

FOR IMMEDIATE RELEASE**Hitachi ABB Power Grids to invest over \$100 million in strategic realignment of global high-voltage switchgear business**

Planned investment to enhance customer focus reflecting changing market dynamics while optimizing footprint and driving competitiveness

Zurich, September 23, 2020 - Hitachi ABB Power Grids today announced a strategic realignment of its global high-voltage switchgear manufacturing, engineering and service footprint to enhance competitiveness in a dynamic market environment marked by increasing competition. The move is expected to entail an investment of over \$100 million to strengthen the High Voltage Products business which employs around 7,500 people globally, and support its profitable and sustainable growth.

Hitachi ABB Power Grids will invest in capabilities to serve the growing market needs in Asia, Middle East and Africa from its switchgear units in China, India, Saudi Arabia, Indonesia and Vietnam, to ensure customer proximity and competitiveness. Additionally, the company has a global engineering center in India which will be further strengthened to meet increasing demand.

In Europe, the assembly of gas-insulated switchgear (GIS) below 170-kilovolt (kV) in Hanau, Germany is intended to be consolidated in Zurich, Switzerland. This unit has a rich heritage of pioneering innovation including the world's first eco-efficient (SF6 alternative) GIS and has assembly and testing capabilities to deliver products up to 1,200 kV. Going forward, the GIS operations in Hanau and Mannheim are expected to focus on technology, sales and service. The wide ranging high-voltage switchgear presence in Europe will continue to serve the region mainly through its units in Switzerland, Sweden and Italy as well as its growing presence in Bulgaria and Czech Republic.

The company's US hub in North America will be further enhanced to strengthen its presence in the region.

The extensive global high-voltage product network will continue to serve customers across all markets in an optimum and competitive manner.

"This footprint optimization will enhance competitiveness and strengthen our global leadership in high-voltage switchgear by better aligning the business to reflect evolving market needs," said Claudio Facchin, CEO, Hitachi ABB Power Grids. "The realignment is part of our ongoing strategic transformation and enhanced customer

focus. As a market leader, we continue to make significant investments to bring the best-in-class technology and services to our customers.”

Hitachi ABB Power Grids is a world leader in high-voltage technology offering comprehensive range of high-voltage products up to 1,200 kV that help enhance the safety, reliability and efficiency of power grids while minimizing environmental impact. It continues to drive innovations in areas such as ultra-high-voltage power transmission, enabling smart grids and enhancing eco-efficiency.

About Hitachi ABB Power Grids Ltd.

Hitachi ABB Power Grids is global technology leader with a combined heritage of almost 250 years, employing around 36,000 people in 90 countries. Headquartered in Switzerland, the business serves utility, industry and infrastructure customers across the value chain, and emerging areas like sustainable mobility, smart cities, energy storage and data centers. With a proven track record, global footprint and unparalleled installed base, Hitachi ABB Power Grids balances social, environmental and economic values. It is committed to powering good for a sustainable energy future, with pioneering and digital technologies, as the partner of choice for enabling a stronger, smarter and greener grid. <https://www.hitachiabb-powergrids.com>

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