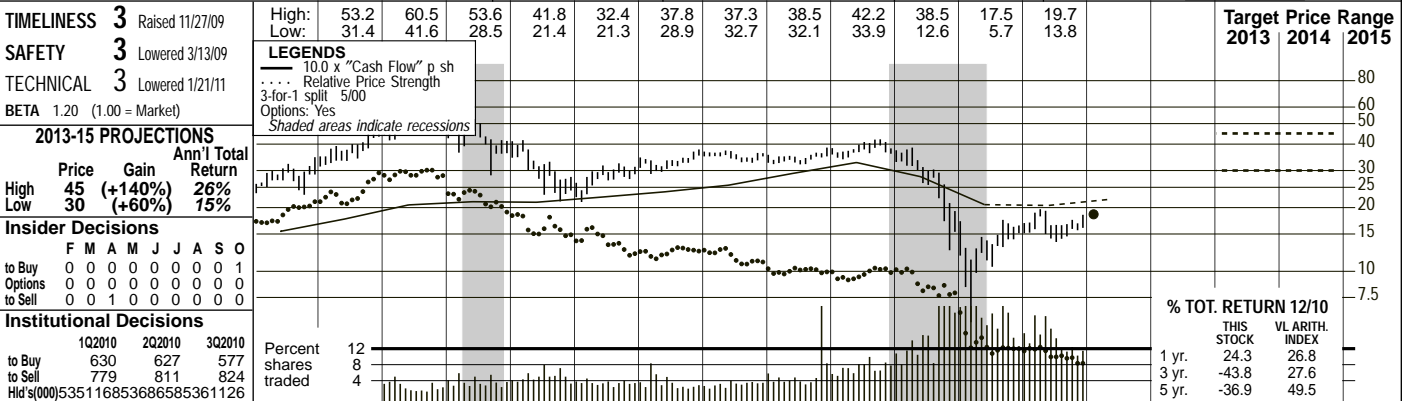


# GENERAL ELECTRIC NYSE-GE

RECENT PRICE **18.63** P/E RATIO **15.4** (Trailing: 17.3; Median: 19.0) RELATIVE P/E RATIO **0.92** DIV'D YLD **3.0%** VALUE LINE



1994	1995	1996	1997	1998	1999	2000	2001	2002 <sup>A</sup>	2003	2004	2005	2006	2007	2008	2009	2010	2011	© VALUE LINE PUB. LLC	13-15
5.87	7.00	8.02	9.28	10.24	11.33	13.07	12.69	13.21	13.33	14.44	14.28	15.90	17.30	17.32	14.70	14.00	13.75	Revenues per sh	19.35
.89	1.02	1.12	1.25	1.54	1.77	2.06	2.14	2.12	2.24	2.38	2.56	2.90	3.28	2.81	2.07	2.05	2.20	"Cash Flow" per sh	3.75
.58	.65	.73	.83	.93	1.07	1.29	1.41	1.51	1.55	1.61	1.72	1.99	2.20	1.78	1.03	1.12	1.25	Earnings per sh <sup>B</sup>	2.60
.25	.28	.32	.36	.42	.49	.57	.64	.73	.77	.82	.91	1.03	1.15	1.24	.61	.46	.62	Div'ds Decl'd per sh <sup>C</sup>	1.00
.17	.18	.24	.22	.21	.21	.26	.29	.24	.97	1.24	1.38	1.62	1.79	1.52	.81	.45	.70	Cap'l Spending per sh	.95
2.58	2.96	3.15	3.52	3.96	4.32	5.08	5.52	6.39	7.87	10.47	10.43	10.93	11.57	9.93	11.00	11.60	12.20	Book Value per sh <sup>D</sup>	15.85
10236	9999.1	9867.3	9793.8	9813.9	9854.5	9932.0	9925.9	9969.9	10063	10586	10484	10277	9987.6	10537	10663	10675	10500	Common Shs Outst'g <sup>E</sup>	10325
14.3	15.1	19.4	25.1	30.3	35.9	40.1	30.8	20.7	18.1	20.5	20.5	17.3	17.2	15.7	13.0	14.7		Avg Ann'l P/E Ratio	15.0
.94	1.01	1.22	1.45	1.58	2.05	2.61	1.58	1.13	1.03	1.08	1.09	.93	.91	.94	.87	.93		Relative P/E Ratio	1.00
3.0%	2.9%	2.2%	1.7%	1.5%	1.3%	1.1%	1.5%	2.3%	2.7%	2.5%	2.6%	3.0%	3.0%	4.4%	4.6%	2.8%		Avg Ann'l Div'd Yield	2.6%

CAPITAL STRUCTURE as of 9/30/10		129853	125913	131698	134187	152866	149702	163391	172738	182515	156783	149600	144600	Revenues (\$mill)	200000		
Total Debt \$422.4 bill.	Due in 5 Yrs \$385.0 bill.	29.5%	30.3%	26.9%	27.8%	26.8%	30.6%	32.5%	35.1%	31.1%	25.4%	28.0%	30.5%	Operating Margin <sup>A</sup>	32.0%		
LT Debt \$307.5 bill.	LT Interest \$17.0 bill.	7736.0	7089.0	5998.0	6956.0	8385.0	8538.0	9158.0	10278	11492	10636	10080	10100	Depreciation (\$mill) <sup>F</sup>	11800		
(Total interest coverage: 1.7x)	(72% of Cap'l)	12735	14128	15133	15589	16819	18275	20666	22468	18089	11434	11945	13200	Net Profit (\$mill)	26890		
Leases, Uncapitalized \$7.8 bill.		31.0%	28.3%	19.9%	21.7%	17.9%	17.4%	16.1%	15.5%	5.5%	8.7%	16.0%	25.0%	Income Tax Rate	25.0%		
Pension Assets-12/09 \$47.7 bill.	Oblig. \$48.1 bill.	9.8%	11.2%	11.5%	11.6%	11.0%	12.2%	12.6%	13.0%	9.9%	7.3%	8.0%	9.1%	Net Profit Margin	13.4%		
Pfd. Stock \$3 billion	Pfd. Div'd \$300 mill.	139551	141804	206819	238969	287826	184959	235281	244405	254085	316579	339000	300700	Working Cap'l (\$mill)	342700		
Red. at 110% from 10/19/11		82132	79806	140632	170004	212670	212281	260804	319015	330067	338215	300000	300000	Long-Term Debt (\$mill)	300000		
Common Stock 10,654,718,000 shs.		50492	54824	63706	79180	110821	109354	112314	115559	104665	117291	123730	127865	Shr. Equity (\$mill) <sup>D</sup>	163570		
MARKET CAP: \$198 billion (Large Cap)		9.6%	10.5%	7.4%	7.4%	6.3%	7.1%	6.7%	6.4%	5.6%	4.6%	5.0%	5.0%	Return on Total Cap'l	7.5%		
Warrants to buy 134,831,460 shs. at \$22.25 through 10/16/13		25.2%	25.8%	23.8%	19.7%	15.2%	16.7%	18.4%	19.4%	17.3%	9.7%	9.5%	10.5%	Return on Shr. Equity	16.5%		
CURRENT POSITION	2008 2009 9/30/10 (\$MILL.)	14.5%	14.2%	12.5%	10.0%	7.7%	8.2%	9.1%	9.5%	5.4%	2.1%	7.5%	5.0%	Retained to Com Eq	10.0%		
Cash Assets	89633	124201	124082	42%	45%	47%	49%	49%	51%	50%	51%	69%	79%	41%	50%	All Div'ds to Net Prof	39%
Receivables	386579	345690	340032	<b>BUSINESS:</b> General Electric Co. is one of the largest & most diversified industrial companies in the world. Segments include: Energy Infrastructure (24% of '09 revenues); Technology Infrastructure (27%); NBC Universal (10%); Consumer & Industrial (6%); Capital Finance (33%). 54% of rev. came from overseas. In 2005, sold Insurance Solutions business and reduced ownership to less than 20% of Genworth Financial. Research & Development, 2.1% of '09 revenues; '09 depreciation rate: 7.4%. Has approximately 304,000 employees. Officers/ directors own less than 1% of stock, BlackRock, 5.4% (3/10 Proxy). Chairman & CEO: Jeffrey Immelt. Incorporated: NY. Address: 3135 Easton Turnpike, Fairfield, Connecticut 06828. Telephone: 203-373-2211. Internet: www.ge.com.													
Inventory (LIFO)	13674	11987	11997	<b>General Electric's core Infrastructure businesses should perform better in 2011.</b> Note: 2010 fourth-quarter earnings were scheduled to be released shortly after we went to press with this Issue. Sales of Energy equipment have been on the decline. Still, higher prices, lower material costs, and improved productivity are likely supporting Energy profits. Moreover, the October, 2010 acquisition of Dresser, Inc. should boost that segment's results a bit. Elsewhere, rising orders for commercial engines during late 2010 augur well for a profit upturn in the Aviation operation this year. Demand for Healthcare offerings is also climbing, particularly in emerging geographies. The recent buyout of diagnostic test provider Clariant Inc. highlights a focus on that sector.													
Other	13439	14177	8672	<b>GE Capital should continue to post profit gains, as well.</b> We look for ongoing income advances from the key Consumer and Commercial Lending and Leasing arms. Losses on receivables, lower impairment charges, and margin expansion are providing a lift to earnings. We also note the October, 2010 acquisition of sales finance portfolios from Citigroup, likely to be immediately accretive to profits. However, a soft commercial real estate climate may well remain a deterrent to segment bottom-line growth.													
Current Assets	503325	496055	484783	<b>The planned divestiture of its controlling interest in NBC Universal is set to close shortly.</b> (We will adjust our financial presentation upon completion of the transaction.) GE anticipates receiving \$6.4 billion from Comcast Corp. Subsequently, GE will own 49% of a new entity, to be accounted for under the equity method. We think NBC Universal contributed just over 10% of revenues and operating profits in 2010.													
Accts Payable	20189	19703	14617	<b>The board has authorized another dividend hike,</b> likely reflecting management's optimism. GE will distribute \$0.14 a share on January 25th, the second consecutive sequential \$0.02 increase. Over the past decade, GE has typically paid out 45%-50% of income in dividends.													
Debt Due	193695	133054	114879	<b>This stock is best viewed as a 3- to 5-year holding.</b> We anticipate an acceleration of earnings gains to 2013-2015, as GE capitalizes on stepped up R&D spending and an expanded Energy market presence.													
Other	34726	26719	25912	<i>Damon Churchwell</i> January 21, 2011													
Current Liab.	248610	179476	155408														

ANNUAL RATES	Past 10 Yrs	Past 5 Yrs	Est'd '07-'09 to '13-'15	Full Year
Change (per sh)	5.0%	4.0%	3.0%	
Revenues	6.0%	4.0%	5.5%	
"Cash Flow"	6.0%	1.5%	7.5%	
Earnings	9.0%	5.5%	Nil	
Dividends	10.5%	5.5%	6.5%	
Book Value				

Cal-endar	QUARTERLY REVENUES (\$ mill) <sup>F</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2007	39200	42384	42566	48588	172738
2008	42273	46891	47234	46117	182515
2009	38411	39082	37799	41438	156783
2010	36605	37444	35888	39663	149600
2011	34000	36000	35800	38800	144600

Cal-endar	EARNINGS PER SHARE <sup>B</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2007	.48	.54	.50	.68	2.20
2008	.44	.54	.45	.36	1.78
2009	.26	.26	.22	.28	1.03
2010	.21	.30	.29	.32	1.12
2011	.27	.33	.31	.34	1.25

Cal-endar	QUARTERLY DIVIDENDS PAID <sup>C</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2007	.28	.28	.28	.28	1.12
2008	.31	.31	.31	.31	1.24
2009	.31	.31	.10	.10	.82
2010	.10	.10	.10	.12	.42
2011	.14				

(A) Operating margin incl. all expenses except int. and depr. (B) Based on avg. shs. Excl. non-recr. losses: '00, 24c; '01, 4c; '02, 10c. Excl. gains/(losses) from disc. ops.: '94, (69c); '05, (18c); '06, 1c; '07, (3c); '08, (6c); '09, (2c); Q1'10, (4c); Q2'10, (2c); Q3'10, (11c). Egs. may not sum due to rounding. Next egs. report due mid-Apr.(C) Div'ds hist. paid in late Jan., Apr., Jul., and Oct. (D) Div'd reinvest. plan. avail. (E) Incl. intang. In '09: \$77,503 mill., \$7.29/sh.(E) In mill., adj. for stock splits. (F) '09 quarterly revs. do not sum, as reported.