

GE Infrastructure Analyst Meeting

November 2, 2005



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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 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."



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GE Infrastructure Water & Process Technologies

November 2, 2005

George Oliver



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Becoming the global water leader

1999 Glegg	2002 BetzDearborn	2003 Osmonics	2004 Services Launch	2005 Ionics
✓ Pure Water Solutions	✓ Pure Water Solutions ✓ Water & Process Specialty Chemicals	✓ Pure Water Solutions ✓ Water & Process Specialty Chemicals ✓ Equipment & Membranes	✓ Pure Water Solutions ✓ Water & Process Specialty Chemicals ✓ Equipment & Membranes ✓ Customized Service Agreements	✓ Pure Water Solutions ✓ Water & Process Specialty Chemicals ✓ Equipment & Membranes ✓ Customized Service Agreements ✓ Desalination & Reuse ✓ Mobile Water



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Fueling our customers' growth

The Platform

\$2.0B



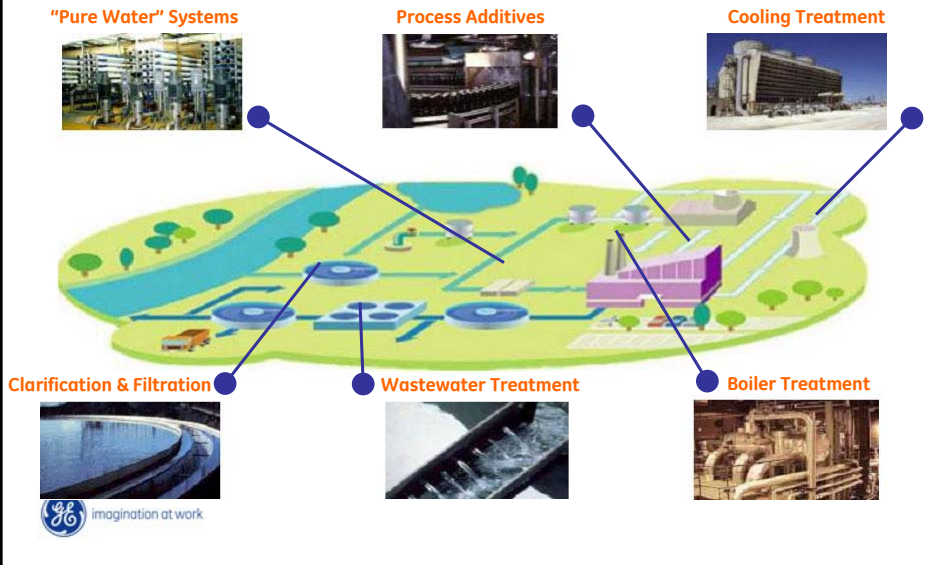
The Value To Customers...

- We optimize total system performance
- We safeguard customer assets from corrosion, fouling and scaling
- We protect the environment through water and energy conservation

Leading Industrial Critical Solutions



Caring for "Industrial Critical" through Technology & Service

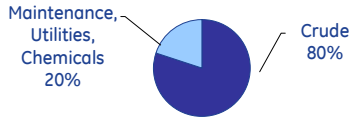


Innovating to accelerate customer value and deliver growth



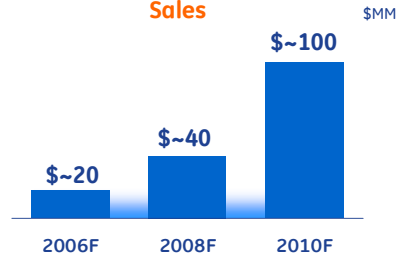
Maximizing refiners' resources through Predator™ solution

Refining Cost Structure



- \$4 spread for opportunity crudes
- 200K BPD refinery saves \$27MM/yr
- 25% of refineries in play

Sales



Detect



Predict



Assure

- Real-time
- Digital radiography
- RCM

- Experiential Knowledge base
- Predictive algorithms

- Advanced chemistry
- Service reliability



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Recovering valuable resources through process membranes solutions

Dairy Industry



Recovering proteins

Airline Industry



Recovering glycol in de-icing applications

Power Industry



Recovering energy



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Leading Water Scarcity Solutions



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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

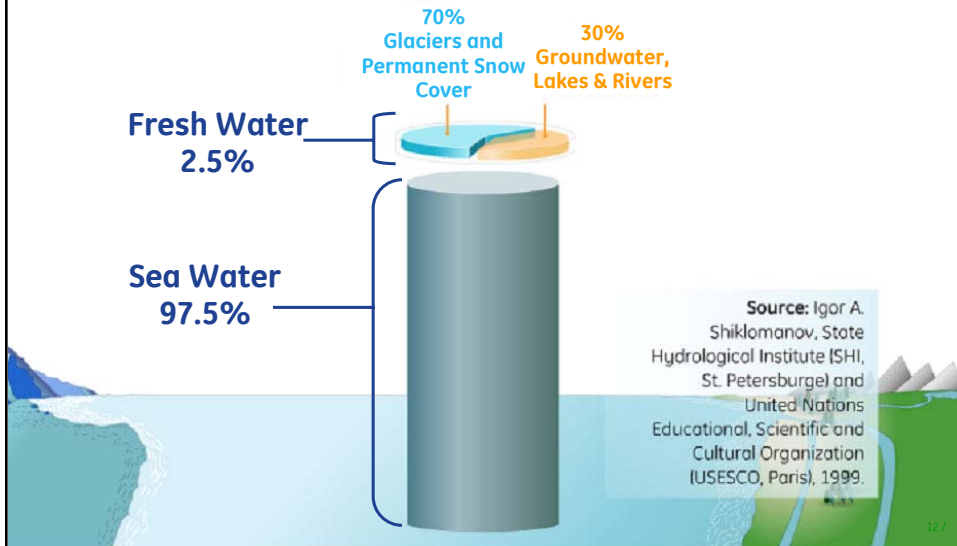


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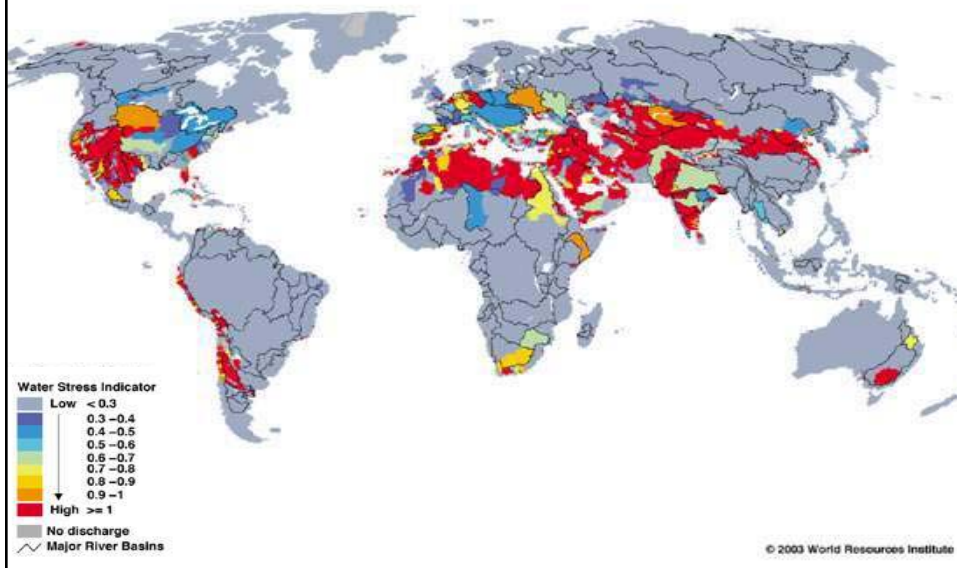
Source: The World Bank



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



Significant water scarcity exists today



Creating economical sources of new water



Desalination

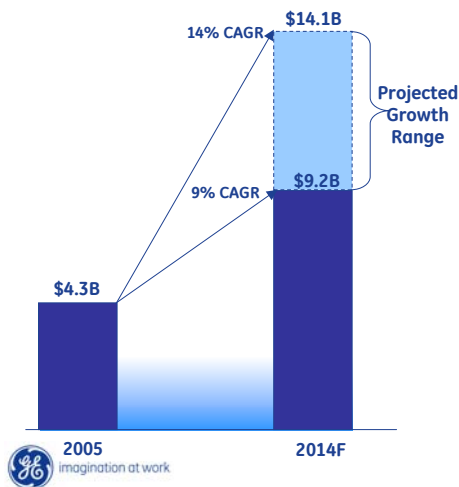


Water Reuse

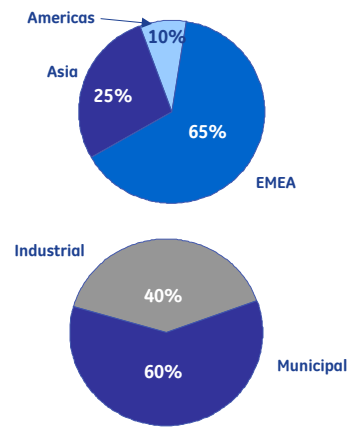


Leading global water scarcity solutions in a high-growth market

Growth Projections



2005 Market Segmentation



Producing 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



Delivering customer productivity through Mobile Water Solutions

Fleet Overview



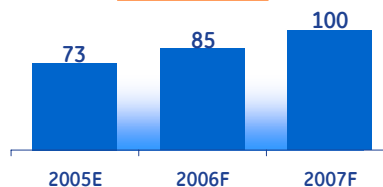
- Global market leader... 558 units
- Reverse osmosis, ion exchange & filtration technologies
- 7 Global service centers
- Accelerating mobile desalination



Offering

- **Emergency:** Spot market
- **Interval:** System installation
- **Long-Term:** Expansion & upgrades

Sales Growth



Lean Six Sigma ... Equipment Deal Factory



Improvements

- 50%+ turn around time
- 3X+ opportunities
- 2X acceptance rate
- 16 pt. Increase in utilization



2006 Forecast:

16% Rev. V
50% Op Profit V

Mobile launched ... Replicating to rest of business



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Bio-Detection... Expanding GE molecular diagnostic technologies

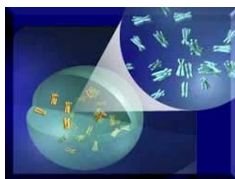


GE Water

- Rapid, on-site pathogen detection (i.e. legionella)
- Powerful differentiator in \$5B core water treatment market

Action Plan

- Technology development thru 2007
 - Gen Probe alliance
 - CTC facility established
- Commercial launch July 2007
- Translate into broader markets (potable)



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Advancing future water solutions

Challenge:

- Energy is 50% of cost of desal/reuse, which can make it prohibitively expensive
- Financing has been a historical barrier



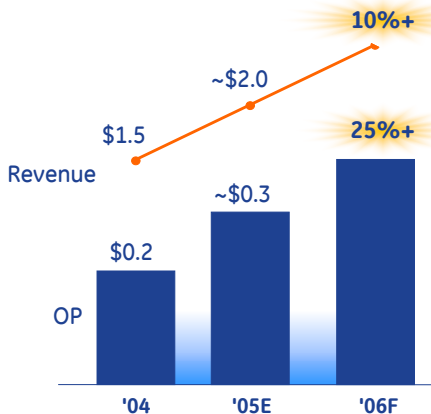
Solutions:

- Advanced membrane materials
- Energy recovery devices
- GE Commercial Finance
- **ecomagination: Desal using renewable energy**



Well positioned for growth

(\$ in billions)



- Lead with technology ... desalination + advanced membranes
- Expanding platform ... industrial critical + water scarcity solutions
- Developing world ... huge opportunities
- Synergies ... Ionics + Infrastructure

On Strategy... Business with Breadth, Diversity & Scale



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