

## **ABB invests US\$ 1.6 billion in technology**

*Company issues report; highlights power and automation technologies*

Zurich, Switzerland, November 27, 2002 – ABB, the leading power and automation company, said today it invests roughly US\$ 1.6 billion in research and order-related development each year.

The announcement came as the company released the ABB Group Technology Report, a summary of achievements from its research and development teams working in laboratories around the world.

“Research and development is the lifeblood of all technology-based companies,” said Jürgen Dormann, ABB chairman and CEO. “We monitor this spending carefully, and all future research is knitted into the fabric of our business strategy – to help industry and utility customers become more competitive while keeping an eye on the environment.”

Research and order-related development spending was about seven percent of total revenue, despite difficult market conditions. About 75 percent of business was based on products developed in the past five years. The percentage of software-related patent first filings to total first filings rose by 4 percent to 27 percent last year.

ABB’s research and development is clustered around four key areas: power technologies, automation technologies, oil and gas technologies and applications of engineering and manufacturing technologies. Industrial IT, ABB’s patented concept for linking products and services together with the information needed to run, service and maintain them, is the red line running through all of the group’s technology areas.

“ABB technology is the backbone of many industries,” said Markus Bayegan, ABB’s chief technology officer. “Our technology platforms are designed to address customer needs with products and services that deliver more value faster, with high quality and reliability.”

Highlights from the report: a special medium-voltage transformer developed with a Canadian company; a fast transfer switch to improve security and quality of electricity grids; high power circuit breakers; new technology for making car windshields; wireless sensors for industrial use; software for robotic press brake tools; cleaner fuel technology; and micro-sensors which locate oil reservoirs by detecting micro-earthquakes.

ABB’s history of innovation stretches back more than 100 years and includes many breakthroughs: the world’s first self-cooling transformer; the world’s first high-speed locomotive using a direct drive system; one of the world’s first industrial robots; even the world’s first synthetic diamond. The group last week received top honors for wireless technology from the Wall Street Journal Europe.

To order the printed report or read the online version, please visit [www.abb.com](http://www.abb.com).

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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