

September 22, 2011 – Greg Scheu, Region Division Manager






Citi Global Industrials Conference Discrete Automation & Motion, NAM

Safe-harbor statement

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, 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,” “plans” or similar expressions. However, there are many 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 press release 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 with the volatile global economic environment and political conditions, costs associated with compliance activities, raw materials availability and prices, market acceptance of new products and services, changes in governmental regulations and currency exchange rates and such other factors as may be discussed from time to time in ABB Ltd’s filings with the U.S. Securities and Exchange Commission, including its Annual Reports on Form 20-F. 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.

How ABB is organized

Five global divisions

				
Power Products	Power Systems	Discrete Automation and Motion	Low Voltage Products	Process Automation
\$10 billion 34,000 employees	\$6.8 billion 18,000 employees	\$5.6 billion 25,800 employees	\$4.5 billion 21,000 employees	\$7.4 billion 28,100 employees

(2010 revenues)

- ABB's portfolio covers:

- Electricals, automation, controls and instrumentation for power generation and industrial processes
- Power transmission
- Distribution solutions
- Low-voltage products

- Motors and drives
- Robots and robot systems
- Power Electronics
- Services to improve customers productivity and reliability

Discrete Automation and Motion division Business units



Number 1 or 2 in all markets where we operate

- Low voltage AC drives from 0.12 to 5600 kW
- DC Drives from 4 kW to 15000 kW
- Wind turbine drives
- Solar converters
- PLCs, HMIs, and wireless sensors and actuators
- Software tools
- Energy saving tools
- Service

- Advanced power electronics
- Converter products
- Excitation and synchronizing systems
- High power rectifiers
- Power quality products
- Traction converters
- Medium voltage drives from 315 kW to more than 100 MW
- Service

- Low voltage motors from 0.25 to 1000 kW
- High voltage motors and generators up to 70 MW
- High speed motors
- Traction motors
- Wind power generators
- Diesel generators
- Gas and steam turbine generators
- Hydro generators, tidal waves, etc
- Service

- Industrial robots
- Robot controllers and software
- Industrial software products
- Application equipment and accessories
- Robot automation systems for automotive, foundry, packaging, metal, solar, wood, plastics, etc. industries
- Service

Discrete Automation and Motion

Areas of activity

I Discrete automation



II Industrial motion



III Renewables



IV Power control and quality



V E-mobility



Offering

Products and integrated automation solutions, incl. PLC, robots, drives and motors for discrete automation in industry, and infrastructure

Movement and control in industrial applications. Motors, drives and generators for industry, utilities, infrastructure and transport

Generators, converters and application packages for renewable power generation

Control of power supply and ensuring power quality for industrial, infrastructure and transport applications

Fast charging, assembly and testing of batteries for electrical vehicles, on-board motors and drives

Product packages and engineered applications

Life-cycle services

Industrial motion: A \$35 billion global market





Movement and control for industrial applications

Industrial motion market growing 5-10% a year

End-users

Industry	Utilities	Infrastructure	Transport
			
~\$25B	~\$5B	<\$5B	<\$5B

Products

Motors	Drives	Mechanical	Generators
			
~\$15B	~\$10B	~\$5B	~\$5B

Baldor a leader in North American industrial motors

Global potential in mechanical transmission

	Motors	Mechanical	Drives	Generators
Products	1/50 th –15,000 hp electrical motors For industrial applications	Mounted bearings, enclosed gearing, sheaves, pulleys, couplings	Low voltage drives Servo drives Position controls	Portable, industrial towable, mobile light gen sets 3 kW – 2.2 MW
Brands	BALDOR • RELIANCE	BALDOR • DODGE BALDOR • MASA	BALDOR	BALDOR
Primary end markets	Wide range of discrete & process industries	Process industries	Industry, utilities, infrastructure	Industry, utilities
Customers	60% OEM, 40% distributor	25% OEM, 75% distributor	OEMs and distributors	Rental companies, generator distributors

Great strategic fit

Two great companies growing stronger together

Complete offering for energy efficiency

Baldor: Strong NEMA premium efficiency motors

ABB: Leading drives portfolio

Close motor portfolio gap

ABB strong in IEC motors

Add leading NEMA motor business

Full offering for process automation

**ABB &
Baldor**

Improve presence in North America

Excellent customer and market access

Strong local brand

Large installed base

High performing manufacturing network



Growth... we are stronger and better together

Main focus of the acquisition

Unmatched industrial motion portfolio
to serve both local and global customers

Grow North American
business

Accelerate global
growth with ABB
reach

Gain customer share

Overall integration priorities

- Stay focused on growing and executing the daily business!
- Combined portfolio fills gaps - NEMA motors/generators, servos, mechanical
- High-performing team engaged and highly motivated, sharing best practices
- Keep continuity in customer focus, brand, and business model
- Externally focused, our full energy on the customer
- One team with a common mission – taking care of customers...GROWTH!!

Baldor: Solid stand-alone result, synergies on track ~\$200 mill contribution to H1 operational EBITDA

BALDOR

A MEMBER OF THE ABB GROUP



- Great stand-alone performance in first half 2011:
 - 20% revenue growth, higher prices and volume
 - Stand alone operating profit up by 40%+ , margin up 3% points
 - Operational EBITDA margin at 21%¹
- Synergy update:
 - Quality of distribution channels confirmed, revenue synergies on track
 - Successful cross-selling of NEMA/IEC motors and drives
 - Positive outlook for mechanical power transmission outside U.S.
 - Pull-thru opportunities (e.g., LV products, power electronics, transformers) realized
 - Sourcing and other cost savings in line with plan
- Integration on track, management retention successful

¹Operating profit margin based on ABB's definition

The time is right for energy efficiency

A significant productivity factor as oil prices rise

The efficiency business case

- Industrial motors use 25% of all electricity generated
- Drives bring significant additional energy savings
- Motor-drive combinations can cut energy costs by up to 70%
- Average payback period on drives investment is 2 years

Demand growth drivers

- Rising energy costs
- Regulation
 - Energy Independence and Security Act: new motor efficiency standards as of December 2010; >1.4 mio. motors per year to be replaced
 - Similar regulations seen in 2011 for Canada, Mexico and Europe
 - China, Australia and other industrial countries to follow

Energy Efficiency

EISA law in effect as of Dec 19, 2010

- 2007 EISA (Energy Independence and Security Act)
 - Impacts most 1-500 HP motors produced and sold into the U.S. industrial motor market
 - Raises the bar above EPCAct efficiency levels
 - Strictly enforced by Department of Energy in USA



- Broadest line of premium efficient motors
- 1-15,000 HP
- TEFC, ODP, WPI, WP2, JM, JPM
- 1-1,500 HP in stock, ready for immediate shipment

Growth in drives, double the NA business in 5 years

Combine Baldor motors with ABB drives

Baldor customers spend \$500 mill. a year on drives

Baldor: NA leading in industrial motors



ABB: World leading in variable-speed drives



- Cuts energy consumption by up to 70%
- Investment payback from 6 months to 2 years

Synergy example

Accelerate Baldor's global expansion in mechanical power transmission

Baldor products ...

Efficient conversion of electrical into mechanical power

Widely used in process industries



... sold via ABB sales network

Process industries
Plant electrification
Drives
Motors



Key markets

Cement, mining
Oil & gas
Food processing
Material handling
Forest products



Synergy example: Shell global agreement

Press Release



ABB signs Enterprise Framework Agreement with Shell

Agreement covers motors, generators, motor service, and frequency converters

Zurich, Switzerland, September 14, 2011 – ABB Ltd., the leading power and automation technology group, has signed an Enterprise Framework Agreement (EFA) with Shell to supply low- and medium-voltage motors and related services. The agreement is for a period of five years.

With its recent acquisition of Baldor, ABB now offers a complete range of high-efficiency motors that fulfill either NEMA* or IEC* standards. This scope, together with ABB's offer of related motor services and frequency converters, helped ABB secure this contract.

"This agreement shows that ABB's commitment to provide the full scope of high-efficiency motors and related services creates value for a global company like Shell that is focused on safety, reliability, and energy efficiency," says Ulrich Spiesshofer, head of ABB's Discrete Automation and Motion division. "ABB is driving new standards that improve performance and reduce the impact on the environment."

The global agreement covers the sales, distribution, and support of electrical motors for electrical rotating equipment.

"ABB's Discrete Automation and Motion division provides products and related services that increase productivity and energy efficiency in a wide range of industry sectors and applications. Its offering includes robotics, motors, generators, drives, and programmable logic controllers (PLCs) that provide power, motion, and control for industrial applications.

*The National Electrical Manufacturers' Association (NEMA) and the International Electrotechnical Commission (IEC) are the world's dominant electric motor control standards. NEMA is the US standard; IEC is the international standard.

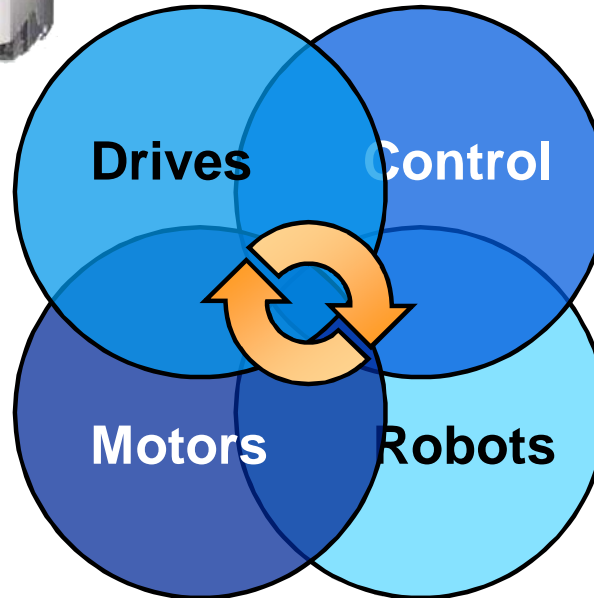
ABB (<http://www.abb.com>) is a leader in power and automation technologies that enable utility and industry customers to improve their performance while lowering environmental impact. The ABB



Discrete Automation and Motion division

Making products work together

Discrete automation	Packages and applications	Life-cycle services
Industrial motion		
Renewables		
Power control and quality		
E-mobility		



Integrated solutions for discrete automation



- Discrete automation from a single source
 - Integrated PLC
 - Drives and controls
 - Machine safety components
- Partner for OEMs and system integrators
- Application know-how for innovative and energy efficient solutions

Launch of solar inverter portfolio takes ABB into growth market

Discrete automation

Industrial motion

Renewables

Power control and quality

E-mobility



Organic entry into ~\$5-bln solar inverter market

ABB now has a broad product range, from residential to power plant scale

- PVS300 string inverters for small commercial and residential applications
- PVS800-MWS megawatt station for utility-scale solar power plants
- Expanded production and sales in 2010

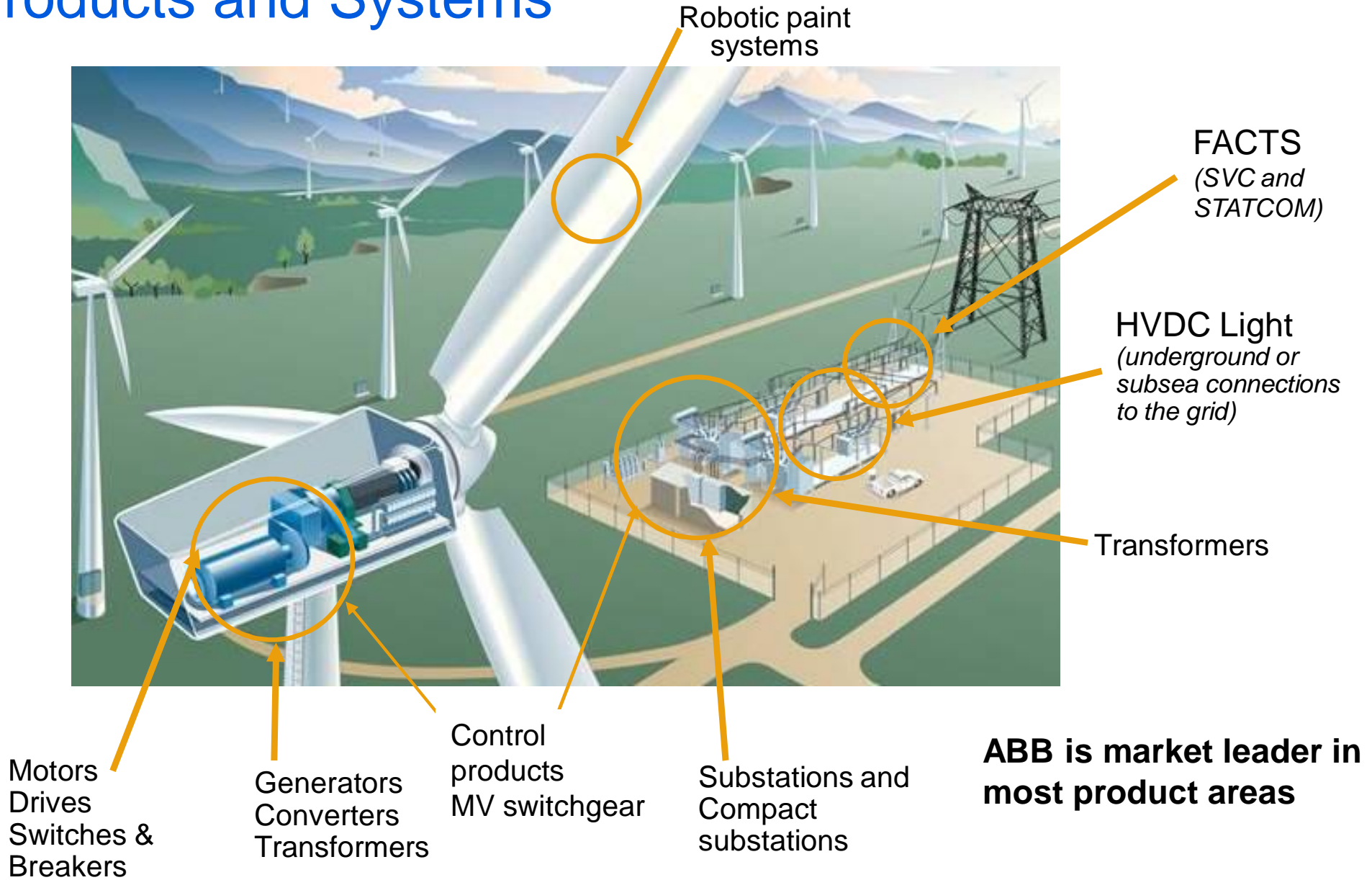
Example ABB PV installations:

- Slovakia: 1 MW
- Italy: 750 kW
- India: 1 MW

More than 100 MW delivered in 1st year on the market



ABB for Wind Power Products and Systems



Power electronics competency

Devices, assemblies, applications

Discrete automation

Industrial motion

Renewables

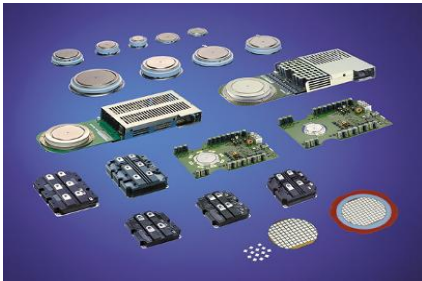
Power control and quality

E-mobility

Packages and applications

Life-cycle services

Devices



Assemblies



Applications



Renewable Power

- Wind power
- Solar power
- Hydro Power



Power Transmission

- HVDC Systems
- FACTS, SVC,
- Statcom



Railways

- Power Supply
- Electric Trains
- Diesel Electric Trains
- Maglev Systems



Industry

- MV Drives
- Soft Starters
- Excitation Systems
- UPS & Rectifiers

ABB with complete charging solutions for e-mobility growth

Discrete automation

Industrial motion

Renewables

Power control and quality

E-mobility



- New power electronics application
- Significant long-term potential
- ABB lead in DC technology is a key
- Epyon acquisition
- Equity stake in ECOtality

Example: DC fast charger in Hong Kong

- 15-30 minutes charging time vs hours for AC
- Used with a production model e-vehicle (Mitsubishi iMiev)

Example: AC charging stations and wall chargers

- Installed at WEF in Davos
- Cooperation with Nissan/Renault to charge the Nissan Leaf and the Renault Fluence Z.E.

Summary

Discrete Automation and Motion, North America

I Discrete automation

II Industrial motion

III Renewables

IV Power control and quality

V E-mobility

- Expanded portfolio providing more relevance to customers
- Greater market access in North America
- Global solution for motors and mechanical
- Integration of Baldor on track, solid momentum
- Customer response is very positive

Power and productivity
for a better world™

