



REF:INABB:STATUT:LODR:PRESS REL:

November 11, 2022

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

Trivikram Guda
Company Secretary and Compliance Officer
ACS 17685

Encl: as above

BENGALURU, NOVEMBER 11, 2022

ABB India continues positive performance trend

ABB India Limited posts Q3 CY2022 results

Q3 and 9M 2022 HIGHLIGHTS

- Orders up 38% for the quarter and 42% for 9M Y-o-Y
- Revenue up 19% for the quarter and 27% for 9M Y-o-Y
- Operational EBITA up 53% for the quarter and 77% for 9M Y-o-Y
- PAT up by 69% for the quarter and 112% for 9M Y-o-Y

Commenting on the company's performance, Sanjeev Sharma, Managing Director, ABB India said, "The strong performance for the quarter can be attributed to ABB India's expanding customer base and its industry-leading product portfolio, which is aligned to growing market demand. We continue to focus on our processes to be more efficient and productive for ensuring on-time execution of our backlog. Our customers across various market segments have been scaling up, accelerating the demand for innovative, energy-efficient and reliable digital solutions that ABB India offers. With a steady margin growth and solid cash position, we continue to make investments in improving operational efficiencies and expanding capacity. Our ESG goals continue to drive the business agenda at ABB India, much in line with the ABB Group Sustainability targets 2030."

KEY FIGURES INR Crores (for continuing business)

	Q3 2022	Q3 2021	Q2 2022	9M 2022	9M 2021	CY 2021
Orders	2,634	1,909	2,767	7,693	5,423	7,666
Order backlog	6,519	4,765	5,995	6,519	4,765	4,912
Revenues	2,120	1,778	2,053	6,141	4,833	6,934
PBT before exceptional / one off and tax	229	165	196	623	384	603
PBT before exceptional / one off and tax %	10.8	9.3	9.5	10.1	8.0	8.7
Profit before tax	275	165	196	963	459	724
Profit before tax %	13.0	9.3	9.5	15.7	9.5	10.4
Profit after tax	203	120	147	720	339	532
Profit after tax %	9.6	6.7	7.2	11.7	7.0	7.7
Operational EBITA*	256	168	227	647	366	575
Operational EBITA%	12.1	9.4	11.1	10.5	7.6	8.3

Orders

Total orders for the quarter were at INR 2,634 crore as compared to INR 1,909 crore in Q3 2021, a growth of 38%. Process Automation spearheaded, with wins from large conglomerates in steel, cement, gas, resulting in a 96% Y-o-Y growth in orders. Electrification business area was up by 36% compared to Q3 2021 due to strong customer connect leading to good order inflows across all channels, divisions, and segments. Motion business area orders, up 20% Y-o-Y were also supported by good contribution from channel business, exports, and package orders for motors and drives. Robotics and Discrete Automation clocked higher paint orders however overall orders de-grew by 18%.

ABB India continues to have a strong order backlog as of September 30, 2022, at INR 6,519 crore, up 37% Y-o-Y, which provides revenue visibility and is well aligned to support growth plans in the coming quarters.

Key orders include:

- Motors and drives package for a hot strip mill with continuous galvanizing line of a major global steel manufacturer
- Advanced process control solution for a large integrated pulp and paper manufacturers, to help reduce the energy requirements of the highly interactive lime kiln production process
- LV MNS and ArTu boards for data centers and document management companies
- Electrical control and implementation package for a cement clinker and waste heat recovery system
- Power distribution equipment like switchgears for a leading metals major
- Electric traction motors for high-capacity electric multiple unit trains
- Smart control system for a major chemical manufacture in Hyderabad
- Energy gap assessment & power system studies for a global F&B services major

Revenue and operations

The company reported INR 2,120 crore revenue for the quarter which is 19% higher compared to Q3 last year. Strong execution momentum on the back of healthy order book, solid customer demand, and better internal efficiencies in execution led to the positive movement in the quarter. Revenue in electrification business grew by 27% Y-o-Y, supported by higher order booking and uninterrupted operations and at the same time Motion business saw growth across all divisions (26% Y-o-Y), while Process Automation remained flat. Revenue execution in Robotics and Discrete Automation continued to be held back by supply chain impacts, although access to semiconductors is somewhat improving.

During the quarter, ABB India expanded and upgraded its Smart Power factory at Nelamangala, Bengaluru, making it one of the first in India to transition to Industry 5.0 standards, with human and cobots collaboration.

Profit and cash flow from operating activities

The company reported a Profit before tax (before exceptional items and one-offs) of INR 229 crore for the quarter mainly driven by higher capacity utilization, operational efficiency and productivity, and cost optimization. The growth in profit reflects 39% uptrend year on year. ABB India continues to focus on profitability improvement across all business segments to mitigate the impact of external headwinds like inflation and currency volatility.

Profit after tax reported at INR 203 crores, a growth of 69% over Q3 2021 driven by solid execution after considering a one-time extraordinary gain (INR 46 Crores) on the final divestment of the turbo charger business.

The company's cash position continues to remain robust at INR 3,181 crore at the end of Q3 2022 vis-a-vis INR 2,481 crore in Q3 2021, marking an increase of 28%.

Outlook

The Indian economy seems steady in its path for growth despite geopolitical uncertainties, tightening of monetary conditions globally, and inflation. Momentum in economic activity is expected to continue with thrust from the central government on infrastructure development, rail and power sectors. Several policy initiatives have been put in place to encourage import substitution and increase exports, which, along with a strong demand environment, provide a hedge against mounting global challenges.

ABB India is well-positioned to benefit from these policy initiatives along with ongoing capex cycles on account of enhanced internal efficiencies, presence in diversified sectors, and strong capabilities in electrification and automation. The Company continues to focus on order wins across sectors and seamless execution. It will continue to engage closely with its customers and provide collaborative solutions through innovation on the back of technological trends, digitalization and decarbonization.

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.

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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.