GE Capital
Aviation Services




Paris Air Show

June 19, 2013

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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; 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; 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.

GECAS overview

A proven model

✓ **First aircraft lease in 1967**

✓ **Strong business model**

– Large fleet & top tier funding

– Global distribution & broad products

✓ **Veteran organization**

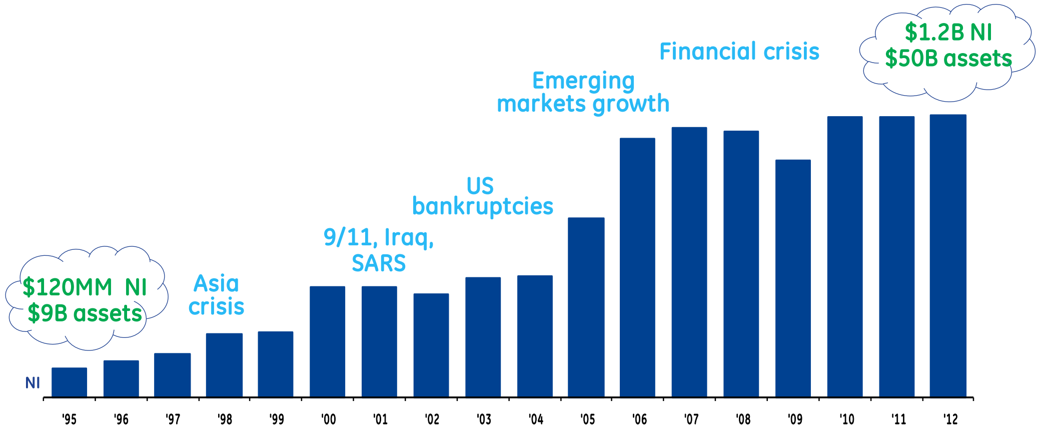
– Longstanding customers & hardware expertise

– Structured finance & capital markets skills

– Strong underwriting & portfolio management

✓ **GE aviation industry product expertise**

✓ **Consistent earnings thru multiple cycles**



A core industry

Airlines – Cyclical business
– Broad credit spectrum but…

Aircraft – Portable collateral
– Long-lived assets

Air transport – Key infrastructure for an economy
– Huge emerging global consumer base

Down cycle

– Buy/finance more

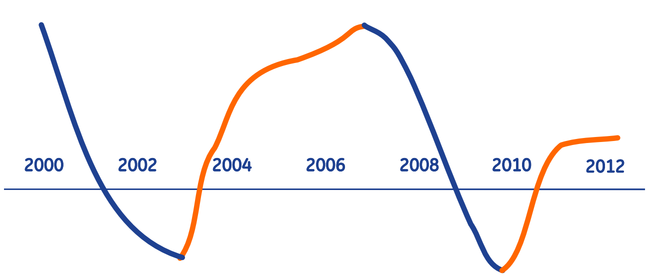
– Manage fleet

Up cycle

– Place forward more

– Sell more

Aviation industry cycle



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Global distribution network

- ✓ 24 offices covering airlines in 75 countries
- ✓ 13 locations serving emerging markets
- ✓ Local access / knowledge & co-located with GE

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Multiple customer solutions

Fleet


Narrowbodies


Widebodies

Freighters


Regional jets/turboprops

Financing


Structured finance

GECAS
PK AirFinance

Secured debt

Capital markets

Investor servicing

Services


Engine leasing


Spare parts

Airport/airline consulting


Infrastructure fund

Environment



- ✓ **Aircraft supply increasing**
  - Record manufacturer production, new aircraft entrants
  - Lessor slots/rolloff, large low cost carrier orders, airline exits
- ✓ **Aircraft demand ebbing**
  - Slower GDP growth, replacement cycle moderating
  - Asian low cost/ME carriers seeking share
  - Better capacity management, mergers/alliances prevalent
  - Airport infrastructure, pilot availability, bilateral rights are constraints
  - Cargo fundamentals have been weak
- ✓ **Tech shifts in process, while mature kit under pressure**
  - NEO/MAX on narrowbodies, 787/350 on widebodies, 787-10/777-9X pending
  - New slots, cultural bias to own, debt availability, regulatory impact used market
- ✓ **More financing competition**
  - Asian/other new leasing entrants gearing up, while traditional players active
  - EU banks transitioning, Asian/local banks entering, while bond markets, Exim/ECA's active

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Key initiatives

1 Pursue attractive ROI volume & forward place new slots

- Competitive differentiators – large deals, speed/certainty, new slots/existing fleet
- Multiple products – leases, debt, syndications, engines, rollovers/part-outs
- Have preplaced 152 (~92%) of 165 new orders thru ’15
- Phasing down “last-of-line” A320 CEO, then 737NG purchases
- Next up to place are 75x 737 MAX, 60x A320 NEO slots

Thomas Cook Airlines: A321 sale/leasebacks, CEO slots

Pegasus Airlines: B737NG sale/leasebacks

Virgin australia / go tigerairways: A320 sale/leasebacks, spare engines

GOL Linhas aéreas inteligentes: B737NG sale/leasebacks

中国南方航空 CHINA SOUTHERN: A320 CEO slots, 737 rollover

interjet: A320 CEO sale/leasebacks

2 Drive emerging markets growth

- ~$30B assets committed - Asia ($15B), ME/Africa/CIS ($10B)
- >70% of new order placements, volume, asset sales

$13B BRIC, $6B “Next 11”

AIR CHINA 中国国际航空公司
中國貨運航空 CHINA CARGO AIRLINES
国家开发银行 China Development Bank
COMAC

Broad China strategy

$3B/ 12 countries

Build out Africa

春秋航空 SPRING AIRLINES
peach
Jet★
nokair.com

Low cost carriers

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3 Proactively sell leased aircraft to investors

- Selling for gains & account/type management
- Currently emphasizing serviced/pooled sales in addition to routine transactions

AIRCASTLE
AWAS

Existing lessors

交通银行 BANK OF COMMUNICATIONS
ORIX
招商银行 CHINA MERCHANTS BANK

Asian investors

ROTOR
Investec
AABS

Pooled sales

4 Emphasize full life cycle management

- Capability to manage aircraft from factory new to end-of-life
- GECAS conservative depreciation/pricing policy

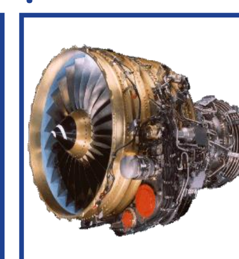
Young (asset sales)

Mid-life (redeploy)

allegiant air
SAS Scandinavian Airlines

TNT
DONAVIA
MEGA Maldives
AVION

End-of-life (part-outs)



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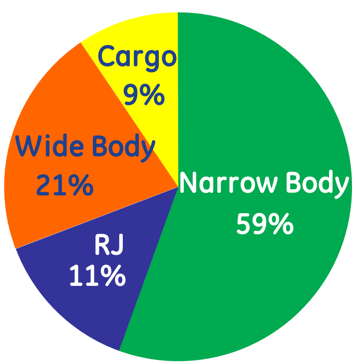
Manage fleet rolloff & mix

✓ Maintain strong management of aircraft rolloff

- Have kept AOG's <5 for multiple quarters
- Long established weekly operating processes – placements, repos/collections, watch list
- Emphasizing larger, multi-year forward placements/extensions

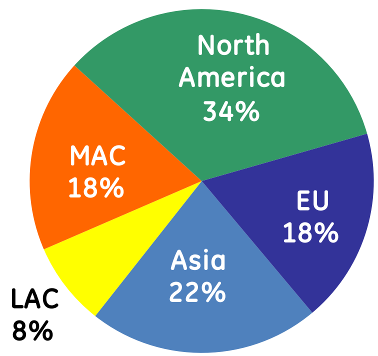
✓ Have steadily improved portfolio composition

Aircraft type



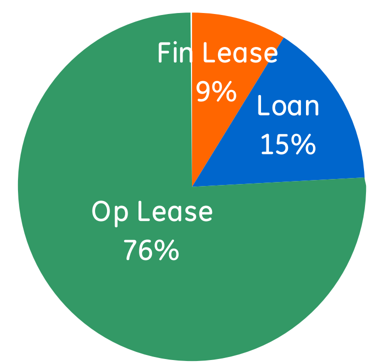
- Vs. world fleet: +14% NB/RJ, -15% WB
- Average age 7 yrs

Regions



- Trend toward emerging markets
- Asia/LAC/MAC 48% vs. 30% in '06

Products



- More op leases & loans
- 9% finance leases vs. 16% in '06

Conclusions

✓ **Attractive aircraft collateral**

- Portable, long lived assets
- Core transport infrastructure
- Global emerging consumer base

✓ **Strong business model/consistent earner**

- Large fleet, premier tier funding, conservative policies
- Global distribution, broad product offering, diverse portfolio
- Veteran team, extensive GE domain expertise

✓ **Clear priorities**

- Attractive ROI volume, preplace new slots
- Emerging markets growth
- Drive asset sales, life cycle/fleet management

A top aircraft lessor & financier

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