



# GE Energy Launches New Power Conversion Business to Build Bigger Presence in \$30B Industrial Automation Sector

## *GE's Recently Acquired Converteam Business is Renamed Power Conversion*

- *GE's Power Conversion Business is at the Heart of a Global Industrial Trend to Replace Aging and Inefficient Industrial Motors with Advanced Electrical Systems*
- *Power Conversion to Play Larger Role in Application of Power Electronics and Industrial Automation Processes for the Natural Gas, Renewables, Mining and Metals Sectors*

PARIS—January 18, 2012—GE Energy (NYSE: GE), a world-leading supplier of power generation and energy delivery technologies, today announced the next step in the integration of its acquisition of Converteam by renaming the business Power Conversion. Power Conversion's technologies in process controls, automation systems and high-efficiency power electronics, motors and generators will enable the company to better meet the needs of customers looking to improve operational efficiency and productivity.

The Power Conversion business will help GE maximize its deep domain expertise and expand its presence in the fast-growing energy efficiency, electrification and automation sector, which was valued at \$30 billion and is growing above global GDP.

"Today's announcement is a significant milestone on our journey to deliver our customers more value. We are combining our technology and consultative offerings in systems integration to help the world's fastest growing energy and industrial sectors improve the efficiency and profitability of their operations," said Power Conversion CEO Joe Mastrangelo. "Our strengths in these sectors will allow GE to lead by managing the entire energy lifecycle, where our customers want us to play a bigger role."

Large industrial companies are replacing mechanical processes with high-efficiency, customized electric alternatives that deliver better reliability, require less maintenance and create lower emissions in industrial processes. This mega-trend is called electrification, which is expected to double over the next 20 years. One of the trend's leading drivers is the oil and gas industry, which is using electrical systems to extract and transport natural gas more efficiently.

Approximately 25 percent of electricity produced globally is used to power electric motors in a wide range of industrial applications. Power Conversion's solutions could help improve their energy efficiency by 30 percent, helping to reduce electricity consumption, energy intensity and greenhouse gas emissions. Power Conversion, with GE's Industrial Solutions business also will address all steps in the energy conversion chain with a robust portfolio built around rotating machines, power electronics, wind converters, solar inverters and process control technologies.

"Power Conversion's engineering expertise, systems focus and market customization make it a differentiator in today's market because GE can scale its businesses and deliver new solutions to market faster than current competitors," added Mastrangelo.

The fastest growth in the industrial automation sector is expected to be in Brazil, Russia, India and China and the Middle East. The expansion will be driven by a demand in energy efficiency and integrated electrical and mechanical solutions critical to customers who are competing in highly competitive industries.

### **Power Conversion and GE's M&A Strategy**

GE Energy acquired Power Conversion, then known as Converteam, in September 2011. The \$3.2 billion deal is the latest in approximately \$11 billion of acquisitions that have expanded GE Energy's portfolio beyond the power generation sector into critical industries that rely on cleaner, smarter, more efficient energy.

To learn more, please visit: <http://www.ge-energy.com/>.

### **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](http://www.ge.com).

GE also serves the energy sector by providing technology and service solutions that are based on a commitment to quality and innovation. The company continues to invest in new technology solutions and grow through strategic acquisitions to strengthen its local presence and better serve customers around the world. The businesses that comprise [GE Energy](#)—GE Power & Water, GE Energy Management and GE Oil & Gas—work together with more than 100,000 global employees and 2010 revenues of \$38 billion, to provide integrated product and service solutions in all areas of the energy industry including coal, oil, natural gas and nuclear energy; renewable resources such as water, wind, solar and biogas; as well as other alternative fuels and new grid modernization technologies to meet 21st century energy needs.

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