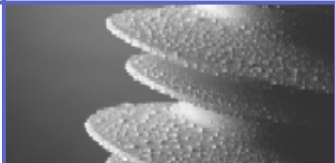


Peter Smits
Member of ABB Group
Executive Committee,
Head of Power
Technologies Division



2003 fourth quarter and full-year results

ABB Power Technologies



ABB

Safe-harbor statement

This presentation includes forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for ABB Ltd and ABB Ltd's lines of business. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are major markets for ABB's businesses, market acceptance of new products and services, changes in governmental regulations, interest rates, and fluctuation in currency exchange rates. Although ABB Ltd believes that its expectations reflected in any such forward looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.



World's No. 1 in Power Technologies



Our offering

Comprehensive portfolio of products, systems and services

Global presence

- 39,000 employees
- ~150 focused factories, engineering and service centers
- Presence in more than 70 countries

Our markets

Electric, gas and water utilities, Industrial and commercial customers and Channel partners

- Engineering, procurement and construction firms (EPCs)
- Original equipment manufacturers (OEMs)
- Wholesalers, distributors

Distribution transformers and power transformers merged as of January 2004

Substation automation products moved from AT to PT division as of January 2004



2003 Q4 summary - Power Technologies

US\$ millions	Q4 2003	Q4 2002	Change Nominal	Change Local
Orders	1,960	1,569	25%	12%
Revenues	2,184	2,010	9%	-3%
EBIT	170	93	83%	
EBIT Margin	7.8%	4.6%		
Restructuring	(15)	(18)		
EBIT Margin (excl. restructuring)	8.5%	5.5%		
Cash flow from operations	433	352	23%	

- Order growth in Asia, Middle East/Africa continued to offset weakness in North America
- Revenue growth in Medium-Voltage, High-Voltage products compensated for decrease in Power Systems
- Higher EBIT margins on productivity, site/product rationalization, Step Change savings
- Cash flow from operations up 23%

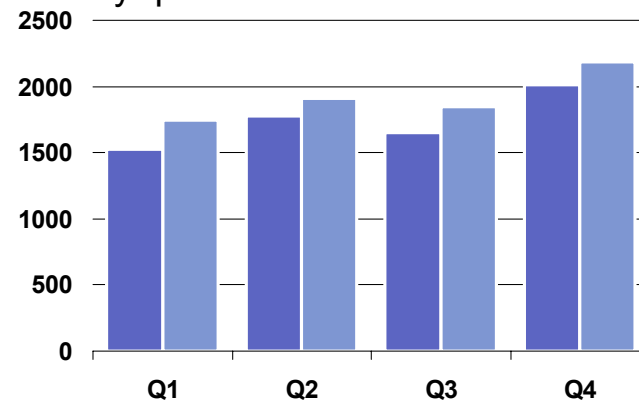


2003 FY summary – Power Technologies

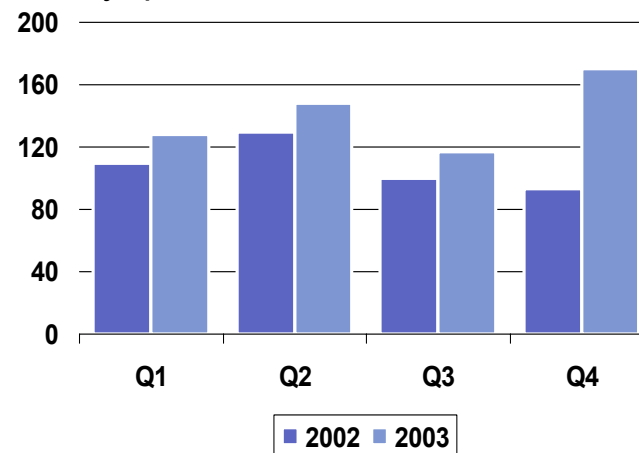
US\$ millions	FY 2003	FY 2002	Change Nominal	Change Local
Orders	7,708	6,753	14%	4%
Revenues	7,680	6,963	10%	0%
EBIT	563	433	30%	
EBIT Margin	7.3%	6.2%		
Restructuring	(64)	(59)		
EBIT Margin (excl. restructuring)	8.2%	7.1%		
Cash flow from operations	616	335	84%	

- EBIT up 30% driven by operational improvements
- Local growth 3% on comparable scope:
 - Divestments and closures
- Cash flow from operations up by 84%
- Net working capital down from 15% to 14% of revenues

Revenues in US\$ million by quarter 2003 vs. 2002

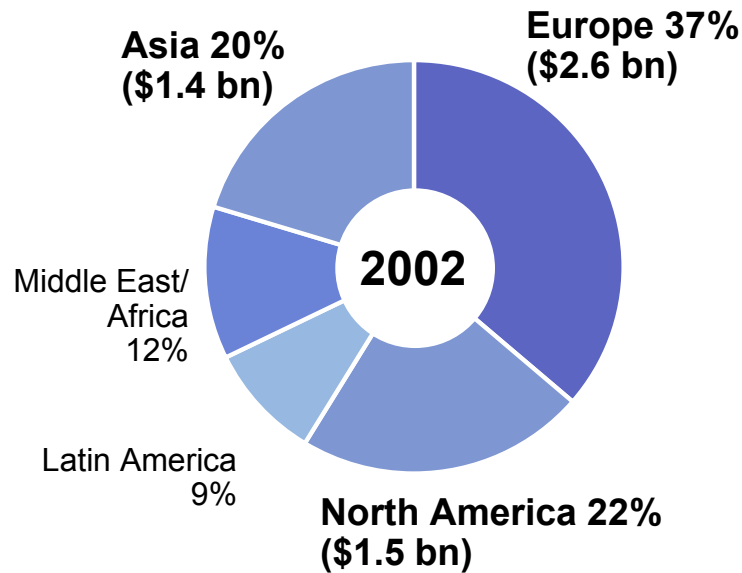


EBIT in US\$ million by quarter 2003 vs. 2002

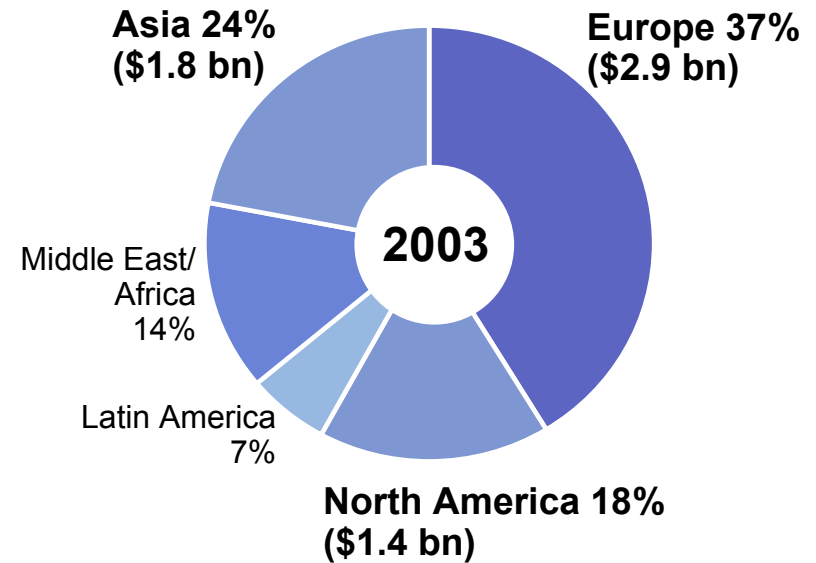


Asia, Europe offset weakness in Americas

Nominal revenues by region (destination) - consolidated



Total: US\$ 7.0 billion



Total: US\$ 7.7 billion

- Continued strong growth in Asia, Middle East/Africa
- Continued growth in eastern Europe, mixed in western Europe
- Low in North America, but signs of upturn in fourth quarter



2003 achievements

Power Technologies

- Improved order performance, increased market share
 - Further market penetration of industrial, channel partner segments
- Improved operational performance
 - Speed: reduced total cycle times
 - Product/site rationalization: 21% fewer production lines, 32% fewer product lines (2001-2003) through Focused Factory concept
 - Step Change cost reductions ahead of plan
- Cash flow from operations up US\$ 281 million (84%) on higher earnings, intensified working capital management
- ABB won “Global Energy Award” for world’s largest battery in Alaska



Strategic priorities 2004

Power Technologies

- Profitable growth, cost competitiveness
- Market penetration
 - Capitalize on leadership with comprehensive portfolio and strong local presence
 - Leverage installed base for service and retrofit business
- Expansion
 - Target high-growth regions, high-end technologies
 - Focus on technologies that prevent power outages
- Speed
 - Focused Factories and Focused Engineering
 - Further streamline product portfolio by using platforms



Improved market prospects for 2004



Europe: Mixed; good growth in Central Eastern Europe



N. America: Weak, U.S. seen higher in second half



Latin America: Slightly higher, esp. in large infrastructure projects



Asia: Continued strong growth, led by China, India



Middle East, Africa: Continued growth



Utilities: Driven by higher investment



Industries: In line with moderate economic growth



EPCs: Mainly in emerging markets



OEMs: Signs of upturn in all regions



Revenue growth and EBIT margin targets*

Power Technologies

	2003A	2005
Revenue growth (local)	3% ^{**}	5.3% ^{***}
EBIT margin (nominal)	7.3%	10.0%

* Targets exclude major acquisitions, divestments and business closures.

** Local growth 3% on comparable scope

*** Compounded annual growth rate 2002-2005



Conclusions

Power Technologies

- Solid performance in 2003 confirms strategy
 - EBIT margin exceeded target
 - Cash Flow from operations 84% above last year
- Continued focus on profitable growth and cost competitiveness in 2004



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