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 sovereign debt situations; 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 (GE Money Japan); pending and future mortgage securitization claims and litigation in connection with WMC, which may affect our estimates of liability, including possible loss estimates; 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 or to repurchase shares at the planned level; GECC's ability to pay dividends to GE at the planned level; our ability to convert pre-order commitments into orders; 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; our capital allocation plans, as such plans may change and affect planned share repurchases and strategic actions, including acquisitions, joint ventures and dispositions; our success in completing announced transactions and integrating acquired businesses; our ability to complete the staged exit from our North American Retail Finance business as planned; 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."

GE's Investor Relations website at www.ge.com/investor and our corporate blog at www.gereports.com, as well as GE's Facebook page and Twitter accounts, contain a significant amount of information about GE, including financial and other information for investors. GE encourages investors to visit these websites from time to time, as information is updated and new information is posted.
Overview

1. Completing strong 2013 ... solid 4Q with increasing organic growth and margin expansion

2. GE executing plan for more valuable earnings growth: 70% Industrial earnings by 2015 ... planning exit of N.A. Retail in an efficient way

3. Strong competitive advantages build toward ~4-7% organic growth in 2014
   + Leadership in technology, growth markets, and services

4. Programmatic cost out and simplification driving margin improvement
   + ~70 bps. margin growth in 2013 ... sustained growth year by year ... target ~17% segment margins by 2016

5. Balanced capital allocation with significant cash returned to shareholders
   + Returning $18B to investors in 2013
   + Modest increase in payout ratio for 2014 ... 16% dividend increase
GE macro outlook

| + U.S. economy continues to strengthen | ![Yellow] ![Green] Consumer based ... slightly better demand for credit |
| + Europe still sluggish | ![Yellow] Stable ... multiple geographic segments |
| + Growth markets invest in infrastructure | ![Yellow] ![Green] China ↑ ... resource rich investing in industrialization ... some volatility |
| + Inflation still tame | ![Green] Positive value gap |
| + Fiscal/regulatory volatility | ![Yellow] ![Red] Governments redoing budgets |
| + GE macro themes intact | ![Green] Core drivers are positive |

Environment more positive ... volatility remains
### 2013 operating framework

<table>
<thead>
<tr>
<th>Operating earnings</th>
<th>2013E</th>
<th>2013 drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>+/++</td>
<td>✓ Double-digit growth in second half as planned</td>
</tr>
<tr>
<td>GE Capital</td>
<td>+</td>
<td>✓ Originations at high returns</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Continued portfolio rebalancing; lower ENI</td>
</tr>
<tr>
<td>Corporate</td>
<td>-</td>
<td>✓ Planning for ~$3.3B including $0.3B GECC preferred and Avio acquisition-related charges</td>
</tr>
</tbody>
</table>

| Total operating earnings | +/-  | Total framework remains unchanged                                           |

<table>
<thead>
<tr>
<th>CFOA excl. NBCU-related tax</th>
<th>$17-20B</th>
<th>✓ Planning Industrial CFOA &amp; GE Capital dividends</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFOA incl. NBCU-related tax</td>
<td>$14-17B</td>
<td>($17-20B) offset by ~$3.2B taxes related to NBCU exit</td>
</tr>
</tbody>
</table>

| Total revenues              | 0-5%   | ✓ Industrial segment organic near 2%; GE Capital revenues 0-(5)%            |
## Investor objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>‘13E</th>
<th>Dynamics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Double-digit Industrial segment profit growth</td>
<td>Y</td>
<td>+ Double-digit in 2H</td>
</tr>
<tr>
<td>+ Organic growth</td>
<td>Y</td>
<td>+ ~4% ex. P&amp;W; Solid 4Q</td>
</tr>
<tr>
<td>+ Margin expansion</td>
<td>G</td>
<td>+ On track for 70 bps.</td>
</tr>
<tr>
<td>Cash from Capital</td>
<td>G</td>
<td>+ Solid year</td>
</tr>
<tr>
<td>Return cash to shareholders</td>
<td>G</td>
<td>+ Will return $18B in 2013</td>
</tr>
</tbody>
</table>

**Focused on delivering for investors**
A valuable company

1. Higher P/E earnings growth
   - EPS growth
     - '13E ++
     - '14F +
     - '15F +
     - Retail gain
   - + Portfolio of leading businesses... growing adjacencies
   - + Complementary commercial finance
   - + Expanding margins and returns
   - + Execute on N.A. Retail transaction

2. Extending competitive advantage
   - Technical leadership
     - ~$62B
     - Equip. backlog
     - ~5%
     - R&D/revenue
   - Services expansion
     - ~$170B
     - Backlog
     - ~$1B+
     - Analytics 2014
   - Global acceleration
     - ~17%
     - Growth '10-'13E

3. Substantial cash to allocate
   - Industrial CFOA > NI growth
     - 2014 CFOA
     - ++
     - >9.5%
     - $25-30B
     - Strong GE Capital
     - T1C
     - CP
     - Low parent net debt
     - ~$11B
     - ~$11B
     - LT debt
     - Cash
     - ~$18B
     - Return to shareholders
     - Acq.
     - ~$9B
     - 2013 capital allocation

Very strong company ... well-positioned for future
Industrial growth
($ in billions)

Performance (Segment operating profit)

Margins

'11 14.8%
'12 15.1%
'13E +~70 bps.
'14F +

2014 operating keys

1. Execute NPI/lowering product cost
2. Execute on services growth opportunities
3. Reduce administrative/structural costs
4. Build-out global capability
5. Grow adjacencies/improve low-margin businesses

Big trends where we win

+ Leadership in infrastructure
+ Distributed delivery in Healthcare & Power
+ Growth markets expansion
+ Merger of physical world with big data
+ Energy: efficiency + age of gas
+ Advances in materials & manufacturing
+ Global transportation build-out
+ Solutions: clean energy/affordable healthcare
GE in Oil & Gas

Where we are now
Orders ($B)

$2 $10 $20

2000 2008 2013E

~$900B market @
~7% growth

Industry drivers

- Capital intensity
- Tougher environments
- Productivity – mature fields
- LNG growth
- Localization
- Regulatory & safety

GE advanced technology & services leader

Growth in technical intensity

How GE can lead

1. Lead with technology & services
   + 30% growth in R&D
   + GRC in Oklahoma City and Rio
   + Launch solutions
   + GE depth ... gas turbines, compression, materials

2. Build out local customer capabilities
   + Localize service + production
   + Expansions in Africa, Russia, ASEAN
   + Customer ... global account structure

3. Improve execution
   + Product structuring
   + Process & IT investments

Late backlog↓
Product complexity↓
Uptime ↑
Margins↑

Aviation execution comes to Oil & Gas

GE in Oil & Gas

Where we are now
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Late backlog↓
Product complexity↓
Uptime ↑
Margins↑

Aviation execution comes to Oil & Gas
GE Capital – going forward

Strategic position
Leading specialty finance lender ... focused on products & geographies that matter to mid-market customers

Leading businesses
#1: Aircraft lending & leasing
#1: Healthcare finance
#1: Mid-market sponsor
#1: Equipment finance
#1: Flow retail (CDF)
#1: Franchise
#1: Europe receivables finance
#3: Commercial real estate lender
#4: Corporate finance

($ in billions)

<table>
<thead>
<tr>
<th></th>
<th>2013E</th>
<th>2014F</th>
<th>2015F Early read</th>
<th>2016F</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.A. Retail</td>
<td>$7.7+</td>
<td>~$7</td>
<td>~$300-350</td>
<td>+</td>
</tr>
<tr>
<td>Core</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-core</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENI-b)</td>
<td>$385</td>
<td>=/-</td>
<td>~$300-350</td>
<td>+</td>
</tr>
</tbody>
</table>

Pivot to growth

- Grow in line with Industrial at attractive returns
- Return capital to parent
- Continue to diversify funding
- Maintain strong reg. capital & liquidity

Focused on helping middle market customers grow

(a - Earnings from continuing operations attributable to GECC  b - ex. Cash  c - Assumes no tax reform and extension of AFE benefits)
### GE strategy

**Premier infrastructure company**

- 70%
- 30%

**Valuable specialty finance**

### Enterprise advantages

- Technical leadership & scale
- Growth market capabilities ... breadth & depth
- Services driving customer outcomes through analytics
- Culture of simplification ... low cost + speed

### Strategic execution

<table>
<thead>
<tr>
<th>Organic growth</th>
<th>Margins</th>
<th>Capital allocation</th>
<th>Industrial ROTC</th>
</tr>
</thead>
<tbody>
<tr>
<td>'12</td>
<td>'12</td>
<td>'11-'13E</td>
<td>'13E</td>
</tr>
<tr>
<td>8%</td>
<td>15.1%</td>
<td>~$84</td>
<td>15%+</td>
</tr>
<tr>
<td>~2%</td>
<td>~15.8%</td>
<td>~$90</td>
<td>~17%</td>
</tr>
<tr>
<td>~4-7%</td>
<td>+</td>
<td>~$90</td>
<td></td>
</tr>
<tr>
<td>'13E</td>
<td>'14F</td>
<td>'14F</td>
<td></td>
</tr>
<tr>
<td>'14F</td>
<td>'14F</td>
<td>'16F</td>
<td></td>
</tr>
<tr>
<td>15.1%</td>
<td>~15.8%</td>
<td>~$90</td>
<td></td>
</tr>
<tr>
<td>~4-7%</td>
<td>+</td>
<td>~$90</td>
<td></td>
</tr>
</tbody>
</table>
Technical leadership

Investment ($B)

<table>
<thead>
<tr>
<th></th>
<th>'10-'12</th>
<th>'13E-'15F</th>
</tr>
</thead>
<tbody>
<tr>
<td>$16</td>
<td>~$17</td>
<td></td>
</tr>
</tbody>
</table>

% revenue

<table>
<thead>
<tr>
<th>year</th>
<th>revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>'10-'12</td>
<td>5-6</td>
</tr>
<tr>
<td>'13E-'15F</td>
<td>~5</td>
</tr>
</tbody>
</table>

Why we win

- Material science (GRC)
- Power gen (P&W)
- Electrification (EM)
- Diagnostics/sensors (HC)

Value creation

- **Broad and deep** technical reach... ability to spread ideas
- **Deep technical foundation**... not going to be beaten in our key markets
- **Unique global footprint** (5 GRC network)
- Investment required ... now in the run rate

1. GRC pushes capabilities rapidly across the Company
2. Execution on **big and complex systems** ... technical scale (i.e., engines)
3. Foundation of materials, modeling, and manufacturing science
4. Strong linkage with customers and partners
5. Product management tools to integrate gaps and simplification
## NPI investment yields results

<table>
<thead>
<tr>
<th>Large-block gas turbine</th>
<th>Distributed Power</th>
<th>Locomotive leadership</th>
<th>Power Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ High efficiency/size</td>
<td>✓ Fills product niches</td>
<td>✓ Tier IV compliant now</td>
<td>✓ Growth in marine</td>
</tr>
<tr>
<td>✓ Flexible performance</td>
<td>✓ High performance</td>
<td>✓ LNG optionality</td>
<td>✓ Customer systems</td>
</tr>
<tr>
<td>✓ 30% cycle reduction</td>
<td>✓ ~50% cycle reduction</td>
<td>✓ Strong customer reliability</td>
<td>✓ Global expansion/growth</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revolution CT</th>
<th>Bioprocess manufacturing</th>
<th>Mission 1 Appliances</th>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Convergence ... speed, leverage, dose, IQ</td>
<td>✓ Growth in Asia &amp; Latin America</td>
<td>✓ 50% more NPIs</td>
<td>✓ Shale gas</td>
</tr>
<tr>
<td>✓ Leadership technology</td>
<td>✓ Facilitates drug development</td>
<td>✓ Higher margins</td>
<td>✓ Oil sands innovation</td>
</tr>
<tr>
<td>✓ High margin ... design for productivity</td>
<td>✓ High-margin system</td>
<td>✓ 16-month cycle</td>
<td>✓ Low-cost solution</td>
</tr>
</tbody>
</table>
GE wins in Aviation

Lead in this cycle

2011
GE9x

2015-2016
LEAP<sup>b)</sup> & Passport

2020
GE9X

Growing margins

$40B wins at Dubai Air Show<sup>-a)</sup>

1. Advanced materials
   - Ceramic matrix composites
   - Advanced coatings

2. Manufacturing methods
   - Additive leadership
   - Automation/robotics
   - New processes

3. Learning curve speed
   - Improve cycle
   - Manufacturing ramp
   - Design tools

4. Increasing content
   - Avio ahead of plan
   - New engines ... GE value

Built on exclusive GE technology<sup>-d)</sup>

- Composite fan
- Lean combustion
- Ceramic-matrix composites (CMCs)
- Compressor

Competitive advantage

Fuel burn

+10%+

Backlog

~$100B

IB growth<sup>-c)</sup>

~13k

~46k

Composite fan blade

Lowest NOx and carbon emissions

Most advanced materials

Most advanced compressor

Generational leadership

Fuel burn

~10%+

Competitive advantage

Fuel burn

Backlog

IB growth

~13k

~46k

(a - Wins by GE ~$27B, CFMI ~$13B  (b - LEAP is a trademark of CFMI, a 50-50 JV between SNECMA and GE  (c - represents installed base of GE and partners (e.g. CFMI, IEA) engines  (d - includes technologies developed with/by partners
Healthcare: winning with NPI

**Reliable execution**
- 80+ NPI/year
- ~5 pts. NPI margin
- 5 months less development cycle
- 100+ countries served

**Clinical segmentation**

**Clinical innovation**
- ✓ Academic leadership
- ✓ Disease focus

**Global expansion**
- ✓ Localized
- ✓ Products for rural development

**Value execution**
- ✓ Lower price
- ✓ Applications

**Customer workflow**
- ✓ Remote usage
- ✓ Lower opex

**Way to grow in a volatile global market**
**Services growth**

Revenue ($B)

- '12: $43
- '13E: +
- '14F: +

<table>
<thead>
<tr>
<th>Margin (%)</th>
<th>'12</th>
<th>'13E</th>
<th>'14F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value creation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- GE has <strong>large installed base</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- We have lead in Services ... positions us on the <strong>same side as the customer</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Investing in <strong>analytics</strong> will take this to a new level ... <strong>customer outcomes</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Every <strong>industrial company</strong> will become an <strong>analytical company</strong> ... GE leads</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Why we win**

- **1. Deep domain expertise** around assets and usage
- **2. Long-term focus on repair technology and field productivity**
- **3. Investment in analytics: asset and operations optimization**
- **4. Renewed focus on mature fleets**
- **5. ~$170B of CSA backlog** ... win-win economics

**Value creation**

- GE has large installed base
- We have lead in Services ... positions us on the same side as the customer
- Investing in analytics will take this to a new level ... customer outcomes
- Every industrial company will become an analytical company ... GE leads
Services 2.0 + Industrial Internet

GE domain + Analytical COE → Customer outcomes

- Smart machines + Organic build + Uptime
- Deep domain + Shared capability + Efficiency
- Customer linkage + Predix platform + Utilization
- ~$170B + $20B
- CSA backlog + Power of 1%
- + Smart machines + + Uptime
- + Deep domain + + Efficiency
- + Customer linkage + + Utilization
- Understand the physical asset + No unplanned downtime
- Launch offerings in 6 weeks

Progress so far

Predictivity™ launches

Orders (MM)

- ~$600
- $1,000+
- '13E
- '14F

Asset optimization

- Drilling iBox
- Power-up Wind
- Low dose CT

Operations optimization

- Flight efficiency svc.
- Rail Connect
- Centricity 360

GE assets

- Enterprise

Investor payback

1. Growth $/IB +3-5%
2. Increase service margins

1% of revenue = ~$150MM op. profit
Power & Water growing $/IB

P&W: Advanced gas path

Predictivity™ software delivers:

- More output on cold days
- Expanded operating envelope

Hardware & software

**Base Package**
- Advanced Gas Path
- OpFlex™ Enhanced Transient Stability
- OpFlex™ AutoTune
- OpFlex™ Extended Turndown

**Start Options**
- Purge Credit
- Enhanced Start Technologies
- OpFlex™ Cold Day Performance
- OpFlex™ Peak

**Performance Options**
- Case Temperature Management System
- OpFlex™ Variable Load Path
- OpFlex™ IBH

Benefits for GE & customer

<table>
<thead>
<tr>
<th>AGP sales (#)</th>
<th>$/IB</th>
<th>Customer outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>'12 19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>'13E ~50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>'14F +</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Output
- Reliability
- Efficiency
- Flexibility

Higher ROI
RailConnect driving outcomes

- Transportation services backlog up $1B+
- Growth in $/IB ... +8% in 2013
- Programs with most customers ... growing globally
Healthcare growing IT/software

Cloud Imaging: Centricity 360™
Unlocking power of the cloud ... imaging storage, exchange & advanced analytics ... ~$2B segment by ’18, growing 25%+

- Large IB of post-processing imaging tools
- Imaging as a service opex model
- Drives significant radiology productivity & new use cases

Population Health:
Risk taken on by providers → new tools and processes required ... $30-60B segment by 2025-a)

- Comprehensive applications: Surveillance, disease management & population health
- Supplements EMR ... integrates clinical, payer, and financial data
- Double-digit growth ... pipeline ~$700MM

Organic IT growth of 10%+ in 2014

(a - Citi Research May 2013. ... Citi estimates Population Health Tech. market segment could exceed $60B by 2025)
Innovation → margin

**Analytical tools**
- Remote & continuous monitoring for Subsea technology ... drives service value & customer uptime
- At one airline, time-on-wing segmentation drives $20MM additional margin & higher asset utilization
- Fuel efficiency data & models can capture 1-3% savings per airline

**Physical tools**
- >50% of parts can be repaired vs. new; drives service margin and improves cycle
- Mobility tools are achieving 5-10% labor productivity + better uptime for customers
- Improve wind output by 3% through combination of controls + software

Technology is key to sustainable Services margin growth
Winning in growth regions

Growth market orders ($B)

- '12: $41
- '13E: ++
- '14F: +/++

Why we win

1. **Sell in 160 countries** ... play at scale in most
2. **First mover in localization** ... build capacity
3. Best customers and partners
4. Lower cost through ‘multi-modal’ sites + engineering centers
5. Use our breadth to offer **new market solutions**

Value creation

- Consistent investment in growth regions ... through the cycles
- Under John’s leadership we have the broadest, most integrated market footprint ... lead competition
- Results ... 17% AAGR since 2010

Dubai Air Show

Querétaro engineering center
China growth
($ in billions)

Orders trajectory

Mega themes

- Environment/gas conversion
- Universal healthcare
- Mass transportation
- Move up technology value chain

Aviation
- Leading massive transportation trend
- Develop business aviation
- Grow services + partnerships

Healthcare
- Localize capability
- Grow distribution
- Service footprint expansion

Power & Water & EM
- Promote clean & distributed power
- Power conversion & efficiency

Oil & Gas
- Technology for shale & LNG
- Pipeline development

By 2020 ... revenue in these segments should double

Significant GE opportunity in current 5-year plan
Resource-rich regions
($ in billions)

$50B annual orders by 2015

Regions <$10B in 2001

- MENAT: ~$15
- LATAM: ~$11
- C+ANZ: ~$8
- ASEAN: ~$6
- RU/CIS: ~$5
- SSA: ~$5

2013 successes
- Algeria → Power
- Russia/Kazakhstan → Rail
- ASEAN → Aviation
- Brazil → GRC
- Canada → Water/oil sands
- Dubai → Air Show
- Russia → Rosneft partnership
- Saudi → MOH
- Myanmar, Iraq → New flags
- Africa → Distributed Power

How we win

1. Understand themes + plant flags early
2. Win deals + localize capability
3. Best customers + partners
4. Process execution: hard (risk) & soft (culture)

Africa $1 → 5B
2x faster than China

$50B annual orders by 2015

2013 successes
- Algeria → Power
- Russia/Kazakhstan → Rail
- ASEAN → Aviation
- Brazil → GRC
- Canada → Water/oil sands
- Dubai → Air Show
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### Best global cost

#### Manufacturing

- **Low-cost**
  - India

- **Localization**
  - Angola

- India ... Phase 1 complete
  - 30% cost out
  - Aviation, Wind, M&C, DP

- Oil & Gas ... services expansion

- New investments ... Russia, Brazil, Saudi, Nigeria

#### Engineering centers

<table>
<thead>
<tr>
<th>Location</th>
<th>% of developed market costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>~45%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>~40%</td>
</tr>
<tr>
<td>Chengdu</td>
<td>~40%</td>
</tr>
<tr>
<td>Querétaro</td>
<td>~35%</td>
</tr>
</tbody>
</table>

- Engineering productivity ... can build out globally
- Specific industry focus & competencies ... O&G, primary care, shale gas, unconventional fuels
- Global innovation, local solutions

#### Shared services

<table>
<thead>
<tr>
<th>Year</th>
<th>Enabling function penetration</th>
</tr>
</thead>
<tbody>
<tr>
<td>'11</td>
<td>~25%</td>
</tr>
<tr>
<td>Today</td>
<td>~35%</td>
</tr>
<tr>
<td>Future</td>
<td>~65%</td>
</tr>
</tbody>
</table>

- Global operations approach to enabling functions
  - Enterprise standards
  - One team
  - Accountability

- Multi-functional approach to achieve scale

**Localization**

- Innovate & speed

**Innovate & speed**

**Better outcomes + lower cost**

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Speed & simplification

Segment margins

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>'12</td>
<td>15.1%</td>
</tr>
<tr>
<td>'13E</td>
<td>~15.8%</td>
</tr>
<tr>
<td>'14F</td>
<td>+</td>
</tr>
<tr>
<td>'16F</td>
<td>~17%</td>
</tr>
</tbody>
</table>

Dynamics

- **Simplification**
  - Driven by restructuring and SG&A reductions
  - $1.5B structural SG&A cost out in '13...
    - ~$1B in '14

- **Value gap**
  - Continued focus on price & material deflation

- **Mix**
  - Growth in equipment > services

- **R&D**
  - Continued technology investments

- **Other**
  - Wage inflation

**Sustainable**

- Make “administration” a source of scale (G&A)
- Move with speed on all elements of product cost and margin
- Intense focus on market success ... and customer processes
- Strong IT foundation ... mobility

2014E vs. 2013E

++

+
Culture of simplification

**Our goal**

Changes GE’s cost structure to sustain R&D and global investment while growing margins

**Investor benefit**

Administrative scale: SG&A/sales 16% → 12%

**Competitiveness**

FastWorks: Process driven/IT
Test + learn
Product cost/margin

Lower product cost
More NPI/R&D spend
Inventory turns

**Commercial intensity**

Excellent customer experiences ...
better commercial operations, responsiveness, regional speed

Global share
“Front-end” margins
Improved project margins

**Digital capability**

Fewer ERPs and more reliability ...
distributed leadership and shared services

Support SG&A goals
Global productivity
Improve risk management

**Industrial winners will link restructuring + speed + market success**
Simplification execution
($ in billions)

**Industrial profile**

- % of sales:
  - '12: 17.5%
  - '13E: 15.5-16%
  - '14F: ~14%
  - '16F: ~12%
- SG&A:
  - '12: $17.7 billion

**Simplification goals & drivers**

- Shared services: 30 pts.
- Consolidate supply chain: 15%
- Fewer ERPs: 80%
- Fewer P&Ls: 30%
- Smaller HQ: 45%
- Lower indirect spend: 10%+

Targeting best-in-class Industrial cost structure & margins
Value gap & product cost
($ in millions)

Value gap

<table>
<thead>
<tr>
<th>Year</th>
<th>Value gap ($ in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>'11</td>
<td>$(720)</td>
</tr>
<tr>
<td>'12</td>
<td>$333</td>
</tr>
<tr>
<td>'13E</td>
<td>++</td>
</tr>
<tr>
<td>'14F</td>
<td>+</td>
</tr>
</tbody>
</table>

Growing equipment margin

- $X_1$: Product structuring + simplification
  (Oil & Gas, Healthcare, Distributed Power)

- $X_2$: Engineering speed & productivity
  (Aviation, Power Gen, Appliances)

- $X_3$: Manufacturing technology + productivity
  (Aviation, Power Gen, Energy Management)

- $X_4$: Sourcing competitiveness
  (Transportation, Healthcare)

- $X_5$: Product reliability & quality
  (All)

Environment

- + Expecting positive price dynamics
- + Still a decent inflation environment
- + Focus restructuring and FastWorks
FastWorks

**NPI: Diesel engine**

- Development cycle
  - '12
  - Today
  - ↓ 1.5 yrs.
  - ✔ Product introduction acceleration
  - ✔ Launch in 18 months @ 30% of original development cost estimate

**Inventory cycle: Oil & Gas**

- Winning In Subsea program driving ITO and OTR process upgrades
- Established integrated project planning to pace operations
  - ✔ Trees testing & assembly cycle time reduced from 6 to 4 months
  - ✔ Project cycle time ↓ 4 months from ~7.5 months

**Engineering productivity: Aviation**

- Achieved 2x engineering productivity in two years
  - ✔ On time delivery of engines
  - ✔ First time yield
  - ✔ Reduction of testing
  - ✔ Digital tools

**ERP: Transportation**

<table>
<thead>
<tr>
<th>Legacy</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td># ERPs</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- ✔ Better front-end capability
- ✔ Supply chain speed, inventory management
- ✔ Standard integration to shared service apps

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Capital allocation
($ in billions)

2010-2013E: $83B\(^{(a)}\)

- **Technology + globalization**
- **Organic growth** $15
- **M&A** $23
- **Dividend** $26
- **Buyback** $19

Disciplined + balanced allocation

Effective allocation of capital

1. GE Capital very strong
2. Solid capex discipline
   + Simplification (IT) & GGO set standards
   + Multi-modal investments
3. Dividend remains source of value for majority of investor base
4. Steady progress on share count reduction ... ~10% ↓ from ’12–’15
5. Acquisition discipline ... leverage strength, we create the value and market systems, cost synergies, margin improvement ... don’t pay for the “rollups”
6. Make choices ... NBCU, N.A. Retail, others

\(^{(a)}\) Excludes cash held at parent
Going forward: Capital allocation

- Organic investment in innovation, productivity, global growth
- Attractive dividend ... let payout increase modestly for a time
- Reduce float to ≤9.5B shares ... capital efficient
- Acquisitions in the ~$1-4B range ... stay focused on building out strengths

Available cash

- ~$90B
- N.A. Retail Finance
- GECC dividends
- Industrial CFOA/ balance sheet efficiency
- Parent cash

Capital allocation

- ~$90B
- Buyback/M&A/ N.A. Retail exchange
- GE dividend
- Parent cash, organic growth & operating needs

Capital allocation priorities

- Organic investment in innovation, productivity, global growth
- Attractive dividend ... let payout increase modestly for a time
- Reduce float to ≤9.5B shares ... capital efficient
- Acquisitions in the ~$1-4B range ... stay focused on building out strengths
## 2014 business summary

<table>
<thead>
<tr>
<th>Industry</th>
<th>’13E</th>
<th>’14F</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power &amp; Water</td>
<td>–</td>
<td>+</td>
<td>Play through industry cycles while developing leading technology ... capture Services &amp; Distributed Power opportunities &amp; position for gas cycle</td>
</tr>
<tr>
<td>Oil &amp; Gas</td>
<td>++</td>
<td>++</td>
<td>A leading OEM in high-growth industry ... continue to invest &amp; differentiate with NPI and execution</td>
</tr>
<tr>
<td>Energy Mgmt.</td>
<td>+/-</td>
<td>++</td>
<td>Significant growth opportunity ... restructure to improve margins</td>
</tr>
<tr>
<td>Aviation</td>
<td>++</td>
<td>++</td>
<td>Commercial &amp; technology success ... build out supply chain &amp; expand adjacencies ... play through sequestration</td>
</tr>
<tr>
<td>Healthcare</td>
<td>+</td>
<td>+/-</td>
<td>Developed markets remain challenging ... deliver in growth regions ... lower cost position improves margins</td>
</tr>
<tr>
<td>Transportation</td>
<td>++</td>
<td>–</td>
<td>Strong global position ... North America &amp; mining slower</td>
</tr>
<tr>
<td>Appl. &amp; Lighting</td>
<td>++</td>
<td>++</td>
<td>North American consumer recovery, Lighting challenging</td>
</tr>
<tr>
<td>Capital</td>
<td>~$7.7B+</td>
<td>~$7B</td>
<td>Execute N.A. Retail, pivot to growth in mid-market + verticals</td>
</tr>
</tbody>
</table>
Power & Water

Operating dynamics

+ Diverse technology & solutions ... broad & deep ... growing orders ('13 HDGT 110-120)
+ Strong services model ... ~65,000 units in installed base & growing
+ Continued focus on simplification, driving base cost productivity
+ Distributed Power and Water executing

- Mix impact from Wind ... Europe remains tough
✓ Investing in globalization/product leadership

Delivering operating profit growth through tough cycle

Revenue

Op. profit

Environment

+ Shift of demand to developing markets
+ Continued natural gas growth
+ Renewables PTC clarity in 2014
- Slow developed markets with high reserve margins

'13E | '14F

Revenue

Op. profit

- +/++
Oil & Gas

Operating dynamics

+ Developing breakthrough technologies ... add R&D to acquisitions
+ Continue to improve project execution
+ Global services growth ... data & analytics capabilities drive enhanced productivity
  - High demand for industry expertise ... global battle for talent ... execution requirements high
  ✓ Building out global footprint ... improving our own execution

GE position continues to improve

<table>
<thead>
<tr>
<th>Environment</th>
<th>'13E</th>
<th>'14F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>Op. profit</td>
<td>++</td>
<td>++</td>
</tr>
</tbody>
</table>

+ Strong market growth
+ Increasing capital & technology intensity
+ Growth in unconventional fuels
- Inflation & industry supply chain
Energy Management

Building a competitive business ... lots of room for improvement

Operating dynamics

+ Strong backlog in Power Conversion
+ Partnering with XD in China to expand global T&D business
+ Driving margin expansion ... streamlining footprint & infrastructure
+ Add value across GE segments
- Scale disadvantages
✓ Simplification & improved cost competitiveness a must

Environment

+ Oil & gas and marine demand
+ Renewables & distributed generation growth
+ Aging infrastructure
- U.S. utility & Europe slow

Revenue

Op. profit

'13E

'14F
Appliances & Lighting

Operating dynamics

+ Continue to invest in Appliance products and U.S. manufacturing

+ Global LED adoption accelerating ... N.A. consumer shifting to more energy efficient lighting

+ Additional simplification across portfolio ... more restructuring ahead as technology changes

- Competitive market with strong retail customers and distribution

✓ Maintain margin & NPI focus

Revenue

Op. profit

Environment

+ U.S. housing continues to improve

+ Strong global shift to energy efficient lighting

- Professional non-LED market slowing

Earnings & margin growth

'13E  '14F

++  ++
Transportation

Environment
+ Strong global pipeline
- Slow recovery of N. America coal
- Continued softness in mining industry

Operating dynamics
+ Build backlog ... international growth key
+ Invest for the future ... Tier 4 emissions, LNG, underground mining
+ Grow Services footprint ... RailConnect360™
+ Drive factory productivity & deflation

- Sluggish N.A. demand and regulatory transition

✓ Simplify structure and reduce SG&A in a tough cycle

Managing cycle through cost out, new products & geographic expansion
Healthcare

Operating dynamics

+ Drive software solutions to enable services growth
+ Leading product portfolios with clinical & economic relevance ... big '14 launches
+ Winning in emerging markets ... investing in capabilities to respond to local needs
+ Capture bio-pharma demand growth
- Reimbursement cuts & budget constraints ... more volume of procedures at lower prices
✔ Simplifying structure for cost out while investing in growth regions

Environment
+ Growth markets continue to expand
+ Customers still respect technology
= U.S. healthcare reform still challenged
= Europe slowly stabilizing

Earnings growth through simplification & product leadership
Aviation

Revenue

Op. profit

'13E

'14F

+$++$

+$/++$

Operating dynamics

+ Technology innovation for next generation platforms
+ Large installed base & profitable services backlog ... driving customer productivity through data & analytics
+ Strong supply chain momentum ... footprint expansion, technology & vertical integration to support volume ramp
+ Spares recovery continues
− Military shipments down
✓ Manage engine development & launch costs

Environment

+ Continued growth in passenger traffic
+ Freight returning to modest growth
+ Strong airline profitability
− Military budget pressure continues

Positioned for continued growth into the future
GE Capital

($ in billions)

Earnings\(^a)\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013E</td>
<td>~$7.7+</td>
</tr>
<tr>
<td>2014F</td>
<td>~$7</td>
</tr>
<tr>
<td>2015F</td>
<td>~$5</td>
</tr>
</tbody>
</table>

Value to GE

- Partner with Industrial to grow ... vertical alignment
- Return $20-30B to parent
- Returns on tangible equity > cost of equity
- Deliver ~30% of GE’s net income
- Pivot to growth in line with Industrial

Focusing GE Capital on the middle market and verticals connected to GE

- Capitalizing on GE strengths & our competitive advantages

\(^a\) Earnings from continuing operations attributable to GECC \n\(^b\) Assumes no tax reform and extension of AFE benefits
## 2014 operating framework

<table>
<thead>
<tr>
<th>Operating earnings</th>
<th>2014F</th>
<th>2014 drivers</th>
</tr>
</thead>
</table>
| Industrial        | ++    | ✓ Strong Industrial segment growth  
                  |       | ✓ Margin expansion |
| GE Capital        | ~$7B  | ✓ Phase 1 of N.A. Retail transaction & lower CRE gains  
                  |       | ✓ Position core portfolio for growth |
| Corporate         | –     | ✓ Planning for ~$500MM ↓ in Corporate expense  
                  |       | ✓ Offset by loss of NBCU JV income (1Q’13)  
                  |       | ✓ Restructuring > gains |
| Total operating earnings | +     | ✓ Positive impact of share reduction |
| CFOA              | $14-17B | ✓ Planning strong Industrial CFOA; GE Capital dividends  
                  |       | below 2013 levels |
| Total revenues    | 0-5%  | ✓ Industrial segment organic 4-7%; GE Capital 0-(5)% |

✓ Strong Industrial segment outlook  
✓ Significant restructuring to drive margins
Sustainable performance

**Valuable portfolio**
- Industrial ++
- Cash from Capital
- EPS ↑ every year

**Sustainable organic growth**
- 4-7%
- Technology
- Services
- Growth markets

**Simpler way to run the company**
- 15.5-16%
- ~12%

**Expanding margins**
- ~15.8%
- ~17%

**Significant cash**
- ~$90B
- Dividend
- Buyback
- Acquisitions

**Expanding returns (Industrial)**
- 15%+
- ~17%

**Balanced & disciplined allocation**
- Steady progress
- Steady progress
Leadership

Compensation drivers

- EPS growth
- Cash generation
- Grow % Industrial earnings
- Increase ROTC/margins

Culture drivers

Simplification

- Lean structure
- Speed & competitiveness
- Commercial intensity
- Digital foundation

Customer Day

Linkage

- EPS ↑ and Industrial % ↑
- Cash ↑ and ROTC ↑

I'm in.

Customer Day...

What a phenomenal response...

GE Oil & Gas