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ZURICH (AP) — Swiss-based electrical engineering company ABB Group said Monday it expected third-quarter net profit of around \$1 billion after booking charges for an alleged price fixing fine, higher taxes and restructuring costs.

ABB officially announces its quarterly results on Oct. 29. The predicted profits would represent an increase of nearly 8 percent from the \$927 million it earned during the July-September period of 2008.

The company said it had previously made provisions for the charges, which amount to a total of \$380 million.

The company said they are related to "alleged anticompetitive practices" in the power transformer market, for which it was fined by European Union, and as well the increased cost of doing business in Russia.

ABB, which employs about 120,000 people worldwide, was one of six providers of power transformers fined by the EU earlier this month for agreeing not to sell their products in each other's markets. Brussels also fined Alstom SA and Areva T&D SA of France, and Asian companies Fuji Electrics, Hitachi and Toshiba.

Power transformers modify the voltage in electricity transmission networks.

Concerning Russia, ABB said its charges related to ongoing tax matters and that it was "reviewing the situation and assessing its business model in Russia."

Shares in ABB were up 0.4 percent on the Zurich exchange at 21.90 Swiss francs (\$21.52).

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