

## **ABB Power Technologies division streamlines organization**

*Five business areas merged into two businesses around products and systems*

Zurich, Switzerland, August 31, 2004 - ABB, the leading power and automation technology group, said today that its Power Technologies division is streamlining its five Business Areas into two to accelerate profitable growth. The two businesses will be reorganized around products and systems.

The two new Business Areas (BA) are: Power Technology Products, headed by Peter Smits, in addition to his roles as head of the division and member of the ABB Group executive committee, and Power Technology Systems headed by Michael Hirth. The changes will take effect on January 1, 2005.

“By streamlining the businesses, we will be able to offer our customers better access to our broad portfolio of power technologies,” said Smits. “Reorganizing around products and systems groups will also increase operational excellence and our cost competitiveness.”

Power Technology Products will incorporate ABB’s manufacturing network for power technologies, made up of some 150 factories. Power Technology Systems will offer systems for power transmission and distribution grids, and for power plants.

The strategy of having one division for products, systems and services will give customers the broadest possible access to ABB’s unique portfolio of power technologies through a common sales force in all countries.

ABB said the division’s changes mark a new phase in its well-proven business strategy. The drive for operational excellence follows the successful completion of its focused factory concept and the implementation of focused engineering, which consolidated production and engineering worldwide.

ABB ([www.abb.com](http://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 105,000 people.

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