

GE 2011 first quarter performance

April 21, 2011

– 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; 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.”

“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.”



imagination at work

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

1Q'11 orders +13%

(\$ in billions)

1Q orders \$19/+13%

	Equipment		Services	
	\$	V%	\$	V%
Energy	\$3.4	19%	\$3.9	15%
O&G	1.3	11	0.9	3
Energy Infra.	4.6	18	4.7	13
Aviation	2.3	15	2.8	14
Healthcare	2.1	9	2.0	9
Transportation	0.4	(18)	0.5	25
Total	\$9.4	13%	\$9.9	13%

Strong backlog (\$B)



Orders profile

Equipment



Services



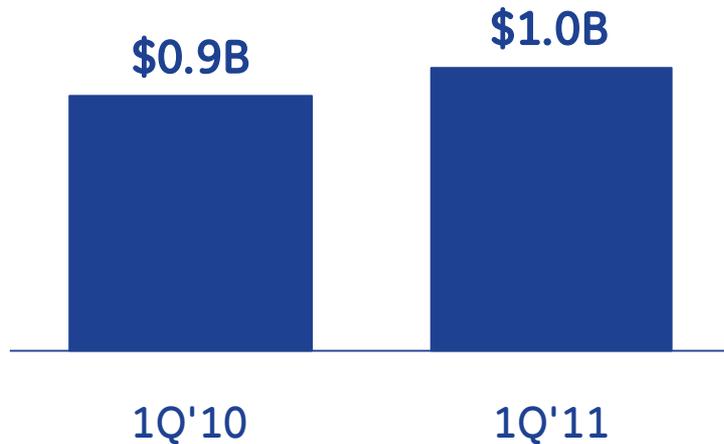
Energy takeaways

- ✓ Broad strength ... +15% growth, +9% organic
- ✓ Orders pricing down (1%)
- ✓ Backlog remains strong at \$68B & pipeline improving
- ✓ Gas turbine quote activity increasing

Solid orders growth

Execution

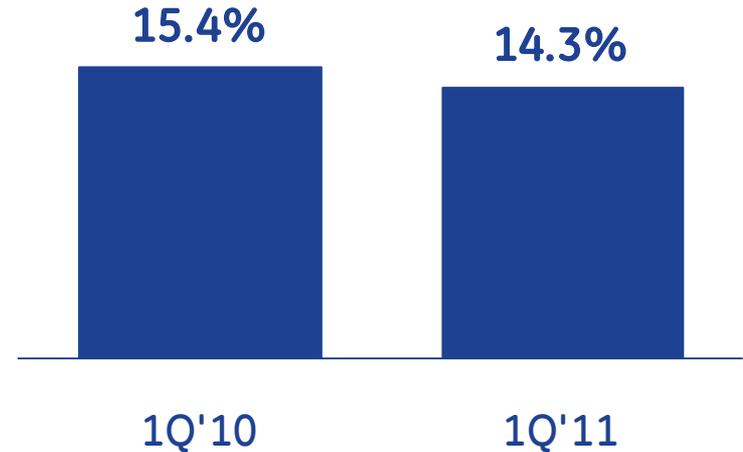
R&D



Launches

- + Thin film solar launch
- + Renewables ... offshore wind turbine
- + O&G ... Aeroderivative low emission gas turbine
- + Customer innovation/technology centers ... China, Canada, Australia
- + Healthcare ... ~30 product launches in 1Q (Optima, Brivo)

Segment op. profit margins



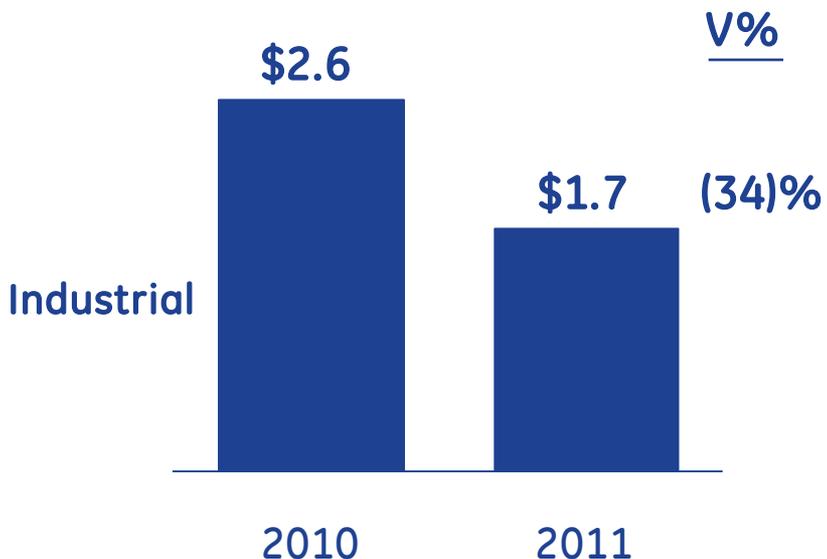
- + Overall material deflation continues
- Wind pricing down & Energy acquisition revenue at lower margins
- Higher program spend & investment in global growth
- Lower other income in Aviation

Generating cash

(\$ in billions)

Consolidated cash \$82B

1Q YTD CFOA



- ✓ NBCU transaction \$(0.6)B year-over-year impact
- ✓ Growing working capital to support 2Q/TY sales in backlog
- ✓ Progress collections down ... orders strengthening

GE cash balance walk

	Total
Beginning balance 1/1/11	\$19.2
CFOA	1.7
Dividends	(1.6)
P&E	(0.9)
Acquisitions	(4.9)
Buyback	(0.5)
NBCU disposition	1.9
Change in debt/FX/other	0.6
March 2011	\$15.5

On track for full year \$12-13B CFOA plan

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

1Q'11 performance

1Q'11 consolidated results

(\$ in billions – except EPS)

Continuing operations

	<u>1Q'11</u>	<u>V%</u>
Revenues	\$38.4	6%
– Industrial sales	22.1	(6)
– Financial Svcs. rev.	13.2	3
Operating earnings	3.6	58
Operating EPS	0.33	65
Continuing earnings ^{-a)}	3.4	48
Continuing EPS ^{-b)}	0.31	48
CFOA	1.7	(34)
– Industrial CFOA	1.7	(34)
	<u>1Q'11</u>	
Tax rate	53%	37 pts.
– GE (ex. GECS)	68	38
– GECS	18	↑

(a- Attributable to GE

(b- Earnings attributable to common shareowners

Memo: includes NBCU pretax operating profit of \$93MM excluding the gain on the disposition

(\$ in millions)

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy Infra.	\$9,449	9%	\$1,381	(7)%
Aviation	4,368	5	841	5
Healthcare	4,090	10	531	7
Transportation	903	18	157	37
H&BS	1,989	3	74	4
Industrial	20,799	8	2,984	1
GE Capital	12,324	3	1,842	~3X
	<u>\$33,123</u>	<u>6%</u>	<u>\$4,826</u>	<u>36%</u>

1Q'11 other items

	<u>EPS impact</u>	
NBCU gain	\$.04	✓ \$3.6B pretax gain & \$(3.2)B tax charge
Restructuring & other charges	(.02)	✓ Site, cost structure improvements & other costs
Deal-related costs	(.01)	✓ Energy acquisitions ✓ NBCU transaction
	<hr/>	
	\$.01	

NBCU gain partially offset by other items

GE Capital

(\$ in millions)

<u>1Q'11</u>	<u>\$</u>	<u>V%</u>
Revenue	\$12,324	3%
Pretax earnings	2,305	F
Net income	1,842	F
ENI (ex. cash)	461B	(8)

<u>GECC balance sheet metrics</u>			
	<u>1Q'10</u>	<u>4Q'10</u>	<u>1Q'11</u>
Tier 1 common ratio	7.8%	8.9%	9.8%
Leverage	5.5:1	4.9:1	4.5:1

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Consumer	\$147	(7)%	\$1,257	F
Real Estate	71	(14)	(358)	11
CLL	197	(7)	554	F
GECAS	49	-	306	(3)
EFS	19	(18)	112	(27)

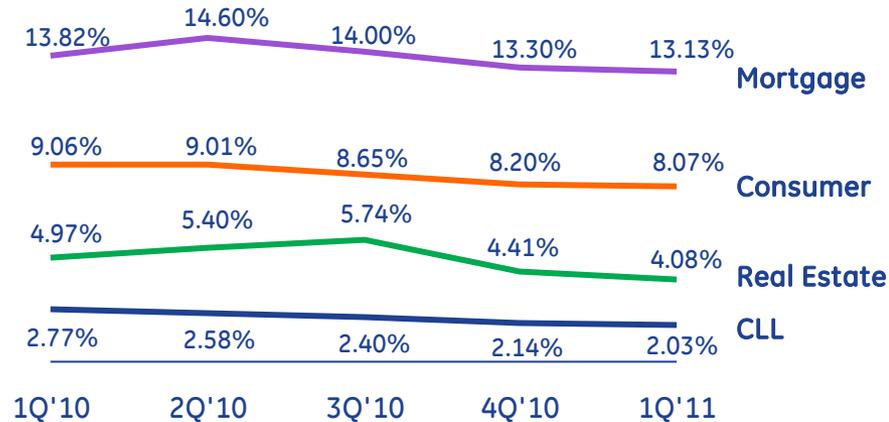
1Q dynamics

- ✓ Volume of \$37B ... growing attractive business at higher margins, 1Q seasonally lower quarter
- ✓ ENI ↓ \$20B vs. 4Q excluding FX ... \$4B from dispositions & \$2B in discontinued operations
- ✓ Garanti \$317MM gain in quarter as expected
- ✓ Portfolio quality continues to show improvement ... reserve coverage 2.4%
- ✓ \$1.8B losses & impairment, ↓ \$(0.7)B vs. 4Q
- ✓ Continuing to prepare for new regulator in 2H

Strong first quarter

Portfolio quality & reserves

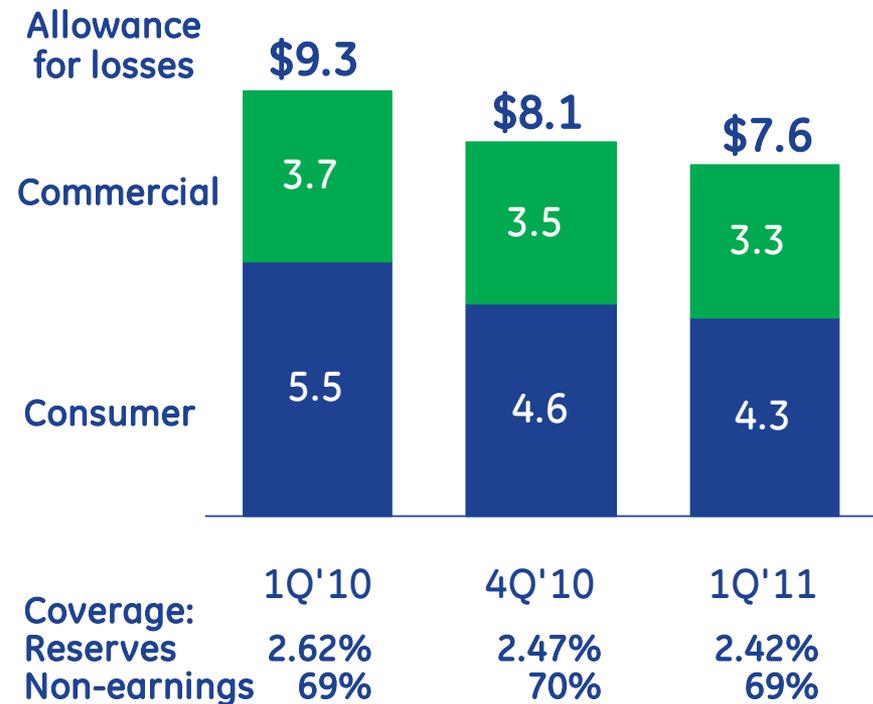
30+ delinquencies



- ✓ CLL showing signs of stabilization ... Americas & Europe ... monitoring run-offs
- ✓ Consumer delinquencies continue to decline ... impactful loss mitigation efforts
- ✓ Non-earnings ↓ \$(0.5)B to \$11.1B ... Mortgage ↑ 27 bps. as portfolios shrink
- ✓ Real Estate delinquencies ↓ (33) bps. & within expected range ... non-earnings ↓ \$(0.2)B

Reserves (\$B)

Reserve walk		
WO's > new provisions	\$(0.4)B	Bal. sheet
CRE	(0.1)	P&L
Δ in reserves	<u>\$(0.5)B</u>	



Environment continues to improve

Energy Infrastructure

(\$ in millions)

<u>1Q'11</u>	<u>\$</u>	<u>V%</u>
Revenues	\$9,449	9%
Segment profit	\$1,381	(7)%

Key 1Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy	\$7,845	9%	\$1,221	(9)%
Oil & Gas	1,787	12	199	4

1Q dynamics

Energy

- \$7.3B orders, +17% ... equipment backlog \$11.7B vs. PQ +1%, CSA commitments \$44.8B
- Revenue +9% ... equipment +9%, services +9% ... services & acquisitions partially offset by Thermal shipments
- Segment profit (9)% ... higher program & global investments, renewables pressure

Oil & Gas

- \$2.2B orders, +7% ... equipment backlog \$7.5B vs. PQ +12%, CSA backlog \$4.1B
- Revenue +12%... equipment +17%, service +6%
- Segment profit +4%... higher equipment volume offset by negative FX & higher program spend

Expecting Energy to return to growth in 2H'11

Aviation & Transportation

(\$ in millions)

Aviation

<u>1Q'11</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,368	5%
Segment profit	\$841	5%

1Q dynamics

- \$5.1B orders, +14% ... equipment backlog \$20B, CSA backlog \$59B
- Revenues +5% ... equipment +3%, commercial & military service +7%
- Spare parts growth

Transportation

<u>1Q'11</u>	<u>\$</u>	<u>V%</u>
Revenues	\$903	18%
Segment profit	\$157	37%

1Q dynamics

- \$0.9B orders flat ... service strong ... tough comps for locos
- Revenue +18% ... equipment +12%, services +23%
- Service margins expanding

- ✓ Strong Aviation revenue & margin
- ✓ Transportation business cycle shifting to growth



Healthcare & H&BS

(\$ in millions)

Healthcare

<u>1Q'11</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,090	10%
Segment profit	\$531	7%

1Q dynamics

- \$4.1B orders, +9% ... equipment +9%, services +9% ... equipment backlog +6% to \$3.9B
- Revenues +10% ... equipment +11%, services +8%
- Segment profit +7% ... HCS developing markets, Life Sciences strength

Home & Business Solutions

<u>1Q'11</u>	<u>\$</u>	<u>V%</u>
Revenues	\$1,989	3%
Segment profit	\$74	4%

1Q dynamics

- Lighting revenue +6% ... LED growth
- Intelligent Platforms revenue +19% driven by software & controls
- Appliances implemented April price increase

- ✓ Continue to see global strength in Healthcare
- ✓ H&BS ... solid execution & reinvesting in product line



Japan impact

- ✓ GE supporting our employees, customers & people in Japan
 - GE response team working with government, TEPCO, Hitachi & industry
 - Immediately contributed to humanitarian/disaster relief
 - Revised delivery schedules to provide short/medium-term power supply
- ✓ Small financial impact to GE in 1Q
- ✓ Seeing limited supply chain impact ... potential timing across quarters, but no impact to total year. Building supply chain flexibility to support customers
- ✓ Revenue impact balanced ... small headwinds in nuclear fuel & healthcare market ... could be offset by infrastructure rebuild
- ✓ Likely minimal impact on GE Capital but monitoring Commercial Real Estate valuations ... minimal damage on physical property

Focused on helping Japan recover & rebuild



2011 operating framework

<u>Operating earnings</u>	<u>2010</u>	<u>2011E</u>	<u>Drivers</u>
Industrial	~Flat	+	+ Healthcare, Transportation, M&A & services - Wind, higher R&D spend & GENx launch
GE Capital	++	++	+ Higher margins, lower losses ✓ Real Estate firming
Corporate	<u>Flat/-</u>	<u>-</u>	✓ NBCU dilution (-); less restructuring (+); pension (~flat)
Total operating earnings	++	++	
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

Summary

- 1 Disciplined capital allocation
 - ✓ Third dividend increase
 - ✓ Redemption of preferred in 4Q
 - ✓ Buyback continues
 - ✓ Executing acquisition strategy
- 2 Solid GE Capital earnings growth
 - ✓ Higher margins
 - ✓ Strong volume in target segments
 - ✓ Losses declining
 - ✓ Balance sheet is safer & stronger
- 3 Positioned for Industrial earnings growth ... begins in '11, accelerates in '12
 - ✓ Equipment orders +13%
 - ✓ Service orders +13%
 - ✓ Services backlog at \$129B
 - ✓ International growing double digit
- 4 Investing to build competitive advantage
 - ✓ R&D spend up 12%
 - ✓ Launching new products
 - ✓ Leading in growth regions
 - ✓ Strategic acquisitions in Energy & Healthcare