GE Oil & Gas today...
Building a strong foundation...

- Subsea Systems
- Turbomachinery
- Measurement & Control
- Global Services
- PII Pipeline Solutions a GE - Al Shaheen JV
- Drilling & Surface

37,000+ employees

- 1994: A Turbomachinery company
- 1997: Developed a Service model
- 2004: Expanded in Inspection Technologies
- 2008: Entered the Drilling & Production segment
- 2011: The “new” GE Oil & Gas
- 2012: GE Oil & Gas becomes standalone GE segment

Well Support
- Pressure Control
- Electrical Submersible Pumps
- Logging Services

GE imagination at work
Subsea Systems

- **Products & Projects**
  - 1600 employees
  - 8 manufacturing sites

- **Wellstream Flexibles**
  - 1400 employees
  - 2 manufacturing sites

- **Subsea Services**
  - 1300 employees
  - 10 service centres

Global footprint

- **Manufacturing Facilities**
- **Service Workshops**
- **Aberdeen, UK**
- **Nailsea, UK**
- **Newcastle, UK**
- **Dussavik, Norway**
- **Macaé, Brazil**
- **Niterói /Rio, Brazil**
- **Lagos, Nigeria**
- **Onne Port, Nigeria**
- **Jandiro, Brazil**
- **Luanda, Angola**
- **Jurong, Singapore**
- **Batam, Indonesia**
- **Lagos, Nigeria**
- **St. John’s, Canada**
- **Baku, Azerbaijan**
- **Perth, Australia**
- **Houston, TX**
- **Broussard, LA**
- **Batam, Indonesia**
- **Lagos, Nigeria**
- **St. John’s, Canada**
- **Baku, Azerbaijan**

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Subsea Systems in the UK
Local sites delivering global expertise

2000+ employees

Aberdeen
- Global CoE Subsea XT
- Global R&D
- Engineering
- Manufacturing
- Global Services
- EUK Services
- Drilling Systems
- Oilfield Technology

Charleton Rd, Montrose
- EUK Services
- Subsea Controls Service CoE
- Machining & Fabrication

Brent Ave, Montrose
- Manufacturing

Bristol
- Subsea EPC Project Hub
- Service CoE
- Systems Eng & FEED

Newcastle
- Engineering
- Flexible Riser COE
- Manufacturing

Glasgow
- Engineering office

Nailsea
- Global CoE Subsea Controls
- RM&D ‘SmartCenter’
- Engineering
- Global R&D
- Manufacturing
- Global Service hub

Great Yarmouth
- EUK Services

London
- Commercial office

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Industry trends...
Today’s global mega-trends ...

- **8.3B** people will live on earth in 2030
- **85%** growth in the middle class across Asia by 2030
- **0.5-1%** Europe GDP growth; EU muddles through Euro crisis
- **↑75%** Electricity demand by 2030
- **↑54%** Water demand by 2030
- **↑35%** CO₂ emissions by 2030

Sources: GE internal assessments
Industry mega-trends

- Approximately 80 MMboe/day of new production capacity needed by 2020.
- A 5x increase in capex per barrel of new capacity from 2008 to 2016.
- $90B value to industry through increased recovery & production, lower CAPEX & OPEX.
- Approximately 50% of oil & gas engineers eligible to retire by 2015.
- 9% growth in unconventionals industry spend from 2012 to 2015.
- 14% growth in Subsea industry spend from 2012 to 2015.

Sources: GE internal assessments.
Growth in Subsea

$67B Capex ’12 ~ ’15

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Industry Challenges

- Talent war
- Scalability
- Project management
- No easy oil
- Nationalism
- Aging assets
Subsea strategic imperatives...
Winning the talent war...

**Recruitment cycle:** months to weeks

**Expand the pool:** x-training

**Effectiveness:** structured onboarding

**Fulfillment:** outsourced packages

**Decentralize:** new global hubs

**Engagement:** schools & universities

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Technology enablers...

**New life**
- Technology insertion
- Boosting
- Separation
- Compression

**Reserves**
- HPHT
- Heavy oil
- Long offsets
- Pre-salt

**Technology**
- HT to VT shift
- 20Ksi equipment
- “Subsea factory”

**Aging assets**
- Asset integrity management
- RM&D
- Flow Assurance

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Wet Gas Compression

SemStar5

“D Series” Tree Systems

RM&D Suite
Building capability...

**Brazil**
- $400M Investment
- $2B Commitment
- $24B Industry spend

**UK**
- $80M Investment
- $300M Backlog
- $3B Industry spend

**Norway**
- $100M Investment
- $300M Backlog
- $4B Industry spend

**West Africa**
- $300M Investment
- $1B+ Backlog
- $15B Industry spend

**Australia**
- $100M Investment
- $800M Backlog
- $4B Industry spend
Powering the World together
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