

GE 2006 first quarter performance

April 13, 2006

- Financial results & company highlights
- 2006 second quarter outlook

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Overview

✓ **GE business fundamentals remain positive**

- 1Q'06 orders +33% ... strength across the portfolio
- Equipment backlog \$29B, ↑ 22%; CSA backlog \$86B, +12%
- Strong asset quality

✓ **Strong first quarter execution**

- Revenues +10%
- GE Industrial op profit, ex. Olympics/pension, +0.5 pts.
- Earnings from continuing operations \$4.0B, +14% ... EPS \$0.39, +18%
- Excellent cash generation, CFOA of \$6.7B, +132% ... Industrial CFOA \$3.3B, +24%
- Stock buyback accelerated to \$3.0B in 1Q'06
- Expanding returns ... ROTC 17%, +1.4 pts.

✓ **Initiatives performing well**

- Organic revenues +9%
- Growth platforms revenues +22%
- Services sales +10%

Strong 1Q'06 execution



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Strategic execution

- ✓ Winning global Infrastructure business & growing the installed base
 - Equipment order rate 2X 1Q'05
- ✓ Sustaining Financial Services growth with high ROE discipline in increasing interest rate environment
 - Exit of Insurance is on track
- ✓ Driving consistent Healthcare growth with a diversified portfolio of leading technologies
 - Revenues +10% & expanding operating profit rate
- ✓ Expanding Industrial operating profit rate
 - + C&I ↑
 - Plastics ↓
- ✓ Turning around NBCU performance with diversified business model & improved programming

Executing a strategy that secures strong long-term growth



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Driving growth

(\$ in billions)

<u>Initiatives delivering</u>	<u>V%</u>	
+ Organic revenue growth	9%	✓ Industrial businesses 8%, Financial Services 10%
+ Product services sales	10%	✓ \$2.4B new CSA commitments ... CSA backlog \$86B, +12% ✓ Transportation +24%, Healthcare +16%, Oil & Gas +11%
+ Growth platform revenues	22%	✓ Strong growth: Security +32%, HCIT +30%, Oil & Gas +20%, Water +17% ✓ 8% organic revenue growth
+ Global revenues	6%	✓ 10% ex. FX, Europe strong ✓ China orders +21%, MEA orders +60%
+ Imagination Breakthroughs	+++	✓ Healthcare finance vertical volume +29% ✓ Expanding digital footprint with iVillage ✓ HDNR revenue growth +69% ... unit orders ↑ 18%

GE growth process delivering results



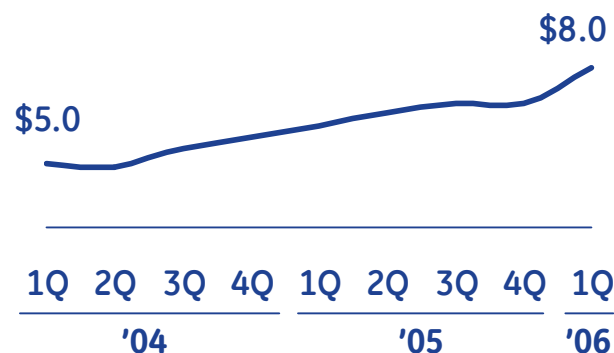
Orders

Major Equipment

(V%)	4Q'05	1Q'06
Aviation	98%	Fav.
Energy	5	60
Healthcare	5	2
O&G	(39)	38
Transportation	(63)	70
Total Major Eq.	2%	67%

- ✓ Excellent Infrastructure orders
- ✓ Healthcare +6% organic
- ✓ Backlog strong \$29B, +22%

(\$ in billions – 4 quarter rolling average)

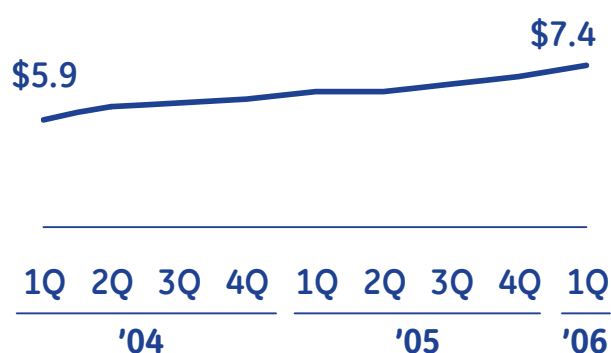


Services

(V%)	4Q'05	1Q'06
Aviation	12%	7%
Energy	16	37
Healthcare	3	9
O&G	2	16
Transportation	5	20
Total Services	12%	20%

- ✓ Energy nuclear fuel reload & strong multi-year contracts
- ✓ CSA backlog \$86B, +12%

(\$ in billions – 4 quarter rolling average)



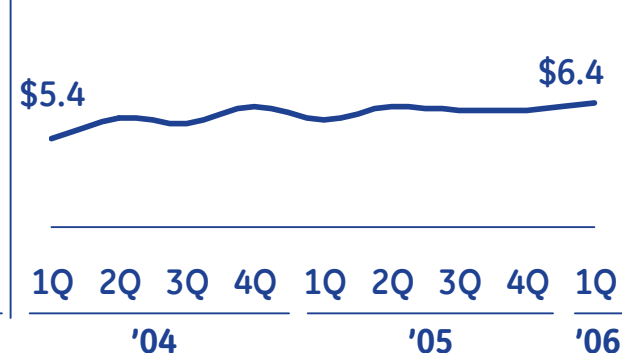
Strong orders

Flow ADOR (organic)

(V%)	4Q'05	1Q'06
C&I	5%	10%
Plastics	(2)	2
Security	18	12
Total Flow	3%	8%

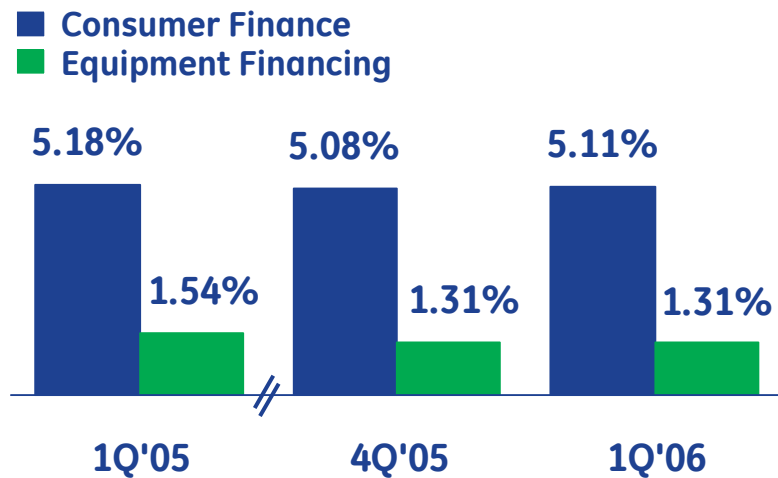
- ✓ U.S. solid +6%, Europe rebound +8%; Asia strong +17%
- ✓ Plastics volume +6%, price (4)%
- ✓ Strong March +11%

(\$ in billions – current quarter)



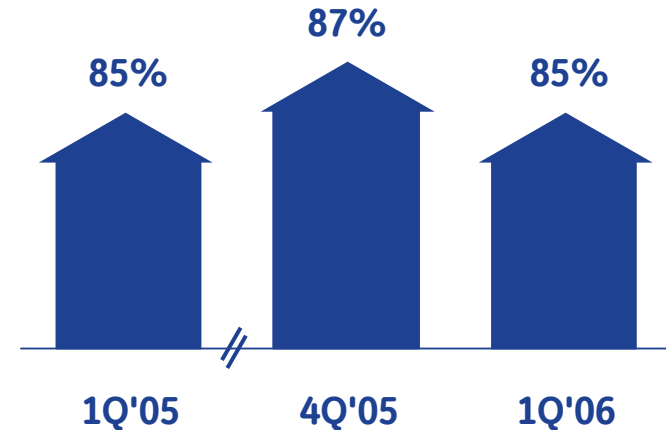
Portfolio quality

Delinquencies %



- Stable Consumer credit quality
- Equipment delinquency remains low
 - Non-earning assets ↓, write-offs ↓

Utilization %



	<u>1Q'06 utilization</u>	<u>V 1Q'05</u>
Penske	92%	(2)pts.
Rail	86	+3
Trailers	83	+1

- ✓ Solid & stable portfolio quality
- ✓ Utilization rates continue at high levels

First quarter consolidated results

(\$ in billions – except EPS)

Continuing operations

	<u>1Q'06</u>	<u>V%</u>
Revenues	\$37.8	10%
– Industrial sales	23.1	11
– Financial Svcs. revenues	14.7	8
Earnings	4.0	14
EPS	.39	18
CFOA YTD	6.7	132
– Industrial CFOA	3.3	24

<u>Earnings Δ (\$B)</u>	
1Q'05	\$3.6B
"Operations"	0.5
Pension	(0.1)
1Q'06	\$4.0B

+17%

<u>Tax rate %</u>		
	<u>1Q'06</u>	<u>Δ</u>
GE (ex. GECS)	24%	(2) pts.
GECS	14%	4 pts.

Strong performance

Executing Insurance strategy

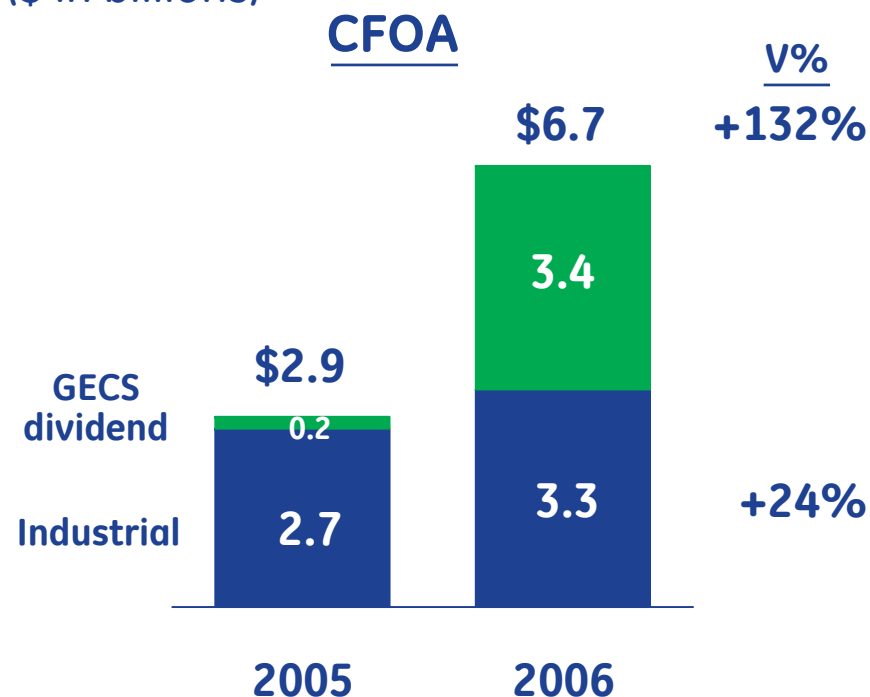
(\$ in billions – except EPS)

	1Q'06		
	<u>Earnings</u>	<u>EPS</u>	<u>1Q'06 EPS dynamics</u>
Continuing operations	\$4.0	\$.39	✓ Discontinued operations impact
			– Sold remaining Genworth shares ... exit complete } \$.01
			– Exiting GE Life business }
Discontinued operations	0.3		
			– Insurance Solutions net earnings \$135MM \$.01
Net earnings	\$4.3	\$.41	

Insurance Solutions on track for 2Q closing ... up to \$3B cash

First quarter cash flow

(\$ in billions)



- Stock repurchase \$3.0B, 88MM shares
- GECS dividend \$3.4B, +\$3.2B
 - \$2.5B special dividend from GNW secondary offering
 - Regular GECS dividend at 40%

Cash balance walk

	<u>Total</u>
Beginning balance	\$2.0
CFOA	6.7
Dividends	(2.6)
Stock repurchase	(3.0)
P&E	(0.9)
Acquisitions/dispositions	(1.6)
Change in debt/other	<u>1.2</u>
March	\$1.8

Continued very strong cash flow

GE first quarter segment operations

(\$ in millions)

	Revenues			Segment profit ^{-a)}		
	\$	V%	V-Est.	\$	V%	V-Est.
Infrastructure	\$10,152	8%	✓	\$1,703	11%	✓
Industrial	8,140	6	✓	600	14	✓ -
Commercial Finance	5,484	8	✓ +	1,174	27	✓ +
Consumer Finance	5,090	9	✓	836	14	✓
Healthcare	3,659	10	✓	496	21	✓ +
NBC Universal	4,482	24	✓	654	(8)	✓

Broad-based strength ... delivered on expectations

(a- Financial Services on an after-tax basis)

2006 second quarter operations outlook

Continuing operations

	<u>2Q'06 outlook</u>	
	<u>Revenues V%</u>	<u>Segment profit V%^{-a)}</u>
Infrastructure	5-10%	10-15%
Industrial	~5	15-20
Commercial Finance	~10	~15
Consumer Finance	5-10	~15
Healthcare	~10	15-20
NBC Universal	~0	~(10)

Total company 2Q'06 outlook

(\$ in billions - except EPS)

	<u>\$</u>	<u>V%</u>
Revenues	~\$39-40	6-9%
Earnings	\$4.8-5.0	10-14%
EPS	\$.46-.48	12-17%

(a- Financial Services on an after-tax basis)

2Q EPS guidance of \$.46-.48, +12-17%

Segment highlights – Infrastructure

(\$ in millions)

Infrastructure – 1Q'06

	\$	V%
Revenues	\$10,152	8%
Segment profit	\$1,703	11%

Key 1Q business results

	Revenues		Segment profit ^(a)	
	\$	V%	\$	V%
Aviation	\$3,041	17%	\$645	22%
Aviation Finc'l. Svcs.	934	14	206	26
Energy	3,835	(3)	436	(24)
Energy Finc'l. Svcs.	301	32	117	24
Oil & Gas	772	20	55	Fav.
Transportation	1,023	35	204	Fav.

(a- Industrial operating profit; Financial Services on an after-tax basis)

1st quarter dynamics

- Orders +61%; Equipment backlog +25%
- Strong revenue growth
 - Aviation & Transportation ↑ ... units + services
 - Energy GT units ↓ 13 vs. 1Q'05
 - Oil & Gas ... strength across all product lines
- Segment profit on-track
 - Op profit expansion at Aviation, Oil & Gas and Transportation driven by strong services, productivity & volume
 - Energy ↓ ... lower units & '05 terminations
- Financial Services verticals remain strong

2Q'06 segment profit dynamics

- Industrial businesses 10-15%
 - Strong equipment deliveries in Transportation & Commercial Aviation
 - Energy services ↑; GT units +1 vs. 2Q'05
 - Services strength across the portfolio
- Financial Services verticals 0-5%

✓ 2Q'06 outlook ... segment profit 10-15%

Energy on track for year

(\$ in billions)

1Q'06 vs. forecast

- ✓ Gas Turbine/Aero unit timing
- ✓ NPI investment timing ... Baglan & new products (IGCC, H technology, ESBWR)
- ✓ Hydro improving but less than plan

TY'06E dynamics

- ✓ Total year units ~140, +13 ... ~90%+ committed
- ✓ Wind as expected ... TY revenues \$3B+
- ✓ Services strong ... 1Q op profit +19%, orders +37%

2006 operating profit Δ vs. '05				
	<u>1Q</u>	<u>2Q est.</u>	<u>2H est.</u>	<u>TY est.</u>
Power Gen	\$(0.2)	\$(0.1)	\$0.2	\$(0.1)
Services	\$0.1	\$0.1+	\$0.3	\$0.5
Total Energy V%	(24)%	5-10%	25-30%	10-15%
2006 GT units Δ vs. '05				
GT units	21	28	91	140
V GT units	(13)	+1	+25	+13

Segment highlights – Commercial Finance

Commercial Finance – 1Q'06

	<u>\$</u>	<u>V%</u>
Revenues	\$5,484MM	8%
Segment profit	\$1,174MM	27%
Assets	\$195B	4%

Key 1Q business results

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Capital Solutions	\$89	3%	\$339	19%
Real Estate	38	3	441	42

1st quarter dynamics

- Strong volume growth +33%
 - Capital Solutions +12%; Real Estate +110%; CFS +20%
- Strong segment profit growth
 - Capital Solutions strong core growth & lower losses ... acquisitions contributing
 - Real Estate – continued portfolio investment ... capitalizing on market opportunities
- Non-earnings, delinquencies & write-offs ↓ vs. prior year

2Q'06 segment profit dynamics

- Broad-based portfolio strength & global growth
- Stable asset quality

✓ **2Q'06 outlook ... segment profit ~15%**

Segment highlights – Industrial

(\$ in millions)

Industrial – 1Q'06

	\$	V%
Revenues	\$8,140	6%
Segment profit	\$600	14%

Key 1Q business results

	Revenues		Segment profit ^(a)	
	\$	V%	\$	V%
C&I	\$3,534	8%	\$220	33%
Plastics	1,644	0	225	(6)
Equip. Svcs.	1,634	4	16	60

(a- Industrial operating profit; Financial Services on an after-tax basis)

1st quarter dynamics

- Industrial organic orders remain solid
 - Appliances strong +16%
 - Plastics +2% ... volume +6%, price (4%)
- Good revenue performance
 - C&I builder and retail end-markets remain strong
 - Plastics resins volume picking up globally +7%
- Op profit expansion +0.5pts.
 - Plastics price/volume equation tough
 - High-end appliance revenue growth ... Monogram +11%, Profile +18%
- Equipment Services remains strong ... high utilization & continued defleeting

2Q'06 segment profit dynamics

- Industrial 15-20%
 - C&I solid volume growth and price offsets inflation
 - Plastics price/volume tradeoff

✓ 2Q'06 outlook ... segment profit 15-20%

Segment highlights – NBCU

(\$ in millions)

1st quarter dynamics

NBCU – 1Q'06

	\$	V%	V% ex. Oly.
Revenues	\$4,482	24%	5%
Segment profit	\$654	(8)%	6%

Segment profit^(a)

	Q3'06		
	1Q'06		TY'06E
	%	V%	V%
Prime/Stations/ TVPD	25%	(25)%	(20-25)%
News, Cable, Film, all other	75%	22%	10-15

(a- ex. Olympics)

- Entertainment cable +25% ... subscriber fees
 - USA now #1 rated entertainment cable network
- News cable ratings up over 25%
 - CNBC business day & MSNBC prime ↑
- Solid film theatrical and DVD performance
 - *Nanny McPhee*, *Curious George*, *Inside Man*
 - *King Kong* 6.5MM DVDs in the 1st week of release
 - Agreement to exit Dreamworks relationship (distribution/ investment)
- Olympics performance as expected
 - Primetime averaged 20.2MM viewers per night
 - Cable coverage +31% vs. Salt Lake Games
 - nbcolympics.com 2X page views vs. Salt Lake Games
- Prime time making progress ... promising pipeline
 - *Deal or No Deal* top 20 show
 - *Earl* and *The Office* remain strong performers
- Significant progress in digital media

- ✓ **2Q'06 outlook ... segment profit ~(10)%**
 - Prime/TVPD ↓; news, film & cable remain strong
 - Balanced events – IAC in '05; expected station sales in '06



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Segment highlights

Healthcare

1st quarter

	<u>\$</u>	<u>V%</u>
Revenues	\$3,659MM	10%
Segment profit	\$496MM	21%

1st quarter dynamics

- Organic revenue growth +9%
 - CT, U/S, Xray and Europe strength
- Excellent op profit performance
 - Biosciences & Clinical Systems +30%
- IDX off to strong start ... integration going well

- ✓ 2Q'06 outlook ... segment profit 15-20%
 - Services strength
 - Biosciences continues to perform

Consumer Finance

1st quarter

	<u>\$</u>	<u>V%</u>
Revenues	\$5,090MM	9%
Segment profit	\$836MM	14%
Assets	\$159B	6%

1st quarter dynamics

- Assets +6% ... ex. FX +13%, primarily driven by weaker Yen, GBP and Euro
- Global net income remains strong
 - Americas +30%
 - Europe +14%
 - Australia +30%

- ✓ 2Q'06 outlook ... segment profit ~15%
 - Strong global growth
 - Stable asset quality

Summary

+ Strong 1Q'06 performance

- ✓ Revenues +10%; orders +33%; organic growth 9%
- ✓ EPS \$.39, +18%
- ✓ CFOA \$6.7B, +132%

+ Executing on company strategy

- ✓ Driving global Infrastructure → build Services
- ✓ Financial Services growth with ROE ↑ ... exit Insurance
- ✓ Consistent growth of a diversified Healthcare leader
- ✓ Improving GE Industrial op profit rate
- ✓ Driving improvements in NBCU

+ Excellent capital management

- ✓ \$3B buyback in 1Q ... \$7-9B TY
- ✓ Expanding ROTC

Reconfirming total year guidance ... +13-17%, \$1.94-2.02



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