

GE Healthcare in the Middle East

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GE Healthcare... Broad and deep



Diagnostic Imaging



Healthcare IT



Interventional Cardiology & Surgery



Clinical Systems



Enterprise
Strategic solutions for the healthcare industry centered on long term collaboration



Medical Diagnostics



Services
Asset management, performance optimization, remote diagnostic, training and education programs



Life Sciences



Healthcare Financial Services
Financing programs, loans and leases
Access to export financing & aids programs



\$1B R&D portfolio

A unique opportunity in time

The need for Healthcare

- Healthy life expectancy... 10 years less than Western Europe
- Infant mortality at birth 22% vs. 5% in Western Europe
- Insufficient access... 10,000+ beds required
- Demands of growing population

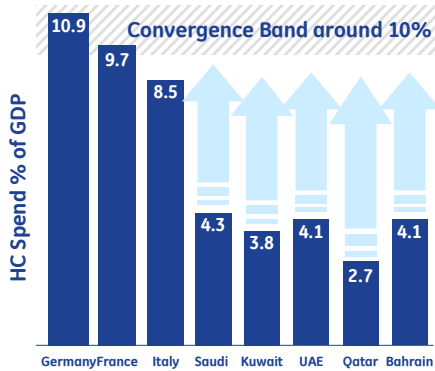
The funding for Healthcare

- Stronger developing economies
- Oil at \$60/barrel
- Insurance scheme
- Political stabilizer

**We have the ability to significantly help bridge the gap to healthcare access...
...That's the mission we embark on**



Middle East healthcare landscape



Macro environment

- ~130MM population
- Diverse countries... GDP: \$900-43,000 / PP
- \$43B+ healthcare spend... AAGR 5%

Healthcare environment

- \$700MM GEHC market... AAGR 10-15%
- Many initiatives... Islamic Development Bank, ICD, and MOH programs in Saudi, Abu Dhabi, Dubai, and Qatar
- Private sector development... Large and cross regional

Favorable macro and industry trends



Growing in the Middle East...

Build on existing presence...

- 6 direct operations
- 240+ GE employees
- Estimated revenues of \$180MM in 2006
- Average annual growth rate ~26% from 2000-06

...through region hub strategy

- ✓ Early access via one/two GE Healthcare businesses
- ✓ Build capabilities... applications, services, financing
- ✓ Grow locally & bring total GE Healthcare
- ✓ Support adjacent markets... Then go direct

Positioned for continued growth



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Implementing the strategy

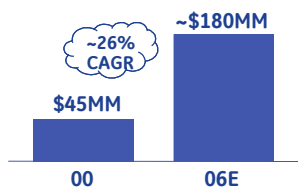
Building infrastructure

- Saudi Arabia (2000) 150+ employees
- Dubai & Abu Dhabi (2003) ~70 employees
- Jordan (2005) ~10 employees

Getting closer to our customers

- Services... Local call center & remote diagnostics
- SKD capabilities (WIP)
- Localized training & education programs

Winning big



Government & private groups...

- Saudi... Primary health programs & renew IB
- Qatar, Abu Dhabi... Address needs of large projects
- Co-invest in big projects... Varkey



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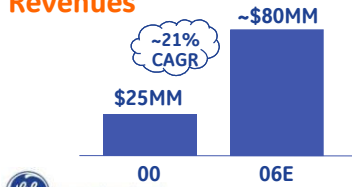
GEHC in Saudi... Strong presence

Presence & growth

- 3 offices... Riyadh, Jeddah, Dammam
- Direct since 2000
- 60 employees in '00 to 150+ in '06



Revenues



imagination at work

Trends

- Development of public HC infrastructure
- Raising quality of services
- Care areas driven... Cardiac, breast cancer combined with IT solutions

Strategic initiatives

- Alliance on turnkey projects
- Value offerings... U/S, x-ray, SKD under review
- Private sector... Focus on IB renewal & partnerships
- Service IB... 130 CT, 36 MR, 800 U/S

Key wins

- ✓ National Guard Health Affairs... \$27MM
- ✓ King Fahad Medical City... \$17MM
- ✓ Ministry of Defense & Aviation... \$5MM

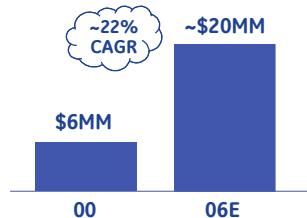
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Healthcare UAE growth story

Presence & growth

- Hub for MEA GEHC activities
- Offices in Dubai & Abu Dhabi
- Direct services business since '04
- 5 employees in '00 to 70 in '06

Revenues



imagination at work

Trends

- Publicly supported private sector growth
- Standardization of care & reimbursement
- Medical supply & device market CAGR 11%*

*Source: Medistat UAE report (May 2005)

Strategic initiatives

- Facilitate cross-regional JV's
- Leverage local financial funds
- Flagship in Dubai Healthcare city

Key wins

- ✓ Welcare... \$11MM
- ✓ Suleiman Habib... \$4MM
- ✓ Emirates Oncology Center... \$3.9MM
- ✓ Gulf Diagnostic... \$1MM

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New market drivers

National programs

- Education
- IT
- Value products



Example... Al Ihlal Saudi

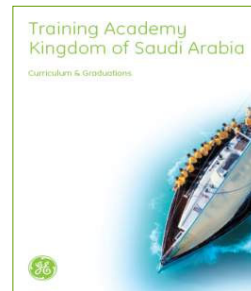
- ✓ Extra MOH budget from prior years savings
- ✓ GE Healthcare “company to MOH” approach
- ✓ Upgrades, equipment, training, services for 23+ hospitals... \$65MM and > 3,000 units

Insurance scheme

- Financing
- Private centers

Emergence of middle class

- Health tourism
- Enterprise selling



Incremental \$1B growth potential

Financing... A vehicle for growth

Objectives

- Building out existing platform
- Developing new channels

How...

Selective use of GE's balance sheet

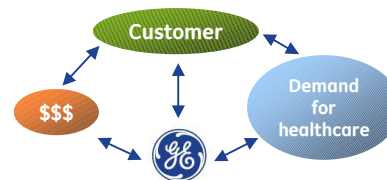
- ✓ Create credit policy for the Middle East
- ✓ Equity investments... Guiding principles

Other people's money

- ✓ Loan/credit program... Government, Islamic Development Bank, Arab Bank
- ✓ Projects, grants and aid packages

Organizing for growth

- ✓ People and expertise
- ✓ Operating mechanisms



GE providing financing, equity, credit assurance...
To stimulate entrepreneurs, developers and investors in the Middle East



Enterprise selling... Growing beyond the region... The Varkey project

- Bringing two big players together... Partnership with Varkey group & Mediclinic (SA)
- Creating a new company (Emirates Healthcare Limited)... Total project ~\$226MM
- \$7MM equity investment & financial advisor for \$100MM debt
- Technology partnership... \$30MM equipment and services
- Enterprise relationship... Act as an anchor investor in key healthcare infrastructure projects in the Middle East



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In Summary...

- Unique opportunity for Healthcare... Demand, offering, willingness and financing
- Every market counts... Big or small
- Localization of people, services and offerings... Keys to success
- Growing fast... Partnering with Ministries of Health, private groups and entrepreneurs

