

GE 2010 second quarter performance

July 16, 2010

– Financial results & company highlights

"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: 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; 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, network television, 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 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."

"Effective January 1, 2010, 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."



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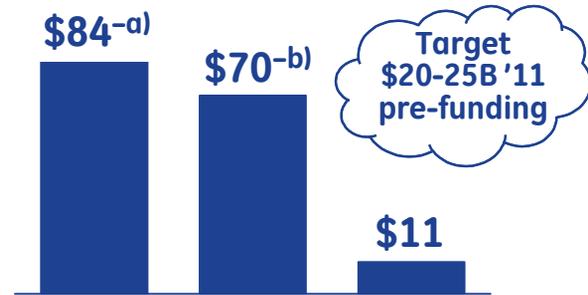
Overview

- ✓ Our environment continues to improve
 - + Media buying
 - + Rail loadings
 - + RPMs ↑
 - + Losses decline
 - + Credit demand ↑
 - + Equipment orders ↑
- ✓ Still cautious in a few areas
 - ✓ CRE working through cycle
 - ✓ Demand for electricity rebounding after declines
 - ✓ Pace of recovery
- ✓ Earnings growth resumes ... EPS +15%
 - + GE Capital losses have peaked ... earnings are rebounding
 - + Strong performance at NBCU, Healthcare, Consumer & Energy
- ✓ Execution is very strong
 - + Increased margins
 - + On track for \$13-15B full year CFOA
 - + \$74B of cash
- ✓ Multiple positive capital allocation options are ahead

Safe & secure

(\$ in billions)

Long-term debt funding



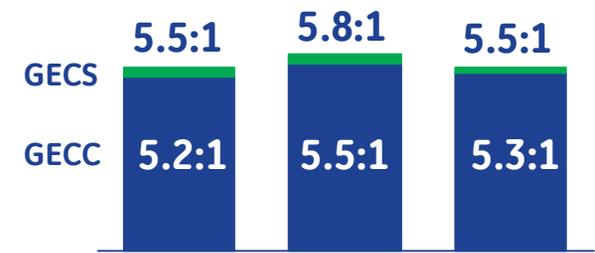
'08 '09 '10 YTD
 (a- Includes \$13B '09 pre-funding
 (b- Includes \$38B '10 pre-funding

GECS commercial paper



4Q'08 4Q'09 2Q'10
 Cash & backup bank lines ~2.5X CP

Leverage^{-c)}



4Q'09 1Q'10 2Q'10
 (c- Net of cash & equivalents with hybrid debt as equity ex-non-controlling interests

Tier 1 common ratio



4Q'09 1Q'10 2Q'10
 GECS equity^{-d)} \$71 \$69 \$67
 (d- Before non-controlling interest

~\$(2.6B)
 Equity impact due to FX

GECC ending net investment^{-f)}



1/1/10 1Q'10 Business reduction FX 2Q'10
 (e- Includes FX (\$6) from 1/1
 (f- Ex. cash & equivalents

Strong liquidity and capital positions

2Q orders +8%

(\$ in billions)

2Q orders \$19.2/8%

	Equipment		Services	
	\$	V%	\$	V%
Energy	\$3.7	19%	\$4.3	-%
O&G	1.3	20	0.8	(3)
Aviation	1.6	(8)	2.3	(5)
Healthcare	2.8	9	1.5	2
Transportation	0.7	F	0.5	(1)
Total	\$10.0	17%	\$9.2	(1)%

Backlog flat ex. FX

Strong backlog (\$B)



Orders profile

Highlights

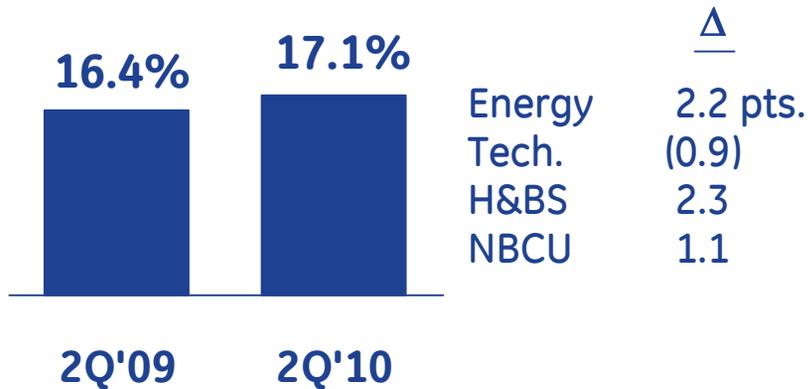


- ✓ Energy Infra. equipment +20%
- ✓ Tech. Infra. equipment +14% ... Healthcare improving, Transportation \$0.4B N. America order
- ✓ Energy Infra. services flat ... adjacency strength, Nuclear fuels down

Orders improving

Expanding margins

Segment op. profit rate (%)



Drivers

- ✓ Positive value gap
- ✓ Positive price
- ✓ 2% deflation
- ✓ Restructuring benefits

Invest in R&D



Deep pipeline of leadership products

- ✓ GEnX
- ✓ 7FA GT
- ✓ 9F Growth GT
- ✓ Tier 4 Evo
- ✓ LED A19
- ✓ Tech-X/Leap-X
- ✓ Qualibria/EMR
- ✓ Head Only 3T
- ✓ Power Haul Loco
- ✓ Smart Appliances

Strong results while reinvesting for organic growth

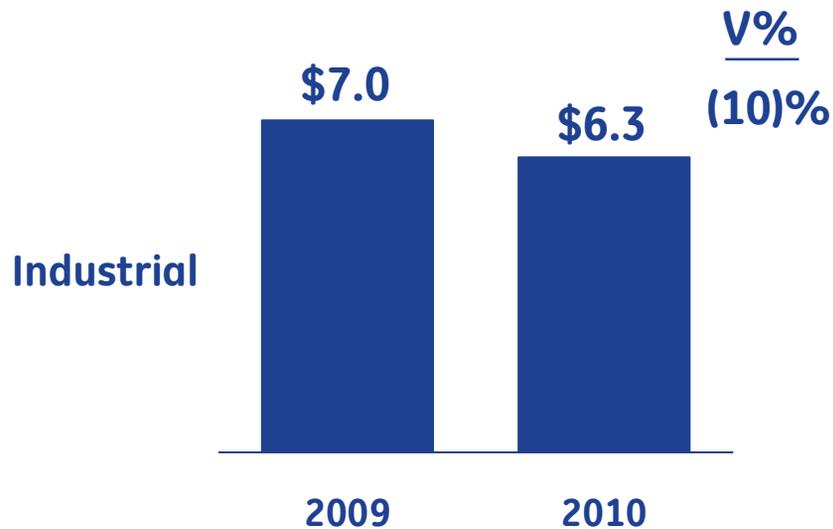


Generating cash

(\$ in billions)

Consolidated cash \$74B

2Q YTD CFOA



- ✓ CFOA 1.1X net income & depreciation
- ✓ Progress balance \$1.5B down offset by \$1.3B working capital improvements

GE cash balance walk

	<u>Total</u>
Beginning balance 1/1/10	\$8.7
CFOA	6.3
Dividends	(2.3)
P&E	(0.9)
Dispositions	1.9
Prefunding of NBCU debt	2.3
Change in debt/FX/other	(3.1)
June 2010	\$12.9

- ✓ Continuing to build cash balance
- ✓ On track for \$13-15B full-year CFOA

2Q'10 performance



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Second quarter consolidated results

(\$ in billions – except EPS)

(\$ in millions)

Continuing operations

	<u>2Q'10</u>	<u>V%</u>
Revenues	\$37.4	(4)%
– Industrial sales	24.4	(6)
– Financial Svcs. rev.	13.1	(2)
Earnings ^{-a)}	3.3	14
EPS ^{-b)}	0.30	15
YTD CFOA	6.3	(10)
– YTD Industrial CFOA	6.3	(10)
	<u>2Q'10</u>	<u>V pts.</u>
Tax rate	21%	13 pts.
– GE (ex. GECS)	28	1
– GECS	Lower benefit	

(a- Attributable to GE

(b- Earnings attributable to common shareowners

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy Infra.	\$9,540	(9)%	\$1,910	3%
Technology Infra.	9,061	(6)	1,554	(11)
H&BS	2,250	4	143	59
Industrial (ex. Media)	<u>20,851</u>	<u>(6)</u>	<u>3,607</u>	<u>(2)</u>
NBC Universal	3,750	5	607	13
GE Capital	12,297	(3)	830	93
			<u><u>\$5,044</u></u>	<u><u>8%</u></u>

Earnings growth resumes

2Q items

(Earnings per-share)

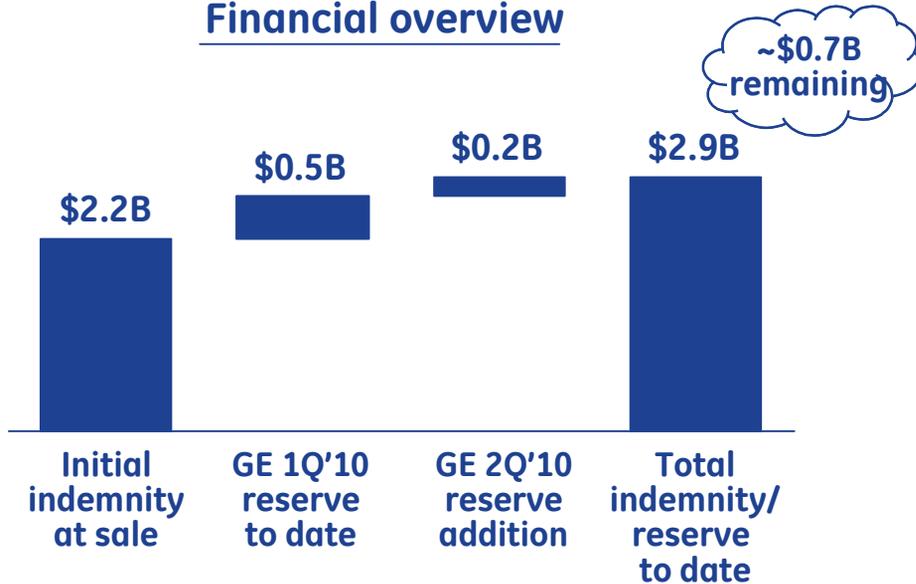
	<u>Impact</u>	<u>Comments</u>
Corporate restructuring & other charges	\$(.01)	✓ Cost-structure improvements
Gains	.01	✓ Aviation, insurance settlement

Discontinued operations

GE Money Japan	(.02)	✓ Grey Zone reserve increase
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Japan consumer run-off

Financial overview



Claims update



- ✓ GE acquired Lake in 1998
- ✓ Japanese Supreme Court changed laws facilitating borrowers reclaiming historical interest above ~18% in 2006
- ✓ Sold Lake to Shinsei in 2008
- ✓ GE responsible for claims > indemnity

- ✓ Average daily claims ~(35)% vs. prior year ... expected to continue to decelerate
 - Book in run-off
 - Loss mitigation efforts progressing
- ✓ June average daily claims ~(14)% vs. May ... largest monthly ↓ since deal closed

Trends improving but slower than expected ... manageable

GE Capital highlights

(\$ in millions)

<u>2Q'10</u>	<u>\$</u>	<u>V%</u>
Revenue	\$12,297	(3)%
Pretax earnings	\$741	F
Net income	\$830	93%
ENI (ex. cash)	\$487B	(6)%
Assets	\$588B	(6)%

Key 2Q business results

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Consumer	\$162	(9)%	\$735	F
Real Estate	77	(9)	(524)	U
CLL	202	(10)	312	28
Aviation	49	3	288	1
EFS	20	(11)	126	94

2Q dynamics

- ✓ \$830 net income ↑93% vs. '09 ... higher core income and lower losses offset by lower gains
- ✓ \$487B ENI (ex. cash) down \$29B VPQ driven by business reductions \$16B & FX \$13B
- ✓ \$40B volume, up \$7.1B VPQ
 - CLL Americas up \$2.4B, underwriting at ~2.6% ROI
 - Consumer up \$3.5B, mainly NA retail
- ✓ \$2.8B losses & impairments, ↓\$0.5B vs. 1Q
 - Consumer losses down \$0.4B, Real Estate unrealized loss estimate down to ~\$6.3B
- ✓ Reserve coverage up 5 bps. to 2.66%
- ✓ ~\$250 cost out ex. FX/acq. vs. '09
- ✓ Announced BAC disposition; planned ENI reduction of \$8B
- ✓ IMA funding seems unlikely

\$830 NI ... losses have peaked; earnings are rebounding



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Financial Reform Bill

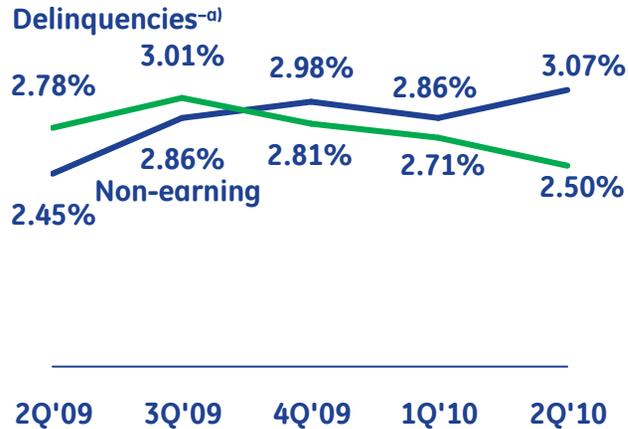
- 1 GE business model remains intact
- 2 Capital requirements should be within GE Capital earnings growth & asset reduction plans
- 3 Supervision will change ... preparing for Fed oversight
- 4 Believe impact of Volcker rule will be limited
- 5 Impact from new late fee rules included in outlook ... no impact from interchange cap
- 6 Expect limited impact from new rules on derivatives & securitization

- ✓ **Outcome as expected & manageable**
- ✓ **Expect final rules to be determined over next 15 months**



GE Capital portfolio quality

Equipment



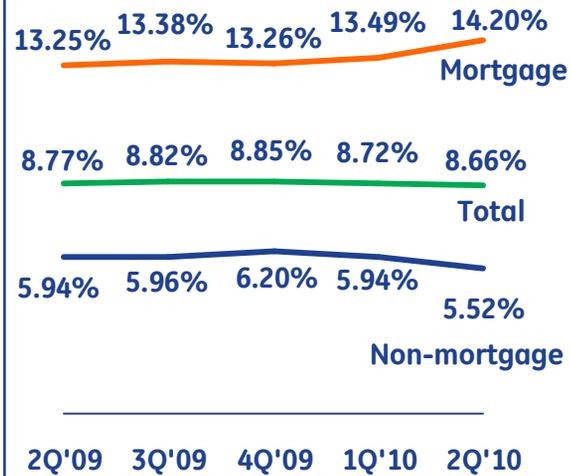
Drivers

- ✓ Delinquencies improving, total CLL non-earning lower, equipment non-earning ↑
- ✓ Restructured accounts removed from delinquency; included in non-earning until account resolved
- ✓ Real Estate delinquencies +43 bps. to 5.40%, non-earning \$'s down

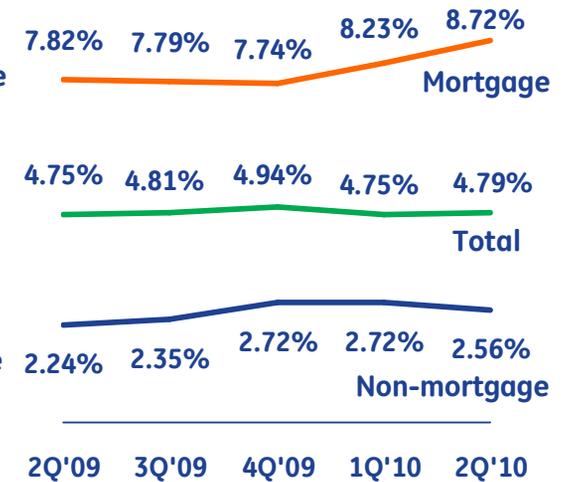
(a- Managed assets)

Consumer

30+ delinquencies^(a)



Non-earning



Drivers

- ✓ North America Retail delinquencies down 87 bps. to 6.29%
 - Low entry rates & better late-stage collections
- ✓ Mortgage delinquency \$ ↓, rate impacted by portfolio run-off
 - ANZ mortgage ↑ 107 bps., U.K. home lending ↑ 47 bps. from 1Q
- ✓ Global banking delinquencies stable at 4.55%

Improvement in most portfolios ... continuing to monitor



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GE Capital reserve coverage

(\$ in billions)

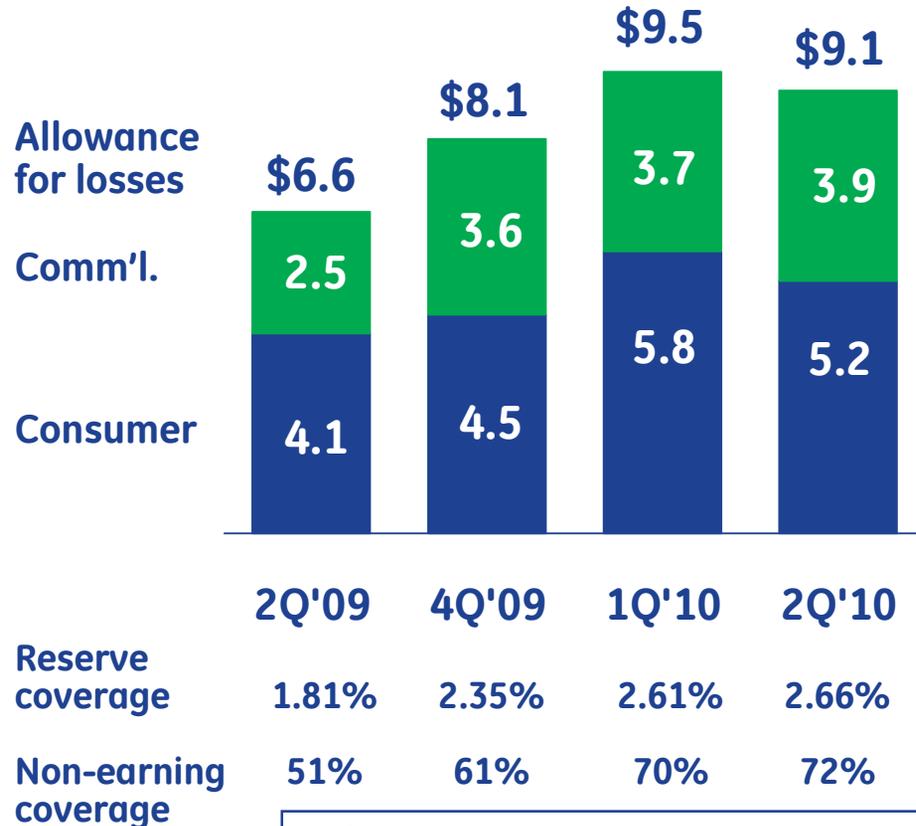
Reserve walk
\$(2.2)B Write-offs
2.0 Provisions
(0.2) FX
\$(0.4)B Change

Commercial

- ✓ Reserves up \$0.2 in 2Q driven by Real Estate ... coverage rate up 18 bps. at 1.87%
 - \$1.8B of CRE reserves ... 73% of impaired loans are current
 - Non-earning down \$(0.5)B vs. 1Q
 - Strong collateral should lead to ultimate loss significantly below non-earning

Consumer

- ✓ Coverage at 3.89%, down 14 bps. vs. 1Q
 - Non-earning down \$(0.5)B vs. 1Q
- ✓ North America Retail
 - Coverage rate at 6.27%
- ✓ Mortgage
 - Coverage at 1.86% up 13 bps., reserve/non-earning at 21% ... net annual write-offs at 50 bps.
 - UKHL: 6 consecutive quarters of positive recoveries ... 117% of carrying value in 2Q'10

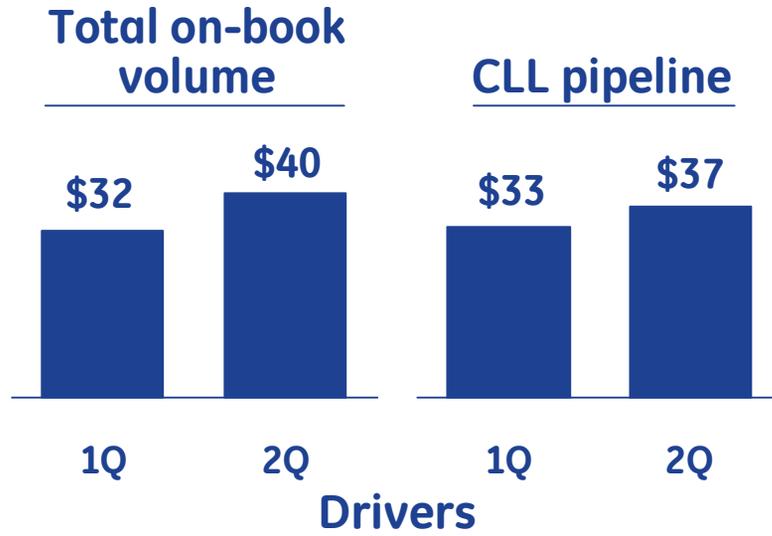


- ✓ Reserves down mainly due to lower assets & FX
- ✓ Overall reserve coverage up

GE Capital strength

(\$ in billions)

Originations improving



- Strong performance in CLL Americas ... 2Q volume up \$2.4 (+75%)
- Retail Finance volume +\$3.2/+19%
- New business ROIs at ~3%

Outlook

Revenue	-	Ahead on ENI ↓
Margins	+/=	New business ROI ~3%
Losses	↓	Improving
Expenses	↓	Continued execution
Pretax	+	} Better
Earnings	+	

Earnings ('10 vs. '09)

CLL	++	U.K. Mortgage	+
NA Retail	++	Verticals	+
Global Banking	+	CRE	-

NBCU highlights

(\$ in millions)

<u>2Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$3,750	5%
Segment profit	\$607	13%

2nd quarter dynamics

- 1 Cable**
 - + Cable performance continues
 - + Strength at USA, Bravo & Oxygen
 - + CNBC +9% profit ... continued lead in biz news
- 2 Broadcast**
 - + Local ad market continues recovery ... strong double digit sales growth
 - +/- NBC ratings down VPY, but summer off to strong start, led by *America's Got Talent*
 - + '10/'11 development well received
 - + Upfront results better than expected
 - + Leno continues as #1 in Late Night
- 3 Film & Parks**
 - +/- Box-office performance improving ... *Get Him to the Greek* & *Despicable Me* (3Q)
 - + Parks attendance and per caps trending better... successful openings of *Potter* and *Kong*
- 4 Digital & Other**
 - = Regulatory reviews for new NBCU joint venture well underway ... EU approval received
 - + NBCU completed \$4B debt offering
 - + Solid growth in digital ad revenues
 - + hulu growth continues



Technology Infrastructure highlights

(\$ in millions)

<u>2Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$9,061	(6)%
Segment profit	\$1,554	(11)%

Key 2Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Aviation	\$4,259	(8)%	\$879	(5)%
Healthcare	4,102	3	661	12
Transportation	709	(34)	26	(89)

2Q dynamics

Aviation

- \$3.9B orders, (6)% ... equipment backlog \$19B, CSA backlog \$59B
- Revenues (8)% ... equipment (4)%, commercial & military service (11)%
- Segment profit (5)% volume pressure offset by solid operations execution & transaction gain

Healthcare

- \$4.3B orders, +6% ... equipment +9%, service +2% ... equipment backlog +19% VPY to \$3.8B
- Revenues +3% ... equipment 6%, services (1)%, electronics supply constraints
- Segment profit +12% ... Life Sciences & HCS strength ... segment profit % +1.2 pts. vs. PY

Transportation

- \$1.2B orders, +84% ... driven by N.A. locomotives
- Lower volume & higher service costs; should begin to improve in 2H

Business performing as expected



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Energy Infrastructure highlights

(\$ in millions)

<u>2Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$9,540	(9)%
Segment profit	\$1,910	3%

Key 2Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy	\$8,027	(8)%	\$1,661	3%
Oil & Gas	1,774	(9)	292	3

2Q dynamics

Energy

- \$8B orders, +8% ... equipment backlog \$11.6B, CSA commitments \$43.9B, +4%
- Revenue (8)% on lower Gas & Wind shipments
- Segment profit +3% ... \$0.3B value gap and productivity offsetting volume decline

Oil & Gas

- \$2B orders, +10% ... equipment backlog \$6.5B, CSA backlog \$3.7B, +2%
- Revenues (9)% ... equipment (7)%, service (11)%
- Segment profit +3% ... driven by positive value gap

Delivered strong financial results in lower volume environment



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Home & Business Solutions highlights

(\$ in millions)

<u>2Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$2,250	4%
Segment profit	\$143	59%

2nd quarter dynamics

1 Growth

- + Core U.S. appliance industry up
- + Continuing to see strength globally in Lighting
- + \$48MM E*Star tax credits for energy efficient appliances
- + R&D +76% YTD

2 Operating drivers

- + Strong deflation and VCP offsetting price reduction for accretive CM rate
- + Base cost below '09 levels
- + Executing Lighting restructuring plans

Driving profitability & positioning for the future



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Thoughts on Europe

Investor questions

GE update

- 1 Will GE Capital losses increase?
 - \$134B of European assets, NI \$183MM up 79% VPQ
 - ~80% of assets secured, losses down 56% VPY
 - <\$300MM sovereign debt held^{a)}
- 2 Will currency translation negatively impact earnings?
 - GE has several manufacturing operations in Europe providing a natural hedge
 - Currency movements historically < \$0.01/quarter
 - GE Capital equity impacted by Euro, but capital ratios still improved
- 3 Could austerity programs slow growth in Europe?
 - Potentially, but only 14% of Industrial revenues are in Western Europe
- 4 Does a lower Euro help European competitors?
 - Potentially, but many competitors have USD-based manufacturing operations

(a- Portugal, Italy, Ireland, Greece, Spain)

Based on what we see today, European volatility should not materially impact GE earnings profile



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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 - Expect more restructuring in 2H
CFOA	\$13-15B	+ Strong execution + Working capital improvements - Lower progress payments

Versus original 2010 framework:

- ✓ GE Capital better
- ✓ Healthcare continuing to improve
- ✓ FX ... affects revenue, negligible on earnings
- ✓ Expect more restructuring in 2H



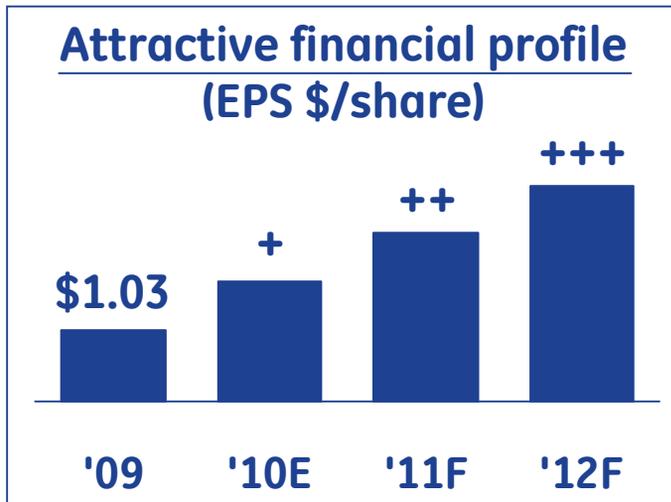
The GE mosaic

2011-2012

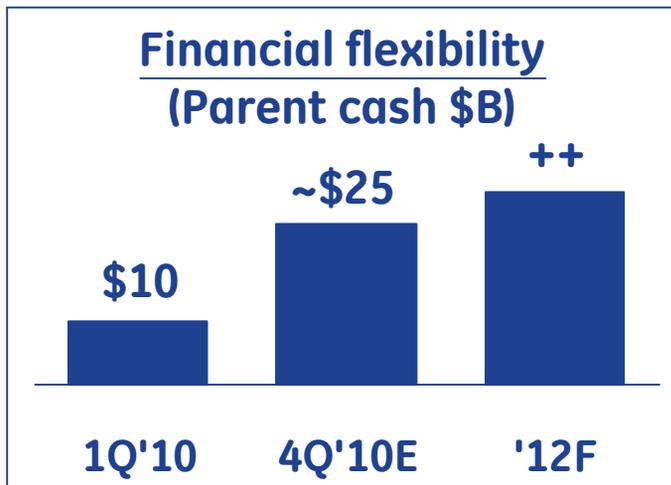
	Headwinds	Tailwinds
GE Capital	<ul style="list-style-type: none"> ✓ Increased regulation ✓ Higher tax rate 	<ul style="list-style-type: none"> ✓ Losses have peaked ✓ New business margins ✓ Competitive position ✓ CRE will extend cycle
Energy	<ul style="list-style-type: none"> ✓ High wind share, but U.S. uncertainty/cycle 	<ul style="list-style-type: none"> ✓ Services & global growth ✓ Policy actions ✓ NPI ✓ Gas strength
Oil & Gas	<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
Home & Business Solutions	<ul style="list-style-type: none"> ✓ Unemployment ✓ Housing starts 	<ul style="list-style-type: none"> ✓ Restructuring benefits ✓ NPI ✓ Energy tax credits, if extended
Corporate	<ul style="list-style-type: none"> ✓ Pension 	<ul style="list-style-type: none"> ✓ Capital allocation ✓ Restructuring

Positioned for attractive earnings growth

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

