

ABB Ltd

MINUTES

**of the
ordinary Annual General Meeting of shareholders**

held on 12 May 2005 at 10 a.m.

in the “Messe Zürich”, Zürich-Oerlikon, Switzerland

CAUTION: This is a translation of the original German version. In case of any discrepancy, the German version shall prevail.

President: Jürgen Dormann

Minute-writer: John Scriven
General Counsel und
Secretary of the Board of Directors

Vote-counter: Urs Wälchli

Agenda

1. Report on the financial year 2004
2. Approval of the annual report, group accounts and annual accounts for 2004
3. Discharge of the board of directors and of persons entrusted with business management
4. Appropriation of net profit for the year
5. Elections to the board of directors
6. Election of auditors, group auditor and special auditors

The President welcomes the shareholders present to the Annual General Meeting of ABB Ltd in Zürich-Oerlikon. He also extends a warm welcome to all those following the Annual General Meeting on the Internet.

The President further welcomes the many guests at the meeting, including members of the ABB Switzerland executive committee, employees' representatives, representatives from the media, and the class present from Baden-Zürzach Commercial College. He introduces those members of the board of directors who are present at the meeting, namely Louis Hughes, Hans Ulrich Märki, Michel de Rosen and Jacob Wallenberg. Finally, he thanks the musically inclined apprentices from ABB Switzerland who are providing the musical setting.

The President opens the Annual General Meeting with some formal statements:

He declares that, in accordance with Article 14 of the Articles of Incorporation, he as chairman of the board of directors shall take the chair at the Annual General Meeting. He mentions that the entire membership of the ABB group executive committee as well as the head of the group's legal department are sitting with him up on the podium, namely: Fred Kindle, chief executive officer, Michel Demaré, chief financial officer, Peter Smits, head of the Power Technologies division, Dinesh Paliwal, head of the Automation Technologies division, Gary Steel, head of Human Resources, and John Scriven, General Counsel and secretary of the board of directors.

The President appoints John Scriven as minute-writer.

The President declares that the auditors and group auditor are represented by Mr. Charles Barone, and welcomes Dr. Hans Zehnder as the independent proxy exercising a voting right.

The President requests all shareholders wanting to speak during the meeting to come forward, give their surname, first names and place of residence, and have themselves entered into the list of people wanting to speak on a particular agenda item. He also asks that shareholders speak only about the agenda item they have chosen to speak about.

The President explains that all the ballots and elections at the Annual General Meeting will be conducted electronically, which is in accordance with Article 17 of the Articles of Incorporation. The voting procedures will be supervised by Mr. Urs

Wälchli, head of ABB Switzerland's legal department, whom the President appoints as vote-counter.

The President declares that

- a) the invitation to the Annual General Meeting was published in the "Schweizerisches Handelsamtsblatt" No. 75 of 19 April 2005 and also, in abbreviated form, in various daily newspapers both in Sweden and Switzerland, complying with the statutory notice period of 20 days;
- b) shareholders entered in the share register were additionally notified of the Annual General Meeting by letter and that, in conformity with the Articles of Incorporation, notice of the agenda items and proposals of the board of directors was given with the invitation;
- c) the annual report 2004 with the financial statements, auditors' report, consolidated financial statements, group auditor's report and proposal by the board of directors relating to the appropriation of profits was mailed upon request, was available for inspection by shareholders during the statutory time period at the company's head office, and in addition was posted for inspection on the ABB website.

The President indicates that the agenda together with the board of directors' proposals can be found on pages 2 to 4 of the invitation document and declares that no requests have been lodged by shareholders in accordance with Article 13 of the Articles of Incorporation for items to be included on the agenda and that no motions relating to items for discussion on the agenda have been submitted either.

The President states that attendance recording will be carried out by means of bar code and requests shareholders to take their voting slips and their voting keypad with them if they leave the hall during the meeting. Attendance announcing will be carried out at a later time.

The President then declares that the Annual General Meeting has been convened and constituted in accordance with the statutory and legal requirements as to form.

In connection with the presence of the media, the President comments that shareholders who do not wish their identities or voting behavior to be disclosed to the outside world should make this quite explicit at the beginning of their expositions. He expects of the representatives from the media that they respect these wishes without exception. In other respects, he points out that for the purposes of keeping the

minutes all statements and the conduct of the meeting are recorded. Representatives from radio and TV stations have received further instructions regarding data protection and the preservation of privacy rights in written form.

1. Report on the financial year 2004

The President informs the meeting that he will report on the financial year 2004 from the point of view of the board of directors and also in the performance of his function as chairman of the board and until the end of last year as chairman of the ABB group executive committee. After his report, Fred Kindle, the new chief executive officer of the group since the beginning of this year, will provide shareholders with an outlook on the future of the ABB Group.

The President then gives his President's speech, which as Appendix 1 forms an integral part of the original minutes.

The President calls on Mr. Kindle to speak, whose speech as Appendix 2 likewise forms an integral part of the original minutes. The President thanks Mr. Kindle for his remarks.

Meanwhile the President receives the attendance figures, enabling him to announce the following: 1,030 shareholders are present. Adding in the represented shareholders results in an attendance of 598,176,795 registered shares at CHF 2.50 with a total nominal value of CHF 1,495,441,987.50. This corresponds to 47.9% of the voting share capital.

The President states that shareholders wanting to have themselves represented at the Annual General Meeting were able before the meeting to appoint as their proxy another voting shareholder, a bank as depository representative, a representative of ABB Ltd as independent representative, or the independent proxy exercising a voting right, Dr. Hans Zehnder. Dr. Zehnder will vote in accordance with the instructions received from shareholders. Given his various different instructions, Dr. Zehnder will therefore be making both yes-votes and no-votes as well as abstentions. Unless otherwise directed, he will vote the same way as proposed by the board of directors. The company's representative is Mrs. Claudia Haltenberger.

The President declares that

- Dr. Zehnder, in his role as independent proxy exercising a voting right, represents 92,536,507 registered shares with a total nominal value of CHF 231,341,267.50;
- Mrs. Haltenberger, the company's representative, represents 174,315,046 registered shares with a total nominal value of CHF 435,787,615.00; and
- the depository representative represents the votes of 132,434,111 registered shares with a total nominal value of CHF 331,085,277.50.

In the light of this, the President declares that the ordinary Annual General Meeting is quorate with regard to all the items included on the agenda. In accordance with the law and the Articles of Incorporation, the Annual General Meeting decides on all the motions put to the meeting with an absolute majority of the represented share votes.

The President points out that the results of all ballots and elections will be recorded in writing by the vote-counter and the minute-writer, and comments that anybody who would like to have their no-votes or abstentions recorded by roll-call can give their surname, first names, place of residence and the number of no-votes respectively abstentions to the vote-counter to be available for the minutes.

2. Approval of the annual report, group accounts and annual accounts for 2004

The President indicates that the consolidated annual financial statements of ABB Ltd, i.e. the group accounts, can be found in the 2004 annual report, and that he already commented on them earlier. The consolidated financial statements were audited by Ernst & Young AG. Their auditors' report likewise forms part of the annual report.

The annual accounts of ABB Ltd are also included in the annual report. They were likewise audited by Ernst & Young AG and once again form part of the annual report.

The President asks Mr. Charles Barone as the representative of Ernst & Young AG whether the auditors have any further comments to make on the consolidated accounts or on the annual accounts. Mr. Charles Barone has no further comment to make.

The President opens the discussion on the annual report, the group accounts, and the 2004 annual accounts of ABB Ltd.

Mr. Hans-Jacob Heitz, Männedorf, has three comments. The first contains two compliments, the second expresses disappointment, and the third arises from an immediate cause. The first compliment he would like to pay in connection with the annual report, which with regard to corporate governance stands out positively compared to the reports of other corporations in that it openly discloses the emoluments of members of the board of directors and the remuneration paid to managers. The second compliment he would like to make in connection with the handling of a slush money affair in the USA. The case was not discovered and reported, for instance, by the authorities but by ABB's own accountants, which says a lot for a good internal control system. Such cases should be positively appreciated by financial and corporate analysts and should logically also have a positive impact on the share price.

His disappointment relates to the fact that the asbestos case still remains unsettled, this despite repeated assurances and an over-euphoric progress report. This pending matter must also stand in the way of a further rise in the share price.

Regarding corporate citizenship and the planned closure of the factory in Champagne-sur-Seine, he proposes that a mediation process be initiated. A committee should be set up, comprising the following persons: Michel de Rosen, representative of the ABB board of directors, Allan Huld, country manager for France, Gary Steel, head of Human Resources, François Roger, mayor of Champagne-sur-Seine, and two delegates from the employees. In his view, it makes no sense to close a profitable factory. He further urges that consideration should be given to a management buy-out.

Finally, Mr. Heitz expresses – despite his critical remarks – his great personal admiration for Mr. Dormann and wishes the board of directors and the ABB group executive committee every success.

The President accepts the compliments on behalf of his team and observes that he is likewise disappointed with the course of the asbestos lawsuit. He accepts the criticism made in this respect that officers may well have been too confident. Regarding the proposed mediation, he would like to put a question mark over the person of Mr. de Rosen. The latter is, indeed, a French citizen, but is in no way a

board member for France, and bears responsibility for the whole Group. Further, in his function as President, he cannot accept the suggestion of a mediation group. Responsibility for this clearly lies with the ABB group executive committee. The committee will attend to the matter with complete social responsibility.

Mr. Kindle comments that the planned factory closure in France should be seen in a wider context. ABB has more than 240 factories around the world. There are and always will be changes affecting them because, as a corporation, ABB constantly has to adapt. Thus France is not an isolated case. Such decisions are based on long-term thinking and are made after careful deliberation. After mature consideration the plan has been made to close the factory in France because it lacks chances of success within the ABB Group. ABB was and is very concerned to accept its social responsibility. This is why the corporation – in dialog with the unions – is in the process of finding a solution that is also socially acceptable for those affected.

Mr. Hans-Ulrich Gally, Binningen, maintains that risk management is becoming ever more important in today's business environment. He states that ABB has failed in the past in this respect. Thus, Combustion Engineering was bought without proper due diligence. The loss sustained as a result by the corporation amounted according to his information to at least CHF 2 billion. He has searched through ABB's annual report for any mention of risk management. He found the notion mentioned in only one place, where the Finance and Auditing Committee was being described. He hopes that this does not reflect the value that ABB places on risk management. He would like to know what ABB's strategic risk management looks like, and what risks ABB is prepared to run in the interests of sustained corporate success.

The President states that the total loss arising from the asbestos case is approximately USD 2.5 billion, and asks Mr. Kindle to reply to the question about risk management.

Mr. Kindle says that the subject of risk management is important for ABB. It is part of entrepreneurship consciously to take risks. Of central importance is to assess the risks and to exclude or minimize those that are too great. The Group management and the board of directors are actively engaged in identifying risks and in deciding which ones they want to take and which not. In addition, they are currently involved in implementing and complying with the new Sarbanes-Oxley process, which is very rigorous. This helps to gear all ABB's processes and systems towards a more congruent and strict risk management. Concerning future acquisitions, he comments

that such acquisitions will only be considered if, first, they make strategic sense, second, they can be integrated operationally – which also includes the aspect of risk management – and, third, they make financial sense.

Mr. Josef Steger, Berne, observes that the election of Mr. Kindle to the office of CEO surprised him. To assume such a post with his youthfulness requires courage and even a bit of audacity. The departure of Mr. Voser also surprised him. Mr. Voser was a calming influence as far as ABB's finances were concerned. Regarding damage payments by Swiss companies in the USA amounting to CHF 10 billion, he is unable to find clear words in the annual reports referring to these risks.

In the matter of the volume of sales of ABB shares, he comments further that stock exchange tradings have to be viewed critically. The price of ABB's shares, for example, has for months not risen above the Deutsche Bank target of CHF 8. Finally, he would like to know how high the restructuring costs will turn out to be up to 2009. He calls for the costs to be clearly disclosed and for a public statement to be made saying when a dividend payment can be expected. He ends by thanking Mr. Dormann for everything he has done for the corporation.

The President responds that the board of directors and especially the Nomination and Compensation Committee spent a long time considering who should succeed as Group CEO. Mr. Kindle's age of 46 years is exactly right. In the past, ABB had so many changes in the leadership of the Group management that a perspective of 10 years can only be good for the corporation and its shareholders. Regarding business in the USA, he recognizes that the risks are exceptionally great both structurally and legally. Concerning stock exchange performances and the attitude of certain banks, he does not want say anything at this point. The board of directors has its eye on the interests of shareholders and discussed dividend payments. After the setback in the asbestos affair, it had to forgo paying a dividend. But the board has certain ideas about making future dividend payments.

Mr. Kindle comments on the restructuring costs by saying that changes have to be made each year. He and his colleagues anticipate that "normal" restructuring costs will amount to between 0.5 and 0.7% of turnover. They will give their view on ABB's objectives up to 2009 in September, when they will also be able to comment more specifically on anticipated results, including expected restructuring costs. As far as a dividend is concerned, it is the declared objective of the corporation to pay a dividend

again in the future. The ABB group executive committee is making every effort to bring about the financial basis for this.

The President notes that there are no further questions or comments from the floor, and moves on to pass a resolution approving the annual report, the group accounts and the annual accounts for 2004.

The President declares that the Annual General Meeting has approved the annual report, the group accounts and the annual accounts for 2004 with 99.2% yes-votes (precise voting results in Appendix 5).

3. Discharge of the board of directors and of persons entrusted with business management

The President states that the board of directors proposes that its members and those officers entrusted with managing the business be discharged from their responsibilities for the financial year 2004. As the board of directors and the officers entrusted with managing the business work together as a team, he intends to conduct the vote on the discharge resolution globally.

There are no comments from the floor on this agenda item, and so the President moves on to the vote, pointing out that anyone who has participated in any way in managing the business is excluded from voting. This applies also, of course, to any representatives of these persons. The votes of the persons concerned will not be taken into account during this ballot, and the number of represented votes is correspondingly reduced.

The President declares that in a global ballot the Annual General Meeting has granted discharge to the board of directors and the officers entrusted with managing the business for the financial year 2004 with 99.2% yes-votes (precise voting results in Appendix 5).

4. Appropriation of net profit for the year

The President states that the 2004 consolidated financial statements result in a loss of USD 35 million for the year. By contrast the loss for the year posted by the group holding company, i.e. by ABB Ltd, amounts to CHF 30,838,555.

In view of this situation, the President, on behalf of the board of directors, proposes not to make any dividend payments, and to carry forward to new account the profit available to the Annual General Meeting amounting to CHF 10,570,584.

There are no comments from the floor on this agenda item, and so the President moves on to the vote.

The President declares that the Annual General Meeting has approved the proposal of the board of directors relating to the appropriation of net profit for the year 2004 with 99.5% yes-votes (precise voting results in Appendix 5).

5. Elections to the board of directors

The President observes that the date of today's Annual General Meeting coincides with the end of the term of office of all the members of the board of directors.

The President states that all the outgoing board members, Messrs

- Roger Agnelli
- Jürgen Dormann
- Louis R. Hughes
- Hans Ulrich Märki
- Michel de Rosen
- Michael Treschow
- Bernd W. Voss
- Jacob Wallenberg

offer themselves for re-election for a new period of office.

The President remarks that the board of directors proposes that the outgoing members of the board be re-elected for a period of office of one year, i.e. until the 2006 ordinary Annual General Meeting. He states, further, that the board of directors intends to re-elect himself at its next meeting as its chairman.

The President explains that the board of directors performs its duties as a team. It is an experienced team with members well used to working harmoniously together. The board's proposal reflects a desire to keep the team intact. Accordingly, he suggests that the elections to the board of directors of ABB Ltd should be conducted globally, i.e. collectively for all the officers standing for re-election.

There are no comments from the floor on this agenda item, and so the President moves on to the vote on the global re-election of the proposed officers to the board of directors.

The President declares that the Annual General Meeting has re-elected all 8 outgoing members of the board of directors with 99.5% yes-votes (precise voting results in Appendix 5).

On behalf of his colleagues on the board of directors, the President thanks the shareholders for the confidence that they have expressed both in his colleagues and in himself.

6. Election of auditors, group auditor and special auditors

Under this agenda item, the board of directors proposes to re-elect for the financial year 2005 Ernst & Young AG as auditors and group auditor, and OBT AG as special auditors in accordance with Article 28 of the Articles of Incorporation.

Both Ernst & Young AG and OBT AG have declared themselves willing once again to perform their duties as auditors, group auditor and special auditors for the financial year 2005. The President thanks them for this.

There are no comments from the floor on this agenda item, and so the President moves on to the vote. He declares that Ernst & Young AG and OBT AG have been re-elected as auditors and group auditor and, respectively, as special auditors for the financial year 2005 with 99.6 % yes-votes (precise voting results in Appendix 5).

The President comments that now that the last item on the agenda has been dealt with, the meeting comes to an end. On behalf of the board of directors and the group management, he thanks all employees of the whole ABB group most warmly for their extraordinary commitment. The President also thanks the shareholders for the confidence they have expressed in the management and directors. He announces that the next ordinary Annual General Meeting will take place on 4 May 2006 and closes the Annual General Meeting at 11.40 a.m.

The President:

The minute-writer:

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Jürgen Dormann

.....
John Scriven

Zürich, 28 June 2005

Appendices:

1. Jürgen Dormann's speech
2. Fred Kindle's speech
3. Auditors' and group auditor's report on the annual report, group accounts and annual accounts for 2004
4. Invitation document with the items on the agenda and the proposals of the board of directors
5. Vote-counter's report with precise voting results