

ADVANCED ENERGY INDUSTRIES INC

Form 8-K

May 25, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 20, 2005**

Advanced Energy Industries, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-26966
(Commission
File Number)

84-0846841
(IRS Employer
Identification No.)

1625 Sharp Point Drive, Fort Collins, Colorado
(Address of principal executive offices)

80525
(Zip Code)

Registrant's telephone number, including area code: **(970) 221-4670**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On May 20, 2005, Advanced Energy Industries, Inc. (the Company) entered into a Loan Modification Agreement with Silicon Valley Bank (the Bank), thereby amending the Loan and Security Agreement dated May 10, 2002 (the Original Agreement) between the Company and the Bank. The Original Agreement provides the Company with a \$25 million revolving line of credit. The Loan Modification Agreement extends the maturity date on such line of credit to July 7, 2005. No amount is currently outstanding under the line of credit, and the Company has not drawn upon such facility since the first quarter of 2001; however, the Company relies upon the credit facility as a principal source of liquidity and to secure letters of credit issued on its behalf from time to time.

The Loan Modification Agreement is intended to ensure that the Company has access to the line of credit while the Company and the Bank negotiate a new credit facility as part of the Company s broader program to refinance its convertible debt. Any advances under the Original Agreement, as amended, will bear interest at the prime rate (6.0% at May 25, 2005) minus 1%.

A copy of the Loan Modification Agreement has been attached to this Current Report on Form 8-K as Exhibit 10.1.

Item 9.01 Financial Statements and Exhibits.

(c) The following exhibit is filed pursuant to Item 1.01:

- 10.1 Loan Modification Agreement dated May 20, 2005, by and between Silicon Valley Bank and Advanced Energy Industries, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Advanced Energy Industries, Inc.

Date: May 25, 2005

/s/ Michael El-Hillow

Michael El-Hillow, Executive Vice
President and Chief Financial Officer

EXHIBIT INDEX

| Exhibit No. | Description |
|-------------|---|
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