

Strategically expanding in wind energy, THEOLIA and GE Energy Financial Services enter into a value-creating development and financial alliance

Paris – Feb. 14, 2007. Theolia announced today an agreement with GE Energy Financial Services, the energy investing unit of GE (NYSE:GE), which will significantly increase Theolia's wind generation portfolio in Europe, bring additional capital to fund growth, and include an alliance anticipated to bring access to additional wind project development opportunities and structured capital expertise.

In an assets-for-equity swap, Theolia will acquire GE Energy Financial Services' European wind farms, which have a total power generation capacity of 165 megawatts. In return for the contribution of its wind farms to Theolia, GE Energy Financial Services will receive 5,250,000 new shares of Theolia. Through this transaction, Theolia materially strengthens its operating position in the German market and gives Natenco, Theolia's subsidiary in Germany, additional growth potential.

In addition, GE Energy Financial Services will support Theolia's ambitious growth strategy by way of a capital contribution of € 20 million in return for 1,212,000 new shares and, as part of the agreement, will also be granted warrants to acquire 3,000,000 additional Theolia shares. As a result, GE Energy Financial Services will have the opportunity to increase its ownership in Theolia up to 22 percent of the company's share capital on a fully diluted basis.

GE Energy Financial Services' German wind farms

GE Energy Financial Services' German wind parks, located at Alsleben, Krusemark, Grossvargula and Zabelsdorf, have a total installed capacity of 165 MW. They are composed of 66 REpower 1.5 MW turbines and of 44 GE 1.5 MW turbines. This combined portfolio produces enough power to provide for the needs of 70,000 homes and reduces greenhouse gas emissions by 350,000 tons a year, compared to fossil fuel power generation.

A value-creating combination

Theolia and GE Energy Financial Services will work together on a number of fronts to bring additional value to both parties. In wind farm development, GE Energy Financial Services will work with Theolia on a preferential basis in the European Union to bring additional growth opportunities to Theolia. Theolia will also benefit from GE Energy Financial Services' energy industry and financial structuring expertise as well as access to project finance and GE's energy products and services.

GE Energy Financial Services will be represented on the Board of Theolia.

The alliance with Theolia benefits GE Energy Financial Services by providing investment exposure to existing and future development projects with the potential for significant financial benefits, as well as access to an experienced management team specialized in the growing European renewable energy market.



Jean-Marie SANTANDER, President and CEO of Theolia declared: *“I am very happy about this new alliance. Our company, created in Aix en Provence, started by developing energy projects in France. We then acquired Ventura, the first significant step in the expansion of the company. This was followed by our transfer to Eurolist and the acquisition of Natenco in Germany, which transformed Theolia into a leading European wind farm operator. This new alliance with GE now brings an added dimension to our company. I am very pleased with this new transaction and am convinced that it will enhance the value-creating potential of Theolia for the benefit of all its shareholders.”*

Alex Urquhart, President and CEO of GE Energy Financial Services, said: *“This transaction further extends our commitment to the renewable energy sector in Europe. Theolia is well positioned to capitalize on opportunities in the rapidly growing European renewable energy sector and our collaboration with Theolia is a strong fit with GE Energy Financial Services’ growth strategy for Europe. We are delighted to forge a close working relationship with Theolia, which we believe will be mutually beneficial.”*

Theolia was advised by Société Générale on this transaction. GE Energy Financial Services was advised by Rothschild.

This acquisition is subject to a number of conditions precedent, including relevant corporate and regulatory approvals. A “document E” will be filed with the French stock exchange authority in connection with this transaction.

Theolia will file a prospectus in relation to the recent PACEO share issues and the acquisition of Natenco.

About Theolia

Theolia is a leading independent developer of wind farms in France with a growing presence in renewable energy production across Europe. Through the acquisition of GE Energy Financial Services’ wind farms in Germany, Theolia significantly increases its installed capacity from 78MW to 243MW. Theolia’s activities cover the development, construction and management of wind farms. The company is present in France, Germany, Spain, Greece, Eastern Europe, India and Brazil. Theolia is listed on Euronext Paris (Eurolist B) under the code TEO. For more information, visit: www.theolia.com

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 US\$13 billion in assets, GE Energy Financial Services, based in Stamford, Connecticut, and with European offices in London, Paris and Frankfurt, invests more than US\$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 US\$1.75 billion in renewable energy assets. For more information: 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.





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