

GE's Technology and Services

Analyst Meeting

May 4, 2006



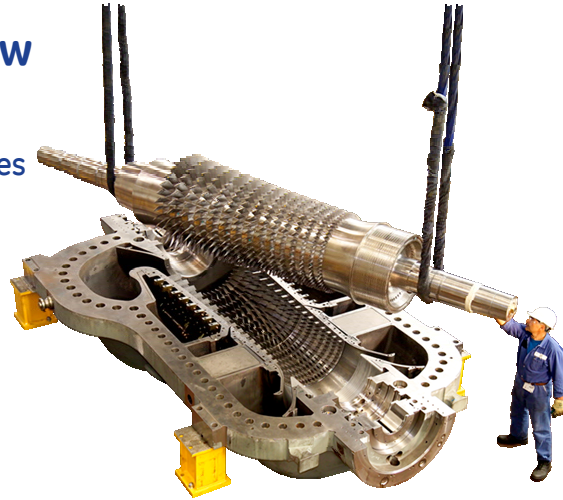
"This document contains "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "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."



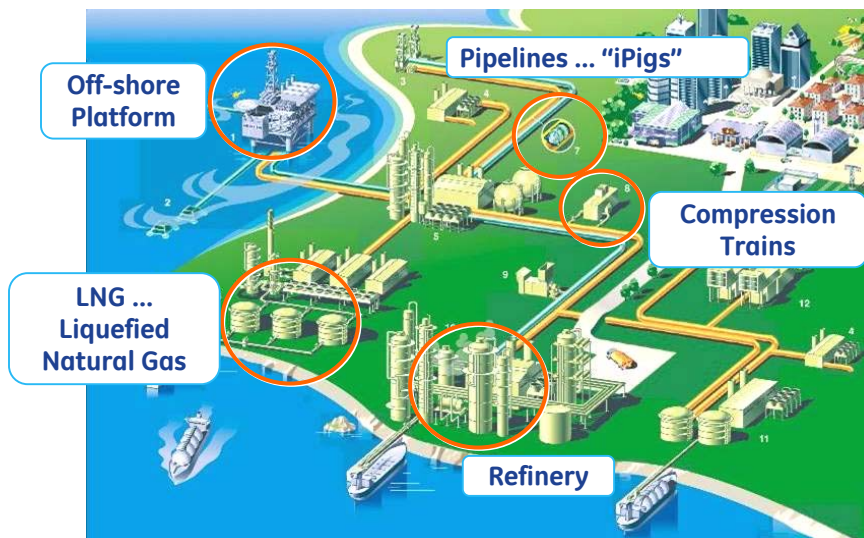
GE
Oil & Gas

Services Overview

Jay Wileman
General Manager, Services



Oil & Gas industry

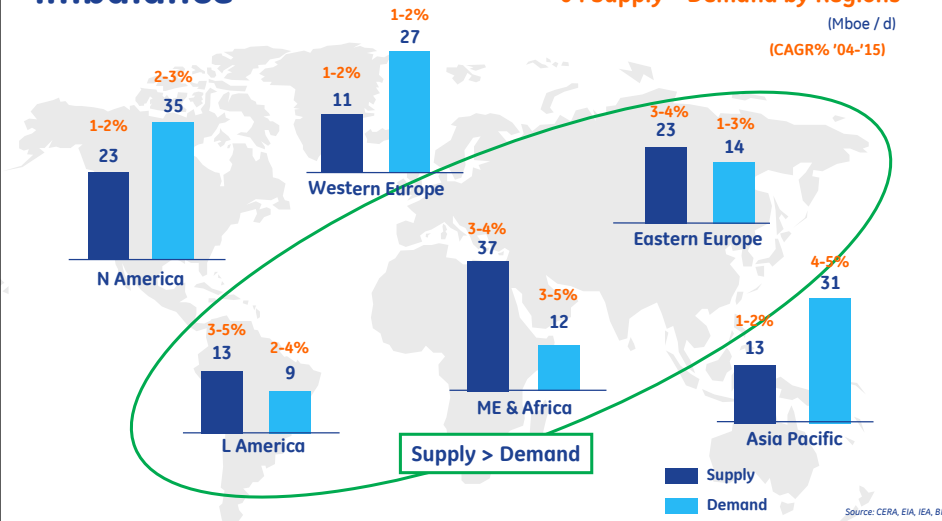


Oil & Gas regional supply & demand imbalance

'04 Supply - Demand by Regions

(Mboe / d)

(CAGR% '04-'15)



Positioned to support growth in developing countries

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Oil & Gas business model



Differentiate with technology

Mission critical equipment
... LNG, re-injection



Win lifecycle service

Asset enhancements /
Contractual Services



System optimization

De-bottlenecking,
pipeline integrity



Everywhere in the world

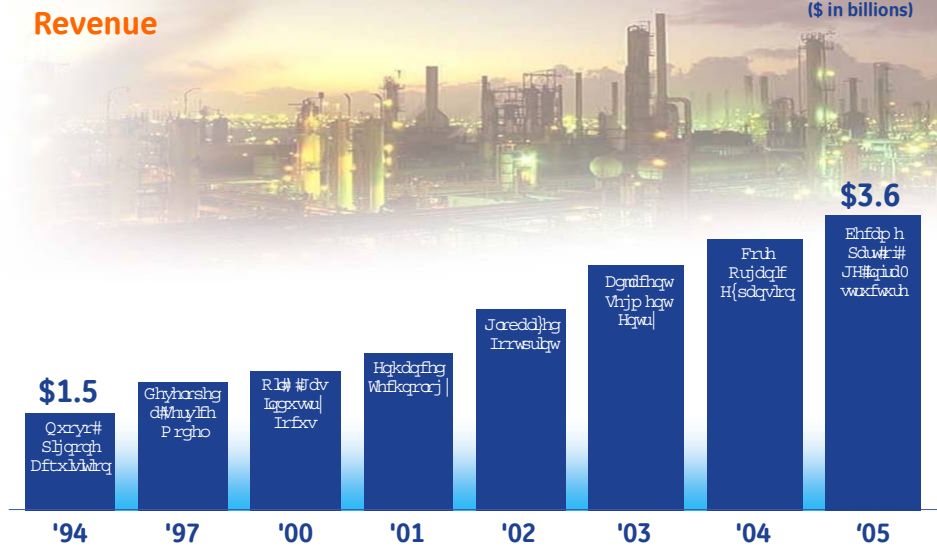
Think global, act local

Delivering for our customers and shareholders

Building a growth platform

Revenue

(\$ in billions)



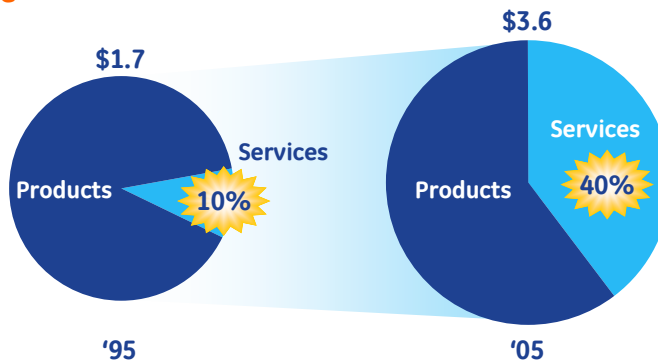
imagination at work

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Service evolution

Revenue

(\$ in billions)



- Addressing needs of large installed base
- Broadening parts and labor offering to contractual service agreements
- Entered adjacent service segments with PII acquisition



imagination at work

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Building a GE service model

Revenue

(\$ in billions)

Spare parts
Repairs
Field services

\$0.2

Low margin
High
Volume
Profit

'97

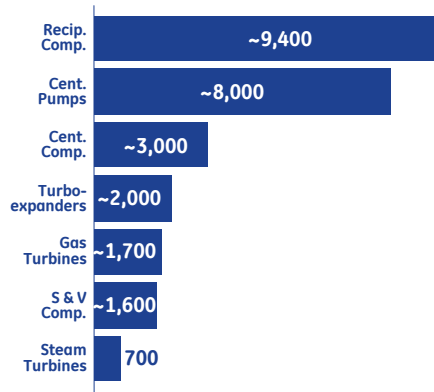


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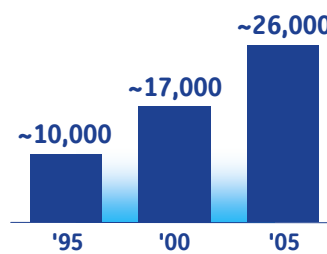
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Installed base opportunity

Operating units



Installed base
of units



- 60K parts shipped per year
- 520K annual field engineer hrs
- 600+ repair jobs

Keeping our customers' assets "like new"



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Building a GE service model

Revenue

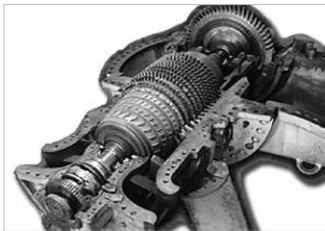
(\$ in billions)

Asset enhancement
Plant upgrading



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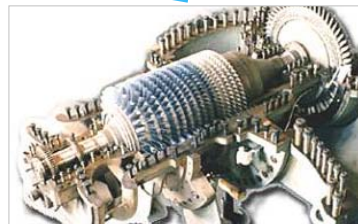
Injecting today's technology into a mature fleet



- New compressor technology
- Advanced seals
- Hi-tech thermal barrier coatings

... Enhanced Fleet Performance

- Increased output ... +500 MW
- Increased efficiency ... Up to 5%
- Reduced emissions ... from 100+ to 25 ppm



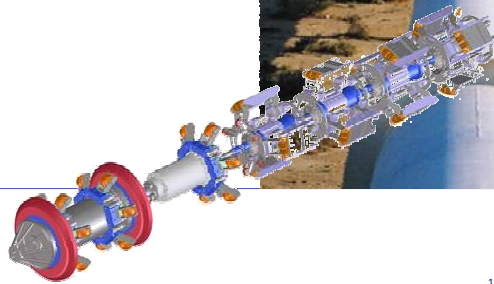
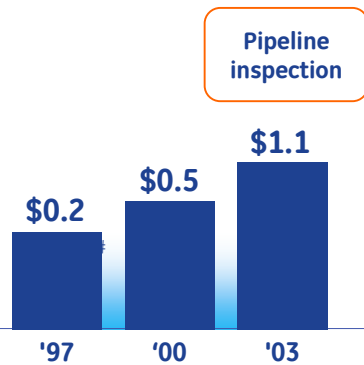
Increasing the value of customer assets



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Building a GE service model

Revenue

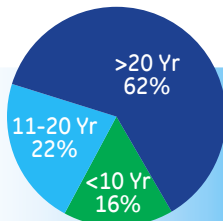


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Pipeline asset enhancement ...

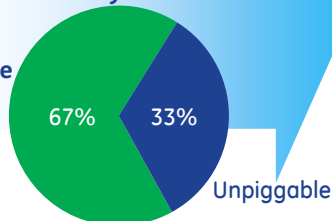
"Installed base"

World pipelines = 1.2MM miles



Current accessibility

Piggable



Adding customer value with GE technology

UltraScan DUO ...

- GE Healthcare's ultrasound technology
- Crack & corrosion detection in a single run ... 2X's as fast

SmartScan ...

- New technology to inspect "unpiggable" pipelines
- Developed in partnership with GE's Global Research Center



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Building a GE service model

Revenue

(\$ in billions)



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Contractual service agreement success story

4 train LNG plant ... complex asset management

- 27 gas turbines / 42 compressors
- 18 shutdowns ... next 3 years
- On-site team and remote monitoring & diagnostics
- Modular exchange programs



99% availability ...
1 train's annual production over CSA life



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Contractual services outlook



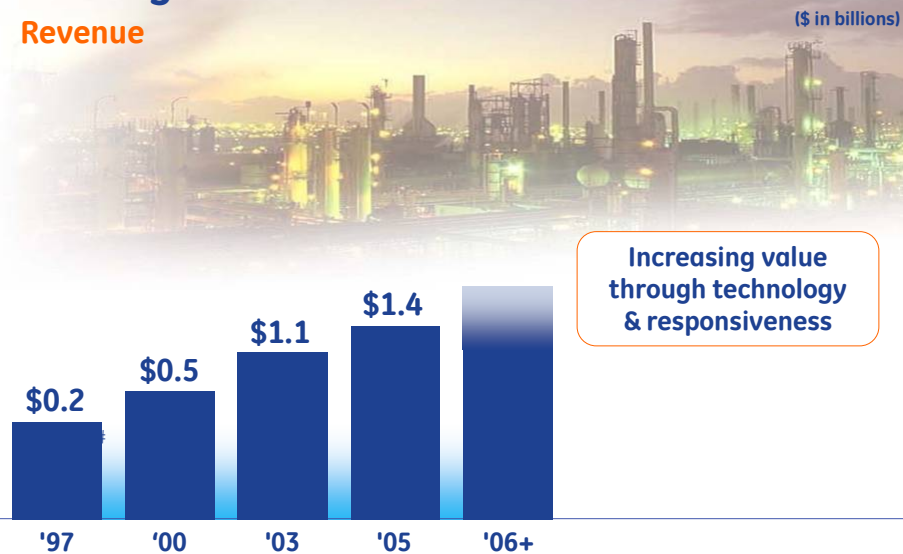
- Full system coverage ... gas turbines and compressors
- Localizing resources at customer sites



~1,400 units in over 30+ countries

Building a GE service model

Revenue



Service responsiveness

Voice of Customer

"During an unplanned event we need, and deserve, an extra-effort ... Every second counts"

Maximum service.
Maximum speed.

"GE proven technology
& experience to face
emergencies"



Lean

Revenue Impact of 1 Day Lost

Gas pipeline: ~\$0.4MM

Re-injection: ~\$1MM

LNG plant: ~\$4MM

- Single point of contact
- Accelerated diagnosis
- Crew mobilization in 24hrs
- Faster return to operation

Improving responsiveness through **lean** thinking



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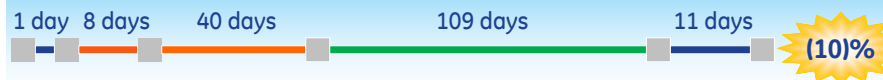
Service responsiveness ... targeted reductions



Baseline



Current



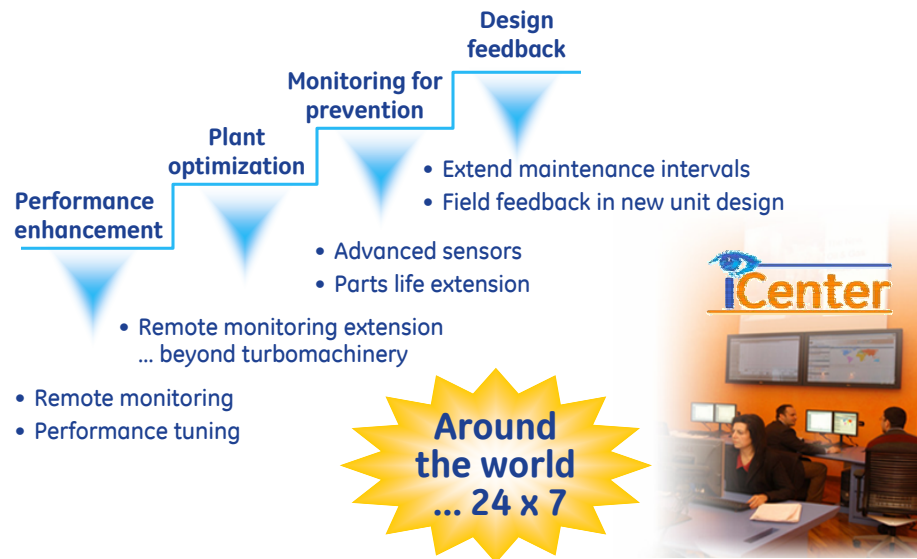
Target



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Remote diagnostics ... the GE way



Increasing value through Infrastructure synergy



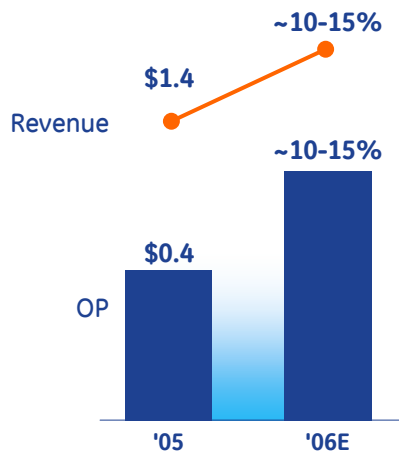
- Aviation repair technology expertise
- Leading edge material sciences
- Low emission combustion technology
- Worldwide network of energy service shops
- Sensing & monitoring from optimization services

Customer Value



Financial overview ... Oil & Gas services

(\$ in billions)



Highlights

- '06 revenues over ~3x '00 level
- CSA backlog 3x in 3 years
- \$2B+ identified service opportunities
- Continuing technology investment
- Robust market ... multiple ways to grow



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