

ABB obtains full bank commitment for US\$ 3 billion credit facility

Barclays, Citigroup, and Credit Suisse First Boston are joint lead underwriters

Zurich, Switzerland, April 2, 2002 – ABB, the global power and automation technology group, said today that it has obtained commitments from Barclays, Citigroup and Credit Suisse First Boston to fully underwrite its US\$ 3 billion credit facility, which is in the process of being amended. This will increase the company's financial flexibility and replace the existing credit rating trigger with standard market terms and conditions.

“This agreement gives us a strong base from which we can invite our relationship banks to participate in an amended facility,” said Peter Voser, ABB's chief financial officer. “This should finally put to rest any concerns about ABB's liquidity.”

Voser also stated that ABB intends to access the capital markets to raise about US\$ 2 billion through a combination of straight and convertible bonds in order to extend the maturity of its debt and diversify its sources of finance. Terms and conditions will be announced closer to the launch date within the second quarter of 2002.

As part of its announced portfolio change program, ABB confirmed that it is in advanced negotiations with a number of parties to sell its Structured Finance business, part of the Financial Services division. Completion is expected in the third quarter.

Voser added: “With these steps, ABB is on track with its financing policy. We have eliminated our dependence on volatile short-term capital markets; we are extending the maturity profile of our debt; and we will repay at least US\$ 1.5 billion in net debt by the end of this year.”

ABB (www.abb.com) is a global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. ABB has 155,000 employees in more than 100 countries.

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