

GE: Our Time

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"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 arise from the behavior of financial markets, including fluctuations in interest rates and commodity prices; from future integration of acquired businesses; from 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; from unanticipated loss development in our insurance businesses; and from 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."

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by SEC rules, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in our Supplemental Information file on our investor relations website at www.ge.com/investor.



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Agenda

- Current environment remains strong



- ✓ Consistent orders growth
- ✓ Strong financing volume growth
- ✓ Solid & stable asset quality

- Drivers of sustained growth are in place for 2005 & beyond



- ✓ Double-digit revenue, earnings & cash flow
- ✓ Organic revenue growth 8% with margin expansion

- Executing the strategy



- ✓ GE's portfolio and initiatives will deliver consistent growth

- Our time



- ✓ We have built a stronger growth company with expanding returns
- ✓ We have built a competitive company that can win around the world

Current environment
remains strong



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Positive environment

+ Solid economic growth:

Broad orders strength
Customer usage up
Low losses
Higher capacity utilization
Asia solid
Pricing power

+/- More volatility:

High oil prices/inflation
Increasing interest rates
Europe slow
No stimulus

"Operators economy"

Price > inflation
Supply chain
Manage credit
Create growth

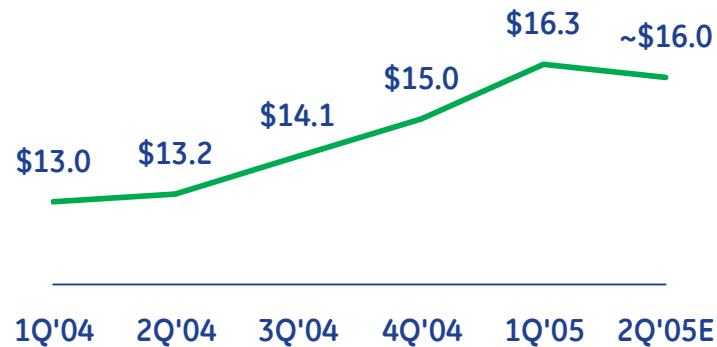
Environment as expected ... will continue into future



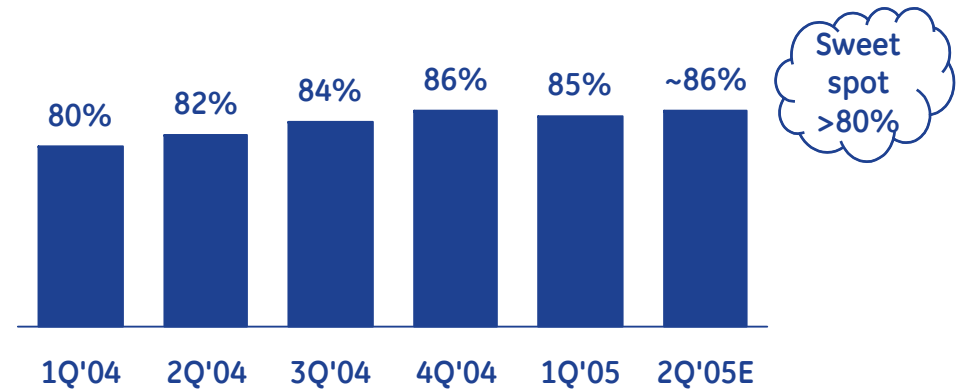
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GE's leading indicators

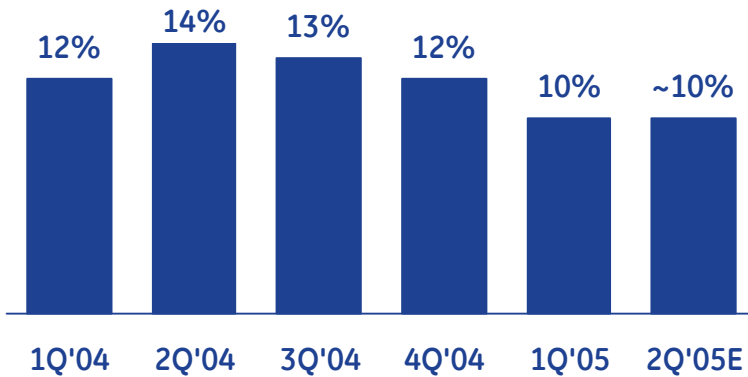
Aircraft Engines spares ADOR (\$MM/day)



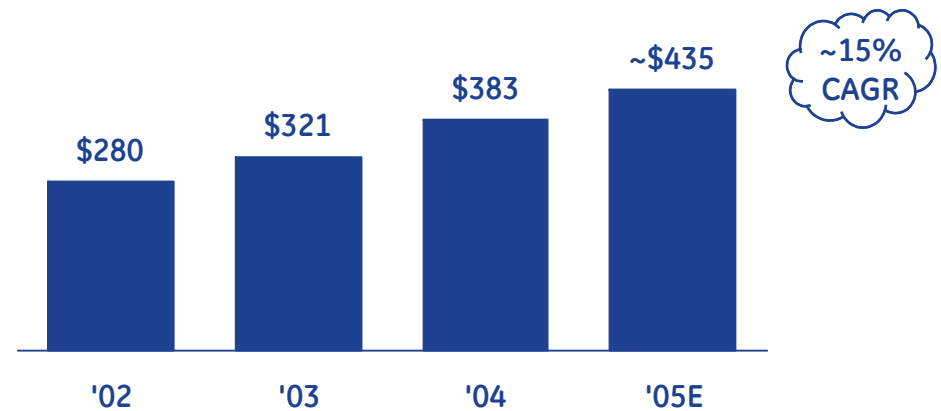
Equipment Services utilization %



Flow orders (V PY)
(ex. acq./disp.)



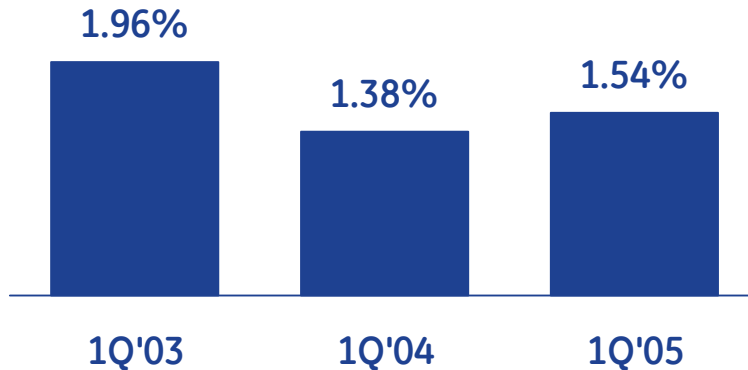
Commercial & Consumer assets (\$B)



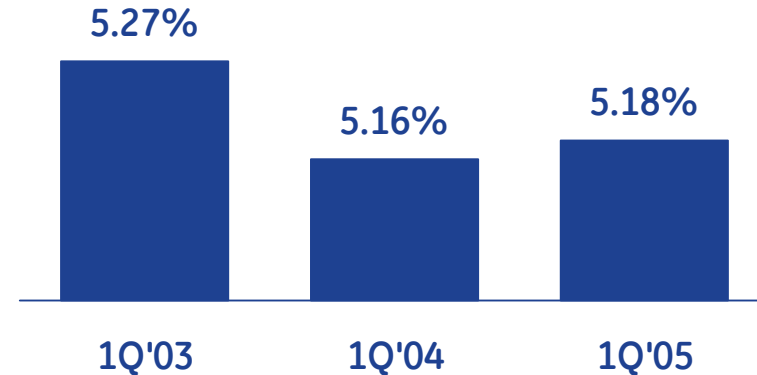
Strong & consistent growth

Solid & stable asset quality

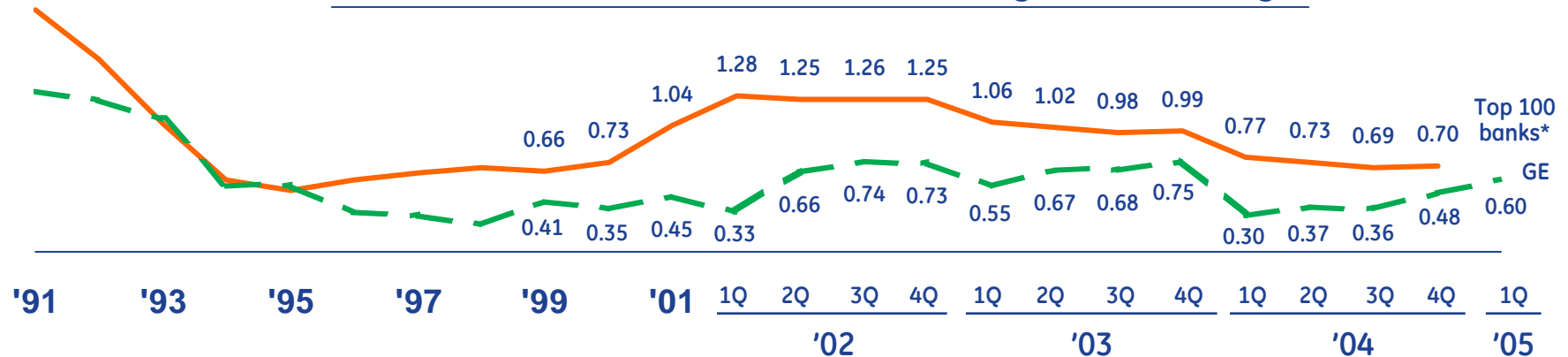
Equipment Financing delinquency



Consumer Finance delinquency



Commercial Finance losses (% of average outstandings)



* Source: Federal Reserve YTD

Well positioned in cycle

Drivers of sustained
growth are in place
for 2005 & beyond



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Thinking about GE



Growth through headwinds
(Earnings per share)



Headwinds become tailwinds

Energy	++
Pension	Small
"Parent supported debt" + Insurance	++
Portfolio investment	++

+10-15%



Future

- ✓ Energy \$(.13)
- ✓ Pension (.12)
- ✓ "Parent supported debt" + Insurance (.17)
- ✓ Portfolio investment (.02)

Outperform

- ✓ Strong momentum
- ✓ Better company
- ✓ More competitive



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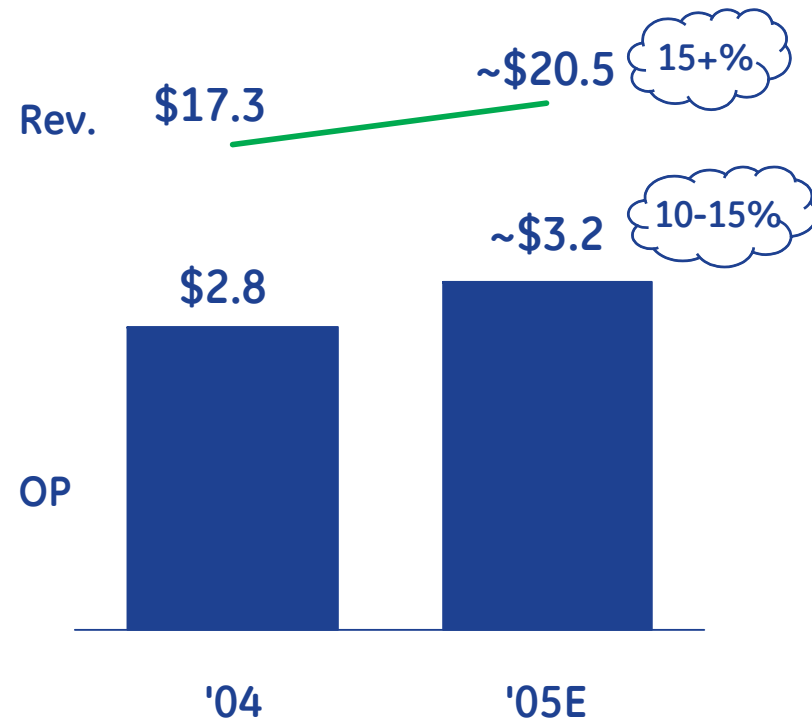
Clear 2005 earnings dynamics

Factor	'05E earnings V%		Driver
	Original outlook	Current view	
Improved cycles: Energy + Transportation	10-15%	+	Services/ Global
Continued growth: Commercial + Consumer Finance	15+	+	Low global share
Sustained growth: Healthcare + NBCU + Infrastructure	20+	✓	Demographics
Improved economy: Cash Generators remain solid	10+	✓	Cycle
Insurance + pension	↓	+	BD

**GE will deliver in 2005 & beyond ...
not dependent on robust economic environment**

Improved cycle: Energy

(\$ in billions)



Dynamics

- Installed base driving services growth
 - Outage cycles ↑
 - 40% installed base covered by CSAs
- Global unit growth ... better
 - GT units ~140, +15%
- New platform revenue growth
 - Wind ~2X '04
 - Oil & Gas ~30%
- Continued cost out
 - Strong productivity

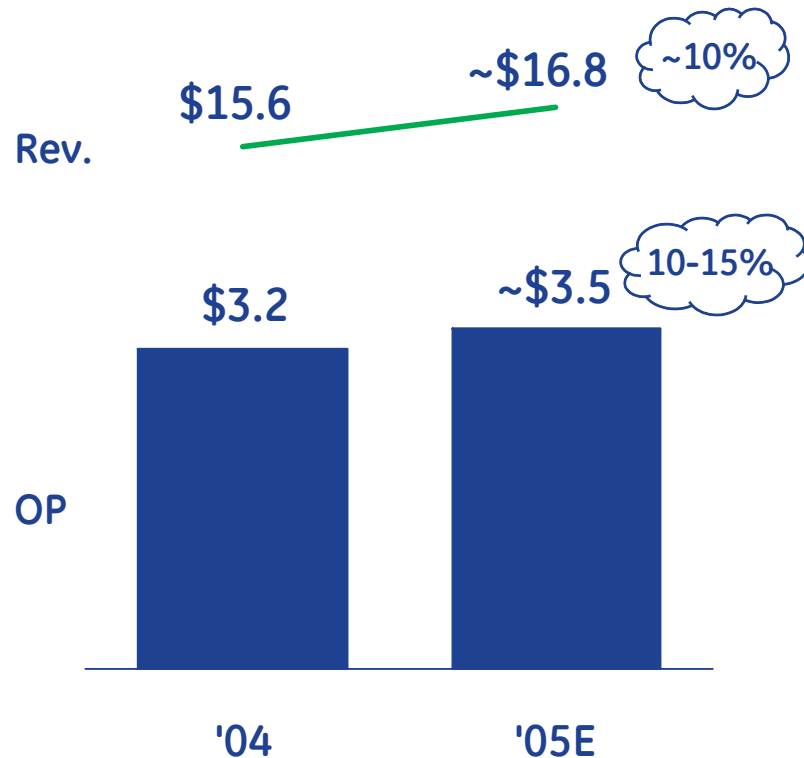
	Op profit		
	'04	'05E	V%
Power Generation	\$0.5	\$0.0–0.2	U
Energy Services	1.8	2.3–2.4	~30%+
Other	0.5	0.7–0.8	~30%+
Total	\$2.8	~\$3.2	10-15%



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Improved cycle: Transportation

(\$ in billions)



Dynamics

- Solid end user market
 - Rail loadings strong
 - RPM up ... global growth + freight
- Strong Services growth
 - Spares growing 10%+ in '05
- Winning with technology
 - GENx ... Boeing 787, 747 Advanced & Airbus A350
 - EVO ... 1,715 units ordered
- Positioned to win in Middle East, China & Eastern Europe

Installed base driving Services growth

Continued growth: Commercial + Consumer Finance

(\$ in billions)

Commercial



Dynamics

- Strong asset growth ... BD Pipeline
- Solid risk management
- Origination strength

Consumer



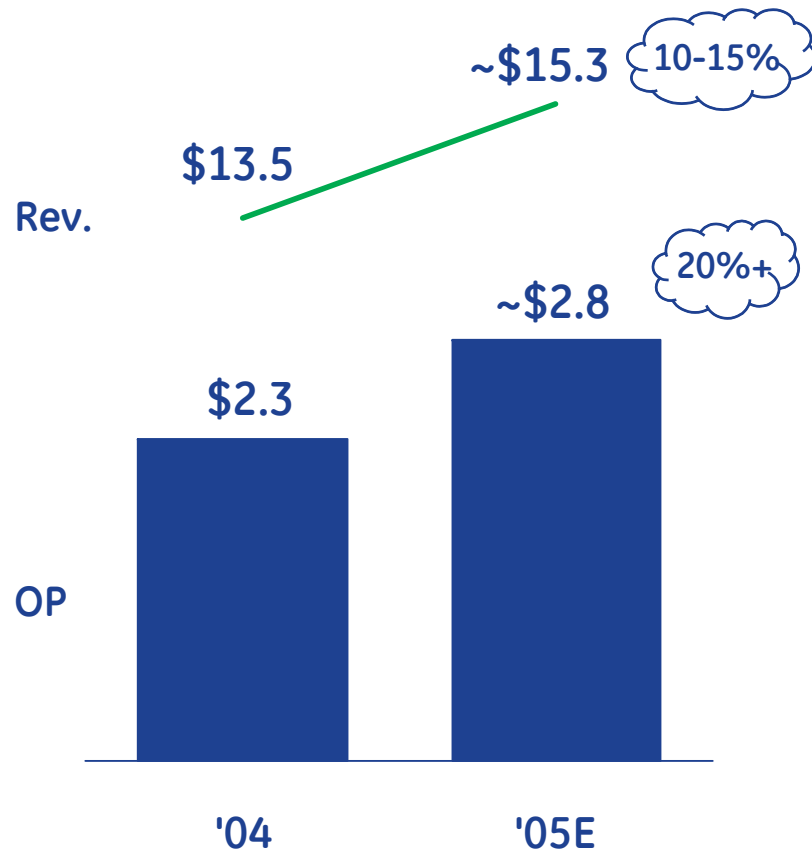
Dynamics

- Good organic growth ... 15%+
- Improved risk environment
- Continued global expansion

Great momentum

Sustained growth: Healthcare

(\$ in billions)



Dynamics

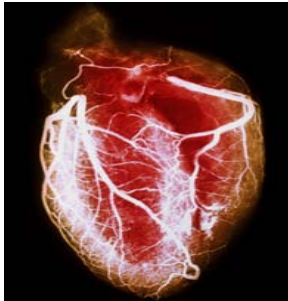
- Drive strong GE product offerings
 - Continued clinical innovation
 - Expanding IT offering
- Biosciences delivering ... '05 sales 40%+
 - Medical diagnostics strength
 - Full-year impact + delivering \$250MM synergies
- Continued services growth ... '05 revenue +10%
- Enterprise solutions ... bring “GE for healthcare” to customers
- Solid global growth

Improved markets + leadership offering

Healthcare: positioned to drive growth

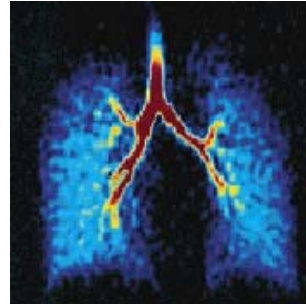
➡ Imaging + diagnostic pharma = scans ↑ + penetration ↑

VCT & Visipaque



- ✓ Open cardiac channel
- ✓ Expand price + market
- ✓ Incremental revenue \$250MM/year

Hyperpolarized MR

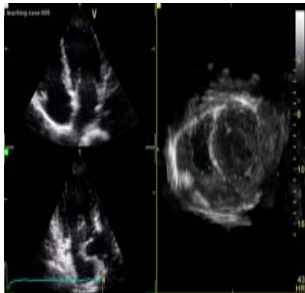


³Helium

- ✓ Dynamic & metabolic imaging
- ✓ Cancer focus ... MR contrast agents
- ✓ New indications drive revenue

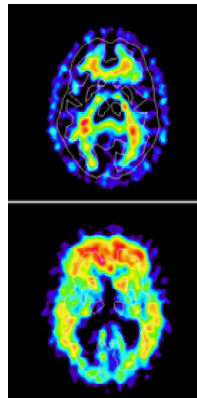
➡ Increase product pull through

Vivid I Ultrasound & Optison



- ✓ 3X growth rate ... incremental revenue \$100MM/year
- ✓ Expands vascular imaging

➡ Enterprise Pharma



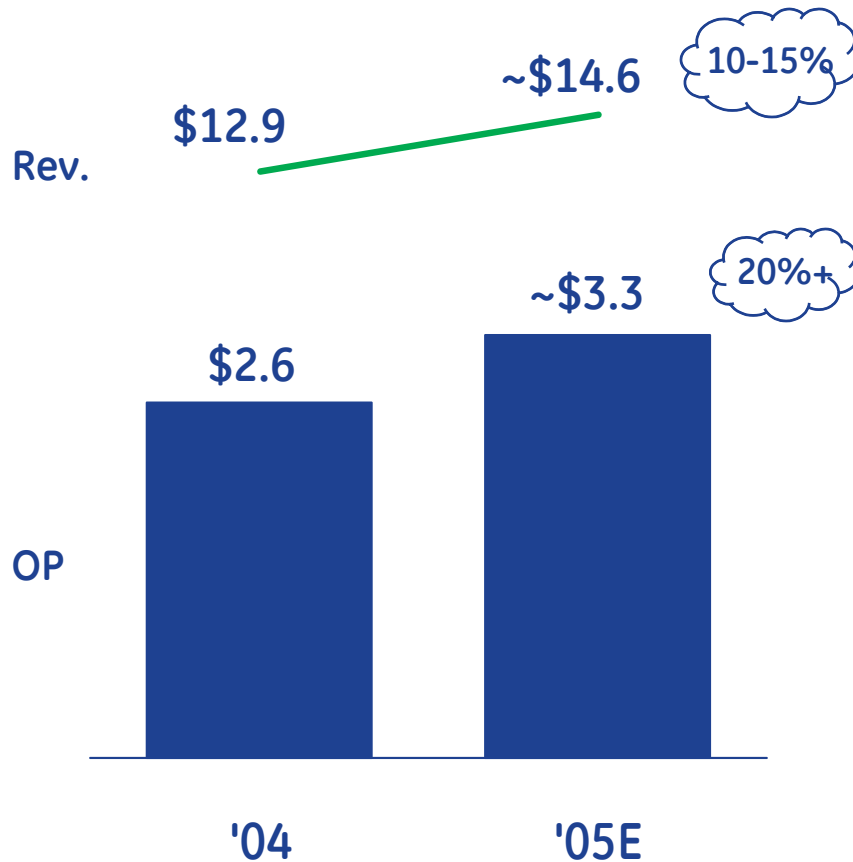
PIB PET

- ✓ Lilly collaboration
 - Discovery therapy for Alzheimer's
 - Imaging agents
 - PET scans
- ✓ Four more in process

Cost synergies in place → revenue drives upside

Sustained growth: NBCU

(\$ in billions)



Dynamics

- Film strong in all segments (Theatricals/ DVD/TV) & geographic markets
- Entertainment cable strong
 - Winning with programming & cross promotion
- Network prime ratings ↓
 - 2006 schedule looks promising
- Parks 50%+
 - Tremendous cross-promotional vehicle
- Funding digital future
 - Weather Plus, wireless, internet/ broadband, high definition

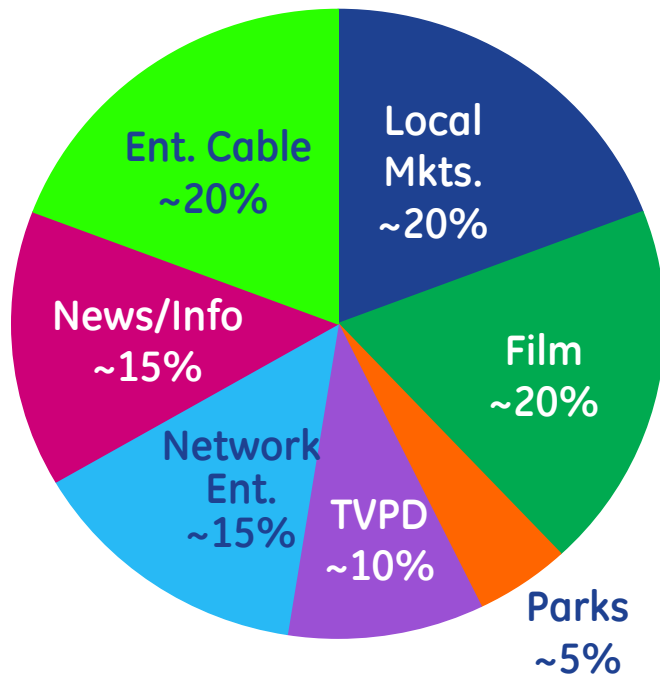
Scale & diversity create sustainable earnings momentum in 2005+



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NBCU – excellent business model

Earnings



Dynamics

Entertainment Cable

- Subscriber base provides revenue annuity
- Strong ratings performance/outlook

Film

- Slate and franchise strategies driving value
- Strong 2005 theatrical slate

News/Info

- Premier TV news franchise...#1 morning show, evening news and Sunday morning public affairs program

TVPD

- Monetizing extensive library and production efficiencies

Local Markets

- 29 U.S. stations; 34% coverage ... in the right markets

Primetime

- Ratings tougher in '05 ... but smaller part of business

Current view

++

++

+

+

✓

-

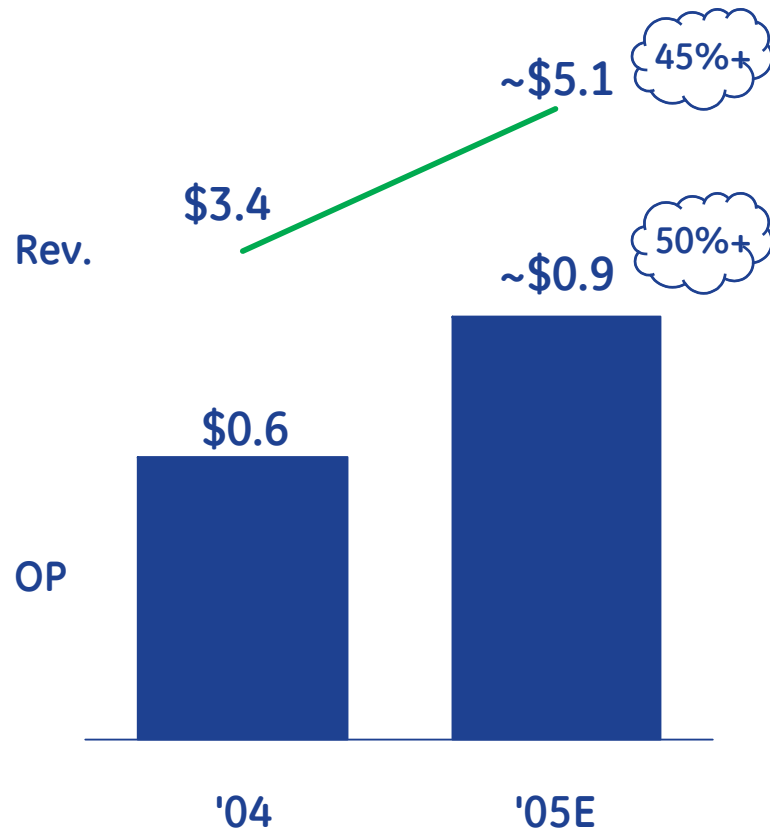
- ✓ **Solid business model – capital efficient, focused on content**
- **Increased diversity of revenue streams**



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Sustained growth: Infrastructure

(\$ in billions)



Dynamics

- Double-digit organic growth through services & geographic expansion
 - Services 20%+
 - China +60%, Eastern Europe +45%
- NPI & IBs delivering \$700MM+ revenue
 - New industrial applications in security
- Added key capabilities
 - Water ... desalination
 - Security ... fire & CT screening
- Acquisition integration & growth delivering \$100MM+ synergies

Great growth momentum ... global platforms

Cash Generators remain solid

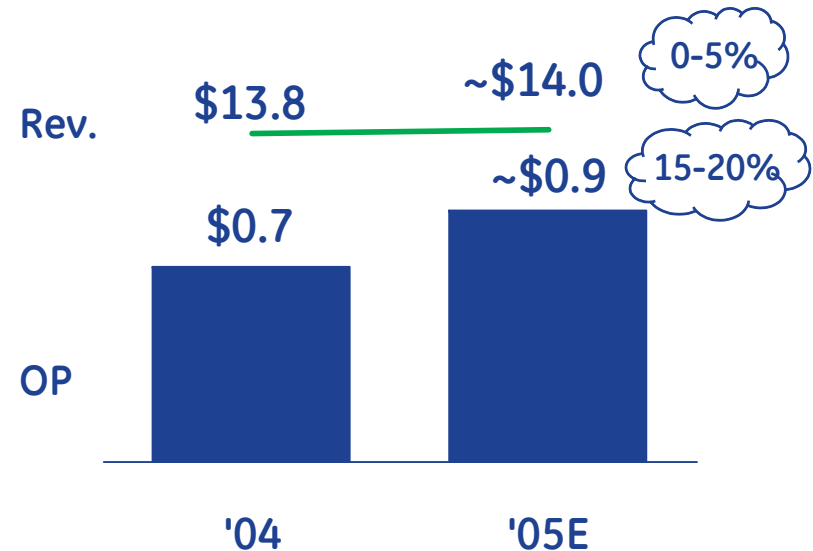
(\$ in billions)

Advanced Materials



- Price \$500MM+ > material inflation
 - Some share loss at low end
- PC capacity utilization remains high
- Solid cash performance
 - CFOA ~2X net earnings in '05

Consumer & Industrial



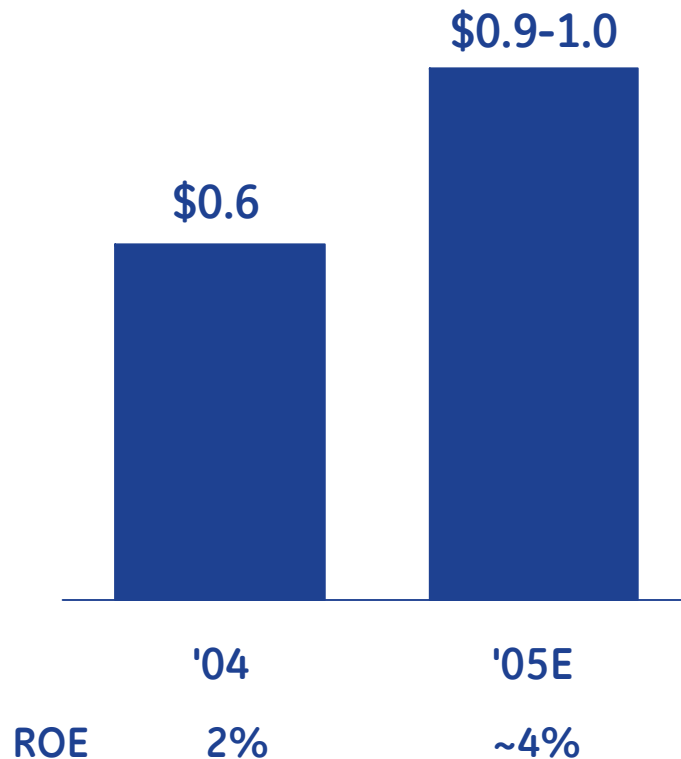
- Revenue ex. dispositions 5-10%
- Price offsetting material inflation
- Integration & simplification delivering ~\$75MM benefit
- Solid cash performance
 - CFOA ~2X net earnings in '05

Cash Generators remain solid

Insurance

(\$ in billions)

Net earnings



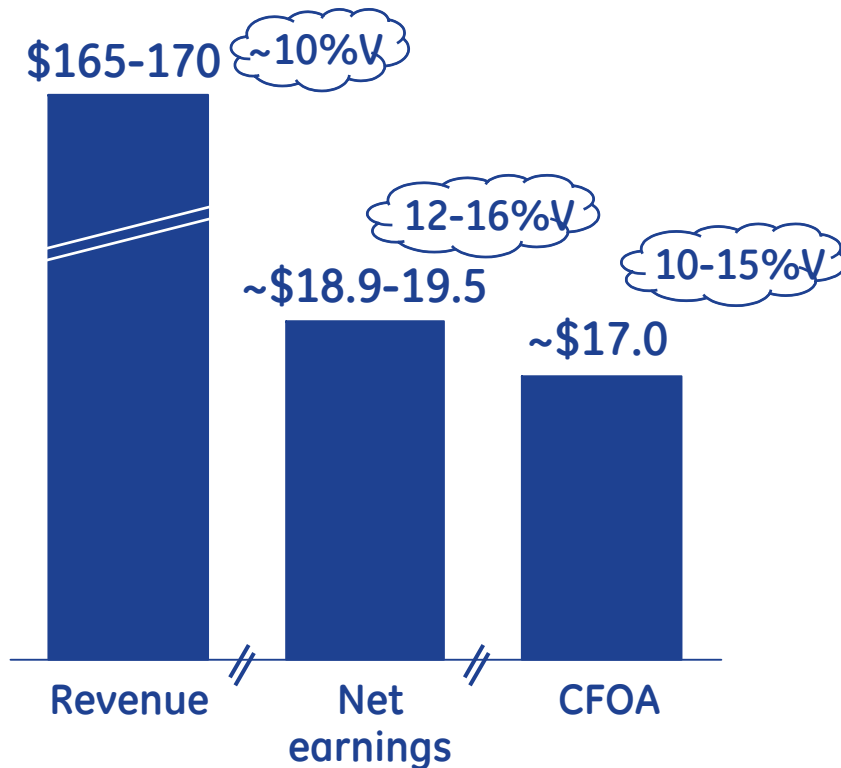
Dynamics

- Continue to execute Insurance Strategy
- Ongoing repositioning of Insurance Solutions
 - Announced sale of MedPro
 - Maintain underwriting & price discipline
 - Continue to exit unprofitable lines
 - Maintain the compliance culture
- Genworth performing better than expected
 - Secondary offering complete ... \$86MM 1Q gain
 - No repeat of 2004 IPO loss
 - Ownership ~52% ... continue orderly sell-down

Continue to run with intensity

2005 outlook

(\$ in billions – except EPS)



Factors

High/low

Plastics	Price > inflation
U.S. DI market	Looks better
Insurance	Better
Energy	As planned

High end of range

✓ Great outlook

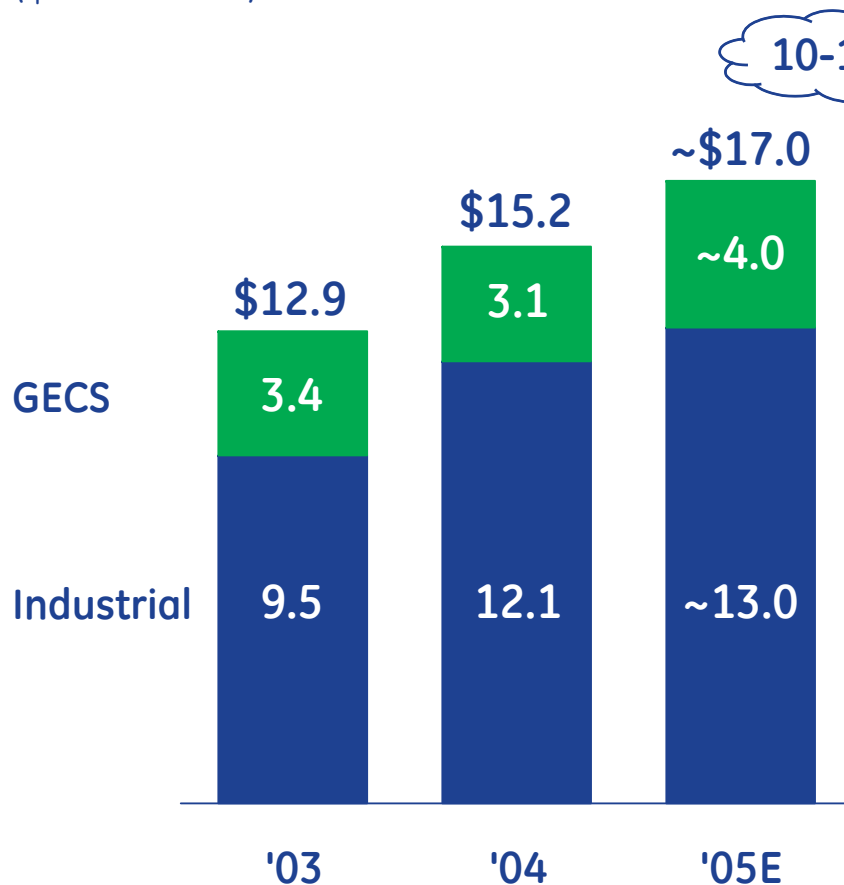
– TY EPS \$1.78-1.83 ... 10 of 11 businesses double-digit profit growth



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Operating cash flow (CFOA)

(\$ in billions)



Key drivers

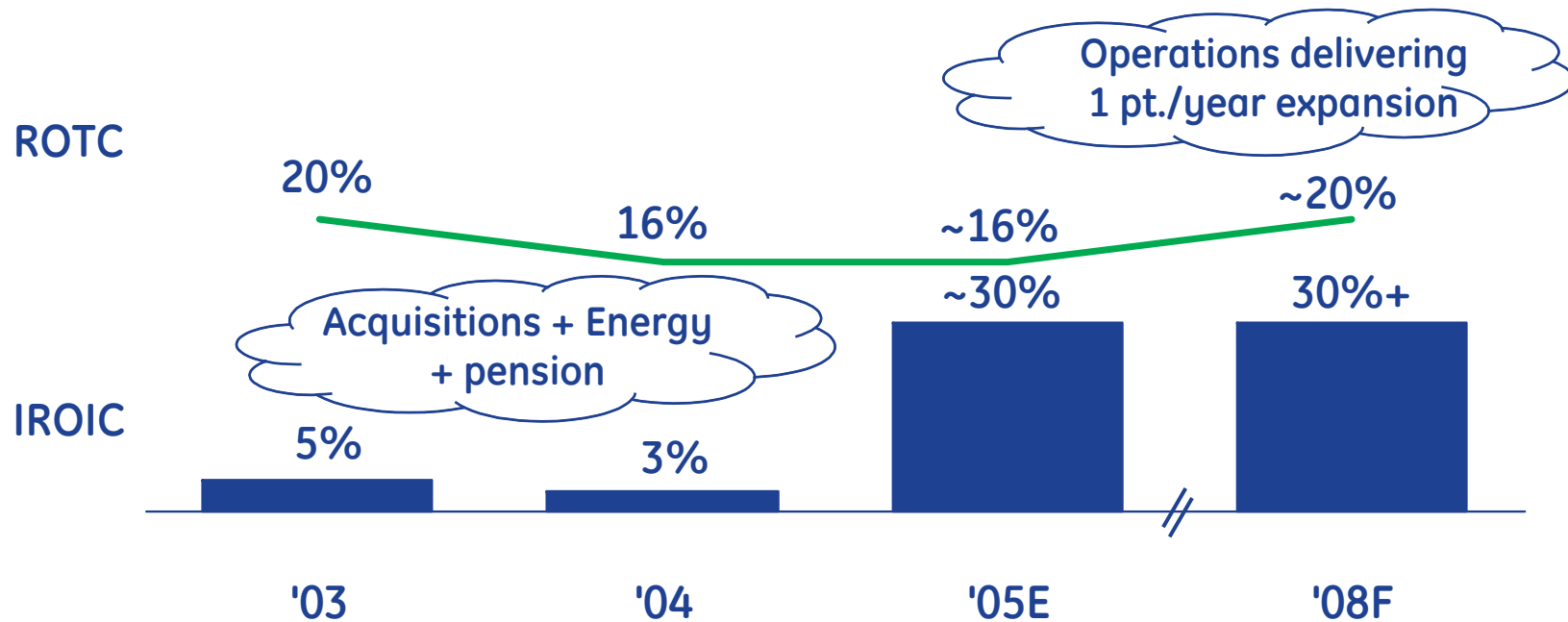
- ✓ Parent supported debt at zero ... ahead of plan
- ✓ 2005 includes ~\$4.0B GECS dividends ... regular dividend at 40% of earnings beginning 2Q'05
- ✓ Driving working capital turnover improvements through lean and receivables initiatives
- ✓ Year-end debt at ~\$10B, down \$1B from '04
- ✓ Share repurchase under way
 - \$3B in 2005
 - \$15B over 3 years
 - Accelerating in 2Q'05

Double-digit cash flow growth ... strong balance sheet



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Expanding returns



- ✓ IROIC continues to expand
- ✓ ROTC increasing to 20% by 2008

Clear focus on expanding returns

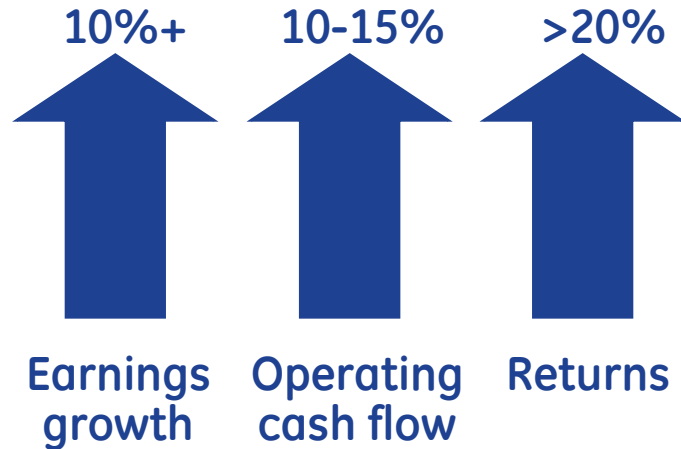
Executing the strategy



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GE strategy

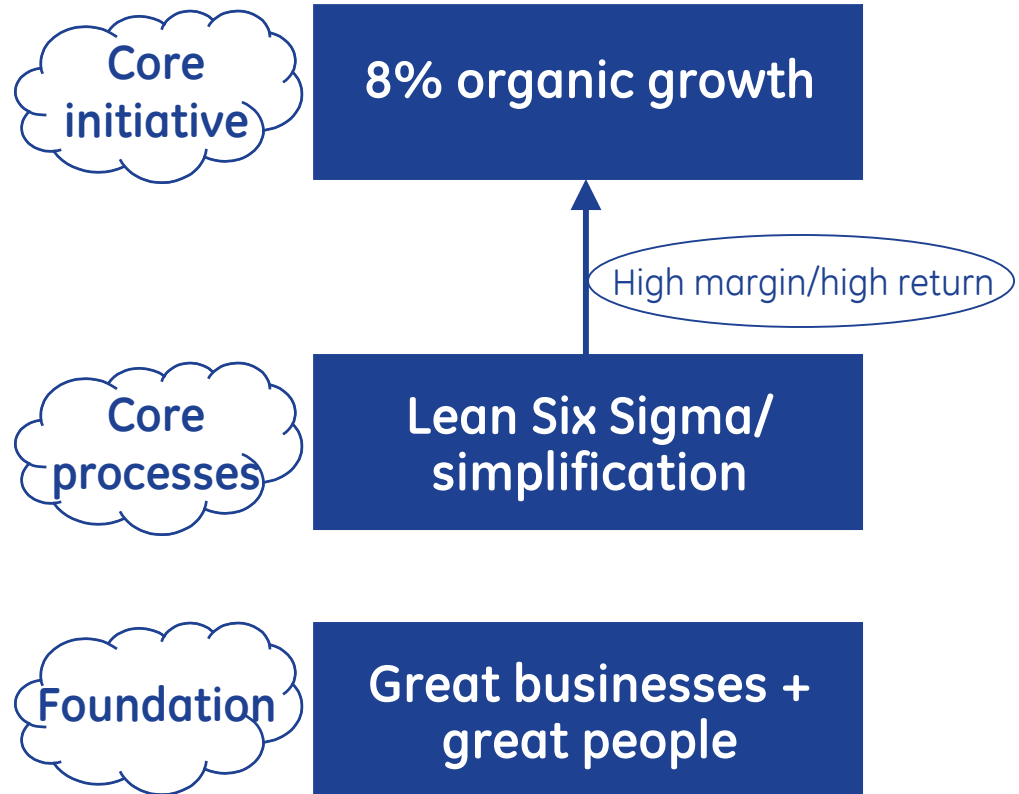
Financial performance - goals



Business model

- ✓ Consistent + safe growth company
- ✓ Expanding returns + strong cash generation

Strategy



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Improving the portfolio

- ✓ Faster-growth industrial businesses
- ✓ Higher-returning Financial Services businesses

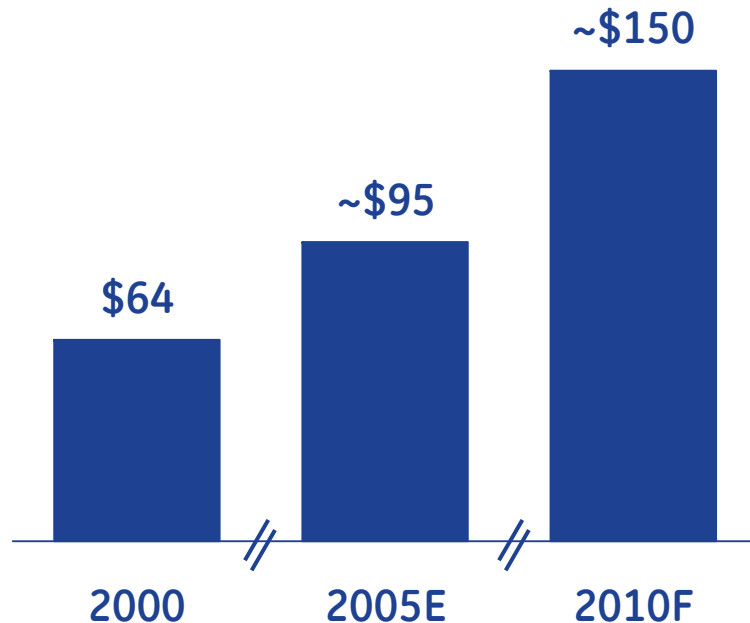


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Faster-growth Industrial

(\$ in billions)

Industrial revenue



Dynamics

	<u>'00</u>	<u>'05E</u>	<u>'10F</u>
Organic growth rate ^(a)	5%	8%	✓
Services % of total	25%	30%+	++
Industrial growth engines % of ind. revenue	66%	~75%	↑

✓ New capabilities:

- Biosciences
- Film & DVD
- Healthcare info tech
- Renewable, cleaner energy
- Water
- Hispanic media
- “Verticals”
- Security
- Oil & gas exploration

✓ Will continue to expand via disciplined Business Development



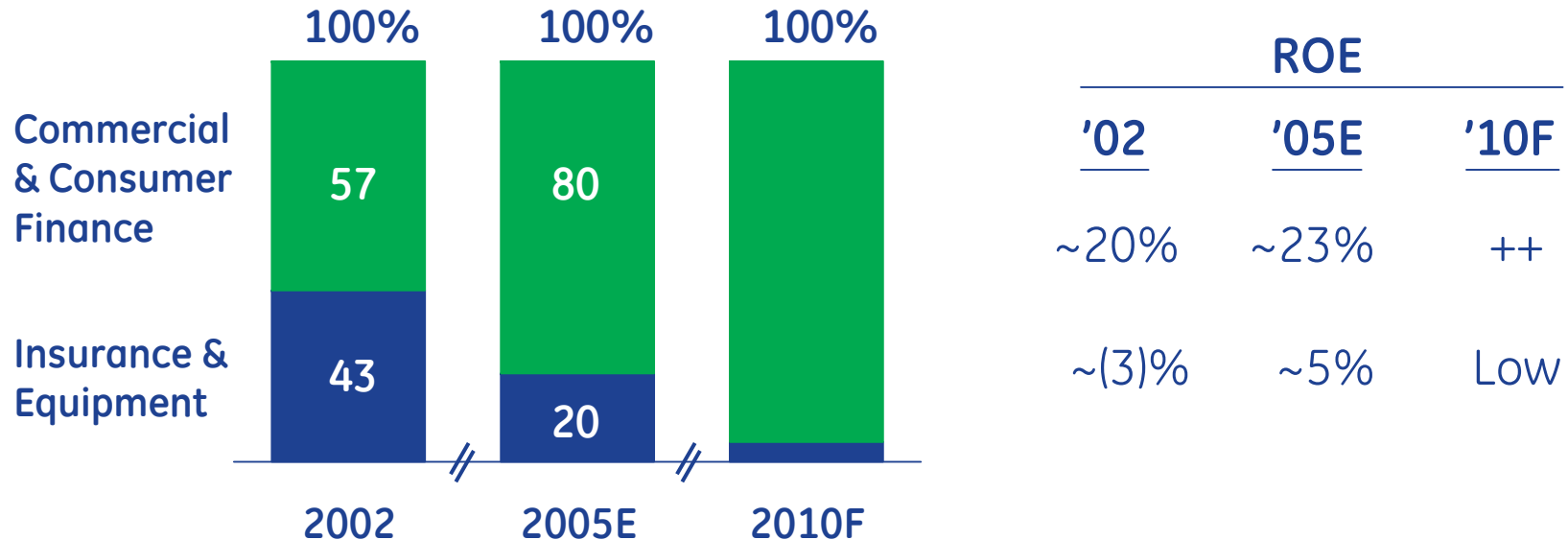
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(a- Long-term historic organic growth rate

Higher-returning Financial Services

(\$ in billions)

Business mix (assets)



✓ Expanded capabilities:

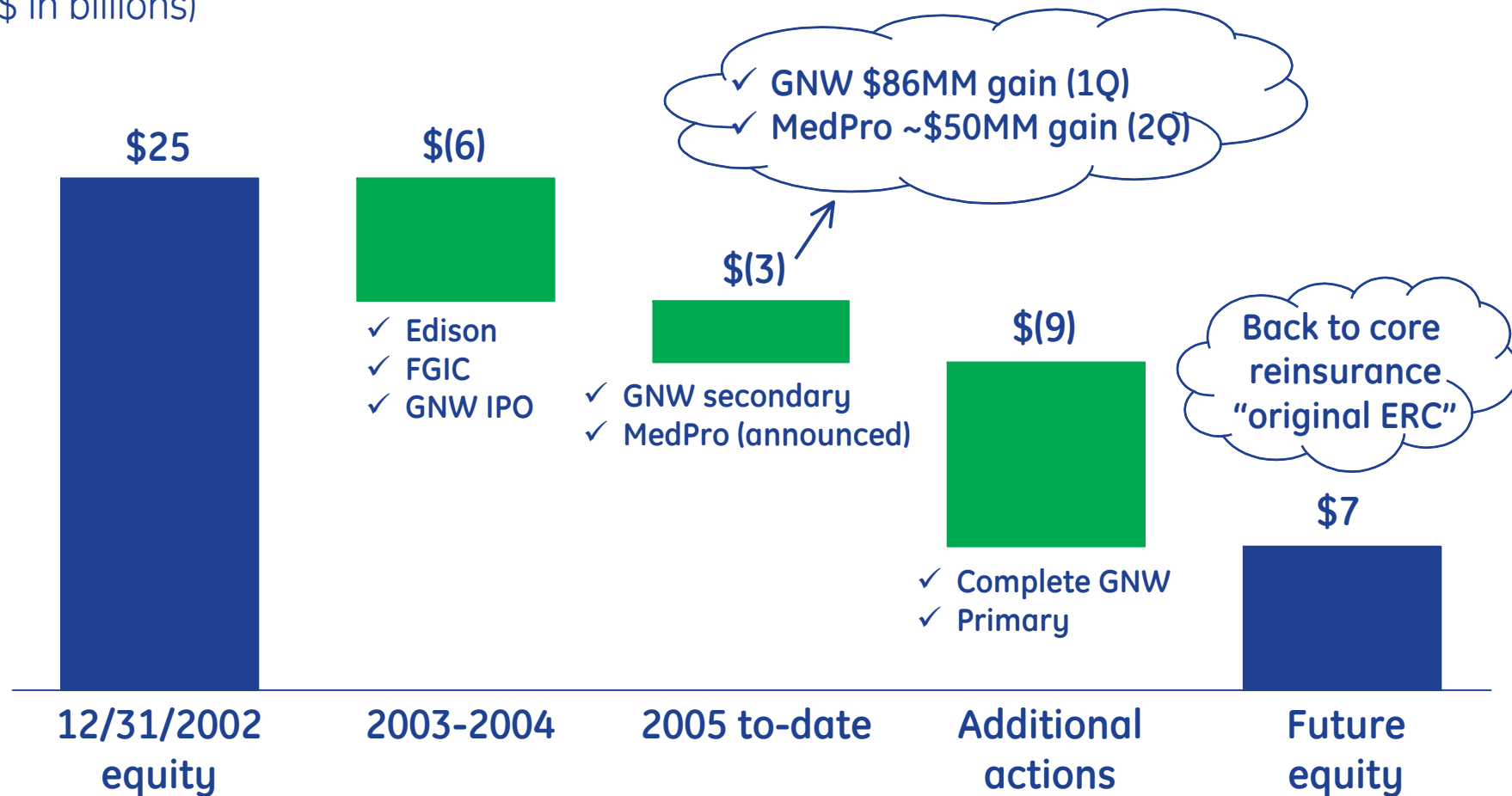
- Dual Card Finance
- Full supply chain financing
- Real Estate services
- Inventory Finance
- Global mortgage
- "Verticals"
- GE Money branding
- U.S. large-cap lending



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Insurance strategy progressing

(\$ in billions)



- ✓ Freeing capital for higher-returning Financial Services
- ✓ Back to core reinsurance, "original ERC" ... strategic flexibility



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Financial discipline

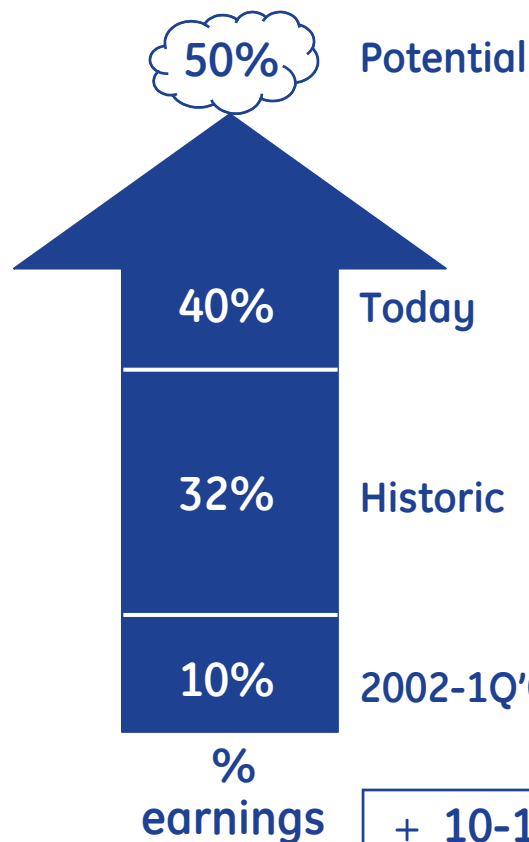
Actions taken

- ✓ Strong Triple A
 - Eliminated parent supported debt
- ✓ More transparency
 - Capital reorganization
 - Disclosure
- ✓ Capital allocation
 - Risk + product line leverage
 - ROE
- ✓ Buyback ↑ + dividend ↑
- ✓ Redeploy capital
 - Exit low return businesses



Financial flexibility

Capital dividend



- ✓ Drive ROE progress
- ✓ Improve risk management
- ✓ Insurance → Comm. + Cons. Finance
- ✓ Organic growth

+ 10-15% earnings growth
+ Higher ROE
+ \$1B/year cash for redeployment

Improved valuation dynamics

Better industrial
growth mix



>80%

Industrial growth
engines % of revenue

Higher
ROTC



>20%

ROTC >20%

Financial Services
% of income



Less than 50%

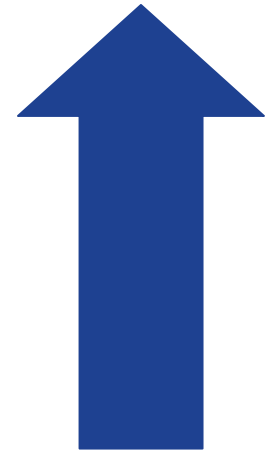
Higher Financial
Services ROE



>25%

Financial Services
ROE >25%

Strong Free
Cash Flow



\$7-10B/year

Buyback +
Industrial BD

- ✓ Portfolio positioned for value creation
- Faster-growth industrial business
 - Higher returning Financial Services

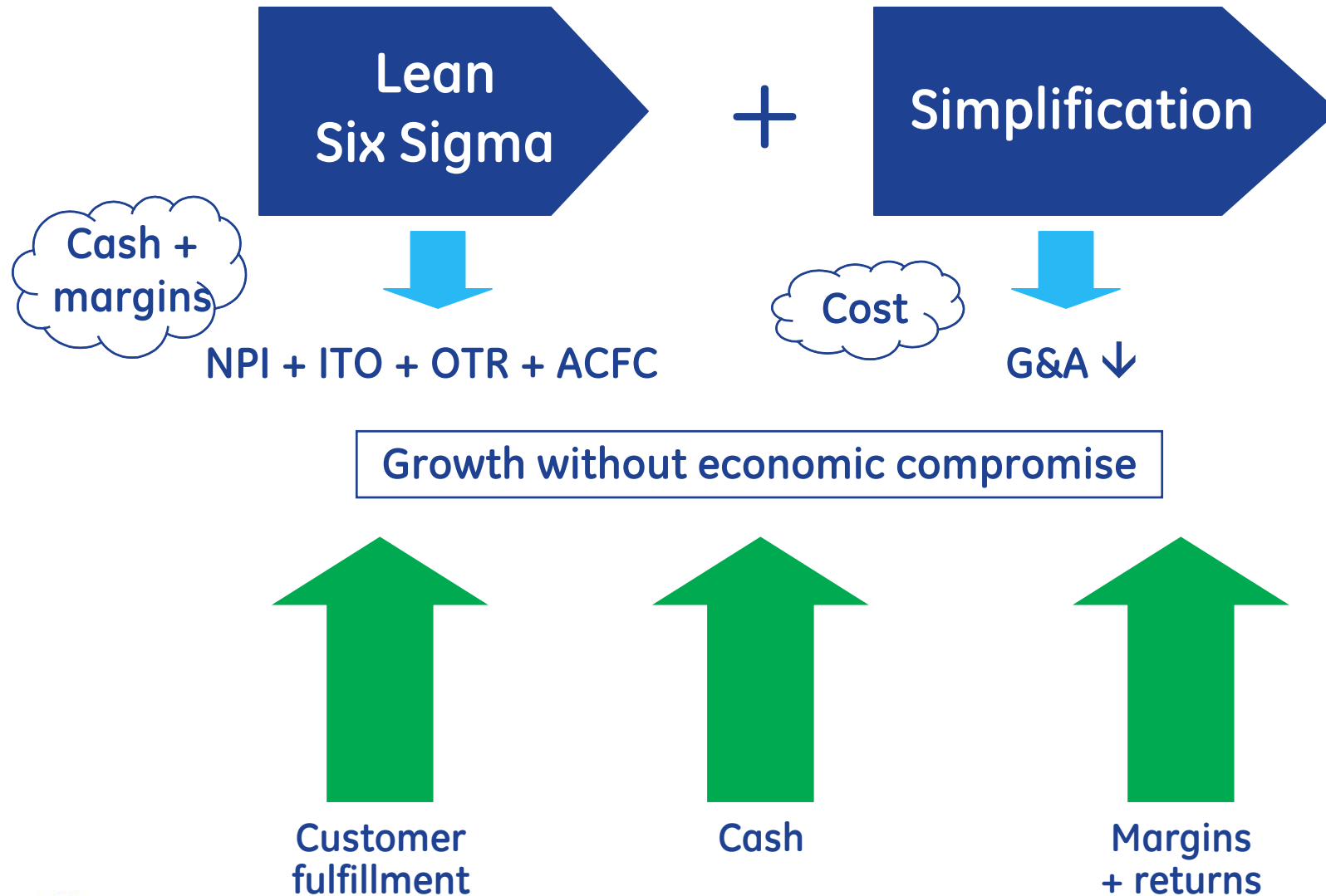
Strong core processes

- ✓ Improve operating profit rate
- ✓ Drive cash & ROTC



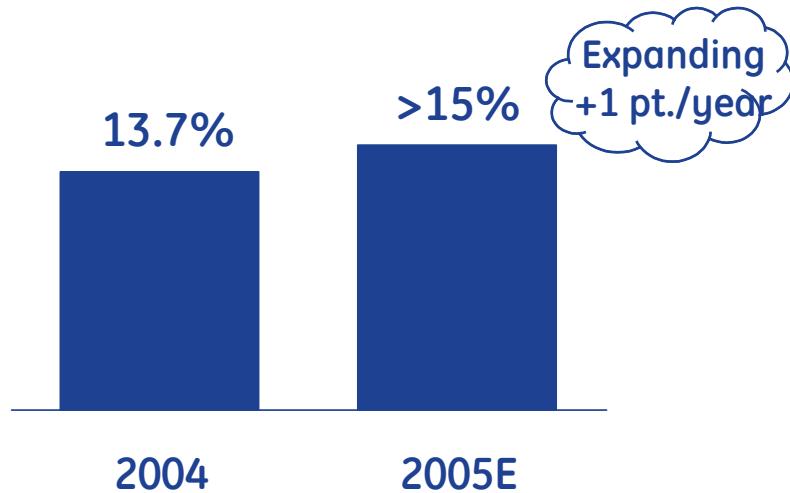
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Process excellence



Operating rigor

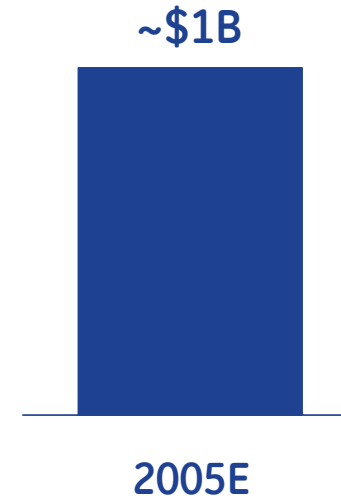
Industrial operating profit %



Key drivers

- ✓ Services
- ✓ Pricing > inflation
- ✓ Simplification
- ✓ Improved portfolio mix

Working capital



Key drivers

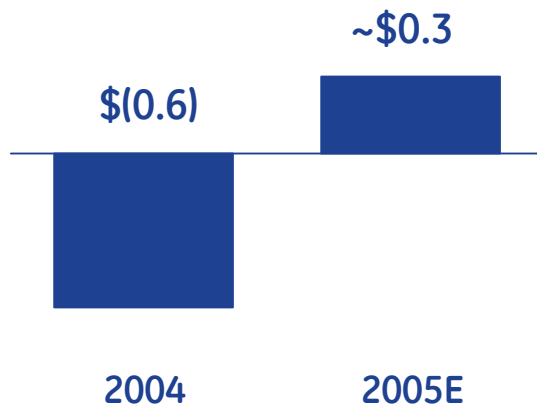
- ✓ Receivables T/O +60 bps. ... past due reductions & improved billing quality
- ✓ Inventory T/O +30 bps. ... Lean Six Sigma

Strong operating disciplines driving returns improvement

Operating profit expansion

(\$ in billions)

Price/inflation delta

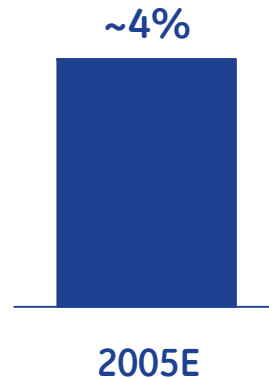


Commodity inflation more than offset by ...

- ✓ 5 price increases in Plastics
 - 1Q'05 average selling price +35%
- ✓ Appliances price positive
- ✓ Services pricing positive

\$0.9B improvement vs. '04

Total cost productivity

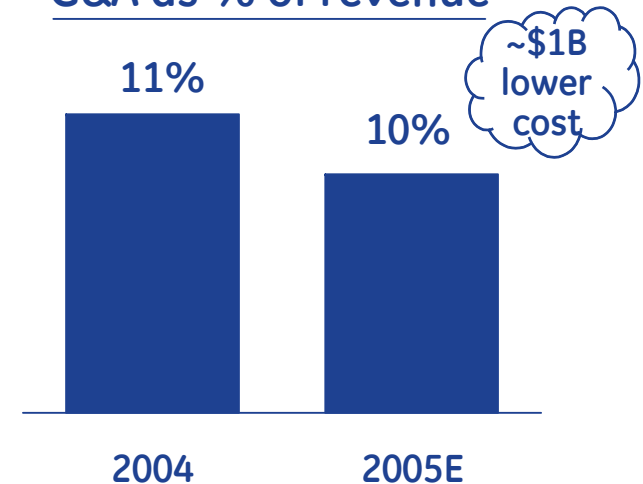


Productivity a core competency ...

- ✓ Simplification ... delivering ~\$1B/year
- ✓ Six Sigma
- ✓ Acquisition synergies

Productivity driving margin expansion

G&A as % of revenue



Simplification driving G&A reduction ...

- ✓ Acquisition integration
- ✓ Organization transformation & global process integration
- ✓ Infrastructure consolidation
- ✓ Centers of Excellence & ERPs

Simplification yielding results



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Lean Six Sigma Showcases

Component Repair



- ✓ Decreasing repair cycle time
- ✓ Faster introduction of new services
- ✓ 35% increase in repairs developed

Retail Sales Finance



- ✓ Simplifying & digitizing dealer activation
- ✓ Improving dealer response
- ✓ 17% additional sales growth

Magnetic Resonance



- ✓ Reducing NPI cycle time
- ✓ Improving installation
- ✓ 35% decrease in sales cycle time

Equipment Finance (Europe)



- ✓ Increasing customer responsiveness
- ✓ 85% decrease in processing cycle time
- ✓ 10% additional sales growth

Digital Video Surveillance



- ✓ Reducing NPI cycle time
- ✓ Increasing customer win rate
- ✓ 17% additional sales growth

Plastics: Custom Color Express



- ✓ Smaller lots
- ✓ Late point coloring
- ✓ 15% price premium

✓ **Speed → market success**
– **Faster growth ... improve capital efficiency**



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8% organic growth:

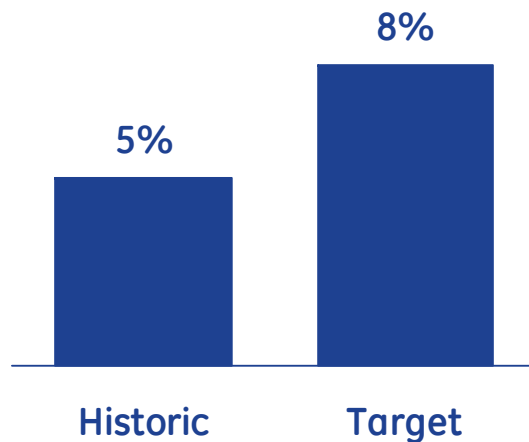
- ✓ Predictable & repeatable process



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Organic growth

Revenue growth



We can do it

GDP	3%
Portfolio	3%
Services + global + Initiatives (IB)	2-3%
Target	8%

Organic growth process

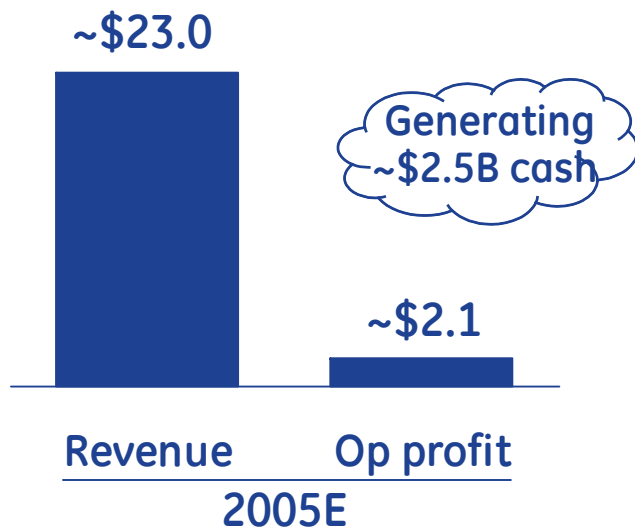


Process for sustained organic growth

Growth platforms

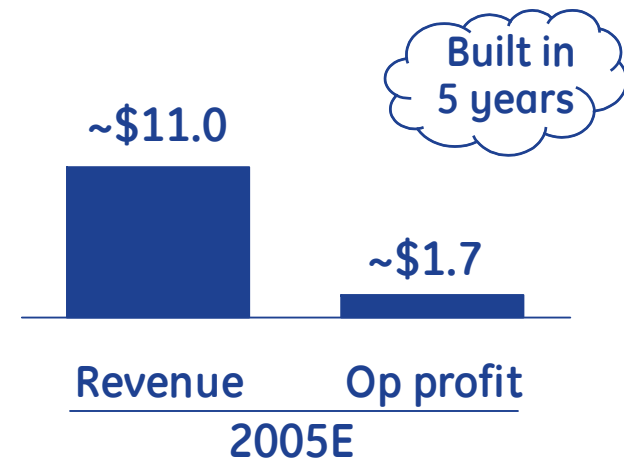
(\$ in billions)

Consumer & Industrial + Advanced Materials



Faster
growth

Growth platforms ... 15% AAGR



Growth platform strategy

- ✓ Build scale businesses ... strong organic growth, capital efficient, low volatility
- ✓ Transform the GE way ... services, global, technology

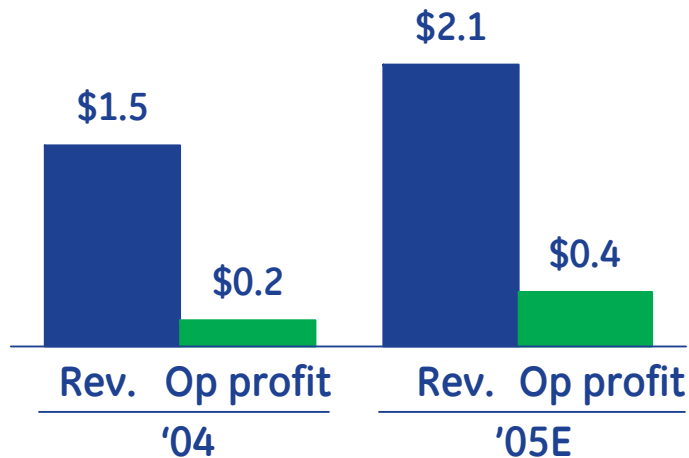


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Transforming Water

(\$ in billions)

Solid growth



Have established leadership

	Market		GE
	Size	Growth	
Services	\$8	12%	✓
Equipment	13	8	✓
Membranes	10	8	✓
Chemicals	10	4	✓
Desalination	5	12	✓

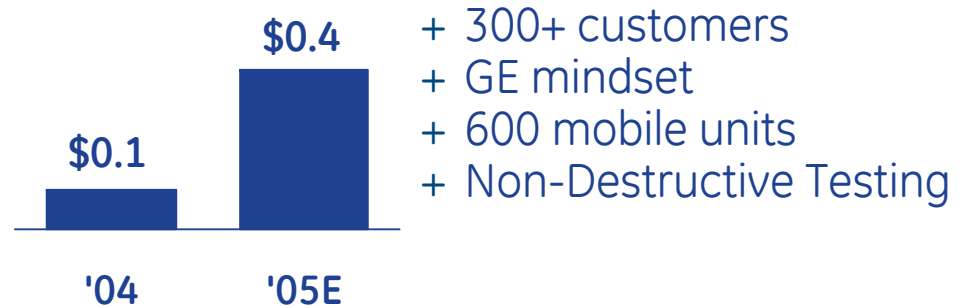
Launch fast



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Building unique capability

Services: Industrial outsourcing revenue



Global: Desalination



Competitive advantage

Investing in technology

Technology investment

~\$5B



'05E



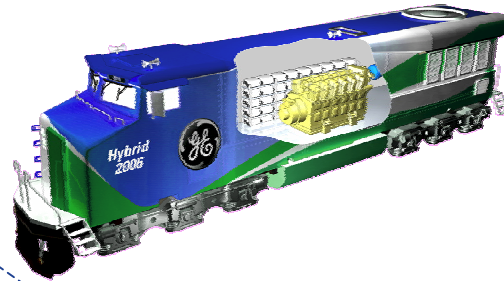
Delivering a pipeline of high-growth & high-margin products

- ✓ Leadership in energy efficiency & emission reduction
- ✓ Leadership in diagnostics & personalized medicine
- ✓ Leadership in infrastructure technologies
- ✓ Services technologies that improve customer economics
- ✓ High-margin products in cash generators

Positioned to capitalize on major trends

Technical excellence – **ecomagination**SM

Hybrid locomotive



- ✓ Up to 15% more energy efficient
- ✓ Partner launch in 2005

GEnx



- ✓ Positioned to power Boeing 787, Airbus A350 & B747 Advanced
- ✓ \$2B orders in 2005-2006

Our commitment

- ✓ Double investment in R&D
- ✓ Double revenue to \$20B by 2010
- ✓ Reduce greenhouse gas emissions & improve energy efficiency
- ✓ Help customers win with efficiency

Cleaner CoalTM



- ✓ GE leadership
- ✓ \$1B orders by 2007

H Turbine



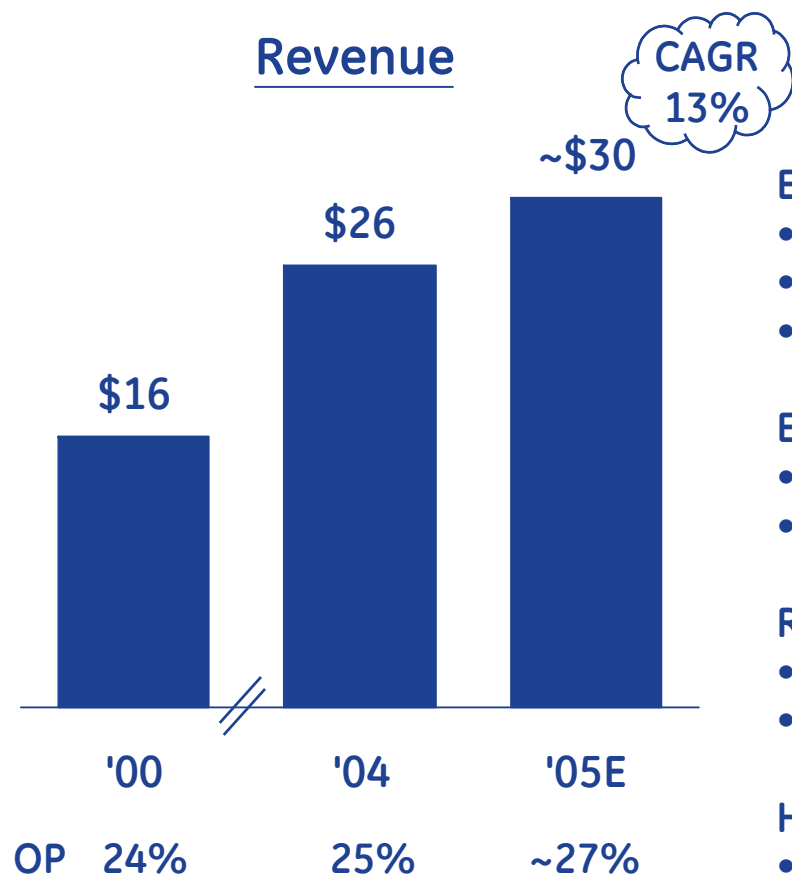
- ✓ 5% more energy efficient
- ✓ 30+ units through 2010

"Green means green"



Services growth

(\$ in billions)



Dynamics

Energy

- Revenue growing 10%+
- Building new capability
- Global

Engines

- Revenue growing 10%+
- Global growth

Rail

- Revenue growing 10%+
- Winning with new products

Healthcare

- Revenue growing 10%+
- Solid IT offering

Installed base

<u>CSA</u>	<u>Units</u>	<u>'05-'10E revenue</u>
\$33	3,100	\$80
28	19,000	60
11	14,800	15
5	34,500	40

Sustained growth ... great margins

New services businesses

Environmental



- ✓ Monitoring & improving power & industrial air quality
- ✓ BHA adds particulate control to portfolio
- ✓ \$0.5B 2005 sales

Non-Destructive Testing



- ✓ Utilizing GE technology; 20+ NPIs in pipeline
- ✓ Delivers customer productivity across multiple segments
- ✓ \$0.3B 2005 sales

Water CSA



- ✓ > 300 CSAs ... \$4B backlog
- ✓ ~600 mobile units
- ✓ ~20% of total Water revenue

Healthcare productivity



6+ Boxes



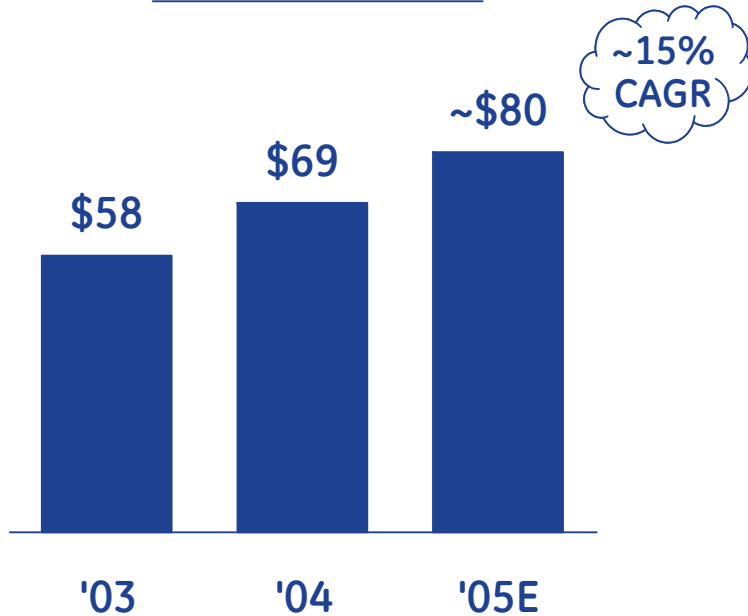
Single interface

- ✓ Intuitive user interface & seamless workflow
- ✓ Advanced visualization tools
- ✓ Breakthrough cardiac, oncology, & In Vivo applications
- ✓ Remote access to applications

Global growth

(\$ in billions)

Global revenue



Priorities

- ✓ Share in Japan + Europe
- ✓ Expand China presence
- ✓ Technology + sourcing
- ✓ Developing markets



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Developing countries ... \$25B revenue in 2005

Growth V%

Energy	20%+	✓ Growth everywhere
Transportation	20+	✓ India/MEA/China/SEA
Healthcare	20+	✓ Growth everywhere
Water	F	✓ China/MEA
Consumer Finance	25	✓ Eastern Europe/ Russia growth ✓ BAC deal – Latin Am.

GE's winning formula

- | | |
|-----------------------------|--------------------|
| + Infrastructure technology | + Consumer Finance |
| + Project finance | + Brand |
| + Reputation/Compliance | + Risk management |

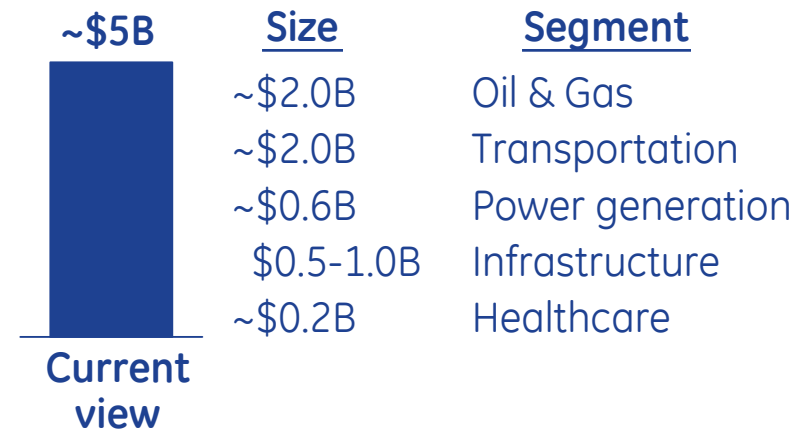
Developing markets – Qatar

Why Qatar?

- \$100B investment in 5-7 years
- A+ S&P rating ... strong financial stability
- \$17B GDP with 8.5% growth rate ('04E)
- World's largest gas field
- Political stability
- Infrastructure & industry development



Opportunity



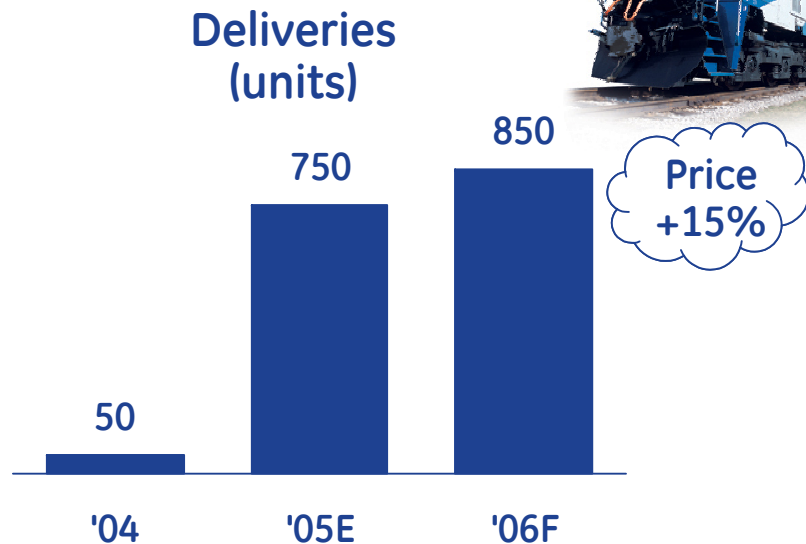
Approach

- Provide enterprise solutions
- Build upon frame agreement and continuous partnerships
- Invest in country
 - GE training center
 - GRC ... desalination

Only "GE"

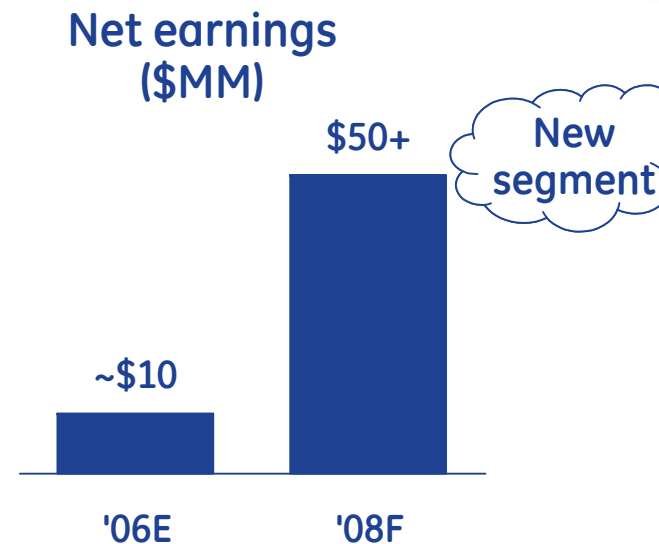
Imagination breakthroughs = growth

Now: Transportation Evolution Locomotive



- ✓ 40% emissions reduction
- ✓ 5 pts. fuel savings
- ✓ 10% lower life cycle cost
- ✓ 1,715 units ordered ... 85% share
- ✓ Sold out for 2005

Future: Consumer Finance Unbanked



- ✓ Demographics drive growth
- ✓ Building distribution through retailers
- ✓ "Your bank in a card"
- ✓ Higher ROE

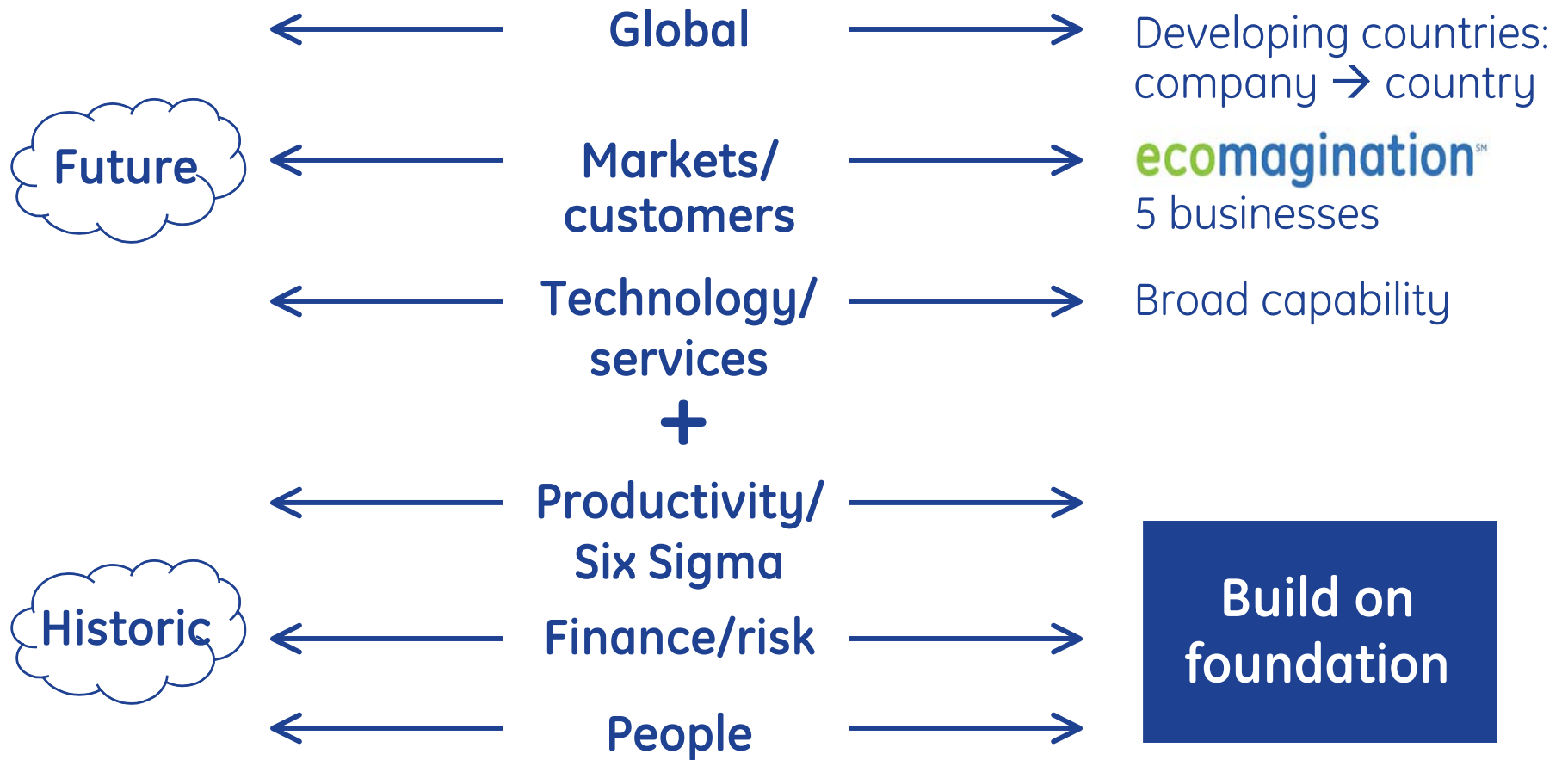
Momentum throughout company



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Cross-company leverage

Key to GE outperformance: Breadth creates value



Operating excellence + premium for growth

Great people:

- ✓ Build a deep bench
- ✓ Work hard on retention
- ✓ Growth leadership traits
- ✓ Alignment



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Deep bench

CEO/VC
Major business CEOs ~\$10B+
Key business leaders \$1-10B
Business leaders \$100MM+
"Fortune 50" functional leaders

#

Building talent pipeline

4

- ✓ Focused succession planning
- ✓ Deep understanding of Top 600 ... early perspective on "next generation"

10

- ✓ Key company roles ... lead culture and company direction
- ✓ ~25 backups identified and available

50

- ✓ Large operating jobs ... focus on current income and future growth
- ✓ Industrial backups ~50, financial services backups ~30

160

- ✓ Opportunities to grow businesses and people
- ✓ Best Bets identified at every stage

20

- ✓ Broad business partnership
- ✓ Strong execution capabilities

Training leaders for GE



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Redefining leadership

Train GE leaders on growth traits

Management Incentive compensation

Current

- ✓ Earnings, cash, returns
- ✓ Strategic objectives

+

New

- ✓ Organic growth
- ✓ Customer metrics

- Create an **external focus** that defines success in market terms
- Is a **clear thinker** who can simplify strategy into specific actions, makes decisions and communicates priorities
- Has **imagination and courage** to take risks on both people and ideas
- Can **energize teams through inclusiveness and connection** with people ... builds loyalty and commitment
- **Develops expertise** in a function or domain, using depth as a source of confidence to drive change

Growth generation



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Alignment

Manage “top 30” with investors in mind

- ✓ Strong sense of teamwork + commitment + partnership
- ✓ All have experience ... broad + deep
- ✓ All have great jobs ... in great businesses
- ✓ Strong alignment with investors
- ✓ Great pipeline in place

**Leaders & organization are aligned
to deliver results for investors**

Our time:

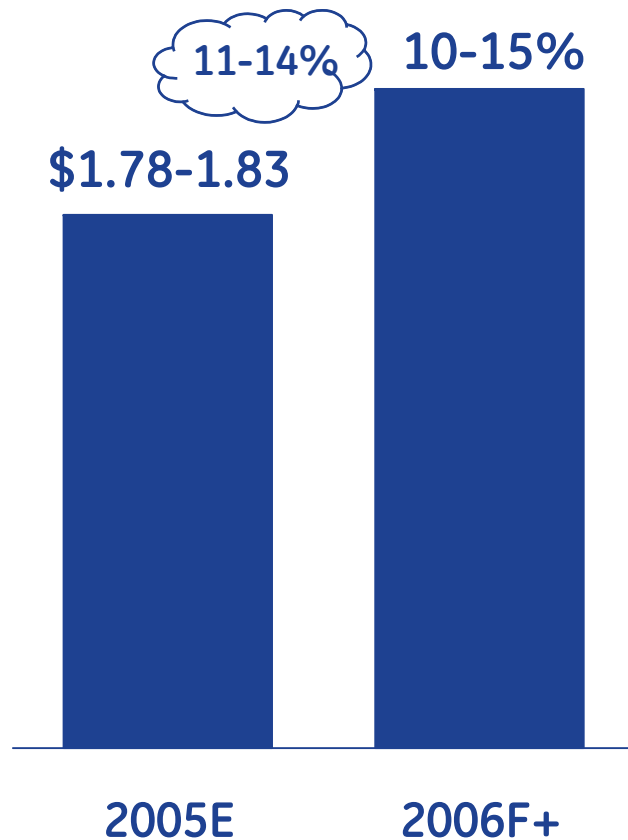
- ✓ Strong results today
- ✓ Sustainable into the future



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Strong results today

Earnings per share



Momentum for future

- ✓ Transportation & Energy
 - Growing simultaneously
 - Massive installed base ... services
- ✓ Healthcare & NBCU & Infrastructure
 - Right platforms in place
 - Demographically advantaged
- ✓ Stable growth in Financial Services
 - Higher returning businesses
- ✓ Economically less volatile
 - Cash Generators ~10% total company

Great outlook

Sustainable

(\$ in billions)

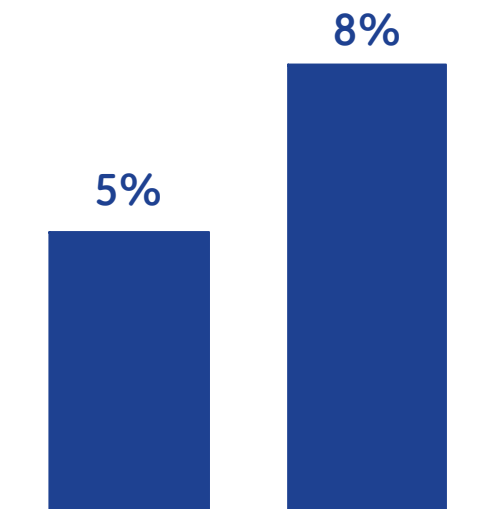
8% organic growth

+

Lots of cash

+

Strong foundation



Historic

Now

Organic growth %



\$11.6

~\$20

'97-'00

'05-'07F

Operating cash flow (CFOA)
(Average)

✓ **Great people + culture**

- Investing \$1B year in development
- Deep bench

✓ **Financial strength**

- Triple A
- Overfunded pension
- Expanding ROTC

Underlying fundamentals sustain growth



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Summary

- ✓ Portfolio transformed ... great businesses
- ✓ Overall environment remains strong ... our segments demographically advantaged
- ✓ Excellent cash generation driving increased returns
 - 20% ROTC by '08
- ✓ Initiatives delivering ... right for the times
 - Organic growth 8%
 - Simplification hits productivity sweet spot

Our time