

GE Infrastructure Analyst Meeting

November 2, 2005



imagination at work



GE Aviation

Scott C. Donnelly
November 2, 2005



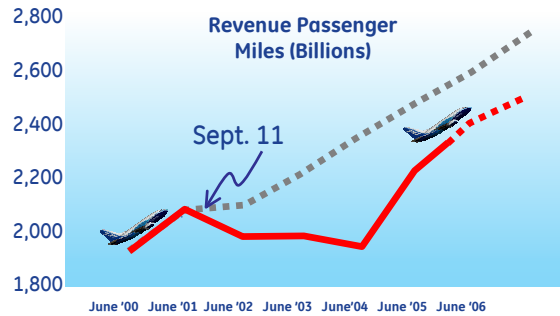
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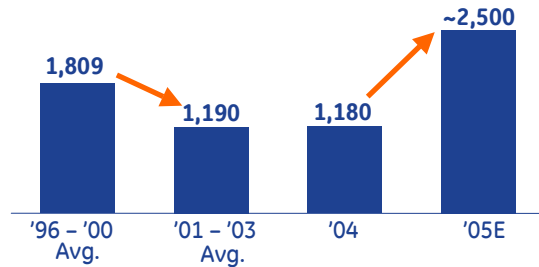
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Aviation market is back worldwide

Airline Passenger Demand



Engine Orders

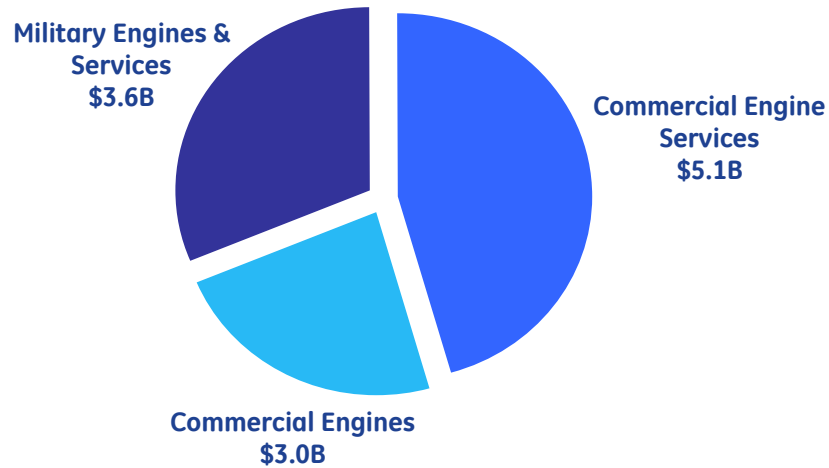


What's new for GE since Paris

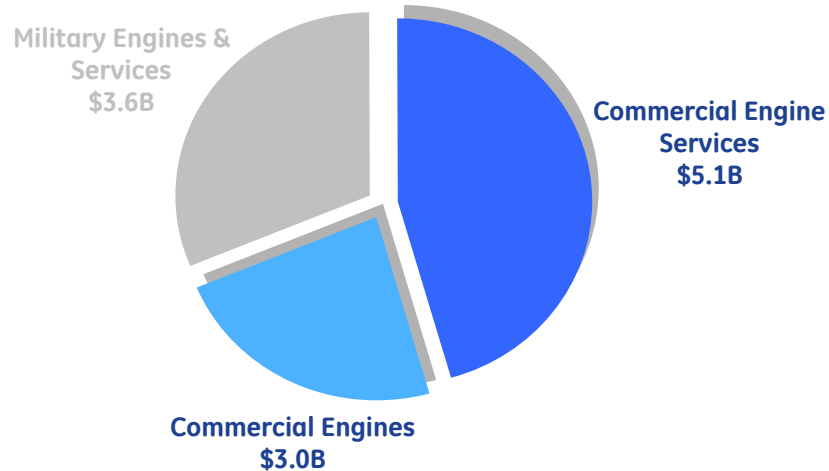
- Air traffic trends positive ... order book at all-time high
- 2005 Op profit year-to-date up 17% ... 2006 outlook positive
- GEnx ... won Continental on B787; won Qatar, ALAFCO on A350
- Military... awarded \$2.4B Joint Strike Fighter development contract



Projected 2005 revenue ... ~\$11.9B



Commercial aviation ... ~\$8.1B revenue



Commercial aviation business strategy

Invest in technology ...
Grow installed base

**Best customer
value**

Target share of departures
... Grow service opportunity

**High-cycle
applications**

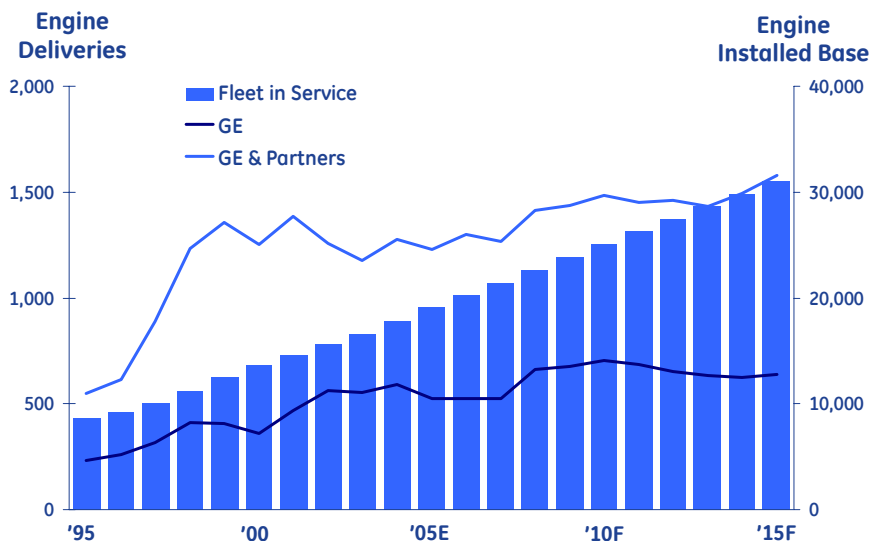
Expand engine services ...
Differentiate with technology

Global footprint



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Fleet growing despite cyclical market



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CFM International is a 50/50 JV with Snecma
EA is a 50/50 JV between GE and Pratt & Whitney



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Target share of airline departures

	Current Fleet*	Avg. Daily Departures
 Widebody**	8,600	1.9
 Narrowbody***	19,500	3.3
 Regionals	4,200	4.6



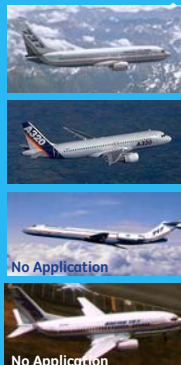
*Excludes Freighters
 **EA is a 50/50 JV between GE and Pratt & Whitney
 ***CFM International is a 50/50 JV with Snecma

GE & CFM: Leading the industry over the last 10 years ...

Regionals (GE)



Single Aisle (CFM)



Twin Aisle (GE)



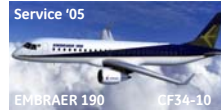
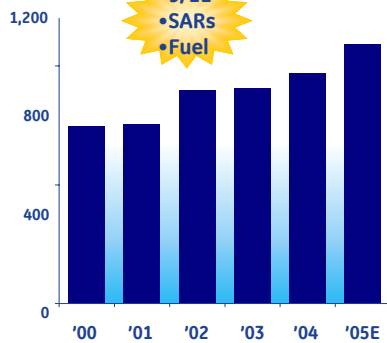
Jumbo Twin Aisle (GE)



*CFM International is a 50/50 JV with Snecma

New technology ... next family additions

Total
Engines R&D
spend \$M



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*GP7200 developed by GE/PSW Engine Alliance

GE, CFM & EA: Well positioned for the next 10 years

Regionals (GE)



Single Aisle
(CFM)



Twin Aisle (GE)



Jumbo Twin Aisle
(GE)



(EA)

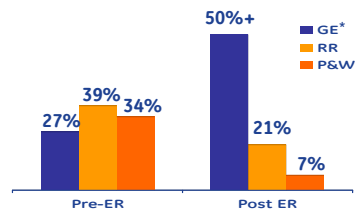


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*CFM International is a 50/50 JV with Snecma
**EA is a 50/50 JV between GE and Pratt & Whitney

GE90 for the 777

- Extended-Range version offered to customers in 2000
 - 155 300ER/200LR/777F orders to date
- Best operating economics
 - 22% more fuel efficient per seat
 - 16% lower seat mile cost
- GE 777 installed base growing since Extended-Range launch



*GE90 is the sole source on the 777-ER application

GP7200 for the A380

- Leading with nearly 320 firm engine orders
 - Biggest cargo carrier ... FedEx
 - Biggest growth airline ... Emirates
- Engine deliveries begin 2Q '06
- Significant hub-to-hub advantage
 - Cost and capacity

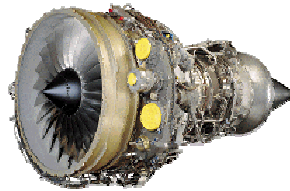


EA is a 50/50 JV between GE and Pratt & Whitney

CF34-10

Power for the EMBRAER 190/195 and ARJ21

- Improved passenger comfort on the E190 and ...
 - 7-15% fuel burn advantage
 - 10-15% lower shop visit cost
 - 20% longer time on wing
 - Engine maintainability ... replacement in 4 hrs
- ~6,500 total RJ Aircraft over next 20 years
- Embraer 190 enters service with JetBlue



ecomagination breakthrough ... GENx



A350



B787



B747 Advanced

**Airframer
forecast**

3,119 Aircraft

2,857 Aircraft

260 Aircraft

**GE wins /
pending wins**

Qatar, ALAFCO,
Kingfisher, Air
Europa

Continental,
First Choice

The B747A engine

**Key GE
campaigns**

TAM, ILFC

JAL, KAL, Air
India, China,
Air Canada

Cargolux, NCA,
Cathay Pacific,
China Airlines, KAL



Next generation 737/A320 ... LEAP56

Harnessing GEnx technologies to set new standards for performance

- **Fuel burn ... 10% better**

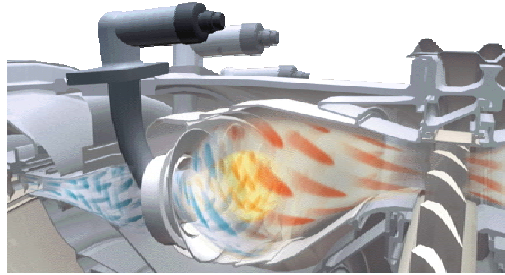
- Lightweight / composite structures
- Component technology

- **Maintenance cost ... 25% lower**

- Lower parts count
- Longer Life-Limited-Parts

- **Emissions ... 50% lower**

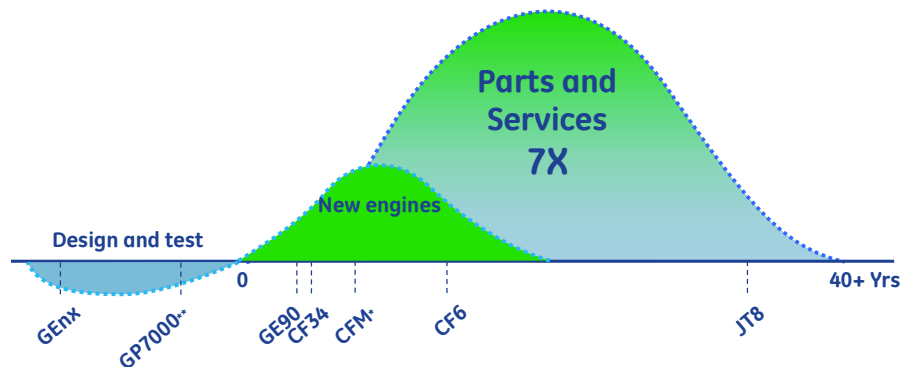
TAPS II Technology



Grow services opportunities

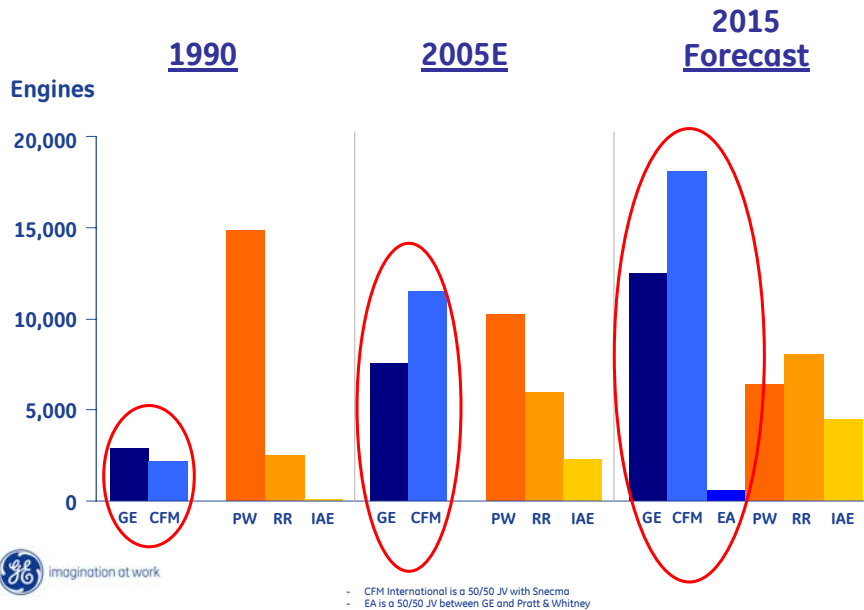
Engine lifecycle revenue

Average age 8 yrs.

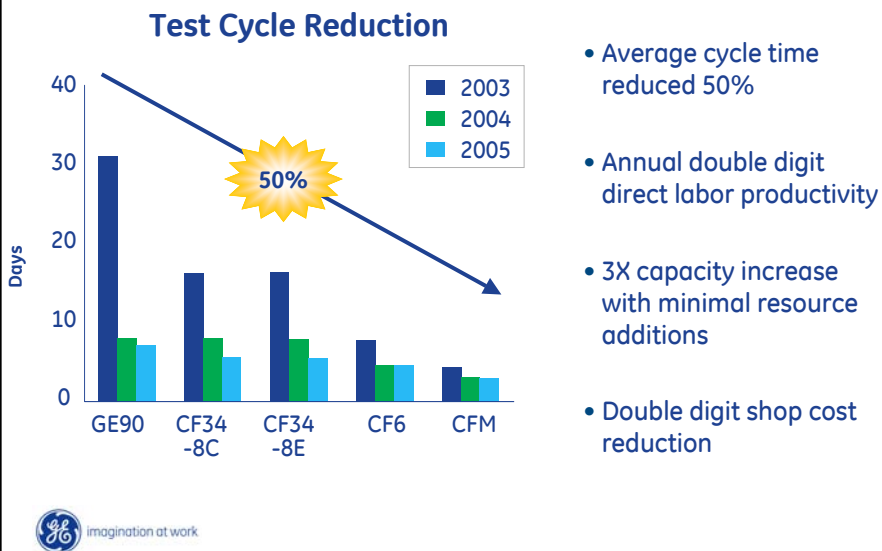


*CFM International is 50/50 joint venture with Snecma
** GE/P&W Engine Alliance is a 50-50 JV between GE and Pratt & Whitney

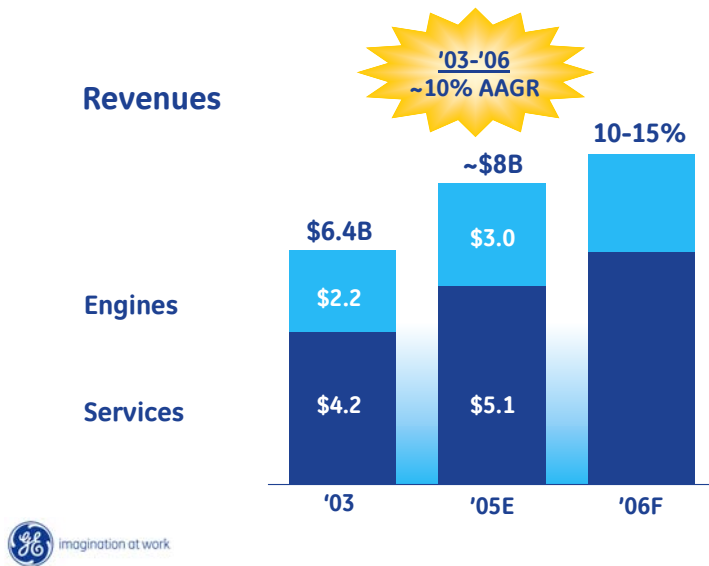
Invest in technology ... grow installed base



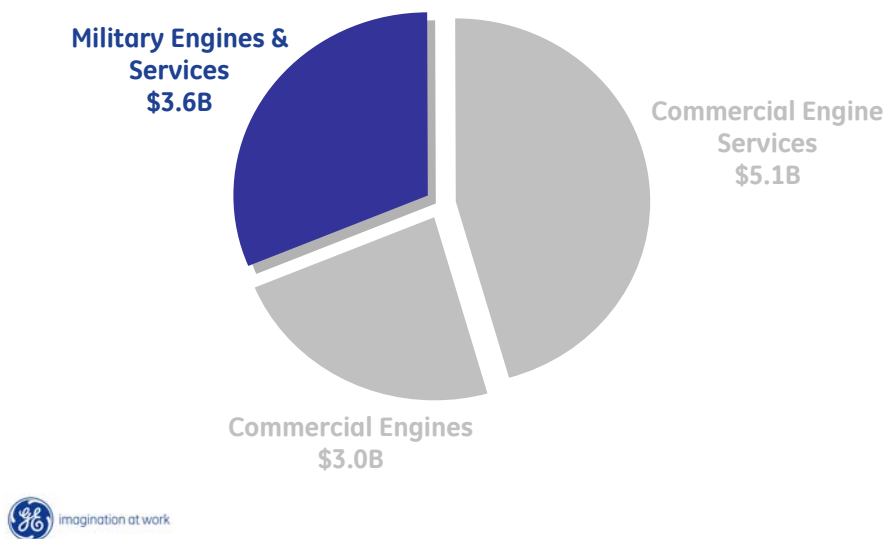
Lean showcase ... high tech test facility



Strong Commercial outlook



Military Systems ... ~\$3.6B revenue



Military Systems business strategy

Position for future platforms ...
Build on installed base

Invest in future

Enhance performance and reduce
operations cost of legacy fleet

**Technology
upgrades**

Improve customer MRO productivity
... Commercial best practice

**Performance Based
Logistics (PBLs)**



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Largest portfolio of modern military engines

Iraq, Afghanistan ... 75% of US Military frontline platforms are powered by GE

Rotorcraft



H-53/H-53E



AH-1V/W



AH-64



S-92



H-60

Combat



B-1B



F-117A



B-2



F/A-18C/D/E/F



F-16C/D

Tanker/Transport



C-5



KC-10



KC/AC-135R



C-40



A330

Marine



Perry Class Frigate



Ticonderoga Cruiser



Aegis Destroyer



Sea-Lift NASCO



Amphibious Assault
Wasp Class



Deepwater



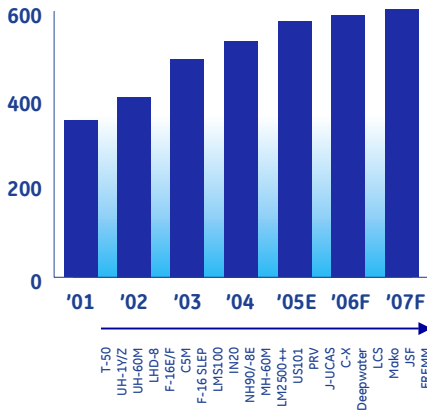
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Sustaining development investment ... new product introduction every 5 months

Military R&D Spend \$M



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Technology upgrades ... customer value and GE installed base revenue

- T700 engine upgrade for Apache & Blackhawk

- \$2B opportunity
- 5700 engines planned

- Funding plan defined

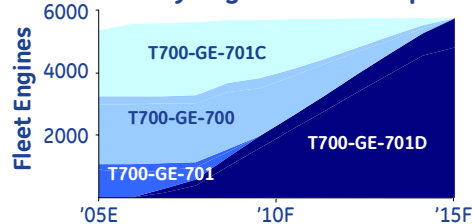
- Improves fleet commonality, durability and power

- 5% power increase
- 2X component life improvement



UH-60M Blackhawk

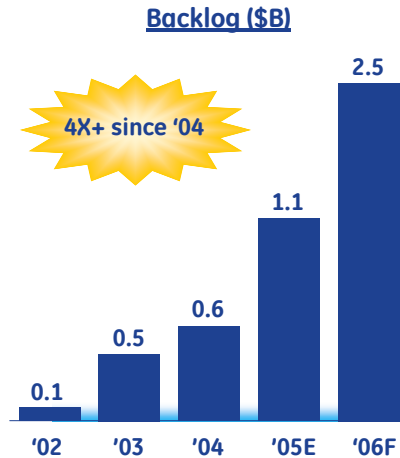
US Army engine transition plan



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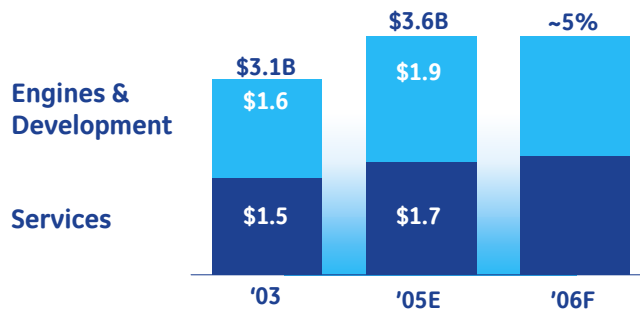
Services growth ... expanding PBLs

- New model for DoD
 - Jacksonville, Corpus Christi
- Pay for performance
- Improved fleet readiness
- Asset efficiency focus



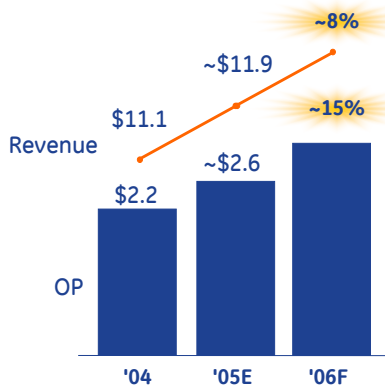
Continue military installed base win and create new service offerings

Revenues



GE Aviation

(\$ in billions)



- Invest in technology
- Grow installed base ... share of departures
- Win in China, India, Middle East
- Expand services footprint
- Deliver customer productivity

Aviation on track to deliver 2005 plan



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