

## Short-cycle recovery, cost take-out lift ABB's Q2 results

- Orders up 5%<sup>1</sup>, base orders 15% higher
- Revenues down 5%, pace of decline slows versus previous quarter
- Operational performance lifted by more than \$400 million savings in the quarter

Zurich, Switzerland, July 22, 2010 – ABB's orders grew 5 percent in the second quarter of 2010, led by increases of more than 20 percent in each of the company's automation divisions on the strength of the global economic recovery.

Industrial customers continued to invest in energy-efficient automation and power solutions to increase productivity and quality. Investments by utilities in large power transmission projects, however, remained cautious in most regions. As a result, base orders (below \$15 million) grew 15 percent in local currencies while large orders (above \$15 million) declined by 37-percent. The order backlog has grown 5 percent since the beginning of the year.

Revenues were 5 percent lower than the year-earlier period, mainly due to order declines in 2009 and the beginning of 2010 that flowed through to sales in the second quarter.

Earnings before interest and taxes (EBIT) decreased to \$975 million, resulting in an EBIT margin of 12.9 percent. Included in EBIT are additional project costs in the Power Systems division of \$80 million. Excluding net losses on derivative transactions and restructuring-related costs, the EBIT margin was 14.6 percent<sup>2</sup>. Savings in the quarter of more than \$400 million from the company's cost take-out program played a key role in maintaining profitability.

Cash from operations in the quarter was \$649 million, down versus the same quarter a year earlier, while net income amounted to \$623 million.

"The strong second quarter results show how we are using our improved cost base and leading position in key industrial markets to take maximum advantage of the global economic recovery," said Joe Hogan, ABB's CEO. "It's the great strength of ABB's portfolio that automation can drive profitable growth during a period of lower power demand.

"We feel more confident about the recovery in most of our markets than three months ago and believe that our short-cycle businesses will continue to perform well over the rest of 2010. After the severe industrial recession of the last two years, customers have started again to invest in technologies for energy efficiency and productivity. We expect customer capital expenditures, especially on the power side, to recover later in 2010 and into 2011," Hogan said.

2010 Q2 key figures	Q2 10	Q2 09	Change	
<i>\$ millions unless otherwise indicated</i>			<i>US\$</i>	<i>Local</i>
Orders	7,665	7,309	5%	5%
Order backlog (end June)	24,437	25,913	-6%	-3%
Revenues	7,573	7,915	-4%	-5%
EBIT	975	1,047	-7%	
as % of revenues	12.9%	13.2%		
Net income	623	675	-8%	
Basic net income per share (\$)	0.27	0.30		
Cash flow from operating activities	649	1,067		

<sup>1</sup> Management discussion of orders and revenues focuses on local currency changes. U.S. dollar changes are reported in the results tables.

<sup>2</sup> Please refer to Appendix I

## Summary of Q2 2010 results

### Orders received and revenues

Demand for ABB's industrial products and solutions continued to improve in the second quarter, reflecting the ongoing economic recovery in most regions. Capital spending by power utilities remained cautious. In both power and automation, most customer investments focused on improving the productivity and efficiency of their existing operations. Large capital expenditures to build new capacity remained at low levels.

Regionally, the largest order increase came in the Middle East and Africa (up 27 percent in local currencies) on higher demand mainly in the minerals and oil and gas sectors. Orders were also higher in Europe, led by a 7-percent increase in western Europe. Asia orders were higher, driven mainly by the need for industrial automation equipment. Orders in China were up 8 percent but declined 41 percent in India. Orders decreased in the Americas, where a 21-percent order increase in the U.S. – led by a 52-percent increase in Discrete Automation and Motion – was more than offset by lower power orders, mainly in Mexico and Brazil.

Orders in emerging markets were unchanged in local currencies in the second quarter compared to the same quarter a year ago and comprised 51 percent of total orders received.

Large orders as a share of total orders amounted to 11 percent, compared to 19 percent in the year-earlier period. Service orders grew in line with total orders and were up 6 percent in local currencies.

The order backlog at the end of June was \$24 billion, a local-currency increase of 5 percent since the beginning of the year and unchanged compared to the end of the previous quarter.

Revenues decreased by 5 percent in local currencies as lower orders received during 2009 and the beginning of 2010, especially in ABB's longer cycle businesses, were converted into sales. Compared to the first quarter of 2010, revenues increased 13 percent. Revenues were up 15 percent in Low-Voltage Products, reflecting the stronger recovery in its short-cycle end markets. Delays in the execution of some large projects contributed to the revenue decrease in the two power divisions. Service revenues were 5 percent higher in the quarter in local currencies compared to the second quarter of 2009.

### Earnings before interest and taxes and net income

Included in EBIT in the second quarter is a negative impact of approximately \$60 million from losses on derivatives and foreign exchange movements on receivables and payables.

Restructuring-related costs amounted to approximately \$70 million in the quarter.

Excluding these impacts in the respective periods, the EBIT margin in the second quarter of 2010 increased to 14.6 percent.

The improvement was driven primarily by higher margins in the automation businesses on a combination of volume growth, a favorable product mix and cost reduction benefits. Successful cost take-out measures allowed the Power Products division to maintain its EBIT margin – excluding net losses on derivative transactions and restructuring-related costs – at the same level as the year before. Power Systems EBIT margin was lower as the result of project costs related to a small number of subsea cable orders.

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Net income for the quarter developed in line with EBIT and resulted in basic earnings per share of \$0.27 compared to \$0.30 in the year-earlier period.

## **Cost reductions**

ABB continues to implement a cost take-out plan aimed at sustainably reducing ABB's costs – comprising both cost of sales as well as general and administrative expenses – from 2008 levels by a total of \$3 billion by the end of 2010. The program focuses on optimizing global sourcing, improving internal processes and adjusting ABB's global manufacturing and engineering footprint to reduce costs, increase our competitiveness and better match shifts in customer demand.

Savings in the second quarter exceeded \$400 million, bringing the total for the program to date to approximately \$2.3 billion. Costs for the full year 2010 are now expected to reach \$350-400 million, compared to earlier estimates of \$500 million. Costs associated with the program in the second quarter of 2010 amounted to approximately \$70 million and total program costs to date amount to approximately \$700 million.

## **Balance sheet and cash flow**

Net cash at the end of the second quarter was \$5.9 billion compared to \$7.1 billion at the end of the previous quarter and \$5.7 billion at the end of the second quarter of 2009. Cash from operating activities decreased in the quarter but was slightly higher for the first six months compared to the previous year. Cash payments in the quarter related to the company's cost take-out program amounted to approximately \$60 million.

Net cash used in investing activities includes a payment of more than \$1 billion for the acquisition during the second quarter of Ventyx, a U.S.-based software provider to global energy, utility, communications, and other asset-intensive businesses.

In May, ABB also announced an offer to shareholders of ABB Limited, its publicly-listed subsidiary in India, of Rs. 900 per share in order to increase its stake in the company from approximately 52 percent to 75 percent. The potential total value of the transaction, if accepted, is approximately Rs. 44 billion (\$965 million based on foreign exchange rates at the time of the announcement). The offer began on July 8, 2010 and is expected to end on July 27, 2010, with payment for the shares expected to take place on August 10, 2010.

On April 26, ABB's Annual General Meeting approved the payment of a dividend in the form of a nominal value reduction of Sfr. 0.51 per share. The dividend payment date was July 15 for shares purchased through the SIX Swiss Exchange, July 19 for shares purchased through the NASDAQ OMX Stockholm Exchange and July 22 for American Depositary Shares purchased through the New York Stock Exchange.

Also as approved at the Annual General Meeting, approximately 23 million shares were cancelled in July following the end of the share repurchase program launched in 2008.

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## **Compliance**

As previously announced, ABB has disclosed to the US Department of Justice and the US Securities and Exchange Commission various suspect payments. Also as previously announced, ABB has been cooperating with various antitrust authorities regarding their investigations into certain alleged anti-competitive practices. With respect to these matters, there could be adverse outcomes beyond our provisions.

## **Management changes**

In June, ABB announced the retirement of Anders Jonsson, a member of the ABB Executive Committee since 2006, effective as of the end of July 2010, after 34 years with the company. In his current position, Jonsson has been responsible for monitoring and coordinating ABB's overall cost reduction and global footprint programs. These responsibilities will be assumed by the company's head of quality and operational excellence who reports directly to ABB's CEO.

## **Outlook**

The sequential quarterly growth of base orders since the middle of 2009 appears to confirm that ABB has seen the bottom of its short-cycle businesses. Industrial customers are spending more on automation and power equipment and solutions to increase the efficiency and productivity of their existing assets. Assuming a continuation of the current economic recovery in most regions, the company is confident that its short-cycle business will continue to support both top and bottom line growth over the remainder of the year.

For ABB's late-cycle businesses, which make up the majority of the portfolio and which are driven by customer capital expenditure, the outlook for the remainder of 2010 remains mixed.

Upgrades and expansions of existing power infrastructure are needed in all regions, including renewables and smart grids. This is reflected in a near-record level of tendering activity in the Power Systems business. At the same time, lower electricity consumption in some regions has slowed the pace of power project awards in the short term. Furthermore, increased competition in the power sector continues to weigh on demand.

On the industrial side, ABB saw higher demand in the second quarter from some later-cycle sectors, such as minerals, pulp and paper and marine. Most customer spending in these industries, however, is focused on equipment upgrades, replacement and service rather than capital expenditures for new capacity.

The company believes it is well positioned to benefit from a sustained economic recovery. Growth initiatives are under way in selected business and countries, mainly in emerging markets. Significant fixed costs have been eliminated since the end of 2008, increasing the potential for incremental margin expansion as demand returns. Spending on research and development has remained steady through the downturn in order to secure the company's technological leadership, and will continue.

Therefore, in the remainder of 2010 management will continue to focus both on adjusting costs and taking advantage of its global footprint, strong balance sheet and leading technologies to tap further opportunities for profitable growth.

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## Divisional performance Q2 2010

<b>Power Products</b>	<b>Q2 10</b>	<b>Q2 09</b>	<b>Change</b>	
<i>\$ millions unless otherwise indicated</i>			<i>US\$</i>	<i>Local</i>
Orders	2,480	2,760	-10%	-11%
Order backlog (end June)	7,796	8,664	-10%	-9%
Revenues	2,528	2,839	-11%	-12%
EBIT	417	555	-25%	
as % of revenues	16.5%	19.5%		
Cash flow from operating activities	384	534		

Orders declined due to continued low spending by utilities on transmission projects, resulting in a decrease of more than 70 percent in large orders. This more than offset increased demand from industrial end-markets and some recovery in power distribution. Base orders decreased 5 percent versus the same period a year ago. Compared to the first quarter of 2010, however, base orders grew by 11 percent in local currencies.

Orders were lower in all regions, although early signs of recovery from low levels in the power distribution business supported steady order intake in western Europe and North America. Orders decreased in China as a result of lower utility spending on large projects and increased local competition.

Revenues decreased in the quarter, primarily as a result of lower order intake in the preceding quarters and continued delays by customers in accepting product delivery.

EBIT was lower than the same period a year earlier, reflecting lower revenues and a negative impact from net losses on derivatives. EBIT margin, adjusted for both derivatives and restructuring, was roughly the same in both years, as cost savings compensated for under absorption and price declines.

<b>Power Systems</b>	<b>Q2 10<sup>1</sup></b>	<b>Q2 09</b>	<b>Change</b>	
<i>\$ millions unless otherwise indicated</i>			<i>US\$</i>	<i>Local</i>
Orders	1,354	1,697	-20%	-19%
Order backlog (end June)	9,128	8,918	2%	5%
Revenues	1,635	1,612	1%	0%
EBIT	18	122	-85%	
as % of revenues	1.1%	7.6%		
Cash flow from operating activities	-65	230		

<sup>1</sup> Power Systems Q2 2010 results reflect the contribution from the Ventyx acquisition as of June 1, 2010

Increased base orders on higher demand from industrial customers in the quarter was offset by lower large orders, reflecting the timing of project awards. Project tendering activity in power transmission achieved new record levels, as the need remains in all regions for new grid capacity and upgrades, regional interconnections and the integration of renewable energies.

Revenues were stable compared to the same quarter a year ago, supported by the execution of the large order backlog.

EBIT was negatively impacted by costs of approximately \$80 million associated with installation issues in a small number of cable projects. These charges more than offset savings from cost reduction measures.

The reduction in cash from operations primarily reflects the timing of customer payments.

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ABB completed its acquisition of Ventyx in the second quarter and consolidated its financial results into the divisional results effective June 1, 2010. The impact of the acquisition on orders, revenues and EBIT in the quarter was not significant.

<b>Discrete Automation &amp; Motion<sup>1</sup></b>	<b>Q2 10</b>	<b>Q2 09</b>	<b>Change</b>	
<i>\$ millions unless otherwise indicated</i>			<i>US\$</i>	<i>Local</i>
Orders	1,476	1,195	24%	24%
Order backlog (end June)	3,223	3,442	-6%	-4%
Revenues	1,287	1,354	-5%	-5%
EBIT	205	190	8%	
as % of revenues	15.9%	14.0%		
Cash flow from operating activities	154	255		

<sup>1</sup> Appendix II provides historical results for all divisions following the previously announced realignment of ABB's automation business

Orders increased substantially in the quarter reflecting the industrial recovery in early cycle businesses across all regions. Base orders were almost 40 percent higher in local currencies versus the same quarter a year earlier, while large orders declined. Order growth was strongest in robotics and low-voltage drives and motors. Orders grew in all regions, led by strong double-digit local-currency growth in China, the U.S. and Germany.

Revenues declined in the quarter, although at a slower pace than in the first quarter of the year. This mainly reflects the low opening order backlog in the machines business, which serves later cycle markets. Revenues in most other businesses were close to the previous year's level.

The improvement in EBIT and EBIT margin is mainly the result of a breakeven result in the robotics business compared to a loss in the same quarter of 2009. The EBIT margin also benefited from cost saving measures and a favorable product mix.

<b>Low-Voltage Products<sup>1</sup></b>	<b>Q2 10</b>	<b>Q2 09</b>	<b>Change</b>	
<i>\$ millions unless otherwise indicated</i>			<i>US\$</i>	<i>Local</i>
Orders	1,219	1,017	20%	22%
Order backlog (end June)	879	805	9%	13%
Revenues	1,102	977	13%	15%
EBIT	213	95	124%	
as % of revenues	19.3%	9.7%		
Cash flow from operating activities	121	151		

<sup>1</sup> Appendix II provides historical results for all divisions following the previously announced realignment of ABB's automation business

The strong improvement in orders received in the quarter reflects continuing demand growth from both construction and industry customers across all regions. Orders were up in all product businesses. Orders grew at a double-digit pace in all regions, with the largest increase in the Americas. Orders were up more than 30 percent in Asia, including a strong double-digit increase in China in local currencies. Orders also grew at a strong double-digit pace in Italy, South Korea and Saudi Arabia.

Revenues grew in line with orders, as most sales are booked in the same quarter in which orders are placed. Service revenues grew by 30 percent in local currencies in the second quarter versus the second quarter in 2009.

EBIT and EBIT margin increased on higher revenues, a positive product mix and the impact of cost saving measures. The increase also reflects the non-recurrence of restructuring-related charges taken in the prior-year period of approximately \$40 million. Excluding net losses on

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derivative transactions and restructuring-related costs in both periods, the EBIT margin in the second quarter of 2010 was approximately 6 percentage-points higher than in the year-earlier quarter.

<b>Process Automation</b>	<b>Q2 10</b>	<b>Q2 09<sup>1</sup></b>	<b>Change</b>	
<i>\$ millions unless otherwise indicated</i>			<i>US\$</i>	<i>Local</i>
Orders	1,825	1,452	26%	25%
Order backlog (end June)	5,585	6,565	-15%	-12%
Revenues	1,737	1,981	-12%	-12%
EBIT	189	166	14%	
as % of revenues	10.9%	8.4%		
Cash flow from operating activities	143	53		

<sup>1</sup> Q2 2009 results include the instrumentation business transferred to Process Automation as part of the previously-announced realignment of ABB's automation business

Orders increased in the quarter as demand improved, driven primarily by the developing economies. Base orders grew by more than 20 percent in local currencies while large orders increased by more than 30 percent from the low levels of the year-earlier period.

The strongest order growth was recorded in minerals, pulp and paper, marine and turbocharging. Oil, gas and petrochemicals orders remained at the same high level as the second quarter of 2009. Orders from the Middle East and Africa more than tripled in the quarter due to large customer investments in minerals and oil and gas. Asia grew by almost 40 percent on higher orders from metals, minerals and marine customers. Orders in the Americas increased by more than 10 percent in local currencies on higher demand from the minerals and oil and gas sectors.

Lower revenues reflect the decrease in orders in 2009. Lower revenues in the system business were partly offset by a double digit increase in turbocharging and industrial service revenues. EBIT and EBIT margin improved due to the cost take-out program and a larger proportion of higher-margin service and product sales in total revenues compared to the same quarter a year earlier.

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## More information

The 2010 Q2 results press release is available from July 22, 2010, on the ABB News Center at [www.abb.com/news](http://www.abb.com/news) and on the Investor Relations homepage at [www.abb.com/investorrelations](http://www.abb.com/investorrelations), where a presentation for investors will also be published.

ABB will host a media conference call starting at 10:00 a.m. Central European Time (CET). U.K. callers should dial +44 20 7107 0611. From Sweden, +46 8 5069 2105, and from the rest of Europe, +41 91 610 56 00. Lines will be open 15 minutes before the start of the conference. Audio playback of the call will start one hour after the call ends and will be available for 96 hours: Playback numbers: +44 20 7108 6233 (U.K.), +41 91 612 4330 (rest of Europe) or +1 (1) 866 416 2558 (U.S./Canada). The code is 10133, followed by the # key.

A conference call for analysts and investors is scheduled to begin today at 3:00 p.m. CET (2:00 p.m. in the UK, 9:00 a.m. EDT). Callers should dial +1 412 858 4600 (from the U.S./Canada) or +41 91 610 56 00 (Europe and the rest of the world). Callers are requested to phone in 15 minutes before the start of the call. The audio playback of the call will start one hour after the end of the call and be available for 24 hours commencing one hour after the conference call. Playback numbers: +1 866 416 2558 (U.S./Canada) or +41 91 612 4330 (Europe and the rest of the world). The code is 15754, followed by the # key.

## Investor calendar 2010

Capital Markets Day 2010	Sept. 10, 2010
Q3 2010 results	Oct. 28, 2010

ABB ([www.abb.com](http://www.abb.com)) is a leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in around 100 countries and employs about 117,000 people.

Zurich, July 22, 2010  
Joe Hogan, CEO

## Important notice about forward-looking information

This press release includes forward-looking information and statements including the sections entitled "Cost reductions," "Compliance," and "Outlook," as well as other statements concerning the outlook for our business. 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 Ltd. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates," "targets," "plans" or similar expressions. However, there are many risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this press release and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences include, among others, business risks associated with the weakened global economy and political conditions, costs associated with compliance activities, raw materials availability and prices, 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.

## For more information please contact:

### Media Relations:

Thomas Schmidt, Wolfram Eberhardt  
(Zurich, Switzerland)  
Tel: +41 43 317 6568  
Fax: +41 43 317 7958  
[media.relations@ch.abb.com](mailto:media.relations@ch.abb.com)

### Investor Relations:

Switzerland: Tel. +41 43 317 7111  
USA: Tel. +1 203 750 7743  
[investor.relations@ch.abb.com](mailto:investor.relations@ch.abb.com)

### ABB Ltd

Affolternstrasse 44  
CH-8050 Zurich, Switzerland

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## ABB Q2 and half-year 2010 key figures

		Q2 10		Q2 09		Change		H1 10	H1 09	Change	
						US\$	Local			US\$	Local
<i>\$ millions unless otherwise indicated</i>											
<b>Orders</b>	<b>Group</b>	<b>7'665</b>	<b>7'309</b>	<b>5%</b>	<b>5%</b>	<b>15'732</b>	<b>16'459</b>	<b>-4%</b>	<b>-8%</b>		
	Power Products	2'480	2'760	-10%	-11%	4'881	5'720	-15%	-19%		
	Power Systems	1'354	1'697	-20%	-19%	3'112	3'976	-22%	-26%		
	Discrete Automation & Motion	1'476	1'195	24%	24%	2'884	2'480	16%	12%		
	Low Voltage Products	1'219	1'017	20%	22%	2'325	2'037	14%	12%		
	Process Automation	1'825	1'452	26%	25%	3'940	4'005	-2%	-6%		
	Corporate (consolidation)	-689	-812	15%	15%	-1'410	-1'759	20%	23%		
<b>Revenues</b>	<b>Group</b>	<b>7'573</b>	<b>7'915</b>	<b>-4%</b>	<b>-5%</b>	<b>14'507</b>	<b>15'124</b>	<b>-4%</b>	<b>-7%</b>		
	Power Products	2'528	2'839	-11%	-12%	4'847	5'307	-9%	-12%		
	Power Systems	1'635	1'612	1%	0%	3'019	3'029	0%	-4%		
	Discrete Automation & Motion	1'287	1'354	-5%	-5%	2'500	2'655	-6%	-9%		
	Low Voltage Products	1'102	977	13%	15%	2'113	1'910	11%	8%		
	Process Automation	1'737	1'981	-12%	-12%	3'472	3'859	-10%	-14%		
	Corporate (consolidation)	-716	-848	16%	15%	-1'444	-1'636	12%	15%		
<b>EBIT</b>	<b>Group</b>	<b>975</b>	<b>1'047</b>	<b>-7%</b>		<b>1'684</b>	<b>1'909</b>	<b>-12%</b>			
	Power Products	417	555	-25%		765	997	-23%			
	Power Systems	18	122	-85%		4	205	-98%			
	Discrete Automation & Motion	205	190	8%		373	355	5%			
	Low Voltage Products	213	95	124%		363	222	64%			
	Process Automation	189	166	14%		348	312	12%			
	Corporate	-67	-81	17%		-169	-182	7%			
<b>EBIT margin</b>	<b>Group</b>	<b>12.9%</b>	<b>13.2%</b>			<b>11.6%</b>	<b>12.6%</b>				
	Power Products	16.5%	19.5%			15.8%	18.8%				
	Power Systems	1.1%	7.6%			0.1%	6.8%				
	Discrete Automation & Motion	15.9%	14.0%			14.9%	13.4%				
	Low Voltage Products	19.3%	9.7%			17.2%	11.6%				
	Process Automation	10.9%	8.4%			10.0%	8.1%				

## Q2 2010 orders received and revenues by region

	Orders received		Change		Revenues		Change	
	Q2 10	Q2 09	US\$	Local	Q2 10	Q2 09	US\$	Local
Europe	2,866	2,825	1%	6%	2,872	3,236	-11%	-8%
Americas	1,462	1,503	-3%	-7%	1,481	1,485	0%	-4%
Asia	2,165	2,033	6%	3%	2,175	2,231	-3%	-6%
Middle East and Africa	1,172	948	24%	27%	1,045	963	9%	10%
<b>Group total</b>	<b>7,665</b>	<b>7,309</b>	<b>5%</b>	<b>5%</b>	<b>7,573</b>	<b>7,915</b>	<b>-4%</b>	<b>-5%</b>

## Half-year 2010 orders received and revenues by region

	Orders received		Change		Revenues		Change	
	H1 10	H1 09	US\$	Local	H1 10	H1 09	US\$	Local
Europe	6,299	6,488	-3%	-6%	5,647	6,252	-10%	-11%
Americas	2,959	2,858	4%	-3%	2,795	2,979	-6%	-11%
Asia	4,266	4,253	0%	-5%	4,085	4,114	-1%	-6%
Middle East and Africa	2,208	2,860	-23%	-25%	1,980	1,779	11%	9%
<b>Group total</b>	<b>15,732</b>	<b>16,459</b>	<b>-4%</b>	<b>-8%</b>	<b>14,507</b>	<b>15,124</b>	<b>-4%</b>	<b>-7%</b>

## Appendix I Reconciliation of non-GAAP financial measures (*\$ millions, unaudited*)

### EBIT margin (for the 3 months ended June 30, 2010)

<i>= EBIT as % of revenues</i>	
Earnings before interest and taxes (EBIT)	975
Revenues	7,573
<b>EBIT margin</b>	<b>12.9%</b>

### Adjustments to EBIT margin

EBIT	<b>975</b>
<i>adjusted for the effects of</i>	
Unrealized gains and losses on derivatives (FX, commodities, embedded derivatives)	91
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	12
Unrealized foreign exchange movements on receivables/payables (and related assets/liabilities)	(46)
Restructuring and restructuring-related expenses	70
EBIT after adjustments	<b>1,102</b>
Revenues	7,573
As % of revenues	<b>14.6%</b>

### Net cash (at June 30, 2010)

<i>= Cash and equivalents plus marketable securities and short-term investments, less total debt</i>	
Short-term debt and current maturities of long-term debt	(237)
Long-term debt	(1,887)
<b>Total debt</b>	<b>(2,124)</b>
Cash and equivalents	6,536
Marketable securities and short-term investments	1,478
<b>Cash and marketable securities</b>	<b>8,014</b>
<b>Net cash</b>	<b>5,890</b>

## Appendix II

Key data by division based on realignment of automation divisions effective Jan.1, 2010

		2007 FY	2008 FY	Q1-09	Q2-09	Q3-09	Q4-09	2009 FY
Orders	<b>Group</b>	<b>34'348</b>	<b>38'282</b>	<b>9'150</b>	<b>7'309</b>	<b>7'060</b>	<b>7'450</b>	<b>30'969</b>
	PP	11'320	13'627	2'960	2'760	2'553	2'667	10'940
	PS	7'744	7'408	2'279	1'697	1'991	1'863	7'830
	DM	6'064	7'129	1'285	1'195	1'080	1'142	4'702
	LP	4'199	4'865	1'020	1'017	1'015	1'027	4'079
	PA	8'476	9'244	2'553	1'452	1'257	1'422	6'684
	Corporate/other	-3'455	-3'991	-947	-812	-836	-671	-3'266
	Revenues	<b>Group</b>	<b>29'183</b>	<b>34'912</b>	<b>7'209</b>	<b>7'915</b>	<b>7'910</b>	<b>8'761</b>
PP		9'777	11'890	2'468	2'839	2'823	3'109	11'239
PS		5'832	6'912	1'417	1'612	1'612	1'908	6'549
DM		5'414	6'588	1'301	1'354	1'280	1'470	5'405
LP		4'125	4'747	933	977	1'052	1'109	4'071
PA		6'936	8'397	1'878	1'981	1'926	2'054	7'839
Corporate/other		-2'901	-3'622	-788	-848	-783	-889	-3'308
EBIT		<b>Group</b>	<b>4'023</b>	<b>4'552</b>	<b>862</b>	<b>1'047</b>	<b>1'419</b>	<b>798</b>
	PP	1'596	2'100	442	555	477	495	1'969
	PS	489	592	83	122	117	66	388
	DM	836	1'066	165	190	159	43	557
	LP	696	819	127	95	148	149	519
	PA	707	958	146	166	161	170	643
	Corporate/other	-301	-983	-101	-81	357	-125	50
	EBIT %	<b>Group</b>	<b>13.8%</b>	<b>13.0%</b>	<b>12.0%</b>	<b>13.2%</b>	<b>17.9%</b>	<b>9.1%</b>
PP		16.3%	17.7%	17.9%	19.5%	16.9%	15.9%	17.5%
PS		8.4%	8.6%	5.9%	7.6%	7.3%	3.5%	5.9%
DM		15.4%	16.2%	12.7%	14.0%	12.4%	2.9%	10.3%
LP		16.9%	17.3%	13.6%	9.7%	14.1%	13.4%	12.7%
PA		10.2%	11.4%	7.8%	8.4%	8.4%	8.3%	8.2%