

GE 2005 third quarter performance

October 14, 2005

- Financial results & company highlights
- 2005 fourth quarter outlook

"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 often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties which could adversely or positively affect our future results include: the behavior of financial markets, including fluctuations in interest rates and commodity prices; strategic actions, including dispositions; future integration of acquired businesses; future financial performance of major industries which we serve, including, without limitation, the air and rail transportation, energy generation, media, real estate and healthcare industries; unanticipated loss development in our insurance businesses; and numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive and regulatory 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."



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3Q overview

- ✓ **Business fundamentals remain positive**
 - Continued strong orders, +11% in 3Q
 - Stable asset quality
 - Organization in great shape ... reorganization delivering
- ✓ **Strong GE financial performance in 3Q**
 - Organic revenues +8%
 - Earnings \$4.7B, +15% ... EPS \$.44, +16%
 - Industrial op profit rate 13.7%, up 1.3 pts. ... price > inflation
 - YTD CFOA \$14.7B, +51% ... Industrial CFOA \$9.2B, +20%
 - Increased buyback to over \$4B in TY'05
- ✓ **Initiatives continue to deliver**
 - Services sales +9%, CSA backlog up 14% to >\$83B
 - Growth platform revenues +24%
 - Global revenues +16%
- ✓ **Strong momentum closing TY'05**
 - 8% TY organic revenue growth
 - EPS guidance to high end ... now \$1.81-1.83, +12-14%
 - CFOA ~\$20B, up more than 30% ... above TY'05 plan

Strong quarter ... well positioned to deliver 2005



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Customer wins

- **Infrastructure** ... awarded \$2.4B contract for development of the F136 engine for the Joint Strike Fighter program; GEnx selected by Continental Airlines for 10 Boeing 787 aircraft; announced Water collaboration with Gen-Probe, Inc. to develop, produce and market biological testing technologies
- **Healthcare** ... agreed to acquire IDX, a leader in information technology software; signed exclusive marketing agreement with InSightec Image Guided Treatment Ltd. to sell devices which non-invasively treat uterine fibroids
- **Commercial Finance** ... completed Genworth secondary offering of 116MM shares generating \$3.3B net proceeds; won a contract with IMAX Corp. to provide financing for new theaters; announced strategic partnership with Greystar Real Estate to acquire and develop multifamily properties in the U.S. & Canada
- **Consumer Finance** ... signed agreements to purchase a 43% stake in Hyundai Card, 25.5% stake in Garanti Bank AS, Turkey's third largest privately owned bank, and majority interest in Keppel Bank Philippines; won U.S. program to partner with IKEA to offer private-label credit cards
- **Industrial** ... Plastics China revenue growth +61%; acquired Everest VIT, Inc., an industrial remote visual inspection technologies company; continued investment in high-end products delivering, e.g. Monogram +17%
- **NBC Universal** ... strong film performance; *Today* show momentum continues with increasing lead-in viewers and 507 consecutive weeks in first place; Entertainment Cable remains strong, viewers ↑; Nightly News +16% in total viewers on coverage of Hurricane Katrina

Driving growth

(\$ in billions)

3Q'05 organic revenue growth +8%

<u>Initiatives delivering</u>	<u>Revenue</u> <u>V%</u>	
+ Product services sales	9%	✓ \$3.0 new CSA commitments ✓ Energy +10%, Healthcare +8%, Aviation +7%, Rail +39%
+ Growth platform revenues	24%	✓ Strong growth: Security +99%, Water +35%, Oil & Gas +15%, Healthcare IT +9% ✓ 9% organic revenue growth in 3Q'05
+ Global revenues	16%	✓ China +17% ✓ Asia +15%, Europe +21%
+ Imagination Breakthroughs	+++	✓ Began front-end design of U.S. cleaner coal plant ✓ Expanded Consumer Finance to 8 new developing countries in 3Q (+27% developing country asset growth)

Growth initiatives delivering

Orders

Major Equipment

(V%)	3Q'05	3Q YTD '05
Aviation	59%	9%
Energy	7	27
Healthcare	7	26
O&G	75	59
Rail	(15)	27
Total Major Eq.	16%	27%

(\$ in billions – 4 quarter rolling average)

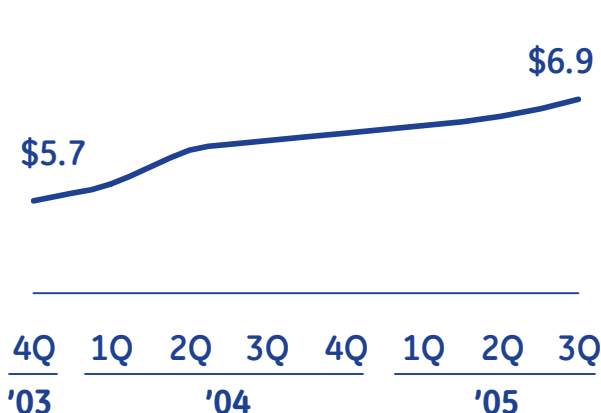


Services

(V%)	3Q'05	3Q YTD '05
Aviation*	13%	11%
Energy	6	4
Healthcare	9	8
O&G	33	28
Rail	29	21
Total Services*	13%	11%

*Ex. Garrett

(\$ in billions – 4 quarter rolling average)



Flow (ex. acq./disp.)

(V%)	3Q'05	3Q YTD '05
Appliances	6%	7%
Industrial Sys.	6	7
Lighting	2	6
Plastics	8	9
Security	9	11
Total Flow	5%	7%

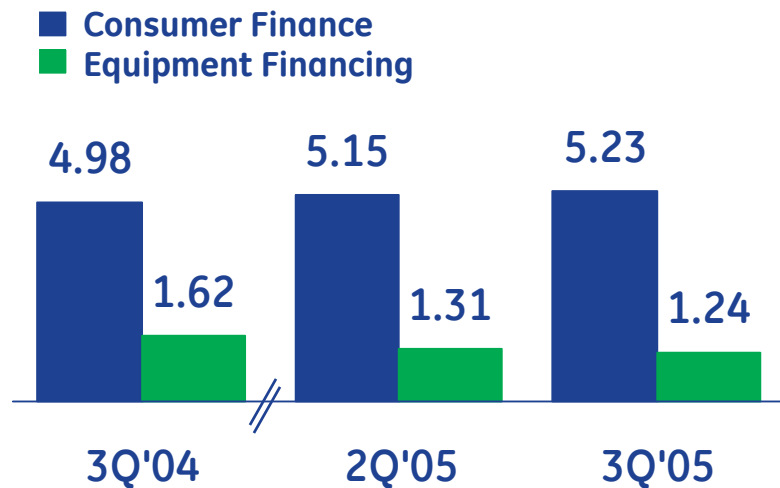
(\$ in billions – current quarter)



✓ **Solid orders momentum**
– Total 3Q'05 orders +11%

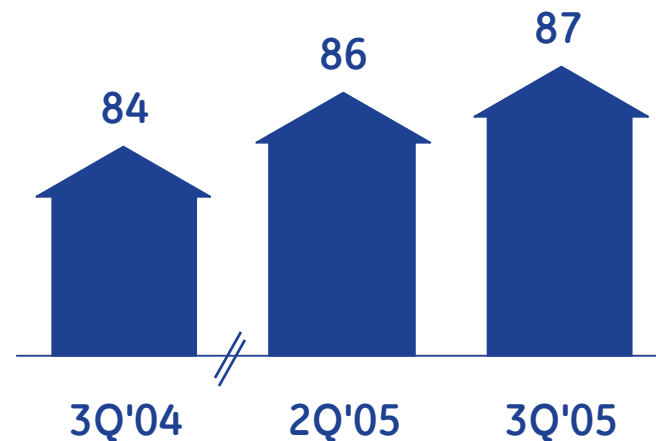
Portfolio quality

Delinquencies %



- ✓ Consumer credit quality remains strong
- ✓ Commercial Finance delinquency improved & stable
 - Non-earning assets ↓ (\$140MM) vs. 3Q'04
- ✓ 3 aircraft on ground (regional jets)

Utilization %



	<u>3Q'05 utilization</u>	<u>V 3Q'04</u>
Penske	95%	– pt.
Railcar	85	+4
Trailers	87	+9

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

Delivering in periods of volatility

(\$ in millions)

Energy costs ↑

Protect margins

- + Increase prices ... plastics, appliances
- + Drive productivity

\$59MM



Play offense

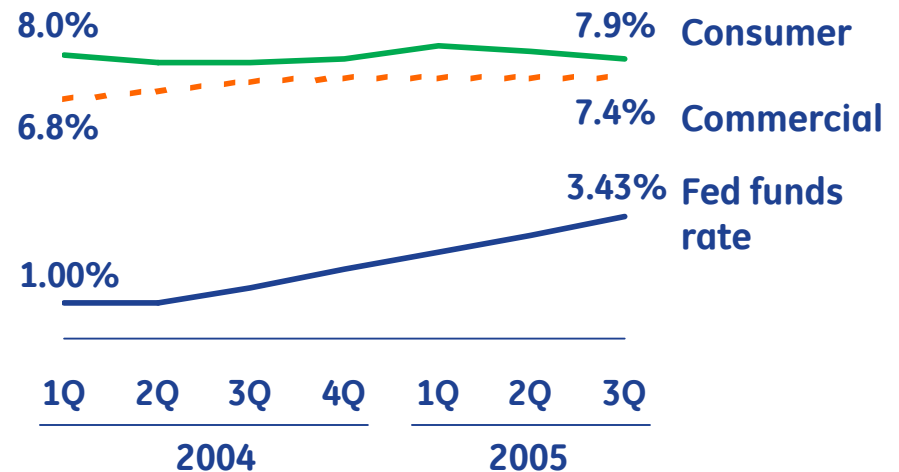
- + Fuel efficiency ... products & services
 - ✓ Energy ✓ Lighting
 - ✓ Rail ✓ Aviation
- + Grow Oil & Gas ... 3Q orders up 55%
- + Grow major equipment ... 3Q orders up 16%
- + Orders in energy-rich regions for Oil & Gas +106%, Healthcare +49%, Aviation +28%

Interest rates ↑

Stick to proven discipline

- + Match funding
- + Triple A rating commitment
- + Capital allocation – drive ROE
- + Diversity – global, collateral, product

RACV spreads^(a)



(a- Risk adjusted contributed value spreads)



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GE wins in this environment

Third quarter consolidated results

(\$ in billions – except EPS)

	<u>3Q'05</u>	<u>V%</u>
Revenues	\$41.9	9%
– Industrial sales/sales ex. Olympics	21.6	3/8
– Financial Services revenues	20.4	16
Net earnings	4.7	15
EPS	.44	16
YTD CFOA	14.7	51
– YTD Industrial CFOA	9.2	20
GE tax rate		
– GE (ex. GECS)	25.1%	+5.3 pts.
– GECS	20.1%	(1.0) pt.

**+8% organic
revenue growth**

Strong performance

GE third quarter segment operations

(\$ in millions)

	Revenue		Segment profit ^{-a)}	
	\$	V%	\$	V%
Infrastructure	\$10,128	12%	\$1,880	17%
Industrial	8,257	8	629	56
Commercial Finance	12,190	16	1,451	28
Healthcare	3,578	7	589	17
NBC Universal	3,038	(26) ^{-b)}	603	13
Consumer Finance	4,913	22	810	19

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

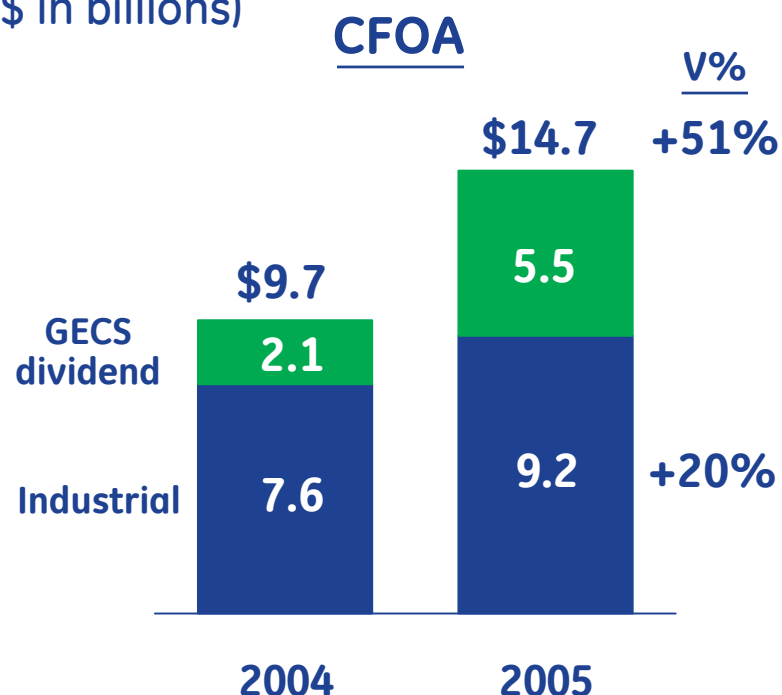
(b- NBCU revenue (4)% ex. 2004 Olympics Broadcasts

Broad-based strength



Third quarter year-to-date cash flow

(\$ in billions)



- Total dividend yield ~2.6%
- GECS dividend \$5.5B, +\$3.4B
 - Special dividend from GNW secondary
 - Regular GECS dividend @ 40%
- 3Q buyback \$1.5B (3Q YTD \$2.2B)
 - TY'05 est. > \$4B

Cash balance walk

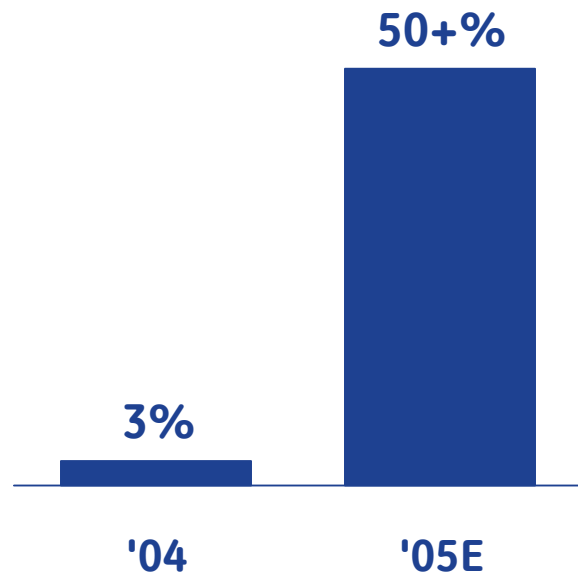
	<u>Total</u>
Beginning balance	\$3.2
CFOA	14.7
Dividends	(7.0)
Stock buyback	(2.2)
P&E	(1.6)
Acquisitions/dispositions	(3.6)
Change in debt/other	(0.3)
September 30 actual	<u><u>\$3.2</u></u>

Continued strong cash performance

Disciplined capital allocation

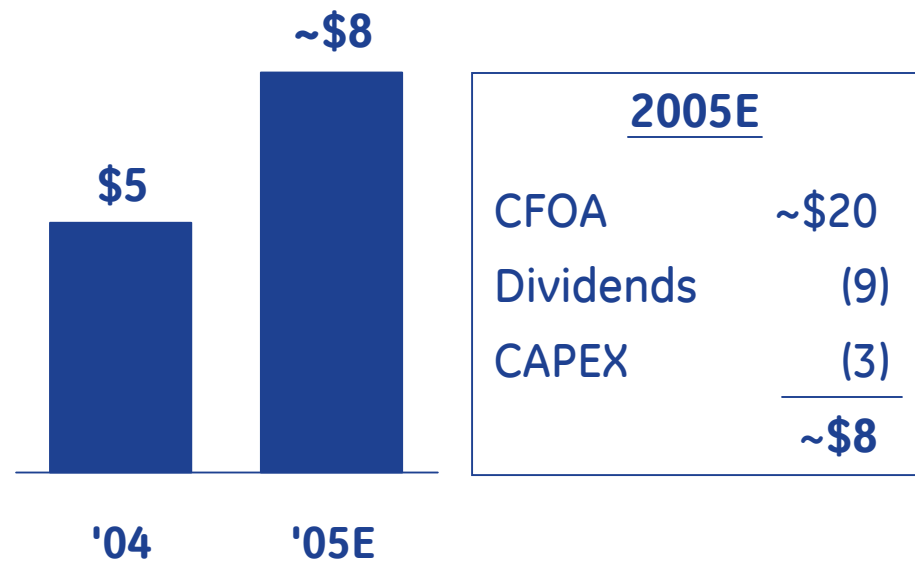
(\$ in billions)

Incremental return on invested capital (IROIC)



- ✓ '05 ROTC at ~16% ... to ~20% by '08
- ✓ Double-digit earnings growth & accelerating stock buyback
- ✓ Increasing focus on exit from Insurance Solutions

Free cash flow



- ✓ Grow dividend with earnings
- ✓ Fund stock buyback
- ✓ Selective Industrial acquisitions
- ✓ Self-fund Financial Services growth

Expanding returns



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GE fourth quarter outlook

4Q'05 outlook

	Revenue V%	Segment profit V% ^{-a)}
Infrastructure	10-15%	~15%
Industrial	5-10	20+
Commercial Finance	~(20)	20+
– Ex. GNW deconsol.	5-10	20+
Healthcare	5-10	20+
NBC Universal	(5-10)	~(15)
Consumer Finance	~20	20+

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

Total company 4Q'05 outlook

			V% before May '05 SFAS 133 correction
(\$B, except EPS)			
	\$	V%	
Revenue	~\$44	5+%	5+%
(ex. Genworth)			
– Industrial revenue		~10%	~10%
Earnings	\$5.9-6.1	6-9%	10-14%
EPS	\$.56-.58	6-9%	10-14%

4Q EPS guidance of \$.56-.58

Segment highlights – Infrastructure

(\$ in millions)

Infrastructure – 3Q'05

	<u>\$</u>	<u>V%</u>
Revenue	\$10,128	12%
Segment profit	\$1,880	17%

Key business results

	<u>Revenue</u>		<u>Segment profit^(a)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Aviation	\$3,007	13%	\$604	17%
Aviation Finc'l. Svcs.	964	22	195	Fav.
Energy	3,681	8	584	6
Energy Finc'l. Svcs.	379	26	177	21
Oil & Gas	906	15	107	9
Rail	910	24	161	15

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

3rd quarter dynamics

- Aviation industry continues strong growth
 - Services revenue +7%; Aviation Financial Services up strongly
- Energy remains solid
 - Services strong ... revenue +10%, op profit +11%
- Oil & Gas ... broad-based equipment & services growth ... 3Q orders +55%
- Solid Rail momentum
 - 178 EVO units shipped + strong services
- Water adversely impacted by hurricanes ... gulf refinery shutdowns

4th quarter segment profit dynamics

- Aviation ~10% ... commercial ↑, military ↓
- Energy 10-15% ... services, wind units ↑
- Financial Services verticals 20+%
- Oil & Gas 20+% ... strong backlog
- Rail 15-20% ... EVO shipments, services growth

✓ **4Q outlook ... segment profit ~15%**

Segment highlights – Comm'l. Finance

Commercial Finance – 3Q'05

	\$	V%	Com. Fin. ex. Ins. V%
Revenue	\$12,190MM	16%	9%
Segment profit	\$1,451MM	28%	19%
Assets	\$276B	(22)%	4%

Key business results

	Assets (\$B)		Segment profit (\$MM)	
	\$	V%	\$	V%
Capital Solutions	\$84	9%	\$444	26%
Real Estate	35	(8)	343	41
Insurance	93	(47)	239	99

3rd quarter dynamics

- Capital Solutions ... growth across all businesses ... volume remains strong +30%
- Active portfolio management at Real Estate
- Insurance net income \$239MM
 - Insurance Solutions impacted by catastrophes (\$377MM for Katrina & Rita)
 - GE share of Genworth \$107MM + Genworth secondary gain \$254MM ... now hold ~27% of Genworth

4th quarter segment profit dynamics

- Capital Solutions 10-15% ... broad-based business strength
- Real Estate ~20% ... portfolio management
- Continue to drive Insurance strategy & operations execution

✓ 4Q outlook ... segment profit 20+%

Segment highlights – Industrial

(\$ in millions)

Industrial – 3Q'05

	<u>\$</u>	<u>V%</u>
Revenue	\$8,257	8%
Segment profit	\$629	56%

Key business results

	<u>Revenue</u>		<u>Segment profit^(a)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
C&I	\$3,522	3%	\$196	20%
Plastics	1,663	12	197	Fav.
Equip. Svcs.	1,709	3	66	Fav.

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

3rd quarter dynamics

- C&I performance remains strong
 - Price exceeds material inflation
- Plastics op profit up \$103MM
 - Pricing ... ASP \$4.04, +22%
 - Benzene \$2.83, (22%)
- Equipment Services operations driven by higher utilization and defleeting
- Security revenue +99%, op profit +143%

4th quarter segment profit dynamics

- Order rates support revenue outlook
- C&I 20+% and Plastics 15+% ... price > inflation; solid volume
- Equipment Services 20+% ... strong utilization

✓ **4Q outlook ... segment profit 20+%**

Segment highlights

Healthcare

3rd quarter

	<u>\$</u>	<u>V%</u>
Revenue	\$3,578MM	7%
Segment profit	\$589MM	17%

3rd quarter dynamics

- Strong equipment orders
 - CT +39% ... strong demand for VCT
 - U/S +18%
 - Europe & Asia remain robust
- Strong Biosciences revenue growth in Medical Diagnostics +10% & Protein Separations +16%
- Services continues to perform
 - Orders +9%, revenue +8%

- ✓ **4Q outlook ... segment profit 20+%**
 - **Biosciences & services strength**
 - **Broad-based equipment growth**

Consumer Finance

3rd quarter

	<u>\$</u>	<u>V%</u>
Revenue	\$4,913MM	22%
Segment profit	\$810MM	19%
Assets	\$153B	25%

3rd quarter dynamics

- Strong global growth
 - Americas assets +23%, net income +46% ... strong core growth
 - Europe assets +8%, net income +11% ... UK market remains slow
 - Asia assets +70%, net income +15% ... acquisitions performing well
- Disciplined risk management processes

- ✓ **4Q outlook ... segment profit 20+%**
 - **Strong global growth**
 - **Stable asset quality**



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Segment highlights – NBCU

(\$ in millions)

3rd quarter dynamics

NBCU – 3Q'05

	<u>\$</u>	<u>V%</u>
Revenue	\$3,038	(26)% ^{-a)}
Segment profit	\$603	13%

(a- (4)% ex. 2004 Olympics Broadcasts)

- Strong film performance
- NBC news performing well
 - Today show widening #1 lead
 - CNBC new programming ... op profit +41%
- Strength continues in entertainment cable
- Network prime in tough cycle
 - Fall line up making progress
 - 3Q scatter market improved vs. 2Q'05

Benefit of NBC + Universal combination ... content strength

<u>Segment profit</u>	<u>3Q'05A</u>		<u>TY'05E</u>		<u>TY'06F</u>	<u>Dynamics</u>
	<u>%</u>	<u>V%</u>	<u>%</u>	<u>V%</u>	<u>V%</u>	
Prime/Stations/TVPD	32%	(11)%	~30%	~(25)%	(20-25)%	• Tougher comparisons 1H'06 ... rebuilding prime programming
All other (News, Cable, Film, Parks)	68%	31%	~70%	~50%	10-15	• '06 to build off strong performance across other businesses in '05
Segment profit	\$603MM	13%	~\$3.0B	~15%	~Flat	– Cable up >20% – Film +15-20%

✓ **4Q outlook ... segment profit ~(15)%**
– Rebuilding NBC programming

Organization update

- ✓ Organization changes completed ... seeing real benefits
 - Expands growth capability
 - Leverages key talent
 - Drives sustained initiatives & execution
 - Sustains strong risk disciplines
 - Improves pipeline of leadership development
 - Simplifies organization ... speed ↑ cost ↓

Synergy plans ... solid progress

	<u>Synergy benefit</u>	
	<u>Revenue</u>	<u>Cost</u>
Infrastructure	Global projects – Technology	\$300-400MM – Services – Centers of Excellence
Industrial	Enterprise – Olympics	\$300-400MM – Rooftops – Logistics
Commercial Finance	Verticals – Cap. Markets	\$200-300MM – G&A – IT

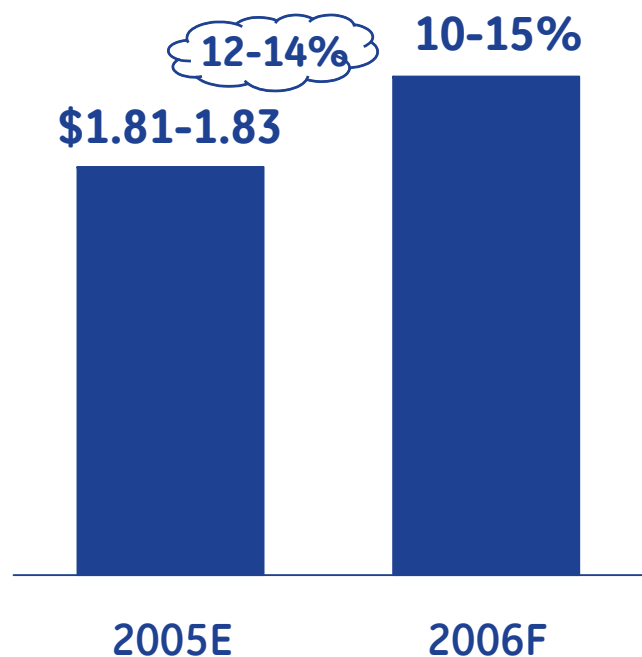
Organization well positioned for sustained growth



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GE outlook remains strong

Earnings per share



Earnings momentum

	<u>% of GE</u>		
Infrastructure	30%	+	Global growth Services Productivity
Commercial Finance	25	+	Global growth Asset quality
Consumer Finance	15	+	Global growth Build out
Industrial	10	+	Price/margin Productivity
Healthcare	10	+	Global growth, Biosciences, IT
NBCU	10	0	Primetime ↓ Strength in balance

Momentum

- + Solid order rates
- + Services backlog
- + Strong asset quality
- + Strong cash flow

Summary

- ✓ Despite volatile environment, we will deliver in 2005 ... power of GE business model
 - ✓ Clear visibility to consistent and sustainable double-digit earnings growth into 2006+
 - ✓ Capital efficient: strong free cash flow ... drives shareowner returns
 - ✓ Company has strong foundation ... Triple A, great culture, great people
- ✓ **2005 earnings on track for \$1.81-1.83, +12-14%**
 - **Sustained double-digit earnings growth into 2006**



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