

ABB wins \$390 million order for major Chinese power link

HVDC link to Shanghai is world's largest transmission order for several years

Zurich, Switzerland, June 14, 2004 – ABB, the leading power and automation technology group, said today it has signed an order worth \$390 million to build a key power link from the Three Gorges hydropower plant in central China to the coastal city of Shanghai. The order is the world's largest power transmission project for several years.

ABB, working with Chinese manufacturers, will build a 1,100 kilometer long, 3,000 megawatt (MW) high-voltage direct current (HVDC) transmission link, under the terms of the contract awarded by the State Grid Corporation in China.

“The quality of our energy-efficient technology and the speed with which we can deliver the project were the main reasons for winning this contract,” said Peter Smits, head of ABB's Power Technologies division. “It is our third major order for massive HVDC links in China in the past five years, and underlines ABB's capacity to strengthen China's economic development.”

Work will start immediately. The long-distance project is due to be completed in only three years – one year ahead of the industry norm.

“The link will provide reliable power to six million households, and will play a vital role in developing China's power network into the world's most advanced national grid,” said Smits.

The order includes two HVDC converter stations, 28 power transformers and six smoothing reactors, switchgear and advanced control equipment. The equipment will partly be manufactured by ABB factories in Sweden and Switzerland. Through technology transfer, equipment such as valves, some transformers and gas-insulated switchgear, will also be assembled or produced by Chinese partners.

In two other recent contracts, ABB delivered 3,000 MW converter stations for a 890 kilometer HVDC power link from the Three Gorges power plant to near Shanghai in 2003, and a 940 kilometer HVDC power link from the same power plant to Guangdong province in southern China. The Guangdong link, which was commissioned in June 2004, set a number of world records, including the fastest project completion time for such a project – just 31 months.

HVDC transmission reduces line losses and cuts the use of overhead lines because it can transmit twice as much power as conventional high-voltage alternating current technology.



ABB pioneered HVDC technology 50 years ago. HVDC is an efficient and cost-effective way of transmitting electricity over long distances to consumers.

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 113,000 people.

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