

ABB opens fifth factory in Brazil in \$200-million expansion plan

Plant in Sorocaba near São Paulo to manufacture low-voltage products, motors, generators and drive systems

Zurich, Switzerland, Feb. 26, 2014 – ABB, the leading power and automation technology group, officially inaugurated its fifth factory in Brazil in the presence of the Minister of Development, Industry and Foreign Trade, Mauro Borges, and the Governor of São Paulo Geraldo Alckmin. The new plant is part of a \$200-million investment to expand ABB's technology development and production capacity to serve increasing domestic demand from industries such as petrochemicals, pulp and paper, oil and gas, and mining, as well as energy.

The new greenfield plant, located in the city of Sorocaba in the state of São Paulo, began operating in the second half of 2013 and by 2015 is expected to have generated 1000 jobs directly and indirectly, in the region. ABB will for the first time assemble in one location compact power substations ("e-houses") as well as manufacture motors, generators, drive systems, measurement equipment and low-voltage products.

Brazil is boosting its industrial production, power capacity and enhancing its transmission and distribution infrastructure to meet the needs of its expanding economy as well as for the 2014 FIFA football World Cup and the 2016 Olympic Games.

"ABB is extremely proud of this new state-of-the-art facility, which demonstrates once again our long-term commitment to Brazil," ABB CEO Ulrich Spiesshofer said. "As one of the world's leading economies, Brazil is a key market for ABB. We are very pleased to continue to support Brazil's economic growth through infrastructure and industrialization projects."

Typically, customers in Brazil have tended to procure their electrical equipment from multiple suppliers. With its new factory, ABB can act as a single vendor capable of engineering, designing, assembling, packaging, testing and delivering equipment, including switchgear, drives, periphery distribution equipment and automation systems, as well as managing the assembly of compact substations.

The factory also has service workshops to help customers with maintenance and repair of motors as well as a repair and test workshop for analyzers and instruments. The plant complies with international standards and sustainable development requirements: it is highly energy efficient, makes optimum use of natural light and recycles waste and water.

ABB has a long history in Brazil, which started more than a century ago with the supply of electrical equipment for the first Sugar Loaf cable car in Rio de Janeiro in 1912. ABB Brazil employs around 4,500 staff and has had factories in the country since the 1950s. It has been a key supplier to most of Brazil's main infrastructure and industrialization projects including the Itaipu hydro plant and transmission line, which provides 20% of Brazil's electrical power.

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 150,000 people.

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