

ABB acquired the semiconductor business of Polovodice a.s.

The company expands its power semiconductor business amid rising demand

Prague, Czech Republic, June 1st 2010 – ABB, the leading power and automation technology group, has acquired the semiconductor business of Polovodice a.s. in the Czech Republic. The agreement on the transfer of the semiconductor business of Polovodice a.s., a member of CKD group, to ABB came into effect on June 1st. This is a further step to ensure continuous supplies to ABB customers in a growing market for renewable energy and amid efforts to improve energy efficiency.

The business acquired by ABB is mainly focused on power semiconductor activities. About 200 employees will join ABB. The parties agreed not to disclose the value of the transaction.

ABB Czech Republic has appointed Juergen Winterer as the Business Unit Manager for Semiconductor business. He has 16 years experience in the Semiconductor area, working in Product Design, R&D, Project management, Process Engineering and Operations Management. Mr. Winterer is coming from ABB in Switzerland, Lenzburg, but his international experience includes a 3-year assignment in Singapore, where his main responsibility was the management of production facility for communication semiconductors with 700 employees and the transfer of this facility to Malaysia.

“The integration of Polovodice into ABB will require the integration with the existing power semiconductor business of ABB in Switzerland and the administrative integration into the Czech country organisation of ABB. In terms of the integration process, the product portfolio of the combined business will be streamlined, a decision on the optimal production location for each product will be made, and future technical developments will be coordinated. In addition, synergies in supply management for power semiconductor specific supplies will be utilised. The initial setup and definition phase should be finished by the end of 2010, while the ensuing transfer of production for certain products will take a number of years,” said Juergen Winterer.

Power semiconductors are switching devices that control the flow of electrical power and convert electricity into the wave form and frequency needed. They are at the heart of many leading ABB technologies such as high-voltage direct current (HVDC) transmission systems, variable speed drives and to connect renewable energy sources such as wind and solar to the electricity grid.

ABB is already investing \$150 million over three years to expand its semiconductor plant in Lenzburg, Switzerland. The acquisition will improve economies of scale at each facility and will increase flexibility of production and delivery.

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 117,000 people. In the Czech Republic, ABB operates in 8 locations, employing almost 3 000 people.

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