



Press Release

GE Transportation

**GE Reports 4Q '09 EPS of \$0.28; FY '09 EPS of \$1.03  
Revenues Total \$41.4B for Quarter; \$157B for Year  
Industrial CFOA of \$5.1B in 4Q and \$16.6B for Year**

**GE Transportation Reports \$3.8 billion in Revenues and  
\$473 million in Segment Profits for 2009**

**4Q and Full-year 2009 Highlights (Continuing Operations Attributable to GE)**

- ✓ 4Q earnings per share (EPS) of \$0.28 attributable to common shareowners; full-year (FY) EPS of \$1.03; quarterly and annual earnings of \$3.0 billion and \$11.2 billion attributable to GE
- ✓ Seeing encouraging signs in our businesses at year-end
  - Infrastructure orders of \$22.1 billion in 4Q up \$3.7 billion from 3Q; equipment orders up 25% from 3Q
  - Non-earning assets down \$0.6 billion, reserves up \$0.7 billion and Consumer delinquencies stabilizing
- ✓ GE business model performing well
  - Strong Industrial cash flow from operations of \$16.6 billion for full year
  - Strong and improving Industrial margins in 4Q of 17.7%, up 40 bps year-over-year
  - High-margin service orders grew 14% in 4Q
  - Strong execution at Capital Finance; earned \$2.3 billion in '09; ahead of plan on key metrics
- ✓ 2010 framework remains achievable and balanced
  - Total backlog increased to record \$175 billion at year-end

**ERIE, Penn., Jan. 22, 2010** – GE announced today fourth-quarter 2009 earnings from continuing operations (attributable to GE) of \$3.0 billion, or \$0.28 per share. Revenues were \$41.4 billion for the quarter and \$157 billion for the year.

“GE’s environment has improved and we saw some encouraging signs at year-end,” GE Chairman and CEO Jeff Immelt said. “Fourth-quarter Infrastructure orders increased \$3.7 billion from third quarter to \$22.1 billion. Total company backlog of equipment and services increased slightly from the prior quarter to a record \$175 billion. Service orders remained strong, growing 14% for the quarter. Our Healthcare business experienced solid orders growth and enters 2010 with a

higher backlog than last year. Non-earning assets declined \$0.6 billion in the quarter and Consumer delinquencies are stabilizing.

“We continue to operate the company with discipline,” Immelt said. “Cash generated from GE Industrial operating activities totaled \$5.1 billion in the quarter and \$16.6 billion for the year. At year-end, we have \$72 billion of consolidated cash. Industrial margins are strong and improved to 17.7% for the fourth quarter, up 40 bps over 2008. We recorded \$2.2 billion after tax of restructuring and other charges in 2009, allowing us to lower cost and strengthen our long-term outlook.

“Capital Finance is executing well in a difficult environment, earning \$0.3 billion in the quarter and \$2.3 billion for the year,” Immelt said. “Every segment at GE Capital was profitable with the exception of Commercial Real Estate, which continues to operate in a difficult environment. We completed 100% of our 2010 long-term funding plan for GE Capital, and have raised about \$4.4 billion in 2010 that will go towards our 2011 plan. Capital Finance reserves increased \$0.7 billion to \$8.1 billion.

Restructuring and other charges of \$0.09 per share were partially offset by other benefits in the quarter, including \$0.01 per share in after-tax transaction gains and a \$0.05 per share tax benefit from a lower industrial tax rate.

Significant new global partnerships and sizeable Infrastructure wins were among fourth-quarter highlights. GE agreed to team with the Commercial Aircraft Corporation of China to power China's newest commercial aircraft in development, the C919, and established a joint venture with China Aviation Industry Corporation to develop and market integrated avionics systems. In addition, the company won: a \$1.4 billion commitment from Caithness Energy for what could be the world's largest wind farm by output; a 15-year, \$1 billion engine service agreement with Brazilian airline Azul Linhas Aéreas; a 100-locomotive order from South Africa's state-owned rail freight logistics utility, Transnet Ltd.; a \$1.3 billion contract to supply equipment and long-term services to help boost Kuwait's electricity production; and an American Airlines commitment to use the GENx-1B engine for its expected order of 42 firm Boeing 787 aircraft plus 58 options.

“During the difficult economy of 2009, we took a series of actions to improve GE so that we would be positioned for growth in the future,” Immelt said. “We have repositioned GE Capital to be safer and more focused. We have lowered our cost base and simplified our portfolio. At the same time, we grew GE R&D spend by 7%, expanded our product lines and made dynamic global investments. We are positioned to win in this environment.”

#### **Full-year and Fourth-quarter 2009 Financial Highlights:**

**Full-year earnings from continuing operations attributable to GE** were \$11.2 billion, down 38% from \$18.1 billion in 2008. EPS from continuing operations was \$1.03, down 42% from last year. Segment profit fell 27% compared with 2008, as 13% growth at Energy Infrastructure and 10% growth at Consumer & Industrial were more than offset by declines of 73% at Capital Finance, 28% at NBC Universal and 8% at Technology Infrastructure.

Including the effects of discontinued operations, full year net earnings attributable to GE were \$11.0 billion (\$1.01 per share attributable to common shareowners) in 2009 compared with \$17.4 billion (\$1.72 per share attributable to common shareowners) in 2008.

**Full-year revenues** decreased 14% to \$156.8 billion. GE Capital Services' (GECS) revenues fell 24% compared with last year to \$54.2 billion. Industrial sales were \$103.5 billion, down 8% from 2008.

**Fourth-quarter earnings from continuing operations attributable to GE** were \$3.0 billion, down 22% from \$3.9 billion in the fourth quarter of 2008. EPS from continuing operations was \$0.28, down 22% from the fourth quarter of last year. Segment profit declined 16% compared with the fourth quarter of 2008, as 9% growth at Energy Infrastructure and 278% growth at Consumer & Industrial were more than offset by declines of 67% at Capital Finance, 30% at NBC Universal and 16% at Technology Infrastructure.

Including the effects of discontinued operations, fourth-quarter net earnings attributable to GE were \$3.0 billion (\$0.28 per share attributable to common shareowners) compared with \$3.7 billion (\$0.35 per share attributable to common shareowners) in the fourth quarter of 2008.

**Fourth-quarter revenues** fell 10% to \$41.4 billion. GECS revenues fell 14% versus last year to \$13.5 billion. Industrial sales were \$28.3 billion, down 9% from 2008.

**Cash generated from GE Industrial operating activities** in 2009 totaled \$16.6 billion, down 1% from \$16.7 billion last year.

"Last month, we reviewed a 2010 financial framework that was about flat with 2009," Immelt said. "We believe this framework is quite achievable and sets us up for solid growth in 2011 and beyond. Moreover, due to the company's strong cash position, we will have an opportunity to keep GE secure *and* create long-term shareholder value."

**GE Transportation** reported \$617 million in fourth-quarter revenues, down 56% year-over-year. The Transportation division realized a segment operating loss of \$157 million in the fourth quarter.

2009 revenues totaled \$3.8 billion, down 24% year-over-year. GE Transportation generated \$473 million in segment profits, down 51% compared to the previous year. Locomotive production volume dropped to 511 locomotives in 2009, down 41% year-over-year. GE's transportation business received \$897 million of orders in the fourth quarter, up 3%, compared to Q4 2008.

GE Transportation's performance was driven by a decline in domestic and international locomotive sales, as well as services, but partially offset by Intelligent Control Systems.

"2009 was one of the most challenging years in GE Transportation's more than 100-year history," said Lorenzo Simonelli, President and CEO of GE Transportation. "Transportation industries worldwide were negatively impacted by the global recession. We responded vigorously by cutting cost and restructuring the business worldwide. GE Transportation is well-positioned to take advantage of growth opportunities around the globe for when the market rebounds."

GE will discuss preliminary fourth-quarter and full-year results on a Webcast at 8:30 a.m. ET today, available at [www.ge.com/investor](http://www.ge.com/investor). Related charts will be posted there prior to the call.

\* \* \*

GE (NYSE: GE) is a diversified infrastructure, finance and media company taking on the world's toughest challenges. From aircraft engines and power generation to financial services, medical imaging, and television programming, GE operates in more than 100 countries and employs about 300,000 people worldwide. For more information, visit the company's Web site at [www.ge.com](http://www.ge.com).

GE Transportation, a unit of General Electric Company (NYSE: GE), is a global technology leader and supplier to the railroad, marine, drilling, mining and wind industries. GE provides freight and passenger locomotives, railway signaling and communications systems, information technology solutions, marine engines, motorized drive systems for mining trucks and drills, high-quality replacement parts and value added services. For more information visit [www.getransportation.com](http://www.getransportation.com).

*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: the severity and duration of 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 U.S. and foreign government programs to restore liquidity and stimulate national and global economies; the impact of conditions in the financial and credit markets on the availability and cost of GE Capital's funding and on our ability to reduce GE Capital'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; 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 soundness of other financial institutions with which GE Capital does business; the adequacy of our cash flow and earnings and other conditions which may affect our ability to maintain our quarterly dividend at the current 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 proposed financial services regulation; strategic actions, including acquisitions and dispositions and our success in 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.*

**Media Contact GE:**

Anne Eisele, 203.373.3061 (office); 203.522.9045 (mobile)  
[anne.eisele@ge.com](mailto:anne.eisele@ge.com)

**Investor Contact GE:**

Trevor Schauenberg, 203.373.2468 (office)  
[trevor.schauenberg@ge.com](mailto:trevor.schauenberg@ge.com)

**Media Contact GE Transportation:**

Stephan Koller, 814.875.3457 (office); 814.431.3150 (mobile)  
[stephan.koller@ge.com](mailto:stephan.koller@ge.com)