



PRESS RELEASE

## GE Reaches Agreement with Shinsei Bank on Japan “Grey Zone” Claims

### *\$1.7B buyout agreement ends exposure for GE related to 2008 sale of Japanese consumer loan business*

**FAIRFIELD, Conn. – February 26, 2014** – GE [NYSE: GE] announced today an agreement with Shinsei Bank to end GE’s obligation to reimburse Shinsei Bank for refunds of interest paid in excess of the statutory interest rate by customers of the Japanese consumer finance business that General Electric Capital Corporation (GECC) sold to Shinsei in 2008.

As part of that transaction, GECC and Shinsei agreed to a loss-sharing arrangement for potential “Grey Zone” interest claims, with a buyout option to end the obligation in the first quarter of 2014. This agreement resolves such obligations assumed in connection with the 2008 sale.

The agreement provides for GECC to pay Shinsei ¥175 billion (US\$1.7 billion). GECC will record an addition to reserves in discontinued operations of \$1.0 billion for 2013. This will reduce GE fourth-quarter and full-year 2013 net earnings by \$1.0 billion and net earnings per diluted share by \$0.09, as the agreement was reached prior to the filing of annual financial statements. Operating earnings for the quarter and the year remain unchanged, and this agreement will not impact first-quarter or full-year results for 2014.

#### **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’s Investor Relations website at [www.ge.com/investor](http://www.ge.com/investor) and our corporate blog at [www.gereports.com](http://www.gereports.com), as well as GE’s Facebook page and Twitter accounts, including @GE\_Reports, contain a significant amount of information about GE, including financial and other information for investors. GE encourages investors to visit these websites from time to time, as information is updated and new information is posted.

#### **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; potential market disruptions or other impacts arising in the United States or Europe from developments in sovereign debt situations; 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; pending and future mortgage securitization claims and litigation in connection with WMC, which may affect our estimates of liability, including possible loss estimates; 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 or to repurchase shares at the planned level; GECC’s ability to pay dividends to GE at the planned level; our ability to convert pre-order commitments/wins into orders; the price we realize on orders since commitments/wins are stated at list prices; the level of demand and financial performance of the major industries we serve, including, without limitation, air and rail transportation, energy generation, 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; our capital allocation plans, as such plans may change including with respect to the timing and size of share repurchases, acquisitions, joint ventures, dispositions and other strategic actions; our success in completing announced transactions and integrating acquired businesses; our ability to complete the staged exit from our North American Retail Finance business as planned; the impact of potential information technology or data security breaches; 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.*

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