

# GE third quarter '06 supplemental information

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# GECS segment results – continuing operations

(\$ in millions – net earnings)

	<u>3Q'06</u>	<u>3Q'05</u>	<u>V%</u>
<b>Commercial Finance</b>	<b>\$1,290</b>	<b>\$1,212</b>	<b>6%</b>
– Capital Solutions	525	444	18
– Real Estate	440	343	28
<b>GE Money</b>	<b>\$916</b>	<b>\$810</b>	<b>13</b>
<b>Infrastructure<sup>-a)</sup></b>	<b>\$509</b>	<b>\$383</b>	<b>33</b>
<b>Industrial<sup>-a)</sup></b>	<b>\$91</b>	<b>\$66</b>	<b>38</b>
<b>Corp. items &amp; elims.</b>	<b>\$(102)</b>	<b>\$129</b>	<b>U</b>

(a- Includes only portions of the segment that are Financial Services)

# GECS segment assets

GECS & consolidated affiliates  
(\$ in billions)

	<u>3Q'06</u>	<u>3Q'05</u>	<u>V%</u>
Commercial Finance	\$215.3	\$183.1	18%
GE Money	175.6	153.3	15
Infrastructure <sup>-a)</sup>	57.6	52.3	10
Industrial <sup>-a)</sup>	19.0	17.5	9
Corp. items & elims.	<u>63.2</u>	<u>66.1</u>	(4)
<b>Total GECS – continuing operations</b>	<b><u>\$530.7</u></b>	<b><u>\$472.3</u></b>	<b>12%</b>
Assets of discontinued operations	<u>15.5</u>	<u>61.1</u>	(75)
<b>Total GECS</b>	<b><u><u>\$546.2</u></u></b>	<b><u><u>\$533.4</u></u></b>	<b>2%</b>

(a- Includes only portions of the segment that are Financial Services)

# GECS non-earnings/write-offs

(\$ in millions)

<u>Non-earnings</u>				<u>Write-offs</u>			
	<u>3Q'06</u>	<u>2Q'06</u>	<u>3Q'05</u>		<u>3Q'06</u>	<u>2Q'06</u>	<u>3Q'05</u>
<b>Commercial Finance</b>				<b>Commercial Finance</b>			
Non-earnings	\$1,623	\$1,387	\$1,435	Write-offs	\$96	\$72	\$155
% financing receivables	1.15%	1.00%	1.14%	% ANI	0.20%	0.16%	0.37%
<b>GE Money</b>				<b>GE Money</b>			
Non-earnings	3,022	3,042	2,729	Write-offs	882	804	750
% financing receivables	2.10	2.19	2.13	% ANI	2.16	2.07	2.10
<b>Infrastructure<sup>(a)</sup></b>				<b>Infrastructure<sup>(a)</sup></b>			
Non-earnings	1	1	80	Write-offs	35	38	136
% financing receivables	-	-	0.41	% ANI	0.29	0.33	1.25
<b>Industrial<sup>(a)</sup></b>				<b>Industrial<sup>(a)</sup></b>			
Non-earnings	5	7	11	Write-offs	(5)	4	7
% financing receivables	0.56	0.66	0.95	% ANI	(0.13)	0.11	0.20
<b>Corp. items &amp; elims.</b>				<b>Corp. items &amp; elims.</b>			
Non-earnings	71	74	94	Write-offs	8	5	(1)
% financing receivables	0.90	0.87	0.84	% ANI	0.24	0.15	(0.03)
<b>Total GECS</b>				<b>Total GECS</b>			
Non-earnings	\$4,722	\$4,510	\$4,349	Write-offs	\$1,016	\$924	\$1,046
% financing receivables	1.50	1.46%	1.52%	% ANI	0.92%	0.87%	1.04%

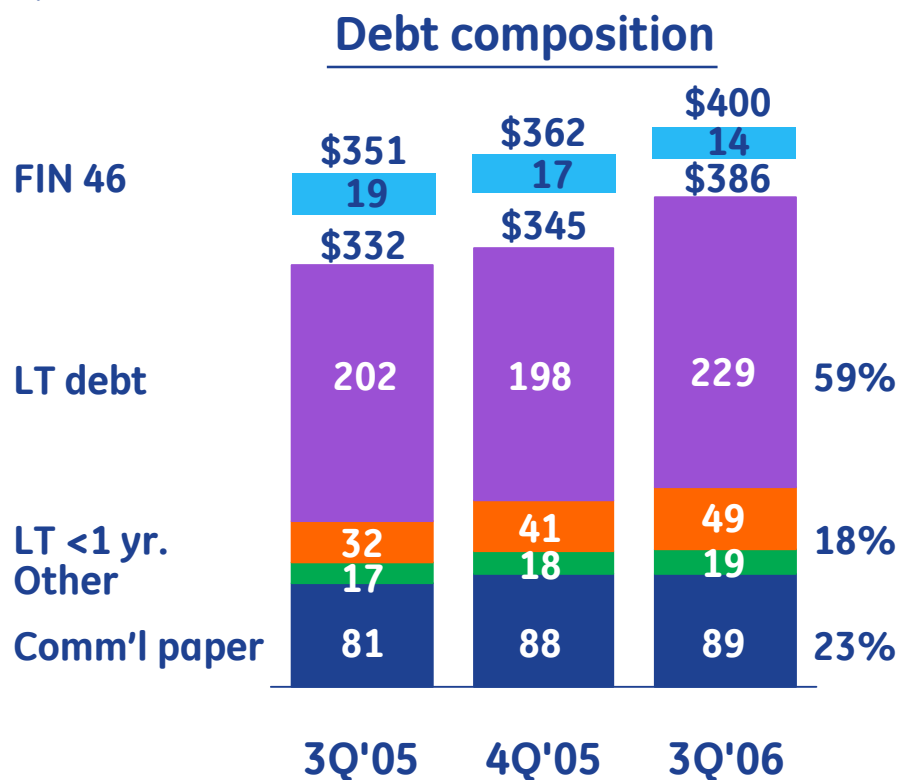
(a- Includes only portions of the segment that are Financial Services

# GECS delinquency

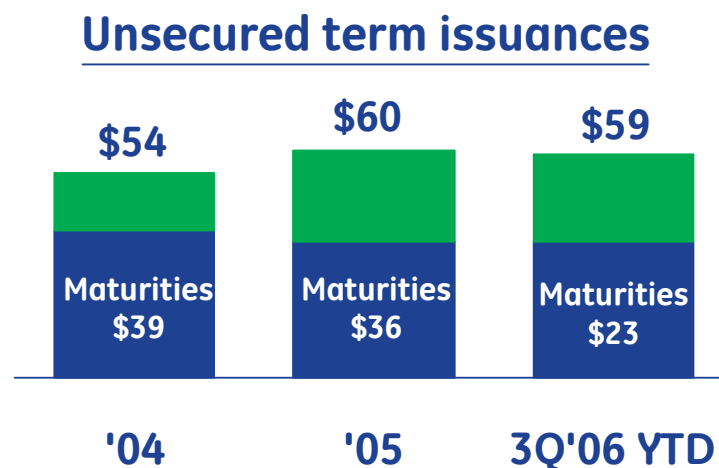
	<u>3Q'06</u>	<u>2Q'06</u>	<u>3Q'05</u>
<b>GE Money</b>			
On-book delinquency	5.11%	5.24%	5.23%
Off-book delinquency	5.50	4.92	5.10
Managed delinquency	5.14	5.22	5.23
 <b>Equipment Financing</b>			
On-book delinquency	1.55%	1.55%	1.43%
Off-book delinquency	0.59	0.45	0.78
Managed delinquency	1.33	1.29	1.24

# GECS funding

(\$ in billions)



Bank lines	\$57	\$57	\$60
CP coverage	70%	65%	67%



## Highlights

- Business assets growth strong ... driving \$41B debt growth (ex. Fin 46) since 4Q'05
- Global presence ... 43% unsecured term issuances in 17 international currencies
- Issued hybrid security in 2 tranches – GBP 400MM & Euro 950MM ... ~7X oversubscribed
- Increased bank lines to ~\$60 B

**Debt portfolio in great shape ... solid funding & liquidity strategy**



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# GE organic revenue growth – continuing operations

(\$ in millions)

	<u>3Q'06</u>	<u>3Q'05</u>	<u>V%</u>	<u>3Q'06</u> <u>YTD</u>	<u>3Q'05</u> <u>YTD</u>	<u>V%</u>
Revenues as reported	\$40,856	\$36,368	12%	\$118,577	\$107,257	11%
Less effects of:						
Acquisitions, business dispositions (other than dispositions of businesses acquired for investment), currency exchange rates & the 2006 Olympics broadcasts	<u>1,646</u>	<u>757</u>		<u>3,236</u>	<u>1,499</u>	
Revenues excluding the effects of acquisitions, business dispositions (other than dispositions of businesses acquired for investment), currency exchange rates & the 2006 Olympics broadcasts (organic revenues)	<u>\$39,210</u>	<u>\$35,611</u>	10%	<u>\$115,341</u>	<u>\$105,758</u>	9%



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# Industrial CFOA

(\$ in millions)

	<u>3Q'06 YTD</u>	<u>3Q'05 YTD</u>	<u>V%</u>
Cash from GE's operating activities as reported	\$18,485	\$14,697	26%
Less GECS dividends	<u>8,672</u>	<u>5,512</u>	
Cash from GE's operating activities excluding dividends from GECS (Industrial CFOA)	<u>\$9,813</u>	<u>\$9,185</u>	7%



# Effective tax rate GE (ex. GECS)

(\$ in millions)

	<u>3Q'06</u>	<u>3Q'06 YTD</u>
GE earnings from continuing operations before income taxes	\$5,673	\$15,837
Less GECS earnings from continuing operations	<u>2,704</u>	<u>7,474</u>
Adjusted earnings from continuing operations before income taxes	\$2,969	\$8,363
GE provision for income taxes – continuing operations	\$614	\$1,882
Effective tax rate GE (ex. GECS)	21%	23%

# GE Industrial op profit % ex. pension costs

(\$ in millions)

	3Q'06			3Q'05				4Q'05		
	Revenues	Op profit	Op profit %	Revenues	Op profit	Op profit %	V pts.	Revenues	Op profit	Op profit %
As reported	\$25,091	\$3,476	13.9%	\$21,934	\$2,999	13.7%	0.2 pts.	\$26,065	\$4,193	16.1%
Less:										
Pension costs	<u>—</u>	<u>(211)</u>		<u>—</u>	<u>(152)</u>			<u>—</u>	<u>(52)</u>	
Adjusted GE Industrial revenue, op profit & op profit % excluding the effects of pension costs	<u>\$25,091</u>	<u>\$3,687</u>	14.7%	<u>\$21,934</u>	<u>\$3,151</u>	14.4%	0.3 pts.	<u>\$26,065</u>	<u>\$4,245</u>	16.3%



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# 4Q'06 key businesses profit guidance

## 4Q'06 profit guidance

Aviation	~10%
Energy	20+
O&G	15-20
Transportation	20+
Financial Services verticals	5-10
C&I	20+
Plastics	~(20)
Equipment Services	5-10
Cap Solutions	10-15
Real Estate	~10



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# Average total shareowners' equity, excluding effects of discontinued operations

	Three months ended Sept. 30 (\$MM)	
Average total shareowners' equity, excluding effects of discontinued operations (a)	2006	2005
Average total shareowners' equity (b)	\$ 109,999	\$ 110,241
Less:		
Cumulative effect of earnings from discontinued operations (c)	-	2,733
Average net investment in discontinued operations (d)	7,166	2,805
<b>Average total shareowners' equity, excluding effect of discontinued operations (a)</b>	<b>\$ 102,833</b>	<b>\$ 104,703</b>

- (a) Used for computing return on average total capital invested (ROTC). For GE, ROTC is earnings from continuing operations plus the sum of after-tax interest and other financial charges and minority interest, divided by the sum of the averages of total shareowners' equity (excluding effects of discontinued operations), borrowings, mandatorily redeemable preferred stock and minority interest (on a 12-month basis, calculated using a five-point average).
- (b) On a twelve-month basis, calculated using a five-point average.
- (c) Represented the average cumulative net earnings effect of discontinued operations from 2001 through the first half of 2005 (on a twelve-month basis, calculated using a five-point average).
- (d) Represented the average net investment in discontinued operations since the second half of 2005.

U.S. GAAP requires earnings of discontinued operations to be displayed separately in the Statement of Earnings. Accordingly, the numerator used in our calculation of return on average total capital invested excludes those earnings (losses). Further, we believe it is appropriate to exclude from the average shareowners' equity component of the denominator the cumulative effect of those earnings (losses) since 2000 (reclassifications for discontinued operations began in 2001), as well as our average net investment in discontinued operations since the second half of 2005. Had we disposed of these operations before mid-2005, proceeds would have been applied to reduce parent-supported debt at GE Capital; however since parent-supported debt at GE Capital was retired in the first half of 2005, we have assumed that any proceeds after that time would have been distributed to shareowners by means of share repurchases, thus reducing average total shareowners' equity.



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# Commercial Finance 3Q segment profit ex. 2005 SES gain

(\$ in millions)

	<u>3Q'06</u>	<u>3Q'05</u>	<u>V%</u>
Commercial Finance 3Q segment profit	\$1,290	\$1,212	6%
Less: SES gain	<u>—</u>	<u>98</u>	
Commercial Finance 3Q segment profit ex. 2005 SES gain	<u>\$1,290</u>	<u>\$1,114</u>	16%

# C&I revenue ex. dispositions

(\$ in millions)

	<u>3Q'06</u>	<u>3Q'05</u>	<u>V%</u>
Revenues as reported	\$3,533	\$3,522	–%
Less effects of:			
Business dispositions (other than dispositions of businesses acquired for investment)	<u>206</u>	<u>520</u>	
Revenues excluding the effects of business dispositions (other than dispositions of businesses acquired for investment)	<u>\$3,327</u>	<u>\$3,002</u>	11%