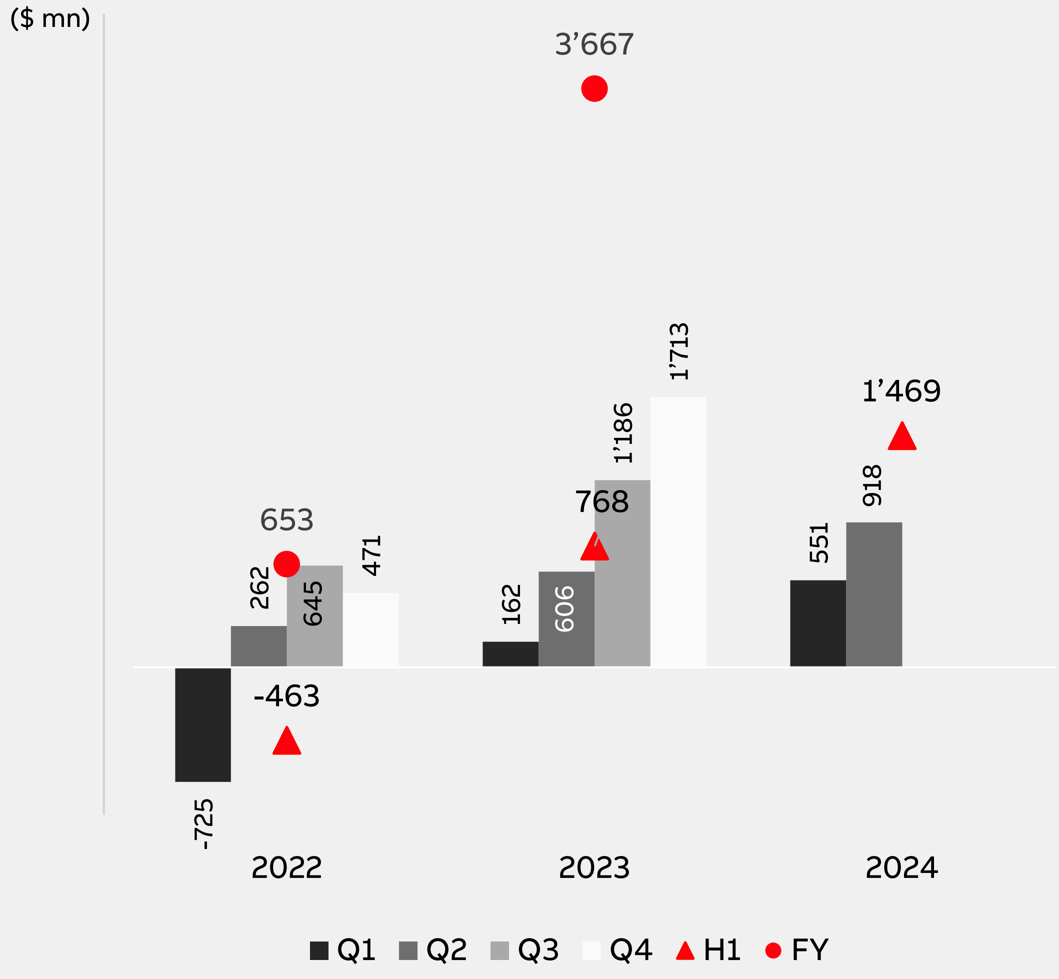
Improved cash flow from operating activities in all business areas driven by:

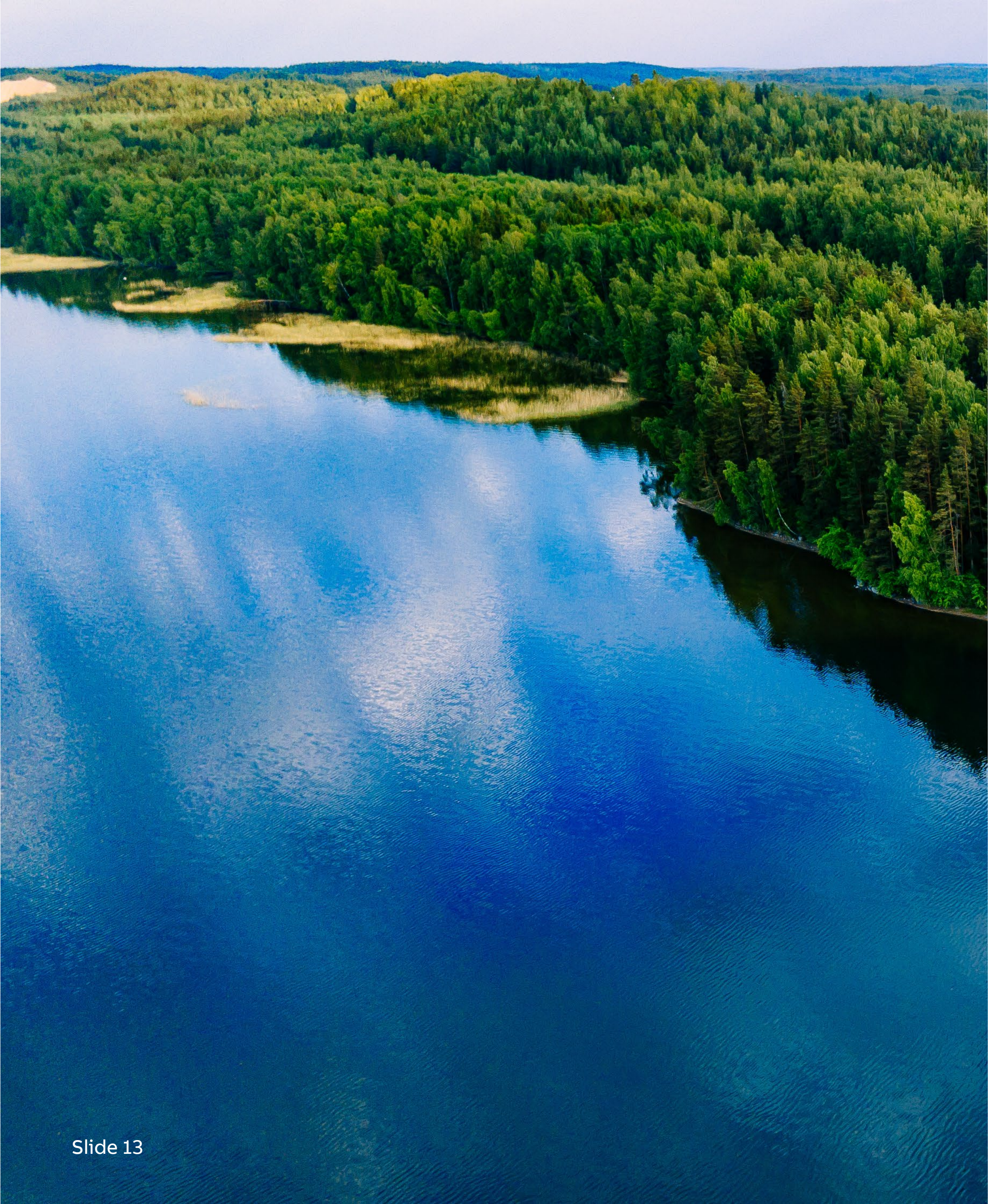
- Lower build up of Net working capital; all key components of NWC improved versus the prior year
- Slight increase in operational performance

CAPEX stable versus prior year

Strong cash delivery at least similar to last year's level

Free cash flow
(+$918 mn, +$312 mn YoY)





Outlook

Q3 2024

Revenues

Sequentially higher growth rate in comparable revenues

Operational EBITA %

Operational EBITA margin around 18.5% or slightly below

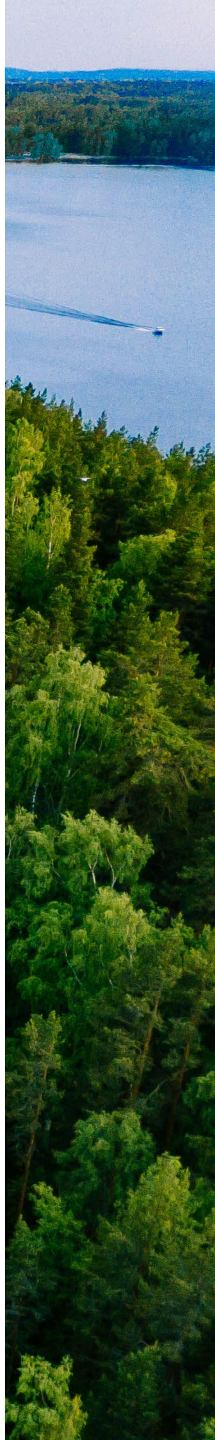
FY 2024

Revenues

Comparable revenue growth to be about 5 percent; Book-to-bill above 1

Operational EBITA %

Operational EBITA margin to be about 18%



Q&A

Appendix

2024 framework

$ mn unless otherwise stated	Q2 24	Q3 24 framework	2024[1] framework
Corporate and Other Operational EBITA[2]	20	~(75)	~(200) from ~(300)
Non-operating items:			
PPA-related amortization	(57)	~(45)	~(210)
Restructuring and related[3]	(63)	~(70)	~(250) from ~(200)
ABB Way transformation	(53)	~(60)	~(200)

	6M 24	2024 framework
Net finance expenses	53	~75 from ~(50)
Effective tax rate	24.5%	~24%[4] from ~25%
Capital expenditure	(366)	~(900)

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. Excludes Operational EBITA from E-mobility business.
3. Includes restructuring and restructuring-related as well as separation and integration costs.
4. Excludes the impact of acquisitions or divestments or any significant non-operational items.

ABB