



“Ex-Im Bank’s financing assistance has been instrumental in helping GE Transportation to make sales abroad and sustain hundreds of manufacturing jobs in the United States.”

David Tucker
Vice President of Sales

Top photo: A GE Evolution Series 44AC diesel electric locomotive is prepared for sale to Ferrocarril Mexicano, S.A. de C.V., the owner of one of Mexico’s largest private railways.

Right photo: GE’s locomotives are built at the company’s manufacturing facilities in Erie, Pa.



GE TRANSPORTATION

While demand continues to grow for American-made capital goods in developing markets, exporters sometimes require financing assistance for large exports that have longer repayment terms. To meet this need, GE Transportation turned to Ex-Im Bank, securing an \$80.4 million long-term loan guarantee to support the sale of its GE Evolution Series 44AC diesel electric locomotives to a private-sector buyer in Mexico.

The transaction supports hundreds of manufacturing jobs at two GE Transportation facilities in Pennsylvania. The diesel engines are manufactured in Grove City, and the locomotives are built in Erie.

This export also promises significant environmental benefits. The Evolution Series locomotive is designed to reduce emissions by 40 percent with improved fuel economy and lower operating costs. It was the first locomotive to achieve the U.S. Environmental Protection Agency's tough Tier II emission standards.

The foreign buyer, Grupo Ferrovíario Mexicano (GFM), is leasing the locomotives to a wholly owned subsidiary, Ferrocarril Mexicano S.A. de C.V. (Ferromex), one of the largest privately owned railways in Mexico. Calyon S.A. of Courbevoie, Hauts de Seine, France, is the Ex-Im Bank guaranteed lender.

GE Transportation also turned to Ex-Im Bank for assistance in entering the Russian market where railways are updating a vast fleet of aging locomotives. An Ex-Im Bank medium-term insurance policy supports the \$7.2 million sale of GE locomotive modernization kits to Nomos Leasing NW, a Russian company.

The end user is Yakutia Railways, a regional railway operator in Siberia.

GE Transportation is a supplier to the railroad, marine, drilling, wind and mining industries. GE provides freight and passenger locomotives, railway signaling and communications systems, information technology solutions, marine engines, motorized drive systems for mining trucks and drills, and replacement parts and services. With sales in excess of \$4.5 billion, GE Transportation is headquartered in Erie, Pa., and has approximately 10,000 employees worldwide, of which nearly 8,000 work in the United States.

Ex-Im Bank's medium-term and long-term products cover 100 percent of commercial and political risks on up to 85 percent of the contract's U.S. content. Medium-term products (insurance and loan guarantees) typically have repayment terms of one to five years and up to seven years for exports of medical and transportation-security equipment and environmentally beneficial goods and services. Long-term products (loan guarantees and direct loans) typically have repayment terms of seven to 12 years. The Bank also provides project and structured financing to support U.S. exports to large international projects.

