

GE 2010 fourth quarter performance

January 21, 2011

– Financial results & company highlights

"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); 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, 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."

"Effective January 1, 2010, 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

Overview

- ✓ Our environment continues to improve
 - Media buying ↑
 - Revenue passenger miles ↑
 - Parked aircrafts & locos ↓
 - Equipment & service orders ↑
 - Losses ↓, CRE manageable
 - Credit demand ↑
 - Healthcare market ↑
- ✓ Stronger top-line performance, leading indicators better
 - Industrial segment revenue growth +4% ... 6% Industrial organic revenue growth
 - Infrastructure orders +12% ... strength in equipment +20% and services +5%
- ✓ Earnings growth continues ... continuing EPS +33%
 - GE Capital environment & earnings continue to improve
 - Strong performance at Healthcare, Transportation & NBCU
 - 10¢ Industrial tax benefits offset by 10¢ restructuring & other charges, including Hudson
- ✓ Execution is very strong
 - CFOA \$14.7B ... \$79B of cash & equivalents
 - Operating margins at 17.5% (ex. NBCU), +10 bps.
 - GE Capital portfolio transformation advancing
 - Strong value gap performance in '10 ... expect lower in '11
- ✓ Executing capital allocation plan
 - \$1.8B stock buyback in 2H'10 ... shares down 76MM since restarting buyback
 - 2 dividend increases in 2010 ... 1Q'11 dividend +40% vs. 1Q'10
 - Valuable acquisitions ... closed Clariant; announced Dresser, Wellstream, Lineage Power

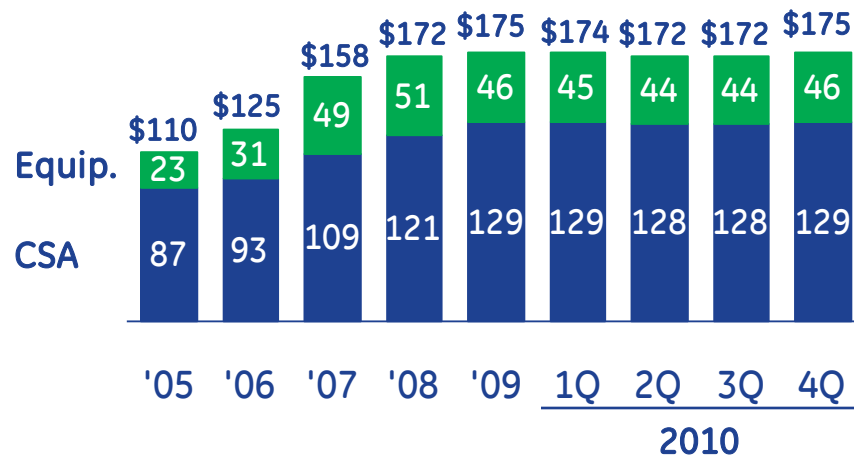
4Q orders +12%

(\$ in billions)

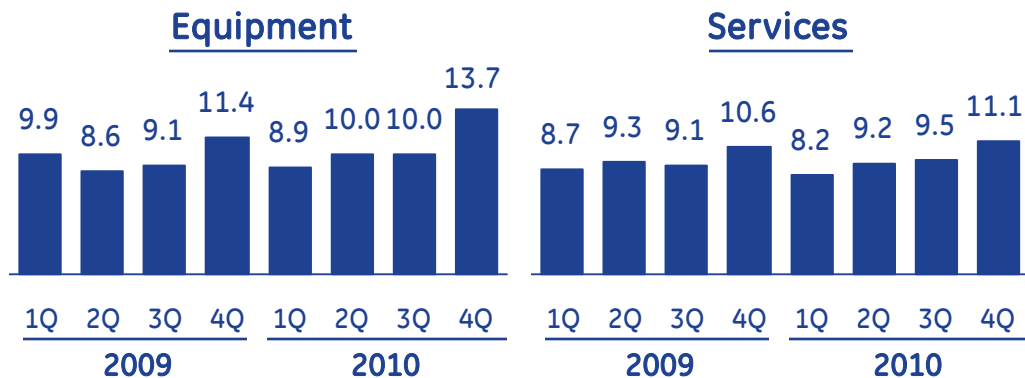
4Q orders \$25/12%

	Equipment		Services	
	\$	V%	\$	V%
Energy	\$4.7	(8)%	\$5.1	10%
O&G	1.7	23	1.2	4
Energy Infra.	6.4	2	6.1	7
Aviation	3.0	F	2.9	(4)
Healthcare	3.6	1	1.6	2
Transportation	0.8	65	0.6	41
Total	\$13.7	20%	\$11.1	5%

Strong backlog (\$B)



Orders profile



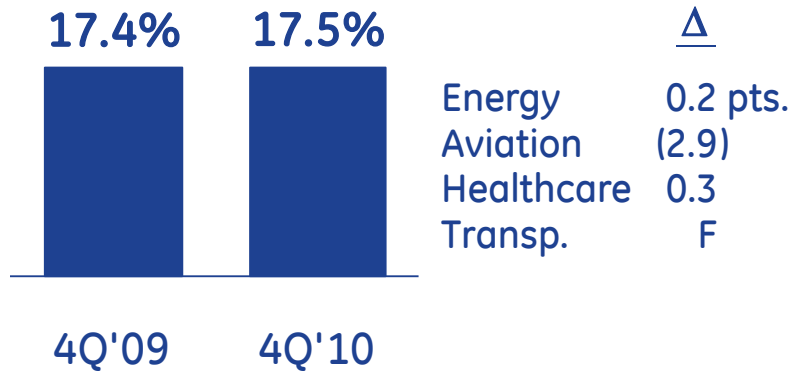
Highlights

- ✓ Oil & Gas very strong, services growing ... expect Energy equipment to turn positive in 2011
- ✓ Aviation +32% ... CFM, Small Commercial
- ✓ Healthcare +2% ... global improvement partially offset by stronger \$USD
- ✓ Transportation recovery +55% ... +240 North American locos

Highest orders since 2007

Execution

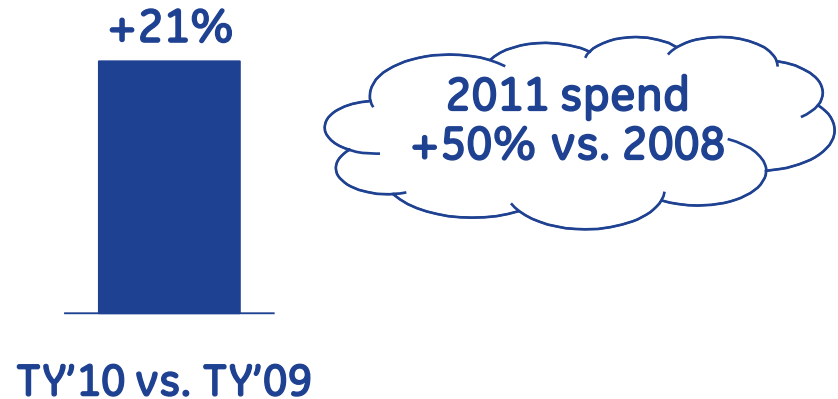
Segment op. profit rate % (ex. NBCU)



Drivers

- ✓ Positive value gap ... 3% material cost deflation, price ~flat
- ✓ Healthcare volume leverage
- ✓ Aviation impacted by new product launch & production costs
- ✓ R&D (1.0) pt. impact

Investing in R&D



Highlights

- ✓ Continued NPI growth in '10
 - + ~50 NPIs launched by Healthcare
 - + Aviation platform expansion on 6 engines
 - + Energy investment in Smart Grid, LNG, offshore
- ✓ International expansion
 - + Brazil research center in Rio
 - + In-country-for-country focus – India, China

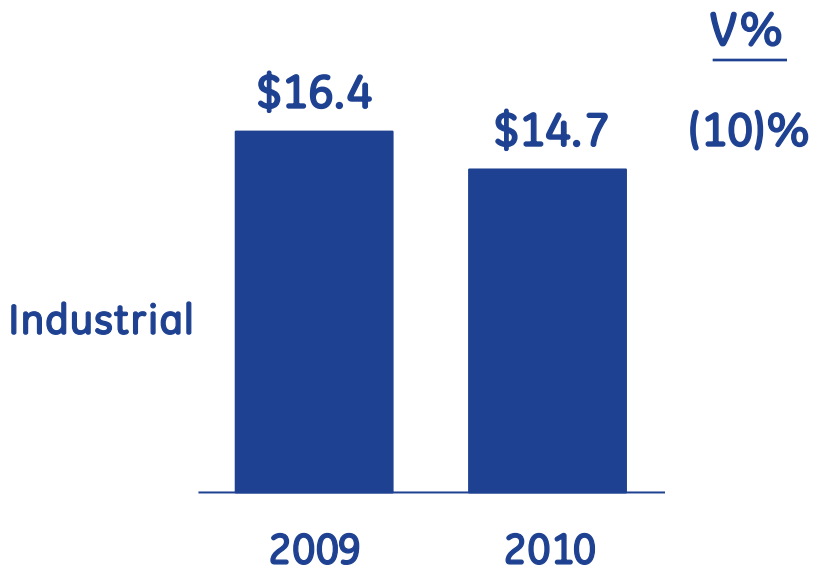
Delivering on operations while investing for future growth

Generating cash

(\$ in billions)

Consolidated cash \$79B

4Q YTD CFOA



- ✓ CFOA 1.3X net income & depreciation
- ✓ Working capital 1 turn improvement
- ✓ High end of \$13-15B CFOA plan

GE cash balance walk

	Total
Beginning balance 1/1/10	\$8.7
CFOA	14.7
Dividends	(4.8)
P&E	(2.4)
Dispositions	1.9
Acquisitions	(0.6)
Buyback ^{-a)}	(1.8)
NBCU debt raise/VUE buyback	5.4
Change in debt/FX/other	(1.9)
December 2010	\$19.2

(a- Includes post quarter cash settlement)

Strong CFOA generating substantial cash entering '11

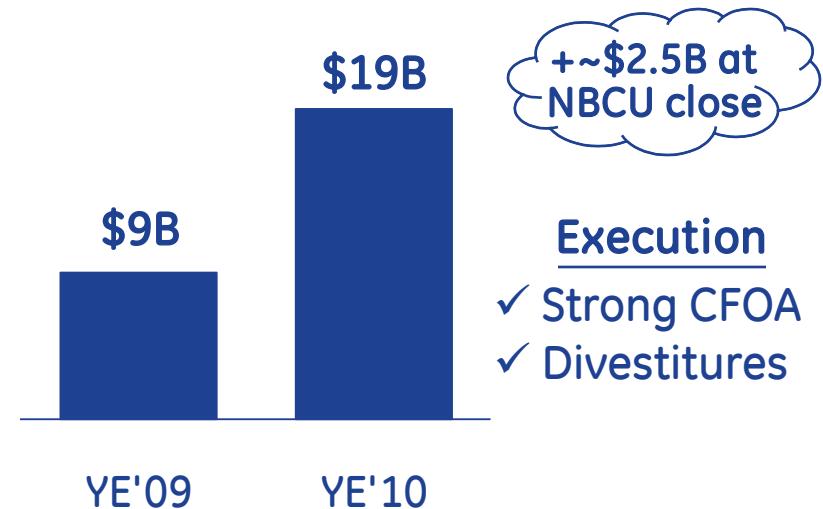
NBCU update/capital allocation

(\$ in billions)

NBCU transaction

- ✓ Scheduled to close January 28
- ✓ High-tax transaction ... ~\$3B tax charge will significantly impact GE tax rate in '11
- ✓ Expect small after-tax gain ... \$3B+ pre-tax gain less ~\$3B tax expense
- ✓ Impact of 4Q'10 → 1Q'11 delay
 - For 2010 ... booked to higher rate 3Q YTD - reversed in 4Q'10
 - Tax rate higher in 1Q'11 & total year
 - Still expect ~\$(0.05) EPS impact from NBCU in '11
 - 2011 gain expected to fund additional restructuring

Parent cash



Execution

- ✓ Strong CFOA
- ✓ Divestitures

Actions since May

- ✓ 2 dividend increases ... +40%
- ✓ Relunched buyback ... \$1.8B
- ✓ Infrastructure acquisitions ... announced \$5B+ in deals

Balanced capital allocation

4Q'10 performance

Fourth quarter consolidated results

(\$ in billions – except EPS)

Continuing operations

	4Q'10	V%
Revenues	\$41.4	1%
– Industrial sales	28.7	1
– Financial Svcs. rev.	12.8	(2)
Earnings ^{-a)}	3.9	31
EPS ^{-b)}	0.36	33
CFOA	14.7	(10)
– Industrial CFOA	14.7	(10)

	4Q'10	TY'10
Tax rate	(17)%	7%
– GE (ex. GECS)	(17)	17
– GECS	(15)	(45)

3Q'10 GE (ex. GECS) YTD tax rate	26%
Audit settlements	(4)
NBCU not closing	(3)
Restructuring/other	(2)
4Q'10 GE (ex. GECS) YTD tax rate	17%

(a- Attributable to GE

(b- Earnings attributable to common shareowners

(\$ in millions)

	Revenues		Segment profit	
	\$	V%	\$	V%
Energy Infra.	\$10,960	(3)%	\$2,224	(2)%
Technology Infra.	10,930	9	1,883	11
H&BS	2,333	5	139	6
Industrial (ex. Media)	24,223	3	4,246	4
NBC Universal	4,762	12	830	38
GE Capital	11,899	(4)	1,056	F
			<u>\$6,132</u>	<u>28%</u>

- ✓ Top line growth resumes
- ✓ Operating segment profit improving
- ✓ Tax benefits fund restructuring & other charges

4Q items

(Earnings per-share)

	<u>Impact</u>	<u>Comments</u>
Industrial tax rate	\$.10	✓ Industrial tax settlements ✓ NBCU deal delay/reversal of 3Q YTD adjustments to lower annual rate
Corporate restructuring & other charges	(.10)	✓ 6¢ Hudson River Phase II, other EHS ✓ 3¢ Industrial <ul style="list-style-type: none">- Appliances- Lighting ✓ 1¢ GE Capital <ul style="list-style-type: none">- Healthcare- Energy

Discontinued operations

Closed BAC Credomatic	.08	✓ \$8B reduction in ENI
Announced RV/Marine (closed 1/5) & Consumer Mexico	(.02)	✓ \$5B reduction in ENI

- ✓ Executing on planned restructuring
- ✓ Addressed long-tail risks & lowered cost base

GE Capital highlights

(\$ in millions)

<u>4Q'10</u>	<u>\$</u>	<u>V%</u>
Revenue	\$11,899	(4)%
Pretax earnings	959	F
Net income	1,056	F
ENI (ex. cash)	477B	(4)
Assets	576B	(5)

Key 4Q business results

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Consumer	\$154	(4)%	\$574	F
Real Estate	73	(11)	(409)	31
CLL	203	(4)	567	61
Aviation	49	2	432	53
Energy	20	(14)	33	6

Balance sheet metrics

	<u>4Q'09</u>	<u>3Q'10</u>	<u>4Q'10</u>
Tier 1 common ratio	7.6%	8.2%	8.9%
Leverage (GECS)	5.5:1	5.5:1	5.2:1

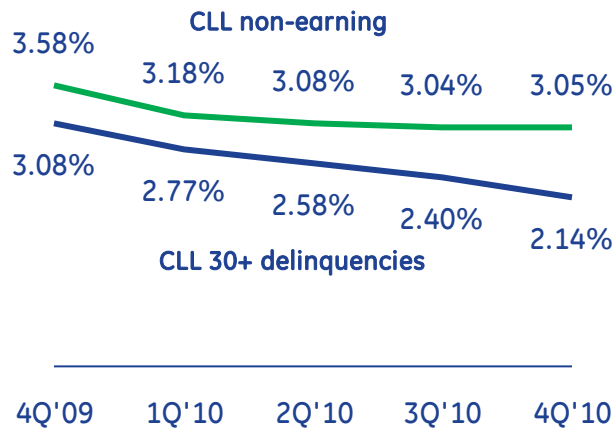
4Q dynamics

- ✓ \$49B volume, ↑30% VPQ; ↑16% VPY
 - CLL FY volume ↑40% at ~2.6% ROI
- ✓ \$477B ENI ex. cash ↓\$7B (ex. FX) VPQ ... \$49B down in 2010
- ✓ \$2.5B losses & impairments, ↓\$0.3 vs. 3Q
- ✓ Reserve coverage down 23 bps. to 2.47% ... portfolio metrics improving
- ✓ No IMA funding required

\$3.3B earnings + 123% & improving outlook

GE Capital portfolio quality

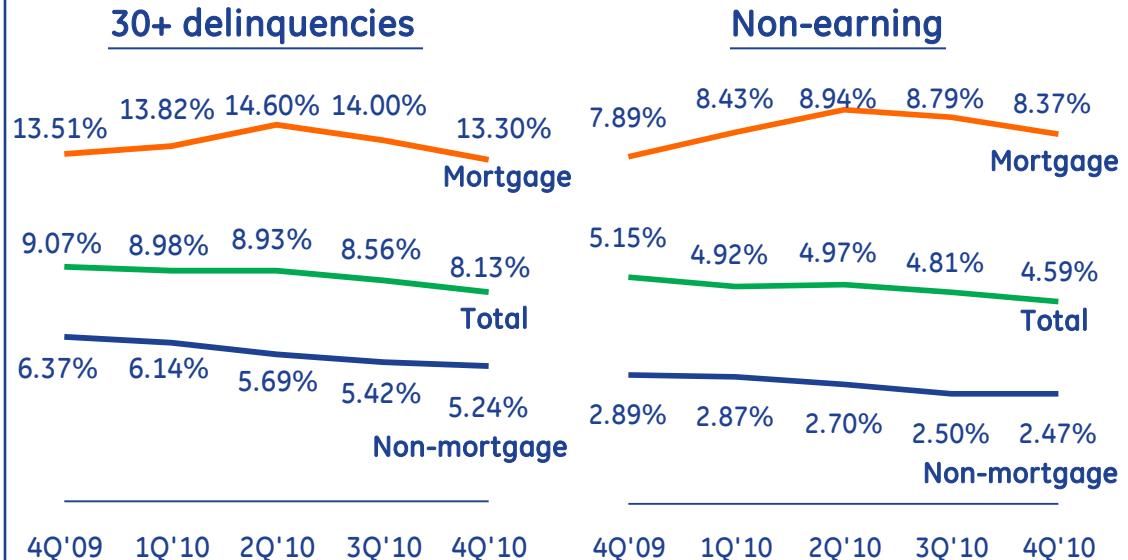
Commercial



Drivers

- ✓ Delinquencies ↓(26) bps.
 - ✓ Non-earning \$ down \$0.1B; well collateralized
-
- ✓ Real Estate delinquencies ↓(133) bps. to 4.41% due to resolution of large accounts

Consumer



Drivers

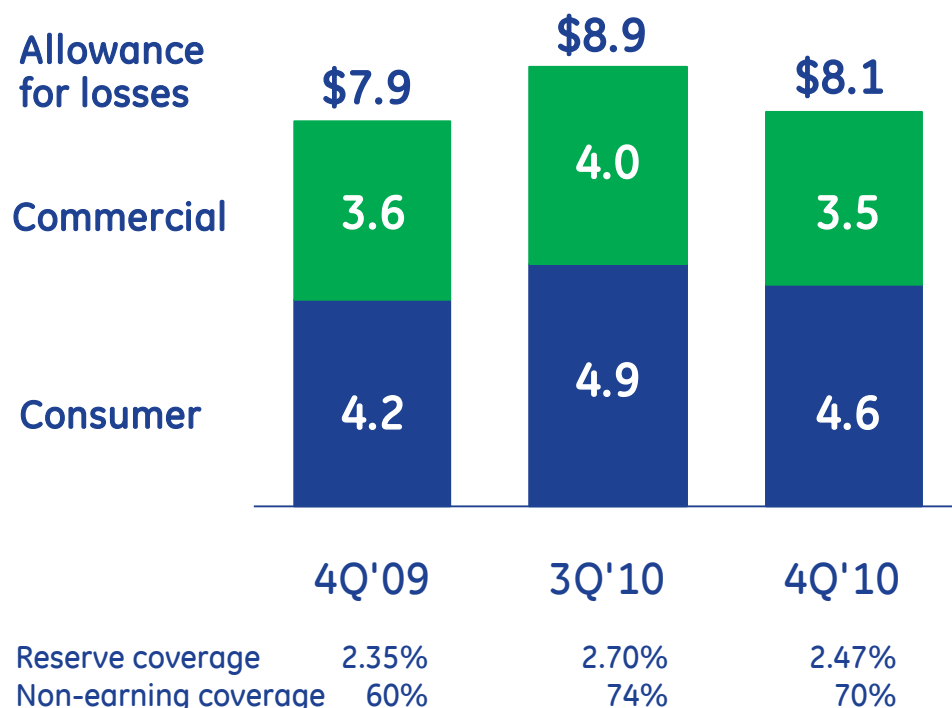
- ✓ North America delinquencies down (22) bps. to 6.18%
 - Continue to move against historical seasonal increase
- ✓ Mortgage delinquency down (70) bps.
 - U.K. home lending ↓(159) bps. from 3Q
- ✓ Global banking delinquencies down (15) bps.

Improvement in all portfolios ... continuing to monitor

GE Capital reserve coverage

(\$ in billions)

Reserve walk		
Write-offs > new provisions	\$(0.6)B	Bal. sheet
Consumer	(0.1)	P&L
CRE	(0.1)	P&L
Δ in reserves	\$(0.8)B	



Commercial

- ✓ Reserves down \$0.5 in 4Q primarily driven by write-offs of previously reserved accounts
 - Non-earnings down \$(0.3)
 - Strong collateral recoveries

Consumer

- ✓ Reserves down \$0.3 in 4Q primarily driven by write-offs of previously reserved accounts
- ✓ Coverage at 3.57%, down 33 bps. vs. 3Q
 - Non-earnings down \$(0.2)
- ✓ Mortgage
 - Coverage down 13 bps. at 1.82%, reserve/non-earning stable at 22%
 - UKHL REO stock continues to decline

Reserves declining in line with improving portfolio

NBCU highlights

(\$ in millions)

<u>4Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,762	12%
Segment profit	\$830	38%

4th quarter dynamics

- 1 Cable**
 - + Continued double digit growth in Cable
 - +/- Some ratings pressure in USA and SyFy, but USA finished at #1 for 5th consecutive year
 - + Bravo and Oxygen both completed best years ever in both ratings and profit
- 2 Broadcast**
 - + *Sunday Night Football* was #1 show in prime, first time on record for sports series; viewers +12% VPY
 - +/- NBC ratings bolstered by football but no break-out shows from Fall schedule
 - + News leadership continues ... *Today* #1 every week for 15 consecutive years
 - + Local ads up double digit on strong politics/elections
- 3 Film & Parks**
 - = Light theatrical release calendar
 - + Strong home video performance from *Despicable Me*
 - + Parks delivered record year ... attendance and per caps up double digit on very successful *Harry Potter* and *King Kong* attractions
- 4 Other**
 - + Deal scheduled to close on January 28

2010 segment profit +10% excluding Olympics/transition costs



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Energy Infrastructure highlights

(\$ in millions)

<u>4Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$10,960	(3)%
Segment profit	\$2,224	(2)%

Key 4Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy	\$8,810	(5)%	\$1,842	(3)%
Oil & Gas	2,416	5	435	3

4Q dynamics

Energy

- \$9.8B orders, +1% ... equipment backlog \$11.6B, CSA commitments \$44.8B, +1%
- Revenue (5)% on lower gas & steam turbine, generator shipments
- Segment profit (3%) ... lower gas turbine volume partially offset by \$0.2B value gap

Oil & Gas

- \$2.9B orders, +15% ... equipment backlog \$6.8B, CSA backlog \$4.0B, (7%)
- Revenue +5% ... equipment +10%, service (2)%
- Segment profit +3% ... higher equipment volume & value gap partially offset by increased programs spend

Business performing in line with expectations

Technology Infrastructure highlights

(\$ in millions)

<u>4Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$10,930	9%
Segment profit	\$1,883	11%

Key 4Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Aviation	\$4,804	1%	821	(14)%
Healthcare	5,104	8%	1,002	10%
Transportation	1,026	66%	73	F

4Q dynamics

Aviation

- \$5.8B orders, +32% ... equipment backlog \$20B, CSA backlog \$59B
- Revenues +1% ... equipment 8%, commercial & military service (4)%
- New product launch & production costs

Healthcare

- \$5.2B orders, +2% ... equip +1%, service +2% ... equipment backlog +6% VPY to \$3.9B
- Revenues +8% ... equip +11%, services +4%
- Segment profit +10% ... HCS, Life Sciences and MDx strength ... segment profit rate +0.3 pts

Transportation

- \$1.4B orders +55%, N.A. loco & mining apparatus
- Revenue +66% ... equipment +39%, service ↑ 2X

- ✓ Continue to see strength in Healthcare
- ✓ Transportation environment tough in '10 but improving
- ✓ Aviation in line with expectations ... flat in '11

Home & Business Solutions highlights

(\$ in millions)

<u>4Q'10</u>	<u>\$</u>	<u>V%</u>
Revenues	\$2,333	5 %
Segment profit	\$139	6 %

4th quarter dynamics

1 Operating drivers

- Appliances volume up 7% ... strong Black Friday
- Lighting continuing to realize savings on restructuring projects
- Intelligent Platforms revenue up 19% ... driven by Controls and Software

2 Growth

- Market continues to be challenging ... announced Appliances price increase
- Introduced first Energy Star rated LED 40-watt incandescent replacement ... LED +25% YTD
- Closed Smart Signal acquisition in Intelligent Platforms ... enhances knowledge services
- Investing \$0.4B 2010-2011 to revamp product line

Solid execution & reinvesting in product line



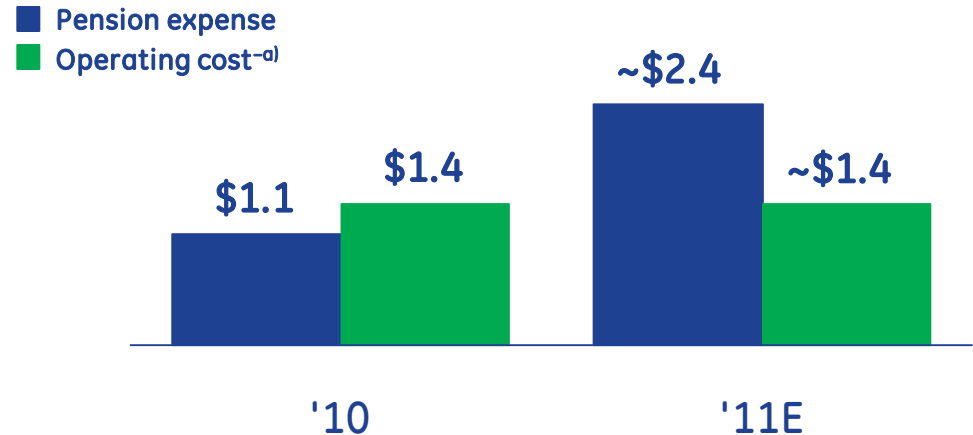
Operating earnings & pension reporting

Environment & GE

- ✓ 2010 asset performance +13.5%
- ✓ Changed return assumptions from 8.5% to 8% going forward
- ✓ Discount rate reduced from 5.78% to 5.28%
- ✓ New salaried employees on defined contribution vs. defined benefit plan from 1/1/11
- ✓ GE will report Operating EPS (non-GAAP)
 - Service cost in Operating EPS
 - Excludes non-operating retirement related costs
- ✓ No GE Pension Plan cash contribution in '11

GE proforma operating basis

U.S. principal pension plans (\$ in billions)



Est. EPS Δ \$(.02) ~+\$.06

- ✓ In '11, will provide Operating EPS (non-GAAP)
- ✓ Operating cost represents expense associated with employee benefits earned

(a- Service cost & plan amendment amortization)

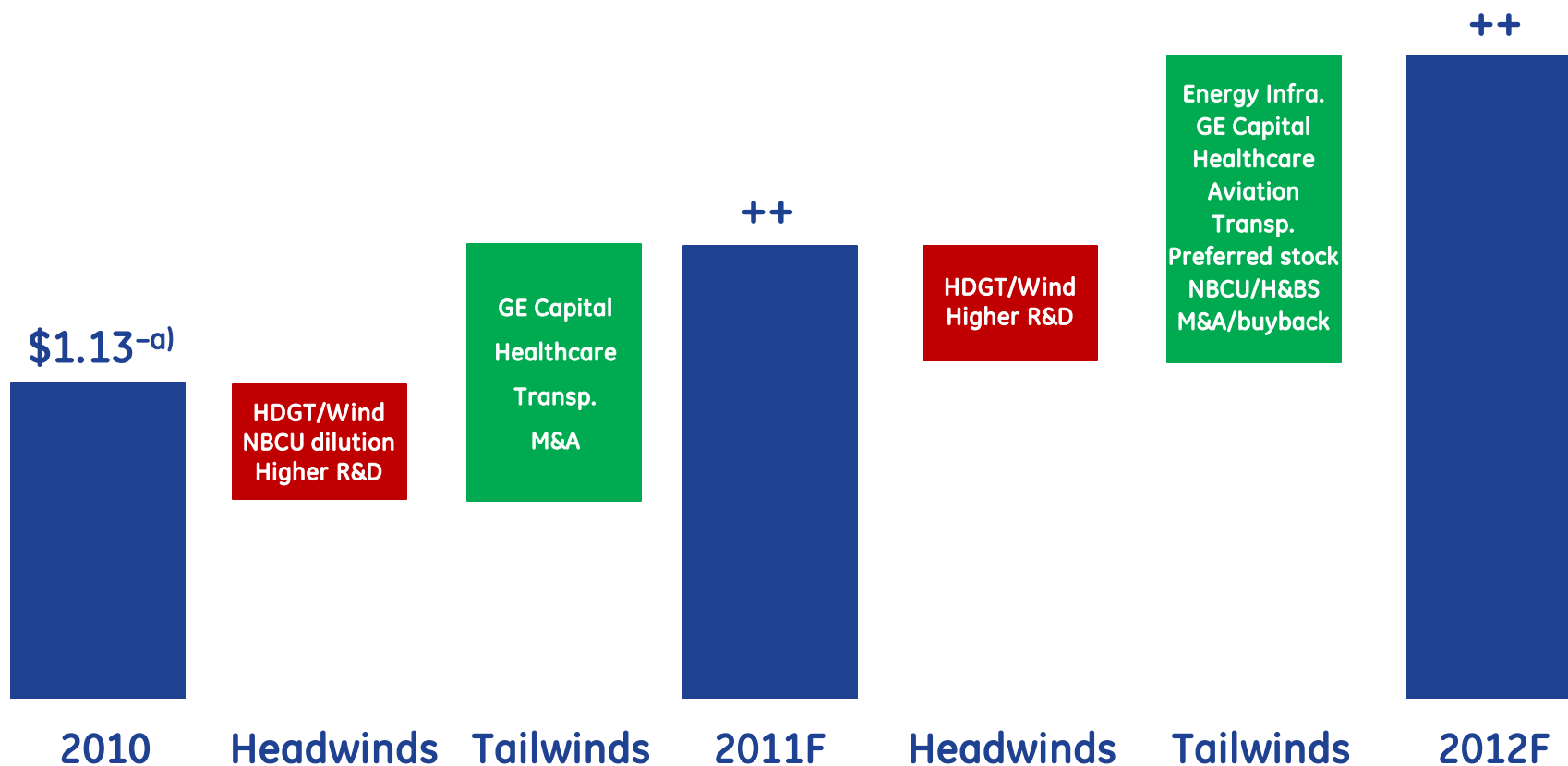
- ✓ Provides better clarity to operating results
- ✓ Will begin Operating EPS reporting in 1Q'11

2011 operating framework

<u>Operating earnings</u>	<u>2010</u>	<u>2011E</u>	<u>Drivers</u>
Industrial	~Flat	+	+ Healthcare, Transportation, M&A & services - Wind, higher R&D spend & GENx launch
GE Capital	++	++	+ Higher margins, lower losses ✓ Real Estate firming
Corporate	<u>Flat/-</u>	<u>-</u>	✓ NBCU dilution (-); less restructuring (+); pension (~flat)
Total operating earnings	++	++	
CFOA	\$14-15B	\$12-13B	+ Continued working capital improvements - Lower progress payments
Total revenues		0-5%	+ Industrial ~5% organic; acquisitions ✓ Capital ~(5)% ... continued management of ENI ✓ NBCU equity investment in Corporate

**Strong business segment profit growth,
partially offset by NBCU dilution**

Operating EPS expectations



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

Strong growth in 2011 & 2012

Going forward

Operating goals

- 1 Growing operating earnings \geq S&P 500
- 2 Services & growth markets organically up 5-10%
- 3 Keep GE Capital at 30-40% of total operating earnings
- 4 Grow cash \geq net income ... and restore GE Capital dividend
- 5 Increase ROTC ... Industrial ROTC of 15%+
- 6 Maintain attractive dividend payout ratio

Outlook

- ✓ Best portfolio in recent memory
- ✓ Committed to capital allocation that will create value
- ✓ Well positioned for long-term organic growth
- ✓ Repositioned GE Capital
- ✓ Performance accelerating