

Greg Scheu, Regional President Americas, ABB Ltd., Capital Markets Day, September 9, 2015

Next Level Stage 2

Americas: accelerating transformation

Important notices

Presentations given during the Capital Markets Day 2015 include 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,” “plans,” “outlook” 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 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.

The presentations also contain non-GAAP measures of performance. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in “Supplemental financial information” under “Capital Markets Day 2015” on our website at <http://new.abb.com/investorrelations/>

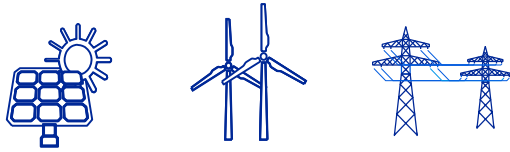
Well positioned in attractive markets

Significant growth opportunities in the Americas



Power & Automation

Utilities



Renewables

Mature market grid upgrades
Emerging market grid expansion
Digital substations, microgrids

Industry



Energy independence

Re-industrialization
Food and Beverage
Energy and operational efficiency

Transport & Infrastructure



Infrastructure

Electric transport
Data centers
Urbanization

Internet of Things, Services and People

Attractive offering in a dynamic market – opportunity for growth

Next Level Stage 2

Americas: accelerating transformation

Profitable Growth

Shifting the Center of Gravity

- Driving organic growth – Penetration, Innovation, Expansion
- High growth segments focus

Relentless Execution

Getting closer to customers – NPS

Driving change through 1'000 day programs

White Collar Productivity – shared service centers

Business-led Collaboration

Simplifying how we work together

Synergistic sales growth across business units: account management, channels, project pursuits

Aligned and focused to increase sales

Driving profitable growth and productivity through collaboration

Shifting the Center of Gravity – driving organic growth

Through heat map framework and drive Penetration, Innovation and Expansion (PIE)

Illustrative
heat map

Customer Segments

Countries		Sub-Segment A	Sub-Segment B	Sub-Segment ...	Sub-Segment A	Sub-Segment B	Sub-Segment ...	Sub-Segment A	Sub-Segment B	Sub-Segment ...
	Country 1	Green	Yellow	Green	Grey	Green	Yellow	Green	Grey	Green
	Country 2	Grey	Green	Green	Red	Yellow	Green	Green	Grey	Grey
	Country 3	Green	Grey	Yellow	Yellow	Green	Grey	Yellow	Yellow	Red
	Country 4	Yellow	Green	Grey	Green	Yellow	Red	Grey	Green	Yellow
	Red	Green	Yellow	Red	Grey	Green	Yellow	Grey	Grey

Proven growth approach

Systematic framework established

Penetration and expansion opportunities identified

Growth initiatives operationalized

Regular progress tracking

Performance linked to compensation

PIE focused on organic growth in the Americas, creating momentum

Shifting the Center of Gravity – driving organic growth

Penetration of US distribution channel with broad ABB offering

"Line Cards" from all ABB product businesses

Distributor line card
Drives and Controls
North America offerings

ABB is a world leader in automation technologies. Our product spectrum of drives, from micro and machinery drives for industrial drives for controlling processing lines, our drive requirements.

Product	Offering	Benefits
Micro drives	ACS505 (0.25 to 0.75 hp \$1.18 to 2.2 k\$)	Easy to set up and commission, the design focus of 1 is on easy integration into machines, with flexible motor alternatives.
	ACS150 (0.5 to 5 hp \$1.57 to 4.5 k\$)	Available in both single and three phase supplies, the includes many functions as standard, such as PID control, built-in brake chopper and EMC filter.
	ACS150S (0.5 to 20 hp \$1.57 to 15 k\$)	Compact and available with flexible mounting options, the need for auxiliary mounting kits. These drive a panel builders and OEMs needing a micro drive with flexible mounting options, and need parameter setup.
Machinery drives	ACS310 (0.5 to 30 hp \$1.57 to 22 k\$)	A drive dedicated to optimize your variable torque as well as fan and pump applications. Design a powerful set of features that vary the drive's performance based on any changes in the pressure, flow, or other data, this drive helps you save on operating costs, in energy efficiency and reduce CO ₂ emissions.
	ACS310S (0.5 to 30 hp \$1.57 to 22 k\$)	Designed to be the fastest drive to install, parameter set and commission, these drives are also highly cost and cost effective. Equipped with cutting-edge safety and as innovative safety capabilities, the drive is also specifically designed to meet the production and performance requirements of end users in a broad range of applications.
General purpose drives	ACS380 (0.5 to 750 hp \$1.57 to 580 k\$)	Flexibility and versatility to meet your challenges. The motor control lets you use a variety of motor types. T programming flexibility along with a wide range of safety features allows you to easily integrate the drive into your process.
	ACS550 (1 to 500 hp \$1.75 to 355 k\$)	Ideal for variable and constant torque applications, it is a single and easy right from the start. It is ideal for the situations where there is a need for simplicity to make commissioning and use and where outsourcing or speed engineering is not required.

The information contained in this document is for general information purposes only. Please contact your local Distributor Office for complete product offerings and for local product availability.


Distributor line card
Industrial Electric Motors
United States offerings

ABB is a leader in power and automation technologies that enable utility, industrial and commercial customers to improve performance, reduce cost and minimize environmental impact. ABB partners with customer-focused distributors to deliver a very wide range of innovative and high-quality products, solutions and services.

Stock Motor Products
Baldor Electric Company provides customers with safe, reliable and energy efficiency industrial electric motors for almost every industrial application. Our offering of NEMA and IEC motors are sold under the Baldor-Motors® and ABB brands and are complemented with Baldor-Motors® mechanical power transmission products including driveshafts, couplings and couplings.

Product Family	Offering	Applications	Features
Single Phase	115V	Compressors, fans, pumps, fans, equipment, conveyor, material handling equipment, machine tools	Heavy gauge steel frame and heavy duty base cast-iron welded to the frame, ball bearings, "Cage Motor" design with cast-iron frame and cast-iron base.
	208V	Compressors, pumps, conveyors, machine tools, air handling	Copper windings, dynamically balanced rotor, ball bearings, heavy duty gauge steel frame.
General Purpose	3 Phase 115V	Compressors, pumps, conveyors, machine tools, air handling	Super I® motors have NEMA Premium® efficiency. Ball bearings, heavy gauge steel and cast iron frames, general control boxes, 1.15 service factor or greater, and low loss electrical grade laminated steel.
	3 Phase 208V	Compressors, pumps, conveyors, machine tools, air handling	Super I® motors have NEMA Premium® efficiency. Copper windings, ball bearings, heavy duty steel or cast iron frames.
Pump	Air Pump	Residential and industrial pumps, swimming pool pumps	Single phase or three phase available in totally enclosed, fan cooled and open drip proof enclosures. Cast aluminum and steel with machined steel bearing and insert. Stainless steel shaft extension, and added one other end shaft.
	Clear Coupled Pump	Pumps, circulating and transferring fluids	Available in single phase and three phase. C-Frame, hot mounted design. Totally enclosed, fan cooled and open drip proof enclosures. Cast aluminum and steel with machined steel bearing and insert. Stainless steel shaft extension, and added one other end shaft.
HVAC	Three phase motor with Super Shaft Grounding Switch	Heating, ventilation, and air conditioning blower and fan motors, pump motors or any other applications controlled by adjustable speed drive	Balanced shaft grounding brush isolated internally. Class II insulated motor. Regenerative ball bearings. All models are Super I® designs that meet NEMA Premium® efficiency.
	Three phase motor with ABB® bearing protection ring	Heating, ventilation, and air conditioning blower and fan motors, pump motors or any other applications controlled by adjustable speed drive	Class II insulated motor with ABB® bearing protection ring isolated internally. Regenerative ball bearings. All models are Super I® designs that meet NEMA Premium® efficiency.

Essential Automation "eA" Product Offering



Significant potential

Total distributor served market more than \$40 bn

Cross-selling opportunity

- Broad ABB offering
- Distribution channels: ABB, Baldor, Thomas & Betts

Momentum

- Focused distributor programs
- 2x GDP growth on base business



Expanding market access through distributor channel programs across offering

Shifting the Center of Gravity – driving organic growth

Penetration of customer base through account management approach

Complete line of motors (ANSI & NEMA)



Systematic account management

High potential growth accounts

Dedicated top sales resource

Single point of contact

ABB value proposition across whole offering

Leveraging existing relationships for further growth

Shifting the Center of Gravity – driving organic growth

Collaboration for mega projects



Risk
reduction

Capital
efficiency

Equipment
optimization

Schedule
efficiency

Efficient startup
& commissioning

Customer value proposition

Example: Sasol Chemical Plant (Lake Charles, LA, USA)

Customer approach

- Dedicated cross-business capture team

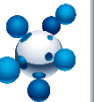
Differentiated value proposition

- Dedicated focus
- Integrated Power & Automation offering
- Local service capabilities

Total orders for site ~\$100 mn

FLUOR

sasol
reaching new frontiers



Significant opportunity to drive growth by combining Power & Automation offering for mega projects

Shifting the Center of Gravity – driving organic growth

Expansion in Food & Beverage – 1'000 day programs

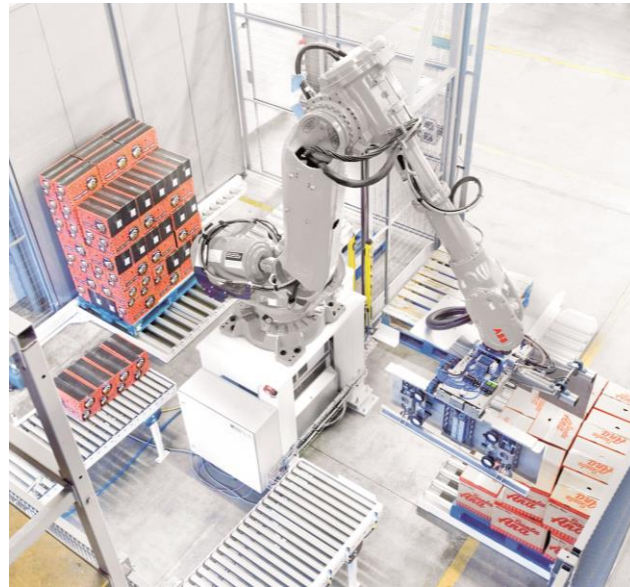
Food & Beverage opportunity

Attractive market – growth driver

- Plant efficiency, reliability
- Consistency of production
- Hygiene, food safety

Well positioned

- Broad Power & Automation offering
- Double digit y-o-y growth



Example: Nestlé Mexico

Ice cream and chocolate production

Energy efficiency solution

- 30% savings
- Service contract



Focusing on attractive growth sector is yielding results in the Americas

Shifting the Center of Gravity – driving organic growth

Expansion in microgrids – 1'000 day programs



Offering: innovative flywheel and battery energy storage system stabilizes wind and solar

Kodiak Island: 15,000 inhabitants rely almost entirely on renewable energy

Introduction of electric crane prompts need for grid stabilization

ABB microgrid solution smooths supply and mitigates disruptions

Renewables and energy storage driving grid stability

Shifting the Center of Gravity – driving organic growth

Innovation: Energy Storage System for municipal rail



Battery energy storage system captures energy from braking trains

SEPTA (Southeastern Pennsylvania Transit Authority, USA)

Increased efficiency by capturing “lost” energy

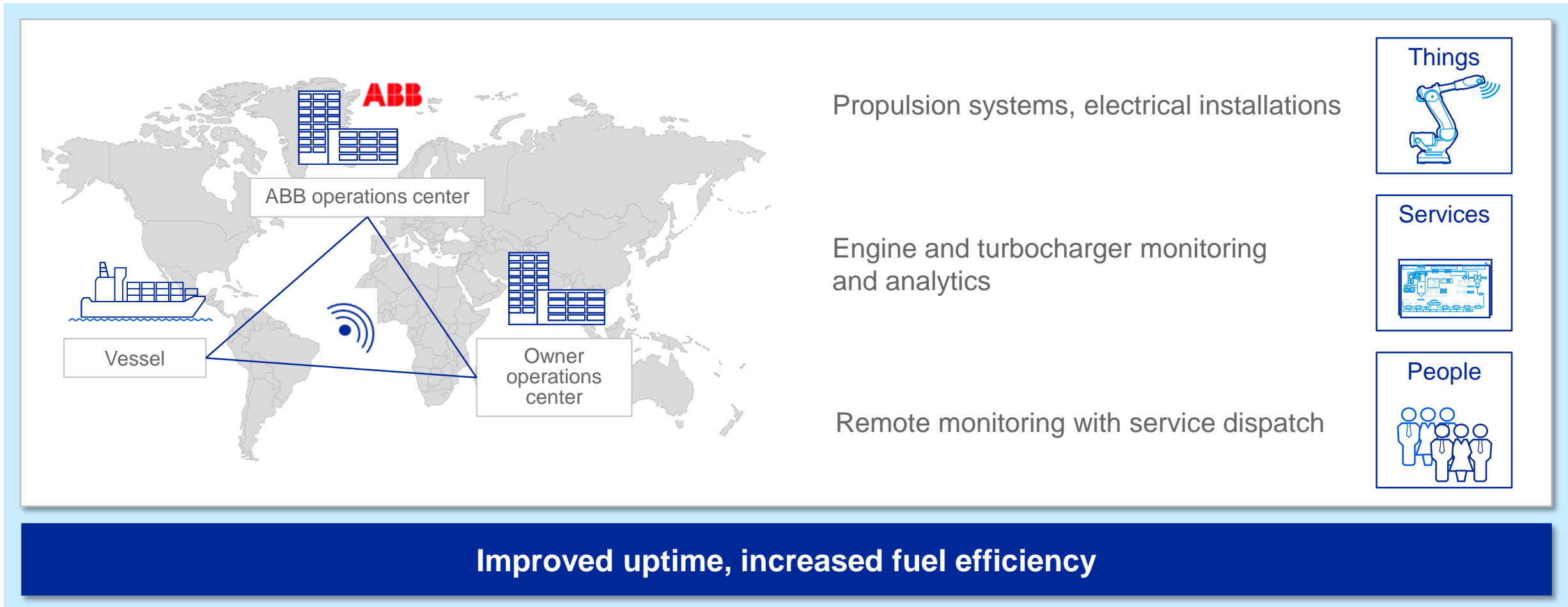
Helps to stabilize power system

Creates a new revenue stream by providing ancillary services back to local utility

Smart transit meets smart grid

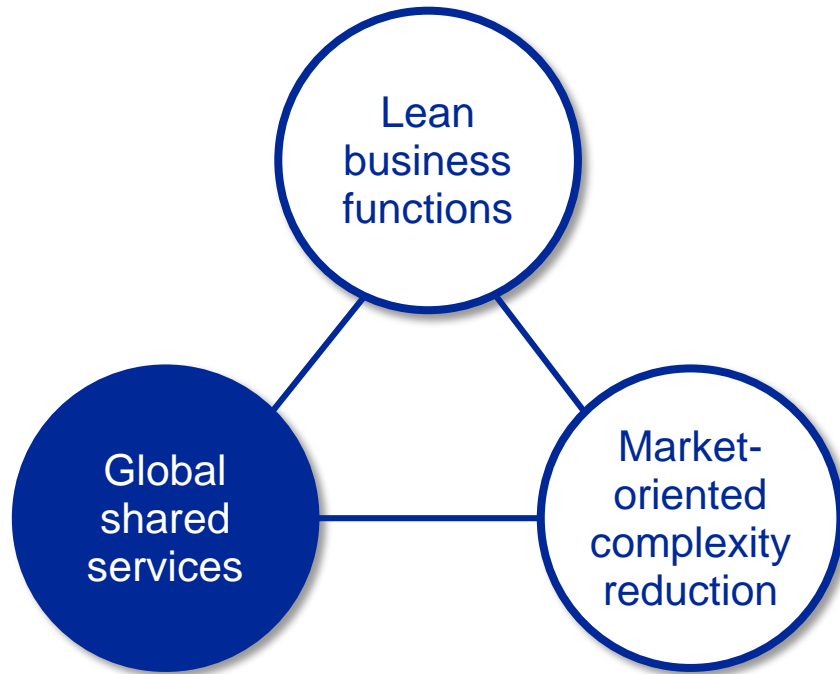
Shifting the Center of Gravity – driving organic growth

Innovation: Internet of Things, Services and People for marine applications



Relentless Execution – White Collar Productivity

Shared service center consolidation



Shared services in the Americas

From 9 to 2 shared service centers

Standardizing processes

Low-cost locations

Quick wins underway

Leveraging scale and efficiency across businesses and region

Next Level Stage 2 – accelerating transformation in the Americas

Summary

Significant growth opportunities
in the Americas

Systematic growth framework
realizing growth across entire offering

Driving productivity and efficiency
with shared service centers



Power and productivity
for a better world™

