



October 23, 2008

ABB Q3 2008 results

Joe Hogan, CEO

Michel Demaré, CFO

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, the amount of revenues we are able to generate from order backlogs and orders received, raw materials prices, market acceptance of new products and services, changes in governmental regulations and costs associated with compliance activities, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in ABB’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.

“The third quarter shows our ability to execute”

Continue to benefit from long-term trends

- Solid demand continued for power and automation
- Strong revenue and earnings shows excellent execution
- EBIT higher despite ca. \$100-million impact from hedging valuations (equivalent to >1 percentage point EBIT margin)
- Order slowdown reflects some delays in award decisions for large tenders along with a challenging Q3 07 comparison
- More earnings to the bottom line as net income rises
- Cash flow of more than \$1 billion
- Robust balance sheet
- Kuhlman acquisition closed, integration on target

Q3 2008 key figures

Key figures Q3 2008 vs Q3 2007

<i>US\$ millions unless otherwise stated</i>	Q3 2008	Q3 2007	Change	
			US\$	Local
Orders received	8,885	8,321	7%	1%
Revenues	8,791	7,190	22%	16%
Order backlog	27,211	22,170	23%	25%
EBIT	1,291	1,035	25%	
as % of revenues	14.7%	14.4%		
Net income	927	738	26%	
Basic earnings per share (US\$)	0.41	0.32		
Cash from operations	1,121	886		

- Orders up 33%¹ in the Americas and 20%¹ in Asia
- Base orders up 8%¹ and higher in all divisions except PS
- Large orders² down 33%¹
- Revenues show execution of the order backlog is on track
- Low-cost sourcing, G&A management supported the EBIT margin
- Hedging impact reduced EBIT margin by 1 percentage point
- More than \$1 billion in cash from operations

Power Products Q3 2008 summary

Strong increase in revenues and EBIT

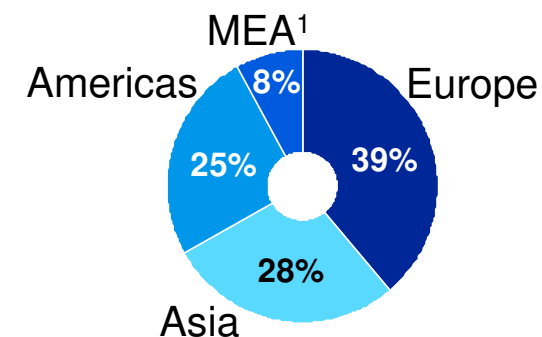


Key data Q3 2008

US\$ millions unless otherwise stated

	Q3 2008	Q3 2007	Change	
			US\$	Local
Orders received	3,409	2,678	27%	21%
Revenues	3,034	2,413	26%	20%
EBIT	536	405	32%	
as % of revenues	17.7%	16.8%		
Cash from operations	479	271		

Orders by region Q3 2008



- Orders were higher across all business lines and regions
- Revenue growth on order execution and increased service sales
- Strong EBIT growth despite valuation of hedging transactions
- Cash flow up on earnings and working capital management

Kuhlman integration into Power Products on target

September results included in ABB's Q3 numbers



Strategic rationale

- Strengthens ABB's position in the U.S. transformer market
- Broadens installed base for increased service revenues
- Closes gaps in ABB's transformer offering
- Provides both growth and cost synergies

Business highlights

- Manufactures power, distribution and instrument transformers at 2 plants in Mississippi and Kentucky
- 2007 revenues of ca. \$250 million, ca. 800 employees
- Contributed ca. \$30 mill. to Q3 orders and revenues

Power Systems Q3 2008 summary

Lower large projects in the quarter but pipeline strong

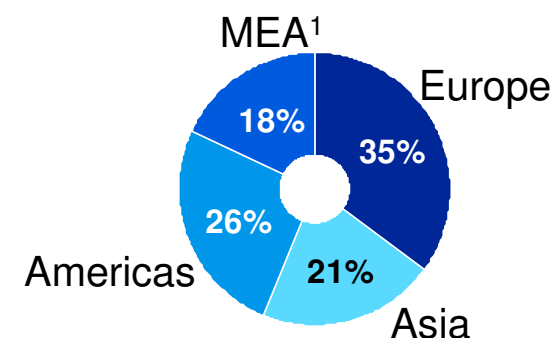


Key data Q3 2008

US\$ millions unless otherwise stated

	Q3 2008	Q3 2007	Change	
			US\$	Local
Orders received	1,293	1,828	-29%	-32%
Revenues	1,601	1,401	14%	9%
EBIT	113	121	-7%	
as % of revenues	7.1%	8.6%		
Cash from operations	111	151		

Orders by region Q3 2008



- Orders grew in Asia, up 2x in the Americas
- Lower large orders in Europe (vs \$400-million wind power order in Q3 07) and the Middle East
- Tender backlog remains at record high levels
- EBIT impacted by valuation of hedging transactions, project mix
- Cash flow down on timing of customer payments

Automation Products Q3 2008 summary

Demand for industrial efficiency continues to rise

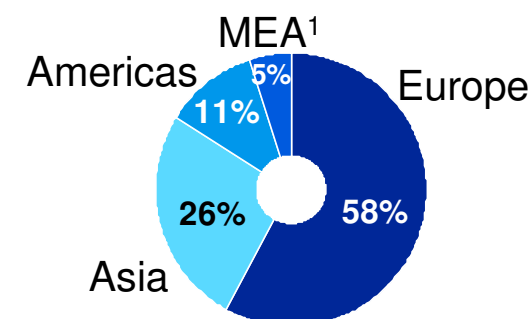


Key data Q3 2008

US\$ millions unless otherwise stated

	Q3 2008	Q3 2007	Change	
			US\$	Local
Orders received	2,741	2,322	18%	12%
Revenues	2,612	2,203	19%	12%
EBIT	491	384	28%	
as % of revenues	18.8%	17.4%		
Cash from operations	509	390		

Orders by region Q3 2008



- Industrial demand continued to grow, base orders up 13%²
- Orders up strong double-digits in Asia, MEA and Americas
- Revenues grew on solid order execution
- EBIT and EBIT margin reflect strong operational performance

Process Automation Q3 2008 summary

Record revenue growth drives EBIT higher

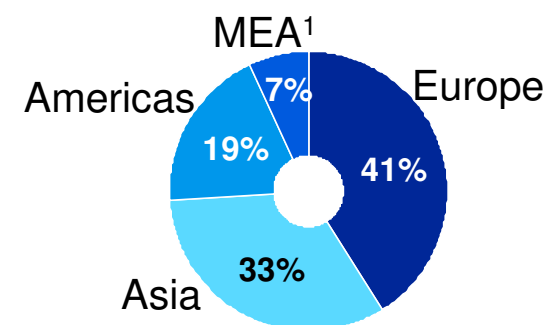


Key data Q3 2008

US\$ millions unless otherwise stated

	Q3 2008	Q3 2007	Change	
			US\$	Local
Orders received	1,969	1,914	3%	-3%
Revenues	1,920	1,512	27%	20%
EBIT	218	157	39%	
as % of revenues	11.4%	10.4%		
Cash from operations	243	120		

Orders by region Q3 2008



- Orders up in marine, turbocharging and after-sales service
- Lower large orders in metals and oil and gas
- Record revenue growth on execution of the order backlog and higher product and industrial service sales
- Strong revenues, project execution lifted EBIT and EBIT margin
- Cash up on increased advance payments

Robotics Q3 2008 summary

General industry continues to offset weak automotive

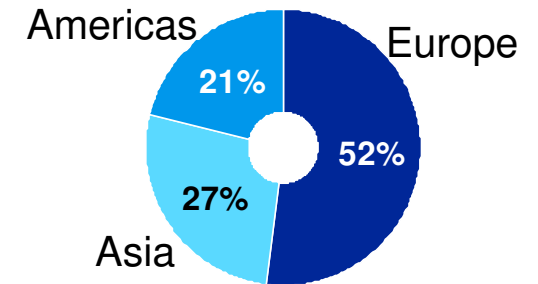


Key data Q3 2008

US\$ millions unless otherwise stated

	Q3 2008	Q3 2007	Change	
			US\$	Local
Orders received	400	370	8%	2%
Revenues	431	344	25%	18%
EBIT	28	20	40%	
as % of revenues	6.5%	5.8%		
Cash from operations	(9)	41		

Orders by region Q3 2008



- General industry orders offset weaker automotive sector
- Strong growth in Asia, but weaker in Europe and North America
- Solid revenues reflect successful execution of the backlog
- EBIT up on operational improvements, more general industry sales

Product divisions continue to grow strongly

End-market diversity reduces overall volatility

Orders received by division Q3 2008 vs Q3 2007

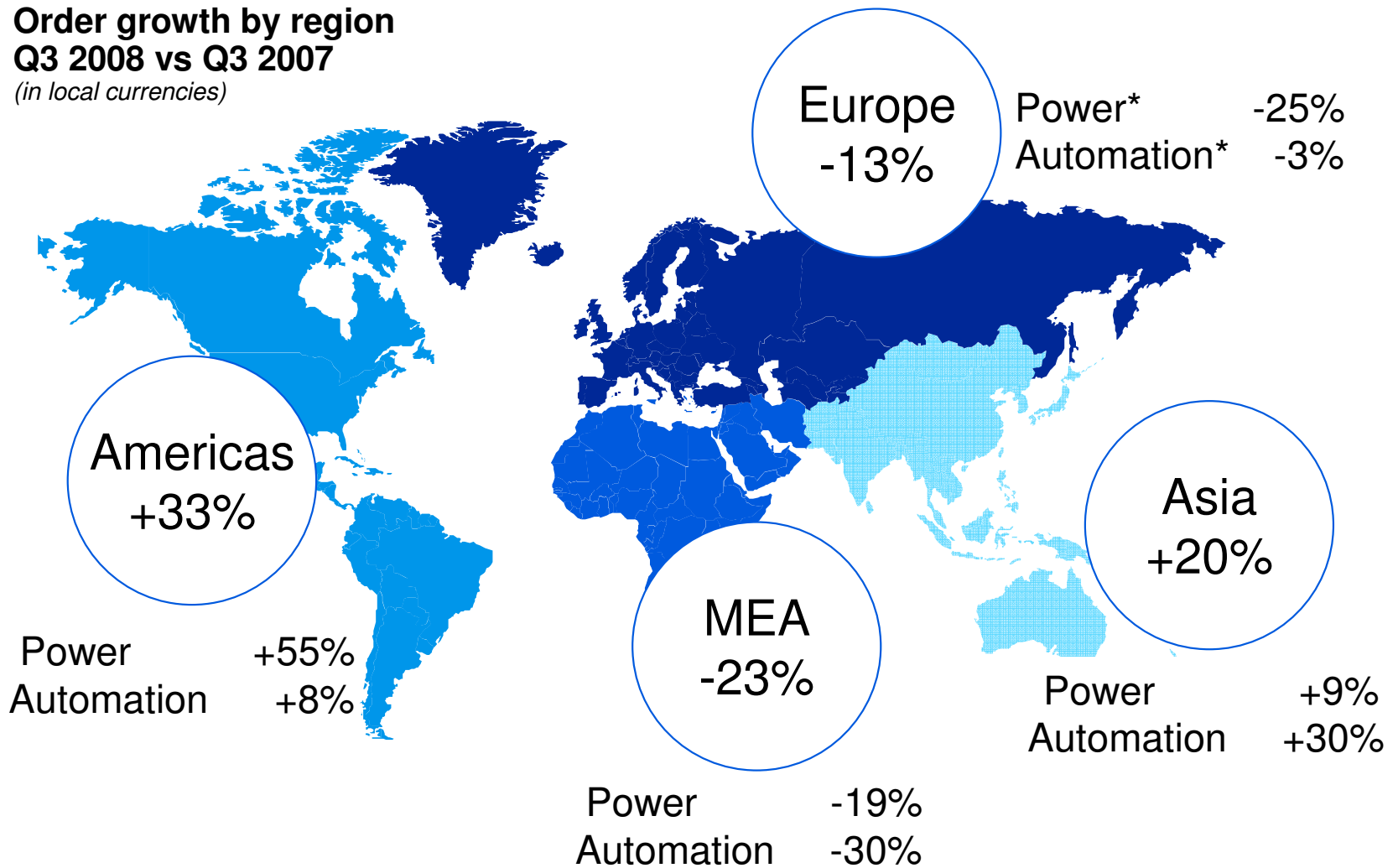
<i>US\$ millions unless otherwise stated</i>	Q3 2008	Q3 2007	Change	
			US\$	Local
Power Products	3,409	2,678	27%	21%
Power Systems	1,293	1,828	-29%	-32%
Automation Products	2,741	2,322	18%	12%
Process Automation	1,969	1,914	3%	-3%
Robotics	400	370	8%	2%
ABB Group	8,885	8,321	7%	1%

- Outstanding orders in Power and Automation Products
- Order growth in Robotics despite major decrease in automotive markets
- Large project divisions impacted by tendering delays and challenging comparisons with Q3 07
- Project delays visible among smaller industrial customers

Strong order growth in Asia and the Americas

Geographic diversity is a competitive advantage

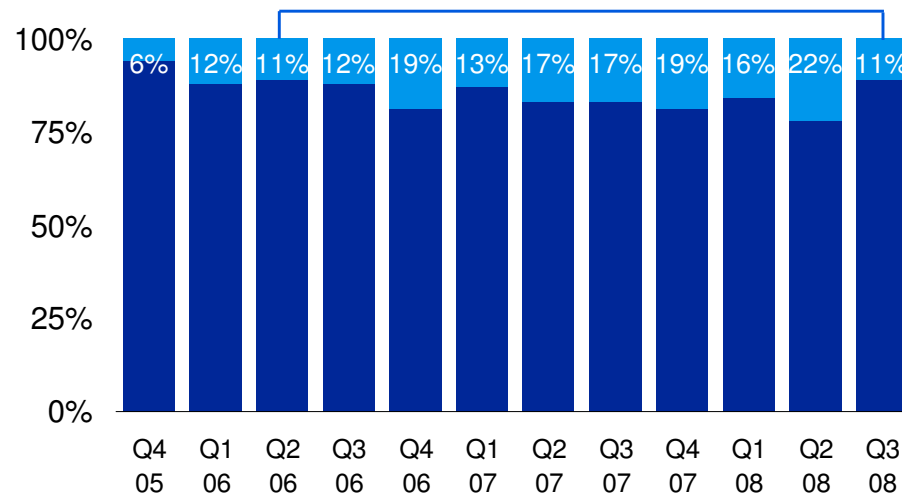
Order growth by region
Q3 2008 vs Q3 2007
(in local currencies)



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 October 23, 2008

Lowest share of large orders since Q2 2006 but our project pipeline remains healthy

Share of large orders* Q1 2007 – Q3 2008
% of total orders received



Example: Power Systems

- Tender backlog remains at historic highs
- No project cancellations

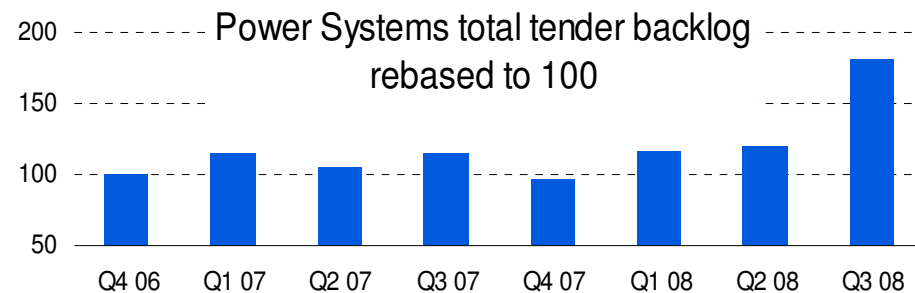
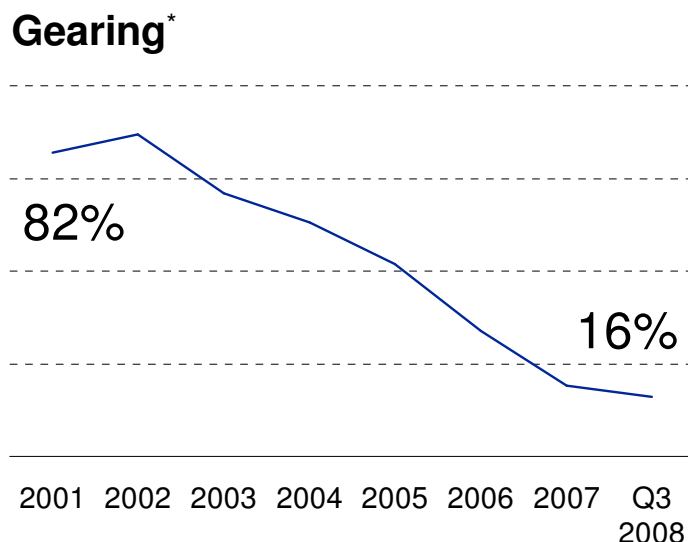
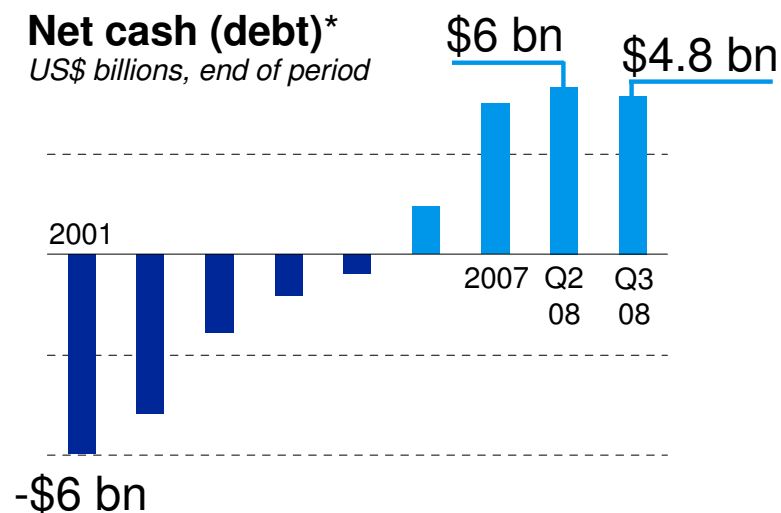


ABB has built a solid balance sheet foundation Well-positioned in the face of an uncertain market



* Total debt divided by the sum of total debt plus equity, incl. minority interest



* Cash & equivalents plus marketable securities & short-term investments, less total debt

- Strong balance sheet provides firm foundation for our businesses

- Change vs Q2 includes \$1.1 bn dividend payment and M&A activities

ABB's conservative cash management has paid off

Low exposure to banking crisis

Cash & marketable securities

- Conservatively invested
- More than 50 well-rated institutions, treasuries, corporates

Near-term debt maturity

- \$374 million due in the next 12 months

Dependence on banks

- \$2-billion revolving credit facility due in 2010 – no draw-down

Commercial paper

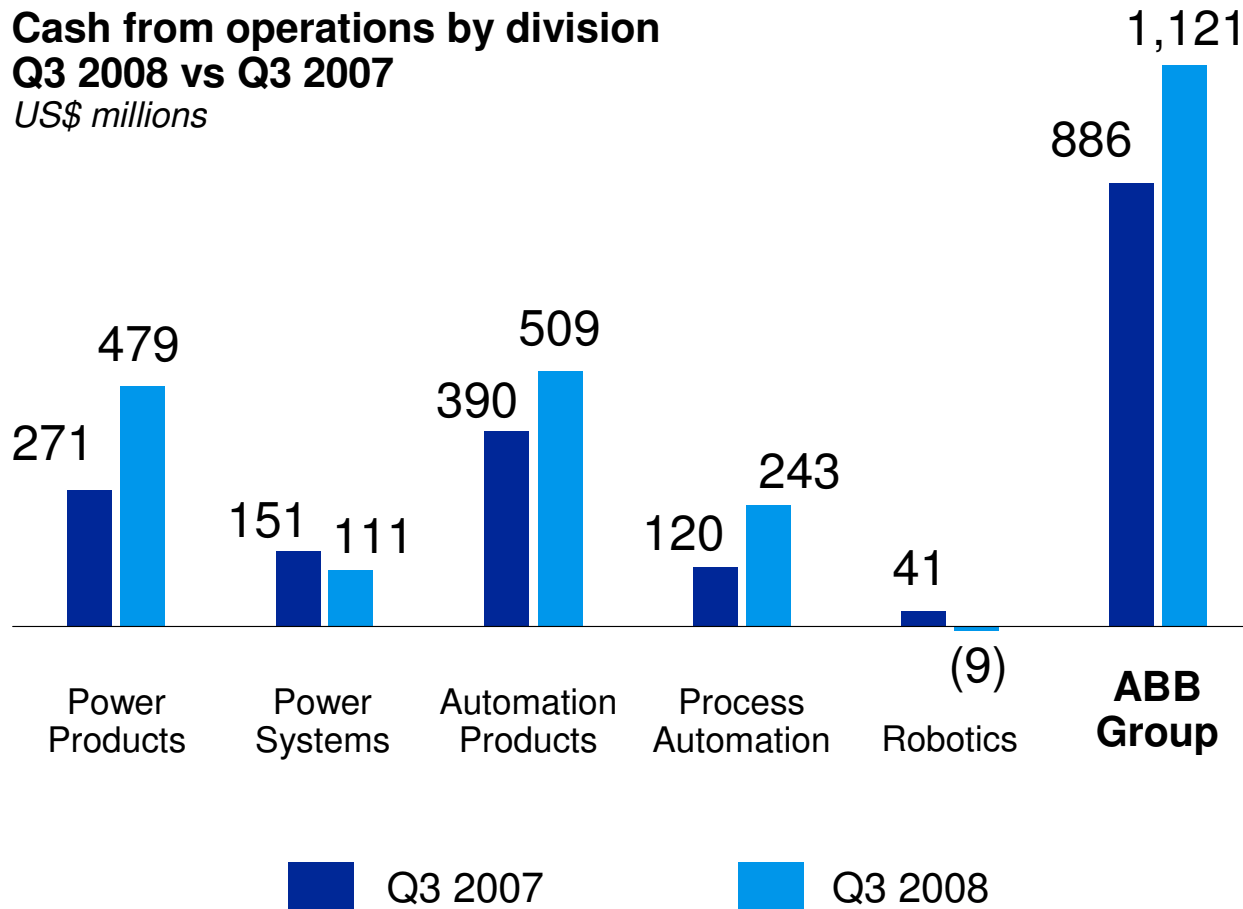
- 3 programs (USD, EUR, SEK) but unused in last 6 years

**Strong bank relationship management
– credit facility and multi-billion-dollar bonding lines
in place to support the business**

Strong cash flows on high quality of earnings

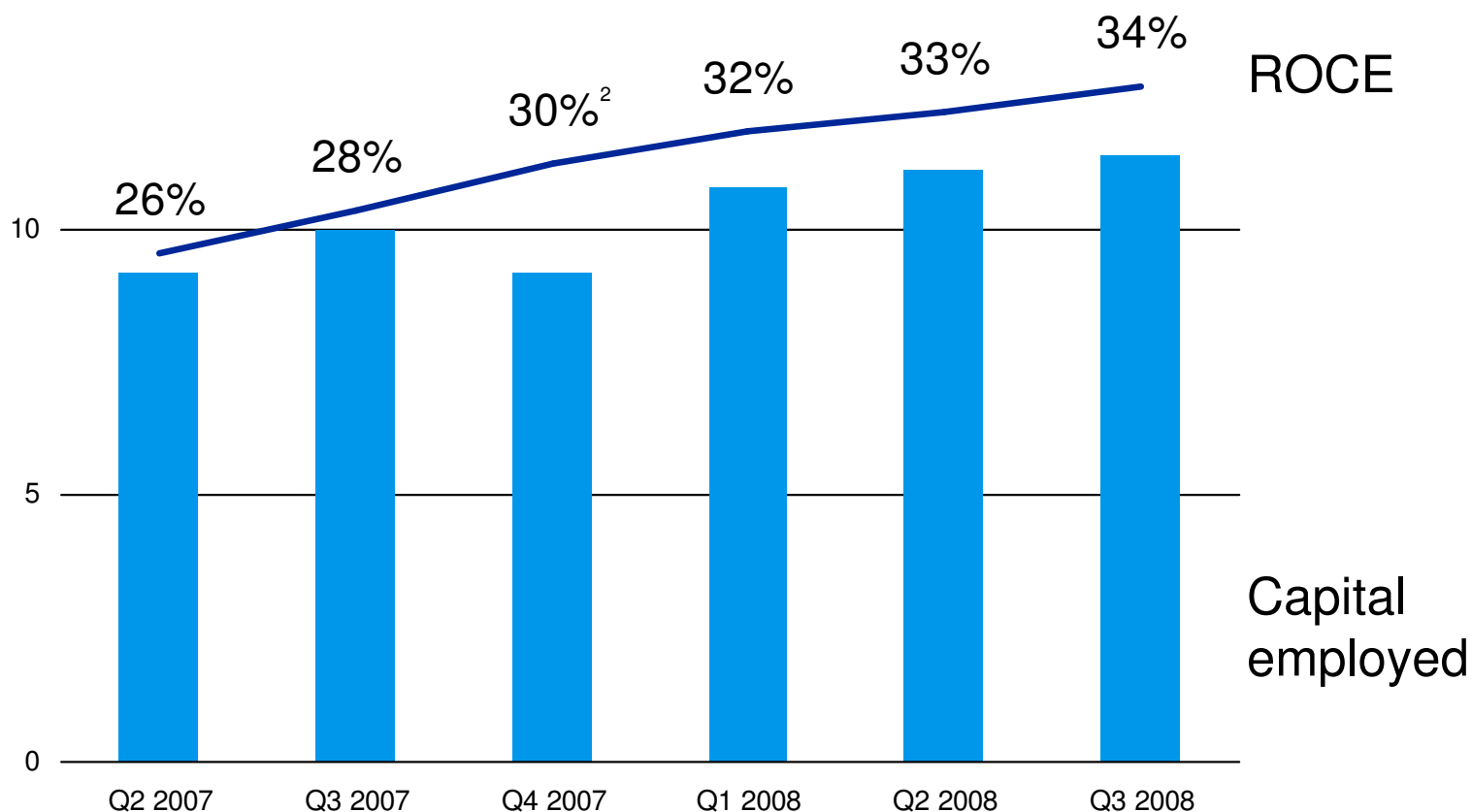
Product divisions generated almost \$1 bn of cash

Cash from operations by division
Q3 2008 vs Q3 2007
US\$ millions



Return on capital employed growing steadily

ROCE after tax (%)¹ and capital employed (US\$ bn) Q2 2007–Q3 2008



- 1 • Return on capital employed = EBIT (less tax), divided by the sum of fixed assets plus net working capital
- EBIT (less tax) = EBIT for last 12 months x (1 – tax rate)
- Tax rate = Provision for taxes / Income from continuing operations before taxes and minority interest

² Adjusted for one-time items (deferred tax assets and gain from the sale of ABB Lummus Global)

Current market turmoil: What we have seen so far

Impact over next 1-2 quarters remains unclear

Risks

- Short-cycle under pressure
 - Building-related (wiring accessories, distribution transformers)
 - Autos and consumer (robots)
- Smaller industrial customers likely to feel credit squeeze
- Visibility on the timing of large order awards remains low
- Project funding and cost

Strengths

- Global business scope, diverse end markets
- North America remains strong
- Emerging markets drove overall growth
- Solid demand for power equipment in all regions
- Orders for high-efficiency motors, drives, breakers growing strongly
- Sound balance sheet provides financial stability

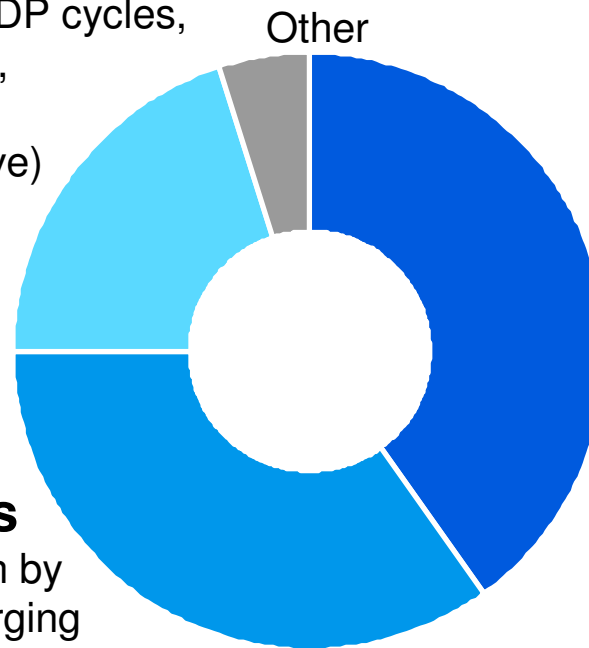
ABB's end markets are primarily longer-cycle

Short cycle

Exposed to short-term GDP cycles, consumer spending (e.g., construction, general manufacturing, automotive)

Process industries

Demand ultimately driven by economic growth in emerging economies



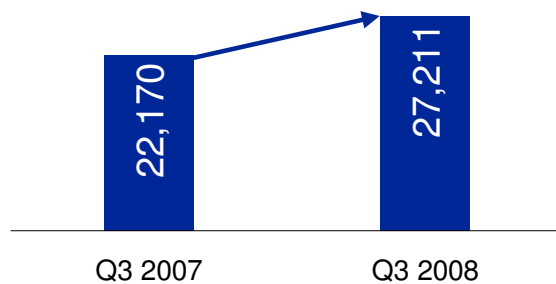
Utilities

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

ABB well positioned for tougher markets

Too early to forecast impact on the business

- \$27-bn order backlog buffers short-term market weakness



- Strong balance sheet, debt can be paid from cash



- Drive growing service opportunities – steady earnings, attractive ROCE
- Accelerate One Simple ABB and global footprint to improve overall cost competitiveness
- Focus on emerging economies to fuel further growth

Q3 2008 summary

Results on target, well-positioned in turbulent times

- Strong operational quarter in revenue, EBIT and cash flow
- Cost base is improving with footprint migration and One Simple ABB
- Strong service growth in revenues and orders
- Orders impacted by lack of large system orders and construction-related products
- Balance sheet, global scope, and opportunities to reduce costs gives us confidence in our ability to deal with changing markets

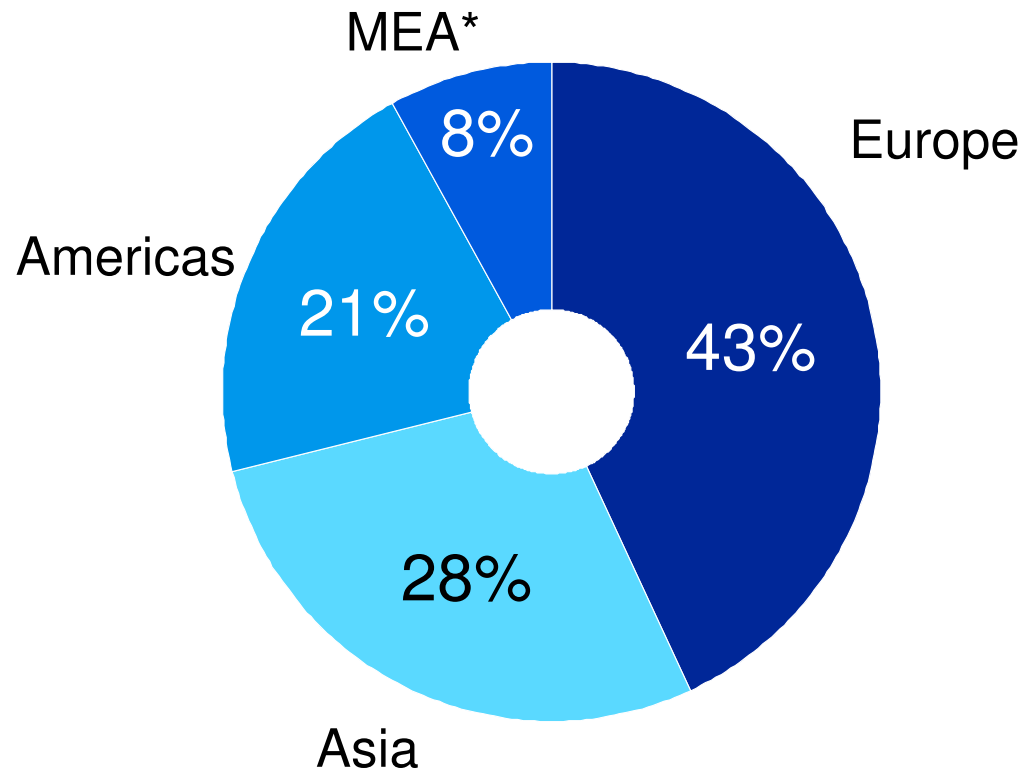
On target to meet full-year 2008 growth guidance

The ABB logo consists of the letters 'A', 'B', and 'B' in a bold, red, sans-serif font. Each letter is divided into four quadrants by a white vertical and a white horizontal line, creating a grid-like structure within the characters.

Power and productivity
for a better world™

Q3 2008 geographic distribution of orders received

Share of orders by region
Q3 2008



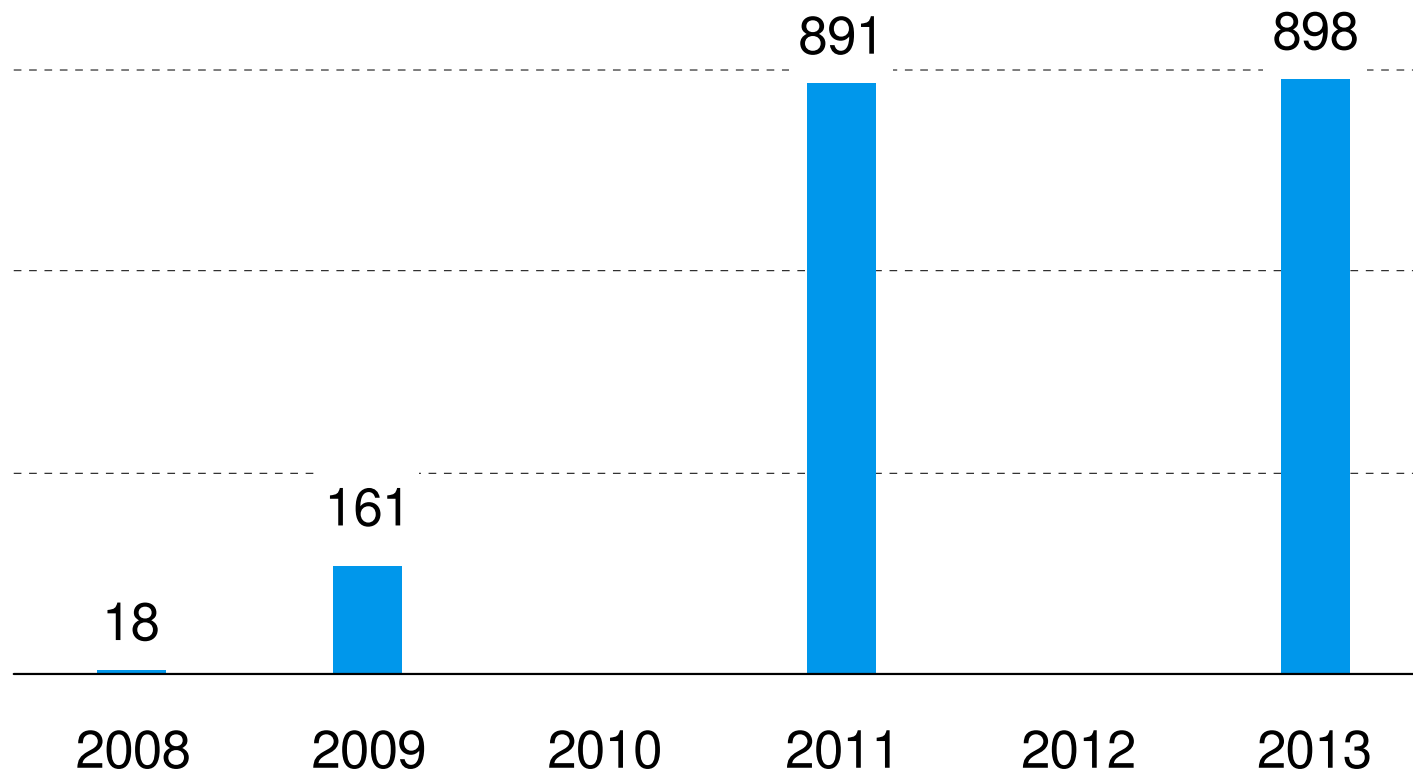
Below the EBIT line

	Q3 2008	Q3 2007
Finance net	13	(16)
Provision for taxes	(331)	(226)
Minority interest	(52)	(58)
Income from continuing operations	921	735
Discontinued operations	6	3
Net income	927	738

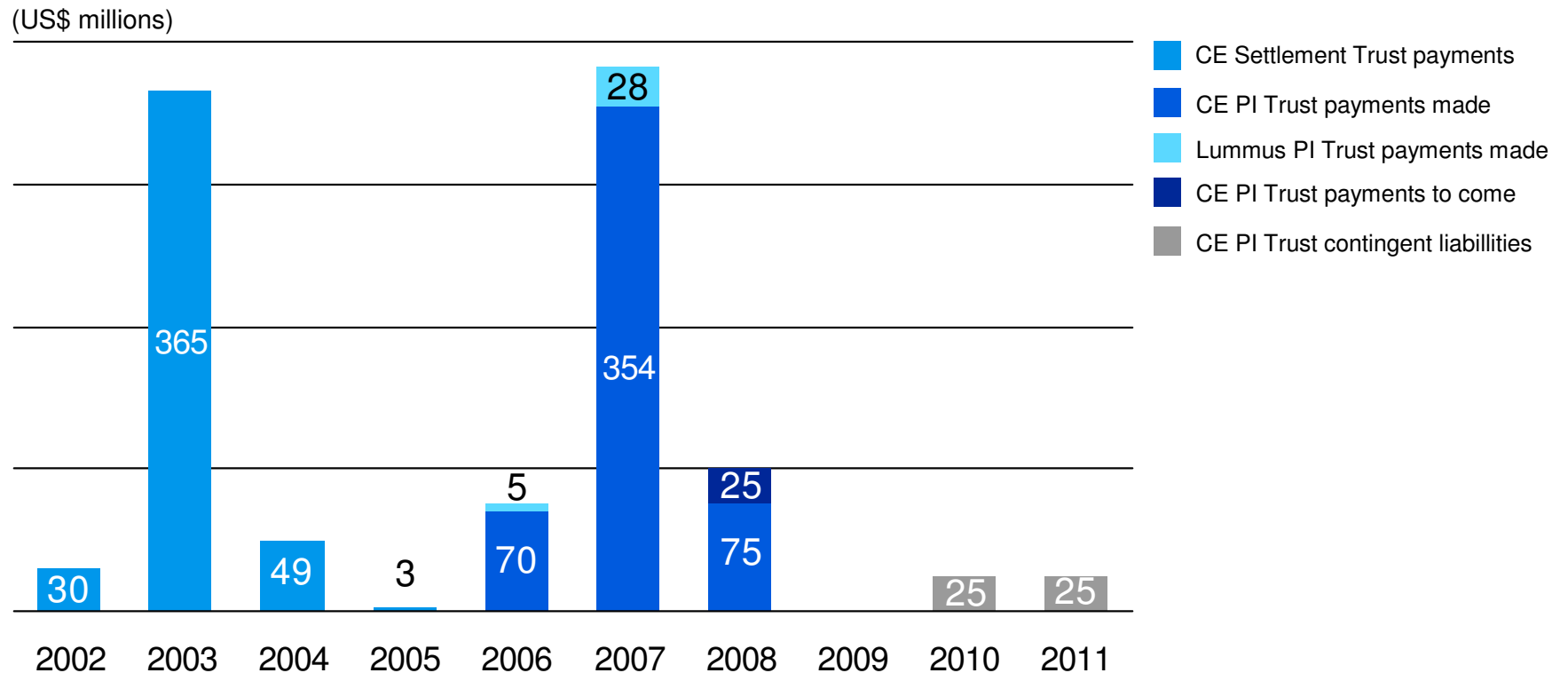
- Finance net reflects cash-rich balance sheet
- Tax rate 25% in Q3, 27% over first 9 months
- Minority interests lower primarily on the comparison with a very strong performance from India in Q3 2007

Maturity profile of debt securities

Total debt securities of \$1,968 million as of September 30, 2008



Asbestos cash payments to the PI Trusts



Total paid as of end Q3 2008: \$979 million
 Still due in 2008: \$25 million
 Contingent payments in 2010 and 2011: \$50 million

Reconciliation of financial measures to US GAAP

EBIT margin	
Earnings before interest and taxes (EBIT)	1,291
Revenues	8,791
EBIT margin (EBIT as % of revenues)	14.7%
Finance net	
Interest and dividend income	75
Interest and other finance expense	(62)
Finance net	13
Net cash	
Cash and equivalents	5,347
Marketable securities and short-term investments	1'842
Cash and marketable securities	7,189
Short-term debt and current maturities of long-term debt	(374)
Long-term debt	(1,989)
Total debt	(2,363)
Net cash	4,826

For more information, call ABB Investor Relations
or visit our website at www.abb.com/investorrelations

	Telephone	e-mail
Michel Gerber, Head of Investor Relations (Zurich)	+41 43 317 3808	michel.gerber@ch.abb.com
John Chironna (Norwalk, CT)	+1 203 750 7743	john.g.chironna@us.abb.com
John Fox (Zurich)	+41 43 317 3812	john.fox@ch.abb.com
Tuuli Oja (Zurich)	+41 43 317 3820	tuuli.oja@ch.abb.com
Karen Himmelsbach (Zurich)	+41 43 317 3832	karen.himmelsbach@ch.abb.com
Mathias Swenson (Västerås, Sweden)	+46 21 329 108	mathias.swenson@se.abb.com
Astrid Bodmer, Assistant (Zurich)	+41 43 317 3808	astrid.bodmer@ch.abb.com