

Electrical Products Group

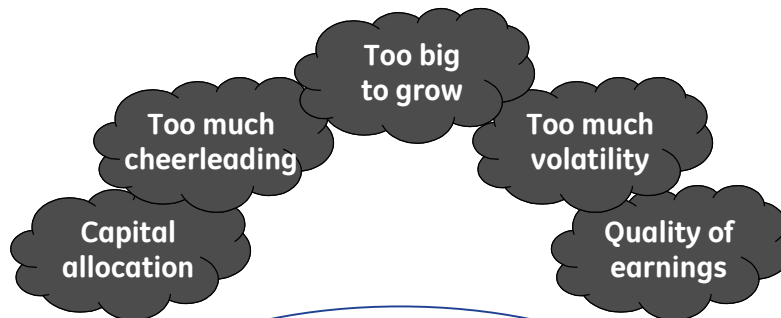
J. R. Immelt
Chairman & CEO

May 24, 2006

“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.”



imagination at work



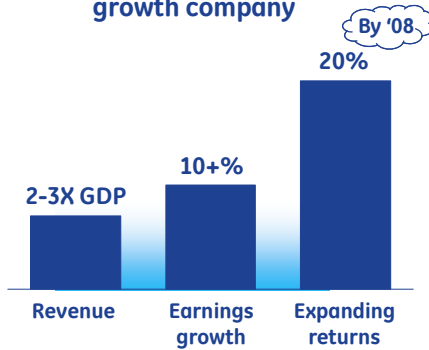
- GE has superior businesses
- Strict adherence to strategy
- Worked through volatility ... now a stronger company
- Period of expanding returns & profit rate
- Unmatched process for growth
- Strong & stable team



imagination at work

GE strategy

Safe + reliable
growth company



- ✓ Performance accelerating
- ✓ Expanding OP rate & ROTC
- ✓ \$10+B FCF/year

GE advantage ...
scale + breadth + depth

Great businesses ... founded on market leadership, domain expertise, competitive advantage & financial strength

Reliable execution ... with businesses that perform consistently while expanding returns

Common initiatives ... where we can scale ideas with speed driving incremental returns

A simple structure & strong team ... filled with people who have broad + deep careers

This is the way we win



imagination at work

Great businesses

- 1 Great businesses set up to grow at 2-3X GDP based on leadership positions that can capitalize on market tailwinds
- 2 Businesses generate substantial FCF with expanding returns



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Market trends

- + Developing country growth
- + Global infrastructure build
- + Aging demographics/healthcare
- + Consumer wealth creation
- + Liquid global capital markets
- + Need for energy efficiency
- + Emerging digitization capability

GE is uniquely positioned to play in key market trends through:

- ✓ Technology + Services
- ✓ Global position
- ✓ Operating execution
- ✓ Financial strength



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Leadership

Infrastructure

35%



"Market trends"

- ✓ Developing countries
- ✓ Global infrastructure
- ✓ Capital markets
- ✓ Energy efficiency
- ✓ Consumer wealth

Commercial Finance

20%



- ✓ Capital markets
- ✓ Global infrastructure
- ✓ Developing countries

Consumer Finance

15%



- ✓ Consumer wealth
- ✓ Capital markets
- ✓ Developing countries

Healthcare

10%



- ✓ Demographics
- ✓ Consumer wealth
- ✓ Digitization
- ✓ Global growth

Industrial

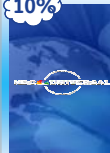
10%



- ✓ Developing countries
- ✓ Consumer wealth

NBCU

10%



- ✓ Digitization
- ✓ Consumer wealth



Scale (India)

+

Domain (Energy)

+

Intellect (GRC)

+

Management (Session C)

+

Financial strength (Triple A)

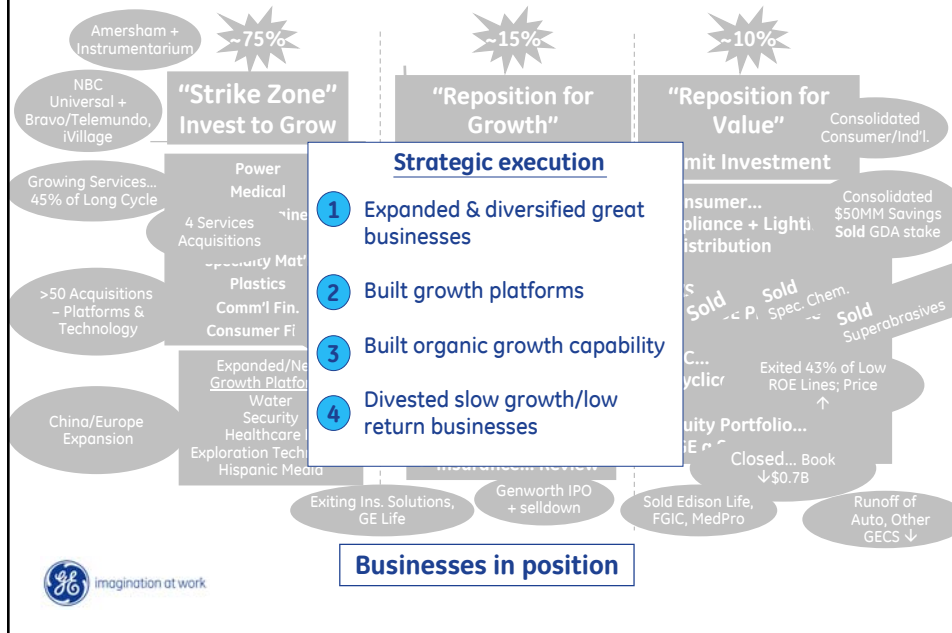


1 Great businesses set up to grow at 2-3X GDP based on leadership positions that can capitalize on market tailwinds



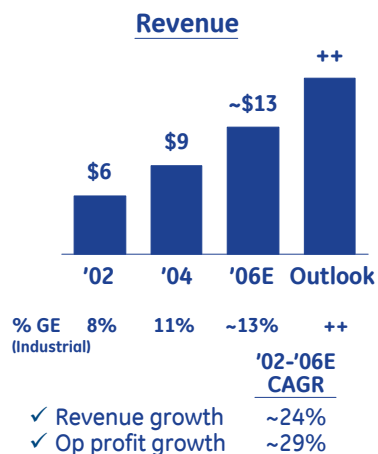
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2002 EPG-present: executed a disciplined strategy



Invest in growth platforms

(\$ in billions)



	Revenue '06E	'02-'06E CAGR	Performance		
			Strategic	Execution	
				Today	Future
Healthcare IT	~\$3.7	~30%	+	+	+
Oil & Gas	~4.3	~17	+	+	+
Water	~2.0	~27	+	-	+
Security & Sensing	~2.5	~35	+	+	+
Hispanic Media	~0.6	~9	+	-	+

Long-term bets ... great position going forward



Higher value Financial Services

(\$ in billions)

Insurance strategy

\$25

- ✓ Buyback
- ✓ Debt pay down
- ✓ Acquisitions

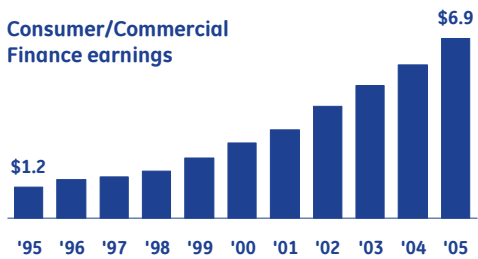
Equity release

- 3 years of effort
- Genworth complete
- Insurance Solutions on track for June close
- GE Life ongoing

Financial Services today

~20%
AAGR

Consumer/Commercial Finance earnings



- 1 20+% ROE
 - Diversified portfolio
 - Disciplined risk management
- 2 10-15% sustainable earnings growth
 - Match funding

Strong position in Financial Services



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Expanding returns

(\$ in billions)

Strong free cash flow

\$30+

'06E-'08F

Capital efficient businesses

- ✓ Expanding margins/service
- ✓ Low CAPEX ... \$3B for Company
- ✓ High ROE ... GECS dividend

Improving ROTC

16.3%

18.0%

20.0%

+100 bps./
year

'05

'06E

'08F

Disciplined capital allocation

- ✓ Compensation → ROTC
- ✓ Focused capital allocation process
- ✓ \$25B buyback + \$3-5B Industrial deals

2 Businesses generate substantial FCF with expanding returns



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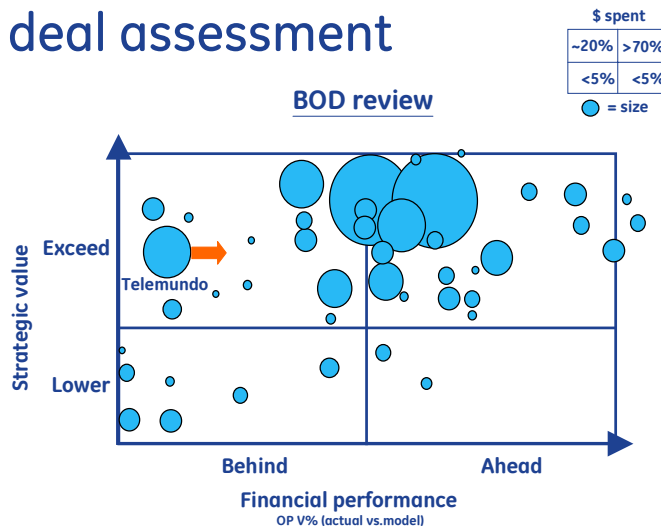
Industrial deal assessment

Focus

- ✓ 15% cash on cash returns by year 5
- ✓ ROTC target 20%
- ✓ All deals >\$5MM reviewed
- ✓ Continuous "look back"



BOD review

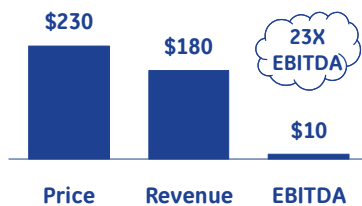


- ✓ Very tight strategic focus
- ✓ Capitalizing on execution skills
- ✓ Longer term view

Making deals work

(\$ in millions)

1998: Diasonics Vingmed Ultrasound



- ✓ At first glance ... expensive
- ✓ GE #4 player... no dedicated distribution or service
- ✓ Need to gain scale



2006: "incremental profit" ~\$250MM/year

- 1 Cardiac Ultrasound share
 - Revenue from \$70MM to \$400MM
 - #1 share
- 2 "PC-based" ultrasound
 - \$200MM compact business
 - Quick to market ... annual breakthroughs
 - Drives massive productivity
- 3 European distribution
 - #1 share

#1 in CVUS
in '06



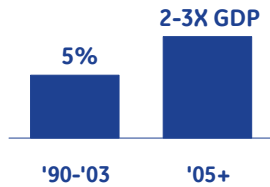
GE is a Company built to create value:

- ✓ 40K engineers
- ✓ 100 countries
- ✓ 40K sales people
- ✓ Triple A
- ✓ Operating scale

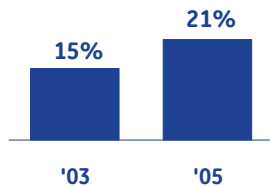
Continue to execute strategy

Goals

Faster growth Industrial



High return Financial



Priorities

- 1 Strengthen growth platforms
- 2 Broaden Healthcare & Infrastructure
- 3 Redeploy from slow growth Industrial
- 4 Maintain ROE discipline in Financial Services ... use dividend as a lever
- 5 Steady EPS growth & ROTC expansion



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Complete adherence to strategy

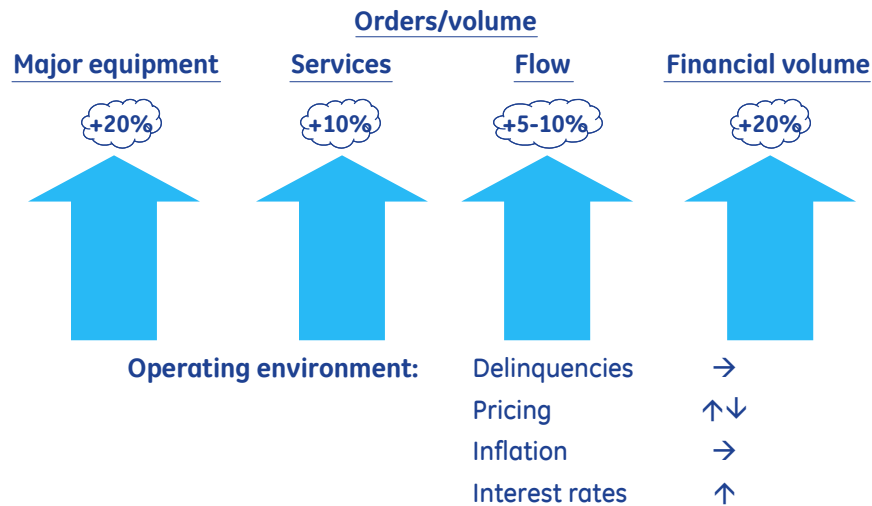
Reliable execution

- 3 Accelerating Infrastructure business cycle
- 4 NBCU will be a contributor to earnings growth going forward
- 5 Significant operating profit leverage ahead
- 6 Structural headwinds behind us ... great momentum



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Strong fundamentals

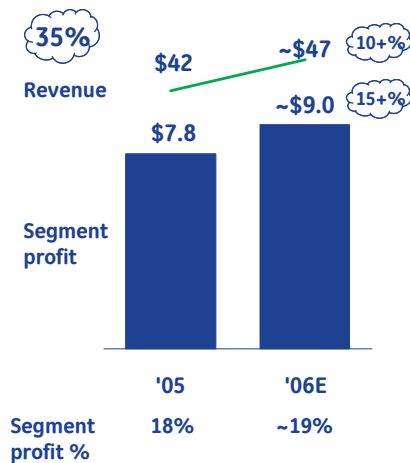


Growth available ... more volatility



Infrastructure

(\$ in billions)



Assessment: next 18 months

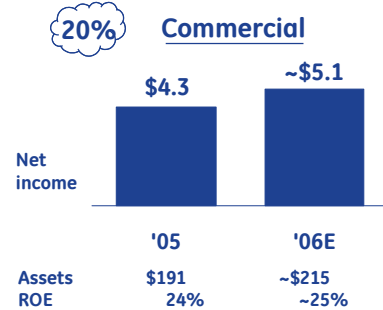
- + Winning major technical battles
- + Accelerating installed base growth
- + Energy rebound on track
 - ✓ Wind
 - ✓ GT growth
- + Ecomagination driving growth
- + Best operating leverage days are ahead
 - ✓ Productivity
 - ✓ Services
- + Industrial knowledge → financial returns
- Water integration ... improving

3 Accelerating Infrastructure business cycle



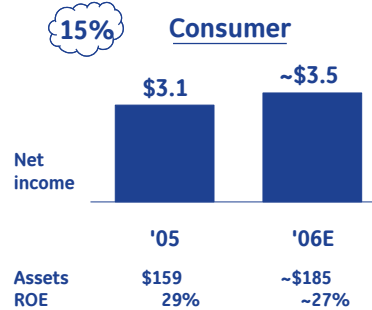
Commercial + Consumer Finance

(\$ in billions)



Assessment: next 18 months

- + Global expansion
- + Verticals
- + Origination
- + Low losses
- + Discipline
- + Productivity
- Excess liquidity



Assessment: next 18 months

- + Marketing/NPI
- + Developing countries
- + Low losses
- + Discipline
- + Productivity
- Regulatory/competition

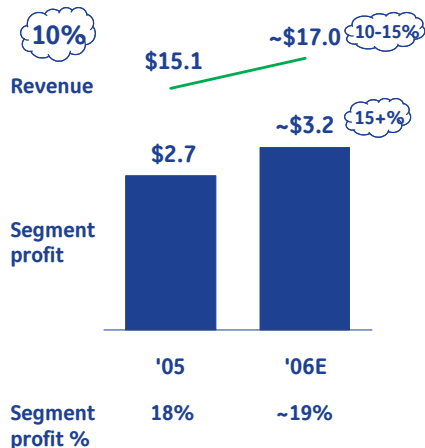
Solid growth ... prepared for volatility



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Healthcare

(\$ in billions)



Assessment: next 18 months

- + Strong technical position in solid global markets
 - ✓ Global expansion
- + Biosciences platform is performing
- + Leading in clinical systems & IT
 - ✓ Solid growth
- + Strong service growth
- U.S. reimbursement manageable ... clinics

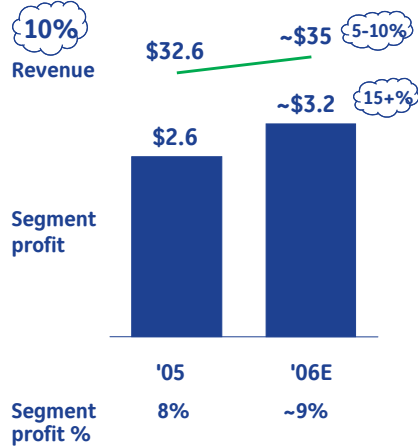
Great position ... diversified Healthcare business



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Industrial

(\$ in billions)



Assessment: next 18 months

- + Stable markets
- + High-end expansion
 - ✓ Appliances ✓ Materials
 - ✓ Security ✓ Equip. Svcs.
- + Lower cost
 - ✓ Global sourcing
- + Continue to reposition for value
- Managing Plastics volume/price

Growing earnings in expanding markets

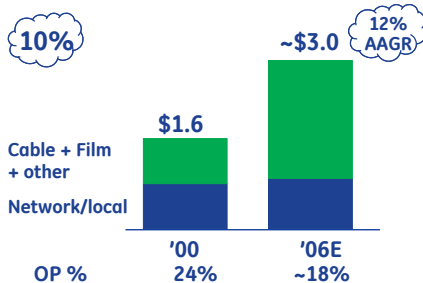


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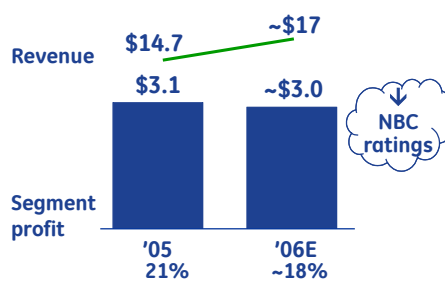
NBCU

(\$ in billions)

Strong historical performance



Challenging 2006



Assessment: next 18 months

- NBCU turnaround underway ... ratings stable; NFL gives us a platform
- + Built very strong brands ... good momentum & profit growth in increasing cable fees
- + Built diversified revenue streams to capitalize on digital & global opportunity
- + Focused on ROTC improvement

Power of diversified business model



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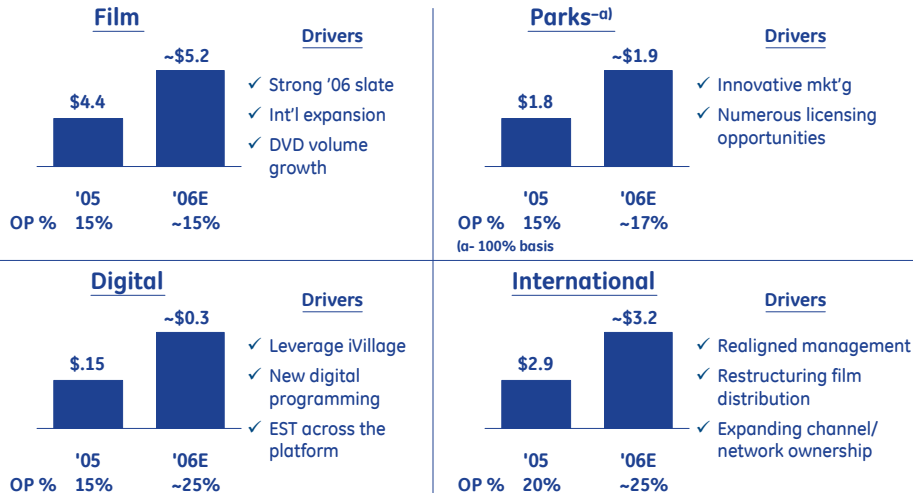
Entertainment growth



Revenue driven by brands & strong distribution

Diversified model

(Revenue - \$ in billions)

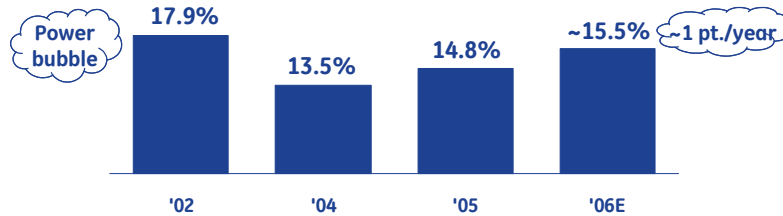


4 NBCU will be a contributor to earnings growth going forward



Operating profit expansion

Industrial op profit % (ex. pension)



Enablers = Lean + Six Sigma



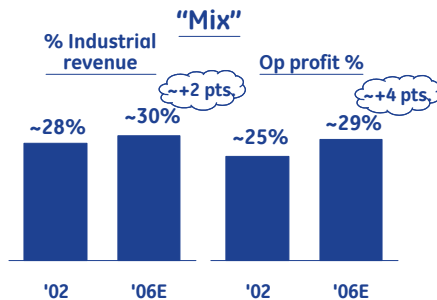
5 Significant operating profit leverage ahead



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Service mix

(\$ in billions)

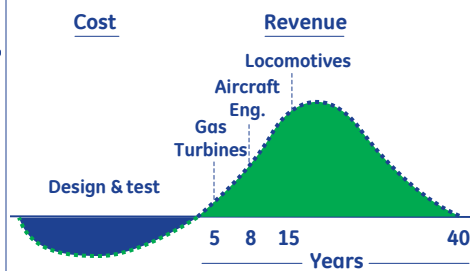


Mix = margin

Revenue CAGR '02-'06E	
Product	~8%
Service	~10%
+80 bps. margin each year	

✓ Strong service price + productivity

Installed base life cycle



- ✓ ~40% of Aircraft Engines yet to reach first shop visit
- ✓ Energy ... F/H fleet average 4 years old
- ✓ Loco ... 15,000 installed base ... 1,600+ in backlog ... average age ↓

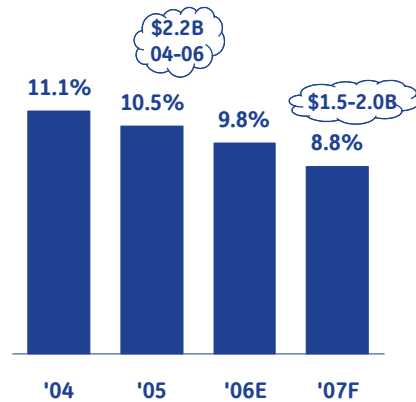
Best years ahead



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Accelerating simplification

G&A % revenue



Focus

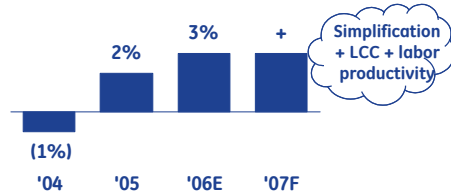
- ✓ Driving lower costs
 - Company wide council ... Lloyd Trotter led
 - Common measurements
 - Regular review rhythm
 - Reducing entities, P&Ls, rooftops & systems
 - Establishing COEs
- ✓ Focused on cycle time
 - Lean
 - Revenue/G&A headcount

Gaining momentum

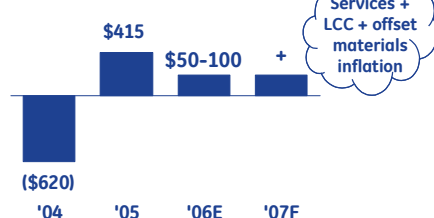


Product margin expansion

Productivity - TCP %

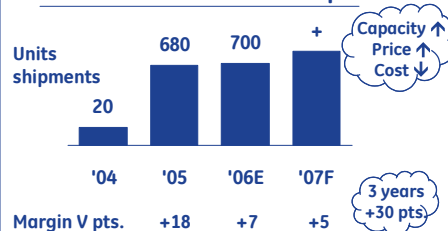


Price-inflation



Leveraging successful products

Evolution locomotive example



Company-wide focus

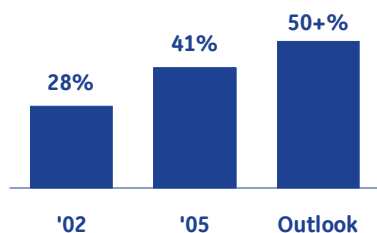
- ✓ GE90-115B
- ✓ Wind
- ✓ VCT
- ✓ Monogram
- ✓ GENx
- ✓ F/H Turbines
- ✓ Aero
- ✓ Profile

Large fleet of new products achieving market success & operating efficiency



Globally competitive cost

Global production (% non-U.S.)



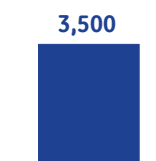
- ✓ Low cost country savings ... ~20% buy
- ✓ Product transfers
- ✓ Backroom acceleration
- ✓ Global engineering

New laundry launch



- ✓ High end product ... GE design
- ✓ 18% margin growth
- ✓ China savings 15%

India engineering



Engineers

- ✓ Rich talent pool
- ✓ \$1.5B savings since '00 ... \$0.4B annualized
- ✓ U.S. 3.5X India cost

Leverage cost & intellect

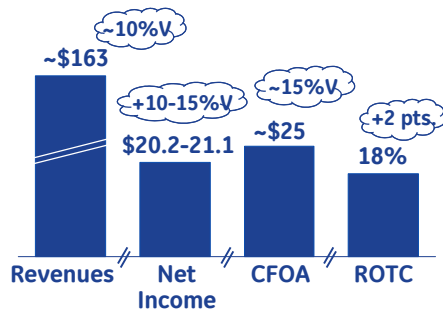


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2006 outlook

(\$ in billions – except EPS)

Continuing operations



Segment outlook

	OP	V%	Status
Infrastructure	~\$9.0	15+%	✓
Comm'l. Finance	~5.1	15+	✓
Cons. Finance	~3.5	~15	✓
Healthcare	~3.2	15+	✓
Industrial	~3.2	15+	✓
NBCU	~3.0	0	✓
Total segment	~\$27.0	15%	✓

Range dynamics

- + Solid business momentum
- + Backlog & services
- + Growth initiatives delivering
- Prime time turnaround
- Plastics price/share

Reaffirming guidance of \$1.94-2.02 ... 13-17%

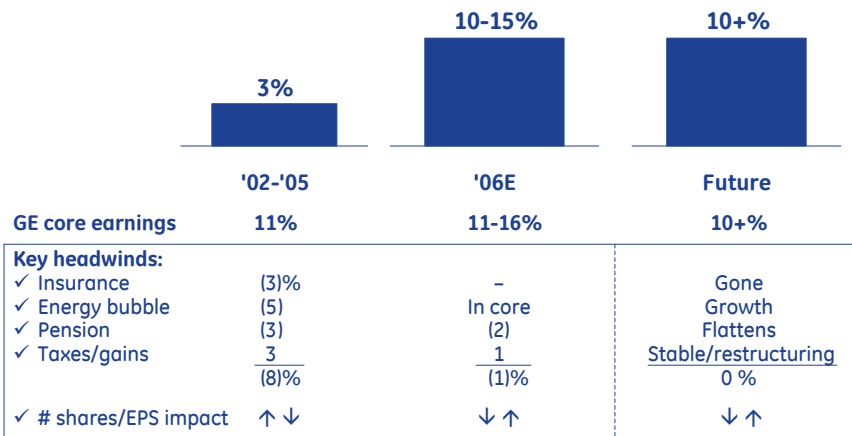


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Working through headwinds

(\$ in billions)

GE earnings V% per year



6 Structural headwinds behind us ... great momentum



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Common initiatives: organic growth

- 7** GE has established broad technical leadership
- 8** Valuable installed base gives high visibility growth
- 9** GE uniquely positioned to penetrate developing markets

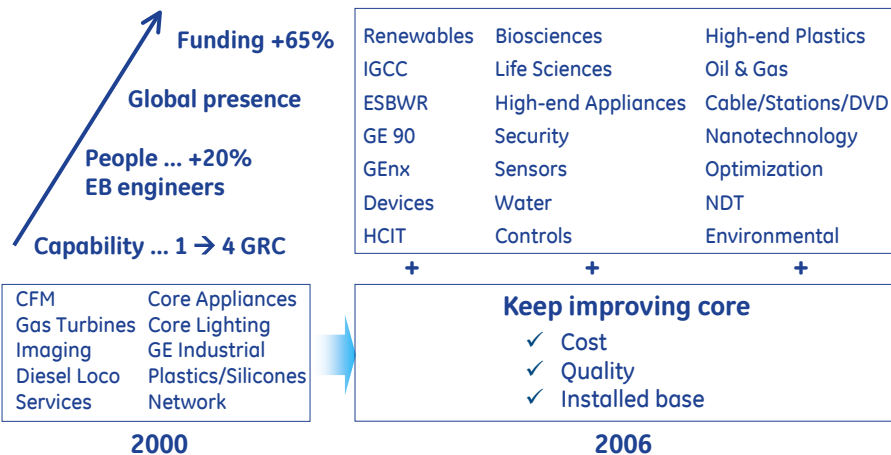


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Process for growth



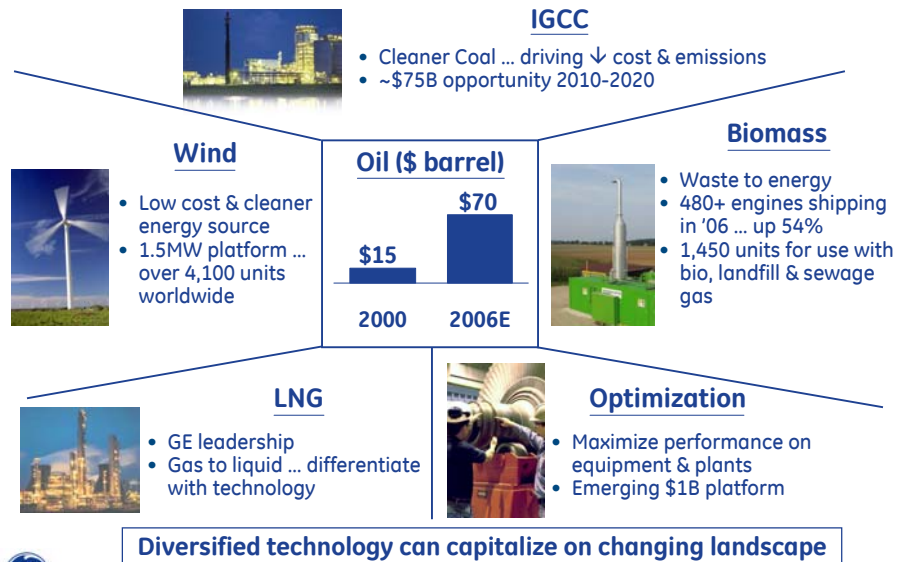
Expand technology



7 GE has established broad technical leadership



More robust growth model



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Investing to win: Aviation

NPI programs

	Engine	Progress
GE90		<ul style="list-style-type: none"> ✓ B777-ER ✓ Smooth entry to service ✓ 270,000 flight hrs.
GP7000		<ul style="list-style-type: none"> ✓ A380 ✓ First flight 7/06 ✓ Entry to service 4/07
GE9x		<ul style="list-style-type: none"> ✓ B787 ✓ Flight engine to test nearing completion
CF34-10		<ul style="list-style-type: none"> ✓ 90-PAX RJ ✓ Launched with 4 customers
F136		<ul style="list-style-type: none"> ✓ Initial build release completed

Technology focus

Fuel burn		<ul style="list-style-type: none"> ✓ New materials ✓ Aerodynamics
Environmental		<ul style="list-style-type: none"> ✓ Lower NOX ✓ Noise reduction
Cost of ownership		<ul style="list-style-type: none"> ✓ Intelligent Engine ✓ Cyclic capability
Manufacturing cost		<ul style="list-style-type: none"> ✓ Joining processes ✓ Inspection tools

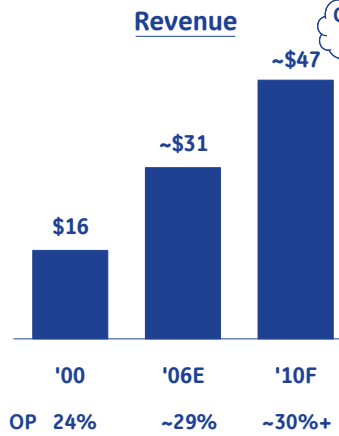
- ✓ Deep technical leadership
- ✓ \$1B annual technology spend ... in run rate



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Services growth

(\$ in billions)



Dynamics

Energy

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

Aviation

- Revenue growing 10%+
- Global growth

Transportation

- Revenue growing 10%+
- Winning with new products

Oil & Gas

- Revenue growing 10%+
- Robust market ... multiple ways to grow

Healthcare

- Revenue growing 10%+
- Solid IT offering

Installed base

CSA	Units	'05-'10F revenue
\$31	~3,000	~\$72
35	~19,000	~60
11	~15,000	~15
2	~26,000	~12
6	~34,500	~40



Valuable installed base gives high visibility growth



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Customers + Commercial Excellence

Lean Six Sigma + Net Promoter Score



Actions

- 30 Lean showcases in place
 - ✓ New product Introduction (NPI), Inquiry to Order (ITO), Order to Remittance (OTR)
- Lean key enabler for improving customer facing processes
- Net Promoter Score (NPS) measures success with customer
 - ✓ Simple, clearly understood & drives action

Commercial Excellence & Enterprise Selling



Actions

- Combine GE process excellence with benefits of size
- "Connect the dots" globally
 - Company, country, projects, events
- Cross-Company marketing
- Invest strategically

Utilize operating discipline + metrics to drive customer success



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Customer: Lean showcases drive growth

Magnetic resonance Installation



- ✓ 1% CM increase
- ✓ 9% order price increase
- ✓ Configuration simplification for all MR
- ✓ Install time 52 to 15 days

Targeting NPS +10 pts.



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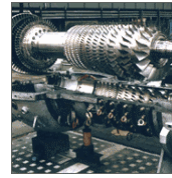
Commercial Real Estate Deal approval



- ✓ Customer request touch points reduced 75%
- ✓ Deal closing cycle time reduced 39%
- ✓ Projected \$350 MM+ volume impact

Targeting NPS +10 pts.

Oil & Gas: Global Services Outage cycle time



- ✓ Wing to wing cycle 181 to 23 days
- ✓ Trouble diagnosis 192 to 5 hours
- ✓ "Express Care" service mobilized in 24 hours

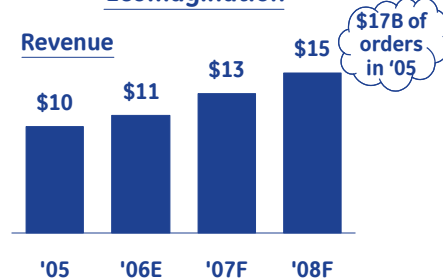
Targeting NPS +30 pts.

Commercial Excellence

(\$ in billions)

Ecomagination

Revenue

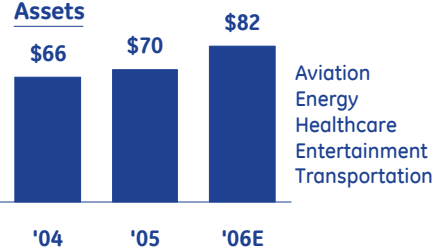


Incremental growth for GE

- "Go to" customer partner
- R&D strengthens product portfolio
- Strategic collaboration

Financial Services verticals

Assets



Incremental growth for GE

- Unified origination
- Improved risk management
- Customer value created

GE playing big!



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Globalization

(\$ in billions)

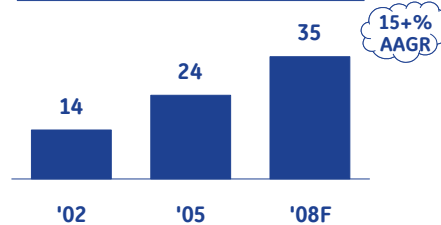
Global revenue



Priorities

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

Developing countries – growth



"Play the big GE"

- 1 Lead in infrastructure
- 2 Capture wealth creation
- 3 Build local capability ... people, service, risk
- 4 Drive GE advantages



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Have built strong global capability

India dynamics

(\$ in billions)



Population	1.1B
GDP	3.6T
'05 GDP growth	7.7%

- ✓ Consistent GDP growth
- ✓ Top 5 economy
- ✓ Strong foreign exchange reserves
- ✓ Demographics driving needs
 - Energy, Transportation, Healthcare, Water

India at inflection point ... strong fundamentals

"8 x 8 x 10"

GE revenue

GE assets



Priorities

- 1 Win key Power proposals
- 2 Build Infrastructure capability/financing
- 3 Win Water programs
- 4 Build Enterprise accounts
- 5 Establish Real Estate position

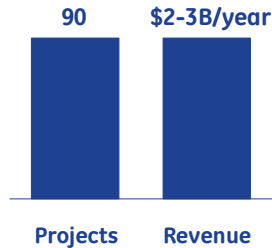


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9 GE uniquely positioned to penetrate developing markets

Innovation

Imagination Breakthroughs



- ✓ Technical + commercial
- ✓ Process excellence & people
- ✓ CEO attention
- ✓ Funded



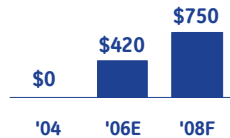
Incremental revenue (\$ in millions)

Portable ultrasound



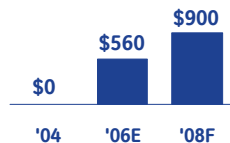
- ✓ Breakthrough strategy
- ✓ Strong technical flow down
- ✓ Target #1 share
- ✓ Change customer usage

Monogram share



- ✓ NPI strength
- ✓ Marketing + operating investment
- ✓ High margin

Entertainment vertical

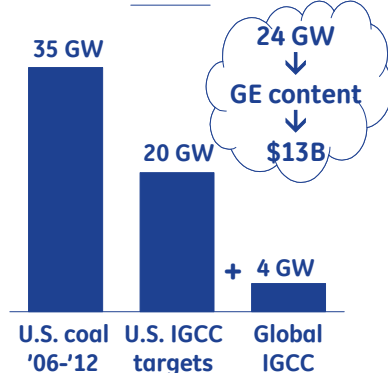


- ✓ Leverage NBCU
- ✓ Dramatic growth
- ✓ Focus teams

Portfolio of growth projects

Bigger impact IB: coal gasification

Orders



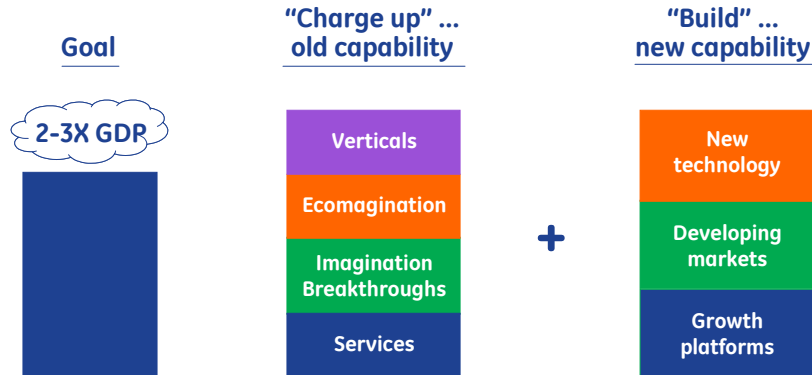
GE leadership

- 2006 milestones
 - ✓ AEP initial design underway
 - ✓ Duke initial design underway
- Broad market support
 - ✓ AEP Ohio "pre construction" spending approved
- Global – IGCC
 - ✓ EU – a carbon capture solution
 - ✓ China collaboration
 - ✓ India programs

Allows GE to play big



Process = revenue growth



GE has a portfolio of growth drivers already in place



imagination at work

Simple structure + strong team



Stable organization structure & team that can scale easily



imagination at work

Organization transition

2000

10 Industrial businesses

+

28 Financial Services bubbles

+

2 headquarters

+

Legacy team

Clear vision

Infrastructure



Healthcare



Commercial Finance



Industrial



Consumer Finance



NBCU



- 1 Own markets
- 2 Reduce complexity
- 3 "Hardwire" intellect
- 4 Deep & broad team

10 Stable organization structure & team that can scale easily



imagination at work

Own markets

Infrastructure "Company to Country"

China growth

- ✓ Transportation ... mainline
- ✓ Water ... waste water & desal
- ✓ Energy ... wind/bundled buys
- ✓ Oil & Gas ... west to east pipeline

\$10B by '08

Globalization ... Commercial Finance Asia

Assets



15% CAGR

- ✓ Play big ... attack region with scale
- ✓ Realigned leadership team
- ✓ 0.3% of a \$4T market today

Enterprise Industrial



- ✓ Dedicated commercial team in place since '05
- ✓ Translatable to 2010 and beyond ... Olympics, Asian Games, Macau Casino, Shanghai Expo, NFL

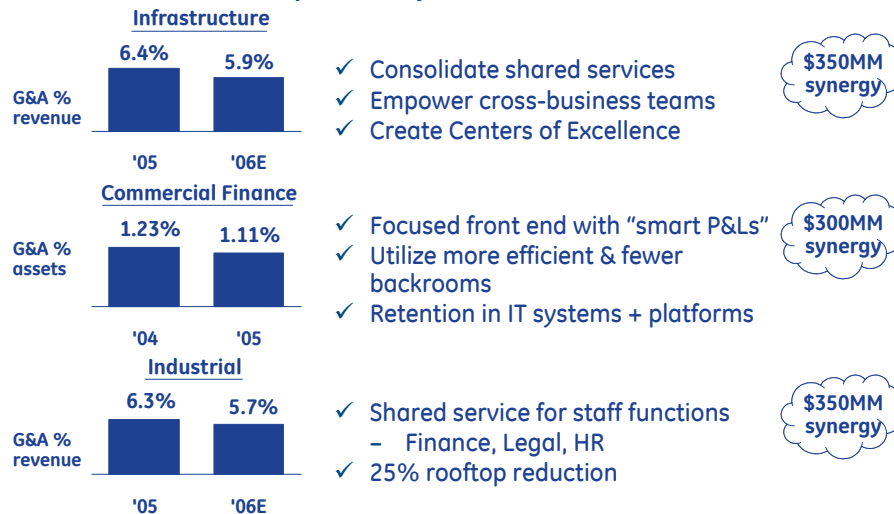
\$3B+ opportunity



imagination at work

New organization facilitates owning big ideas

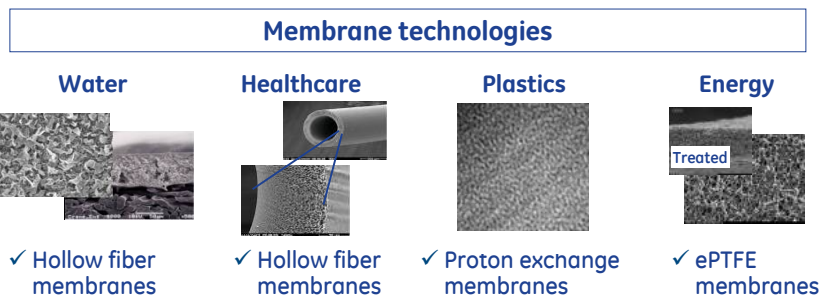
Reduce complexity



imagination at work

**Complexity wastes cost in low impact areas ...
simplicity puts maximum resources against growth**

Hardwire intellect: GRC



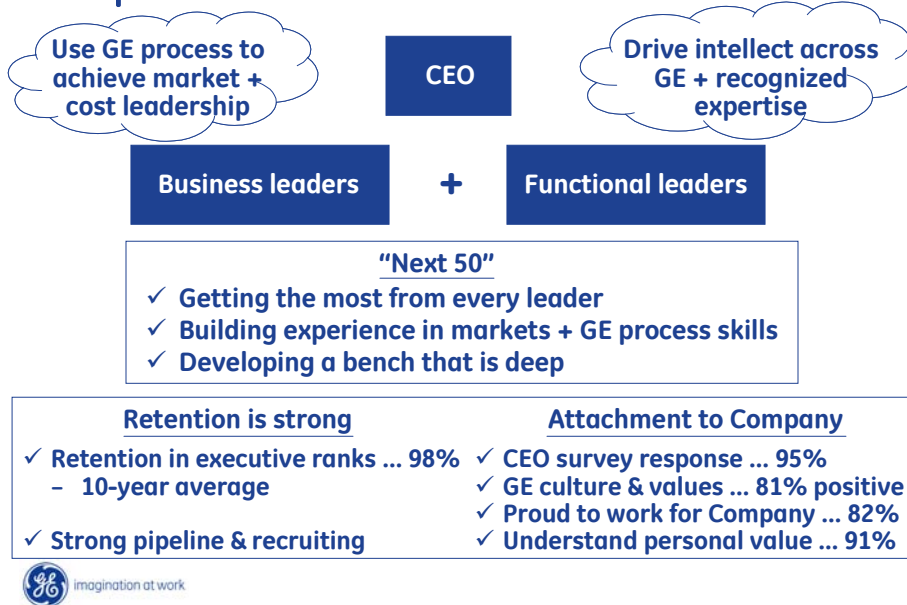
- ✓ GRC polymer platforms lab ... core competencies
 - Chemistry
 - Chemical engineering
 - Material science
 - Characterization
 - Advance material system design



imagination at work

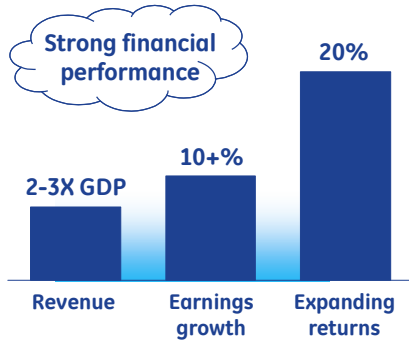
Driving intellect across all GE businesses

Deep & broad team



Summary

Things to like in GE



- ✓ Buyback \$25B through '08
- ✓ Dividends ~50% net income



Lifting the clouds

- 1 Great businesses set up to grow at 2-3X GDP ... leadership positions & market tailwinds
- 2 Businesses generate substantial FCF with expanding returns
- 3 Accelerating Infrastructure business cycle
- 4 NBCU will be a contributor to earnings growth going forward
- 5 Significant operating profit leverage ahead
- 6 Structural headwinds behind us ... great momentum
- 7 Have established broad technical leadership
- 8 Valuable installed base gives high visibility growth
- 9 Uniquely positioned to penetrate developing markets
- 10 Stable organization structure & team that can scale easily