Invest and Deliver

Simply put, these are the two reasons to own GE. They are the measure of our history and our capacity for growth.

GE’s ability to invest in the right people, technology and businesses ahead of market trends ensures our leadership through any economic cycle. Our foundation of operating rigor and disciplined action allows us to deliver on our commitment to compete and win.

Our ability to invest and deliver enables GE to achieve reliable growth today, tomorrow—and for decades to come.

<table>
<thead>
<tr>
<th></th>
<th>2001 (in $ billions)</th>
<th>2006 (in $ billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSOLIDATED REVENUES</strong></td>
<td>107</td>
<td>163</td>
</tr>
<tr>
<td><strong>EARNINGS FROM CONTINUING OPERATIONS BEFORE ACCOUNTING CHANGES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.6</td>
<td>20.7</td>
</tr>
<tr>
<td><strong>CASH FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>17.8</td>
<td>25.7</td>
</tr>
</tbody>
</table>
A Better Company

Today, GE is a stronger company.

Over the last five years, we have transformed the portfolio with over $80 billion of announced or completed acquisitions and more than $35 billion of dispositions. We have created a faster-growing, higher-returning set of businesses capable of delivering sustained performance.

With these portfolio actions, we have grown revenues over 50%, increased earnings 64%, and converted 100% of earnings into cash, with almost $25 billion of cash flow in 2006. In addition, margins and returns are expanding and organic revenue growth is twice our historic rate.

With the strength of our capabilities, people and portfolio, we are a better company today than ever and we are positioned to invest and deliver for our shareowners.

A BETTER COMPANY

A. High Growth + High Margin + Leadership
   • Healthcare
   • Infrastructure
   • Commercial Finance
   • GE Money
   • NBC Universal
   • Growth Platforms
   • High-Tech Industrial

B. Low ROTC + Volatile
   • Insurance
   • Low-Growth Industrial

GE 2006 ANNUAL REPORT 11
Winning in the Future

Perhaps the clearest view of GE’s growth potential lies in the trends shaping our collective future: the demand for infrastructure globally, growth of emerging markets, the economics of scarcity regarding natural resources, the ever-evolving opportunities of the digital age, the available liquidity in the global capital markets and the unstoppable demographics of healthcare.
By 2010, China’s air traffic is expected to double to 240 million people.
Consumer lending in Russia is projected to grow from $155 billion to over $1 trillion by 2015.

Emerging markets represent regions where new opportunities have converged to enable powerful growth. With an expanding GDP, increased demand for lending and declining unemployment, the Russian market is an ideal opportunity for consumer finance.

GE Money entered the market in 2004 with over 300 sales outlets in 10 cities. In just two years consumer loan assets grew from $50 million to $200 million—with a target of $600 million by the end of 2007.

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2010*</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in $ billions)</td>
<td>22</td>
<td>26</td>
<td>29</td>
<td>&gt;50</td>
</tr>
</tbody>
</table>

*Forecast
We’re devising innovative, sustainable solutions to the environmental challenges of resource scarcity.

In 2005, GE announced its ecomagination commitment—a business strategy to develop products to meet our customers’ environmental challenges while driving growth for GE. The Hamma Desalination Plant in Algeria is one example of this commitment in action. As one of the largest desalination facilities in the world, it will provide 53 million gallons of potable water a day—some 25% of the capital city’s drinking water needs. Projected to generate $1.8 billion in revenues over the next 27 years, the Hamma Plant will help drive growth for GE for years to come.

1.1 billion people lack access to an adequate water supply
We’re using digital technology to improve everything from entertainment to healthcare to consumer finance.

In 2006 we generated $4 billion in revenues associated with digital connections. Our entertainment business is the most visible example of the impact of digitization—enabling the distribution of content across multiple media to capture new users and new revenue streams. NBCU’s iVillage, one of the nation’s most successful online destinations for women, is an exciting new digital property that is helping us drive growth. By 2009, we project our application of digital technologies will reach $8 billion through entertainment, diagnostics, banking and the digitization of health records.

By 2011 there are projected to be 500 million mobile video subscribers worldwide.
The world capital markets have access to more than $2 trillion.

GLOBAL LIQUIDITY

We’re tapping into liquidity to create investor value in a new era of strong global capital markets. GE’s focus on execution and financial discipline helps generate cash flow for reinvestment, and provides the strategic framework to evaluate acquisition, divestiture, and partnership opportunities. In 2006, GE’s Aviation Financial Services (AFS) business sold 41 aircraft to Genesis Lease Ltd., which specializes in airplane leasing. GE tapped into the global capital markets by taking an 11% stake in Genesis’ initial public offering, which raised $641 million on its first day as a public company. Harnessing the power of the global capital markets, GE can continue to manage and strengthen its portfolio of assets to drive growth.
We’re capitalizing on demographic trends by pursuing the right opportunities in healthcare. As the world’s population over 60 is growing at twice the rate of the total population, the cost of healthcare continues to rise. GE is helping to convert this demographic trend into a growth opportunity with a focus on early diagnosis and treatment. By integrating GE’s advanced imaging systems, breakthrough research in biomarker development for early diagnosis of Alzheimer’s disease and software developed by Satoshi Minoshima, M.D. Ph.D., at the University of Washington, physicians can diagnose and detect neurodegenerative diseases before the onset of symptoms.
The trends of infrastructure, emerging markets, environmental solutions, digital connections, global liquidity and demographics will shape the world (and our growth potential) for decades to come.

GE is poised to meet both the opportunities and challenges that these trends present by:

Building businesses that are market leaders.

Operating with financial rigor and discipline.

Generating organic growth through the execution of new processes.

And training our people with the skills to win tomorrow.

GE will invest and deliver.
GE has six strong businesses aligned to grow with the market trends of today and tomorrow. This is not by chance. It is a result of the considered and strategic investment in each business over time—and ahead of external realities.

Investing in our businesses today for future growth requires vision, leadership, expertise and courage.

When done right, these investments pay off in solutions that are matched to market trends and customer needs—and yield long-term, sustainable growth.

**GE Infrastructure**

GE Infrastructure is one of the world’s leading providers of essential technologies to developed and emerging countries, including aviation, energy, oil and gas, rail, and water process technologies and services. GE Infrastructure also provides financing services to aviation, transportation and energy companies.

<table>
<thead>
<tr>
<th>SEGMENT PROFIT</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>(In $ billions)</td>
<td>7.8</td>
<td>9.0</td>
</tr>
</tbody>
</table>
**NBC Universal**

NBC Universal is one of the world’s leading media and entertainment companies in the development, production and marketing of entertainment, news and information to a global audience.

<table>
<thead>
<tr>
<th>SEGMENT PROFIT (In $ billions)</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>NBC Universal</td>
<td>3.1</td>
<td>2.9</td>
</tr>
</tbody>
</table>

**GE Commercial Finance**

GE Commercial Finance offers an array of services and products aimed at enabling businesses worldwide to grow. GE Commercial Finance provides loans, operating leases, financing programs and other services.

<table>
<thead>
<tr>
<th>SEGMENT PROFIT (In $ billions)</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>GE Commercial Finance</td>
<td>4.1</td>
<td>5.0</td>
</tr>
</tbody>
</table>
GE Healthcare
GE Healthcare is a leader in the development of a new paradigm of patient care. GE Healthcare's expertise in medical imaging and information technologies, medical diagnostics, patient monitoring systems, disease research, drug discovery and bio-pharmaceutical manufacturing technologies is dedicated to detecting disease earlier and helping physicians tailor treatment for individual patients.

GE Industrial
GE Industrial provides a broad range of products and services throughout the world, including appliances, lighting and industrial products; factory automation systems; high-performance engineered plastics; security and sensors technology; nondestructive testing; and equipment financing, management and asset intelligence services.

SEGMENT PROFIT 2005 2006
(In $ billions)
2.6
2.7
GE Money is a leading provider of credit and banking services to consumers, retailers and auto dealers in countries around the world, offering financial products such as private label credit cards, personal loans, bank cards, auto loans and leases, mortgages, corporate travel and purchasing cards, debt consolidation, home equity loans, credit insurance, deposits and other savings products.
For decades, GE has unleashed the power of its processes to drive profitable growth. Our reputation for operational rigor is as much a key to our future as it is a legacy of our past. Beyond merely maintaining an unrelenting focus on financial discipline and execution, we are enhancing these capabilities, measurable through key metrics such as operating profit margin and return on average total capital (ROTC).

GE is enriching its services capabilities across businesses and focusing on product innovation to expand individual margin rates by as much as 30%. These efforts together with overhead cost reductions and high-return business investments have increased ROTC, positioning us to reach our goal of 20% by 2008.
Transportation

A great example of a business that is demonstrating reliable execution and financial discipline is Transportation. In 2006, Transportation conducted 200 Lean workouts. Customers saw improved reliability and on-time delivery of GE products, while the Transportation business created additional manufacturing capacity. The team has reduced locomotive build time by 16% as it increases deliveries to emerging markets worldwide. Previously it took us 31 days to manufacture a locomotive. We are now at 26 days, with a target of 10 days.

PICTURED LEFT TO RIGHT
Todd Wyman, Brett BeGole, John Dineen, Julie DeWane, Steve Gray, Tina Donikowski, David Tucker
Growth as a Process

GE is extending its ability to deliver by adding new process capabilities to our operating rigor. Over the past several years we have developed a process that fuels our ability to generate consistent organic growth. We call it Growth as a Process, and it includes six capabilities: 1) Technology, 2) Customers, 3) Globalization, 4) Commercial Excellence, 5) Innovation and 6) Growth Leaders. Our investment in this process is delivering—total assets and orders have grown significantly, and we are generating organic revenue growth at twice our historic rate.

Today, each of our six businesses is investing in this process. Energy is just one example of how Growth as a Process is delivering organic growth. Here is how this process is bringing value to this specific business.

<table>
<thead>
<tr>
<th>TOTAL CONTINUING ASSETS (In $ billions)</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>480</td>
<td>565</td>
</tr>
<tr>
<td>Growth</td>
<td>18%</td>
<td>21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL ORDERS (In $ billions)</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>History</td>
<td>74</td>
<td>90</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ORGANIC REVENUE GROWTH (%)</th>
<th>History</th>
<th>2005</th>
<th>2006</th>
<th>2007*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4</td>
<td>8</td>
<td>9</td>
<td>GDP</td>
</tr>
</tbody>
</table>

*Forecast
Technology investments have helped Energy achieve market leadership, diversify product lines and create an installed base for services growth. The demands of today’s power generation industry require increased operating flexibility over a wider range of operation. Combining GE’s leading power generation and aircraft engine technologies, the LMS100® delivers a single, economical energy solution with maximum performance, improved thermal efficiency and fast start-up times. Part of GE’s ecomagination portfolio, the LMS100 reduces CO₂ emissions by more than 30,000 tons over an average peaking season when compared to other typical gas turbine power plants of its size. This reduction in CO₂ is equal to the amount of carbon dioxide absorbed by nearly 7,400 acres of forest each year. The LMS100 is just one example of how technology helps us to diversify our product portfolio and win.

Technology

We invest in technology to create the best products, content and services—ahead of marketplace demand.
Energy’s relationship with the FPL Group’s subsidiary Florida Power & Light (FPL) exemplifies how we are growing our business in direct correlation to our customers’ needs. A GE customer since 1925, FPL is one of the largest, cleanest and fastest-growing electric utilities in the U.S. Through our relationship with FPL Group, we have grown our business with FPL as well as FPL Energy, providing energy solutions across a range of technologies, including wind, gas, steam and nuclear. Our commitment to customers includes both big-picture thinking and an ability to sweat the small details. When a rare ice storm recently descended on FPL Group’s Horse Hollow Wind Farm near Abilene, Texas, Energy was on hand to help keep things running smoothly.

Customers

We deepen relationships with customers by listening—and then aligning our goals with theirs to help them win.
Growth through globalization is vital for Energy—but more complex than just selling to new regions. It’s about creating a lasting presence from which to build long-term relationships. Energy does this by deploying a “company-to-country” approach—localizing application solutions to meet each region’s unique needs, investing in businesses aligned with regional demographic trends and committing to the communities around the world where we work and live. Pictured here, Saudi Arabia is just one example of how globalization drives growth—yielding $2 billion in orders and commitments for power projects in the past six months.

Globalization

We expand globally by committing to each country where we do business—what we call “company to country.”
Commercial Excellence

We offer what few companies can—the full breadth of GE businesses, offering unique solutions to our customers.

Commercial excellence allows us to use GE’s broad strength and deep expertise in both manufacturing and financing to help our customers win in the marketplace. Energy Financial Services offers unparalleled expertise in investing globally across the capital spectrum in energy and water, backed by the best of GE’s technical know-how. This unique combination enables us to think big and to take a strategic approach to major water and power generation projects. For example, this 11-megawatt solar power plant in Portugal—the world’s biggest photovoltaic project—is financed and owned by Energy Financial Services. This helps our customer—Portugal’s electric transmission company—meet its environmental challenges, providing electricity sufficient to power 8,000 homes and saving more than 30,000 tons a year in greenhouse gas emissions compared with equivalent fossil fuel generation.
For decades, nuclear energy has been an efficient but challenging source of alternative energy. To help meet today’s increasing demand for energy stability and environmental stewardship, Energy has developed a next-generation nuclear plant design that is safe for communities, and sound for investors. The core innovation of the Economic Simplified Boiling Water Reactor (ESBWR) lies in a simplified, modular design that will enable significantly shorter installations, increase safety and deliver an outstanding economic return—with zero greenhouse gas emissions during operation. Together with our investment in coal gasification, this could generate $10–$20 billion in revenues over the next 10 years.
Growth Leaders

We develop leaders with a love of learning, a passion for building teams and a desire to grow.

Led by President and CEO John Krenicki, Energy generated earnings of $3 billion in 2006, an increase of 13%. With innovative products such as the Jenbacher gas engine and LMS100 gas turbine, Energy is generating new growth through new product lines. With greater customer focus through Net Promoter Score and Lean workouts, Energy is improving customer service levels and reducing equipment repair times. Energy is growing globally to meet the unprecedented demand for energy with record orders for wind turbines and a resurgence in gas turbine orders. The power of Growth as a Process is exponentially multiplied when executed by teams. The Energy team is a great example. Pictured here are John Krenicki and his leadership team in action in Schenectady, New York during one of their monthly global operations reviews.
What makes GE people different? Their thirst to learn and their ability to deliver as a team. The idea of teams is simple—but the reality of delivering as a team is not. It requires a culture that values the long view, harnesses change, takes risks, embraces mutual accountability and practices patience. None of this is easy in the competitive world of business. To stay sharp, GE invests $1 billion a year in training.

GE is known for its culture of management and learning, innovation and teamwork. New training courses such as the Leadership Innovation and Growth (LIG) program ensure that our most senior leaders never stop learning by engaging them in team-based training. The program’s team-centric approach cultivates a broad view of the business, expedites best-practice implementation and establishes shared accountability to create growth.
NBC Universal

NBC News has a heritage for innovation that spans decades. Given today’s complex environment, with news content available through an increasing number of media sources, NBC News is meeting this challenge by taking its senior talent through team training to strengthen growth strategies moving forward.

The results? A strategy that places the “Today” show 17 points ahead of its competitors, an 8% increase in viewership for MSNBC (the only cable news network to post gains in 2006), and the most honored newscast with “Nightly News” winning major awards in 2006—including a Peabody, Edward R. Murrow, and DuPont, as well as two Emmys.

PICTURED LEFT TO RIGHT
Phil Griffin, David Gregory, Lyne Pitts, Brian Williams, Al Roker, Steve Capus, Alex Wallace, Robert Dembo, Ann Curry
Aviation Financial Services

With 1,419-owned and more than 300-managed aircraft leased to 230 airlines in 70 countries, the Aviation Financial Services (AFS) team, also known as GECAS, has the international presence and strong customer relationships to adapt swiftly to shifts in this dynamic market.

In 2006 this team demonstrated real results by using its expertise in remarketing and a strong global footprint to move aircraft to fast-growing regions of the world including China, India, Brazil and Russia. AFS has consistently delivered growth—growing assets from $30.5 billion in 2002 to $44 billion today.

PICTURED LEFT TO RIGHT
Anne Kennelly Kratky, Nils Hallerstrom, Henry Hubschman, William Carpenter, Brandon Blaylock, Patty Kaye, Norman Liu, Jim Burke, David Lloyd, Brian Hayden, Dan Colao
Risk Management

Managing risk in financial investing is an important core competency at GE—and by necessity, a team effort. As GE’s financial services activities have grown to $565 billion in assets spanning 55 countries, our risk management capabilities have also developed to foster and manage this growth. GE has dedicated and experienced risk management teams in every business and in every market that we serve.

Building on their 25 years of experience, our most senior professionals engaged in leadership training to challenge assumed expertise and to develop new ways of evaluating risk. In 2006, GE evaluated over $16 billion in acquisitions and over $70 billion of core organic growth.

PICTURED LEFT TO RIGHT
Ray Duggins, David Amble, Samira Barakat, Jim Colica, Bill Strittmatter

Automation and Embedded Systems

2006 was a transformational year for Automation and Embedded Systems (GE Fanuc), a leader in industrial automation and productivity solutions.

Following a series of acquisitions, Automation and Embedded Systems is working as a team to align strategies and to inspire employees toward a unified vision. Training has enabled this team to accelerate action plans that leverage domain expertise to expand its global presence and increase new product introductions—growing annualized revenues by 50% in 2006.

PICTURED LEFT TO RIGHT
Maryrose Sylvester, Rob McKeel, Steve Szamocki, Bill Estep, Rich Carpenter, Matt Hardt, Sheila Kester
Corporate Executive Council

Led by Chairman and CEO Jeff Immelt, the Corporate Executive Council (CEC) knows what it means to invest and deliver for long-term growth. With an average of 20 years of global and multibusiness experience each, this team is helping GE to build the future.
27. Mark L. Vachon  
President & Chief Executive Officer, GE Healthcare, Diagnostic Imaging

28. Mark W. Begor  
President & Chief Executive Officer, GE Money, Americas

29. John Krenicki, Jr.  
President & Chief Executive Officer, Energy

30. John M. Dineen  
President & Chief Executive Officer, Transportation

31. Jeffrey R. Immelt  
Chairman of the Board & Chief Executive Officer, GE

32. Charlene T. Begley  
President & Chief Executive Officer, Plastics

33. Richard A. Laxer  
President & Chief Executive Officer, Capital Solutions

34. Daniel C. Janki  
Vice President, Corporate Investor Relations

35. A. Louis Parker  
President & Chief Executive Officer, Security

36. John M. Samuels  
Vice President & Senior Tax Counsel

37. Jeffrey S. Bornstein  
Vice President & Chief Financial Officer, GE Commercial Finance

38. Robert C. Wright  
Vice Chairman of the Board & Executive Officer, GE

39. Brackett B. Denniston, III  
Senior Vice President & General Counsel

40. Jeffrey A. Zucker  
President & Chief Executive Officer, NBC Universal, Inc.

41. Scott C. Donnelly  
President & Chief Executive Officer, Aviation

42. John J. Falconi  
Vice President & Chief Financial Officer, GE Infrastructure
Governance

The primary role of GE’s Board of Directors is to oversee how management serves the interests of shareowners and other stakeholders. To do this, GE’s directors have adopted corporate governance principles aimed at ensuring that the Board is independent and fully informed of the key risks and strategic issues facing GE. GE has met its goal to have two-thirds of its Board be independent under a strict definition of independence. Today, 12 of GE’s 16 directors are independent.

The GE Board held 10 meetings in 2006, and each outside Board member visited at least two GE businesses in 2006, without the involvement of corporate management, in order to develop their own feel for the Company. The Board focuses on the areas that are important to shareowners—strategy, risk management and people—and, in 2006, received briefings on a variety of issues including: controllership and risk management, global strategy, potential acquisitions and dispositions, operating leverage, growth opportunities, key businesses, competitive strategy, compliance trends and the impact of macroeconomic trends on the Company. At the end of the year, the Board and each of its committees conducted a thorough self-evaluation as part of its normal governance cycle.

The Audit Committee, composed entirely of independent directors, held 15 meetings in 2006 to oversee our financial reporting activities, the activities and independence of GE’s external auditors, and the organization and activities of GE’s internal audit staff. It also reviewed our progress in meeting the internal control requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and compliance with key GE policies and applicable laws.

The Management Development and Compensation Committee (MDCC), comprised entirely of independent directors, held eight meetings to approve executive compensation actions for our executive officers and to review executive compensation plans, policies and practices, changes in executive assignments and responsibilities, and key succession plans. The Nominating and Corporate Governance Committee, comprised entirely of independent directors, met three times to consider GE’s governance charter and practices and director nominations. The Public Responsibilities Committee, in four meetings, reviewed GE’s 2006 Citizenship Report, Environmental, Health and Safety operations, GE’s public policy agenda and the GE Foundation budget.

Finally, we want to thank Bill Conaty for his 40 years of loyal and valuable service to the Company. As head of Human Resources, Bill led by example and helped develop a generation of GE leaders.
To Shareowners:

The MDCC is an independent group of directors on the GE Board and has the primary responsibility to establish, review and approve the CEO's compensation. In the GE Notice of 2007 Annual Meeting and Proxy Statement (Proxy), we review the details of our plan and the compensation of our senior leaders. I encourage you to review it.

At GE, we believe that goals and metrics drive behavior. On behalf of the Board, we annually set a number of financial, operational and strategic goals for our CEO that we believe create long-term shareholder value. These goals are cascaded throughout the organization. A common mission drives all of our great team's behavior.

Our CEO's execution versus these goals sets his incentive compensation for 2006 and the total variable compensation pool for the Company. Our job, as your advocate, is to not only be transparent, but also to use our judgment in compensating our leaders. We believe that the tone for performance and compensation starts at the top of an organization.

In 2006, Mr. Immelt received a base salary of $3.3 million. Based on his solid accomplishments, versus our goals, we paid him an incentive compensation of $5 million. In addition, we awarded Mr. Immelt 250,000 performance share units. The value of all of Mr. Immelt's outstanding stock awards appears in the Proxy as being worth $7.4 million, but they are, in fact, largely worthless unless Mr. Immelt delivers on shareholder value and cash flow growth. In all, Mr. Immelt works without a contract and 70% of his compensation is at risk. Here is how he did in 2006.

Sincerely,

Ralph S. Larsen
Chairman, Management Development and Compensation Committee
February 9, 2007

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<table>
<thead>
<tr>
<th>2006 CEO Objectives</th>
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</thead>
<tbody>
<tr>
<td><strong>FINANCIAL OBJECTIVES</strong></td>
</tr>
<tr>
<td>Revenues (in $ billion)</td>
</tr>
<tr>
<td>Earnings from Continuing Operations (in $ billion)</td>
</tr>
<tr>
<td>EPS ($ per share)</td>
</tr>
<tr>
<td>CFOA (in $ billion)</td>
</tr>
<tr>
<td>ROTC (%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>STRATEGIC &amp; OPERATIONAL GOALS</strong></th>
<th><strong>ASSESSMENT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad operating strength across the Company</td>
<td>Company had an excellent year; 11 of 14 reported businesses had earnings growth of 10%+</td>
</tr>
<tr>
<td>Sustain a strong balance sheet and high cash flow</td>
<td>&quot;Triple-A&quot;-rated with more than $18 billion returned to shareholders through buyback and dividends</td>
</tr>
<tr>
<td>Create a more valuable portfolio</td>
<td>Board supports offensive portfolio moves to improve GE</td>
</tr>
<tr>
<td>Drive 8% organic growth</td>
<td>High-performance growth initiative is delivering results... achieved 9% in 2006</td>
</tr>
<tr>
<td>Retain an excellent team and a strong culture</td>
<td>Metrics on retention remain excellent... 95%+ senior managers retained</td>
</tr>
<tr>
<td>Manage risk and reputation</td>
<td>GE remains one of the most admired companies ... FORTUNE (#1), Barron’s (#2) and Financial Times (#2)</td>
</tr>
<tr>
<td>Lead the Board activities</td>
<td>GE has an excellent track record on governance</td>
</tr>
<tr>
<td>Sustain high levels of investor communication</td>
<td>More than 350 investor meetings held annually</td>
</tr>
</tbody>
</table>

*Including effects of January, 2007 restatement, earnings from continuing operations and EPS were $20.7 and $1.99, respectively.
EXTERNAL DIRECTORS

(left to right)

Claudio X. Gonzalez 1, 2, 3
Chairman of the Board and Chief Executive Officer, Kimberly-Clark de Mexico, S.A. de C.V., Mexico City, and Director, Kimberly-Clark Corporation, consumer products. Director since 1993.

Robert W. Lane 1
Chairman of the Board and Chief Executive Officer, Deere & Company, agriculture and forestry equipment, Moline, Illinois. Director since 2005.

Andrea Jung 2, 3

Susan Hockfield 3, 4
President of Massachusetts Institute of Technology. Director since 2006.

Roger S. Penske 4
Chairman of the Board, Penske Corporation, Penske Truck Leasing Corporation and United Auto Group, Inc., transportation and automotive services, Detroit, Michigan. Director since 1994.

A.G. Lafley 3
Chairman of the Board, President and Chief Executive, The Procter & Gamble Company, personal and household products, Cincinnati, Ohio. Director since 2002.

James I. Cash, Jr. 1, 4
Retired James E. Robison Professor of Business Administration, Harvard Graduate School of Business, Boston, Massachusetts. Director since 1997.

Sam Nunn 2, 4
Co-Chairman and Chief Executive Officer, Nuclear Threat Initiative, Washington, D.C. Director since 1997.

Ann M. Fudge 4
Former Chairman and Chief Executive Officer, Young & Rubicam Brands, global marketing communications network, New York, New York. Director since 1999.
Sir William M. Castell ⁴
Former Vice Chairman of the Board, General Electric Company. Director since 2004.

Douglas A. Warner III ¹, ², ³

Ralph S. Larsen ⁷, ⁸, ⁹
Former Chairman of the Board and Chief Executive Officer, Johnson & Johnson, pharmaceutical, medical and consumer products, New Brunswick, New Jersey. Director since 2002.

Robert J. Swieringa ¹
Anne and Elmer Lindseth Dean and Professor of Accounting, S.C. Johnson Graduate School of Management, Cornell University, Ithaca, New York. Director since 2002.

Rochelle B. Lazarus ¹, ⁴
Chairman and Chief Executive Officer, Ogilvy & Mather Worldwide, advertising, New York, New York. Director since 2000.

Jeffrey R. Immelt ⁴
Chairman of the Board and Chief Executive Officer, General Electric Company. Director since 2000.

Robert C. Wright ⁴
Vice Chairman of the Board & Executive Officer, General Electric Company. Director since 2000.

¹ Audit Committee
² Management Development and Compensation Committee
³ Nominating and Corporate Governance Committee
⁴ Public Responsibilities Committee
⁵ Presiding Director

INTERNAL DIRECTORS
(pictured on page 2)
GE made significant strides in 2006 on the Africa Project, as part of an ongoing $20 million donation effort to bring improved healthcare delivery to rural communities across Africa. With the completion of seven additional sites in Ghana, the value of GE’s Africa investment to date exceeds $12 million and includes 12 hospitals and clinics. The program is now expanding into nine additional countries in Africa. Pictured here are children in Asesewa, Ghana, who will see the benefits of GE’s commitment to “early health.”

Citizenship

GE has a proven ability to impact the communities where employees work and live—and beyond. In 2006, the Company rallied its philanthropy resources to extend the impact to communities around the globe and focus on two central themes—education and healthcare. By integrating Foundation grants, product donations, Company contributions and volunteer resources, GE employees drove substantive change while fostering deep, personal connections that encouraged and inspired communities. Around the world, GE’s employees demonstrated a tireless personal commitment to work together and deliver great outcomes for communities in need.

Employees and retirees combined for more than one million volunteer hours on key community initiatives and total giving by the Company exceeded $200 million in contributions from the GE Foundation and GE businesses. As Company resources continue to focus on U.S. and international education and healthcare issues, GE delivers on its commitment to becoming a good neighbor and a good global citizen.