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

ZURICH, SWITZERLAND, OCTOBER 21, 2021

Q3 2021 results

Strong demand, supply chain constraints impacting revenues

- Orders $7.9 billion, +29%; comparable[1] +26%
- Revenues $7.0 billion, +7%; comparable +4%
- Income from operations $852 million; margin 12.1%
- Operational EBITA[1] $1,062 million; margin[1] 15.1%
- Basic EPS $0.33; -85%[2]
- Cash flow from operating activities was $1,104 million and from operating activities in continuing operations it was $1,119 million

KEY FIGURES

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q3 2021**	**Q3 2020**	**US$**	**Comparable[1]**	**9M 2021**	**9M 2020**	**US$**	**Comparable[1]**
Orders	7,866	6,109	29%	26%	23,611	19,509	21%	16%
Revenues	7,028	6,582	7%	4%	21,378	18,952	13%	8%
Gross Profit	2,294	1,834	25%		7,070	5,731	23%	
as % of revenues	32.6%	27.9%	+4.7 pts		33.1%	30.2%	+2.9 pts	
Income from operations	852	71	n.a.		2,743	1,015	170%	
Operational EBITA[1]	1,062	787	35%	32%[3]	3,134	2,074	51%	43%[3]
as % of operational revenues[1]	15.1%	12.0%	+3.1 pts		14.6%	10.9%	+3.7 pts	
Income (loss) from continuing operations, net of tax	687	(503)	n.a.		2,027	218	830%	
Net income attributable to ABB	652	4,530	-86%		1,906	5,225	-64%	
Basic earnings per share ($)	0.33	2.14	-85%[2]		0.95	2.45	-61%[2]	
Cash flow from operating activities[4]	1,104	408	171%		2,310	511	352%	
Cash flow from operating activities in continuing operations	1,119	398	181%		2,305	650	255%	

1 For a reconciliation of non-GAAP measures, see "supplemental reconciliations and definitions" in the attached Q3 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.

"In the face of a difficult supply chain environment, I am pleased that we achieved a good margin this quarter. Our cash generation was very strong, leaving ample headroom on our balance sheet to support both organic growth and acquisitions as well as rewarding shareholders."

Björn Rosengren, CEO

CEO summary

Q3 painted a mixed picture, containing on one hand a high level of demand driving strong order growth, while on the other hand the tight supply chain impacted our revenues more than anticipated. Still, we improved both the underlying operational earnings and margin, delivered strong cash flows, made progress with portfolio adjustments, as well as delivered some important product launches.

Orders increased by 29% (26% comparable), year-on-year. We make conscious efforts to screen that orders we accept are backed up by real demand, but in the current environment of a strained supply chain it is only fair to assume it includes a certain element of customers putting through safety-orders to secure future deliveries. All business areas contributed with double-digit growth rates and all segments and regions noted positive developments. In sequential terms, the underlying customer activity increased somewhat in the Americas, declined in Europe and remained stable in China.

Revenues were hampered by supply chain constraints delaying customer deliveries. This was primarily related to semiconductors and imbalances in the overall supply chain, with the impact most tangible in Electrification and Robotics & Discrete Automation. Revenues increased by 7% (4% comparable).

Operational EBITA increased by 35% year-on-year, and margin expanded by 310 basis points, to 15.1%. This improvement however benefited from the adverse temporary items in last year's results, good development in most business areas and unusually low corporate costs in the current quarter.

I am pleased we delivered another quarter with strong cash flow, which more than doubled from last year to USD 1.1 billion. Our balance sheet is strong with a net debt/EBITDA ratio of 0.5.

In line with our active portfolio management strategy, we announced both a divestment and an acquisition in the period. We agreed to divest the Mechanical Power Transmission division (Dodge) for $2.9 billion in cash and we expect completion of the deal before the end of this year. Robotics and Discrete Automation acquired ASTI Mobile Robotics Group (ASTI), a leading global autonomous mobile robot (AMR) manufacturer. This deal will support us in capturing the potential in areas such as logistics and warehouse automation. We are also making good progress with the other portfolio activities.

I was pleased to see the E-mobility business launch the Terra 360, the world's fastest electric car charger. It is the only charger in the market designed to simultaneously charge up to four vehicles with dynamic power distribution. It has a maximum output of 360 kW and is capable of fully charging any electric car in 15 minutes or less. This will further cement our leading position in the EV-charging space.

On a similar topic but with focus on the mining industry, Process Automation launched the ABB Ability™ eMine comprising a portfolio of technologies facilitating the all-electric mine, including monitoring and optimizing energy usage. From 2022, it will also include ABB Ability™ eMine FastCharge which provides high-power electric charging for haul trucks. It also incorporates the ABB Ability™ eMine Trolley System which can reduce diesel consumption by up to 90%.

We were also acknowledged for our sustainability efforts as we once again were included in the FTSE4Good Index Series with an overall score of 4.2 on a scale from 0 to 5 (5 is the best score). We are ranked among the best performers in the index globally and above sector average.

Björn Rosengren
CEO

Outlook

In the **fourth quarter of 2021**, ABB anticipates a continued tight supply chain to impact customer deliveries. Comparable revenue growth is estimated to be broadly similar to the third quarter.

In line with recent historical pattern, the Operational EBITA margin in the **fourth quarter** is expected to decline, sequentially.

ABB anticipates comparable revenue growth of 6%-8% (update from just below 10%) for **full-year 2021**, hampered by supply constraints towards the end of the year.

In 2021, ABB expects a strong 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 was strong in the third quarter, with order intake amounting to $7,866 million, corresponding to a year-on-year increase of 29% (26% comparable) with virtually all divisions growing at a double-digit pace. The strength was broad based, supported by both short-cycle product and the process-related businesses. Service orders increased by 20% (18% comparable).

Orders grew strongly in the machine builders and food & beverage segments as well as in general industries overall. Orders in the automotive segment increased, driven primarily by high customer activity in China.

In transport and infrastructure, there was a very strong order development across the renewables and e-mobility segments as well as in the buildings segment 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 across the customer segments, including in the oil & gas segment as gas-related activity remained stable at a high level and oil-related demand improved. Process Automation secured a large order amounting to approximately $120 million to power the Jansz-Io Compression project in Australia. Customer activity in power generation remained stable.

From a geographical perspective, all three regions reported at least 25% growth (20% comparable), with the strongest growth of 31% in the United States outpacing China which improved by a more modest 16% (9% comparable) and showed a steady sequential pattern.

Revenues were dampened by extended lead times in customer deliveries due to a tight value chain, including component constraints, tight job market and covid restrictions. A tangible impact from insufficient supply of semi-conductors affected the ability to deliver.

Growth

Change year-on-year	Q3 Orders	Q3 Revenues
Comparable	26%	4%
FX	2%	3%
Portfolio changes	1%	0%
Total	**29%**	**7%**

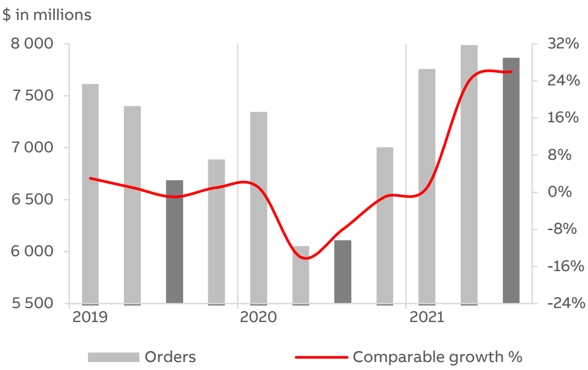
Orders by region

($ in millions, unless otherwise indicated)	Q3 2021	Q3 2020	CHANGE US$	CHANGE Comparable
Europe	2,663	2,068	29%	27%
The Americas	2,580	1,938	33%	31%
Asia, Middle East and Africa	2,623	2,103	25%	20%
ABB Group	**7,866**	**6,109**	**29%**	**26%**

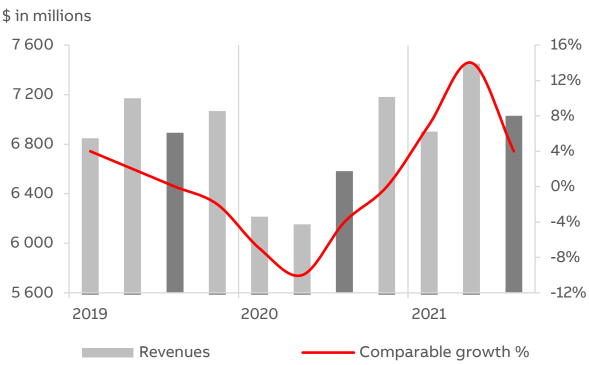
Revenues by region

($ in millions, unless otherwise indicated)	Q3 2021	Q3 2020	CHANGE US$	CHANGE Comparable
Europe	2,525	2,410	5%	3%
The Americas	2,161	1,927	12%	11%
Asia, Middle East and Africa	2,342	2,245	4%	1%
ABB Group	**7,028**	**6,582**	**7%**	**4%**

Orders



Revenues



Earnings

Gross profit
Gross margin increased to 32.6%, up 470 basis points year-on-year. Gross margins were higher in two out of four business areas, led by Process Automation. There were also fewer one-time items. Gross profit improved by 25% and amounted to $2,294 million.

Income from operations
Income from operations amounted to $852 million, a solid improvement from last year's $71 million. Key drivers were improved operational performance as well as the absence of approximately $500 million in total charges related to the goodwill write-down and changes in obligations to divested businesses, which adversely impacted last year's results. Results include restructuring and restructuring-related expenses of $28 million.

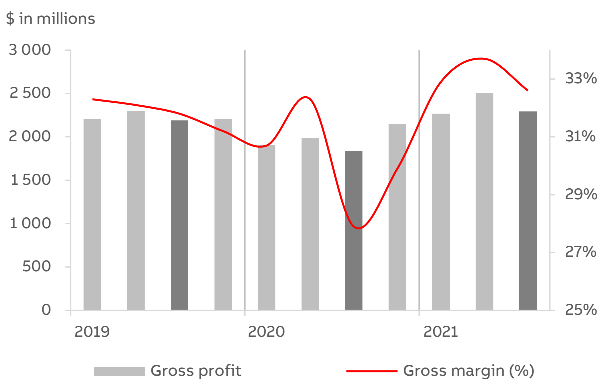
Operational EBITA
Operational EBITA of $1,062 million was 35% higher (32% constant currency) year-on-year, with the increased profit in Process Automation as the key driver, including the absence of last year's charge related to the Kusile project. The margin improved by 310 basis points to 15.1%. Three out of four business areas reported stable or improved margin. Overall, the positive year-on-year development was supported by higher volumes, stringent cost controls and also due to abnormally low costs for Corporate & Other in the period. Corporate and Other Operational EBITA improved by $115 million to -$37 million year-on-year, primarily due to the reduction of losses incurred in non-core businesses. Additionally, corporate costs were lower due to certain tax-related charges incurred in the previous year period and some positive non-repeating items in the current quarter, including a credit related to a review of a software license scope. Sequentially, the Corporate and Other Operational EBITA improved primarily due to higher real estate income, and the aforementioned positive items.

Net finance expenses
Net finance expenses[1] amounted to $6 million, primarily reflecting significantly lower interest costs compared with last year. Net finance expenses for the full year of 2021 are now expected at around $100 million.

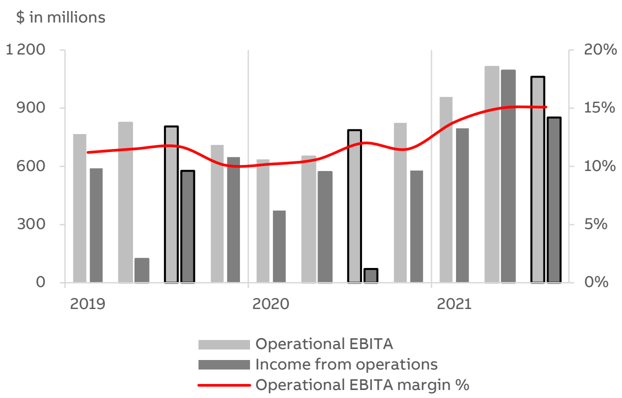
Income tax
Income tax expense was $201 million with a tax rate of 22.6%. The low rate reflects certain tax benefits recognized from internal reorganizations. The tax rate for 2021 is still estimated at 26%[5].

Net income and earnings per share
Net income attributable to ABB was $652 million and decreased significantly from last year's level which included the book gain related to the divestment of Power Grids. Basic earnings per share was $0.33 and decreased from last year's high level of $2.14 which included book gain impacts.

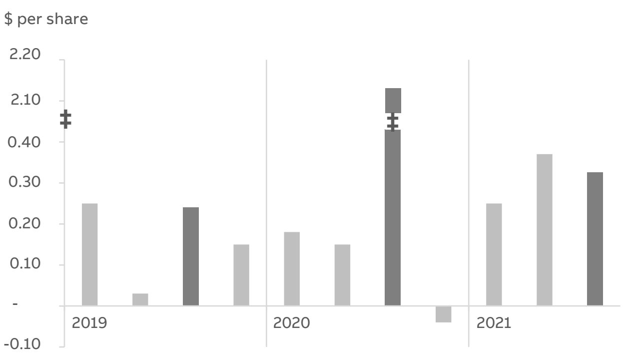
Gross profit & Gross margin



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 $2,920 million, declining both year-on-year from $3,236 million and sequentially from $3,251 million. The sequential decline was primarily driven by receivables, partially offset by a slight increase in inventories and lower other accrued liabilities. Net working capital as a percentage of revenues[1] was 10.2%.

Capital expenditures
Purchases of property, plant and equipment and intangible assets amounted to $166 million.

Net debt
Net debt[1] totalled $1,898 million, representing an increase from last year's net cash position of $935 million which reflected the timing of the divestment of Power Grids. Sequentially, net debt was reduced from $2,259 million. The sequential decrease primarily reflects the impacts of strong cash flow in the third quarter. The net debt to EBITDA ratio[1] increased year-on-year to 0.5 from -0.4, and declined sequentially from 0.7.

Cash flows
Cash flow from operating activities in continuing operations was $1,119 million, a significant improvement of $721 million compared with the corresponding period last year. Three out of four business areas increased cash flow primarily from improved earnings. However, the largest year-on-year effect came from Corporate and Other, reflecting the payments in 2020 related to certain pension plan restructurings in connection with the optimization of our capital structure.

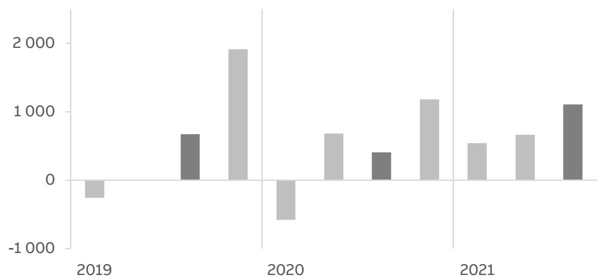
Share buyback program
The previously announced follow-up share buyback program of up to $4.3 billion was launched in early April. This follow-up program is part of the plan to return $7.8 billion of cash proceeds from the Power Grids divestment to shareholders. Under the initial program a total of 128,620,589 shares were repurchased for an amount of approximately $3.5 billion. Since the launch of the follow-up program on April 9 and through the end of the quarter a total of 25,842,600 shares were repurchased, including 10,908,500 shares in the third quarter. Shares were repurchased on the second trading line. The total number of ABB Ltd's issued shares is 2,053,148,264.

($ millions, unless otherwise indicated)	Sep. 30 2021	Sep. 30 2020	Dec. 31 2020
Short term debt and current maturities of long-term debt	2,414	2,354	1,293
Long-term debt	4,270	6,319	4,828
Total debt	**6,684**	**8,673**	**6,121**
Cash & equivalents	3,709	3,178	3,278
Restricted cash - current	31	860	323
Marketable securities and short-term investments	746	5,270	2,108
Restricted cash - non-current	300	300	300
Cash and marketable securities	**4,786**	**9,608**	**6,009**
Net debt/(cash)*	**1,898**	**(935)**	**112**
Net debt/(cash)* to EBITDA ratio	**0.5**	**(0.4)**	**0.04**
Net debt/(cash)* to Equity ratio	**0.13**	**(0.05)**	**0.01**

* net debt excludes net pension liabilities $871 million

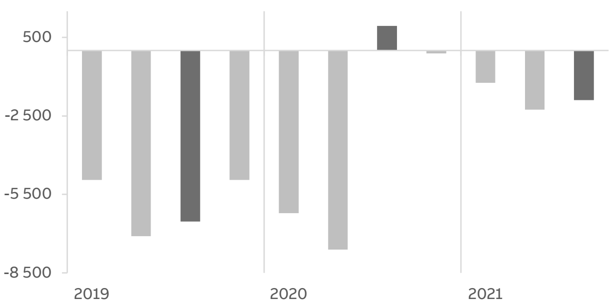
Cash flow from operating activities

$ in millions

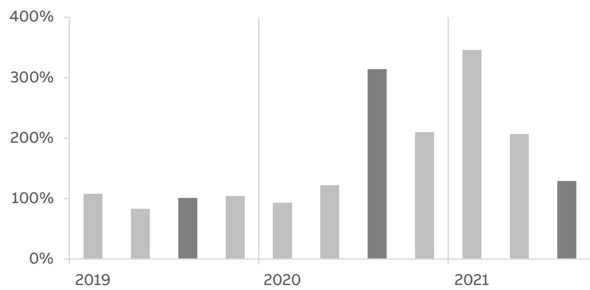


Net Cash (Net Debt) position

$ in millions



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



Electrification

Growth

Change year-on-year	Q3 Orders	Q3 Revenues
Comparable	17%	4%
FX	2%	1%
Portfolio changes	0%	0%
Total	**19%**	**5%**

Orders and revenues

There was a mixed picture in the third quarter, with strong broad-based growth in orders while revenues were challenged by supply constraints limiting the ability to convert orders into actual deliveries. Consequently, the order backlog increased to $5,246 million. In total, orders increased to the high level of $3,519 million, an increase of 19% (17% comparable) and revenues reached $3,196 million, up by 5% (4% comparable).

- Strong comparable order growth represents a double-digit growth rate in almost all divisions. Although difficult to exactly assess, it is fair to assume some positive impact from customers ordering safety stock in the wake of a generally tight supply chain.
- 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 increased moderately in oil & gas.
- Orders increased in all regions, with strong double-digit growth rates in the Americas and Europe outpacing AMEA, including a mid-single-digit growth rate in China.
- Shortages in the supply chain are expected to impact customer deliveries also in the coming quarter.

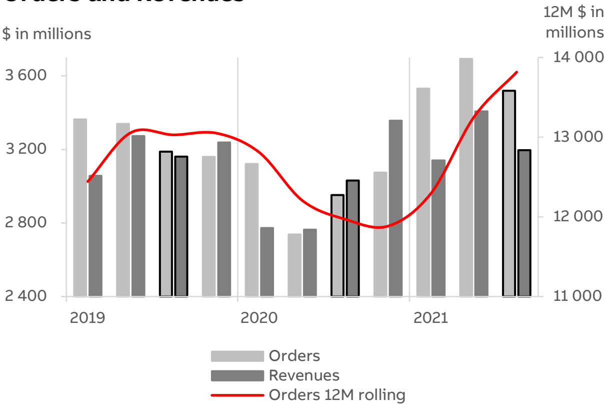
Profit

As a headline number, the Operational EBITA margin declined year-on-year to 15.9%. However, when excluding the non-repeating positive impacts of about 100 basis points in the year-earlier period, the underlying operational margin improved by approximately 60 basis points.

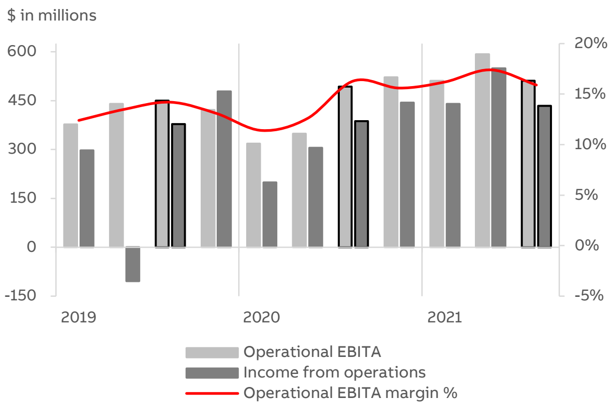
- The underlying operational margin improvement was supported by slightly higher volumes, active price management and efficiency measures, which more than offset the impact from increasing raw materials costs and general cost inflation emphasized by the tight supply situation.

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q3 2021**	**Q3 2020**	**US$**	**Comparable**	**9M 2021**	**9M 2020**	**US$**	**Comparable**
Orders	3,519	2,952	19%	17%	10,743	8,810	22%	18%
Order backlog	5,246	4,471	17%	17%	5,246	4,471	17%	17%
Revenues	3,196	3,031	5%	4%	9,742	8,568	14%	10%
Operational EBITA	511	493	4%		1,614	1,159	39%	
as % of operational revenues	15.9%	16.3%	-0.4 pts		16.5%	13.5%	+3 pts	
Cash flow from operating activities	636	460	38%		1,466	875	68%	
No. of employees (FTE equiv.)	51,100	51,100	0%					

Orders and Revenues



Income from operations & Operational EBITA



Motion

Orders and revenues

Demand was strong across all divisions, and total orders increased significantly at 24% (22% comparable) year-on-year and amounted to $1,909 million. On the back of a generally tight supply chain, revenues were somewhat hampered and increased by 4% (2% comparable).

- Customer activity improved in all segments supported by the short-cycle product business and service, as well as improving project demand.
- Orders increased at a double-digit rate in all three regions, with Europe outperforming the Americas and AMEA, including a slight growth in China.
- Revenues were impacted by the strained value chain, including component shortages as well as a tight labor market in the US, which in some cases triggered customers to delay acceptance of product deliveries.
- Some impact on deliveries is expected to remain also in the coming quarter.

Growth

Change year-on-year	Q3 Orders	Q3 Revenues
Comparable	22%	2%
FX	2%	2%
Portfolio changes	0%	0%
Total	**24%**	**4%**

Profit

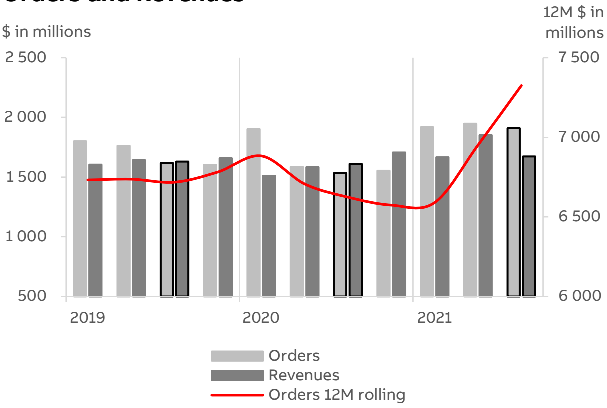
On largely stable revenues year-on-year, the Operational EBITA margin remained unchanged at 17.4%, despite cost inflation triggered by tight supply chain and increasing raw material costs.

- Profitability was primarily supported by a slight volume increase, active price management and a positive divisional mix, which in combination offset increasing raw material costs and cost inflation.

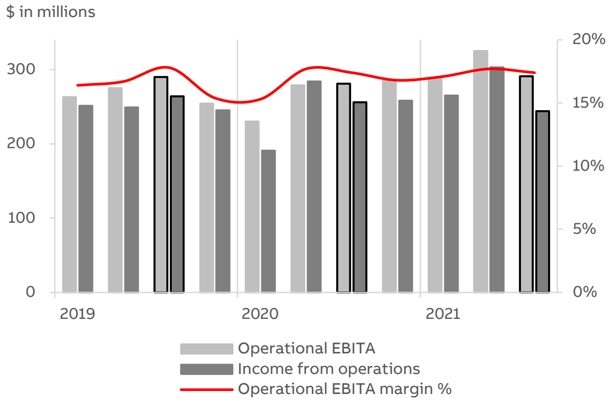
The divestment of the Mechanical Power Transmission division (Dodge) for $2.9 billion in cash was announced, with completion of the deal expected before the end of the year. The closing of the divestment will trigger a non-operational pre-tax book gain of approximately $2.2 billion. The transaction related cash tax outflows are estimated at approximately $400 million.

($ millions, unless otherwise indicated)	Q3 2021	Q3 2020	CHANGE US$	CHANGE Comparable	9M 2021	9M 2020	CHANGE US$	CHANGE Comparable
Orders	1,909	1,535	24%	22%	5,773	5,022	15%	10%
Order backlog	3,717	3,349	11%	11%	3,717	3,349	11%	11%
Revenues	1,673	1,611	4%	2%	5,190	4,704	10%	6%
Operational EBITA	291	281	4%		905	790	15%	
as % of operational revenues	17.4%	17.4%	0 pts		17.4%	16.8%	+0.6 pts	
Cash flow from operating activities	399	379	5%		946	859	10%	
No. of employees (FTE equiv.)	21,300	20,700	3%					

Orders and Revenues



Income from operations & Operational EBITA



Process Automation

Growth

Change year-on-year	Q3 Orders	Q3 Revenues
Comparable	40%	5%
FX	3%	2%
Portfolio changes	0%	0%
Total	**43%**	**7%**

Orders and revenues

Orders amounted to $1,670 million and grew by 43% (40% comparable) from last year's easy comparable, including a large order of approximately $120 million received. Order-backlog was built up to a high level of $6 billion.

- Orders for both products and service business increased at a double-digit pace, year-on-year, with support from improvements across the process-related markets.
- Customer activity increased in most segments except for a stable development in power generation. Worth noting was the positive trend in the marine service business.
- A large order was secured, amounting to approximately $120 million to supply the overall Electrical Power System (EPS) for the Jansz-Io Compression (J-IC) natural gas project in Australia.
- The increase in revenues reflects execution of a backlog with long lead times and a broad-based recovery in demand with most divisions reporting stable to positive growth.

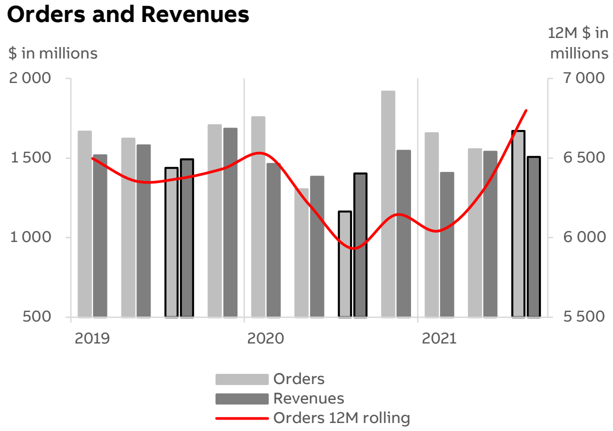
Profit

Operational EBITA amounted to $207 million resulting in a margin of 13.7%. The sharp improvement from last year's margin of 6.4% was 330 basis points when excluding the adverse impact of approximately 400 basis points related to the Kusile project, which weighed on last year's earnings.

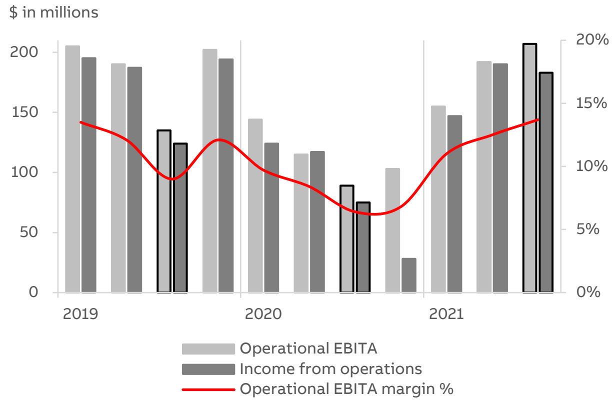
- All divisions improved their Operational EBITA and margin, year-on-year.
- The result was supported by positive volume development, improved business mix and strong project execution.

($ millions, unless otherwise indicated)	Q3 2021	Q3 2020	CHANGE US$	CHANGE Comparable	9M 2021	9M 2020	CHANGE US$	CHANGE Comparable
Orders	1,670	1,164	43%	40%	4,881	4,226	15%	10%
Order backlog	6,021	5,152	17%	16%	6,021	5,152	17%	16%
Revenues	1,507	1,403	7%	5%	4,454	4,247	5%	0%
Operational EBITA	207	89	133%		554	348	59%	
as % of operational revenues	13.7%	6.4%	+7.3 pts		12.4%	8.2%	+4.2 pts	
Cash flow from operating activities	231	164	41%		692	258	168%	
No. of employees (FTE equiv.)	22,000	22,600	-3%					

Orders and Revenues



Income from operations & Operational EBITA



Robotics & Discrete Automation

Growth

Change year-on-year	Q3 Orders	Q3 Revenues
Comparable	26%	-3%
FX	3%	3%
Portfolio changes	1%	1%
Total	**30%**	**1%**

Orders and revenues

Order growth was strong at 30% (comparable 26%) and amounted to $935 million. Revenues amounted to $813 million with growth limited to 1% (comparable -3%) adversely impacted by component shortages and reduced automotive systems business.

- Both the Robotics and Machine Automation divisions increased orders strongly at >20% year-on-year.
- Customer activity increased in all segments, with the strongest order increase in the machine automation, followed by the general industry as well as consumer and service robotic segments.
- All regions improved at a double-digit rate, with the Americas and Europe outpacing the AMEA region, including China orders increasing by 17% (10% comparable) year-on-year.
- The decline in comparable revenues was the combined impact from Machine Automation facing delayed customer deliveries on the back of component shortages and Robotics' stable development due to the conscious effort to support long-term profitability by reducing exposure to the automotive systems business for which the order backlog is now shrinking.

The acquisition of ASTI Mobile Robotics Group (ASTI) was closed. It is a leading global autonomous mobile robotics (AMR) manufacturer. The deal adds solutions to deliver a unique automation portfolio and expand into new segments.

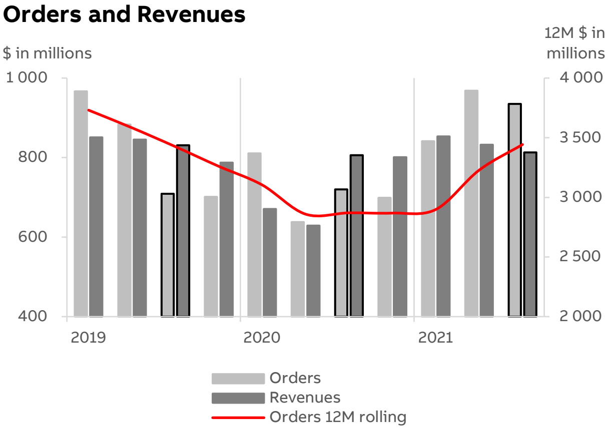
Profit

Operational EBITA increased by 18% year-on-year and the margin increased by 160 basis points to 11.1% driven by the Robotics division.

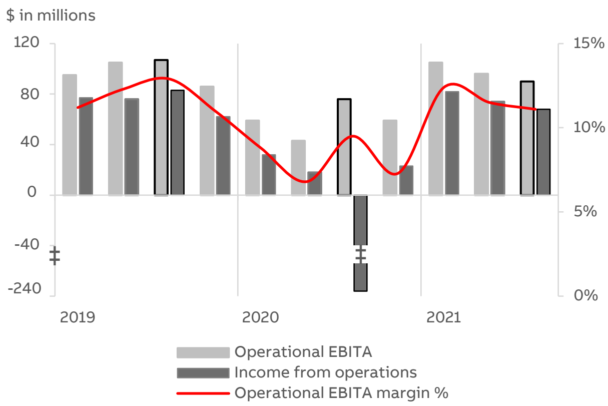
- Despite the lack of comparable growth, the Operational EBITA margin improved, supported by improved mix through reduced automotive systems sales, increased share of service business and efficiency measures.
- Profitability improved in the Robotics division, more than offsetting the adverse development in Machine Automation, which was hampered by delayed deliveries and cost inflation in a strained supply chain.

			CHANGE				CHANGE	
($ millions, unless otherwise indicated)	**Q3 2021**	**Q3 2020**	**US$**	**Comparable**	**9M 2021**	**9M 2020**	**US$**	**Comparable**
Orders	935	720	30%	26%	2,744	2,169	27%	20%
Order backlog	1,619	1,442	12%	11%	1,619	1,442	12%	11%
Revenues	813	806	1%	-3%	2,498	2,106	19%	12%
Operational EBITA	90	76	18%		291	178	63%	
as % of operational revenues	11.1%	9.5%	+1.6 pts		11.7%	8.5%	+3.2 pts	
Cash flow from operating activities	56	110	-49%		245	244	0%	
No. of employees (FTE equiv.)	10,700	10,300	3%					

Orders and Revenues



Income from operations & Operational EBITA



Sustainability

Q3 outcome

- 7% reduction of CO_2 emissions in own operations mainly due to continued implementation of Green energy contracts
- 21% year-on-year decline in LTIFR from the unusually high level in the previous year period

Quarterly highlights

- ABB launched the world's fastest Electric Vehicle (EV) charger - Terra 360 - which can simultaneously charge up to four vehicles with dynamic power distribution. The new charger has a maximum output of 360kW and is capable of fully charging any electric car in 15 minutes or less.
- ABB launched ABB Ability™ eMine, a portfolio of solutions that will help accelerate the move towards a zero-carbon mine. eMine™ can reduce diesel consumption by up to 90% while haul trucks are on an electric trolley system.
- Zero production waste to landfill has been achieved at ABB Smart Power's manufacturing unit in Frosinone, Italy — 14 years ahead of the European Union's Circular Economy Package target of no more than 10% landfilling by 2035.
- ABB has been selected for inclusion 21 years consecutively in the FTSE4Good Index Series. With an overall score of 4.2 on a scale from 0 to 5 (5 is the best score).
- As part of the WEF's Sustainable Impact Summit, ABB's Chief Communications and Sustainability Officer Theodor Swedjemark discussed changing the way we talk about climate change.

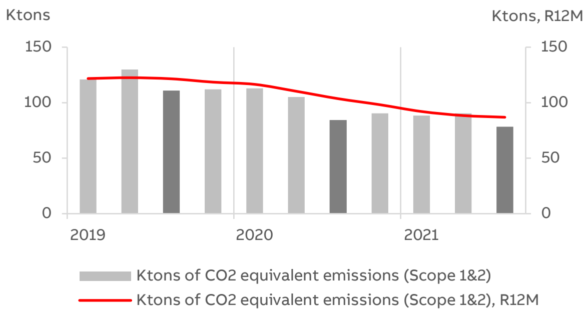
Story of the quarter

ABB will deliver automation, electrification, quality control systems, motors and drives for Renewcell's new industrial textile recycling production line in Sundsvall, Sweden. Renewcell is a Swedish company specializing in textile-to-textile recycling. A paper mill will be transformed into the world's first commercial-scale recycling plant for cellulosic textiles – created by dissolving natural materials such as cellulose which is then regenerated to create a wide range of fabrics. Renewcell is already working with several fashion manufacturers, and in 2020, the company and H&M Group entered a multi-year partnership to replace virgin fibers with recycled textiles in clothing. According to Renewcell's preliminary calculations, textile fibers made from its recycled raw material use approximately 50 liters of fresh water per kg in production, compared to around 1,600 liters for cotton and 90 liters for non-cotton cellulosic material viscose.

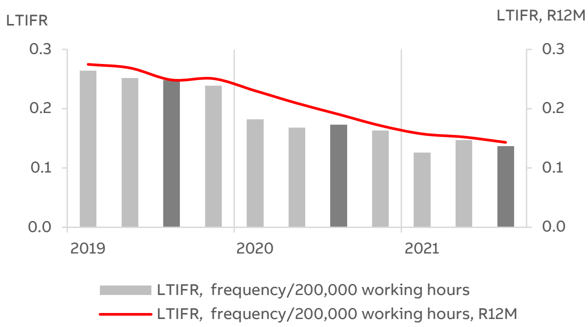
	Q3 2021	Q3 2020	CHANGE	12M ROLLING
CO2e own operations emissions, kt scope 1 and 2[1]	78	84	-7%	87
Lost Time Injury Frequency Rate (LTIFR), frequency / 200,000 working hours	0.137	0.173	-21%	0.136
Share of females in senior management positions, %	15.0	13.4	+1.6 pts	14.2

1 From energy use, previous quarter

CO_2 Scope 1&2



Lost Time Injury Frequency Rate



Significant events

During Q3 2021

- On July 20, ABB announced the acquisition of ASTI Mobile Robotics Group to drive the next generation of flexible automation with Autonomous Mobile Robots. ASTI is a global leader in the high growth Autonomous Mobile Robot (AMR) market with a broad portfolio of vehicles and software. The 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.
- On July 26, ABB announced it had signed a definitive agreement to divest its Mechanical Power Transmission division (Dodge) to RBC Bearings Incorporated (Nasdaq: ROLL), for $2.9 billion in cash. The transaction is expected to be completed by the end of this year, subject to customary closing conditions, including regulatory review. ABB expects to book a non-operational pre-tax book gain of approximately $2.2 billion on the sale of Dodge. ABB also expects the transaction related cash tax outflows to be approximately $400 million.

First nine months 2021

In the first nine 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 significant. Orders amounted to $23,611 million and improved by 21% (16% comparable) and revenues amounted to $21,378 million, up by 13% (8% comparable), with a book-to-bill ratio of 1.10. The recovery was initially driven by the short-cycle business as from the first quarter, and the process-related business predominantly picked up later 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 $2,743 million and more than doubled from the year-earlier period driven primarily by stronger Operational EBITA. Results include restructuring activities that are progressing according to plan with restructuring and restructuring-related expenses of $81 million.

Operational EBITA improved by 51% year-on-year to $3,134 million and the Operational EBITA margin increased by 370 basis points to 14.6%. Performance was driven by increased revenues in combination with an improved gross margin, the impact from earlier implemented cost measures and general stringent cost control. While revenues increased by 13%, the expenses related to selling, general and administrative (SG&A) increased by a more limited 5%, driven by higher sales expenses. The ratio in relation to revenues declined to 17.8%, from 19.1% in the year-earlier period. R&D expenses increased by 13%. Corporate and Other Operational EBITA improved by $171 million to -$230 million.

Net finance expenses amounted to -$71 million. Income tax expense was -$775 million with a tax rate of 27.7%. Net income attributable to ABB was $1,906 million and decreased from last year's level which includes the book gain related to the divestment of Power Grids. Basic earnings per share was $0.95.

Cash flow from operating activities in continuing operations amounted to $2,305 million, up from $650 million in the year-earlier period.

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
Robotics & Discrete Automation	ASTI Mobile Robotics Group	2-Aug	36	300

Divestments	Company/unit	Closing date	Revenues, $ million[1]	No. of employees
2021				

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	Q3 2021
EBITDA, $ in million	600	799	302	807	2,508	1,024	1,324	1,072
Return on Capital Employed, %	n.a.	n.a.	n.a.	n.a.	10.3%	n.a.	n.a.	n.a.
Net debt/Equity	0.52	0.61	(0.05)	0.01	0.01	0.09	0.16	0.13
Net debt/ EBITDA 12M rolling	2.3	2.5	(0.4)	0.04	0.04	0.4	0.7	0.5
Net working capital, % of 12M rolling revenues	12.3%	12.6%	12.5%	10.5%	10.5%	10.8%	11.6%	10.2%
Earnings per share, basic, $	0.18	0.15	2.14	(0.04)	2.44	0.25	0.37	0.33
Earnings per share, diluted, $	0.18	0.15	2.14	(0.04)	2.43	0.25	0.37	0.32
Dividend per share, CHF	n.a.	n.a.	n.a.	n.a.	0.80	n.a.	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	31.39
Share price at the end of period, $	17.26	22.56	25.45	27.96	27.96	30.47	33.99	33.36
Number of employees (FTE equivalents)	143,320	142,310	106,420	105,520	105,520	105,330	106,370	106,080
No. of shares outstanding at end of period (in millions)	2,134	2,135	2,092	2,031	2,031	2,024	2,006	1,993

Additional 2021 guidance

($ in millions, unless otherwise stated)	FY 2021	Q4 2021
Corporate and Other Operational costs	~(340)[1] from ~(400)	~(110)
Non-operating items		
Restructuring and restructuring related	~(150) unchanged	~(70)
GEIS integration costs	~(25) from ~(20)	~(5)
Separation costs[2]	~(130) unchanged	~(80)
PPA-related amortization	~(255) unchanged	~(65)
Certain other income and expenses related to PG divestment[3]	~(40) unchanged	~(10)

($ in millions, unless otherwise stated)	FY 2021	Q4 2021
Net finance expenses	~(100)[1] from ~(130)	~(30)
Non-operational pension (cost) / credit	~180 unchanged	~50
Effective tax rate[4]	~26% unchanged	<20%
Capital Expenditures	~(700) from ~(750)	~(250)

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”, “Share buyback program”, “Sustainability” and “Significant events”. 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.

Q3 results presentation on October 21, 2021

The Q3 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	
December 7	ABB Group CMD in Zurich
2022	
February 3	Q4 results
March 1 – 2	ABB Motion CMD in Helsinki
March 3	ABB Process Automation CMD in Helsinki
March 24	Annual General Meeting

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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.