

*For your business and technology editors*

## **ABB signs US\$ 50 million service agreement in New Zealand**

*Group's largest maintenance agreement for pulp and paper industry*

Zurich, Switzerland, January 16, 2003 - ABB, the leading power and automation technology group, has signed a full service maintenance agreement with Carter Holt Harvey, an Australasian forest products company. The five-year contract, worth US\$ 10 million annually, covers all maintenance services for the Kinleith mill in Tokoroa, New Zealand.

“This is our single largest pulp and paper maintenance contract, and highlights the need for specialized and complete service and maintenance solutions in process and manufacturing industries,” said Dinesh Paliwal, head of ABB’s Automation Technologies division. “Carter Holt Harvey chose ABB because we have a strong automation presence in paper mills around the world, which means we can help bring the industry’s best practices to Kinleith.”

ABB expects to increase productivity and reduce costs for Carter Holt Harvey by streamlining maintenance functions and increasing plant efficiency. Peter Springford, CEO of Carter Holt Harvey, said: “This contract will play an important role in giving the mill a sustainable future.”

The agreement will cover all electrical maintenance services, including power and transmission distribution, and devices such as motors and drives at the mill, as well as management of spare parts and inventory. The contract starts this month.

Carter Holt Harvey, Ltd. which is majority owned by the world’s largest paper company, International Paper, is Australasia’s leading forest products company producing wood products, pulp and paper, tissue and packaging. Its Kinleith mill produces about 300,000 tons of paper and 270,000 tons of pulp annually.

ABB 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 more than 100 countries and employs about 146,000 people.

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