

GE Capital, Retail Finance & Restructuring

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"Results are preliminary and unaudited. 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; the impact of conditions in the financial and credit markets on the availability and cost of General Electric Capital Corporation's GECCI 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 Grey Zone claims; 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; the level of demand and financial performance of the major industries we serve, including, without limitation, air and rail transportation, energy generation, network television, 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 and dispositions and our success in integrating acquired businesses; 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 GECCS on an equity basis. "GE (ex. GECCS)" and/or "Industrial" refer to GE excluding Financial Services."



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GE Capital overview

- ✓ GE Capital has a strong and advantaged business model
- ✓ Have strengthened our liquidity position
- ✓ Strong risk practices ... underwrite to hold on our balance sheet
- ✓ Portfolio margins improve in 2010
- ✓ Losses decreasing
- ✓ Supportive of regulatory reform, preparing for more oversight

Solid, long-term value creation



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GE Capital business model

	<u>Advantage</u>	<u>Pre-crisis</u>	<u>Today</u>
1	Substantial <u>origination</u> capability	✓ Largest direct origination team	✓ Still largest direct origination team
2	Deep <u>domain expertise</u> – Healthcare, Energy, Media, Aircraft, Retail Cards	✓ Advantaged in key verticals	✓ Growing advantage
3	Experts at <u>collateral/asset management</u>	✓ Strong residual realization	✓ Strong collateral and residual realization
4	Experienced, disciplined <u>risk management</u> and capital allocation – Spread of risk, secured	✓ On balance sheet underwriting	✓ Core to business model
5	<u>GE operational</u> headset & tools	✓ Scale focus	✓ >25% lower costs
6	<u>Match funded</u>	✓ Core value	✓ Important differentiator

Well positioned to compete

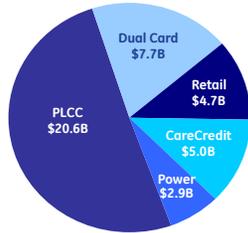


Retail Finance



Retail Finance overview

3Q'10 Receivables - \$41B
\$ in billions



Who we are & what we do

- ✓ Diversified consumer lender
- ✓ \$28B leading retail card provider ... PLCC/Dual Card
- ✓ \$13B Sales Finance partner
- ✓ Large partnerships with profit sharing agreements to align our incentives
- ✓ Wide geographic distribution with investment grade partners ... over ~175,000 retail & small business merchant outlets
- ✓ 50MM active accounts ... avg. balance \$818
- ✓ Average FICO 706

Strong competitive position... long history of profitability



Private Label vs. Bank Cards

(2Q'10)

	Bank card ^{ai}	GE PLCC	
EOP receivables	~\$830B	\$28B	
Average balance	\$2,735	\$648	Smaller loss severity ... 27% of industry line & 24% of balance
Average credit limit	\$9,687	\$2,629	
Sales/active	\$5,352	\$1,353	
Turnover (months)	6.1	5.7	
Margins (net CV/ASA)	13.4%	18.4%	Higher margins with better losses
Write-offs (NCOs)/ASA ^{bi}	11.2%	10.6%	
% of accounts that charge off	8.3%	7.3%	Partner sharing
Partner profit sharing	No	Yes	
Spread (ex-reserves & OPEX)	2.2%	7.8%	
Avg. FICO	718	715	Comparable credit quality

^{ai} Source: Citi, Chase, BoA, Cap One 2010 quarterly reports and supplemental datasets & Argus Syndicated Studies (2Q'10 Co-Brand Retail Benchmarks)
^{bi} Excludes benefits of profit or (loss) sharing with retailers

PLCC has higher yields on smaller balances

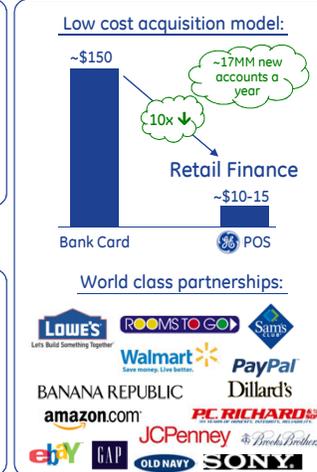


Our value ... more important than ever

Critical to retailers – sales & profit



Positioned to win



Critical to consumers – loyalty & sales



Critical to retailers, critical to consumers



Retail credit ... no longer a commodity

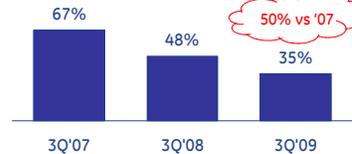
\$1.5T credit out

Available unsecured U.S. credit, \$ in billions



Less new credit available

3Q'07-'09; percent new accounts FICO < 720 / "A"



HELOC gone

\$ in billions; YOY change in HELOC by quarter¹



Fewer credit options in GE strike zone

Percent change Mar '07-Mar '10



Less credit in consumers wallets creates GE opportunity



Retail credit ... unique position

Consumer perceptions

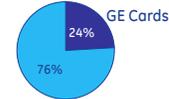


Cards in wallet

Total cards 2007-2010

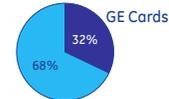
March 2007

Avg. = ~6



March 2010

Avg. = ~5



Retail Finance ... the card you keep

Source: The Glover Park Group "Presentation of Survey Results to the ABA - Card Policy Council"

Source: TransUnion analysis of U.S. credit worthy consumers 2007 - 2010

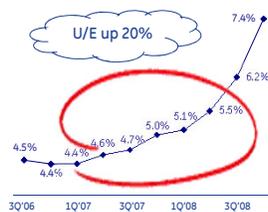
Retail credit ... unique position to regain consumer trust



What we saw ...

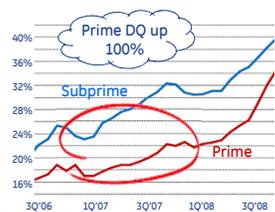
U/E deteriorating

Unemployment percent



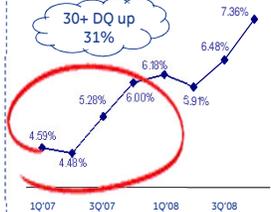
Mortgage delinquency rising ...

First mortgage, 30+ delinquency percent



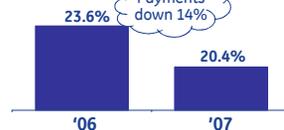
our delinquency increasing

30+ delinquency percent



Driving lower payments

Payment rates



and leading to higher charge-offs

Charge off rates



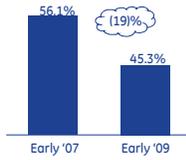
Took action early in '07-'08 to get in front of economic storm



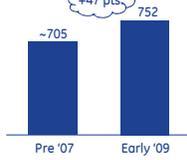
Took significant underwriting actions

Risk actions

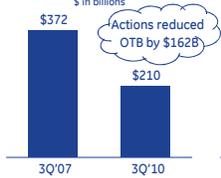
Approval rate



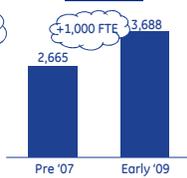
Avg. Acquired FICO



Open to Buy

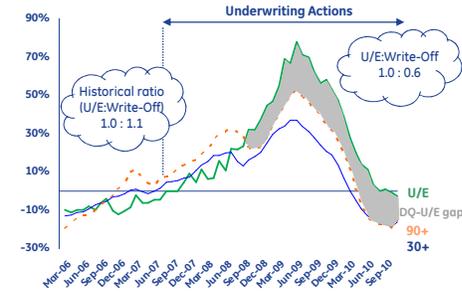


Collectors



Delinquency - U/E correlation broken

YoY percent increase



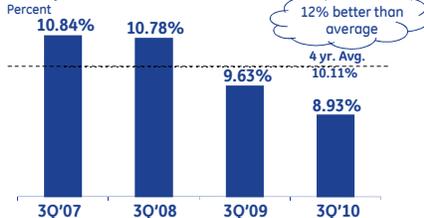
Actions broke our delinquency to unemployment correlation



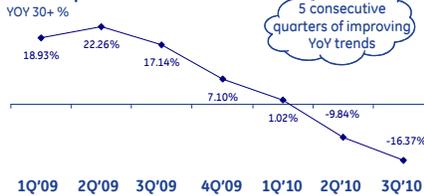
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Early risk actions paid off ...

Entry rate at historic lows

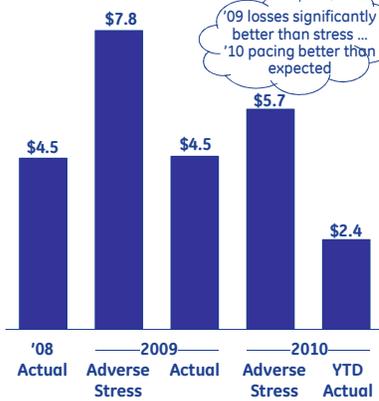


Delinquencies



Continued outperformance in '10

3Q'10 YTD, Total losses \$ in billions ex-securitization



Early actions drove strong loss favorability

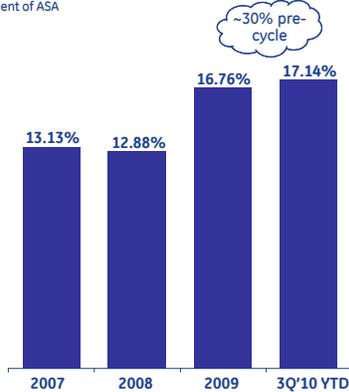


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Drove margin to offset higher losses

Pricing actions

CV percent of ASA



- 1 Yield up with more challenging economy**
 - ✓ Higher revolve rates
 - ✓ More accounts assessed late fees
- 2 Consumer Pricing moved to market**
 - ✓ APR and Fee increases
 - ✓ Increased acquisition APRs
 - ✓ Dual vs. PLCC optimization
- 3 Partner pricing aligned incentives**
 - ✓ Renegotiated contracts
 - ✓ Gain share
 - ✓ Increased partner promo pricing

Increased margin for additional risk

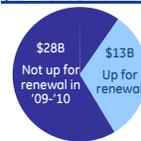


Favorable competitive environment

Success in renewing our partners

\$ in billions

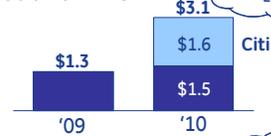
\$41B of receivables



100% renewal
 Walmart
 Save money. Live better.
 JCPenney
 ROOMS TO GO
 45 other deals

Competitive wins

\$ in billions



43 deals won in '09, 26 in '10

ROI on competitive wins

Percent, ex- Citi



Growing share at 3.5%+ ROI

\$4.4 billion in BD wins

Incumbent

citi Sales Finance	Citi
CCA Global Partners	Citi
Art Van	HSBC
Sears	Citi
ABC HOME PRODUCTS	Wells
AMERICAN HOME	HSBC
WHA	AmGen
LEVIN FURNITURE	ADS
Champion	Wells
HOM FURNITURE	Citi
Crash	Citi
NAUTILUS	HSBC
KANE'S	JPMC
Light Sports	Wells
55 other deals	-



History of outperforming industry

GE Retail Card vs Bank Card



What differentiates GE?

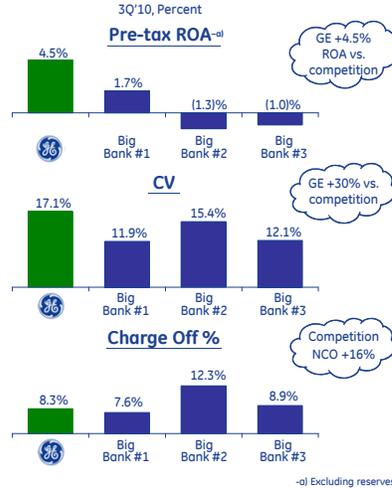
- ✓ Gain share insulates us during bad times
- ✓ Lower lines = less volatility
- ✓ Low cost to acquire an account
- ✓ Operational execution & expertise

¹ McKinsey Payments Practice forecast – Base case, historical; Federal Reserve Credit Card Industry Statistics; company annual reports



GE continues to outperform

GE vs. industry



Retail Finance summary

Retail Finance Earnings

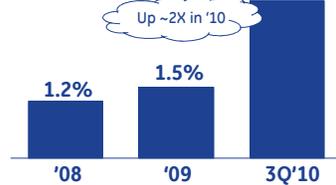
Net income, \$ in millions, ex-securitization



Receivables (\$B) \$48.9 '08, \$44.1 '09, \$40.7 3Q'10

Return on investment

Percent, ex-securitization



Delivering in tough economic environment



- ✓ Scale position in U.S.
- ✓ Important to retailers and consumers
- ✓ Adding new distribution in favorable environment
- ✓ Deep domain expertise drove early loss actions
- ✓ Pricing enhancing margins
- ✓ Managing regulatory environment
- ✓ Self funding growth

Restructuring Operations



Restructuring Operations created to focus on run-off/restructure businesses

(ENI - \$ in billions)



Portfolio

- Mix of Consumer & Commercial assets ... 11 platforms
- UK Home Lending, Equipment Services, LatAm Consumer FinCos

Game-plan & wins

- ✓ Focus on cash, collections & loss mitigation
- ✓ Exit non-core platforms / assets ... strong pipeline
- ✓ Profitable in '10 ... better than expected

ENI down ~\$17B in <2 years ... focused on operations, collections and exits



UK Home Lending

(\$ in millions)

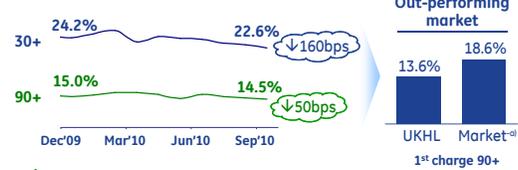
Shrinking assets \$B



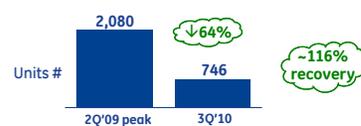
Earnings improving



✓ DQ's declining



✓ REO stock down



✓ Credit costs improving



Collections and loss mitigation focus paying off ... positive earnings



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(a- Moody's non-conforming RMBS Aug'10

Goldman Sachs November 2010 19

Retail Finance/Restructuring summary

- ✓ Strong competitive Retail Finance business positioned for high returns
- ✓ No major impacts from Card regulatory changes
- ✓ Proactive risk actions driving lower losses
- ✓ Restructuring assets declining ahead of plan



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