## **Press Release**



## ABB to invest \$ 40 million in Saudi Arabia to strengthen power products footprint

New factory to produce high-voltage gas-insulated switchgear to serve growing demand

Zurich, Switzerland, July 16, 2012 – ABB, the leading power and automation technology group, will invest around \$ 40 million, to construct a new manufacturing plant for high-voltage gas-insulated switchgear (GIS) and a transformer service workshop in Saudi Arabia, to serve the growing power infrastructure needs in the region.

The switchgear plant will initially manufacture 132 kilovolt (kV) GIS, with higher ratings to follow. The transformer service center will support ABB's large installed base in the region and serve customers with a more complete portfolio. The two new facilities will occupy 40,000 square meters of space and will be located in the city of Dammam in the eastern part of the country and home to the largest port in the Arabian gulf.

"Local manufacturing of our GIS range in Saudi Arabia and our transformer service facility will enable us to respond to our customers' needs more efficiently," said Bernhard Jucker, head of ABB's Power Products division. "This decision is in line with ABB's regional and in country for country' approach and business philosophy to locate production and service facilities closer to our customers."

The economic growth experienced by Gulf countries, led by oil and natural gas revenues in the region, has highlighted the need for power infrastructure to secure supplies of electricity, both at times of peak demand and in the long term. The GCC (Gulf Co-operation Council) region's total electricity consumption has risen by nearly tenfold since 1980. Saudi Arabia is the largest consumer, accounting for around half of the total GCC electricity consumption and growing faster than GDP, propelled by increased household, industry and commercial sector demand.

ABB pioneered high-voltage GIS in the mid-1960s and as a market leader, continues to drive technology and innovation, offering a full range product portfolio with voltage levels from 72.5 kilovolts (kV) to 1,200 kV. The compactness, low-weight and robust design features enable the equipment to be deployed in constrained spaces and harsh conditions to enhance grid reliability and efficiency with minimum maintenance needs.

Earlier this year, ABB introduced its latest generation of 420 kV GIS with a compact design that reduces volume by up to 33 percent and SF6 insulating gas requirement by as much as 40 percent, making it more environmentally friendly. This product launch is part of ABB's technology and innovation focus and follows the recent launch of the advanced versions of the 245 kV and 72.5 kV range.

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 145,000 people.

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