

GE 2008 first quarter performance

April 11, 2008

- Financial results & company highlights
- 2008 second quarter & total year outlook

Results are preliminary and unaudited. 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 often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties that could adversely or positively affect our future results include: the behavior of financial markets, including fluctuations in interest and exchange rates and commodity and equity prices; the commercial and consumer credit environment; the impact of regulation and regulatory, investigative and legal actions; strategic actions, including acquisitions and dispositions; future integration of acquired businesses; future financial performance of major industries which we serve, including, without limitation, the air and rail transportation, energy generation, media, real estate and healthcare industries; 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.

Results are discussed on a continuing operations basis except as noted.



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Overview

- ✓ Mixed performance in a difficult environment
 - Missed guidance ... Financial Services driven
- ✓ Strong global growth ... +22%
 - + Emerging markets +38%
 - + Developed (ex. U.S.) +14%
 - U.S. (5)%
- ✓ Solid industrial earnings
 - Infrastructure remains strong across the board
- ✓ Difficult Financial Services environment
 - Commercial Finance & GE Money down ~(20)%
- ✓ Planned for a difficult environment
 - Reframed balance of year based on market realities



1Q dynamics

Difference vs. guidance

- ✓ Commercial Finance ... a reliable performer ... had a ~\$.05 cent earnings per share impact from lower gains & marks/impairments vs. plan
- ✓ Healthcare ... OEC did not ship, U.S. market weaker than anticipated
- ✓ C&I ... very challenging retail channel

What changed?

- ✓ Planned for difficult environment ... however, late in quarter we experienced an extraordinary disruption in our ability to complete asset sales & incurred marks/impairments
- ✓ We saw a significant slowdown during March in U.S. Healthcare & C&I

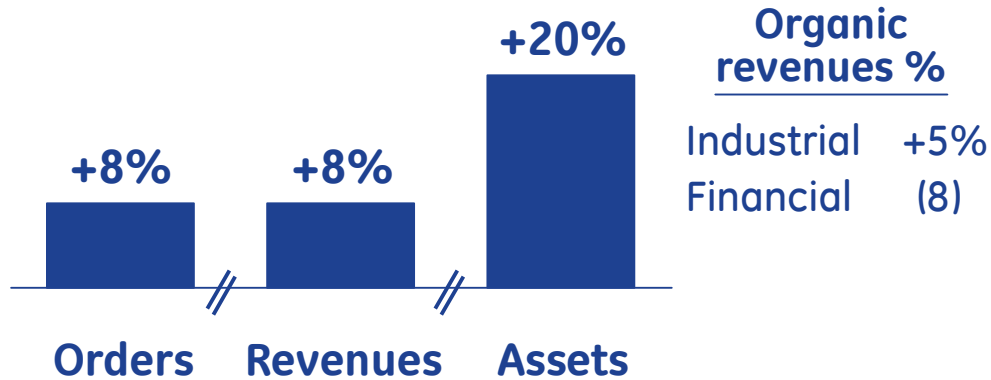
Going forward

- ✓ Made operational adjustments across the company to reflect environment
- ✓ Company fundamentals solid ... global growth, Infrastructure, productivity, strong balance sheet & cash flow
- ✓ Revised guidance framework for TY'08 to reflect today's market realities

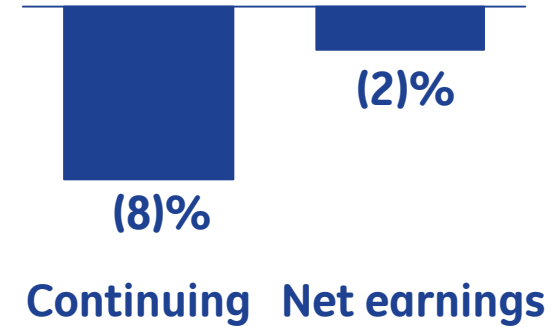


1Q'08 key performance metrics

(Continuing operations)
1Q growth (V%)



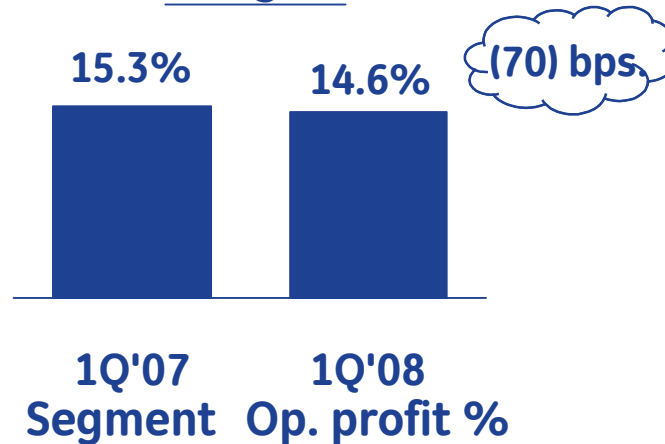
1Q EPS (V%)



Returns



Margins



Cash



Mixed performance in tough environment



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1Q'08 orders

Major equipment

(V%)	4Q'07	1Q'08
Aviation	66%	(21)%
Energy	56	59
O&G	90	7
Transportation	(31)	25
Healthcare	(7)	(1)
Total major eq.	33%	11%

- ✓ Aviation ... orders 1.3x shipments
- ✓ Energy ... Thermal fav., Wind +40%
- ✓ Healthcare ... Life Sciences & MR strength offset by CT

(\$ in billions - 4 quarter rolling average)

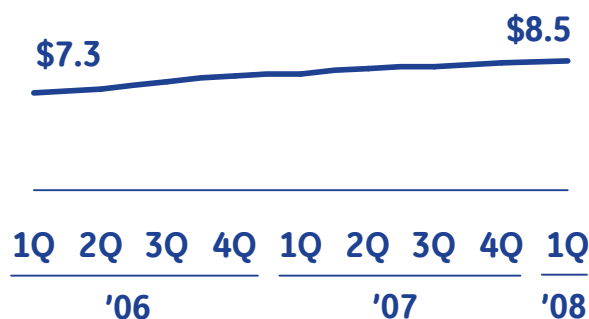


Services

(V%)	4Q'07	1Q'08
Aviation	-%	4%
Energy	2	(2)
O&G	59	38
Transportation	(12)	3
Healthcare	11	8
Total services	5%	5%

- ✓ Aviation ... Military +13%, Commercial +1%
- ✓ Healthcare ... broad strength across core service & HCIT

(\$ in billions - 4 quarter rolling average)

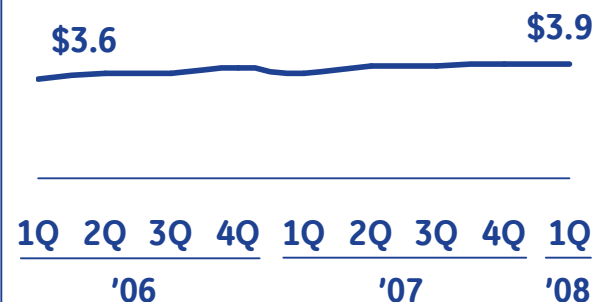


Flow ADOR (organic)

(V%)	4Q'07	1Q'08
Appliances	-%	(6)%
Lighting	8	(3)
Ind. Sys.	1	(1)
Ent. Solutions	2	3
Total flow	2%	(2)%

- ✓ Appliances ... retail (5)%, contract (14)%
- ✓ Ent. Solutions ... Sensing/IT & Digital Energy strength

(\$ in billions - current quarter)



- ✓ Infrastructure remains strong ... flow environment tougher
- ✓ Overall orders \$24B, +8% ... backlog \$69B, +34%



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First quarter consolidated results

(\$ in billions – except EPS)

Continuing operations

	<u>1Q'08</u>	<u>V%</u>
Revenues	\$42.2	8%
– Industrial sales	24.2	12
– Financial Svcs. rev.	18.1	3
Earnings	4.4	(12)
EPS – Continuing	.44	(8)
– Net earnings	.43	(2)
CFOA YTD	4.9	(34)
– Industrial CFOA	3.7	8
	<u>1Q'08</u>	<u>V pts.</u>
Tax rate	16%	(4) pts.
– GE (ex. GECS)	29	(1)
– GECS	3	(12)

(\$ in millions)

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Infrastructure	\$14,960	23%	\$2,588	17%
Commercial Fin.	8,566	7	1,158	(20)
GE Money	6,377	7	995	(19)
NBC Universal	3,584	3	712	3
Healthcare	3,887	-	528	(17)
Industrial	4,110	1	<u>300</u>	<u>(16)</u>
			<u>\$6,281</u>	<u>(4)%</u>

Tough capital markets environment & U.S. slowdown pressure performance

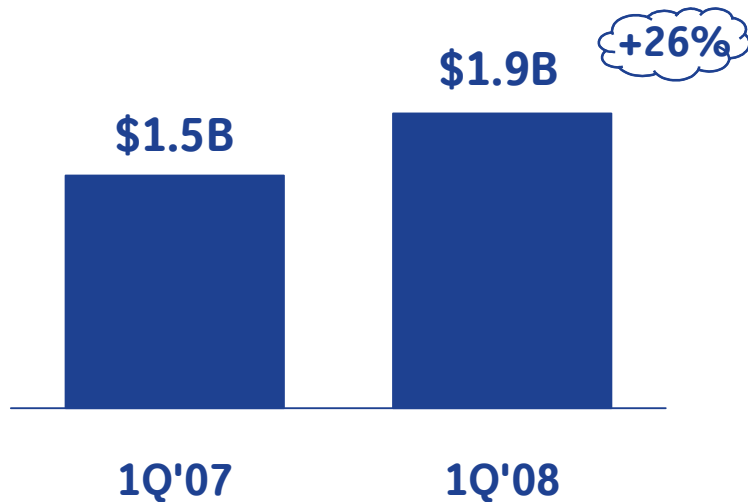


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Industrial businesses solid ... led by Infrastructure

(\$ in billions)

1Q earnings



- ✓ Revenues +12%, organic +5%
- ✓ Global revenues +28%
- ✓ Service revenues +12%

Drivers

Infrastructure

- ✓ Energy ... strong demand ... Thermal revenues +33%, Wind +22%
- ✓ Aviation ... commercial engines revenues +10%, military +18%
- ✓ O&G ... double-digit services revenues growth +50%
- ✓ Transportation ... loco services revenues +9%

NBCU

- ✓ Strong Cable, solid Network performance ... tougher local markets for Stations

Healthcare

- ✓ Global growth in Diagnostic Imaging, Services & Life Sciences
- ✓ U.S. market pressure ... OEC, DRA & customer access to capital markets

Industrial

- ✓ Enterprise Solutions ... strong global growth
- ✓ C&I ... U.S. softness

Strong global growth offsetting tough U.S. market



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Segment highlights – Infrastructure

(\$ in millions)

<u>1Q'08</u>	<u>\$</u>	<u>V%</u>
Revenues	\$14,960	23%
Segment profit	\$2,588	17%

Key 1Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy	\$5,640	21%	\$907	32%
Aviation	4,320	25	775	11
Oil & Gas	1,535	34	161	58
Transportation	1,148	2	254	19
Aviation Finc'l. Svcs.	1,231	(1)	387	-
Energy Finc'l. Svcs.	770	F	145	44
Ex. Verticals	\$12,990	21%	\$2,052	21%

1st quarter dynamics

- Orders +12%, equipment +15% ... added \$3B backlog since 4Q'07
- Continued revenue growth
 - Energy +21% ... equip. +30%, services +12%
 - Aviation +25% ... equip. +51%, services +6%; Smiths +\$0.6B
 - Oil & Gas +34% ... equip. +24%, services +50%; Vetco Gray +\$0.5B
 - Transportation +2% ... equip. (4)%, services +8%
- Strong segment profit growth +17%, +21% ex. verticals
 - Equipment revenues growth 3x service & acquisitions impact op. profit rate by (1.5) pts.

Broad based global demand



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Segment highlights – Healthcare

(\$ in millions)

<u>1Q'08</u>	<u>\$</u>	<u>V%-^(a)</u>
Revenues	\$3,887	-%
Segment profit	\$528	(17)%

1Q commercial trends

- Orders up 2% ... service +8%, equipment down 1%
- Service backlog \$2.1B, +7%
- CSA backlog +17% driven by HCA ~\$1B contract win

(a- October 12, 2007 8-K adjustment added \$254 revenues & \$117 op. profit to previously reported 1Q'07

1Q dynamics

- OEC expected to ship in April
- U.S. equipment market remains soft
 - Americas DI orders ↓ 13%
 - Community hospital orders ↓ 18% in March '08 ... funding & CAPEX
- Global equipment revenues as expected
 - DI International +8%, Clinical Systems International +13%
 - Life Sciences Europe +24%
- Service revenues strong +9%
 - DI service +9%, Clinical Systems +25%

Challenging U.S. environment ... strong global growth



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Segment highlights – Industrial

(\$ in millions)

<u>1Q'08</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,110	1%
Segment profit	\$300	(16)%

1Q commercial trends

- Total appliances industry units ↓ 18%, core ↓ 10% ... March housing starts ↓ 36%
- U.S. orders ↓ 5% offset by global growth ... Asia +22%, Latin America +25%
- Inflation, achieved price to offset ... lost share

1Q dynamics

- Enterprise Solutions revenues \$1.1B, +8% ... segment profit \$0.2B, +15%
 - Strong revenue growth ... Sensing & Inspection +18%, Digital Energy +19%
- C&I revenue \$3.0B, ↓ 1% ... segment profit ↓ 34% at \$0.1B
 - Revenue in retail ↓ 5% ... contract ↓ 14%
 - U.S. Industrial revenues ↓ 2% offset by strong global growth ... Asia +57%, Europe +8%

Tough U.S. consumer market ... global growth



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Segment highlights – NBCU

(\$ in millions)

<u>1Q'08</u>	<u>\$</u>	<u>V%</u>
Revenues	\$3,584	3%
Segment profit	\$712	3%

1st quarter dynamics

- 1 Network**
 - + Prime time on track to finish #2
 - + "Infront" presentation well received ... by clients, agencies, press
 - + *Today, Nightly News & Meet the Press* all strong #1's
 - Local markets challenging
- 2 Entertainment & Info. Cable**
 - + USA #1 in every category YTD ... again
 - + Bravo & Oxygen best 1Q's ever
 - + MSNBC +43% year-to-date
 - + CNBC – best Business Day in 7 years
- 3 Film & Parks**
 - + Strong awards performance ... 5 Oscars, nominated for 16 Academy Awards & 34 BAFTA's
 - + *American Gangster* DVD sales surpassed expectations
 - +/- Parks attendance up, but March weaker than expected
- 4 Digital**
 - + *hulu* consumer version launched ... positive reviews
 - + Display ad sales outpacing industry
 - Economy impacting internet ads

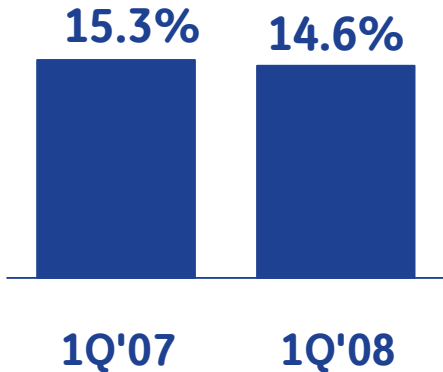
Great content ... Film, Cable, NBCU Studios & Digital Media



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Industrial operations

1Q industrial op. profit



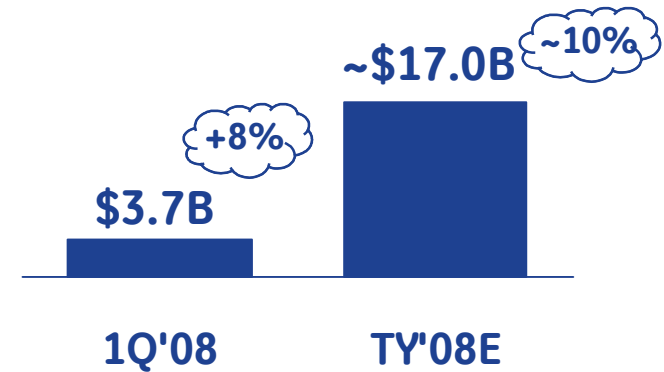
- ✓ Driven by:
 - Productivity +40
 - Price/inflation +20
 - Equip./services mix (50)
 - Infrastructure acq. (30)
 - Healthcare (50)
- ✓ TY'08 flat at ~16.6%

Incremental industrial base cost reduction



- ✓ Additional structural cost reductions underway

Industrial CFOA



- ✓ Cycle time/lean driving working capital efficiency
- ✓ Progress funding inventory build to deliver equipment growth

✓ **Operating disciplines in place for a tougher environment**
 - Revised TY'08 outlook ... margins flat, industrial cash remains +~10%

Financial Services industry environment

Massive write-offs

\$232B



- ✓ U.S. housing/
consumer driven
- ✓ \$53B+ 1Q estimate

Significant capital infusions

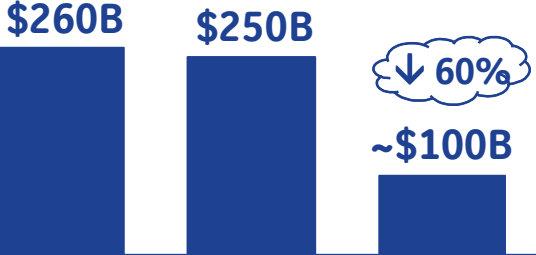
\$136B



- ✓ Rebuild capital base
- ✓ Deleveraging balance sheets

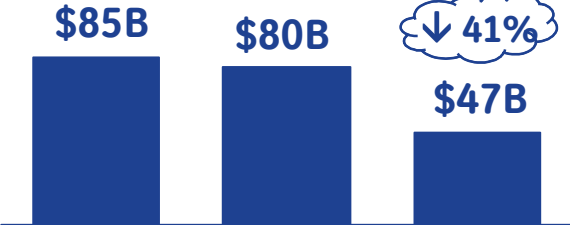
Global commercial financing activity slowing ...

Global commercial real estate sales



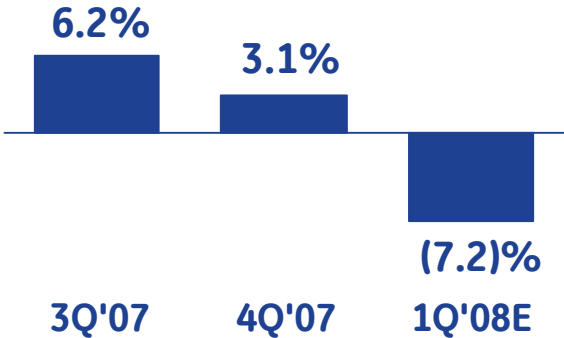
Source: Real Capital Analytics

Leveraged loan market



Source: Standard and Poor's Leveraged Commentary & Data (LCD) report

U.S. CAPEX



Source: Global Insight

**Tough environment, unprecedented volatility ...
GE Capital well positioned but not immune**



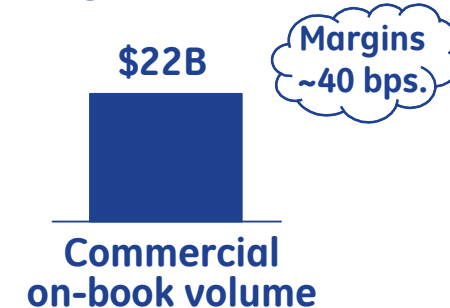
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Financial Services outlook

Dynamics

- ✓ Funding in great shape
 - \$35B long-term debt issued 1Q
- ✓ New business margins improving, strong global growth
- ✓ Credit is solid, as expected
- ✓ Capital markets & gains tougher than expected

1 Expanding new business margins



2 Capital redeployment



- ✓ **Continuing to reshape Financial Services**
 - Closed Merrill Lynch Capital, LOI on European commercial platform
 - Sold Corporate Card, LOI on select European consumer platforms, U.S. PLCC & Japan on track



1Q'08 Financial Services dynamics

(\$ in millions)

	Earnings		
	1Q'08	V%	
Commercial Finance	\$1,158	(20)%	<ul style="list-style-type: none">- Marks/impairments ~\$270 vs. plan- Lower gains ~\$200 vs. plan✓ Asset quality stable✓ Attractive origination opportunities
GE Money	995	(19)	<ul style="list-style-type: none">- U.S. ... provisions ↑ \$124, securitization ↓ \$282 ... CPS transaction \$218✓ Global as expected
Verticals	536	6	<ul style="list-style-type: none">✓ Strong global infrastructure growth

Solid relative performance, but below our expectation



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Segment highlights – Commercial Finance

(\$ in millions)

<u>1Q'08</u>	<u>\$</u>	<u>V%</u>
Revenues	\$8,566	7%
Segment profit	\$1,158	(20)%
Assets	\$337B	27%

Key 1Q business results

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Real Estate	\$87	46%	\$476	(16)%
Capital Solutions	129	19	400	1

1st quarter dynamics

- Strong originations driving assets +27% & revenues +7%
- Higher margins on new volume more than offset by older vintages
- Segment profit (20)%
 - Real Estate (16)%, lower gains, marks \$(36)
 - Capital Solutions +1% ... margin pressure
 - CF other (41)% ... marks/impairments \$(219), lower gains, Genpact offsets SES
- Asset quality stable ... delinquencies flat, non-earnings & write-offs stable
- Additional cost reductions in progress

**Solid portfolio & new business opportunities
but impacted by difficult capital markets**



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Segment highlights – GE Money

(\$ in millions)

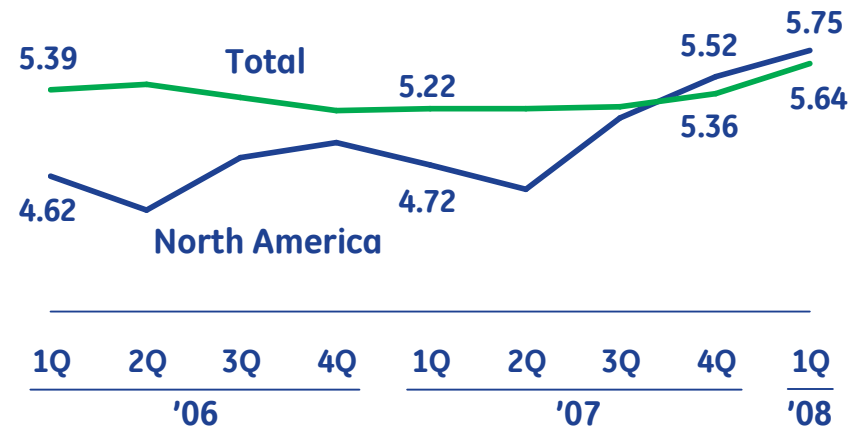
<u>1Q'08</u>	<u>\$</u>	<u>V%</u>
Revenues	\$6,377	7%
Segment profit	\$995	(19)%
Assets	\$218B	21%

1st quarter dynamics

- Asset growth +21% ... core growth in Europe +\$10B, Americas +\$6B
- Segment profit (19)%
 - Global (non-Americas) +15%
 - Americas down (52)%, securitization \$(282), provision \$(124), CPS \$218

Portfolio quality

- 30+ delinquencies 5.64%, +42 bps.
 - North America 5.75%, +103 bps.



- Portfolio actions on track
 - CPS closed & Europe platform swap announced
 - U.S. PLCC & Japan progressing
 - Significant cost reductions in progress

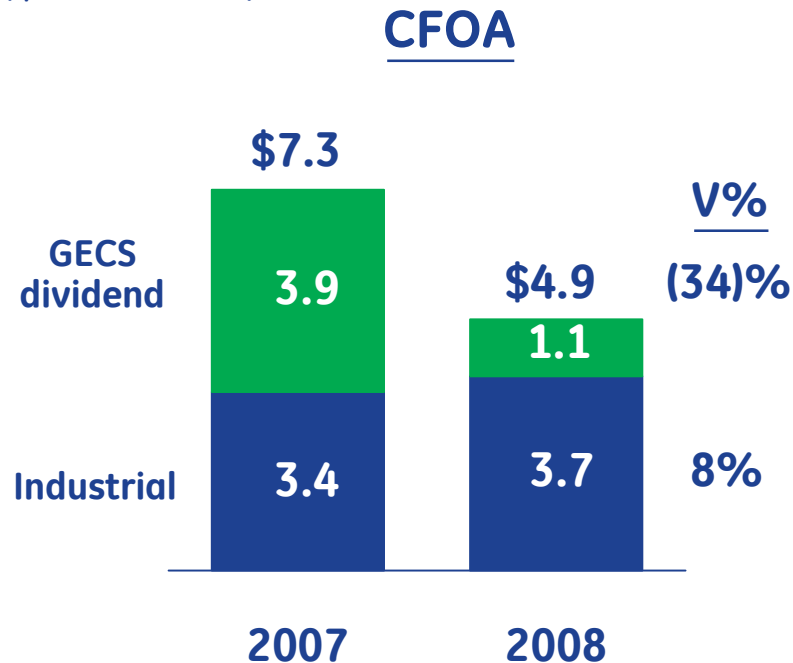
Tough U.S. environment ... global performing well



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First quarter cash flow

(\$ in billions)



- GECS dividend of \$1.1B
 - Regular GECS dividend at 40%
 - Decrease in GECS dividend vs. '07 due to non-repeat of Swiss Re & GE Life

Cash balance walk

	<u>Total</u>
Beginning balance	\$6.7
CFOA	4.9
Dividends	(3.1)
Stock repurchase	(1.0)
P&E	(0.9)
Acquisitions/dispositions	0.1
Change in debt/other	<u>(1.6)</u>
March	\$5.1

On track for strong total year performance

Revised '08 framework

(\$ earnings per share)

	<u>1Q</u>	<u>2Q-4QE</u>	<u>TY'08E</u>	<u>2Q+ drivers</u>
Original guidance			\$2.42/10%+	
Infrastructure	✓	\$.01	\$.01	+ Very solid ... strong global
Healthcare/Industrial/ NBCU	\$(.02)	\$(.03)-(.04)	\$(.05)-(.06)	- Continued U.S. softness
Financial Services				+ New business margins
- Comm'l. Finance	}	\$(.03)-(.12)	\$(.08)-(.17)	- Assume lower gains
- GE Money				- U.S. pressured
				- Range contemplates 2H'08 PLCC sale
	<u>\$(.07)</u>	<u>\$(.05)-(.15)</u>	<u>\$2.20-2.30/0-5%</u>	

Dynamics

- ✓ Reflects change in environment ... \$2.20-2.30/0-5%
- ✓ Infrastructure remains strong
- ✓ Adjusting Healthcare, Industrial, NBCU to reflect tougher U.S.
- ✓ Tougher capital markets environment for Financial Services



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2008 second quarter operations outlook

	2Q'08 outlook		2Q dynamics
	Revenues V%	Segment profit V% ^(a)	
Infrastructure	15-20%	20+%	✓ Broad strength, high visibility
Commercial Finance	~5	~(10)	✓ Lower gains ... growth at higher returns
GE Money	~5	~(20)	✓ U.S. loss pressure ... redeployment ongoing
Healthcare	~5	~5	✓ OEC shipping, global strong ... U.S. pressure
NBC Universal	~10	~5	✓ Cable strong ... Film tougher comps, local U.S. markets pressured
Industrial	~5	~5	✓ U.S. consumer/housing ↓, Enterprise global strong

(a)- Financial Services on an after-tax basis

<u>Total company 2Q'08 outlook</u>		
	\$	V%
Revenues	~\$45	~6%
Continuing earnings	5.3-5.5	~(5)
EPS		
- Continuing	.53-.55	(2)-2
- Net earnings	.52-.54	0-4

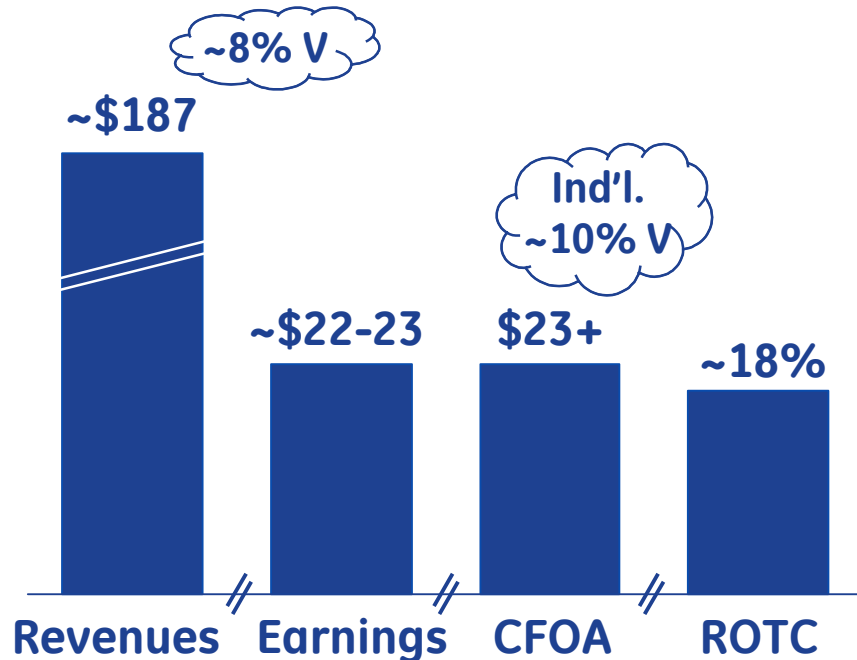


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2008 total year outlook

(\$ in billions – except EPS)

Continuing operations



- ✓ Tax rate flat
- ✓ GE industrial 10-15+%, GECS (5)-(10)%

Segment outlook

	<u>V%</u>
Infrastructure	~20%
Commercial Finance	(5)-(10)
GE Money	(5)-(15)
Healthcare	0-5
Industrial	0-(5)
NBCU	~5
Total segment	0-5%

TY'08 EPS \$2.20-2.30/0-5%

Summary

- ✓ Disappointed in performance
- ✓ Environment in 1Q'08 more difficult than expected
 - Particularly in Financial Services ... worsened late in quarter
- ✓ Business model remains very strong
 - + Triple A
 - + Infrastructure
 - + Cash flow
 - + Global growth
 - + Restructuring
- ✓ Reframe this year to model a more difficult environment
 - Guidance \$2.20-2.30

