



ZURICH, SWITZERLAND | JANUARY 29, 2026 | MORTEN WIEROD, CEO; TIMO IHAMUOTILA, CFO

# Q4 2025 RESULTS

Strong Q4 orders, improved operational performance with good cash flow completes a new record year

ENGINEERED  
TO OUTFIT

# 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.

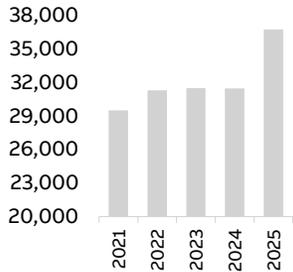
Although ABB Ltd believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, **it can give no assurance that those expectations will be achieved.**

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 “Q4 2025” on our website at [global.abb/group/en/investors/quarterly-results](https://global.abb/group/en/investors/quarterly-results).

# 2025 was ABB's best year yet

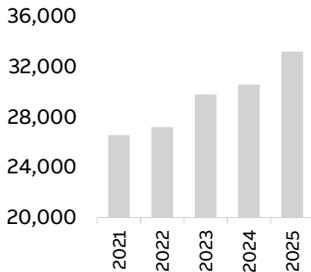
## Orders

USD, million



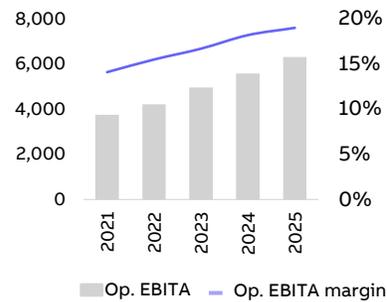
## Revenues

USD, million



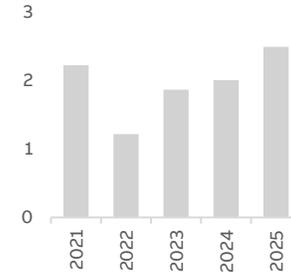
## Op. EBITA & Margin

USD, million



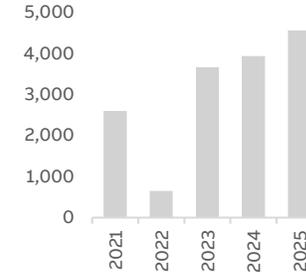
## Basic EPS continuing ops.

USD

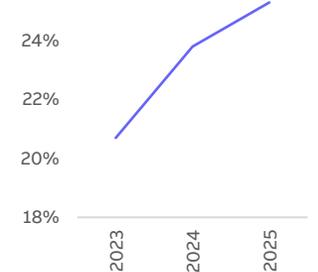


## Free cash flow

USD, million



## ROCE



→ Record **order intake**  
**\$36.8 bn**  
Book-to-bill **1.11**

→ **7%** comparable **revenue growth**

→ **Op. EBITA**  
**\$6.3 bn, +13%** YoY

→ Operational benefits from higher volumes,  
pricing and efficiency gains  
Gross profit productivity target achieved

→ **Op. EBITA margin 19.0%**,  
**+80** bps YoY

→ **EPS continuing ops.**  
**\$2.50, +24%** YoY

→ **ROCE**  
**25.3%**

→ **Proposed dividend**  
**CHF 0.94**

→ **Strong ESG recognitions**

→ **FCF ambition achieved**  
**\$4.6 bn**

→ **Active portfolio management**

→ Key item was announced  
ABB Robotics divestment

→ **New share buyback program** of up to  
**\$2.0 bn**

MSCI	<b>AAA</b>
EcoVadis	<b>Platinum</b>
CDP Climate	<b>A</b>
CDP Water	<b>A</b>
ISS ESG	<b>B</b>
Sustainalytics	<b>17.4</b>

→ **Order backlog**  
**\$25.3 bn**  
**+18%** comparable

# Q4 2025

## Selected highlights

**+32%<sup>1</sup>**  
order growth

**+9%<sup>1</sup>**  
revenues

- Operational leverage on higher volumes
- Positive pricing and efficiency gains more than offset tariff and commodity inflation

**17.6%**  
Op. EBITA margin  
**+100bps** YoY

FCF of **\$1,517 mn**  
**+\$222 mn** YoY



**Strong ending to  
a record year  
Positive outlook  
for 2026**



### Building on strong position in Medium Voltage and Direct Current technology

Technology partnership with Applied Digital where ABB delivers **MV electrical infrastructure for large-scale AI data centers**

ABB's expertise in **Medium Voltage, Direct Current and solid-state electronics** will support 800 VDC architecture announced by NVIDIA

**Completed acquisition** of Gamesa Electric's power electronics business in Spain  
~\$170 million revenues

**Updated financial targets** at Capital Markets Day in November

1. YoY comparable

# Raised margin and return targets

**Growth** through economic cycle

**Comparable**

5% - 7% avg

Excluding FX impacts, acquisitions and divestments

**Acquired**

1% - 2% avg

Acquired growth target is the net of acquisitions and divestments; excluding deals of full Business Area or Division or divestments larger than 3% of Group revenues

UPDATED

**Op. EBITA margin**  
annual

18% - 22%

**Business Area target ranges**

Electrification 22% - 26%

Motion 18% - 22%

Automation 14% - 18%

UPDATED

**ROCE**  
annual

>20%

UPDATED

**FCF conversion**  
to net income  
annual

>95%

**EPS growth basic**

avg through economic cycle

At least high single digit %

“We have come a long way in improving our operational performance for growth, profitability and returns. I strongly believe we can still do even better.

**Morten Wierod**  
CEO



## WE CAN DO BETTER

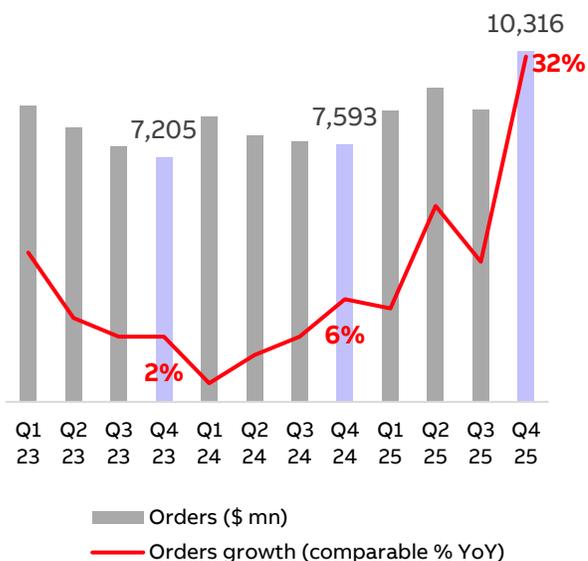
- **The beauty of mix** – stricter focus on performance delivery by mandate
- **Next wave in the ABB Way** operating model – increasing operational accountability and transparency
- Sustained focus on **continuous improvements** and annual **5% internal gross profit productivity target**
- **The power of ABB** – three Business Areas with sales and technology synergies
- **Operational leverage** on expected **growth in robust external markets**
- **M&A bolt-ons part of ABB Way performance culture**



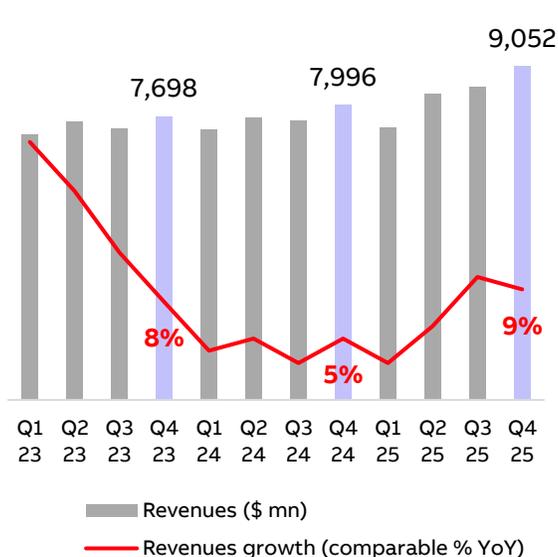
# New all-time-high for orders and revenues

Orders increased across most segments

## Orders +32%<sup>1</sup>



## Revenues +9%<sup>1</sup>



Book-to-bill 1.14

1. YoY comparable  
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## Notable orders developments

comparable % YoY, unless otherwise indicated



### Short-cycle

Growth in the mid-teens %-range, up in all business areas



### Data centers & Utilities

Strong in utilities and power generation  
Data centers very strong with large bookings



### Discrete

Machine Builders orders increased from low comparable, absolute order level still low in overall subdued market



### Process

Oil & Gas generally solid but quarterly orders down YoY. Mining orders increased in otherwise muted market.



### Transport & infrastructure

Strong growth in rail. Large bookings in strong marine and ports market. Strength in infrastructure



### Buildings

Up overall, driven by growth in commercial building in US, Europe stable and China weak. Residential broadly stable in US and Europe, China weak

Order backlog at \$25.3 bn, +18%<sup>1</sup>



# Strong in all regions

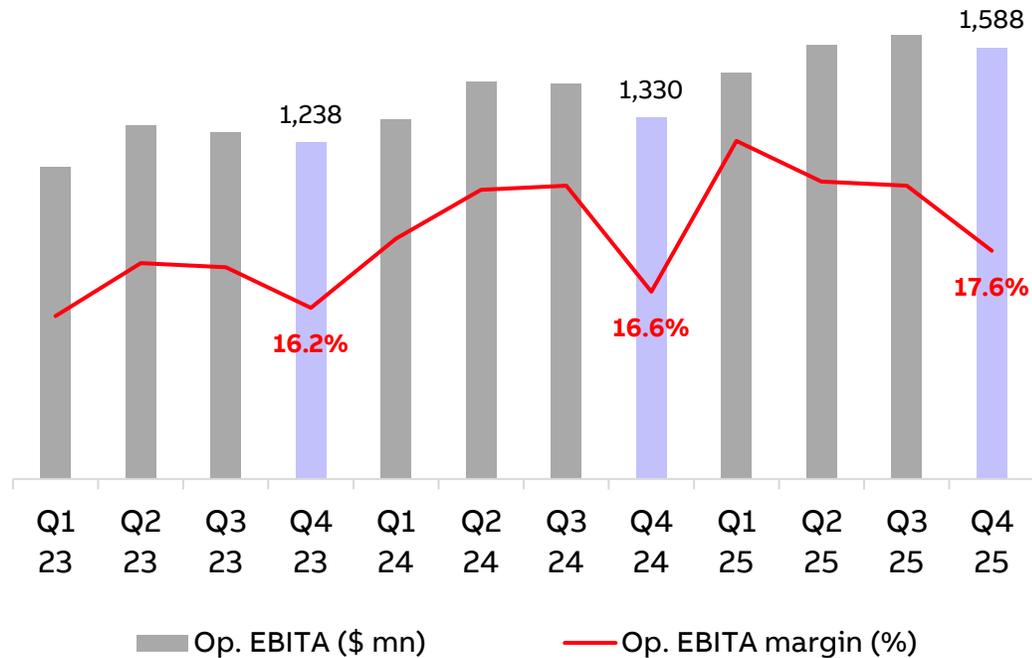
## Q4 2025 regional, country orders

<b>The Americas</b>	<b>+43%</b>	<b>Europe</b>	<b>+25%</b>	<b>AMEA</b>	<b>+23%</b>
<b>USA</b>	<b>+57%</b>	<b>Germany</b>	<b>+1%</b>	<b>China</b>	<b>+25%</b>
Steep growth in all Business Areas		Strong growth in MO, Stable in EL, Single-digit decline in AU		Strong growth in AU and MO, with double-digit increases also in base orders	
>20% growth in base orders				Double-digit decline in EL	
<b>Canada</b>	<b>+35%</b>	<b>Italy</b>	<b>&gt;100%</b>	<b>India</b>	<b>+49%</b>
				Strong base orders	
<b>Mexico</b>	<b>-10%</b>	<b>Netherlands</b>	<b>+37%</b>	<b>Australia</b>	<b>+49%</b>

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 +19% YoY

Higher volumes, price & operational excellence



## Operational EBITA margin +100 bps YoY



### Gross profit

- +17%<sup>1</sup>; up double-digit in all business areas
- Gross margin up 310 bps to 40.4%



### Earning and profitability drivers

- Improved business performance more than offset higher costs in Corporate and other
- Main contribution from operational leverage on strong volume growth
- Additional support from pricing and efficiency gains



### Corporate and other Operational EBITA

-\$197 mn vs -\$160 mn in prior year:

- Corporate costs and other -\$134 mn vs -\$57 mn
- E-mobility -\$33 mn vs -\$72 mn
- Stranded costs -\$30 mn, vs -\$31 mn for ongoing Robotics divestment

Basic EPS **\$0.70**  
+30% YoY

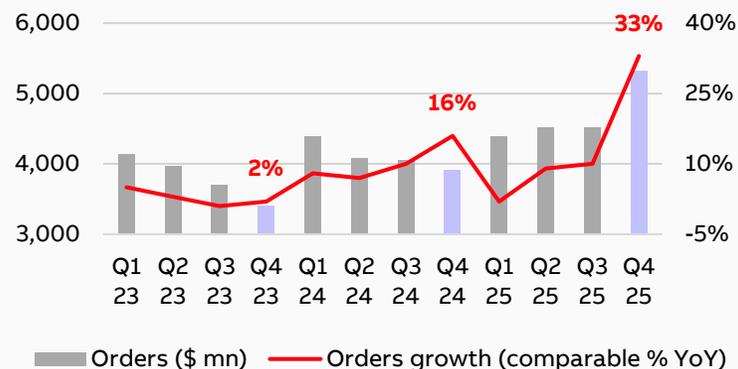
Net income attributable to ABB **\$1,273 mn**  
+\$29% YoY

1. Constant currency

# Breaking order barrier in strong market environment

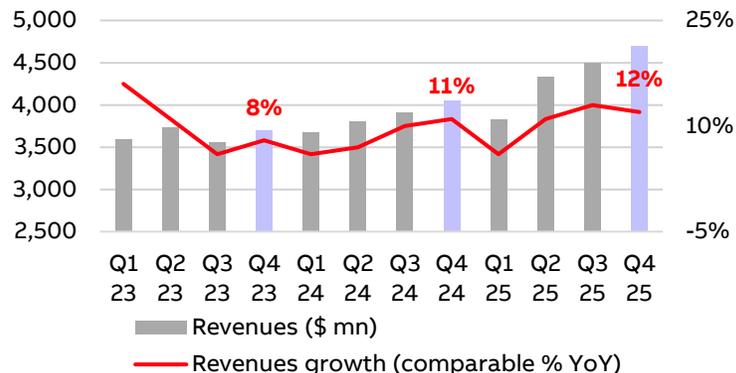
## Q4 2025 Electrification

### Orders \$5,323 mn



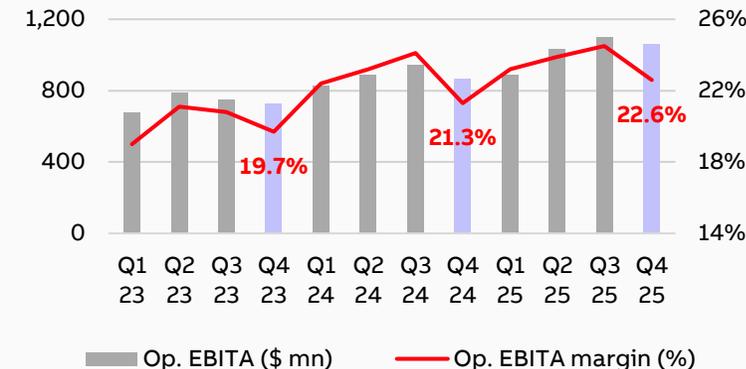
- First quarter with orders exceeding \$5 bn mark
- Double-digit growth across project, service and short-cycle businesses
- Positive order growth in all customer segments
- Exceptional growth in data centers, with some \$100+ mn project orders at combined ~\$600 mn
- Buildings positive overall with commercial up in the US, stable in Europe and weak in China. Residential weak in China, broadly stable in Europe and the US
- Utilities and land-based infrastructure strong
- Backlog \$9.4 bn (prior Q-end \$8.8 bn)

### Revenues \$4,702 mn



- Record-high revenues with stronger than anticipated comparable revenue growth
- All divisions contributed to comparable growth
- Volumes was key driver to comparable growth
- Higher revenues in all regions
- 3% growth from FX
- Book-to-bill 1.13x

### Operational EBITA \$1,062 mn, +23% YoY

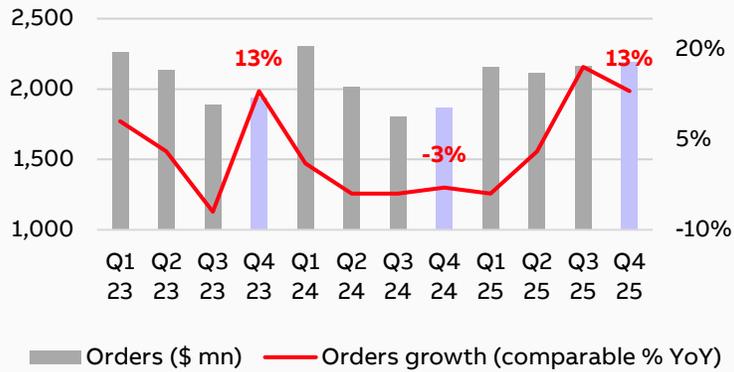


- Operational EBITA margin +130 bps YoY
- Operational leverage on higher volumes was main driver to profit increase
- Support also from improved operational efficiency
- The above combined benefits more than offset higher spend on raw materials – mainly linked to rising copper and silver prices, tariffs, SG&A as well as higher investments in R&D

# Sustained high order level; margin pressure from acquisition and High Power division

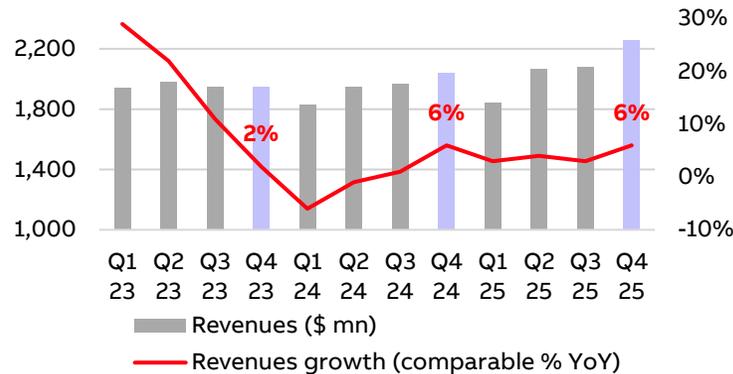
## Q4 2025 Motion

### Orders \$2,189 mn



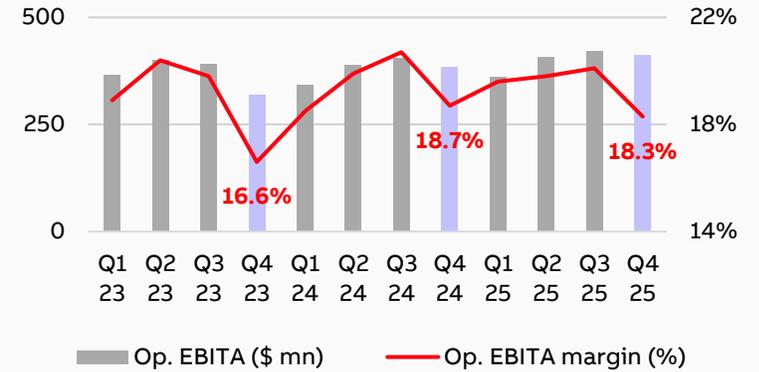
- Very strong order growth YoY, and sustained high order level from prior quarters
- Broad-based growth across all divisions
- Strong contribution across project, service and short-cycle businesses
- Rail very strong. Positive in commercial HVAC, food & beverage, marine, mining
- PowerGen supported by grid modernization and distributed energy systems
- Chemicals up in otherwise muted environment
- Subdued in oil & gas, pulp & paper
- Backlog \$6.3 bn (prior Q-end \$6.2 bn)

### Revenues \$2,260 mn



- All-time-high revenues
- Execution of backlog and increases in both service and short-cycle businesses
- Increased volumes was key growth driver
- Contribution from positive pricing
- M&A growth of 1% driven by Gamesa Electric in Spain. Deal closed December 1.
- 4% growth from FX
- Book-to-bill 0.97x

### Operational EBITA \$412 mn, +8% YoY



- Operational EBITA margin -40 bps YoY
- Some operational inefficiencies in recently formed High Power division
- Margin dilution of ~20 bps from acquired Gamesa Electric at a slight loss and included for one month. Expect dilution also for FY 2026.

# Strong orders and operational improvements; new business area construct

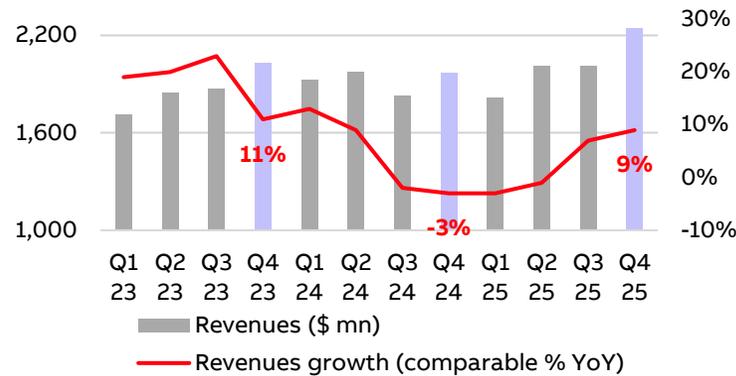
## Q4 2025 Automation

### Orders \$2,817 mn



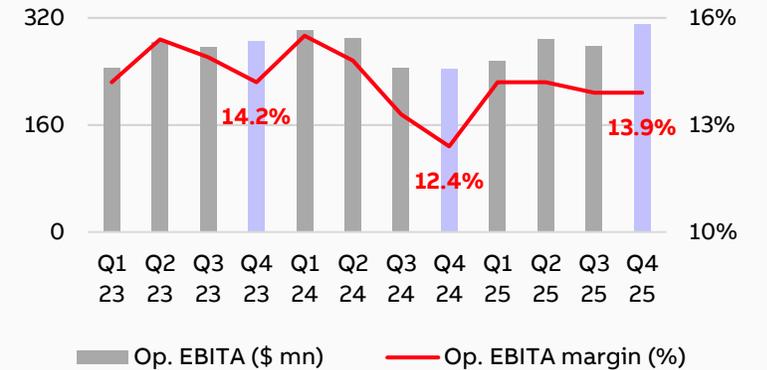
- Strong order performance in a continued overall robust market environment
- Some larger bookings linked to marine and ports valued at combined ~\$600 mn
- Sharp order growth from machine builders from a very low comparable, but absolute level still subdued
- Oil & gas generally solid, albeit Q4 orders down YoY
- Positive in nuclear
- Mining orders up in an otherwise capex-muted market environment
- Backlog at \$10.1 bn (prior Q-end \$9.5 bn)

### Revenues \$2,243 mn



- Record-high revenues with positive development across divisions
- Higher volumes was key growth driver; price also contributing
- Positive development across project, service and short-cycle product businesses
- Machine Automation division now part of business area
- 5% growth from FX
- Book-to-bill 1.26x

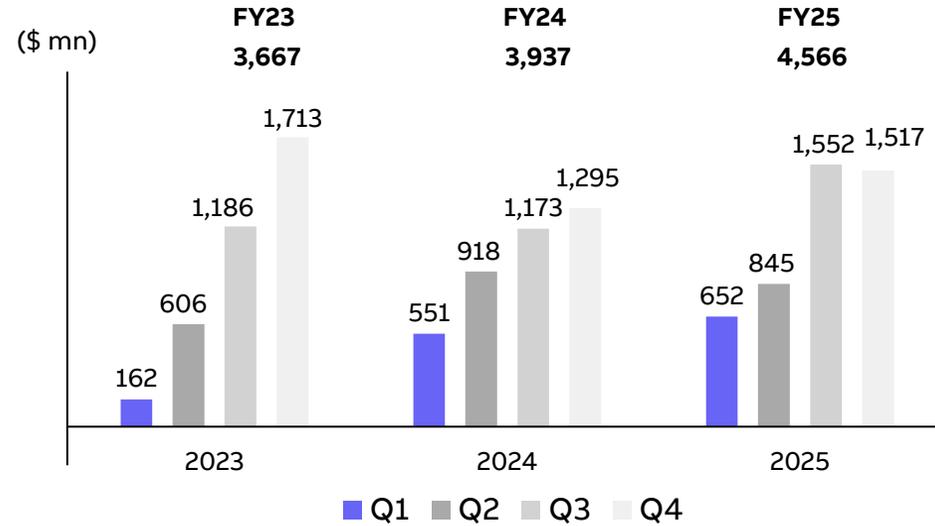
### Operational EBITA \$311 mn, +27% YoY



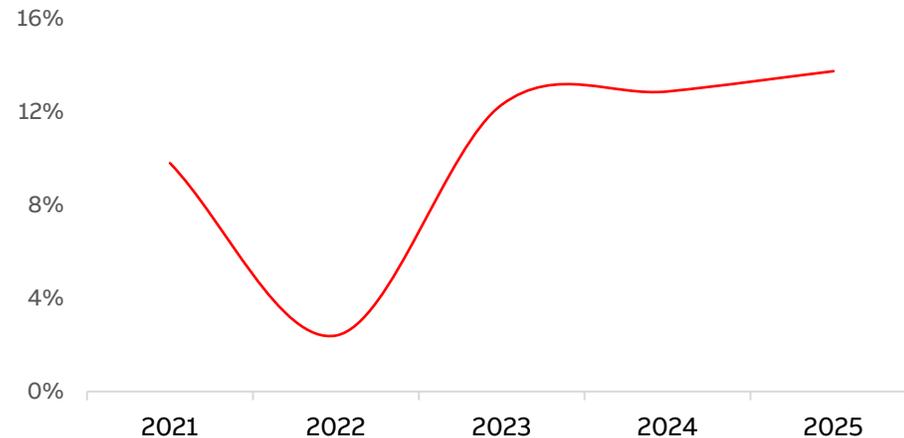
- Operational EBITA margin +150 bps YoY
- Gross margin up by 140 bps on higher volumes with some positive pricing, as well as productivity enhancements
- Stringent SG&A cost management



## Free cash flow



## Free cash flow margin



**Strong free cash flow generation during the quarter**

**\$1.5bn, +\$222 mn YoY**

Q4 increase:

- Improved operational performance
- Larger release of trade NWC
- Lower contribution from discontinued operations
- Increased capex and higher paid taxes

**2025 free cash flow \$4.6bn**

**Achieved ambition to improve from \$3.9 bn last year**

**Free cash flow margin consistent at 12% - 14% in recent years**

# Outlook

## Q1 2026



### Revenues

- Comparable growth in the 7% -10% range



### Operational EBITA %

- Operational EBITA margin to improve YoY, excluding the announced real estate gains in Q1 2025 and Q1 2026

## FY 2026



### Revenues

- Comparable growth in the range of 6% - 9%
- Book-to-bill above 1



### Operational EBITA %

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

Q&A

# Appendix

# 2026 framework

\$ mn unless otherwise stated	Q1 26	2026 <sup>1</sup>
<b>Corporate and Other Operational EBITA<sup>2</sup></b>	~230	~(125)
of which stranded costs <sup>4</sup>	~(30)	~(125)
<b>Non-operating items:</b>		
PPA-related amortization	~(50)	~(195)
Separation and integration	~(20)	~(60)
Restructuring and related and business transformation	~(45)	~(180)

	2026
<b>Finance net</b>	~150
<b>Effective tax rate<sup>3</sup></b>	~25%
<b>Capital expenditure</b>	~(900)

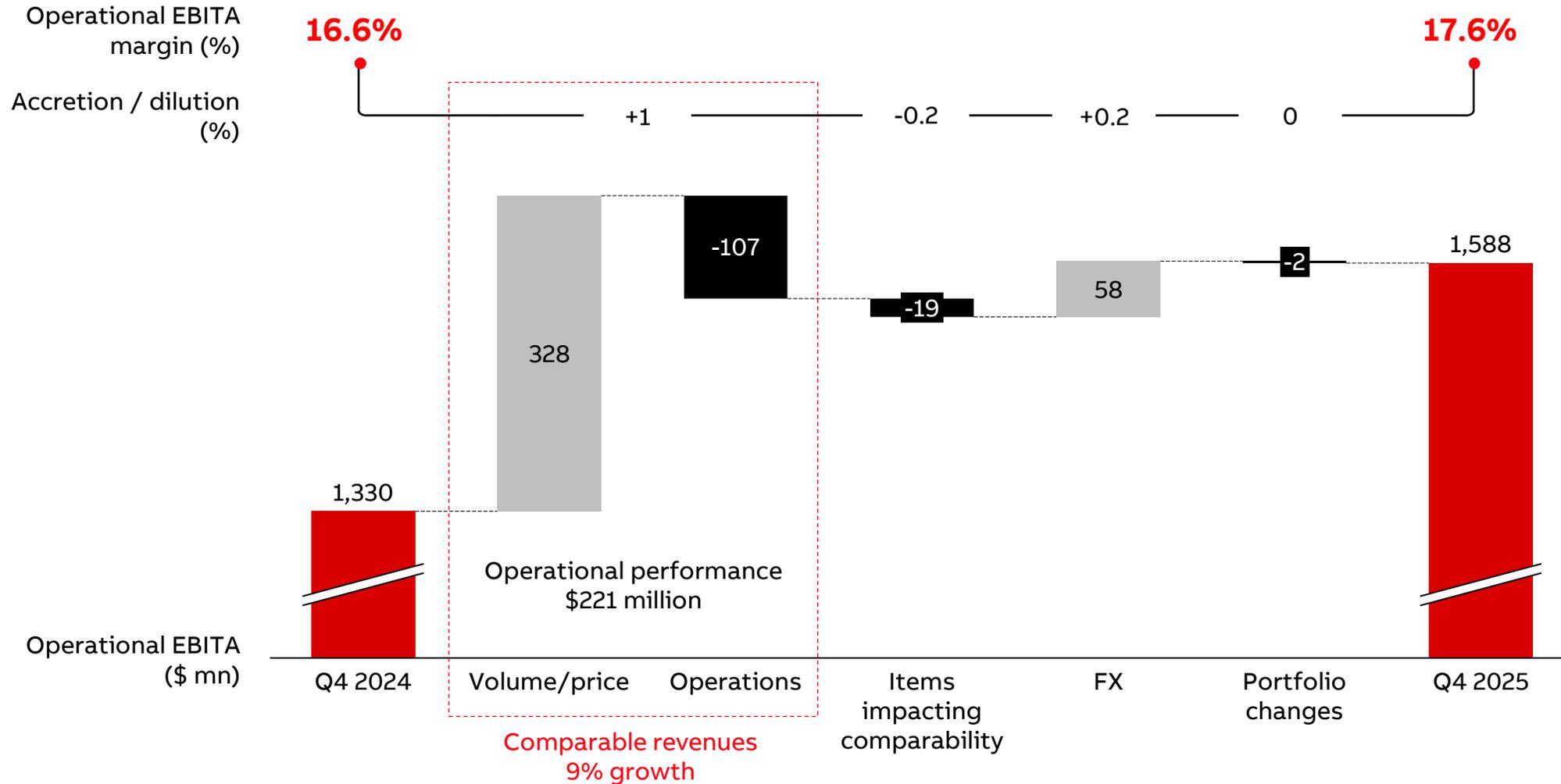
1. Excludes one project estimated to a total of ~\$100 million, that is ongoing in the non-core business. Exact exit timing is difficult to assess due to legal proceedings etc.

2. Excludes Operational EBITA from E-mobility business, and includes the impact from real estate gain 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 include Acquisitions: Siemens Wiring Accessories, Gamesa Electronics and Divestments: Niedax JV, Incharge  
Slide 18

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