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**Country manager**  
**October 2, 2003**



# **ABB** **in Finland**



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- Core competence and businesses
- Market environment
- Performance
- Technology focus

# ABB in Finland

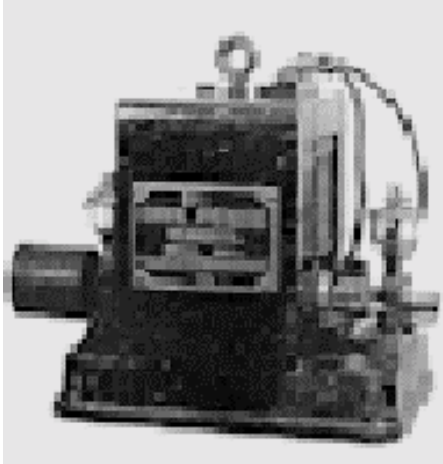


- Power and automation technology products, services and solutions for industry and utility customers
- Local market leader
- Revenues EUR 1.3 billion\*
  - Exports 70 percent\*
- About 7,000 employees\*
- Biggest factories in Helsinki and Vaasa

\*Building Systems business with revenues of 300 MEUR and 2,300 employees in 2002 divested end Aug., 2003. Pro-forma figures restated accordingly



# Our history...



**Dynamo No. 1 in 1889**



**Gottfrid Strömberg  
1863-1938**

**1889 - Ab Gottfr. Strömberg Oy founded**

**1926 - Strömberg to sell BBC products in Finland**

**1928 - Asea aquired 60 percent stake in Strömberg**

**1930 - BBC and Asea each own 28.9 percent of Strömberg**

**1943 - BBC and Asea decrease stake to 14.2 percent each during war time**

**1962 - Asea proposes technology cooperation without success**

**1963 - BBC establishes subsidiary in Finland**

**1983 - Asea and BBC divest Strömberg stake to Kymi-Kymmene/Kymi. Strömberg Oy formed**

**1987 - Asea acquires Strömberg Oy**

**1988 - Asea and BBC merge to form ABB**



# Complete range of products



## Automation technology products

- automation and control
- electrical drives
- machines and motors
- low-voltage apparatus
- low-voltage systems and switchgear
- protection relays

## Power technology products

- distribution and special transformers
- power transformers
- switchgear
- Medium-voltage products



# Systems, services and solutions

Power and automation systems for

- Generation and distribution of electrical energy
- Industries
- Electrical ship propulsion
- Service



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# Vital player in the Finnish market

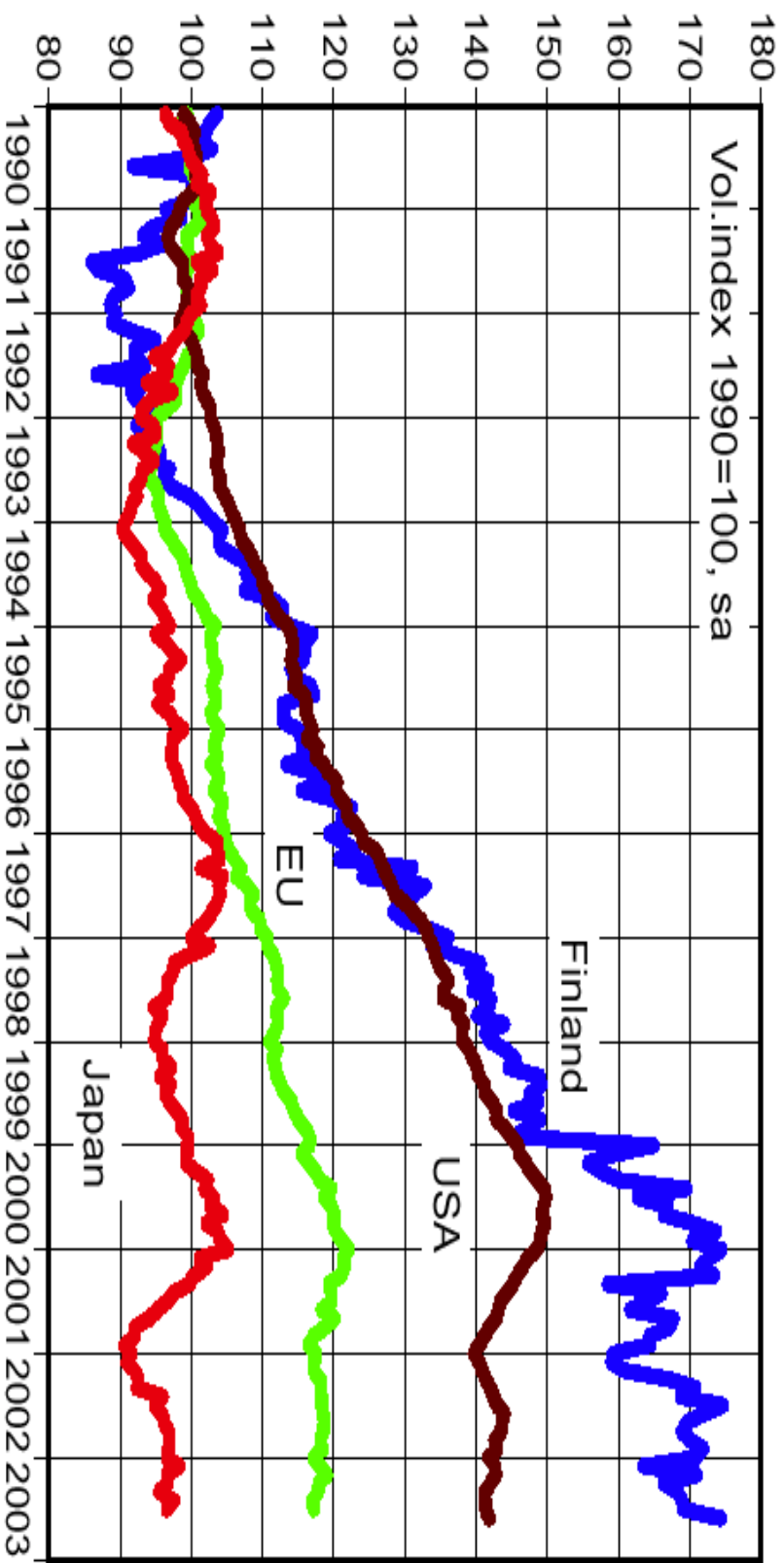


In Finland ABB is

- 4th biggest R&D investor
- 9th biggest export company
- 10th biggest industrial employer



# Industrial production

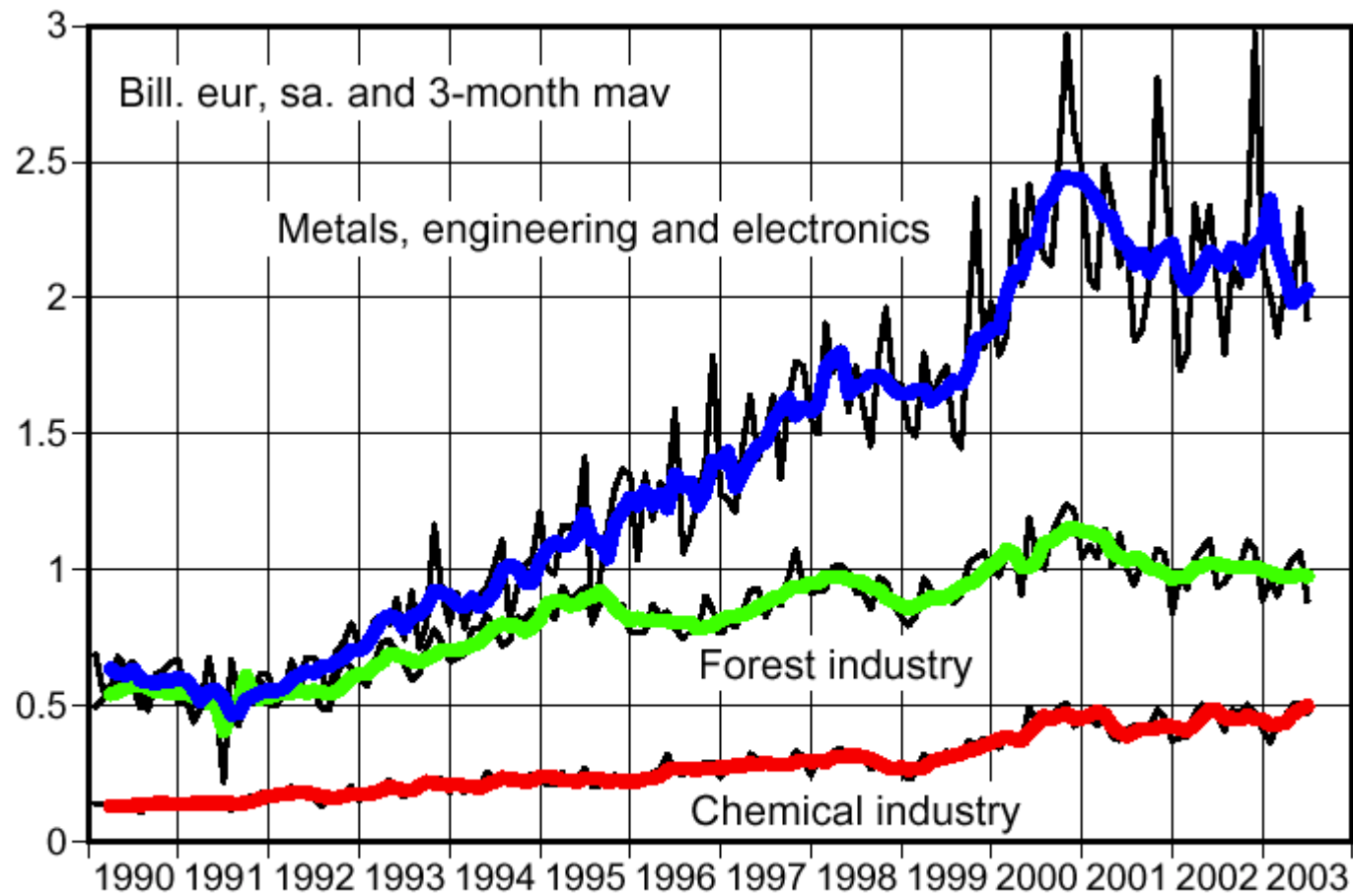


Source: OECD

10.9.2003/teol3/jka/suku



# Finnish exports of goods by branch

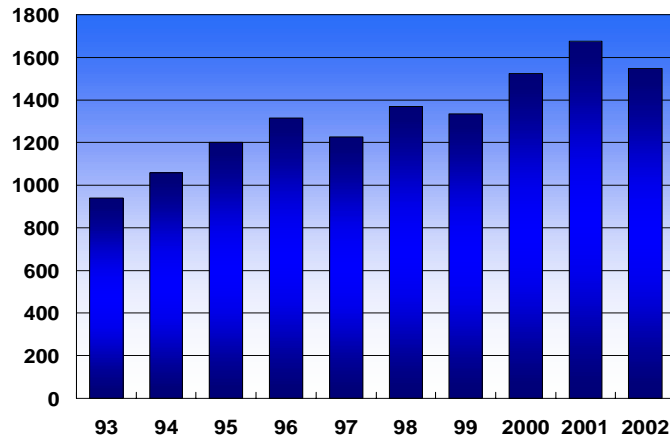


Source: Board of Customs

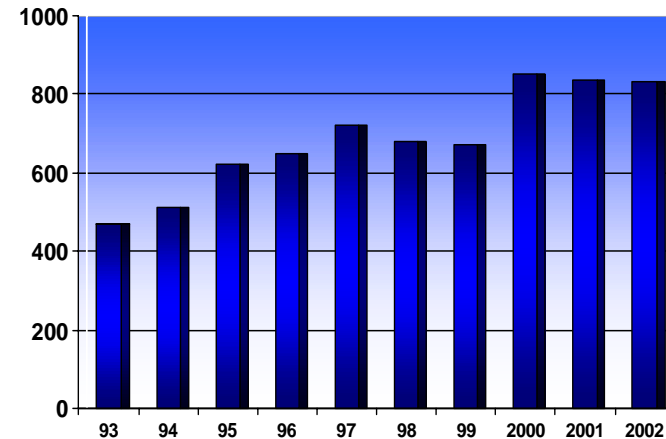
4.9.2003/vien4/jka/suku

# ABB Finland key figures 1993-2002

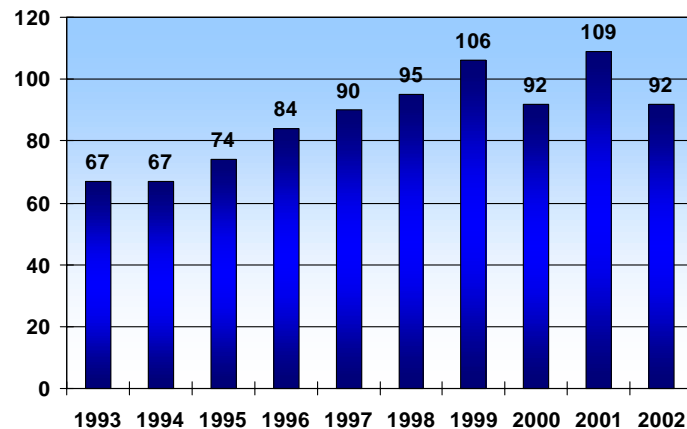
MEUR  
Revenues



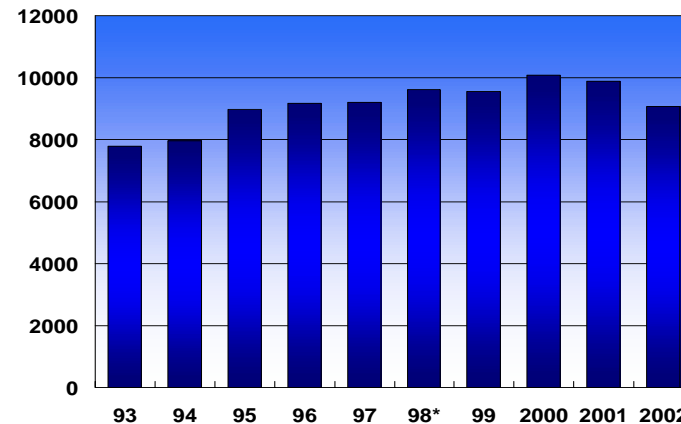
Exports



Research and development



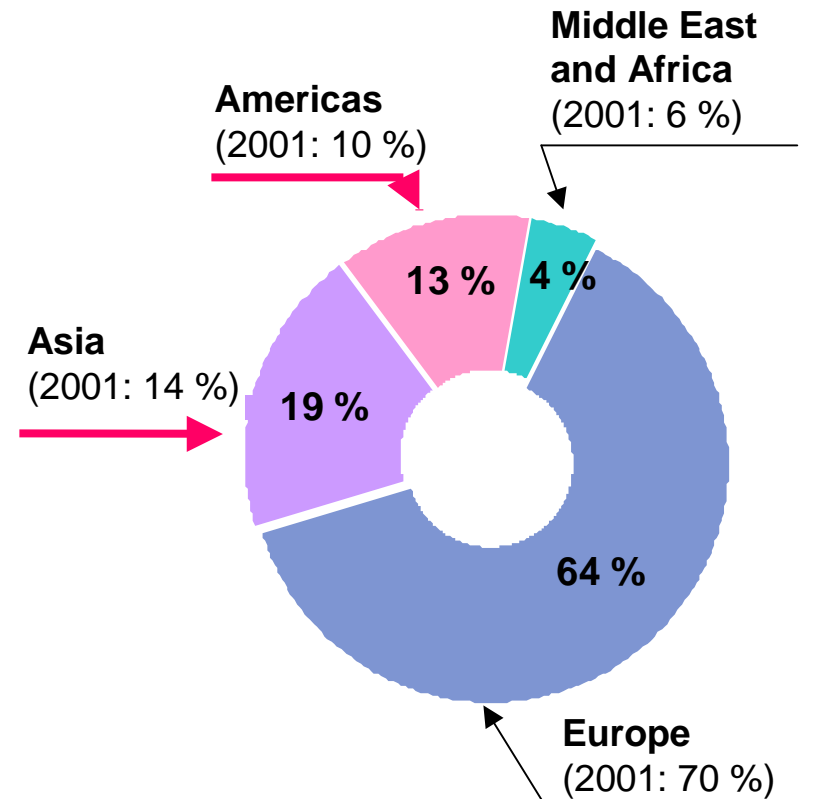
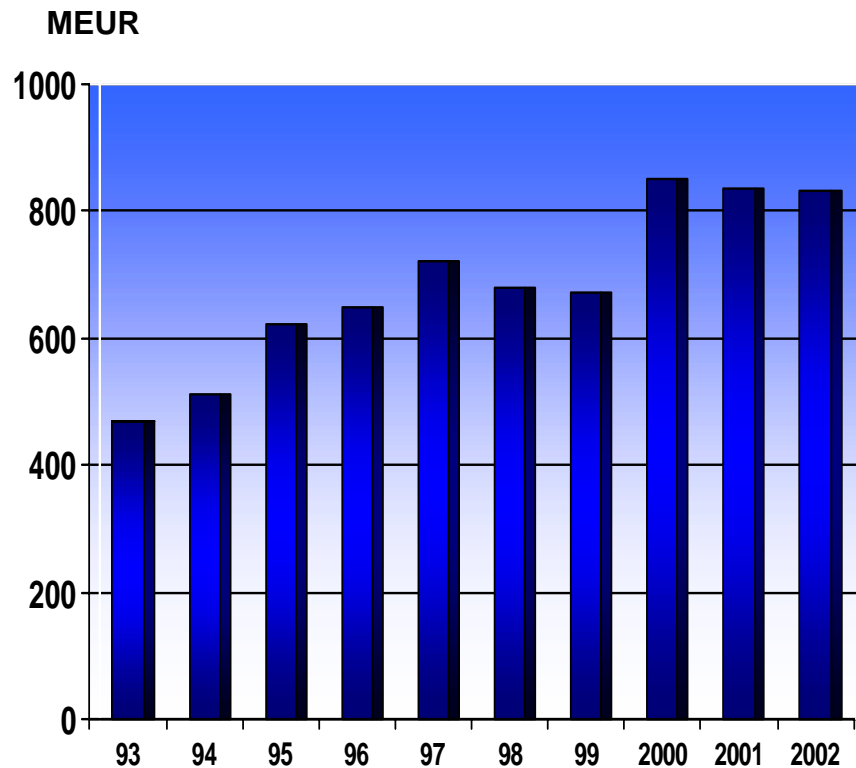
Employees



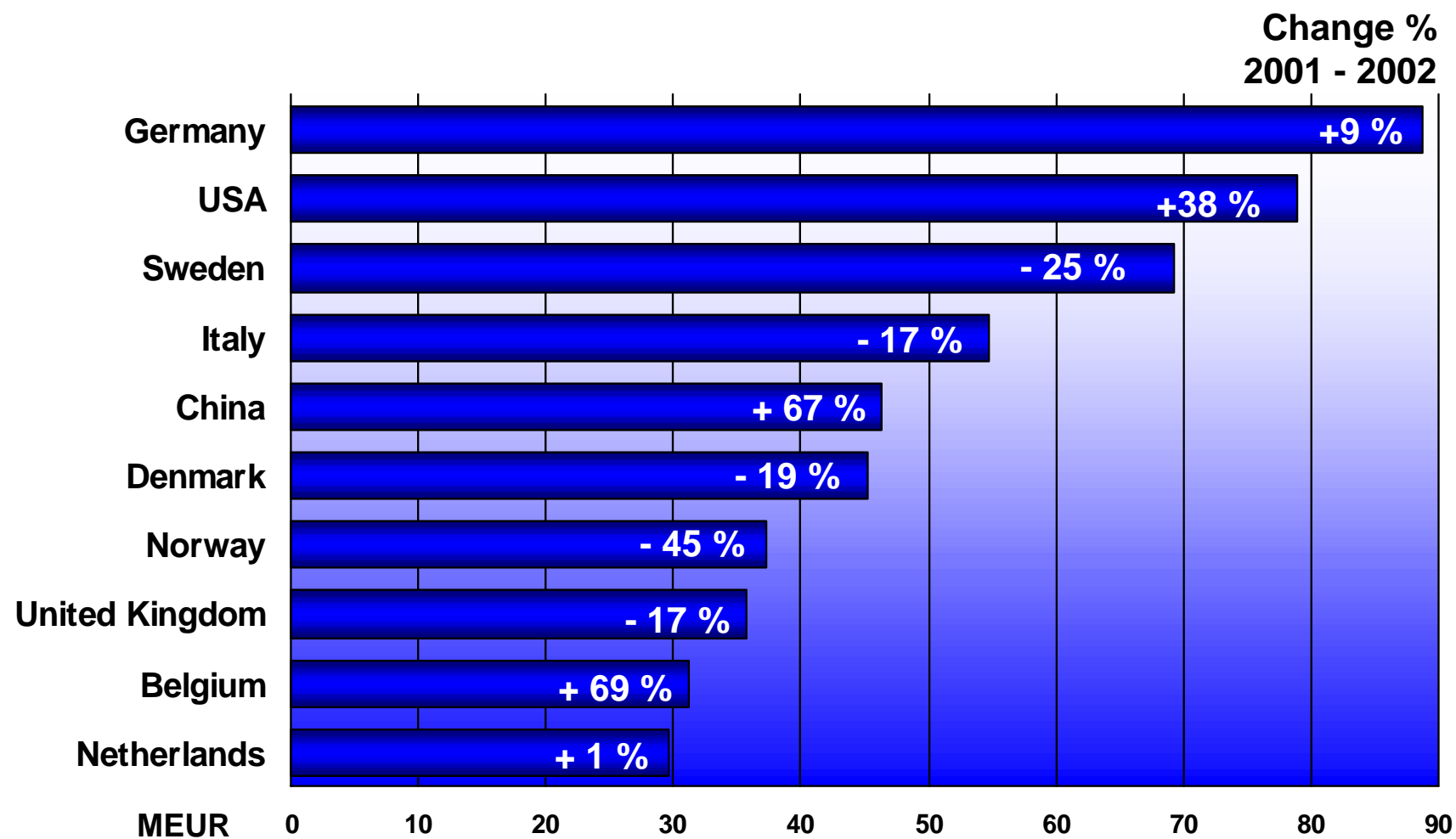
\*

# Export orders doubled in 10 years

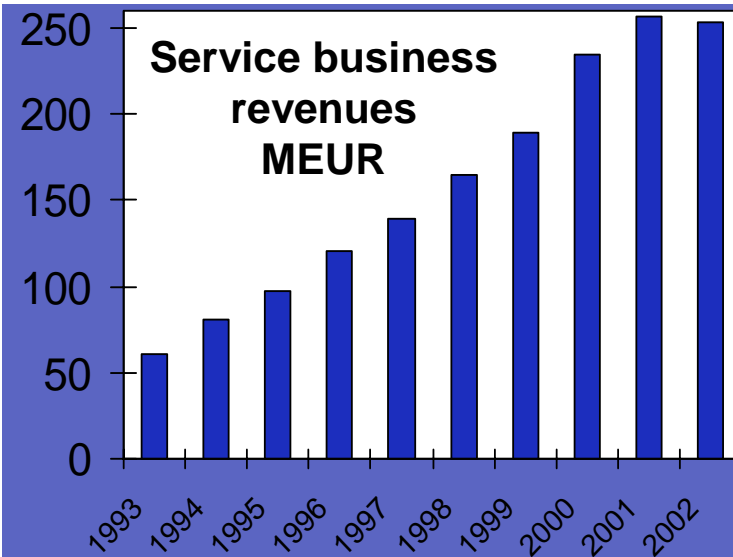
Export 2002 total 829 MEUR



# Biggest export countries 2002



# Performance-based service contracts



**20 % of employees  
working in service business**

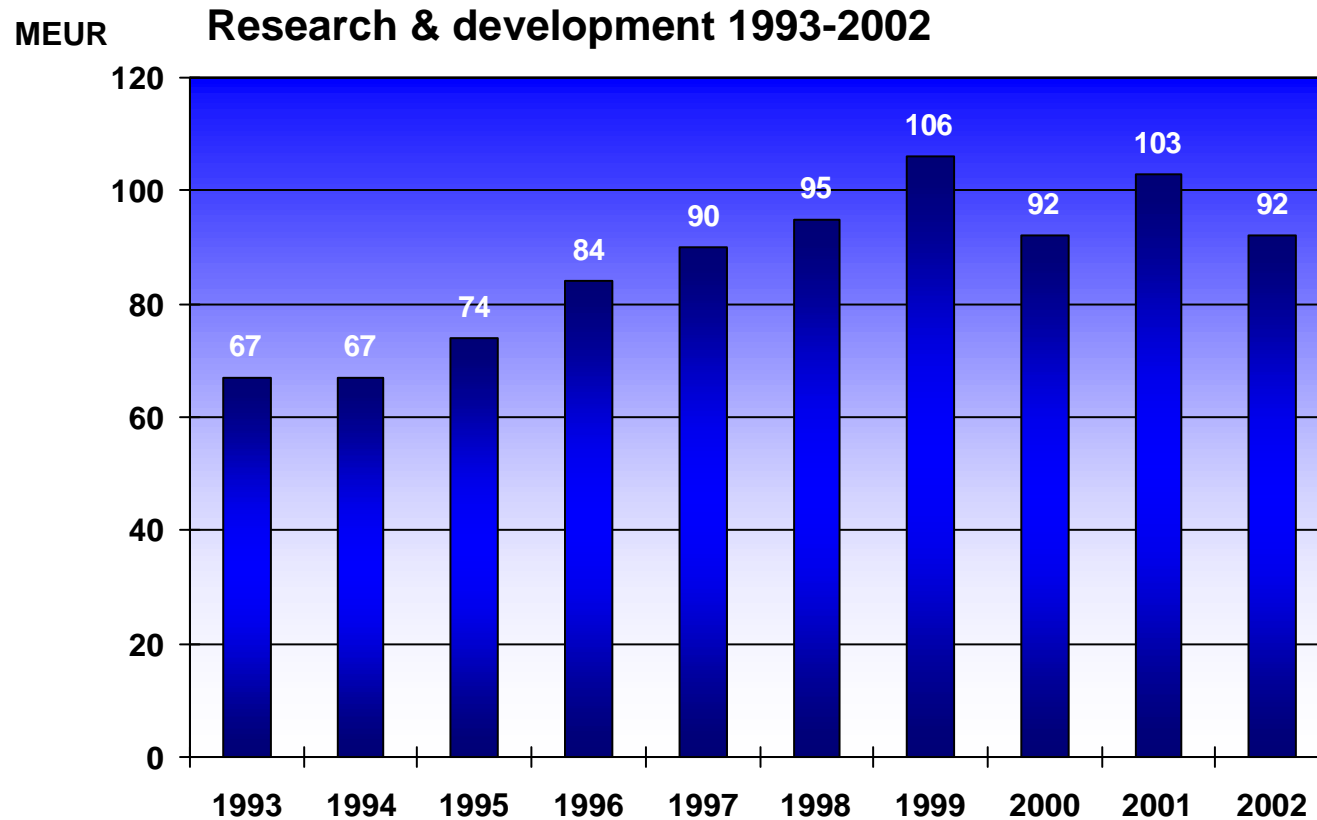
## Benefit for the customer

- Enables full concentration on core businesses
- Possibility to utilize tools that ensure improvement of production efficiency
- Skilled and flexible people ensure the continuity of production
- Performance development in
  - production effectiveness
  - cost-saving
  - occupational health management
  - automation
- Nearly 150 contracts signed to date



# Technology-based businesses

Total annual investments about 7 percent of revenues

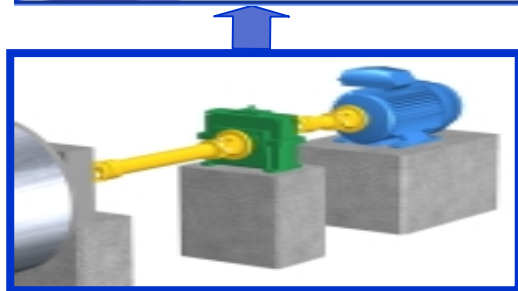
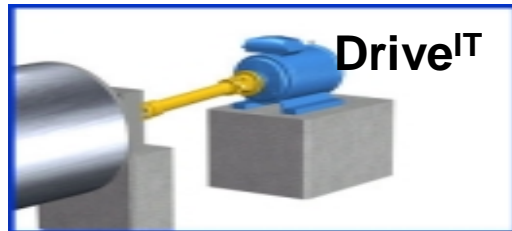


Employee competence development totals 16.8 MEUR 2002



# Permanent magnet technology

IndustrialIT  
enabled



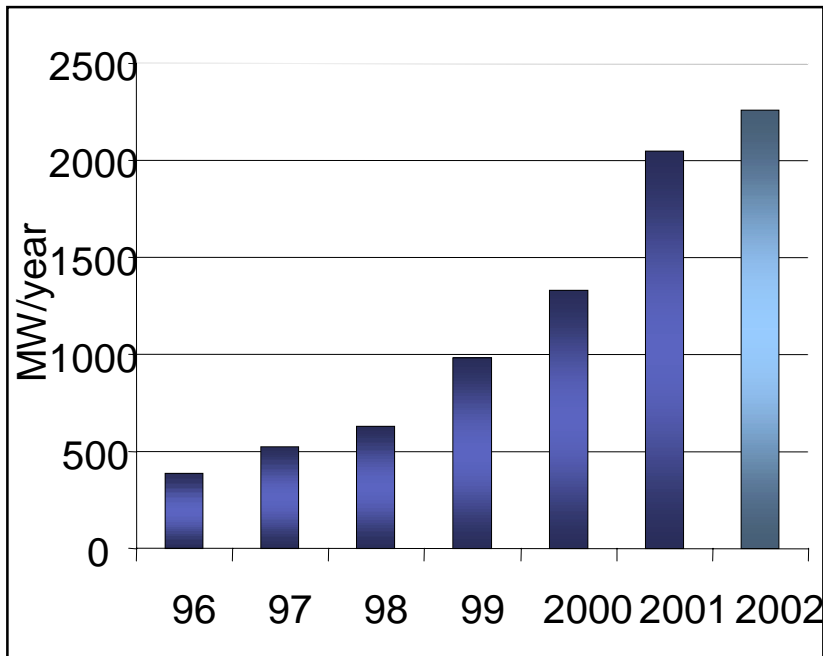
- New technology based on permanent magnet motors
  - Patented rotor design
  - Fewer components; no gears and no encoders
  - Lower engineering, installation and maintenance costs
  - Lower energy consumption
- First direct drive applications delivered to M-real's paper mill in Finland. Start up in November 2002
- 4 additional orders in the pipeline to paper mills in New Zealand, South Africa, Germany and Finland

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# Permanent magnet technology in wind mills

Generator deliveries



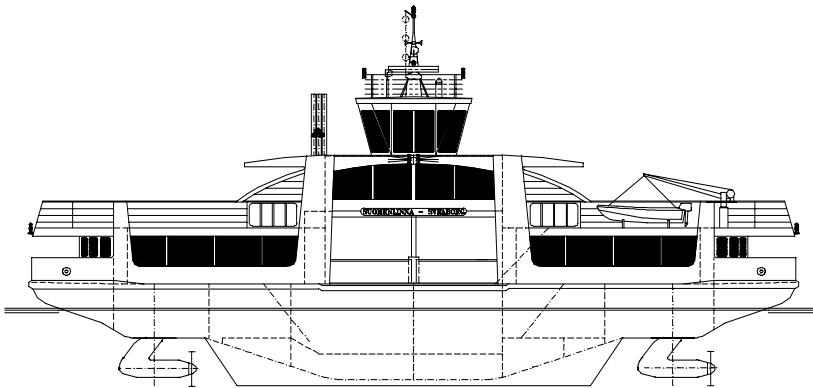
- Leading supplier of wind mill generators
- Market share 25-30 percent
- Over 20 years experience
- 9,000 generators supplied
- Frequency 55 kW ...3 MW
- Delivery range up to 5 MW



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# Permanent magnet technology in ferries

## Suomenlinna double-ended ferry



**2 x 500 kW Compact Azipods**  
**2 x 690 V ACS 600 W Marine Drives**  
**690 V Main Switchboard**



# Enjoy your stay in Helsinki and...



