

General Electric Company and Consolidated Affiliates
Second Quarter 2004 Earnings Per Share (EPS) Dynamics

	EPS	
Second quarter 2003 reported	\$ 0.38	
Ongoing operations (incl. Energy)	0.04	Solid growth (+11%)
Pension	(0.02)	Non-cash and as expected
2003 Insurance dispositions	(0.01)	FGIC, Edison, U.S. Auto
	0.39	
Deal impact...Amersham, NBC Universal, Genworth	(0.01)	Earnings with more shares and lower Insurance earnings
	\$ 0.38	...Above Guidance
2Q Events		
- Genworth transaction impact (\$336mm)		Worse than expected
- Amersham deal-related costs (\$163mm)		Slightly better than expected
+ Tax settlements \$428mm		Better than expected
Effect of 2Q events	-	
Second quarter 2004 reported	\$ 0.38	

GENERAL ELECTRIC COMPANY
Condensed Statement of Earnings

	Consolidated		
Second quarter ended June 30	2004	2003	V%
Revenues			
Sales of goods and services	\$ 20,655	\$ 18,118	
Earnings of GECS	-	-	
GECS revenues from services	16,056	15,107	
Other income	324	148	
Total revenues	37,035	33,373	11%
Costs and expenses			
Cost of sales, operating and administrative expenses	24,610	20,374	
Interest and other financial charges	2,750	2,683	
Insurance losses and policyholder and annuity benefits	3,744	4,256	
Provision for losses on financing receivables	1,004	978	
Minority interest in net earnings of consolidated affiliates	187	72	
Total costs and expenses	32,295	28,363	14%
Earnings before income taxes	4,740	5,010	
Provision for income taxes	(816)	(1,216)	
Net earnings	\$ 3,924	\$ 3,794	3%
Per-share amounts			

Diluted earnings per share	\$ 0.38	\$ 0.38	0%
Basic earnings per share	\$ 0.38	\$ 0.38	0%
Dividends declared per share	\$ 0.20	\$ 0.19	

GE			
Second quarter ended June 30	2004	2003	V%
Revenues			
Sales of goods and services	\$ 19,995	\$ 17,640	
Earnings of GECS	1,696	1,602	
GECS revenues from services	-	-	
Other income	328	147	
Total revenues	22,019	19,389	14%
Costs and expenses			
Cost of sales, operating and administrative expenses	17,480	14,414	
Interest and other financial charges	49	215	
Insurance losses and policyholder and annuity benefits	-	-	
Provision for losses on financing receivables	-	-	
Minority interest in net earnings of consolidated affiliates	111	47	
Total costs and expenses	17,640	14,676	20%
Earnings before income taxes	4,379	4,713	
Provision for income taxes	(455)	(919)	
Net earnings	\$ 3,924	\$ 3,794	3%

Financial Services (GECS)			
Second quarter ended June 30	2004	2003	V%
Revenues			
Sales of goods and services	\$ 728	\$ 568	
Earnings of GECS	-	-	
GECS revenues from services	16,405	15,319	
Other income	-	-	
Total revenues	17,133	15,887	8%
Costs and expenses			
Cost of sales, operating and administrative expenses	7,370	6,196	
Interest and other financial charges	2,818	2,533	
Insurance losses and policyholder and annuity benefits	3,808	4,256	
Provision for losses on financing receivables	1,004	978	
Minority interest in net earnings of consolidated affiliates	76	25	
Total costs and expenses	15,076	13,988	8%
Earnings before income taxes	2,057	1,899	

Provision for income taxes	(361)	(297)	
Net earnings	\$ 1,696	\$ 1,602	6%

Dollar amounts in millions; per-share amounts in dollars; unaudited. Supplemental consolidating data are shown for "GE" and "Financial Services (GECS)." Transactions between GE and GECS have been eliminated from the "consolidated" columns. See note 1 to the consolidated financial statements in the 2003 Annual Report to Shareowners for further information about consolidation matters.

GENERAL ELECTRIC COMPANY
Condensed Statement of Earnings

Six months ended June 30	Consolidated		V%
	2004	2003	
Revenues			
Sales of goods and services	\$ 37,765	\$ 34,285	
Earnings of GECS before accounting changes	-	-	
GECS revenues from services	32,159	29,341	
Other income	461	203	
Total revenues	70,385	63,829	10%
Costs and expenses			
Cost of sales, operating and administrative expenses	46,302	39,170	
Interest and other financial charges	5,560	5,279	
Insurance losses and policyholder and annuity benefits	7,332	8,241	
Provision for losses on financing receivables	1,959	1,738	
Minority interest in net earnings of consolidated affiliates	270	142	
Total costs and expenses	61,423	54,570	13%
Earnings before income taxes and accounting change	8,962	9,259	
Provision for income taxes	(1,798)	(2,251)	
Earnings before accounting change	7,164	7,008	2%
Cumulative effect of accounting change	-	(215)	
Net earnings	\$ 7,164	\$ 6,793	5%
Per-share amounts before accounting change			
Diluted earnings per share	\$ 0.69	\$ 0.70	(1)%
Basic earnings per share	\$ 0.70	\$ 0.70	0%
Per-share amounts after accounting change			
Diluted earnings per share	\$ 0.69	\$ 0.68	1%
Basic earnings per share	\$ 0.70	\$ 0.68	3%
Dividends declared per share	\$ 0.40	\$ 0.38	

Six months ended June 30	GE		V%
	2004	2003	

Revenues			
Sales of goods and services	\$ 36,675	\$ 33,398	
Earnings of GECS before accounting changes	3,541	3,272	
GECS revenues from services	-	-	
Other income	467	223	
Total revenues	40,683	36,893	10%
Costs and expenses			
Cost of sales, operating and administrative expenses	32,161	27,749	
Interest and other financial charges	288	423	
Insurance losses and policyholder and annuity benefits	-	-	
Provision for losses on financing receivables	-	-	
Minority interest in net earnings of consolidated affiliates	148	79	
Total costs and expenses	32,597	28,251	15%
Earnings before income taxes and accounting change			
	8,086	8,642	
Provision for income taxes	(922)	(1,634)	
Earnings before accounting change			
	7,164	7,008	2%
Cumulative effect of accounting change	-	(215)	
Net earnings	\$ 7,164	\$ 6,793	5%

Financial Services (GECS)			
Six months ended June 30			
	2004	2003	V%
Revenues			
Sales of goods and services	\$1,304	\$1,055	
Earnings of GECS before accounting changes	-	-	
GECS revenues from services	32,772	29,699	
Other income	-	-	
Total revenues	34,076	30,754	11%
Costs and expenses			
Cost of sales, operating and administrative expenses	14,657	11,827	
Interest and other financial charges	5,489	4,996	
Insurance losses and policyholder and annuity benefits	7,432	8,241	
Provision for losses on financing receivables	1,959	1,738	
Minority interest in net earnings of consolidated affiliates	122	63	
Total costs and expenses	29,659	26,865	10%
Earnings before income taxes and accounting change			
	4,417	3,889	

Provision for income taxes	(876)	(617)	
Earnings before accounting change	3,541	3,272	8%
Cumulative effect of accounting change	-	-	
Net earnings	\$ 3,541	\$ 3,272	8%

Dollar amounts in millions; per-share amounts in dollars; unaudited. Supplemental consolidating data are shown for "GE" and "Financial Services (GECS)." Transactions between GE and GECS have been eliminated from the "consolidated" columns. See note 1 to the consolidated financial statements in the 2003 Annual Report to Shareowners for further information about consolidation matters.

Summary of Operating Segments

General Electric Company and Consolidated Affiliates

	SECOND QUARTER			FIRST HALF		
(Dollars in millions)	2004	2003	V%	2004	2003	V%
Revenues						
Advanced Materials	\$ 2,048	\$ 1,743	17	\$ 3,933	\$ 3,419	15
Commercial Finance	5,732	5,180	11	11,123	9,956	12
Consumer Finance	3,830	3,046	26	7,419	5,805	28
Consumer & Industrial	3,490	3,282	6	6,587	6,174	7
Energy	4,118	4,655	(12)	7,983	9,031	(12)
Equipment & Other Services	2,017	869	F	4,027	1,833	F
Healthcare	3,372	2,402	40	5,867	4,542	29
Infrastructure	862	760	13	1,638	1,436	14
Insurance	5,554	6,792	(18)	11,507	13,160	(13)
NBC Universal	2,867	1,955	47	4,449	3,426	30
Transportation	3,903	3,389	15	7,308	6,368	15
Corporate items and eliminations	(758)	(700)	(8)	(1,456)	(1,321)	(10)
Consolidated revenues	\$37,035	\$33,373	11	\$70,385	\$63,829	10
Segment profit (a)						
Advanced Materials	\$ 161	\$ 134	20	\$ 332	\$ 256	30
Commercial Finance	975	832	17	1,930	1,702	13
Consumer Finance	600	514	17	1,202	1,060	13
Consumer & Industrial	204	173	18	353	301	17
Energy	634	1,057	(40)	1,284	1,955	(34)
Equipment & Other Services	68	(252)	F	(54)	(510)	89
Healthcare	584	440	33	923	746	24
Infrastructure	134	105	28	247	199	24
Insurance	53	508	(90)	463	1,020	(55)
NBC Universal	768	688	12	1,162	1,031	13
Transportation	810	686	18	1,447	1,242	17
Total segment profit	4,991	4,885	2	9,289	9,002	3
GE corporate items and eliminations	(563)	43	U	(915)	63	U
GE interest and other financial charges	(49)	(215)	77	(288)	(423)	32
GE provision for income taxes	(455)	(919)	50	(922)	(1,634)	44
Earnings before accounting change	3,924	3,794	3	7,164	7,008	2
Cumulative effect of accounting change	-	-		-	(215)	

Consolidated net earnings	\$ 3,924	\$ 3,794	3	\$ 7,164	\$ 6,793	5
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(a) Segment profit always excludes the effects of principal pension plans and accounting changes, and may exclude matters such as charges for restructuring; rationalization and other similar expenses; in-process research and development and certain other acquisition-related charges; certain gains/losses from dispositions; and litigation settlements or other charges, responsibility for which precedes the current management team. Segment profit excludes or includes interest and other financial charges and segment income taxes according to how a particular segment management is measured - excluded in determining operating profit for Advanced Materials, Consumer & Industrial, Energy, Healthcare, Infrastructure, NBC Universal, and Transportation, but included in determining net earnings for Commercial Finance, Consumer Finance, Equipment & Other Services, and Insurance.

Condensed Statement of Financial Position
General Electric Company and Consolidated Affiliates

(Dollars in billions)	Consolidated		GE		Financial Services (GECS)	
	6/30/04	12/31/03	6/30/04	12/31/03	6/30/04	12/31/03
Cash & marketable securities	\$133.1	\$135.0	\$ 3.1	\$ 2.0	\$130.5	\$133.2
Receivables	13.3	10.7	13.4	11.0	-	-
Inventories	9.6	8.8	9.4	8.6	0.2	0.2
GECS financing receivables	252.7	247.9	-	-	252.7	247.9
Plant & equipment	61.3	53.4	16.4	14.6	44.9	38.8
Investment in GECS	-	-	45.9	45.3	-	-
Goodwill & intangible assets	80.9	55.0	53.3	30.2	27.6	24.8
Other assets	146.2	136.7	37.7	30.4	113.0	109.6
Total assets	\$697.1	\$647.5	\$179.2	\$142.1	\$568.9	\$554.5
 Borrowings	 \$335.7	 \$329.7	 \$12.2	 \$10.9	 \$325.3	 \$320.3
Insurance reserves	137.8	136.3	-	-	138.1	136.3
Other liabilities and minority interest	125.3	102.3	68.7	52.0	59.6	52.6
Shareowners' equity	98.3	79.2	98.3	79.2	45.9	45.3
Total liabilities and equity	\$697.1	\$647.5	\$179.2	\$142.1	\$568.9	\$554.5

Supplemental consolidating data are shown for "GE" and "Financial Services (GECS)." Transactions between GE and GECS have been eliminated from the "consolidated" columns. See note 1 to the consolidated financial statements in the 2003 Annual Report to Shareowners for further information about consolidation matters.

Note: Certain balances have been reclassified to reflect the inclusion of assets and liabilities of FIN 46 entities in their respective line items, previously reported as "Consolidated, liquidating securitization entities."

Financial Measures That Supplement GAAP

General Electric Company and Consolidated Affiliates

We sometimes refer to data derived from consolidated financial information but not required by GAAP to be presented in financial statements. Certain of these data are considered "non-GAAP financial measures" under SEC regulations. Specifically, we have referred to:

-- Second quarter 2004 earnings growth, excluding the non-cash earnings from GE's principal pension plans in the second quarters of 2003 and 2004;

- Second quarter 2004 industrial sales growth, excluding the Energy business in the second quarters of 2003 and 2004; and
- Growth in Industrial CFOA in the first half of 2004.

Reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures - reported earnings, industrial sales and cash from operating activities - follow.

SECOND QUARTER ENDED JUNE 30			
(Dollars in millions)	2004	2003	V%
Net earnings	\$ 3,924	\$ 3,794	
Less: Non-cash earnings from GE's principal pension plans	14	202	
Earnings excluding pension	\$ 3,910	\$ 3,592	9
Industrial sales as reported	\$ 19,995	\$ 17,640	
Less: GE Energy sales	4,028	4,597	
Industrial sales excluding GE Energy	\$ 15,967	\$ 13,043	22
SIX MONTHS ENDED JUNE 30			
	2004	2003	V%
Cash from GE's operating activities as reported	\$ 6,817	\$ 4,244	
Less: GECS dividends	1,842	328	
Cash from GE's operating activities excluding dividends from GECS (Industrial CFOA)	\$ 4,975	\$ 3,916	27

We believe that meaningful analysis of our financial performance requires an understanding of the factors underlying that performance and our judgment about the likelihood that particular factors will repeat. In some cases, short-term patterns and long-term trends may be obscured by large factors or events. For example, events or trends in a particular segment may be so significant as to obscure patterns and trends of our industrial or financial service businesses in total. For this reason, we believe that investors may find it useful to see our second quarter 2004 earnings without the decline in non-cash earnings from our principal pension plans. Similarly, we believe presentation of second quarter 2004 growth in industrial sales without the decline in gas turbine sales is useful to investors. We also believe that investors would find it useful to compare our first half 2004 operating cash flow against our first half 2003 operating cash flow without the impact of GECS dividends, principally proceeds from the Genworth initial public offering in 2004.