

GE Infrastructure Analyst Meeting

November 2, 2005



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Dave Calhoun
Investor update



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The new GE Infrastructure

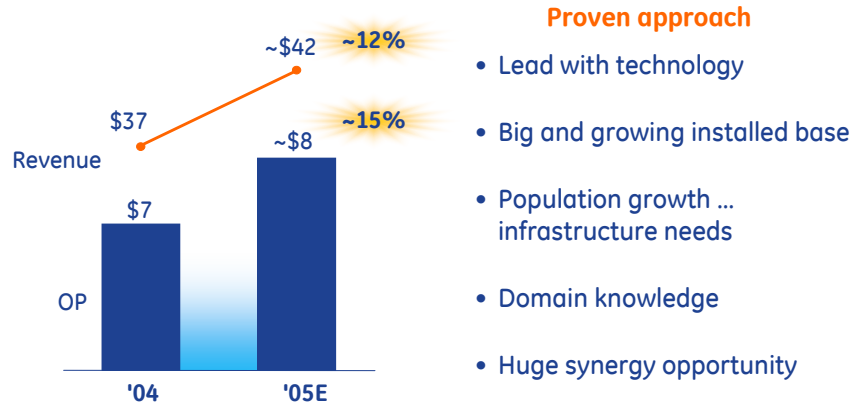


GE today ... new structure for competitive advantage

	% of GE earnings	Mission
Mike Neal Commercial Finance	25%	<ul style="list-style-type: none"> • Business simplification / integration ... more than you think • Leadership development ... better than ever • It is all about growth <ul style="list-style-type: none"> – Technology and services – Global reach – Cost synergies
John Rice Industrial	10%	
Dave Calhoun Infrastructure	30%	

Total GE Infrastructure

(\$ in billions)



Businesses on track to deliver '05 commitment



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Environment ... very strong

- Aviation**
 - Boeing & Airbus production rate limited
- Energy**
 - Better than expected ... revenue up ~15%
- Rail**
 - '06 sold out
- Oil & Gas**
 - Exploration and production CapEx up 30%
- Water**
 - Orders pipeline up 10x ... desalination driven

Strength across the board



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Infrastructure ... business model

- Differentiate w/ technology → Installed base
- Capture lifecycle service → CSA / upgrades /
Inspections & repairs
- System optimization → New growth platforms
Customer productivity
- Everywhere in the world → Global footprint

Delivering for our customers and shareholders



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Invest in Technology



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New technology ... next family additions

(\$ in billions)

R&D spend



Engines

- Wide body (GP7000*/GE90/GENx)
- Narrowbody (CFM-7**) ... regionals (CF34)
- Joint strike fighter (F136)
- Advanced (LEAP56**)

Energy

- Next generation nuclear
- IGCC

Oil & Gas

- Liquefied natural gas ... gas to liquid
- Pipeline ... gas delivery

Rail

- Locomotives ... EVO series ... China
- CAD ... movement planner

Water

- Bio detection ... real time



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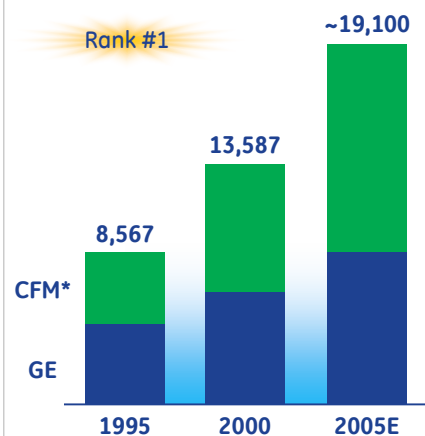
*GP7000 developed by GE/PSW Engine Alliance
** CFM is a 50/50 JV of GE and Snecma

Technology evolution ... Aviation

Product lineage



Engines installed base (Commercial)



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*CFM International is a 50/50 JV with Snecma



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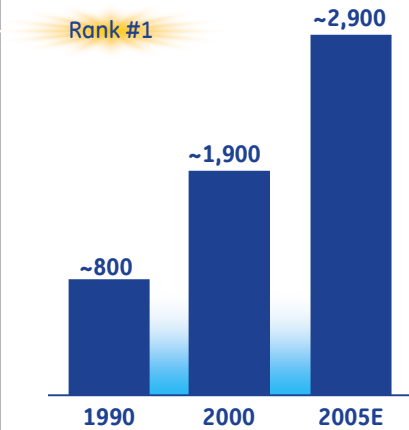
Technology evolution ... Energy

Product Lineage

1990		B/E
2000		F Class
2005		H System
Next	IGCC	







Turbine Installed Base (Heavy duty gas)



Source: 2005 McCoy Power Reports

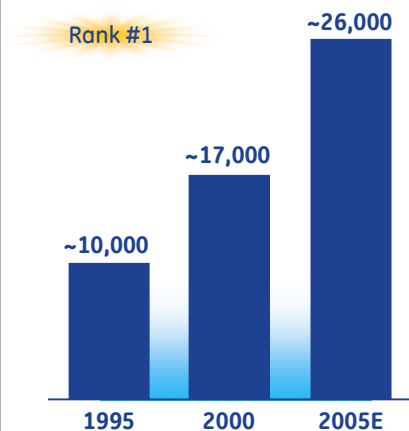
Technology evolution ... Oil & Gas

Technology Milestones

1995		World's Highest re-injection pressure
2000		1 st high sour gas re-injection
2005		Largest LNG train
Next		Gas to liquid



Installed Base (Turbines/compressors/pumps)



Source: 2005 McCoy Power Reports

Technology evolution ... Water

Product lineage

1999		Custom Pure Water
2002		Chemical Treatment
2003		Membranes+ Std. Equipment
2004		Services
2005		Desal & Reuse
Next		Adv. Membranes & Energy Recovery



Offerings

Rank #2 ... and gaining

\$80B

	GE	Nalco	Siemens
Filtrations & Separations	✓		✓
Desal + Reuse	✓		✓
CSA's	✓		✓
Membranes	✓		✓
Chemicals	✓	✓	

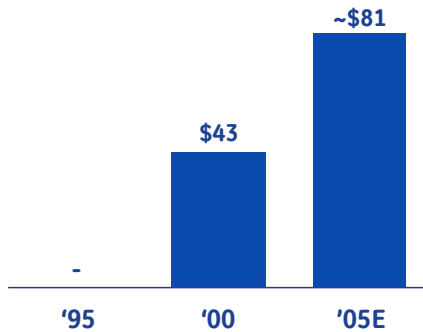
Service



CSA Backlog

(\$ in billions)

Backlog



Innovative CSA solutions ...

- Aviation ... "OnPoint"
- Military ... performance based logistics
- Energy ... BOP / O&M & power island
- Water ... desalination
- O&G ... turbine & compressor solution

Win-win ... customer productivity & GE growth

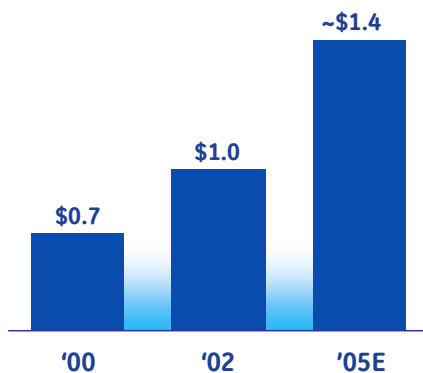


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Upgrades

(\$ in billions)

Revenue



Improving asset performance ...

- Aviation ... time on wing kits
- Rail ... modernization kits
- Energy ... 3D aero ... heat and output
- Oil & Gas ... production capacity increase

Bringing new technology to the installed base



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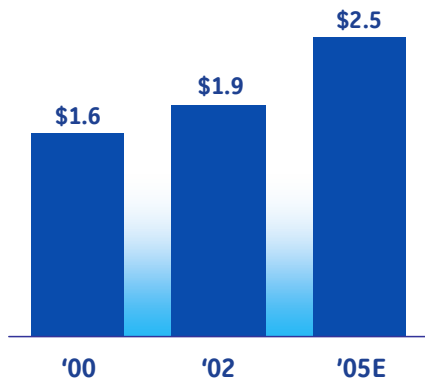


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Inspection & repair

(\$ in billions)

Revenue



Developing new approaches ...

- Non-destructive testing ...
 - Eddy current
 - High end ultrasound
 - Visual NDT ... Everest
- Aviation repair development ... extend technology to rail and energy
- '05 CSA productivity ... +\$70MM

Delivering customer productivity

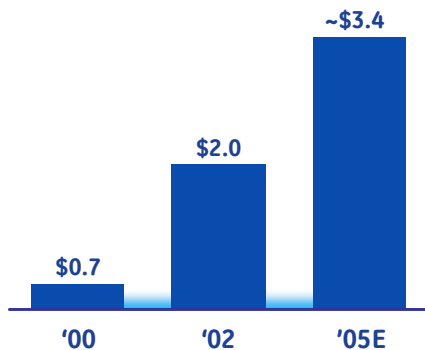


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Asset optimization ...

(\$ in billions)

Revenue



Expanding the offering ...

- Aviation ... engine systems & remote diagnostics
- Rail ... communication & signaling/cad
- Energy ... optimization & environmental
- Water ... corrosion prevention
- O&g ... pipeline inspection

Delivering more value for the customer



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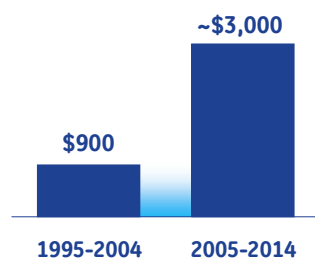
Strong growth in developing world



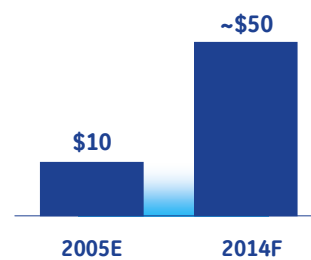
Developing markets drive growth

(\$ in billions)

Spend on infrastructure



Revenue potential



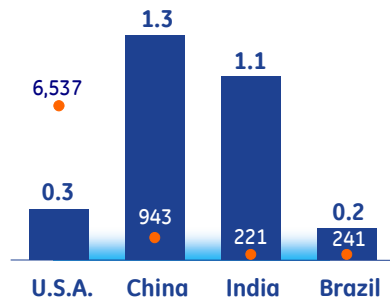
- China ... Middle East ... Russia ... Eastern Europe ... Latin America
- Infrastructure designed to maximize opportunity ... multiple GE offerings

Great for GE



Company to country - Aviation

Population (billions)



● Engines ... aircraft in service

By Country

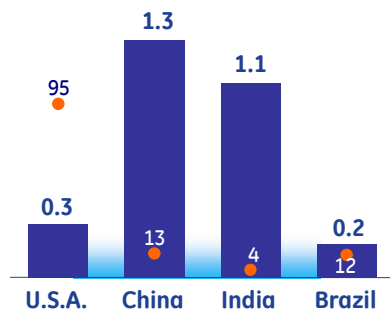
- Near-term opportunities w/ China & India ... up to 800 engines
 - China ... China Southern, China Eastern, Cathay Pacific
 - India ... Air India, Jet Airways
- Latin America ... GOL, TAM, COPA, Lan Chile
- Russia ... Volga ... Sibir ... Aeroflot



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Company to country - Energy

Population (billions)



● Energy = annual megawatt /hour/capita

By Country

- China ~30 GW - bundle buy, wind, IGCC & localization
- Middle East ... Oil & Gas ... Qatar, Saudi Arabia
- India ~10 GW – gas turbines & rural electrification
- Africa ... Nigeria deal closed ... ~50% capacity increase



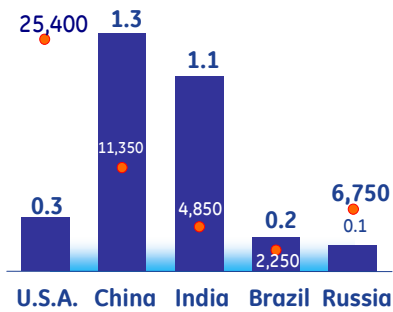
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Company to country - Rail

Population (billions)



● Locomotives = installed base

By Country

- China... +\$775MM orders ... mainline deal completed
- India ... signaling & crossing
- Brazil ... MRS & CVRD ... drive GEVISA utilization
- Russia / CIS ... loco modernization



China opportunity ...

Energy ...

- Bundle buy #1 ('03)
- Bundle buy #2 ('04)
- Fast track 9Es

Beijing Olympic prep

Water ...

- Tianjin Bo Hai ... with Energy
- Beixiao he project ... Olympics

Aviation ...

- ARJ21 (regional jet)
- ~100 planes per year

Oil & Gas ...

- West to East pipeline ('05)
- Bohai Bay ('05)

National Development & Reform Commission (NDRC)

CHINA

Rail ...

- China QTR ('04)
- ITCS ('04)
- Mainline ('05)

GE ... \$10B in 2008



Verticals ... using our domain knowledge



Continue to ...

- Rely on GE Capital to manage risk profile
- Utilize industry knowledge and service
- Extend "verticals" expertise to water

Immelt on Marketing ...
"Know how your customers make money ... and help them make more"

Synergy Savings

Done ...	Timing	Savings
• Lighting / Appliances / Industrial ... C&I	2003-4	\$275MM
• Rail & Aviation ... Transportation	2003	\$42MM
Doing ...		
• Commercial Finance	2006	\$200-300MM
• Industrial	2006	\$300-400MM
• Infrastructure	2006	\$300-400MM

We know how to do this !!



Today's team

Energy
John Krenicki



Rail
John Dineen



Aviation
Scott Donnelly



Oil & Gas
Claudi Santiago



Aviation Financial Svcs
Henry Hubschman



Water
George Oliver



Energy Financial Svcs
Alex Urquhart



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