

GE 2013 fourth quarter performance

January 17, 2014

– Financial results & Company highlights

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; potential market disruptions or other impacts arising in the United States or Europe from developments in sovereign debt situations; 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 (GE Money Japan); pending and future mortgage securitization claims and litigation in connection with WMC, which may affect our estimates of liability, including possible loss estimates; 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 or to repurchase shares at the planned level; GECC’s ability to pay dividends to GE at the planned level; our ability to convert pre-order commitments/wins into orders; the price we realize on orders since commitments/wins are stated at list prices; 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; our capital allocation plans, as such plans may change and affect planned share repurchases and strategic actions, including acquisitions, joint ventures and dispositions; our success in completing announced transactions and integrating acquired businesses; our ability to complete the staged exit from our North American Retail Finance business as planned; the impact of potential information technology or data security breaches; 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.”

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

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imagination at work

4Q'13 overview

- ✓ Environment generally positive but still mixed
 - Orders +8% with equipment +10% and services +5% ... backlog increased to \$244B
 - Continued global growth ... growth markets +13%, U.S. +8%, Europe +3%
 - Industrial segments revenue +6%, +5% organic and GE Capital (5)%
- ✓ Delivered \$0.53 operating EPS, +20%
 - Industrial segment profit +12% ... 6/7 segments growing earnings
 - Capital earnings \$2.5B, +38% including tax-efficient Swiss & BAY gains ... ENI \$380B
 - \$0.05 of Industrial restructuring & other charges partially offset by \$0.03 of gains; accelerated \$0.02 project spend to build momentum for 2014
- ✓ Continued execution on operating priorities
 - TY margins up 66 bps. excluding acquisitions impact ... strong value gap \$943MM; Industrial structural cost out \$1.6B for the year
 - Generated \$17.4B CFOA YTD excluding NBCU deal-related taxes (\$14.3B total CFOA); GE Capital dividend \$6.0B for the year
 - \$89B in consolidated cash
- ✓ Disciplined & balanced capital allocation
 - \$18.2B cash returned to investors ... \$7.8B dividends & \$10.4B buyback
 - Completed \$9B of M&A in 2013, announced Life Sciences transaction

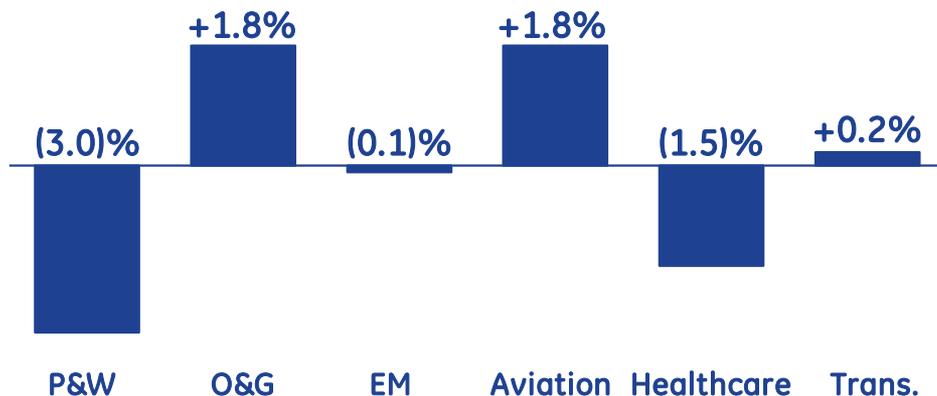
4Q'13 orders \$30.7B, +8%

(\$ in billions)

	Equipment		Services	
	\$	V%	\$	V%
Power & Water	\$6.4	81%	\$3.9	8%
Oil & Gas	2.9	(8)	2.6	6
Energy Mgmt.	1.7	6	0.6	5
Aviation	4.1	(15)	3.0	11
Healthcare	3.4	(1)	2.1	3
Transportation	0.6	(2)	0.6	(15)
Total	\$18.4	10%	\$12.3	5%



Orders price profile (0.6)%



Highlights

- ✓ Equipment book-to-bill 1.3 driven by orders strength in P&W; Aviation down on tough LEAP-^{a)} comparisons; O&G driven by Turbomachinery & Subsea timing
- ✓ Service orders +5% ... PGS +9%, +16% ex. Europe; Aviation commercial spares +16%
- ✓ Regional dynamics ... China +25%, SSA +18%, MENAT +70%, U.S. +8%, Europe +3%
- ✓ Backlog +\$15B ... Aviation services & P&W equipment

TY orders +8% and backlog up \$34B



(a - LEAP is a trademark of CFM; CFM is a 50/50 JV between GE and Snecma)

Growth dynamics

(\$ in billions)

Growth markets

Industrial segment revenue



- ✓ 6/9 regions up double-digits ... China +13%, SSA +59%, Russia +18%, Latin America +17%, ASEAN +30%, Canada +23%
- ✓ 4Q investments include: multiple Subsea sites (Indonesia, Angola); BPO in Saudi with TCS / Saudi Aramco

Services

Revenue



- ✓ Double-digit revenue growth in Aviation, Oil & Gas & Energy Mgmt.
- ✓ Backlog +\$12B to \$180B
- ✓ Aviation commercial spares ship rate +17%
- ✓ Executed 54 advanced gas path upgrades in '13

Technical progress

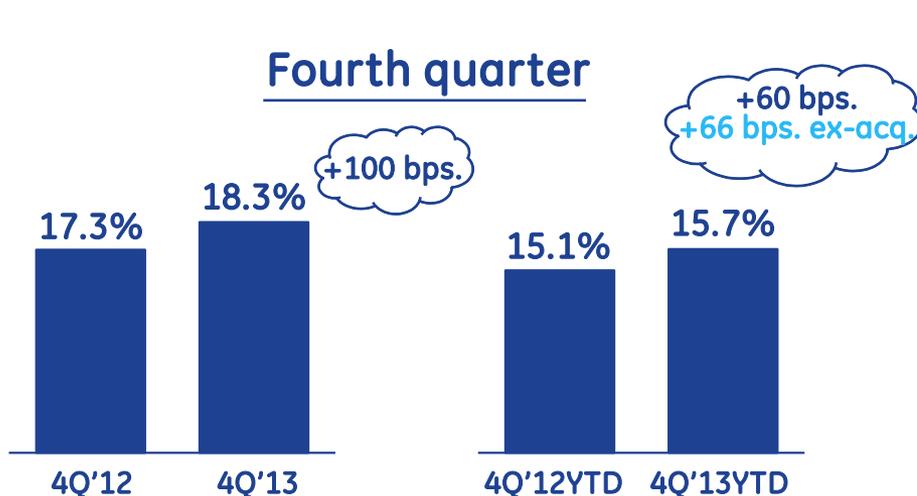
- + \$40B Dubai Airshow wins by GE & CFM^(a) ... 450 GE9X engines and services for \$21B
- + Healthcare expands with \$1.1B acquisition of 3 life science units from Thermo Fisher Scientific
- + 2.5MW Brilliant Wind turbine chosen as a "Top 100 Innovation" by Popular Science
- + Drilling iBox digitizes the diagnostic & prognostic monitoring of Oil & Gas blowout preventers
- + 3-D picture of brain or heart from Revolution CT^(b) scanner in only .25 seconds
- + GE & CSX begin testing NextFuel locomotive natural gas kits



(a - Wins at stated list price by GE ~\$30B, CFM ~\$10B (CFM is a 50/50 JV between GE and Snecma)

(b - FDA approval pending

Operating profit margins



	<u>4Q OP %</u>	<u>V pts.</u>	<u>TY V pts.</u>
Power & Water	24.7%	1.9 pts.	1.0 pts.
Oil & Gas	15.1	0.8	0.2
Energy Mgmt.	2.3	(1.0)	(0.3)
Aviation	20.3	1.3	1.1
Healthcare	20.8	1.1	0.7
Transportation	19.2	0.7	1.4
A&L	6.5	0.9	0.7

Dynamics

Mix

4Q
V pts. | TY
V pts.

(0.2) | 0.1

Value gap

0.8 | 0.8

R&D

(0.2) | (0.2)

Simplification

1.5 | 0.7

Acquisitions

(0.1) | (0.1)

Other

(0.8) | (0.7)

– Base inflation, FX
– Non-repeat of 4Q'12 gains
4Q (0.6) pts./TY (0.2) pts.

- ✓ TY margins +66 bps. excluding acquisition impact
- ✓ 6/7 businesses with margin expansion

2014 margin dynamics

Restructuring & other charges/simplification update

- Invested ~\$300MM more in restructuring & other charges net of gains in 4Q (~18-month payback)
- \$2B of Industrial restructuring & other charges and \$1.6B structural cost savings in 2013
- Plan to do an additional \$1-1.5B of restructuring in 2014
- Planning to reduce structural cost by >\$1B in 2014

Accelerated restructuring into 2013

Dynamics

2014E framework

Mix	-
Value gap	+
R&D	=/+
Simplification	++
Other	-

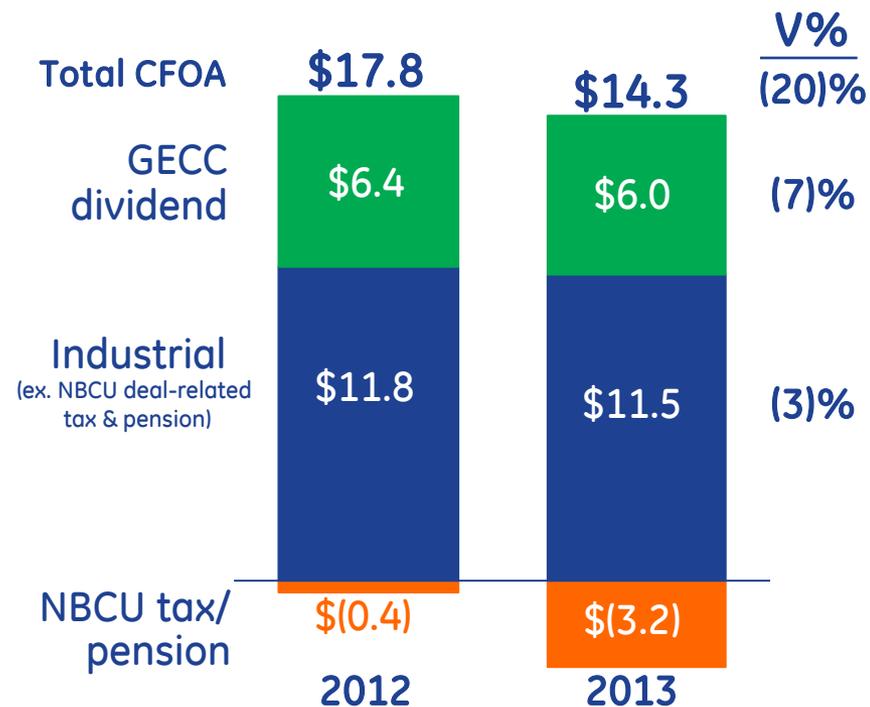
Continued expansion in 2014

Generating cash

(\$ in billions)

Consolidated cash \$89B

4QYTD CFOA



- ✓ NBCU deal-related taxes dampen CFOA by \$3.2B
- ✓ GE Capital 4Q dividends \$2.0B, total year \$6.0B

GE cash balance walk

	Total
Beginning balance 1/1/13	\$15.5
CFOA (ex. NBCU deal-related taxes)	17.4
Dividends	(7.8)
P&E	(3.7)
NBCU JV sale	16.7
NBCU deal-related taxes	(3.2)
Acquisitions	(9.0)
Buyback	(10.4)
Change in debt/FX/other	(1.8)
December 2013	\$13.7

Strong cash performance supporting balanced capital allocation; returned \$18.2B to investors in 2013

4Q'13 consolidated results

(\$ in billions – except EPS)

	<u>4Q'13</u>	<u>V%</u>
Revenues	\$40.4	3%
– Industrial sales	28.8	6
– Capital revenue	11.1	(5)
Operating earnings	5.4	16
Operating EPS	.53	20
Continuing EPS	.49	20
Net EPS	.41	8
CFOA YTD	14.3	(20)
– Industrial	8.3	(27)
– Industrial (ex. NBCU, pension)	11.5	(3)
	<u>4Q'13</u>	<u>4Q'12</u>
Tax rate	(11)%	16%
– GE (ex. GECC)	19	21
– GECC	(77)	6

(\$ in millions)

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Power & Water	\$7,686	-%	\$1,897	9%
Oil & Gas	5,306	17	802	24
Energy Mgmt.	2,012	4	46	(28)
Aviation	6,170	13	1,251	20
Healthcare	5,117	(1)	1,062	4
Transportation	1,460	7	280	11
Appliances & Lighting	<u>2,196</u>	<u>6</u>	<u>142</u>	<u>23</u>
Industrial	29,947	6	5,480	12
GE Capital	<u>11,077</u>	<u>(5)</u>	<u>2,493</u>	<u>38</u>
Total segments	<u>\$41,024</u>	<u>3%</u>	<u>\$7,973</u>	<u>19%</u>

4Q'13 other items

	<u>EPS</u>	
Industrial gains	\$.03	✓ Disposition gains at Corporate <ul style="list-style-type: none">– Power & Water Air Filtration– Healthcare Vital Signs– Oil & Gas Advanced Sensors
Industrial restructuring & other items	(.05)	✓ Structural cost actions <ul style="list-style-type: none">– Site closures & consolidation– Simplification acceleration ✓ Acquisition-related & other costs
<hr/>		
Discontinued operations	(.08)	✓ Capital: Grey Zone \$.04, WMC \$.01, Russia disposition \$.02 ✓ Plastics Spain taxes

Industrial segments

(\$ in millions)

Power & Water

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$7,686	-%
Segment profit	\$1,897	9%

4Q dynamics

- \$10.3B orders, +44%; equipment up 81% on strong Thermal & Wind orders, Algeria order booked ... 24 GTs, 12 STs; services +8%
- Revenue ... equipment (2)%, services +3% ... with Wind +6%, Distributed Power +6%, PGS flat offset by Thermal (11)%
- Segment profit ... margins +190 bps. driven by strong value gap
- ~200 wind turbines moved from '13 to '14 mainly driven by a supply chain issue

Oil & Gas

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$5,306	17%
Segment profit	\$802	24%

4Q dynamics

- \$5.5B orders, (2)% ... equipment (8)% with Drilling & Surface (20)% & Subsea (10)%; services +6%; backlog up 27% VPY
- Revenue ... equipment +16%, services +17% ... solid growth in Subsea +63% & D&S +20%, continued softness in M&C (5)%
- Segment profit ... margins +80 bps. driven by value gap offset by acquisitions

Industrial segments

(\$ in millions)

Aviation

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$6,170	13%
Segment profit	\$1,251	20%

4Q dynamics

- \$7.0B orders, (5)% ... equipment (15)% with commercial engines (12)%; services +11% driven by commercial spares +16% ... \$125B backlog, +22% VPY
- Revenue ... equipment +16% driven by higher engine shipments; services +10%
- Segment profit ... margins +130 bps. on value gap strength

Healthcare

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$5,117	(1)%
Segment profit	\$1,062	4

4Q dynamics

- \$5.4B orders, +1% ... emerging markets +4% driven by Latin America +15% & China +8% offset by Russia (19)%; developed markets (2)% with U.S. flat, Europe +2% & Japan (10)%
- Revenue ... equipment (3)% with HCS (4)% and Life Sciences +8%; services +1%
- Segment profit ... margins +110 bps. driven by cost productivity offset by negative FX

- ✓ Aviation ... delivered another great quarter
- ✓ Healthcare ... continued cost execution

Industrial segments

(\$ in millions)

Transportation

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$1,460	7%
Segment profit	\$280	11%

4Q dynamics

- \$1.2B orders, (9)% with equipment (2)% and services (15)% driven by mining
- Revenues ... strong equipment +22% on higher locomotive deliveries offset by services (8)%
- Margins +70 bps. on strong value gap

Energy Management

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$2,012	4%
Segment profit	\$46	(28)%

4Q dynamics

- \$2.3B orders, +6% ... Power Conversion +18%, Intelligent Platforms +9%, Industrial Solutions (6)%
- Profit below expectations ... executing on restructuring projects to reposition business
- Expect improved '14 based on '13 investments

Appliances & Lighting

<u>4Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$2,196	6%
Segment profit	\$142	23%

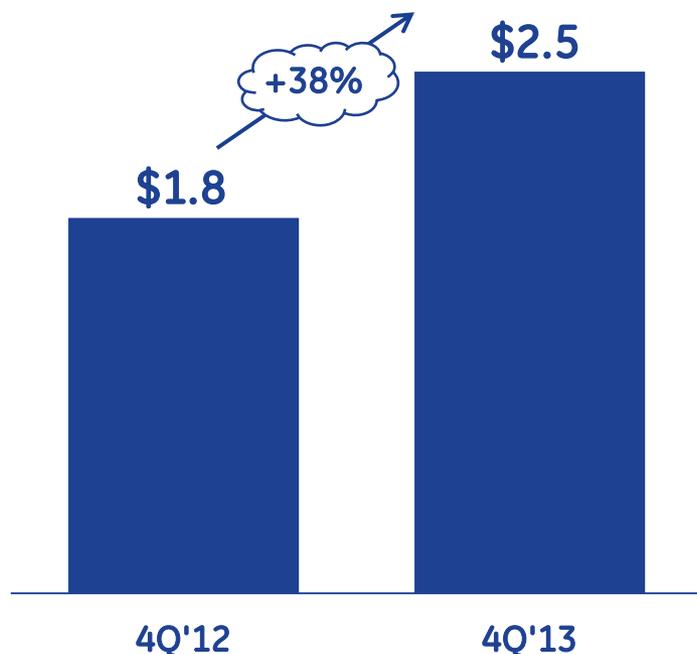
4Q dynamics

- Revenue ... Appliances +9% with strong contract & retail; Lighting +1%
- Margins +90 bps. driven by cost productivity

4Q'13 GE Capital performance

(\$ in billions)

Continuing earnings



4Q'13 dynamics

4Q'13 continuing earnings \$2.5

Key items

- Gain/tax benefit (Swiss, BAY) (1.6)
- Portfolio actions & impairments 1.0
- Reserves 0.2

4Q'13 excluding key items \$2.1

ENI^(a)

4Q'12

\$417

4Q'13

\$380

GE Capital team executing ... 4Q results impacted by strategic transactions & portfolio actions

GE Capital

(\$ in millions)

4Q'13	\$	V%
Revenue	\$11,077	(5)%
Pretax earnings	1,416	(27)
Net income	2,493	38
ENI (ex. cash)	380B	(9)
Net Interest margin	5.0%	16 bps.
Tier 1 common % (B1)	11.4%	1.2%

30+ delinquencies



	Assets (\$B)		Segment profit (\$MM)	
	\$	V%	\$	V%
CLL	\$174	(4)%	\$263	(52)%
Consumer	132	(4)	2,057	F
Real Estate	39	(16)	128	(59)
GECAS	46	(7)	71	(79)
EFS	16	(16)	117	9

4Q segment dynamics

CLL: Lower assets & higher impairments; Volume at ~2% ROI
 Consumer: Portfolio repositioning ... Swiss IPO & Thai JV sale
 Real Estate: Equity assets (32)% to \$14B; Strong debt volume growth
 GECAS: Impairments on older, less efficient aircraft
 EFS: Lower impairments



- ✓ \$2B dividend to parent, \$75B cash, \$29B CP
- ✓ Volume up 5%, returns holding

Investor objectives ...

- 1 Double-digit Industrial op profit growth**
 - ✓ Industrial segment profit +12% in 4Q
 - ✓ 6/7 segments with strong growth
- 2 Planning 70 bps. margin expansion**
 - ✓ TY +66 bps. excluding the impact of acquisitions
- 3 Significant cash from GE Capital**
 - ✓ Returned \$6.0B cash to parent, net income +12% for the year; ending ENI \$380B
- 4 +2-6% Industrial segment organic revenue growth**
 - ✓ Strong 4Q organic revenue +5%
 - ✓ Total year flat, +5% excluding P&W
- 5 Expect to return ~\$18B to shareowners**
 - ✓ Returned \$18.2B to investors through dividends and buyback

2014 operating framework

<u>Operating earnings</u>	<u>2014F</u>	<u>2014 drivers</u>
Industrial	++	<ul style="list-style-type: none"> ✓ Strong Industrial segment growth ✓ Margin expansion
GE Capital	~\$7B	<ul style="list-style-type: none"> ✓ Phase 1 of N.A. Retail transaction & lower CRE gains ✓ Position core portfolio for growth
Corporate	-	<ul style="list-style-type: none"> ✓ Planning for ~\$500MM ↓ in Corporate expense ✓ Offset by loss of NBCU JV income/gain (1Q'13) ✓ Restructuring > gains ... some shift to 2013
Total operating earnings	+	<ul style="list-style-type: none"> ✓ Positive impact of share reduction
CFOA	\$14-17B	<ul style="list-style-type: none"> ✓ Planning strong Industrial CFOA; GE Capital dividends below 2013 levels
Total revenues	0-5%	<ul style="list-style-type: none"> ✓ Industrial segment organic 4-7%; GE Capital 0-(5)%

- ✓ **Strong Industrial segment outlook**
- ✓ **Significant restructuring to drive margins**