

GE 2010 third quarter performance

October 15, 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; changes in Japanese consumer behavior that may affect our estimates of liability for Grey Zone claims; 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."



imagination at work

Overview

- ✓ Our environment continues to improve
 - + Media buying
 - + Rail loadings
 - + Revenue passenger miles ↑
 - + Losses declining
 - + Credit demand ↑
 - + Equipment orders ↑

- ✓ Slower recovery in a few areas
 - CRE performing as expected in tough cycle
 - Demand for electricity slowly rebounding after declines
 - Appliances market tougher

- ✓ Earnings growth continues ... continuing EPS +32%
 - + GE Capital environment & earnings continue to improve

- ✓ GE Money Japan discontinued operations reserve substantially increased

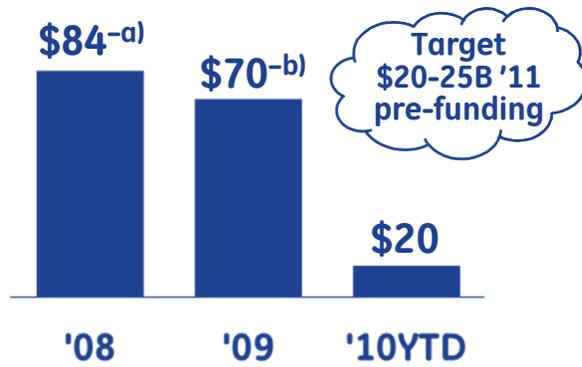
- ✓ Execution is very strong
 - + \$78B of cash & equivalents
 - + Operating margins at 16.4% (ex. NBCU), +40 bps.

- ✓ Executing capital allocation plan
 - + \$0.9B stock buyback 3Q YTD
 - + Dividend +20%
 - + Valuable acquisitions ... Dresser, Citi Retail Card
 - + Adding technology ... Calnetix Power Solutions

Safe & secure

(\$ in billions)

Long-term debt funding



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

GECS commercial paper



Cash & backup bank lines ~2.9X CP

Leverage^(c)



(c- Net of cash & equivalents with hybrid debt as equity ex-non-controlling interests)

Tier 1 common ratio



Well positioned within Basel III outline

GECC ending net investment



(d- Includes business reduction \$(32) & FX \$(19) since 1/1

Strong liquidity and capital positions

3Q orders +7%

(\$ in billions)

3Q orders \$19.4/7%

	Equipment		Services	
	\$	V%	\$	V%
Energy	\$3.2	(5)%	\$4.2	8%
O&G	0.7	(44)	0.9	12
Aviation	2.5	32	2.4	(6)
Healthcare	2.7	8	1.5	1
Transportation	0.9	F	0.5	16
Total	\$10.0	9%	\$9.5	4%

Strong backlog (\$B)



Orders profile

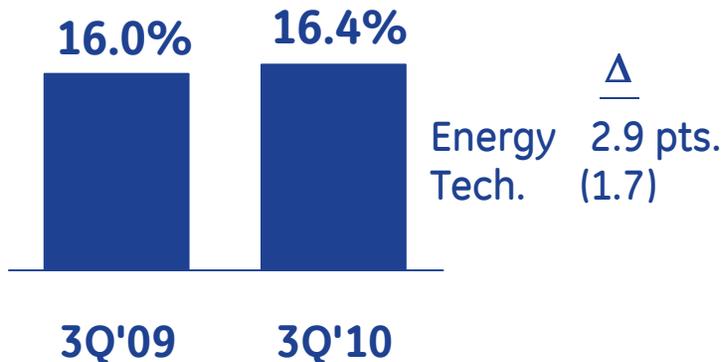


Highlights

- ✓ First quarter in last 2 years with growth in both service & equipment orders (3Q'08)
- ✓ Strong equipment orders growth with large orders in Aviation & Transportation
- ✓ Healthcare China & India orders +20%
- ✓ O&G equipment had \$0.4B of order delays

Execution

Segment op. profit rate % (ex. NBCU)

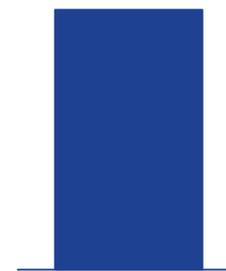


Drivers

- ✓ Positive value gap
- ✓ 2% material cost deflation
- ✓ GENx launch cost

Investing in R&D

+21%



YTD'10 vs. YTD'09

- ✓ Global product leadership
- ✓ Expand core technologies
- ✓ Create lower cost position

Highlights

- ✓ Substantial leadership with GENx & systems on 787
- ✓ Expanded Healthcare product breadth & share gain ... MR, CT, ultrasound
- ✓ Global Rail product launches
- ✓ New Energy product launches: 7F, 9F, Jenbacher
- ✓ New investments scaling: battery, home health
- ✓ Substantial global service shops build out

Maintaining margins while increasing investment in technology



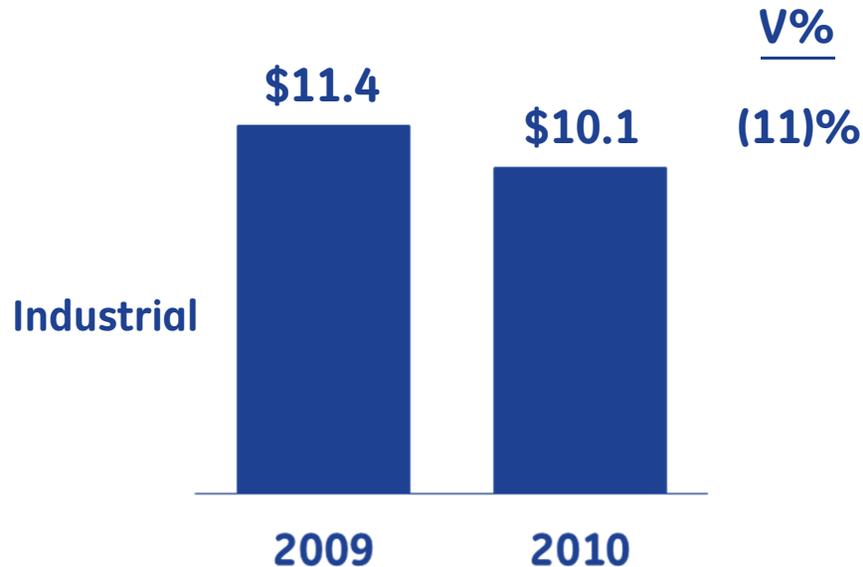
imagination at work

Generating cash

(\$ in billions)

Consolidated cash \$78B

3Q YTD CFOA



- ✓ CFOA 1.3X net income & depreciation
- ✓ Progress balance \$1.4B down offset by \$0.9B working capital improvements

(a- Includes post quarter cash settlement)

GE cash balance walk

	Total
Beginning balance 1/1/10	\$8.7
CFOA	10.1
Dividends	(3.4)
P&E	(1.5)
Dispositions	1.9
Buyback ^{-a)}	(0.9)
NBCU debt raise/VUE buyback	0.3
Change in debt/FX/other	(2.2)
September 2010	\$13.0

On track for high end of \$14-15B full-year CFOA vs. original framework of \$13-15B

3Q'10 performance

Third quarter consolidated results

(\$ in billions – except EPS)

(\$ in millions)

Continuing operations

	<u>3Q'10</u>	<u>V%</u>
Revenues	\$35.9	(5)%
– Industrial sales	23.6	(6)
– Financial Svcs. rev.	12.5	(2)
Earnings ^(a)	3.2	29
EPS ^(b)	0.29	32
CFOA	10.1	(11)
– Industrial CFOA	10.1	(11)
	<u>3Q'10</u>	<u>V pts.</u>
Tax rate	9%	33 pts.
– GE (ex. GECS)	22	–
– GECS	(83)	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.	\$8,359	(14)%	\$1,656	–%
Technology Infra.	9,210	(1)	1,474	(10)
H&BS	2,125	(1)	104	–
Industrial (ex. Media)	19,694	(7)	3,234	(5)
NBC Universal	4,069	–	625	(15)
GE Capital	11,616	(3)	871	F
			<u>\$4,730</u>	<u>11%</u>

Consecutive quarters of earnings growth

3Q items

Continuing operations 3Q'10

Corporate restructuring & other items \$-

Corporate gains \$-

Discontinued operations

GE Money Japan \$(1.1)B

- ✓ Grey Zone reserves at \$1.7B
- ✓ ~24 months coverage

(a- At Sept. '10 FX levels

Japan Grey Zone claims update



- ✓ Claims update
 - May-August normalized claims ↓ ~8.5%/month
 - Takefuji bankruptcy widely speculated in Sept. (filing 9/28)
 - September preliminary claims +17%
- ✓ Updated reserve from low-end of range to best estimate
 - Continuing loss mitigation efforts

Based on what we know today, believe 3Q'10 reserve update fully addresses risks

GE Capital highlights

(\$ in millions)

<u>3Q'10</u>	<u>\$</u>	<u>V%</u>
Revenue	\$11,616	(3)%
Pretax earnings	527	F
Net income	871	F
ENI (ex. cash)	489B	(7)%

Key 3Q business results

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Consumer	\$167	(6)%	\$826	86%
Real Estate	75	(10)	(405)	25
CLL	204	(7)	443	F
Aviation	49	3	158	(16)
EFS	20	(12)	55	34

3Q dynamics

- ✓ \$871 net income ↑ \$730 ... higher core income and lower losses offset by less tax benefits
- ✓ \$40B volume, ↑ 7% VPY
 - CLL YTD volume ↑ 29%, pipeline growing
 - New business returns at 2.9% ROI
 - YTD portfolio margins at 5.2%
- ✓ ENI reduction ahead of plan ↓ \$9B ex. FX VPQ
- ✓ \$2.8B losses and impairments, flat vs. 2Q
- ✓ Reserve coverage up 3 bps. to 2.69%
- ✓ Announced acquisition of \$1.6B assets from Citi ... expect to be immediately accretive

\$871 NI ... earnings continue to rebound

GE Capital portfolio quality

Equipment



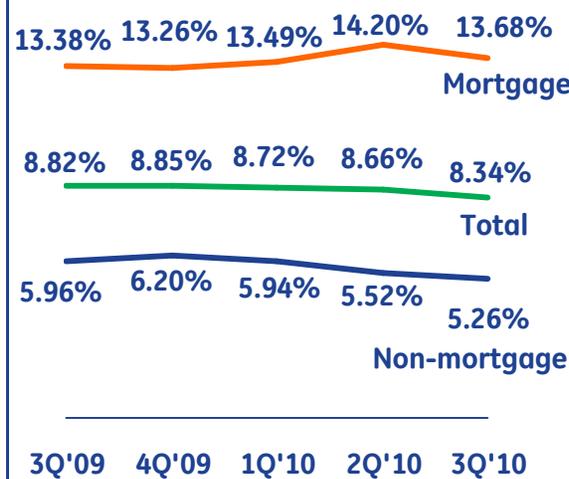
Drivers

- ✓ Delinquencies ↓ (24) bps., improvement across all poles
- ✓ Non-earnings down driven by Americas; well collateralized
- ✓ Real Estate delinquencies +34 bps. to 5.74%; non-earnings down \$(0.2)B, delinquency \$ flat

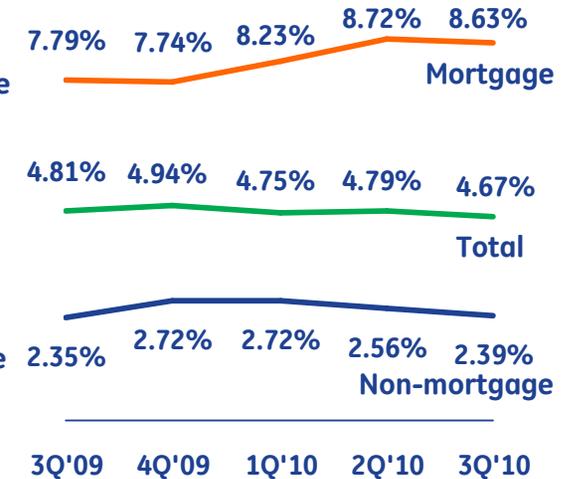
(a- Managed assets)

Consumer

30+ delinquencies^(a)



Non-earning



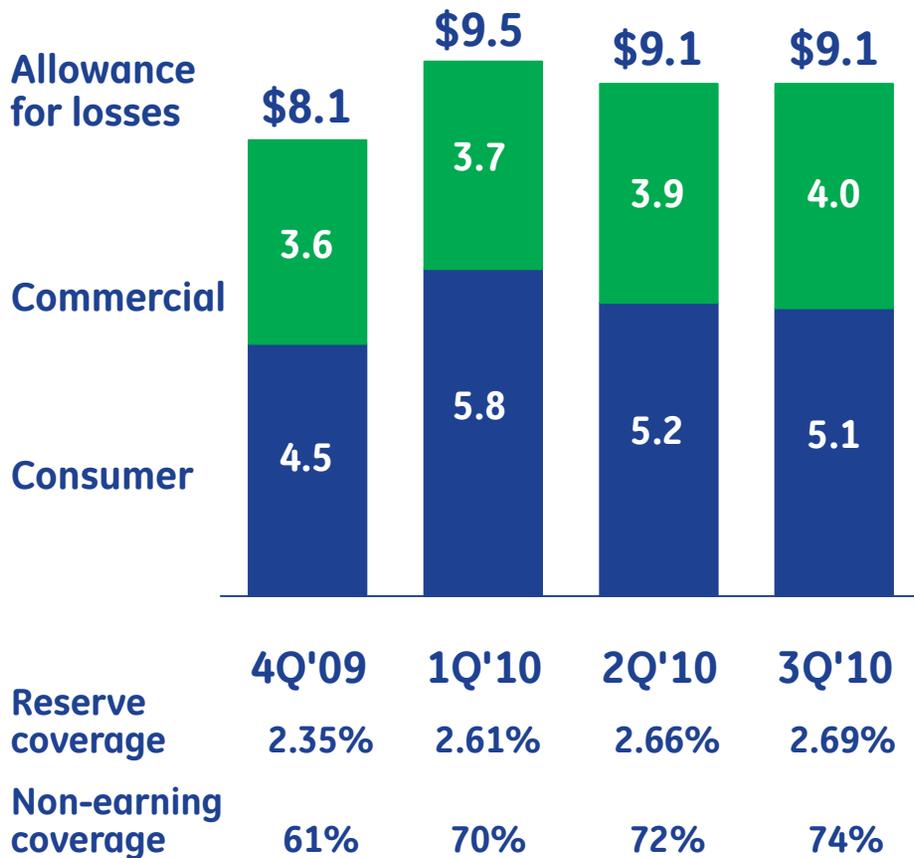
Drivers

- ✓ North America delinquencies ↓ (14) bps. to 6.15%
 - Moving against historical 3Q seasonal increase
- ✓ Mortgage delinquency ↓ (52) bps.
 - U.K. home lending ↓ (139) bps. from 2Q
- ✓ Global banking delinquencies ↓ (17) bps.

Environment continues to improve

GE Capital reserve coverage

(\$ in billions)



Commercial

- ✓ Reserves up \$0.1 in 3Q driven by Real Estate
 - Non-earnings down \$(0.4), ex. FX
 - Strong collateral recoveries

Consumer

- ✓ Coverage at 3.78%, down 11 bps. vs. 2Q
 - Non-earnings down \$(0.4), ex. FX
- ✓ Mortgage
 - Coverage stable at 1.87%, reserve/non-earning at 22%, up 40 bps.
 - U.K. HL: REO stock continues to decline

Reserves stable ... coverage increasing

NBCU highlights

(\$ in millions)

<u>3Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,069	-
Segment profit	\$625	(15)%

	<u>Revenue</u>	<u>Op. profit</u>
3Q'10 reported results	-	(15)%
Impact of 3Q'09 AETN gain, impairments & other charges	+7%	+20%
Adjusted	+7%	+5%

3rd quarter dynamics

1 Cable

- + Continued performance in Cable Entertainment ... solid double digit growth
- + USA #1 for 17th straight quarter... fueled by strong original programming
- + Bravo had its best quarter in the network's history; Oxygen best 3Q ever
- + CNBC +5% profit ... leader in biz news

2 Broadcast

- + Local ad market continues to be robust ... double digit sales growth
- +/- Large investment for new NBC fall season ... season-to-date ratings +4% VPY
- + NFL ratings highest in 14 years, *Sunday Night Football* #1 for 5 straight weeks in primetime
- + Leno continues as #1 in Late Night

3 Film & Parks

- +/- *Despicable Me* projected at over \$500MM worldwide box office; other smaller titles underperformed
- + Parks attendance and per caps up double digits ... driven by very successful openings of *Harry Potter* and *King Kong*

4 Other

- + GE completed purchase of 7.7% of NBCU shares from Vivendi for \$2.0B
- + Regulatory reviews for new NBCU JV in process ... working towards year-end close
- + Completed additional \$5.1B debt offering to meet JV financing requirements in October



imagination at work

Technology Infrastructure highlights

(\$ in millions)

<u>3Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$9,210	(1)%
Segment profit	\$1,474	(10)%

Key 3Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Aviation	\$4,391	(3)%	\$805	(17)%
Healthcare	3,958	4	581	14
Transportation	869	(10)	101	(43)

3Q dynamics

Aviation

- \$5B orders, +10% ... equipment backlog \$20B, CSA backlog \$58B
- Revenues (3)% ... equipment (4)%, commercial & military service (3)%
- GENx shipments

Healthcare

- \$4.2B orders, +6% ... equipment +8%, service +1% ... equipment backlog +18% VPY to \$4.0B
- Revenues +4% ... equipment +5%, services +3%, electronics supply constraints
- Segment profit +14% ... MDx, Life Sciences & HCS strength ... segment profit % +1.3 pts. vs. PY

Transportation

- \$1.4B orders, +122% ... driven by N.A. locomotives
- Lower volume & higher service costs

Environment continues to improve

Energy Infrastructure highlights

(\$ in millions)

<u>3Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$8,359	(14)%
Segment profit	\$1,656	-

Key 3Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy	\$6,812	(15)%	\$1,393	4%
Oil & Gas	1,778	(9)	287	(15)

3Q dynamics

Energy

- \$7.5B orders, +2% ... equipment backlog \$11B, CSA commitments \$44.6B, +4%
- Revenue pressure ... Wind ↓ 32%, \$0.6B vs. 3Q'09
- Segment profit +4% ... \$0.2B value gap & productivity offsetting volume decline

Oil & Gas

- \$1.7B orders, (22)% ... equipment backlog \$6.4B, CSA backlog \$3.8B, +1%
- Equipment project delays
- Segment profit (15)% ... driven by lower equipment volume & FX

Delivered in a tougher environment

Home & Business Solutions highlights

(\$ in millions)

<u>3Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$2,125	(1)%
Segment profit	\$104	- %

3rd quarter dynamics

1 Market drivers

- + Continuing to see strength in Lighting globally
- Core U.S. appliance industry down
- + \$51MM E*Star tax credits for energy efficient appliances

2 Investments for future

- + R&D +27%
- + Lighting announced \$60MM LFL expansion in Bucyrus, Ohio
- + Awarded \$2.5MM federal grants to enhance energy efficiency of Louisville site ... start 4Q

Mixed markets ... maintaining profitability while investing in the future

2010 earnings framework

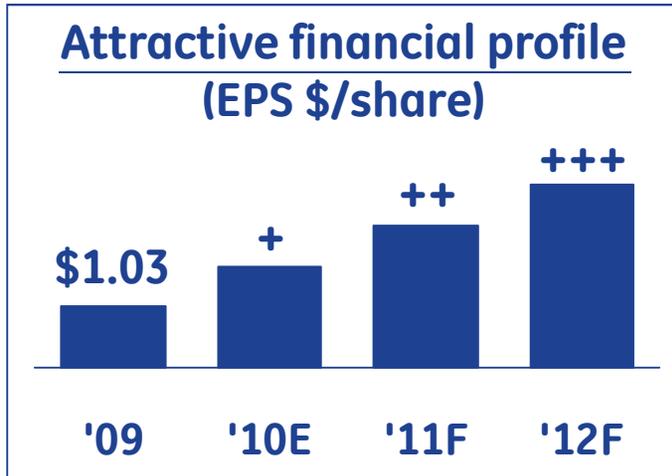
'10E vs. '09

	<u>TY</u>	<u>4Q</u>	<u>Comments</u>
Industrial	~Flat	+	Margin performance
Media	-	+	Markets stronger/Cable & Parks performance
Capital	++	++	Recovery continues
Corporate	Flat/-	-	4Q potential gains, restructuring/other items
CFOA	\$14-15B	\$14-15B	On track for high end

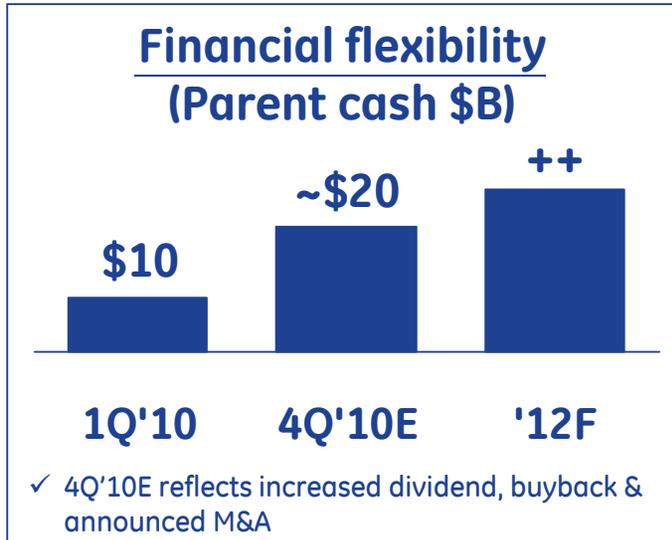
Future:

- + Solid Industrial orders
- + Strong execution & effective capital allocation
- + Proactive to reduce risk in '11
- Pension headwind

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
 - Restarted buyback
 - Increased dividend 20%
 - Strategic Industrial M&A