ABB LTD
Form 6-K
April 26, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of April 2012

Commission File Number 001-16429

ABB Ltd

(Translation of registrant s name into English)

P.O. Box 1831, Affolternstrasse 44, CH-8050, Zurich, Switzerland

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): o

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indication by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): o

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant s home country), or under the rules of the home country exchange on which the registrant s securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant s security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No x

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

This Form 6-K consists of the following:

1. Press release issued by ABB Ltd dated April 25, 2012.

2. Agenda and Resolutions from the ABB Ltd General Meeting of Shareholders held on April 26, 2012.

3. Press release issued by ABB Ltd dated April 26, 2012.

4. Announcements regarding transactions in ABB Ltd s Securities made by the directors or the members of the Executive Committee.

The information provided by Item 1 above is deemed filed for all purposes under the Securities Exchange Act of 1934.

Press Release

Top-line growth in a challenging environment

- **Orders up 2%(1) (unchanged organic(2)), revenues up 8% (6% organic) vs Q1 2011**
- **Order backlog at a near-record $29.9 billion**
- **Operational EBITDA(3) 7% lower on negative mix and pricing**
- **Net income up 5%**

Zurich, Switzerland, April 25, 2012 ABB reported higher orders and revenues in the first quarter of 2012, led by growth in North America. Operational EBITDA declined 7 percent compared to the same quarter a year earlier while net income was up 5 percent.

Orders were 2 percent above the very high levels in the first quarter of 2011, driven mainly by utility investments in power distribution and industrial demand for automation solutions that increase productivity. Order growth mirrored regional economic trends and was weakest in China and southern Europe. Service orders were up 9 percent and represented 20 percent of total orders, reflecting progress in implementing the service growth strategy.

Revenues increased in all divisions and were 8 percent higher than the same quarter a year earlier, led by 21-percent growth in Discrete Automation and Motion (15 percent organic) and 9 percent in Power Products. Revenues were also supported by the strong order backlog, which continued to grow in the first quarter and is now at a near-record $29.9 billion. Service revenues grew 12 percent.

Operational EBITDA was $1.2 billion with an operational EBITDA margin of 13.9 percent, down 1.8 percentage points versus Q1 2011 on continuing mix and price pressure that were partly offset by positive volume impacts and cost savings of approximately $260 million.

ABB once again demonstrated its resilience, with good growth despite the tough comparison with a great first quarter last year and continued macroeconomic uncertainty in many markets, said ABB Chief Executive Officer Joe Hogan. Our diverse business and geographic scope and growing service business helped mitigate that uncertainty, while our strong order backlog supported revenues.

As we guided after Q4, there was continued price pressure on revenues coming out of the order backlog and mix effects that impacted profitability, but we could mitigate most of that through cost savings, Hogan said. We saw improved profitability in several businesses compared to the end of last year, and we intend to build on that momentum to tap the many opportunities we see for profitable growth over the rest of the year.

Q1 2012 key figures

			Change	
$ millions unless otherwise indicated	**Q1 12**	**Q1 11**	**US$**	**Local**
Orders	10 368	10 357	*0%*	*2%*
Order backlog (end March)	*29 910*	*29 265*	*2%*	*6%*
Revenues	8 907	8 402	*6%*	*8%*
EBIT	1 048	1 013	*3%*	
as % of revenues	11.8%	12.1%		
Operational EBITDA(3)	1 228	1 319	*-7%*	
as % of operational revenues(3)	13.9%	15.7%		
Net income attributable to ABB	685	655	*5%*	
Basic net income per share ($)	0.30	0.29		
Cash flow from operating activities	(22)	236		

(1) Management discussion of orders and revenues focuses on local currency changes. U.S. dollar changes are reported in the results tables.

(2) Organic changes exclude the acquisition of Baldor at the end of January, 2011

(3) See reconciliation of operational EBITDA in Note 13 to the Interim Consolidated Financial Information (unaudited)

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Summary of Q1 2012 results

Orders received and revenues

Orders grew modestly in the first quarter compared to a strong first quarter in 2011 in a demand environment that varied widely by business and region.

Power Products orders increased 11 percent, driven largely by demand from the power distribution and industrial sectors, while orders were 3 percent higher in Power Systems on continued demand from both utility and process industry customers. Macroeconomic uncertainty, mainly in Europe, continues to impact the timing of large project investments in the power transmission sector.

Orders in the Discrete Automation and Motion division grew 15 percent (9 percent organic) compared to the same quarter in 2011 and were up in all regions, fuelled by customer needs to increase industrial productivity and a strong contribution from Baldor. Low Voltage Products orders declined 3 percent, reflecting this business s exposure to weak short-term economic cycles in several key country markets. Process Automation orders were steady versus a strong first quarter in 2011. Demand growth in sectors like oil and gas, mining and marine remained resilient at high levels.

Regionally, orders rose 27 percent in the Americas (23 percent organic), including orders for a mining development in South America and power quality equipment in the U.S. Orders were also slightly higher in the Middle East and Africa and flat in Europe versus a strong first quarter in 2011. European orders were mixed, with robust demand in northern and central European offset by weakness in the Mediterranean region, especially Italy. Orders declined in Asia, mainly China. This was partly a reflection of several large power orders with a total value of more than $300 million in the prior-year period, and partly of weaker demand in key end markets, such as construction and transportation.

Base orders (below $15 million) rose 4 percent (2 percent organic) in the quarter compared to the same quarter a year ago. Large orders (above $15 million) decreased 11 percent and represented 14 percent of the total orders in the quarter, compared to 16 percent in the year-earlier period.

For the Group, service orders grew by 9 percent in the quarter and comprised 20 percent of total orders, a slight increase compared to the same period a year ago.

The order backlog at the end of March was $29.9 billion, a local-currency increase of 6 percent compared with both the end of the first quarter in 2011 and the end of the fourth quarter of 2011.

Revenues grew in all divisions, supported in large part by execution of the order backlog. Organic revenue growth was 6 percent. Service revenues grew 12 percent and represented 17 percent of total revenues compared to 16 percent in the year-earlier period.

Earnings and net income

The decrease in operational EBITDA and operational EBITDA margin in the first quarter was due to the delivery of lower-margin products and projects out of the order backlog reflecting mainly the weak pricing environment in power and the lower share of sales from early-cycle products that typically carry higher margins, especially in some large markets in Asia and Europe. More than half of the Group s profitability decline versus the first quarter of 2011 was attributable to the challenging demand environment in China, especially in the construction and transportation sectors.

As part of the company s ongoing cost management initiative, savings of approximately $260 million were achieved in the quarter, of which about 60 percent were derived from optimized sourcing, approximately 35 percent from productivity and quality improvements, and the remainder from measures to adjust ABB s global manufacturing and engineering footprint to shifts in customer demand. Costs associated with the program in the first quarter were approximately $20 million.

Net income for the quarter increased 5 percent to $685 million. Basic earnings per share were $0.30.

Balance sheet and cash flow

In January 2012, ABB Ltd issued a CHF 350-million six-year bond. In March, a subsidiary of ABB Ltd issued a 1.25 billion seven-year bond. This bond was guaranteed by ABB Ltd, which also intends to guarantee the two U.S.-dollar bonds issued last year by a U.S. subsidiary with the benefit of a keep-well agreement.

As a result, total debt amounted to $6.2 billion at the end of March 2012 compared to $4.0 billion at the end of 2011.

Net cash at the end of the first quarter was $1.4 billion compared with $1.8 billion at the end of 2011. Cash out from operations amounted to about $20 million, mainly the result of an increase in net working capital and higher tax payments pertaining to the previous year s income.

Acquisitions

ABB announced in January 2012 an agreed offer to acquire U.S. low-voltage equipment manufacturer Thomas & Betts for a total cash consideration of $3.9 billion. The transaction is expected to be closed in the second quarter of 2012, pending approval of the deal by Thomas & Betts shareholders and customary regulatory approvals.

In accordance with the terms of the $4-billion bridge financing arranged for the planned acquisition, the bond issued in March 2012 reduced the available commitments under the bridge financing to about $3.9 billion. The company intends to make a voluntary cancellation to further reduce the commitments to $2 billion.

Management changes

In April 2012, ABB announced the appointment of Prith Banerjee to ABB s Executive Committee (EC) as Chief Technology Officer, starting midyear 2012. As previously communicated, Greg Scheu will join ABB s EC as head of Marketing and Customer Solutions effective May 1, 2012.

Outlook

The long-term outlook for ABB remains positive, with utilities continuing to invest in grid upgrades and industries spending more on automation solutions to increase energy efficiency and productivity.

The macroeconomic volatility seen in late 2011 is continuing and makes short-term forecasts more challenging. There are clearer signs of recovery in the North American economy since the fourth quarter of 2011, but uncertainty around government budget deficits in Europe remains high, which weighs on demand in markets like Italy and Spain. Emerging markets continue to outgrow mature markets overall, but demand in certain sectors that are important for ABB, such as construction and transportation in China, remains at low levels and it is unclear when this demand will recover.

Against this background, management expects revenues in most of its early-cycle businesses to remain steady or to grow at low single-digit rates compared to 2011 levels until confidence in the macroeconomic outlook improves. Revenues in mid- to later-cycle businesses with strong order backlogs and exposure to sectors with continuing good demand, such as oil and gas, minerals, power distribution and discrete automation, are expected to continue to grow. The company s exposure to faster-growing emerging markets is also expected to support growth, while the businesses in North

America and north and central Europe should benefit from the ongoing positive economic developments in those regions.

Price pressure is expected to continue in parts of the power business, in line with the company s previous guidance, but ABB aims to offset this with ongoing cost and productivity improvements. The continuation of the unfavorable mix seen in recent quarters will depend mainly on economic developments in China, as well as in southern Europe. However, management believes that overall demand will provide ample opportunities for profitable growth in 2012 and confirms its longer-term Group and divisional targets.

Divisional performance

Power Products

			Change	
$ millions unless otherwise indicated	**Q1 12**	**Q1 11**	**US$**	**Local**
Orders	3 117	2 860	*9%*	*11%*
Order backlog (end March)	*8 859*	*8 850*	*0%*	*3%*
Revenues	2 513	2 327	*8%*	*9%*
EBIT	323	350	*-8%*	
as % of revenues	12.9%	15.0%		
Operational EBITDA	363	404	*-10%*	
as % of operational revenues	14.5%	17.3%		
Cash flow from operating activities	123	160	-23%	

Orders increased across all business units compared to a strong first quarter in 2011. Growth was driven primarily by demand from the power distribution and industrial sectors. This was supported by a selective approach to projects in power transmission, where uncertainty continues to impact the timing of capital investments by utilities. Orders were higher in the Americas and the Middle East and Africa but declined in southern Europe on ongoing economic challenges. Orders in China were impacted by the weak rail, nuclear and real-estate sectors.

Revenues saw continued growth in all business units driven by the order backlog and higher service volumes.

The lower operational EBITDA and operational EBITDA margin for the quarter resulted mainly from the execution of lower margin orders from the backlog, reflecting the pricing environment. Margins were also affected by a less favorable product mix. Cost savings from ongoing sourcing initiatives, operational improvements and footprint efforts partially compensated the margin pressure.

Power Systems

			Change	
$ millions unless otherwise indicated	**Q1 12**	**Q1 11**	**US$**	**Local**
Orders	1 958	1 937	*1%*	*3%*

Order backlog (end March)	*12 115*	*11 498*	*5%*	*10%*
Revenues	1 807	1 833	*-1%*	*1%*
EBIT	88	105	*-16%*	
as % of revenues	4.9%	5.7%		
Operational EBITDA	117	132	*-11%*	
as % of operational revenues	6.6%	7.3%		
Cash flow from operating activities	(48)	(49)	2%	

An increase in large orders supported by a number of substation projects and an HVDC contract in the U.S. resulted in higher order intake than in the first quarter of 2011. Regionally, orders increased in the Americas and the Middle East and Africa, mainly from grid upgrades. Asia and Europe saw lower activity due to market uncertainty which impacted the timing of utility investments.

Revenues were stable, reflecting the execution of projects from the order backlog.

Operational EBITDA and operational EBITDA margin in the first quarter declined mainly as a result of higher R&D spending and execution of lower margin orders from the backlog. Cost savings largely offset this impact.

Discrete Automation & Motion

			Change	
$ millions unless otherwise indicated	**Q1 12**	**Q1 11**	**US$**	**Local**
Orders	2 678			