GE Energy

Power Generation Update

Steve Bolze
President & CEO, Power Generation

GE’s portfolio
• 4 businesses operating in more than 100 countries ... 125+ years
• Over 300,000 employees worldwide
• 2007 revenue $173B

Energy Infrastructure
- Energy
- Oil & Gas
- Water & Process Technologies

Technology Infrastructure
- Aviation
- Enterprise Solutions
- Healthcare
- Transportation

GE Capital
- Aviation Financial Services
- Commercial Finance
- Energy Financial Services
- GE Money
- Treasury

NBC Universal
- Cable
- Film
- International
- Network
- Sports & Olympics
Power Generation

Headquarters: Schenectady, NY

Key locations:
- Bangor, ME
- Belfort, France
- Bourgogne, France
- Greenville, SC
- Houston, TX
- Jenbach, Austria
- Newark, DE
- Salzbergen, Germany
- Tehachapi, CA
- Wilmington, NC

Power Generation product offerings

Diverse technologies

- Heavy duty gas turbines
- Aeroderivative gas turbines
- Generators
- Steam turbines
- Combined cycle systems
- Jenbacher gas engines
- Wind turbines
- Photovoltaic solar
- Gasification
- Nuclear
Power Generation overview

Revenue
($ in billions)

- Well positioned for global growth
- Diverse product offerings
- Investing for the future

Business is growing ... everywhere in the world

Global dynamics ...

**Demand** ...
continues to increase, especially China/India/Middle East

**Fuel prices** ...
remain high and continue to be volatile, increasing interest in alternatives

**Rising capital costs & skilled personnel shortage** ...
rising cost structure of energy supply

**Political landscape** ...
is uncertain, dynamic, and difficult to anticipate

**Energy security** ...
rising concerns with infrastructure investment in all areas

**Environmental requirements** ...
are increasing and forcing action including technology incentives
... the uncertainty drives a diverse set of technology requirements

Load shapes uncertainty ... requires more diverse solutions

High fuel prices ... require higher efficiency

More stringent environmental standards ... require lower emissions, increased use of renewables and nuclear

Power Gen industry orders forecast: 2007-2016

10 yr avg annual cap orders (GW)

<table>
<thead>
<tr>
<th>Region</th>
<th>Coal</th>
<th>Gas/Oil</th>
<th>Hydro</th>
<th>Wind</th>
<th>Nuclear</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>China</td>
<td>74</td>
<td></td>
<td>26</td>
<td>37</td>
<td>9</td>
<td>232*</td>
</tr>
<tr>
<td>India</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>21 GW/yr</td>
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<tr>
<td>Africa</td>
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<td>MidEast</td>
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<td>Latin America</td>
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<tr>
<td>Asia</td>
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<td>24 GW/yr</td>
</tr>
</tbody>
</table>

* Numbers do not sum because of "other" technologies

Source: PG Forecast 01 May 08
Investing in technology competitiveness

- IWPP with F-technology
- LMS100
- 24 Cylinder gas engine

Investing for the future

- Fuel Flexibility
- Solar
- Wind
- Gasification
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