

GE 2012 first quarter performance

April 20, 2012

– Financial results & Company highlights

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 the European sovereign debt situation; 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; our plan to resume GECC dividends, which is subject to Federal Reserve review; our ability to convert customer wins (which represent 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; strategic actions, including acquisitions, joint ventures and dispositions and our success in completing announced transactions and integrating acquired businesses; 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.”



imagination at work

Overview

- ✓ We see markets getting stronger, but still volatile
 - + Infrastructure demand is strong in many places
 - + U.S. getting slightly better
 - Europe still tough

- ✓ Strong top-line performance ... 11% Industrial segment organic revenue growth
 - Infrastructure orders +20% ... equipment +29% & services +11% ... growth markets +21%
 - Industrial segment revenue +14% ... growth markets +14% ... Germany +35% & Japan +59%

- ✓ Solid earnings growth ... operating EPS +3% (+17% normalized for other items)
 - Industrial segment profit +10% ... Energy +10%, Healthcare +10%, Transportation +48%
 - GE Capital earnings ~flat (+27% ex. '11 Garanti) ... Real Estate returned to profitability

- ✓ Good execution
 - \$84B of cash & equivalents ... CFOA \$2.1B, +22%
 - GECC Tier 1 common ratio up to 10.4%
 - Industrial margins at 13.8% ... goal of +50 bps. in 2012, early expansion in Healthcare & Transportation

- ✓ Company well positioned to deliver on double-digit earnings growth in 2012

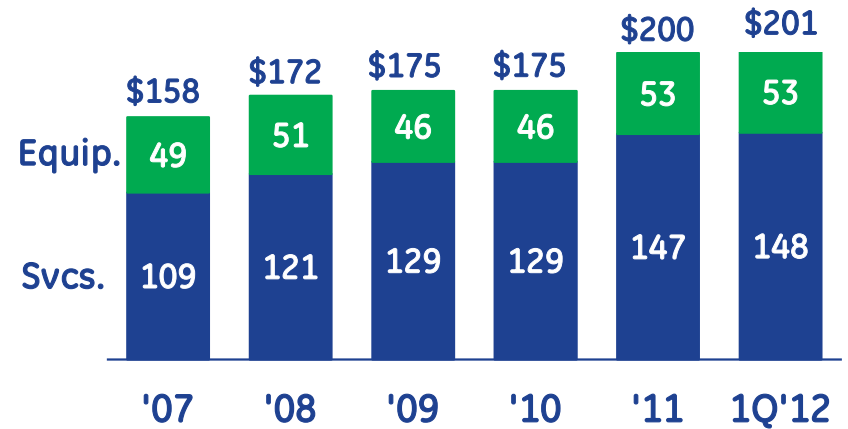
1Q'12 orders +20%

(\$ in billions)

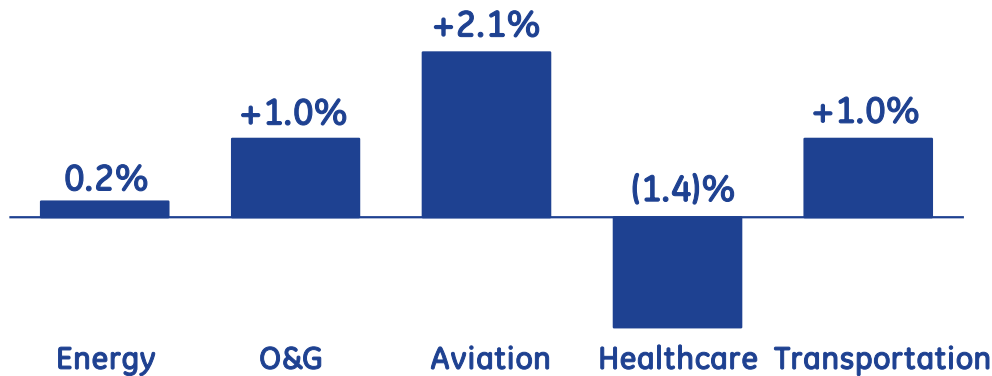
1Q orders \$23.1B

	Equipment		Services	
	\$	V%	\$	V%
Energy	\$4.1	29%	\$3.6	13%
O&G	2.3	64	2.0	31
Energy Infra.	6.3	39	5.4	19
Aviation	2.6	11	3.0	6
Healthcare	2.4	12	2.0	-
Transportation	1.0	F	0.6	13
Total	\$12.2	29%	\$10.9	11%

Strong backlog (\$B)



1Q orders price profile +0.5%



Highlights

- ✓ 14% organic orders growth
- ✓ Energy Infrastructure +29%, +15% ex. acquisitions
- ✓ Transportation +67% ... locomotive strength continues
- ✓ Equipment book-to-bill 1.06
- ✓ Emerging markets +21%

Highest 1Q orders in history

Growth dynamics

(Revenue \$ in billions)

Growth markets

Industrial revenue



- ✓ 4/5 Industrial segments growing double-digit
- ✓ 6/9 regions 10%+ ... ANZ +26%, China +18%, LA +35%, Russia 2X+, Sub-Saharan +18%, Canada +40%

Services

Revenue



- ✓ Growth across all business segments
- ✓ Organic growth +8%

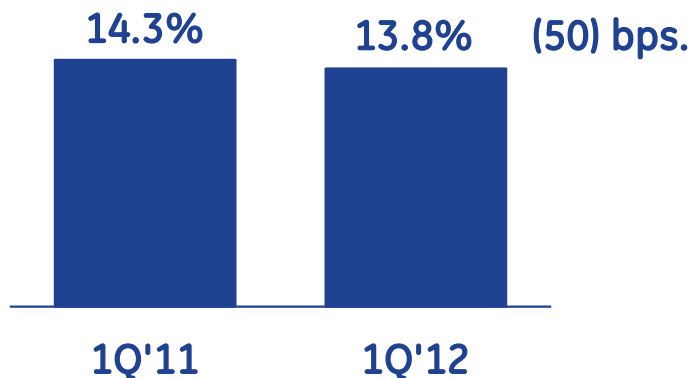
Technical progress

- + GEnx & CFM LEAP are winning with customers
- + New flex gas turbine gaining momentum
- + Acquisitions NPI: Waukesha gas engines +29%, Wood ESP +20%
- + Ichthys LNG plant in Australia ... content from 7 GE businesses
- + Healthcare in process of launching 71 products in '12 vs. 50 in '11 ... Ultrasound & Interventional in 1Q
- + New software & analytics platforms
- + Appliances Mission 1 launches in 1H: geospring hybrid electric water heater & refrigeration

Macro trends holding ... executing growth strategy

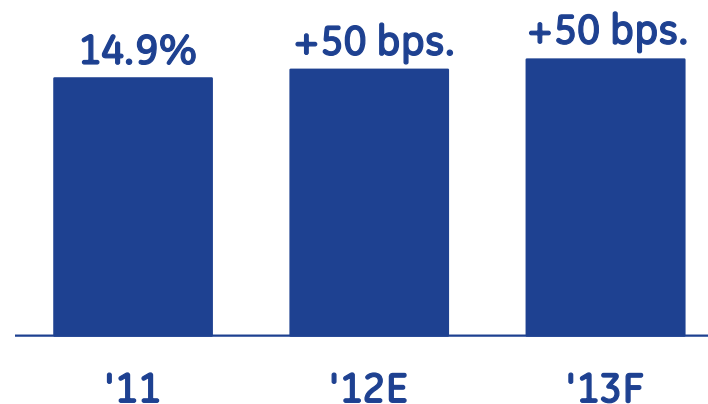
Segment operating profit margins

First quarter



	<u>V pts.</u>
Equipment/service mix	(0.3) pts.
Acquisitions	(0.2)
Productivity	0.2
Wind/Thermal	(0.2)

Framework



What improves

	<u>2H'12</u>	<u>'13</u>
1) Acquisition impact	~0.1 pts.	+
2) Value gap run rate	~0.1	+
3) Restructuring & productivity	~0.3	++
4) R&D run rate	~0.4	=

Pressure point

– Equipment/service mix

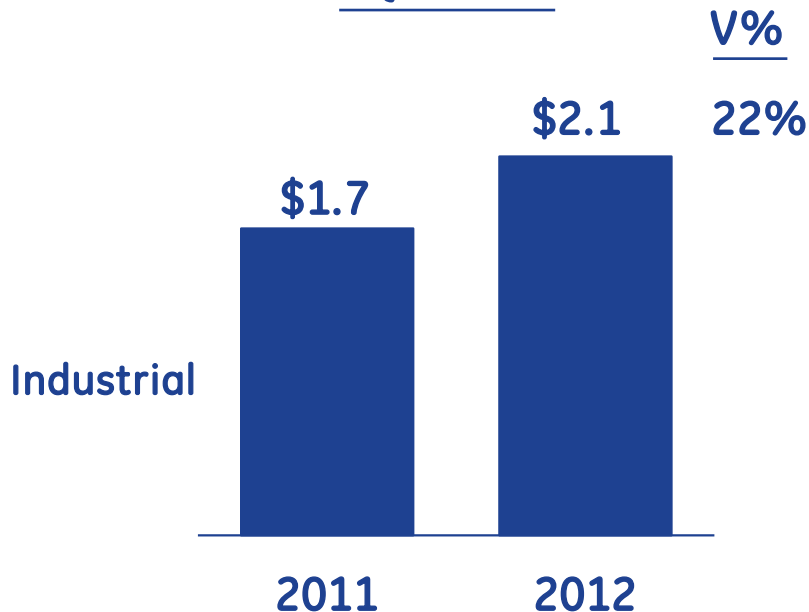
Expect total margins to improve throughout 2012

Generating cash

(\$ in billions)

Consolidated cash \$84B

1Q CFOA



- ✓ Managing working capital needs to fulfill strong backlog
- ✓ Continuing investment for organic growth

GE cash balance walk

	Total
Beginning balance 1/1/12	\$8.4
CFOA	2.1
Dividends	(1.8)
P&E	(1.0)
Acquisitions	(0.2)
Change in debt/FX/other	0.5
March 2012	\$8.0

Strong CFOA performance

A strong GE Capital

1Q'12

- + Financially sound balance sheet
 - ✓ 10.4% Tier 1 common ratio, +50 bps. vs. 4Q'11
 - ✓ Non-earning assets ↓ \$300MM
- + Safe & sound liquidity plan
 - ✓ \$76B cash
 - ✓ CP coverage @ 2.5X
- + On track for more focused investment
 - ✓ ENI^{-a)} @ \$436B
 - ✓ Real Estate profitable
 - ✓ Exit Irish Mortgage
- + Profitable origination
 - ✓ Core NI^{-b)} +27%
 - ✓ NIM 4.8%
 - ✓ New business ROI 3%+

(a- Ex. cash & equivalents
(b- Ex. Garanti

Business executing ahead of expectations

1Q'12 consolidated results

(\$ in billions – except EPS)

Continuing operations

	<u>1Q'12</u>	<u>V%</u>
Revenues	\$35.2	(8)%
– Industrial sales	23.7	7
– Capital revenue	11.4	(12)
Operating earnings	3.6	1
Operating EPS	0.34	3
Continuing EPS ^(a)	0.31	–
Net EPS	0.29	(6)
CFOA	2.1	22
– Industrial CFOA	2.1	22
	<u>1Q'12</u>	<u>1Q'11</u>
		(ex. NBCU)
Tax rate	16%	20%
– GE (ex. GECC)	23	22
– GECC	9	19

(a- Earnings attributable to common shareowners

Memo: includes NBCU JV pretax profit of \$187MM; excluding impact of NBCU, GE revenues +4%, Industrial sales +13%

(\$ in millions)

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy Infra.	\$11,168	18%	\$1,524	10%
Aviation	4,891	12	862	2
Healthcare	4,300	5	585	10
Transportation	1,270	41	232	48
H&BS	2,091	5	66	(11)
Industrial	23,720	14	3,269	10
GE Capital	11,442	(12)	1,792	–
	<u>\$35,162</u>	<u>4%</u>	<u>\$5,061</u>	<u>6%</u>

1Q'12 other items

	<u>EPS impact</u>	<u>Category</u>
Gains	\$.01	✓ JV formation
One-time costs	(.01)	✓ Restructuring & other charges ✓ Deal-related costs
Discontinued operations	(.02)	✓ Consumer – Ireland Mortgage

	<u>Normalized operating EPS</u>	
	<u>1Q'11</u>	<u>1Q'12</u>
Reported	\$.33	\$.34
NBCU gain	(.04)	-
Garanti	(.03)	-
Other gains	-	(.01)
Rest./other	.03	.01
	<u>\$.29</u>	<u>\$.34</u>
		17%

Continued structural improvements

Energy Infrastructure

(\$ in millions)

<u>1Q'12</u>	<u>\$</u>	<u>V%</u>
Revenues	\$11,168	18%
Segment profit	\$1,524	10%

Key 1Q business results

	<u>Revenues</u>		<u>Segment profit</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Energy	\$8,042	13%	\$1,182	6%
Oil & Gas	3,416	34	400	31

1Q dynamics

Energy

- \$7.7B orders, +21% ... equipment backlog \$13.7B; orders pricing positive 0.2%
- Revenue ... equipment +16%, services +10% ... higher equipment volume & acquisitions
- Segment profit ... equipment volume partially offset by Wind & Thermal price

Oil & Gas

- \$4.4B orders, +47% ... equipment backlog \$9.1B, +7% vs. PQ ... CSA backlog \$3.7B
- Revenue ... equipment +26%, service +41%, organic +18%
- Segment profit ... higher core volume & acquisitions ... +12% organic growth

- ✓ 16% organic orders growth ... 11% organic revenue growth
- ✓ Energy resumes profit growth ... managing through price in backlog

Industrial segments

(\$ in millions)

Aviation

<u>1Q'12</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,891	12%
Segment profit	\$862	2%

1Q dynamics

- \$5.6B orders, +8% ... equipment backlog \$22B, (4)% VPQ ... services backlog \$76B
- Revenues ... equipment +22%, commercial & military service +3%
- Segment profit ... value gap & volume improvement offset by higher R&D

Transportation

<u>1Q'12</u>	<u>\$</u>	<u>V%</u>
Revenues	\$1,270	41%
Segment profit	\$232	48%

1Q dynamics

- \$1.6B orders, +67% ... equipment 2X, services +13% ... equipment backlog \$3.7B
- Revenues ... equipment +85%, NA locos & mining; services +7%
- Segment profit ... strong global volume & services growth

- ✓ **Aviation ... equipment deliveries accelerating**
- ✓ **Transportation ... broad strength continues**

Industrial segments

(\$ in millions)

Healthcare

<u>1Q'12</u>	<u>\$</u>	<u>V%</u>
Revenues	\$4,300	5%
Segment profit	\$585	10%

1Q dynamics

- \$4.4B orders, +6% ... equipment +12%, service flat ... equipment backlog \$4.0B
- Revenues ... Europe (4)%, U.S. +3%, growth markets +17%
- Segment profit ... solid growth in core business ... strong productivity

Home & Business Solutions

<u>1Q'12</u>	<u>\$</u>	<u>V%</u>
Revenues	\$2,091	5%
Segment profit	\$66	(11)%

1Q dynamics

- Appliances revenue up 8% with core industry down (10)% ... NPI spend +24% to refresh product line
- Lighting challenged by European consumer market; strong Industrial channel
- Strong value gap management ... pricing actions offsetting inflation

- ✓ Healthcare emerging markets growth continues ... U.S. performance improving
- ✓ H&BS maintaining focus on refreshing appliance product line



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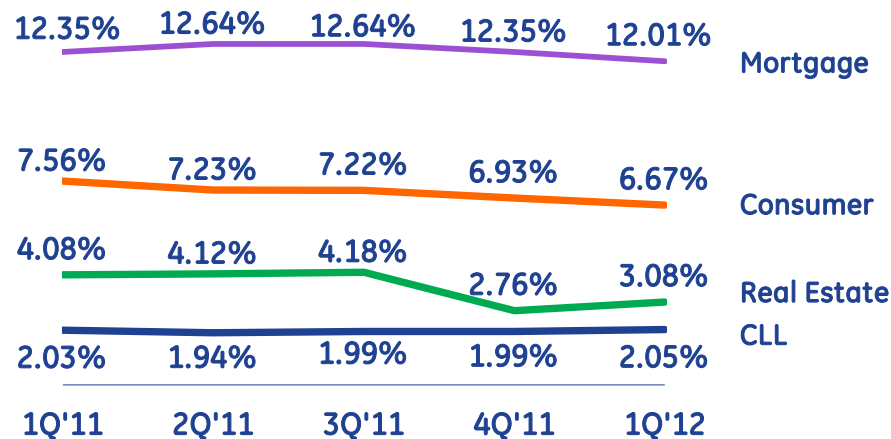
GE Capital

(\$ in millions)

<u>1Q'12</u>	<u>\$</u>	<u>V%</u>
Revenue	\$11,442	(12)%
Pretax earnings	1,991	(12)
Net income	1,792	Flat
<i>Ex. Garanti</i>		27
ENI (ex. cash)	436B	(5)
NIM	4.8%	38 bps.

	<u>Assets (\$B)</u>		<u>Segment profit (\$MM)</u>	
	<u>\$</u>	<u>V%</u>	<u>\$</u>	<u>V%</u>
Consumer	\$136	(4)%	\$829	(33)%
Real Estate	59	(17)	56	Fav.
CLL	190	(4)	685	24
GECAS	49	Flat	318	4
EFS	19	3	71	(37)

30+ delinquency %



1Q dynamics

- ✓ Net income +27% ex. '11 Garanti \$(0.4B)
- ✓ Real Estate income positive ... first time since 3Q'08
- ✓ Volume of \$39B +7% ... new business ROIs 3%+
- ✓ ENI on track ... Irish mortgage moved to disc. ops.
- ✓ Reserve coverage at 2.0%, non-earnings ↓\$(0.3)B vs. 4Q'11
- ✓ \$1.2B losses & impairments, ↓ \$(0.5) vs. 4Q'11

Core net income growing from improvements in RE & margins



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2012 operating framework

<u>Operating earnings</u>	<u>2012F</u>	<u>2012 drivers</u>
Industrial	++	<ul style="list-style-type: none"> ✓ Strong global organic growth ✓ Energy acquisitions performing ✓ Broad-based strength
GE Capital	++	<ul style="list-style-type: none"> ✓ Improved losses & impairments ✓ Real Estate improving
Corporate ^{-a)}	<u>~Flat</u>	<ul style="list-style-type: none"> ✓ '11 items: NBCU gain & restructuring ✓ Total cost ~\$3B^{-a)} in '11 & '12
Total operating earnings	++	
CFOA – Industrial	\$11-12B	<ul style="list-style-type: none"> ✓ Industrial CFOA \$12-13B before pension contribution of \$1B
Total revenues	0-5%	<ul style="list-style-type: none"> ✓ Industrial organic 5-10%, Capital (5)% to flat ✓ NBCU gain '11 impact

(a- Excluding NBCU pretax gain \$3.7B in 2011)

Strong growth across Industrial & Capital

Summary

- + Markets continue to be attractive ... our investments have accelerated our organic growth and give us a strong competitive position
- + Expect margin improvements through the year; Healthcare and Transportation margin growth has begun
- + GE Capital is very strong; the turn of Real Estate is important and makes us feel positive about the balance of 2012
- + Cash flow is solid; plan to resume GE Capital dividend subject to Fed review; capital allocation will be balanced and investor-friendly
- + We continue to be vigilant on risk management in a volatile world; we have strong liquidity and are prepared for a variety of outcomes

**Well positioned for double-digit earnings
growth in Industrial & GE Capital**