

GE's Technology and Services

Analyst Meeting

May 4, 2006



imagination at work

GE
Healthcare

Healthcare Overview

Vishal Wanchoo
President & CEO, Healthcare IT



imagination at work

Healthcare business model



Differentiate with technology

Diagnostics + Life Sciences + Healthcare IT



Win lifecycle service

Continue to grow diagnostic services and create new service offerings (e.g. RPM and CDS)



System optimization

Workflow & efficiency with Healthcare IT, performance solutions ... leverage LEAN



Globalization ... China, India, Middle East

Global products at local costs ... tailored for local needs

Growing GE Healthcare with technology & services

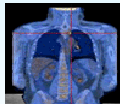


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GE Company Proprietary

Only GE

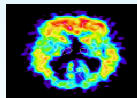
Broad Based Diagnostics

Diagnostic Imaging



- CT, PET/CT
- MR

Medical Diagnostics



- Contrast agents
- Molecular diagnostics

Clinical Systems

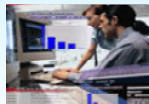


- Ultrasound
- Critical care systems

Information Technology & Services

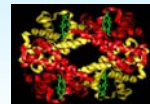


- Electronic medical records
- Revenue cycle



- Performance solutions
- Multi-vendor services

Life Sciences



- Discovery systems
- Protein separations

Three complementary platforms ... \$17B revenue

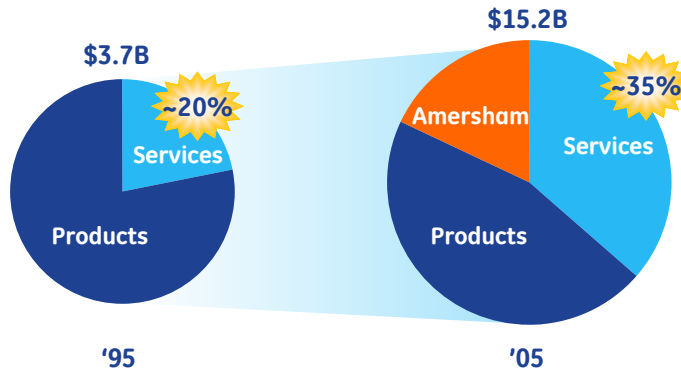


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Portfolio transformation

Revenue

(\$ in billions)



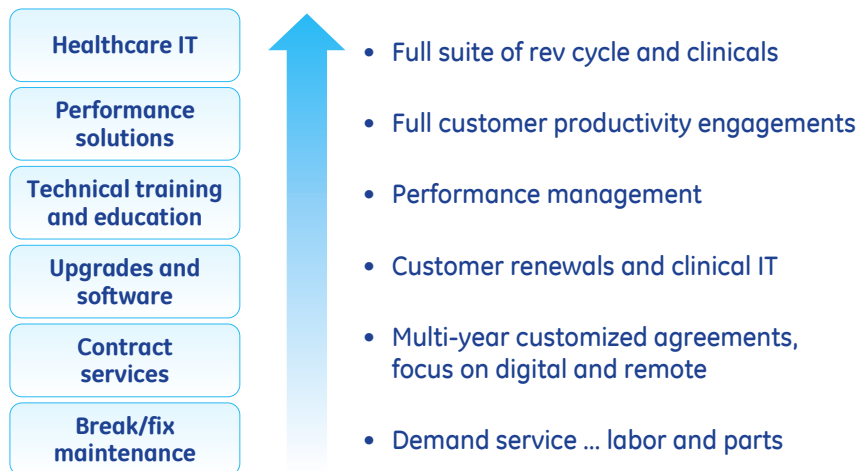
Services growth ... ~7X In last 10 years



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Services growth strategy

Broadest services capability

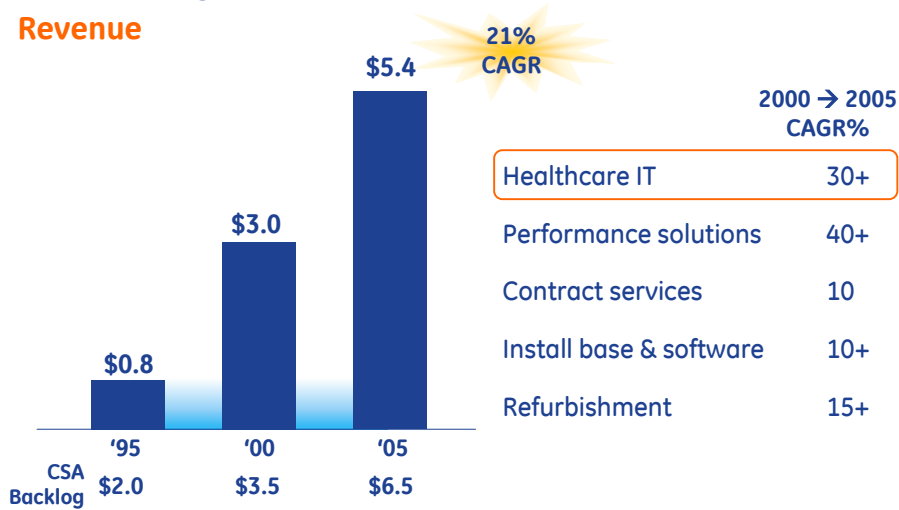


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Services growth

(\$ in billions)

Revenue



Healthcare IT is "HOT"

- IT improves clinical efficacy & lowers healthcare costs
- \$40+B segment is growing at double-digit rate
- GE has a broad suite of products & services ... #1 in the space
- GE is well positioned for growth



IT's all about ...

- Quality
- Safety
- Workflow

\$40B+ in 2005

IT's all driven by ...

- Growth in outpatient services
- National programs ... UK & Canada
- Pay for performance
- Continuity of care

IT's a growth opportunity ...

- EHR in < 20% physician offices
- #1 priority for CXOs

Why Healthcare IT ... a practical example

From Paper

Roxphin 1g IV q6 x 24

to Digital with improved clinical information

ADULT ANTIBIOTIC ASSISTANT

Radiology Findings	Examination	Completed
Aspiration	Chest 1 View	02/26/10 09:32
Identified Pathogens	Specimen, Site	Collected
Please identify: Urine, Macrobiology, Sendings, Cytology or Pathology		

Outcomes published ... *New England Journal of Medicine*

		base	w/IT Assistant	
Better patient outcomes at lower cost	Hours of antibiotic therapy	330	103	↓70%
	Days in hospital	17	10	↓40%
	Costs for hospital	\$44K	\$26K	↓40%

The vision: improving patient care through information technology

Continuous flow of information

At the physician's office



- Revenue cycle
- Electronic medical records (EMR)

In the home



- Real-time connectivity
- Improved workflow
- Embedded clinical knowledge

In the hospital



- Revenue cycle
- Clinical applications
- EMR

HCIT overview

		Market Size	GE Rev	GE + IDX = Capability			
Hospital	CIS	Inpatient EMR/ Computerized Physician Order Entry (CPOE)	\$4.3B				
		Departmental clinicals (radiology, cardiology)	\$2.8B				
		Patient management revenue cycle	\$7.3B				
Physician Office	HIS	Electronic medical record	\$2.5B*				
		Practice management					

* U.S. Only

Inpatient EMR ... partnering with Intermountain



- 22 hospitals / 100 clinics
- #1 integrated delivery network
- 30 years of informatics expertise

Contributing ...

- Intellectual property
- Clinical access & know-how
- Development resources

- 10 clinical department apps
- Global provider of HCIT

Contributing ...

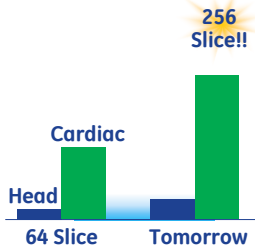
- Intellectual property
- Commercial excellence
- People & infrastructure

- Complete clinical enterprise product
- Installed at all IHC sites
- 2007 commercially viable offering



Departmental clinicals continues to grow...

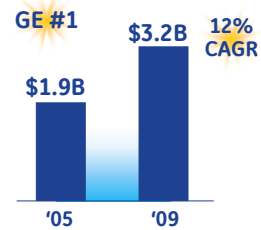
Exam size explosion ...



Plus ...

- Procedure ↑ across continuum of care
- Increase in non-invasive imaging procedures
- Aging population and ↑ in chronic disease

Driving PACS growth



... and large scale initiatives increasing

England – Southern Cluster

- Contract value ~\$235MM
- ~70 sites

England – Northwest Cluster

- Contract value ~\$180MM
- ~60 sites

Hospital Corp. of America

- Contract value ~\$125MM
- ~ 70 hospitals and 100+ imaging centers

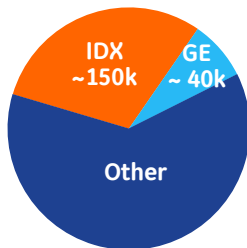


**\$0.5B
in orders!**

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Physician office market converging ...

Practice Management (PM)

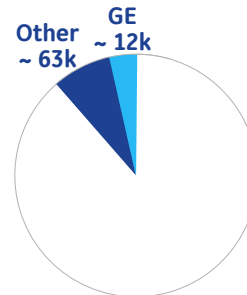


~ 500k physicians
Penetration = 100%

Strategy

- 1 Utilize PM installed base to sell EMR
- 2 Pull through additional PM with every new EMR sale

Electronic Medical Record (EMR)



~ 500k physicians
Penetration ~15%

GE Healthcare ready with right product & right strategy



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IDX + GE integration ... huge success

Integrated product strategy launched at HIMSS ...



Huge Presence

- 17k sq. ft. total booth space
- 1,100+ visitors

GE Digital Healthcare Community

- 40+ tours
- 300 visitors

... with positive customer feedback

Pat Klamm, CIO Tenet Healthcare

"I am really impressed at how quickly GE and IDX have come together as a unified team ... The IDX and GE folks were speaking the same language!"



Combining expertise from both companies ...

Segment/Function	GM/Leader
Business solutions	IDX
Enterprise solutions	GE
Imaging solutions	GE
Practice solutions	IDX
Support services	GE
Sales/marketing	IDX

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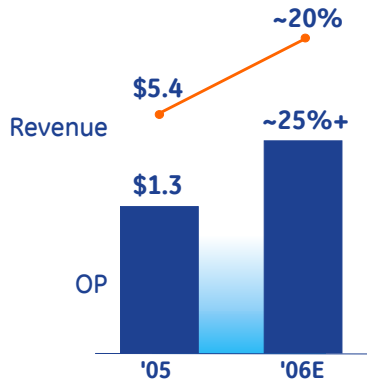
Summary

- IT has demonstrated better clinical outcomes and increased health system productivity
- Tremendous opportunity to increase penetration
- GE has executed on strategy and grown the business profitably
- Future growth driven by increased adoption, global penetration, customer expansion



GE Healthcare services

(\$ in billions)



Service Strategy

- Healthcare IT growth
- Grow service offerings ... expand across all business segments
- Global expansion continues
- Performance solutions to meet customer productivity demands

Strong double digit growth



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