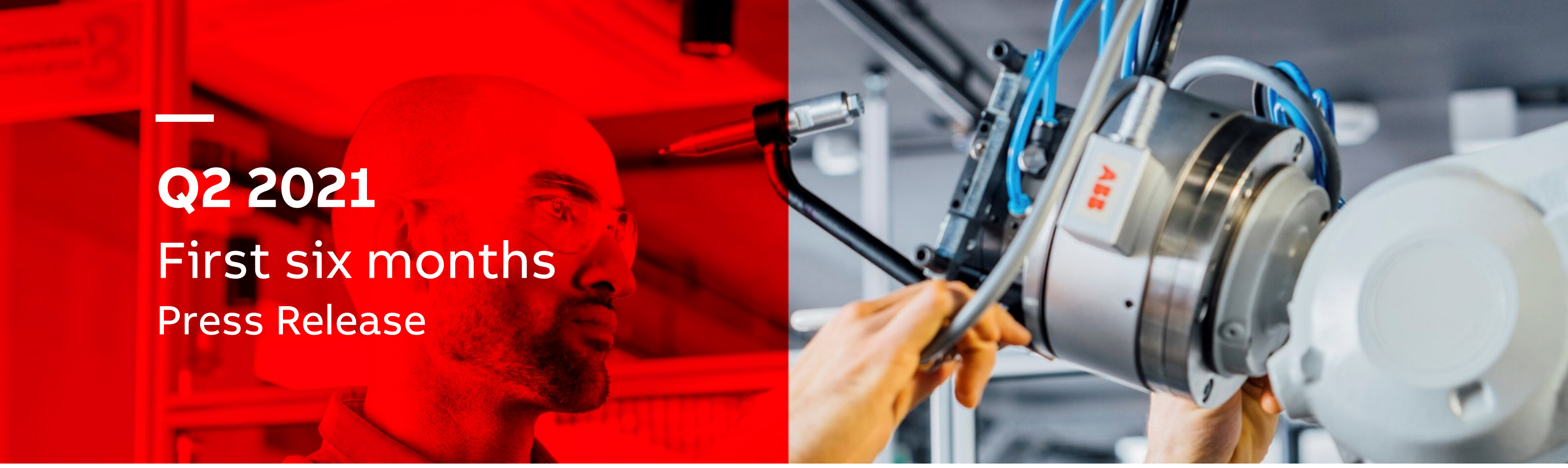


Q2 2021
First six months
Press Release

Ad hoc Announcement pursuant to Art. 53 Listing Rules of SIX Swiss Exchange

ZURICH, SWITZERLAND, JULY 22, 2021

Q2 2021 results
Strong performance in a recovery quarter

- Orders $8.0 billion, +32%; comparable[1] +24%
- Revenues $7.4 billion, +21%; comparable +14%
- Income from operations $1,094 million; margin 14.7%
- Operational EBITA[1] $1,113 million; margin[1] 15.0%
- Basic EPS $0.37; +150%[2]
- Cash flow from operating activities and from operating activities continuing operations was $663 million

KEY FIGURES

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q2 2021**	**Q2 2020**	**US$**	**Comparable[1]**	**H1 2021**	**H1 2020**	**US$**	**Comparable[1]**
Orders	7,989	6,054	32%	24%	15,745	13,400	18%	11%
Revenues	7,449	6,154	21%	14%	14,350	12,370	16%	11%
Gross Profit	2,508	1,987	26%		4,776	3,897	23%	
as % of revenues	33.7%	32.3%	+1.4 pts		33.3%	31.5%	+1.8 pts	
Income from operations	1,094	571	92%		1,891	944	100%	
Operational EBITA[1]	1,113	651	71%	59%[3]	2,072	1,287	61%	50%[3]
as % of operational revenues[1]	15.0%	10.6%	+4.4 pts		14.4%	10.4%	+4 pts	
Income from continuing operations, net of tax	789	395	100%		1,340	721	86%	
Net income (loss) attributable to ABB	752	319	136%		1,254	695	80%	
Basic earnings per share ($)	0.37	0.15	150%[2]		0.62	0.33	91%[2]	
Cash flow from operating activities[4]	663	680	-3%		1,206	103	n.a.	
Cash flows from operating activities in continuing operations	663	648	2%		1,186	252	n.a.	

1 For a reconciliation of non-GAAP measures, see "supplemental reconciliations and definitions" in the attached Q2 2021 Financial Information.
2 EPS growth rates are computed using unrounded amounts.
3 Constant currency (not adjusted for portfolio changes).
4 Amount represents total for both continuing and discontinued operations.

"I am very encouraged that we have delivered a clearly improved performance. The strong upturn in Operational EBITA margin reflects the recovery in demand in combination with increased internal efficiency and the strength of ABB's electrification and automation offerings. We will continue to sharpen our focus on profitability through innovation, sustainability and digitalization, while actively managing our portfolio."

Björn Rosengren, CEO

CEO summary

The underlying customer activity in the second quarter increased slightly on a sequential basis. However, orders and revenues increased significantly compared with last year's low levels, when the adverse business impact of the COVID-19 pandemic was at its peak. Double-digit order growth was reported in all business areas driven by a broad-based improvement across most short-cycle customer segments and a positive development in several process-related businesses. Growth was to some extent supported by customers stock-building.

We improved Operational EBITA by 71% and the Operational EBITA margin increased to the high level of 15.0%, up 440 basis points, year-on-year. Results were supported by the recovery in demand in combination with the impact from earlier implemented cost measures, as well as ongoing restricted travel spending. An additional effect was derived from proactive price measures taken to mitigate the expected increase in headwinds from higher commodity prices. I am pleased to see how well the team has handled certain component shortages, whereby managing to limit the impact on customer deliveries. Despite active management of the situation the tight supply of certain components, such as semiconductors, is expected to continue in the coming quarter. The strong earnings converted into cash flow from operating activities in continuing operations of $663 million, improving slightly from last year. I am pleased with how the team managed to keep net working capital broadly stable year-on-year in this strong growth environment. Our strong cash generation in the first half of the year provides a good base to deliver on our guidance of a solid cash flow in 2021.

During the second quarter Robotics & Discrete Automation broadened its automation offering to the construction segment. Robotic automation is not yet widely used in this industry and we see potential to increase efficiency in areas such as fabrication of modular homes, welding and material handling. Additionally, it was good to receive the prestigious Innovation and Entrepreneurship in Robotics & Automation (IERA) award for our PixelPaint robotic non-overspray technology for the automotive industry.

We made further progress toward our long-term sustainability target of reducing emissions and achieving carbon neutrality in our own operations by 2030 by joining three initiatives led by the international non-profit Climate Group. They include electrifying our fleet of more than 10,000 vehicles, sourcing 100% renewable electricity, as well as establishing energy efficiency targets and continuing to deploy energy management systems at our sites. Furthermore, our targets have received approval by the Science Based Targets initiative (SBTi) confirming they are in line with the Paris Agreement. ABB also joined the Business Ambition for 1.5°C Campaign, a global coalition of UN agencies, business and industry leaders, led by the UN Global Compact (UNGC).

I am pleased to see that our increased focus on acquired growth resulted in Robotics & Discrete Automation acquiring ASTI, after the close of the second quarter. It is a leading global mobile robotics manufacturer and this transaction will expand our offering to make ABB the only company to offer a holistic automation portfolio for the entire value chain, helping customers replace today's linear production lines with fully flexible networks. Going forward, I expect to see more of these small- to mid-sized bolt-on deals as the divisions fill up their target pipelines. We have also made good progress with the announced portfolio changes and I expect to announce an agreement for a divestment during the third quarter.

Björn Rosengren
CEO

Outlook

ABB anticipates growth rates in the **third quarter** of 2021 to reflect the low level of business activity in Q3 2020. Based on the current market situation, comparable revenues are expected to grow ~10%, with orders growing more than revenues.

In the **third quarter**, higher demand and service revenues should be supportive to the Operational EBITA margin year-on-year, however some sequential adverse impact is expected from rising raw material costs, component shortages as well as increasing travel spend as pandemic-related restrictions ease.

ABB anticipates comparable revenue growth of just below 10% (update from ~5% or more) for **full-year 2021**, with the process industry related part of the business expected to recover during the second half of the year.

In 2021, ABB expects a strong (update from steady) pace of improvement from 2020 toward the 2023 operational EBITA margin target of the upper half of the 13%-16% range.

Orders and revenues

Demand increased significantly compared with the prior year period, when the adverse business effects of the COVID-19 pandemic were at their peak. In total, orders amounted to $7,989 million, increasing by 32% (24% comparable), including a 28% (20% comparable) step-up in the service business. Revenues amounted to $7,449 million, increasing by 21% (14% comparable). On a sequential basis, the customer demand improved.

Orders grew strongly in the machine builders, consumer electronics and food & beverage segments as well as in general industries overall. Orders in the automotive segment declined, mainly due to the strategic selective order approach aimed at improving long-term profitability.

In transport and infrastructure, there was a very strong order development across the renewables, data centers and e-mobility segments. Also, the buildings segment improved with a positive development for both the residential and non-residential segments. The marine segment recovered, including a slight positive development in the cruise segment with customers initiating service spend in anticipation of upcoming cruising activities.

The process-related business improved slightly overall supported by positive developments in pulp & paper, mining, water & wastewater and chemicals. Demand in the oil & gas segment recovered primarily due to a somewhat positive development in the Americas. Customer activity improved in power generation, albeit from a low level.

On a sequential basis, the general business environment improved slightly in all three regions. Compared with the corresponding period last year, growth was very strong in all three regions reflecting the recovery from last year's low levels due to the impact from the pandemic. In the Americas orders improved by 44% (41% comparable) including growth in the United States of 39% (39% comparable). Europe improved by 33% (23% comparable) with growth in all of the most significant countries. In Asia, Middle East and Africa (AMEA) where business had already started to recover in the second quarter of 2020, orders improved more moderately by 25% (15% comparable), including 26% (15% comparable) in China.

Growth

Change year-on-year	Q2 Orders	Q2 Revenues
Comparable	24%	14%
FX	8%	7%
Portfolio changes	0%	0%
Total	**32%**	**21%**

Orders by region

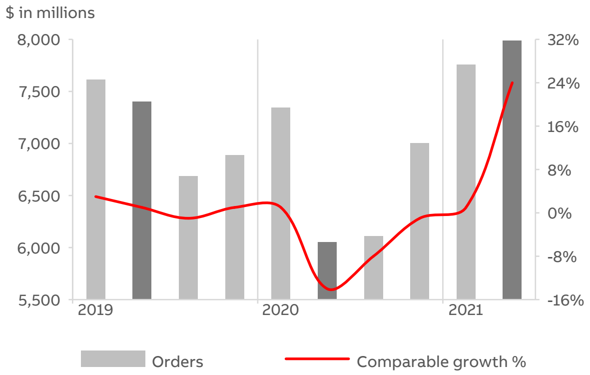
($ in millions, unless otherwise indicated)	Q2 2021	Q2 2020	CHANGE US$	CHANGE Comparable
Europe	2,954	2,219	33%	23%
The Americas	2,473	1,720	44%	41%
Asia, Middle East and Africa	2,562	2,056	25%	15%
Intersegment[1]	–	59		
ABB Group	**7,989**	**6,054**	**32%**	**24%**

Revenues by region

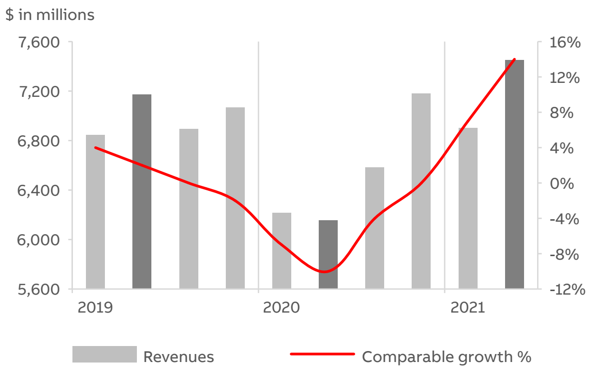
($ in millions, unless otherwise indicated)	Q2 2021	Q2 2020	CHANGE US$	CHANGE Comparable
Europe	2,697	2,217	22%	12%
The Americas	2,284	1,872	22%	19%
Asia, Middle East and Africa	2,468	2,004	23%	15%
Intersegment[1]	–	61		
ABB Group	**7,449**	**6,154**	**21%**	**14%**

1 Intersegment orders/revenues until June 30, 2020, include sales to the Power Grids business which is presented as discontinued operations and thus these sales are not eliminated from total orders/revenues.

Orders



Revenues



Earnings

Gross profit
Gross margin increased to 33.7%, up 140 basis points year-on-year, supported by the revenue growth and structural improvements. Gross margins were higher in three out of four business areas. Gross profit improved by 26% and amounted to $2,508 million.

Income from operations
Income from operations amounted to $1,094 million and close to doubled from the year-earlier period driven primarily by stronger Operational EBITA, lower restructuring related expenses and a positive impact from fair value adjustments of equity investments of $96 million. Results include restructuring activities with restructuring and restructuring related expenses of $18 million, primarily related to Process Automation.

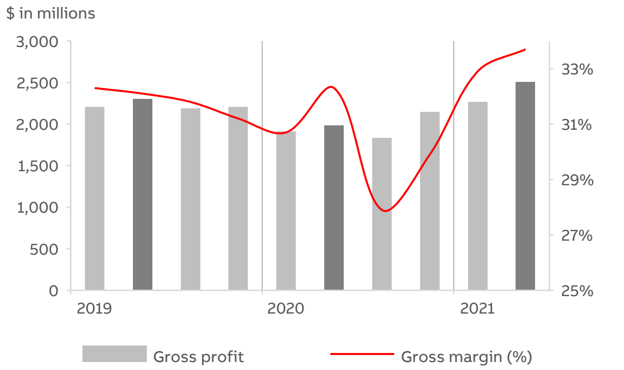
Operational EBITA
Operational EBITA of $1,113 million was 71% higher (59% constant currency) year-on-year. The margin improved by 440 basis points to 15.0%. Three out of four business areas improved their margin, with Motion remaining stable at an already high level. Performance was driven by increased revenues in combination with improved gross margin, the impact from earlier implemented cost measures and general stringent cost control, with additional support from the impacts of exchange rate movements. Selling, general and administrative (SG&A) expenses increased by 11% (4% in local currency), driven by higher sales expenses. However, the ratio in relation to revenues declined to 17.6%, from 19.2% in the year-earlier period. R&D expenses increased by 18% (9% constant currency). Corporate and Other Operational EBITA improved by $42 million to -$92 million, reflecting primarily the elimination of stranded costs and our new decentralized operating model. The underlying ongoing corporate Operational EBITA was -$85 million, compared to -$107 million last year.

Net finance expenses
The net finance expenses[1] amounted to $21 million, reflecting lower interest costs on debt and lower costs on uncertain tax positions compared with last year. Net finance expenses for 2021 are still expected at $130 million.

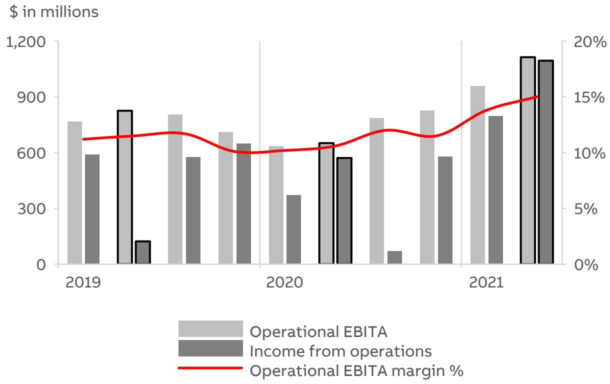
Income tax
Income tax expense was $322 million with a tax rate of 29.0% compared with 24.8% in the prior year. The higher rate is primarily due to timing differences between tax recognition and underlying profit. Tax rate for 2021 is still estimated at 26%[5].

Net income and earnings per share
Net income attributable to ABB was $752 million and increased by 136% with last year's second quarter being the period most severely impacted by the pandemic. Basic earnings per share was $0.37 and increased by 150%.

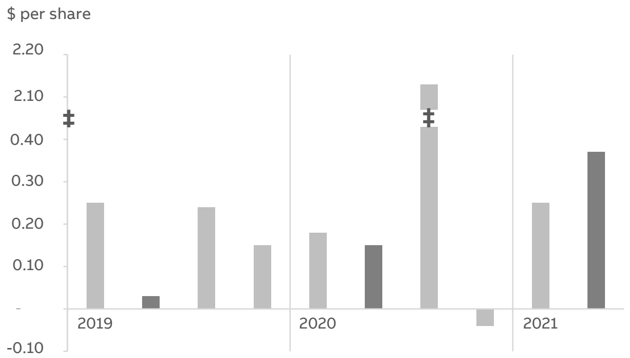
Gross profit & Gross margin



Income from operations & Operational EBITA



Basic EPS



5 Excludes impact of acquisitions or divestments or any significant non-operational items

Balance sheet & Cash flow

Net working capital
Net working capital amounted to $3,251 million, remaining broadly stable year-on-year. However, it increased from $2,904 million in the prior quarter, primarily due to receivables from higher business volumes. In total, the reduction of net working capital in Process Automation partially offset the increase in the other three business areas. Net working capital as a percentage of revenues[1] was 11.6%.

Capital expenditures
Purchases of property, plant and equipment and intangible assets amounted to $151 million.

Net debt
Net debt[1] totaled $2,259 million, a significant reduction compared with last year's level of $7,615 million and a sequential increase from $1,233 million. The sequential increase reflects the impacts of the share buybacks during the quarter as well as the remaining payment of the annual dividend payment. The net debt to EBITDA ratio[1] declined to 0.7 from 2.5 reported for the same period last year, while it increased sequentially from 0.4.

($ millions, unless otherwise indicated)	Jun. 30 2021	Jun. 30 2020	Dec. 31 2020
Short term debt and current maturities of long-term debt	2,117	6,383	1,293
Long-term debt	4,375	6,237	4,828
Total debt	**6,492**	**12,620**	**6,121**
Cash & equivalents	2,860	2,518	3,278
Cash and equivalents in discontinued operations	–	609	–
Restricted cash - current	71	–	323
Marketable securities and short-term investments	1,002	1,878	2,108
Restricted cash - non-current	300	–	300
Cash and marketable securities	**4,233**	**5,005**	**6,009**
Net debt*	**2,259**	**7,615**	**112**
Net debt* to EBITDA ratio	**0.7**	**2.5**	**0.04**
Net debt* to Equity ratio	**0.16**	**0.61**	**0.01**

* net debt excludes net pension liabilities $871 million

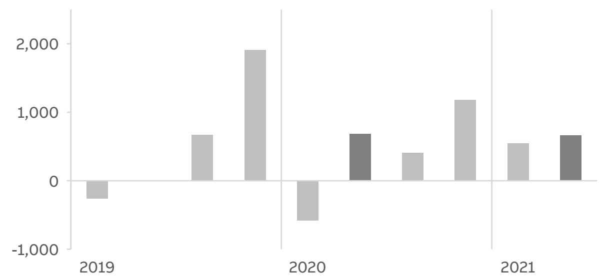
Cash flows
Cash flow from operating activities in continuing operations was $663 million, a slight improvement of $15 million compared with the corresponding period last year. Three out of four business areas contributed to the improvement which was driven by higher earnings and included a sequential build-up of net working capital reflecting the increase in customer deliveries.

Share buyback program
As approved at the Annual General Meeting, 115,000,000 shares repurchased under the initial share buyback program were cancelled. The total number of ABB Ltd's issued shares is 2,053,148,264, compared with 2,168,148,264 before the cancellation. At the end of the period, ABB holding of treasury shares amounted to 47,370,987 which corresponds to 2.3% of the total number of issued shares of which 28,554,689 have been purchased for cancellation in connection with share buyback activities on the second trading line.

The previously announced follow-up share buyback program of up to $4.3 billion was launched in early April. This follow-up program is part of the plan to return $7.8 billion of cash proceeds from the Power Grids divestment to shareholders. Under the initial program a total of 128,620,589 shares were repurchased for an amount of approximately $3.5 billion. In Q2 a total of 14,934,100 shares were repurchased on the second trading line.

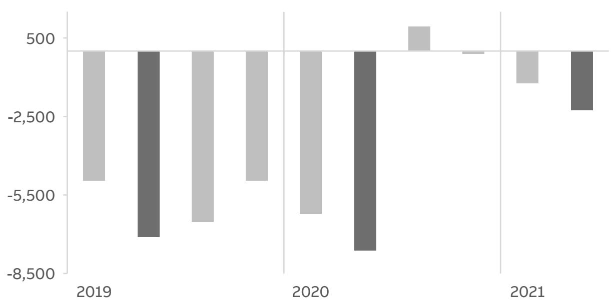
Cash flow from operating activities

$ in millions

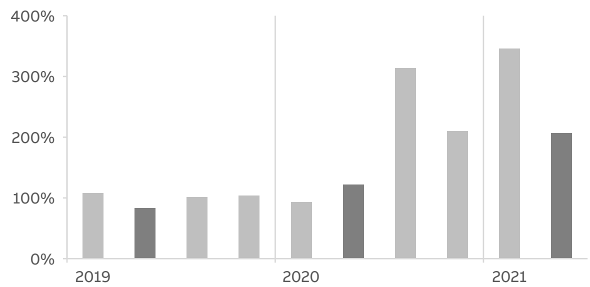


Net Cash (Net Debt) position

$ in millions



Free cash flow conversion to net income[1], R12M



Electrification

Growth

Change year-on-year	Q2 Orders	Q2 Revenues
Comparable	28%	17%
FX	7%	6%
Portfolio changes	0%	0%
Total	**35%**	**23%**

Orders and revenues

Demand recovered from the low levels in the year-earlier period when business activities were the most affected by the effects of the pandemic. Orders increased to the high level of $3,693 million, an increase of 35% (28% comparable). Revenues amounted to $3,406 million, up by 23% (17% comparable).

- Strong comparable order growth represents a double-digit growth rate in all divisions.
- Demand improved in the buildings segment, with a positive development for both residential and non-residential business. Customer activity was also high for the data centers, food & beverage, rail and e-mobility segments. Activity in oil & gas was moderate.
- Orders increased at double-digit rates in all three regions although at a higher pace of >40% (>30% comparable) in the Americas and Europe while AMEA increased by 20% (11% comparable).
- Comparable growth was to some extent supported by customers stock-building to manage the constraints of component availability as well as solid pricing execution. While component shortages had no material impact on customer deliveries in the period, delays are expected in the coming quarter.

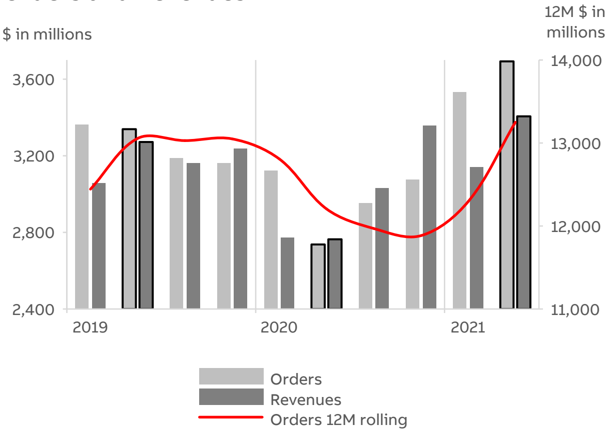
Profit

All of the larger divisions improved both Operational EBITA and margin, hence the business area result improved by 70% and margin increased by 480 basis points to 17.4%.

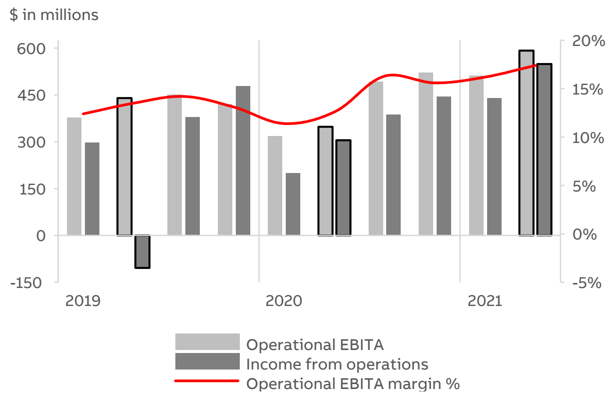
- The strong performance reflects the impact from higher volumes, capacity utilization, improved pricing, cost controls and constrained travel expenses.
- While the adverse impact from rising raw material costs was limited in the period, it is expected to have an increasingly negative impact in the coming quarters as commodities bought at higher rates are used in production. Some increase in travel expenses is also expected, as pandemic-related travel restrictions ease.

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q2 2021**	**Q2 2020**	**US$**	**Comparable**	**H1 2021**	**H1 2020**	**US$**	**Comparable**
Orders	3,693	2,737	35%	28%	7,224	5,858	23%	18%
Order backlog	5,029	4,465	13%	9%	5,029	4,465	13%	9%
Revenues	3,406	2,764	23%	17%	6,546	5,537	18%	14%
Operational EBITA	592	348	70%		1,103	666	66%	
as % of operational revenues	17.4%	12.6%	+4.8 pts		16.8%	12.0%	+4.8 pts	
Cash flow from operating activities	511	402	27%		830	415	100%	
No. of employees (FTE equiv.)	51,700	51,700	0%					

Orders and Revenues



Income from operations & Operational EBITA



Motion

Growth

Change year-on-year	Q2 Orders	Q2 Revenues
Comparable	16%	11%
FX	7%	6%
Portfolio changes	0%	0%
Total	**23%**	**17%**

Orders and revenues

Both orders and revenues were at high absolute levels, and growth was additionally supported by low comparables in the year-earlier period. In total, order intake amounted to $1,947 million, up by 23% (16% comparable). Revenues amounted to $1,850 million, representing growth of 17% (11% comparable).

- Customer activity improved in all segments. Order intake was driven by the short-cycle product business as well as service, with emerging signs of improving demand for projects.
- Orders increased in all three regions, with the Americas outperforming Europe and AMEA.

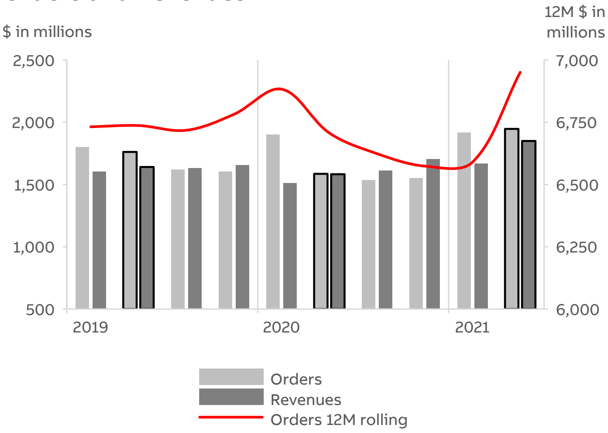
Profit

Operational EBITA margin of 17.7% remained stable compared with the high comparable from last year. Operational EBITA increased by 16%, relative to the same period last year and reached the high quarterly level of $325 million.

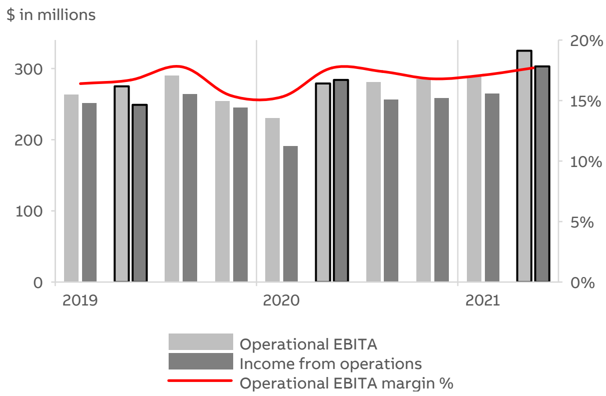
- Operational EBITA margin was supported by the impact of higher sales volumes, however there was an offsetting effect from the geographical mix from the strong recovery in both Europe and the Americas.
- Although a tightening supply of semiconductors was noted in the industry, there was no material impact on customer deliveries or results. However, longer lead-times in customer deliveries are anticipated in the coming quarter.
- While the adverse impact from rising raw material costs was limited in the period, it is expected to have an increasingly negative impact in the coming quarters as commodities bought at higher rates are used in production.

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q2 2021**	**Q2 2020**	**US$**	**Comparable**	**H1 2021**	**H1 2020**	**US$**	**Comparable**
Orders	1,947	1,586	23%	16%	3,864	3,487	11%	5%
Order backlog	3,558	3,384	5%	1%	3,558	3,384	5%	1%
Revenues	1,850	1,583	17%	11%	3,517	3,093	14%	8%
Operational EBITA	325	279	16%		614	509	21%	
as % of operational revenues	17.7%	17.7%	0 pts		17.4%	16.5%	+0.9 pts	
Cash flow from operating activities	223	328	-32%		547	480	14%	
No. of employees (FTE equiv.)	21,500	20,700	4%					

Orders and Revenues



Income from operations & Operational EBITA



Process Automation

Growth

Change year-on-year	Q2 Orders	Q2 Revenues
Comparable	11%	4%
FX	8%	7%
Portfolio changes	0%	0%
Total	**19%**	**11%**

Orders and revenues

Orders improved in all segments and divisions, although from the low level in the year-earlier period when demand was significantly impacted by the spread of the pandemic. Order intake amounted to $1,555 million, an increase of 19% (11% comparable). Revenues turned to growth and amounted to $1,540 million, up by 11% (4% comparable).

- In total, both the products and service business improved in orders year-on-year.
- The process-related business improved overall supported by positive developments in pulp & paper, mining, water & wastewater and chemicals. Demand in the oil & gas segment recovered primarily due to a positive development in the Americas. Customer activity improved in power generation, albeit from a low level.
- The marine segment improved, including a slight positive development in the cruise segment with customers initiating service spend in anticipation of upcoming cruising activities.
- The increase in revenues reflects the low comparable from last year, backlog execution and a broad-based recovery in demand with all divisions reporting stable to positive growth.

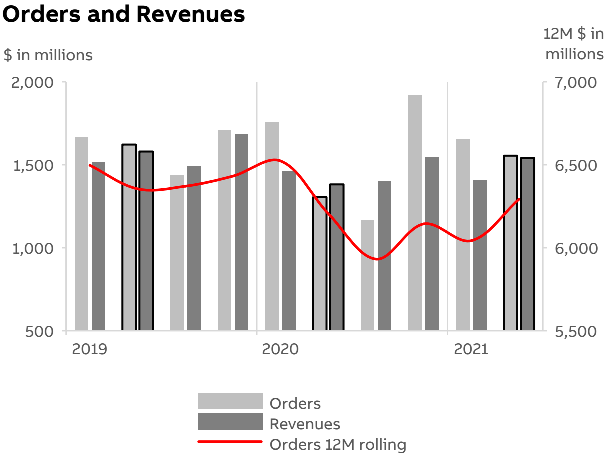
Profit

All divisions improved their Operational EBITA and margin year-on-year. In total, profit increased by 67% and margin rose by 410 basis points to 12.5%.

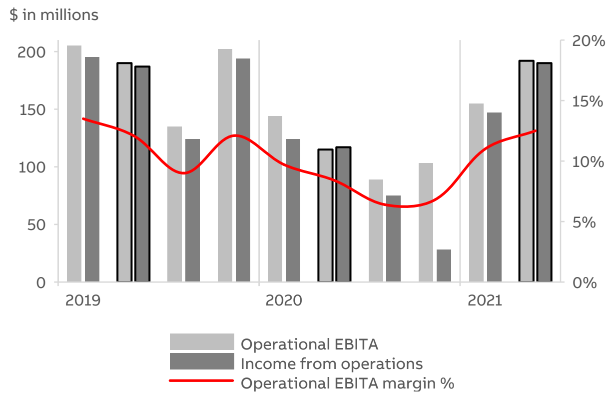
- The result was supported by positive volume development, improved mix from higher share of service revenues, impact from earlier implemented cost measures and impact from currency movements.
- There was no material impact from the rising constraints of semiconductors supply.

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q2 2021**	**Q2 2020**	**US$**	**Comparable**	**H1 2021**	**H1 2020**	**US$**	**Comparable**
Orders	1,555	1,305	19%	11%	3,211	3,062	5%	-2%
Order backlog	5,980	5,210	15%	9%	5,980	5,210	15%	9%
Revenues	1,540	1,382	11%	4%	2,947	2,844	4%	-3%
Operational EBITA	192	115	67%		347	259	34%	
as % of operational revenues	12.5%	8.4%	+4.1 pts		11.8%	9.1%	+2.7 pts	
Cash flow from operating activities	228	120	90%		461	94	390%	
No. of employees (FTE equiv.)	21,900	22,900	-5%					

Orders and Revenues



Income from operations & Operational EBITA



Robotics & Discrete Automation

Growth

Change year-on-year	Q2 Orders	Q2 Revenues
Comparable	41%	22%
FX	11%	10%
Portfolio changes	0%	0%
Total	**52%**	**32%**

Orders and revenues

Both divisions contributed strongly to the total order growth of 52% (41% comparable) from last year's low level. In total, orders amounted to $968 million. Revenues increased by 32% (22% comparable) to $832 million, to some degree adversely impacted by extended lead times in customer deliveries. This was due to component shortages which are anticipated to persist near-term.

- Robotics orders improved significantly in all customer segments, except in automotive where orders were adversely impacted by the ongoing strategic selective order approach, aimed at improving long-term profitability. Demand from machine builders was very strong with orders to some extent supported by inventory build-up.
- All regions improved strongly, with the Americas and Europe outgrowing the AMEA region.

After the close of the second quarter, the acquisition of ASTI Mobile Robotics Group (ASTI) was announced. It is a leading global autonomous mobile robotics (AMR) manufacturer with a portfolio across all major applications enabled by the company's software suite. The acquisition adds to Robotics and Machine Automation solutions to deliver a unique automation portfolio, further expanding into new industry segments.

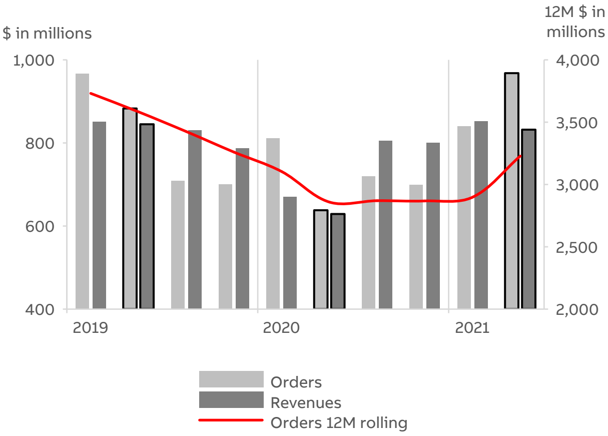
Profit

Operational EBITA more than doubled year-on-year and the margin increased by 470 basis points to 11.5% with substantial improvement in both divisions.

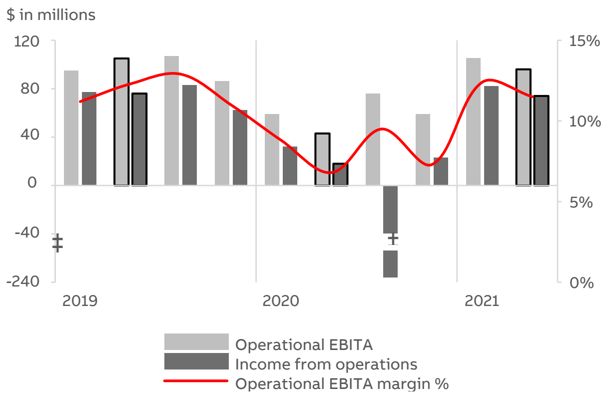
- The margin improvement was primarily driven by the better cost absorption from higher volumes. Mix improved through higher service revenues and a positive divisional mix as well as additional support from previously implemented cost measures.

($ millions, unless otherwise indicated)	Q2 2021	Q2 2020	CHANGE US$	CHANGE Comparable	H1 2021	H1 2020	CHANGE US$	CHANGE Comparable
Orders	968	638	52%	41%	1,809	1,449	25%	16%
Order backlog	1,501	1,478	2%	-4%	1,501	1,478	2%	-4%
Revenues	832	629	32%	22%	1,685	1,300	30%	20%
Operational EBITA	96	43	123%		201	102	97%	
as % of operational revenues	11.5%	6.8%	+4.7 pts		11.9%	7.8%	+4.1 pts	
Cash flow from operating activities	78	68	15%		189	134	41%	
No. of employees (FTE equiv.)	10,300	10,300	0%					

Orders and Revenues



Income from operations & Operational EBITA



Sustainability

Q2 outcome
- 14% reduction of CO_2 emissions in own operations mainly due to continuation of renewable energy and energy efficiency programs
- 13% year on year decline in LTIFR but a slight increase sequentially due to easing Covid-19 restrictions
- Diversity & Inclusion initiative strengthened through celebration of Pride Month in June

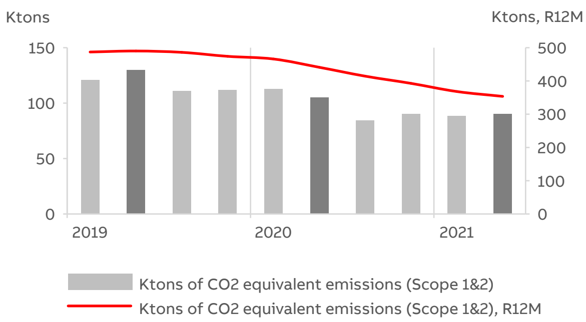
Quarterly highlights
- ABB is launching a gender-neutral global parental leave program granting 12 weeks of paid leave for primary caregivers and 4 weeks for secondary caregivers across the global organization.
- As part of its new Sustainability Strategy and its ambition to enable a low-carbon society, ABB joined three initiatives led by the international non-profit Climate Group in line with its action plan and focus areas identified to reduce its own emissions: EV 100: ABB commits to electrifying its fleet of more than 10,000 vehicles by 2030. RE 100: ABB commits to sourcing 100 percent renewable electricity by 2030. EP 100: ABB commits to establishing energy efficiency targets and continue deploying energy management systems at the company's sites. Furthermore, the company's own reduction targets have now also received approval by the Science Based Targets initiative (SBTi) confirming that they are in line with the 1.5°C scenario of the Paris Agreement. ABB also joined the Business Ambition for 1.5°C Campaign, a global coalition of UN agencies, business and industry leaders, led by the UN Global Compact (UNGC).
- ABB Azipod® electric propulsion technology celebrated in April 30 years of excellence at sea. From its creation three decades ago to its market leading position in global shipping today, Azipod® propulsion has revolutionized marine transport with its unparalleled performance, efficiency, sustainability and reliability.
- ABB has become the Official Global Partner of the FIA Girls on Track – ABB Formula E Project – a grassroots program to inspire the next generation of women.

Story of the quarter
In the Pride Month of June, ABB highlighted the real strides it has made with respect to LGBTQ+, including governance and policy, inclusive leadership and culture, and partnerships. It has already signed the Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bisexual, Trans and Intersex People, put forth by the Office of the United Nations High Commissioner for Human Rights. Additionally, partnerships with Stonewall and Open for Business have been established. ABB has instituted mandatory training on how to interrupt unconscious bias for all leaders on a worldwide basis. Also, "Count on us!" campaigns have been initiated to support LGBTQ+ employees in coming out. In recent months, LGBTQ+ Employee Resource Groups (ERGs) have been launched in Europe, the United States, Latin America and Poland. Collectively, LGBTQ+ ERGs across ABB now boast more than 400 members, creating a critical mass of committed people working to support education, foster empathy and drive engagement on this important topic.

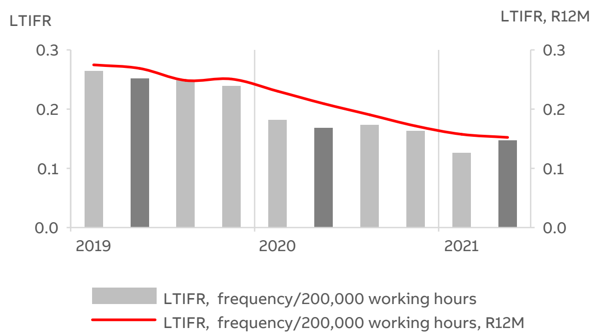
	Q2 2021	Q2 2020	CHANGE	12M ROLLING
CO2e own operations emissions, kt scope 1 and 2[1]	90	105	-14%	88
Lost Time Injury Frequency Rate (LTIFR), frequency / 200,000 working hours	0.147	0.168	-13%	0.153
Share of females in senior management positions, %	13.9	12.5	+1.4 pts	13.8

1 From energy use, previous quarter

CO_2 Scope 1&2



Lost Time Injury Frequency Rate



Significant events

During Q2 2021

- On April 9, ABB launched its previously announced follow-up share buyback program of up to $4.3 billion. Based on the share price at launch of this follow-up program this represents a maximum of approximately 137 million shares. The maximum number of shares that may be repurchased under this new program on any given trading day is 1,543,644.
- On April 27, ABB announced it has separated the E-mobility business into its own division and initiated a carve out into a separate legal structure. These steps will allow for preparation for a possible public listing and create a platform for accelerated growth and value creation in this business.

After Q2 2021

- On 20 July, ABB announced the acquisition of ASTI Mobile Robotics Group to drive next generation of flexible automation with Autonomous Mobile Robots. ASTI is global leader in high growth Autonomous Mobile Robot (AMR) market with broad portfolio of vehicles and software. Acquisition adds to RA's solutions to deliver a unique automation portfolio further expanding into new industry segments. Since 2015, the company has enjoyed close to 30% annual growth and is targeting approximately $50 million in revenue in 2021.

First six months 2021

In the first six months of 2021, demand for ABB's products increased strongly from the low level in the previous year period when the adverse business impact of the COVID-19 pandemic was at its peak. Orders amounted to $15,745 million and improved by 18% (11% comparable) and revenues amounted to $14,350 million up by 16% (11% comparable), implying a book-to-bill of 1.10. The recovery was mostly driven by the short-cycle business as from the first quarter, while the process-related business predominantly picked up during the second quarter. In the period demand increased in both the product and the service business. Additionally, exchange rates had a positive impact on order intake and revenues.

Income from operations amounted to $1,891 million and doubled from the year-earlier period driven primarily by stronger Operational EBITA. Results include restructuring activities progressing according to plan with restructuring and restructuring-related expenses of $53 million.

Operational EBITA improved by 61% year on year to $2,072 million and the Operational EBITA margin increased by 400 basis points to 14.4%. Performance was driven by increased revenues in combination with improved gross margin, the impact from earlier implemented cost measures and general stringent cost control, with additional support from the impacts of exchange rate movements. While revenues increased by 16%, the expenses related to selling, general and administrative (SG&A) increased by a more limited 6%, driven by higher sales expenses. The ratio in relation to revenues declined to 18.0%, from 19.7% in the year-earlier period. R&D expenses increased by 15%. Corporate and Other Operational EBITA improved by $56 million to -$193 million. The net finance expenses amounted to -$65 million.

Income tax expense was $574 million with a tax rate of 30.0%.

Net income attributable to ABB was $1,254 million and increased by 80% with last year's period being the period most severely impacted by the pandemic. Basic earnings per share was $0.62 and increased by 91%.

Acquisitions and divestments, last twelve months

Acquisitions	Company/unit	Closing date	Revenues, $ million[1]	No. of employees
2020				
Robotics & Discrete Automation	Codian Robotics B.V.	1-Oct	9	16
2021				
Electrification	Enervalis (majority stake)	26-Apr	1	22

Divestments	Company/unit	Closing date	Revenues, $ million[1]	No. of employees
2020				
Power Grids	Power Grids	1-Jul	9,200	36,000

Note: comparable growth calculation includes acquisitions and divestments with revenues of greater than $50 million.

1 Represents the estimated annual revenues for the period prior to the announcement of the respective acquisition/divestment.

Additional figures

ABB Group	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021
EBITDA, $ in million	600	799	302	807	2,508	1,024	1,324
Return on Capital Employed, %	n.a.	n.a.	n.a.	n.a.	10.3%	n.a.	n.a.
Net debt/Equity	0.52	0.61	(0.05)	0.01	0.01	0.09	0.16
Net debt/ EBITDA 12M rolling	2.3	2.5	(0.4)	0.04	0.04	0.4	0.7
Net working capital, % of 12M rolling revenues	12.3%	12.6%	12.5%	10.5%	10.5%	10.8%	11.6%
Earnings per share, basic, $	0.18	0.15	2.14	(0.04)	2.44	0.25	0.37
Earnings per share, diluted, $	0.18	0.15	2.14	(0.04)	2.43	0.25	0.37
Dividend per share, CHF	n.a.	n.a.	n.a.	n.a.	0.80	n.a.	n.a.
Share price at the end of period, CHF	17.01	21.33	23.45	24.71	24.71	28.56	31.39
Share price at the end of period, $	17.26	22.56	25.45	27.96	27.96	30.47	33.99
Number of employees (FTE equivalents)	143,320	142,310	106,420	105,520	105,520	105,330	106,370
No. of shares outstanding at end of period (in millions)	2,134	2,135	2,092	2,031	2,031	2,024	2,006

Additional 2021 guidance

($ in millions, unless otherwise stated)	FY 2021	Q3 2021
Corporate and Other Operational costs	~(400)[1] from ~(425)	~(100)
Non-operating items		
Restructuring and restructuring related	~(150) from ~(200)	~(40)
GEIS integration costs	~(20) unchanged	~(5)
Separation costs[2]	~(130) new	~(50)
PPA-related amortization	~(255) unchanged	~(65)
Certain other income and expenses related to PG divestment[3]	~(40) unchanged	~(15)

($ in millions, unless otherwise stated)	FY 2021	Q3 2021
Net finance expenses	~(130)[1] unchanged	~(30)
Non-operational pension (cost) / credit	~180 unchanged	~40
Effective tax rate[4]	~26% unchanged	<26%
Capital Expenditures	~(750) unchanged	~(200)

1 Excluding two main operational exposures that are ongoing in the non-core business and for which exit timing is dependent on circumstances beyond ABB's control such as legal proceedings.
2 Costs relating to the announced exits and the potential E-mobility listing.
3 Excluding share of net income from JV.
4 Excludes impact of acquisitions or divestments or any significant non-operational items.

Important notice about forward-looking information

This press release includes forward-looking information and statements as well as other statements concerning the outlook for our business, including those in the sections of this release titled “Outlook”, “CEO Summary”, “Share buyback program” and “Sustainability”. 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. These expectations, estimates and projections are generally identifiable by statements containing words such as “intends” “anticipates”, “expects,” “believes,” “estimates,” “plans”, “targets” 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 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 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.

Q2 results presentation on July 22, 2021

The Q2 2021 results press release and presentation slides are available on the ABB News Center at www.abb.com/news and on the Investor Relations homepage at www.abb.com/investorrelations.

A conference call and webcast for analysts and investors is scheduled to begin today at 10:00 a.m. CEST.

To pre-register for the conference call or to join the webcast, please refer to the ABB website: www.abb.com/investorrelations.

The recorded session will be available after the event on ABB’s website.

Financial calendar

2021	
September 28-29	ABB Motion CMD in Helsinki
October 21	Q3 results
December 7	ABB Group CMD in Zurich
2022	
February 3	Q4 results

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ABB (ABBN: SIX Swiss Ex) is a leading global technology company that energizes the transformation of society and industry to achieve a more productive, sustainable future. By connecting software to its electrification, robotics, automation and motion portfolio, ABB pushes the boundaries of technology to drive performance to new levels. With a history of excellence stretching back more than 130 years, ABB’s success is driven by about 105,000 talented employees in over 100 countries.