



ZURICH, SWITZERLAND | OCTOBER 16, 2025 | MORTEN WIEROD, CEO; TIMO IHAMUOTILA, CFO

Q3 2025 RESULTS

High order and revenue growth, improved margin
and strong free cash flow

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TO OUTRUN

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 2025” on our website at global.abb/group/en/investors/quarterly-results.

Q3 2025

Selected highlights

Financial performance

+9%¹
order growth

+9%¹
revenues



19.2%
Op. EBITA margin
improved **+20bps year-on-year**

FCF of **\$1,552 mn**
+\$379mn YoY



**High order and revenue growth,
improved margin and strong free cash flow**

Investments



ABB to invest an
additional \$110 million
in US manufacturing



ABB to invest
approximately **\$100 million**
in Canadian R&D and manufacturing

Innovation

ABB launches
**next-gen machinery
drive** built for performance,
connectivity and cybersecurity



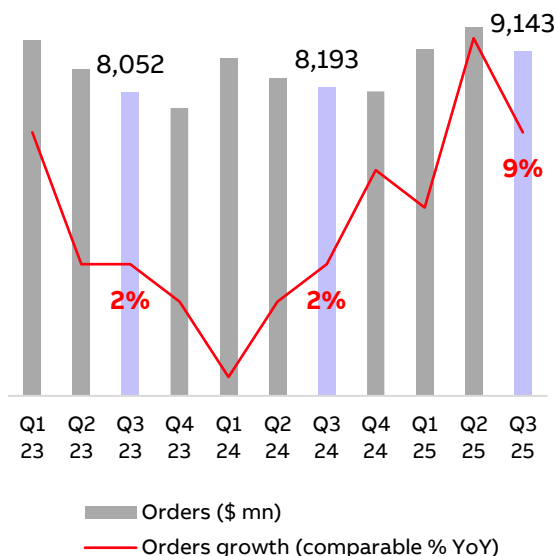
ABB and LandingAI unleash
the power of **generative
AI for Robotic vision**

1. YoY comparable.

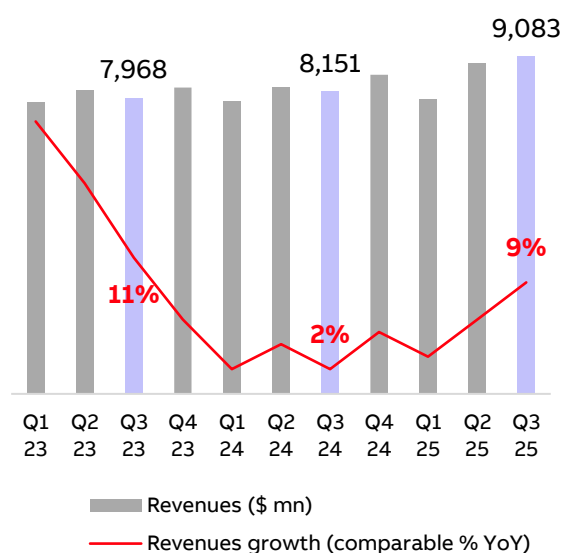
Robust markets

Orders and revenues up in all Business Areas

Orders +9%¹



Revenues +9%¹



Book-to-bill 1.01

1. YoY comparable
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Notable orders developments

comparable % YoY, unless otherwise indicated



Short-cycle

High single-digit growth, up in all Business Areas



Data centers & Utilities

Underlying Utilities and power generation strong outside renewables

Data centers up double-digit



Discrete

Robotics broadly stable as weakness in automotive and general industries was offset by growth in consumer electronics and logistics; Machine builders orders increased from low comparable, market overall subdued



Process

Oil & Gas strong; Declines noted in chemicals, pulp & paper and mining



Transport & infrastructure

Strong growth in rail; Underlying market in marine & ports strong but orders flat year-on-year; Strength in infrastructure



Buildings

Up year-on-year driven by growth in commercial building in Europe and the US offsetting weakness in China

Order backlog at \$25.1 bn, +8%¹

Strong growth in the Americas and Europe; AMEA stable

Q3 2025 regional, country orders

The Americas	+19%
USA	+27%
Base orders	+9%
Steep growth in all Business Areas	
Canada	+2%
Brazil	+38%

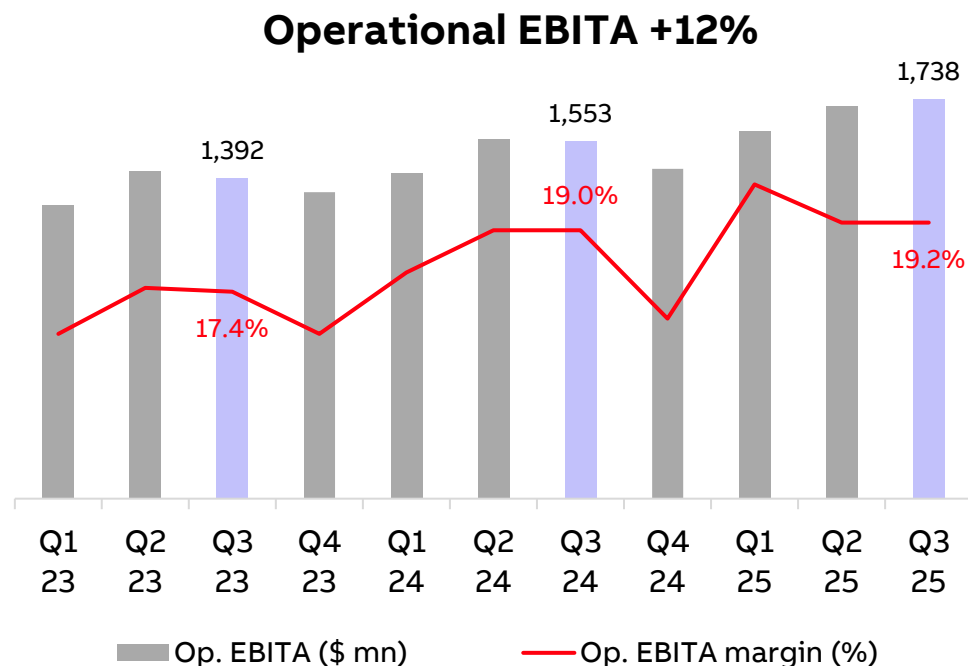
Europe	+9%
Germany	-4%
Strong growth in EL, Stable in MO and RA, Steep decline in PA due to high large order comparable	
Italy	+18%
Sweden	+76%

AMEA	-1%
China	-4%
Steep growth in RA, growth in MO, Steep decline in EL and PA	
India	-7%
Base orders	+9%
U.A.E.	+18%

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

Earnings improved in all Business Areas



Operational EBITA margin +20 bps

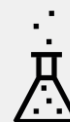
Improved business performance
more than offset higher costs in Corporate and Other

Profitability drivers



Gross Profit

- +11%¹; improvements in all Business Areas
- Gross margin improved 100 bps to 40.8%, driven mainly by higher volume and favorable unrealized FX & commodity timing differences



Non-order related R&D

- \$355 million, +9%¹
- Increased investment in 3 out of 4 BAs



Corporate and Other Operational EBITA

- -\$134 mn, -\$26 mn vs prior year of which:
 - Corporate costs and other -\$108 mn vs -\$48 mn in the prior year
 - E-mobility -\$26 mn, improved by \$34 mn vs prior year

Basic
EPS

\$0.66
+\$0.15 YoY

Net income
attributable to
ABB

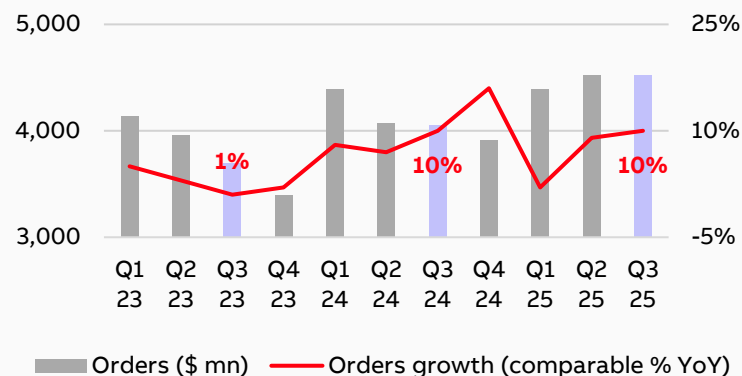
\$1,208 mn
+\$28% YoY

1. Constant currency.

Record high Revenues and Operational EBITA; positive book-to-bill

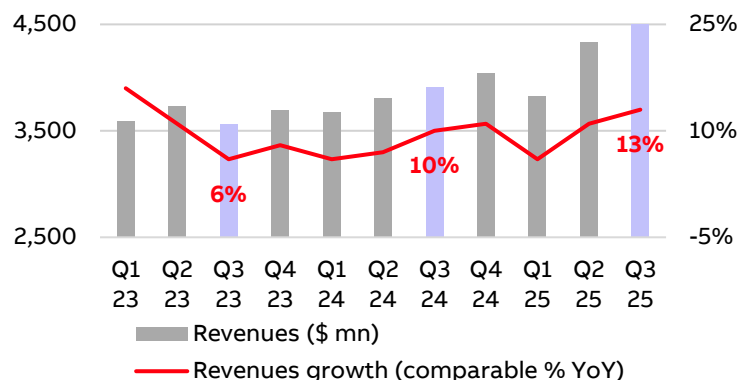
Q3 2025 Electrification

Orders \$4,522 mn



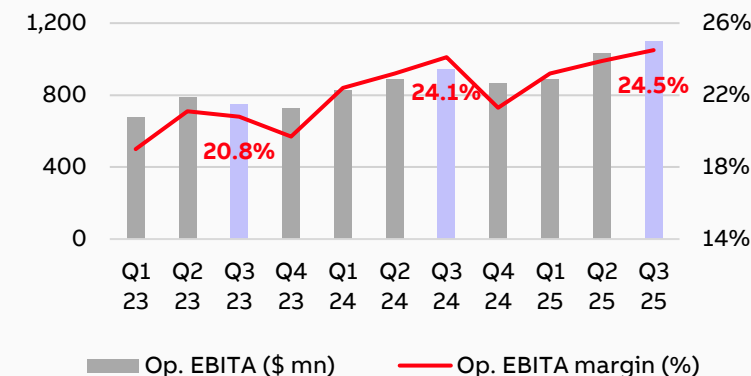
- Stable to positive order development in all customer segments
- Double-digit growth in data centers
- Buildings positive overall driven by commercial in the US and Europe while residential was broadly stable; market in China remains weak overall
- Utilities underlying demand strong with orders broadly stable on a high comparable
- Strength in infrastructure
- Backlog \$8.8 bn (prior Q-end \$8.7 bn)

Revenues \$4,499 mn



- Strong improvement in virtually all divisions
- Growth driven mainly by higher volume, with solid execution from the order backlog related to medium voltage and power protection offering as well as good customer activity in the short-cycle business
- Additional support from slightly positive pricing
- Book-to-bill 1.01x

Operational EBITA \$1,100 mn, +17% YoY

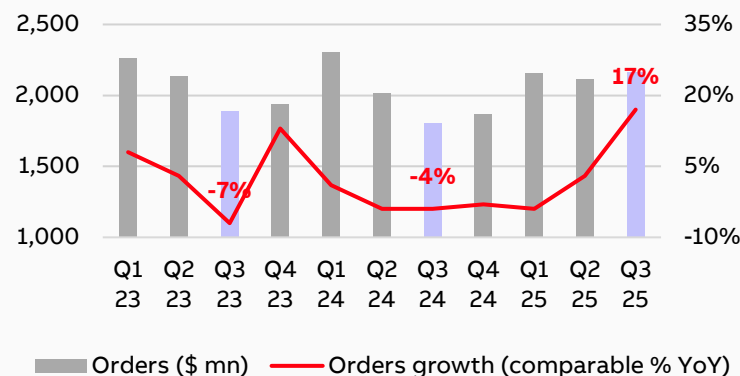


- Operational EBITA margin +40 bps YoY
- Improvement was primarily supported by operational leverage on higher volumes which more than offset higher spend on R&D and SG&A, year-on-year
- Tariff-related cost increases are not material and offset with productivity measures and price impacts

Strong Order intake; Revenues and Earnings improved versus prior year

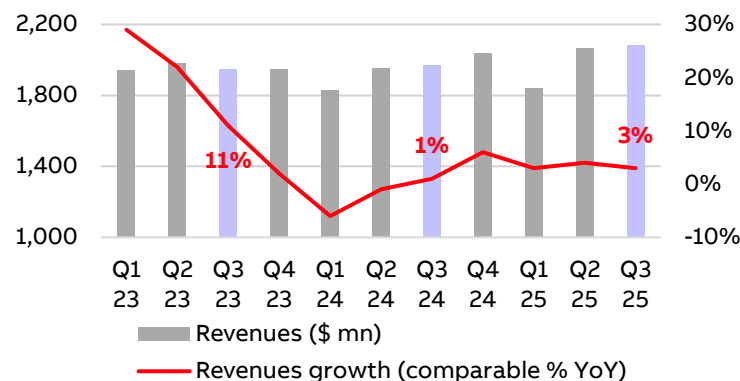
Q3 2025 Motion

Orders \$2,162 mn



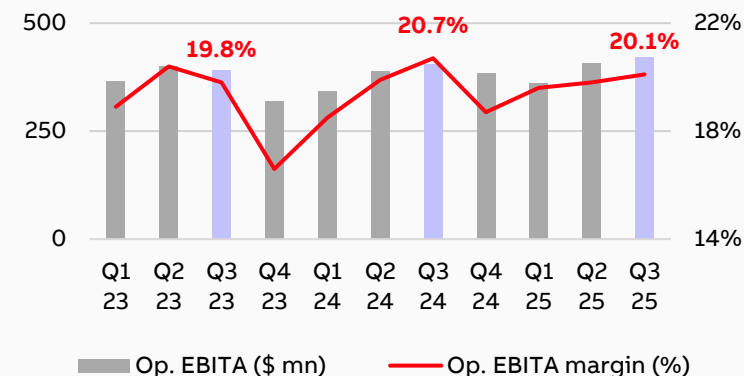
- Positive development in both the project and short-cycle businesses
- Strength in commercial building HVAC, oil & gas, power generation, water & wastewater and F&B
- Weakness in chemicals, pulp & paper and metals
- Rail strong with support from large orders
- Order growth in all regions
- Backlog \$6.2 bn (prior Q-end \$6.1 bn)

Revenues \$2,082 mn



- Growth driven by positive development in the short-cycle as well as service, while deliveries in the project and system-related businesses were somewhat lower than anticipated
- Additional support from positive price impacts
- Book-to-bill 1.04x

Operational EBITA \$421 mn, +4% YoY

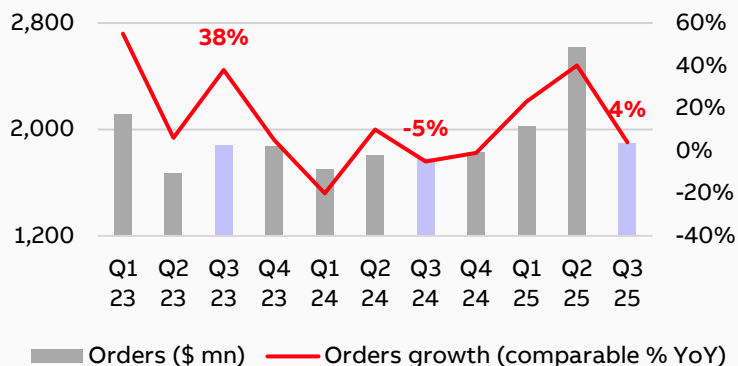


- Operational EBITA margin -60 bps YoY
- Operational leverage on higher volumes and positive price impact had a positive impact on margins, which was more than offset mainly by higher SG&A and R&D expenses year-on-year

Resilient market and strong execution — Book-to-bill >1 for 20th straight quarter

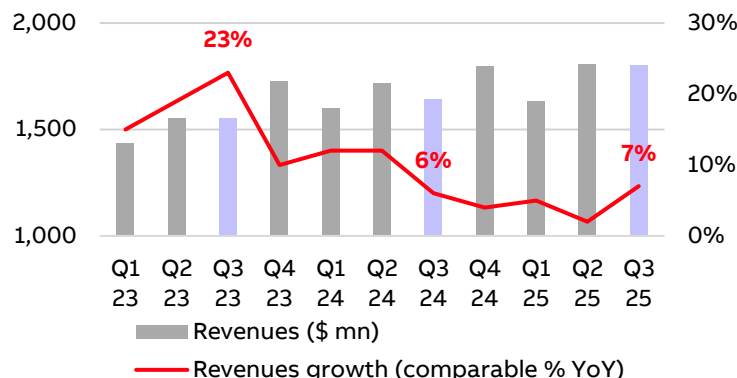
Q3 2025 Process Automation

Orders \$1,896 mn



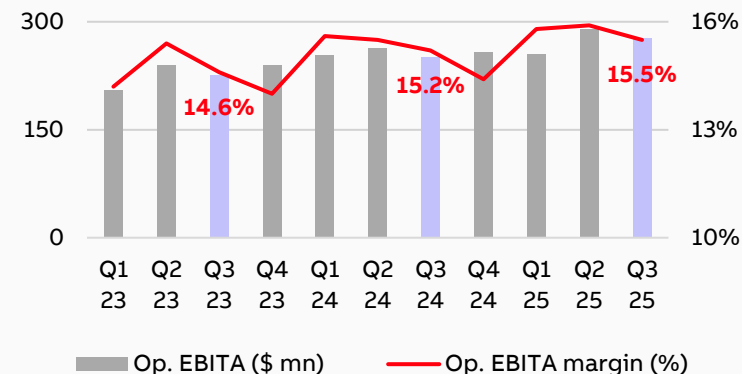
- Strong growth in base orders more than offset lower level of large orders
- Orders increased in the oil & gas and conventional power generation segments; good momentum seen in nuclear partially offsetting weakness in renewables
- Marine market outlook remains strong despite orders stable year-on-year
- Declines in chemicals, pulp & paper and mining
- Backlog \$9.4 bn (prior Q-end \$9.3 bn)

Revenues \$1,801 mn



- Growth driven by execution of the order backlog resulting in higher volumes and positive price/mix contribution
- Book-to-bill 1.05x

Operational EBITA \$277 mn, +10% YoY



- Operational EBITA margin +30 bps YoY
- Driven by higher volume and positive price impacts, more than offsetting increased spend for R&D as well as slightly higher SG&A

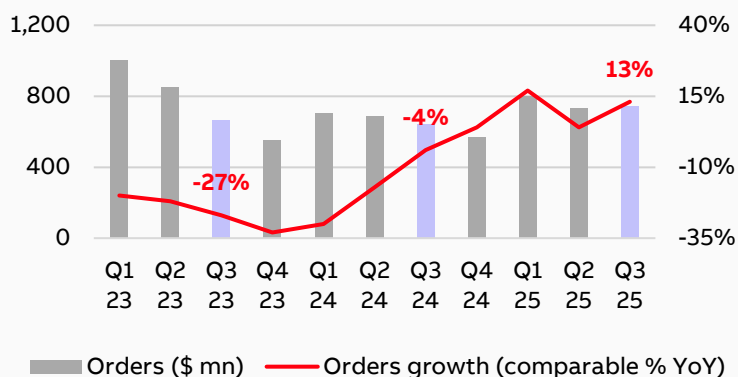
Reporting structure change, effective Q4 2025

Following the dissolution of the Robotics & Discrete Automation Business Area, the Machine Automation division will become part of the Process Automation Business Area

Orders increased year-on-year and sequentially despite challenging market

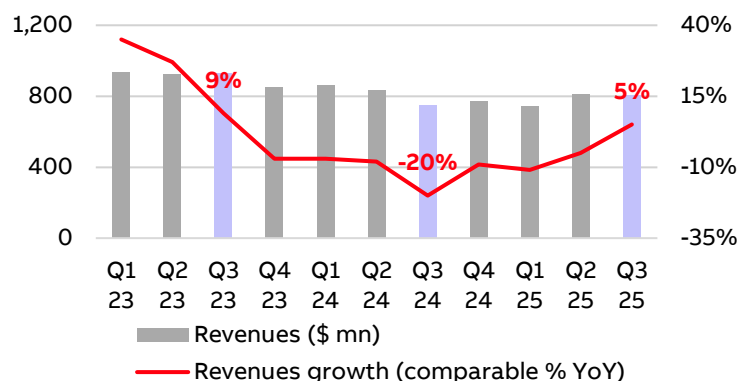
Q3 2025 Robotics & Discrete Automation

Orders \$744 mn



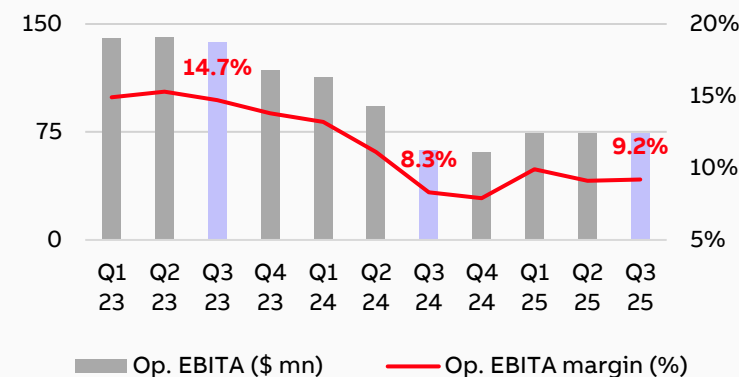
- Robotics orders broadly stable as weakness in automotive and general industries was offset by growth in consumer electronics and logistics
- Machine Automation orders increased sharply from low comparable; absolute order level remains subdued in a continued challenging market
- Backlog \$1.5 bn (prior Q-end \$1.5 bn)

Revenues \$807 mn



- Growth in both divisions and all regions from last year's low comparable
- Growth driven by higher volumes supported mainly by backlog execution and slightly positive pricing
- Book-to-bill 0.92x

Operational EBITA \$74 mn, +19% YoY



- Operational EBITA margin +90 bps YoY
- Robotics' earnings and margin improved year-on-year and margin remained in double-digit territory supported by higher volumes and stable pricing
- Machine Automation at break-even level as the impact of cost savings measures did not offset the adverse impacts from lower production volumes

Reporting structure change, effective Q4 2025

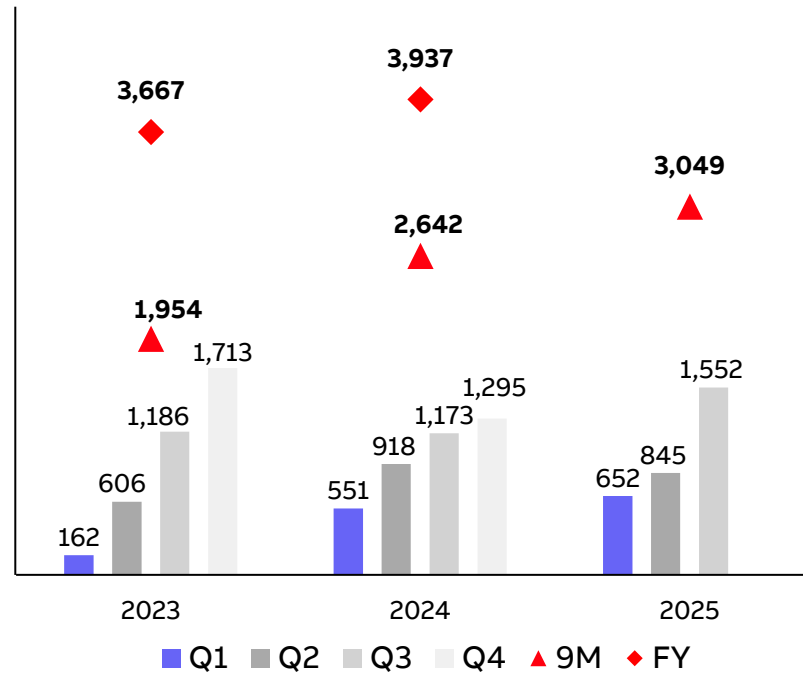
Following the dissolution of the Robotics & Discrete Automation Business Area, the Robotics division will be reported in Discontinued operations. The Machine Automation division will become part of the Process Automation Business Area.



Free cash flow

\$1,552 mn, +\$379 mn YoY

(\$ mn)



Strong Free cash flow generation during the quarter

Q3 increase driven by:

- Improved operational performance
- Larger release of Trade NWC versus the prior year
- Partially offset by higher CAPEX and taxes paid

On track towards annual cash flow ambition to improve from \$3.9 bn last year

Announced divestment of Robotics division to Softbank Group



Strong customer value proposition combining ABB Robotics' leading technology and industry expertise with Softbank's state-of-the-art capabilities in AI, robotics and next-generation computing

Financials



Divestment for \$5.375 billion reflects long-term strengths of the robotics business and creates immediate value for ABB shareholders

Non-operational **pre-tax book gain of ~\$2.4 billion**

Expected **Cash proceeds of ~\$5.3 billion**, net of transaction costs

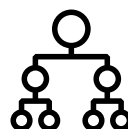
Closing expected mid-to-late 2026

Capital allocation

ABB to deploy divestment proceeds in line with its capital allocation principles



Reporting structure



New reporting structure as of Q4 2025; ABB moves to 3 Business Areas

- **Machine Automation division moved to Process Automation**
- **Robotics division** reported as **discontinued operations**

Outlook

Acknowledging the uncertainty for the global business environment

Q4 2025



Revenues

- Comparable growth in the mid-single digit range



Operational EBITA %

- Operational EBITA margin to sequentially soften from the third quarter by approximately -150 basis points, in line with historical pattern

FY 2025



Revenues

- Comparable growth in the mid-single digit range
- Book-to-bill above 1



Operational EBITA %

- Operational EBITA margin broadly at the higher end of the long-term target range of 16%-19%

Q&A

Appendix

2025 framework – Current reporting structure

\$ mn unless otherwise stated	Q3 25	Q4 25 framework	2025 ¹ framework
Corporate and Other Operational EBITA²	(108)	~(110)	~(200) From ~(175)
Non-operating items:			
PPA-related amortization	(50)	~(45)	~(190) From ~(180)
Restructuring and related ³	(70)	~(125)	~(250)
ABB Way transformation	(35)	~(30)	~(150)

	9M 25	2025 framework
Finance net	45	~75 From ~50
Effective tax rate⁴	27.6%	~25%
Capital expenditure	(648)	~(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 & integration costs.

4. Excludes the impact of acquisitions or divestments or any significant non-operational items.

2025 framework – New reporting structure

\$ mn unless otherwise stated	Q4 25 framework	2025 ¹ framework
Corporate and Other Operational EBITA²	~(150)	~(325)
of which stranded costs	~(40)	~(125)
Non-operating items:		
PPA-related amortization	~(40)	~(180)
Restructuring and related ³	~(80)	~(125)
ABB Way transformation	~(30)	~(150)

	2025 framework
Finance net	~75
Effective tax rate⁴	~25%
Capital expenditure	~(800)

Above numbers include only continued operations

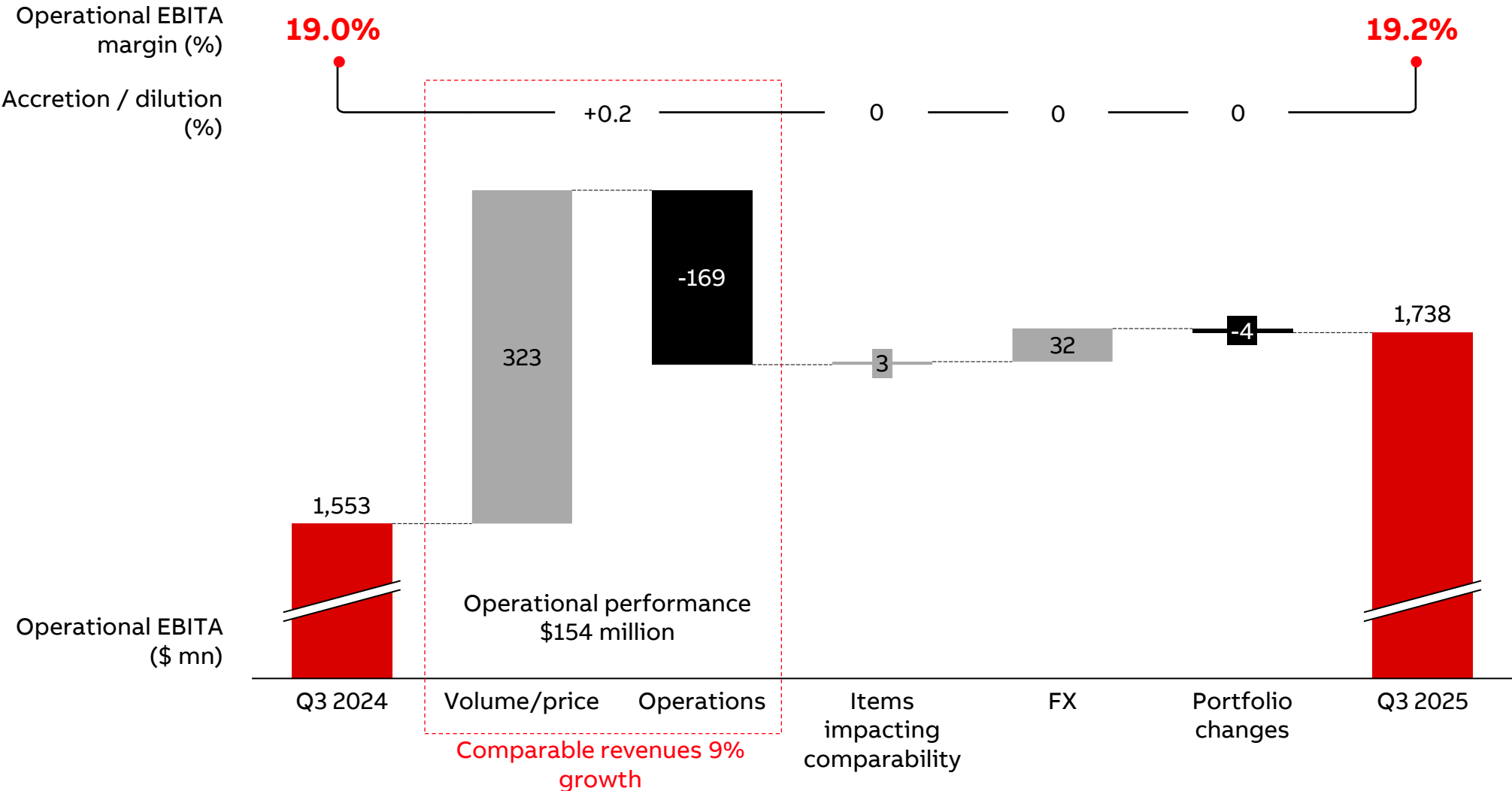
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2. Excludes Operational EBITA from E-mobility business.

3. Includes restructuring and restructuring-related as well as separation & integration costs.

4. Excludes the impact of acquisitions or divestments or any significant non-operational items.

Operational EBITA bridge



ABB