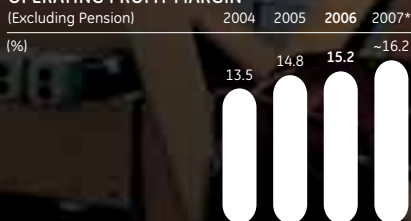


Execution & Financial Discipline

For decades, GE has unleashed the power of its processes to drive profitable growth. Our reputation for operational rigor is as much a key to our future as it is a legacy of our past. Beyond merely maintaining an unrelenting focus on financial discipline and execution, we are enhancing these capabilities, measurable through key metrics such as operating profit margin and return on average total capital (ROTC).

GE is enriching its services capabilities across businesses and focusing on product innovation to expand individual margin rates by as much as 30%. These efforts together with overhead cost reductions and high-return business investments have increased ROTC, positioning us to reach our goal of 20% by 2008.

OPERATING PROFIT MARGIN (Excluding Pension)



*Forecast

RETURN ON AVERAGE TOTAL CAPITAL



*Forecast

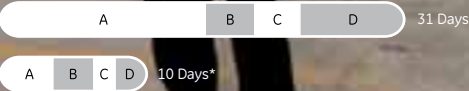


Transportation

A great example of a business that is demonstrating reliable execution and financial discipline is Transportation. In 2006, Transportation conducted 200 Lean workouts. Customers saw improved reliability and on-time delivery of GE products, while the Transportation business created additional manufacturing capacity. The team has reduced locomotive build time by 16% as it increases deliveries to emerging markets worldwide. Previously it took us 31 days to manufacture a locomotive. We are now at 26 days, with a target of 10 days.

PICTURED LEFT TO RIGHT
Todd Wyman, Brett BeGole, John Dineen, Julie DeWane, Steve Gray,
Tina Donikowski, David Tucker

LEAN: 10 DAY LOCOMOTIVE



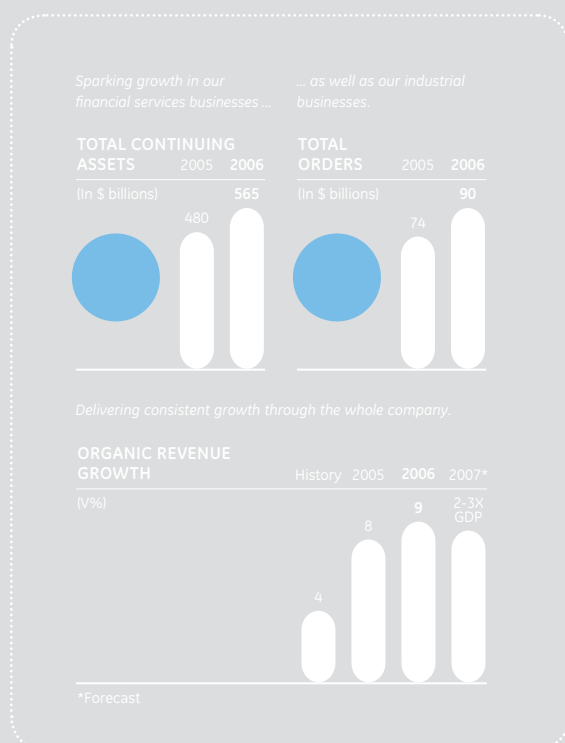
- A. Major components
- B. Assembly
- C. Paint
- D. Test

*Goal

Growth as a Process

GE is extending its ability to deliver by adding new process capabilities to our operating rigor. Over the past several years we have developed a process that fuels our ability to generate consistent organic growth. We call it Growth as a Process, and it includes six capabilities:

1) Technology, 2) Customers, 3) Globalization, 4) Commercial Excellence, 5) Innovation and 6) Growth Leaders. Our investment in this process is delivering total assets and orders have grown significantly, and we are generating organic revenue growth at twice our historic rate.



Today, each of our six businesses is investing in this process. Energy is just one example of how Growth as a Process is delivering organic growth. Here is how this process is bringing value to this specific business.