

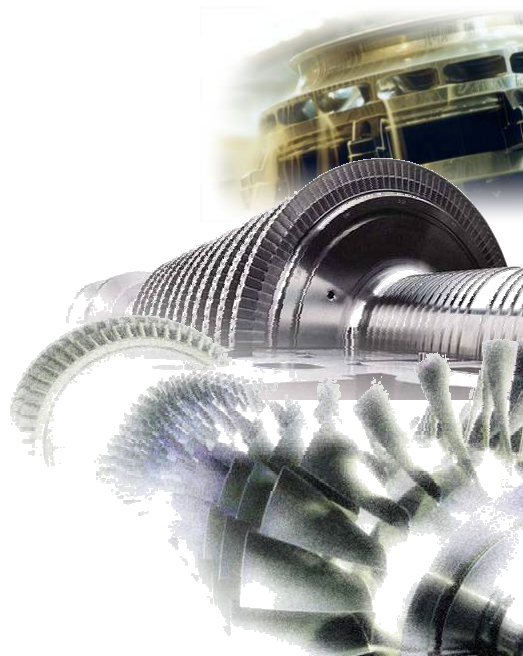
# GE Infrastructure Analyst Meeting

November 2, 2005



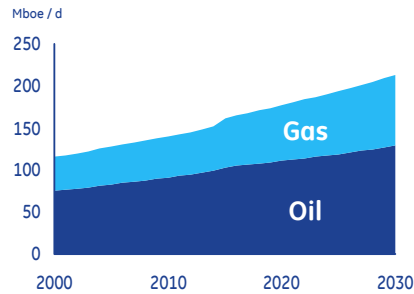
## GE Oil & Gas

Claudi Santiago  
President & CEO

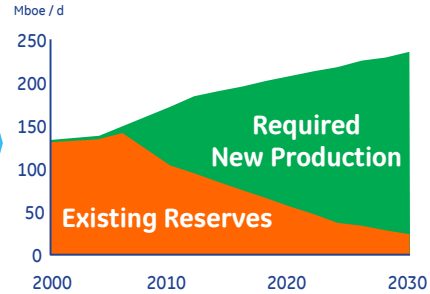


## Oil & Gas demand and supply challenge

### Oil & Gas Demand



### Supply Challenge



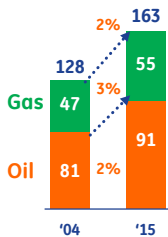
- Depletion rates accelerating to >6% creating new challenges
- New reservoirs in difficult areas ... technology critical
- Significant new investments needed to meet world demand



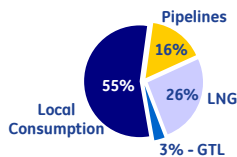
## Oil & Gas regional supply & demand imbalance

### Total World Demand

(Mboe / d)  
(CAGR% '04-'15)

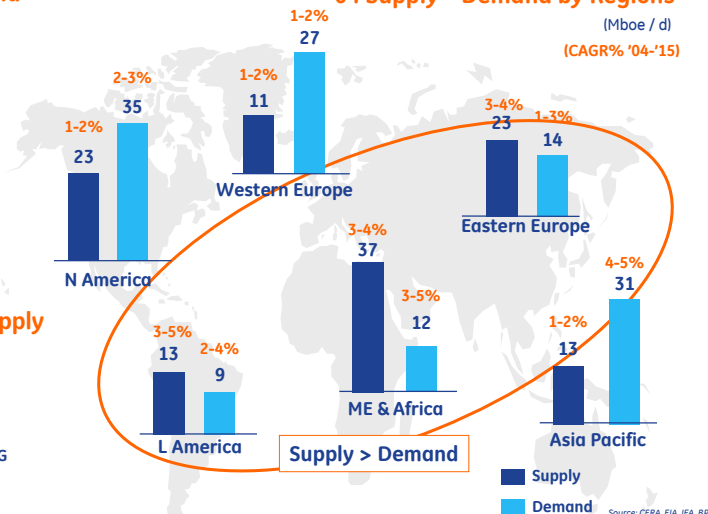


### Required New Supply ('04 - '15)



### '04 Supply - Demand by Regions

(Mboe / d)  
(CAGR% '04-'15)



Supply > Demand

Supply  
Demand

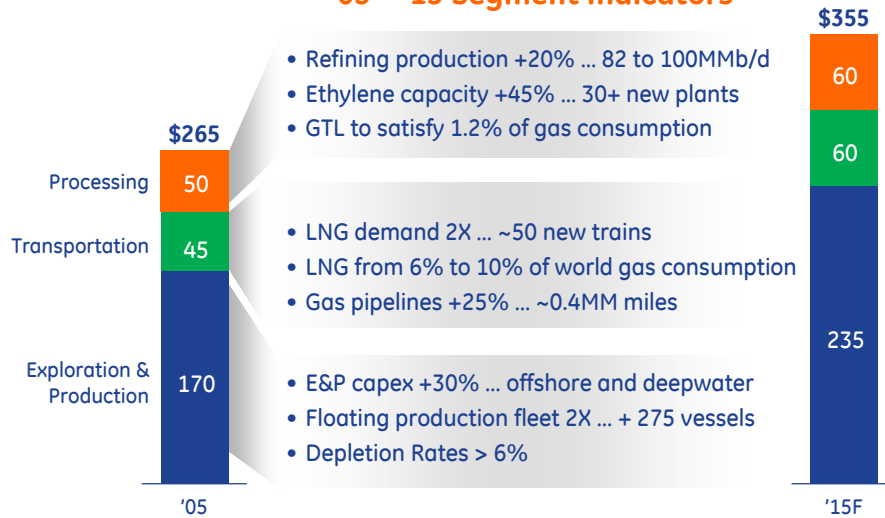
Source: CERA, EIA, IEA, BP

Oil & Gas industry challenges play to GE strengths

## Oil & Gas industry ... very attractive for GE

(\$B)

### '05 – '15 Segment Indicators



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Source: SSB, EIA, Lehman

## Multiple ways to grow

- Monetize stranded gas
- Enhanced oil reservoir recovery
- Bring gas to China
- Increase refinery capacity
- Capture installed base opportunity



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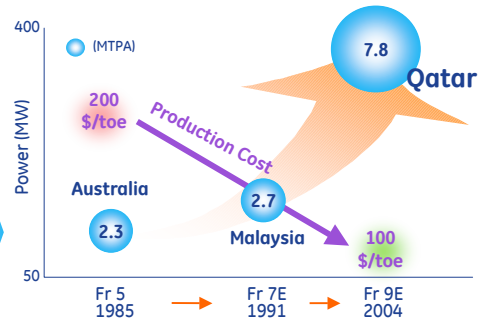
## Monetize stranded gas ... Qatar LNG

### Natural Gas Monetization



- #1 for Gas Reserves/sqMile
- North field = 60 miles
- ~250 Years UK Demand

### LNG Production ... Unprecedented Scale



- 1 train ... size of a football field
- ~400MW ... 8 MM tons / year LNG
- GE ... proven gas turbines & world class compression

**\$600MM won year-to-date**



## Enhanced oil reservoir recovery ... Middle East

### Recovering Only ~35% of Oil Fields Capacity

#### Re-injection Recovery Technology Options

- Natural gas
- Water
- Acid Gas and CO<sub>2</sub>



#### GE Technology Helping to Maximize Oil Production

- 250+ re-injection trains
- 40+ gas turbine driven water injection pumps in Saudi Arabia

#### Recent wins ... >\$100MM in Orders

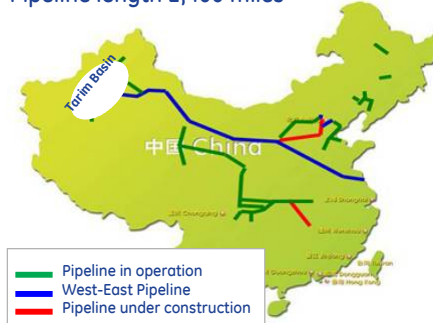
- UAE ... Turbo-compressor re-injection trains + plant upgrades
- Saudi Arabia ... gas turbine driven multi-phase pumps

**Improve production by ~20%**



## Bring gas to China ... west to east pipeline

Pipeline length 2,400 miles



**Aviation**  
20 LM2500+



**Oil & Gas**  
24 CC



**Service JV – GE / SBW**  
Major Chinese  
Compressor  
Manufacturer

### Why We Won ... ~\$200MM Project:

- GE's equipment technical advantages and system integration experience
- Local commitment to a growing market ... manufacturing & service shop facilities
- "One-stop" solution: gas turbines, compressors, services and pipeline inspection



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**Building on one GE**

## Increase refinery capacity ... equipment upgrade

### US Gulf Coast Refinery

- Need environmental upgrades
- Physical space restriction
- Compressed project cycle



### Integrated Solution

- Turbines, compressors & expanders
- One-stop shop ... turn-key, installation, commissioning & start-up
- Six-sigma re-engineered package

### Customer Value

- 50% capacity increase ... +25,000 barrels/day
- Increased reliability by ~1 pt
- CapEx ... ~30% savings vs new

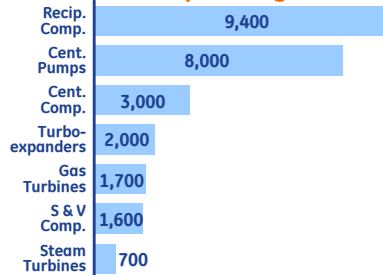
**Increased capacity with optimized CapEx investment**



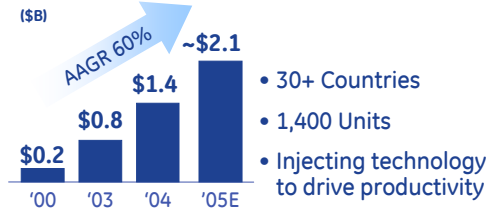
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## Capture installed base opportunity ... services

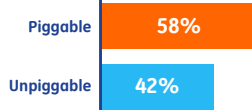
### Installed Base # of Operating Units



### CSA's Commitments



### World Pipelines = 1.7MM Km



### Pipeline Inspection

- Unpiggable NPI increasing GE entitlement
- First generation launched summer '05

Service growth ... 10x in past 10 years

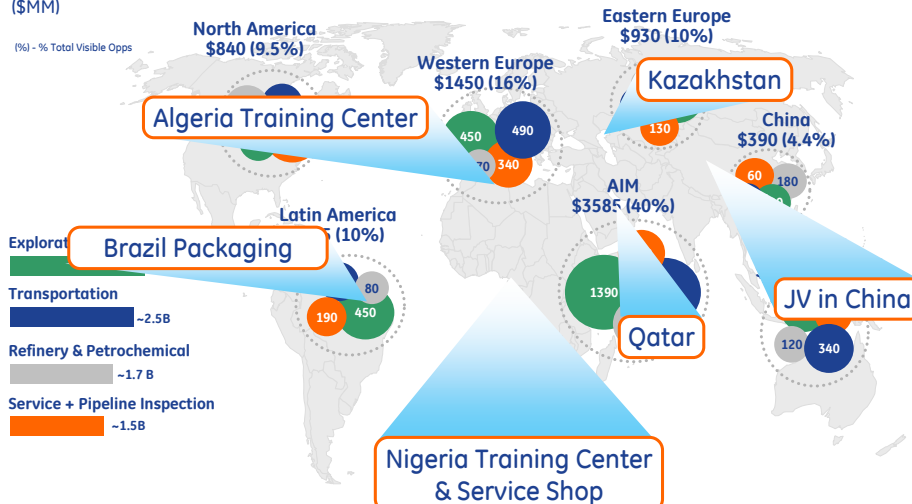


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## Going where the action is

(\$MM)

(%) - % Total Visible Opps

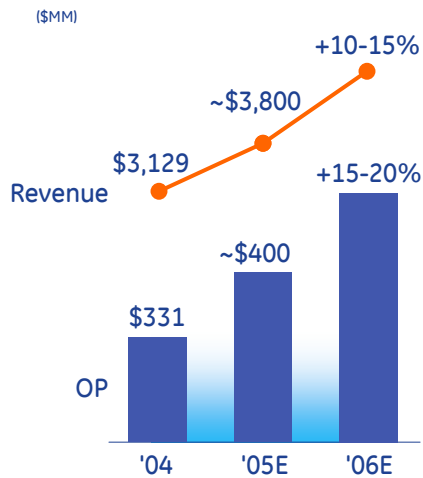


Looking @ \$9B+ of identified opportunities



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## Financial overview ... Oil & Gas



- '06 revenues over 2.5x '00 level
- CSA backlog \$0.7B up in '05 ... 3x in 3 years
- \$9B+ identified opportunities ... equipment & services
- Technology investment ... over \$225MM in last 3 years
- Robust market ... multiple ways to grow



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