

## press release

### **GE UNIT MAKES ONE OF ITS LARGEST WIND PORTFOLIO INVESTMENT COMMITMENTS; WIND FARMS IN CALIFORNIA, ILLINOIS, NEW MEXICO, PENNSYLVANIA**

**STAMFORD, Conn., and HOUSTON, Feb. 15, 2007** – GE Energy Financial Services, a unit of General Electric (NYSE: GE), announced today that it has committed to invest in a 410-megawatt wind farm portfolio, among its single largest wind investments.

GE Energy Financial Services has committed to invest approximately \$270 million for 70 percent of the Class A equity, with a subsidiary of Wachovia Corp. (NYSE: WB), providing the balance, in six wind farms in California, Illinois, New Mexico and Pennsylvania, until now wholly owned by affiliates of global investment and advisory firm Babcock & Brown (ASX: BNB). Affiliates of Babcock & Brown will be the manager and will remain as Class B equity co-investors in the portfolio. Additional financial details were not disclosed.

GE Energy Financial Services made the announcement in Houston at CERAWEEK 2007, Cambridge Energy Research Associates' annual conference.

The wind portfolio consists of:

- Aragonne Mesa (90 megawatts) in Guadalupe County, New Mexico. Built with Mitsubishi 1000A turbines, Arizona Public Services is the project's off-taker.
- Allegheny Ridge I and II, (80 and 70 megawatts respectively), in Pennsylvania's Cambria and Blair counties. FirstEnergy Solutions, a subsidiary of FirstEnergy Corp., has contracted to purchase the output of the two wind farms, which use Gamesa G87 turbines.
- GSG (80 megawatts), in Illinois' Lee and LaSalle counties. Using Gamesa G87 turbines, the output will be sold at market prices.
- Mendota Hills (52 megawatts), in Lee County, Illinois. The wind farm uses Gamesa G52 turbines and will sell output at market prices.
- Buena Vista (38 megawatts), in the Altamont Pass area of Northern California. The output is contracted to PG&E Corporation and uses Mitsubishi 1000A turbines.

All the wind farms have either been completed or will be completed by the end of April, except Allegheny Ridge II, expected to be finished by December.

"This transaction continues the expansion of the geographic footprint and technology mix of our wind holdings," said Kevin Walsh, Managing Director and leader of renewable



energy at GE Energy Financial Services, who spoke today at CERAWEEK 2007. "In addition, the portfolio helps the states of Arizona, California, Illinois and Pennsylvania meet their renewable energy targets, and reinforces GE's commitment to ecomagination." Ecomagination is GE's initiative to help its customers meet their environmental challenges while expanding its own portfolio of cleaner energy products.

The six wind farms combined will annually produce electrical energy estimated to be sufficient to power 100,000 homes, and to reduce greenhouse gas emissions by more than nearly 700,000 tons of carbon dioxide per year, compared with equivalent fossil fuel generation.

"This mix of projects is an exciting addition to our rapidly expanding US portfolio. We are excited to see the rapid growth of wind power in the US and are committed to making sure this growth continues. We value our relationship with GE Energy Financial Services and Wachovia and look forward to working with them on future wind deals," said Hunter Armistead, head of Babcock & Brown's North American wind energy group.

With this transaction, GE Energy Financial Services has invested or committed to invest equity in 25 wind farms, bringing the total capacity of its wind equity holdings globally to more than 1,300 megawatts.

#### **About GE Energy Financial Services**

GE Energy Financial Services' 300 experts invest globally with a long-term view, across the capital spectrum and the energy and water industries, to help their customers and GE grow. With \$13 billion in assets, GE Energy Financial Services, based in Stamford, Connecticut, invests more than \$5 billion annually in two of the world's most capital-intensive industries, energy and water. In renewable energy, GE Energy Financial Services has developed a strong record investing in wind, solar, biomass, hydro and geothermal power, and is growing its portfolio of more than \$1.75 billion in renewable energy assets. More information: [www.geenergyfinancialservices.com](http://www.geenergyfinancialservices.com).

#### **About GE**

GE (NYSE: GE) is Imagination at Work -- a diversified technology, media and financial services company focused on solving some of the world's toughest problems. With products and services ranging from aircraft engines, power generation, water processing and security technology to medical imaging, business and consumer financing, media content and advanced materials, GE serves customers in more than 100 countries and employs more than 300,000 people worldwide. For more information, visit [www.ge.com](http://www.ge.com).

#### **About Babcock & Brown**

Babcock & Brown is a global investment and advisory firm with longstanding capabilities in structured finance and the creation, syndication and management of asset and cash flow-based investments. Babcock & Brown was founded in 1977 and is listed on the Australian Stock Exchange.



Babcock & Brown operates from 26 offices across Australia, North America, Europe, Asia, United Arab Emirates and Africa and has in excess of 1000 employees worldwide. Babcock & Brown has five operating divisions including real estate, infrastructure and project finance, operating leasing, structured finance and corporate finance. The company has established a funds management platform across the operating divisions that has resulted in the creation of a number of focused investment vehicles in areas including real estate, renewable energy and infrastructure.

Babcock & Brown has nearly 20 years of experience in the wind energy sector, having arranged financing for over 3,000 MW of wind energy companies and projects with an estimated value over US\$3 billion. Babcock & Brown's roles have included acting as an adviser/arranger of limited recourse project financing, arranging equity placements, lease adviser, project developer, principal equity investor and fund manager for wind energy projects in North America, Australia and Europe. Babcock & Brown has developed specialist local expertise and experience in the wind energy sector in each of these regions. More information is available at [www.babcockbrown.com](http://www.babcockbrown.com)

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**Editor's Note:** Caption for photo accompanying this press release: GE Energy Financial Services has committed to invest in a 410-megawatt wind farm portfolio, among its single largest wind investments. Among the wind farms in which it is investing is the one shown here, the 52-megawatt Mendota Hills project in Lee County, Illinois.