

## Statement of Cash Flows

For the years ended December 31 (In millions)	General Electric Company and consolidated affiliates		
	2008	2007	2006
<b>CASH FLOWS — OPERATING ACTIVITIES</b>			
Net earnings	\$ 17,410	\$ 22,208	\$ 20,742
Loss (earnings) from discontinued operations	679	249	(1,398)
Adjustments to reconcile net earnings to cash provided from operating activities			
Depreciation and amortization of property, plant and equipment	11,492	10,275	8,457
Earnings from continuing operations retained by GECS	—	—	—
Deferred income taxes	(1,284)	657	1,639
Decrease (increase) in GE current receivables	(24)	(868)	(2,194)
Decrease (increase) in inventories	(719)	(1,562)	(1,514)
Increase (decrease) in accounts payable	(1,078)	(997)	(276)
Increase in GE progress collections	2,827	4,622	642
Provision for losses on GECS financing receivables	7,518	4,431	3,062
All other operating activities	11,020	927	3,352
Cash from operating activities — continuing operations	47,841	39,942	32,512
Cash from (used for) operating activities — discontinued operations	760	3,380	(1,057)
<b>CASH FROM OPERATING ACTIVITIES</b>	<b>48,601</b>	<b>43,322</b>	<b>31,455</b>
<b>CASH FLOWS — INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment	(16,010)	(17,803)	(15,788)
Dispositions of property, plant and equipment	10,975	8,457	6,795
Net increase in GECS financing receivables	(17,484)	(44,237)	(37,146)
Proceeds from sales of discontinued operations	5,423	11,574	11,009
Proceeds from principal business dispositions	4,986	2,746	1,883
Payments for principal businesses purchased	(28,110)	(17,215)	(11,573)
All other investing activities	195	(9,910)	(6,053)
Cash used for investing activities — continuing operations	(40,025)	(66,388)	(50,873)
Cash from (used for) investing activities — discontinued operations	(876)	(3,116)	(1,774)
Cash used for investing activities	(40,901)	(69,504)	(52,647)
<b>CASH FLOWS — FINANCING ACTIVITIES</b>			
Net increase (decrease) in borrowings (maturities of 90 days or less)	(34,221)	2,063	4,969
Newly issued debt (maturities longer than 90 days)	122,959	100,869	88,364
Repayments and other reductions (maturities longer than 90 days)	(69,050)	(49,826)	(49,346)
Proceeds from issuance of preferred stock and warrants	2,965	—	—
Proceeds from issuance of common stock	12,006	—	—
Net purchases of GE shares for treasury	(1,249)	(12,319)	(8,554)
Dividends paid to shareowners	(12,408)	(11,492)	(10,420)
All other financing activities	3,638	(1,204)	(1,174)
Cash from (used for) financing activities — continuing operations	24,640	28,091	23,839
Cash from (used for) financing activities — discontinued operations	(4)	(154)	(172)
<b>CASH FROM (USED FOR) FINANCING ACTIVITIES</b>	<b>24,636</b>	<b>27,937</b>	<b>23,667</b>
<b>INCREASE (DECREASE) IN CASH AND EQUIVALENTS DURING YEAR</b>			
Cash and equivalents at beginning of year	16,031	14,276	11,801
Cash and equivalents at end of year	48,367	16,031	14,276
Less cash and equivalents of discontinued operations at end of year	180	300	190
Cash and equivalents of continuing operations at end of year	\$ 48,187	\$ 15,731	\$ 14,086
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION</b>			
Cash paid during the year for interest	\$ (25,853)	\$ (23,340)	\$(18,438)
Cash recovered (paid) during the year for income taxes	(3,237)	(2,912)	(2,869)

See accompanying notes.

GE			GECS		
2008	2007	2006	2008	2007	2006
\$ 17,410	\$ 22,208	\$ 20,742	\$ 7,055	\$ 10,301	\$ 10,658
679	249	(1,398)	719	2,116	(439)
2,162	2,149	1,953	9,330	8,126	6,504
(5,423)	(5,126)	(372)	—	—	—
(417)	564	703	(867)	93	936
(168)	14	760	—	—	—
(524)	(1,496)	(1,458)	(14)	2	(23)
233	(1,073)	289	(1,045)	485	(154)
2,896	4,620	927	—	—	—
—	—	—	7,518	4,431	3,062
2,238	1,192	1,626	8,508	(539)	1,035
19,086	23,301	23,772	31,204	25,015	21,579
(5)	(857)	855	765	4,039	(2,041)
19,081	22,444	24,627	31,969	29,054	19,538
(2,996)	(2,968)	(2,913)	(13,321)	(15,217)	(13,168)
—	—	—	10,975	8,457	6,795
—	—	—	(17,375)	(44,164)	(40,270)
203	10,826	1,987	5,220	117	9,022
58	1,047	1,497	4,928	1,699	386
(3,149)	(9,645)	(4,274)	(24,961)	(7,570)	(7,299)
(5,176)	(1,697)	100	5,979	(8,730)	(5,995)
(11,060)	(2,437)	(3,603)	(28,555)	(65,408)	(50,529)
5	1,003	(914)	(881)	(3,921)	(731)
(11,055)	(1,434)	(4,517)	(29,436)	(69,329)	(51,260)
(2,152)	(3,284)	1,233	(31,282)	3,397	6,470
136	8,751	130	122,507	92,019	88,280
(1,936)	(298)	(93)	(67,114)	(49,528)	(49,253)
2,965	—	—	—	—	—
12,006	—	—	—	—	—
(1,249)	(12,319)	(8,554)	—	—	—
(12,408)	(11,492)	(10,420)	(2,351)	(7,291)	(9,847)
—	—	—	3,638	(1,204)	(1,174)
(2,638)	(18,642)	(17,704)	25,398	37,393	34,476
—	(146)	59	(4)	(8)	(231)
(2,638)	(18,788)	(17,645)	25,394	37,385	34,245
5,388	2,222	2,465	27,927	(2,890)	2,523
6,702	4,480	2,015	9,739	12,629	10,106
12,090	6,702	4,480	37,666	9,739	12,629
—	—	—	180	300	190
\$ 12,090	\$ 6,702	\$ 4,480	\$ 37,486	\$ 9,439	\$ 12,439
\$ (1,190)	\$ (1,466)	\$ (1,343)	\$ (24,663)	\$ (21,874)	\$ (17,095)
(2,627)	(4,036)	(2,203)	(610)	1,124	(666)

In the consolidating data on this page, "GE" means the basis of consolidation as described in Note 1 to the consolidated financial statements; "GECS" means General Electric Capital Services, Inc. and all of its affiliates and associated companies. Separate information is shown for "GE" and "Financial Services (GECS)." Transactions between GE and GECS have been eliminated from the "General Electric Company and consolidated affiliates" columns on the prior page.