



General Electric to Expand in Russia with Two New Joint Ventures

Partners with INTER RAO UES and UEC in Energy, with RUSSIAN TECHNOLOGIES in Healthcare

GE expands presence in fast-growing Russian healthcare and energy markets

Sochi, Russia, September 16, 2011 – Today, GE expanded its position in one of the world's fastest growing markets by finalizing agreements to set up two new joint ventures in Russia which could drive \$10 - \$15 billion in sales. Under the new JVs, we anticipate orders of energy-efficient heavy-duty gas-fired power generation turbines with total capacity up to 5 gigawatts of power as well as thousands of high-tech medical diagnostic units in Russia.

The JVs will accelerate development of the Russian electrical generation and health care sectors. Russian Prime Minister Vladimir Putin attended the signing ceremony which took place during the 10th International Investment Forum underway this week in Sochi, Russia.

The Energy JV agreement was signed by GE Chairman and CEO Jeffrey Immelt, INTER RAO UES Management Board Chairman Boris Kovalchuk, and UEC General Director Andrey Reus. The JV will manufacture, assemble, sell and service energy-efficient heavy-duty gas-fired power generation turbines.

The Healthcare JV agreement was signed by RUSSIAN TECHNOLOGIES Deputy General Director Dmitry Shugayev and Immelt. This JV will manufacture, assemble, sell and service a wide range of high-tech medical diagnostic equipment.

“The establishment of these joint ventures is a positive development for both GE and Russia,” Immelt said. “We are very excited about this long-term opportunity that firmly establishes GE’s business in Russia and reaffirms our global leadership in the energy and healthcare sectors. Our expansion in Russia reflects GE’s global approach to growth. It draws on leading-edge R&D, engineering, and manufacturing expertise from GE centers throughout the world even as it



meets the needs and creates value in our customers' home markets. Over time, this will create jobs in both countries."

The JVs will assemble products in Russia using components from GE international facilities and, over time, will source parts from qualified Russian suppliers in keeping with GE's requirements for quality, cost-effectiveness, design specifications and intellectual property protection.

GE will exercise operational control over the businesses, with shared decision making by both partners on strategic matters. GE will hold 50 percent of each joint venture. INTER RAO UES and UEC will each hold a 25 percent stake in the energy joint venture. RUSSIAN TECHNOLOGIES will hold a 50 percent stake in the healthcare joint venture.

Energy Joint Venture

The energy JV between GE, INTER RAO UES and UEC will manufacture, sell and service 77 MW highly efficient, low-emission GE 6FA industrial gas turbines to 50 Hz local specification. The production facility will be built in the vicinity of the Russian city of Rybinsk in the Yaroslavl region with an initial capacity of 14 units per year. Plant ground breaking is planned in late 2011, and will be completed in 2013. The project will be financed by the participants and potentially other resources.

The facility's production capacity will help address a growing need in Russia for high-performance, mid-sized power blocks in combined heat and power applications. According to Russia's Energy Ministry, the country needs to invest US \$80 billion in the next 10 years to replace and expand aging generation assets. Official Russian government forecasts estimate a requirement for 80 gigawatts of new thermal power generation capacity in the next 20 years. According to the Ministry, the average efficiency of gas-fired power stations in Russia is 38 percent, with a goal of 53 percent efficiency by 2030.

Boris Kovalchuk, Chairman of the Board of Directors of INTER RAO UES, said, " The joint venture with GE and ODK is a very important step for INTER RAO UES Group of Companies in the development of its engineering business. As of today, the demand for modern highly efficient cogeneration plants is rapidly growing in Russia and abroad. They are ideal for the construction of new steam—gas combined heat and power plants, as well as for the re-equipping of the existing ones. INTER RAO UES plans to use the turbines that will be manufactured by the joint venture on its own sites in order to obtain a synergistic effect. It will also promote the new equipment in Russia and in international markets for special projects. Thus, INTER RAO UES will become a leading player in the engineering business at the appropriate markets, which fully conforms to the company's approved medium-term development strategy," said Boris Kovalchuk, Chairman of the Board of Directors of OAO INTER RAO UES."



United Engine Corporation General Director Andrey Reus said that the new efficient areas of business development and the extension of the company's current technological expertise to other industries, including cooperation with world-leading businesses, is part of the corporation's strategy. The corporation has already been realizing such plans in the field of helicopter engineering, engine building, pilotless vehicles and service. The agreement signed today is a big step for the Russian high-tech sector and shows the country's and its companies' new level of cooperation and global integration. This new partnership gives engine building companies access to new production technologies and world standard service maintenance. We are committed to further extending our cooperation, as well as localizing the production in Russia.

Healthcare Joint Venture

The healthcare joint venture between GE and RUSSIAN TECHNOLOGIES will start with the production of CT scanners, and then expand to other diagnostic equipment, including but not limited to angiographs, MRI, ultrasound, digital X-ray, PET, and gamma cameras. The joint venture may use the recently established joint GE Healthcare—Medical Technologies Ltd. CT scanner assembly facility in Moscow. In May 2010, GE Healthcare installed the first Russian-assembled 16-slice CT scanner in one of Moscow's hospitals and till the end of 2011 it is planned to supply over 60 more CTs to hospitals all over Russia.

The government plans to spend more than \$30 billion from 2011-2014 on healthcare. GE estimates current Russian demand for CT scanners alone at 3,000 units.

The immediate executor of the agreements reached today will be our holding OJSC RT-Biotechprom, which was specially founded for the implementation of activities in the areas of modernization and the industrial development of socially significant sectors of the economy: pharmaceuticals and medical/biotech. It should be noted that last year there were significant corrections in the development of the medical equipment market in Russia. In fact, a new model of its growth was started that ensured transparent and economically viable conditions for the supply of world-class equipment to the government and specialists. As a consequence, a high level of care, diagnosis and treatment of a wide range of diseases is now more available to our people. We welcome the signing of the agreement with GE, which provides for the future large-scale localization of production of high-tech medical equipment in Russia», said Dmitry Shugayev, RUSSIAN TECHNOLOGIES Deputy General Director.

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About GE in Russia

GE has been operating in Russia since the early 20th century, starting with the Soviet Union's electrification and then with the sale of locomotives and oil and gas equipment. Today, GE is represented across Russia in multiple



industries: healthcare, transportation, aviation, electric power, oil and gas, water treatment, financial services, lighting and intelligent platforms. With a head office in Moscow, GE has over 2,700 employees and reported 2010 revenues of US \$1.5 billion in Russia. GE has established training centers for Energy and Healthcare in Moscow.

About GE

GE is an advanced technology, services and finance company taking on the world's toughest challenges. Dedicated to innovation in energy, health, transportation and infrastructure, GE operates in more than 100 countries and employs about 300,000 people worldwide. For more information, visit the company at www.ge.com.

About INTER RAO UES JSC

INTER RAO UES, JSC is one of Russia's largest electric power companies, controlling a number of generation and distribution assets in Russia and abroad. The total installed capacity of the electric power stations of INTER RAO UES Group is about 18,000 MW. The company is a major investor and a leading exporter and importer of electric power in Russia, as well as a major generator in Russia (www.interrao.ru).

About UEC

United Engine Corporation is a leading Russian industrial group for manufacturing civil and military aircraft engines, LV propulsion systems, industrial gas turbines for electric power generation, gas pumping units and marine engines. The UEC group of companies includes more than 85% of the main companies supporting the design, serial production and after market for these industries as well as the key suppliers of to the Russian gas turbine industry.

A stated priority of UEC is the development of gas turbines engine enterprises based on new technologies that conform to International Standards (www.uk.odk.ru).

About RUSSIAN TECHNOLOGIES

RUSSIAN TECHNOLOGIES State Corporation was set up in accordance with the Federal Law of the Russian Federation on Nov. 23, 2007. RUSSIAN TECHNOLOGIES State Corporation's goal is to assist in the development, production and export of high-tech industrial products by providing support, both on the domestic and foreign markets, to Russian companies involved in the development and production of high-tech industrial products, and by attracting investments to organizations in various industries. www.rostechnologii.ru

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Caution Concerning Forward-Looking Statements:

This document contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and



financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of conditions in the financial and credit markets on the availability and cost of General Electric Capital Corporation’s (GECC) funding and on our ability to reduce GECC’s asset levels as planned; the impact of conditions in the housing market and unemployment rates on the level of commercial and consumer credit defaults; changes in Japanese consumer behavior that may affect our estimates of liability for Grey Zone claims; our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so; the adequacy of our cash flow and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level; the level of demand and financial performance of the major industries we serve, including, without limitation, air and rail transportation, energy generation, network television, real estate and healthcare; the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of financial services regulation; strategic actions, including acquisitions, joint ventures and dispositions and our success in completing announced transactions and integrating acquired businesses; and numerous other matters of national, regional and global scale, including those of a political, economic, business and competitive nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.