




Mike Gaudino
 President & CEO
 GE Corporate Financial Services

Corporate Finance




Business profile

Financing for non-investment grade companies

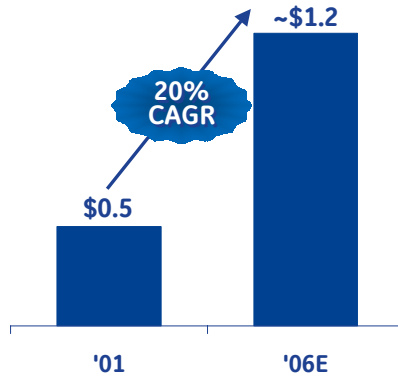


- Facilities for growth, restructuring, refinance and acquisition
- Broad industry & product expertise
- Outstanding risk management & controls
- Consistent growth in earnings & ROE
- Global origination capability... ~9,000 customers in 12 countries



Corporate Finance 5 year history

(\$ in billions)



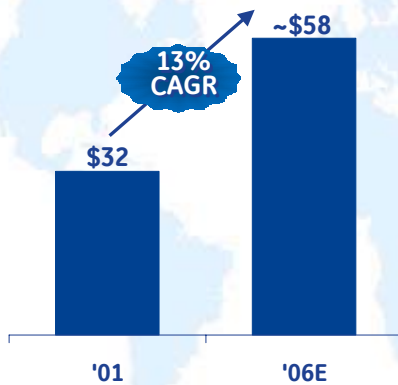
- \$44B volume... 3X growth
- 24% ROE... up 6 pts
- Low losses... 0.11% of receivables
- Sustained focus on productivity

History of consistent growth and increasing returns

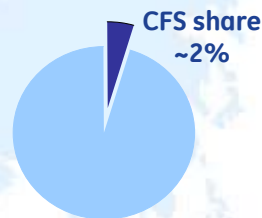


Strong asset growth...

Assets (\$B)



Global served market



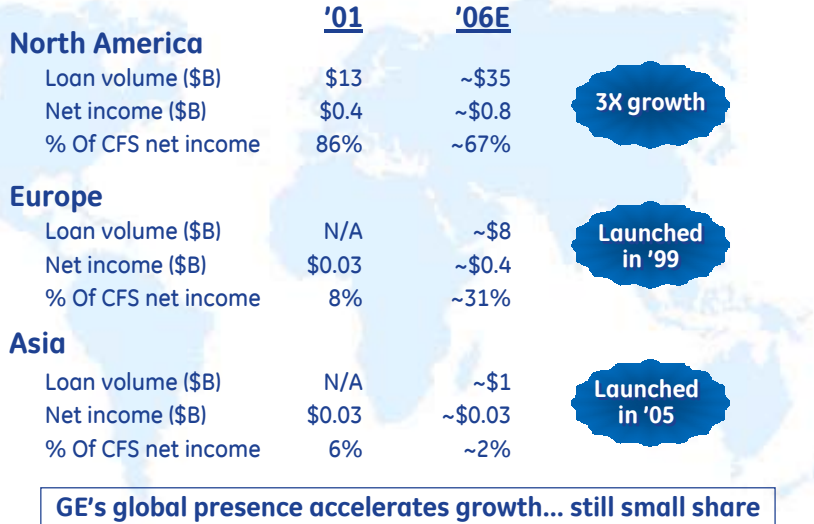
CFS share

N.A. <4%
Europe <2%
Asia <1%

GE's global presence accelerates growth... still small share

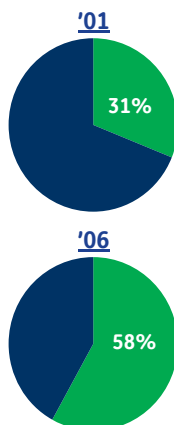


Diversified global growth...

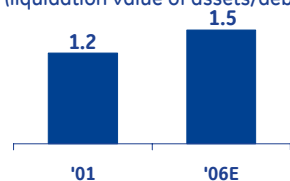


Portfolio is strong

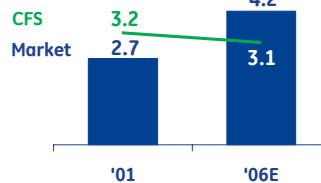
Higher quality portfolio
(% rated "BB-" or higher)



Better coverage
(liquidation value of assets/debt)



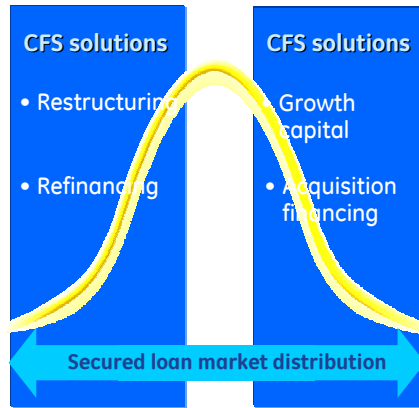
Lower leverage
(senior debt multiples)



Terrific portfolio quality



Well positioned for all cycles



Opportunities in a downturn...

- Loan losses will increase... portfolio is well positioned
- Competition retreats
- Spreads increase
- ABL/restructuring increases

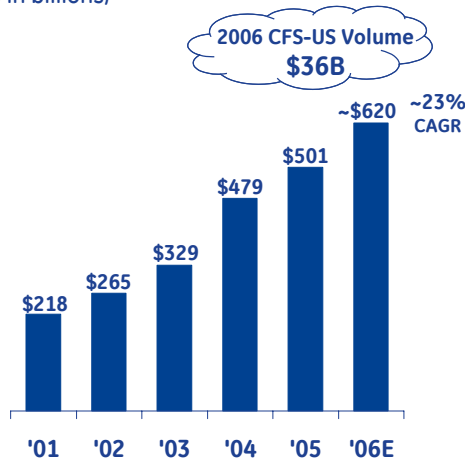
Earnings impact

- ↓ Will out-perform
- ↑ Portfolios/NPL
- ↑ Lending margins
- ↑ Fees /Volume



US loan... volume expanding rapidly

(\$ in billions)



Growth initiatives

- Sustained improvement in execution
- Leadership in restructuring
- Expanded focus in media
- Share gains in sponsor
- Success in large cap

• US Loan market o/s up 5X since 1995

Source: CFSB report on US leveraged loan market



"Growth as a process"

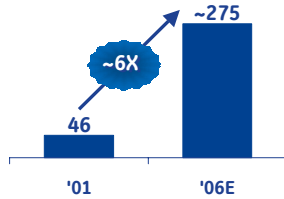


	<u>Customer segmentation</u>	<u>Targeting</u>	<u>Deployment</u>
The challenges:	Position to win globally?	Best targets?	Optimal deployment?
The plays:			
The execution:	<ul style="list-style-type: none"> • Size the opportunity • Competitive profiles • Industries by region 	<ul style="list-style-type: none"> • Developed regression model • Compiled high priority prospect list 	<ul style="list-style-type: none"> • Determined capacity of a rep...50/250 • Re-aligned territories
The score:	Customer penetration	Targeting effectiveness	Customer touch points

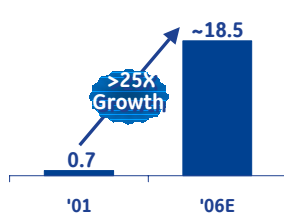


Channel growth - sponsors

U.S. Sponsor volume (\$B)



GE Sponsor volume (\$B)



Proven success in a growing market

Growth drivers/opportunities

- Focused effort to expand share
- Vertical created in 2003
- Strategic acquisition of Antares - #1 mid-market leader
- Enhanced distribution... sell into capital markets
- Small share of large market

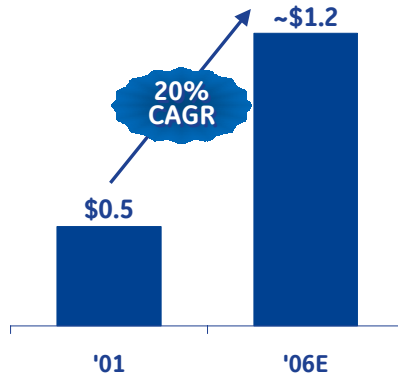
Still small in large market... lots of room to grow



Summary

(\$ in billions)

Net income



- Proven track record
- Small share in big markets we know
- Targeted front-end model and an experienced team
- Outstanding risk management... solid portfolio performance

Consistent earnings growth... well positioned



imagination at work