ZURICH, SWITZERLAND | OCTOBER 17, 2024 | MORTEN WIEROD, CEO; TIMO IHAMUOTILA, CFO

Q3 2024 results

Order growth and record level 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 “Q3 2024” on our website at global.abb/group/en/investors/quarterly-results.

Q3 2024 Selected highlights

Order growth and record level margin

01.

Financial performance

Order growth +2%[1], revenues +2%[1]

+160 bps Op. EBITA margin improvement to 19.0%

CFO of $1,345 mn, -$6mn YoY (up $745 mn YTD), following strong cash collection in H1 and high comparable

02.

Acquisitions

Födisch Group strengthening global leadership in emission monitoring and analytics (Closed Oct 1)

SEAM Group, based in the US, bolsters electrification service offering for asset management and advisory services

03.

Future focus areas

Fine tune and benefit further from ABB Way operating model to continue to drive growth and profitability

Fully integrate M&A into our performance culture

Continue to deliver on our high ROCE ambition

 1. YoY comparable.

Order growth and positive book-to-bill

Strength in Electrification, weakness in Machine Automation and E-mobility

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

Short-cycle
High-single digit growth driven by Electrification

Data centers & Utilities
Very strong

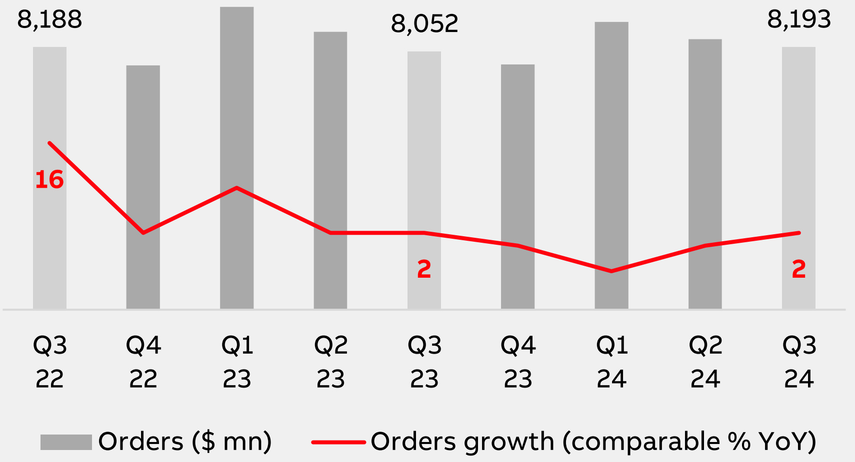
Discrete
Growth in general industry and consumer related segments offset by weakness in electronics and automotive; machine builder segments hampered by inventory adjustments at customers

Process
Strong underlying momentum with strength noted in low carbon and conventional power generation, mining and metals; oil & gas stable; weakness in chemicals

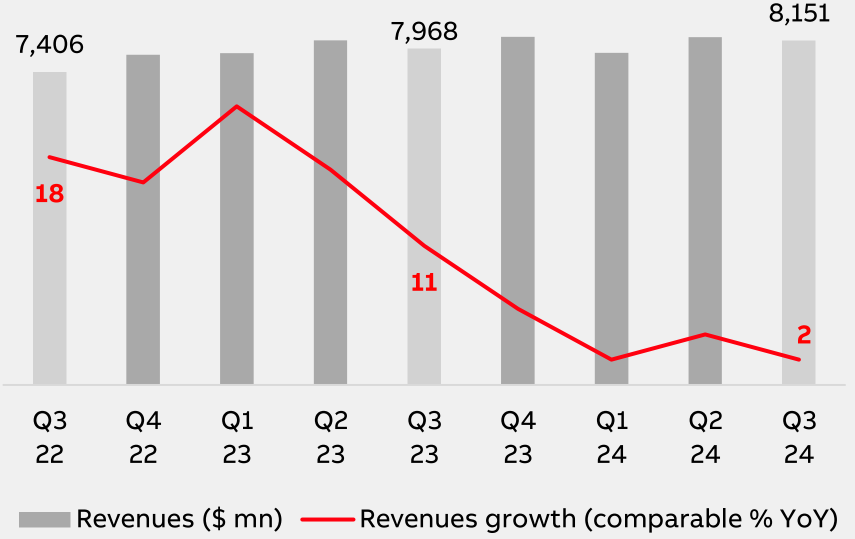
Transport & infrastructure
Good momentum in marine, ports and electrical infrastructure related to transport; buildings up year-on-year driven by commercial building outside of China; residential stabilizing at low base outside China

Order backlog grew +4%[1] to $22.9 bn

Orders +2%[1]



Revenues +2%[1]



Book-to-bill 1.01

1. YoY comparable.

ABB has a broad portfolio offering for Data Centers

Helping our customers with reliable and efficient power

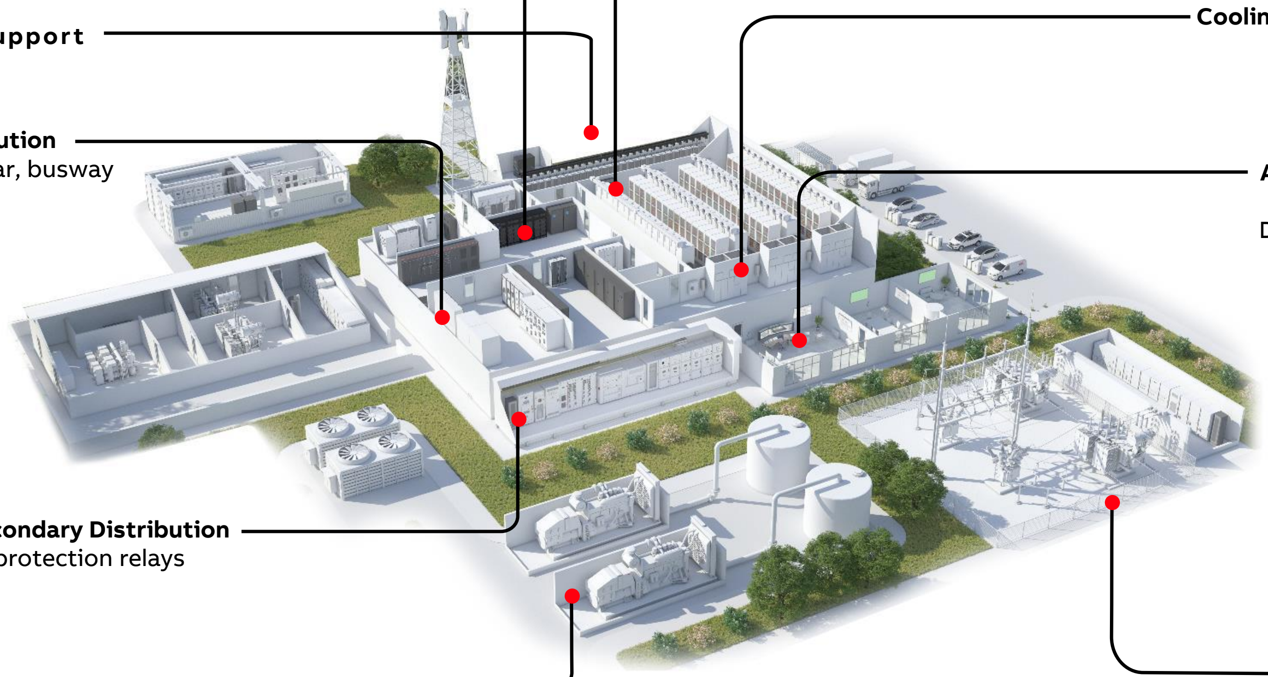
Power Protection
e.g., uninterruptible power supply (UPS), power distribution units (PDU)

Service & Support

LV Power Distribution
e.g., LV switchgear, busway

MV Primary & Secondary Distribution
e.g., switchgear, protection relays

Alternate power sources[1,2]
e.g., generators, Battery Energy Storage System (BESS)



Installation Products

Cooling system components[1]
e.g., drives, motors

ABB Ability Digital Data Center Operations
Data Center automation

MV Substations
e.g., switchgear, control systems

1. ABB does not offer full scope for cooling and gensets, only components like motors, drives and generators; 2. Alternate power sources apart from gensets are not yet widespread but gaining traction due to sustainability; 3. ABB internal estimates.

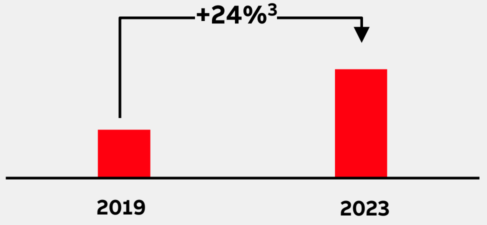
Data centers are power hungry

AI data center racks consume 10x more power than traditional racks

Increased power needs, means more Medium Voltage (MV) solutions

We are the market leader in MV solutions, including MV UPS systems

ABB Data center order CAGR



Continue to outgrow our data center market space

HiPerGuard - ABB's industry-first medium voltage UPS

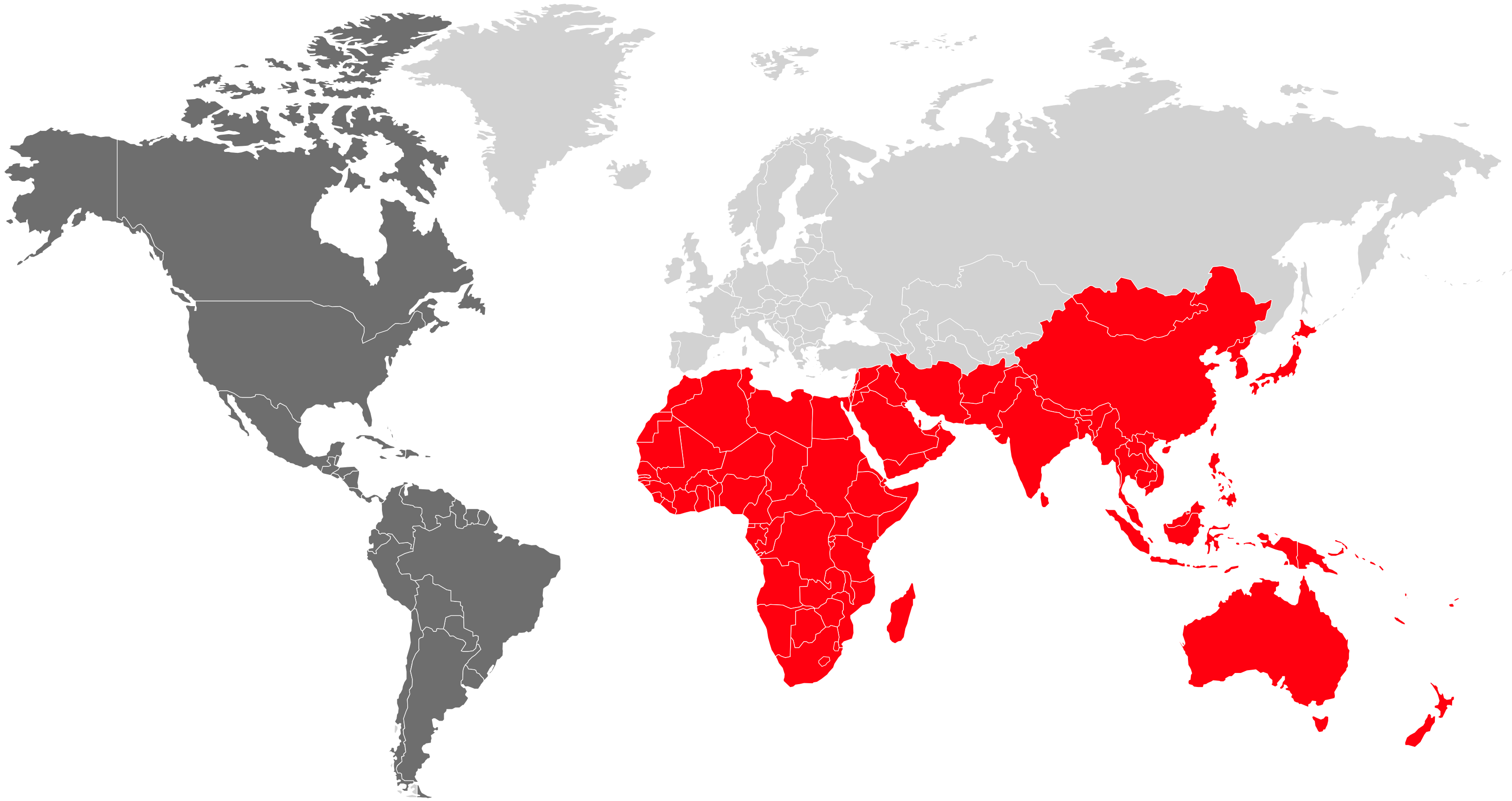
Growth in Europe and AMEA; USA down on high large order comparable

Q3 2024 regional, country orders

The Americas	-6%
USA Underlying strong; base orders +12%. Growth in EL, MO and RA; strong decline in PA	-7%
Canada	-11%
Mexico	-4%

Europe	+6%
Germany Steep growth in EL, PA and RA; steep decline in MO	+33%
Italy	+6%
Netherlands	-29%

AMEA	+8%
China Steep growth in PA; slight decline in EL; decline in MO; steep decline in RA	-2%
India	+9%
Australia	+57%



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.

Operational EBITA margin of 19%

Improvements in 3 out 4 Business Areas

Profitability drivers

Gross Profit

+13%[1]

Gross profit as a % of revenues increased from 34.7% to 38.2%; expansion in 3 out of 4 business areas

SG&A expenses

+5%[1]

SG&A expenses as a % of revenues at 17.2%, up from 16.7%; driven primarily by higher sales expenses in 3 out of 4 business areas

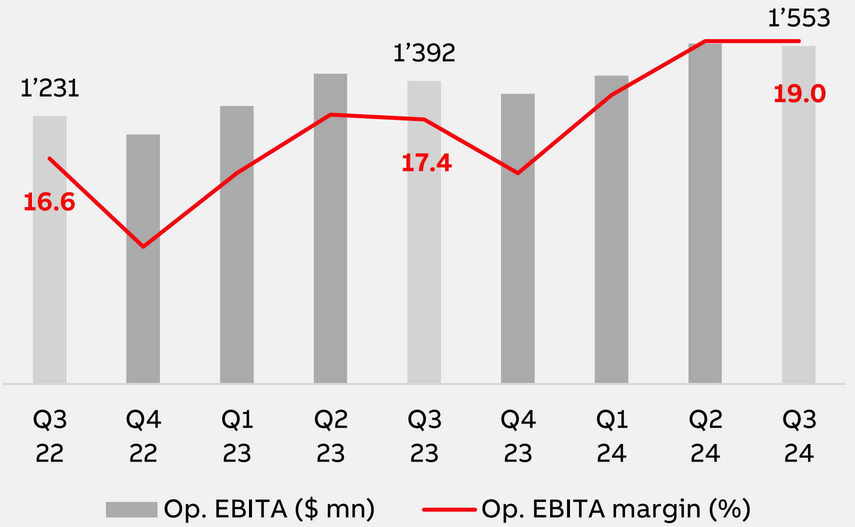
Corporate and Other Operational EBITA

-$108 mn, +$1mn vs prior year:

Corporate costs and Other -$48mn, unusually low supporting group margin by ~30 bps and E-mobility -$60mn

Basic EPS	**$0.51** **+$0.03 YoY**	**Cash flow** from operating activities	**+$1,345 mn** **-$6 mn YoY**

Operational EBITA +12%

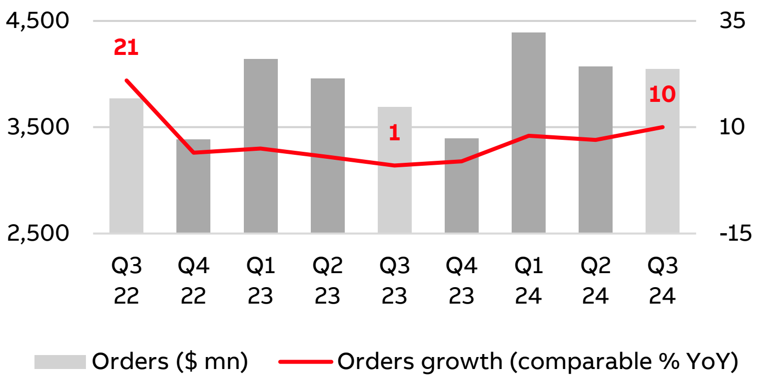


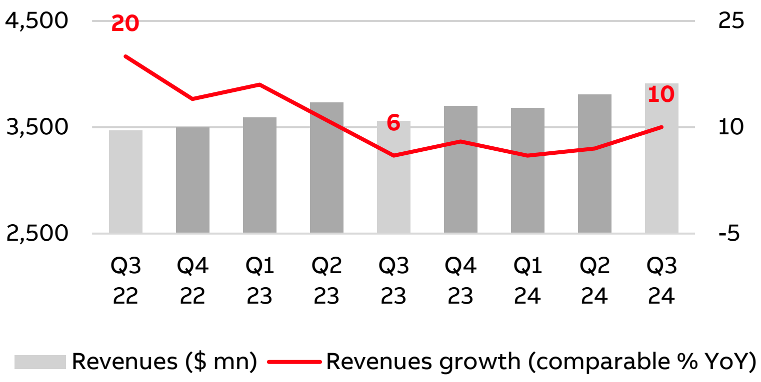
Operational EBITA margin +160 bps

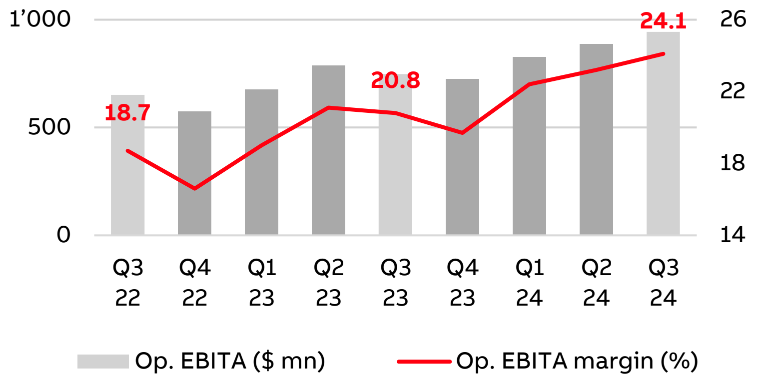
1. Constant currency.

Strong execution and market resulting in another record quarter

Q3 2024 Electrification







Orders $4,049 mn

Strong short-cycle growth more than offset long-cycle decline due to large order timing

Strength in data centers, utilities, and infrastructure; buildings improved with residential stabilized outside China; non-residential positive outside China

China remains sluggish outside data centers and utilities

Backlog $7.9 bn (prior Q-end $7.5 bn)

Revenues $3,913 mn

Record-high revenue was primarily driven by volume, with additional support from targeted pricing actions

Order backlog execution, along with increased short-cycle demand, led to growth across all divisions

Book-to-bill 1.03x QTD

Operational EBITA $944 mn, +26% YoY

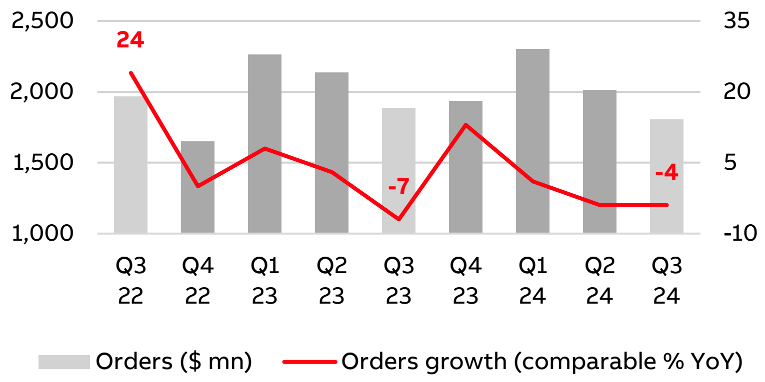
Record margin +330 bps YoY

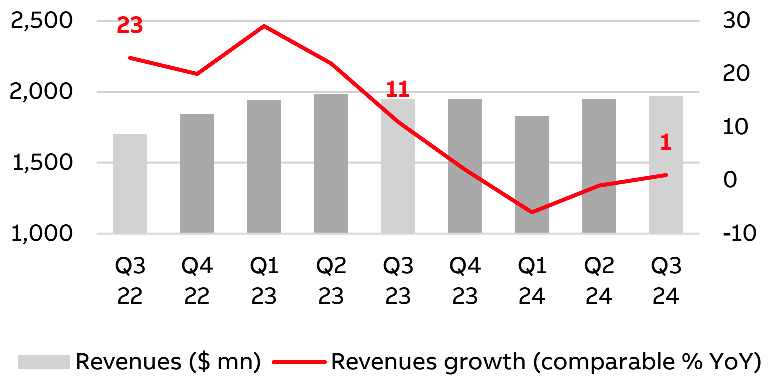
Margin improvement was driven by higher volumes triggering better cost absorption, continuous improvement measures and a slight positive price impact

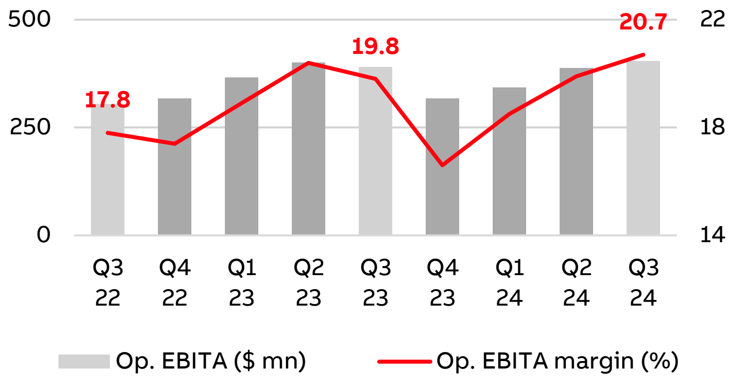
Margins improved across all divisions

Structural improvements in long-cycle businesses support record margin

Q3 2024 Motion







Orders $1,806 mn

Decrease in long-cycle business mainly driven by timing of projects in Traction

Strength in power generation and metals; HVAC positive driven by commercial buildings; slowness noted in chemicals, oil & gas, and pulp and paper; partially offset by strong service growth

Backlog $5.8 bn (prior Q-end $5.7 bn)

Revenues $1,969 mn

Higher pricing, mainly related to service, as well as higher volumes in the long-cycle businesses were partially offset by lower volumes in the short-cycle

Execution of order backlog at good level but a bit slower than expected due to some customer driven delivery delays

Book-to-bill 0.92x QTD

Operational EBITA $404 mn, +4% YoY

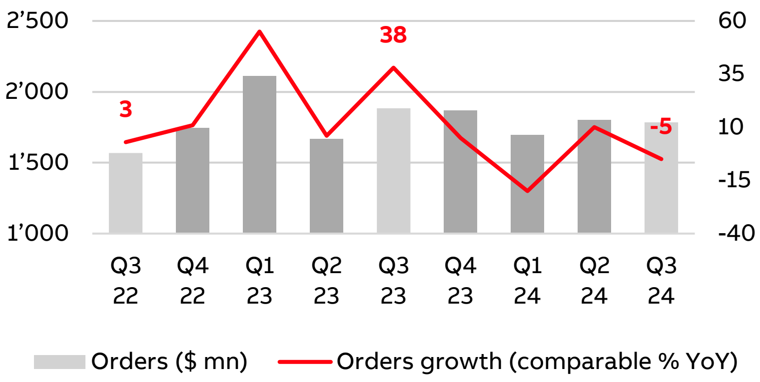
Margin +90 bps YoY

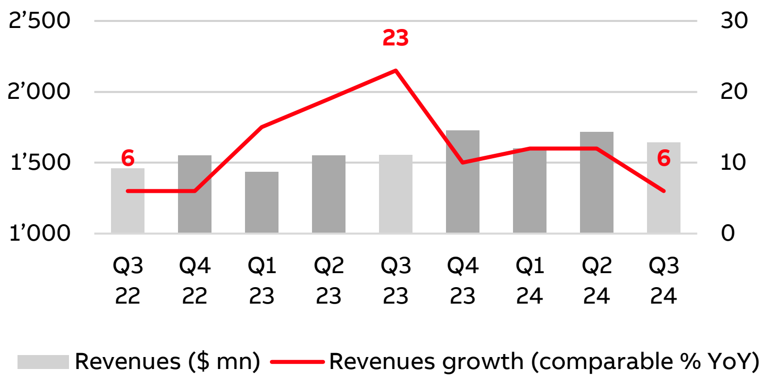
Positive pricing and a stringent cost control, more than offset a slight negative impact from volumes, and higher expenses related to R&D and SG&A, year-on-year

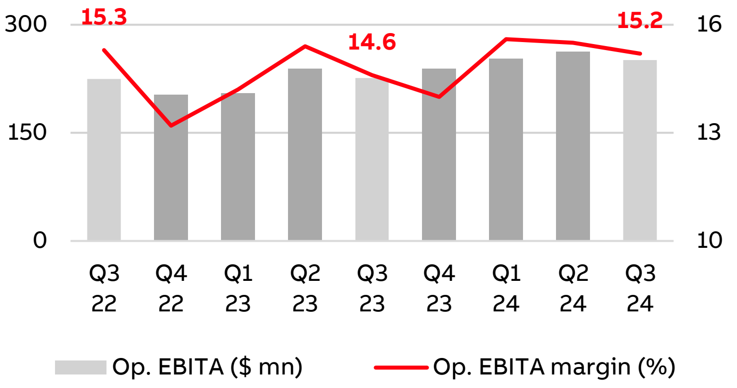
Margins improved in most divisions

Robust underlying markets and focused execution

Q3 2024 Process Automation







Orders $1,784 mn

Strong underlying market momentum; decrease driven by a large multi-year order of ~$285 mn booked in the prior year

Market strength in marine, ports and both conventional and low carbon power generation; metals and mining improved while chemicals decreased vs last year

Backlog $7.8 bn (prior Q-end $7.4 bn)

Revenues $1,643mn

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

Stable to positive development in all divisions

Growth in all regions led by the strong growth in the Americas including the US

Book-to-bill 1.09x QTD

Operational EBITA $251 mn, +11% YoY

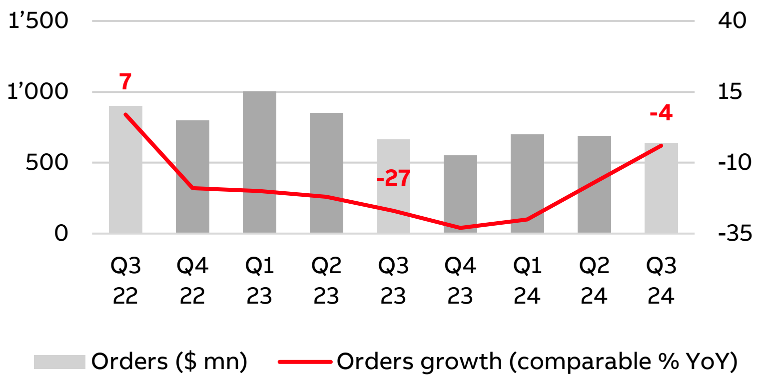
Margin +60 bps YoY

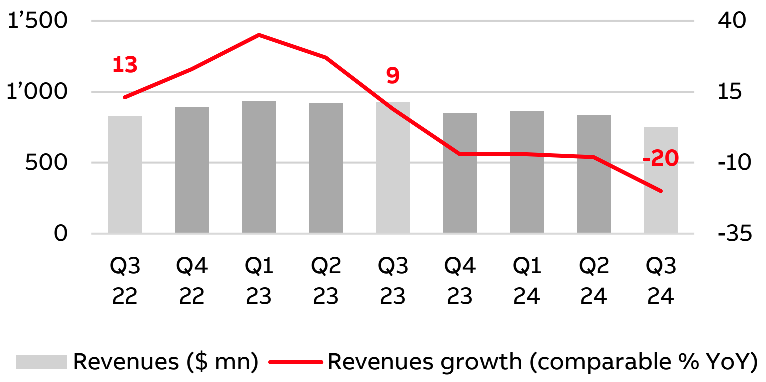
Increase driven by higher volumes, positive price impact linked to the product business as well as the impact from improved operational efficiency

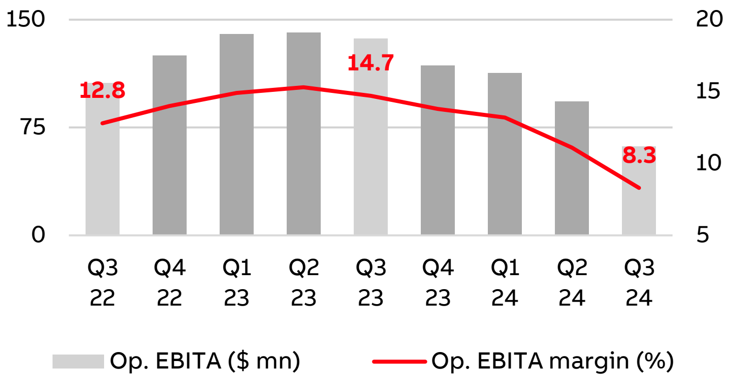
More than offset the impacts from higher R&D and SG&A spend

Robotics holding steady; Machine Automation challenging

Q3 2024 Robotics & Discrete Automation







Orders $640 mn

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

Robotics demand increased in logistics and other general industries; partially offset by declines in electronics and automotive where orders in hybrid partially offset declines in EV

Machine Automation impacted by earlier pre-buys and soft underlying market which is expected to stabilize latest during Q2 2025

Backlog $1.7 bn (prior Q-end $1.8 bn)

Revenues $747 mn

Revenues declined sharply in Machine Automation due to market slowdown

Robotics decline limited to single-digit rate as growth in book and bill business did not offset impacts from lower backlog execution vs prior year

Book-to-bill 0.86x QTD

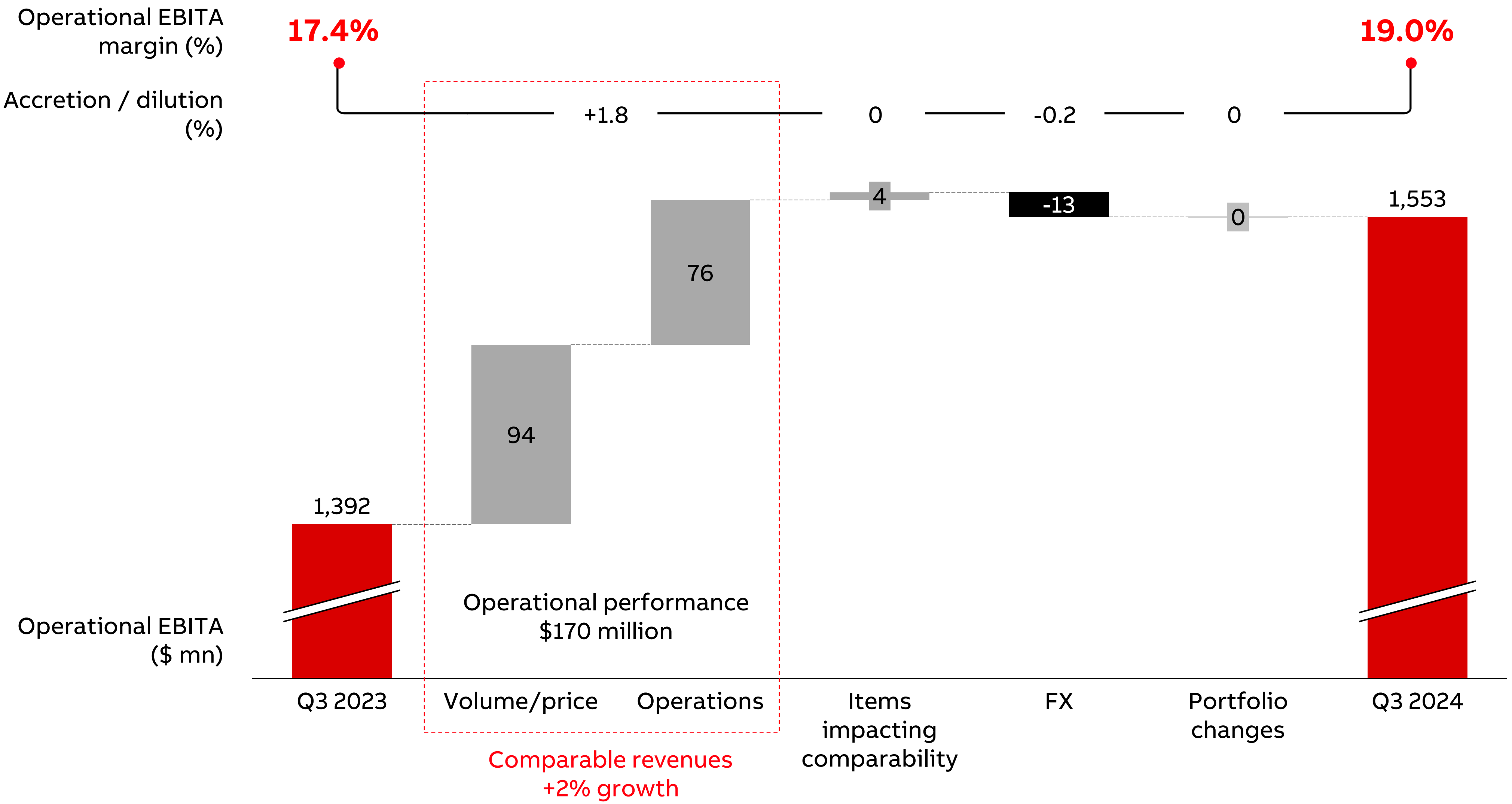
Operational EBITA $62 mn, -55% YoY

Margin -640 bps YoY

Lower production volumes triggered significant underabsorption in Machine Automation; restructuring actions already implemented with savings expected towards end of 2024

Robotics decrease driven by lower volumes but margin remained in double-digit territory, supported by earlier implemented cost measures

Operational EBITA bridge



Items impacting comparability: Non-core business. Portfolio changes: SEAM Group acquisition

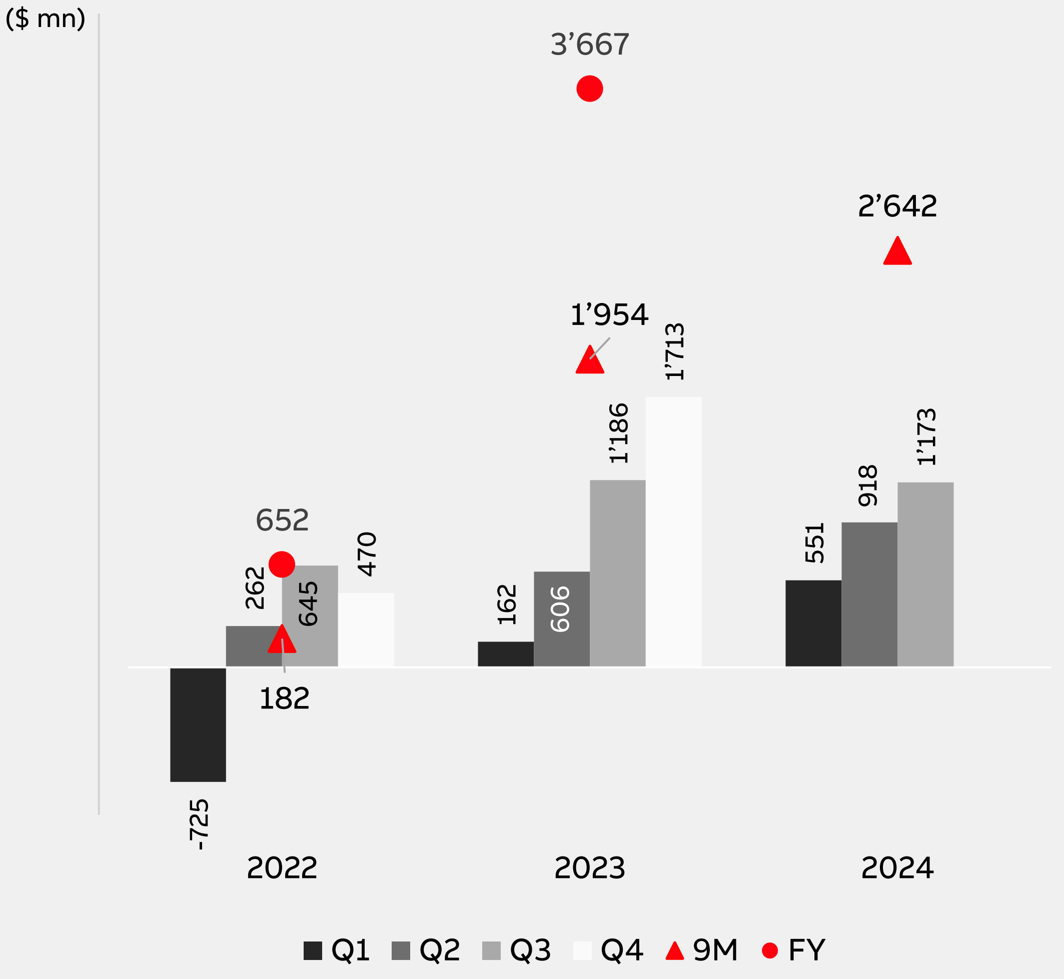
Cash flow ambition on track
Q3 2024 cash flow drivers

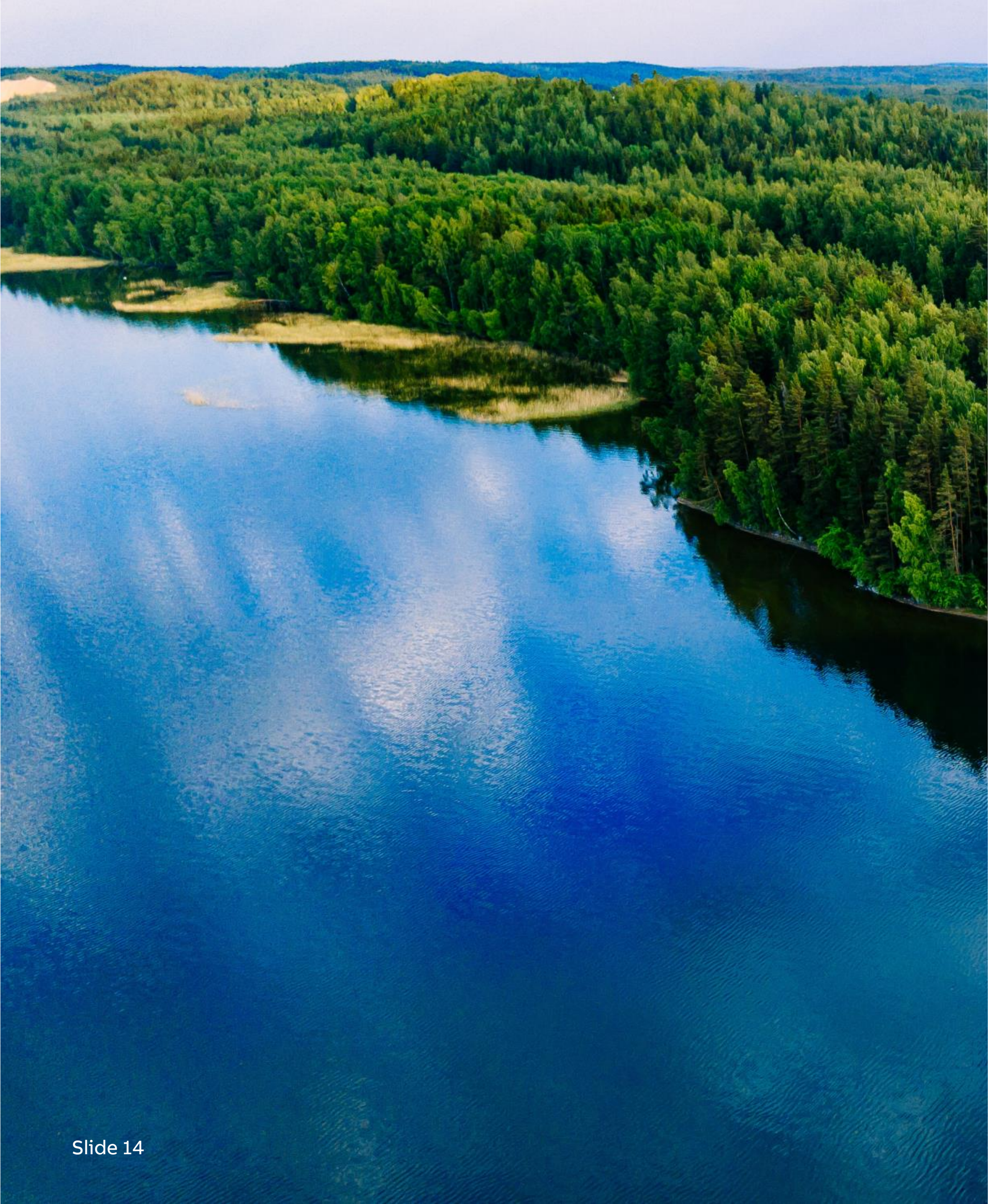
Free cash flow remained broadly stable year-on-year following very strong cash collection in H1 driven by:

- Improved operational performance
- Offset by less reduction in NWC this year versus prior year
- Slight increase in CAPEX

On track to deliver Free cash flow of at least last year's level

Free cash flow
(+$1,173 mn, -$13 mn YoY)





Outlook

Q4 2024

Revenues

Low to mid single-digit comparable growth; Book-to-bill below 1

Operational EBITA %

Operational EBITA margin sequentially lower

FY 2024

Revenues

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

Operational EBITA %

Operational EBITA margin to be slightly above 18%

Q&A

Appendix

2024 framework

$ mn unless otherwise stated	Q3 24	Q4 24 framework	2024[1] framework
Corporate and Other Operational EBITA[2]	(48)	~(75)	~(170) From ~(200)
Non-operating items:			
PPA-related amortization	(44)	~(45)	~(200) From ~(210)
Restructuring and related[3]	(37)	~(100)	~(250)
ABB Way transformation	(46)	~(55)	~(200)

	9M 24	2024 framework
Finance net	55	~75
Effective tax rate	26.1%	~24%[4]
Capital expenditure	(562)	~(850) From ~(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