GE Capital
Aviation Services




Farnborough Air Show
July 20, 2010

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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; 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 results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.

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Agenda

- ✓ **GECAS overview**
- ✓ **Air finance overview/ environment**
- ✓ **Key initiatives**
- ✓ **Conclusions**

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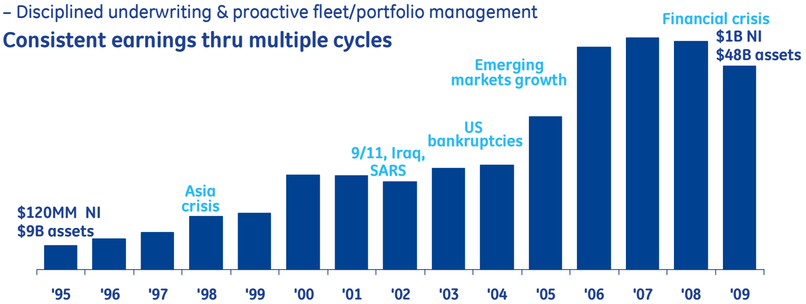
GECAS franchise

- ✓ **A well-established aircraft lessor & financier**
- ✓ **Strong business model**
  - Global distribution
  - Large fleet – 1,500+ owned, 300+ managed aircraft
  - Broad product array & top tier funding
- ✓ **Veteran organization**
  - Longstanding customer relationships & hardware expertise
  - Structured finance & capital markets skills
  - Disciplined underwriting & proactive fleet/portfolio management
- ✓ **Consistent earnings thru multiple cycles**



An industry leader

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Global distribution network

– 25 offices covering airlines in 75 countries

– 11 locations servicing emerging markets

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Multiple customer solutions

Fleet


Narrowbodies


Widebodies


Regional jets

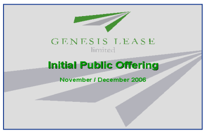

Freighters

Financing


Structured finance

GECAS
PK AirFinance

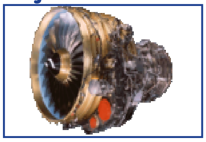
Secured debt



Capital markets

Investor servicing

Adjacent services


Engine leasing


Spare parts


Airport consulting


Airport investing

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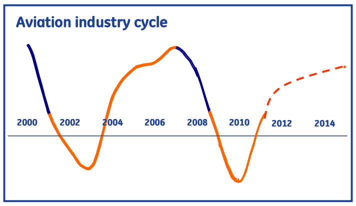
Air finance overview

Airlines
- Cyclical industry
- Broad credit spectrum **but** …

Aircraft
- Portable collateral
- Long-lived assets

Air transportation
- Core infrastructure for an economy
- Huge emerging global consumer base



Down cycle
- **Buy/finance more**
- **Manage fleet**

Up cycle
- **Place forward more**
- **Sell more**

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Market environment

✓ **Airline industry recovering**
- Emerging markets – rapid pax, cargo recovery
- Developed markets – slower growth, yields improving, mergers in process
- Significant fleet replacement needs remain

✓ **Competitive landscape in transition**
- Traditional players - higher funding costs, some seeking scale
- New entrants – Asian banks, PE-backed startups

✓ **Multiple shifts in aircraft technology**
- Regional jets – multiple OEM's
- Narrowbodies – A320 potential re-engine, 737 TBD, new entrants – C series, C919
- Widebodies <300 seats – 787 ideal for long range, A330 works for shorter missions
- Widebodies >300 seats – A350 vs. 777, A380 vs. 748




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Key initiatives

Market environment

✓ Airline industry recovering
✓ Competitive landscape in transition

✓ Multiple shifts in aircraft technology

Actions

1. Capture attractive volume
2. Grow in emerging markets
3. Restock narrowbody orders
4. Expand widebody book
5. Manage lifecycle of existing fleet
6. Manage fleet rolloff & portfolio mix

6 actions key to growing/sustaining the franchise

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1 Capture attractive volume

- ROI's higher post-crisis
- Differentiators – large asset-based deals, multiple products, speed/certainty

airberlin
A320 sale/leasebacks

Emirates
GE90 sale/leasebacks

2 Grow in emerging markets

- $25B assets committed, $550MM '09 NI, 20%+ CAGR since '05
- ~70% of aircraft placements/asset sales – now ramping up volume

$11B BRIC, $5B "Next 11"

AIR CHINA
国家开发银行
China Development Bank
COMAC

Broader China strategy

$2B+/12 countries

Build out Africa

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3 Restock narrowbody orders

– Relatively few slots remaining in existing order book
– Enables fleet rollovers, expansion of customer base, asset sales

AIRBUS BOEING

4 Expand widebody book

– Currently underweight widebodies – 21% of exposure vs. 36% for world fleet
– No unplaced order slots – focus will be on A330, 787, 777 financings

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5 Manage life cycle of existing fleet

– Experienced managing from 737 stage 2 to 737 classics to 737NG
– Narrowbody changes likely 5+ years from now
– Can handle aircraft from factory new to end of life

Pax (<~15 yrs)

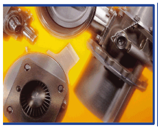
- Pax leases via global network
- Sell aircraft via capital markets-individual investors or pooled vehicles

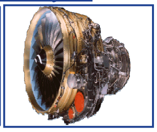
Cargo (>~15 yrs)

中国邮政航空公司 China Postal Airlines

- Substantial conversion expertise
- Leverage global network, tap replacement demand

Part outs (~20+ yrs)





- Leading airframe parts distributor
- Rent or sell engines including parts

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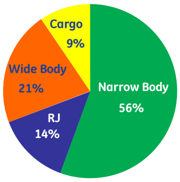
6 Manage fleet rolloff & portfolio mix

✓ **Maintain strong management of aircraft rolloff**

- Have kept AOG's <5 for multiple quarters
- Long established weekly operating processes – placements, repos/collections, watch list
- 70%+ consist of 737 NG/A320/777/A330 types
- Existing fleet 98% placed in '10, 73% in '11

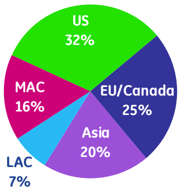
✓ **Have steadily improved portfolio composition in past 5 years**

Aircraft type



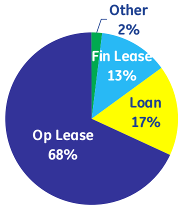
- Vs. world fleet: +14% NB/RJ, -15% WB
- Average age: 7 yrs

Region



- US exposure reduced from 47% in '05
- EU/Canada/Asia up from 40%
- MAC/LAC up from 13%

Products



- More op lease/loan exposure, now 85% vs. 77% in '05

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Conclusions

- ✓ **An industry leader with a broad global network, multiple products, veteran team**
- ✓ **Consistent earnings thru multiple cycles**
- ✓ **Airline industry recovering while competition & technology in transition**
- ✓ **Plans in place to grow/sustain the franchise:**
  - **Attractive volume**
  - **Emerging markets**
  - **Narrowbody orders**
  - **Widebody adds**
  - **Life cycle management**
  - **Fleet/portfolio management**

A high ROI business with substantial domain expertise

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