SHANGHAI, CHINA, SEPTEMBER 12, 2019

**ABB begins construction of new robotics factory in Shanghai**

- $150 million investment will strengthen ABB’s leading position in China, the world’s largest robotics market
- Factory to open early 2021, utilizing latest automated and digital manufacturing processes

ABB today announced that it has started construction of its new robotics manufacturing and research facility in China, the world’s largest robotics market. The facility is expected to open during 2021 and represents a total investment of US$150 million (1.1 billion RMB).

The new 67,000 m² factory in Kangqiao, near Shanghai, will deploy the latest manufacturing processes, including machine learning, digital and collaborative solutions. It will be the most advanced, automated and flexible factory in the robotics industry worldwide – a center where robots make robots. The new factory will also host an onsite research and development center, which will help accelerate innovations in Artificial Intelligence (AI). The center will serve as an open innovation hub where ABB closely collaborates with its customers to co-develop automation solutions that are tailored to their individual needs.

ABB’s robotics solutions serve a diverse customer base in Asia, supporting automotive manufacturers, particularly in e-mobility, as well as manufacturers in the electronics, food and beverage, pharmaceuticals, logistics automation and general industries, among many others. ABB predicts that global robot sales will grow from $80bn today to $130bn in 2025. China is the world’s largest robotics market; one of three robots sold globally in 2017 went to China.

Peter Voser, Chairman and CEO of ABB said: “The establishment of the new factory is another milestone in ABB’s development in China and will further strengthen our leadership in the world’s largest robotics market. Since the project announcement last October, we have been provided with tremendous support from the local government. It has been listed among the Top 10 projects of the ‘Manufacturing in Shanghai’ initiative in 2019, a great honor for ABB.”

Local Chinese dignitaries, ABB customers, as well as ABB senior executives, took part in today’s groundbreaking event.

**Digital Factory of the Future**

Production in the highly automated factory will be based on cells of automation rather than on a fixed assembly line, which will allow robots to move from station to station for greater customization and more flexibility than in traditional, linear production systems. Automated guided vehicles (AGVs) will deliver parts to the production robots just in time, while the latest collaborative technologies will ensure that humans and robots can work safely side by side, bringing greater flexibility and agility to production processes and combining the advantages of robots with the unique capabilities of people.

The factory will be a complete digital manufacturing ecosystem, employing a ‘digital twin’ that will give everyone from managers and engineers to operators and maintenance teams data insights and machine learning capabilities to improve performance and maximize productivity. ABB will use a machine learning-based system to inspect robots as they are being assembled, to ensure the highest quality standards.
“As the market leader in industrial robotics in China, we are proud to support the Chinese industry in strengthening its manufacturing sector. Despite short-term market challenges, China’s development as a global manufacturing hub, the ongoing trend towards mass customization and a rising shortage in skilled labor will continue to create strong and lasting demand for automation solutions in the region,” said Sami Atiya, President of ABB’s Robotics and Discrete Automation business. “In the years ahead, we estimate the breadth and depth of our portfolio will nearly double. This means we need a factory that can produce a greater variety of robots and efficiently scale volumes to adapt to changing market conditions and technological trends,” Atiya added.

ABB Robotics has three factories worldwide: the new factory in Shanghai, which will replace the existing one there, will support customers in Asia. The factory in Västerås, Sweden, supplies customers in Europe and the Auburn Hills factory in Michigan supports the Americas.

ABB has a full range of business activities in China – its second largest market – including R&D, manufacturing, sales and services. It has approximately 20,000 employees located in 131 cities and at 44 local companies. In China, the company’s robotics business employs more than 2,000 engineers, technology experts and operational leaders in 20 locations across the country. ABB has invested more than US$2.4 billion in China since 1992.

ABB (ABBN: SIX Swiss Ex) is a technology leader that is driving the digital transformation of industries. With a history of innovation spanning more than 130 years, ABB has four customer-focused, globally leading businesses: Electrification, Industrial Automation, Motion, and Robotics & Discrete Automation, supported by the ABB Ability™ digital platform. ABB’s Power Grids business will be divested to Hitachi in 2020. ABB operates in more than 100 countries with about 147,000 employees. www.abb.com

ABB Robotics is a pioneer in industrial and collaborative robots and advanced digital services. As one of the world’s leading robotics suppliers, we are active in 53 countries and over 100 locations and have shipped over 400,000 robot solutions for a diverse range of industries and applications. We help our customers to improve flexibility, efficiency, safety and reliability, while moving towards the connected and collaborative factory of the future. www.abb.com/robotics

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