

GE Oil & Gas

Claudi Santiago - CEO

London - September 11, 2008



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 "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties which could adversely or positively affect our future results include: the behavior of financial markets, including fluctuations in interest rates and commodity prices; strategic actions, including 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; unanticipated loss development in our insurance businesses; and numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive and regulatory 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.



imagination at work

Leadership businesses

GE Energy Infrastructure

~17%



GE Technology Infrastructure

% of revenue

~25%

GE Capital

~39%



NBC Universal

~9%



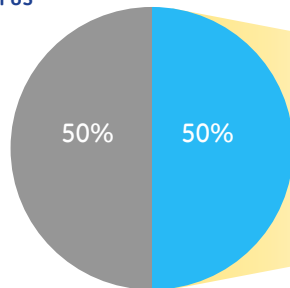
imagination at work

International growth

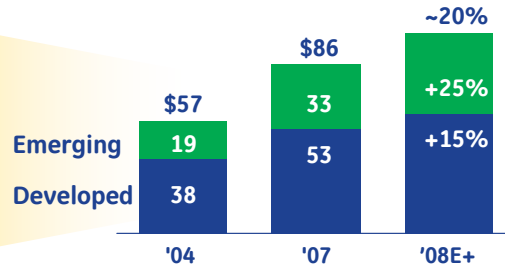
Revenues
(\$ in billions)

2007 Revenues Split

■ Non US
■ US



Global Revenues



Global revenues growing at 2x U.S.

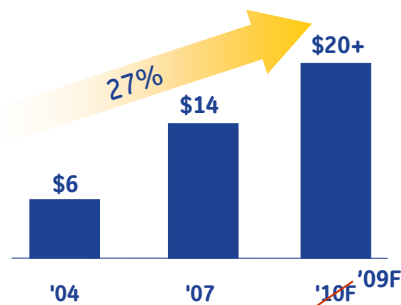


3
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Big theme: environmental technology

Sales
(\$ in billions)

ecomaginationsm revenues



- Big pipeline opportunities ... 60+ eco products
- Lower plant costs ... Water & Energy
- Involved in public debate

Why it matters

- ✓ Global & customer impact
 - European airlines
 - U.S. utility
- ✓ Launches new technology ... may impact Healthcare & other industries
- ✓ Impacts brand & reputation

Why GE

- ✓ Requires technology + brand + reputation
- ✓ We are in the lead



4
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GE Global Research Center



USA

India



China

Qatar



Germany

- ~3,000 research employees (~1,000 PhDs)
- 27,000 GE technologists worldwide
- \$5.7 billion technology spend

Core competencies:

- Combustion
- Composite materials
- Advanced propulsion
- Chem/Bio detection
- Nanotechnologies
- Molecular imaging

**Commitment to technology
& innovation**



5
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GE Oil & Gas vision ...

Close to the customer

- Intimacy ... broad & deep
- Global & local

Technology leader

- Innovation today & tomorrow
- Solving the industry's toughest problems

\$10B by 2010

Reliable partner

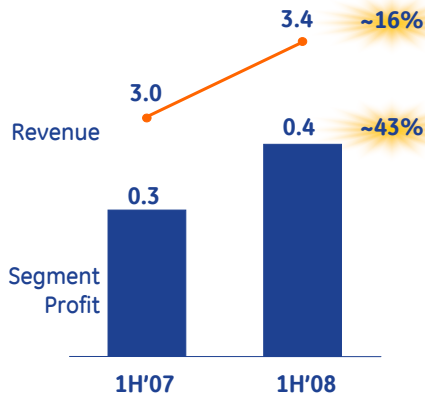
- Lean ... simplification, speed & capacity
- Product structuring
- Quality mindset



6
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GE Oil & Gas

Sales
(\$ in billions)



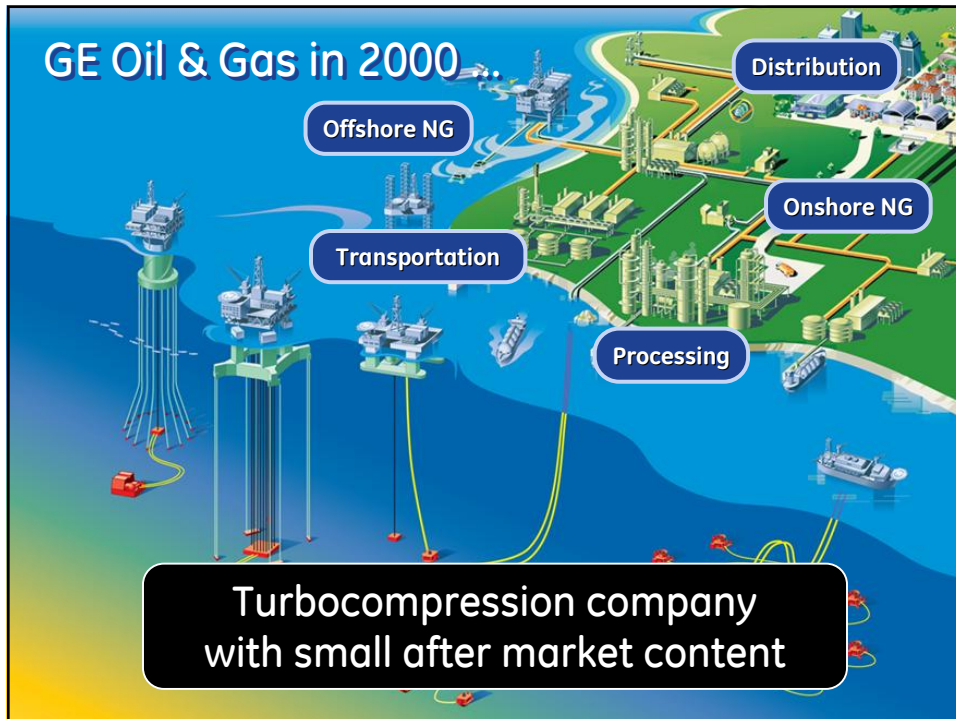
Business Imperatives

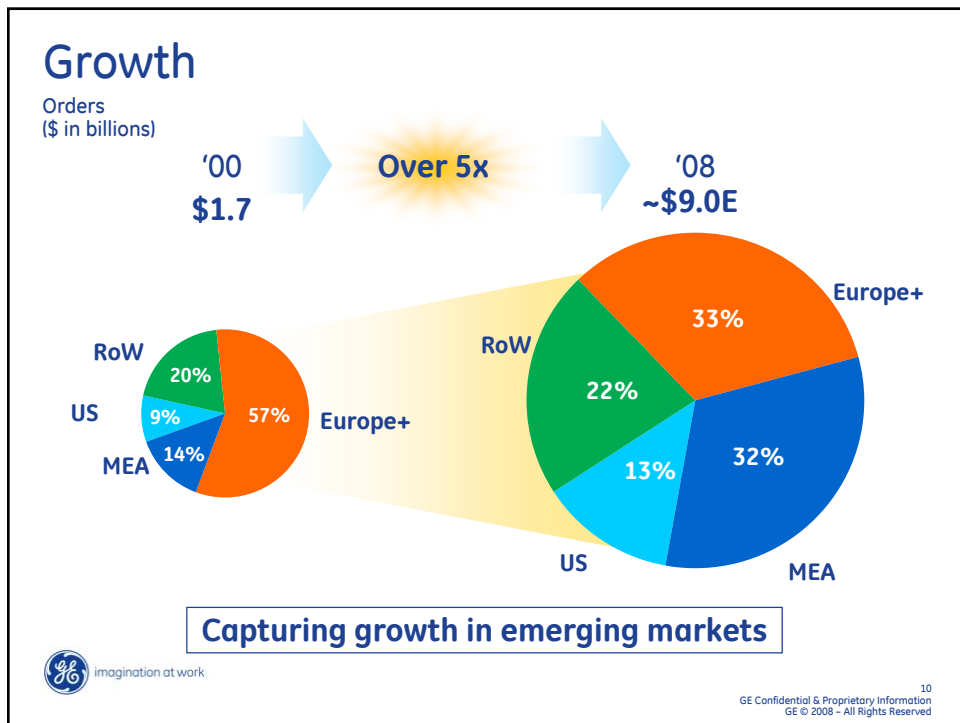
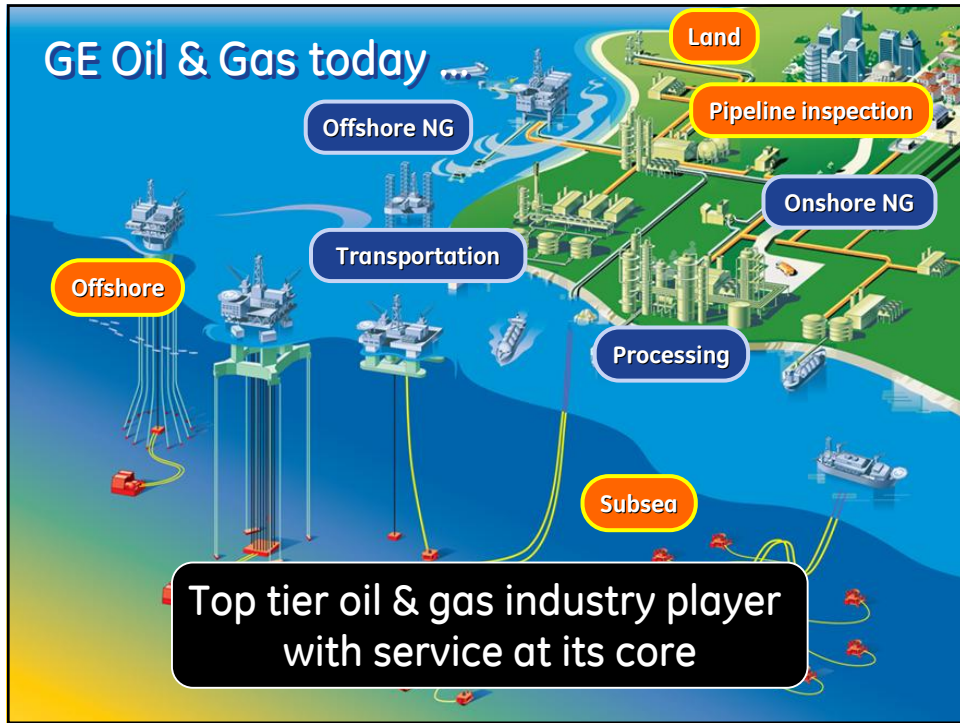
- Capture robust market upturn
- Grow installed base
- Integrate VetcoGray & Hydril
- Continue Service expansion
- Lead in technology

Winning in a strong market ... on track to deliver '08 commitments



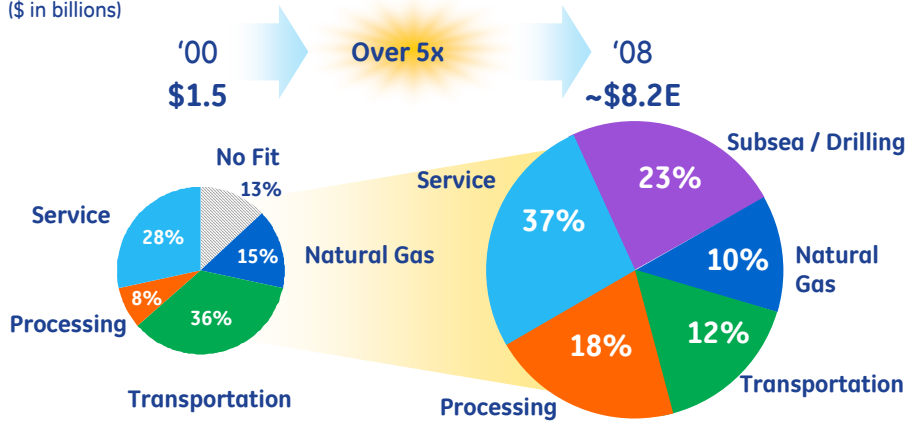
GE Oil & Gas in 2000





Portfolio

Sales
(\$ in billions)



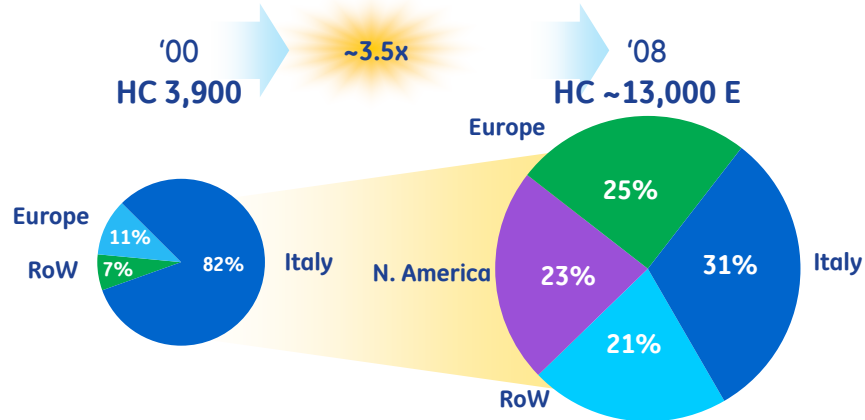
More balanced set of businesses



11
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Resources

(Total Headcount)



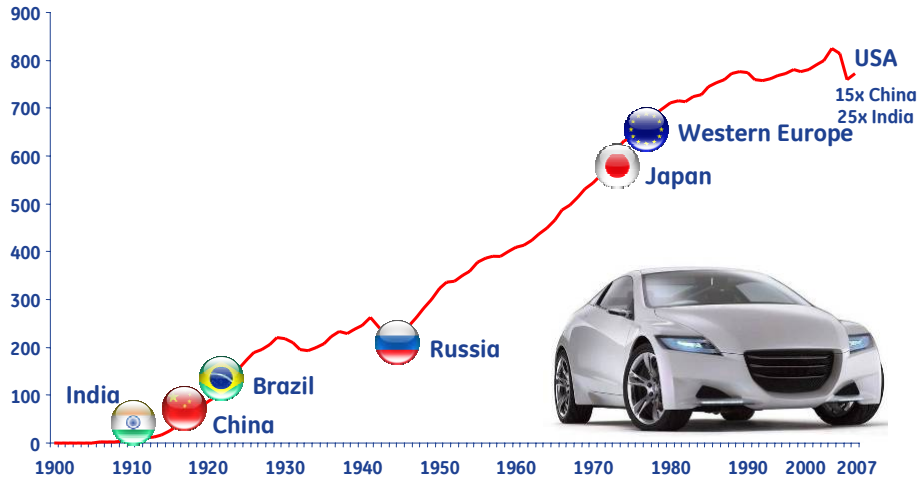
Improving global footprint



12
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Transportation driving oil demand

Vehicles per 1,000 people



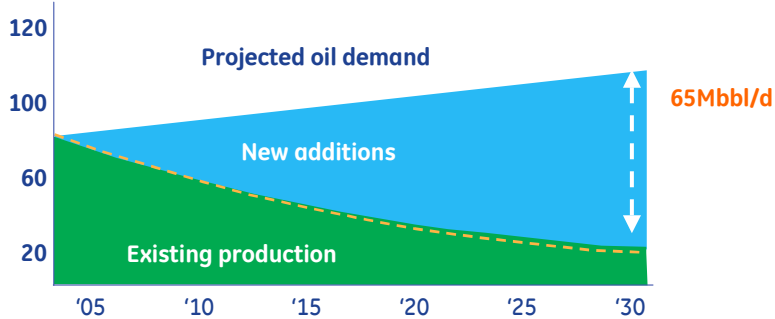
Emerging market demand 4x developed countries



13
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Increasing depletion rates

Million barrels of oil per day



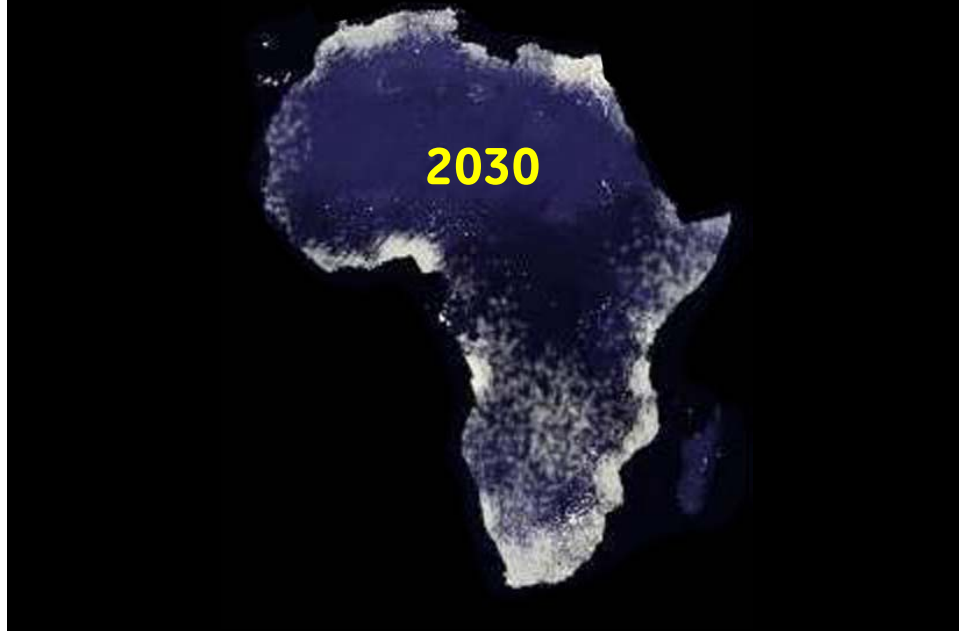
- Additions barely keeping up with 4.5% reservoir decline rates
- New 65 Mbb/d required by '30 to outpace demand growth & depletion of existing reservoir
- Offshore expected to provide 55% of new capacity ... 74% of E&P spending

6.5x Saudi Arabia to meet projected demand



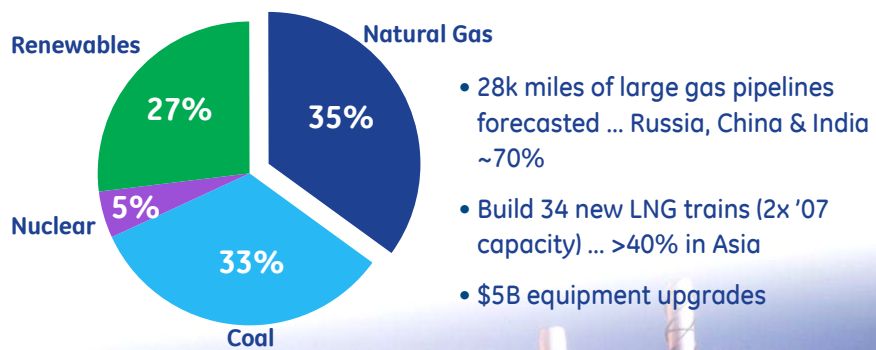
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Electricity driving gas demand



New gas infrastructure ...

PowerGen additions in '07-'17

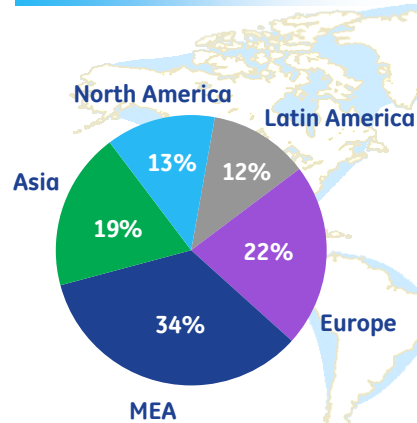


Attractive market outlook



GE Oil & Gas "Visible" opportunities '09-'11

Opportunity geography



Key opportunities

~\$23B Middle East & Africa

- ✓ ME: additional ~4 Mbb/d in Upstream ('11-'15)
- ✓ WA: Oil: +8 Mbb/d by '15 ... \$150B spend
Gas: key LNG player +18 Mtpy by '15

~\$17B Americas

- ✓ NA: drilling ↑ ... focus on unconventional oil
- ✓ Brazil: Petrobras \$112B O&G spend ... 60% E&P

~\$15B Europe

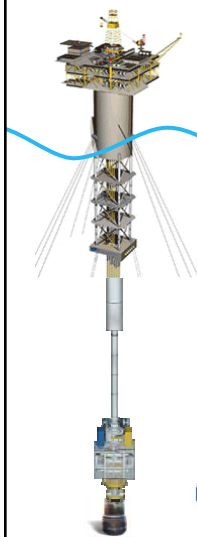
- ✓ North Sea: easy oil running out, ↑ tech. required
- ✓ Russia: 5 pipeline projects (+6K miles) by '15
3 LNG (+17 Mtpy) in '08-'15



~\$68B+ "visible" opportunities

17
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Closer to "the source" and extending offering



- Gas turbine drivers and generators
- Compression train packages
- Gas recovery systems
- Asset optimization

- Surface & Subsea drilling packages
- Remote control systems
- Floating production modules
- Subsea equipment
- Blowout preventer & annular BOP

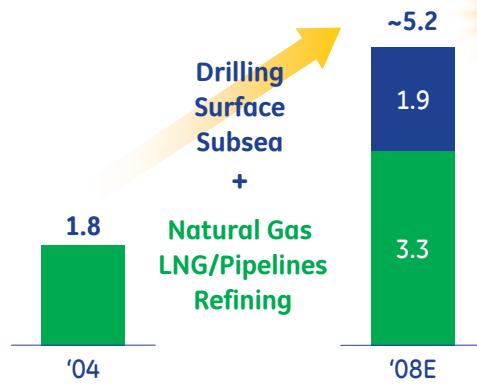
Providing up to 4x more value



18
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Equipment growth

Sales
(\$ in billions)

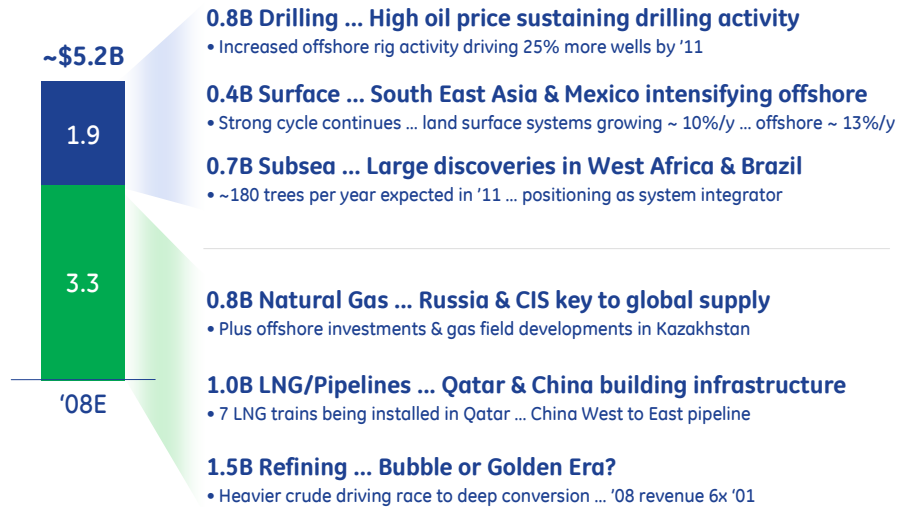


Expanding product portfolio



19
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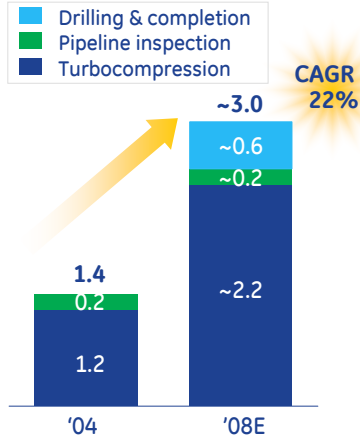
'08 Equipment Revenues



20
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Service growth

Sales
(\$ in billions)



Traditional & non-traditional

Traditional: Mining a large installed base

- 5,700 global units
- ~\$4B CSA backlog by YE

Expanding non-traditional service business

- Investing in technology ... 2x vs '07 ... focus on product upgrades
- VetcoGray & Hydril ... Leveraging GE service model

Growing installed base driving strong after market growth



21
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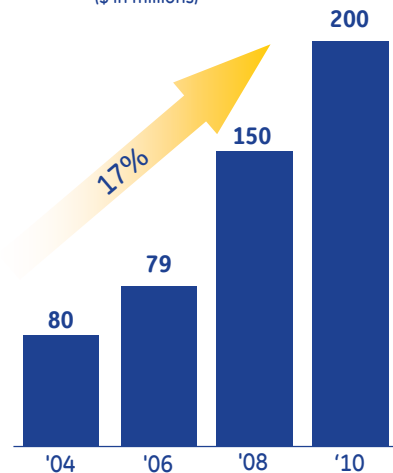
Lead in technology

Key Programs

- Subsea Processing**
 - boosting & separation
- High pressure, high temperature**
 - going deeper
- Gas Turbines**
 - fuel flexibility & higher efficiency
- Compression Technology**
 - higher power density
- Product Structuring**
 - simplification & cost out
- Global Services**
 - efficiency, availability & remote support

'04-'10 Spending

(\$ in millions)



... Plus access to world-class R&D technology programs



22
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"Only" GE ...

- Aircraft engines for pipelines
- Large Gas Turbines for LNG
- Composite materials for risers
- NDT technology for pipeline inspection
- CFD tools & expertise for re-injection



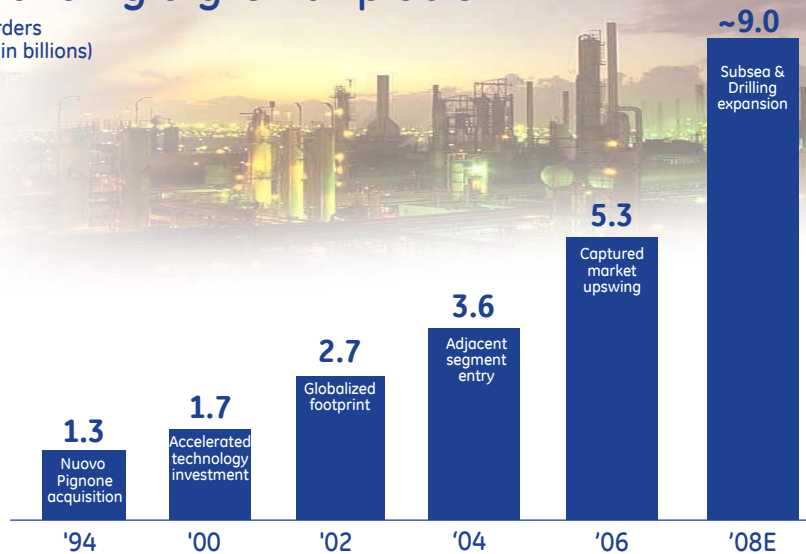
Leveraging broad GE technological heritage



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Building a growth platform

Orders
(\$ in billions)



'08 orders over 5x '00

24
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Summary

- **Strong market realities ...** high energy prices driving CAPEX investments
- **Large emerging markets' opportunities** matched with best portfolio ever
- **VetcoGray & Hydril ...** outperforming expectations
- **Service ... upgrading installed base** and growing non-traditional offering
- **Technology ... '08 R&D spending 2x '04** leveraging broad GE capabilities



25
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