GE Update

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Chairman & CEO

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Overview

✓ GE performance remains strong
+ 8% organic revenue growth
+ Double-digit revenue, earnings & cash flow

✓ Executing portfolio strategy
+ Completing insurance portfolio repositioning
+ Selling Insurance Solutions (ERC) to Swiss Re for $8.5B including assumed debt, ~$2.8B loss on sale

✓ 2006 position very strong
+ Accelerating earnings growth rate
+ Great operating momentum
+ Strong financial flexibility … lots of cash

✓ Increasing shareowner returns
+ Common dividend increased 14% to $1.00/share
+ Buyback increased to $25B through 2008, $7-9B in 2006

Continued execution of consistent strategy

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Clear GE strategy + financial goals

Financial performance - goals

10+%	10-15%	>20%
Earnings growth	Operating cash flow	Returns

Business model

- ✓ Consistent + low risk growth company (Triple A rated)
- ✓ Expanding returns + strong cash generation

Strategy

Core initiative	8% organic growth
	High margin/high return
Core processes	Lean Six Sigma/ simplification
Foundation	Great businesses + great people

Current environment

✓ Economic momentum remains solid
  + 4QYTD orders +13%
  + Growth solid across all segments in '05
  + Global growth is robust

✓ Excellent operating foundation throughout company
  + Op profit rate is expanding
  + Progress on pricing … ahead of inflation
  + Solid risk management … credit quality remains solid
  + Risk adjusted spreads stable, despite higher rates

✓ Very strong cash flow growth & balance sheet (Triple A)

Continued momentum

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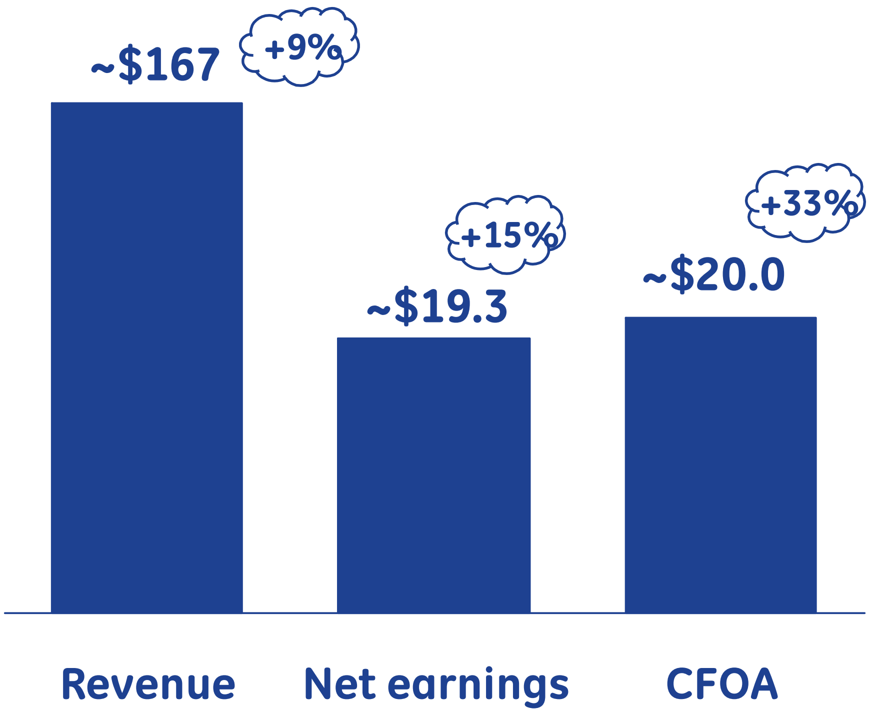
2005 outlook – before Insurance Solutions disposition

($ in billions)



	Revenue		Segment profit	
	$	V%	$	V%
Infrastructure	$42	~13%	$7.8	~14%
Industrial	33	~7	2.7	~45
Comm'l. Fin. Svcs.	44	~3	5.5	~32
Healthcare	15	~13	2.7	~17
NBC Universal	14	~12	3.0	~16
Consumer Fin.	20	~25	3.1	~22

- ✓ **Excellent execution … on track for $1.82 EPS (+13%)**
  - **6 of 6 businesses double-digit growth**
- ✓ **Operating performance on track**

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Executing the Insurance strategy

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Insurance strategy

2002 situation	Approach	Status
Low return … ROE ~8%	✓ Exit Insurance ✓ Redeploy to faster growth/ higher return	Exit in sight … invest in faster growth businesses
Excess leverage … $17B	✓ Eliminate parent support debt ✓ Sustain Triple A	Complete … Free Cash Flow $10B+
High volatility in Insurance Solutions	✓ $3B miss vs. op plan since 2001 ✓ Offset by strong performance in the rest of the Company	Becomes discontinued operations

Management focus

- ✓ **Maximize value**
- ✓ **Certainty + speed**
- ✓ **Redeploy to improve returns**
- ✓ **Improve earnings mix**

Insurance Solutions has been a poor fit with GE

($ in billions)

Poor business performance

	Net income	Event
'00	0.5	Europe wind storms
'01	Break even	9/11 WTC
'02	(1.8)	Adv. dev.
'03	0.5	Low CATs Adv. dev.
'04	Break even	Hurricanes Adv. dev.
'05 YTD	0.1	Katrina/Rita

Significant operating drag

- ✓ Continued adverse development … 1997-2001
- ✓ $3.2B of capital contributions to Insurance Solutions since 2000
- ✓ $0 dividends from Insurance Solutions since 2000
- ✓ 5-year average ROE of (3)%
- ✓ Volatility hinders performance in rest of GE

Not consistent with GE business model

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A strategic exit is the best option for investors

Options	Positive	Issues	Assessment
Keep running business	+ Potential for "hard" market	- More volatility - Continued investment required - Adverse development	→ Impact on Company value
Private equity or IPO	+ Liquidity	- More volatility - Poor earnings history - Continued investment required - Adverse development - Transaction risk	→ Higher risk
Strategic – Swiss Re	+ Increased certainty + Redeploy capital + Participate if market improves	- Loss on sale	→ Best for investors

Ins. Solutions disposition – key terms

($ in billions)

Transaction

- Sell to Swiss Re the P&C Re-insurance business, expect to close mid-2006
- Purchase price paid in cash & securities
  - Swiss Re assumes $1.7B debt
- GE will own 10-13% of combined entity
  - Capital appreciation opportunity in firming reinsurance market
- Common stock locked up for 360 days from closing
- Increased certainty for investors
  - No tail of liability

Financial impact

Price paid	$8.5
Net book value	11.1
Net loss on disposition	~$(2.8)

- Loss on Ins. Solutions book value
- Goodwill
- Taxes

Considerations

+ Sales price is 28X last 3 years ave. earnings
+ Swiss Re is strong partner to capitalize on market up cycle
+ Insurance Solutions will become a discontinued operation for reporting purposes

Benefits

✓ **Reduces earnings volatility**
✓ **Smart exit – certainty for investors**
✓ **Retain upside via equity stake**

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Strong combination

($ in billions)

Swiss Re

✓ #2 global reinsurer
✓ AA rated, ~$23B market cap, 14% ROE in '04
✓ Long heritage … founded 1863
✓ Strong market position
  – #1 life & health
  – #2 property & casualty

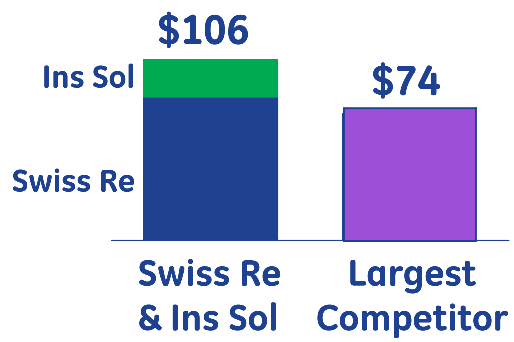
GE Insurance solutions

✓ #5 global reinsurer
✓ A rated
✓ Improved underwriting discipline
✓ Solid investment portfolio
  – 90% A rated or better

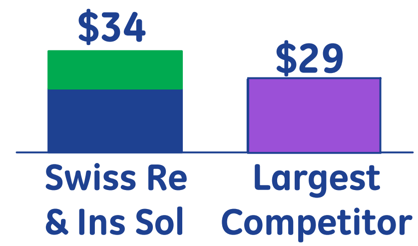
Combined business

✓ Will be world's leading reinsurer

Reserves



Premiums



✓ Global scale – complimentary geographic fit with little overlap
  – Adds US regional distribution
✓ Broader risk diversification
✓ $300MM cost synergies
✓ Deep management team

A strong combination in reinsurance

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Insurance capital reduction progress

($ in billions)

Actions since 2002

✓ Edison	Sold
✓ FGIC	Sold
✓ MedPro	Sold
✓ Genworth	IPO
✓ Insurance Solutions	Selling
✓ Genworth "remainder"	Sold by 12/06

✓ Insurance exits faster than planned
✓ Good valuations for operations sold
✓ Achieved certainty & finality for investors
✓ Redeploying over $25B to higher returning businesses + strengthened balance sheet

Insurance Solutions exit

Cash to GE in '06

Purchase price	$8.5
Assumed debt	1.7
Stock	3.1
Cash/note	3.7
GECS debt reduction	(1.0)
Proceeds to GE	**~$2.7**

✓ $3B+ … available in 2007

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Great businesses – 1/06

(Revenue – $ in billions)

Infrastructure $42B	Industrial $33B	Healthcare $15B	NBCU $14B
35%/14%V OP 18%	10%/45%V OP 8%	10%/17%V OP 18%	10%/16%V OP 21%

Commercial Finance $28B	Consumer Finance $20B
20%/21%V ROE 25%	15%/22%V ROE 30%

% GE segment profit/'05 growth rate

Portfolio built to perform in every economic environment

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Financials

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2005 financials

($ in billions – except EPS)

	Existing guidance		Continuing operations	V%	V% before May '05 SFAS 133 correction
Revenue	$167B	→	$151B	13%	13%
Net earnings	$19.3B		$18.3B	12%	14%
EPS	$1.82		$1.72	10%	12%

Insurance Solutions + Genworth
→ GE ownership <20%
→ Discontinued ops

Planned Insurance earnings '05[a)]	
Genworth operations	$0.4
Insurance Solutions	0.2
Genworth gains	0.4
	$1.0

(a- excludes loss on sale

2006 outlook

($ in billions – except EPS)

Continuing operations

Industrial earnings >50%

EPS dynamics

2005	$1.72
Operations	+.20-.30
Pension	-.03
Buyback	+.03
2006	$1.92-2.02

Accelerating GE growth rate

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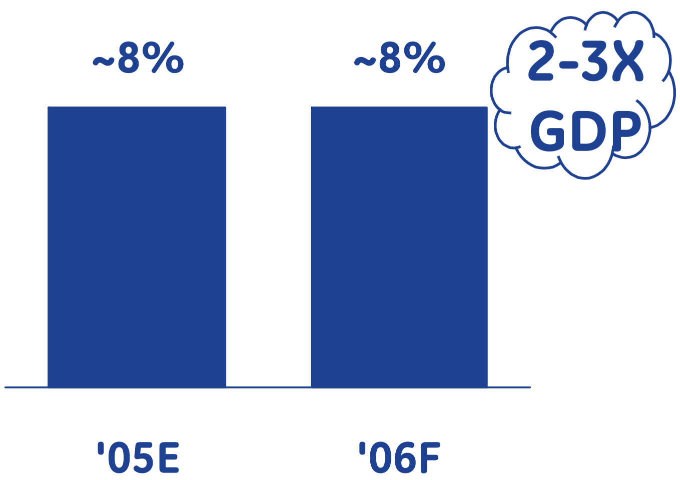
2006 business profile

		2006		
	% GE	Rev. V%	Seg. profit V%	Drivers
Infrastructure	35	10+	15+	+ Strong backlog … technical advantage + Big installed base … service accelerating + Global growth + Cost synergy
Commercial Finance	20	5-10	10-15	+ Global asset growth + Risk management
Consumer Finance	15	10-15	~15	+ Global asset growth + Business development
Healthcare	10	10-15	15+	+ Global growth + Technology + service + Healthcare IT
Industrial	10	5-10	15+	+ Margin expansion + Cost synergy + Global growth
NBCU	10	~5	~0	+ Cable services/Film - Prime time ratings

Strong growth

Organic revenue growth



Broad based growth ('05)
(Organic revenue V%)

Infrastructure	~12%
Comm'l. Finance	~6
Cons. Finance	~11
Healthcare	~8
Industrial	~7
NBCU	~(4)
Total	**~8%**

Tangible results

+ Portfolio "tailwind"	++	Infrastructure, developing markets, Healthcare, Consumer Finance, Energy
+ Growth platforms	+15%	Sustained performance … Oil & Gas, Security, HIT, Water
+ Services revenue	+10%	Backlog in place … usage high
+ Global growth	+15%	Half of GE revenue; well positioned
+ New products	++	VCT + DVMR, Monogram, Display Film, GENX, EVO Engine, Wind, GE90, LNG, Desalination
+ Imagination Breakthroughs	++	50 IB's generating revenue by 2006; $3B of incremental growth

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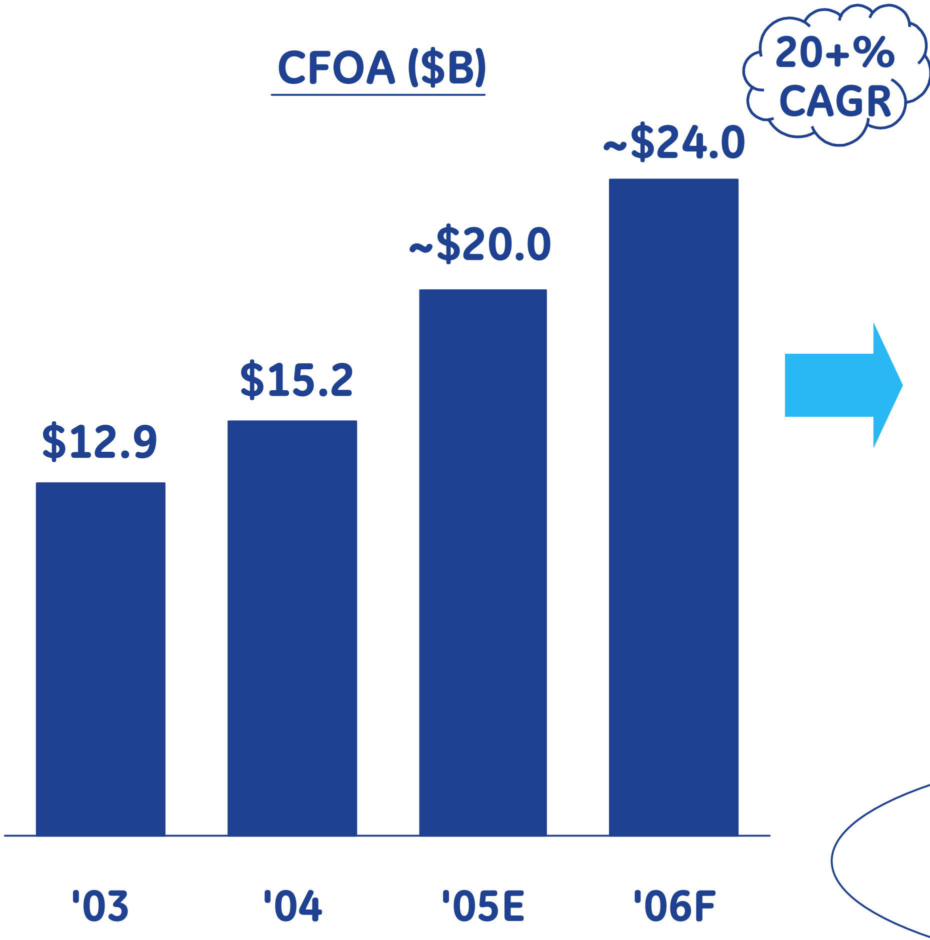
Strong cash flow



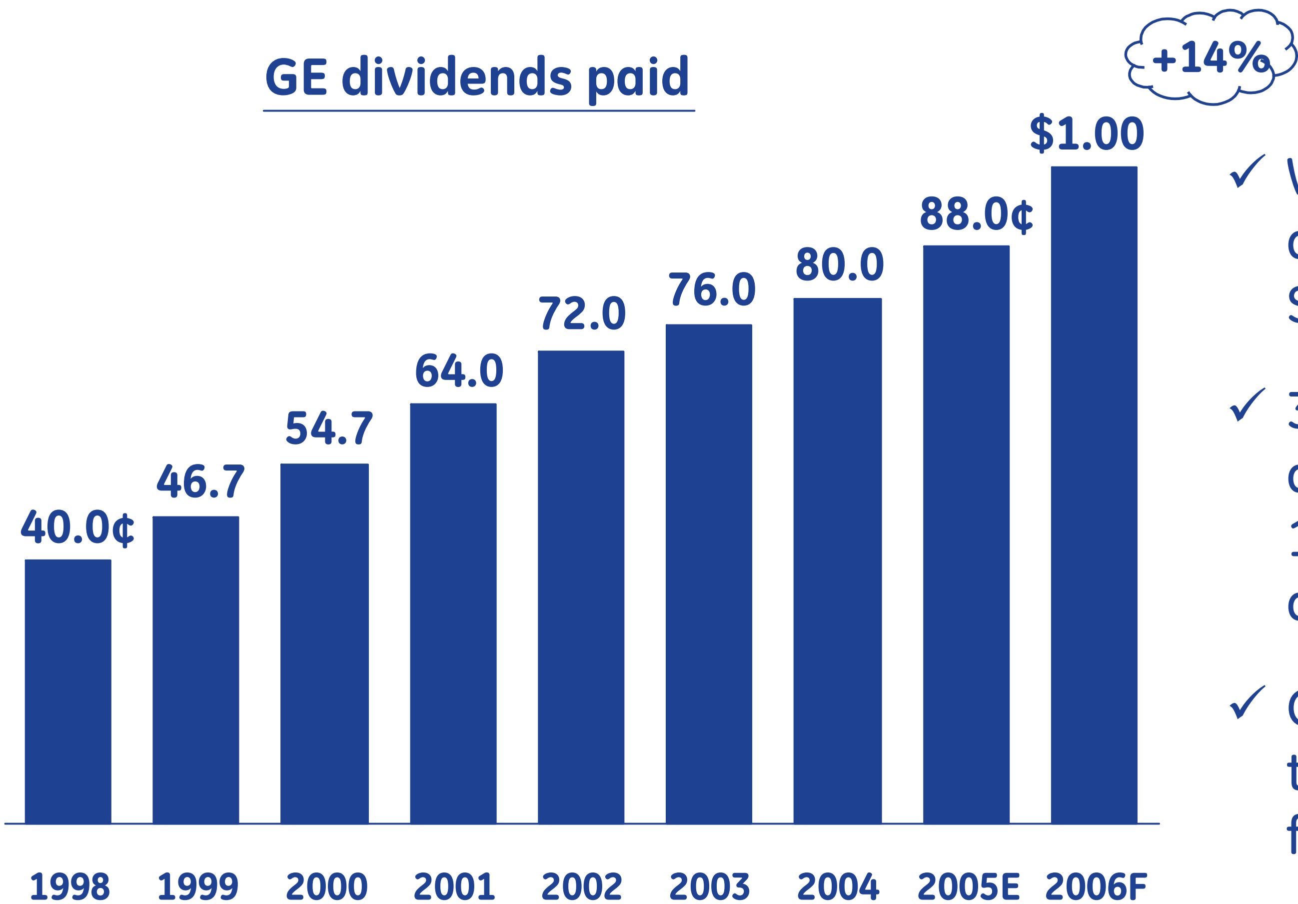
Accelerating free cash flow

	2005	2006
CFOA	$20	$24
CAPEX	(3)	(3)
Dividends	(9)	(10)
	$8	**$11** ~40%

+ Industrial cash flow growth … ~14%
+ Capital dividend 40% of earnings

Accelerating cash flow growth

Continued commitment to GE dividend



- ✓ Will increase dividend to \$1.00/share
- ✓ 30th consecutive annual increase … 106th year of dividends
- ✓ GE yield ~2.9% today … vs. ~1.7% for S&P 500

Increase quarterly dividend to 25¢ per share … +14%

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Stock buyback

($ in billions – except EPS)

~$25B over four years

EPS impact	$.01	$.03	$.03-.04	$.03-.04

+10-12¢ EPS

+ **Sustain return to GE investors**
+ **Maintain ~$3-5B/year in industrial acquisitions**

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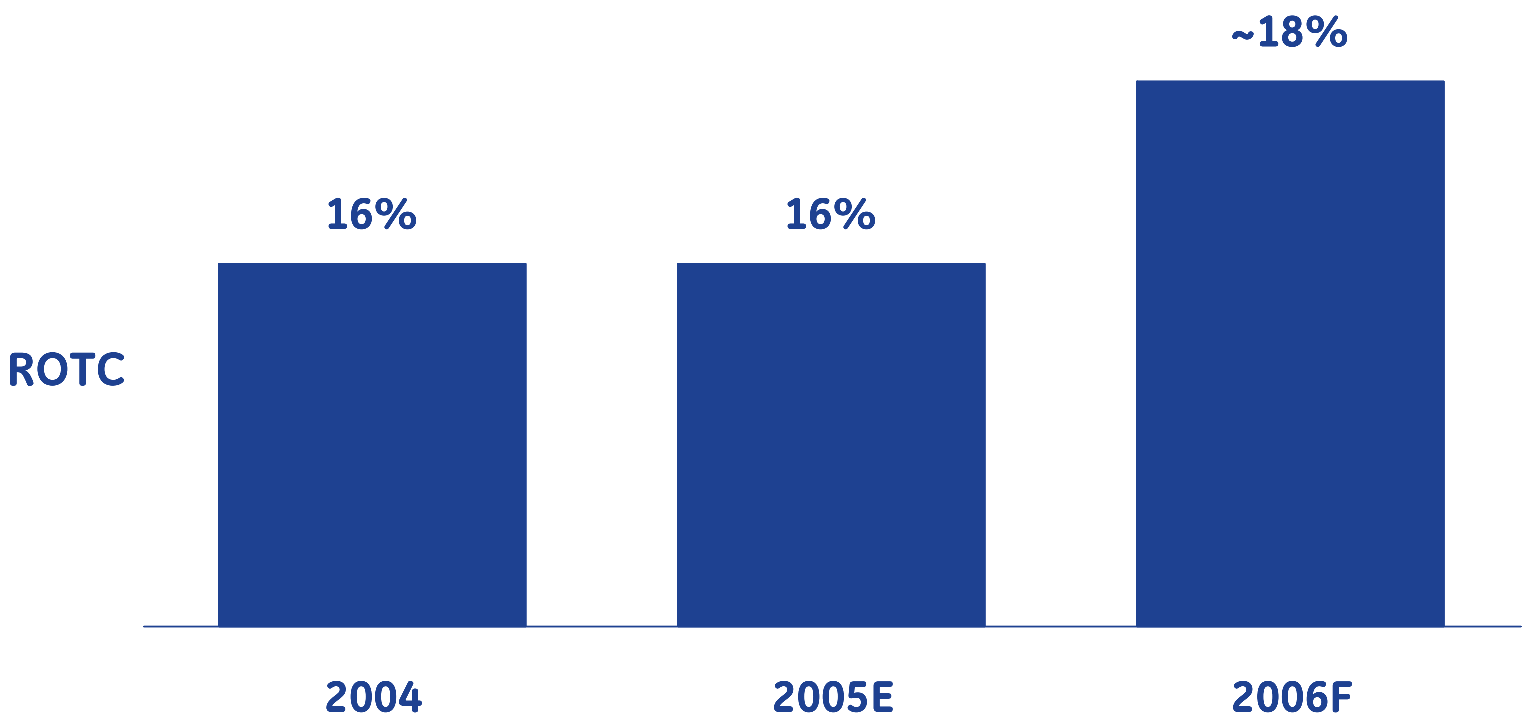
Accelerating ROTC growth



	2004	2005E	2006F
IROIC	3%	50+%	75+%

✓ **Actions drive expanding ROTC**
  – **Clear path to 20+% by 2008**

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Improved valuation dynamics

Better Industrial growth mix	Higher ROTC	Financial Services % of income	Higher Financial Services ROE	Strong Free Cash Flow
↑	↑	<50% ↓	↑	↑
>30%	>20%		>25%	$10B+/year
Services % of revenue	ROTC >20%	Less than 50%	Financial Services ROE >25%	Buyback + Industrial BD

✓ **Portfolio positioned for value creation**
- **Faster-growth industrial business**
- **Higher returning Financial Services**

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Summary

- ✓ Portfolio transformed … Insurance sell down is now clear and largely complete
- ✓ Overall environment remains strong … our segments demographically advantaged
- ✓ Excellent cash generation driving increased returns
  - CFOA growing 20%/year
  - Accelerating ROTC … 20+% by '08
  - Higher dividend yield
- ✓ Initiatives delivering … right for the times
  - Organic growth 8%
  - Simplification hits productivity sweet spot

This is the final phase of the most significant portfolio move we have made

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