ZURICH, SWITZERLAND | JULY 16, 2026 | MORTEN WIEROD, CEO; CHRISTIAN NILSSON, CFO

# Q2 2026 RESULTS

Record-high orders, strong operational execution and value creation through M&A

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# 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 2026” on our website at global.abb/group/en/investors/quarterly-results.

# Q2 2026

## Selected highlights

**Record-high orders, strong operational execution and value creation through M&A**

**+28%**[1]
order growth

**+12%**[1]
revenues

**20.2%**
Op. EBITA margin
**+90bps** YoY

**ABB to acquire Rotork plc** to expand its offering within the sense-control-act automation loop

ABB and VoltaGrid extend collaboration on **power infrastructure for data centers**

ABB invests **$200 million** across Europe to accelerate grid transformation

Announced acquisition of **Specialtrasfo** to support industrial electrification with specialized transformer offering

**FCF**
**$881 mn**
**+$36 mn** YoY

**28.4%**
**ROCE**
**+390 bps** YoY




1. YoY Comparable

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# Rotork aligns with ABB's purpose

- Expands ABB's automation offering for large and complex infrastructure and industries
- Strengthening position at the **field-device layer** with a leading supplier of electric actuators
- Growth potential by building on ABB's broad market reach
  - Rotork 8% average organic growth in 2022-2025
- Adding 3% to ABB FY 2025 revenues and instant margin accretion
  - Rotork FY 2025: £777 mn; Adj. operating margin 24.6%
- Deal value ~$5.5 bn, recommended by Rotork Board of Directors
  - All-cash offer at 503 pence per Rotork share, anticipated closing in H1 2027
  - EV/Sales[1] ~5.3x, EV/EBITDA[1] ~19.5x; discount in the region of ~5% to ~25% vs ABB
  - Anticipated synergies reduce EV/EBITDA multiple into the mid-teens range
- Strong balance sheet with headroom for additional M&A & buybacks
  - Redeploying ~$4.8 bn of expected net cash proceeds from sale of ABB Robotics business
  - ABB end-Q2 2026: Net debt $2.3 bn, Net debt/EBITDA 0.3

# Value creation through M&A

## Instant Op. EBITA margin accretion

## EPS accretive in year 2

| USD billion | ABB 2025 | ABB 2025* incl. Rotork |
|---|---|---|
| Revenues | 33.2 | 34.2 |
| Op. EBITA | 6.3 | 6.6 |
| Op. EBITA % | 19.0% | 19.2% |
| Income from operations | 6.0 | 6.2 |

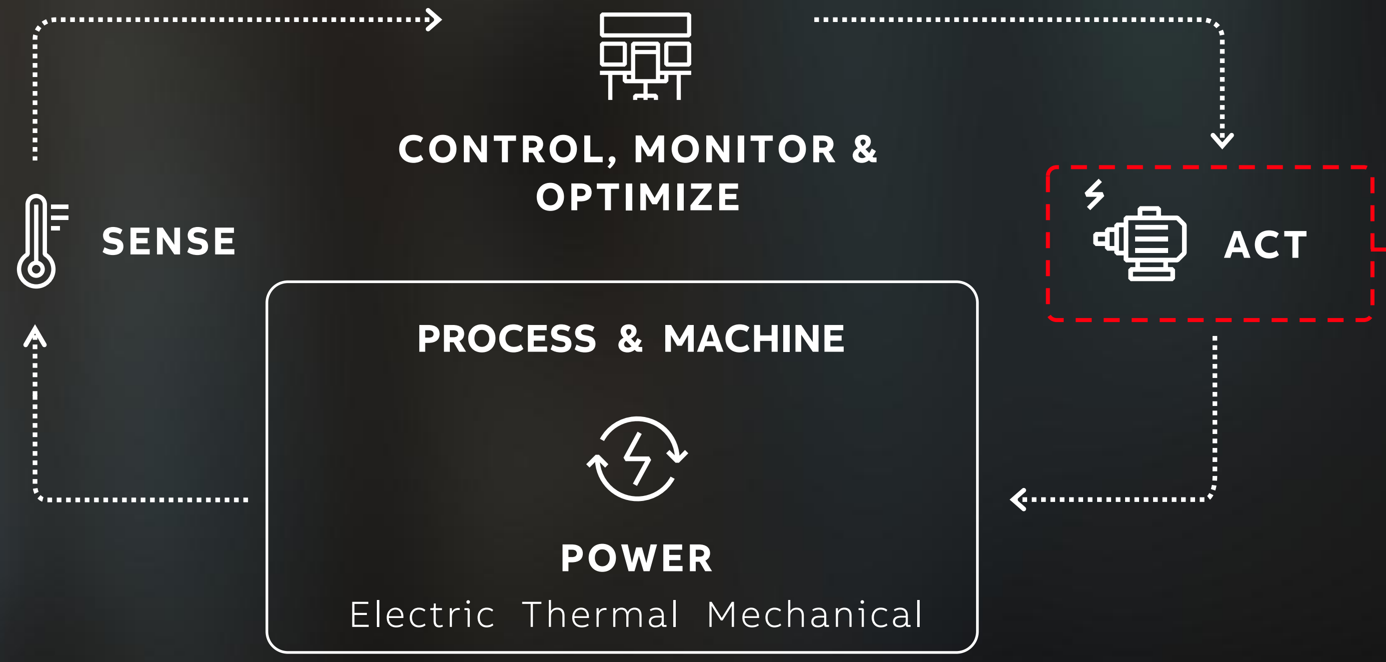
*Preliminary 2025 proforma, rounded numbers, excluding synergies (Rotork actuals)

1. Based on 2025 Rotork actuals

ABB

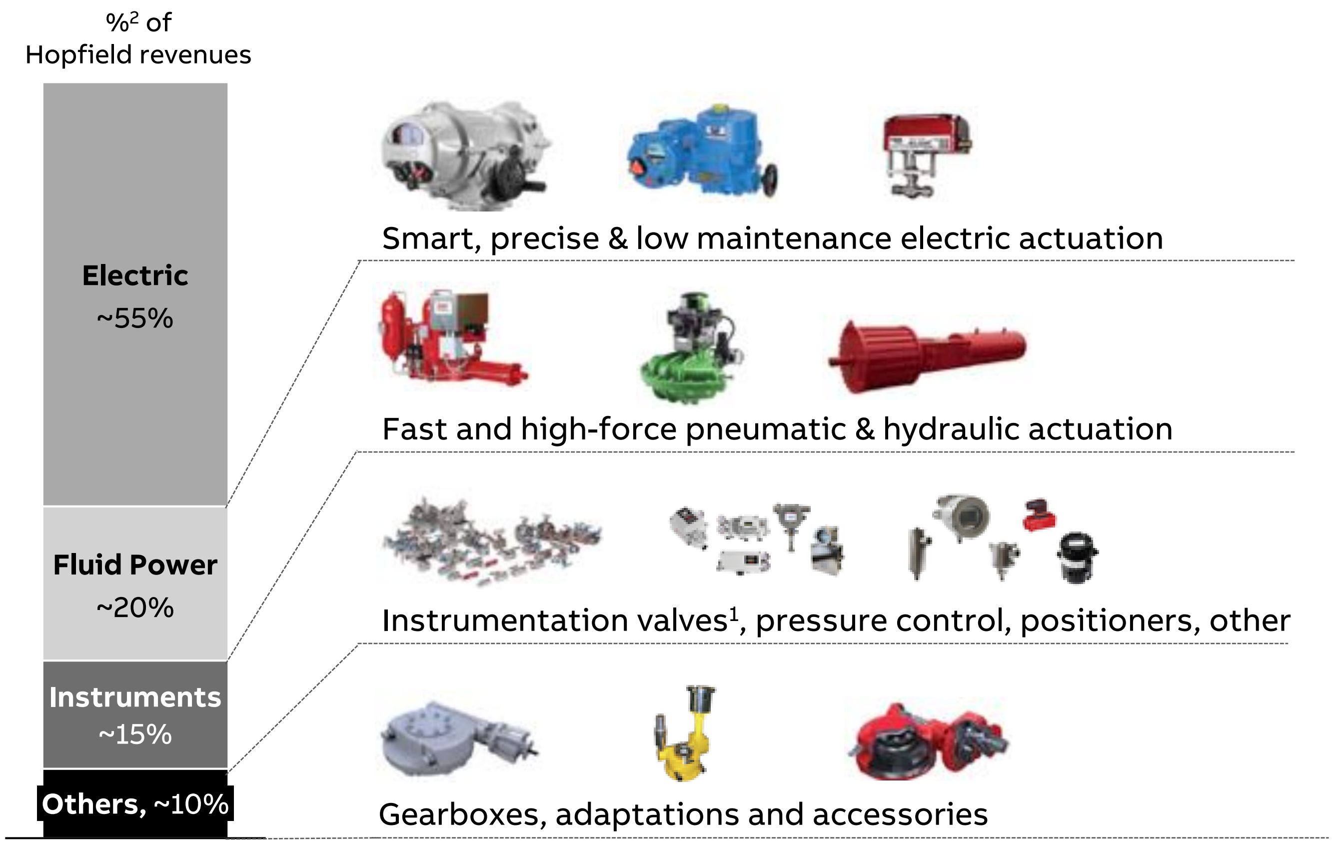
# Rotork – a strategic fit in sense-control-act automation loop

The sense-control-act automation loop monitors and manages industrial processes for safer, more productive, and sustainable operations




- Rotork's actuators are highly complementary to ABB's automation portfolio and strengthen position in instrumentation
- Strong customer alignment in energy and process end-markets
- Aftermarket and lifecycle pull-through via strong installed base
- Enables accelerated penetration of high-growth verticals such as marine, water and nuclear
- Strengthens digital capabilities through condition monitoring, predictive maintenance and remote diagnostics

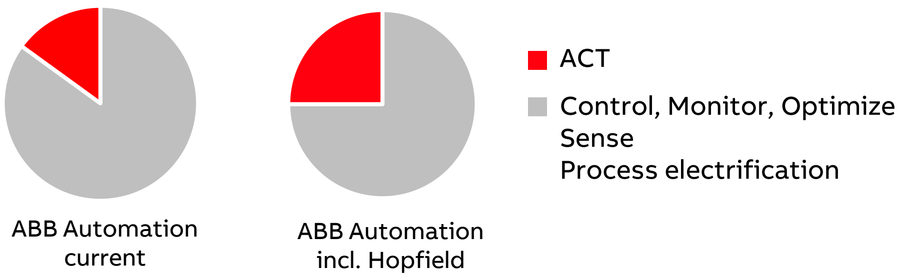
# ABB acquiring world-class technology for electric actuation




## Benefits of electric actuators

- Higher precision and accuracy in control of position, speed and force
- Energy efficiency as consume power only when move
- Higher level of digital diagnostics
- Easy installation requiring only electric power supply and wiring control
- Easy maintenance as fewer components

## Balancing ABB's offering in sense-control-act automation loop




1) Unlike process valves designed for high flow control, instrumentation valves are built to handle smaller flow rates with precision. They are used to control, isolate, or monitor the flow within pipelines connected to pressure gauges, transmitters, and other instruments
2) ABB estimates

# New division in Automation business area

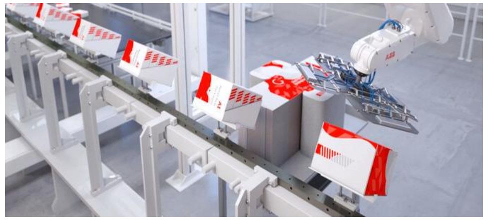
### Energy Industries


### Process Industries


### Marine & Ports


### Measurement & Analytics



### Machine Automation


### Rotork


# A stronger business through strategic M&A

**Adds 12% to Automation 2025 revenues**

**Immediate Op. EBITA margin accretion**

**Strong service business**

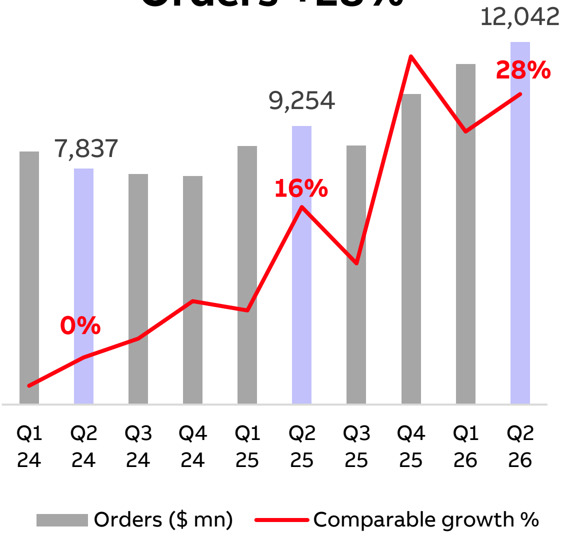
| USD billion | Automation 2025 actual | Automation 2025* incl. Rotork |
|---|---|---|
| Revenues | 8.1 | 9.1 |
| Op. EBITA | 1.1 | 1.4 |
| Op. EBITA % | 14.0% | 15.2% |
| Income from operations | 1.1 | 1.3 |

*Preliminary 2025 proforma, rounded numbers, excluding synergies (Rotork actuals)

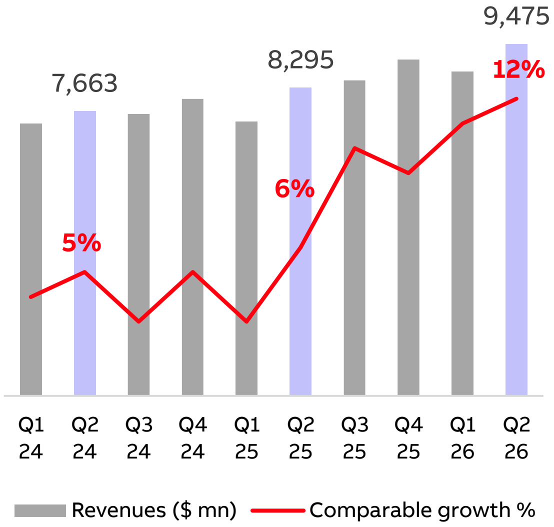
 

# Record orders; strength across most markets

## Orders +28%[1]

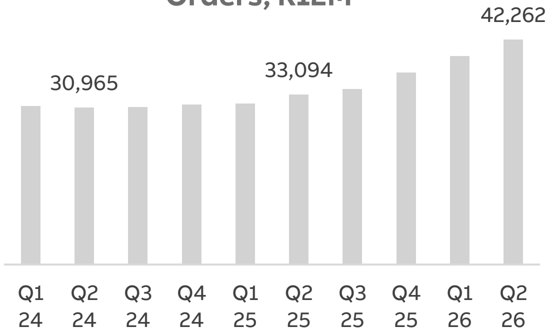



## Revenues +12%[1]

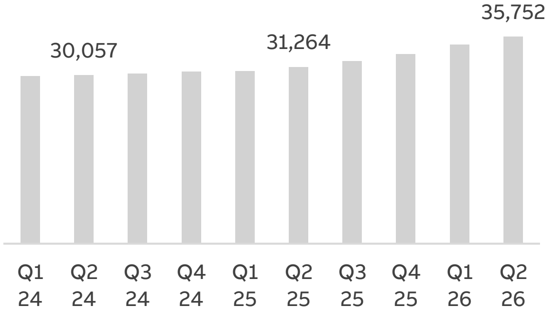



## Book-to-bill 1.27

### Orders, R12M




### Revenues, R12M




## Notable order developments

comparable % YoY, unless otherwise indicated

**Short-cycle**

Orders in short-cycle businesses at double-digit growth.

**Data centers & utilities**

Exceptional data center growth. Utilities market strong, although orders stable on a high comparable.

**Discrete**

Orders in the machine builder segment increased sharply although volumes remain low at pre-covid levels.

**Process**

Oil & gas sentiment solid although orders declined due to timing impacts. Mining broadly stable in a capex-muted market. Increased activity among nuclear customers.

**Transport & infrastructure**

Demand continued to be strong, with quarterly marine orders declining on prior year's extraordinarily high comparable.

**Buildings**

Commercial improved in the US and Europe, offsetting broad weakness in residential.

## Order backlog at $30.0 bn, +28%[1]

1. YoY comparable

# Broad-based regional strength

## Q2 2026 regional, country orders

| The Americas | +52% |
|---|---|
| **USA**<br>Sharp growth in EL and MO<br><br>~30% growth in base orders | **+62%** |
| **Canada** | **+39%** |
| **Brazil** | **-26%** |

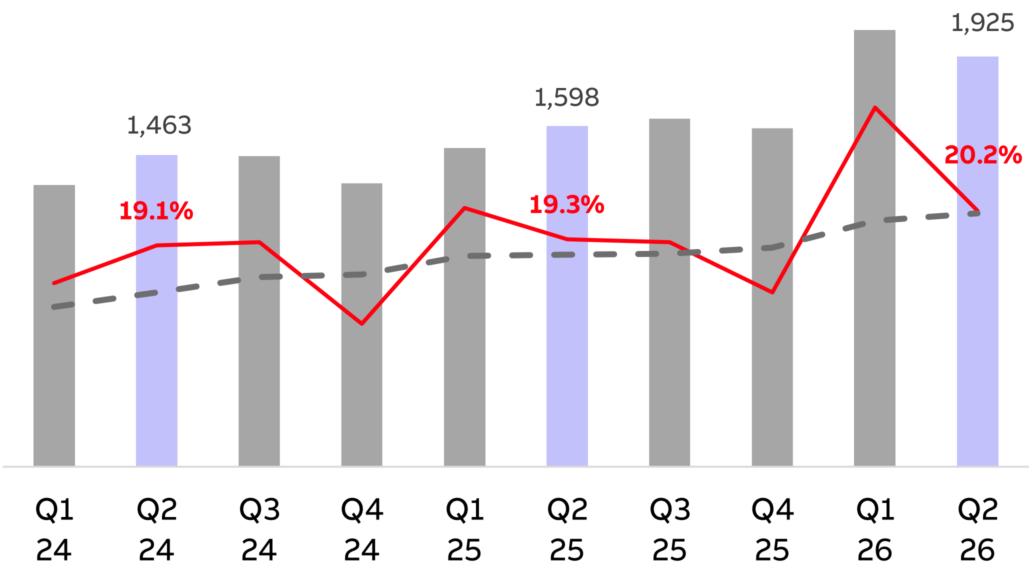
| Europe | +12% |
|---|---|
| **Germany**<br>AU declined on high comparable, while EL and MO orders grew double-digit | **-2%** |
| **Italy** | **+33%** |
| **Finland** | **+21%** |

| AMEA | +12% |
|---|---|
| **China**<br>Growth across all business areas | **+10%** |
| **India** | **+81%** |
| **South Korea** | **-8%** |

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. AU = Automation.

# Operational EBITA +20% YoY

## Improved business performance




**Operational EBITA margin +90 bps YoY**

### Gross profit +13%

- Gross margin declined 50 bps to 40.0%, pressured mainly by unrealized FX and commodities derivatives

### Earnings and profitability drivers

- Primary contribution from operational leverage on higher volumes
- Additional support from positive pricing
- Combined more than offsetting higher expenses from commodities, tariffs, R&D, and SG&A

### Corporate and other Operational EBITA

-$127 mn vs -$130 mn in prior year:

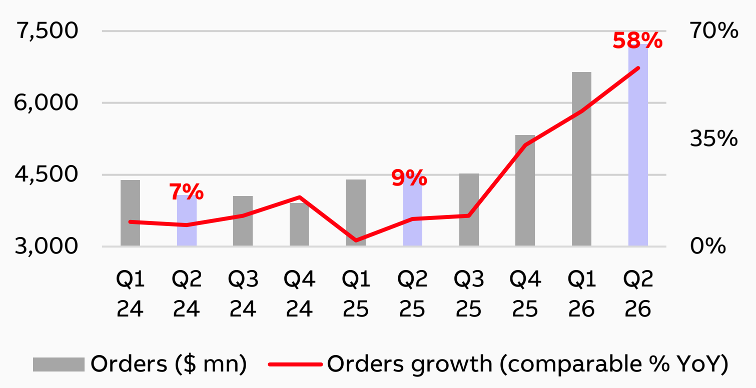
- Corporate costs and other -$84 mn vs -$55 mn
- E-mobility -$18 mn vs -$42 mn
- Stranded costs -$25 mn vs -$33 mn, due to ongoing Robotics divestment

| | | | |
|---|---|---|---|
| **Basic EPS** | **$0.68**<br>**+8% YoY** | **Net income** attributable to ABB | **$1,231 mn**<br>**+7% YoY** |

# Record orders surpassing the $7 bn mark; broad-based market strength

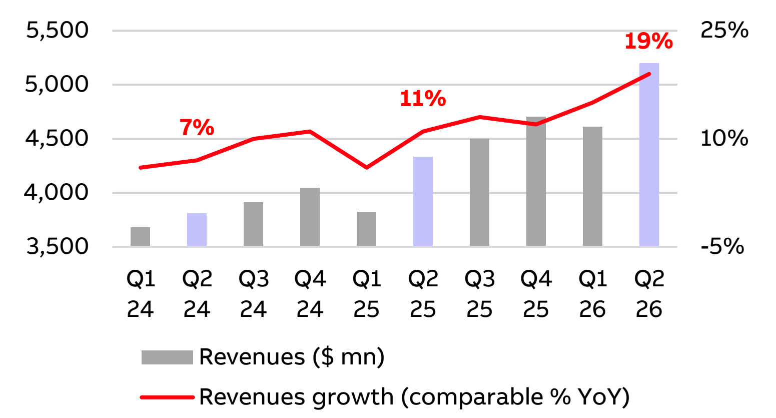
## Q2 2026 Electrification

### Orders $7,231 mn



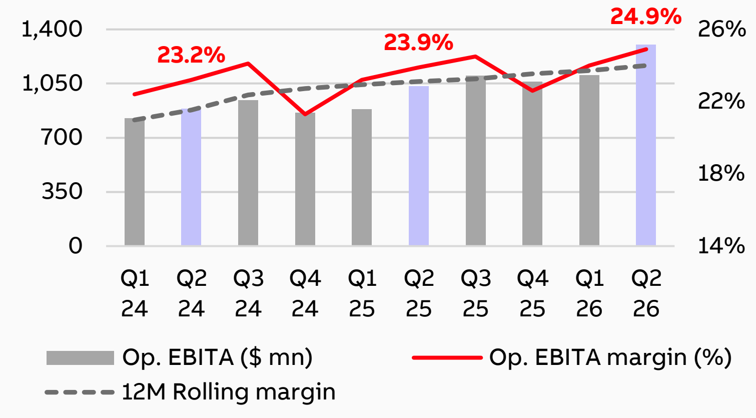

- Record-high orders, first time surpassing $7 bn
- Orders improved at a strong double-digit rate in both short-cycle and project businesses
- Rapidly expanding investments in data center build-out remained a primary catalyst with the segment seeing triple-digit growth
- Stable orders in the utility segment on last year's high comparable, underlying market strength
- Buildings improved, driven by commercial demand in the United States and Europe, while the residential market remained muted
- Backlog $13.7 bn (prior Q-end $11.5 bn)

### Revenues $5,200 mn




- Strong improvement in both the short-cycle and project businesses
- Majority of growth due to higher volumes, with additional support from positive price contribution of ~2%, which also improved sequentially
- 2% additional growth from FX
- Book-to-bill 1.39x

### Operational EBITA $1,301 mn, +26% YoY

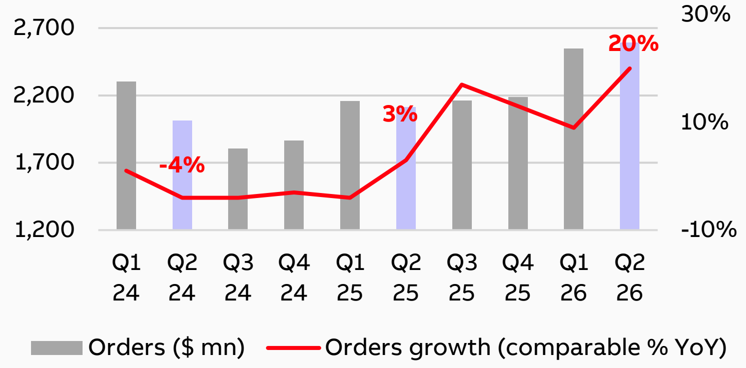



- 140 bps YoY gross margin decline
  - Almost half the decline due to impact from unrealized FX and commodities derivatives
  - Some pressure from the price/cost gap on higher input costs
- Operational EBITA margin +100 bps YoY
  - Supported by operational leverage on higher volumes and operational efficiency improvements
  - SG&A declined in relation to revenues

# Strong orders, but pressure on profitability

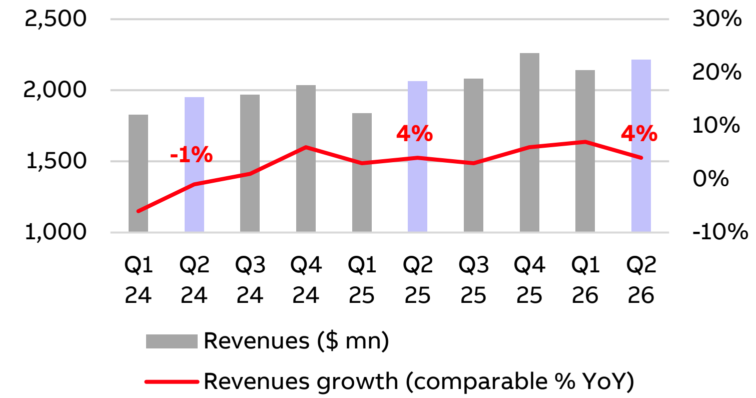
## Q2 2026 Motion

### Orders $2,592 mn



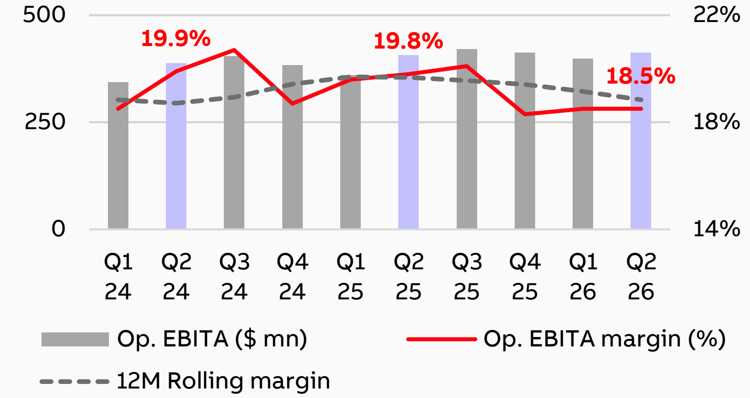

- Strong development in both short-cycle and project businesses resulted in record-high orders
- Grid stabilization demand strong; large order of ~$150 mn booked
- Strong momentum also in HVAC linked to commercial buildings and data center cooling
- Rail segment persistently strong, with strength also noted in food & beverage, marine, mining and low carbon areas like nuclear and wind
- Oil & gas remains broadly stable, while chemical and pulp & paper demand was soft
- Backlog $7.0 bn (prior Q-end $6.6 bn)

### Revenues $2,217 mn




- Driven mainly by higher volumes and ~2% price
- Gamesa power electronics acquisition contributing 1% of portfolio change impact
- 2% additional growth from FX
- Book-to-bill 1.17x

### Operational EBITA $413 mn, +1% YoY

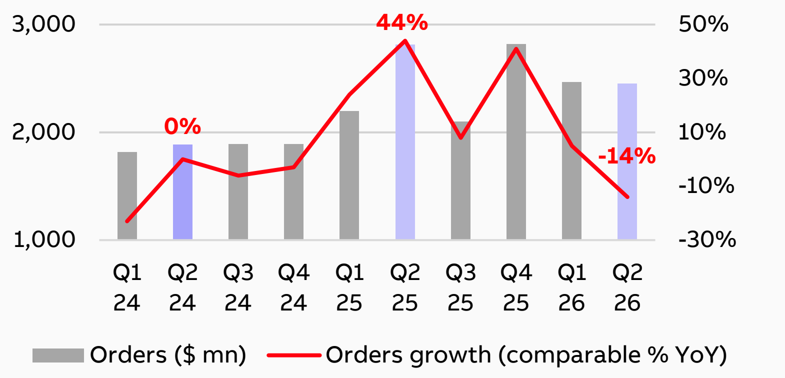



- Gross margin drop of 120 bps primarily from Gamesa acquisition, and some impact from unrealized FX and commodities derivatives
- Operational EBITA margin declined 130 bps YoY
  - Positively impacted by operational leverage on comparable growth
  - Margin pressure in the High Power division, including 70 bps linked to the Gamesa acquisition
  - Lower profitability in the Traction division due to delayed production volumes

# Robust market; book-to-bill 1.12

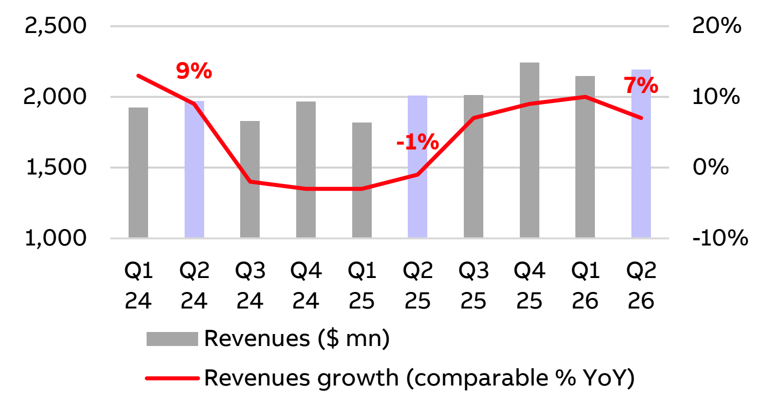
## Q2 2026 Automation

### Orders $2,454 mn



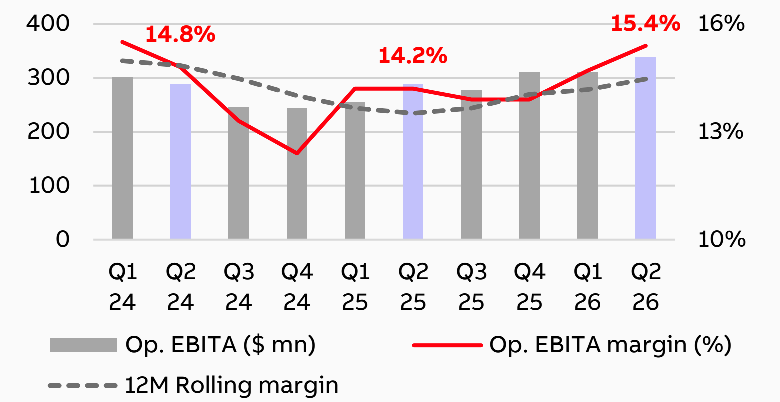

- Year-on-year decline due to an extraordinarily large order of $600 mn booked in the prior year
- Persistently high customer activity linked to marine and port automation and electrification
- Customer activity in the oil & gas segment solid, with softness linked to the Middle-East conflict contained to the local market
- Demand remains softer in the process industry-related markets like pulp & paper, chemicals as well as mining
- Backlog at $10.5 bn (prior Q-end $10.4 bn)

### Revenues $2,193 mn



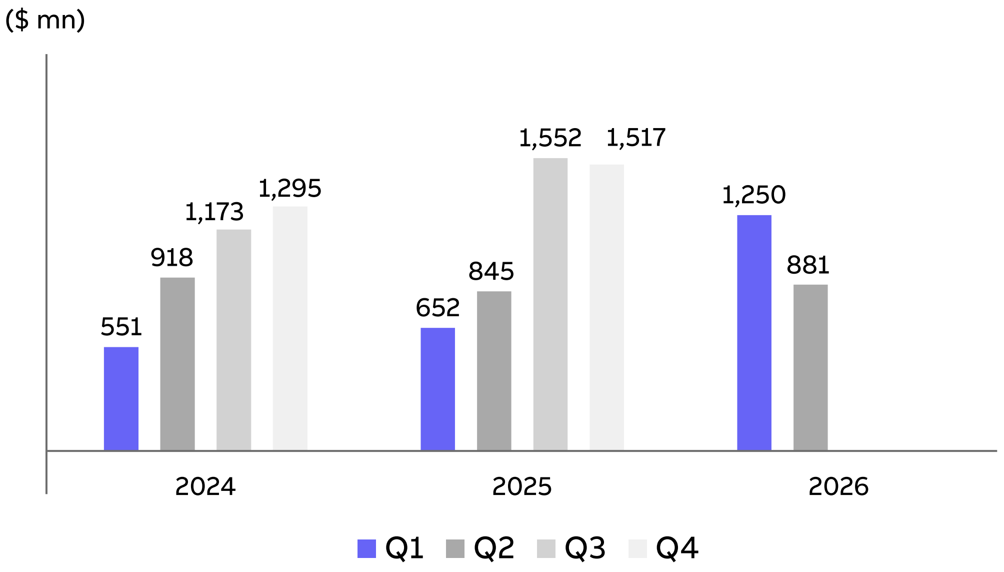

- Contribution from solid backlog execution, positive trend in service and product business
- 2% additional growth from FX
- Book-to-bill 1.12x

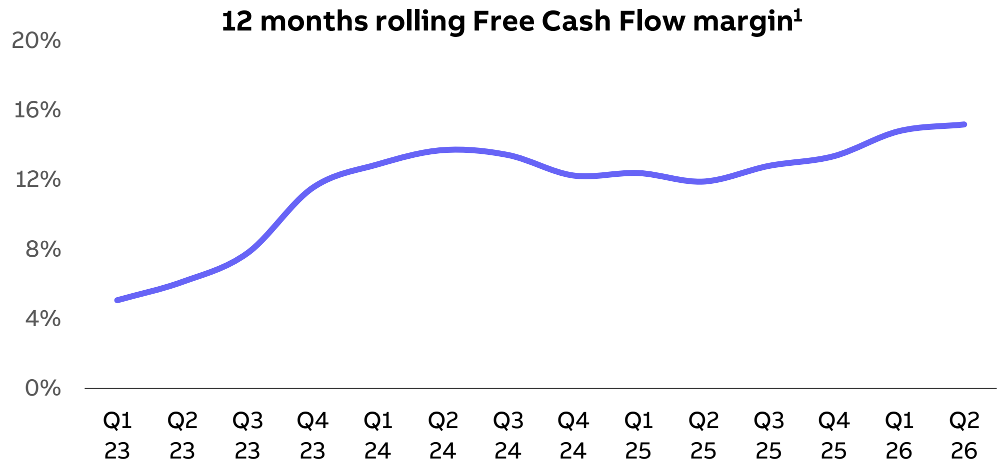
### Operational EBITA $338 mn, +17% YoY




- Operational EBITA margin +120 bps YoY
  - Slight gross margin decline of 10 bps due to an adverse mix with higher share of revenues derived from the project- and system integration businesses
  - R&D spend increased in relation to revenues, while stringent cost control reduced SG&A ratio, supporting the improvement in Operational EBITA margin
  - Additional margin support from project settlement triggering a provision release of ~$15 mn

# Free Cash Flow




1. Free Cash Flow from continuing operations

**Strong Free Cash Flow generation during the first half of the year**

**$881 mn, +$36 mn YoY**

Drivers of Q2 increase:

- Stronger earnings from continuing operations

**On track towards improving from prior year's annual FCF of $4.6bn**

# Outlook

## Q3 2026

### Revenues

- Low- to mid-teens growth YoY in comparable revenues

### Operational EBITA %

- Operational EBITA margin should show sequential improvement from Q2

UPDATED

## FY 2026

### Revenues

- Low double-digit to low-teens growth YoY in comparable revenues
- Book-to-bill above 1

### Operational EBITA %

- Operational EBITA margin should improve YoY, even when excluding the real estate gain in Q1 2026

# Q&A

# Appendix

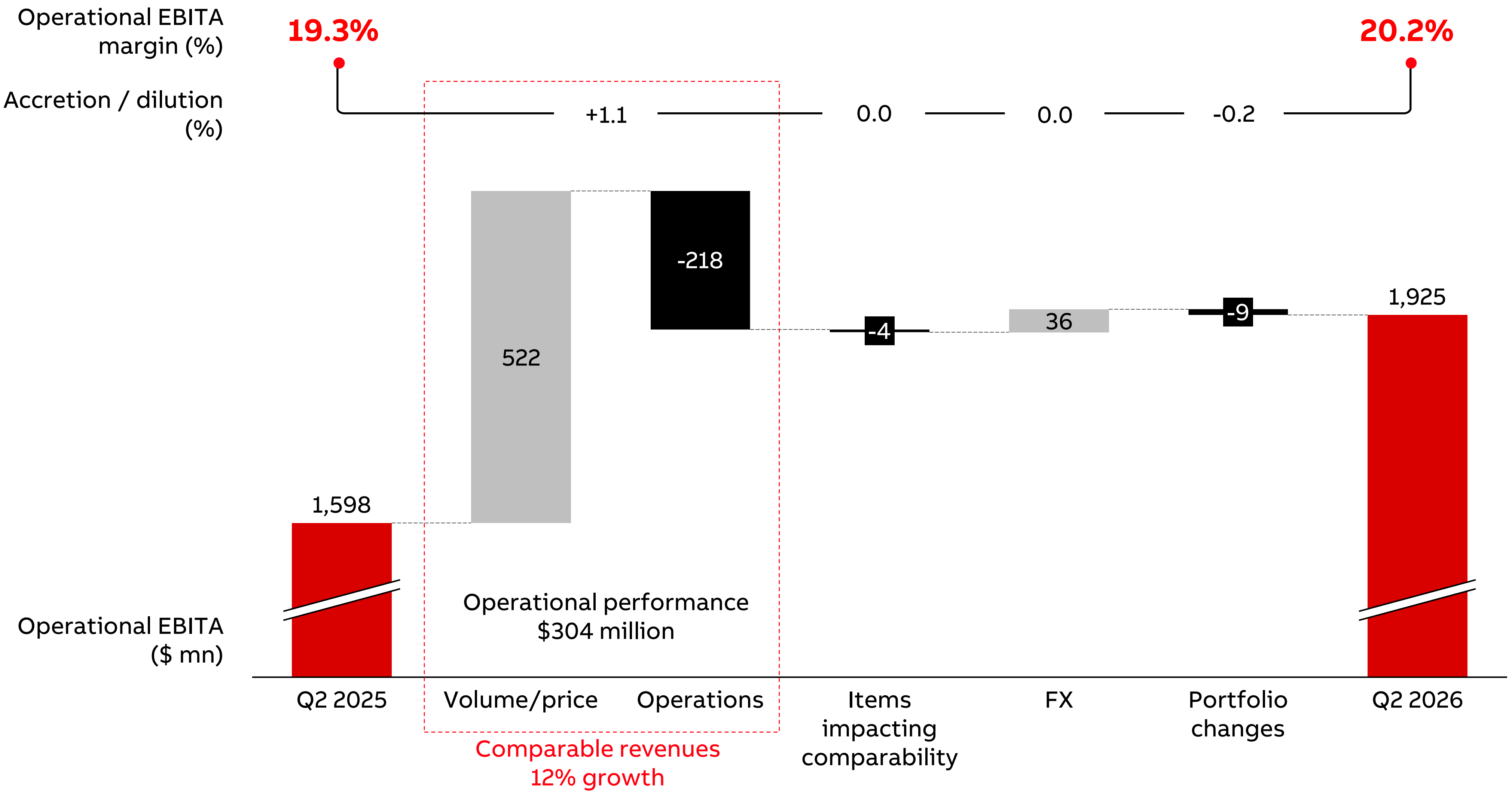
# 2026 framework

| $ mn unless otherwise stated | Q2 26 | Q3 26 framework | 2026[1] framework |
|---|---|---|---|
| **Corporate and Other Operational EBITA[2]** | (109) | ~(125) | ~(100) |
| of which stranded costs[4] | (25) | ~(25) | ~(100) |
| **Non-operating items:** | | | |
| PPA-related amortization | (51) | ~(50) | ~(195) |
| Separation and integration | (23) | ~(25) | ~(75)<br>From ~(60) |
| Restructuring and related and Business transformation | (36) | ~(50) | ~(200) |

| | 2026 framework |
|---|---|
| **Finance net** | ~150 |
| **Effective tax rate[3]** | ~25% |
| **Capital expenditure** | ~(1,000) |

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 and includes the real estate gain of $377 million in Q1 2026
3. Excludes the impact of acquisitions or divestments or any significant non-operational items
4. Framework assumes stranded cost for the full year. Closing of Robotics divestment expected in the second half of the year, as earlier announced

# Operational EBITA bridge




  Items impacting comparability: Non-core business. Portfolio changes: Gamesa Electric power electronics (Spain).

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