

# April 2011 Investor Update

May 3, 2011

To the Investment Community,

This month, the Board of Directors raised the Company's quarterly dividend \$0.01 from \$0.14 per outstanding share of the Company's common stock to \$0.15 per outstanding share of the Company's common stock. "We are pleased to declare for the third time in the past 12 months an increase in GE's quarterly dividend," GE Chairman and CEO Jeff Immelt said. "It reflects not only our continued strong cash generation and accelerated recovery at GE Capital, but also solid underlying performance in our Industrial businesses and confidence in the GE business model overall."

[Read the press release.](#)

On April 21 we announced GE's first-quarter 2011 earnings. Featured to the right are a few pages from the earnings presentation. Here are the highlights (Continuing Operations Attributable to GE):

- ✓ Fourth-consecutive quarter of double-digit earnings growth
  - Operating earnings of \$3.6 billion, up 58%; operating EPS of \$0.33, up 65%
  - GAAP earnings of \$3.4 billion, up 48%; GAAP EPS of \$0.31, up 48%
- ✓ Strong top-line performance in an improving environment
  - Industrial revenue growth of 8%; organic growth of 5%
  - Industrial segment international growth of 12%
  - Infrastructure orders of \$19 billion, up 13%
- ✓ Executing balanced capital allocation plan
  - Raised dividend \$0.01 to \$0.15/quarter effective 3Q '11; third increase in last 12 months

## Overview

- ✓ Despite areas of volatility, our environment continues to improve
  - Revenue passenger miles ↑
  - Parked aircraft & locos ↓
  - Equipment & service orders ↑
  - Losses ↓, CRE improving
  - Healthcare market ↑
  - Credit demand ↑
- ✓ Stronger top-line performance, leading indicators better
  - Industrial segment revenue growth +8% ... 5% Industrial organic revenue growth
  - International growth accelerating ... Brazil +80%, Australia +78%, China +12%, India +33%
  - Infrastructure orders +13% ... strength in equipment +13% & services +13%
- ✓ Earnings growth continues ... operating EPS +65%
  - GE Capital earnings continue to improve ... \$2.3B pretax
  - Strong performances at Healthcare, Transportation, & Aviation
  - Energy Infrastructure lower 1H ... expect growth to resume 2H
- ✓ Solid execution
  - \$82B of cash & equivalents ... CFOA \$1.7B
  - GE Capital portfolio transformation ahead of plan
- ✓ Executing capital allocation plan
  - Third dividend increase, up 50% since 2Q 2010
  - \$0.5B stock buyback in 1Q'11 ... \$2.3B since restarting buyback
  - Closed Dresser, Wellstream, Lineage Power ... announced Wood Group & Converteam



## Business Highlights

**Industrial Businesses** [page 3](#)

**GE Capital** [page 6](#)

**Other Company News** [page 7](#)

**Investor Events** [page 7](#)

## Contact

**Trevor A. Schauenberg**

Vice President  
Corporate Investor Communications

3135 Easton Turnpike  
Fairfield, CT 06828  
USA

T 203 373 2424  
F 203 373 2071

[trevor.a.schauenberg@ge.com](mailto:trevor.a.schauenberg@ge.com)

## Executing on capital allocation plan

### 1Q'11 update

- 1 **Grow GE dividend** ✓ Three increases since July '10 ... up 50% since 2Q'10
- 2 **Invest in Infrastructure** ✓ Five Energy transactions ... \$11B investment & \$6B revenue with attractive growth rates  
✓ Expand Healthcare technology
- 3 **Keep GE Capital strong** ✓ GECC/GECS Tier I common ratios of 9.8%/8.6%  
✓ Strong cash & liquidity position
- 4 **Opportunistic buyback** ✓ Buyback \$2.3B since July '10
- 5 **Retire preferred equity** ✓ Intend to call October '11 ... 3¢ annual EPS accretion



## 2011 operating framework

Operating earnings	2010	2011E	Drivers
Industrial	-Flat	+	+ Healthcare, Transportation, M&A & services - Wind, higher R&D spend & GENx launch
GE Capital	++	++	+ Higher margins, lower losses ✓ Real Estate firming
Corporate	Flat/-	-	✓ NBCU dilution (-); less restructuring (+); pension (-flat)
<b>Total operating earnings</b>	<b>++</b>	<b>++</b>	
CFOA	\$14-15B	\$12-13B	+ Continued working capital improvements - Lower progress payments
Total revenues		0-5%	+ Industrial -5% organic; acquisitions ✓ Capital -[5]% ... continued management of ENI ✓ NBCU equity investment in Corporate



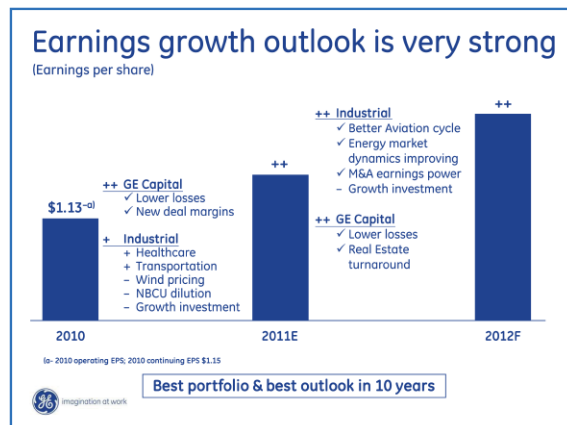
Confident in total year framework



- ✓ GE Capital earned \$1.8 billion, with pre-tax earnings of \$2.3 billion
- ✓ GE consolidated tax rate of 53%, reflecting tax on NBCU transaction and improved GE Capital earnings
- ✓ Confident in full-year 2011 operating framework

The webcast replay and other relevant earnings materials are posted on our website. Please click [here](#) to access the event.

On April 27, GE hosted the 2011 Annual Meeting of Shareowners in Salt Lake City, Utah. Featured to the right is one of the pages from the presentation that was given by Jeff Immelt, Chairman and CEO of GE, and Keith Sherin, Vice Chairman and CFO of GE. At the meeting, Mr. Immelt and Mr. Sherin presented a positive outlook for the Company, commenting that GE currently has the best portfolio of companies and the best earnings outlook that it has seen in the last 10 years. Please click [here](#) to access the presentation materials.



On April 7, GE announced that a full-size, thin film solar panel developed by the Company has been independently certified as the most efficient ever publicly reported milestone for the technology. GE intends to manufacture the record-setting solar panels at a new U.S. factory that will be larger than any existing solar panel factory in the country today. Please see the Energy Infrastructure section on page 3 for more information and a link to our press release.

GE is pleased to announce it has completed the strategic acquisition of John Wood Group PLC's Well Support Division, expanding GE Oil & Gas' extensive drilling and surface manufacturing and services portfolio. The John Wood Group PLC Well Support Division, which has over 3,800 employees globally and operates approximately 20 manufacturing and multiple sales and service centers worldwide, is comprised of three business platforms—ESP (electric submersible pumps), Pressure Control (surface wellheads and trees) and Logging Services—which, combined, recorded 2010 revenues of \$947 million. The \$2.8 billion transaction enables GE to capitalize on the fast-growing demand for enhanced oil recovery from mature oil fields using downhole pump 'artificial lift' in brownfield developments; as well as expanding GE's high-technology product and service offering in unconventional oil and gas production, with significant applications for shale gas production. [Read the press release.](#)

For presentations, news and other helpful information please visit our investor website at <http://www.ge.com/investor>.

Please see "GE Reports" to keep informed about the latest company developments. We will update it daily to share information and our perspectives on GE activities around the world. Please visit our website at <http://www.gereports.com/>.

Regards,

**Caution Concerning Forward-Looking Statements:**

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 financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of conditions in the financial and credit markets on the availability and cost of General Electric Capital Corporation's (GECC) funding and on our ability to reduce GECC's asset levels as planned; the impact of conditions in the housing market and unemployment rates on the level of commercial and consumer credit defaults; changes in Japanese consumer behavior that may affect our estimates of liability for excess interest refund claims (Grey Zone); potential financial implications from the Japanese natural disaster; our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so; the adequacy of our cash flow and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level; the level of demand and financial performance of the major industries we serve, including, without limitation, air and rail transportation, energy generation, real estate and healthcare; the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of financial services regulation; strategic actions, including acquisitions, joint ventures and dispositions and our success in completing announced transactions and integrating acquired businesses; 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.

"This document may also contain non-GAAP financial information. Management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. For a reconciliation of non-GAAP measures presented in this document, see the accompanying supplemental information posted to the investor relations section of our website at [www.ge.com](http://www.ge.com)."

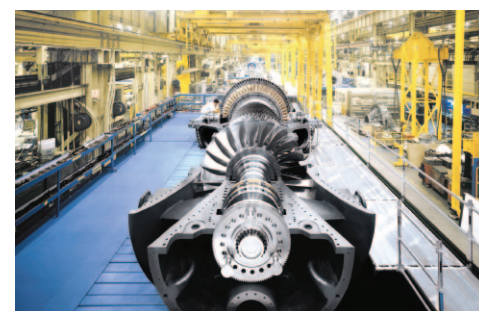
"Effective January 1, 2011, we reorganized our segments. We have reclassified prior-period amounts to conform to the current-period's presentation."

"In this document, "GE" refers to the Industrial businesses of the Company including GECS on an equity basis. "GE (ex. GECS)" and/or "Industrial" refer to GE excluding Financial Services."

# Industrial Businesses

## ENERGY INFRASTRUCTURE

- GE announced that a full-size, thin film solar panel developed by the company has been independently certified as the most efficient ever publicly reported milestone for the technology. GE intends to manufacture the record-setting solar panels at a new U.S. factory that will be larger than any existing solar panel factory in the country today. When complete, the factory will highlight an expected \$600 million plus investment made by GE in solar technology and commercialization and will be complemented by the recently announced acquisition of power conversion company Converteam. In addition, GE has completed the acquisition of PrimeStar Solar, Inc., a thin film solar technology company in which GE has held a majority equity stake since 2008. Photovoltaic solar is the next step in growing GE's renewable energy portfolio and is part of the company's ecomagination commitment to drive clean energy technology through innovation and R&D investment. [Read the press release.](#)
- As part of its continued investment in China's rapidly growing cleaner energy and water infrastructure sectors, GE announced it has doubled the production capacity of its water technologies manufacturing plant in Wuxi New Zone in eastern China. The expanded facility has dramatically reduced the time it takes for GE to fulfill local customer orders as the government is pushing to modernize the country's energy and water infrastructure to help sustain China's strong economic growth. The Wuxi project is part of GE's broader initiatives to extend its global and regional manufacturing supply chains and deepen its local business relationships in China. In November 2010, GE announced plans to invest more than \$2 billion through 2012 to expand its innovation and customer support capabilities in China and to create new technology and financial services partnerships with leading Chinese companies. [Read the press release.](#)
- GE announced it will supply its 2.5-megawatt wind turbine technology to power the Żeńsko wind farm, a new facility being developed in northwestern Poland, as the country expands the production of renewable energy to reduce its dependence on coal-generated electricity. GE is supplying three of its 2.5-100 wind turbines to KSM Energia Sp. z o. o., owner of the wind energy project under development by its majority shareholder, Renpro Sp. z o. o. Featuring a rotor diameter of 100 meters, GE's three wind turbines will provide needed energy capacity while maintaining required levels of efficiency, reliability and grid-connection capabilities. [Read the press release.](#)
- GE has signed a multi-year agreement to provide maintenance services for the Tuanku Ja'afar PD2 combined-cycle power station at Port Dickson, Negeri Sembilan, Malaysia. The agreement will ensure high levels of reliability and availability and help to sustain and improve its most efficient power station in the country. The 750-megawatt Tuanku Ja'afar PD2 power plant features two GE Frame 9FA gas turbines and is owned by Tenaga Nasional Berhad (TNB), the largest electric utility company in Malaysia. The new \$31 million agreement marks GE's second multi-year maintenance program with TNB Repair and Maintenance Sdn Bhd. [Read the press release.](#)



# Industrial Businesses CONTINUED

## AVIATION

- GE Aviation broke ground on its new Electrical Power Integrated Systems Research and Development Center (EPISCENTER) on the University of Dayton campus in Dayton, Ohio. The \$51 million center will be built on about eight acres on the University of Dayton's campus on River Park Drive. The 120,000 square foot facility is expected to be completed by the third quarter of 2012 and operational by the end of 2012. The center will be directed at several markets including end-to-end electrical power starter/generation, conversion, distribution, and load technologies for civil and military aerospace applications. [Read the press release.](#)

## HEALTHCARE

- GE Healthcare announced FDA clearance of the GEM Suite (Geometry Embracing Method) of surface coils designed for use with the Optima\* MR450w 1.5T wide bore magnetic resonance imaging system, offering excellent patient comfort without clinical compromise. GEM Suite helps technologists reposition patients less often and cover more anatomy; provides radiologists more clinical options; and can give administrators more efficiency through higher throughput and system utilization. GE Healthcare's advances in coil design are made possible through the use of thinner, lightweight, flexible material that can be used with a variety of body types, allowing easier patient positioning for more patients with less pressure. [Read the press release.](#)
- GE Healthcare announced it has acquired the assets of Steady State Imaging (SSI), a Minneapolis based company that develops novel magnetic resonance imaging (MRI) technology. The terms of agreement were not disclosed. Through this acquisition, GE Healthcare's Magnetic Resonance Imaging business expands its current advanced technology portfolio with the addition of the University of Minnesota's SWIFT™ method, which allows the visualization of tendons, ligaments and other tissues not normally seen using conventional imaging methods. The SWIFT method has gained interest among MRI researchers for its potential for imaging in areas near the lungs and other parts of the body where conventional MRI is not typically effective. [Read the press release.](#)
- GE Healthcare announced it has reached an agreement to acquire Applied Precision, Inc., a supplier of innovative cellular imaging technologies for the fast-growing cell biology and biomedical research sectors. The acquisition of Applied Precision will allow GE Healthcare to expand its offering of products and services for pharmaceutical and life science research. The strategic fit between the two businesses, combined with expanded capabilities in product development and marketing, will offer significant long-term customer benefits. Financial terms were not disclosed. The acquisition, which is subject to customary closing conditions including regulatory approvals, is expected to close in Q2 2011. [Read the press release.](#)
- GE Healthcare introduced the Voluson Signature Series, two new ultrasound systems that bring established Voluson imaging technology to a broad group of OB/GYN offices and departments. The Voluson S8 and Voluson S6 help deliver exceptional image quality, innovative assessment tools supporting earlier, more detailed patient evaluations and ergonomic achievements that make the system easy to use and transport, key features that can help busy OB/GYN offices provide enhanced patient care, promote overall efficiency and grow their practice. As validated Healthymagination products, both Voluson S-Series systems help clinicians improve quality and reduce costs through the opportunity to achieve significant time savings and increased accuracy of results. [Read the press release.](#)



\* Optima MR450w is a trademarked product of General Electric Company

# Industrial Businesses CONTINUED

## HOME & BUSINESS SOLUTIONS

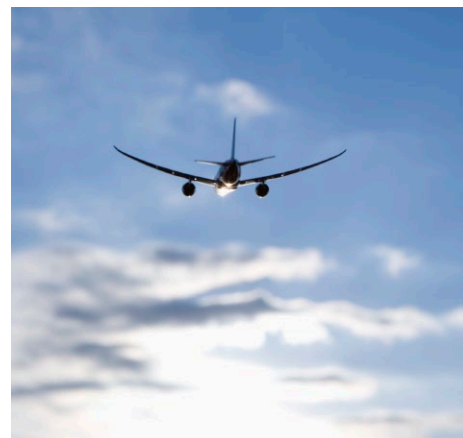
- GE Intelligent Platforms announced the acquisition of technology assets from CSense Systems (Pty) Ltd. of Pretoria, South Africa. This acquisition expands GE's Proficy® Software Platform analytic capabilities, increasing asset performance for customers as they gain critical insight into their operations. Terms of the deal were not disclosed. The acquisition includes CSense's analytic software products and engineering solutions. This distinctive technology provides advanced capabilities to proactively identify and solve potential process problems before they impact operations. The CSense asset acquisition complements the remote monitoring & diagnostics solutions recently added to GE's Proficy portfolio with the acquisition of SmartSignal Corporation in January. [Read the press release.](#)

## TRANSPORTATION

- GE Transportation supports one in 11 jobs in Erie County, an economic impact study states. Erie's largest employer commissioned Pittsburgh-based research firm Tripp Umbach in 2010 to compile the 20-page report "Powering Pennsylvania: GE Transportation's Impact on the Economy and Community-at-Large in Northwestern Pennsylvania." GE Transportation's operations have a total economic impact of more than \$2.7 billion on Erie County and of \$4.6 billion on all of Pennsylvania, the report states. "One dollar in every \$130 in the state's economy is generated by GE Transportation, making it one of the largest industrial companies in the Commonwealth," said Paul Umbach, President & CEO and Co-founder of independent research firm Tripp Umbach. "GE Transportation's annual economic impact on the Commonwealth of Pennsylvania is larger than all Pennsylvania-based professional sports teams (\$1.37 billion) and the state's mining, oil and gas extraction industries (\$1.79 billion) combined." [Read the press release.](#)

# GE Capital

- GE Capital, Corporate Finance announced it is co-collateral agent on a \$750 million asset-based credit facility for RG Steel, LLC, a flat-rolled steel producer and wholly owned subsidiary of The Renco Group, Inc. The loan will be used to support the acquisition of three steel companies from Severstal North America to form RG Steel, LLC. GE Capital Markets served as co-lead arranger. [Read the press release.](#)
- GE Capital Aviation Services Limited (GECAS), the commercial aircraft leasing and financing unit of GE, announced the signing of lease agreements with Stockholm-based Scandinavian Airline System (SAS) for the delivery of five new Boeing 737-800 aircraft and twelve used Boeing 737-700 aircraft. The new deliveries will come from GECAS' existing order book with Boeing. [Read the press release.](#)
- GE Capital, Corporate Finance announced it is co-administrative agent on a \$145 million cash flow-based credit facility for Vigor Industrial LLC, a ship building and repair company. The loan is being used to support the acquisition of Todd Shipyards Corporation, a ship repair and maintenance company. GE Capital Markets served as co-lead arranger. [Read the press release.](#)
- GE Capital's Telecom, Media and Technology financing business announced that it has successfully completed 5 transactions totaling \$591MM in financings in the first quarter of 2011. "The first quarter for companies in our sector was active, in terms of both corporate financing and in financing private equity-backed companies," said Peter Foley, senior managing director of GE Capital, Telecom, Media and Technology. "The combination of improving industry fundamentals and much healthier capital markets mean we can expect to see lots more acquisitions and refinancing activity in this sector in the months ahead." [Read the press release.](#)
- GE Capital, Franchise Finance has provided a \$26.5 million credit facility to Frauenshuh Hospitality Group, a major Dairy Queen® franchisee. The facility includes a \$24 million term loan and a \$2.5 million development line of credit, and will be used to finance the acquisition of 58 additional Dairy Queen units. A portion of the funding was provided through GE Capital's bank affiliate, GE Capital Financial Inc. [Read the press release.](#)



# Other Company News

## CITIZENSHIP, ECOMAGINATION<sup>SM</sup>, HEALTHYMAGINATION

- GE continues to monitor and respond to events in Japan following the unprecedented natural disasters and the events at the Fukushima Daiichi Power Plant. Our first concern continues to be helping the people of Japan recover from the crisis. GE Chairman and CEO Jeffrey Immelt visited Japan on April 2 and during that time announced that the GE Foundation, which is the philanthropic arm of GE, will be doubling its financial support for relief efforts to \$10 million. The funds will be used for long-term relief and recovery within the affected area, including medical and energy equipment and continued support to relief agencies. As of April 5, GE employees from 40 countries have pledged more than \$941,000 in cash to disaster relief organizations associated with the Japanese earthquake and tsunami. With GE Foundation Matching Gifts, this overall GE employee commitment has surpassed \$1.88 million. These donations are above and beyond the \$10 million commitment announced by GE. [Read the GE Reports Story.](#)

## GE GLOBAL RESEARCH

- GE scientists and engineers at the company's Global Research headquarters in Niskayuna, NY unveiled a high-power hybrid laser arc welding (HLAW) system that will revolutionize how industrial products are manufactured in the future. For more information and to see a video demonstrating the laser welding system, check out Edison's Desk at <http://ge.geglobalresearch.com/blog/ge-unveils-ultra-powerful-high-tech-laser-welding-system/>. At 20 kW, GE's system is one of the largest HLAW facilities in North America. It wields enough power to weld steels nearly one-inch thick in a single pass versus the up to a half dozen passes required with current welding technologies. Utilizing HLAW will dramatically increase the speed at which industrial products are manufactured in the future. For example, going from conventional welding processes to HLAW to weld the aircraft carrier USS Saratoga could have saved nearly 800 tons of weld metal (equal to the weight of more than 600 compact cars) and reduced the welding time by 80%. GE is exploring this technology for application across its infrastructure manufacturing operations, including the oil and gas, power generation, aviation and rail industries. [Read the press release.](#)

## RECENT INVESTOR EVENTS

Visit the [Events & Presentations](#) section of our investor website to view the presentations.

April 21: GE 1st Quarter 2011 Earnings Webcast

April 27: 2011 Annual Meeting of Shareowners in Salt Lake City, Utah

## UPCOMING INVESTOR EVENTS (subject to change)

May 4: Bernstein Smart Grid Long View Conference: Luke Clemente, General Manager, Metering & Sensing Systems, GE Digital Energy, is scheduled to present.

May 6\*: UBS Industrials Leadership Conference: John Dineen, President and CEO, GE Healthcare, is scheduled to present.

May 11\*: Deutsche Bank 2011 Alternative Energy, Utilities & Power Conference: Vic Abate, VP, Renewables, GE Power & Water, is scheduled to present.

May 18\*: 2011 Electrical Products Group (EPG) Conference: Jeff Immelt, GE Chairman and CEO, is scheduled to present.

*\*Meeting will be webcast. Webcast replays are retained on our website for a limited period of time.*