

ABB signs new \$2-billion credit facility

Agreement replaces \$1-billion facility due to expire next year, provides greater flexibility at improved terms and conditions

Zurich, Switzerland, July 5, 2005 – ABB, the leading power and automation technology group, said today it has signed a \$2-billion, five-year revolving credit facility agreement with a group of 20 banks.

The unsecured facility replaces the \$1-billion credit facility that was due to expire in November 2006. The new credit facility, based on terms typically found in the investment-grade syndicated loan market, was oversubscribed by approximately 60 percent. The funds will be used for general corporate purposes.

“This new agreement gives us greater financial flexibility at terms and conditions that reflect our return to strong financial health,” said Michel Demaré, ABB’s chief financial officer. “I’m also encouraged by the positive support from our partner banks for the new facility. It reflects the re-established confidence that the financial community has in our operational performance and the future of ABB.”

The previous \$1-billion credit facility was signed in November, 2003 and was part of the company’s capital strengthening program that included a \$2.5-billion rights issue and a Euro 650-million bond.

The new credit facility carries a margin of 62.5 basis points per year (linked to a ratings grid). The commitment fee is 35 percent of the margin.

The syndicate consists of Barclays Capital, Bayerische Hypo- und Vereinsbank AG, BNP Paribas, Citigroup Global Markets Limited, Commerzbank AG, Credit Suisse, Deutsche Bank AG, Dresdner Kleinwort Wasserstein, HSBC Bank plc, Nordea Bank AB, Skandinaviska Enskilda Banken AB and Svenska Handelsbanken AB as Mandated Lead Arrangers. Arrangers are ABN AMRO Bank N.V., Banco Bilbao Vizcaya Argentaria S.A., Bank of America N.A., DNB Nor Bank ASA, ING Luxembourg S.A., KBC Bank N.V. and UBS. The Co-Arranger is Banca Intesa SpA.

ABB (www.abb.com) is a leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in more than 100 countries and employs about 102,000 people.

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