

For your business and technology editors

ABB wins \$85 million power contracts in Algeria

Grid upgrades to meet surging demand for power on Algerian coast

Zurich, Switzerland, July 22, 2004 - ABB, the leading power and automation technology group, said today it has won contracts worth \$85 million for three projects to upgrade Algeria's power grid.

Algeria's state-owned utility, Sonelgaz, is banking on ABB technology to meet fast-growing demand for power in the capital city of Algiers, with its three million residents, as well as the heavily industrialized coastal region.

"Algeria's solid economic growth must be supported by a swift upgrade of its electrical infrastructure," said Peter Smits, head of ABB's Power Technologies division. "We are pleased Sonelgaz has once again chosen ABB's speedy delivery and installation of high-quality products and systems."

The three projects will be fast tracked and are scheduled for completion within 15 months. The first will improve power distribution in greater Algiers with the installation of 60-kilovolt substations, corresponding automation technology and 15 kilometers of overhead transmission lines in the suburban centers of Meftah and Mazafran.

The second project, called "Ravin Blanc," will increase the capacity of the existing power grid in northwestern Algeria, and includes installing four turnkey 60-kilovolt substations near the coastal city of Oran. The third, called "Touggourt/Biskra," is an urgently needed expansion of two existing 220-kilovolt substations to improve power distribution to Algeria's northeastern region.

A number of high-end power components will be supplied by ABB in Germany, as well as project planning and management. Equipment includes gas-insulated switchgear, substation protection and control systems, and a SCADA network management system. ABB has also opened a project office in Algiers to manage local activities like transportation, construction and assembly. In 2003, ABB received orders from Sonelgaz worth more than \$50 million for substations and cable connections.

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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