

Alstom Power & Grid

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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; 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 flows and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level or to repurchase shares at planned levels; 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, power generation, oil and gas production, 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 including with respect to the timing and size of share repurchases, acquisitions, joint ventures, dispositions and other strategic actions; our success in completing announced transactions and integrating acquired businesses; our ability to complete the staged exit from our North American Retail Finance business or the acquisition of the Thermal, Renewables and Grid businesses of Alstom 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 includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.

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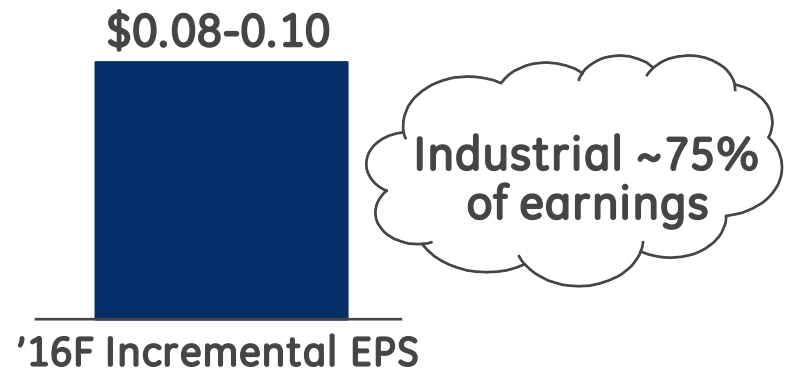
Imagination at work.

Creating investor value

- 1 Transaction enhances GE's position as the most competitive Infrastructure company with a specialty financial services business
- 2 Alstom brings complementary technology, global capability, a large installed base and talent to GE
- 3 Enhancing the Alstom assets plays to GE's strengths ... technology, growth-market capability, services delivering customer outcomes and a lean structure

4 Transaction is financially attractive

- ✓ Significant synergies and incremental earnings with attractive returns



European investment track record

France

- ✓ CFM has been a global aviation leader for decades ... great cooperation, innovation & value creation
- ✓ Thomson/CGR has been a global healthcare COE for 25 years ... competitive and innovative
- ✓ EGT (Belfort) has been a global power COE for 15 years ... effective team and competitive cost
- ✓ Power Conversion global HQ in France, important technology for GE

Other investments

- ✓ Nuovo Pignone has been transformed from a state-owned turbomachinery player to the center of a \$17B global oil & gas business
- ✓ Avio is off to a fantastic start ... great engineering and global competitiveness
- ✓ Jenbacher is the cornerstone of our global distributed power business ... revenue has tripled with GE ownership
- ✓ Successful UK operations in Healthcare and Aviation; global research center in Germany

Creating
value

- ✓ Leverage innovation for global markets
- ✓ Track record of delivering synergies
- ✓ People become competitive global leaders



Deal summary

Overview

- GE to acquire Alstom Power and Grid businesses
- \$13.5B enterprise value; 7.9x pro forma EBITDA, 4.6x with run rate synergies
- Alstom to retain Transport business
- Targeting to close in 2015, pending regulatory & Alstom shareholder approvals

Strategic rationale

- ✓ Attractive long-term strategic businesses; being acquired at opportune moment in cycle
- ✓ Cost synergy opportunity ... ~\$1.2B by year 5
- ✓ Execution is in our sweet spot ... experienced team, global assets
- ✓ Immediately accretive ... year 1 EPS \$.04-.06
- ✓ Fits capital allocation plan

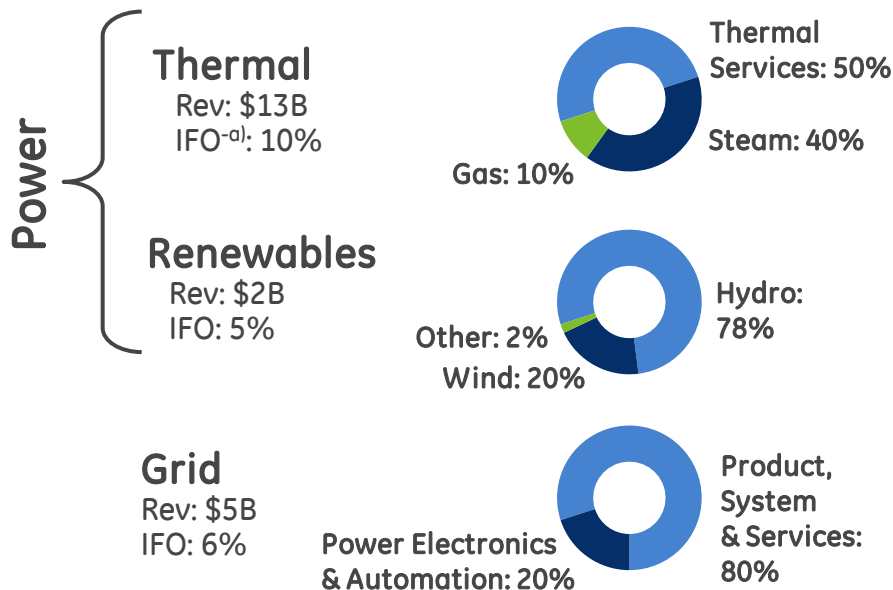
- ✓ Core business ... expands competitive capabilities
- ✓ Immediately accretive, attractive IRR
- ✓ ~\$4B of incremental cumulative op profit over 3 years



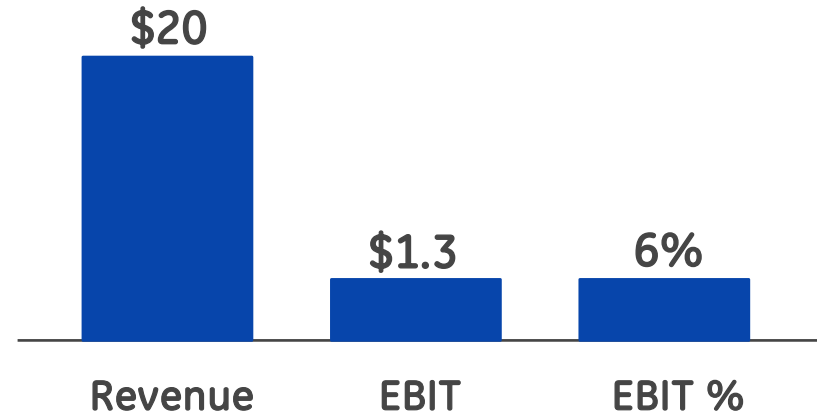
Alstom Power & Grid

(\$ in billions)

- ✓ Technology complementary to GE
- ✓ Global assets ... large installed base
- ✓ Subscale on its own



LTM Sept. '13 financials



- ✓ ~85% of revenues outside N. America;
~80% outside of W. Europe
- ✓ ~34% of revenues from services
- ✓ ~\$38B of backlog
- ✓ ~65k employees, ~14% in France

Businesses GE knows well



(a- Income from operations)

Here's what we like ...

- 1 Broad services business with big installed base ... ~350GW
- 2 ~\$38B backlog
- 3 Strong customer relationships
- 4 A leading fossil and nuclear steam turbine technology
- 5 Complementary renewables platform ... a leading Hydro player ... offshore wind capability
- 6 Broad high voltage grid business ... more competitive with market leaders, Siemens & ABB
- 7 Total power plant and project capability
- 8 Emerging markets footprint
- 9 Global leadership team; good engineering
- 10 Overlapping global structure with GE

Electricity demand ↑ ~50% by 2030 with ~65% from centralized generation ... grid infrastructure investment required



Improves Power & Water franchise

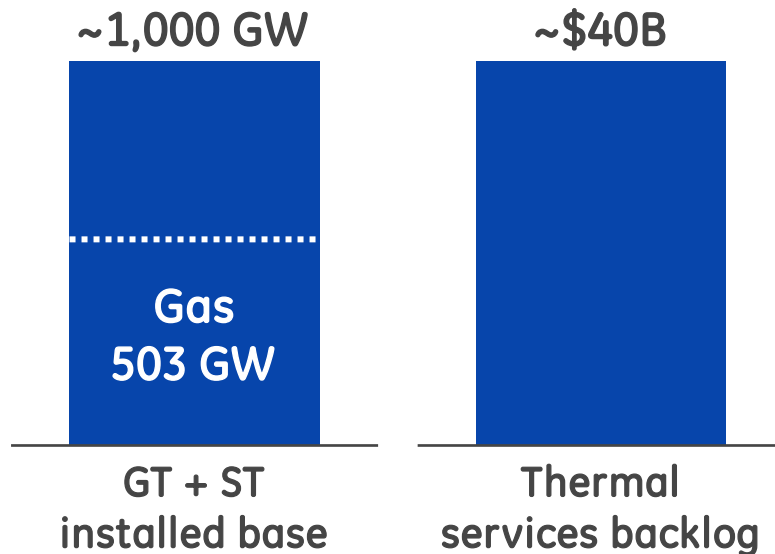
- 1** Grow combined **services** bringing expanded scope to installed base
+ GE's investments in analytics & services technology broadly applicable; improves customer outcomes
- 2** Improved **gas turbine offering** through optimized overall plant performance ... win more
+ Global industry trend towards project solutions for customers
- 3** Expand **renewables** footprint ... diversify with a leading Hydro business
+ Broad set of renewables technologies
- 4** Enhance **emerging markets** capability ... India, China, Brazil, Middle East
+ Alstom adds ~\$10B of revenue to GE's growth market footprint
- 5** Clear **synergies** potential
+ Focus areas ... supply chain, sourcing, R&D, and SG&A

More valuable enterprise ... creates value for customers



Services value creation

GE Power & Water



- ✓ Services ~50% of P&W's revenue
- ✓ Attractive margins

Why we win

- 1 Winning products = installed base growth
- 2 Local capability to support customers
 - 1,500 field engineers + 6,000 service craft labor
 - 100+ countries
- 3 Best customer outcomes driven by Services 2.0
 - CSA model
 - Material science
 - Software & analytics

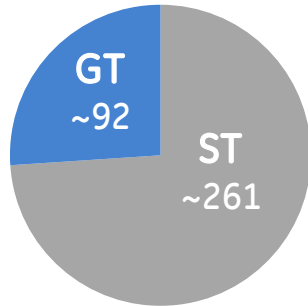
Sustainable and proven business model



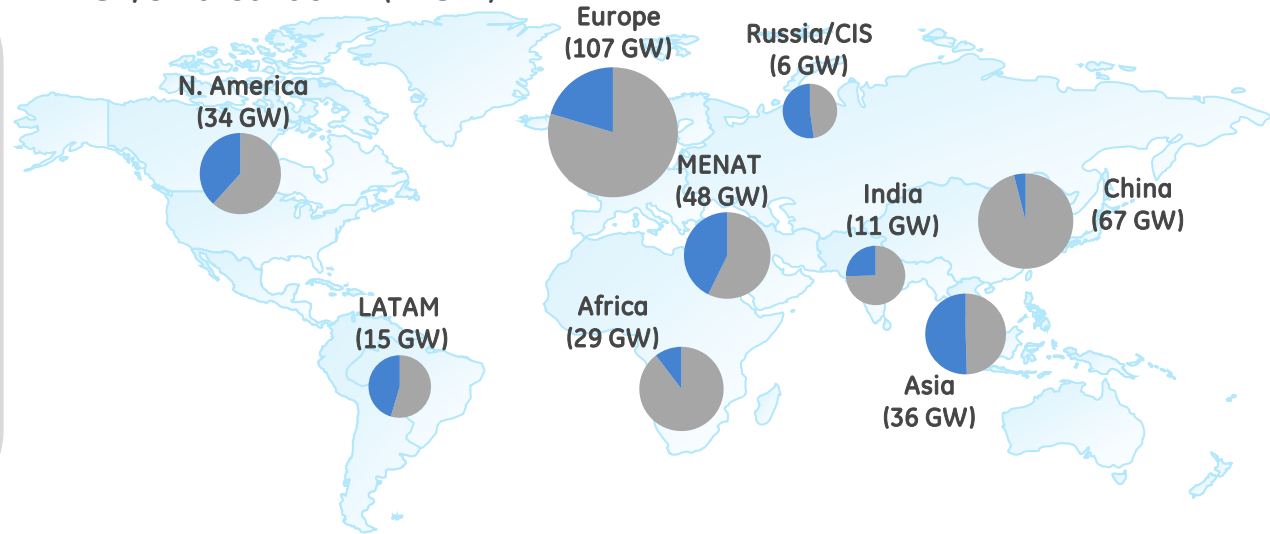
Alstom services expansion

Alstom installed base

Total: 353 GW



Alstom GT/ST breakdown (in GW)



Alstom strengths

- ✓ Large installed base ... +35%
- ✓ Steam, gen & mature fleet capability
- ✓ Global footprint; multi-vendor ability

Synergy focus

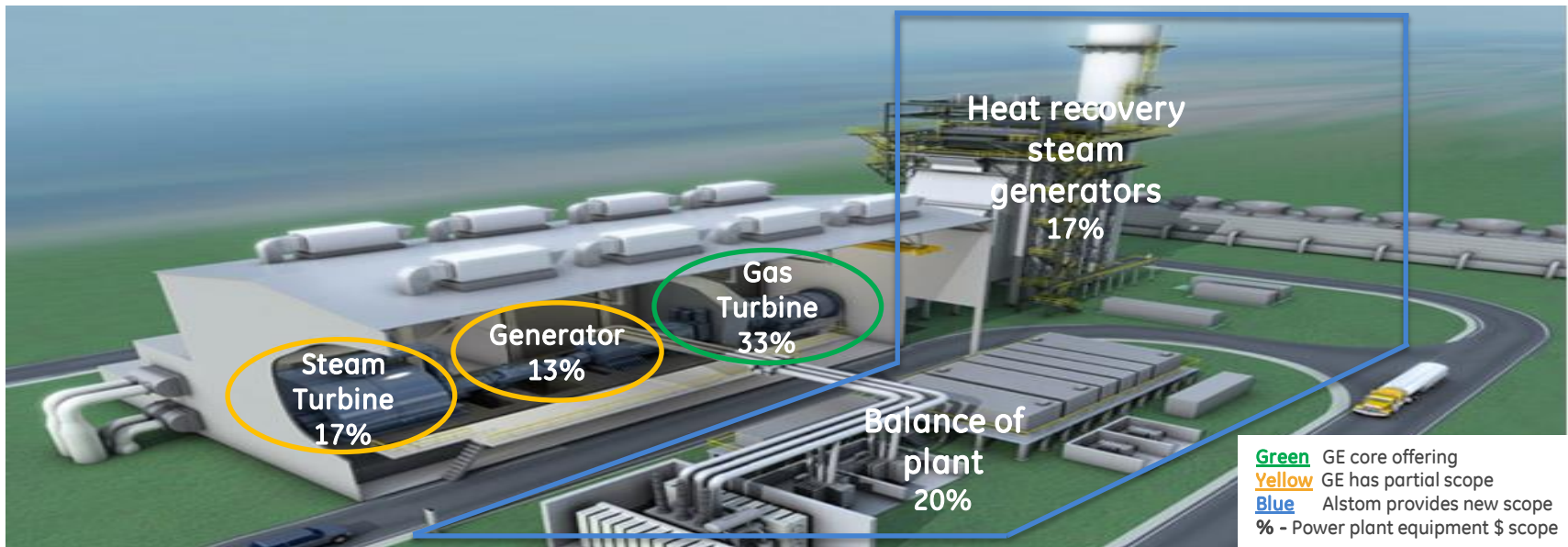
- ✓ Apply CSA model
- ✓ Leverage software & analytics
- ✓ Combined scale for productivity

\$14B of Thermal services backlog ... clear opportunity to apply GE model



Source: McCoy 1980-2012 orders

Expanded power plant scope



- ✓ Customer benefit ... better life-cycle cost, improved value, lower risk
- ✓ 70% of future GT purchases part of combined cycle power plants
- ✓ Improves overall plant efficiency by optimizing total cycle
- ✓ Additional scope drives incremental revenue and margins
- ✓ Extends GE's ability to offer more services to customers

Improves competitiveness



The new Power & Water

~\$43B



Combined revenue estimate

Competitive advantages

- ✓ Enhanced technology position
- ✓ Large installed base
- ✓ Broader global reach
- ✓ Double-digit profit growth

Global platforms

Thermal

~\$24



Renewables

~\$10



Distributed Power

~\$6



Nuclear/Water

~\$3



Services

~\$19



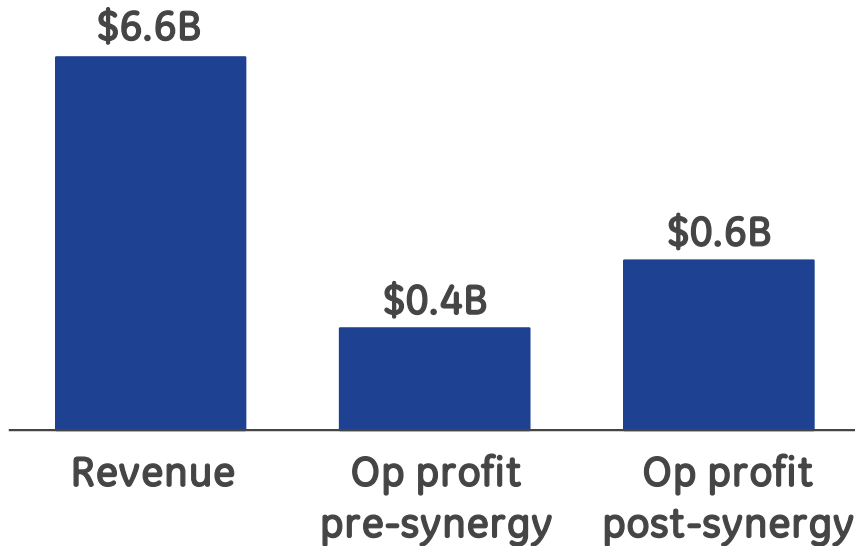
Great business ... attractive returns



Improves Grid franchise

Combined business

(Estimated financials)



- + Complementary products ... Alstom (HV) and GE (MV/LV)
- + Alstom improves global position ... GE focused on North America
- + Solid cost synergies

Creating value

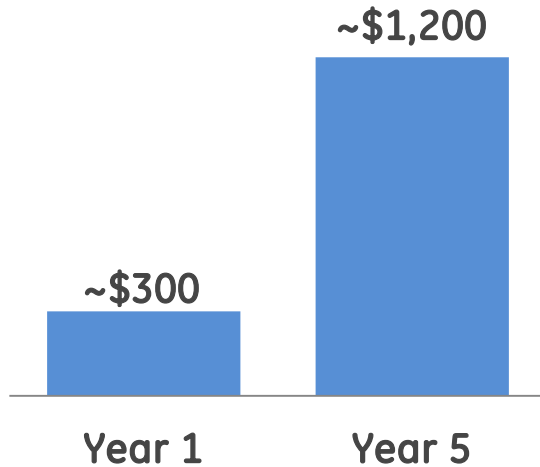
- ✓ Creates a more competitive player ... industry leader earns double-digit margins
- ✓ Alstom enhances project management skills; GE brings industrial access
- ✓ Complements global power customer offering
- ✓ Upside if execution creates customer solutions

Potential for an attractive combined business



Estimated cost synergies

(\$ in millions)



Synergy realization timing

<u>Yr. 1</u>	<u>Yr. 3</u>	<u>Yr. 5</u>
25%	80%	100%

Drivers

- | | <u>\$</u> |
|---|-----------|
| 1 Optimize manufacturing & services footprint
- Consolidation opportunities | ~\$400 |
| 2 Combine sourcing buy
- Achieve 5% savings on common spend | ~\$250 |
| 3 Optimize R&D efforts | ~\$300 |
| 4 Consolidate support functions
- Eliminate duplicate SG&A and public company costs ... <10% combined reduction | ~\$250 |

- ✓ Substantial synergy opportunities ... ~\$900MM cost to achieve by yr. 5
- ✓ Modest revenue synergies assumed ... potential upside
- ✓ Long history of investing in European competitiveness
- ✓ Experienced, proven integration team



Deal assumptions & funding

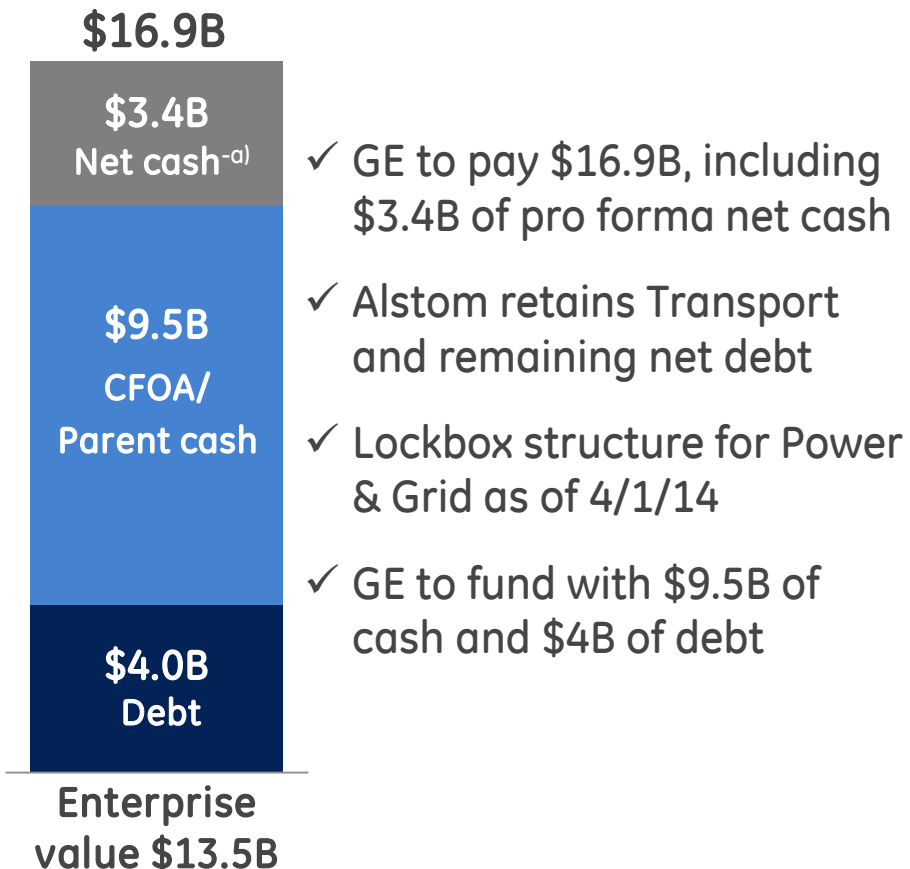
Alstom valuation

Enterprise value	\$13.5B
Standalone EBITDA ^(a) multiple	7.9x
Synergized EBITDA ^(a) multiple	4.6x
IRR	High-teens

Deal assumptions

- ✓ Modest revenue growth
- ✓ Conservative working capital assumptions
- ✓ \$1.2B of cost synergies by year 5, modest revenue synergies
- ✓ Debt to be paid down over 5 years

Deal funding



Clear accountability & transparency ... detailed integration plan



Implications on capital allocation

- ✓ No change to capital allocation strategy ... dividend remains #1 priority ... grow in line with earnings
- ✓ Transaction effectively completes allocation for M&A for 2014 and 2015
- ✓ Buyback for 2014 & 2015 will be limited to employee plan dilution; Retail Finance split-off achieves buyback goals
- ✓ \$4B increase in leverage supported by Alstom cash flows ... to be paid down over 5 years
- ✓ Aggressively working non-strategic portfolio dispositions ... \$4B+

Strategy unchanged ... focused on increasing shareholder value



Summary

Rationale

- ✓ Transaction in line with company strategy
- ✓ Assets we know and like ... at an opportunistic point in cycle
- ✓ Plays to GE's strengths and experience base

Impact

- ✓ Improves Power & Water franchise ... grows installed base, expands scope and capability, reinforces growth markets
- ✓ Improves Grid franchise ... creates a more meaningful global competitor

Value creation

- ✓ Attractive multiple with ~\$1.2B of cost synergies
- ✓ Increases company growth rate, with a higher industrial mix

Strategic opportunity at an attractive price

