



REF:INABB:STATUT:LODR:R30:ANLST-PPT:

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

Dear Sirs

Sub: Presentation to Analysts

Ref: BSE: 500002 / NSE: ABB

In continuation to our letter dated August 7, 2023, we are enclosing herewith a copy of presentation which will be made at the Analysts Call scheduled on August 11, 2023, for information of the Stock Exchanges.

The said presentation is also being uploaded on the Company's website.

Thanking you

Yours faithfully
For ABB India Limited

Trivikram Guda
Company Secretary and Compliance Officer
ACS 17685

Encl: as above



August 11, 2023

Solid execution drives margin expansion

ABB India Analyst Call | Q2 & H1 CY2023 | April – June 2023

Important notices

This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for ABB India Ltd. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects,” “believes,” “estimates,” “targets,” “plans,” “outlook,” “on track,” “framework” or similar expressions.

There are numerous 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 presentation 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 India Ltd’s filings with the Securities and Exchange Board of India (SEBI), including its Annual Report
- Impact of ongoing pandemic

Although ABB India 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.

Further, Information shared herein inter-alia contains some key financials pertaining to ABB India. ABB India being a listed entity is obliged by law not to share the said information to any one (other than those who are involved in the process and who are bound by Insider Trading Regulation) unless and until the financials are considered and approved by ABB India Board and thereafter announced to stock exchanges as per the listing obligations entrusted upon ABB India. Therefore, privity to this presentation should kindly ensure strict confidentiality of the information shared and discussed herein.

ABB at a glance

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.

ABB has been present in India for over a century and manufacturing for more than 70 years.



Electrification

Distribution Solutions
Smart Power
Smart Building
Installation Products
Power Conversion
Service
E-mobility



Motion

IEC LV Motors
Large Motors & Generators
NEMA Motors
Drive Products
System Drives
Service
Traction



Process Automation

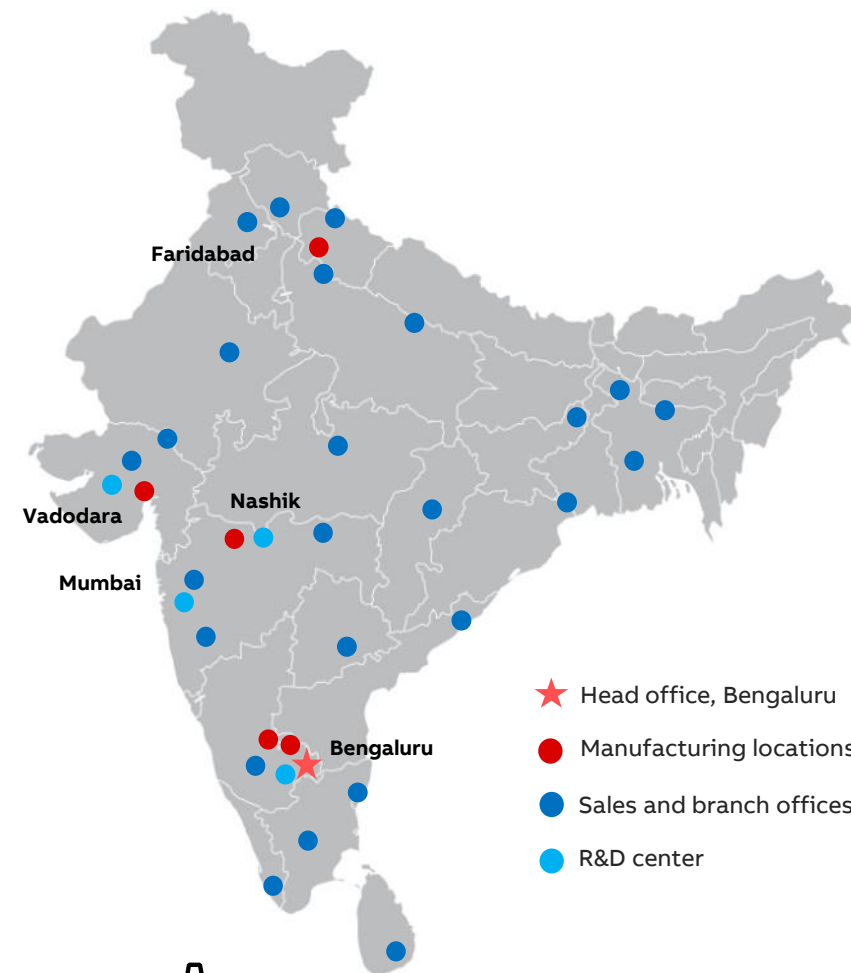
Energy Industries
Process Industries
Marine & Ports
Measurement & Analytics



Robotics & Discrete Automation

Robotics
Machine automation¹

1 – Machine Automation division is not part of ABB India & is run separately out of ABB B&R



- ★ Head office, Bengaluru
- Manufacturing locations
- Sales and branch offices
- R&D center



5 Manufacturing locations

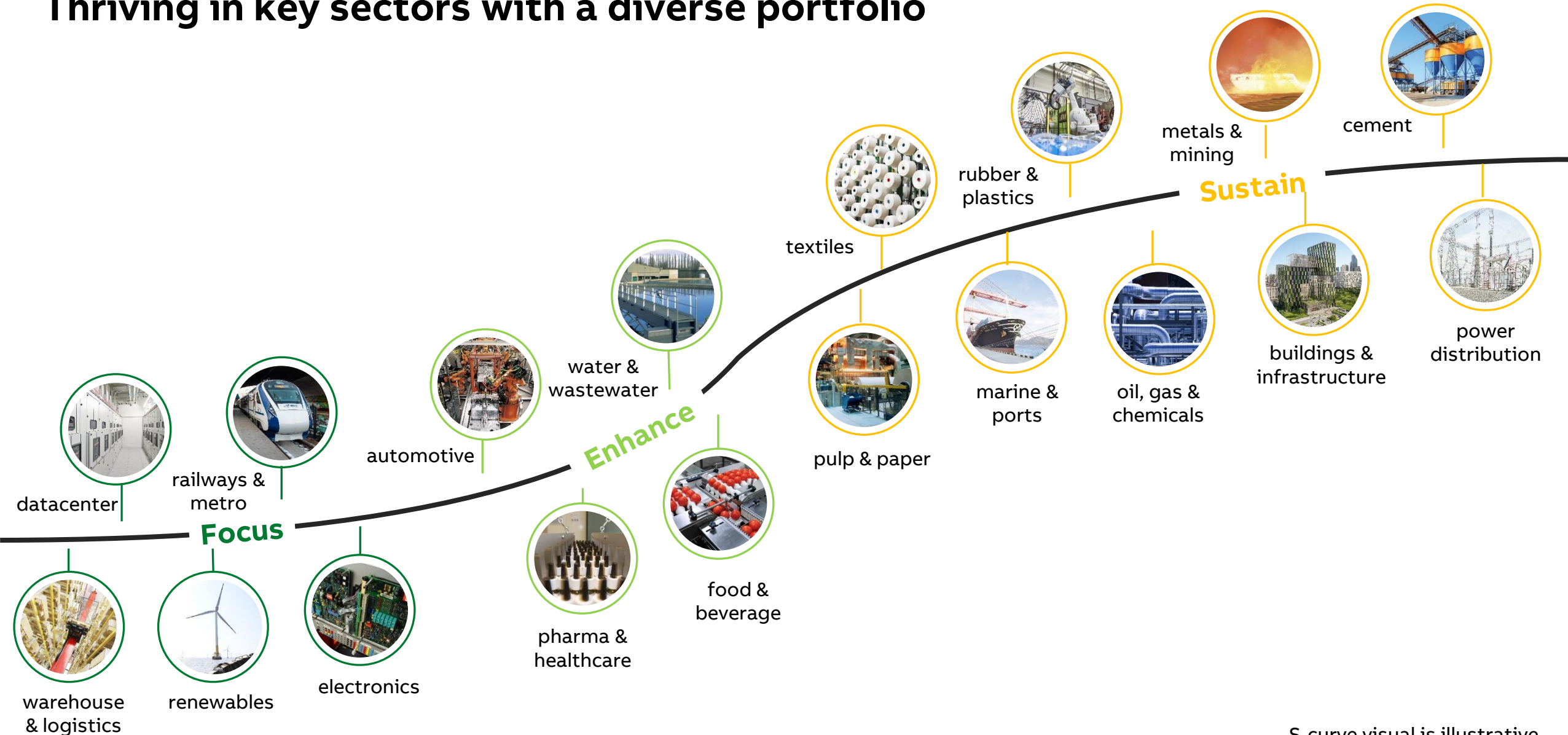


21 Sales Offices

25 Plants

750+ Partners

Thriving in key sectors with a diverse portfolio



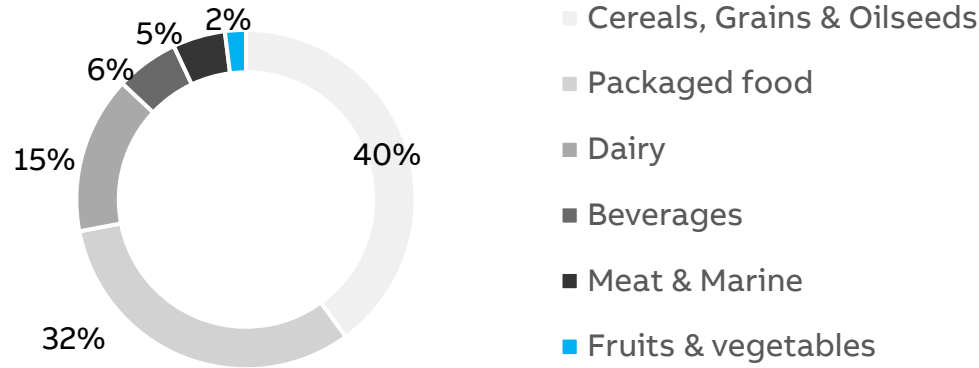
S-curve visual is illustrative

Theme for the quarter

Food & Beverages: a deep-dive

Segment Insights

- **India's food processing industry is expected** to reach \$535 bn by FY25 from \$290 bn in FY22
- Segmentation of Food Processing Industry in India FY22



- **Fastest Growing Segments:** Packaged Food, Dairy, Meat & Marine

Key Drivers

- **Strong domestic demand:** Changing lifestyle, food habits
- **Supply side advantages:** High agricultural production - large livestock base & wide variety of crops, inland water bodies & a long coastline
- **Export opportunities:** Proximity to key export destinations
- Proactive government policy and support:
 - **100% FDI** approved for food processing
 - **PMKSY:** Strong focus on infrastructure & food safety, i.e., Mega food parks, cold storage
 - **\$1.5 bn outlay under PLI Scheme** for Ready to eat, dairy & poultry food products

ABB's offerings include Drives, Motors, Automation & Instrumentation, Robots, MV & LV Switchgears, Digital Power Train

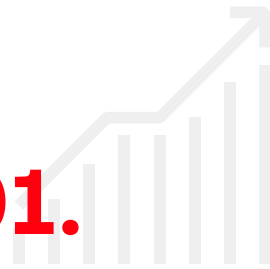


Business highlights



Q2 2023 highlights

01.



Orders **+10%**¹ despite a higher base driven by emerging and traditional segments

Revenues **+22%**¹ achieved through seamless execution

PAT **+101%**¹, **+200 bps** YoY driven by operational efficiencies

02.



Expanded manufacturing footprint of **energy efficient drives** portfolio

~85% reduction in own GHG (scope 1 and 2) emissions till Q2 2023, as compared to 2019 baseline across all manufacturing locations

Engaged with **3,000+** customers across 13 tier II & tier III markets

03.



Robust cash position at INR **4,092** crore

FCF conversion in line with PAT

Board approves a special dividend of 275%

¹ YoY comparable

Positive market momentum across segments



Short-cycle

Strong growth across most business areas



Services

Healthy growth in orders and revenues



Discrete

Continued momentum in automotive, electronics, F&B sectors



Process

Demand for high-value, integrated solutions in metal, mining, steel, cement, engineering companies

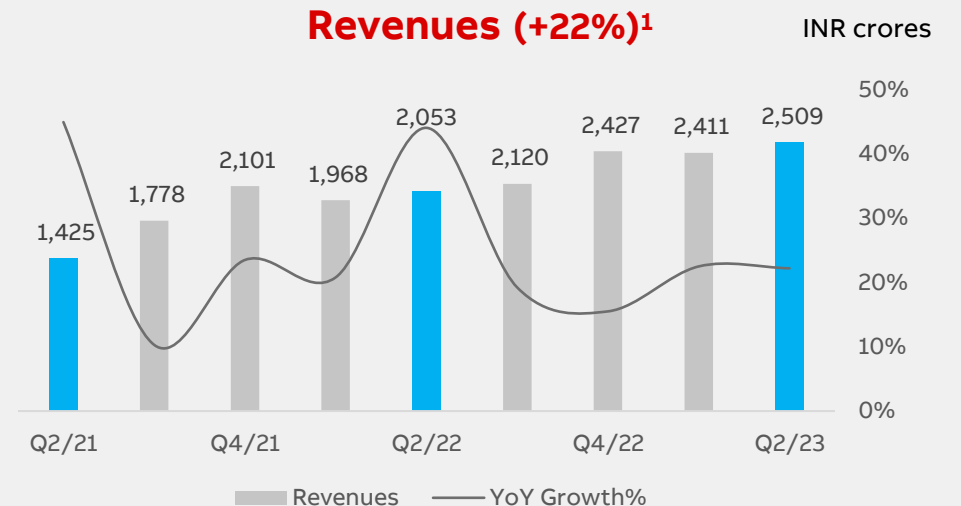


Transport

Uptick in railways and metro

Order backlog grew +29%¹ to INR 7,727 crore

¹YoY comparable



Proven capabilities leading to significant wins



Reliable power and automation solutions for smelter and roll products for an aluminium major



Motion solutions comprising drives and synchronous reluctance motors for heavy electricals major



Traction motors for a railway transportation multinational company



Blending solutions for a Japanese engineering, procurement company for the energy space



Robotics solutions for metals majors



Power distribution and management solutions for the biggest data center majors in the country



Robotics paint and body in white orders for automotive majors



LV switchgear panels, electrification of ethanol production

Continuous customer engagement

Engaged with 3,000+ customers across 13 tier II & tier III markets in Q2



ABB Technology Day @ **major steel conglomerate** by Motion Business; 200+ attendees



Technology Day, Nagpur for Steel, F&B, Textile & Pharma Industry



Technology Day @ **Dairy major** by EL, MO & PA; 21 attendees



Motion Services conducts 3-day service campaign for a **metals major**; 200+ attendees

Success Stories



3000+ energy efficient motors and drives for spinning mills in tier 2 and 3 markets in Tamil Nadu



Electrification solutions for reliable power control and distribution for **Kanpur Metro**



Excitation systems and Motion solutions package for **Kaleshwaram lift irrigation** project



Robotics solutions for **sustainable packaging** in Aurangabad

Implementing ABB India ESG Strategy

On track to achieve sustainability goals

GHG (Scope 1 and 2)

Reduction in own emissions

~85%

CUMULATIVE TILL Q2 2023 COMPARED TO 2019 BASELINE

Waste

Waste recyclability nearing zero waste to landfill

~96%

CUMILATIVE TILL Q2 2023

Water

Water positive plants

2

CUMILATIVE TILL Q2 2023

All numbers shown are on a cumulative basis till June 2023, through an internal tool and subject to third party assurance completion by end of the year

Care: Performance with Purpose

Focus on local development, education, diversity & inclusion, and healthcare for communities

Phase-2 Peenya external road & infrastructure upgradation



Functional Literacy and Numerical skills program across 98 Govt schools, Nelamangala initiated for academic year 2023-2024



Initiated the project to support a residential facility for women with special needs, Nashik



Reinitiated the midday meal program across Bangalore, Vadodara and Delhi Govt schools with Akshaya Patra Foundation



Program continued for educational scholarship for girls along with IT skills for youth in Faridabad



Health care for communities. Regular health consultation with special camps for communities



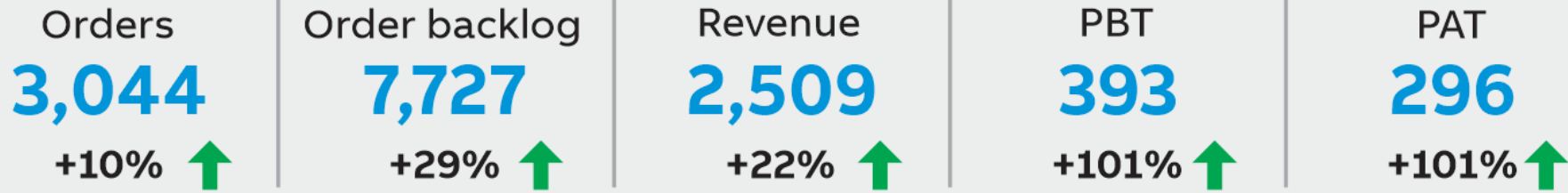


Financial highlights

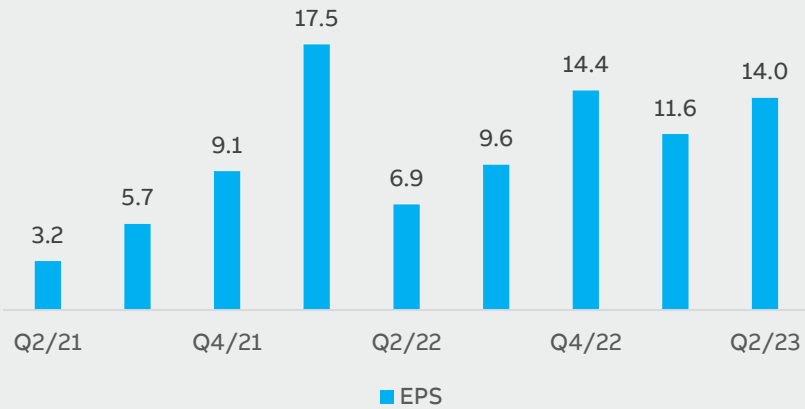


Consistent track record

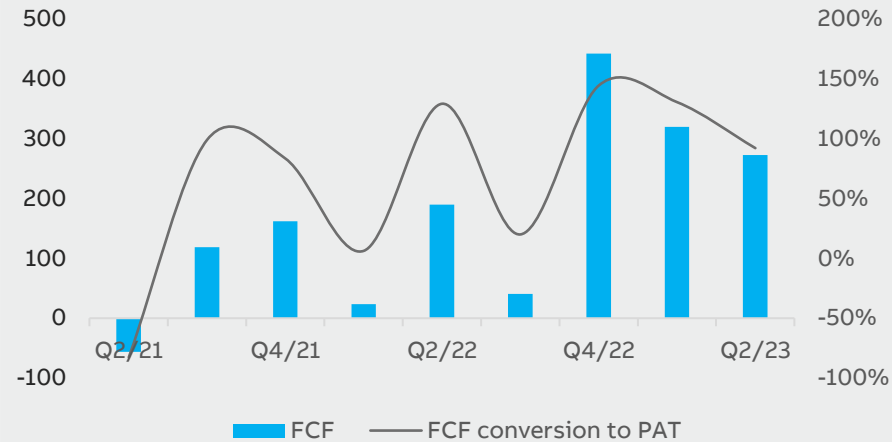
YoY comparison
(₹ in Crores)



Earnings per share



FCF conversion to net income



- Consistent double-digit order growth over the last quarters
- Double digit revenue and profitability growth across all business divisions
- Free cash flow conversion in line with PAT after considering dividend payout in Q2

Executive summary

Strong performance; superior margins

INR crores

Q1 2023	Change vs Q1 23	Performance Indicator	Q2 2023	Q2 2022	Change vs Q2 22	H1 2023	H1 2022	Change vs H1 22	CY 2022
3,125	-3%	Total Orders Received	3,044	2,767	+10%	6,169	5,066	+22%	10,028
7,170	+8%	Order Backlog (end of period)	7,727	5,995	+29%	7,727	5,995	+29%	6,468
2,411	+4%	Revenue	2,509	2,053	+22%	4,920	4,021	+22%	8,568
328	+19%	Profit Before Exceptional and Tax (PBT)	393	196	+101%	721	394	+83%	1,024
13.6		PBT before Exceptional %	15.7	9.5		14.7	9.8		11.9
328	+19%	Profit After Exceptional and Before Tax (PBT)	393	196	+101%	721	687	+5%	1,363
13.6		PBT after Exceptional %	15.7	9.5		14.7	17.1		15.9
245	+20%	Profit After Tax (PAT)	296	147	+101%	541	517	+5%	1,026
10.2		PAT %	11.8	7.2		11.0	12.9		12.0
274	+23%	Operational EBITA	341	227	+50%	615	392	+57%	897
11.4		Operational EBITA%	13.6	11.1		12.5	9.7		10.5
3,942		Cash balance	4,092	2,787		4,092	2,787		3,616

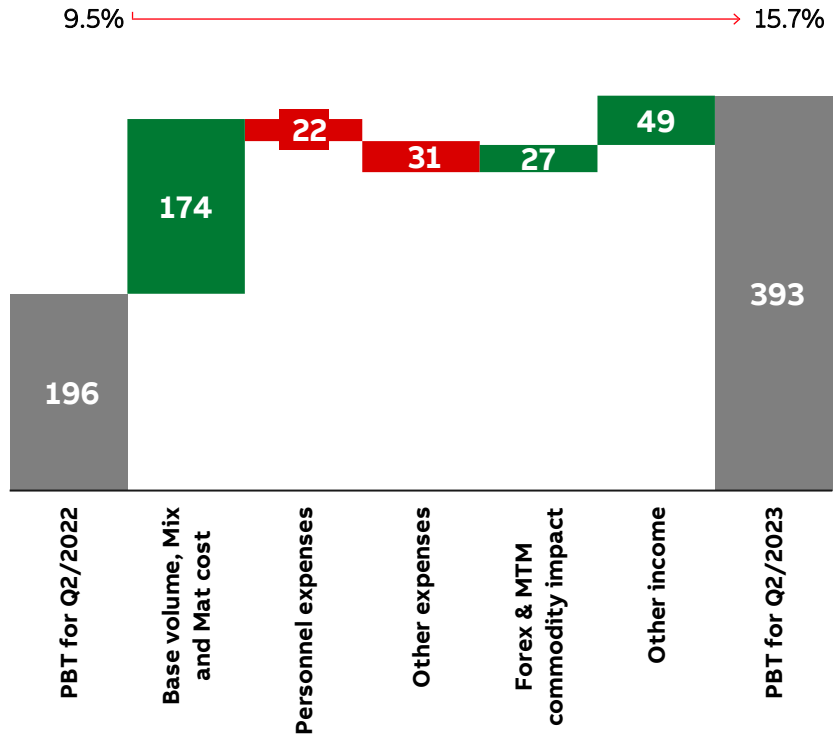
Financial summary

(INR Crores)

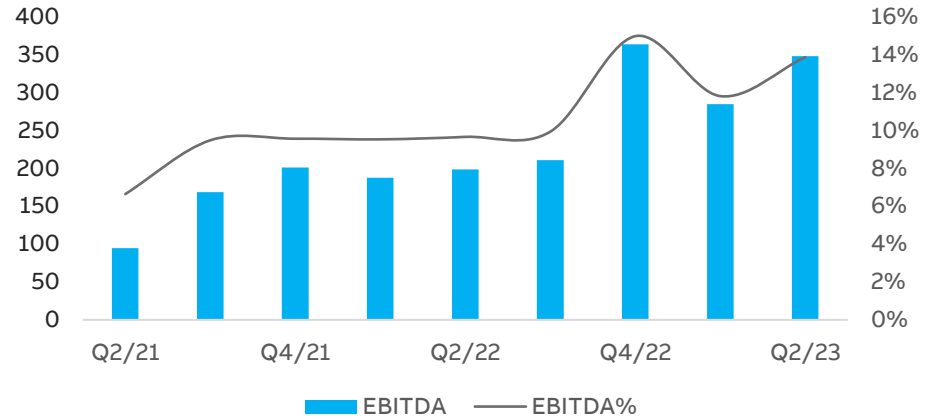
	Quarter ended on 30.06.2023		Quarter ended on 31.03.2023		Quarter ended on 30.06.2022		Half year ended 30.06.2023		Half year ended 30.06.2022		Year ended 31.12.2022	
	Crs	%	Crs	%	Crs	%	Crs	%	Crs	%	Crs	%
INCOME												
Revenue from Operations	2,508.6	100.0	2,411.2	100.0	2,052.5	100.0	4,919.8	100.0	4,020.9	100.0	8,567.5	100.0
Other Income	75.0	3.0	72.3	3.0	25.3	1.2	147.3	3.0	62.6	1.6	179.5	2.1
Total Income	2,583.7	103.0	2,483.5	103.0	2,077.8	101.2	5,067.1	103.0	4,083.5	101.6	8,747.0	102.1
EXPENDITURE												
Material cost	1,592.0	63.5	1,535.6	63.7	1,309.6	63.8	3,127.6	63.6	2,609.4	64.9	5,542.6	64.7
Personnel Expenses	168.1	6.7	187.8	7.8	145.7	7.1	355.9	7.2	320.7	8.0	635.3	7.4
Other Expenses	370.0	14.7	401.6	16.7	341.7	16.6	771.6	15.7	655.0	16.3	1,378.9	16.1
Exchange & commodity variation (net)	29.8	1.2	0.9	0.0	56.8	2.8	30.7	0.6	49.2	1.2	48.8	0.6
Depreciation	29.2	1.2	27.5	1.1	25.3	1.2	56.7	1.2	51.0	1.3	104.7	1.2
Interest	1.4	0.1	2.2	0.1	2.8	0.1	3.6	0.1	4.3	0.1	13.1	0.2
Total Expenditure	2,190.5	87.3	2,155.6	89.4	1,881.9	91.7	4,346.1	88.3	3,689.6	91.8	7,723.5	90.1
Profit before Tax and exceptional	393.1	15.7	327.9	13.6	195.9	9.5	721.0	14.7	393.9	9.8	1,023.5	11.9
Exceptional item	-	-	-	-	-	-	-	-	293.4	-	339.3	4.0
Profit before Tax and after exceptional	393.1	15.7	327.9	13.6	195.9	9.5	721.0	14.7	687.3	17.1	1,362.8	15.9
Tax Expense	97.3	3.9	82.6	3.4	48.9	2.3	180.0	3.7	170.0	4.2	337.2	3.9
Profit after tax	295.8	11.8	245.2	10.2	147.1	7.2	541.0	11.0	517.2	12.9	1,025.6	12.0

Steady profits, delivering growth

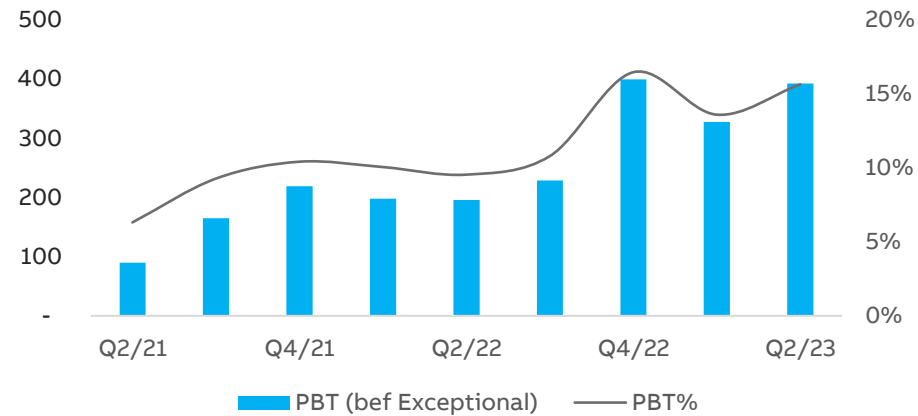
PBT Bridge



EBITDA



PBT (before Exceptional)

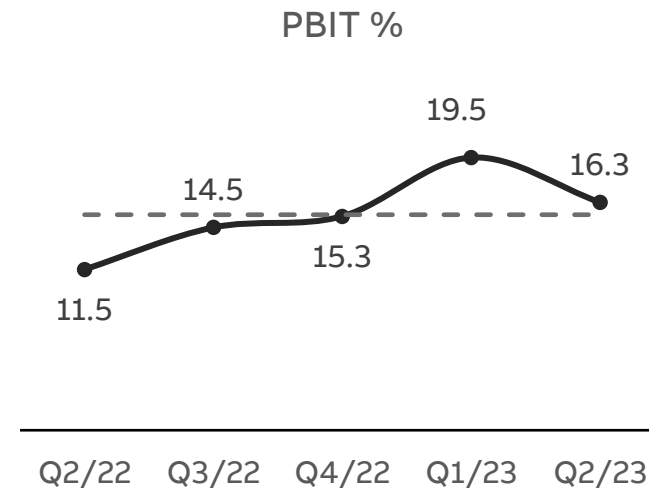
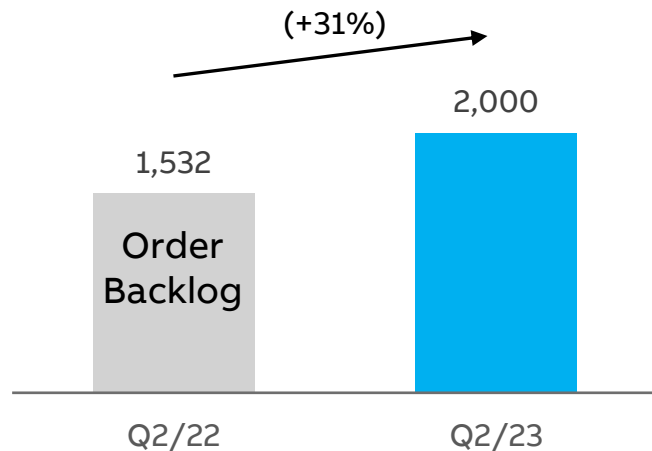
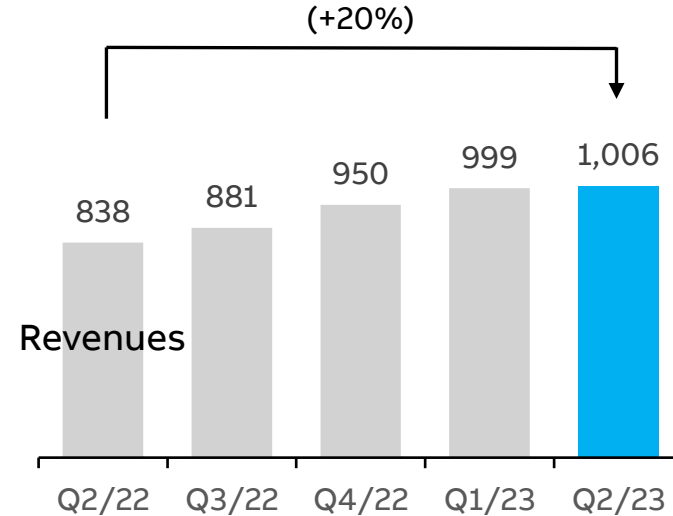
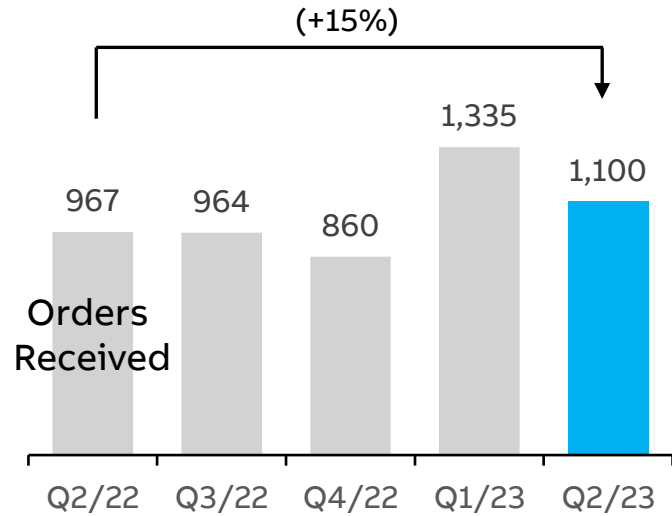


Higher profitability driven by :

- capacity utilization
- revenue mix
- price realization
- better volumes
- softening of commodity prices

Electrification

INR crores



Orders Received

- Growth across major segments and channels
- Traction in orders in the Distribution Solutions division
- Strong order momentum from data centers in the systems-related offerings

Revenues

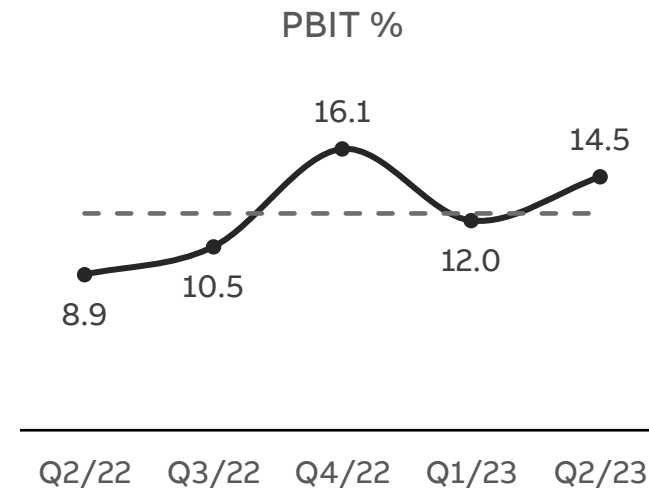
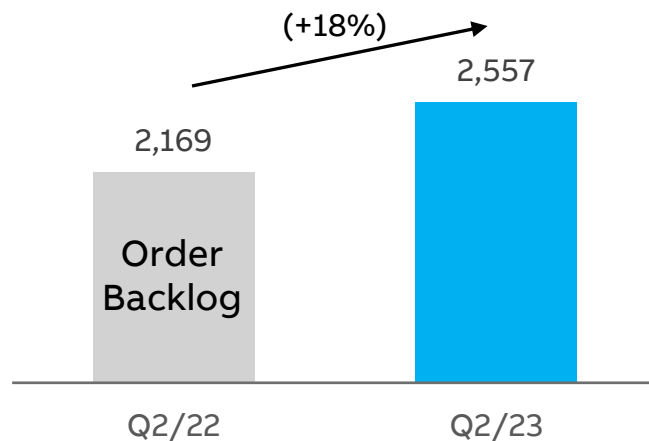
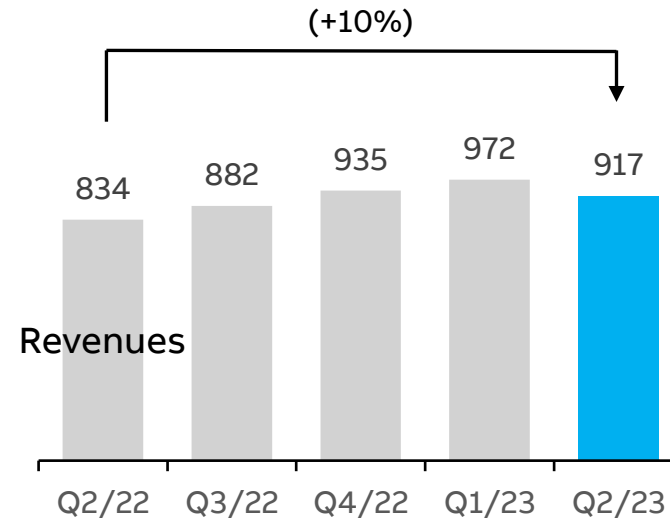
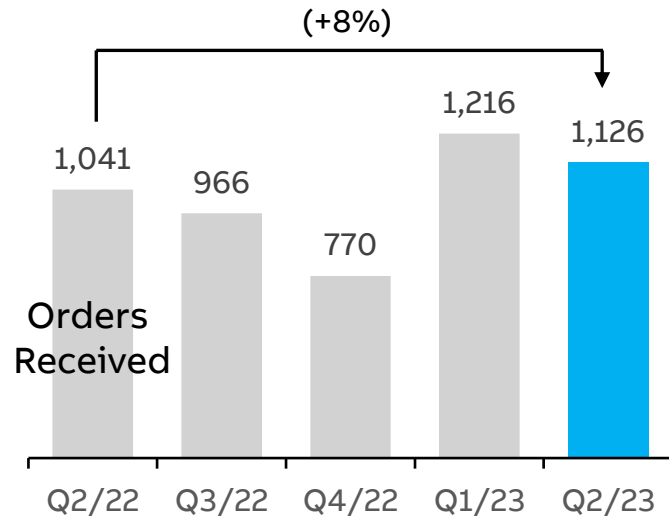
- Seamless supply chain management with visibility of execution

PBIT

- Change in mix
- Superior price realization
- Efficient capacity utilization

Motion

INR crores



Orders Received

- Strong demand momentum for energy efficient products
- High value order for traction converter
- Continuous customer engagement through service campaigns at their campuses
- Greater penetration to Tier II & III cities
- Q1 had few high value orders booked in Large Motors & Service business

Revenues

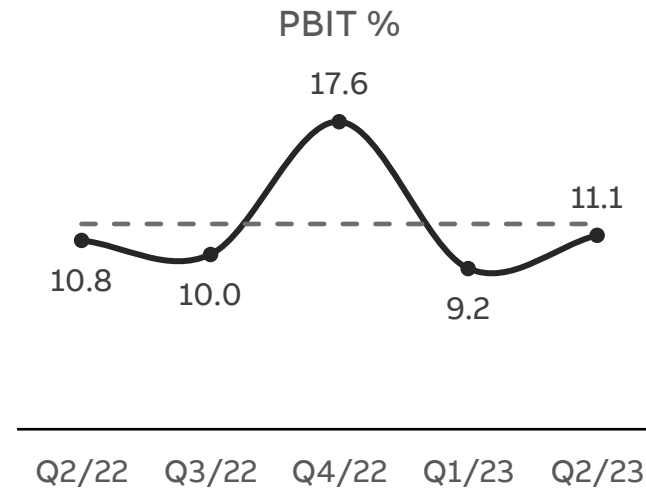
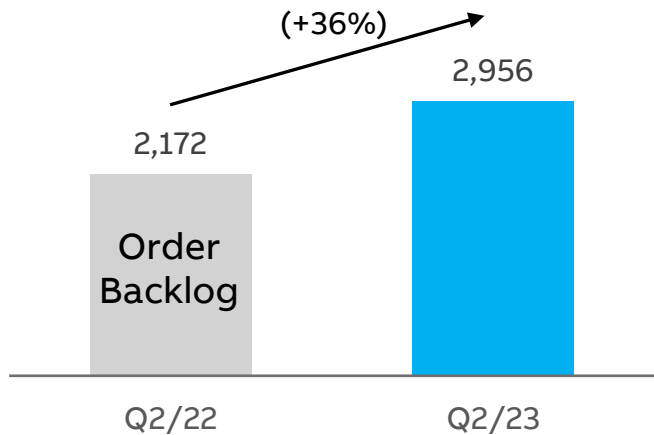
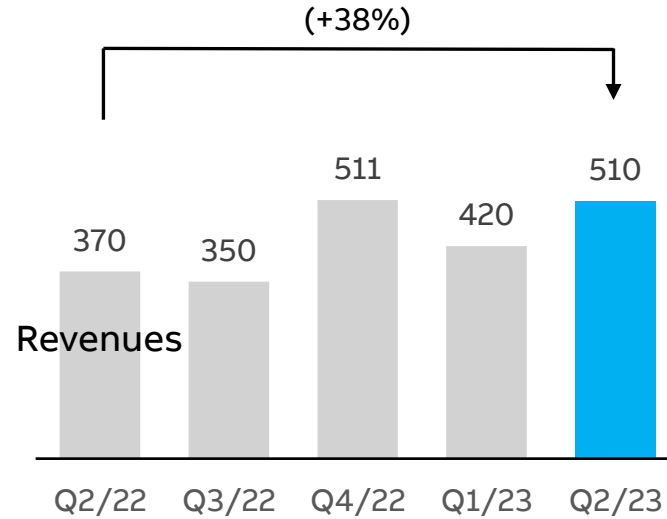
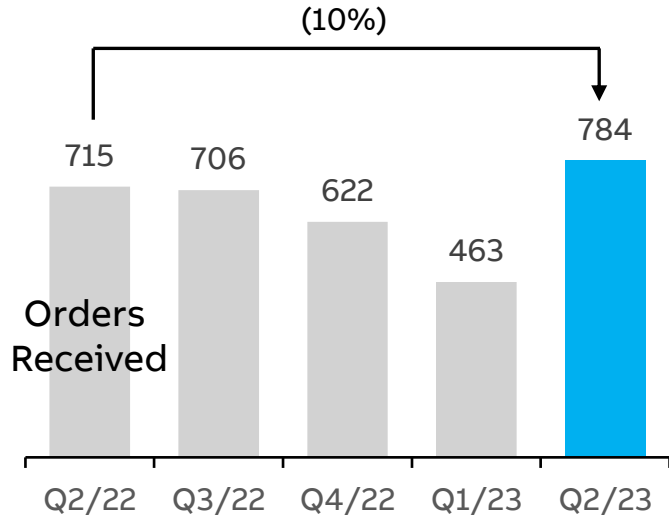
- Healthy backlog and high focus on execution

PBIT

- High volume, better revenue mix
- Q1 had lower profitability due to one-off warranty cost provision in traction converters

Process Automation

INR crores



Orders Received

- Opportunities from metals, cement, and energy segments drive growth in orders
- Uptick in export orders

Revenues

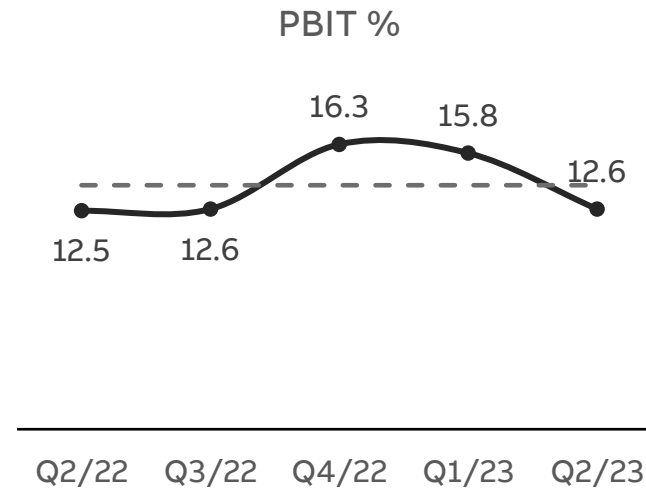
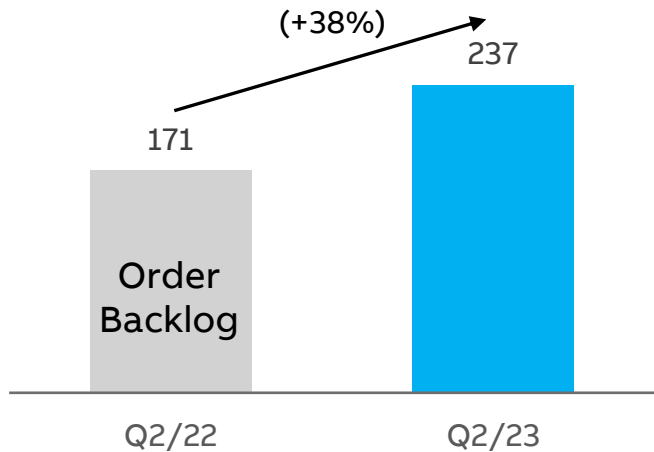
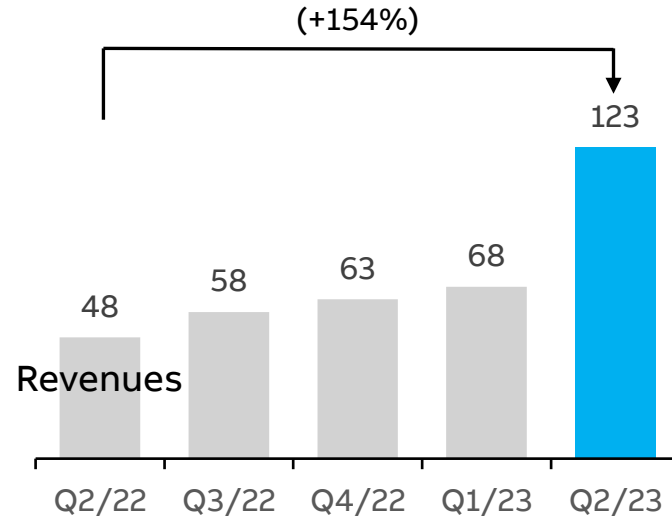
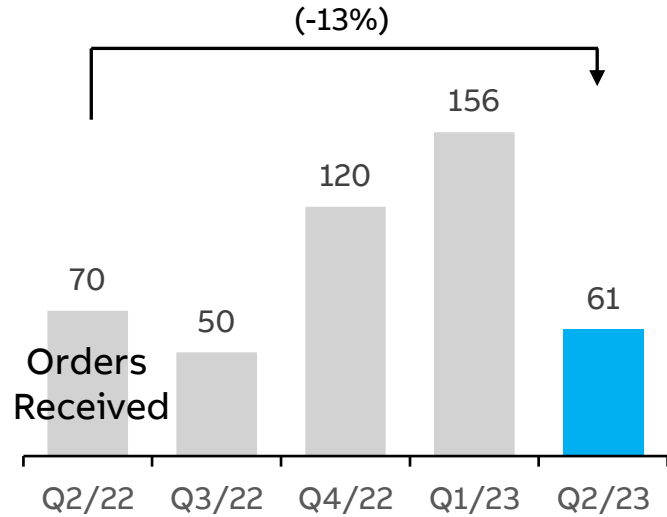
- Milestone based project execution
- Seamless backlog conversion across all businesses

PBIT

- Higher service revenues
- Focus on operational efficiencies
- Backlog execution with better margins, revenue mix contributed to higher profitability in Q4'22

Robotics and Discrete Automation

INR crores



Orders Received

- Strong inflow from automotive sector, electronics, along with service orders
- Large order from metal majors
- Q1 included large order from automotive

Revenues

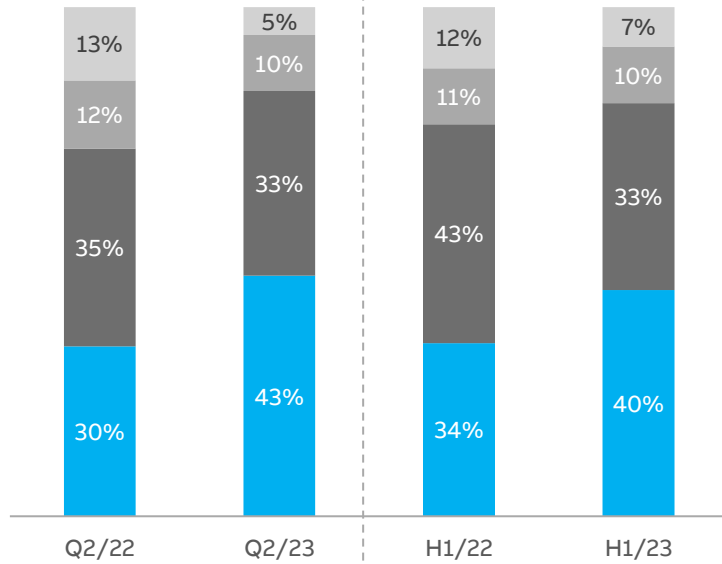
- Higher system revenues

PBIT

- Higher service revenues in previous quarters compared to current quarter

Well-structured, diversified business model

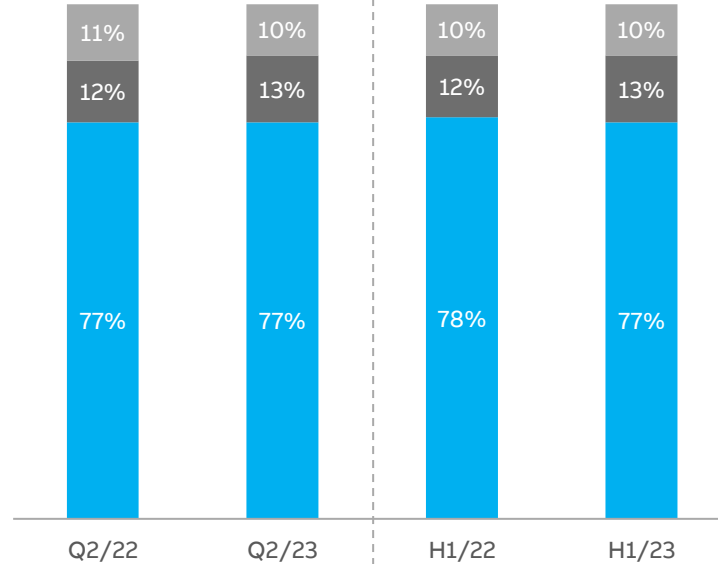
Channels



■ Direct Sales ■ Partners ■ EPCs ■ OEMs

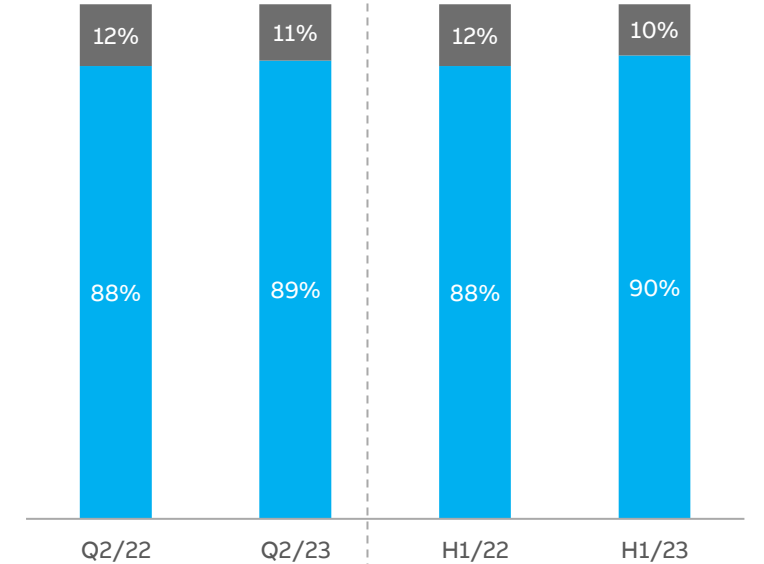
Partners include Panel Builders, Distributors & System Integrators

Offering



■ Products ■ Services ■ Projects

Geography



■ Domestic ■ Export

Note: Category distribution by Revenue

Strategic focus for H2 2023



Deeper market penetration aligned with industry trends



Build up order momentum further – sustainable growth



Sustain margin momentum with focused execution



Capital allocation aligned with ABB's purpose



Achieve sustainability targets for the year



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Technology Leader in electrification,
motion and automation, enabling a
more sustainable and resource-
efficient future

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