



REF:INABB:STATUT:LODR:PRESS REL:

August 11, 2023

BSE Limited
P.J. Towers
Dalal Street
Mumbai 400 001
(Attn : DCS CRD)

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Attn: Listing Dept.

Dear Sirs

Sub: Press Release

We are sending herewith a copy of revised Press Release, which is being issued by the Company today to the media, for the information of the Stock Exchanges, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take note of the above in your records and update the information on your platform to reflect the new press release.

Thanking you,

Yours faithfully,

For ABB India Limited

Trivikram Guda
Company Secretary and Compliance Officer
ACS 17685

Encl: as above

BENGALURU, AUGUST 11, 2023

Solid execution drives margin expansion

ABB India Limited posts April-June quarter (Q2) CY2023 results

April-June Q2 CY2023 HIGHLIGHTS

All values are Y-o-Y with April-June Q2 CY2022 comparison

(₹ in Crores)				
Orders	Order backlog	Revenue	PBT	PAT
3,044	7,727	2,509	393	296
+10% ↑	+29% ↑	+22% ↑	+101% ↑	+101% ↑

- Orders grew for the quarter despite a higher base driven by a good mix of emerging and traditional segments
- Double digit revenue and profitability growth across all business areas
- ~85% reduction in own GHG (scope 1 and 2) emissions till Q2 2023, as compared to 2019 baseline across all manufacturing locations
- Board approves a special dividend of 275%

Commenting on the company's performance, Sanjeev Sharma, Managing Director, ABB India said,

“ABB India's Q2 performance is testimony to the strength of its industry-leading portfolio and capabilities. We continued growth momentum during the quarter, built on strong order backlog execution, delivering highest ever quarterly operational EBITA. In today's competitive dynamic environment, our customers continue to show unwavering confidence in ABB India as we remain a preferred partner of choice for our technology and digital solutions. Our balance sheet and cash position remain robust, putting us in a strong footing to prepare for future opportunities. We continue to prioritize our ESG goals in line with ABB Group's Sustainability strategy.”

KEY FIGURES

INR Crores (for continuing business)

	Q2 2023	Q2 2022	Q1 2023	H1 2023	H1 2022	CY 2022
Orders	3,044	2,767	3,125	6,169	5,066	10,028
Order backlog	7,727	5,995	7,170	7,727	5,995	6,468
Revenues	2,509	2,053	2,411	4,920	4,021	8,568
PBT before exceptional / one off and tax	393	196	328	721	394	1,024
PBT before exceptional / one off and tax %	15.7	9.5	13.6	14.7	9.8	11.9
Exceptional Item					293	339
Profit before tax	393	196	328	721	687	1,363
Profit before tax %	15.7	9.5	13.6	14.7	17.1	15.9
Profit After Tax	296	147	245	541	517	1,026
Profit after tax %	11.8	7.2	10.2	11.0	12.9	12.0
Operational EBITA*	341	227	274	615	392	897
Operational EBITA%	13.6	11.1	11.4	12.5	9.7	10.5

Orders

Total orders for the quarter were at INR 3,044 crore and INR 6,169 crore for H1 CY2023. While base orders grew by 4 percent, the Company also received a large order from the metal sector for INR 158 crore. Electrification and Process Automation achieved a double-digit growth YoY and Motion posted 8 percent growth over the similar quarter last year. Order intake for Robotics and Discrete Automation was tepid due to last year's high levels evidenced from pre-buys in a period of component shortages.

From the market side, growth in demand for LV components in industrial electricals and energy companies drove order traction for Electrification. Order momentum was strong from data center companies in the systems-related offering often linked to the medium voltage segment, which supported a traction in orders in the Distribution Solutions division. In Motion, the energy efficiency and sustainability target of customers resulted in good order inflows for ABB's products that support reaching those ambitions. Process Automation experienced a surge in orders across divisions including orders from metals, cement, and energy companies. Automotive sector, priming of electronics segment and service were catalysts for Robotics and Discrete Automation orders.



Consistent double-digit growth over the last quarters

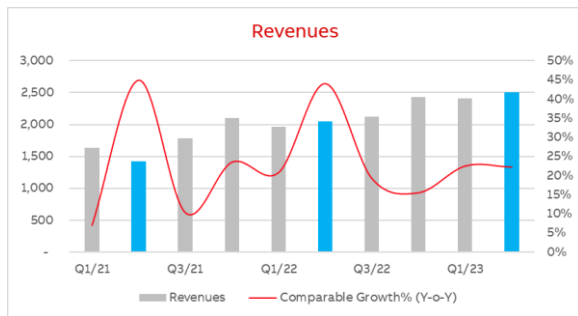
Key orders include:

- Reliable power and automation solutions for smelter and roll products for an aluminum major
- Energy efficient drives for leading manufacturer of industrial and medical gases
- Traction motors for a railway transportation multinational company
- Blending solutions for a Japanese engineering, procurement company for the energy space
- Motion solutions comprising drives and synchronous reluctance motors for heavy electricals major
- Different solutions for the biggest data center majors in the country
- Robotics paint and body in white orders for automotive majors and copper and aluminum majors
- Distribution solutions package for a branded goods company

ABB India continues to have a strong order backlog as of June 30, 2023, at INR 7,727 crore, an increase of 29 percent Y-o-Y, which provides revenue visibility and is well aligned to support growth plans in the coming quarters.

Revenues and operations

The Company reported INR 2,509 crore revenue for the quarter and INR 4,920 crore for H1 2023. High focus on execution, greater visibility through a solid backlog, revenue mix and capacity utilization led revenue expansion. Some businesses also were supported by higher service component and specific measures like milestone-based execution for projects to drive order conversion.



Seamless execution
build-up to
22% growth Y-o-Y

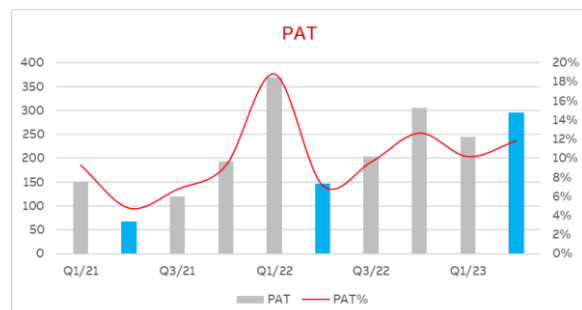
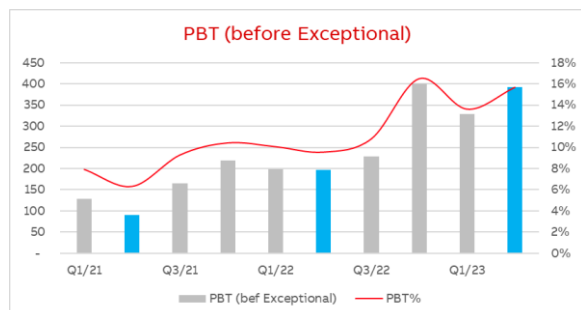
During the quarter, the Company expanded the manufacturing footprint of its energy efficient drives portfolio. The expansion in Peenya, Bengaluru introduced a new line for variable speed drives from 75kW to 250 kW. ABB India’s Electrification business launched MegaFlex DPA (Decentralized Parallel Architecture) UPS solutions for the Indian market. This first of its kind sustainable UPS is part of ABB EcoSolutions™ portfolio and complies with the ABB circularity framework with environmental product declarations and independent lifecycle assessment.

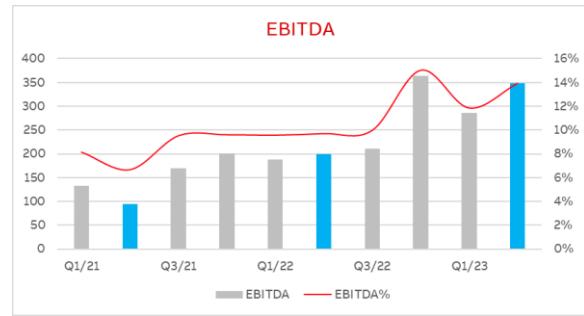
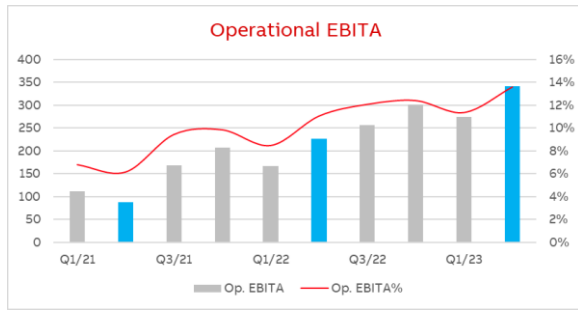
Profit and cash flow from operating activities

The company reported a Profit before tax (before exceptional items and one-offs) of INR 393 crore for the quarter and INR 721 crore for H1 2023. This was mainly driven by capacity utilization, revenue mix, price realization and volumes, supported by softening of commodity prices.

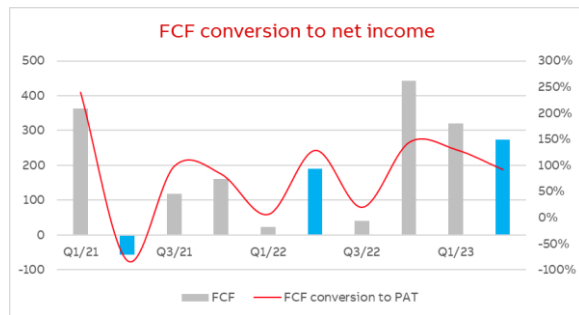
Income Tax expenses for the quarter was INR 97.3 crore with an Effective Tax Rate (ETR) of 24.8 percent and for the half year it was INR 180 crore with an ETR of 25 percent.

Profit after tax reported at INR 296 crores for the quarter, up 101 percent Y-o-Y, and INR 541 crore for H1 2023, up 5 percent Y-o-Y. January to March quarter of the previous year (Q1 2022) included an exceptional item of INR 258 crore (net of tax).





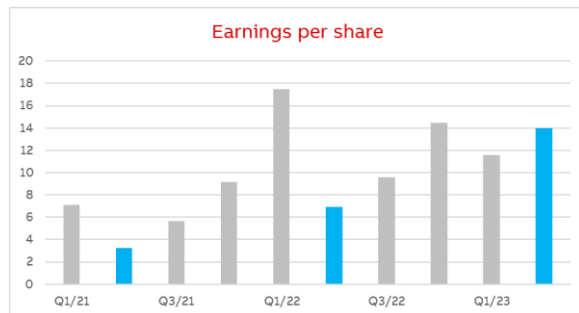
The company's cash position continues to remain robust at INR 4,092 crore at the end of Q2 and H1 2023. The Net Working Capital increase is mainly seen in inventories which is stocked to cater to the delivery of the backlog as per the agreed schedule.



Sustained Free cash flow (FCF) conversion in line with PAT

EPS

The Company reported an EPS of INR 13.96 for the quarter reflecting the growth in profitability of the operations.



Robust uptrend in EPS trajectory

Special dividend

Considering the strong performance and cash position, the Board approved a special dividend of 275% (INR 5.50 per share).

Sustainability in practice

Till Q2 CY2023, ABB India has achieved around 85 percent reduction in own GHG (scope 1 and 2) emissions as compared to 2019 baseline, across all manufacturing locations. Enhanced water recyclability by about 6 percent till the second quarter of 2023 as compared to last year. Nashik Plant 1 manufacturing facility also received water positive certification. The Company is also moving towards zero waste to landfill with close to 96 percent of waste recyclability till the period under review.

Outlook

ABB India will continue to facilitate enhanced customer activity across multiple market segments, leveraging the capex revival being led by the government. While doing so, the company remains cognizant of possible headwinds including forex fluctuations, geopolitical uncertainties, global trade imbalance and supply chain challenges and their impact on the Indian market. ABB India with its deep presence and wide portfolio is expected to create further successes while embedding sustainability in everything it does, across diverse segments like data centers, electronics, warehouse and logistics, railways and metros, pharma, food and beverage, building infrastructure and energy companies.

ABB is a technology leader in electrification and automation, enabling a more sustainable and resource-efficient future. The company's solutions connect engineering know-how and software to optimize how things are manufactured, moved, powered and operated. Building on more than 130 years of excellence, ABB's ~105,000 employees are committed to driving innovations that accelerate industrial transformation.

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**Operational EBITA*

Operational EBITA margin is Operational EBITA as a percentage of Operational revenues. Operational EBITA is Operational earnings before interest, taxes and acquisition-related amortization. Operational EBITA represents income from operations excluding:

- acquisition-related amortization (as defined below),*
- restructuring, related and implementation costs,*
- changes in the amount recorded for obligations related to divested businesses occurring after the divestment date (changes in obligations related to divested businesses),*
- changes in estimates relating to opening balance sheets of acquired businesses (changes in pre-acquisition estimates),*
- gains and losses from sale of businesses,*
- acquisition- and divestment-related expenses and integration costs,*
- certain other non-operational items, as well as*
- foreign exchange/commodity timing differences in income from operations consisting of: (a) unrealized gains and losses on derivatives (foreign exchange, commodities, embedded derivatives), (b) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, and (c) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities).*

Certain other non-operational items generally include certain regulatory, compliance and legal costs, certain asset write downs/impairments as well as other items which are determined by management on a case-by-case basis.

Operational EBITA is our measure of segment profit but is also used by management to evaluate the profitability of the Company as a whole.

This detailed performance summary will be made available only post H1 and H2/full year. ABB India follows a calendar year of January to December as the accounting period.