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# ABB to optimize transformer manufacturing footprint to drive competitiveness

## Strategic realignment of global operations reflects changing market dynamics

ABB today announced a strategic realignment of its global transformer manufacturing, engineering and service footprint to enhance competitiveness in a dynamic market environment marked by increasing competition and consolidation in the rail industry. The move is part of the 'Power Up' transformation program in ABB's Power Grids division.

In the United States, ABB will consolidate its power transformers manufacturing footprint by investing in its South Boston and Crystal Springs units and discontinue production at its unit in St. Louis, Missouri, which will continue to focus on engineering and service activities. In addition, ABB will establish new traction transformer manufacturing facilities at its South Boston unit to serve rail industry needs. ABB will also expand its medium and large power transformer factory in Varennes, Canada, to better serve the Canadian market.

In Europe, production of traction transformers will be consolidated in Lodz, Poland, which will become the main manufacturing hub for rail customers in the region. ABB plans to continue manufacturing prototypes and smaller quantities at its facility in Geneva, which will remain the center of excellence for this technology and be an innovation center for energy efficiency and sustainable mobility solutions. Capacity will also be expanded for power and distribution transformers at the Lodz unit, bringing economies of scale and making it a major transformer hub for ABB.

In Asia, Middle East and Africa, to serve growing market needs and enhance customer proximity, ABB will expand its traction transformer operations in India, supporting the government's 'Make in India' initiative. The company will also invest in upgrading its Datong traction transformer facility in China to improve efficiency and meet growing demand. Earlier this year, ABB inaugurated a new traction transformer facility in South Africa, in line with the government's local procurement requirements.

"This footprint optimization will enhance competitiveness and strengthen ABB's global leadership in transformers by better aligning the business to reflect changing market dynamics," said Claudio Facchin, President of ABB's Power Grids division. "The realignment is part of our 'Power Up' transformation program and ABB's Next Level strategy."

ABB is the market and technology leader in transformers with an unparalleled global installed base and a vast portfolio of power, HVDC, distribution, traction and special application transformers.

**ABB** (ABBN: SIX Swiss Ex) is a pioneering technology leader in electrification products, robotics and motion, industrial automation and power grids, serving customers in utilities, industry and transport & infrastructure globally. Continuing a more than 125-year history of innovation, ABB today is writing the future of industrial digitalization and driving the Energy and Fourth Industrial Revolutions. ABB operates in more than 100 countries with about 136,000 employees. [www.abb.com](http://www.abb.com)

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