



## PRESS RELEASE

### GE COMMERCIAL FINANCE SIGNS ITS LARGEST FACTORING DEAL

**London, 20 October 2006:** GE Commercial Finance has extended a five-year, non-recourse trade receivables factoring facility with a credit line of EUR 800m to KME Group S.p.A. GE will purchase and manage KME's receivables across Europe. The deal is GE's largest pan-European factoring transaction.

"KME will have a single system across five countries, with standardized credit and collection processes, significantly reducing complexity across the business. KME will thus benefit from greater clarity and predictability in its finances, and be able to focus fully on growth," said Thierry Willieme, Managing Director of Factofrance, the French factoring unit of GE Commercial Finance, which is managing the facility

KME Group S.p.A., formerly "Società Metallurgica Italiana," is one of the world's largest producers of copper and copper-alloy semi finished products and manufactures a vast array of specialty high-tech products. It has 15 plants in Italy, Germany, France, Spain and China; 6,847 employees and two research centres. It manufactures in excess of 628,000 tons of products a year and had consolidated revenues of EUR 2.176bn in 2005. Following a recent capital increase, this deal will further improve the Group's financial and working capital structure.

"This comprehensive facility will help KME manage its working capital volatility and reduce the impact of fluctuations in the price of its raw materials, copper and alloy, while at the same time achieving significant saving in terms of financial expense, quantifiable in the range of a few million euro on a yearly basis," commented Vincenzo Cannatelli, CEO of KME Group.

With market leading factoring businesses in both France and Germany, GE Commercial Finance was ideally placed to provide KME with a true one stop, pan-European solution it needed. "GE's solid global risk management expertise and robust due diligence processes meant it was able to commit to a five-year deal, rather than the two-year standard deal common across the industry," said Mogens Tolbod, Commercial Director at GE Commercial Finance.

Historically, factoring has been used predominantly by small and medium enterprises, particularly those experiencing rapid growth, with the majority of factoring programs focused on a single domestic market. The KME facility demonstrates that factoring is increasingly seen as a useful tool for large, multinational corporations as well. GE's size and global reach gives its customers a significant benefit in structuring such cross-border deals.



GE  
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**ABOUT GE COMMERCIAL FINANCE**

GE Commercial Finance, which offers businesses around the globe an array of financial products and services, has assets of over \$206 billion and is headquartered in Norwalk, Connecticut.

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