

# Growth Starts Here

## GE Shareowners Meeting April 27, 2011

### 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; changes in Japanese consumer behavior that may affect our estimates of liability for excess interest refund claims (Grey Zone); potential financial implications from the Japanese natural disaster; 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, 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; 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](http://www.ge.com).”

“Effective January 1, 2011, we reorganized our segments. We have reclassified prior-period amounts to conform to the current-period’s presentation.”

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



imagination at work

# Presentation







Accelerating financial  
performance

Keith Sherin

Driving growth &  
competitive advantage

Jeff Immelt

# Environment

	<u>'10 Shareowners Meeting</u>	<u>'11 Shareowners Meeting</u>	<u>'11 trend</u>
Corporate earnings	\$1.3T	\$1.6T	
Global merger spending	\$517B	\$800B	
U.S. unemployment	9.7%	8.8%	
U.S. housing (Case-Schiller Index)	146.3	141.9	
Fiscal pressure (debt/GDP)	88%	95%	
Commodity volatility (oil)	\$86	\$112	

**Cautious optimism**

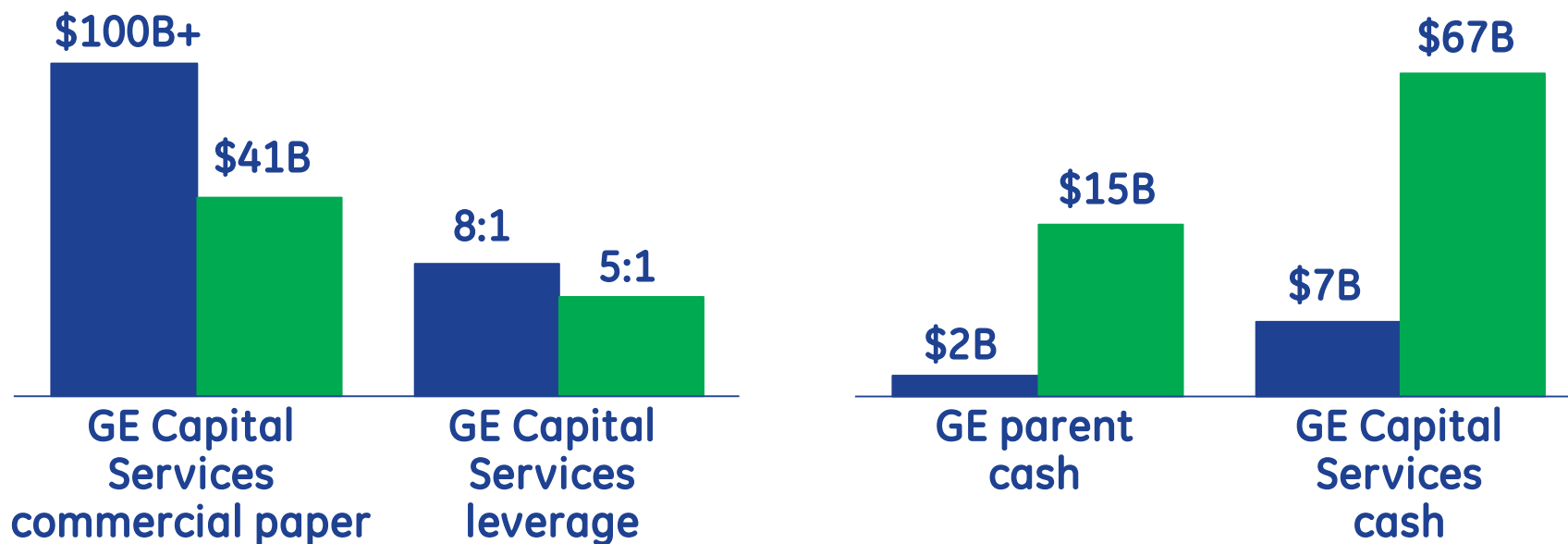
# GE – well positioned for volatile world

## Lowered debt

## Increased cash balances

■ Peak  
■ Today

■ Trough  
■ Today



Safe & secure

# Industrial positioned for growth

Energy



Oil & Gas



Aviation



Healthcare



Transportation



Water

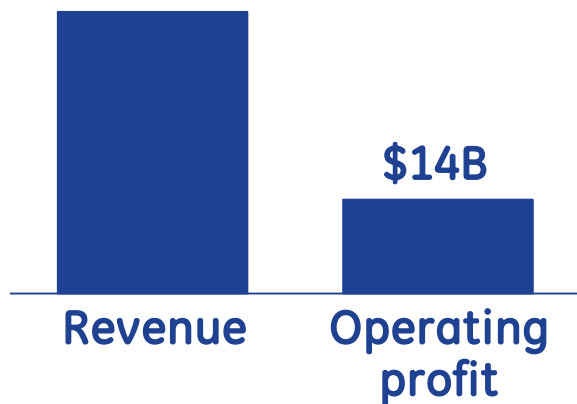


Consumer



## 2010 financials

\$84B



Revenue

Operating profit

Operating profit rate 16.7%

## Competitive advantages

- ✓ Leadership position in all of our major markets
- ✓ Leading technology
- ✓ Significant installed base
- ✓ Combined products, services & financing
- ✓ Global capability
- ✓ Capital efficient

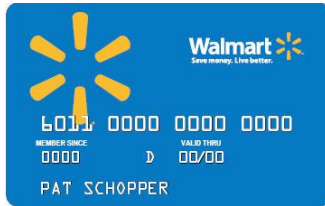
**World-class franchises**

# GE Capital rebound under way

Commercial  
Lending &  
Leasing



Retail



Energy



Aviation



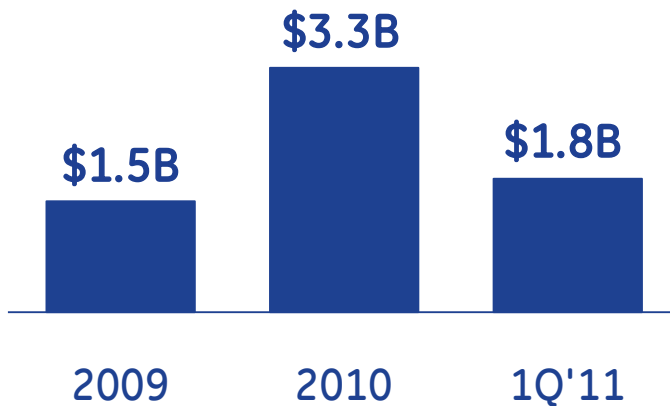
Healthcare



Real Estate



## Earnings

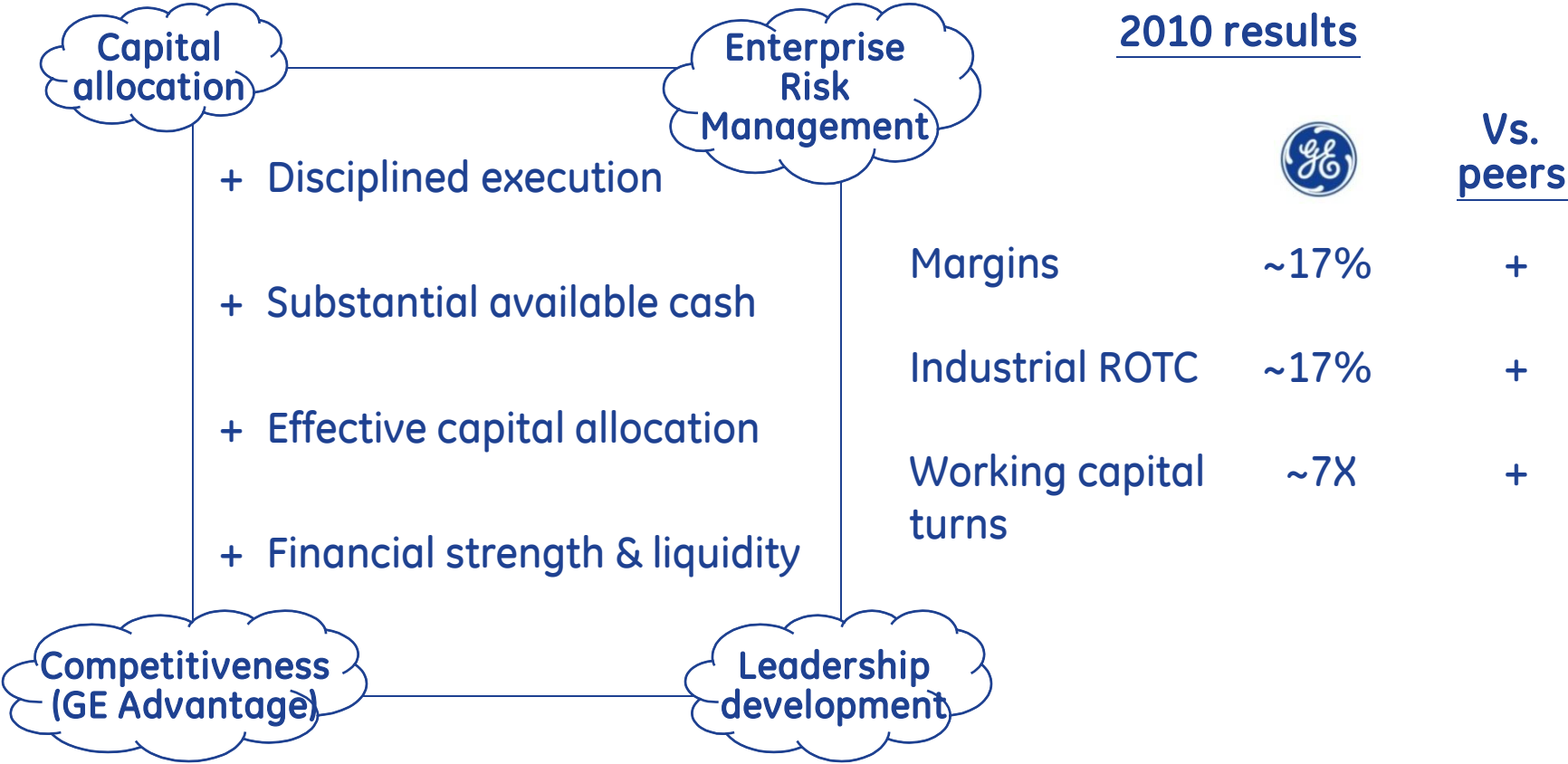


## Competitive advantages

- ✓ Best sales force ... superior understanding of assets & customers
- ✓ Industrial linkages
- ✓ Global scale
- ✓ Improved cost structure

- ✓ World-class franchises ... providing capital to help companies grow
- ✓ Attractive earnings growth profile

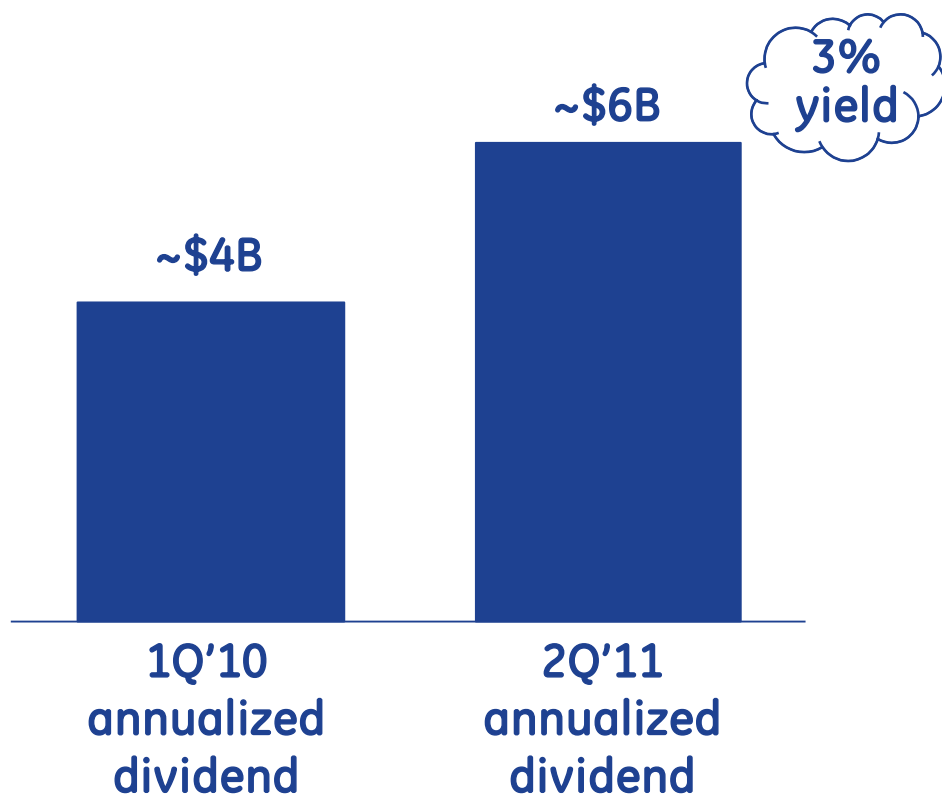
# GE execution



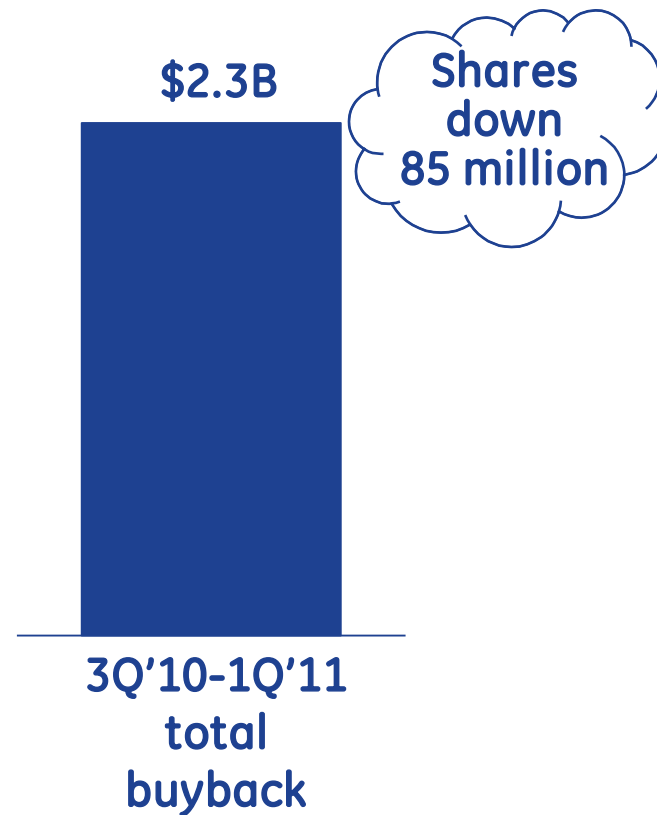
**Margins & returns greater than peers**

# Investor-friendly capital allocation

## Significant dividend increase



## Buying back GE stock

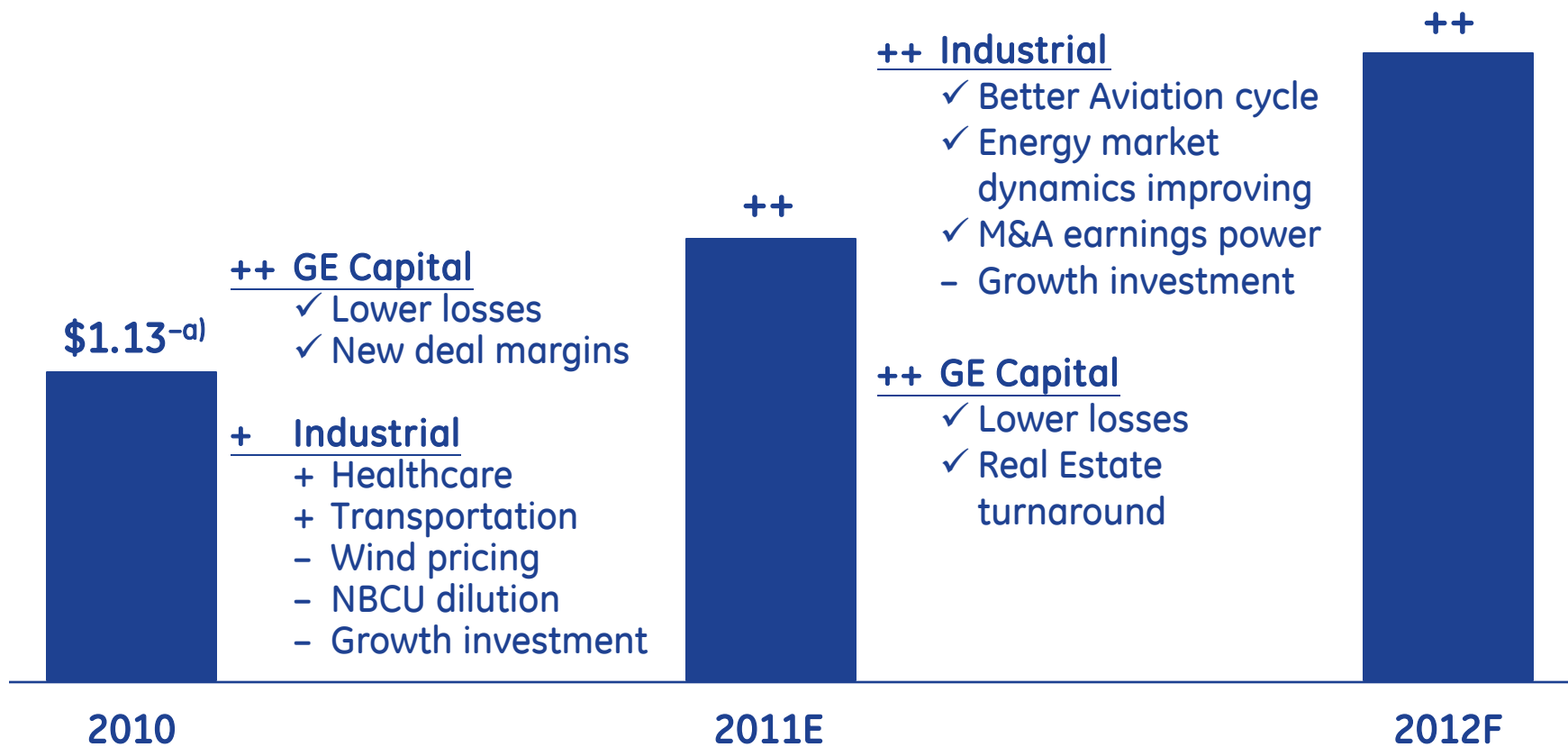


**Returning significant capital to shareowners**



# Earnings growth outlook is very strong

(Earnings per share)



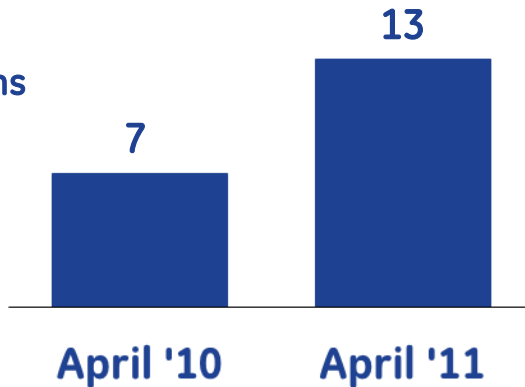
(a- 2010 operating EPS; 2010 continuing EPS \$1.15)

**Best portfolio & best outlook in 10 years**

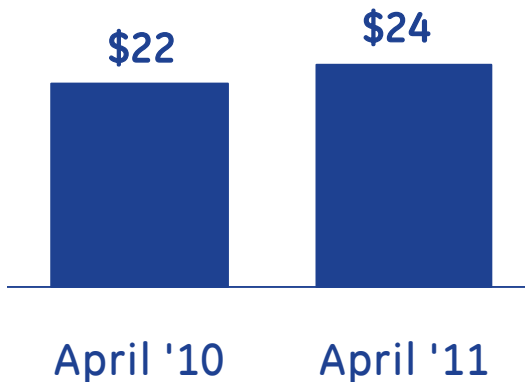
# And investors are seeing the benefits

## Leading indicators continue to improve

# buy recommendations



Price target

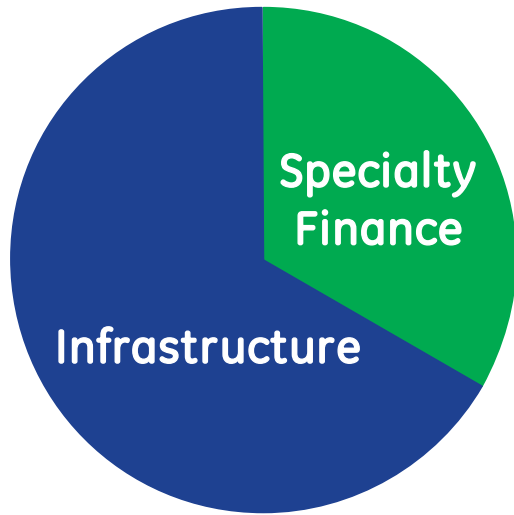


Intense focus on improving shareowner value

# Driving growth & competitive advantage

# GE of the future

## Revenue



GE is an innovative, high-tech infrastructure & financial services company that solves tough global problems for customers & society, while delivering world-class performance

## Competitive advantage

Size & scale	Leadership franchises
Technical leadership	Entrenched relationships
Execute "big themes"	Performance culture

## Strategic position

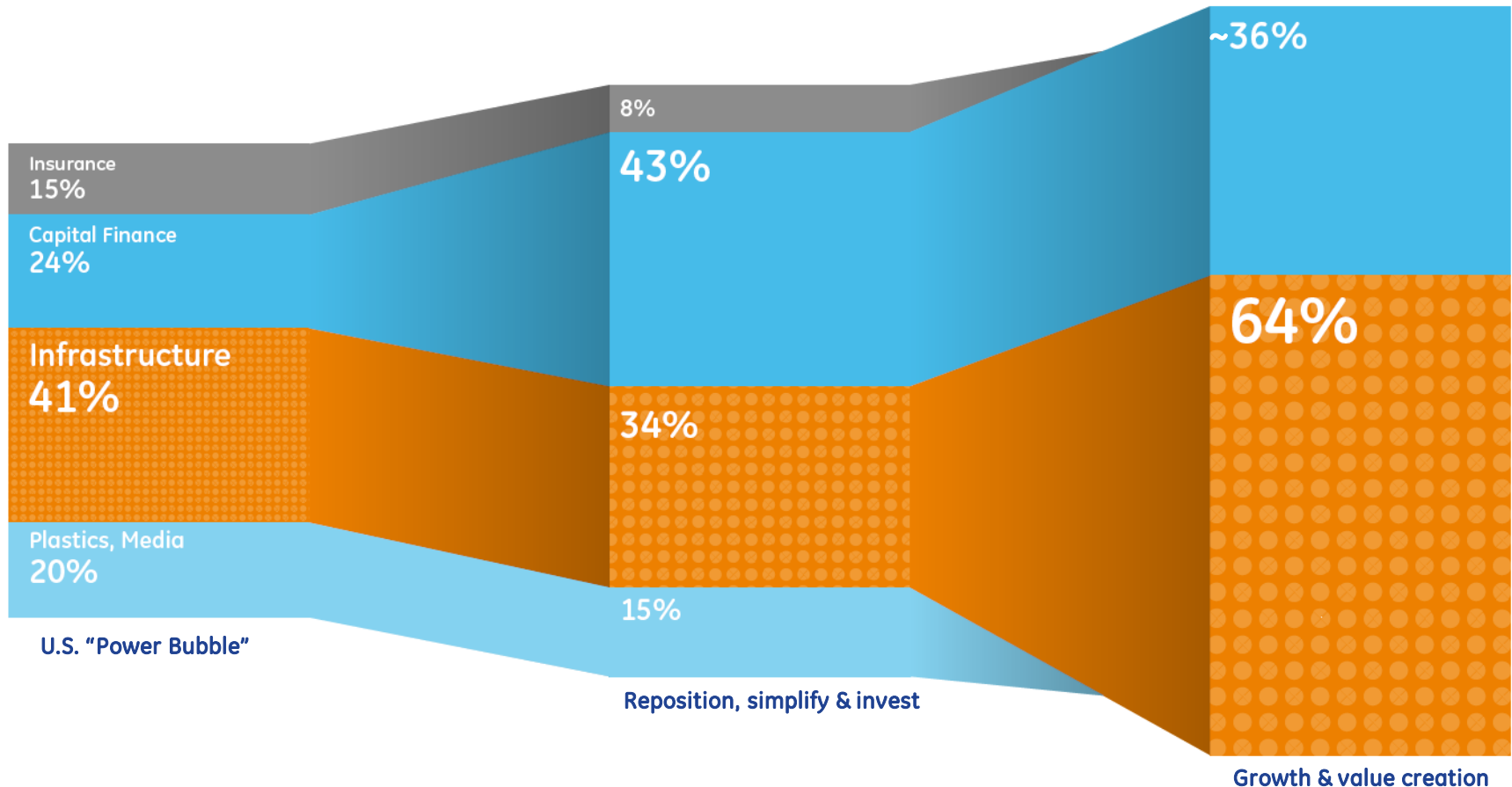
- ✓ Emerging-market leader
- ✓ Large installed base
- ✓ Financial flexibility
- ✓ High margin, high return

# Transformation of the GE portfolio

Early decade

Mid decade

Going forward

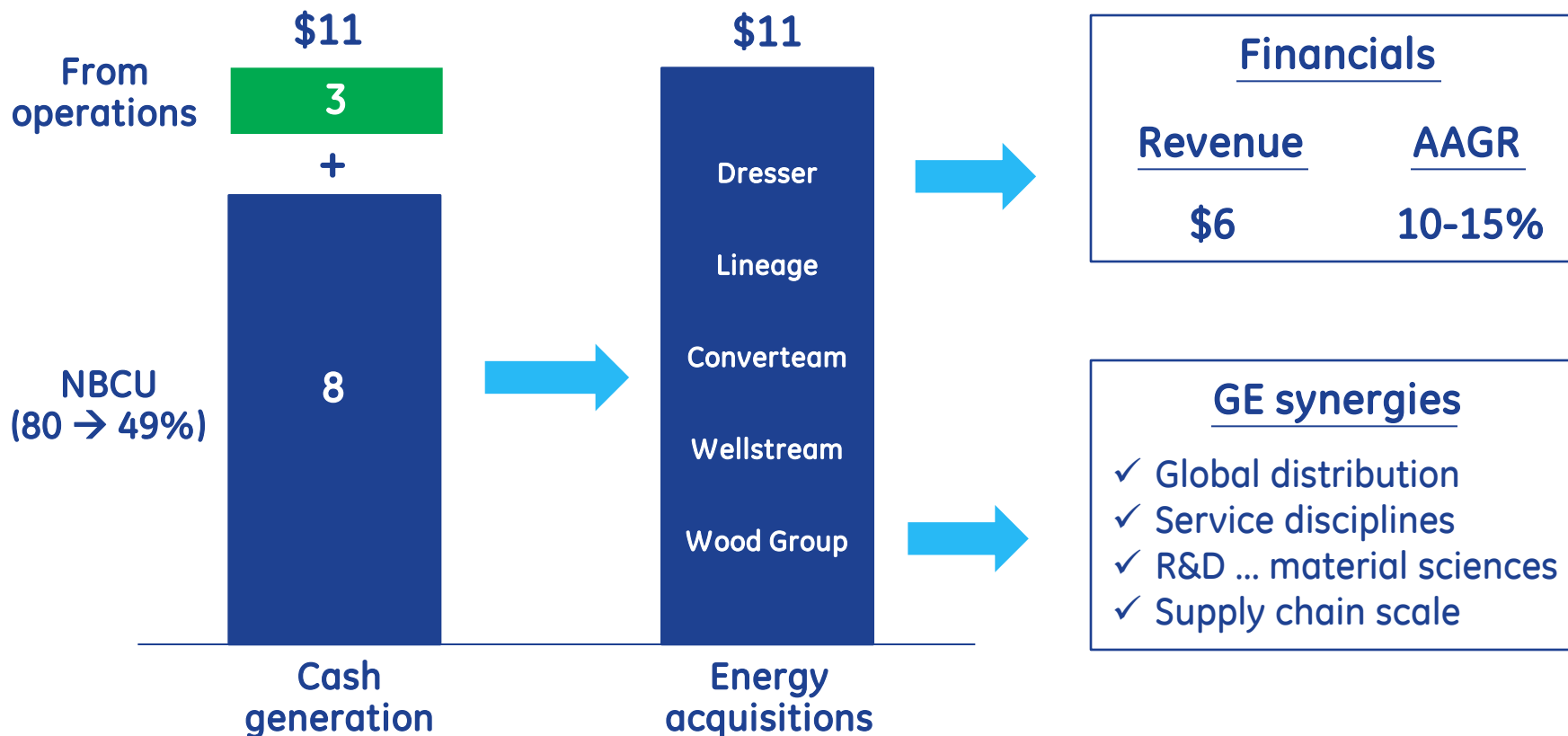


**\$5T Infrastructure investment  
by 2015 & GE is in the lead**

# Capital redeployment

(\$ in billions)

## Invest in Energy



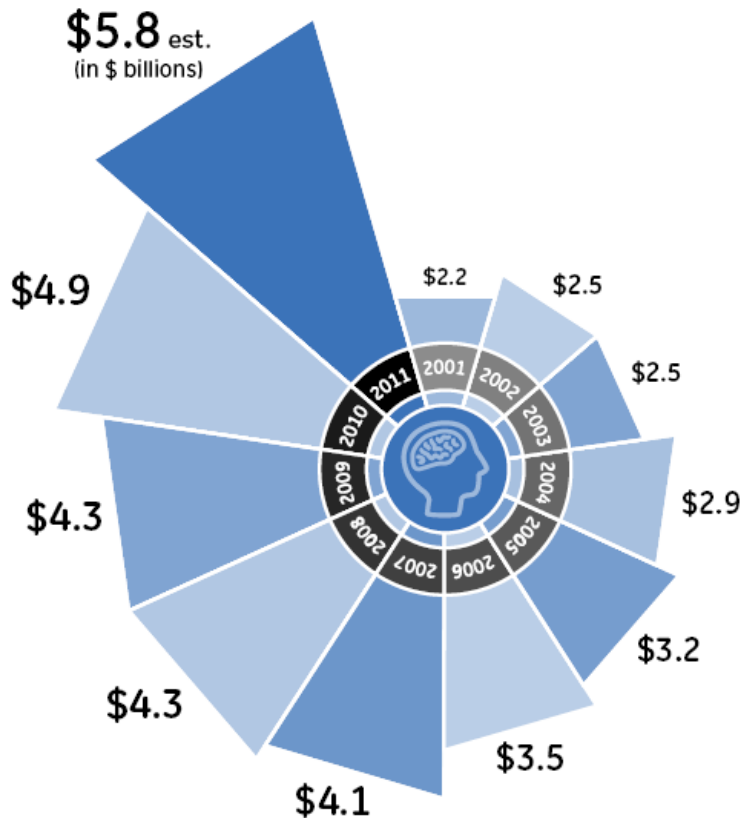
Allocating capital to high-growth Energy segments

# Enterprise value



# 1 Launch great new products ... ↑ R&D

10% average annual growth of investment in company & customer-funded R&D



## Technical foundation for growth

- + Gain profitable share through execution, innovation & more NPI
- + Execute difficult technologies better than competition
- + Reverse innovation ... new products at more price points with higher margins
- + Lower cost & higher margins

## Enterprise value: scale

- ✓ Global research framework
- ✓ Lead in core technologies
- ✓ Partner of choice



# Pipeline of new products

High-efficiency  
gas turbines



GE<sub>n</sub>x  
Boeing 787



Vscan™



Consumer  
LED



Low-dose CT

Energy-efficient/low-  
emission locomotives



Subsea

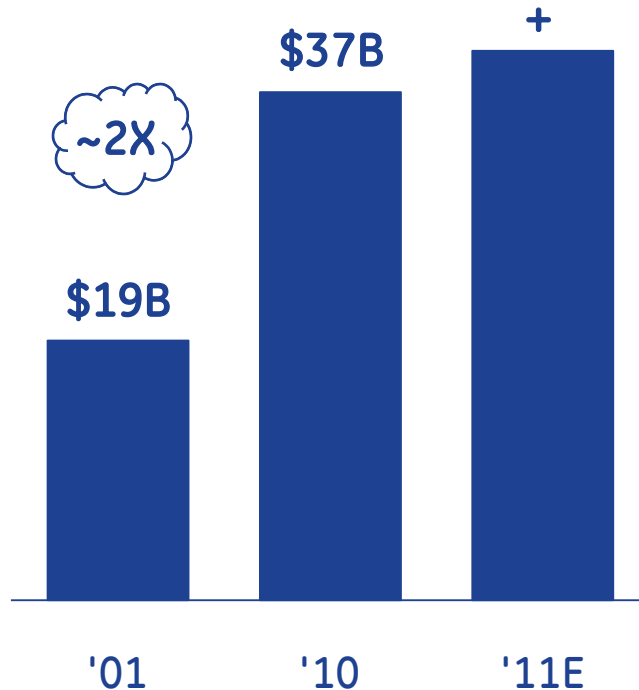


2.5MW  
Wind  
turbines

Substantial launches in 2011

## 2 Grow services & software

### Services revenue



Installed  
base

Year	Installed base
'01	30K
'10	67K
'11E	+

### Service foundation for growth

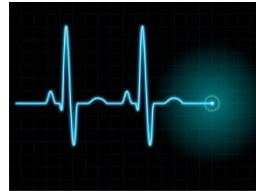
- + Capitalize on installed base cycle
- + Align with customer productivity
- + Grow infrastructure software
- + Increase margins through improved analytics & diagnostics

### Competitive advantage

- ✓ Installed base technology
- ✓ Customer productivity
- ✓ Margin enhancements

# Service = customer productivity

## Qualibria: clinical data



## Purpose of Qualibria

- ✓ Synthesize data into knowledge
- ✓ Bring clinical knowledge to point of care
- ✓ Facilitate deployment of best practices
- ✓ Reduce variability of outcomes

Room	Patient	LOS	Infections Risks	Vitals	WBC	Micro	Antibiotics	Lab Results	Comments
Med 1	Diaz, Christine Female, 19 Sepsis Nurse: Bonnie Nolan	6h	2 Vasc. Lines 1 Foley Cath. 1 Airways 2 Other	Temp 37.7 HR 105 BP 102/74	WBC 18.6 Segs 90%	2 Blood 1 Urine 1 Routine 1 Other	VANCOMycin CLEOCIN pRIMAXin	3 Chem 2 Hemo	
Med 2	Kennedy, Shawn Male, 71 Pneumonia Nurse: Bonnie Nolan	3d	1 Vasc. Lines 1 Foley Cath. 1 Airways 2 Other	Temp 37.2 HR 84 BP 107/67	WBC 9.8 Segs 70%	3 Blood 1 Urine 4 Other	VANCOMycin LevaQUin ZOSYN		
Med 3	Henderson, Theo Male, 82 Sepsis Nurse: Bonnie Nolan	4d	1 Vasc. Lines 1 Foley Cath. 1 Airways 1 Other	Temp 37.4 HR 110 BP 141/90	WBC 11.4 Segs 72%	3 Blood 1 Urine 2 Routine 6 Other	pRIMAXin DFLUCin ZVVOX		
Med 4	Tucker, Joyce Female, 49 MVA, Head trauma Nurse: Bonnie Nolan	2d	2 Vasc. Lines 1 Foley Cath.	Temp 36.1 HR 110 BP 113/86	WBC 13.5 Segs 73%	1 Other	VANCOMycin	3 Chem 1 Hemo	Social Work unable to contact family.
Med 5	Evans, Derreck Male, 12 Liver failure, Cellulitis Nurse: Traci Knapp	3d	1 Vasc. Lines 1 Foley Cath.	Temp 36.9 HR 90 BP 98/68	WBC 6.7 Segs 79%	4 Blood 2 Urine 1 Routine 5 Other	CLINDamycin	10 Chem 1 Hemo 4 Other	
Med 6	Campbell, Gilbert Male, 85 Hemorrhagic pancreatitis Nurse: Rick Kemp	12d	1 Vasc. Lines 1 Foley Cath. 2 Other	Temp 37.1 HR 71 BP 114/76	WBC 22.9 Segs 79%	6 Blood 1 Urine 4 Routine	VANCOMycin Meropenem	14 Chem 5 Hemo 4 Other	
Med 7	Phillips, Dean Male, 90 Status Nurse: Traci Knapp	4d	1 Vasc. Lines 1 Foley Cath. 2 Other	Temp 37.1 HR 91 BP 130/74	WBC 6.3 Segs 81%	4 Blood 2 Urine 1 Routine 5 Other	VANCOMycin	3 Chem 1 Hemo 4 Other	
Med 12	Reed, Grace Female, 34	12h	4 Vasc. Lines 1 Foley Cath.	Temp 37.7 HR 79 BP 103/77	WBC 11.3		CefUROXime	10 Chem 2 Hemo	

Improve quality & reduce costs

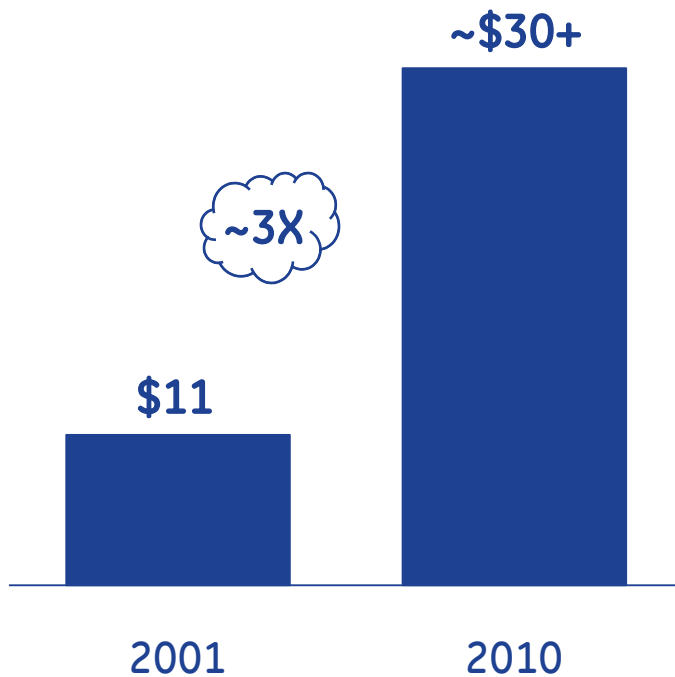
Collaborating with Intermountain Health

# 3 Lead in growth markets

(\$ in billions)

## Industrial growth

'11  
growth



China, India, SE Asia, Middle East, Latin America,  
Africa, Canada, Australia, Russia/CIS

## Growth market advantages

- + Organized to win ... GE Vice Chairman in Hong Kong
- + Breadth ... “company-to-country”
- + Segmented strategy for China & other key markets
- + Low-cost global supply chain

## GE competitive advantage

- ✓ Leadership & organization
- ✓ Breadth & scale
- ✓ Brand & reputation

# 4 Expand from the core

## Solar launched 2011



- ✓ Highest thin-film efficiency
- ✓ \$600MM investment
- ✓ Largest U.S. solar plant

**5% share = ~\$5B by 2015**

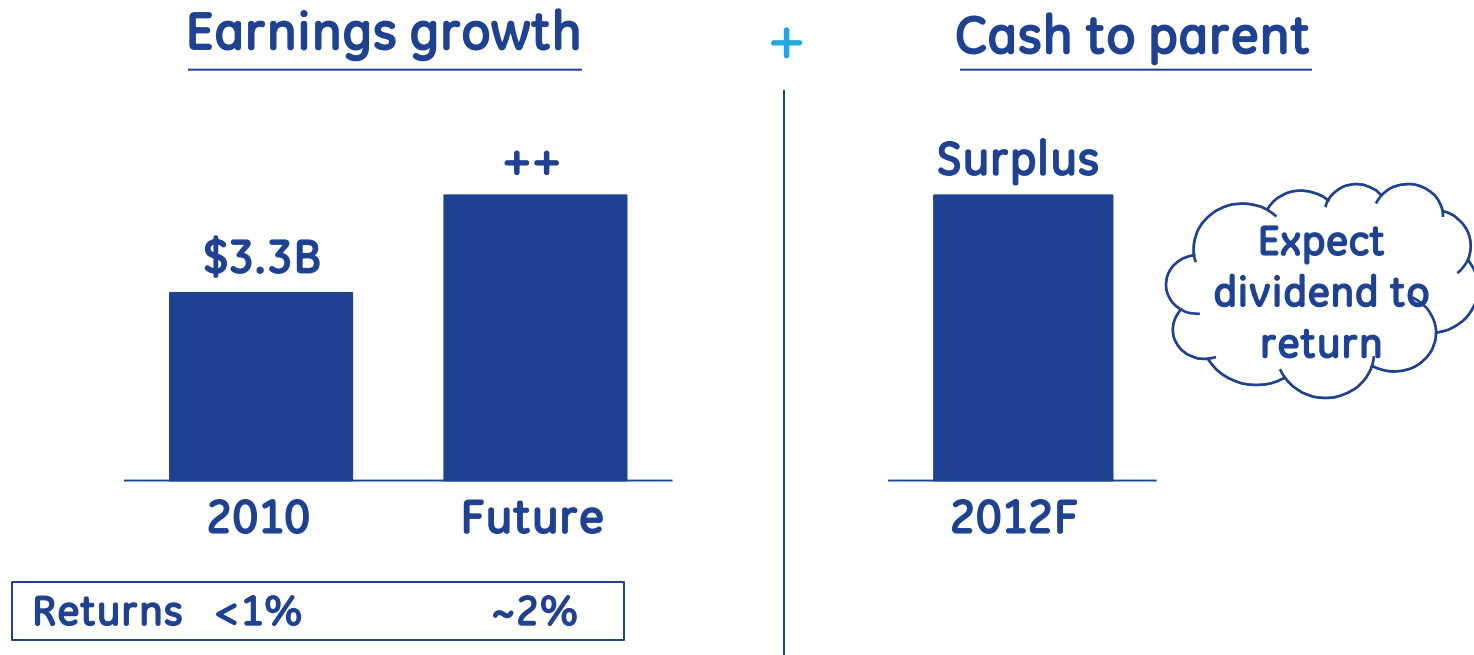
## Oil & Gas launched late '90s



- ✓ Leading technical solutions
- ✓ Global position
- ✓ Leverage GE capability

**\$10B business in 10 years**

# 5 Create value in Specialty Finance



## Clear "connection to GE"

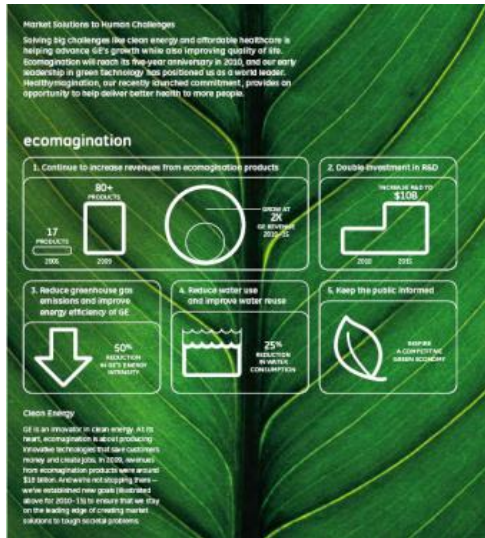
- ✓ Superior knowledge of assets
- ✓ Customer connection to GE
- ✓ Operating advantage > banks
- ✓ Enterprise relationships

GECAS  
Mid market  
Retail finance  
Airlines, projects

# 6 Solve problems for customers/society

## ecomagination

Clean energy



- ✓ \$21B+ revenue in 2011 ... 3X '05
- ✓ Global partner of choice
- ✓ Leader in growth segments: electric vehicles & unconventional fuel

## healthymagination

Affordable healthcare



- ✓ Cost/quality/access
- ✓ Technology drives productivity
- ✓ Leader in emerging markets
- ✓ "Reverse innovation"

Fifth most-valuable brand making a difference

# Leadership model

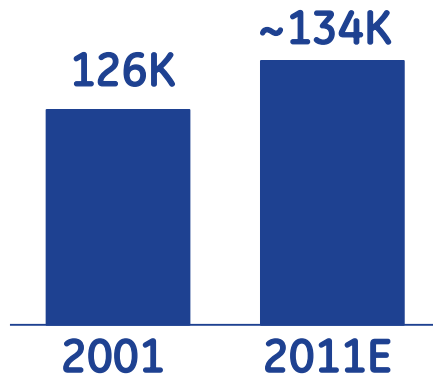


**Voted #1 in developing leaders  
in 2010 Hay Group/*BusinessWeek* poll**

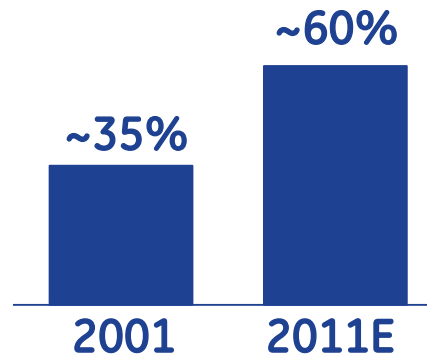


# U.S. jobs

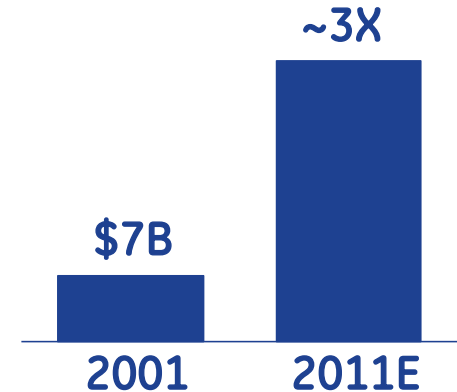
U.S. employment<sup>-a)</sup>  
(ongoing)



Global Industrial revenue  
(% total)



Exports



## Growth in 2011:

- 1 Supply chain ... capacity, NPI, competition
- 2 New businesses to GE
- 3 Engineering & regulatory

## U.S. jobs (#)

~6,000  
~4,500  
~1,500

(a- Normalized for dispositions)

**GE is a great U.S. employer with significant global growth**

# Jobs Council

## Context: GE government sales

4%

GE % revenue to U.S. government in 2010

#19

GE rank of companies  
Sales to U.S. government

Focus

Military engines to  
helicopters, jets & ships

Small part of business model

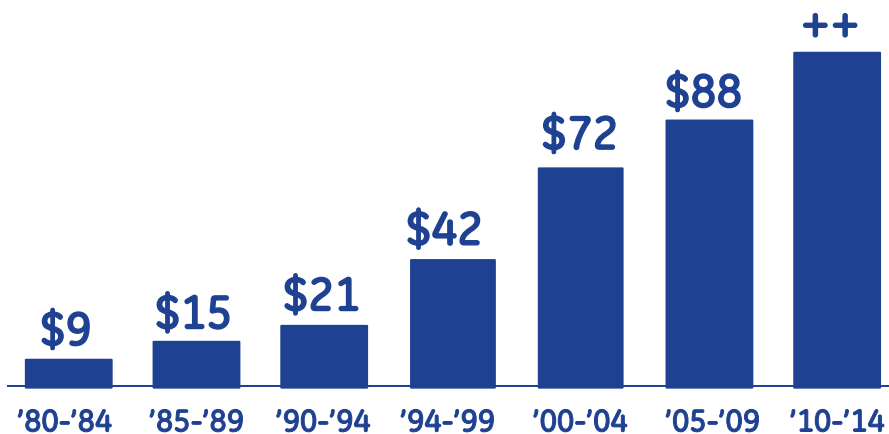
## Jobs & competitiveness

- 1 Committee members: big/small businesses, global/domestic, labor leaders, economists
- 2 Developing impactful jobs plan
  - +Short-term actions
  - +Private sector lead
- 3 Focus areas
  - +Small businesses
  - +Exports
  - +Regulatory/tax
  - + Education/training
  - + Infrastructure
  - + Innovation
- 4 Outreach to businesses & communities
  - +Local meetings

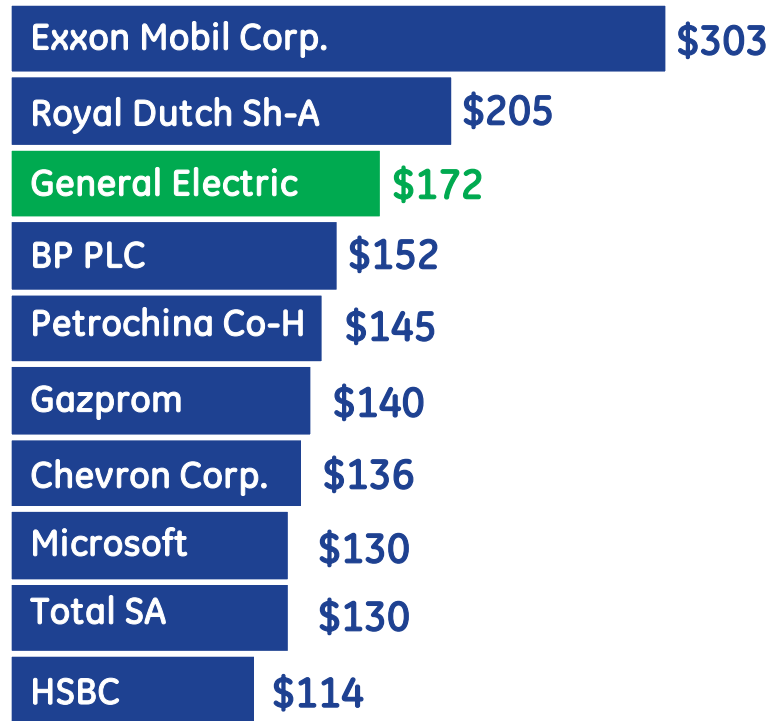
Focused on results

# Long-term performance

## Consistent earnings growth (\$B)



## Top 10 cumulative earnings from 2000-2010(\$B)



Well positioned for continued growth

# Wrap-up

- ✓ Company is rebounding after recession
- ✓ Growth is led by Capital in 2011 & Industrial earnings are turning; Industrial cycle accelerates in 2012
- ✓ Balanced & disciplined capital allocation will create additional shareholder value
- ✓ Investing in growth imperatives that will build competitive advantage