Real Time

Driving growth today

Every day, more than 300,000 people are making growth happen at GE.

Real growth, in real time.

Growth in 100 countries, across 11 businesses.
Growth in a $100 million box office smash.
Growth in the speed and portability of healthcare.
Growth in a new global brand that says “yes.”

Growth that is all around us, even in a slow-growth world.

Growth. Right now.
GE Evolution Locomotive
GE TRANSPORTATION

GE’s Evolution locomotive redefines efficiency. The Evolution generates 16 cylinders’ worth of horsepower with only 12, cuts key emissions by up to 40% and is the first locomotive to meet new EPA emissions standards — all while delivering as much as 10% lower lifecycle costs to customers. Collaborating with customers, GE tested 50 pre-production models for the equivalent of 45 years of testing in 21 months. The outcome? An evolution in performance and growth, with orders placed for more than 1,200 units.

(left to right)

ERIC DUCHARMÉ
GE Transportation

TIM SCHWEIKERT
GE Transportation
Growth is in the cards.

Dual Card
GE CONSUMER FINANCE

GE’s Dual Card combines the best features of a private-label credit card with the utility and global acceptance of a bank credit card. Consumers benefit from enhanced loyalty programs, no annual fees, larger credit lines and the ability to use the card both in and out of GE’s retail partners’ stores. Retailers benefit from consumers’ dramatically increased use of a Dual Card. And increased use of the card benefits GE. By turning single cards into Dual Cards, Consumer Finance has added an incremental $1 billion in assets.
The combination of NBC and Vivendi Universal Entertainment has created one of the world’s leading producers, developers and marketers of media content for a new age. With broadband proliferation a reality, NBC Universal is ready to deliver news, information and entertainment to the digital device of the consumer’s choice — be it a mobile phone, high-definition DVD or the Internet — or even a television set, as is now possible through NBC Weather Plus, the nation’s first all-digital broadcast network.
Making the world safer, one particle at a time.

**Biodetection**

It takes 16 to 72 hours on average to respond fully to a potential biological threat, with much of that time spent identifying what has been encountered. And yet every second counts in treating those who are exposed. GE’s new suite of biodetection products includes an innovative, nanotechnology-based sampler and analyzer that decreases the average response time to minutes while minimizing false alarms. Such speed can accelerate treatment and help limit a threat’s ability to spread. In 2005, GE plans to add these biodetection capabilities to GE StreetLab®, a portable device that detects both drugs and explosives. Biodetection is an estimated $500 million segment of the security industry that is growing at more than 10% annually.

BILL MCGANN

GE Infrastructure
Mobile Water
GE INFRASTRUCTURE

To get help quickly to where it's needed most, GE has put water on wheels. Water is essential for hundreds of manufacturing processes, and a disruption of the water supplies involved could devastate a business. Mobile Water is a trailer-mounted system that delivers high-purity water 24/7. Its round-the-clock availability and flexibility help customers avoid productivity losses due to outages planned or unplanned; in some cases, it provides a longer-term solution free of costly investment. With the acquisition of Ionics, GE will increase its fleet of mobile water systems to more than 600.
With nearly $10 billion of European assets, GE Commercial Finance is poised to translate its role as a leading provider of leveraged lending in the U.S. into an increased presence in Europe. With a wealth of U.S. experience using tools such as Six Sigma and At the Customer, For the Customer in financial services, GE can bring them into a European context to meet customers’ distinct needs. In 2004, Commercial Finance quadrupled European financing volumes and doubled earnings as it increased its activity as a lead arranger.
Growth formula:
Less = More.

Cleaner Coal
GE ENERGY

Coal is the world’s most abundant fossil fuel, with nearly 200 years of recoverable reserves compared with about 40 years of oil and 70 of natural gas. GE’s innovative Cleaner Coal process uses breakthrough technology to convert coal into a gas that can fuel a gas turbine. By removing undesirable compounds such as mercury, particulates and sulfur before the fuel is burned — and by reducing the production of nitrogen oxides — the process is significantly cleaner than traditional coal plants. GE and Bechtel have begun feasibility studies for the construction of cleaner coal plants with American Electric Power and Cinergy Corp.

The technology has the potential for annual sales of $200 million in the next few years and $1 billion by the end of the decade.

(left to right)
ED LOWE
GE Energy

OMAR ISHRAK
GE Healthcare

Vivid i
GE HEALTHCARE

Vivid i, a compact cardiovascular ultrasound system, is being hailed as the “visual stethoscope of the future.”

GE engineers miniaturized the components of a sophisticated ultrasound system weighing more than 400 pounds to produce a portable, wireless system weighing only 10 pounds. With Vivid i ultrasound, physicians can conduct diagnostic heart scans virtually anywhere, from a patient’s bedside to the operating room to a mobile outpatient clinic, and then call up previous exams or send images to other physicians for real-time consultations. GE estimates the potential market for Vivid i ultrasound is more than $100 million over the next three years.
Behold the power of branding: GE has unified its 250 separate consumer finance brands around the world under one easily recognized banner, GE Money. By combining the speed and efficiency of a finance company with the trustworthiness of a bank, GE Money—fast, flexible, and all about “yes”—is helping customers worldwide receive the financing they need quickly and easily. That kind of responsiveness resonates around the world. GE Money-branded banks, kiosks and ATMs are open in 17 countries, with plans to re-brand more than 3,000 locations around the world.
In the time it takes for you to be amazed at what you’re seeing, the LightSpeed VCT scanner can scan the heart (in 5 beats)—and by the time you catch your breath, it can scan you head to toe. GE’s breakthrough VCT (volume computed tomography) technology obtains not just “slices” but volumes of data about the life-threatening causes of your chest pain—coronary artery disease, pulmonary embolism or aortic dissection—in one short breathhold. As a result, it helps doctors make fast, accurate and noninvasive diagnoses of cardiovascular conditions. GE has already received more than $150 million of orders for the new device.
Prime Time

Driving growth tomorrow

Growth is gaining momentum.

And GE leaders are ready to win, helping their customers become more profitable and getting traction in emerging markets.

Growth is harnessing the ocean wind and building a presence in the Middle East. It’s increasing precision in diagnostic imaging and quenching consumers’ thirst for cleaner water.

Growth is accelerating. GE leaders are driving.
As a leading provider of loans to mid-market companies, GE Commercial Finance saw a natural opportunity to grow into the adjacent market for “large-cap” lending (loans of $150 million or more). A disciplined market analysis led to a deeper appreciation of the unique customer requirements and competitive dynamics of this new segment.

GE Commercial Finance developed a distinct business model with dedicated sales teams, a broader product offering, improved syndication and streamlined loan approvals. The success of such dramatic changes is usually measured in years, but after only six months, Commercial Finance is already making progress toward its goal of $100 million of large-cap net income growth by 2007.
Increasing concern about the quality of water is leading more consumers to purchase point-of-use water treatment devices for their homes. GE is planning to enter this $1 billion market by offering consumers a simple alternative to these complicated partial systems: an all-in-one system serving every faucet in the home that will filter sand, dirt and rust, reduce lead and mercury, treat for taste and odor, kill bacteria and viruses, and soften water. This advanced system is one of several breakthrough home products coming from GE, including new innovations in lighting, laundry and cooking.
GE continues to pioneer the world of flight by making it more energy-efficient and quieter. GE’s latest engine, the GEnx, uses advanced compression and combustion technology to achieve dramatic gains in fuel efficiency and durability while delivering fewer emissions. The GEnx engine has been selected by Boeing for its new 787 Dreamliner and by Airbus for its new A350 aircraft, both of which are expected to provide substantially improved operating economics over today’s comparable aircraft. GE expects to begin testing the full GEnx engine in 2006, with entry into commercial service in 2008. The industry estimate for aircraft in this category is approximately 3,000 over the next 20 years.
Growth is just off the coast.
Some of GE’s biggest developments are literally plucked out of thin air. By capturing the abundant winds at sea, an offshore wind turbine can generate more power than its land-based counterpart.

To harness these free and renewable winds, GE is developing a family of large wind turbines featuring a robust, high-efficiency design and advanced electronics. With blade rotors as long as a football field, and towers as high as a 30-story building, these wind turbines can be developed in large-scale “farms” like the one shown here off the coast of Arklow, Ireland, to provide power for coastal cities where available land area is limited. Offshore wind projects announced or in active development could generate a total of more than 30 gigawatts, enough to power more than 12 million homes.
The Middle East

The Middle East is one of the world’s fastest-growing regions. Today it produces more than half of the world’s desalinated water, and over the next decade it will require an estimated 30 gigawatts of new power generation capacity. GE’s world-class infrastructure technology and its expertise in financing and management make it uniquely qualified to help build the region’s energy, transportation, water and healthcare capabilities and establish a foundation for lasting economic growth. GE’s experience in developing countries has led to the insight that “globalization” means localization, and the Company’s Middle East team includes members from virtually every country in the region.
Combine GE’s LEXAN® optical resins, clean room manufacturing and optical science, and you have entirely new materials for use in liquid crystal displays. By embedding new, proprietary technology directly into its ILLUMINEX™ display films, GE avoids the flaking and deterioration of competing products — an improvement that may help customers increase their yields and enable more reliable, higher-quality displays. GE is distinguishing itself in a growing $1.5 billion segment with clear benefits for monitor manufacturers and users alike.
At the heart of GE’s 3T MR system is a powerful and compact 3 Tesla-strength magnet that enables the capture of images not only of the anatomy of the brain, but of the brain’s actual function and “wiring” of white matter tracts. This breakthrough in MR (magnetic resonance) technology can help surgeons perform pre-surgical planning that allows them to avoid key areas of the brain during surgery, including those that control critical functions such as speech and motor skills. The global market for MR imaging devices is growing at 35% per year.
At any given moment a major railroad has hundreds of trains moving over tens of thousands of miles of railroad track. Digital Railroad, a set of information and wireless technologies controlled by GE’s Precision Dispatch System software, helps railroads navigate through the maze of tracks and hundreds of unforeseen events, from unscheduled track repairs to heavy snow, to improve on-time performance and free up capacity for growth. Norfolk Southern Railway, the system’s first customer, is targeting an increase in system velocity of one to three miles per hour in the first phase of implementation, which translates into a significant increase in freight-carrying capacity.

PRAT KUMAR
GE Transportation
Driving growth in the future

Growth is on the horizon.

It’s growth that’s not yet taken final, commercial form — but hovers as an idea, a concept, a “what-if?”

It’s the reverberations we’ll feel as an entire generation of baby-boomers ages. It’s the salt we won’t taste in seawater. It’s the “over already?” feel of a short-hop flight, and an ornate pattern of opportunity in China.

It’s the vision and diligence of GE people watching markets, anticipating customers’ needs, and imagining the future as better, more convenient, more valuable.

It’s growth that is a long way off. But it’s coming.

GE people will bring it home.
By 2025, nearly 50% of the world’s population will live in water-stressed areas, according to the World Meteorological Organization, and conservation and reuse alone will not solve global water scarcity.

Desalination removes saline from brackish or sea water and creates fresh water for drinking, irrigation and industrial use. GE’s unique total system approach helps decrease both the capital investment required and the cost of water production, and it also optimizes energy efficiency. GE is combating today a significant problem of tomorrow: the global market for desalination is projected to be $4.5 billion in 2005, escalating to $10 billion by 2014 and then doubling or even tripling by 2025.

Hybrid Locomotive
GE TRANSPORTATION

The energy dissipated in braking a 207-ton locomotive is enough to power 150 households. According to GE engineers, a locomotive that could capture all that dynamic energy and store it in batteries for later use could generate a 2,000-horsepower boost and use up to 15% less fuel than the industry-leading GE Evolution—and reduce emissions another 10%. In addition to environmental advantages, a hybrid would operate more efficiently in higher altitudes and up steep inclines. GE is working to unleash this potential to drive future performance and growth.
The sheer scale of growth in China staggers the imagination, as the world’s most populous nation builds the physical infrastructure required to support the economic development of more than one billion people. Long-term projections estimate that, by 2020, China could have a GDP of $5 trillion, demand for 900 gigawatts of power, 100 airports with 2,500 aircraft, 16 million vehicles in the world’s largest car market, and water requirements three times those of the U.S.

China’s financial infrastructure will evolve as well, and by 2020 the country could have 500 million active consumers requiring credit cards, auto loans, mortgages and personal financing products. GE Consumer Finance is there today laying the groundwork to help those consumers build their dreams tomorrow.
Eighty-five percent of business travel is by car — for now. **A new class of jet engine being commercialized by a GE-Honda joint venture could enable travelers to make 300- to 500-mile trips three times faster than by car or commercial airline.** The engine (shown here with the GE90™-115B, the world’s largest jet engine) could create a new “on demand” market, which by 2020 could include as many as 2,000 small jet aircraft flying four to eight passengers among the vast number of small airports not served by major airlines.
This year, more than one million women will be diagnosed with breast cancer. Early diagnosis can give them a dramatically higher chance of survival and make the disease significantly less expensive to manage. GE’s Imagination Breakthrough will address breast cancer comprehensively, using GE’s advanced healthcare technologies to identify high-risk individuals before the disease appears, diagnose them earlier and ensure the best possible therapies throughout the course of treatment.
We’re leaner, faster and smarter than we were a year ago when our business was created with the merger of GE Consumer Products and GE Industrial Systems. We’ve streamlined our structure, simplified our processes, and generated significant savings that we’re reinvesting in new products such as Entellisys™ intelligent switchgear, the GE front-load washer and dryer, and long-life discharge headlamps that will help us lead in our industries. All this adds up to our being more focused and better able to serve our customers than ever before. It’s going to be a great year. We have a world of opportunities to grow better together in 2005 and beyond.”

Lloyd Trotter and Jim Campbell
“This year, we see more opportunities than ever in almost every aspect of business lending, leasing and financing. By organizing around industries through ‘verticals,’ we’re tailoring Commercial Finance to customer needs. You can expect more from us globally in 2005 as well. Europe represents enormous opportunity, and our European Corporate Finance effort, an Imagination Breakthrough, is a shining example. We’re also simpler today, with more efficient, consistent and cost-effective results for us and for our customers. We’re easier to do business with, and that’s good for customers and for GE. In 2005, Commercial Finance’s time will prove more productive—and exciting—than any in our history.”

Mike Neal

“We’re succeeding in high-growth global markets, including Brazil, eastern Europe and India as well as China. We’ve invested in proprietary technology and developed dozens of innovative high-performance resin, silicone and quartz products. We’re more than offsetting high raw material prices with productivity, product mix and price. We feel very good about the future.”

John Krenicki

“We’ve taken the actions necessary for better performance. We have increased underwriting discipline, strengthened investment management, renewed our focus on customer service and built the right team to complete a challenging turnaround. Our customers feel it, our associates thirst for it and our investors deserve it.”

Ron Pressman

“Our new product pipeline is full of cutting-edge technology, recent acquisitions provide a full range of world-class capabilities in Water and Security, and our plans for simplifying our businesses’ organizations and reaching customers in new ways will pay off both in efficiency and growth.”

Bill Woodburn

“We are introducing our new global brand, GE Money, into consumer finance markets with huge growth potential. We are harnessing the power of our global financial services business, which we’ve grown to more than $150 billion in assets while leveraging the incredible power of the GE brand. We’ve been averaging more than 100 new product introductions per year across our businesses in 41 countries, and GE Money gives us a powerful new way to deepen and extend our relationship with consumers.”

Dave Nissen
“We’re focused on the demands of a new century for more efficient and cleaner ways of producing energy. We have developed the most advanced power turbine technologies available, as exemplified by our H System™ combined-cycle turbine. We have invested in coal gasification technology and diversified our portfolio to include renewable offerings, including wind, solar and biomass. We are providing advanced products and services for the oil and gas industry and have developed innovative services to help all of our customers get the most out of their assets. We’re dedicated to meeting the world’s energy requirements with solutions that help protect and preserve our environment.”

John Rice

“Our strategy is working and building momentum. We have the right people. We are right-sizing the quantity and quality of our assets and aligning them with customer demand. More importantly, we are driving strategic growth and penetrating new markets like eastern Europe, Mexico and China. We’re also developing new products like our VeriWise™ trailer-tracking product, an Imagination Breakthrough that’s enabling customers to improve productivity as well as cargo security.”

Art Harper

“We’ve got a great slate of films, new venues in which to promote them, and new resources we can use to continue to build our business.”

Stacey Snider

“We’ve got owners who are in it for the long haul and who bring terrific television assets to our film and theme park assets.”

Ron Meyer

“We’ve got twice the entertainment assets to market, talented new marketing and sales people, and much more diversified revenues.”

Randy Falco

“We’ve got the best content in the media business, great positioning for the digital media of the future, and I’ve got Randy Falco, Ron Meyer, Stacey Snider and Jeff Zucker.”

Bob Wright
“We’ve emerged from the toughest period in our industry with half a dozen new aircraft engines, a breakthrough locomotive, 30,000 installed engines and locomotives to maintain and upgrade, potential new customers around the globe, and new ways for our customers to get more out of their assets. GE has never blinked in supporting aviation and rail customers worldwide with innovation and services that make them more profitable. We’re going to do that with new composites for our aircraft engine blades and new inspection, signaling and control technologies for rail and aviation customers. Merging our aircraft engines and rail operations into a single GE business over the past year has been a complete success. It’s hard to imagine a time when our prospects have looked brighter.”

Dave Calhoun and Charlene Begley

“As the world’s leading diagnostic healthcare company, we are working to transform healthcare and make it safer, more effective and patient-centered. We are combining our expertise in diagnostic and information technologies with our knowledge of genetics to better understand disease and provide doctors with more information to guide their decisions. Our products will enable doctors to predict and diagnose disease earlier and identify the best treatments for each patient.”

Bill Castell, Joe Hogan and Peter Loescher
The primary role of GE’s Board of Directors is clear: to oversee how management serves the interests of shareowners and other stakeholders. To do this, GE’s directors have adopted corporate governance principles aimed at ensuring that the board is independent and is fully informed on the key strategic issues facing GE. GE’s goal is to have two-thirds of its board be independent under a strict definition of independence. Today, 11 of GE’s 16 directors meet that standard.
In November 2004, the Financial Times’ annual survey of 1,100 CEOs from around the world recognized the board’s commitment by rating the Company number one in corporate governance. As part of its oversight of management, in 2004, our outside board members made 30 visits to GE businesses. The board also received special briefings on a variety of strategic issues, including: financial structure, controllership and financial risk, technology, security, the competitive strategy of each business, compliance and corporate social responsibility. The board and each of its committees conducted a thorough self-evaluation as part of its normal governance cycle. Each of the committees recommended changes to its key practices and the board updated GE’s governance principles. Each of these documents is published in the Governance section of the GE Web site at www.ge.com/governance.

The GE board held 10 meetings in 2004. In December, the board voted to increase GE’s quarterly dividend for the 29th consecutive year. The Audit Committee, composed entirely of independent directors, held 10 meetings to review the activities and independence of GE’s external auditors and the activities of GE’s internal audit staff. It also reviewed our progress in implementing the internal control requirements of Section 404 of The Sarbanes-Oxley Act of 2002 and compliance with key GE policies and applicable laws. The Management Development and Compensation Committee, composed entirely of independent directors, in nine meetings approved all executive compensation actions for our executive officers and reviewed all executive compensation plans, policies and practices, changes in executive assignments and responsibilities, and key succession plans. The Nominating and Corporate Governance Committee, composed entirely of independent directors, met four times to consider GE’s response to corporate governance trends and to nominate directors. The Public Responsibilities Committee, in three meetings, reviewed GE’s litigation matters, policy issues relating to security, and GE’s policy on charitable contributions.

Finally, we are grateful for the energetic, insightful and constructive service given to GE by Ken Langone, who has decided not to stand for re-election to the board.
Citizenship

Your Company has a long history of supporting the communities where we work and live through GE’s unique combination of resources, equipment, and employees’ and retirees’ heart and soul. Today our responsibility extends to communities around the world. The GE family reacted quickly to respond to the needs of thousands of survivors after the tsunami tragedy in South Asia.

GE employees around the world donated a total of $3.8 million to the Red Cross/Red Crescent and UNICEF for tsunami relief efforts, which was matched by the GE Foundation and augmented by an additional $1.1 million in grants. GE donated more than $10 million in equipment and services, including two water purification systems to Indonesia that have the capacity to provide potable water for tens of thousands of people daily. Two telethons hosted by NBC Universal on its television stations and its broadcast and cable platforms raised approximately $32 million. In total, the GE family donated more than $19 million and helped raise millions more.

The GE family continued its strategic philanthropic efforts as well. We completed the first year of a five-year, $20 million project to improve the infrastructure of hospitals and clinics in Africa with donations of healthcare and power generation equipment, water filtration systems, appliances and lighting. The GE Foundation invested in improving the equity and quality of and access to education with a total of $52 million in grants worldwide. Many of those efforts were bolstered by the work of GE volunteers.

In 2004, contributions from the GE Foundation, GE businesses, and employees and retirees totaled over $150 million and more than one million volunteer hours for key community initiatives. GE was honored to receive broad recognition for our citizenship initiatives. GE received the Catalyst Award for excellence in developing and promoting women, and the Executive Leadership Council Award for excellence in our work with African-American employees. And GE was added to the Dow Jones Sustainability Index, joining a highly selective group of companies representing the top 10% in 60 industry groups across 34 countries chosen for their environmental, social and economic programs.