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 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, costs associated with compliance activities, the amount of revenues we are able to generate from backlog and orders received, raw materials prices, market acceptance of new products and services, changes in governmental regulations, fluctuations in interest rates 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.
Agenda

- Introduction to ABB
- Challenges and opportunities
  - Emerging markets
  - Commodity prices
  - Cyclicality
- The importance of technology
- Summary
ABB: A focused power and automation company

Share of total ABB orders received in %, Q2 2008

Robots, robotic systems and services

Automation solutions for process industries

Low-voltage products and systems, drives, motors, power electronics, etc.

Automation Products

24%

Power Systems

21%

Power Products

29%

Process Automation

21%

Robotics

4%

Non-core

1%

High- and medium-voltage switchgear, breakers, transformers

HVDC, HVDC Light, FACTS, power plant & network automation, substations

Headquartered in Zurich, Switzerland

117,000 employees in ca. 100 countries

Listed on Swiss, Stockholm & New York exchanges; traded on SWX Europe

Chart 4
## Strong markets, excellent execution

<table>
<thead>
<tr>
<th></th>
<th>Q2 2008</th>
<th>Q2 2007¹</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$</td>
<td>Local</td>
<td></td>
</tr>
<tr>
<td>Orders received</td>
<td>11,271</td>
<td>8,594</td>
<td>31% 19%</td>
</tr>
<tr>
<td>Order backlog (end June)</td>
<td>29,127</td>
<td>20,264</td>
<td>44% 31%</td>
</tr>
<tr>
<td>Revenues</td>
<td>9,025</td>
<td>7,092</td>
<td>27% 15%</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,449</td>
<td>1,024</td>
<td>42%</td>
</tr>
<tr>
<td>as % of revenues</td>
<td>16.1%</td>
<td>14.4%</td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>975</td>
<td>729</td>
<td>34%</td>
</tr>
<tr>
<td>Basic earnings per share (US$)</td>
<td>0.43</td>
<td>0.32</td>
<td></td>
</tr>
<tr>
<td>Cash from operations</td>
<td>978</td>
<td>396</td>
<td></td>
</tr>
</tbody>
</table>

¹ Adjusted to reflect the reclassification of activities to discontinued operations

- Strong demand driven by the need for
  - More, and more reliable, power infrastructure
  - Consumption of raw materials, esp. in emerging markets (= high prices)
  - Higher industrial efficiency, productivity, and process quality
- Improved profitability reflects high capacity utilization, better execution and cost control, more low-cost sourcing, lower restructuring costs

| Chart 5 |
A well-balanced geographical presence

% of total orders by region Q2 08 vs Q2 07

- Orders from the Middle East and Africa almost doubled in the quarter
Agenda

- Introduction to ABB
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Emerging markets will continue to drive growth

Industrial production and power infrastructure investments typically growing at 2x GDP

Electricity investments to top $11 trillion by 2030

*World energy investment 2005 – 2030 (US$)*

- **Electricity:** 56% ($11.3 trillion)
  - Power generation: 46% (validated)
  - Transmission & distribution: 54% (validated)
  - Of which $3.7 trillion in China alone

- **Oil:** 21% ($4.3 trillion)
  - Exploration & development: 72% (validated)
  - Refining: 13%
  - Other: 15%

- **Gas:** 19% ($3.9 trillion)
  - Exploration & development: 56% (validated)
  - LNG chain: 7%
  - Transmission & distribution: 37%

- **Biofuels:** 1%
- **Coal:** 3%
- **Mining:** 89%
- **Shipping & ports:** 11%


Chart 9
Emerging markets will lead electricity investments

Cumulative investment in electricity infrastructure 2005-2030 by region
(US$ billion in 2006 dollars)

<table>
<thead>
<tr>
<th>Region</th>
<th>Cumulative Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific</td>
<td>$4,661</td>
</tr>
<tr>
<td>North America</td>
<td>$2,246</td>
</tr>
<tr>
<td>Europe</td>
<td>$1,728</td>
</tr>
<tr>
<td>China</td>
<td>$2,764</td>
</tr>
<tr>
<td>India</td>
<td>$956</td>
</tr>
<tr>
<td>Other Asia</td>
<td>$2,246</td>
</tr>
<tr>
<td>Latin America</td>
<td>$681</td>
</tr>
<tr>
<td>Africa</td>
<td>$6220</td>
</tr>
<tr>
<td>Middle East</td>
<td>$292</td>
</tr>
<tr>
<td>Russia</td>
<td>$6220</td>
</tr>
</tbody>
</table>


Chart 10
Regional shift in power-intensive industries

Example: Steel production in China and India
Estimated compound annual growth rate 2005-2015, in %

- China is the world’s clear leader in steel production and will remain so
- India set to triple steel output by 2015, driven by construction and automotive
- Mature economies continue to expand in less energy-intensive service sector

Source: Deutsche Bank Research, Sept. 2006; Industry Week, April 15, 2007
ABB best positioned to capture emerging market growth

% of total orders by region Q2 08 vs Q2 07

Q2 2008

Emerging economies 51%
Mature economies 49%

Share of 2007 ABB orders

1 OECD excl. Czech Rep., Hungary, South Korea, Mexico, Poland, Slovak Rep., and Turkey
ABB is a leading player in China’s industry sector

ABB supplies a broad sector of industry
Share of 2007 Process Automation orders in China

- Oil, Gas & Petrochemicals
- Minerals & Metals
- Pulp & Paper
- Turbo-charging
- Marine
- Process Industries Products
- Performance Services

ABB the leading supplier of drives in China

- Market size in China = 11 BRMB
- Data Source: Gongkong.com Study 2008

ABB the No. 1 robot supplier in China
Total robot market share in China

- ABB
- Yaskawa
- Fanuc
- KUKA
- OTC
- Comau
- Panasonic
- Other
- Others

Chart 13
Agenda

- Introduction to ABB
- Challenges and opportunities
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- Summary
China is driving commodity prices higher

Share of China, India and US in world primary commodity consumption (percent)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>USA</th>
<th>India</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron ore</td>
<td>5%</td>
<td>6%</td>
<td>1%</td>
</tr>
<tr>
<td>Aluminum</td>
<td>8%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Copper</td>
<td>11%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Nickel</td>
<td>17%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Coal</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Oil</td>
<td>6%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

China drove 2/3 of the increase in world metals consumption from 1999 to 2005

World ranking


Chart 15
Oil prices lower, but still far above investment point

Weekly all-countries spot price FOB*
(US$ per barrel)

Range of oil prices on which most current industry capex plans are based

* weighted by estimated export volume

Chart 16
Agenda

- Introduction to ABB
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Most of ABB’s end markets are longer cycle

**Approximate share of ABB revenues by end market sector**

- **Utilities**
  - Investment cycle varies by region but is expected to extend over many years

- **Process industries**
  - Demand ultimately driven by economic growth in emerging economies

- **Short cycle**
  - (Construction, general manufacturing, automotive)
  - Exposed to short-term GDP cycles, consumer spending

- **Other**
GDP not a direct growth driver for ABB

Orders received versus real GDP growth by quarter
Q3 2005 to Q2 2008

U.S.

Orders trending higher while GDP growth slows

Western Europe*

* GDP data from Eurozone countries, ABB orders data includes non-Euro countries (Switzerland, Norway, Sweden and Denmark)
Example: European demand remains strong

Western Europe

<table>
<thead>
<tr>
<th>Product Group</th>
<th>2008 Orders Received</th>
<th>% Change vs 2007 (Local Currencies)</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Products</td>
<td></td>
<td>+13%</td>
<td></td>
</tr>
<tr>
<td>Power Systems</td>
<td></td>
<td>-45%</td>
<td></td>
</tr>
<tr>
<td>Automation Products</td>
<td></td>
<td>+15%</td>
<td></td>
</tr>
<tr>
<td>Process Automation</td>
<td></td>
<td>+16%</td>
<td></td>
</tr>
<tr>
<td>Robotics</td>
<td></td>
<td>+22%</td>
<td></td>
</tr>
<tr>
<td>ABB Group</td>
<td></td>
<td>-1%</td>
<td></td>
</tr>
</tbody>
</table>

Reflects timing of large orders, not fundamental market demand.
## Example: A robust U.S. market for ABB

<table>
<thead>
<tr>
<th>United States</th>
<th>2008 orders received</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% change vs 2007</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(local currencies)</td>
<td></td>
</tr>
</tbody>
</table>

- **Power Products**: + 9%
- **Power Systems**: + 9%
- **Automation Products**: + 21%
- **Process Automation**: + 35%
- **Robotics**: - 45%
- **ABB Group**: + 16%

*Reflects exposure to weak U.S. automotive market*
Agenda

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R&D investments provide further opportunities

ABB’s current strong market position has been built through consistent R&D investment

- $1.2 billion spent on research and order-related development in 2007, 9% higher than 2006
- 6,000 researchers and developers worldwide
- Ca. 50% goes into energy efficiency-related technologies

* Comprises Non-order related R&D and order-related development for ABB’s five core division and excludes expenditures in Non-core activities
Research centers close to customers

Location and relative size of ABB’s corporate research centers, 2007

More than 200 additional engineers and researchers since 2005

- Raleigh (USA)
- Baden (CH)
- Ladenburg (DE)
- Västeras (SE)
- Krakau (PL)
- Oslo (NO)
- Bangalore (India)
- Beijing (China)
- Shanghai (China)

+ 90 in Poland
+ 70 in China

Chart 24
Longer-term technology focus

Examples:
- Distributed and renewable power
- Smart power grids
- Advanced materials (e.g., insulators, superconductors)
- Power electronics
- Wireless communication
- Tighter integration of automation and electrical systems

ABB aiming to accelerate innovation

- Collaboration with universities
- Technology partnerships
- R&D-focused acquisitions
- Recruitment of renowned experts
Agenda

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Summary

Emerging markets will drive growth for years to come
- ABB best positioned to tap this opportunity

Capex for more raw material capacity and energy infrastructure will continue
- Driven by emerging markets and their long-term need for oil, metals, cement, etc.
- Sensitivity to a global slowdown is an open question

ABB’s later-cycle exposure provides a buffer against weakening GDP
- Most of ABB’s exposure to short-cycle businesses has already impacted our 2007 results
- Further impacts remain to be seen
Current priorities

1. Full focus on flawless execution of the $29 bn backlog
2. Maximize organic growth opportunities
   - Where else can we take our core businesses?
3. Invest to expand the core
   - Be more aggressive in technology investments
   - Use M&A to fill gaps and build adjacencies to the core
4. Drive operational excellence initiatives
   - Irreproachable business ethics and compliance
   - Improved record in health & safety
   - Risk and project management
   - Global footprint
   - One Simple ABB
Long-term demand drivers in power

- **Americas**
  - Replace and refurbish aging equipment
  - Regional interconnections to trade power
- **Europe**
  - Regional interconnections to link new EU countries and trade power
  - Integrate renewables into existing grids
  - Upgrade and renew Russian power grid
- **Middle East & Africa**
  - New power infrastructure to support oil & gas development and industrial diversification
- **Asia**
  - New power infrastructure to support industrial growth and bring power to rural populations

Total world electricity investments 2005-2030 expected to exceed $11 trillion, of which almost $4 trillion in China alone

Long-term demand drivers in automation

- Improve industrial efficiency to meet high energy and raw materials costs, environmental concerns
- Shift of heavier industry to eastern Europe
- Building automation
- Service outsourcing
- Industrial diversification
- Rapid urban expansion and building automation
- Greenfield investments in energy-intensive industries
- Upgrading industrial efficiency and quality to compete globally
- Rapid electrification of rural areas

Total world market expected to exceed $150 billion by 2011*

* Excluding performance services
For more information …

… please call ABB Investor Relations:

<table>
<thead>
<tr>
<th>Name</th>
<th>Telephone</th>
<th>e-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michel Gerber, Head of Investor Relations (Switzerland)</td>
<td>+41 43 317 3808</td>
<td><a href="mailto:michel.gerber@ch.abb.com">michel.gerber@ch.abb.com</a></td>
</tr>
<tr>
<td>John Chironna (U.S.)</td>
<td>+1 203 750 7743</td>
<td><a href="mailto:john.g.chironna@us.abb.com">john.g.chironna@us.abb.com</a></td>
</tr>
<tr>
<td>John Fox (Switzerland)</td>
<td>+41 43 317 3812</td>
<td><a href="mailto:john.fox@ch.abb.com">john.fox@ch.abb.com</a></td>
</tr>
<tr>
<td>Tuuli Oja (Switzerland)</td>
<td>+41 43 317 3820</td>
<td><a href="mailto:tuuli.oja@ch.abb.com">tuuli.oja@ch.abb.com</a></td>
</tr>
<tr>
<td>Karen Himmelsbach (Switzerland)</td>
<td>+41 43 317 3832</td>
<td><a href="mailto:karen.himmelsbach@ch.abb.com">karen.himmelsbach@ch.abb.com</a></td>
</tr>
<tr>
<td>Mathias Swenson (Sweden)</td>
<td>+46 21 329 108</td>
<td><a href="mailto:mathias.swenson@se.abb.com">mathias.swenson@se.abb.com</a></td>
</tr>
<tr>
<td>Astrid Bodmer, Assistant (Switzerland)</td>
<td>+41 43 317 3808</td>
<td><a href="mailto:astrid.bodmer@ch.abb.com">astrid.bodmer@ch.abb.com</a></td>
</tr>
</tbody>
</table>

… or visit our website at www.abb.com/investorrelations