

ABB wins \$220 million Gulf Grid order

Group's largest order in 2005, one of largest ever substation orders

Zurich, Switzerland, November 17, 2005 – ABB, the leading power and automation technology group, announced today it has won a contract worth \$220 million from the Gulf Cooperation Council Interconnection Authority (GCCIA) for phase one of the massive Gulf Grid project, linking the electricity networks of six Gulf states.

The Gulf Grid is the biggest power transmission project to be announced anywhere in the world in 2005. “This order confirms both our market leadership and the quality of our technologies. We are proud to be contributing our cutting-edge substation technology to this project, boosting transmission capacity and improving the reliability of power grids in the Gulf,” said Peter Smits, head of ABB’s Power Technologies division.

It is ABB’s largest single order so far in 2005, and one of the largest substation orders ever won by the company.

The Gulf Grid project will be carried out in three phases. Phase one will link Saudi Arabia, Bahrain, Qatar and Kuwait. For this, ABB will deliver six turnkey 400-kilovolt (kV) gas-insulated substations, including gas-insulated switchgear, circuit breakers, transformers and shunt reactors as the main components.

ABB will be responsible for design and manufacturing of the equipment, system engineering, installation, commissioning and civil works. Work will start immediately, to be completed by January 2009. Phase two will link United Arab Emirates with Oman, and all states will be linked up in the final phase.

The power grid is expected to help GCC member states to exchange electricity to meet growing needs, utilize surplus output and ensure uninterrupted electricity supply. According to GCCIA the payback period for the investment of about \$1 billion is less than four years.

ABB (www.abb.com) is a leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in around 100 countries and employs about 103,000 people.

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