



GE Energy

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News Release

Government of Iraq Signs Power Generation Agreement with GE Energy Valued at Approximately \$3 Billion

Iraq Power Initiative Nearly Doubles Electricity Generation Capacity

Baghdad, Iraq—December 16, 2008—The Iraqi Ministry of Electricity and GE Energy announced today at a ceremony in Baghdad that they have signed an agreement for power generation equipment and services valued at nearly \$3 billion to provide much-needed electricity to support Iraq's future economic development. The announcement is a significant milestone as the country seeks to rapidly develop its energy infrastructure and increase its electricity production.

Under the agreement, GE Energy is providing heavy-duty frame 9E multi-fuel gas turbines capable of supplying 7,000 megawatts (MW) of electricity. The Government of Iraq plans to install the units at key sites around the country to provide needed support for the electricity grid. GE's 9E gas turbine technology has proven reliability and performance in more than 400 applications worldwide.

"We are honored that the Government of Iraq has chosen GE to support its efforts to expand the country's energy infrastructure," said John Krenicki, GE vice chairman and president and CEO of GE Energy. "Electricity is the backbone for quality of life and economic growth. We can bring the strength and dependability of GE's advanced power generating technology and services to Iraq's mission to address long-term electricity demand."

As the world's leading supplier of gas turbines, GE Energy is well positioned to help Iraq meet its future needs for reliable and stable power generation. More than 6,000 GE gas turbines are installed worldwide and have accumulated more than 200 million hours of operating experience at unparalleled reliability levels.

Currently, Iraq's daily power generation output averages less than 6,000 MW, while the demand is typically more than 10,000 MW. The GE turbines can provide a platform for power stability thus helping address electricity shortages and position Iraq for future economic growth.

The agreement follows the Government of Iraq's previous order with GE in May 2008 for eight gas turbines capable of generating 600 MW to meet short-term power requirements in Iraq.

As part of the agreement, GE Energy will also provide technical advisory services, performance testing and spare parts to support the reliable operation of the turbines. In addition, GE will provide technical and management training in order to help Iraq strengthen its power sector workforce for the future.

GE has a long history with Iraq and its infrastructure, one that dates back to the 1970s. There are 120 GE power turbines installed in Iraq today. Since 2003, GE has been supporting Iraq infrastructure needs in power generation, oil and gas, water processing, aviation and healthcare. "We are proud of our heritage in Iraq and hope to build on this foundation by continuing this successful partnership well into the future," concluded Krenicki.

GE has been active in the Middle East since the 1930s and today has regional management and project management offices as well as local repair and services facilities locally to serve its customers in the region.

About GE Energy

GE Energy (www.ge.com/energy) is one of the world's leading suppliers of power generation and energy delivery technologies, with 2007 revenue of \$22 billion. Based in Atlanta, Georgia, GE Energy works in all areas of the energy industry including coal, oil, natural gas and nuclear energy; renewable resources such as water, wind, solar and biogas; and other alternative fuels. Numerous GE Energy products are certified under ecomagination, GE's corporate-wide initiative to aggressively bring to market new technologies that will help customers meet pressing environmental challenges.

About GE

GE is a diversified global infrastructure, finance and media company that is built to meet essential world needs. From energy, water, transportation and health to access to money and information, GE serves customers in more than 100 countries and employs more than 300,000 people worldwide. For more information, visit the company's Web site at <http://www.ge.com>. GE is Imagination at Work.

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