

GE 2013 second quarter performance

July 19, 2013

– 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 the European sovereign debt situation; 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; GECC’s ability to pay dividends to GE at the planned level; our ability to convert pre-order commitments into orders; 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; 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.” GE’s Investor Relations website at www.ge.com/investor and our corporate blog at www.gereports.com, as well as GE’s Facebook page and Twitter accounts, contain a significant amount of information about GE, including financial and other information for investors. GE encourages investors to visit these websites from time to time, as information is updated and new information is posted.



imagination at work

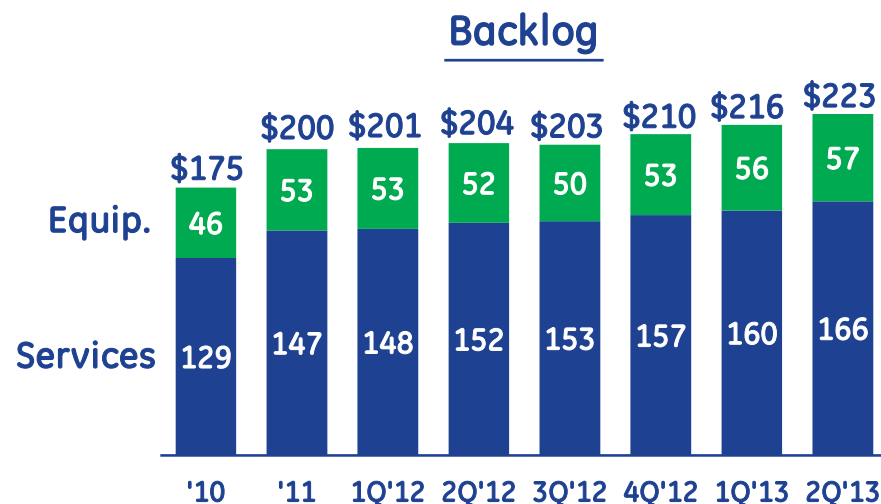
2Q'13 overview

- ✓ Our environment slightly improved from first quarter
 - Emerging markets resilient
 - Europe stabilizing with orders +2%, but still challenging
 - U.S. mixed but strong orders +20%
 - Orders +4% with growth in equipment and services ... backlog increased to \$223B
- ✓ Delivered \$0.36 operating EPS, (5)% with Industrial segment profit +2%
 - GECC earnings (9)% in line with asset reduction ... ENI at \$391B
 - Positive items of \$.02 more than offset by \$.04 of restructuring & other items ... includes \$.02 in Industrial restructuring & continues to offset 1Q NBCU gain
- ✓ Executing on operating priorities
 - Industrial segment margins +50 bps. with growth in 6/7 segments
 - Industrial cost out continues ... \$474MM through the first half
 - Generated \$5.3B CFOA YTD excluding NBCU deal-related taxes (\$3.7B total CFOA); GE Capital dividend \$1.9B ... planning up to \$6.5B in 2013
- ✓ Disciplined & balanced capital allocation
 - \$9.9B cash returned to investors YTD ... \$4.0B dividends & \$5.9B buyback
 - Closed Lufkin in July, Avio on track for 2H

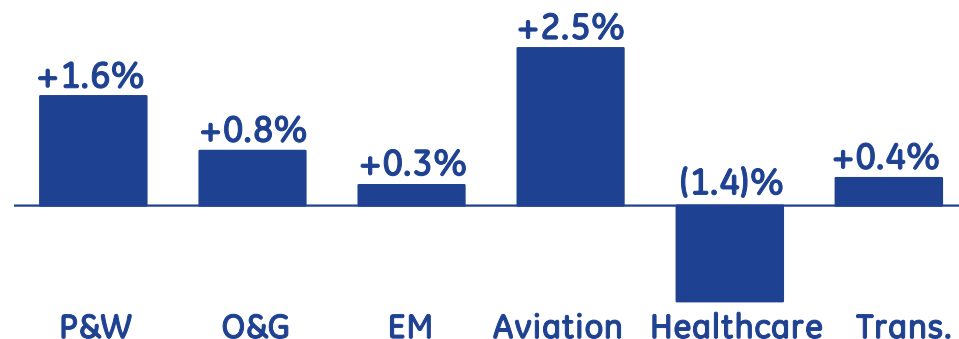
2Q'13 orders \$24.1B, +4%

(\$ in billions)

	Equipment		Services	
	\$	V%	\$	V%
Power & Water	\$3.0	(5)%	\$3.0	2%
Oil & Gas	2.8	42	2.3	8
Energy Mgmt.	1.7	23	0.5	8
Aviation	3.2	7	2.6	1
Healthcare	2.8	4	2.0	(2)
Transportation	0.4	(45)	0.6	7
Total	\$13.5	6%	\$10.6	2%



Orders price profile +0.9%



Highlights

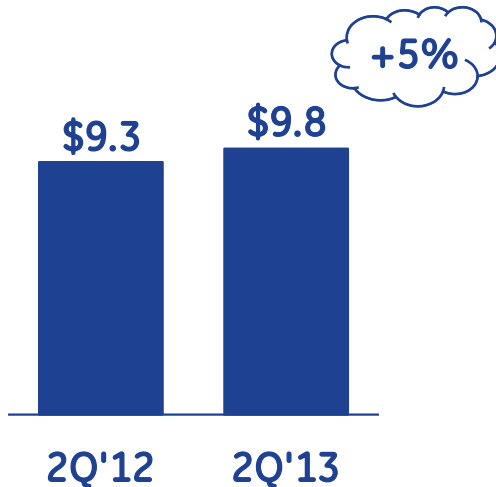
- ✓ Equipment +6% ... book-to-bill 1.1
- ✓ Service orders +2% with 5/6 segments ↑
... P&W services up 13% excluding Europe, Aviation commercial spares +19%
- ✓ China +20%, India +69%, Sub-Saharan Africa +44%, Europe +2%, U.S. +20%
- ✓ Backlog +\$7B ... Aviation and Oil & Gas
- ✓ Positive orders pricing in 5/6 segments

Growth dynamics

(\$ in billions)

Growth markets

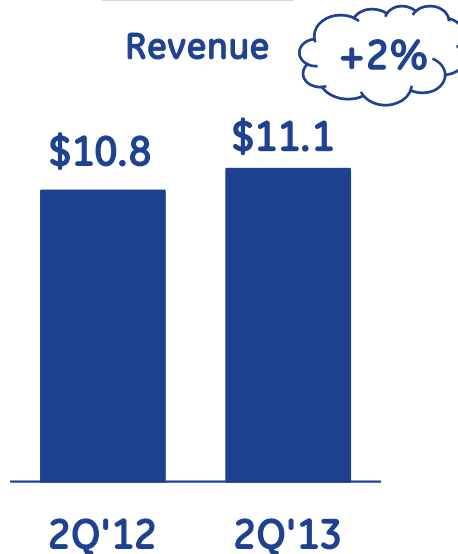
Industrial segment revenue



- ✓ ASEAN +24%, S.S. Africa +66%, Russia/CIS +14%, China +4%, India +32%, Latin Am. ↓ 11%
- ✓ Mining-related regions remain challenged
- ✓ Aviation +14%, Transportation +23%, Healthcare +10%, Oil & Gas +6%

Services

Revenue



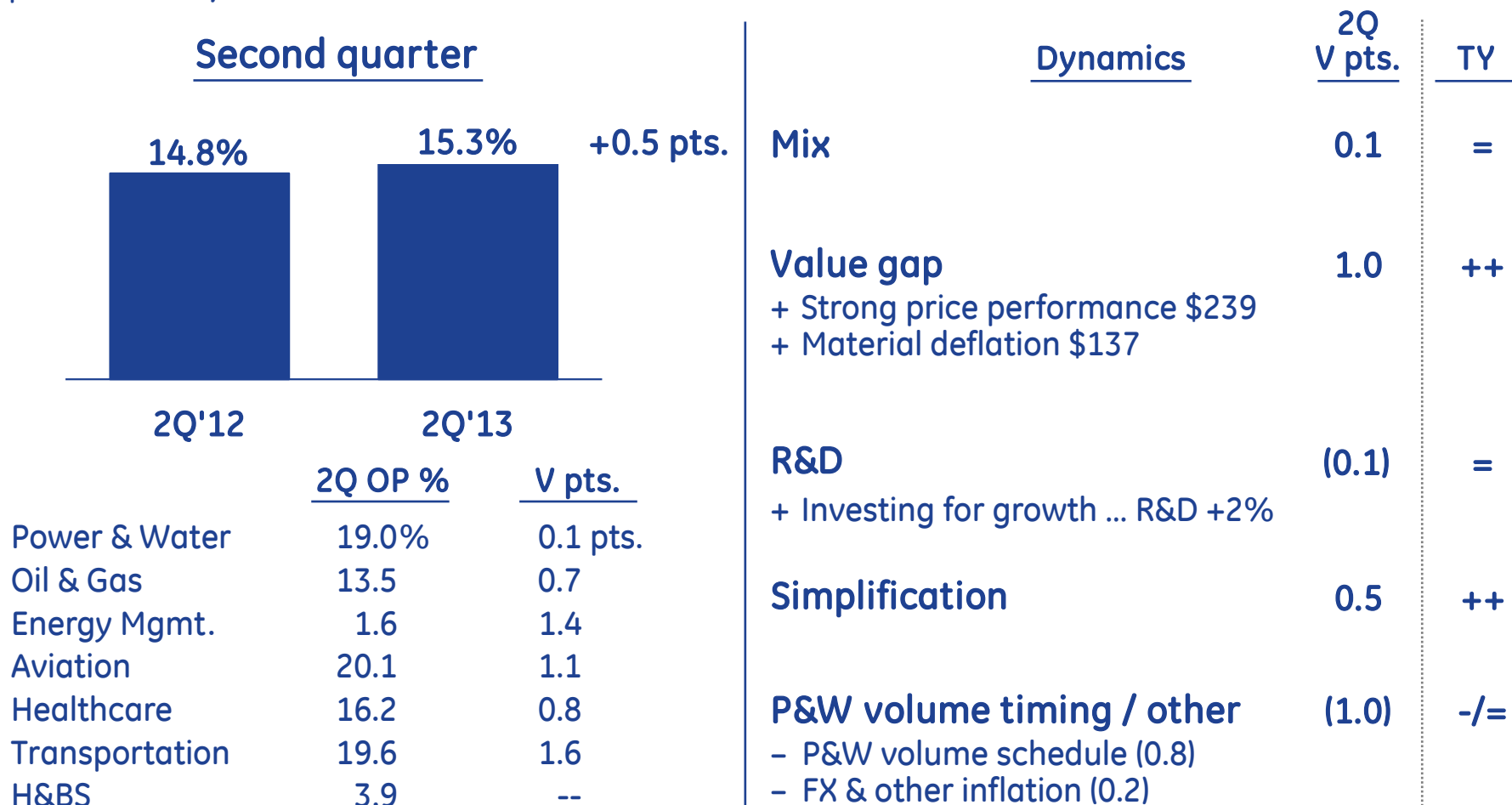
- ✓ Growth in Transportation, Aviation, Energy Mgmt., and Oil & Gas
- ✓ Margins up 70 bps.
- ✓ Backlog +\$6B to \$166B

Technical progress

- + \$26B Paris Air Show wins for GE & partners ... \$9B AirAsia CFM LEAP engines/services
- + Launched Brilliant Wind Turbine ... storage + advanced forecasting = predictable power
- + CFM LEAP core tests exceeding fuel burn expectations
- + Healthcare ... 21 launches through 1H; 29 slated for 2H
- + \$3.3B Lufkin acquisition completed - ↑ breadth in artificial lift
- + First Evolution Series locomotive comes out of Ft. Worth, TX plant
- + GE Predictivity ... Taleris launches Intelligent Operations with Etihad Airways ... 14 advanced gas path upgrades YTD in Power & Water

Operating profit margins

(\$ in millions)

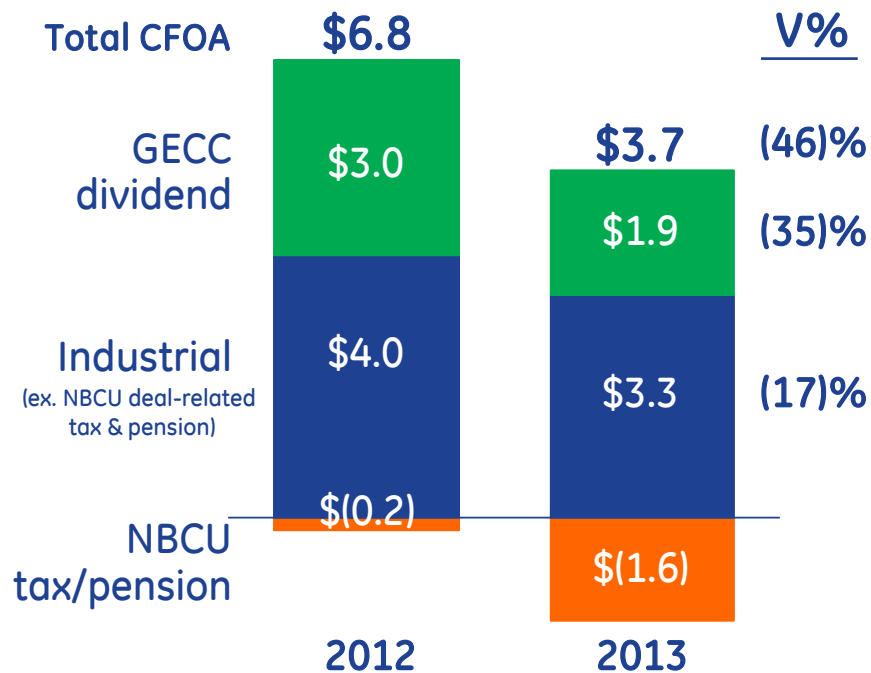


On track for planned 70 bps. increase in 2013

Generating cash

(\$ in billions)

2QYTD CFOA



- ✓ 2Q Industrial CFOA +60% ex. NBCU tax/pension
- ✓ Working capital build to support 2H volume
- ✓ NBCU deal-related taxes dampen CFOA by \$1.6B
- ✓ GE Capital 2Q dividends \$1.9B, up to \$6.5B total year
- ✓ 2H M&A ... Lufkin closed, Avio on track

GE cash balance walk

Consolidated cash \$89B

	Total
Beginning balance 1/1/13	\$15.5
CFOA (ex. NBCU deal-related taxes)	5.3
Dividends	(4.0)
P&E	(1.8)
NBCU JV sale	16.7
NBCU deal-related taxes	(1.6)
Acquisitions	(0.2)
Buyback	(5.9)
Change in debt/FX/other	(4.8)
June 2013	\$19.2

2Q'13 consolidated results

(\$ in billions – except EPS)

	<u>2Q'13</u>	<u>V%</u>
Revenues	\$35.1	(4)%
– Industrial sales	24.6	(2)
– Capital revenue	11.0	(3)
Operating earnings	3.7	(8)
Operating EPS	.36	(5)
Continuing EPS	.31	(9)
Net EPS	.30	3
CFOA YTD	3.7	(46)
– Industrial	1.8	(54)
– Industrial (ex. NBCU, Pension)	3.3	(17)
	<u>2Q'13</u>	<u>2Q'12</u>
Tax rate	8%	12%
– GE (ex. GECC)	17	20
– GECC	1	5

(\$ in millions)

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Power & Water	\$5,715	(17)%	\$1,087	(17)%
Oil & Gas	3,955	9	532	14
Energy Mgmt.	1,981	6	31	F
Aviation	5,303	9	1,067	16
Healthcare	4,490	-	726	5
Transportation	1,597	2	313	11
H&BS	2,127	5	83	5
Industrial	25,168	(1)	3,839	2
GE Capital	10,980	(3)	1,922	(9)
Total segments	<u>\$36,148</u>	<u>(2)%</u>	<u>\$5,761</u>	<u>(2)%</u>

2Q'13 other items

	<u>EPS impact</u>	
Restructuring & other charges	\$(.03)	✓ Structural cost ... \$.02 Industrial, \$.01 Capital
Asset impairment	(.01)	✓ In Corporate
Industrial tax benefits	.01	✓ Tax audit resolution
GECC Fleet Canada exit	.01	✓ Tax in CLL
<hr/>		
Discontinued operations	(.01)	✓ WMC ✓ GE Money Japan

<u>EPS dynamics</u>	<u>1Q</u>	<u>2Q</u>	<u>YTD</u>
Operating EPS	\$0.39	\$0.36	\$0.75
Industrial gain/restructuring	.04	(.02)	.02

Industrial segments

(\$ in millions)

Power & Water

<u>2Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$5,715	(17)%
Segment profit	\$1,087	(17)%

2Q dynamics

- \$6.0B orders (1)%, Europe (40)% ... equipment (5)% driven by Thermal (50)%, partially offset by Wind +55% ... services 2%
- Revenue ... Thermal (28)% & Wind (54)% on lower unit shipments, Distributed Power +4% ... services (3)%, +6% ex. Europe
- Segment profit ... margins +10 bps. driven by value gap and mix

P&W total year dynamics:

- ✓ Volume in line with EPG framework
- ✓ Services margins continue to improve
- ✓ On track for \$250 SG&A reduction

Oil & Gas

<u>2Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$3,955	9%
Segment profit	\$532	14%

2Q dynamics

- \$5.0B orders, +24% ... equipment +42% with Turbomachinery +74% and Subsea +30%, services +8%
- Revenue ... equipment +11% driven by Subsea +28% and Drilling & Surface +19%; services up 6%
- Segment profit ... margins +70 bps. driven by stronger value gap and cost reduction

- ✓ Orders strength continues & drives backlog growth
- ✓ Margins expanding driven by value gap



Industrial segments

(\$ in millions)

Aviation

<u>2Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$5,303	9%
Segment profit	\$1,067	16%

2Q dynamics

- \$5.8B orders, +4% ... equipment +7%, services +1% ... backlog +6% VPQ to \$110B
- Revenue ... equipment +12% driven by higher engine shipments; services +6% ... spares rate +21%
- Segment profit ... margins +110 bps. driven by value gap, offsetting higher R&D

Healthcare

<u>2Q'13</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,490	-%
Segment profit	\$726	5%

2Q dynamics

- \$4.8B orders, +2% ... equipment +4% with U.S. +5%, Europe +7%, China +16%; services (2)%
- Revenue ... growth regions +10% offsetting developed market headwind ... Europe (6)%, U.S. flat & Japan (21)% on weak yen
- Segment profit ... margins +80 bps. driven by cost out and simplification

- ✓ **Aviation ... strong engine deliveries, services; margin expansion**
- ✓ **Healthcare ... strong cost out driving positive leverage**

Industrial segments

(\$ in millions)

Transportation

2Q'13

\$

V%

Revenues

\$1,597

2%

Segment profit

\$313

11%

2Q dynamics

- \$1.1B orders ... equipment (45)% on lighter locomotive & mining volume; services +7%
- Revenue growth driven by services +28%
- Margins +160 bps. driven by value gap & services

Energy Management

2Q'13

\$

V%

Revenues

\$1,981

6%

Segment profit

\$31

F

2Q dynamics

- \$2.3B orders, +19% ... Digital Energy +24%
- Revenue ... Power Conversion +7%, Industrial Solutions +4%, Digital Energy (15)%
- Margins +140 bps. driven by value gap

Home & Business Solutions

2Q'13

\$

V%

Revenues

\$2,127

5%

Segment profit

\$83

5%

2Q dynamics

- Revenue ... Appliances +8% driven by contract channel, Lighting (4)%
- Segment profit ... Appliances improving position, Lighting a drag
- Positive housing trends continue

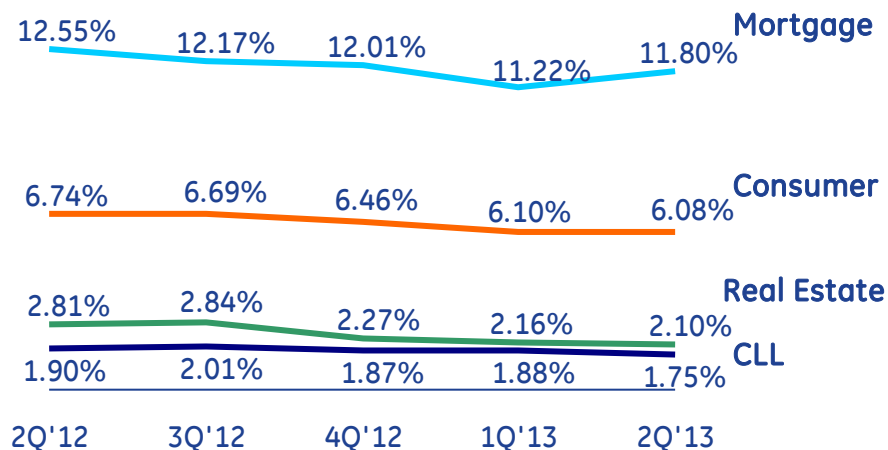
GE Capital

(\$ in millions)

2Q'13	\$	V%
Revenue	\$10,980	(3)%
Pretax earnings	1,950	(13)
Net income	1,922	(9)
ENI (ex. cash)	391B	(9)
Net interest margin	5.0%	18 bps.
Tier 1 common % (B1)	11.2%	108 bps.

	Assets (\$B)		Segment profit (\$MM)	
	\$	V%	\$	V%
CLL	\$174	(6)%	\$825	31%
Consumer	136	1	828	(9)
Real Estate	42	(28)	435	97
GECAS	48	(3)	304	(1)
EFS	18	(6)	60	(51)

30+ delinquencies



2Q dynamics

- Strong performance by CLL & Real Estate driven by platform & property exits & tax benefits
- Consumer down \$(0.1B) driven by maintaining reserve coverage
- ENI down \$40B VPY, down \$11B VPQ
- Volume up 5%, returns holding
- CP at \$36B, strong cash & equivalents at \$70B

2013 operating framework

No update to
operating
framework

<u>Operating earnings</u>	<u>2013E</u>	<u>2013 drivers</u>
Industrial	+ / ++	<ul style="list-style-type: none"> ✓ Planning for slower growth in this environment ✓ Margin expansion
GE Capital	+	<ul style="list-style-type: none"> ✓ Originations at high returns ✓ Continued portfolio rebalancing; lower ENI
Corporate	= / -	<ul style="list-style-type: none"> ✓ Planning for ~\$3B including ~\$0.3B of GECC preferred dividends ... expect restructuring to be offset by gains
Total operating earnings	+ / ++	
CFOA excl. NBCU-related tax	\$17-20B	<ul style="list-style-type: none"> ✓ Planning Industrial CFOA & GE Capital dividends (\$17-20B) offset by ~\$3.2B taxes related to NBCU exit
CFOA incl. NBCU-related tax	\$14-17B	
Total revenues	0-5%	<ul style="list-style-type: none"> ✓ Industrial segment organic +2-6%; likely at lower-end of range; GE Capital revenues 0-(5)%

- ✓ Not counting on environment improving
- ✓ Many things in our control ... backlog, cost out, & capital allocation
- ✓ We compete in diverse, global markets

Investor objectives ...

- | | |
|--|---|
| 1 Double-digit Industrial earnings growth | <ul style="list-style-type: none">✓ 6/7 segments with earnings growth in 1H, 4 segments >10%✓ Power & Water strengthens during the year |
| 2 Planning 70 bps. margin expansion | <ul style="list-style-type: none">✓ Good progress in 2Q, flat 1H ... on track for total year +70 bps. |
| 3 Significant cash from GE Capital | <ul style="list-style-type: none">✓ Returned \$1.9B cash to parent, planning up to \$6.5B in '13; solid earnings, ENI \$391B |
| 4 +2-6% Industrial segment organic revenue growth | <ul style="list-style-type: none">✓ 2Q organic (1)%, +5% ex. P&W ... expect year to be at low end of range |
| 5 Expect to return ~\$18B to shareowners | <ul style="list-style-type: none">✓ Returned \$9.9B through dividends and buyback in 1H |