

Operational EBIT and operational EBITDA by division Q1 2011 vs Q1 2010

	ABB		Power Products		Power Systems		Discrete Automation & Motion		Low Voltage Products		Process Automation	
	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10
Revenues (as per Financial Statements)	8'402	6'934	2'327	2'319	1'833	1'384	1'880	1'213	1'195	1'011	1'900	1'735
Derivative impact	-15	35	13	3	-15	32	1	8	-1	3	-12	-12
Operational revenues	8'387	6'969	2'340	2'322	1'818	1'416	1'881	1'221	1'194	1'014	1'888	1'723
EBIT (as per Financial Statements)	1'013	709	331	348	121	-14	220	168	230	150	239	159
Derivative impact	-18	82	9	10	-8	53	-2	13	0	1	-23	6
Restructuring-related costs	1	7	-2	0	5	3	0	3	0	1	-2	-2
Charges related to significant acquisitions	107						107					
<i>including backlog amortization</i>	15						15					
Operational EBIT	1'103	798	338	358	118	42	325	184	230	152	214	163
Operational EBIT margin	13.2%	11.5%	14.4%	15.4%	6.5%	3.0%	17.3%	15.1%	19.3%	15.0%	11.3%	9.5%
Depreciation & amortization (as per Financial Statements)	231	164	47	43	30	13	63	19	27	26	20	18
<i>including total acquisition-related amortization</i>	52	8	4	3	13	0	32	0	1	2	1	2
Backlog amortization related to significant acquisitions	-15						-15					
Operational EBITDA	1'319	962	385	401	148	55	373	203	257	178	234	181
Operational EBITDA margin	15.7%	13.8%	16.5%	17.3%	8.1%	3.9%	19.8%	16.6%	21.5%	17.6%	12.4%	10.5%

Reconciliation of non-GAAP measures

US\$ millions

	3 months ended Mar. 31,	
	2011	2010
EBIT Margin (= EBIT as % of revenues)		
Earnings before interest and taxes (EBIT)	1'013	709
Revenues	8'402	6'934
EBIT Margin	12.1%	10.2%
EBIT as per financial statements	1'013	709
<i>adjusted for the effects of:</i>		
Unrealized gains and losses on derivatives (FX, commodities, embedded derivatives)	(24)	69
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	(5)	17
Unrealized foreign exchange movements on receivables/payables (and related assets/liabilities)	11	(4)
Restructuring and restructuring-related expenses	1	7
Charges related to significant acquisitions ⁽¹⁾	107	0
Operational EBIT (adjusted)	1'103	798
<i>reversal of:</i>		
Depreciation	152	133
Amortization	79	31
Backlog amortization related to significant acquisitions	(15)	0
Operational EBITDA	1'319	962
Revenues as per financial statements	8'402	6'934
<i>adjusted for the effects of:</i>		
Unrealized gains and losses on derivatives	10	9
Realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized	(9)	18
Unrealized foreign exchange movements on receivables (and related assets)	(16)	8
Operational Revenues	8'387	6'969
Operational EBITDA Margin (= Operational EBITDA as % of Operational Revenues)	15.7%	13.8%
(1) includes \$15 million backlog amortization related to acquisitions in the 3 months ended March 31, 2011		

	Mar. 31,	Dec. 31,
	2011	2010
Net Cash (= Cash and equivalents plus marketable securities and short-term investments, less total debt)		
Cash and equivalents	3'649	5'897
Marketable securities and short-term investments	862	2'713
Cash and marketable securities	4'511	8'610
Short-term debt and current maturities of long-term debt	1'125	1'043
Long-term debt	1'189	1'139
Total debt	2'314	2'182
Net Cash	2'197	6'428

Reconciliation of non-GAAP measures (cont'd)*US\$ millions*

Net Working Capital	Mar. 31,	Dec. 31,
	2011	2010
Receivables, net	10'507	9'970
Inventories, net	6'085	4'878
Prepaid expenses	280	193
Accounts payable, trade	(4'967)	(4'555)
Billings in excess of sales	(1'685)	(1'730)
Employee and other payables	(1'469)	(1'526)
Advances from customers	(1'777)	(1'764)
Accrued expenses	(1'691)	(1'644)
Net Working Capital	5'283	3'822