

# May 2011 Investor Update

June 1, 2011

To the Investment Community,  
On May 18, Jeff Immelt, chairman and CEO of GE, presented at the annual Electrical Products Group conference. In his presentation, Mr. Immelt described how GE will grow earnings per share over the next two years, which is illustrated in the top slide to the right. The middle slide describes how GE will create value for shareholders over the next three years and into the future. The bottom slide highlights GE's capital allocation choices and financial flexibility, which was one of the key themes of Mr. Immelt's presentation. Please click [here](#) to access presentation materials.

Earlier this month, GE filed its first-quarter 2011 Form 10-Q, which can be found [here](#) on our investor website.

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,



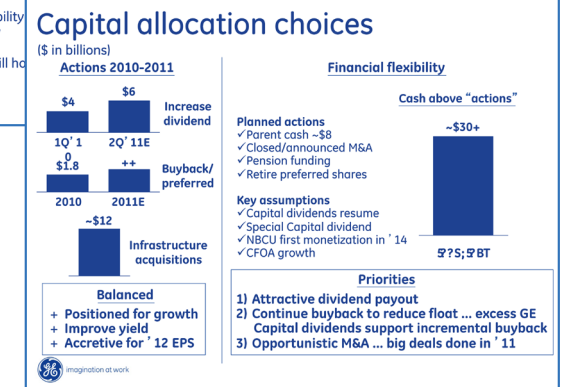
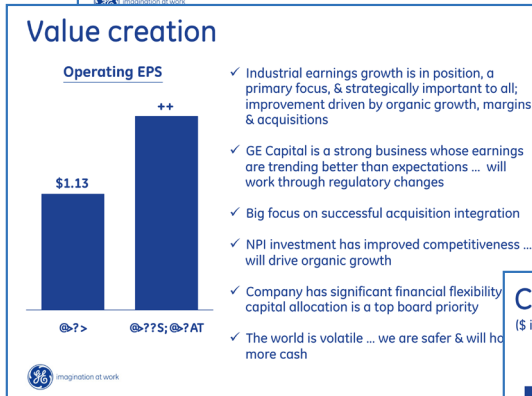
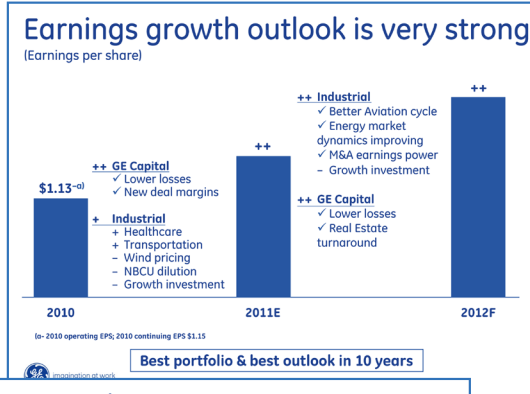
#### Caution Concerning Forward-Looking Statements:

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."



## Business Highlights

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# Industrial Businesses

## ENERGY INFRASTRUCTURE

- GE announced that it has been selected to provide gas turbine technology and services for four Saudi Electricity Company (SEC) power plant expansions that will support Saudi Arabia in meeting its growing power needs, especially during the hot summer months when electricity demand is at its peak. The total value of the agreements with GE is expected to be more than \$500 million and the power plant expansions are expected to add more than 100 new local jobs. These contracts bring GE Energy orders for SEC projects in the last two years alone to more than \$2 billion. To date, GE Energy power generation technology and services are supporting the generation of nearly half of the Kingdom's installed capacity. [Read the press release.](#)
- GE Oil & Gas compression technology has again been selected to help support one of China's most important energy infrastructure projects. In two contracts amounting to nearly \$100 million, GE will supply six gas turbine-driven compressor trains and nine electric motor-driven compressors to PetroChina for the Eastern portion of the second West-to-East Pipeline (WEPP2). PetroChina is the owner and developer of the massive WEPP2 project, which runs through 13 provinces and autonomous regions and is playing a major role in supporting China's long-term energy growth and security. Since 2005, GE has supplied compression equipment and turbine technology for WEPP2, as well as for the first West-to-East Pipeline (WEPP1), with contract wins totaling approximately \$700 million. [Read the press release.](#)
- GE announced it will supply two advanced technology aeroderivative gas turbines that will help to power the 2014 Winter Olympic Games in Sochi, Russia. The latest in a series of gas turbine orders received by GE in recent months, the project underscores a strong global demand for flexible, cost-effective and efficient electricity generation. GE will supply two LMS100 PB aeroderivative units, featuring GE's latest emissions technology, to provide both base load and peak load power for the Olympics. A key benefit of the new technology: the units can start up in less than 10 minutes, about the time it takes to brew a pot of coffee. GE has announced several significant gas turbine projects this year, including providing six heavy-duty gas turbines to help Japan meet its future power needs and providing Aero TM2500 mobile generating units to help customers in Oman, Bangladesh and Japan meet emergency power needs. [Read the press release.](#)
- GE announced a first-of-its-kind power plant engineered to deliver an unprecedented combination of flexibility and efficiency. By rapidly ramping up and down in response to fluctuations in wind and solar power, the technology will enable the integration of more renewable resources into the power grid. The FlexEfficiency\* 50 Combined Cycle [1] Power Plant is rated at 510 megawatts and offers fuel efficiency greater than 61 percent. The plant is the result of an investment of more than \$500 million in research and development by GE and a key part of its ongoing work to create and manufacture technologies around the globe that deliver cleaner, more efficient energy. While power plants today can provide flexibility or high efficiency, this power plant will deliver an unprecedented combination of both. GE calls this combination of flexibility and efficiency 'FlexEfficiency,' which is essential if renewable power is going to cost-effectively integrate into power grids around the world on a large scale. [Read the press release.](#)
- GE's advanced gas turbine technology has been selected for a power plant upgrade that will help meet the energy needs of a rapidly growing industrial district in St. Petersburg, the capital of Russia's northwest region. The project is part of the Russian government's development plan for St. Petersburg and also supports the country's overall strategy to expand and continue to modernize its energy infrastructure. GE will supply a Frame 6FA gas turbine and associated generator for the project. The unit is expected to be shipped by the end of 2011, with commercial operation scheduled to start during 2013. [Read the press release](#)

\*Trademark of General Electric Company

<sup>1</sup>In a combined cycle power plant, greater fuel efficiency is achieved because waste heat is recovered from the exhaust of the gas turbine, converted to steam and then fed to a steam turbine to provide additional energy output.

# Industrial Businesses CONTINUED

## AVIATION

- AirAsia X, the long haul, low fare affiliate of Malaysian-based AirAsia Group, signed a firm contract with GE for the purchase of CF6-80E1 engines to power the new aircraft order of the three new A330-200s with the option for two additional aircraft. The aircraft, which is scheduled for delivery from 2012, will be operated on the carrier's expanding network, offering low-fare service to destinations in Europe, Asia and the Pacific. In addition, AirAsia X has also signed a 20-year OnPoint solutions agreement with GE for the maintenance, repair and overhaul of the CF6-80E1 engines. The CF6-80E1 engines supplied by GE will enhance AirAsia X's long-haul operations as it provides greater range, improved fuel burn and proven stall-free reliability. [Read the press release.](#)
- GE Aviation's integrated propulsion system, which includes the engine, nacelle and thrust reverser, for the new Bombardier Global 7000 and Global 8000 business jets has been named Passport. The Passport product line further strengthens GE's presence in the ultra long-range, large cabin business aviation segment, which includes aircraft that can travel up to 7,900 nautical miles with 8 passengers. The Passport engine will deliver several benefits, including: at least 8% lower specific fuel consumption than current business jet engines in the 10-20K thrust class, more than 50% margin to CAEP/6 regulations on all emissions (NO<sub>x</sub>, smoke, hydrocarbons and CO) and world-class performance and reliability. [Read the press release.](#)



## HEALTHCARE

- GE Healthcare received the Price Performance Value Leadership Award in PET (Positron Emission Tomography) for North America 2011 from global research organization Frost & Sullivan. According to Frost & Sullivan, the Price Performance Value Leadership Award is a prestigious recognition of GE Healthcare's accomplishments in Positron Emission Tomography. Based on Frost & Sullivan's analysis of the latest "value-based" systems currently being offering by PET/CT manufacturers, GE Healthcare's Optima\* PET/CT 560 was found to offer a higher price performance value than any other system on the market. [Read the press release.](#)
- In line with its healthymagination strategy, GE Healthcare introduced the Innova\* 2100-IQ (Optima\* Edition), a cost effective, dedicated interventional cardiology (IC) system designed to meet the growing need for basic IC procedures. Based on the company's reliable, high-performance Innova platform, this new configuration offers excellent image quality and dose efficiency at a lower price point and total cost of ownership. [Read the press release.](#)

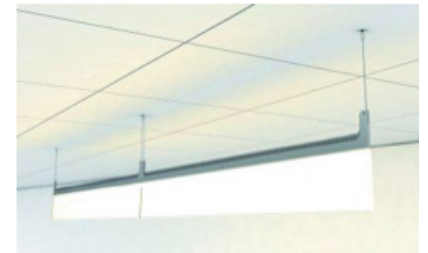


\*Trademark of General Electric Company

# Industrial Businesses CONTINUED

## HOME & BUSINESS SOLUTIONS

- More than 70 years after debuting its fluorescent lighting fixtures at the 1939 New York World's Fair—the technology subsequently swept into widespread use during World War II as the country sought ways to conserve energy—GE is using North America's largest lighting trade show to unveil the next big thing in lighting: LED edge lighting fixtures. It's an innovation that represents a once-a-century turning point. During LightFair International 2011, GE unveiled a portfolio of sleek and stylish recessed and suspended fixtures that will make solid-state lighting a viable solution for widespread use in ambient applications in commercial and residential settings.



[Read the press release.](#)

## TRANSPORTATION

- GE Transportation, the world's leading maker of rail and transportation products, announced that it intends to open a new locomotive manufacturing facility in Fort Worth, Texas, to meet accelerating global demand. GE will invest up to \$96 million in the new plant and will create more than 500 new high-tech manufacturing jobs. GE also announced that it will expand its manufacturing workforce at its Erie, Pennsylvania, plant by hiring an additional 250 workers. GE will build a state-of-the-art manufacturing facility to manufacture, assemble and remanufacture GE's leading rail and transportation-related products, including GE's most fuel-efficient locomotives to-date. Production is scheduled to start by 2012. The 900,000-square-foot facility under consideration is located in Fort Worth, Texas.



[Read the press release.](#)

# GE Capital

- GE Capital Aviation Services Limited (GECAS), the commercial aircraft leasing and financing unit of GE, is delivering a total of 20 new leased aircraft to airline customers in China during 2011, expanding its position as a leading aircraft lessor and financier with \$7 billion invested in China. In 2011, GECAS is scheduled to deliver 11 new Boeing 737s, two new Boeing 777Fs, and seven new Airbus A320s to airline customers, increasing its leased portfolio in China 10 percent. Already this year, GECAS has delivered aircraft to China Eastern Airlines, Shandong Airlines, Spring Airlines, and Xiamen Airlines. [Read the press release.](#)
- GE Capital Retail Finance, a consumer lending unit of General Electric Company, announced an agreement to continue providing the U.S. consumer credit card program for Men's Wearhouse for another seven years, building on their relationship that began in 1998. Founded in 1973, Men's Wearhouse is one of North America's largest specialty retailers of men's apparel and tuxedo rentals with over 1,100 stores in North America. The Men's Wearhouse Perfect Fit Credit Card offers accountholders an additional 5% discount on purchases made with the card in-store and online at menswearhouse.com. Cardholders also receive all the benefits of the Perfect Fit rewards program including: a \$50 reward certificate for every \$500 spent, \$30 off every tuxedo rental and a Member-only birthday gift. [Read the press release.](#)
- U.S. chief financial officers (CFOs) of middle-market companies are becoming more positive on the state of the industries in which they operate, as well as on the outlook for growth, according to the latest GE Capital survey of middle-market CFOs. In fact, their level of optimism has increased substantially since they were first surveyed in January 2010. "As we continue to track CFO sentiment, it's clear that top line growth for middle-market companies is improving. CFOs are more optimistic than they were a year ago, which is evident in their plans to invest in their people and infrastructure," said Dan Henson, president and CEO of GE Capital, Americas. [Read the press release.](#)
- GE Capital Fleet Services announced \$59 million in identified customer cost savings for the first quarter of 2011. GE Capital Fleet Services helps customers identify ways to cut costs and optimize returns on their fleet investments through complimentary analytics and consulting services. Total identified cost savings for customers in 2010 totaled \$326 million. [Read the press release.](#)
- GE Capital's Commercial Distribution Finance (CDF) business announced its completion of a \$50 million credit facility for iGov.com, an information technology (IT) systems integrator for government customers. The facility will provide inventory floorplan, working capital and purchase order financing credit for existing and future federal government contracts. [Read the press release.](#)
- GE Capital announced plans to expand its operations in Chicago by bringing 1,000 jobs to the City, building on its already strong presence in the region. Currently, GE Capital has more than 1,000 employees in Chicago and GE has over 4,000 overall in the State of Illinois. This decision reflects GE Capital's commitment to the region and its desire to support future growth in its business. [Read the press release.](#)



# Other Company News

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

- GE released the second annual global report for healthymagination, the company's business strategy to revolutionize the world's healthcare by focusing on high costs, disparate quality and inadequate access. The report tracks progress GE has made against the commitments announced in May 2009, and details significant milestones of the past year, including 234 million lives touched through 43 innovative technologies, the investment of \$2.2 billion against the committed \$6 billion and the health certification of 87 GE sites around the world.

[Read the press release.](#)

- Seeking to improve access to quality healthcare for underserved communities around the United States, the GE Foundation — the philanthropic organization of GE — announced it has selected New Hanover Community Health Center in Wilmington, North Carolina, to receive a \$250,000 grant over the next two years through its national GE Developing Health™ program. New Hanover County has an uninsured rate of 24 percent (ages 19-64) and 18 percent of county children (under age 18) are in poverty. The \$250,000 grant was presented at a ceremony at New Hanover Community Health Center that was attended by local government and business leaders. In addition to the grant, GE also will provide skill-based volunteer support to New Hanover Community Health Center for the next three years.

[Read the press release.](#)

## healthymagination



## RECENT INVESTOR EVENTS

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

- May 4: Bernstein Smart Grid Long View Conference
- May 6: UBS Industrials Leadership Conference
- May 11: Deutsche Bank 2011 Alternative Energy, Utilities & Power Conference
- May 18: 2011 Electrical Products Group
- May 27: Morgan Stanley Industrials Summit

## UPCOMING INVESTOR EVENTS (subject to change)

- June 8\*: JP Morgan Diversified Industries Conference: Keith Sherin, Vice Chairman and Chief Financial Officer, GE, is scheduled to present
- June 14\*: Deutsche Bank 2011 Industrials and Basic Materials Conference: Mark Little, Senior Vice President, GE Global Research, is scheduled to present
- June 21: GE Aviation and GECAS Analyst Meeting/Paris Air Show: David Joyce, President & CEO, GE Aviation, and Norman Liu, President & CEO, GE Capital Aviation Services, are scheduled to present.
- July 22\*: GE 2nd Quarter 2011 Earnings Webcast

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