

# GE Global Growth & Operations

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**Results are preliminary and unaudited.** 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 GE Capital's funding and on our ability to reduce GE Capital'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 GE Capital 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."

"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)."

"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

- Infrastructure environment
- Global growth
- Earnings profile/capital allocation







imagination at work

# GE's portfolio and financials

Energy Infrastructure	Aviation	Healthcare	Transportation	GE Capital	Home & Business Solutions
Rev. \$37.5B	\$17.6B	\$16.9B	\$3.4B	\$47.0B	\$8.6B
OP \$7.3B	\$3.3B	\$2.7B	\$0.3B	\$3.3B	\$0.5B
					
Thermal Wind Oil & Gas Services T&D	Commercial Military Service Avionics/Systems	Healthcare Systems Life Sciences Healthcare IT Molecular Diagnostics	Locomotives Services Propulsion Systems	Commercial Consumer Real Estate GECAS EFS	Appliances Lighting Intelligent Platforms
<b>2011 Outlook:</b>					
=/+	=	++	++	++	=



# Infrastructure environment

	+	-
 <b>Energy</b>	<ul style="list-style-type: none"> <li>+ Emerging market demand</li> <li>+ U.S. electric consumption ↑</li> <li>+ 4Q service orders ↑ 7%</li> </ul>	<ul style="list-style-type: none"> <li>- Wind and Thermal equipment</li> </ul>
 <b>Aviation</b>	<ul style="list-style-type: none"> <li>+ Int'l. pax ↑ 8%</li> <li>+ Int'l. cargo ↑ 5%</li> <li>+ 4Q Orders ↑ 32%</li> </ul>	<ul style="list-style-type: none"> <li>- Higher R&amp;D and GENx launch</li> </ul>
 <b>Healthcare</b>	<ul style="list-style-type: none"> <li>+ 100+ NPI launches in '10 &amp; '11</li> <li>+ Demographics driving demand</li> </ul>	<ul style="list-style-type: none"> <li>- Potential for Europe austerity</li> </ul>
 <b>Trans.</b>	<ul style="list-style-type: none"> <li>+ Parked locos back in service</li> <li>+ 4Q backlog ↑ 24% vs '09</li> </ul>	



**Key indicators continue to improve**

# Enterprise value



Drive organic growth & operating excellence



5

# GE enterprise advantage

## Technical leadership



- ✓ Common technologies
- ✓ Global position
- ✓ R&D "mass"
- ✓ Low cost

## Global size & scale

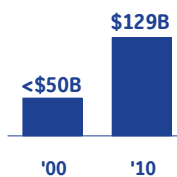


"Company-country"

- ✓ Multiple businesses
- ✓ Localization
- ✓ GRC/training
- ✓ Customer franchise
- ✓ Win big orders

## Deep relationships

### CSA growth



- ✓ Best customers
- ✓ Multiple connections
- ✓ Drive productivity
- ✓ Trust/reliability

## Performance culture



- ✓ Leadership development
- ✓ Risk management
- ✓ Capital allocation
- ✓ Lean/six sigma
- ✓ Quality & regulatory
- ✓ Operating excellence

GE = margins + returns > competition

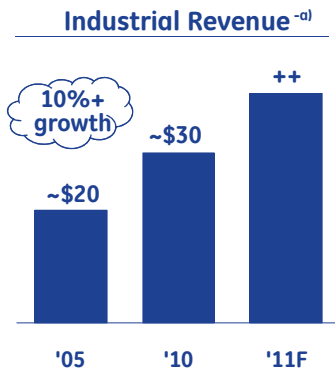


6

# Global growth

## Build leadership in growth markets

(\$ in billions)



### Priorities

- 1 Recentralize decision making... bigger leaders with authority & accountability
- 2 Invest in local markets, with local players
- 3 Market driven product development
- 4 Build key customer capability

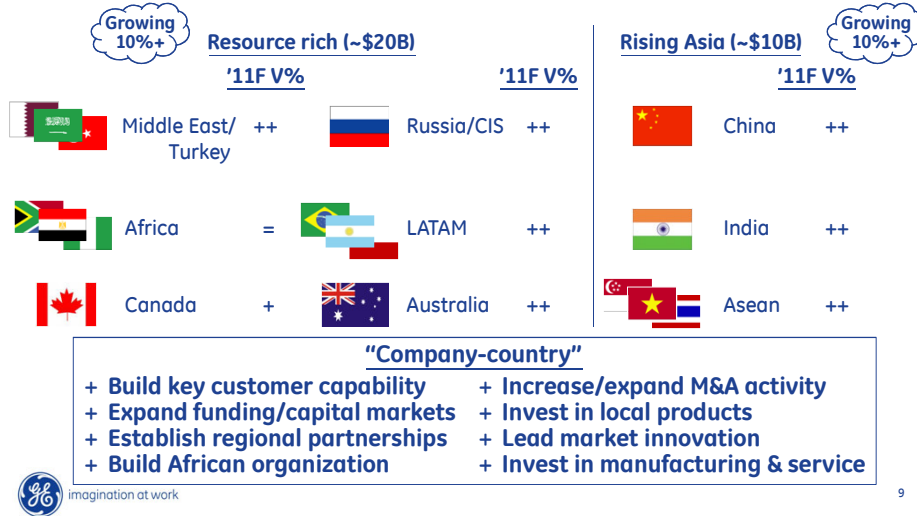
### GE competitive advantages

- ✓ Leadership & organization
- ✓ Brand & reputation
- ✓ Breadth & scale
- ✓ Risk management

(a- Ex. NBCU)

# Growth market success ... positioned for double-digit growth

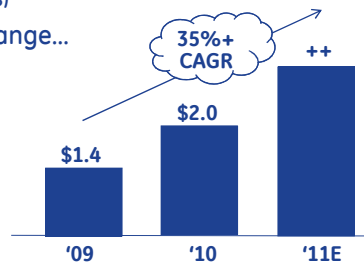
(\$ in billions - Industrial)



## India proof statement

(Orders \$ in billions)

The case for change...



- GDP growing 8.4%
- Power capacity ↑2.6GW in Dec'10
- Aviation passenger traffic ↑19% Dec'10 YTD

**Before**

- Multiple customer touch points
- Slow response time... up to 90 days
- Product versus market focused
- Limited management depth & investment in human capital

**Now**

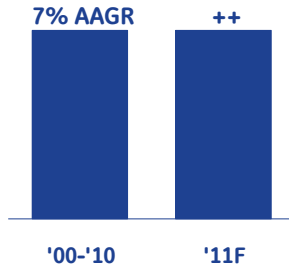
- ✓ One GE India
- ✓ Added SVP... local empowerment with credibility & influence
- ✓ Investing in local market
- ✓ Broad based product offerings

**Best of "Local" & "Global"**

# Brazil growth



## Revenue growth



## Key growth actions

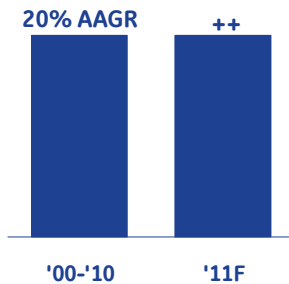
- ✓ \$500MM investment to expand GE's footprint, including \$100MM R&D Center
- ✓ Recent deals won:
  - ✓ Azul: \$1B Aviation services agreement
  - ✓ Petrobras: \$250MM off-shore opportunity
  - ✓ MRS: Largest locomotive deal in Brazil history ... 115 locomotives
- ✓ Wellstream acquisition announcement ... high-tech subsea O&G company

**\$2T Brazil GDP ... growing 4+%**



# China growth

## Revenue growth



## Key growth actions

- ✓ Expanding commercial footprint... added 750 person sales force
- ✓ Executing game changing, local partnerships ... recent deals generate ~\$3B revenue, support ~5,000 US jobs
- ✓ In-China-for-China NPI
- ✓ Adding 6 new Innovation Centers
- ✓ Sustainable cities COE to support urbanization

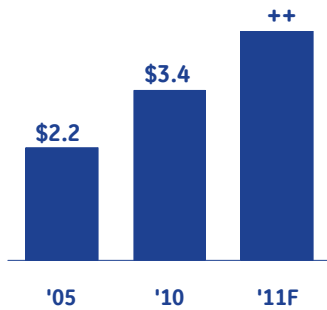
**Long term commitment to China ... partnerships key**



# Healthcare growth market investments

(\$ in billions)

## Developing market revenues



- ✓ 32 new products
- ✓ 200+ NPI's in pipeline
- ✓ \$700MM R&D
- ✓ Investments in local distribution



Brivo™ MR355

MR

Disruptive Cost:  
102 new orders  
63% are new users



Brivo™ CT315

CT

Disruptive Cost:  
Quality image,  
low total cost of  
ownership



MAC™  
400/600/800

PCS

Portable Quality:  
Creating new users

Investments in developing markets delivering growth



imagination at work

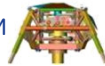
13

# Oil & Gas: attractive global capex spend



Australia ... **Gorgon subsea + LNG**

Drilling & Production ... \$600MM



Turbomachinery ... \$1.7B



~\$2.3B equipment plus service  
pull through



China ... **W2E pipeline**

2005-'08 ... \$500MM



2009-'10 ... \$550MM



~\$1.1B so far ... more to come



Angola ... **Kizomba offshore**

2001-'04 ... \$175MM



2006-'07 ... \$650MM



2009-'10 ... \$475MM

~\$1.3B ... Topside & Subsea,  
Equipment & Service



Iraq ... **upstream + refinery rebuild**

2004-'06 ... \$350MM

2008 ... \$200MM

2009-'10 ... \$200MM



~\$0.8B Turbomachinery +  
Services since '04



imagination at work

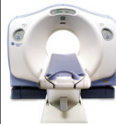
14

# Developed countries ... driving innovation

## Australia



- ✓ Alloy development:
  - Fuel burn
  - Engine performance/emissions



- ✓ Alzheimer's disease detection:
  - Combines imaging agent and equipment



- ✓ Clean coal:
  - Pilot 450MW IGC plant: 90% CO2 capture

## Canada

### Digital Pathology .. \$2B+ global market

- Little technological advancement compared to most clinical processes
- Global shortage of specialists; "limited reach"

### Digital Pathology Partnership:

- ✓ GRC - digital camera technology
- ✓ Joint Venture with UPMC to develop clinical application
- ✓ GE signs MOU with Ontario Gov't - Global digital pathology centre

**Good growth and innovation potential**

# Supply chain excellence

## High-tech investment in U.S. = leadership



Michigan



Louisville



Cincinnati



Waukesha

- ✓ Invest in R&D and technology
- ✓ Develop new innovative products
- ✓ Creates additional U.S. jobs, drives exports

## Localization = access to growth markets



Dammam, Saudi Arabia



Perth, Australia

- ✓ Empowering regions
- ✓ Localize product origin
- ✓ Expedite customer response time

## Best cost supply chain = competitiveness

### Hai Phong, Vietnam



Hang Zhou

- ✓ Multi-modal facilities
- ✓ Invest locally for low cost ... 30% cost advantage
- ✓ Allowing for shorter and dynamic sourcing structure

**High-tech investment, localization & best cost supply chain drives access to growth markets while driving low cost**



# Partnering to create customer solutions

## Develop distributed energy



- Develop combined heat and power projects ... efficient natural gas solutions
- Forming JV for 50 GT installments in China generating \$500MM in revenue

## Localizing in Russia



- Forming JV's in Energy and Healthcare
- Manufacture, sell and service 6FA heavy duty GT's
- Production of CT scanners & other diagnostic equipment

## Next generation of Avionics



- Forming JV to develop avionics systems
- Supporting China's first home-grown big passenger jet
- \$300MM in US exports

## Advanced technology steam turbines



- Production of 30-100MW steam turbines for domestic and export to global markets
- Headquartered in Bangalore

Creates ~2,500 US jobs and opens new markets

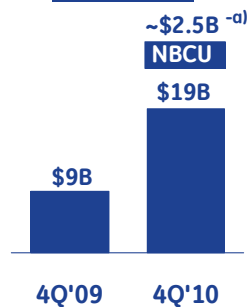


17

# Capital allocation

(\$ in billions)

## Parent cash



## Significant inflows over next 5 years

- ✓ \$6-8B annual FCF
- ✓ GE Capital dividend restarts
- ✓ NBCU monetization

- 1 More GE liquidity**
  - ✓ More cash at parent/GE Capital
  - ✓ Ability to be opportunistic
- 2 Strategic Industrial M&A**
  - ✓ Targeting adjacent acquisitions in \$1-3B range
  - ✓ Announced \$5B+ transactions
- 3 Enhance returns for shareholders**
  - ✓ 2 dividend increases ... +40%
  - ✓ Relunched buyback ... \$1.8B
  - ✓ Retire preferred equity in 2011

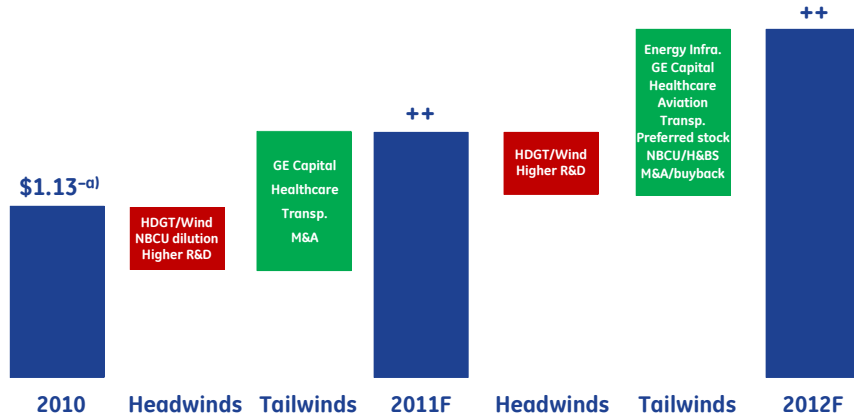
(a) Net cash received in January 2011



Balanced capital allocation

18

# Operating EPS expectations



(a- 2010 operating EPS; 2010 net EPS \$1.15)

Strong growth in 2011 & 2012

