



GE Money

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# GE Money To Acquire Platform In Romania

Bucharest, Romania  
May xx, 2006

**GE Money, the global consumer lending unit of General Electric Company (NYSE: GE), announces that it has agreed to acquire the majority stakes held by the Romanian American Enterprise Fund (RAEF) in Leasemart Holding BV (Leasemart, trading under the “Motoractive” brand), Ralfi SA (Ralfi, trading under the “Estima Finance” brand) and Domenia Credit SA (Domenia).**

The transaction is subject to regulatory approvals and is expected to close in the third quarter.

Under the terms of the agreement, GE Money will acquire for cash RAEF's 80% stake in Ralfi, 78% stake in Leasemart and 60% stake in Domenia. GE Money has also entered into an agreement to acquire for cash Domo Retail S.A.'s 20% stake in Ralfi. GE Money expects to enter into agreements with the holders of the remaining shares in each company shortly (being European Bank for Reconstruction and Development which holds 20% of Domenia and Deutsche Investitions - und Entwicklungsgesellschaft mbH which holds 20% of Domenia and 20% of Leasemart). The aggregate consideration for all the outstanding shares of the three companies is expected to be around €140 million (\$178 million).

Ralfi provides consumer finance products through 700 retailer points of sale, including 110 stores of the Domo appliances retailer. Leasemart provides auto and equipment leasing products through 12 regional branches and vendor programs. Domenia provides mortgages through 9 offices. Ralfi, Leasemart and Domenia together have 475 employees.

Commenting on this transaction William Cary, President and CEO of GE Money - Europe said; *“This investment represents an excellent opportunity for us to grow in a vibrant and rapidly growing consumer finance market. Our global capability, combined with experienced local management teams, and strong partners in Ralfi, Leasemart and Domenia provides us with a great platform for growth in Romania. This investment is an important step in our plans to grow our business in the Central and Eastern European region.”*

*“We set up these 3 companies to fulfill pressing needs in the Romanian financial services market,”* said Horia Manda, RAEF Senior VP and Chief Investment Officer *“and developed them during times that were not always favorable from the macroeconomic perspective. In signing this transaction, our consumer finance, leasing and mortgage companies become part of the reputable GE consumer finance group, which we are very happy about. We are confident that the excellent management teams we put in place shall be able to implement GE's ambitious plans in the vibrant Romanian market and in the region. This is a landmark transaction for RAEF, whose mission is to be a catalyst for business and foreign investment in Romania”.*

*“ We are proud to see the second major GE investment in Romania, a market with growth opportunities for our global company. With this move GE demonstrates its dedication to the*



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*development of the country as an investor."* said Dan Ionescu, GE's South Eastern European Regional Executive.

The GE Money investment will be the company's second large-scale operation in Romania. Genpact - which is 40% GE owned - announced to set up its Business Services & Technology Solutions Center in Bucharest, an \$80 million project, in 2005.

GE Money has grown strongly in Europe over the last decade. Currently operates in 23 European countries and has approximately \$60 billion of assets in the region. In Central and Eastern Europe, GE Money has existing banking and consumer finance operations in Poland, Hungary, Czech Republic, Slovakia, Russia and Turkey.

President and CEO of GE Money in Central and Eastern Europe, Dmitri Stockton said: *"This acquisition is the latest step in GE's growth expansion in Central and Eastern Europe. Romania is a key market that we specifically identified as a great landscape for consumer finance growth in areas such as mortgage lending where GE has expertise and provides multiple homeownership financing solutions for consumers inside the Region already today. The team at RAEF has developed an excellent business and we look forward to working with the local management and clients to build an even more successful enterprise that serves consumers, retailers and dealers with unique solutions that meet their lending needs. We have a clear track record of doing this in Central and Eastern Europe and have big expansion plans for Romania in the future."*

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**GE Money**, a unit of General Electric Company, with \$163 billion in assets, is a leading provider of credit services to consumers, retailers and auto dealers in 51 countries around the world. GE Money, based in Stamford, Conn., offers a range of financial products globally, including private label credit cards, personal loans, bank cards, auto loans and leases, mortgages, corporate travel and purchasing cards, debt consolidation and home equity loans and credit insurance. More information can be found online at [www.geconsumerfinance.com](http://www.geconsumerfinance.com).

**GE** (NYSE: GE) is a diversified technology, media and financial services company dedicated to creating products that make life better. From aircraft engines and power generation to financial services, medical imaging, television programming and plastics, GE operates in more than 100 countries and employs more than 300,000 people worldwide.

GE has been active in South East Europe (SEE) since 1984. Recently the company has established a growth platform for SEE in Romania with its Regional Executive responsible for 11 countries (Romania, Bulgaria, Macedonia, Greece, Slovenia, Croatia, Bosnia Herzegovina, Serbia and Montenegro, Moldavia, Albania and Cyprus) based in the country. GE is virtually the only company to offer an exceptional variety of world-class technology in energy, transportation, healthcare, water and security to this region. The company's wide range of products is complemented with strong consumer and commercial financial services. GE's 21<sup>st</sup> century solutions not only help to develop and increase competitiveness of the region but also contribute towards the upgrading of infrastructure throughout SEE. For more information, visit the company's Web site at [www.GE.com](http://www.GE.com)

**RAEF** is a private U.S. corporation established by the President and the U.S. Congress in 1994, in accordance with the principals of the Support for East European Democracy Act. The mission of RAEF is to promote free enterprise and entrepreneurship in Romania by investing in small to medium size private companies. RAEF is a catalyst for attracting private capital and plays a significant role in the development of Romania's emerging market economy. More information can be found at [www.raef.ro](http://www.raef.ro).

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For more information please contact:



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### For GE Money

#### Europe

Hugh Gillanders  
VP, Communications  
GE Money - Europe  
Tel: +353-87-2568347  
Email: [Hugh.gillanders@ge.com](mailto:Hugh.gillanders@ge.com)

#### Central and Eastern Europe

Jan Hainz  
Communication Leader  
GE Money - CEE  
Tel: +420 224 442 011  
E-mail: [Jan.Hainz@ge.com](mailto:Jan.Hainz@ge.com)

### For Romanian American Enterprise Fund

#### U.S.

Deborah Brown  
Director Corporate Communications  
Romanian American Enterprise Fund  
Tel: +1 212 697 5766  
Fax: +1 212 818 0445  
E-mail: [deborah.brown@raef.ro](mailto:deborah.brown@raef.ro)

#### Romania

Horia Manda  
VP & Portfolio Manager  
Romanian American Enterprise Fund  
Tel: +40 21 222 8501  
Fax: +40 21 222 8504  
E-mail: [horia.manda@raef.ro](mailto:horia.manda@raef.ro)