

ABB Group Annual Report 2002

Operational review

power technologies



automation technologies



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Caution concerning forward-looking statements

The ABB Group Annual Report 2002 includes forward-looking statements. In the Operational review, such statements are included in "Letter to shareholders," "Power Technologies," "Automation Technologies," "Oil, Gas and Petrochemicals" and "Business improvement" and in the Financial review, such statements are included in "Operating and financial review and prospects". Additionally, the words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," and similar words are intended to identify forward-looking statements. We have based these forward-looking statements largely on current expectations and projections about future events, financial trends and economic conditions affecting our business. These forward-looking statements are subject to risks, uncertainties and assumptions, including among other things, the following: (i) the difficulty of forecasting future market and economic conditions; (ii) the effects of, and changes in, laws, regulations, governmental policies, taxation, or accounting standards and practices; (iii) our ability to dispose of certain of our non-core businesses on terms and conditions acceptable to us; (iv) our ability to further reduce our indebtedness as planned; (v) the resolution of asbestos claims on terms and

conditions satisfactory to us; (vi) the effects of competition in the product markets and geographic areas in which we operate; (vii) our ability to anticipate and react to technological change and evolving industry standards in the markets we operate; (viii) the timely development of new products, technologies, and services that are useful for our customers; (ix) unanticipated cyclical downturns in some of the industries that we serve; (x) the risks inherent in large, long-term projects served by parts of our business; (xi) the difficulties encountered in operating in emerging markets; and (xii) other factors described in documents that we may furnish from time to time with the U.S. Securities and Exchange Commission, including our Annual Reports on Form 20-F. Although we believe that the expectations reflected in any such forward-looking statement are based on reasonable assumptions, we can give no assurance that they will be achieved.

We undertake no obligation to update publicly or revise any forward-looking statements because of new information, future events or otherwise. In light of these risks and uncertainties, the forward-looking information, events and circumstances might not occur. Our actual results and performance could differ substantially from those anticipated in our forward-looking statements.

The complete ABB Group Annual Report 2002 consists of this Operational review and a Financial review. For a copy of the Financial review, please use the contact information on the back of this report, or go to www.abb.com and download the entire report. ABB also publishes an annual Sustainability Report (June) and an annual Technology Report (November). These reports can also be obtained by using the contact information on this report or through ABB's Web site.



About ABB

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.

ABB is headquartered in Zurich, Switzerland. ABB Ltd shares are traded on the stock exchanges in London/Zurich, Stockholm, Frankfurt and New York.

The ABB Group was formed in 1988, when the Swedish Asea and the Swiss BBC Brown Boveri merged under the name ABB. Asea's history dates back to 1883. BBC Brown Boveri was founded in 1891.

 To find out more visit: www.abb.com/about

ABB Group 2002: Strong performance by core businesses

Core businesses: Q4 2002 EBIT up 38 percent; full-year 2002 EBIT up 4.3 percent; 2003 EBIT expected to increase more than 20 percent

US\$ 18,295m

Group revenues (2001 \$19,382m)*

Discontinued operations, asbestos provisions result in net loss

US\$ 336m

Group earnings before interest and taxes (2001 \$179m)*

Key divestments completed in 2002, more intended for 2003

US\$ (787)m

Net loss (2001 \$691m)



Media inquiries e-mail:
media.relations@ch.abb.com

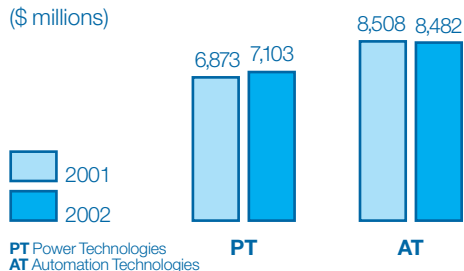


Analyst and investor inquiries e-mail:
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* Restated to reflect the move of businesses to discontinued operations, which do not contribute to revenues or EBIT.

Core division revenues 2001–2002*

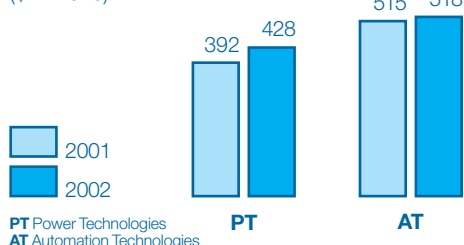
(\$ millions)



PT Power Technologies
AT Automation Technologies

Core division EBIT 2001–2002*

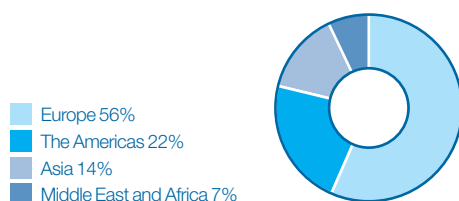
(\$ millions)



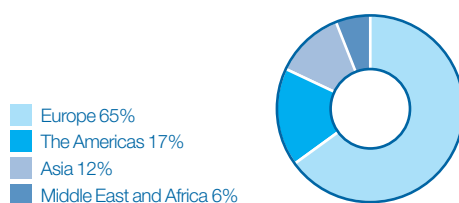
PT Power Technologies
AT Automation Technologies

* Based on our estimated 2002 figures for our new core divisions. For our audited 2002 results under U.S. GAAP, based on our former division structure, please refer to the Financial review.

Revenues by region 2002



Employees by region 2002



Total Group

Year ended December 31 (U.S. dollar amounts in millions except per share amounts)	2002	2001
Orders received	18,112	19,672
Revenues	18,295	19,382
Earnings before interest and taxes (EBIT)	336	179
Income from continuing operations before taxes and minority interest	207	(11)
Net income (loss)	(787)	(691)
Stockholders' equity	1,052	2,014
Total assets	29,549	32,344
Capital expenditure, excluding purchased intangible assets	460	607
Capital expenditure for acquisitions	154	597
Divestitures	2,674	283
Research and development expenditure	550	593
Order-related development expenditure	249	405
Earnings before interest and taxes/Revenues	1.8%	0.9%
Return on equity	(51.3%)	(19.2%)
Net operating cash flow	126	1,983
Number of employees	139,051	156,865

Basic earnings (loss) per share

Income (loss) from continuing operations	0.06	(0.11)
Net income (loss)	(0.71)	(0.61)

Diluted earnings (loss) per share

Income (loss) from continuing operations	(0.10)	(0.11)
Net income (loss)	(0.84)	(0.61)

Revenues by region

Europe	10,264	10,852
The Americas	4,104	4,863
Asia	2,603	2,435
Middle East and Africa	1,327	1,232
Total	18,295	19,382

Focusing on our core businesses

It's been a difficult year at ABB, but we are making progress.

2002 achievements

- Simplified, streamlined core divisions: Power and Automation Technologies
- Net debt reduced – on target
- US\$ 1.5 billion credit facility should cover needs for 2003 and 2004
- Divestments on schedule – expect completion by year-end 2003
- US\$ 800 million cost-saving program announced, should be complete by mid-2004

Targets 2003–2005

- Revenue: 4 percent growth in 2003; 4 percent annual average growth 2002–2005
- EBIT margin: 4 percent in 2003; 8 percent by 2005
- Total debt: US\$ 6.5 billion by end-2003; US\$ 4 billion by year-end 2005
- Gearing ratio (total debt divided by total debt plus equity): 70 percent in 2003; 50 percent in 2005
- Lower cost base by US\$ 800 million by mid-2004

 www.abb.com

In 2002, we launched a major campaign to make ABB more competitive. It's been a stormy ride, made all the more difficult by an uncertain global economy. While we still have some challenges ahead, we've made measurable progress. As our 2002 results show, our customers continue to have confidence in our strong brand. That, in turn, gives us confidence that we are on the right path.

Simplifying our organization

Let's review ABB's achievements for the year. We simplified and focused our organization on the businesses where we have a competitive edge: Power Technologies, headed by Peter Smits (page 10), and Automation Technologies, headed by Dinesh Paliwal (page 16).

We have grouped our non-core business activities in a separate area, and started to divest them to take down short-term debt. We sold most of our Structured Finance business and some other businesses, realizing cash proceeds of about between US\$2.4 billion. We are in talks with several potential buyers and expect to sell our Oil, Gas

and Petrochemicals businesses, now reported under discontinued operations, by year-end 2003. We also intend to sell the Building Systems business and most of the remainder of our finance business during the year.

One way we maintain our competitive edge is through technology leadership, nurtured for more than a century. We grew our research capability in the U.S. and Asia and spent some 4.5 percent of revenues – US\$ 799 million in 2002 – on research and order-related development (see page 24). This number is somewhat lower than in previous years (US\$ 998 million in 2001) because R&D spending for Oil, Gas and Petrochemicals was moved to discontinued operations. We are a company with unmatched global presence in around 100 countries. Our products and services and the way we work reflect our ambition to be a leader in sustainability, too (see page 26).



Jürgen Dormann
Chairman and CEO



Peter Voser
Chief financial officer

Transparency and accountability form part of our commitment to our shareholders, customers and employees, and we are making great efforts to meet this commitment. Early 2002, the board of directors had to secure pension repayments, made in excess of obligations, from two former CEOs. This painful experience gives us all the more reason to ensure good corporate governance (see page 30) procedures, to help restore trust in ABB.

Key financial milestones behind us

In 2002, we significantly reduced net debt and shifted our debt maturity to more long-term debt. We launched a convertible bond and two straight bonds, exited the short-term commercial paper market and put a major new credit facility in place.

We signed the US\$ 1.5 billion secured credit facility agreement in December 2002, with a US\$ 750 million term-out option for 2004. Together with the planned divestments, this should cover our liquidity needs for 2003 and 2004, albeit under a strict financial covenants framework. The agreement provides liquidity

for our core businesses while we complete our cost reduction program – aimed at taking out US\$ 800 million in cost by mid-2004 (see page 28) – and achieve the best value from our divestments.

We cut net debt further in 2002 and succeeded in shifting our debt maturity profile towards more long-term debt (from 50 percent to 70 percent of total debt).

On the asbestos issue, ABB and its U.S. subsidiary Combustion Engineering (CE) agreed early in 2003 on a pre-packaged bankruptcy plan for CE with representatives of asbestos plaintiffs. CE has since received more than the 75 percent of claimant votes in favor of the plan required for approval, representing more than two-thirds of the total value of claims. We remain confident that the U.S. courts will approve the plan.

Unburdening our core businesses

Our 2002 results show some early returns on our efforts, even though ABB's overall net results were burdened by asbestos payments, losses in discontinued operations and non-core businesses, and costs from corporate activities. Our divestment and cost reduction programs are aimed at removing these burdens.

Despite difficult market conditions, our core Power Technologies and Automation Technologies divisions managed to maintain or increase revenues, earnings before interest and taxes (EBIT) and EBIT margin.

Orders for the total ABB Group fell eight percent, mainly the result of fewer large power infrastructure projects and weaker orders in some non-core businesses.

For the group as a whole, EBIT increased from US\$ 179 million to US\$ 336 million, but because of losses of US\$ 853 million in discontinued operations, including charges related to asbestos, we posted a net loss of US\$ 787 million.

On the cash flow side, the significant cash contribution from our core divisions was impacted by negative

cash flows from businesses in discontinued operations and some cash payments on asbestos, which reduced cash flow from operations to US\$ 126 million.

Group outlook*

Although global market conditions overall are expected to remain uncertain, we aim to use our leading market positions, technologies and strong local presence to increase revenues in 2003 by four percent. We intend to maintain that four-percent pace on a compound average annual basis through 2005.

Cost reductions, productivity improvements and expansion in higher-margin service businesses are forecast to lift our EBIT margin to four percent in 2003, rising to eight percent by the end of 2005.

Debt reduction remains a top priority. We expect to reduce total debt from US\$ 8 billion at the end of 2002 to US\$ 6.5 billion by year-end 2003, mainly using proceeds from our divestment program. From 2004 onward, we expect our core businesses to continue improving operational performance and to boost earnings, allowing us to reduce

total debt to about US\$ 4 billion by 2005.

Building a foundation of financial strength

We started 2002 with a number of key challenges on our checklist. That put enormous demands on our people. Once again, ABB employees have risen to the task, maintaining their dedication to their customers while rethinking the way they work to realize long-lasting performance improvements. The ongoing loyalty of our customers is a testimony to our employees' efforts, and the strength behind our brand. On behalf of the board of directors and the executive committee, we would like to express our appreciation for our employees' accomplishments in 2002 and for their confidence in the company's success moving forward.

There is still plenty of work to be done to get ABB back to profitability. We intend to be a leading player in the consolidation of our industry. Accomplishing these goals rests on the successful conclusion of our divestment program, continued debt reduction, lowering the cost base by mid-2004 and further operational

improvements. The aim, always, is to provide the financial strength and security that the core businesses need to deliver value to their customers and profitability to ABB's shareholders.

Sincerely,



Jürgen Dormann
Chairman and CEO, ABB Ltd



Peter Voser,
Chief financial officer, ABB Ltd

*All targets exclude major acquisitions and divestments, as well as foreign currency movements.

Executive committee

ABB's executive committee from left to right:
Dinesh Paliwal, head of Automation Technologies,
Erik Fougner, head of Oil, Gas and Petrochemicals,
Gary Steel, head of Human Resources,
Jürgen Dormann, chairman and CEO,
Peter Smits, head of Power Technologies,
Peter Voser, chief financial officer.



ABB announced in late 2002 that it streamlined its divisional structure

2002

Power Technology
Products

Utilities

Automation Technology
Products

Industries

Oil, Gas
and Petrochemicals

Corporate/Other

2003

Power
Technologies

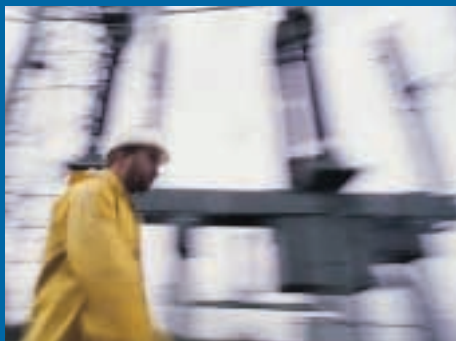
Division head
Peter Smits

Automation
Technologies

Division head
Dinesh Paliwal

Two new core divisions were created. Power Technologies, which combines the former Power Technology Products and Utilities divisions, and Automation Technologies, which combines the former Automation Technology Products and Industries division.

The Oil, Gas and Petrochemicals division, which we intend to divest by year-end 2003, qualified for discontinued operations. The performance of this division and the other discontinued operations does not contribute to ABB's revenues and earnings before interest and taxes (EBIT) but is used in the calculation of net income.



Business areas

- Power Systems
- Utility Automation Systems
- High-Voltage Products
- Medium-Voltage Products
- Power Transformers
- Distribution Transformers

Description

ABB Power Technologies serves electric, gas and water utilities, as well as industrial and commercial customers, with a broad range of products, systems and services for power transmission, distribution and power plant automation.



Business areas

- Control Platform and Enterprise Products
- Drives and Motors
- Low-Voltage Products and Instrumentation
- Robotics, Automotive and Manufacturing
- Paper, Minerals, Marine and Turbocharging
- Petroleum, Chemicals and Consumer

Description

ABB Automation Technologies blends a robust product, system and service portfolio with end-user expertise and global presence to deliver solutions for control, motion, protection, and plant optimization across the full range of process, discrete and utility industries.

Discontinued operations


- Oil, Gas and Petrochemicals
- Structured Finance
- Combustion Engineering
- Other divested businesses

Non-core activities

- Equity Ventures
- Remaining Structured Finance
- Insurance
- Building Systems
- Other activities (mainly Group Processes and New Ventures)

Corporate

- Headquarters
- R&D
- Other

A photograph of two men in dark suits and ties engaged in a conversation. The man on the left is facing the camera, while the man on the right is seen from the back, wearing glasses. They are standing in front of large, circular industrial components, possibly parts of a power plant or machinery, with a teal and white background.

Faster than the competition

“We truly compete on speed. It reflects what customers want most: a quick and world-class delivery of power technologies.”

Peter Smits, head of ABB's Power Technologies division

Power Technologies

ABB Power Technologies serves electric, gas and water utilities, as well as industrial and commercial customers, with a broad range of products, systems and services for power transmission, distribution and power plant automation.

The following discussion is based on estimated 2002 figures for our new core divisions. For a discussion of our audited 2002 results under U.S. GAAP, based on our former division structure, please refer to the Financial review.

Business areas and revenue

- Power Systems 28%
- Utility Automation Systems 16%
- High-Voltage Products 17%
- Medium-Voltage Products 14%
- Power Transformers 14%
- Distribution Transformers 11%

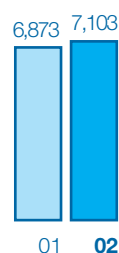


Major orders and contracts

- TVA US\$ 200 million frame agreement for power transformers
- Vizag II US\$ 48 million HVDC order in India
- Sylmar US\$ 97 million power connection in California
- US\$ 115 million power transmission system in Mexico
- US\$ 41 million power transmission system for Venezuela
- US\$ 32 million order from Jubail in Saudi Arabia for gas-insulated substations
- US\$ 50 million "Rapid City Tie" power connection in U.S.

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Revenue 2001–2002* (\$ millions)



EBIT 2001–2002* (\$ millions)



* The following discussion is based on estimated 2002 figures for our new core divisions. For a discussion of our audited 2002 results under U.S. GAAP, based on our former division structure, please refer to the Financial review.

Performance in 2002

Power Technologies' orders decreased 8.4 percent, driven by fewer large projects in the systems business. Revenues were up 3.3 percent on a strong order backlog and higher product sales in High-Voltage Technology and Power Transformers. Higher margins and improved operational performance lifted earnings before interest and taxes by 9.2 percent.

Lowering the cost base

The total cost base was reduced by two percent: the number of overlapping product lines was reduced 30 percent and the number of factory production lines was reduced 17 percent. There was a nine percent reduction in jobs, which now total 41,166. Around 500 cost reduction initiatives are underway which are scheduled for completion in mid-2004.

Order development by region

There was mixed demand in Western Europe and continued growth in Eastern Europe. The Americas – particularly the U.S. – showed lower demand. Asia grew steadily, with marked improvements in China and India. The Middle East and Africa started to pick up. Utilities and heavy industry continue to show good demand for power technologies, while light industry reduced investment slightly.

Outlook

For 2003, 5.3 percent revenue growth; for 2005, 5.3* percent revenue growth. Earning before interest and taxes margin is targeted to reach seven percent by 2003 and ten percent by 2005.

Technology that reduces environmental impact

“TransÉnergie and ABB have worked together for many years to develop unique technology solutions,” says Jeffrey A. Donahue, president and CEO, TransÉnergie U.S.

“The Murraylink project in Australia brings the best of our collaborative efforts to the table: the technology is unparalleled, and we are better meeting the needs of our customers for more reliable, environmentally-sound power.”

It has the world’s longest underground high-voltage cable, running 177 kilometers from the state of Victoria to South Australia. A local subsidiary of TransÉnergie, the transmission division of Canada’s Hydro-Québec, led the project.

It uses ABB’s high-voltage direct-current (HVDC) light technology, which is one-fifth the size of conventional HVDC technology for the same rated power. Power stations that use ABB’s complete systems like HVDC need 350 rather than 10,000 square meters of space.

Says TransÉnergie’s Donahue: “We decided to go underground – despite the challenge – to reduce visual and environmental impact, and to protect against Australia’s traditional causes of power outages such as lightning, wildlife and bush fires.”

Going underground also sped up the governmental approval process for the project.

In October 2002 the team was awarded the high-profile Case EARTH Award for Environmental Excellence. The Civil Contractors Federation of Australia cited the project for best practice and management innovation.

Just in case it seems a novelty, bear this in mind: ABB won six of the seven HVDC contracts awarded around the world last year.





Every Lodz worker – from shop floor to management – learned to use the new technology platform, and became thoroughly versed in the entire process.

Delivering in weeks rather than months from Poland

Two years ago, a small band of determined engineers and scientists from around the world set out to change the face of modern manufacturing.

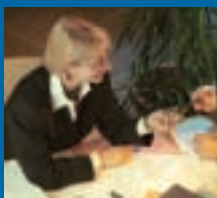
They had a mission: to produce distribution transformers faster than the most modern factory on the planet. It was a bold, daring and technically challenging project set against the backdrop of the city of Lodz, roughly 120 kilometers southwest of Warsaw.

Meticulously planned, the project called for injecting an old factory with new, as yet unproven, technology. ABB called the new technology Industrial IT, which involves linking products and services together with the information needed to run, service and maintain them.

In practice, this meant linking online ordering and planning with manufacturing and shipment. New operator stations and software packages were injected into the production line. Every Lodz worker – from shop floor to management – learned to use the new technology platform, and became thoroughly versed in their part – and their colleagues' part – of the process. With time, it all came together seamlessly.

Now, an ABB salesperson can sit with a customer, log into the company's Web site and configure and order a distribution transformer between 250 and 2,000 KVA. Quotes and delivery dates pop up immediately. And a super-efficient factory in the industrial part of Lodz hums the tune of future factories.

Today, an ABB salesperson can sit with a customer, log into the company's Web site and configure and order a distribution transformer between 250 and 2,000 KVA.





Speedy delivery helps rebuilding after floods

When the Czech Republic was struck by its worst floods in more than 500 years in late 2002, ABB rode to the rescue. On the back of a US\$ 7 million contract, ABB rebuilt Prague's transportation system, delivering special transformers, switchgear and control systems in four weeks – eight weeks faster than normal.



Environmentally-sound technology cracks 30-year challenge

Connecting Long Island to the New England power grid without harming the delicate aquatic environment in Long Island Sound was a technical challenge for 30 years.

ABB's solution is a 330-megawatt, 40-kilometer long high-voltage direct current (HVDC) light link that stabilizes power on both sides of the sound without damaging life beneath it.

Cross Sound is a unique achievement in terms of its technical performance, exceeding design specification requirements for transfer capability and is well below the target for electrical losses.



The power of close customer relationships

"In the power business, we need fast response times and high-quality products," says Shan Bhattacharya, PG&E vice president of engineering and planning. "It's a challenge, but ABB gets the job done."

PG&E is one of the largest combination natural gas and electric utilities in the U.S., serving 13 million people throughout a 112,000-square-kilometer service area in northern and central California.

In 2002, ABB did roughly US\$ 50 million in business with PG&E, helping it transmit energy more efficiently around-the-clock. The relationship with PG&E epitomizes ABB's strategy to fully understand local markets, quickly develop customer-specific technologies, and forge partnerships over the long term.



Big dam, high-technology

The Three Gorges dam is slated for completion in 2009 – with key milestones in 2003 – at a cost of around US\$ 24 billion. Its proponents say it will dramatically improve flood control and replace 40 to 50 million tons of raw coal combustion a year. To date, ABB has won around US\$ 1 billion in orders for systems – including transformers, switchgear and circuit breakers – for the dam. The company's technology will help generate 18,200 megawatts of power and transmit power to eastern, southern and central China.

The world's largest hydropower plant replaces the emission of 1.5 million tons of SO₂ and 100 million tons of CO₂ that would be produced annually if powered by fossil fuels.

Big cities, bright lights

Shanghai at night is symbolic of the many things Chinese: ambition, culture, growth, the promise of future prosperity.

It also reflects the fact that the majority of China's economic activity takes place on the country's east coast. Bustling cities like Beijing, Xiamen, Tianjin, Fuzhou and Hong Kong are all similarly booming.

The lion's share of power generation takes place in China's western provinces but is used in the east. The bulk of this capacity must be transmitted over long distances from west to east.

ABB is working to bridge this gap. First in China at the turn of the century selling steam boilers, ABB has in the last two decades opened several strategically located factories to help feed power from west to east China. Alongside low, medium and high-voltage operations in Beijing, Xiamen, Xinhui and Hong Kong, ABB has long-established transformer factories in Shanghai and Hefei.

The company recently opened China's largest and most modern power transformer factory in Chongqing – considered the gateway to west China. ABB was an early arrival in the small town located on the raging Yichang river near the Three Gorges.

Though the location is rough – and rustic – ABB's operation there is the first approved factory for producing transformers up to 500kV and is one of the town's largest employers.



A photograph of two men in business suits. The man on the right is smiling and looking towards the man on the left. They are in a factory or industrial setting with blue machinery in the background.

Unparalleled customer service

“By integrating the industry’s broadest portfolio of automation products, services and solutions under one umbrella, we offer customers a measurable return on their investment – as demonstrated by improved productivity, quality and sustainability.”

Dinesh Paliwal, head of ABB’s Automation Technologies division

Automation Technologies

ABB Automation Technologies blends a robust product, system and service portfolio with end-user expertise and global presence to deliver solutions for control, motion, protection, and plant optimization across the full range of process, discrete and utility industries.

The following discussion is based on estimated 2002 figures for our new core divisions. For a discussion of our audited 2002 results under U.S. GAAP, based on our former division structure, please refer to the Financial review.

Performance in 2002

Automation Technologies orders increased 4.6 percent, mainly on stronger demand for robotics products and growth in China. Weaker demand in the automotive and manufacturing sectors resulted in flat revenues. Earnings before interest and taxes were also flat.

Lowering the cost base

Year-over-year average quarterly net working capital was down US\$ 250 million at year-end. Three factories were closed as the division focused production and the metering, N-C Marine and Flakt Drying businesses were divested. The division's employees were reduced by six percent and now total 56,600. More than 500 initiatives are underway to further streamline the cost base and corporate divisional overhead costs are being slashed by 30 percent. All cost-saving initiatives should be complete by mid-year 2004.

Order development by region

Orders were up in all regions except the Americas (nine percent down): 50 percent up in the Middle East and Africa, 23 percent up in Asia, three percent up in Europe. All industries were up in terms of orders except automotive (down seven percent) and marine, minerals and paper, which were flat; chemicals and life sciences were up 13 percent, residential construction up five percent and general industry up three percent.

Outlook

Revenue growth of three percent for 2003, 3.3* percent for 2005. Earnings before interest and taxes to reach 7.1 percent for 2003, 10.7 percent for 2005.

Business areas and revenue

- Control Platform and Enterprise Products 7%
- Drives and Motors 16%
- Low-Voltage Products and Instrumentation 28%
- Robotics, Automotive and Manufacturing 14%
- Paper, Minerals, Marine and Turbocharging 22%
- Petroleum, Chemicals and Consumer 13%



Major orders and contracts

- US\$ 82 million service contract with ENI Group's Enichem
- US\$ 30 million project to help aluminum producer Aluminerie Alouette more than double production capacity
- US\$ 70 million contract for Statoil's Troll A gas platform in North Sea
- US\$ 34 million contract for world's longest oil pipeline, running from Azerbaijan to Turkey
- US\$ 15 million order for power train solutions at DaimlerChrysler in U.S.
- South African papermaker SAPPi awards first phase of US\$ 11 million project to blend process and discrete automation
- US\$ 50 million asset management contract for International Paper subsidiary Carter Holt Harvey in New Zealand

To find out more visit, www.abb.com/atp

Core division Revenues 2001–2002*

(\$ millions)



EBIT 2001–2002*

(\$ millions)



* The following discussion is based on estimated 2002 figures for our new core divisions. For a discussion of our audited 2002 results under U.S. GAAP, based on our former division structure, please refer to the Financial review.

Experience is a product

“Ford has taken a very pioneering approach to making cars,” says Ford infrastructure and shared services manager, Luiz Carlos Teixeira. “By putting services in the hands of experienced partners like ABB, we can lower total production cost and create an extremely lean process. This lets us concentrate on our core business.”

One of the most innovative projects in the automotive industry relies on ABB's asset management services at Ford Motor Company in Brazil.

ABB is one several key partners in Ford's new assembly plant in Camaçari, north of São Paulo near Salvador. But it is the only integrated service provider.

The ABB team includes more than 300 people performing technical maintenance in the body, press and assembly plants – plus facility management services including fire protection, cafeterias, condominium cost administration, information systems, grounds maintenance, and security. Around 250 ABB robots are also “hands-on” players in the assembly plant.

ABB and the other plant partners contributed more than one-third

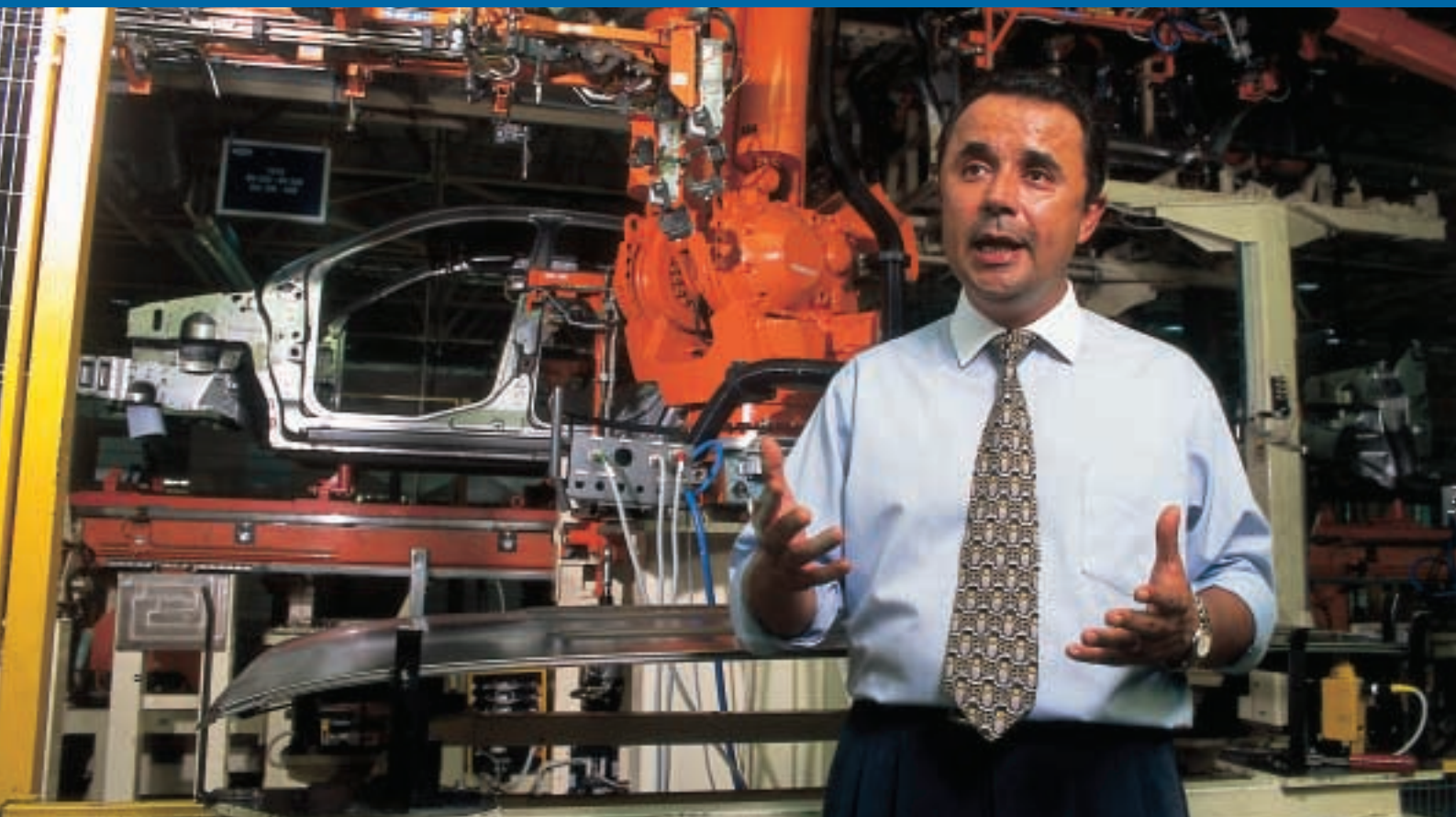


ABB has received two separate awards for its work with Ford Brazil. In late 2002, Ford named ABB best automation and robotics supplier for an equipment package that included nearly 250 robots.



ABB also earned the Autodata Magazine Award as one of Brazil's best service providers based on the Camaçari project.

of the US\$ 1.9 billion required to establish the plant. ABB hired and trained all service people and created a series of support workshops. In line with the risk-sharing philosophy, payments to ABB and other partners incorporate both a fixed component and variable payments relating to plant performance and volumes.





Crystal clear

China currently has a flourishing population of 1.26 billion. The country's gross domestic product growth rate is nearing eight percent. Such rapid growth brings with it traffic congestion, garbage, increased consumption of fossil fuels – and in turn water and air pollution.



In total, the ABB package will measure pH, conductivity, dissolved oxygen, water cloudiness and temperature.



The water monitoring equipment diagnoses itself. So if there is a malfunction or abnormal reading, it is fed back by telephone link to a remote control center.

As part of its long-term strategic planning, China has set out to fight river pollution. In 2002, the Chinese State Environmental Protection Authority ordered 24 water quality monitoring stations from ABB. The stations consist of special multi-parameter water quality and ammonia monitors which will run continuously in rivers in Zhejiang province in east China and Sichuan province in west China.

In total, the ABB package will measure pH, conductivity, dissolved oxygen, water cloudiness, and temperature. The result: eco-efficient online monitoring of surface waters, reservoirs and intake protection sites.

It is the big argument ABB has been selling for years. The company's technology, when transferred to emerging and developing markets, reduces environmental impact and helps growing countries avoid mistakes made in industrialized nations.

The water monitoring equipment diagnoses itself. So if there is a malfunction or abnormal reading, it is fed back by telephone link to a remote control center. This is a tremendous benefit to authority engineers who are located hours from the monitoring sites. A technology leap of this nature provides immediate access to water quality information.

Automation Technologies



Swiss Miss cements a deal

Holcim Ltd. asked ABB to automate cement production sampling. Using ABB technology, the world's number two cement maker improved quality control throughout its entire production process.

At the front end is Swisslady, a "reception robot" which automatically analyzes samples from six stages of cement production. Samples are vital to maintain quality control because variations in the limestone raw material mix require keeping a close eye on the relative proportions of components.

"Holcim is showcasing ultramodern quality assurance," says Mathias Märki, who is responsible for Holcim's quality control.



Copper company strikes gold with outsourcing

After nickel became scarce in the late 1990s Outokumpu Harjavalta Metals Ltd. reframed its strategy to focus on producing copper.

Through an asset management contract, ABB took over supporting functions at the Harjavalta nickel works. The plant's smelting capacity and operational levels have risen steadily. Costs have dropped by as much as ten percent, and the plant has halved the number of working hours lost to industrial accidents.

Outokumpu's company director Pentti Ahola reports: "Tasks and responsibilities were efficiently reassigned, and this shows in the results. Last year was our best ever, both operationally and in terms of production."



Hummer saves millions on paint line with ABB

ABB saved AM General – the maker of Hummer utility vehicles popularized by Hollywood celebrities – millions when building a new paint shop by implementing a technology solution that reduced floor space by 14,000 square meters.

Amazingly, the line took only 18 months to complete. It is 160 meters long and ten meters high and is built from 250 tons of stainless steel. It is the first such installation in the U.S. (the rotational dip technology comes from ABB in Germany, pioneers in paint technology).



Safeguarding the world's longest oil pipeline

ABB will install integrated Industrial IT control and safety systems for the world's longest underground oil pipeline stretching from Azerbaijan to Turkey.

When completed in 2005, the 1,760-kilometer line is expected to deliver one million barrels of oil per day from Sangachel through Georgia to a new marine terminal at Ceyhan on Turkey's southern Mediterranean coast.

The construction consortium, BTC, must be able to control operations at both ends of the US\$ 2.9 billion pipeline, which are located in different countries.

ABB will set up systems along the environmentally-sound pipeline which are based on Industrial IT technology, which links products and systems with the information needed to run, monitor and maintain them.

Space odyssey

ABB technology will help the Canadian Space Agency study global ozone depletion.

The Canadian government is launching a satellite, called SCISAT-1, to carry out a special atmospheric chemistry experiment. It will measure the chemical and dynamic processes that control the distribution of ozone in the upper atmosphere.

SCISAT-1 will house a suite of instruments to carry out the experiment. At its core is an ABB Fourier Transform Infrared Spectrometer, an auxiliary two-channel visible and near infrared imager. A secondary instrument will provide spectrographic data from the near ultra-violet to the near infrared, including the visible spectral range.

More than 150 scientists and engineers created the ABB spectrometer to help feed back a comprehensive set of simultaneous measurements of trace gases, thin clouds, aerosols and temperatures from the satellite in low earth orbit (650 km). The instrument includes a special suntracker, which provides fine pointing toward the radiometric center of the sun with high stability – vital for the transmission of reliable information.

Together, the instruments will capture the spectral range from 0.25 to 13.3 microns, which is important for understanding ozone levels.

Though ABB sells thousands of industrial grade spectrometers each year to hydrocarbon processing, gas monitoring, fermentation and iron and steel customers, the satellite project was a clear technology challenge.



Adapting to future industry needs

“We are constantly working to improve our systems and products. Doing this together with interested and engaged customers is the key to success.”

Erik Fougner, head of ABB's Oil, Gas and Petrochemicals division.

ABB has announced that it intends to sell the Oil, Gas and Petrochemicals businesses by the end of 2003.

ABB supplies a comprehensive range of products, systems and services to the oil and gas industries, from onshore and offshore exploration technologies to the design and supply of production facilities, refineries and petrochemical plants.

Performance in 2002

The performance of this division and the other discontinued operations does not contribute to ABB's revenues and earnings before interest and taxes (EBIT) but is used in the calculation of net income. However, in the interest of transparency, we are presenting the full-year figures on these pages.

Orders grew seven percent and revenues grew 11 percent. Earnings before interest and taxes decreased by 49 percent. For more detail, please refer to discontinued operations in the Financial review.

Order development by region

In the upstream market all offshore exploration and production regions of the world, particularly west Africa and Russia, showed growth in capital expenditures with the exception of northwest Europe.

The worldwide modification and maintenance market is on an upswing. ABB has penetrated this market and its position is growing steadily.

The downstream markets in China and Russia are performing well. ABB has a strong foothold in both markets. For example, ABB is working with SINOPEC Corp. and Shanghai SECCO Petrochemical Company Ltd., in China.

Business areas and revenue

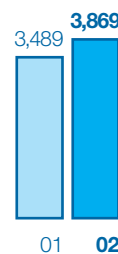
- Upstream 55%
- Downstream 45%



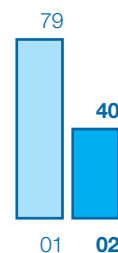
Major orders and contracts

- US\$ 200 million order for ethylene production in China
- US\$ 740 million in contracts with Statoil for oil and gas technology
- Decade long, US\$ 60 million per year, modification and maintenance contract with Phillips Petroleum Company
- US\$ 987 million oil and gas order in Russia's Far East
- US\$ 65 million contract with ConocoPhillips for hull design in Gulf of Mexico
- ABB to increase propylene and styrene capacity in Japan

Revenues* (\$ millions)



Earnings before interest and taxes* (\$ millions)



* unaudited

ABB has announced that it intends to sell the Oil, Gas and Petrochemicals businesses by the end of 2003.

www.abb.com/ogp

Statoil commends ABB for Kvitebjorn delivery

ABB was responsible for engineering, procurement, construction and mechanical completion of the 10,700 ton-Kvitebjorn topsides. Statoil, the operator of the platform destined for the North Sea, commended ABB for its excellent all-around performance. One example: two million working hours without lost time for accidents. Gas starts flowing in October 2004.



Innovation

“Technology is a direct and profitable investment in ABB’s future. Our research programs combine more than 100 years of experience in power and automation with innovative materials, electronics, communication, manufacturing and information technology. This powerful combination helps us keep our competitive edge.”

Markus Bayegan, ABB’s chief technology officer

Developing new technology is an investment in the future. ABB invested roughly 4.5 percent of revenues, or US\$ 799 million, in R&D and order-related development in 2002.

Research programs

ABB runs ten research programs:

- Control and optimization
- Software architecture and processes
- Sensors and microsystems
- Power electronics
- Advanced industrial communication
- Mechatronics and robotics automation
- Power device technologies
- Power transmission and distribution applications
- Manufacturing technologies
- Nanotechnologies



To find out more visit, www.abb.com/technology

Strategy

ABB’s research and development strategy is to link customers closely with the cutting edge of power and automation technology. The company’s chief technology officer oversees ten research programs geared to making ABB and its customers more competitive. Those ten programs are managed by strategic technology teams, which combine research, engineering and business acumen. The teams coordinate research and product development and align research programs with ABB’s business strategy. Core R&D falls into two new, streamlined global laboratories, called Power Technologies and Automation Technologies. They reflect the company’s core business areas of power and automation technology.

Global laboratories

Each global laboratory combines research units in the U.S., Europe and Asia. The cultural diversity of this global group enhances innovation. In Asia, ABB is building up its activities in India, Singapore and China.



This development reflects ABB's market-specific growth strategy. For example, China is one of ABB's fastest-growing markets, and needs specific support and local expertise. The managers in these laboratories act as a bridge between the business environment – what customers are buying – and the research and development that is needed to meet future demand.

University cooperation

A central task for ABB's R&D team is to transform new university research into viable technology platforms. We have more than 50 university partnerships in the U.S., Europe and Asia, within which we are creating the technology base for our future products and systems.

35,000

products certified

Industrial IT is ABB's patented concept for linking products and services together with the information needed to run, monitor and maintain them. It represents ABB's vision of future industrial systems, where IT is harnessed at nearly every stage of the industrial process to increase efficiency and profitability. Around 35,000 ABB products have been certified to date.

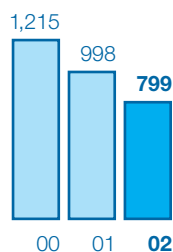
US\$ 100bn

installed base

ABB has an installed base of products and systems in 30,000 power plants and factories worldwide, worth more than US\$ 100 billion. Our products and systems help make the world's power supply and manufacturing platforms more efficient and reliable.

Investment in technology

(\$ millions, R&D and order-related development)



R&D and order-related development in the Oil, Gas and Petrochemicals division and other discontinued operations are excluded.

Sustainability is a key component of our business strategy

ABB provides utilities and industry with power and automation technologies which simultaneously improve performance and reduce environmental impact. This raises profitability and quality of life – economically, environmentally and socially – and helps mitigate the potentially negative effects of globalization.

ABB's most effective contribution to sustainable development lies in its products and systems. They require less material, are more efficient and consume less energy, which means reduced environmental impact and lower greenhouse gas emissions over long operating lifetimes. That performance is monitored, measured and communicated with environmental product declarations.

ABB conducts stakeholder dialogues on an ongoing basis to help implement its social policy. The principles of this policy protect the rights and conditions of employees.

Health and safety is paramount at ABB. For example, the company recently won an award for 8.5 million hours of accident-free work in the U.K. We recently launched new directives and guidelines, based on the latest international standards, to further strengthen our capability in this area and protect all our employees in around 100 countries.

More, ABB has expanded its procedure for assessing suppliers to ensure they abide by the strictest social and environmental performance criteria.

Reporting

ABB follows the Sustainability Reporting Guidelines, part of the Global Reporting Initiative, which monitors and measures a triple bottom line: economic, environmental and social performance.

ABB is also part of the U.N. Global Compact, an agreement signed by more than 600 companies to encourage and promote good corporate practices and learning experiences in human rights, labor and the environment.

ABB has consistently rated at or near the top of its industry group in rankings of corporate sustainability.



www.abb.com/sustainability



98 percent of sites

ABB's environmental management program includes operations in more than 50 countries. ISO 14001, the international environmental standard, is being implemented at all of ABB's factory and service sites.



50 declarations

Environmental product declarations (EPDs) quantify the environmental performance of each of ABB's main product lines and services. To date, 50 products – culled from across all the company's major product lines – have undergone this rigorous process.

Reliable and sustainable power helps India grow

To guarantee electricity gets to millions of consumers in eastern and southern India, Power Grid Corporation of India Ltd. turned to ABB.

The result is the 500-megawatt, high voltage direct current (HVDC) Vizag II connection, designed to increase high-voltage power exchanges between India's eastern and southern grids.

Power Grid is one of the largest transmission networks in the world, carrying more than 40 percent of India's generated power over 37,000 kilometers of transmission lines.

The new link, including key components from a new local ABB transformer factory, will improve the reliability of regional power supplies, and strengthen voltage and frequency support for both grids during power disturbances.

ABB has already completed three other HVDC projects in India, and has installed more than half the HVDC systems in the world. It's proof that technology, when it's safe and sound, helps developing nations thrive.



Business improvement

Cultural evolution

“ABB went through a period of major change in 2002, reorganizing its divisional structure, and introducing a cost savings and business improvement program, called Step change.”

Gary Steel, ABB's head of Human Resources



The Step change program will cut the group's cost base by at least US\$ 800 million by mid-2004. By early 2003, nearly 1,400 projects to cut the cost base had been defined and were being implemented.

These projects are designed to ensure ABB is more efficient and competitive in its markets, while delivering greater value for its customers.

They also herald a strong shift in the way ABB operates, giving more responsibility and accountability to the people at the cutting-edge of the business, and simplifying and improving working practices to boost results.

New targets and performance standards have been introduced at group, divisional and business area levels to drive the performance. It means managers at all levels have quantifiable yardsticks to measure performance, which is leading to more focused management.

The move to concentrate on two core divisions, Power Technologies and Automation Technologies is also simplifying the way we work and providing more focused leadership and a clearer sense of purpose at all levels of the business.

The concentration on core divisions and cost savings throughout the group are leading to a reduction in the number of employees. Divestments scheduled for this year are expected to transfer about 30,000 ABB people to other companies; under the Step change program, about 10,000 – 12,000 jobs will be cut, so we anticipate there will be just under 100,000 employees working for ABB by mid-2004.

These changes are part of our measures to turn the company around, and they present us with both formidable challenges and opportunities. One of the main challenges is to strengthen employee

morale following the major changes and we are working hard to do this. The welfare and development of our employees are of capital importance.

The Step change program also presents us with a tremendous opportunity to change the company's culture. Apart from greater accountability and responsibility, we are working to foster more openness and closer cooperation at all levels of the business.

There are already strong signs that this cultural change is taking root. There is, for example, greater transparency than ever before. Among other measures, we have instituted new direct channels of communication – weekly letters, personal e-mail feedback and regular telephone conferences – in which employees get first-hand information from executive committee members and can directly challenge them.

The culture change necessarily has to be deep-seated and lasting. It will therefore take time. We are talking about an intense period of cultural evolution within ABB for the benefit of both employees and the company.

Our employees understand why and how ABB has to change and develop to ensure success. I am confident that Step change will place us on a much sounder footing for the future.



Gary Steel, head of Human Resources, ABB Ltd

Step change

The Step change program, started in October 2002, is one of the measures taken by the company to increase market competitiveness. It will cut ABB's cost base by at least US\$ 800 million by mid-2004 and improve business practices throughout the group. The program is led by Gary Steel, head of Human Resources, and other members of the executive committee.

1. Principle

ABB is committed to the highest international standards of corporate governance, and supports the general principles as set forth in the Swiss Code of Best Practice as well as those of the capital markets where ABB is listed: SWX Swiss Exchange and exchanges in London, Stockholm, Frankfurt and New York.

In addition to the provisions of the Swiss Code of Obligations, ABB's principles and rules on corporate governance are laid down in its articles of incorporation, its standards for corporate governance, the charters of the board committees, the board membership guidelines, several directives (e.g. on insider information) and the code on business ethics. It is the duty of ABB's board of directors to review and amend or propose amendments to those documents from time to time to reflect the most recent developments and practices as well as to ensure compliance with applicable laws and regulations.

This section of the annual report is based on the Directive on Information relating to Corporate Governance published by the SWX Swiss Exchange. Where an item listed in the directive is not addressed in this report, it is either inapplicable to, or immaterial for, ABB.

2. Group structure and shareholders

2.1 Group structure

ABB Ltd, Zurich, Switzerland, as the ultimate parent company, is the only listed company in the ABB Group, which is comprised of more than 700 subsidiaries worldwide. Besides ABB Ltd, the only other listed company in the ABB Group is Asea Brown Boveri Ltd, India, which is listed at the exchanges in Bombay (BSE and NSE), Ahmadabad, New Delhi and Calcutta.

The following table sets forth, as of December 31, 2002, the name, country of incorporation and ownership interest held in significant subsidiaries of ABB:

Company Name / Location	Jurisdiction	ABB interest (%)	Share Capital in 1000	Currency
Asea Brown Boveri S.A., Buenos Aires	ARGENTINA	100.00	10,510	ARS
ABB Australia Pty Limited, Sydney	AUSTRALIA	100.00	122,436	AUD
ABB AG, Vienna	AUSTRIA	100.00	15,000	EUR
ABB Ltda., Osasco	BRAZIL	100.00	145,682	BRL
ABB Bulgaria EOOD, Sofia	BULGARIA	100.00	10,400	BGL
ABB Inc., St. Laurent, Quebec	CANADA	100.00	247,157	CAD
ABB (China) Ltd., Beijing	CHINA	100.00	120,000	USD
Asea Brown Boveri Ltda., Bogotá	COLOMBIA	99.99	485,477	COP
ABB Technology SA, Abidjan	COTE D'IVOIRE	99.00	178,540	XOF
ABB Ltd., Zagreb	CROATIA	100.00	2,730	HRK
ABB s.r.o., Prague	CZECH REPUBLIC	100.00	100,100	CZK
ABB A/S, Skovlunde	DENMARK	100.00	241,000	DKK
Asea Brown Boveri S.A., Quito	ECUADOR	96.88	325	USD
Asea Brown Boveri S.A.E., Cairo	EGYPT	100.00	20,040	EGP
ABB AS, Tallinn	ESTONIA	100.00	20,985	EEK
ABB Oy, Helsinki	FINLAND	100.00	168,188	EUR
ABB S.A., Paris La Défense	FRANCE	100.00	38,921	EUR
ABB AG, Mannheim	GERMANY	98.70	327,600	DEM
ABB Automation Products GmbH, Eschborn	GERMANY	98.70	20,750	DEM
ABB Gebäudetechnik AG, Mannheim	GERMANY	98.70	12,315	DEM
ABB Process Industries GmbH, Eschborn	GERMANY	98.70	16,000	EUR
Asea Brown Boveri S.A., Metamorphosis Attica	GREECE	100.00	285,740	GRD
ABB (Hong Kong) Ltd., Hong Kong	HONG KONG	100.00	20,000	HKD
ABB Engineering Trading and Service Ltd., Budapest	HUNGARY	100.00	178,700	HUF
Asea Brown Boveri Ltd., Bombay	INDIA	52.11	423,817	INR
ABB Ltd, Dublin	IRELAND	100.00	2,200	IEP
ABB Technologies Ltd., Tirat Carmel	ISRAEL	99.90	420	ILS
ABB S.p.A., Milan	ITALY	100.00	22,000	EUR
ABB Sace S.p.A., Milan	ITALY	100.00	36,000	EUR
ABB Trasmissione & Distribuzione S.p.A., Milan	ITALY	100.00	35,000	EUR
ABB K.K., Tokyo	JAPAN	100.00	1,000,000	JPY
ABB Ltd., Seoul	KOREA	100.00	18,670,000	KRW
ABB Holdings Sdn. Bhd., Subang Jaya	MALAYSIA	100.00	4,490	MYR
Asea Brown Boveri S.A. de C.V., Tlalhepantla	MEXICO	100.00	419,096	MXN
ABB BV, Rotterdam	NETHERLANDS	100.00	20,000	NLG
ABB Holdings BV, Amsterdam	NETHERLANDS	100.00	119	EUR

Company Name / Location	Jurisdiction	ABB interest (%)	Share Capital in 1000	Currency
Lummus Worldwide Contracting B.V. (LUWOCO), The Hague	NETHERLANDS	100.00	42	NLG
ABB Limited, Auckland	NEW ZEALAND	100.00	30,501	NZD
ABB Holding AS, Billingstad	NORWAY	100.00	800,000	NOK
Asea Brown Boveri S.A., Lima	PERU	99.99	17,152	PEN
Asea Brown Boveri Inc., Paranaque, Metro Manila	PHILIPPINES	100.00	123,180	PHP
ABB Sp. z o.o., Warsaw	POLAND	95.30	178,193	PLN
ABB S.G.P.S, S.A., Amadora	PORTUGAL	100.00	4,117	EUR
Asea Brown Boveri Ltd., Moscow	RUSSIA	100.00	333	USD
ABB Contracting Company Ltd., Riyadh	SAUDI ARABIA	65.00	10,000	SAR
ABB Holdings (Pty) Ltd., Sunninghill	SOUTH AFRICA	100.00	4,050	ZAR
Asea Brown Boveri S.A., Madrid	SPAIN	99.99	5,543,595	ESP
ABB AB, Västerås	SWEDEN	100.00	400,000	SEK
ABB Building Systems AB, Västerås	SWEDEN	100.00	205,000	SEK
Sirius International Försäkrings AB (publ), Stockholm	SWEDEN	100.00	800,000	SEK
ABB Asea Brown Boveri Ltd., Zurich	SWITZERLAND	100.00	2,380,000	CHF
ABB Holding AG, Zurich	SWITZERLAND	100.00	1,199,438	CHF
ABB Ltd, Zurich	SWITZERLAND	100.00	3,000,024	CHF
ABB LIMITED, Samutprakarn	THAILAND	100.00	784,000	THB
ABB Holding A.S., Istanbul	TURKEY	99.95	12,844	USD
ABB Ltd., Kiev	UKRAINE	100.00	500	USD
ABB Industries (L.L.C), Dubai	UNITED ARAB EMIRATES	49.00	5,000	AED
ABB Ltd., London	UNITED KINGDOM	100.00	20,000	GBP
ABB Holdings Inc., Norwalk	UNITED STATES	100.00	2	USD
ABB Inc., Raleigh, NC	UNITED STATES	100.00	1	USD
Asea Brown Boveri Inc., Norwalk, CT	UNITED STATES	100.00	2	USD
Asea Brown Boveri S.A., Caracas	VENEZUELA	100.00	3,498,478	VEB
ABB (Private) Ltd., Harare	ZIMBABWE	100.00	1,000	ZWD

ABB's operational group structure is described in the "Financial review" part of this Annual report.

2.2 Significant shareholders

Information about significant shareholders can be found in the "Financial review" section of this Annual report.

2.3 Cross-shareholdings

There are no cross-shareholdings in excess of five percent of the share capital or the voting rights between ABB and another company.

3. Capital structure

3.1 Ordinary share capital

The ordinary share capital of ABB (including treasury shares) amounts to CHF 3,000,023,580 divided into 1,200,009,432 fully paid registered shares with a par value of CHF 2.50 per share.

3.2 Conditional share capital

The ordinary share capital of ABB may be increased in an amount not to exceed CHF 100,000,000 by the issuance of up to 40,000,000 fully paid registered shares with a par value of CHF 2.50 per share (a) through the exercise of conversion rights and/or warrants granted in connection with the issuance on national or international capital markets of bonds or similar debt instruments by ABB or one of its group companies and/or (b) through the exercise of warrant rights granted to its shareholders. The increase in ABB's share capital referred to in clause (a) is limited to an amount of up to CHF 75,000,000 and the increase referred to in clause (b) is limited to an amount of up to CHF 25,000,000. The preemptive rights of the shareholders will be excluded in connection with the issuance of convertible or warrant-bearing bonds or similar debt instruments. The conditions of the conversion rights and/or warrants will be determined by the board of directors.

The acquisition of shares through the exercise of conversion rights and/or warrants and each subsequent transfer of the shares will be subject to the transfer restrictions of the articles of incorporation.

In connection with the issuance of convertible or warrant-bearing bonds or similar debt instruments, the board of directors is authorized to restrict or deny the advance subscription rights of shareholders if those debt issues are for the purpose of financing the acquisition of an enterprise, parts of an enterprise or participations. If the board of directors denies advance subscription rights, the convertible bond or warrant issues will be made at the then prevailing market conditions (including the standard dilution protection provisions in accordance with market practice) and the new shares will be issued pursuant to the relevant convertible bond or warrant issue conditions.

The ordinary share capital of ABB may be increased in an amount not to exceed CHF 100,000,000 by the issuance of up to 40,000,000 fully paid registered shares with a par value of CHF 2.50 per share by the issuance of new shares to employees of ABB and its group companies. The preemptive and advance subscription rights of the shareholders will be excluded. The shares or rights to subscribe for shares will be issued to employees pursuant to one or more regulations to be issued by the board of directors, taking into account performance, functions, levels of responsibility and profitability criteria. ABB may issue shares or subscription rights to employees at a price lower than that quoted on the stock exchange. The acquisition of shares within the context of employee share ownership and each subsequent transfer of the shares will be subject to the transfer restrictions of the articles of incorporation.

3.3 Changes to the share capital

Except for the share split executed and registered in the year 2001, ABB has not changed its share capital in the last three years. The aforementioned share split had no effect on the total nominal amount of the share capital. Only the number of shares has been increased as a result of the share split.

3.4 Limitations on transferability of shares and nominee registration

ABB may decline a registration with voting rights if a shareholder does not declare that it has acquired the shares in its own name and for its own account. If the shareholder refuses to make such declaration, it will be registered as a shareholder without voting rights.

A person failing to expressly declare in its registration application that it holds the shares for its own accounts (a "Nominee"), will be entered in the share register with voting rights, provided that such nominee has entered into an agreement with the board of directors concerning its status, and further provided that the Nominee is subject to a recognized bank or financial market supervision. In special cases the board of directors may grant exemptions.

3.5 Convertible bonds and warrants

For additional information about the outstanding convertible bonds and options on shares issued by ABB, please refer to the "financial review" part of this annual report.

4. Shareholders' participation

4.1 Shareholders' dividend rights

For shareholders who are resident in Sweden, ABB has established a dividend access facility under which such shareholders have the option to be registered with Värdepapperscentralen VPC AB in Sweden and to receive the dividend in Swedish kronor from ABB Participation AB. For further information on the dividend access facility please refer to the articles of incorporation.

4.2 Shareholders' voting rights

ABB has one class of shares and as a rule each registered share carries one vote at the general meeting. Voting rights may be exercised only after a shareholder has been registered in the share register of ABB as a shareholder with the right to vote, or with Värdepapperscentralen VPC AB in Sweden, which maintains a sub-register of the share register of ABB.

A shareholder may be represented at the general meeting by another shareholder with the right to vote, its legal representative, a corporate body (Organvertreter), an independent proxy (unabhängiger Stimmrechtsvertreter), or a depositary (Depotvertreter). All shares held by one shareholder may be represented by only one representative.

For practical reasons shareholders must be registered in the share register no later than ten days before the general meeting in order to be entitled to vote.

4.3 General meeting

Shareholders' resolutions at general meetings are approved with an absolute majority of the votes represented at the meeting, except for those matters described in Article 704 of the Swiss Code of Obligations and for resolutions with respect to restrictions on the exercise of the right to vote and the removal of such restrictions, which all require the approval of two-thirds of the votes represented at the meeting.

Shareholders representing shares of a par value of at least CHF 1,000,000 may request items to be included in the agenda of a general meeting. Such request must be made in writing at least 40 days prior to the date of the general meeting and specify the items and the motions of such shareholder(s).

5. Board of directors

5.1 Responsibilities and organization

The board of directors defines the ultimate direction of the business of ABB and issues the necessary instructions. It determines the organization of the ABB group and appoints, removes and supervises the persons entrusted with the management and representation of ABB.

The internal organizational structure and the definition of the areas of responsibility of the board of directors as well as the information and control instruments vis-à-vis the group executive committee are set forth in the regulations of the board of directors.

Board meetings are convened by the chairman or upon request by a director or the chief executive officer (CEO). In 2002, eight board meetings were held.

5.2 Term and members

The members of the board of directors are elected at the ordinary general meeting of the shareholders for a term of one year; re-election is possible.

ABB's board membership guidelines require that the board of directors is comprised of a substantial majority of independent directors. Currently all board members, with the exception of Jürgen Dormann as chairman and CEO, are independent, non-executive directors.

Members of the board of directors of ABB:

Jürgen Dormann

chairman, president and CEO, board member since 1999

Chairman of the supervisory board of Aventis (France),

chairman Lion Bioscience (Germany)

Board member: Allianz (Germany), IBM (U.S.)

Roger Agnelli

president and CEO, Companhia Vale do Rio Doce (Brazil)

Non-executive board member of ABB, since 2002

Board member: Valepar, Companhia Paulista de Força e Luz,

Companhia Siderurgica Nacional, LATASA, VBC Energia, Brasmotor,

Mahle Metal Leve, Rio Grande Energia, Serra da Mesa Energia (all Brazil)

Hans Ulrich Märki

chairman of IBM (Europe, Middle East and Africa)

Non-executive board member of ABB, since 2002

Board member: Mikron Holding (Switzerland), Mettler-Toledo International

Michel de Rosen

chairman, president and CEO, ViroPharma (U.S.)

Non-executive board member of ABB, since 2002

Board member: Innaphase, PCP Royalty Fund, Ursinus College

Bernd W. Voss

member of the supervisory board of Dresdner Bank (Germany)

Non-executive board member of ABB, since 2002

Board member: Dresdner Bank, Allianz, Continental,

E.ON, KarstadtQuelle, Quelle, TUI, Wacker Chemie,

Osram (since January 28, 2003) (all Germany)

Jacob Wallenberg

chairman of SEB Skandinaviska Enskilda Banken

Non-executive board member of ABB, since 1999

Vice-chairman: Investor, Knut and Alice Wallenberg Foundation,

Atlas Copco, Electrolux, SAS (all Sweden)

Chairman: W Capital Management AB (Sweden)

Board member: Confederation of Swedish Enterprise,

Nobel Foundation (all Sweden)

Further information on ABB's board members, including details about their education and professional experience, as well as other activities and functions, is available on ABB's Web site under: www.abb.com/about

None of ABB's non-executive board members has important business connections with ABB or its subsidiaries.

5.3 Board committees

The board of directors of ABB has appointed from among its members two board committees, the nomination and compensation committee and the finance and audit committee. After the general meeting of the shareholders a new strategy committee will be constituted. The duties and objectives of the board committees are set forth in charters issued or approved by the board of directors. These committees assist the board in its tasks and report regularly to the board.

5.3.1 Nomination and compensation committee

The nomination and compensation committee determines the selection of candidates for the board of directors and its committees, plans for the succession of directors and ensures that newly elected directors receive the appropriate introduction and orientation, and that all directors receive adequate continuing education and training to fulfill their obligations. The nomination and compensation committee determines the remuneration of the members of the group executive committee.

The nomination and compensation committee comprises of three or more independent directors. Upon invitation by the committee's chairman, the CEO or other members of the group executive committee may participate in the committee meetings, provided that any potential conflict of interest is avoided and confidentiality of the discussions is maintained.

Members of the nomination and compensation committee:

1. Hans Ulrich Märki (chairman)
2. Michel de Rosen
3. Jacob Wallenberg

In 2002, seven committee meetings were held.

5.3.2 Finance and audit committee

The finance and audit committee oversees the financial reporting processes and accounting practices, evaluates the independence, objectivity and effectiveness of external and internal auditors, reviews audit results and monitors compliance with the laws and regulations governing the preparation of ABB's financial statements, and assesses the processes relating to risk management and internal control systems.

The finance and audit committee comprises of three or more independent directors who have a thorough understanding of finance and accounting. The CFO and, as determined by the committee's chairman for matters related to their respective functions, the head of internal audit as well as the external auditors may participate in the finance and audit committee meetings.

Members of the finance and audit committee:

1. Bernd W. Voss (chairman)
2. Roger Agnelli
3. Jacob Wallenberg

In 2002, five committee meetings were held.

5.3.3 Strategy committee

At its meeting of February 10, 2003 the board has, in principle, approved the formation of a strategy committee, which will be constituted in the first board meeting after the general meeting of the shareholders.

5.4 Lead director

In order to address situations of conflicting interests between the chairman of the board, especially when at the same time CEO, and board members, the board has at its meeting of February 10, 2003 decided to create the new position of lead director.

The additional tasks of the lead director will be to act as counselor to the chairman and facilitate the dialogue between the members of the board and the chairman. He may call special meetings without the chairman's presence where the chairman's role and performance will be discussed.

5.5 Board compensation

For the period from the annual general meeting of the shareholders in 2002 to the annual general meeting of the shareholders in 2003, board members' compensation was fixed as follows:

- Chairman: CHF 1,000,000
- Member: CHF 250,000
- Committee chairman: CHF 50,000
- Committee member: CHF 20,000

Payments to board members are made for each term of a member in May and November. Due to changes in the composition of the board committees certain board members have only received a pro rata portion of the annual committee compensation. Board members receive at least 50 percent (and may elect to receive a higher ratio) of their net compensation, i.e. after deduction of social security costs and withholding tax (where applicable), in ABB shares, which they are entitled to receive with a discount of ten percent.

In 2002 the current board members received the following compensation:

	Total annual compensation (gross), in CHF	Amount received in cash (net), in CHF	Number of shares received
Jürgen Dormann*	1,025,000	0	140,447
Roger Agnelli	270,000	0	28,948
Hans Ulrich Märki	285,000	0	43,216
Michel de Rosen	260,000	89,371	14,215
Bernd W. Voss	300,000	103,330	16,130
Jacob Wallenberg	280,000	0	30,611

* Jürgen Dormann received this compensation in addition to his compensation as CEO (see section 6.4 below).

In 2002, board members who resigned during the calendar year received the following compensation:

	Total annual compensation (gross), in CHF	Amount received in cash (net), in CHF	Number of shares received
Jörgen Centerman*	125,000	0	9,536
Martin Ebner**	135,000	0	10,185

* Jörgen Centerman received this compensation in addition to his compensation as CEO. He resigned from the board of directors on September 5, 2002.

** Martin Ebner resigned from the board of directors on October 14, 2002.

With the exception of Jürgen Dormann in his function as CEO, board members do not receive pension benefits and are not eligible to participate in ABB's management incentive plan.

5.6 Ownership of ABB shares and options in ABB by board members (as of December 31, 2002)

	Number of shares
Jürgen Dormann	185,473
Roger Agnelli	28,948
Hans Ulrich Märki	47,216
Michel de Rosen	14,215
Bernd W. Voss	16,130
Jacob Wallenberg	49,581

None of the board members holds any options in ABB. No person closely linked to any of the board members holds any shares of ABB or options in ABB. As persons closely linked are understood in this context: 1) The spouse; 2) Children below the age of 18; 3) Legal entities controlled; or 4) a legal or natural person acting as fiduciary.

5.7 Secretary to the board of directors

Beat Hess is the Secretary to the board of directors.

6. Group executive committee

6.1 Responsibilities and organization

The board of directors has delegated the executive management of ABB to the CEO and the other members of the group executive committee. The CEO, and under his direction the other members of the group executive committee, are responsible for ABB's overall business and affairs and the day-to-day management. The CEO reports to the board regularly, and whenever extraordinary circumstances so require, on the course of ABB's business and financial performance and on all organizational and personnel matters, transactions and other issues relevant to the group.

Upon proposal by the nomination and compensation committee, the group executive committee is appointed and discharged by the board and consists of the CEO, the chief financial officer (CFO) and the other executive vice presidents.

6.2 Members

Jürgen Dormann

President, CEO and chairman of the board

Dinesh Paliwal

Executive vice president
Automation Technologies

Peter Smits

Executive vice president
Power Technologies

Gary Steel, since January 2003

Executive vice president
Human Resources

Peter Voser

Executive vice president
CFO

Further information on ABB's group executive committee, including details about education and professional experience, as well as other activities and functions, is available on ABB's Web site under: www.abb.com/about.

6.3 Management contracts

There are no management contracts between ABB and companies or natural persons not belonging to the ABB Group.

6.4 Group executive committee compensation in 2002

Members of the group executive committee receive annual base compensation. In addition, they are eligible for annual bonus compensation, which depends on the performance of the individual area of responsibility of each group executive committee member and of the ABB group and, in certain cases, on a qualitative appreciation of a member's achievements.

In addition to receiving annual base and bonus compensation, members of the group executive committee may participate in a management incentive plan. Under this plan approximately 1,000 key employees received warrants and warrant appreciation rights for no consideration over the course of six launches from 1998 to 2001. The warrants are exercisable for shares at a predetermined price, not less than the fair market value as of the date of grant. Participants may also sell the warrants rather than exercise the right to purchase shares. Equivalent warrants are listed on the SWX Swiss Exchange, which facilitates valuation and transferability of warrants granted under the management incentive plan.

Group executive committee members also enjoy pension benefits in accordance with Swiss and foreign social security legislation and, depending on seniority, certain additional benefits under supplementary benefit programs. More than 75 percent of ABB's pension obligations with respect to group executive committee members are funded, and ABB has provisions for the remaining obligations on its balance sheet. On average, yearly pension payments to members of the group executive committee do not exceed 50 percent of their remuneration when retiring from their position with ABB at pension age.

Group executive committee members receive customary additional benefits such as a company car and health insurance compensation, which are not material in the aggregate.

In 2002, the following gross payments were made to the members of the group executive committee, which includes bonuses that are based on 2001 business performance (except for Peter Voser, see note below):

CHF	Salary paid in 2002	Bonus 2001 received	Additional compensation	Total annual compensation
Jürgen Dormann*	1,078,336	0	0	1,078,336
Dinesh Paliwal**	819,000	702,000	312,000	1,833,000
Peter Smits	650,000	675,000	0	1,325,000
Peter Voser***	556,674	0	940,000	1,496,674

* All figures for the period September 1–December 31, 2002. This compensation as CEO is in addition to the compensation received as chairman of the board.

** Dinesh Paliwal was awarded a one-off special bonus in 2002.

*** All figures for the period March 11–December 31, 2002. Peter Voser's additional compensation includes a pro rata guaranteed bonus of CHF 290,000 for 2002 which was paid in December 2002, as well as a compensation of CHF 650,000 for shares and options due to change of employment.

None of the members of the group executive committee has received ABB shares as compensation, except for Jürgen Dormann in his function as chairman of the board (see section 5.5 above).

For information regarding the compensation of group executive committee members who departed during the calendar year 2002 please refer to section 8 below.

Performance alignment

For 2003, ABB introduced a structure for aligning the performance expectations of its senior managers.

Executive committee members, corporate staff and country managers of the 19 largest countries receive targets and are measured on ABB Group results, rather than on the basis of individual businesses. Business area managers and local country divisional managers receive targets and are measured on ABB Group results (60 percent) and on their business area or divisional results (40 percent).

At least 20 percent of this "scorecard" must be made up of qualitative measurements, such as order growth with key customers, performance appraisal systems and financial gearing.

In addition to this group of senior managers, all other participating managers are measured with a minimum of 25 percent on ABB Group results. Resulting bonuses are paid in March each year after full-year results are announced.

6.5 Ownership of ABB shares and options by members of the group executive committee

Under ABB's management incentive plan certain members of the group executive committee have received options in the years 1998 to 2001. The details of the various launches relevant in this case are as follows:

	Allotment year	Term life	Subscription ratio	Exercise price CHF
	1998	6 years	1.54	25.54
	1999	6 years	5	41.25
	2000	6 years	5	53.00
	2001	6 years	5	17.00

As of December 31, 2002 the current members of the group executive committee held the following numbers of shares and options (based on the categorization described above):

	Number of shares		Number of options		
		Allotment year 1998	Allotment year 1999	Allotment year 2000	Allotment year 2001
Jürgen Dormann*		0	0	0	0
Dinesh Paliwal	62,500	30,000	100,000	250,000	1,000,000
Peter Smits	30,000	0	100,000	250,000	1,000,000
Gary Steel	0	0	0	0	0
Peter Voser	0	0	0	0	1,000,000

* for Jürgen Dormann's share ownership see section 5.6

No person closely linked to any member of the group executive committee holds any shares of ABB or options in ABB shares.

7. Loans and guarantees granted to ABB's board of directors or group executive committee

ABB has not granted any loans or guarantees to its Board members or members of the group executive committee.

8. Compensation for former members of the group executive committee

In March 2002, the board of directors completed a reassessment of certain pension and other benefits received by former CEO Percy Barnevik and Göran Lindahl. Mr. Barnevik received approximately CHF 148 million following his resignation as CEO in 1996, and Mr. Lindahl received approximately CHF 85 million of pension and other benefits following his resignation as CEO in 2000. The board's reassessment followed a detailed review of these payments by the board of directors in which it was determined that the approval procedures for these benefits were unsatisfactory and that restitution should be sought of amounts paid in excess of ABB's obligations. On March 9, 2002 ABB agreed with Mr. Barnevik that he would return CHF 90 million and ABB agreed with Mr. Lindahl that his pension and benefits would be reduced by CHF 47 million. These restitution amounts were determined through actuarial calculations, external benchmarking of European chief executive officer compensation and negotiations.

In 2002 ABB made a total payment of CHF 20,975,000 gross to nine members of the group executive committee who departed during the calendar year 2002. This figure is composed of salary payments whilst on duty or during contractual notice periods and severance payments made in lieu of continuing salary payments. The aforementioned sum includes an amount of CHF 7,375,000 gross which ABB's former president and CEO Jörgen Centerman received in the year 2002, including the final settlement of the employment relationship.

In the year 2003 ABB will have to make additional payments to four departed members of the group executive committee in the aggregate amount of CHF 5,200,000 gross based on existing contractual obligations.

9. Duty to make a public tender offer

ABB's articles of incorporation do not contain any provisions raising the threshold (opting-up) or waiving (opting-out) the duty to make a public tender offer pursuant to Article 32 of the Swiss Stock Exchange and Securities Trading Act.

10. Change of control provisions

ABB does not offer "golden parachutes" to its members of the board of directors or senior executives. Consequently none of ABB's board members, group executive committee members or members of senior management is benefiting from clauses on changes of control. Employment contracts contain notice periods of 12 months for group executive committee members and three to six months for members of senior management, during which they are entitled to running salaries and bonuses.

11. Auditors

11.1 Group auditors and special auditors

Ernst & Young is the group auditor of ABB. OBT has been elected as special auditors to issue special review reports required in connection with capital increases (if any).

11.2 Duration of the mandate and term of office of the group auditors

Ernst & Young assumed the existing auditing mandate as auditor of the ABB group in 1994. The head auditor responsible for the mandate, Jan Birgersson, began serving in this function in 1994.

11.3 Auditing and additional fees paid to group auditor

The audit fees paid by ABB in 2002 to Ernst & Young for the legally prescribed audit amounted to US\$ 14 million. Audit services are defined as the standard audit work performed each fiscal year necessary to allow the auditor to issue an opinion on the consolidated financial statements of ABB and to issue an opinion on the local statutory financial statements.

In addition, ABB paid US\$ 15 million to Ernst & Young for non-audit services performed during 2002. Non-audit services include primarily special purpose projects, accounting support, consulting fees and tax services.

11.4 Supervisory and control instruments vis-à-vis the group auditors

Ernst & Young is informed regularly of issues and deliberations of board meetings. Ernst & Young is present at all finance and audit committee meetings, where audit planning is discussed and the results of internal and external audit work is presented. The finance and audit committee will introduce processes for the review of audit and non-audit services to be performed by the auditors.

12. Information policy

ABB reports to the SWX Swiss Exchange and the exchanges in London, Stockholm, Frankfurt and New York, where it is listed, and publishes quarterly reports. ABB submits its annual report on form 20-F to the U.S. stock exchange supervision authority, the Securities and Exchange Commission ("SEC"). All of these reports may also be downloaded from: www.abb.com/investorrelations.

The Company's official means of communication is the Swiss Official Gazette of Commerce.

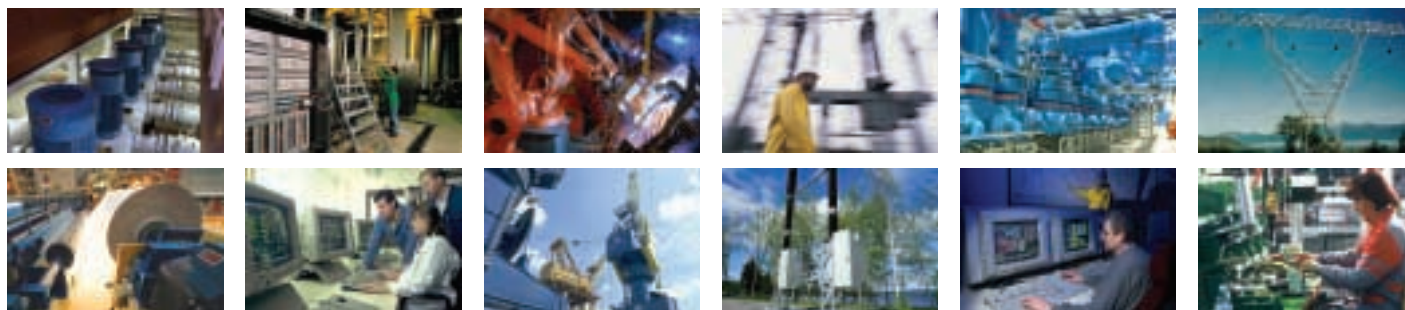
Inquiries may also be made to ABB Investor Relations, Telephone: +41 43 317 7111 Fax: +41 1 311 98 17

ABB's Web site is www.abb.com.

13. Further information on corporate governance

The list below contains references to additional information on the corporate governance of ABB, which can be downloaded from: www.abb.com/about:

- articles of incorporation
- regulations of the board of directors
- CV of members the board of directors
- CV of members of the group executive committee
- corporate governance charter
- charter of the nomination and compensation committee
- charter of the finance and audit committee
- business ethics



Division management teams

Automation Technologies

Division head	Dinesh Paliwal
CFO	Herbert Parker

Business area managers:

Control Platform and Enterprise Products	Teemu Tunkelo
Drives and Motors	Anders Jonsson
Low-Voltage Products and Instrumentation	Tom Sjökvist
Petroleum, Chemical and Consumer	Frank Duggan
Paper, Minerals, Marine and Turbocharging	Martinus Brandal
Robotics, Automotive and Manufacturing	Bo Elisson

Country manager, Finland	Mikko Niinivaara
Country manager, Sweden	Sten Jakobsson
Country manager, United States	Donald P. Aiken
Country manager, Germany	Bernhard Jucker
Local division manager, China	Veli-Matti Reinikkala

Power Technologies

Division head	Peter Smits
CFO	Victor Bolt

Business area managers:

Power Systems	Josef A. Dürr
Utility Automation Systems	Michael Hirth
High-Voltage Products	Jens Birgersson
Power Transformers	Joakim Olsson
Medium-Voltage Products	Guido Traversa
Distribution Transformers	Brice Koch

Region manager, Latin America	Benny Olsson
Region manager, Middle East and Africa	Max Abitbol
Country manager, China	Peter Leupp
Local division manager, United States	John Sullivan

Oil, Gas and Petrochemicals

Division head	Erik Fougner
Controller	Lars Eikeland

Business area managers:

Upstream	Erik Fougner
Downstream	Stephen M. Solomon

Senior group officers

Markus Bayegan
Beat Hess
Alfred Storck

Group Functions reporting to CEO, Jürgen Dormann

Corporate Communications	Björn Edlund
Group Internal Audit	Markus Kistler
Legal Affairs and Compliance	Beat Hess*
Research and Development	Markus Bayegan

* John Scriven replaces Beat Hess in June 2003

Group Functions reporting to CFO, Peter Voser

Chief Information Officer	Haider Rashid
Corporate Finance and Taxes	Alfred Storck
Finance Advisory	Enrico Viale
Group Controlling	Hannu Kasi
Investor Relations	Michel Gerber
Merger and Acquisitions and New Ventures	Eric Elzvik
Risk Management	Charles Salek

Group Functions reporting to the head of Human Resources, Gary Steel

Sustainability Affairs	Christian Kornevall
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Country managers

Europe

Austria	Rudolf Petsche
Baltic States	Bo Henriksson
Benelux	Marco Croon
Czech Republic	Olle Jarleborg
Denmark	Claus Madsen
Finland	Mikko Niinivaara
France	Max Abitbol
Germany	Bernhard Jucker
Greece	Costas Cosmadakis
Hungary	Peter Hegedus
Ireland	Frank Duggan
Italy	Gian-Francesco Imperiali
Norway	Peer-Hakon Jensen
Poland	Mirosław Gryszka
Portugal	Carlos Dias
Romania	Peter Simon
Russia	Yuri Kozlov
Slovak Republic	Andrej Toth
Spain	Fernando Conte
Sweden	Sten Jakobson
Switzerland	Rolf Schaumann
Turkey	Oivind Lund
United Kingdom	Trevor Gregory

Middle East and Africa

Egypt	Bassim Youssef
Iran	Homayoon Bayegan
Israel	Ronen Aharon
Jordan/ Near East and Gulf	Faraj AlJarba
Kenya/Eastern Africa	Rainer Benz
Morocco/North and Francophone Africa	Jean-Claude Lanzi
Nigeria/Western Africa	Wolfgang Pfeiffer
Saudi Arabia	Mahmoud Shaban
South Africa/ Southern Africa	Carlos Pone

Americas

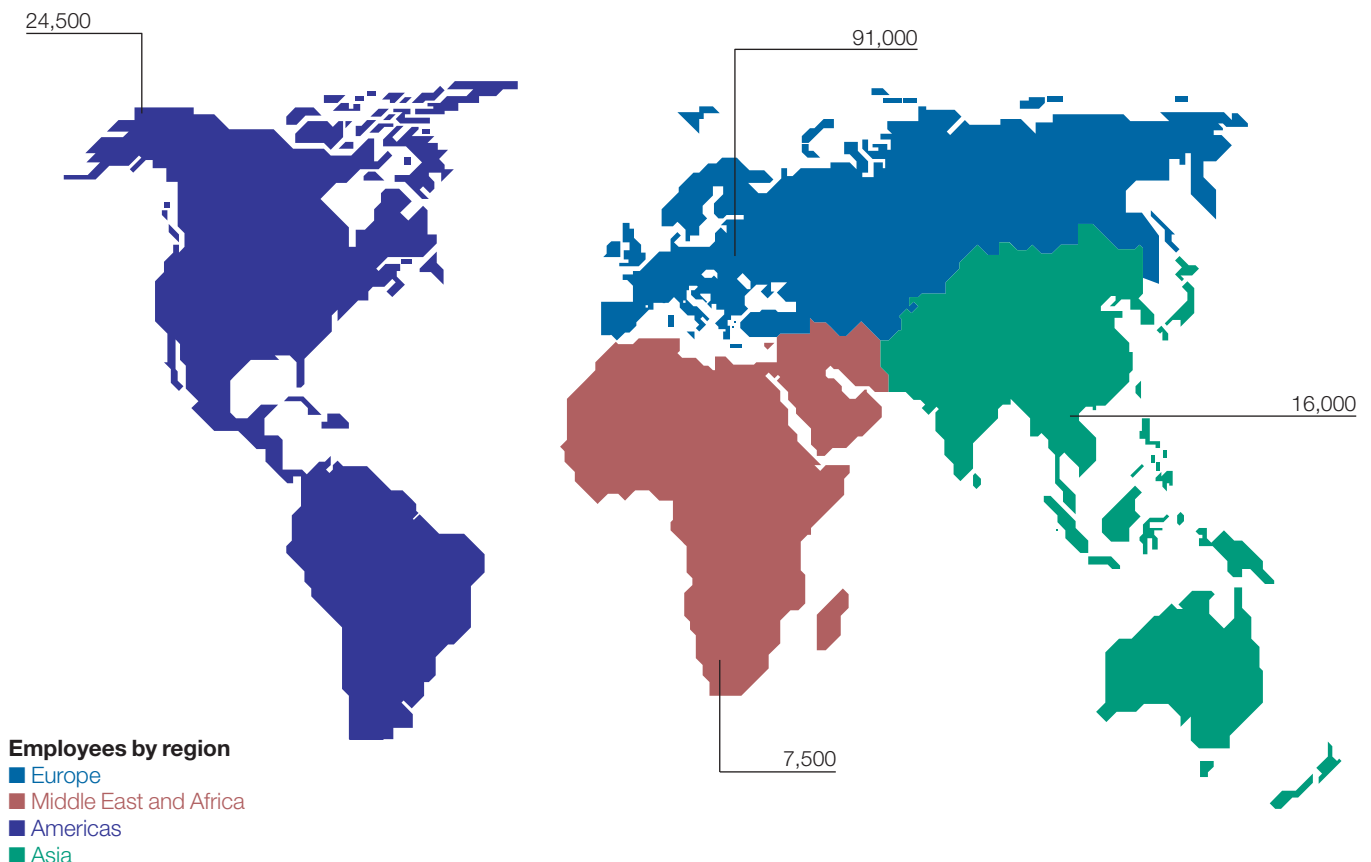
Argentina	Ulises de la Orden
Brazil	Benny Olsson
Canada	Paul Kefalas
Chile	Victor Ballivian
Colombia	Ramon Monras
Mexico	Fredrik Wikström
Panama/Central America, Caribbean	Alvaro Malveiro
Peru	Eduardo Soldano
United States	Donald P. Aiken
Venezuela	Armando Basave

Asia

Australia	John Groskell
China	Peter Leupp
India	Ravi Uppal
Indonesia	Ulf Rolander
Japan	Lave Lindberg
Malaysia	Bengt Andersson
New Zealand	John Gaskell
Philippines	Boon Kiat Sim
Singapore	Boon Kiat Sim
South Korea	Yun-Sok Han
Taiwan	Göran Sundin
Thailand	Jonny Axelsson
Vietnam	Erik Rydgrén

Region managers

Latin America	Benny Olsson
Middle East and Africa	Max Abitbol
Balkans and Central Asia	Bruno Berggren
North and South East Asia	BoonKiat Sim



About ABB

The ABB Group was formed in 1988, when the Swedish Asea and the Swiss BBC Brown Boveri merged under the name ABB. Asea's history dates back to 1883. BBC Brown Boveri was founded in 1891.

Through the years, ABB acquired many companies, from Stroemberg of Finland and Westinghouse of the U.S., to Stotz Kontakt of Germany and Sace of Italy.

This section of the site provides an overview our products, services and solutions in these areas, sheds light on the ABB Group strategy, and outlines our organizational structure, mission and values, corporate governance charter and 120-year history.

www.abb.com/about

Products and Services

ABB's products and services are its lifeblood. In this easy-to-navigate section you can find our product guide – an A to Z list of products we have made or now make. You can also find our service guide and contact list, which provide detailed information regarding the upkeep of power plants and factories, and sales contacts to help you get what you need immediately, regardless of what country you are located in.



One of the more innovative parts of this section is devoted to industry portals. Rather than needing to know what specific product you are interested in, you can enter our product and service portfolio by industry. Are you an automotive customer? Go into the automotive portal. Are you a utility customer? Enter the utilities portal. All you need is just a click away.

www.abb.com/productguide

Sustainability



ABB's most effective contribution to sustainable development lies in its products and systems. They require less material, are more efficient and consume less energy, which means reduced environmental impact and lower greenhouse gas emissions over long operating lifetimes. That performance is monitored, measured and communicated with environmental product declarations.

Among other things, this section has position papers, environmental product declarations, question and answer documents and sustainability index ratings.

www.abb.com/sustainability

ABB on the Web: www.abb.com

Around 100 million pages are viewed every year on ABB's Web site. Two-thirds of the traffic goes straight to the site's products and services section, which houses more than 100,000 Web pages and downloadable documents.

News Center

This section is devoted to journalists and includes press releases, trade and technology releases, speeches and presentations, downloadable pictures of our people and technology, and an up-to-date library of publications.

In addition, new parts of the section are devoted to multimedia material like audio and video clips from our senior executives.

Need an interview? Contact our media relations team in this part of the site.

www.abb.com/news



Technology



Suppose you are a researcher working on a project at university. ABB's technology Web pages can help you find an expert in your area of interest. You can exchange information and download specific drawings or mathematical calculations. Moreover, you can find the configuration data for a substation or get condition monitoring statistics for preventive maintenance on motors and machines.

We have global research and development labs working together on large projects on the Internet. You can watch streaming video interviews with ABB's technology experts and listen to them discuss strategy and the future direction of R&D.

One of the most valuable parts of ABB's technology section is devoted to publications. Here you can find research papers, periodicals, technology reviews and reports.

www.abb.com/technology

Careers

The careers section on ABB's Web site offers everything you need to know as a student, new recruit or professional looking for new challenges. The site features prominently the five most recently posted jobs in ABB, background information on the company, and interviews and videos-on-demand with existing employees.

New sections are devoted to students and interns, where you can choose from a variety of interesting international assignments.

www.abb.com/careers

Investor Relations

This fast-moving section includes ABB's share price ticker, listings and ticker symbols. It displays per share, dividend and stock split history – and credit ratings – and also has all of ABB's quarterly financial releases, an information archive, outlook statement, annual reports and shareholder updates.

Information on ABB's bonds, credit rating, debt targets, maturity profile and a bondholder Q&A are housed in this section, as is contact information for our investor relations staff in Europe and the U.S.

Looking for presentations from our chief financial officer or market updates? Look no further.

www.abb.com/investorrelations





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