

GE Infrastructure Water & Process Technologies – Water needs in Emerging Markets

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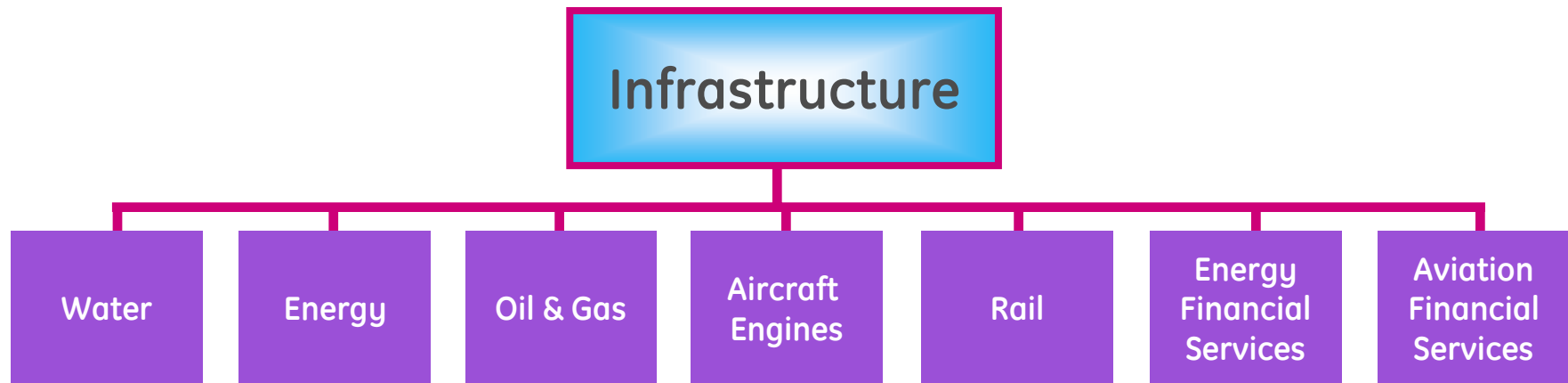
"This document contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "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.



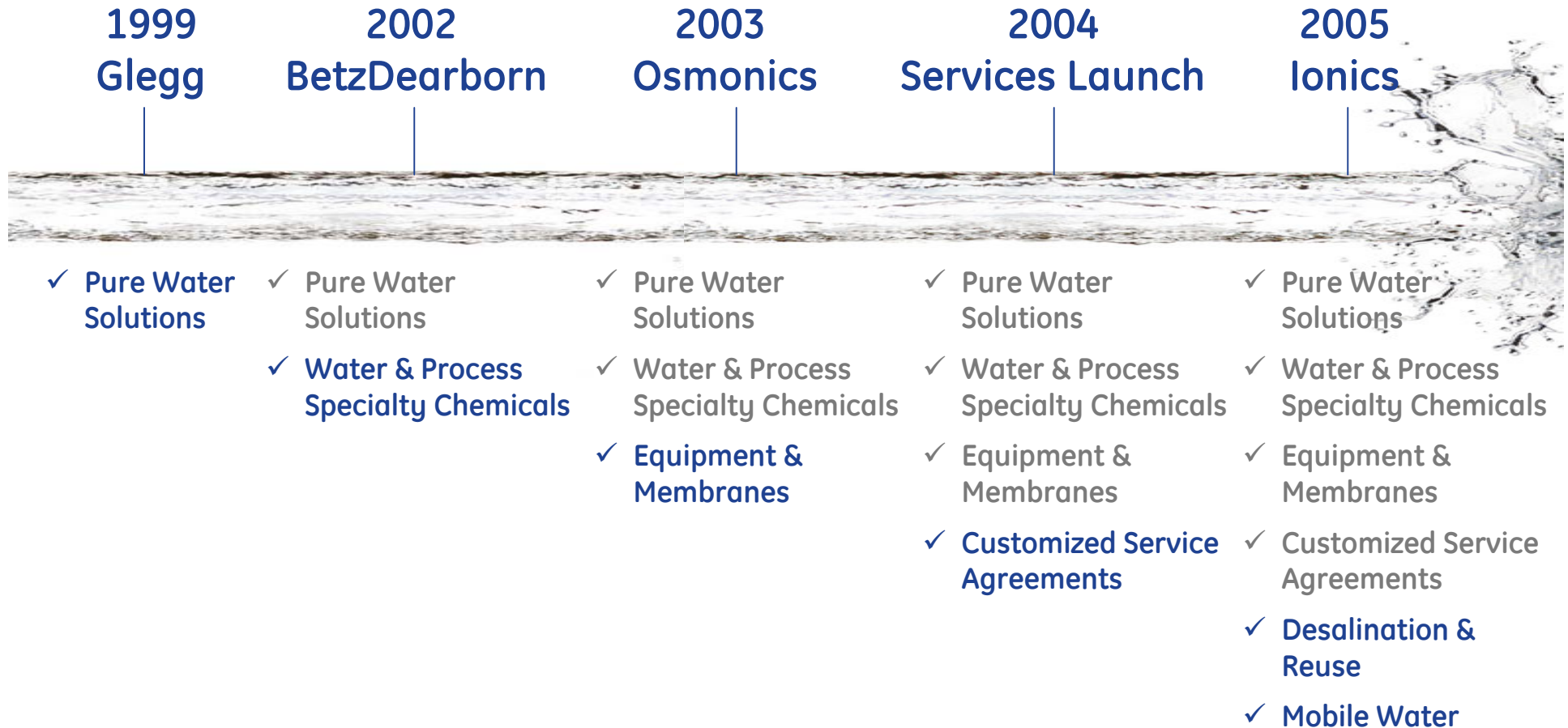
GE Infrastructure → \$43B in 2005

Technology focused on solving
emerging global market needs.

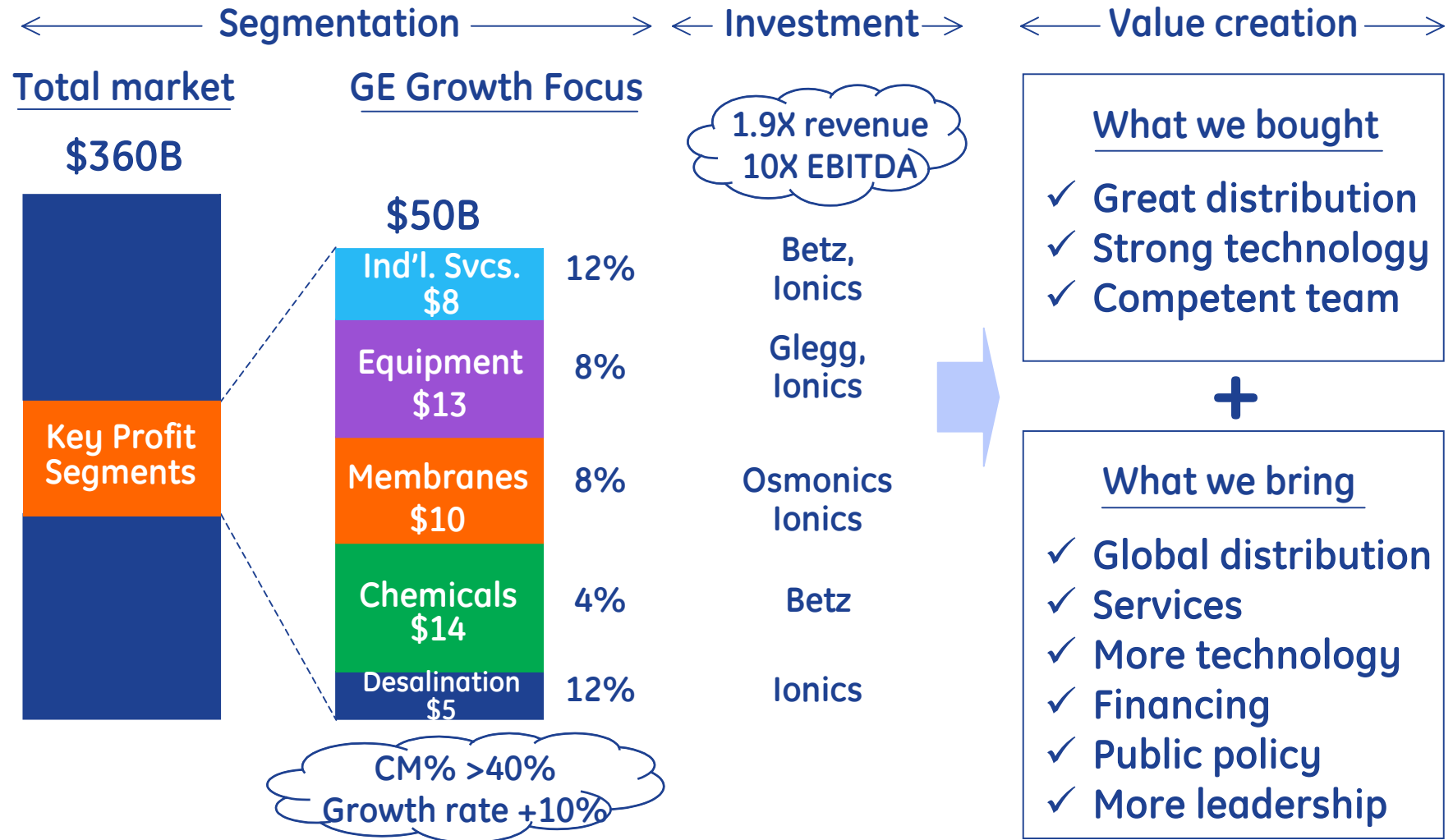


Structured to provide global
customer solutions

Becoming the global water leader



Water strategy



Aligned with customers to drive growth

The Platform

\$2.1 B



The Value To Customers...

- We Optimize Total System Performance
- We Safeguard Customer Assets From Corrosion, Fouling and Scaling
- We Protect The Environment Through Water and Energy Conservation

GE Water & Process Technologies Growth Strategy



People.



Technology.



Solutions.

Creating Technology that Improves Our World

Desalination



Water Purification



Waste Treatment



Water Reuse



Pathogen Protection



Air Quality



Plant Optimization



GE Advantage

- 4 Global Research Centers
- 2,500 technologists worldwide
- Technical Disciplines
 - Chemistry
 - Mechanics
 - Physics
 - Electrical
 - Computer Science
 - Materials
 - Biology
 - Statistics



Global Research Center
Niskayuna, NY



John F. Welch
Technology Centre
Bangalore, India



China Technology Center
Shanghai, China

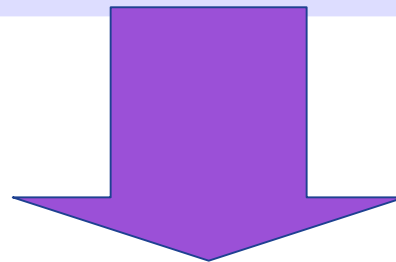


Global Research -Europe
Munich, Germany

Our Commercial Offering Represents a Paradigm Shift in the Industry



- Broad array of solutions
- Scale + on-site reliability + reputation



Build, Own, Operate or Maintain

Access to Clean Water Drives Emerging Markets



imagination at work

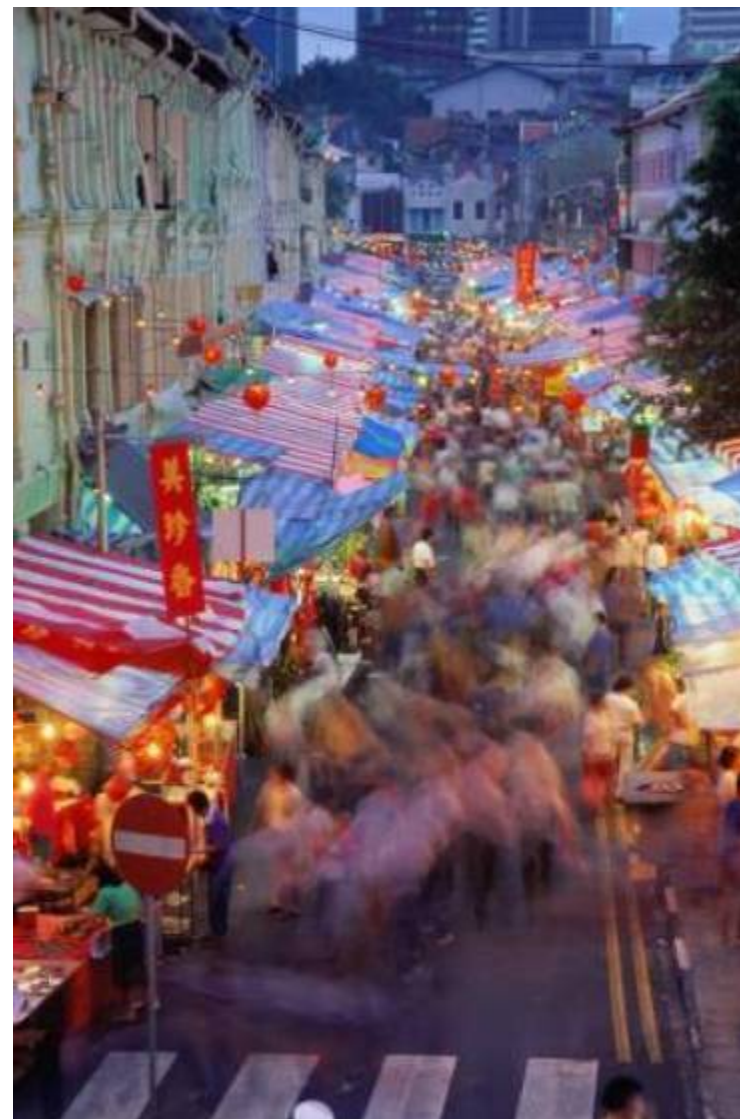
The world population will become grossly out of balance

80% of the world's population will be in countries least capable of supporting further growth...

... but 33 developed countries' populations will shrink dramatically.



Source: CSIS



Medical technologies may allow today's children to live until age 120



The energy needs of this growing population will spike usage by 60%



Nearly half of the world's population will be water-stressed in the future

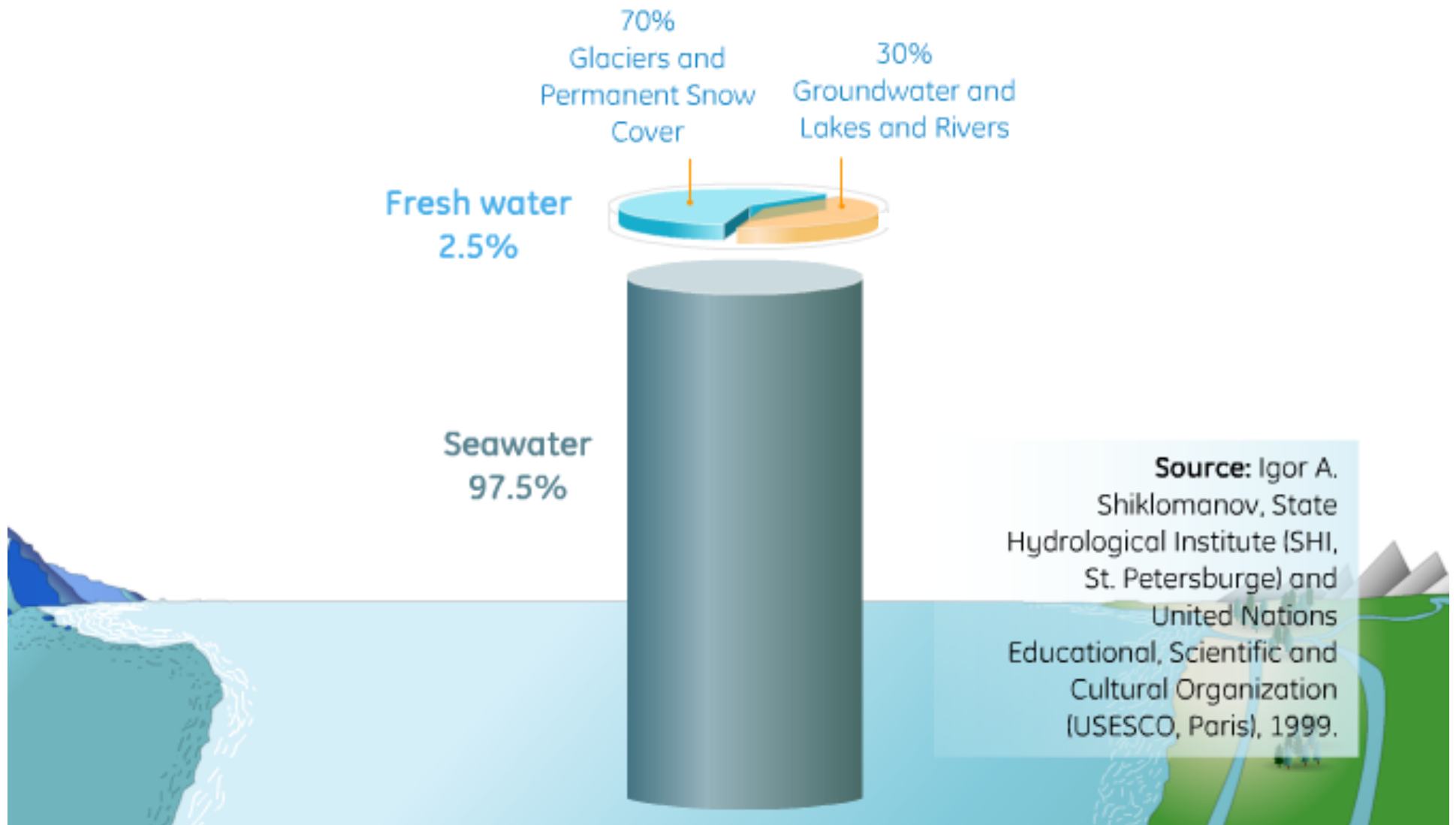
The population explosion will put even more pressure on this valuable resource



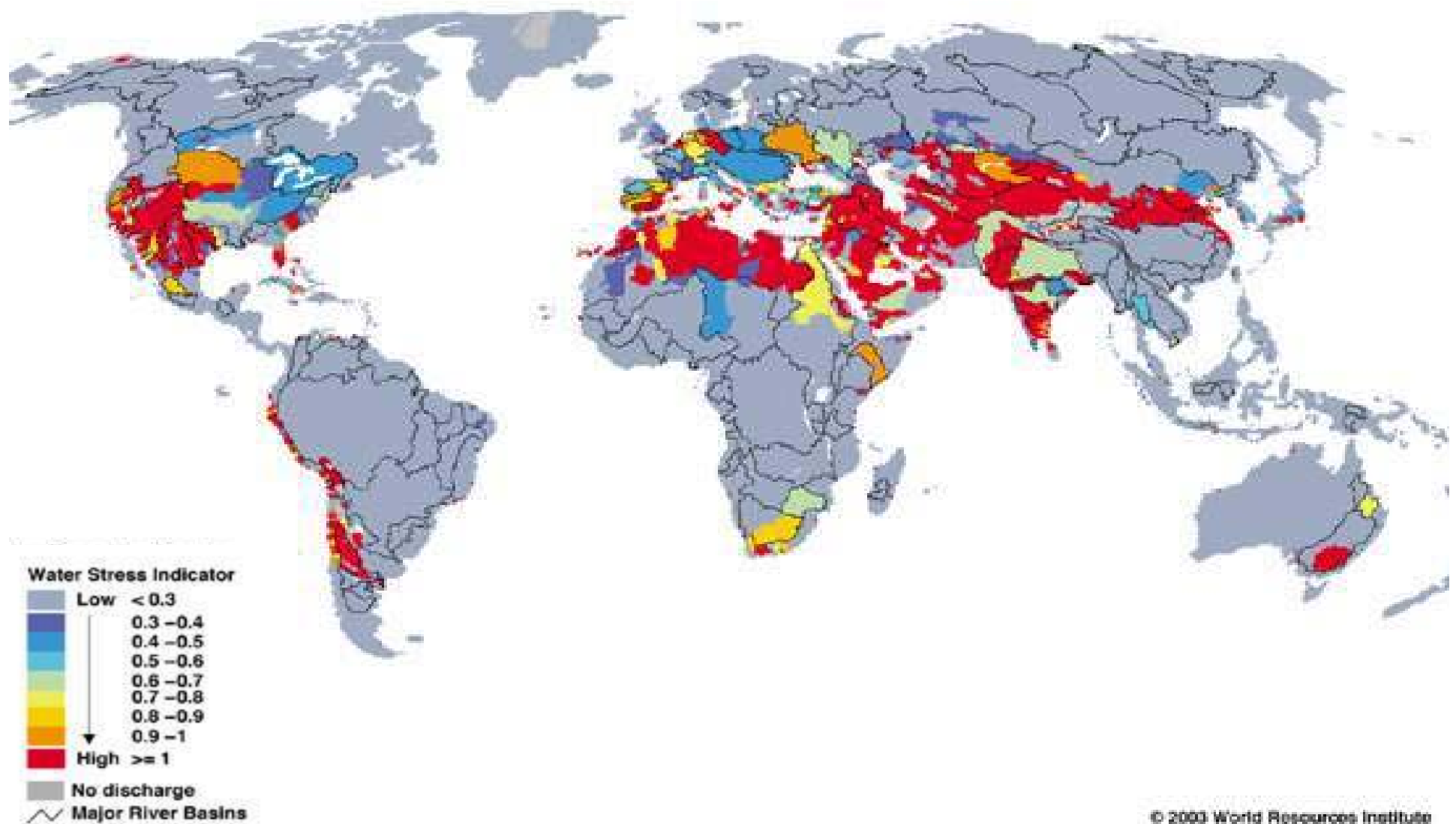
Source: The World Bank



The Earth's Surface is 70% water ...
Less than 1% is usable



Today's Water Scarcity



Creating Economical Sources of New Water

GE's Water Scarcity Solutions



Desalination



Water Reuse



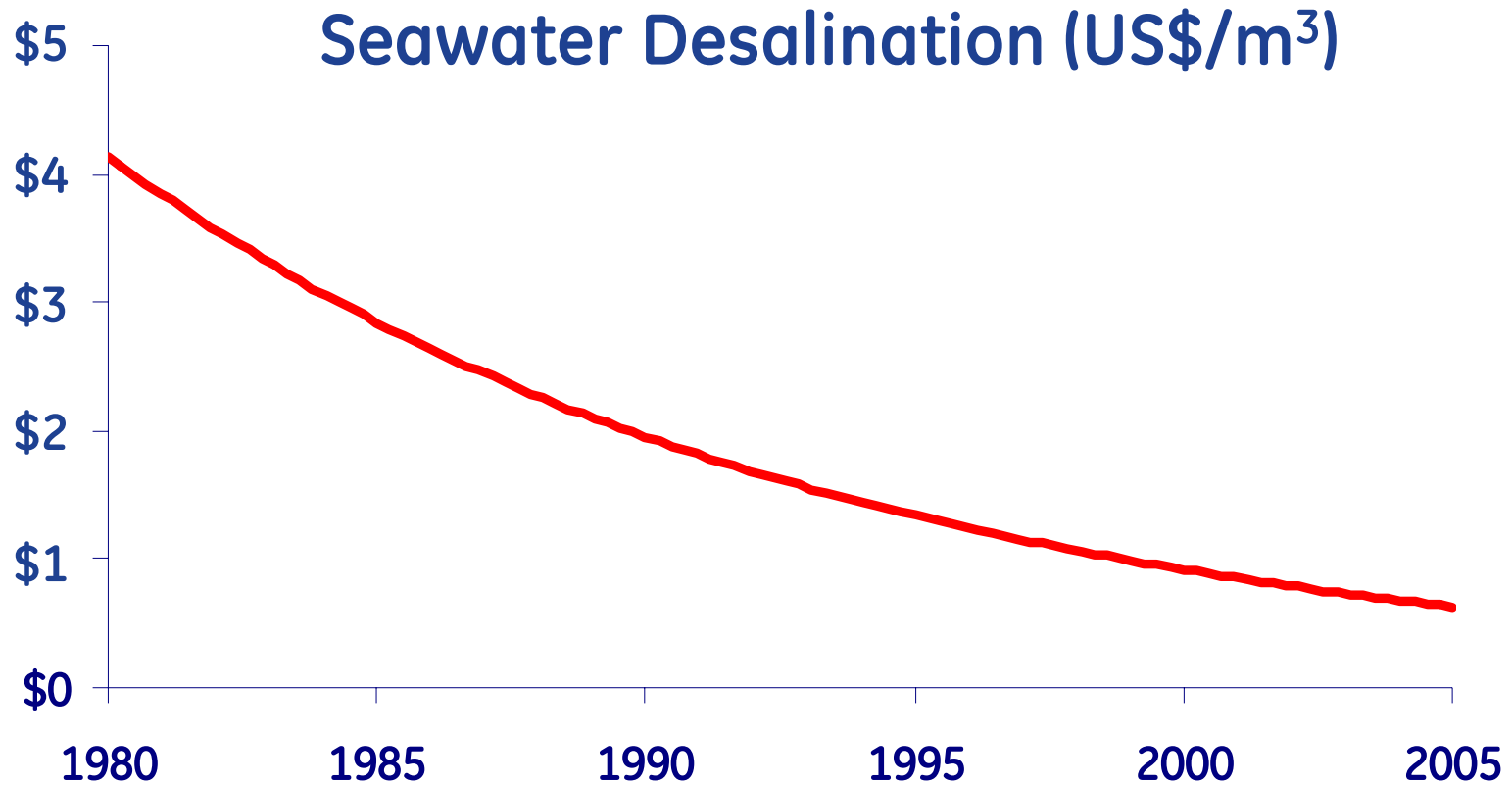
imagination at work

Creating New Water... Today

- Advanced membrane technology separates salt and impurities from water
- The new water can be used for consumption, industry or irrigation
- ... Lessening our dependence on fresh water sources



Technology Driving Attractive Economics



Creating New Water Where It's Needed Most



- Sulaibiya plant in Kuwait
- 375,000 m³/day
- Largest wastewater reuse project in the world
- 30 year BOT structure
- Water for irrigation and industrial use

Creating New Water... Tomorrow

Energy ~50% of cost

Solutions:

- **Low-energy membranes**
- **Long life membranes**
- **Energy recovery technologies**
- **Renewable energy**



imagination at work



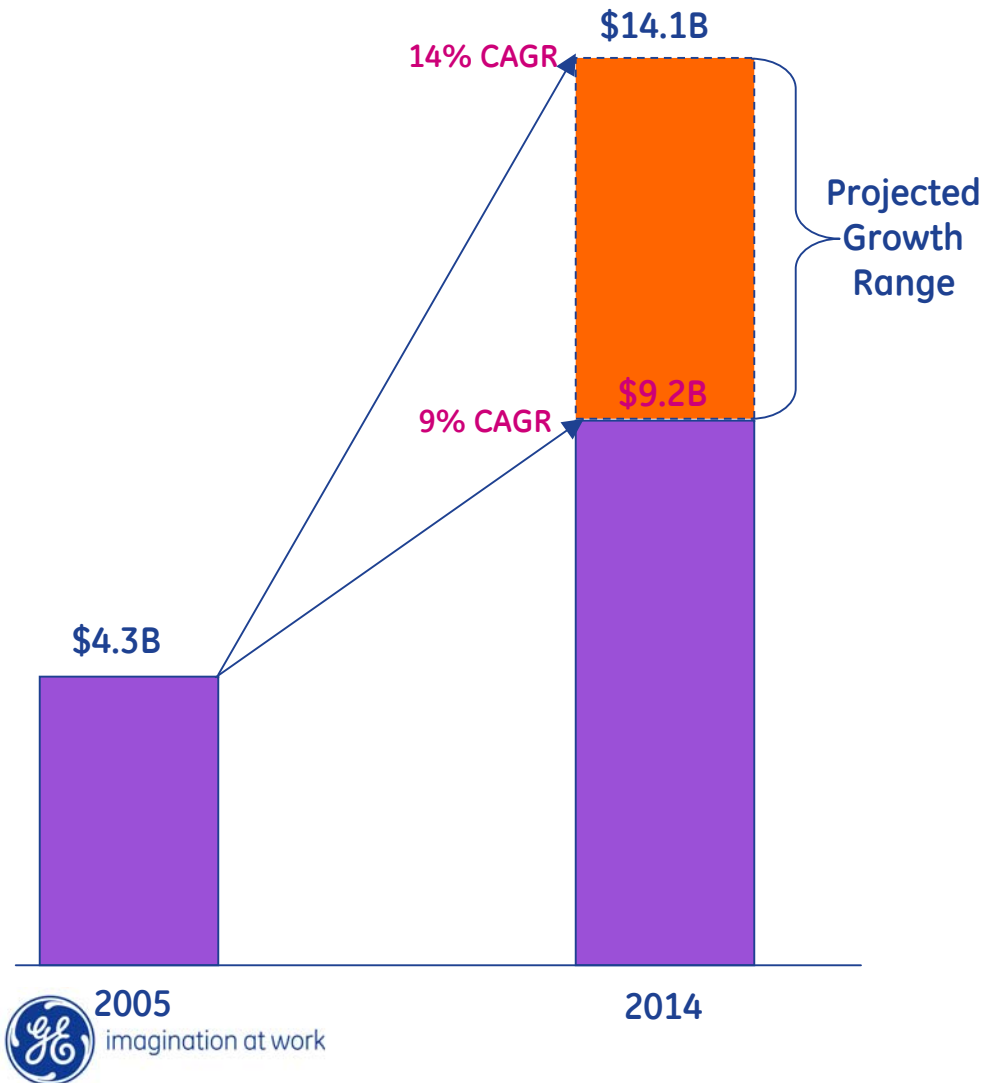
Emergency Relief in Banda Aceh

- Two water scarcity trailers immediately deployed
- Water for over 200,000 people
- 500,000 liters/day
- GE donated \$19MM to relief efforts

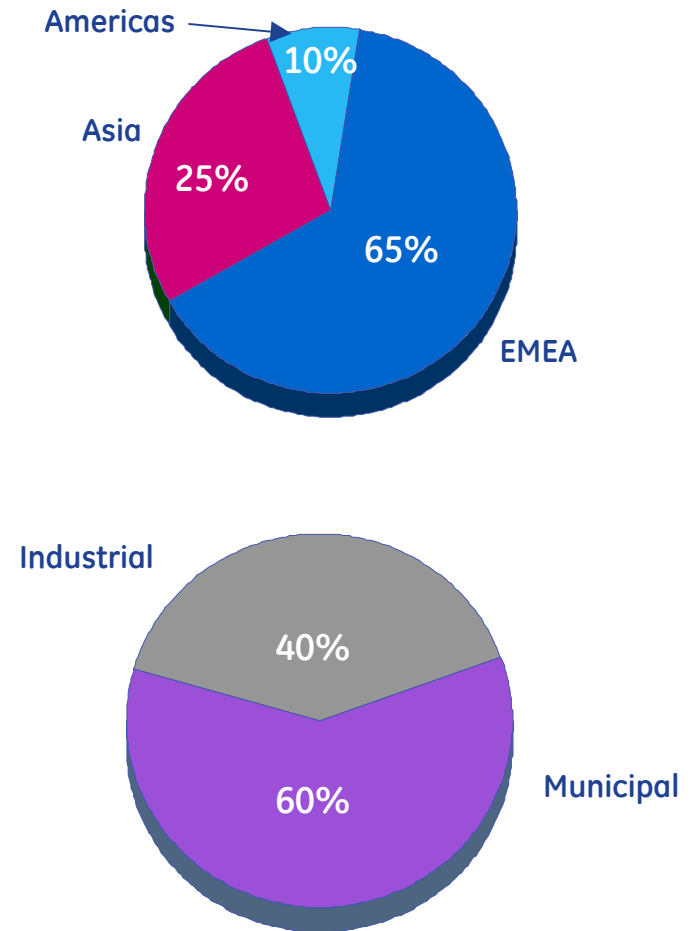


Growing GE...

Growth Projections



2005 Market Segmentation



GE's Water Platform

Water Services



Polymers

Membranes/Filtration



Desalination



Pre-GE

Revenue
(\$B)

\$1.6



Post-GE

\$2.1



'05E

\$2.8



'07F

~10%
organic
growth

Rev. growth 7%
OM % 12%
% services ~50%
IROIC

12/40%
~18%
~75%
~3%

10+%
~20%
~80%
~50+%

Path to
20%
ROTC

On strategy ... business with breadth, diversity & real scale



imagination at work