

GE Works

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Caution Concerning Forward-Looking Statements:

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 financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; potential market disruptions or other impacts arising in the United States or Europe from developments in the European sovereign debt situation; the impact of conditions in the financial and credit markets on the availability and cost of General Electric Capital Corporation’s (GECC) funding and on our ability to reduce GECC’s asset levels as planned; the impact of conditions in the housing market and unemployment rates on the level of commercial and consumer credit defaults; changes in Japanese consumer behavior that may affect our estimates of liability for excess interest refund claims (Grey Zone); pending and threatened litigation against WMC, including increased activity by securitization trustees; our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so; the adequacy of our cash flow and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level; GECC’s ability to pay dividends to GE at the planned level; the level of demand and financial performance of the major industries we serve, including, without limitation, air and rail transportation, energy generation, real estate and healthcare; the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of financial services regulation; strategic actions, including acquisitions, joint ventures and dispositions and our success in completing announced transactions and integrating acquired businesses; the impact of potential information technology or data security breaches; and numerous other matters of national, regional and global scale, including those of a political, economic, business and competitive 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.

“This document may also contain non-GAAP financial information. Management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. For a reconciliation of non-GAAP measures presented in this document, see the accompanying supplemental information posted to the investor relations section of our website at www.ge.com.”

“In this document, “GE” refers to the Industrial businesses of the Company including GECC on an equity basis. “GE (ex. GECC)” and/or “Industrial” refer to GE excluding Financial Services.”



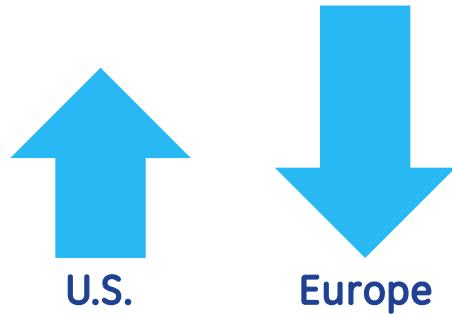
imagination at work

Why GE?

- 1 Strong Industrial outlook
- 2 On track for margin enhancement over next two years
- 3 Getting cash from GE Capital
- 4 Making GE Capital smaller
- 5 Balanced capital allocation ... short term will use GECC special dividends (\$4.5B) to buy back stock
+ Continue growing dividend in line with earnings

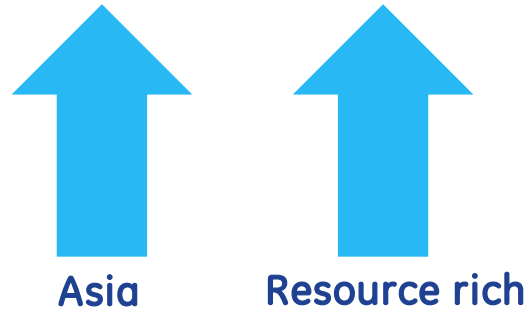
Global environment

Developed



- + U.S. consumer ↑ ... housing stabilizing ... unemployment mixed
- Fiscal uncertainty
- Europe mainly negative ... Germany/Nordic OK

Emerging



- + China growth still substantial ... five year plan positive
- + Commodity CAPEX ↑
- + Slower inflation

Risk mitigants

- + Big backlog
- + Strong liquidity
- + Service revenue
- + Restructuring/reallocate
- + Capital allocation
- + Low-cost supply chain



- 1 Position where growth is available
- 2 Manage cost/reallocate to growth
- 3 Stay flexible if things get worse

Delivering on 2012 operating framework

(\$ in billions)

	<u>Market</u>	<u>GE dynamics</u>	<u>Op. profit</u>		
			<u>'11</u>	<u>'12 outlook</u>	<u>'12 update</u>
Energy Infrastructure	Improving	+ International growth + Service strength + O&G orders momentum - Backlog price	\$6.7	++	++
Aviation	Strong	+ Product launches + Service strength - European spares	3.5	++	++/+
Healthcare	As expected	+ Product launches + Growth region position - Europe markets	2.8	+	+ / ++
Transportation	Strong	+ Global growth + Mining + Service growth	0.8	++	++
H&BS	Mixed	+ Lighting growth - Housing ✓ NPI investment	0.3	+	+
Industrial			14.0	++	++
Capital	Stronger	+ Higher margin + Lower losses + CRE improving + Restarted dividend	6.6	++	++

Delivering on 2012 operating framework

(\$ in billions)

	<u>GE dynamics</u>	<u>Op. profit</u>		
		<u>'11</u>	<u>'12 outlook</u>	<u>'12 update</u>
Corporate	+ Lower restructuring - Pension + NBCU earnings growth	\$(2.9) ^{-a)}	=	=
Operating EPS ^{-b)}	Solid outlook → framework	\$1.38^{-b)}	++	++
CFOA	+ Working capital improvements + GECC dividends - Lower progress, NBCU JV, pension	12.1	11-12	17-19
Total revenue	+ Industrial stronger + Acquisitions - Capital ~(-5)% ... ENI ↓	(2)%	~5%	~5%

<u>GE mosaic: beyond 2012</u>	
<u>Tailwinds</u>	<u>Headwinds</u>
+ Growth markets/Infrastructure	- European economy
+ Strong backlogs/growth investments	- Fiscal constraints/government policy
+ Oil ↑/gas ↓ ... benefit from both	+/- Inflation
+ Capital losses/Real Estate	
+ Cash flexibility	



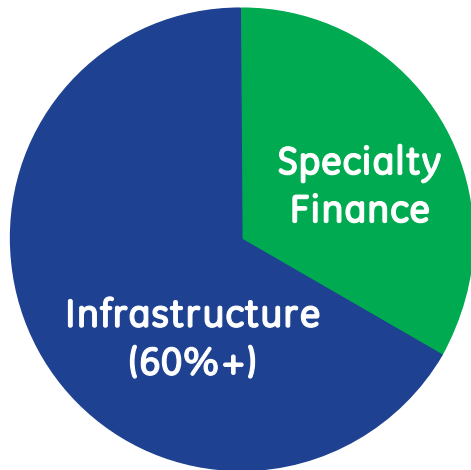
imagination at work

(a- Excluding NBCU pre-tax gain \$3.7B

(b- Operating EPS excluding the impact of the preferred shares redemption

Capital efficient growth

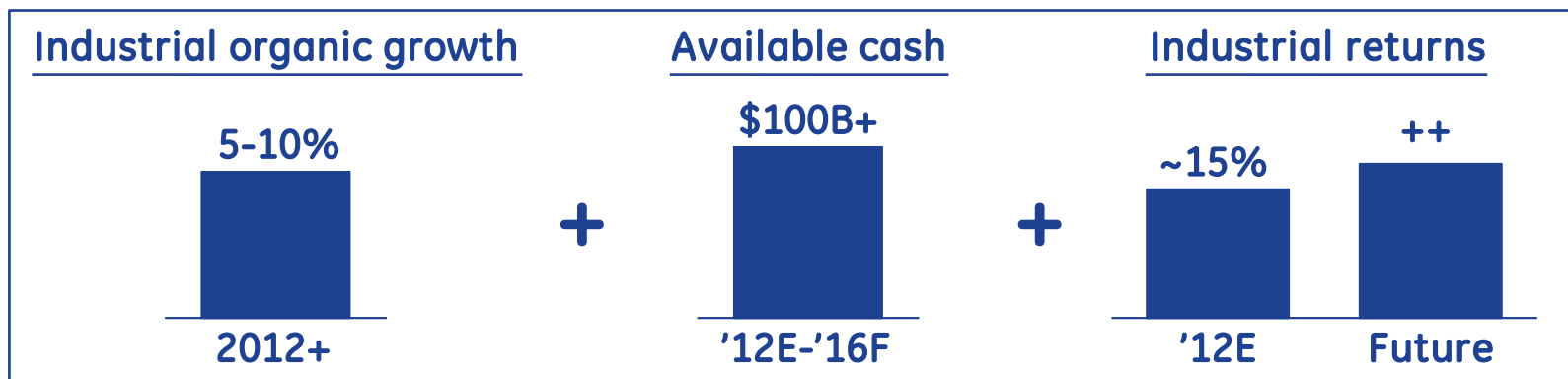
Strong portfolio



- ✓ Infrastructure leadership
- ✓ Fast growth adjacencies
- ✓ Valuable Specialty Finance

Initiatives

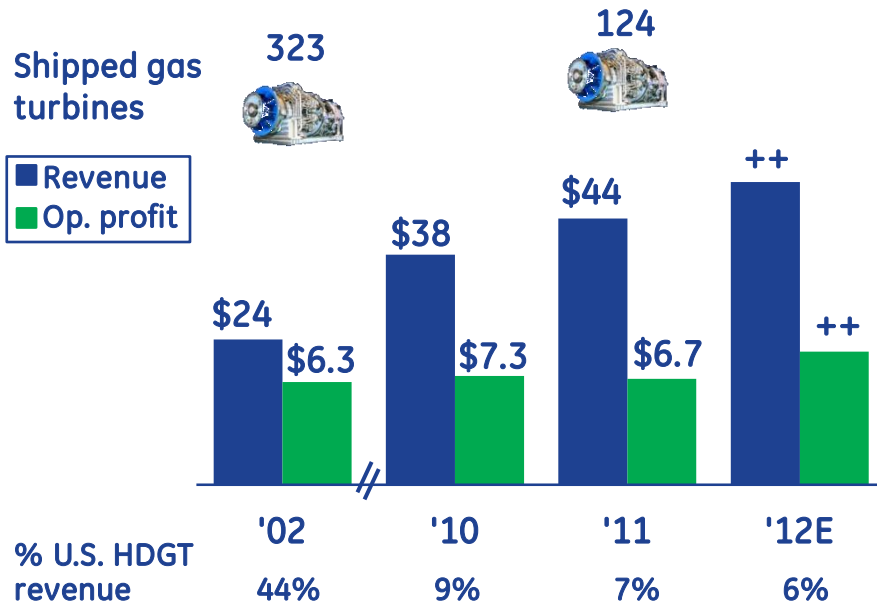
- 1 Leadership in technology
- 2 Winning in growth markets
- 3 Expanding services



Energy diversification

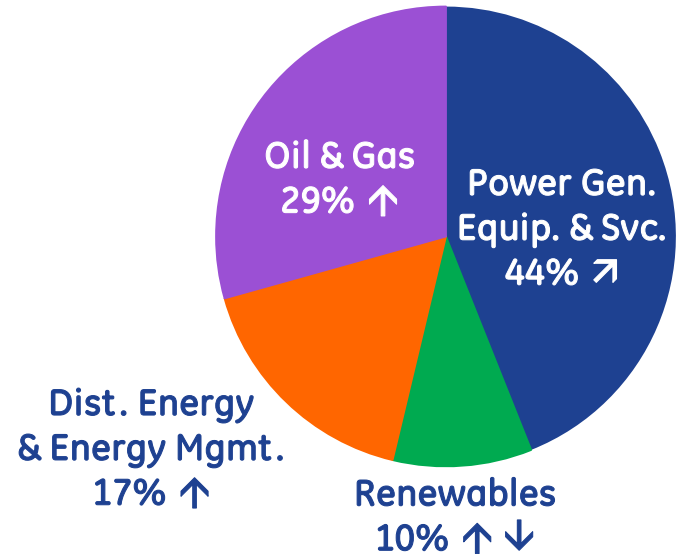
(\$ in billions)

Manage cycle



Strategic diversification

(% op. profit)



Cycle dynamics

- | | |
|---|--|
| <ul style="list-style-type: none"> + Oil & Gas ... fast growth segment + Distributed energy ... high demand + Natural gas outlook positive + Global growth + Expanding capability ... power conversion | <ul style="list-style-type: none"> - Renewable U.S. PTC expiration ... '13 ~\$(-.03) - Demand for electricity in developed world |
|---|--|

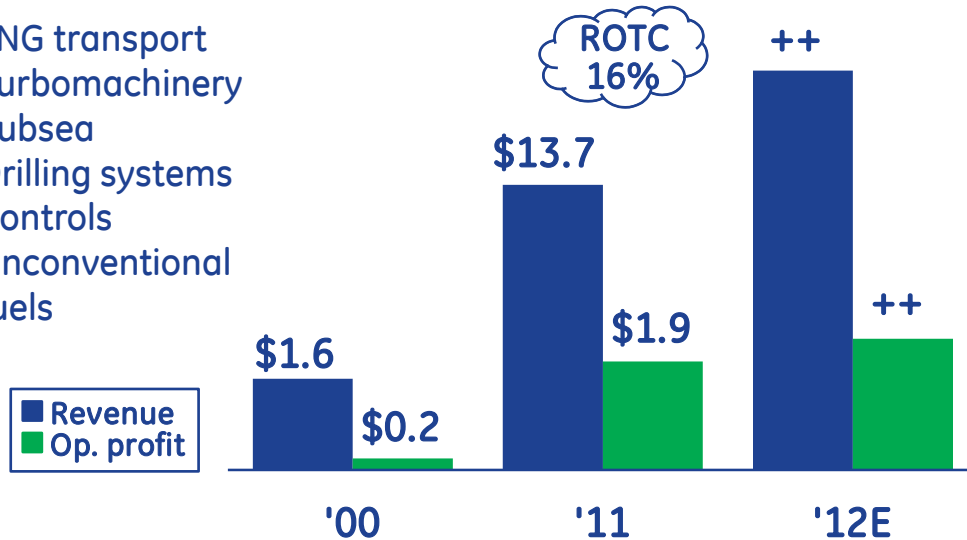
Oil & Gas leadership

(\$ in billions)

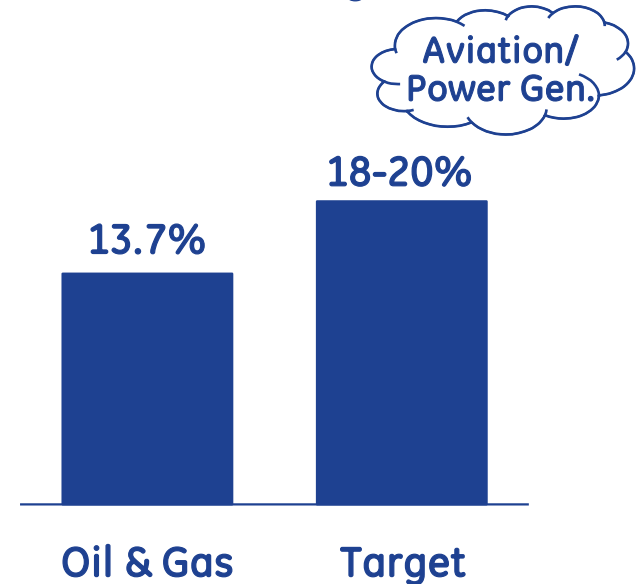
GE growth

GE segments

- ✓ LNG transport
- ✓ Turbomachinery
- ✓ Subsea
- ✓ Drilling systems
- ✓ Controls
- ✓ Unconventional fuels



Operating enhancement (2011 margin)



Strategy

- ✓ Pick scale industries: high technical intensity/known customers
- ✓ Invest in "single point" positions (i.e., ESP)
- ✓ Let GE bring the value ... R&D, services, global
- ✓ Change competitive dynamics over time
- ✓ Expand operating performance ... leverage scale

Key drivers

- ✓ Improve project management
- ✓ Fulfillment & Lean
- ✓ Quality management
- ✓ Monitoring & diagnostics
- ✓ Services build-out

Infrastructure adjacencies

(\$ in billions 2011 revenue)

Energy management



~\$6B

- + Expanded capability (T&D)
- + Global position
- + Power conversion



Revenue 10%+



Molecular medicine

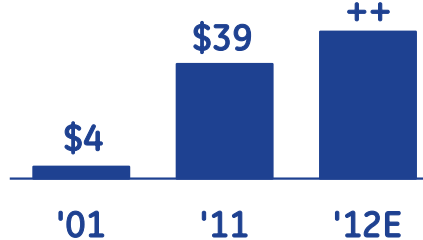
~\$4B

Revenue 5-10%

- + Bioprocess manufacturing
- + Pathology
- + Molecular diagnostics



Growth drivers



Aviation systems



~\$3B

Revenue 5-10%

- + Integrated power
- + Tier 1 supplier
- + Avionics growth
- + Position in business jets

Distributed energy

~\$5B

- + Growth markets
- + Solutions
- + Fuel diversity

Revenue 10%+



Mining

~\$2B

Revenue 15%+

- + Propulsion
- + Drives/energy/water
- + Equipment & technical value
- + Acquisition integration/synergies

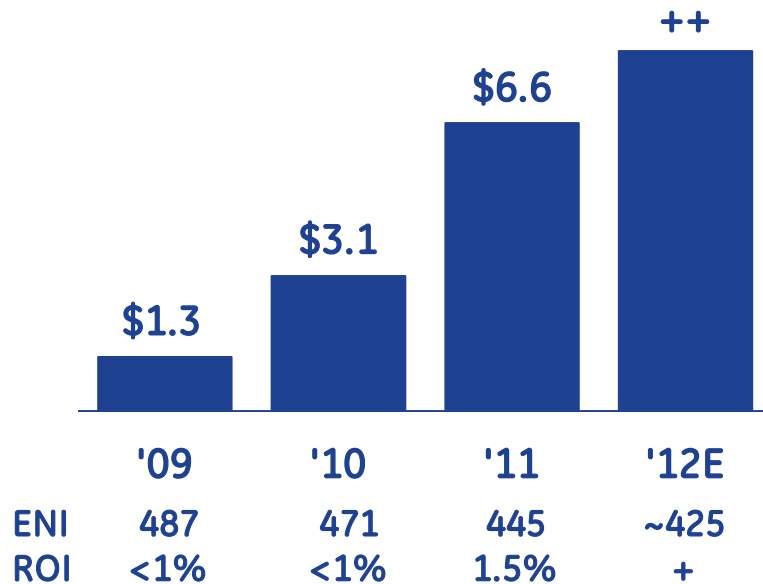


Strong growth platforms ... organic + acquisition

Valuable Specialty Finance franchise

(\$ in billions)

Earnings



	<u>ENI</u>	<u>ROI</u>	<u>Volume trend</u>
Lending & leasing	38%	2+	+
Verticals	15	3+	=
Consumer	20	3+	=/-
Real Estate debt	8	1+	-
"Red" assets	19	0-1	-

Competitive advantage

- ✓ Distributed origination
- ✓ Domain expertise
- ✓ Risk & asset management
- ✓ Strong capital & liquidity

Growing ROI

- + Pricing discipline
- + Real Estate snapback
- + Losses decline

**Total portfolio
1.5-2% by 2013**



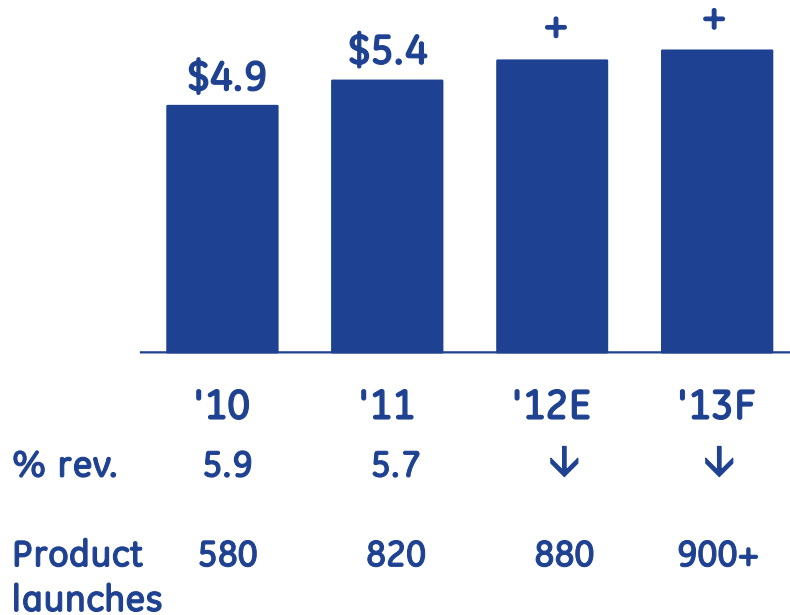
imagination at work

ENI & ROI ex. cash & equivalents

Leadership in technology

(\$ in billions)

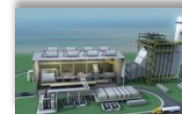
Investment



- ✓ Investment spend increasing ... R&D as % of revenue is declining
- ✓ Global Research Center ... enterprise advantage

Investments are delivering

Launch big systems



- ✓ 1.6MW wind turbine
- ✓ FlexEfficiency 50
- ✓ CFM LEAP-X
- ✓ Wide-bore MR

Fill product gaps



- ✓ Distributed energy
- ✓ Appliance product refresh
- ✓ 70+ Healthcare NPIs
- ✓ Business jet/turbo props

Grow acquisitions



- ✓ Waukesha mechanical drive
- ✓ Dresser pipeline solutions
- ✓ ESP leadership

Innovation



- ✓ Mini-LNG
- ✓ Battery
- ✓ Digital pathology

Lead in manufacturing technology

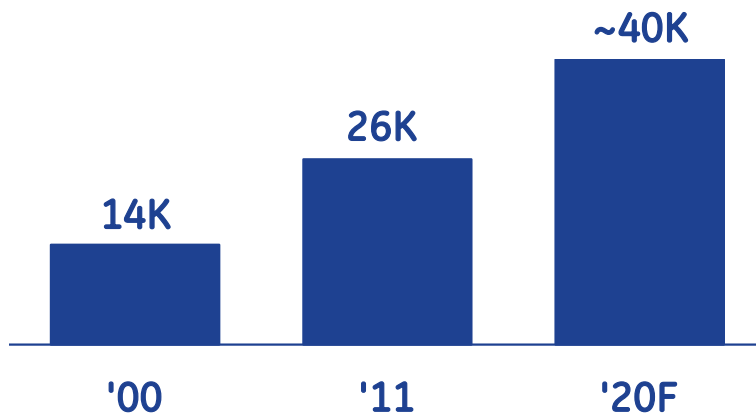


- ✓ Carbon fiber composites
- ✓ Printable diodes
- ✓ Expandable blades

Technology is an enterprise advantage

Aviation growth profile

Installed base



Competitive position

	<u>Trend</u>
Business jets	↗
Turboprop	↗
Regional jet	=
Narrowbody	↗
Widebody	↗
Military	=

Technology leadership into the future

GENx



- ✓ ~60% lower NOx
- ✓ 15% better fuel consumption
- ✓ ~\$33B commitments

747, 787 Dreamliner

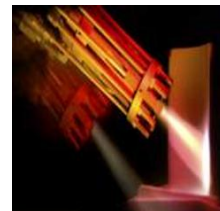
LEAP X



- ✓ 15% better fuel consumption
- ✓ Best in maintenance cost
- ✓ ~\$33B commitments

737 MAX, A320neo, C919

Advanced manufacturing → cost leadership



- ✓ CMC/material science
- ✓ Additive manufacturing/castings
- ✓ Next-gen composites
- ✓ Supply chain integration

Improving already strong position ... for next decade & beyond

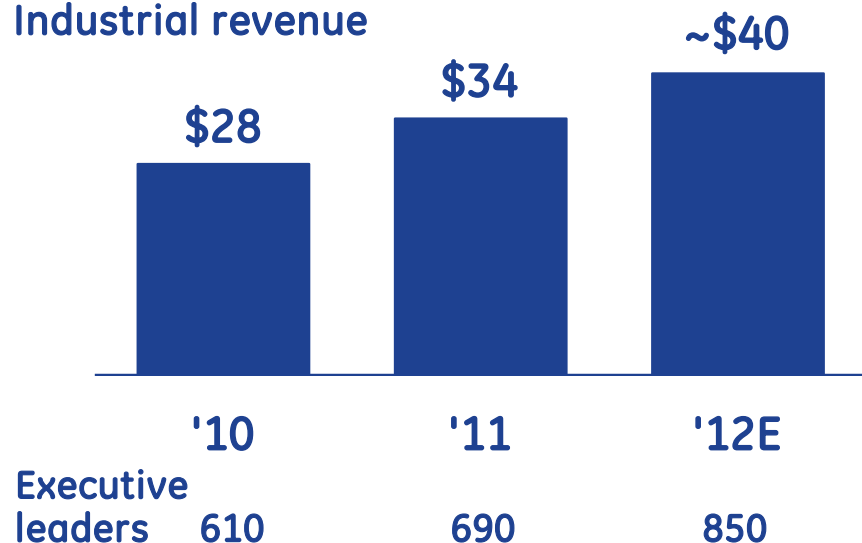


Winning in growth markets

(\$ in billions)

Growth regions

Industrial revenue



GE leadership/GGO investment

- + Much better team & leadership
- + Investing in competitive capabilities: commercial, supply chain, project management
- + Playing at scale ... "company-to-country"
- + Building out new geographies

Resource rich +20-25%



Rising Asia +10-15%



Executing a global strategy

Win in resource rich

Brazil



- ✓ 7,100 employees
- ✓ 13 factories/shops
- ✓ All GE segments
- ✓ Global Research Center

Smart & broad China player

Leadership

Healthcare
Aviation
Power Gen.
O&G



Partnership

Avionics
T&D



Valuable relationships



ҚАЗАҚСТАН ТЕМІР ЖОЛЫ



TOTAL

AirAsia

Geographic portfolio

\$1B+



'14F

New countries

Nigeria
S. Africa
Turkey
Poland
Venezuela

New flags ...
Zambia, Myanmar,
Mongolia & Peru

Low-cost manufacturing



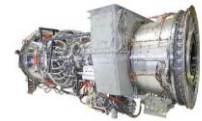
Dammam,
Saudi Arabia



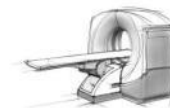
Pune, India

Market innovation

Distributed
energy



FlexAero



Super Value CT

Low cost
health care

Turboprop

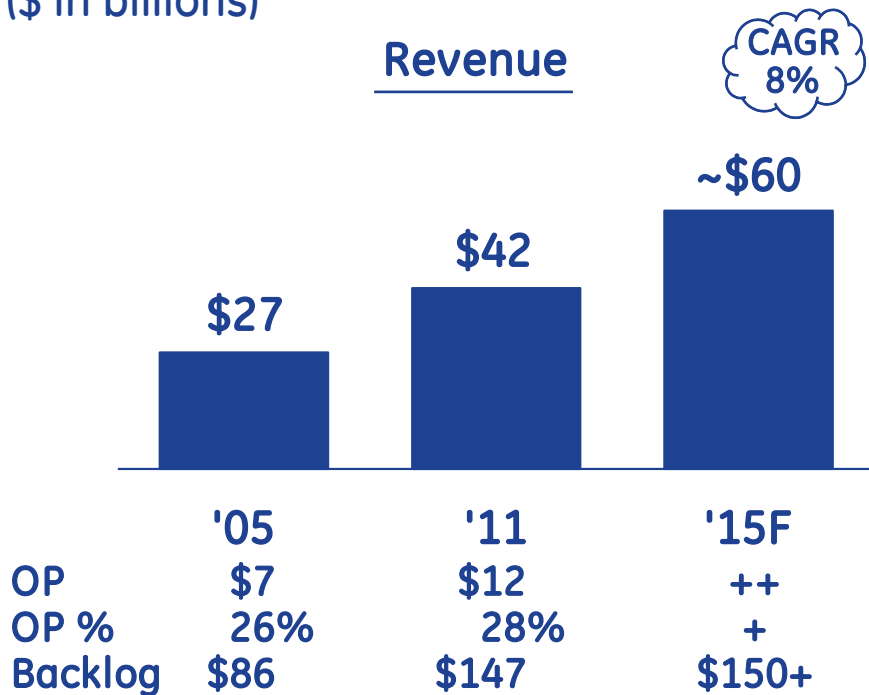


H80

Global leadership: steady investing, long-term commitment, GE breadth & people, innovation

Expanding services

(\$ in billions)

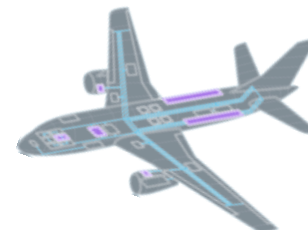


Leadership today

- ✓ Growing backlog & penetration
- ✓ Strong pipeline of upgrades
- ✓ Building out global capability
- ✓ Bringing model to acquisitions

Services growth → customer profit

Airline



$$Y = f(X_1, X_2, X_3)$$

Margin per available seat mile



Utilization

↓
1 hour
2X

Fuel

↓
+10%
2X

Maintenance

↓
+10%
1.3X

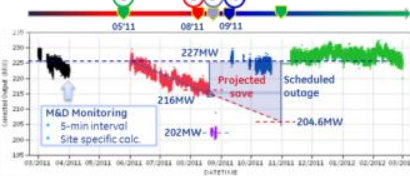
- ✓ Our customers have \$100B+ of opportunity: fuel, safety, uptime, utilization, enterprise, quality
- ✓ We are connected through CSAs
- ✓ We are investing in sensors, controls, analytics & software → solutions

Industrial Internet

More profitable CSA

1 Price

- ✓ Oil & Gas: condition-based monitoring
- ✓ Energy: degradation-based maintenance
- ✓ Healthcare: asset optimization



2 Cost

- ✓ Aviation: digital workscope
- ✓ Energy: model-based controls
- ✓ Transportation: reliability models

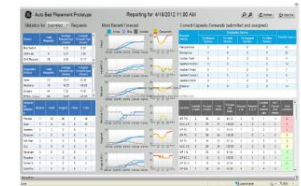


- ✓ Launching ~20 analytical tools in 2012
- ✓ Full pipeline for 2013+

Higher \$/IB

1 Software that enhances asset performance

- ✓ Healthcare: low-dose CT
- ✓ Transportation: fuel optimizer
- ✓ Energy: grid IQ
- ✓ Oil & Gas: integrity model
- ✓ Aviation: fuel & controls



2 Business/decision systems

- ✓ Aviation: integrated vehicle health monitoring
- ✓ Healthcare: Microsoft JV ... Caradigm ... decision support
- ✓ Transportation: movement planner/rail connect
- ✓ Intelligent Platforms: Proficy



- ✓ \$3B GE software revenue & growing 15%+
- ✓ Targeting 5-10% \$/IB growth

Growth: what we like

+ Good start to 2012:

- ✓ 14% organic orders growth
- ✓ Growth market orders +21%
- ✓ 11% organic revenue growth
- ✓ Record backlog ... \$201B
- ✓ Share up in key segments

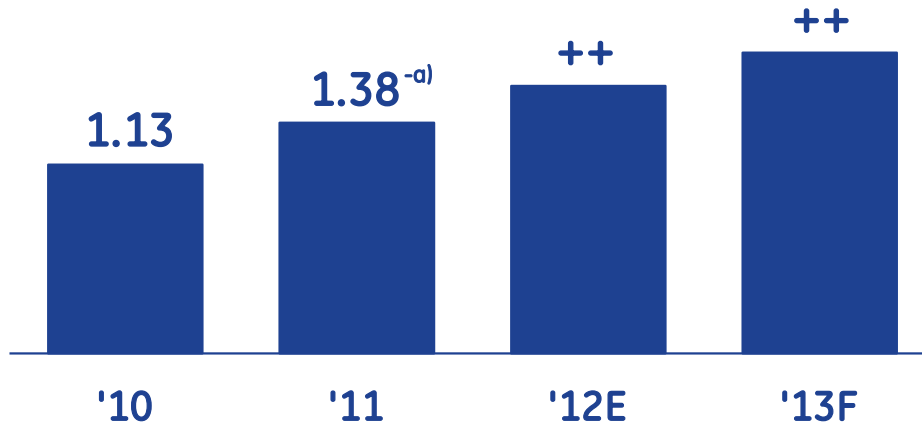
+ Strong leading indicators:

- ✓ Margin improvement ... orders, NPI
- ✓ Growing installed base & extending service franchise through Industrial Internet
- ✓ Filling adjacencies
- ✓ Big pipeline of NPI

Executing on strategy

Areas of investor interest

Operating EPS growth



2011 areas

- Industrial margins
- Value of acquisitions
- Energy earnings cycle
- Aviation product cycle
- GE Capital strength
- Capital allocation

2012 update

- Expansion in 2H'12
- Ahead of pro forma in total
- Double-digit growth
- Great position on CFM LEAP-X
- Dividend restarted
- Balanced, as planned

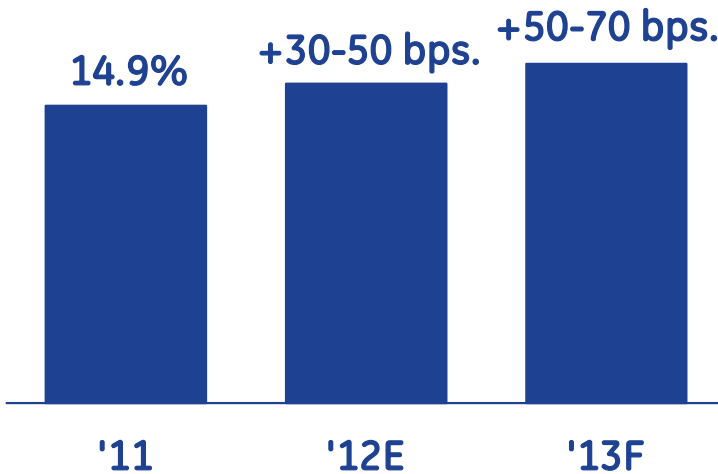
(a- Excluding the impact of the preferred shares redemption)

2012 areas

- 1 Improving margins
- 2 Impact of low natural gas price
- 3 Managing risk ... particularly Europe
- 4 Size of GE Capital
- 5 Capital allocation

1 Improving margins

Goals (Segment OP %)



How we grow margin

- ✓ GE Advantage
- ✓ Simplification
- ✓ Value gap
 - Price ↑
 - Cost ↓

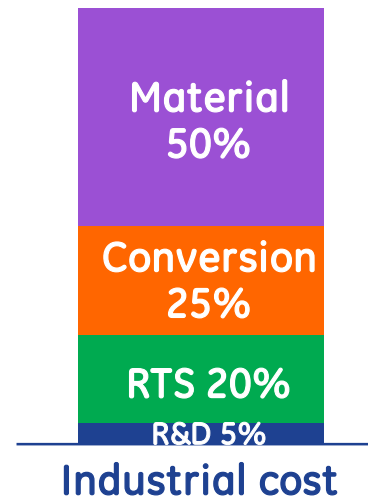
Margin drivers

GE Advantage program

- ✓ 40 high-impact projects ... leveraging top talent
- ✓ Focus on NPI/product cost, services, OTR/ITO, commercial
- ✓ Benefits ... ~\$0.6B in '12

Project focus

- ✓ Value gap
- ✓ Product cost
- ✓ Service productivity
- ✓ Cycle time
- ✓ Simplification
- ✓ R&D efficiency

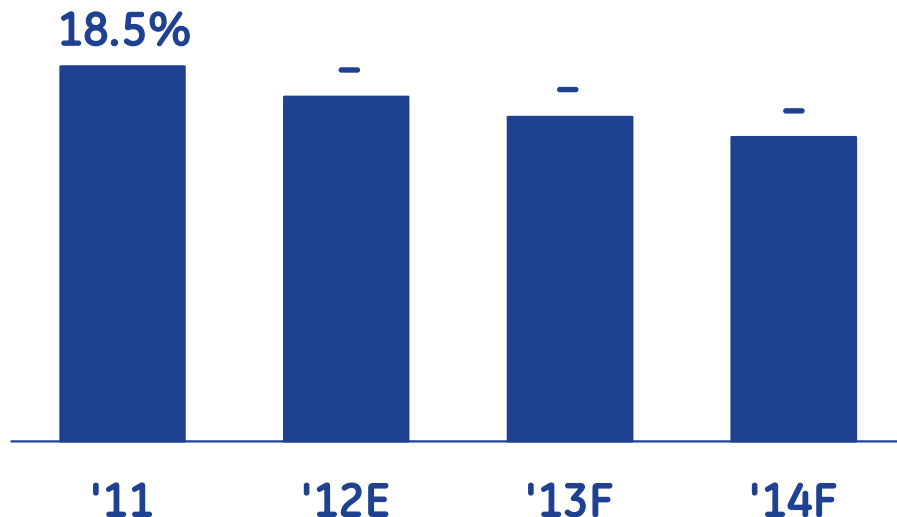


Multiple initiatives driving margin expansion

Simplification

(\$ in billions)

Industrial SG&A/revenue



- ✓ Investing in franchise
 - Global reallocation
 - Acquisitions
 - Technology
- ✓ Opportunity to streamline

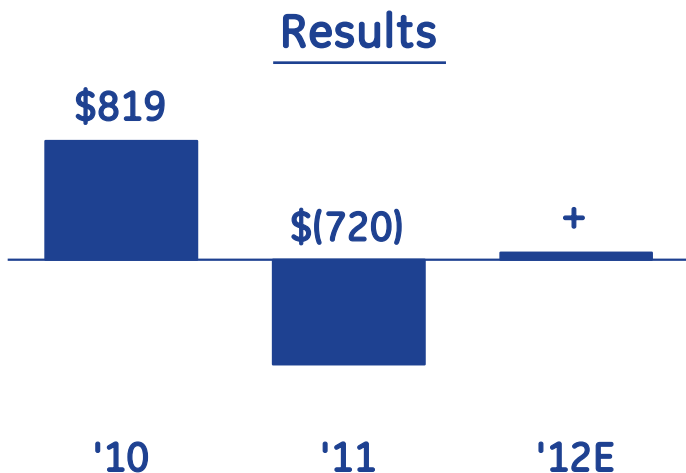
'12-'14 cost-out target ~\$2B

- 1 Restructure Europe
 - ✓ Enabling functions
 - ✓ Site consolidation
- 2 Global shared services
 - ✓ Increase capabilities
 - ✓ More geographic coverage
- 3 Business consolidation
 - ✓ # P&Ls ↓
 - ✓ Layers ↓
- 4 Indirect reduction
 - ✓ Usage ↓
 - ✓ Deflation opportunities
- 5 ERP consolidation

Dedicated resources & project teams

Value gap

(\$ in millions)



2012 orders price index

	<u>1Q</u>	<u>TY outlook</u>
Energy	0.2%	=/+
Oil & Gas	1.0	+
Aviation	2.1	+
Healthcare	(1.4)	-
Transportation	1.0	+

Key initiatives

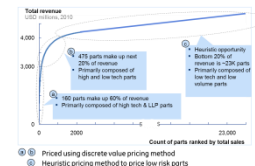
Transportation: Differential Value Proposition

- ✓ Invest based on customer value
- ✓ Build long-term partnerships



Energy Services: value-based pricing

- ✓ Machine-specific value models
- ✓ Statistical model ... parts pricing



Appliances: Mission 1 product refresh

- ✓ Shorter development cycles
- ✓ Best cost/quality ... margins ↑



Transportation: dual-source growth

- ✓ More choice ... drive deflation
- ✓ Improve parts availability



**Overall pricing getting better ...
working each element to drive margins**

Product cost/margin

Aviation learning curve

Objective

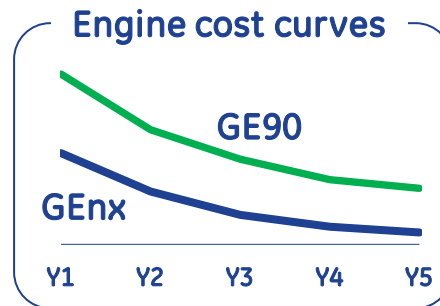
- ✓ Accelerate engine cost improvement
- ✓ Reduce GEnx cost 50% from 1st production

Actions

- ✓ Execution rigor - part level cost scorecards
- ✓ Vertically integrate advanced technologies
- ✓ Launching Lean labs

Results

- ✓ \$30MM cost out in '11
- ✓ Margin goal: \$50MM in '12; ~\$310MM through '14



Healthcare systems (NPI)

Objective

- ✓ Improving development & launch execution effectiveness for NPIs

Actions

- ✓ Best-in-class specifications definition rigor
- ✓ Portfolio management tools & analytics to optimize investment process

Results

- ✓ Launching 71 NPIs in '12
- ✓ Margin goal: incremental \$100MM in '12 + \$300MM through '14



Disruptive cost COE at Global Research Center



- Asia sourcing (Energy)
- Design (Healthcare)
- Advanced manufacturing (Aviation)
- Target cost (Transportation)
- Cycle time (Appliances)
- Computational models (Aviation)



Service margins

Transportation CSAs

Objective

- ✓ Wing-to-wing services process redesign
- ✓ Life cycle cost & profitability

Actions

- ✓ Optimizing process capabilities ... data quality
- ✓ Using real-time data alerts (e.g., cost overrun)
- ✓ Leveraging analytics ... predict & optimize ops.

Results

- ✓ 2x increase in sustainable productivity for customer & GE
- ✓ Improves cost position & drives backlog growth through 2014



Energy PGS thermal performance

Objective

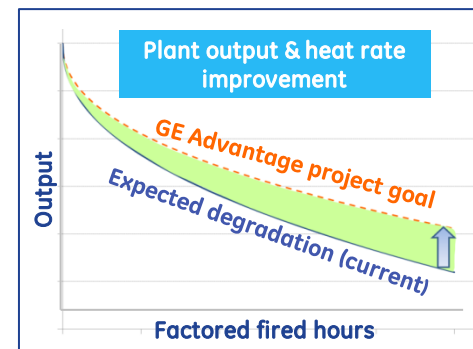
- ✓ Higher performing gas turbines
- ✓ Targeting ~500 units ... \$215MM bonus backlog

Actions

- ✓ Building strategy playbooks ... unit-by-unit
- ✓ Proactive remote diagnostics to mitigate degradation
- ✓ Introduction of technology upgrades

Results

- ✓ Improving customer & GE profitability
- ✓ Improves customer margins through ↑ heat rate output



Combination of technology & operations

2 Impact of natural gas

61 TCM

2X+ production

Shale gas – U.S.

Australia

Russia

Africa

Qatar

Focus: China, Poland, Canada

	Price (per MM BTU)
U.S.	~\$2
Asia	~15
Europe	~10

Discoveries
2001-2010

Impact

- New generation → gas
- U.S. gas turbine utilization ↑
- Investment in value chain
- Exploration of transportation fuel
- Solution for clean energy

Gas power generation

Heavy-duty gas turbines

- Widest range of turbines available
- Cutting-edge technology



Jenbacher/Waukesha

- Gas fueled reciprocating engines
- Small scale applications



Aeroderivatives

- Revolutionary gas turbine technology
- Operational flexibility



Transportation

- Mini-LNG
- CNG



Gas exploration

Drilling & production

- Surface & subsea
- Unconventional



LNG

- Customized equipment for LNG value chain



Dresser

- Flow technology leader



Controls

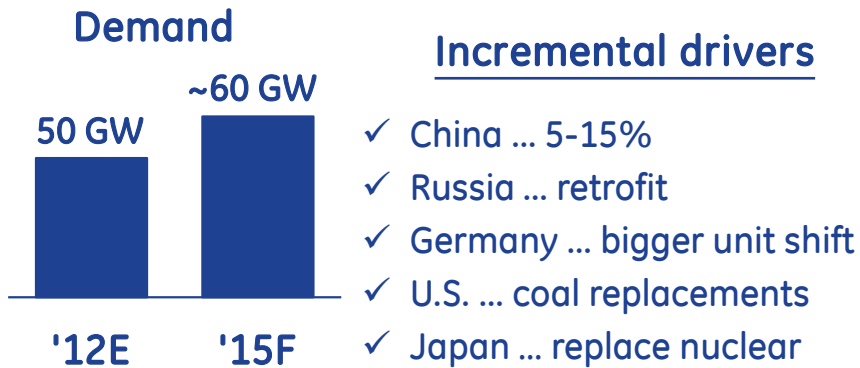
- Sensor based management
- Asset condition monitoring



A big GE investment theme ... very well positioned

Scope of the opportunity

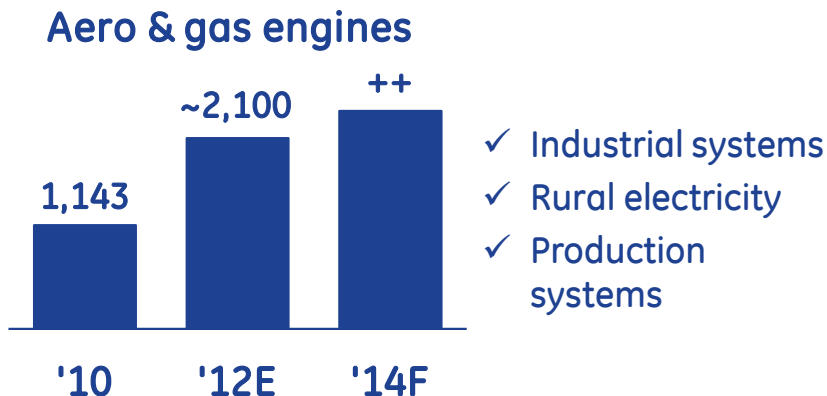
1 HDGT demand ... ~137 today



2 Turbine service cycle



3 Expansion in distributed energy



4 LNG transmission & transportation fuel



Lots of opportunities for incremental growth

3 Managing risk

People

- + Stronger domain
- + More resources
- + Metrics

+

Process

- + Risk Committee
- + Formal ERM
- + Underwriting

+

Technology

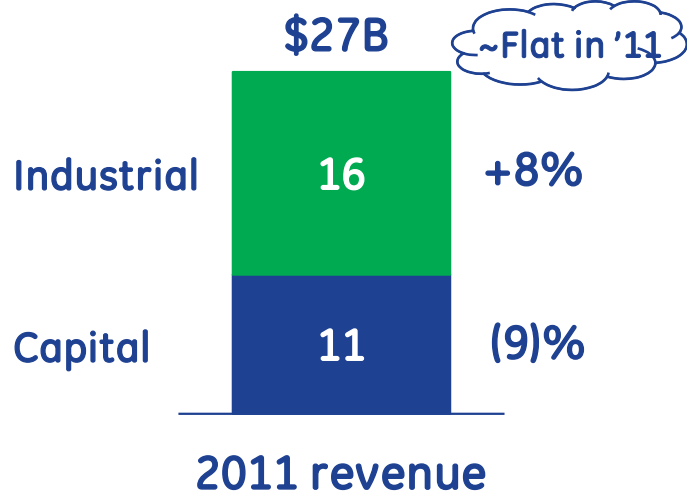
- + Simpler IT structure
- + More automation
- + Oversight/dashboards

+

Cash

- + Strong liquidity
- + Lower CP
- + Good outlook

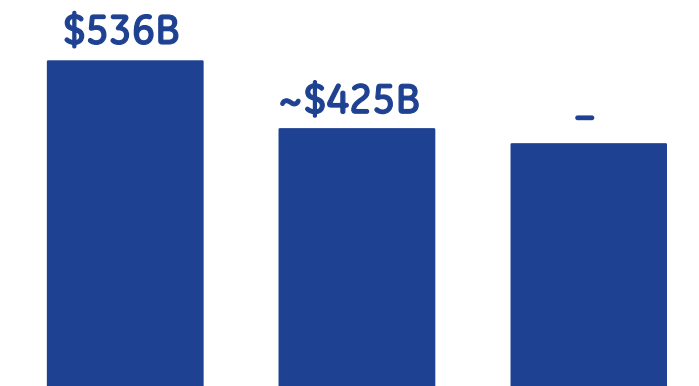
Europe seems manageable



- ✓ Europe a smaller part of GE
- ✓ Slow growth in 2012 framework
- ✓ Additional reductions are planned
- ✓ Robust GE Capital risk management
 - Secured lending ... delinquencies mostly stable
 - Exited Greek bonds

4 A smaller GE Capital

Ending net investment



	'08	'12E	Future
Tier 1 common	5%	~9/11%	Strong
ROE	13%	~9%	++

Approach

- + Shrink & reinvest at attractive returns as red assets decline ... less consumer & real estate
- + Originate at high margins
- + Diversify funding ... CP @ ~\$25B; less liquidity needed (~\$25B less cash)

Potential excess capital



- ✓ Quarterly dividends at a % of net income
- ✓ \$20B+ potential excess over next four years
- ✓ Plan to dividend 30% of 2012 net income & \$4.5B special dividend



imagination at work

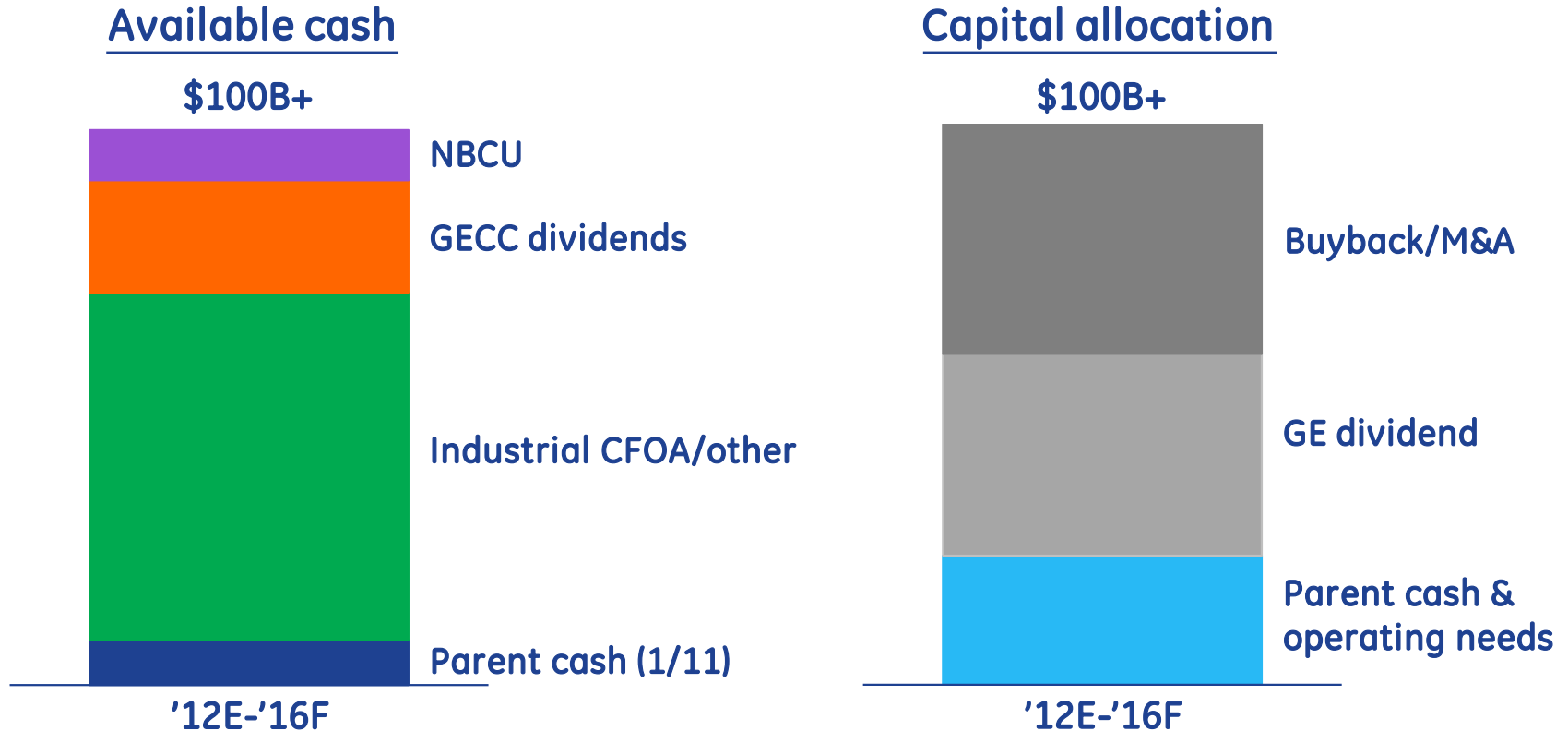
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Ending net investment ex. cash & equivalents

Tier 1 common: '08 Basel I basis & '12E Basel III basis; '12E 11% excludes impact of GECC dividends to parent

5 Capital allocation choices

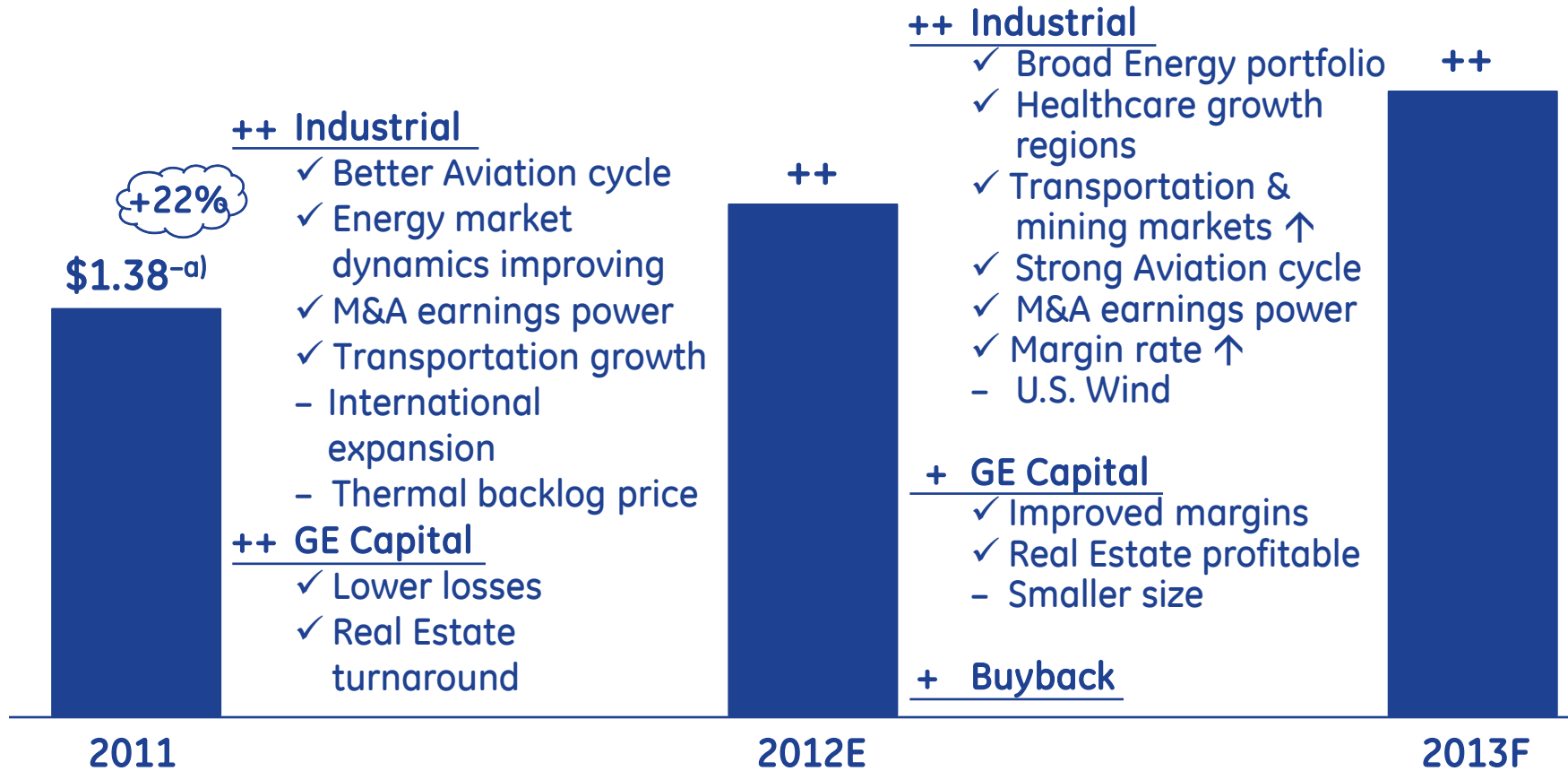
(\$ in billions)



- ✓ Significant cash to deploy over next 4 years
- ✓ Continue to grow GE dividend in line with earnings ... attractive payout
- ✓ Plan to use GE Capital special dividends to reduce float
- ✓ Continue to do bolt-on acquisitions in Infrastructure adjacencies (\$1-3B)

Earnings growth outlook is very strong

(Operating earnings per share)



(a- Excluding the impact of the preferred shares redemption)

Great portfolio & well-positioned for volatile environment



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