

*For your business and technology editors*

## **ABB reports further cooperation on suspect payments**

Zurich, Switzerland, February 8, 2006 – ABB said today that it has this week disclosed to the U.S. Department of Justice (DoJ) and the Securities and Exchange Commission (SEC) details of suspect payments in a country in the Middle East.

These payments and several others made by company subsidiaries in a number of countries were discovered by ABB as a result of the company's internal compliance reviews. These payments have been voluntarily disclosed recently to the DoJ and SEC.

The payments may be in violation of the Foreign Corrupt Practices Act (FCPA) or other applicable laws. The consequences for ABB could include penalties, other costs and business-related impact.

ABB is cooperating on these issues with the relevant authorities, and is continuing its internal investigations and compliance reviews. ABB has begun a disciplinary investigation involving a number of employees.

Fred Kindle, ABB President and CEO, commenting on the disclosure, said: "Proper business conduct is the hallmark of a sound organization. It is the only way to build a sustainable business, as well as being a legal necessity. At ABB we have a zero tolerance policy and respond to any breaches of compliance. The reported incidents are regrettable and are a further reason why we need to increase our efforts to improve performance in this respect."

ABB ([www.abb.com](http://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 around 100 countries and employs about 103,000 people.

### **Important notice about forward-looking information**

This press release includes forward-looking statements, including statements concerning the potential impact on the company of the suspect payments made in a number of countries. Although the company believes that the expectations contained in these statements are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved. The actual impact could turn out to be more significant than stated because among other things the company cannot predict how the regulators ultimately will choose to deal with this matter or how our business partners may react.

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