

## **GE UNIT EXPANDS IN LATIN AMERICA, MAKES FIRST EQUITY INVESTMENT AND SERVES AS LEAD ARRANGER WITH WESTLB IN OFFSHORE DRILLING DEAL**

**HOUSTON and STAMFORD, Conn., Dec. 18, 2007** – In its first equity investment in offshore drilling, GE Energy Financial Services, a unit of GE (NYSE: GE), announced today that it will invest \$54 million and co-finance the acquisition of a ship drilling for oil in deep water off the coast of Brazil.

An affiliate of GE Energy Financial Services, GE Capital Markets, is a Mandated Lead Arranger for \$259 million in senior debt facilities along with WestLB AG, New York Branch, which serves as the Agent and other mandated Lead Arranger. GE Transportation Finance joined with GE Energy Financial Services in underwriting the debt.

These funds facilitate Mike Mullen Energy Equipment Resource Inc.'s acquisition of Peregrine I, a deepwater drill ship under contract with Petrobras (NYSE: PBR), Brazil's largest company, from a subsidiary of Houston-based Transocean Inc. (NYSE: RIG). The Peregrine I is drilling in the Atlantic Ocean off the coast of Brazil.

"By delivering comprehensive and integrated equity and debt solutions, GE Energy Financial Services and GE Transportation Finance demonstrated their creative approach to complex deals. In addition, we added a chapter in our Latin America expansion story in an area of key importance for us, Petrobras and Brazil," said Dan Castagnola, a Managing Director at GE Energy Financial Services in Houston.

Peregrine I is rated to drill in 5,200 feet of water to a depth of 25,000 feet. A subsidiary of Etesco Construções E Comércio Ltda, an experienced Brazilian offshore rig operator, will operate the vessel under a contract with Petrobras. Mike Mullen Energy Equipment Resources, a Dallas-based offshore assets investor, and Pareto World Wide Offshore, a Norwegian private equity fund, are also investors in the Peregrine I.

"GE Energy Financial Services' track record as an investor in Latin America, its knowledge of the offshore industry and its ability to complete a complex debt and equity deal in a tight timeframe have spelled success," said Mike Mullen, CEO of Mike Mullen Energy Equipment Resources.

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

GE Energy Financial Services' 350 experts invest globally with a long-term view, backed by the best of GE's technical know-how and financial strength, across the capital spectrum and the energy and water industries, to help their customers and GE grow. With \$16 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. For more information, visit: [www.geenergyfinancialservices.com](http://www.geenergyfinancialservices.com)

## **GE Transportation Finance**

For more than 30 years, GE Transportation Finance, based in Stamford, Connecticut with offices in Chicago, Hong Kong, London, Oslo and Singapore, has been a leading provider of capital to the global transportation industry, offering a broad range of financing solutions including senior debt, tax-based and synthetic leases, and other structured financial products. With a deep understanding of the financing needs of companies in the marine, rail, and intermodal industries, the unit helps find creative and flexible solutions to meet its customers' financing needs. Visit [www.getransportationfinance.com](http://www.getransportationfinance.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)

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**Editor's Note:** Caption for photo accompanying this press release: In its first equity investment in offshore drilling, GE Energy Financial Services is investing \$54 million and co-financing this ship drilling for oil in deep water off the coast of Brazil.