



GE and XD Electric Launch Global Transmission and Distribution Partnership

- *Together, GE and XD Electric Will Become a Leading Global Provider of Comprehensive Transmission and Distribution Technology Solutions*
- *Transmission and Distribution is a \$100 Billion Industry with Strong Growth Dynamics in Emerging Economies and Electrification of Industrial Processes*
- *Access to XD Electric's Complementary High-Voltage Equipment Improves GE's Capability to Lead the Build Out and Upgrade of the World's Electrical Infrastructure*
- *Investment Allows GE to Better Serve Utilities and Energy-Intensive Sectors That Demand Reliable Power such as Oil and Gas, Steel and Mining*

ATLANTA—Aug. 27, 2013—GE (NYSE: GE) and XD Electric Group (SHA: 601179) today announced the official formation of a new global partnership combining GE's world-class grid automation capabilities and global energy presence with XD Electric's comprehensive portfolio of high-voltage power equipment. GE now owns 15 percent of XD Electric and holds one board seat. Another component of the partnership includes the formation of a joint venture (JV) with XD to offer customers in China GE's localized grid automation equipment and services.

Originally announced in May 2012, the partnership expands GE's industry capabilities as a leading provider of transmission and distribution (T&D) solutions and creates a new global competitor to provide customers with state of the art high-voltage (HV) technology offerings in a \$100 billion industry.

Through the partnership, GE and XD will offer end-to-end T&D solutions to meet the growing demand for electricity in emerging economies where demographic and urbanization trends are straining the current grid infrastructure; as well as provide customers in developed countries with HV solutions to modernize their aging grids with more efficient and reliable electrical power systems. The combined portfolios will also support the rapid electrification and productivity requirements demanded by energy-intensive industries like oil and gas, mining and petrochemicals.

"Our investment in XD Electric is core to our long-term strategy to build a world-class T&D franchise and become a leading provider of grid modernization solutions. By combining the strengths of both GE and XD Electric, we will offer full-scope solutions to customers in the rapidly growing T&D industry," said **Dan Janki, president and CEO of GE Energy Management**. "The partnership will enhance our ability to compete in fast growing regions such as China where XD Electric has a strong presence."

"This partnership between XD and GE is a comprehensive collaboration focusing on technology, capital investment and segment exploration," said **Mr. Zhang Yalin, XD Chairman of the Board**. "Combining strengths of both companies, the partnership will help XD meet the demands of the entire T&D segment for years to come. Additionally, by partnering with GE, we will be able to achieve our strategic objective of globalization sooner and become a stronger competitor in the global segment."

Much of the T&D growth is expected to continue to occur in China, which has been investing heavily over the past decade in T&D technology and infrastructure. China represents approximately a quarter of the industry's projected global expansion.



News Release

“With the world’s electricity demand expected to increase by more than 70 percent by 2035, and global grid modernization investments expected to grow by 10 percent over the next five years, we are better able to help utilities and industrial customers upgrade and expand their electrical infrastructure,” said **John Lavelle, president and CEO of GE’s Digital Energy business**. “This is a growth trend we are prepared to support with leading edge T&D systems including HV transformers, HV breakers, gas insulated switchgear and other HV technologies, leveraging XD’s experience developing and deploying extra-high and ultra-high-voltage technology for both AC and DC applications.”

XD Electric is one of China’s largest and most respected HV equipment manufacturers dedicated to the research, application and development of high to ultra-high-voltage T&D equipment. XD Electric’s technology enables customers to transform and direct the flow of power for industrial, commercial and residential users.

GE is a global provider of grid modernization systems that enhance customers’ power reliability and operating efficiency. GE’s global reach, domain expertise and strong customer relationships in both utility and energy-intensive industries such as oil and gas, metals and mining will help the partnership broaden its customer footprint.

Citigroup acted as sole financial advisor to GE on this transaction. Weil, Gotshal & Manges LLP and Fangda Partners are GE’s lead legal advisers.

About GE

GE (NYSE: GE) works on things that matter. The best people and the best technologies taking on the toughest challenges. Finding solutions in energy, health and home, transportation and finance. Building, powering, moving and curing the world. Not just imagining. Doing. GE works. For more information, visit the company’s website at www.ge.com.

About China XD Electric Group

China XD Electric Group (“XD Electric”) is one of China’s largest manufacturers of electricity transmission and distribution equipment. The company specializes in manufacturing equipment for electrical transmission and distribution systems, such as high voltage substations, DC voltage lines, transformers, and gas-insulated switchgear. XD is the only company in China offering a broad range of high voltage equipment products. XD was founded in 1959, and has been listed on the Shanghai Stock Exchange since 2010 (SHA: 601179). Headquartered in Xi’an, China, XD Electric currently exports products to over 40 countries and regions throughout Europe, the United States, Asia and Africa.

###

For more information, contact:

Dan Nelson
GE Energy Management
+1 678 742 1462
daniel1.nelson@ge.com



News Release

Trevor Schauenberg
GE Corporate, VP Investor Communications
+1 203 373 2424
trevor.a.schauenberg@ge.com

Dan Nelson
GE Energy Management
+1 678 742 1462
daniel1.nelson@ge.com

Trevor Schauenberg
GE Corporate, VP Investor Communications
+1 203 373 2424
trevor.a.schauenberg@ge.com