



REF:INABB:STATUT:LODR:PRESS REL:

October 26, 2021

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 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.

Thanking you

Yours faithfully
For ABB India Limited

Sunil L Naik
Company Secretary
ACS 15414

Encl: as above

BENGALURU, OCTOBER 26, 2021

Strong performance exceeding pre-COVID levels

ABB India Limited posts Q3 CY2021 results

Q3 CY2021 HIGHLIGHTS

- Orders up 13% for the quarter and 46% for Y-o-Y
- Revenue up 25% for the quarter and 10% for Y-o-Y
- Operational EBITA up 90% for the quarter and 64% for Y-o-Y
- PAT up by 76% for the quarter and 40% for Y-o-Y

“ABB India posted a strong recovery in all our key market segments resulting in strong order booking. We believe that we are reasonably positioned to deliver on our ambitious goals with a stable and growing order backlog, robust cash reserves, cost optimization initiatives and business continuity plans. The strong demand for ABB products, solutions and services portfolio in many of our targeted market segments along with our continuous focus on operational efficiency and cost control ensured improvement in profitability despite the sharp increase in commodity prices during the quarter.” said Sanjeev Sharma, managing Director, ABB India.

“The health and safety of all our stakeholders remains our top priority and we have continued our efforts to support the country’s vaccination program. We are progressing well on our ESG agenda aligned with the group and led by green factory certifications across locations. We will continue to enhance our CSR activities specifically in areas like healthcare and education for socially disadvantaged sections,” he added.

KEY FIGURES INR Crores *(for continuing business without Power Grids)*

	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Orders	1,909	1,308	5,423	4,461
Order backlog	4,765	4,390	4,765	4,390
Revenues	1,778	1,612	4,833	4,120
PBT before exceptional	165	114	384	165
PBT before exceptional %	9.3	7.1	8.0	4.0
Profit before tax	165	114	459	224
Profit before tax %	9.3	7.1	9.5	5.4
Profit after tax	120	85	339	168
Profit after tax %	6.7	5.3	7.0	4.1
Operational EBITA*	168	103	367	125
Operational EBITA%	9.4	6.4	7.6	3.0

Orders

Total orders for the quarter were at INR 1,909 crore as compared to INR 1,308 crore in Q3 2020, a growth of 46%. The order growth was the highest in Q3 in the last five years. While Electrification and Motion delivered strong growth, the other two segments of Process Automation and Robotics and Discrete Automation, have also gained good momentum.

Electrification business area witnessed good order inflows across all divisions and was up by 44% compared to Q3 2020. Motion business area secured order growth of 45% supported by strong contribution from channel business, exports, and packaging. Robotics and Discrete Automation showed signs of recovery as auto sector has started picking up. Orders were up by 83% compared to Q3 2020. Process automation also gained from traction in investments in mining, minerals processing and cement.

With consistent engagement and proactive actions, the quarter was marked by orders in our identified growth sectors - renewables, water, data centers, railways and metro and food and beverage. This was supported by conversion of opportunities in steel, cement, energy, and power distribution.

The order backlog is at INR 4,765 crore, which provides revenue visibility and allows the Company to capitalize on market developments in the coming quarters.

Key orders include:

- Electrical package for one of the biggest Indian multinational steel making companies
- Order from Indian Railways for propulsion equipment and converters
- Low voltage switchgear orders for electrical major
- Distributed control system and electrical package for a major cement manufacturer
- Service system upgrade orders from major automobile manufacturers

Revenue and operations

The company reported INR 1,778 crore revenue for the quarter which is higher by 10% as compared to Q3 last year. Strong backlog execution, solid customer-connect and service business led to the positive movement in the quarter. Revenue in electrification business grew by 17% Y-o-Y; Motion business saw growth across all divisions (11% Y-o-Y); Supported by bounce back of service revenue streams & backlog conversion, Robotics and Discrete Automation segment posted a revenue growth of 42% Y-o-Y &. Process Automation remained flat with some lags in dispatch clearances from customers.

During the quarter, the Company commissioned energy efficient drives for one of the country's leading vaccine companies. While most of the company's manufacturing facilities and project sites were fully operational during Q3 CY21, a new line for manufacturing low voltage motors up to 55kW for different industrial segments was commissioned at the Faridabad facility, powered by renewable energy electricity. Product launches in the period under review also included a new line of switches manufactured by deploying first of its kind collaborative robotics with ABB's YuMi® cobot at ABB's smart building factory in Bengaluru.

Profit and cash flow from operating activities

The company reported a Profit before tax (before exceptional items and one-offs) of INR 165 crore for the quarter mainly driven by better capacity utilization, revenue mix, operational efficiency, and cost optimization. Profitability improvement was witnessed across all business segments with service and product revenues while external headwinds like increasing commodity prices, supply disruptions in electronic components were building up.

Profit after tax reported at INR 120 crores, a growth of 40% over Q3 2020 driven by solid execution.

The company's cash position continues to remain robust at INR 2,481 crore at the end of Q3 2021 vis-a-vis INR 1,598 crore in Q3 2020, marking an increase of 55%.

Outlook

The Indian economy witnessed a sharp recovery led by improved macro backdrop, favorable global macro environment, and healthy rise in COVID vaccination. However, fear of resurgence of cases and its impact on domestic and global business traction remain areas of uncertainty. Also, a key element would be to adopt suitable monitoring, forecasting models to mitigate supply chain disruptions in plastics, semi-conductors as well as electronic components, which is impacting businesses across geographies. ABB India continues to have all precautionary and safety protocols in place while continuously monitoring key markets and segments. For now, demand is currently coming from sectors like renewables, water & wastewater, warehousing, F&B, pharma, data center, etc. while the company is preparing for evolving technology models and markets. ABB will continue to focus on order wins and seamless execution across projects while continuing to engage closely with customers.

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.

—

For more information please contact:

Sohini Mookherjea

Phone: +91 9632726608

Email: sohini.mookherjea@in.abb.com

—

**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.