

GE Capital

University of Rochester

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imagination at work

GE's portfolio and financials

• 2011 revenue \$147B

• 55% revenues in Non-US growth markets^{a)}






Energy Infrastructure	Aviation	Healthcare	Transportation	GE Capital	Home & Business Solutions
Rev. \$43.7B	\$18.9B	\$18.1B	\$4.9B	\$49.1B	\$8.5B
					
Thermal Wind Oil & Gas Services T&D	Commercial Military Service Avionics/Systems	Healthcare Systems Life Sciences Healthcare IT Molecular Diagnostics	Locomotives Services Propulsion Systems	Commercial Consumer Real Estate GECAS EFS	Appliances Lighting Intelligent Platforms



a) - Excludes Legacy Insurance and some corporate components

GE Capital

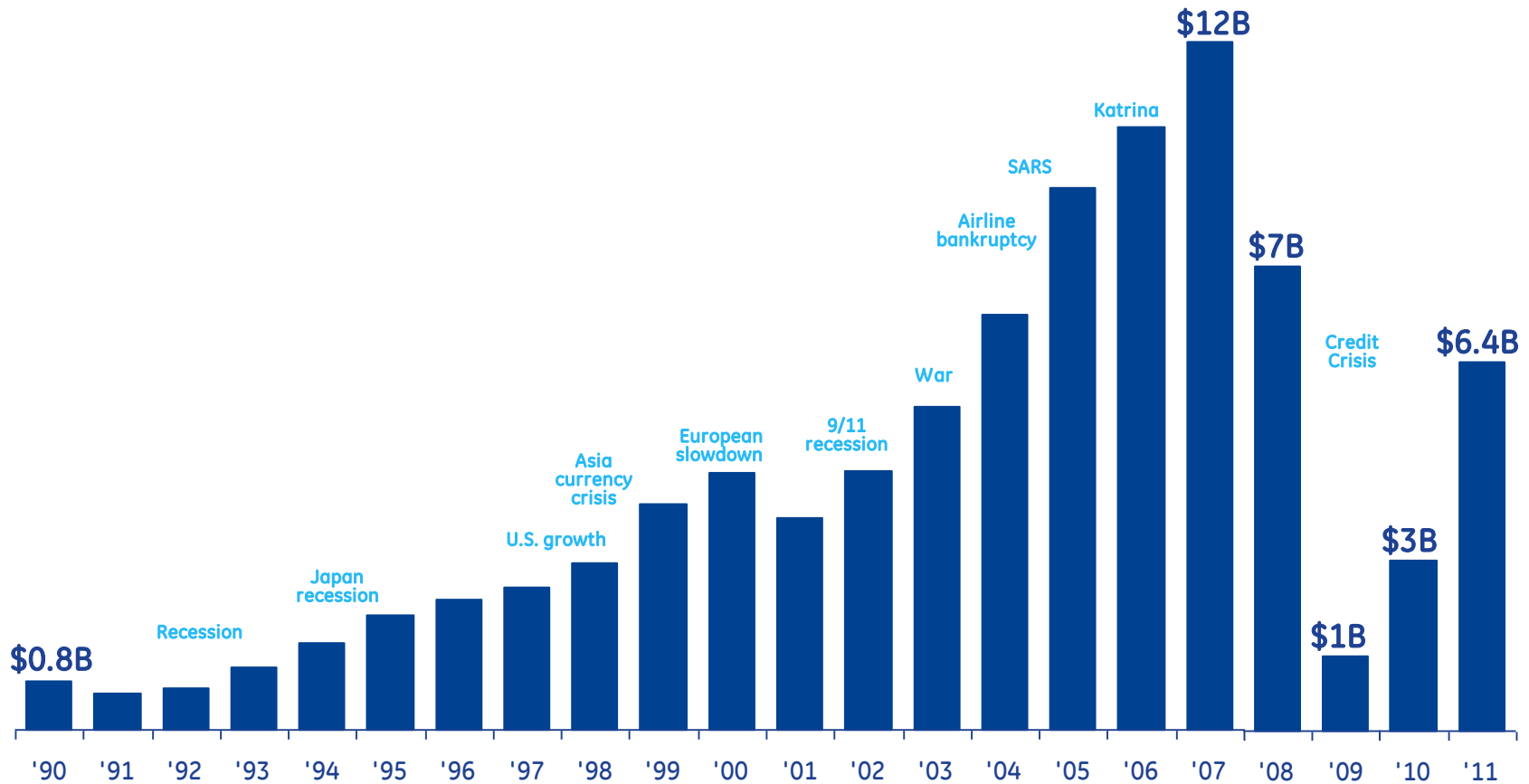
(\$ in billions)

<u>Business</u>	<u>2011 assets</u>	<u>Domain + expertise</u>
 Commercial Loans & Leases (CLL)	\$194	<ul style="list-style-type: none">• Entered in the 60's• ~100% secured loans and leases• Support mid-market customers
 Real Estate <ul style="list-style-type: none">- Debt- Equity	\$61	<ul style="list-style-type: none">• Entered in the 70's• Secured loans against diversified properties• Own/operate high quality properties
 Consumer <ul style="list-style-type: none">- U.S. PLCC- Global	\$139	<ul style="list-style-type: none">• Entered in the 30's• Store cards and sales finance for retailers• Broad spread of risk
 Aviation Services	\$49	<ul style="list-style-type: none">• Entered in the 60's• GE domain• Broad product set with full life cycle management
 Energy Financial Services	\$18	<ul style="list-style-type: none">• Entered in the 80's• GE domain• Essential assets; secure cash flows

Businesses we know... decades of performance

GE Capital earnings history

(\$ in billions)



Profitable through the credit crisis

GE Capital vs. bank peers

(% assets)

	<u>GECC</u>	<u>Peer banks^{-a)}</u>	<u>GE Capital model</u>
U.S. ^{-b)}	54%	~80%	✓ Underwrite to hold... senior secured financings
International ^{-b)}	46%	~20%	
	<u>100%</u>	<u>100%</u>	✓ No trading/broker-dealer activity
Commercial ^{-c)}	61%	~36%	
Consumer ^{-c)}	39%	~64%	✓ No U.S. mortgages
	<u>100%</u>	<u>100%</u>	✓ Operating lease businesses
Average earning assets ^{-d & e)}	66%	~89%	✓ Vertical expertise
Other assets ^{-d & f)}	34%	~11%	
	<u>100%</u>	<u>100%</u>	

Different from the banks

a) - Wells Fargo, Citi, BofA, JPM, U.S. BancCorp., FITB, PNC

b) - Based on 3Q'11 assets for GECC & 4Q'10 asset & loan/lease balances for peer banks

c) - Based on 3Q'11 loan/lease balances for GECC and peer banks

d) - Based on 3Q'11 AEA from BHCPR for peer banks and balance sheet for GECC

e) - Financing receivables, investment securities and equipment leased to others

f) - Equity investments, investments in associated companies, goodwill, cash, etc.

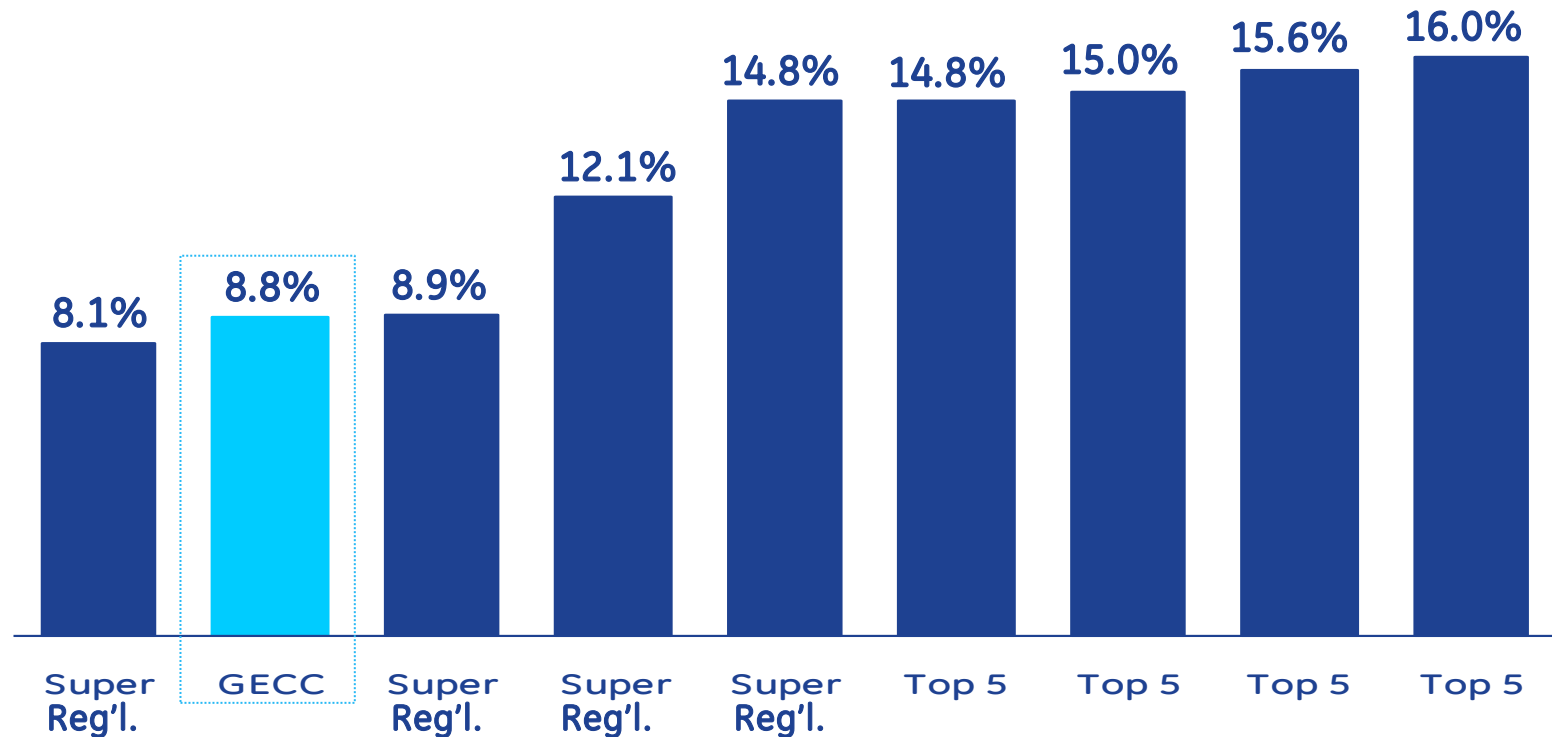


Relative performance

Losses

Cumulative losses through crisis^{-a)}

(Cumulative net charge offs thru 3Q'11 vs. 4Q'06 loan balance)



Note: Calculated as cumulative net charge offs (NCO) between beginning of 2007 and 3Q'11 divided by 4Q'06 loan balance



Key messages

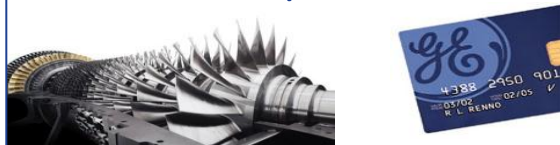
- 1 Our businesses are strong and competitively positioned
- 2 Significant earnings growth in 2011 and expect double-digit growth in 2012
- 3 Returns on new business continue to exceed pre-crisis levels with lower risk
- 4 Losses are much better... credit costs getting close to pre-crisis levels and we are actively managing uncertainty and a volatile world
- 5 We continue to strengthen our balance sheet, liquidity and funding... continuing to diversify funding sources
- 6 Real Estate is improving
- 7 Capital levels are well in excess of expected targets... planning to re-start dividend in 2012
- 8 We are on track to meet \$440B^{a)} ENI target while growing core assets... continued re-mixing will provide significant earnings growth



GE Capital business model

(\$ in billions)

Deep industry knowledge and expertise



- ✓ Verticals
- ✓ Middle market
- ✓ Equipment leasing
- ✓ Private label credit cards
- ✓ CRE debt

Strong risk management



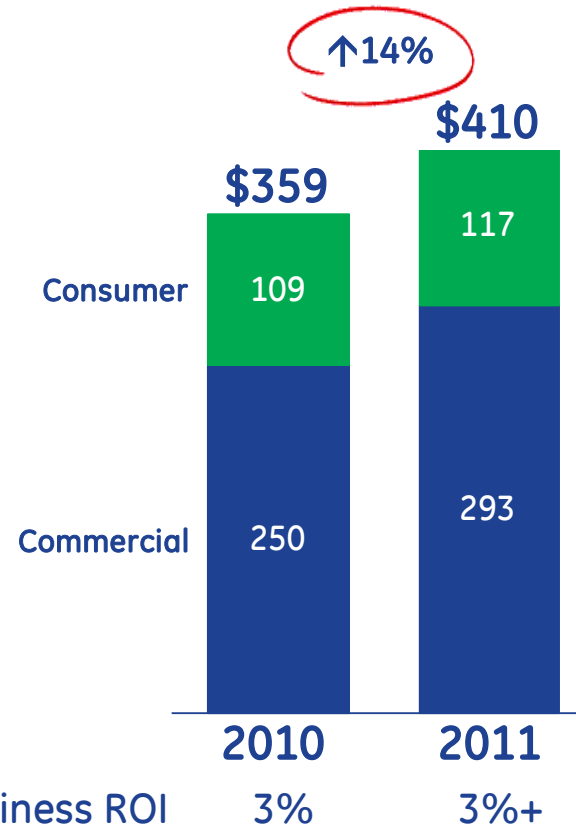
- ✓ Underwrite to hold assets
- ✓ Collateralized lending
- ✓ Match funded
- ✓ Strong work-out capability

Committed & knowledgeable relationship management



- ✓ Substantial origination capability
- ✓ Local presence/experienced
- ✓ Speed and delivery

Total volume



Underwriting business at attractive returns, while providing important source of liquidity to businesses and consumers

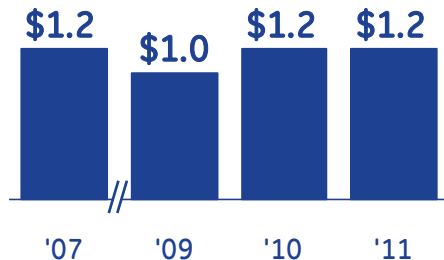
Verticals with deep domain expertise

(\$ in billions)

GECAS

- ✓ **Air transport – a core infrastructure play**
 - Aircraft are portable, long-lived assets
 - Huge emerging global consumer base
- ✓ **Solid business model with domain expertise**
 - Large fleet/global distribution
 - Multiple products/full lifecycle management
- ✓ **GE customer solutions**
 - Financings/new orders
 - Emerging markets/LCC startups
- ✓ **AA exposure well secured... minimal impact expected**

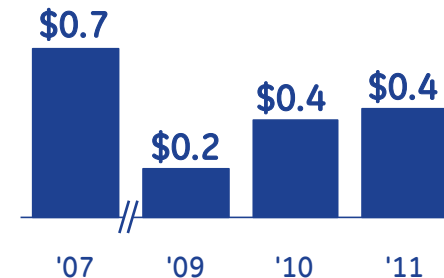
Net income



EFS

- ✓ **Energy is an attractive place to invest**
 - Technically & financially complex
 - Long-lived assets
 - Huge installed base... replacement need
- ✓ **GE... 125+ years in energy**
 - Major supplier... key relationships
- ✓ **EFS a recognized industry presence**
 - 30 years across all sectors... strong relationships
 - ~\$4B of net income since 2004

Net income



Aligning to the middle market

(\$ in billions)

The Middle Market – U.S.

✓ 195,000 businesses... \$10MM to \$1B in revenue

✓ 4th largest economy in the world



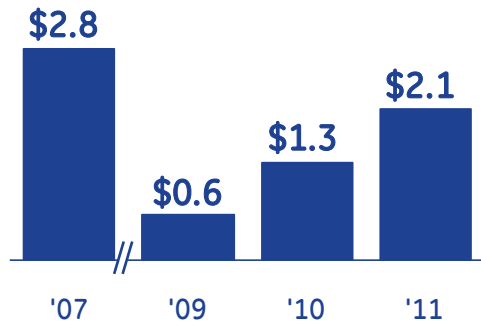
✓ \$3.8T USD in private sector GDP

✓ 41MM jobs (33% of total employment)

✓ 2.2MM jobs created through the crisis

✓ 71% privately held/owned

Net income



GE Capital Americas

'11 Total volume

Equipment/Franchise **\$33B**

Key differentiators: Strong industry knowledge, speed of execution and world class customer service

Inventory Fin. **\$30B**

Key differentiators: 55+ years of industry experience & best in class systems/analytics

Sponsor **\$15B**

Key differentiators: Deep relationships and industry & structuring expertise

Direct Lending **\$14B**

Key differentiators: Strong industry & structuring expertise and capital markets

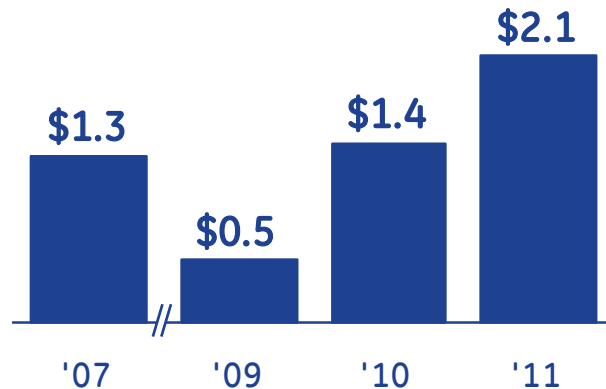
Healthcare **\$7B**

Key differentiators: GE Healthcare knowledge complements strong domain expertise

Retail Finance... a winning franchise

(\$ in billions)

Net income



Sustainable advantages

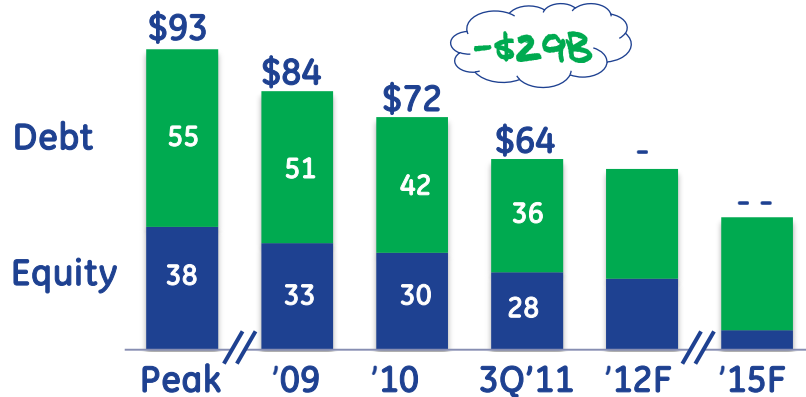
- 1 Strong domain knowledge & expertise
- 2 Significant, established player
- Embedded in 250,000 retail outlets
- 3 Self funded... ~75% through Federal Savings Bank & securitizations
- 4 Stable earnings profile... profitable through the cycle
- 5 Strong retail partnerships with aligned interests

GE business founded in 1932... long history of profitability

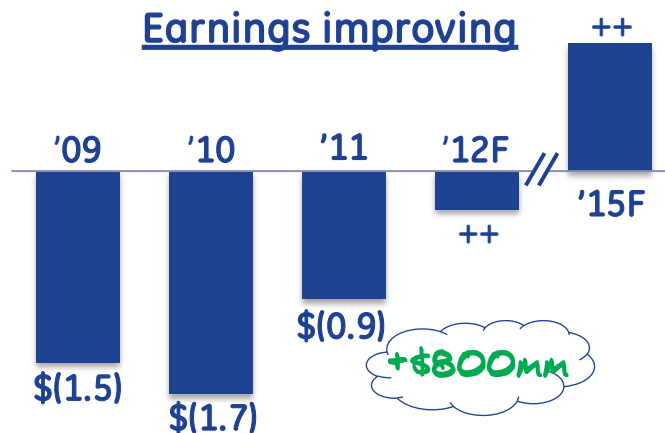
Real Estate

(\$ in billions)

Shrink equity, safely grow debt^{a)}



Earnings improving



Priorities

- ✓ Continue shrinking equity... driving ENI reduction and value
- ✓ Debt profitable... core Capital business
- ✓ Debt originations at attractive underwriting and returns
- ✓ Focused operations... grow occupancy and rents in challenging environment
- ✓ Losses continue to decline
- ✓ Embedded value improving... on track for 2013 ~B/E

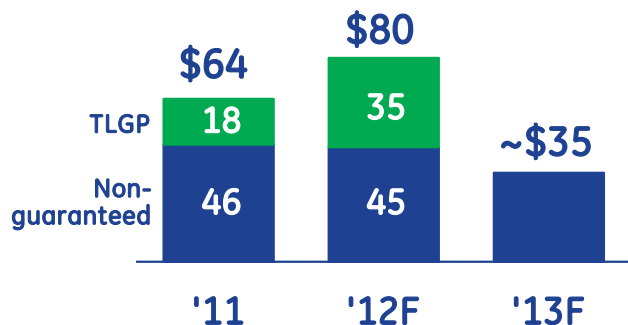
a)-Adjusted for off-book assets
Total ENI peak - 2Q'08

Continue ENI reduction... drive towards profitability

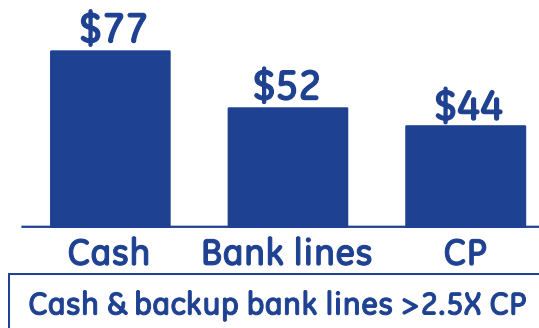
GECC liquidity & capital

(\$ in billions)

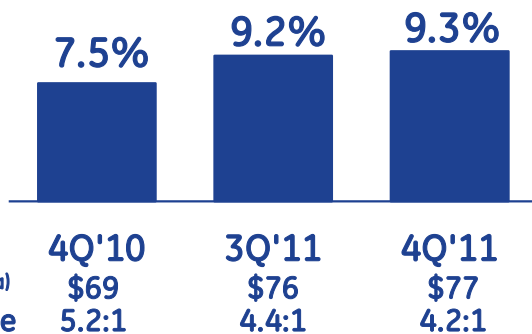
LT debt maturities



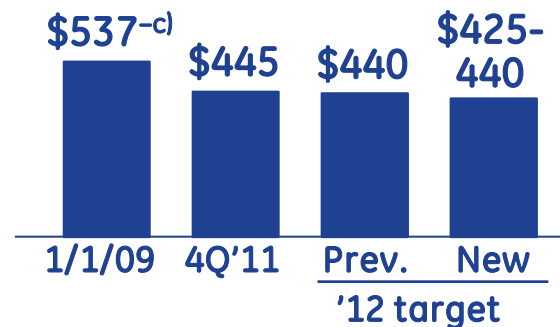
Liquidity 4Q'11



B3 Tier 1 common ratio



GE Capital ending net investment^{-b)}



GECC equity^{-a)}
GECC leverage

4Q'10	3Q'11	4Q'11
\$69	\$76	\$77
5.2:1	4.4:1	4.2:1

- ✓ Very strong liquidity & capital ratios
- ✓ Continue to focus on high-return segments
- ✓ ENI likely lower ... still expect double-digit earnings growth



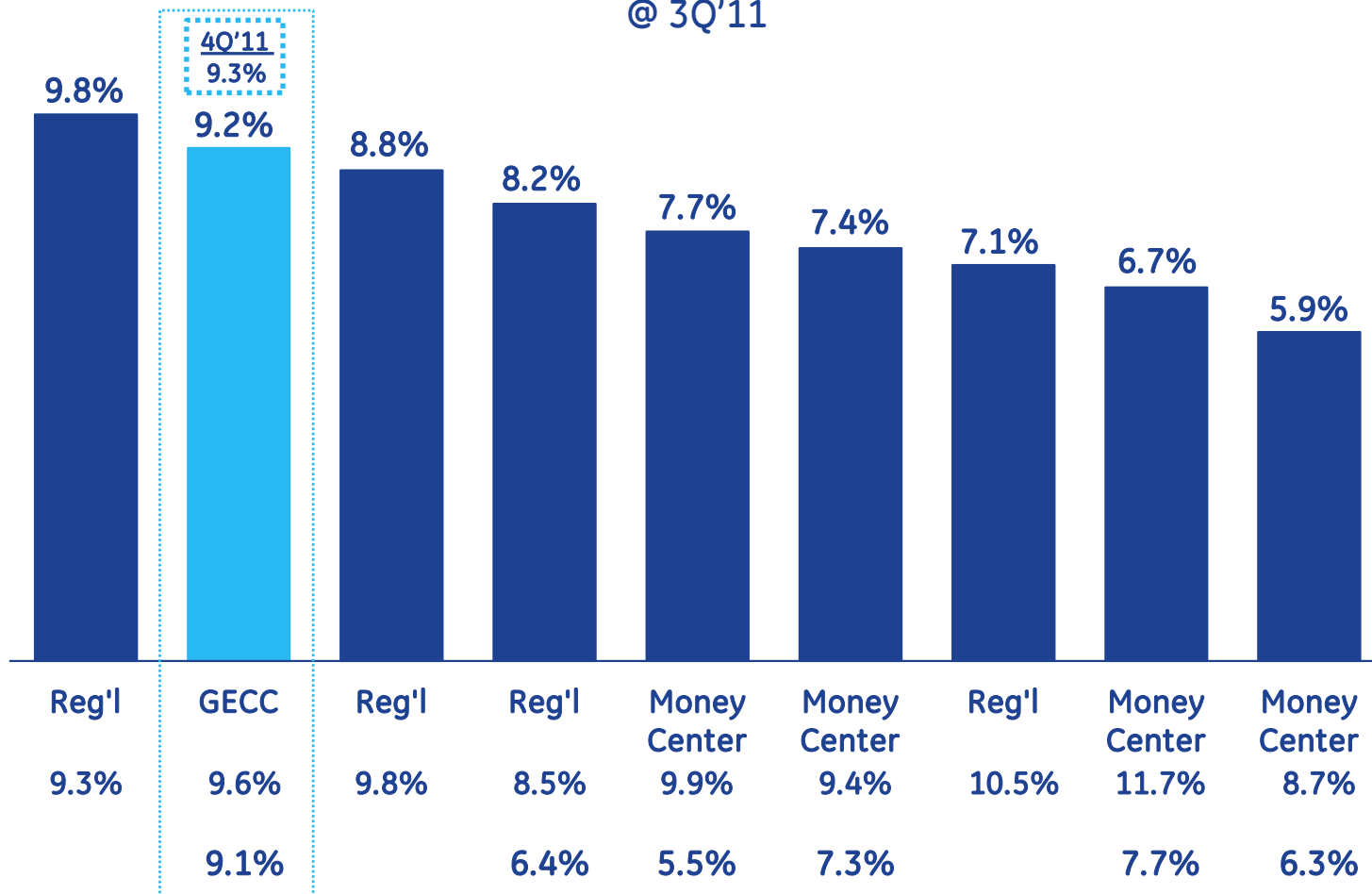
(a- Before non-controlling interest
(b- Net of cash & equivalents
(c- As reported including discontinued operations

Relative performance

Capital positioning

B3 tier 1 common ratio^{-a)}

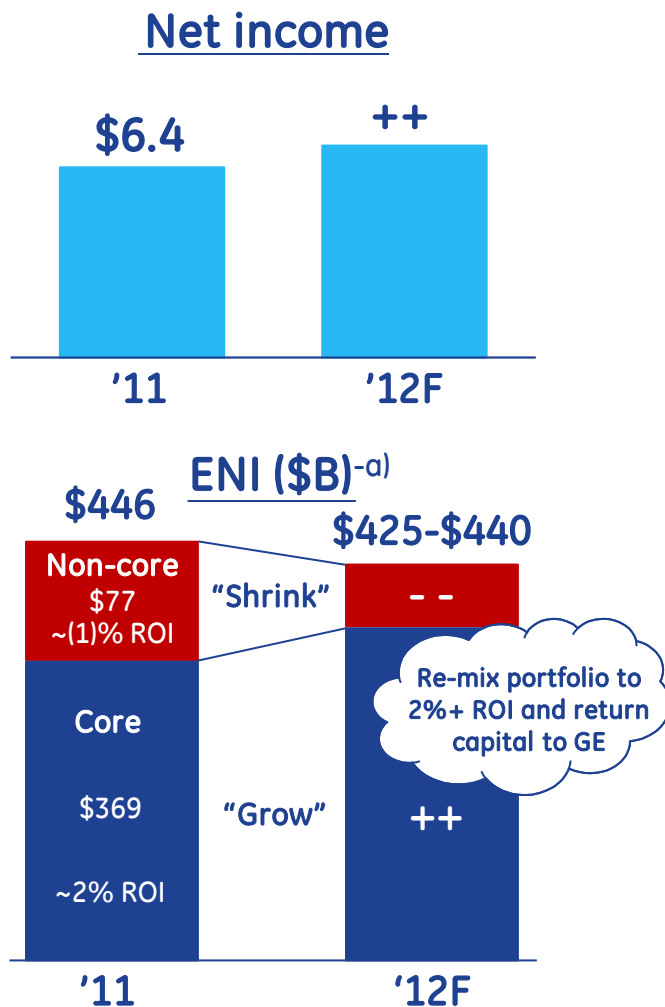
@ 3Q'11



a) - Estimate based on Company filings, SNL Financial, FactSet, I/B/E/S. Note: Financial data as of 3Q'11

2012 plan

(\$ in billions)



Valuable franchise

- Smaller, more focused Capital
- 30-40% of GE earnings
- Safe & secure funding/liquidity model
- Grow core, where we have sustainable, competitive advantage
- Build world class regulatory infrastructure
- Deliver 11-15% ROE
- Restart dividend in 2012