

Electrical Products Group

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Chairman & CEO

May 19, 2010

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: the severity and duration of 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 U.S. and foreign government programs to restore liquidity and stimulate national and global economies; 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; 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 soundness of other financial institutions with which GECC does business; the adequacy of our cash flow and earnings and other conditions which may affect our ability to maintain our quarterly dividend at the current level; the level of demand and financial performance of the major industries we serve, including, without limitation, air and rail transportation, energy generation, network television, real estate and healthcare; the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of proposed financial services regulation; strategic actions, including acquisitions and dispositions and our success in 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."

"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."



imagination at work

Overview

- ✓ Our environment is improving but volatile
- ✓ We have positioned GE to win in the future & execution is strong
- ✓ We expect attractive earnings growth in the next few years ... starting in 2Q
- ✓ GE Capital is a very valuable franchise
- ✓ Infrastructure is well positioned in major themes & has growth processes in place
- ✓ We have significant cash flexibility ... capital allocation is a key strength



imagination at work

GE & the world

Global themes



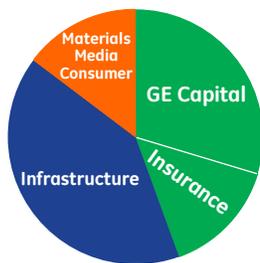
- ✓ Rebalancing of global economy → Best Infrastructure business & leader in emerging markets
- ✓ Slower growth in developed economies → Long-term growth initiatives in place
- ✓ Customers need productivity solutions → ~\$130B services backlog + installed base + low cost
- ✓ Scarcity of raw materials → A leader in energy efficiency & resource rich regions
- ✓ Increasing government influence → Strong regulatory framework, valuable brand & social solutions
- ✓ Markets are volatile & change is constant → Strong liquidity ... will invest through cycles



Simple & strong portfolio

(% of earnings)

Early decade



30%
40%
1-2X GDP
~3%

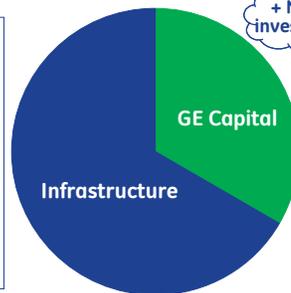
GE advantages

- Leadership franchises
- Multiple revenue streams
- Balanced through cycles
- Capital efficient
- Emerging market growth
- Valuable Financial Services

Industrial

Services
International revenue
Market growth
Technology spend

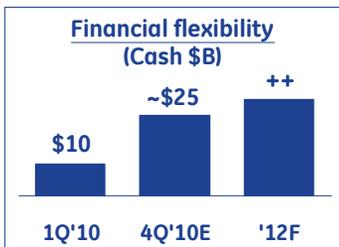
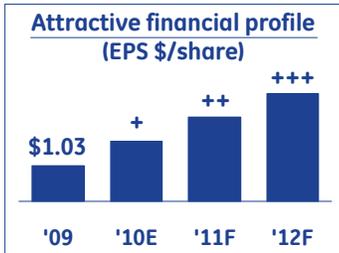
Future



~70%
~60%
2X+ GDP
~5%



Future

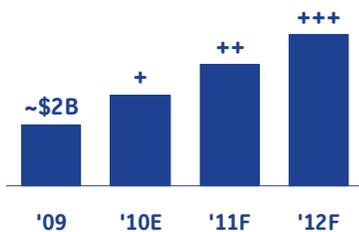


Value creation

- 1 Repositioned GE Capital will have significant profit growth & competitive advantage
- 2 Achieve superior growth & returns in Infrastructure over long term ... growth as a process embedded in GE
- 3 Building enterprise value around process excellence
- 4 Capital allocation will create long-term shareholder value

1 Focused & profitable GE Capital

Improving financials



2010 dynamics

- ✓ Funding in great shape
- ✓ High-margin origination
- ✓ Delinquencies have stabilized
- ✓ Reserve coverage near all-time highs
- ✓ Capital ratios improving



A great franchise



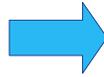
Competitive advantage

- + Direct origination ... domain-based
- + Industrial skills ... ACFC
- + Risk & asset management
- + Attractive markets

Risk: GE Capital retrospective

Core competencies

- + Underwrite to hold/senior secured
- + Domain expertise/asset operator
- + Broad spread of risk
- + Not a trader ... avoided exotics
- + Match funded
- + Strong brand ... high rating

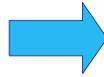


Successes in crisis

- + Raised FICO tolerance early (in 2007)
- + High collateral recoveries
- + Residual realization at ~120% vs. '08
- + Avoided ... SIVs, CDOs, etc.
- + Early to exit LBO, CMBS, U.S. mortgages
- + Portfolio insulated from rate swings

Learnings

- Overall size too big/CRE
- Liquidity back-up ... system failure
- Markets want more disclosure



Outcome: safer & lower risk

- ✓ Reduced ENI
- ✓ Lower leverage/stronger capital base
- ✓ Cash/bank lines ... ~2.5 x CP
- ✓ More disclosure/simpler reporting
- ✓ Losses < banks

Risk management principles strong & improving



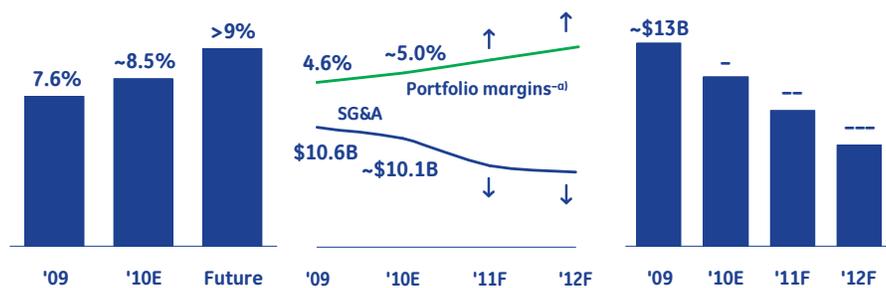
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GE Capital earnings dynamics

Stronger capital base
(Tier I Common)

+ **Higher margins**

+ **Lower losses/impairments**



(a- CV excluding gains & restructuring operations; assumes constant consumer/commercial mix)

What it means

- 1 Higher earnings sooner ... expanding pre-tax
- 2 Capital outlook much improved ... income maintenance much lower
- 3 Target to restore GECS dividends to GE by '12
- 4 Real Estate losses appear manageable ... rate of decline moderating



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Advantaged franchises

(\$ in billions)

Global lending & leasing



Business model

- + Origination ... product & industry
- + Senior, secured lender
- + Risk/asset management
- + Industrial solutions

Verticals (GECAS & EFS)



Business model

- + Deep domain experts
- + Global origination
- + Strong asset management
- + Partner of choice

Retail Finance



Business model

- + Excellent distribution & partnerships
- + Proven risk management
- + Alternative funding
- + Positive competitive cycle

Solid, long-term value creation



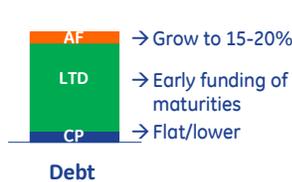
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GE Capital: vision & choices

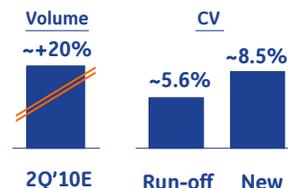
1 Smaller



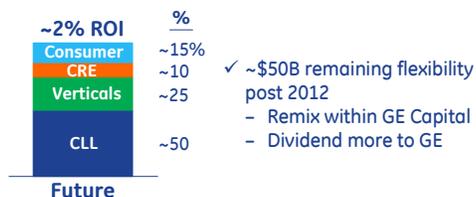
2 Safer funding



3 High margin origination



4 Strategic capital allocation



(a- Ex. cash & equivalents)

- ✓ ~\$50B remaining flexibility post 2012
- Remix within GE Capital
- Dividend more to GE

5 Overall objectives

- + Safe & secure ... maintain rating
- + Dividend to GE by '12 ... 45%
- + Opportunistic M&A ... core segments
- + Size & cash optionality

GE Capital will be great for investors again

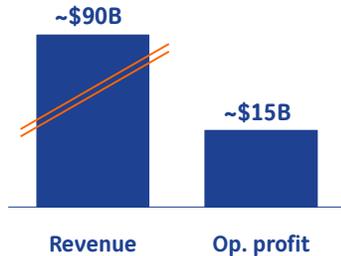


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2 Infrastructure growth

(\$ in billions – Industrial ex. Media)

'09 financials



Leadership franchises

Energy	Water	Healthcare
O&G	Aviation	Transportation
	Consumer	

Enduring competitive advantage

- + Technology is foundation for growth
- + Big installed base delivering customer productivity
- + Leadership in emerging markets
- + Positioned to solve tough problems

Well positioned long-term dynamics ...
historic earnings growth ~10% & returns 15%+

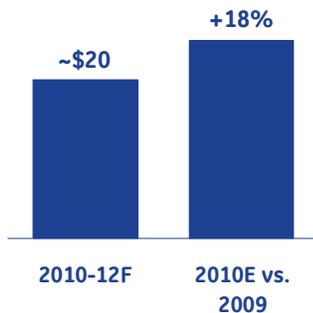


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Lead in technology

(\$ in billions)

Technology spend



- ✓ 22,000+ patents past 10 years
- ✓ Invest ~5% of revenue in R&D

Technical foundation for growth

- + Gain profitable share through execution, innovation & more NPI
- + Innovation to create lower cost position
- + Build out new adjacencies based on innovation

Enterprise value: scale

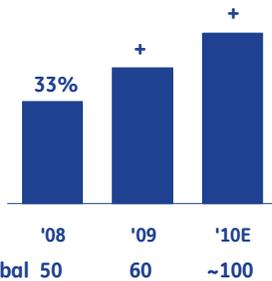
- ✓ Global research framework
- ✓ Breadth → core technologies
- ✓ Partner of choice



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Healthcare growth through NPI

U.S. DI share

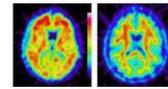


Global NPIs

- ✓ Aging installed base
- ✓ Global growth
- ✓ Demographics
- ✓ Growing sales force

Invest in innovation

- ✓ Using biomarkers at earliest stage of disease
- ✓ Driving new procedure growth
- ✓ New modalities: PET/MR



Alzheimer's detection

Launch in '12

Growth in mass markets

- ✓ Product coverage with right applications
- ✓ Installed base upgrade success
- ✓ CT, MR IB age ~10 years
- ✓ Leader in dose management



Open up value segment

- ✓ Miniaturization ... new markets
- ✓ Establish new, larger IB with mid-tier performance at low cost
- ✓ Multi-modality → superior economics



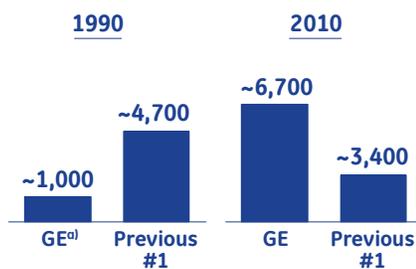
Strong global momentum



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Aviation growth: narrow body engine

Narrow body fleet (units)



- ✓ Best & most reliable engine in history of commercial aviation
- ✓ History of continuous improvement
- ✓ 2009 Supplier of the Year Award ... Airbus, Boeing, Embraer, COMAC

Next generation - "LEAP-X"



Status

CSeries

C919

Winner

Pratt GTF ... GE no bid

GE sole source ... competitive bid

- ✓ Up next ... decision by airframers on narrow body re-engine
- ✓ GE ... higher performance, lower maintenance, easier conversion

la- CFM, a 50/50 GE-Snecma JV

Winning through technology



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Transportation growth: global product leadership



Expanding portfolio ... 13 new launches in five years



Build out adjacencies



Imagination Breakthrough process ... strong pipeline



Expand services

(\$ in billions)

Services revenue



Installed base → customer productivity

- + Capitalize on IB cycle
- + Manage CSA portfolio for strong returns
- + Grow domain-based software

Enterprise value: expertise

- ✓ Installed base technology
- ✓ Remote monitoring & diagnostics
- ✓ Customer productivity protocols



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Installed base growth

	Units	Notional value	Where in cycle	Lifetime services vs. original equipment
Energy	3,500	~\$70B	>50% of unit useful life remaining	2-4X
Oil & Gas	2,500	~10	30% within 1 st cycle	2-3
Aviation ^(a)	23,300	~40	~40% engines without first shop visit	5-7
Transportation	18,400	~20	Evo first overhaul in '14	1+
Healthcare	~1MM	~10	~55% > 5 years old	1+
		~\$150B		3-4X

(a- Includes CFM JV)

- ✓ ~\$500B future revenue potential on today's installed base
- + ~\$130B CSA backlog
- + Additional service stream on OEM parts & repair



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Value of CSAs

Customer benefits

- ✓ Predictable maintenance cost & cash flow
- ✓ Access to technology ... upgrades
- ✓ Reliability & efficiency ... uptime
- ✓ Operational excellence



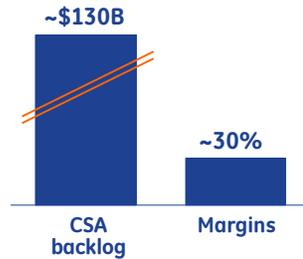
15% increase in TOW =
~\$15MM annual savings for large customer



0.2% improvement in uptime =
45K+ additional patients/
year access to care



1 less loco failure per year =
~\$40MM annual savings for large customer



GE benefits

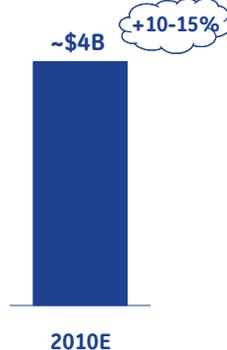
- ✓ Predictable earnings & cash
- ✓ OEM parts
- ✓ Predictable volume & work scope
- ✓ Expand services capability globally

**Strong & growing services business model ...
high visibility to future earnings stream, great margins**



Growing software & solutions

Solutions revenue (\$B)



Healthcare IT, Smart Grid, Rail IT, cockpit S/W, plant S/W, digital energy

Invest & grow

"Qualibria"



- ✓ Next gen EMR, clinical knowledge platform
- ✓ Launch by 2011

Movement Planner



Rail

- ✓ NS launch ... strong productivity
- ✓ Improved velocity & dwell time
- ✓ Other class one interest

Smart Grid



Energy

- ✓ Marriage of IT with electrical infrastructure support to meet 21st century needs
- ✓ \$1B+ revenue, 25% growth

True Course Landing



Aviation

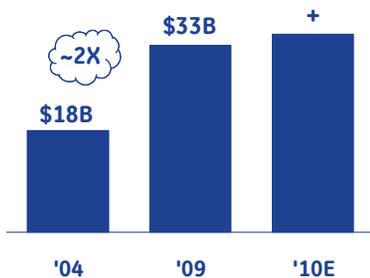
- ✓ Working with Southwest
- ✓ 6-12% fuel savings on short haul
- ✓ Maintenance cost savings



Global leadership

(\$ in billions)

Priority region revenues



- Segmentation**
- ✓ **Resource rich:** Middle East, Latin America, Africa, Russia, CIS, Canada, Australia
 - ✓ **Rising Asia:** China, India, SEA

Position for profitable growth

- + Localize leadership & capability
- + Execute "company-to-country" strategy
- + Position as the partner of choice

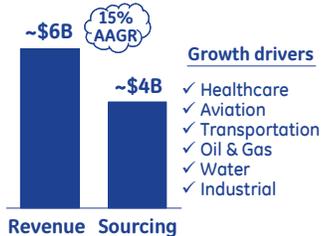
Enterprise value

- ✓ **Company breadth & scale**
- ✓ **Brand & reputation of GE**
- ✓ **Risk management**



China growth & value

2010 performance



1 Localize to win

- + Sales and service
- + GRC/ICFC
- + Manufacturing & service expansion
- + Eco leadership
- + Olympics momentum

Sustain growth

2 Execute game-changing global partnerships - SOE



New business → global competition

3 Integrate global supply chain and distribution



Low cost business model

4 High return investment approach

- + GECAS relationships
- + Potential for strategic investment partnerships
- + Avoid stranded assets/bubbles
- ✓ Steam turbines
- ✓ Real Estate

"Pick & choose" development

Participating in China to create long-term shareholder value



Resource rich: "company-to-country"

(\$ in billions)

	'04	'09	Future	Approach & capability	Partnerships
Canada/ Australia	\$3.4	\$4.7	++	<ul style="list-style-type: none"> ✓ Develop Infrastructure & expertise ✓ Trusted partner on big projects 	 
Middle East	3.3	6.1	++	<ul style="list-style-type: none"> ✓ Trusted partner on big projects ✓ Localizing capability ✓ Building education & technical centers 	 
South America	1.8	3.2	+++	<ul style="list-style-type: none"> ✓ Localize O&G & Healthcare ✓ Strong partner → customers ✓ Announced Brazil GRC ✓ Big Aviation presence 	 
Africa	1.5	3.4	+++	<ul style="list-style-type: none"> ✓ Localize capability ✓ Develop financing tools ✓ Work with governments 	 
Russia/CIS	0.4	1.5	++	<ul style="list-style-type: none"> ✓ Government as customer ✓ Local assembly & production 	

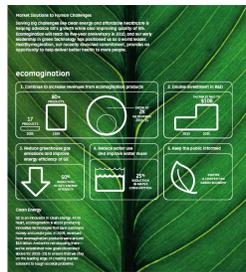
GE is leader in resource rich regions



Solving tough societal problems

Launched '05

ecomagination



"Clean energy"

Launched '09

healthymagination



+

"Affordable healthcare"

- ✓ Invest in technology
- ✓ Disciplined focus on GE & societal cost
- ✓ Catalyst to growth

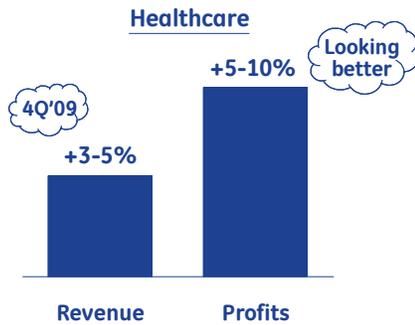
Enterprise value

- ✓ Leverage unique GE brand and breadth
- ✓ Aligned with customers, investors, employees, public



healthymagination → reposition business

Consistent financial performance



Transition: from cyclical player to healthcare leader with multiple revenue streams & customer solutions

Improved outlook & performance



Stronger business model

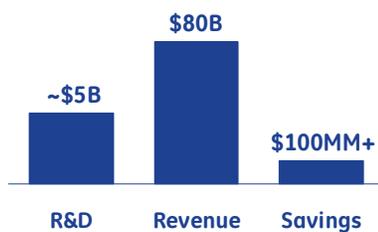
- ✓ Products at every price point
- ✓ Big emerging market sales force
- ✓ Advanced technology → dramatic cost out
- ✓ Broader IT & services → customer productivity
- ✓ Solutions provider for countries & customers
- ✓ Leader in advanced diagnostics
- ✓ Building out Life Sciences, HCIT, Home Health
- ✓ Big partnerships ... pharma, biotech
- ✓ Better margins & cash performance
- ✓ Pioneering healthcare delivery models ... GE cost trend ↓

GE leads: cost + quality + access

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ecomagination = growth

Results to date ('05-'10E)



Next five years

1. Double R&D to \$10B
2. Grow at 2X GE's growth
3. Reduce GE's energy intensity by 50%
4. Reduce water consumption by 25%
5. Inspire a competitive energy future

Stronger business model

- ✓ Technical breadth & diversity
- ✓ Products at every price point
- ✓ Rejuvenates Consumer ... home energy management, "green appliances"
- ✓ Lead in industrial water reuse
- ✓ Services integration ... Smart Grid
- ✓ Best customer partnerships
- ✓ Global eco partnerships ... India, China
- ✓ Investment portfolio ... EFS
- ✓ Leader in public policy
- ✓ Drive internal productivity & brand value

Position GE as the global leader



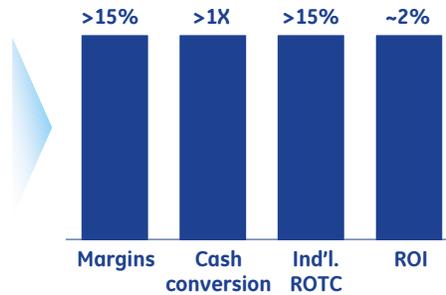
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3 Process excellence

Enterprise value

"GE advantage" cost/quality/ spend	Leadership development
Enterprise risk management	Capital allocation

Goal: top 25% vs. peers

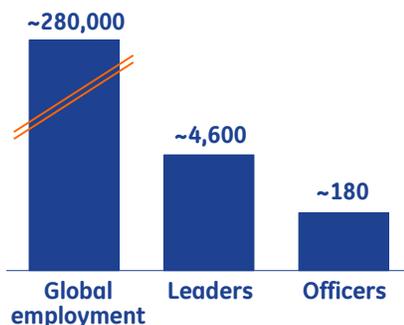


Execution critical in volatile market



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Leadership development



Through downturn

- ✓ Simplified structure
- ✓ Invested in growth & people
- ✓ No retention issues

Organization - focus

- + Capability ... deep & broad
 - ✓ Increased college recruiting
 - ✓ Outside hires → domain
- + Leadership development ... 21st century attributes
 - ✓ Contemporary training ... integrate with performance
- + Team execution ... cycle of development for top 50 P&Ls
 - ✓ Strategy, execution, investing
- + Global advancement ... leaders, system & structure for emerging markets ... India P&L

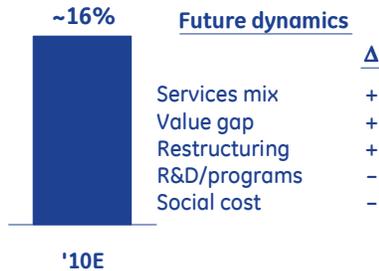
Invest & contemporize



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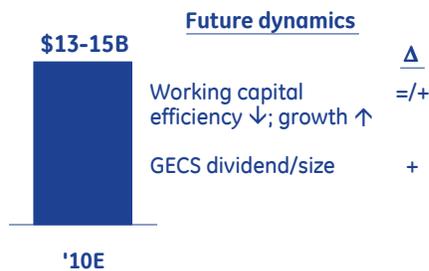
GE advantage: margin & cash

Industrial margins (%)



- ✓ Always multiple parameters at work
- ✓ Good execution ... less concerned about inflation

Cash flow



- ✓ Working capital turn = ~\$5B
- ✓ Capital efficiency

Operating intensity

Process tools → Business "Ys" → Improved metrics



GE advantage: margins

Healthcare CT - lean

- ✓ Flow & test standardization
- ✓ Cycle time ↓ 51%; target ↓ 70%



Appliances - lean

- ✓ Reduced ~200K hours in '09
- ✓ First time quality ↑
- ✓ Right sized equipment driving footprint ↓



Value gap

+



Cost

-



Aviation airfoils - lean

- ✓ Single piece flow lines
- ✓ Productivity ↑ ~4 pts.
- ✓ Cycle time ↓ ~50%



Energy electronics - sourcing



- ✓ \$0.4B make/buy
- ✓ Savings through insourcing \$65MM

Supply chain driving productivity & margin expansion



GE advantage: cash

Operating Council

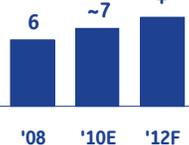
- ✓ Monthly rhythm
- ✓ CEO/CFO project focus
- ✓ Project-by-project review

Payable days

- ✓ Scale driving better terms ... managing suppliers across businesses



Working capital (Turns)



Inventory excellence

- ✓ Localization ... Brazil O&G and Healthcare closer to customers
- ✓ Lean cycle time ... conserve cash



Receivables management

- ✓ Balances down \$3B+, focused team
- ✓ Leveraging GE Capital COE



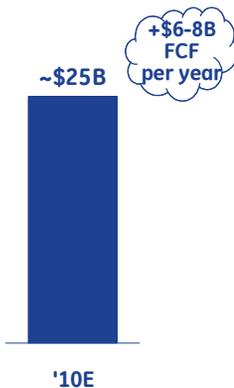
Total company focus



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4 Capital allocation → value creation

Available cash



Attractive options to deploy capital

Near-term options

- Expect to increase GE dividend
 - ✓ Grow by 2011
 - ✓ Target ~45% payout
- Retire preferred equity
 - ✓ 3¢ annual EPS accretion
- Strategic Infrastructure acquisitions
 - ✓ Priorities are Energy, O&G, Transportation, Aviation & Healthcare
 - ✓ Target size \$1-3B; potential for larger deals if valuations attractive
- Opportunistic buybacks
 - ✓ Restart by end of this year
 - ✓ Attractive below \$22
 - ✓ Future: evaluate based on valuation & alternatives



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M&A perspectives

Successful dispositions

- ✓ NBCU (announced)
- ✓ Materials
- ✓ Low-growth Industrial
- ✓ Insurance
- ✓ Cons. Finance businesses
- ✓ Equip. Mgmt. businesses



Benefits

- + Simpler
- + Faster growth
- + Closer to GE core
- + Industrial > Financial

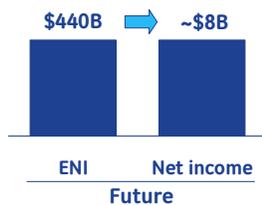
'00-'09 retrospective (\$65B)

	% M&A	Returns	Future targets/size
1 Grow Infrastructure	55%	>WACC	Focus: technology, build out, global, services/software ✓ Energy: medium ✓ Aviation/Trans.: medium ✓ Healthcare: small
2 Protect NBCU	35	~WACC	Partner/exit
3 Develop white space	10	<WACC	Partnerships/small

Future: more firepower → Infrastructure focus

Value creation

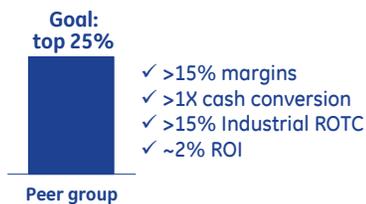
1 Reposition GE Capital



2 Long-term growth in Infrastructure



3 Process excellence



4 Investor focused capital allocation



Near-term financial dynamics

- + Economy is generally improving
- + Positive cycles are emerging ... advertising, financial services, healthcare, consumer, transportation, services, aviation RPM
- ✓ Still volatility ... Europe, regulation



2010 earnings "framework"

	<u>2010E</u>	<u>Drivers</u>
Industrial (ex. Media)	~Flat	+ NPI, service growth, lower cost, global - Excess capacity remains in certain sectors
Media	-	+ Cable, improved ad markets - Film remains challenged + Olympics in 1Q ... growth remainder of year
GE Capital	+	+ GE Capital well positioned for upside ... CRE challenged but valuation declines moderating
Corporate	Flat/-	- Pension costs higher - Positioned to do more restructuring
CFOA	\$13-15B	+ Working capital improvements - Lower progress payments

- Upside to original 2010 framework**

 - ✓ Expect earnings growth beginning in 2Q'10
 - ✓ Expect orders growth in 2Q'10
 - ✓ FX ... affects revenue, negligible on earnings



The GE mosaic

2011-2012

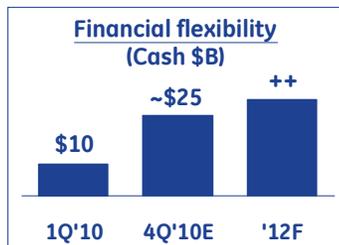
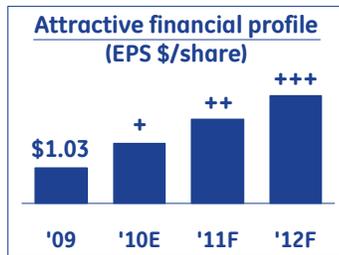
	Headwinds	Tailwinds
Financial Services	<ul style="list-style-type: none"> ✓ Increased regulation ✓ Higher tax rate 	<ul style="list-style-type: none"> ✓ Losses have peaked ✓ New business margins ✓ Competitive position ✓ CRE will extend cycle
Energy	<ul style="list-style-type: none"> ✓ High wind share, but U.S. uncertainty/cycle 	<ul style="list-style-type: none"> ✓ Services & global growth ✓ Policy actions ✓ NPI ✓ Gas strength
O&G	<ul style="list-style-type: none"> ✓ Potential project delays 	<ul style="list-style-type: none"> ✓ LNG growth ✓ Services & global growth ✓ O&G safeguards
Aviation	<ul style="list-style-type: none"> ✓ Multiple platform launches/mix 	<ul style="list-style-type: none"> ✓ Services & global growth ✓ Industry position/NPI
Healthcare	<ul style="list-style-type: none"> ✓ Customer profitability/government budgets 	<ul style="list-style-type: none"> ✓ Reform better understood ✓ Older installed base/NPI ✓ Procedure growth ✓ Emerging markets
Transportation	<ul style="list-style-type: none"> ✓ Excess capacity - U.S. 	<ul style="list-style-type: none"> ✓ Adjacencies & emerging markets ✓ NPI/Tier IV
Consumer	<ul style="list-style-type: none"> ✓ Unemployment ✓ Housing starts 	<ul style="list-style-type: none"> ✓ Restructuring benefits ✓ NPI ✓ Energy tax credits
Corporate	<ul style="list-style-type: none"> ✓ Pension 	<ul style="list-style-type: none"> ✓ Capital allocation ✓ Restructuring



Positioned for attractive earnings growth

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Future



Value creation

- 1 Repositioned GE Capital will have significant profit growth & competitive advantage
- 2 Achieve superior growth & returns in Infrastructure over long term ... growth as a process embedded in GE
- 3 Building enterprise value around process excellence
- 4 Capital allocation will create long-term shareholder value



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