

Developing Countries

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The power of the emerging world

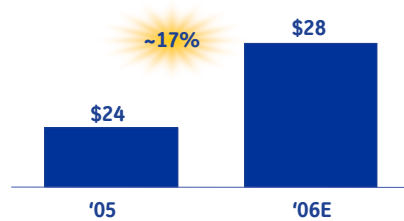
- Emerging countries account for more than 50% of the world GDP
- They consume half of the world energy and represent 80% of the world's population
- Early 19th century China & India were the world's 2 biggest economies with 80% of the world GDP
- Over next decade 1B new customers will enter global marketplace
- By 2040 China, US and India will be the 3 biggest economies
- China is heavily investing in Latin America & Africa; \$100B in Latin America and in 49 African countries



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Global growth

Developing country
revenues (\$B)



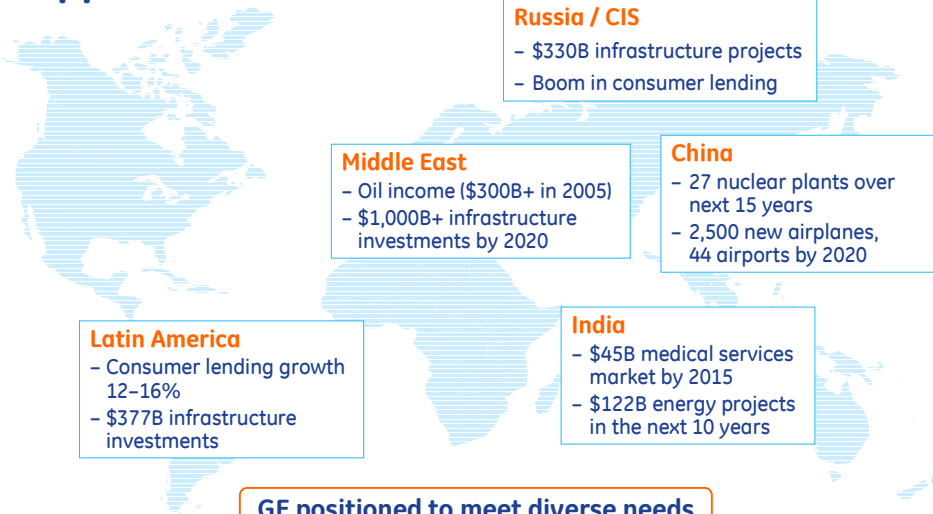
"Play the big GE"

- ✓ "Company to Country"
- ✓ In the country/ for the country
- ✓ Global technical and service capability
- ✓ Develop global partners
- ✓ Localization of talents & products

Leverage global presence to win



Developing markets today: great growth opportunities



GE positioned to meet diverse needs



India ... taking off

(\$ in billions)

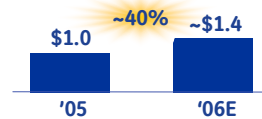


Population	1.1B
GDP	796.5B
'06 GDP growth	8.5%

- ✓ \$122B invested in energy products
- ✓ Demographics driving needs
 - Energy, transportation
 - Healthcare, water
 - Financial services

At inflection point ... strong fundamentals

GE revenue



Priorities

- 1 Win key power proposals
- 2 Build infrastructure capability / financing
- 3 Win water programs
- 4 Build enterprise accounts
- 5 Establish real estate position

GE uniquely positioned



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China spending \$1 trillion over 5 years

(\$ in billions)

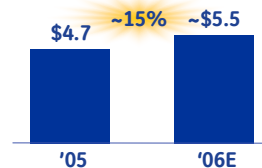


Population	1.3B
GDP	2.2T
'06 GDP growth	9.9%

Source: EIU

- ✓ 44 more airports planned by 2010; 2,500 new aircraft by 2020
- ✓ 4X # of people in U.S., but only 1/3 locomotives and 1/15 airports
- ✓ Investments moving west

GE revenue



Priorities

- 1 Aviation / airport expansion
- 2 Local product development to drive growth
- 3 Expand consumer lending with partners
- 4 "Go big": Olympics \$800MM; Macau Casino \$500MM; Shanghai Expo \$800MM
- 5 Potential JV in Wind, Water, Healthcare

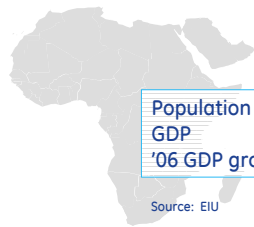
Laying foundation in huge market



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MEA: Follow the money

(\$ in billions)

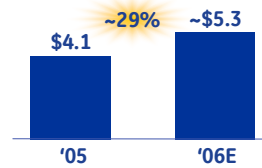


Population	1.1B
GDP	2.0T
'06 GDP growth	5.8%

Source: EIU

- ✓ High oil prices ... large budget surplus
- ✓ Regional focus on healthcare, education and infrastructure
- ✓ Reconstruction in Lebanon and northern Iraq

GE revenue



Priorities

- 1 Grow customer & partner relationships
- 2 Energy investments
- 3 Aviation and airport expansions
- 4 Water for refineries and industries
- 5 Healthcare equipment & services
- 6 Large construction projects

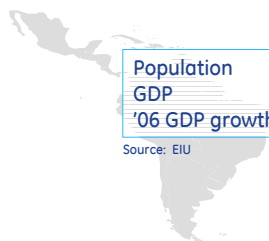
Deep Dive in Qatar



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Latin America: Natural resources drive growth

(\$ in billions)

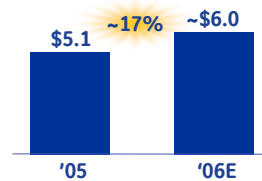


Population	0.5B
GDP	2.4T
'06 GDP growth	4.3%

Source: EIU

- ✓ Natural resource requirements ... total trade ↑ 20%
- ✓ China influence
- ✓ \$2.5B mining opportunity (4 yrs.)

GE revenue



Priorities

- 1 Locomotives designed and made locally
- 2 Strengthen desalinization presence
- 3 Win mega projects (e.g., Panama canal)
- 4 Increase Mexico real estate investments
- 5 Expand consumer lending

China's supply for raw materials



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Russia / CIS ... richest country in the world

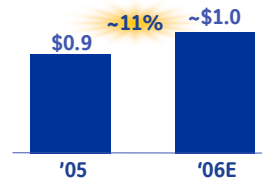
(\$ in billions)



Source: EIU

- ✓ 80% of installed base (oil and gas, power, aviation, locomotive) is 20+ years old and deteriorating
- ✓ High commodity prices driving infrastructure investment (\$330B planned 2006–2010)
- ✓ Govt taking control of “strategic” industries; restricted access possible

GE revenue



Priorities

- 1 New on/off shore oil field development
- 2 Saturn joint venture
- 3 Locomotives for replacement market
- 4 Value products for national healthcare
- 5 ↑ Consumer lending partnerships & products

Growing with caution

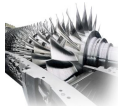


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Developing products to fit markets

Examples:

Energy / Oil & Gas



- Lower cost steam turbines
- Coal systems for different moisture content
- Electrical solutions for LA & MEA

Healthcare



- Lower cost imaging solutions
- Products for dustier operating conditions
- Portable solutions for mobile clinics

GE Money



- Process tailored to local markets
- JV's with strong local partners

Water



- Desalination for local energy sources
- Filtration solution for lower water pressure

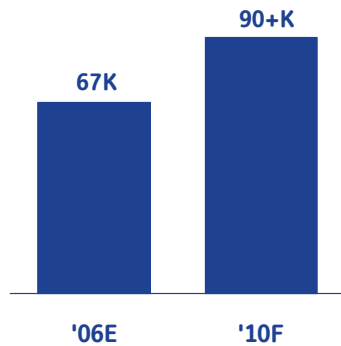
GE positioned to meet diverse needs



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More local talent and leadership

Developing market employees



✓ Plan to grow senior leadership 2x

- Strong global leadership development programs
- Emphasis on local recruiting and training
- Corporate brand recognition through critical initiatives (e.g., Ecomagination)

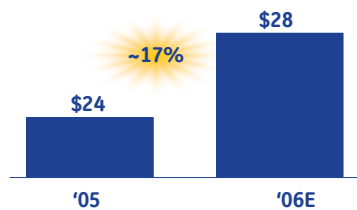
Establishing a robust, country-specific pipeline



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Leverage global presence to win

Developing country revenues (\$B)



"Play the big GE"

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Developing countries growing 15-20%



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