

Investor day

November 17, 2010

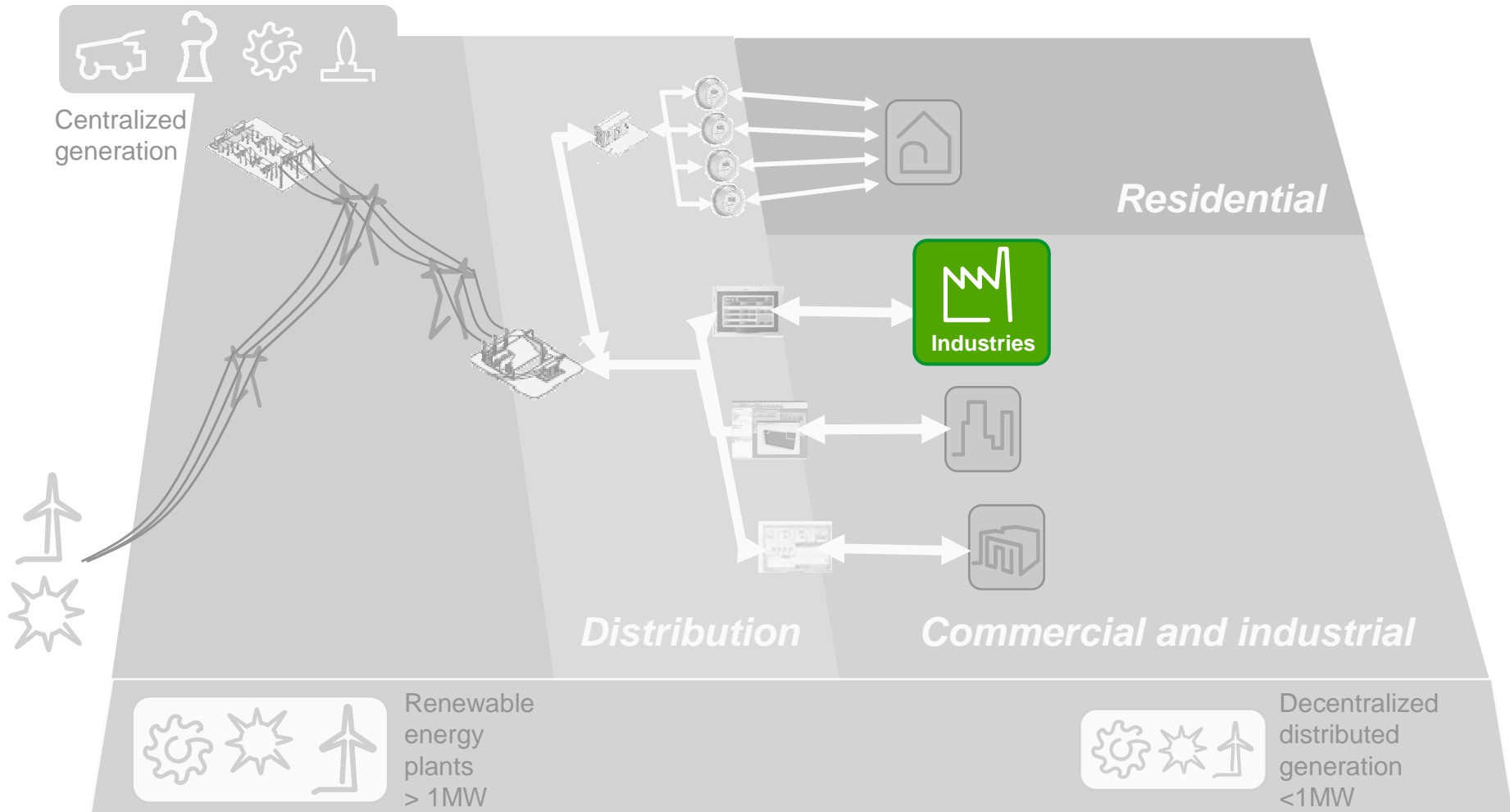
Industry business

Clemens Blum

Executive Vice President



Industry: Business strategic domain



Industry: Business overview

Business size

€3.7bn
 of LTM sales*

Industrial Automation

#2
 worldwide

Key Channels

Distributor
OEMs

System Integrator
End-users

1st channel
Other key channels

Our offer

Solutions
 - for OEMs
 - for end-users
 - drive systems

CST

H2I, PLCs, Sensors

Motion, Drives, Contactors

9-month 2010 sales*

Segment responsibility

Metals, Minerals, Mining
 Water
 OEM

Geographies

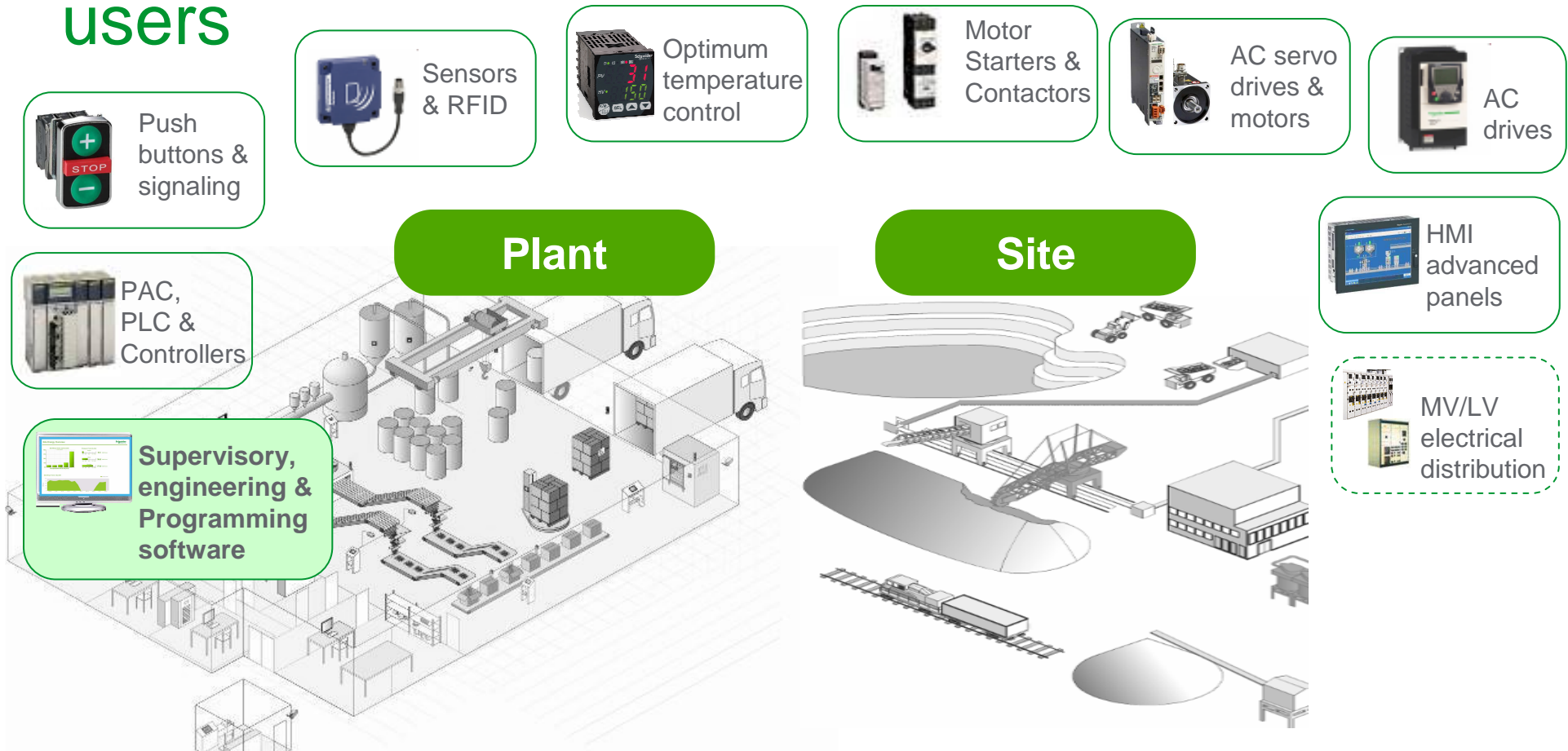
New economies

Mature countries

9-month 2010 sales*

* On a proforma basis including CST that will be reported under Industry from 2011 onwards
 H2I: human intelligent interface / PLC: programmable logic controller / OEM: original equipment (machine) manufacturer

A complete offer for industrial plants and end users



Machine automation

- Tested. Documented, Validated Architectures
- Application Libraries
- Machine safety

Production management

- Monitoring and data log
- Traceability
- Asset management

Plant automation

- Collaborative control system
- Dedicated object libraries
- Local network management
- Redundant architectures
- Advance process control

Services

- Installed base services
- Energy Management services:
Energy Audits, Energy Management systems

Our business benefits from favorable market drivers

Global Market Drivers

Rising energy cost and regulation change (carbon reporting)

Smart grid: demand response opportunity for large users

New economies : infrastructure, capex investment and growing wealth

Business Specific Drivers

Aging workforce and infrastructure in mature countries

High demand volatility and more product variety

Productivity and simplicity

- Cost of labor and engineering cost
- “Talent drain”
- Need for retrofit

- Need for flexibility, speed, choice and predictability
- Faster time to market

- Simple and harmonized tools, easy commissioning
- Modular architecture
- Optimized quality and cost of production

We reduce complexity for OEMs with flexible machine control: Machine

One single software environment

Unique TVDA* value proposition

End-to-end service support

Simple and easy to use

> Integrated software SoMachine:
Simplify machine programming & commissioning



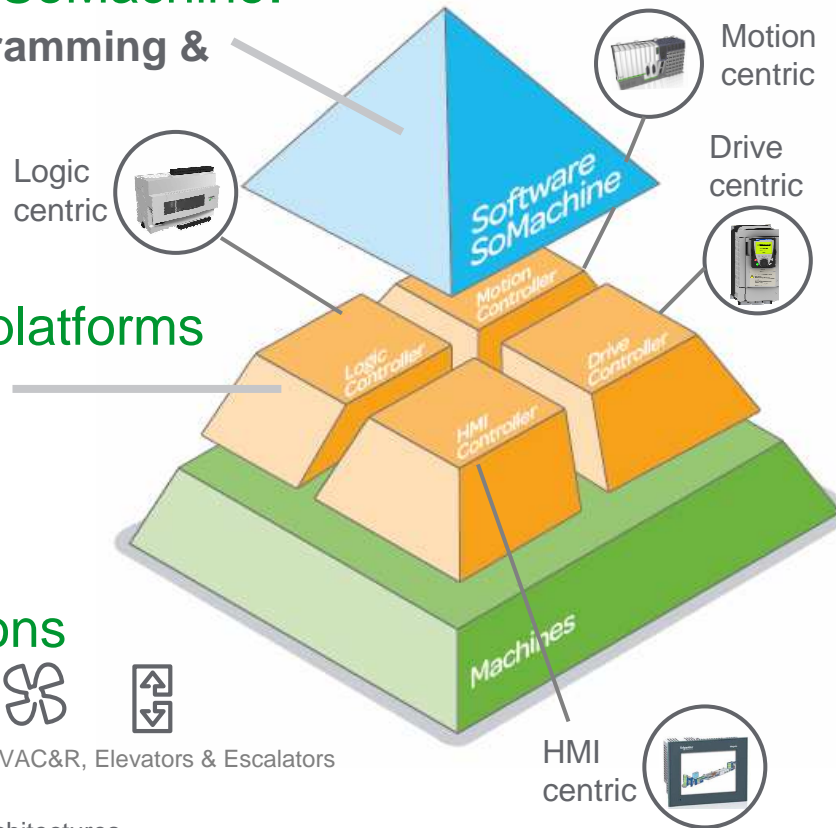
> 4 hardware control platforms
Embedded Intelligence



> 6 targeted applications



Hoisting, Textile, Packaging, Conveying, HVAC&R, Elevators & Escalators



- > Speed up « concept to design »
- > Optimise machine production, flow and capacity
- > Optimise on-site intervention costs

* TVDA: Tested, Validated, Documented Architectures

Solutions boost business with OEMs

Spain: Flying filling machine for chocolate producers

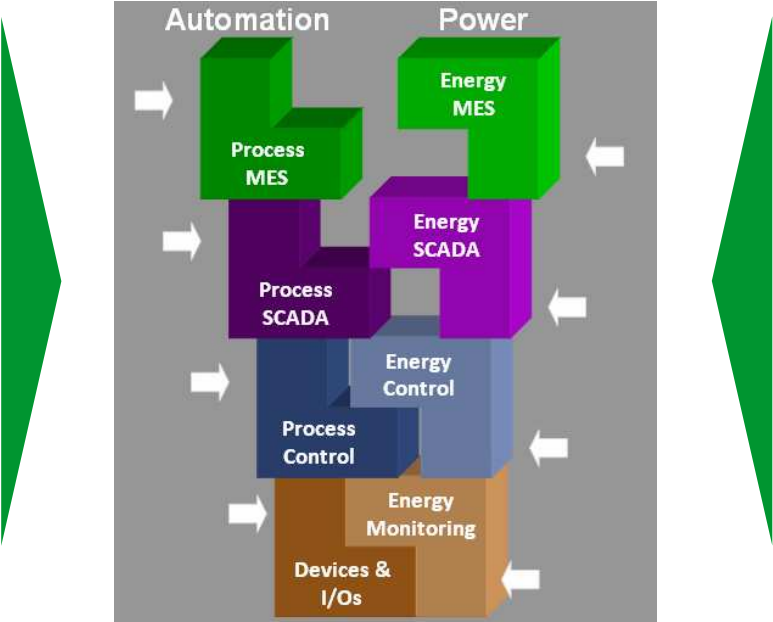
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Connecting automation and control to power management to optimize energy consumption



Plant Automation & Control

Goal:
Optimize production



Plant Electrical Infrastructure

Goal:
Maximized plant availability and utilization

Collaborative architecture bridging two former silos to yield holistically optimized plants

Reduced energy consumption per unit produced and allow carbon reporting

Better consumption forecasting, key for developing demand response

Solutions boost business with Final Users

Cement plant in Colombia

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Industry: Solid base for growth

- ✓ Best-In-class **products**
- ✓ Innovation for **simplicity** to help customer overcome “talent drain” and reduce costs
- ✓ Grow strong position in selected OEM markets by deploying the **MachineEtruxure**
- ✓ Accelerate **EcoEtruxure** deployment in major countries and energy intensive segments
- ✓ Leverage installed base and deliver end-to-end **services**



Energy Efficiency

- ✓ Deploy **EcoEtruxure**
- ✓ Deploy energy management services focused on energy saving

Smart Grid

- ✓ Demand response for large end-users

New economies

- ✓ Huge energy efficiency opportunities for industry
- ✓ Simple machine solutions for OEM market

Drive simplicity for growth

Unique value proposition for OEMs

Market share gain

**Help people make the
most of their energy**

