

GENERAL ELECTRIC NYSE-GE

RECENT PRICE **24.81**

P/E RATIO **14.3** (Trailing: 15.8 Median: 15.0)

RELATIVE P/E RATIO **0.83**

DIV'D YLD **3.5%**

VALUE LINE

TIMELINESS 3 Lowered 4/18/14
SAFETY 3 Lowered 3/13/09
TECHNICAL 3 Lowered 2/21/14
BETA 1.20 (1.00 = Market)

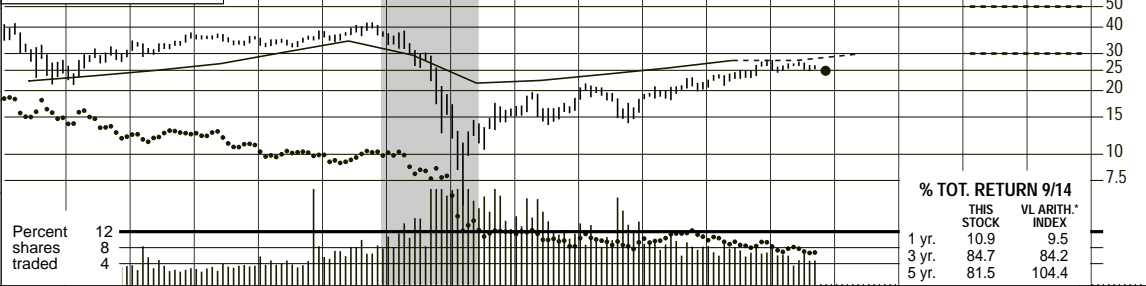
High: 32.4 37.8 37.3 38.5 42.2 38.5 17.5 19.7 21.7 23.2 28.1 27.9
 Low: 21.3 28.9 32.7 32.1 33.9 12.6 5.7 13.8 14.0 18.0 20.7 24.3

LEGENDS
 — 10.5 x "Cash Flow" p sh
 ... Relative Price Strength
 Options: Yes
 Shaded area indicates recession

2017-19 PROJECTIONS
 Price Gain Ann'l Total
 High 50 (+100%) 22%
 Low 30 (+20%) 9%

Insider Decisions
 N D J F M A M J J
 to Buy 1 0 3 0 1 0 0 0 1
 Options 0 0 0 0 0 0 0 0 0
 to Sell 2 0 0 0 0 0 0 0 0

Institutional Decisions
 4Q2013 10Q2014 20Q2014
 to Buy 891 910 866
 to Sell 814 832 818
 Hld's(000)551130853663955353860



| 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | © VALUE LINE PUB. LLC | 17-19 |
|--------|--------|--------|--------|--------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------------------------|-------|
| 10.24 | 11.33 | 13.07 | 12.69 | 13.21 | 13.33 | 14.44 | 14.28 | 15.90 | 17.30 | 17.32 | 14.70 | 14.15 | 13.93 | 14.16 | 14.52 | 14.90 | 15.10 | Revenues per sh | 18.05 |
| 1.54 | 1.77 | 2.06 | 2.14 | 2.12 | 2.24 | 2.38 | 2.56 | 2.90 | 3.28 | 2.81 | 2.07 | 2.13 | 2.28 | 2.44 | 2.65 | 2.65 | 2.85 | "Cash Flow" per sh | 3.80 |
| .93 | 1.07 | 1.29 | 1.41 | 1.51 | 1.55 | 1.61 | 1.72 | 1.99 | 2.20 | 1.78 | 1.03 | 1.15 | 1.31 | 1.52 | 1.64 | 1.70 | 1.85 | Earnings per sh ^B | 2.70 |
| .42 | .49 | .57 | .64 | .73 | .77 | .82 | .91 | 1.03 | 1.15 | 1.24 | .61 | .46 | .61 | .70 | .79 | .88 | 1.00 | Div'ds Decl'd per sh ^C | 1.40 |
| .21 | .21 | .26 | .29 | .24 | .97 | 1.24 | 1.38 | 1.62 | 1.79 | 1.52 | .81 | .92 | 1.20 | 1.45 | 1.34 | 1.35 | 1.40 | Cap'l Spending per sh | 1.60 |
| 3.96 | 4.32 | 5.08 | 5.52 | 6.39 | 7.87 | 10.47 | 10.43 | 10.93 | 11.57 | 9.93 | 11.00 | 11.20 | 11.01 | 11.82 | 12.98 | 13.80 | 14.60 | Book Value per sh ^D | 17.10 |
| 9813.9 | 9854.5 | 9932.0 | 9925.9 | 9969.9 | 10063 | 10586 | 10484 | 10277 | 9987.6 | 10537 | 10663 | 10615 | 10573 | 10406 | 10061 | 10000 | 10000 | Common Shs Outst'g ^E | 10000 |
| 30.3 | 35.9 | 40.1 | 30.8 | 20.7 | 18.1 | 20.5 | 20.5 | 17.3 | 17.2 | 15.7 | 13.0 | 14.4 | 13.9 | 13.3 | 14.7 | | | Avg Ann'l P/E Ratio | 15.0 |
| 1.58 | 2.05 | 2.61 | 1.58 | 1.13 | 1.03 | 1.08 | 1.09 | .93 | .91 | .94 | .87 | .92 | .87 | .85 | .83 | | | Relative P/E Ratio | .94 |
| 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% | 3.4% | 3.5% | 3.3% | | | Avg Ann'l Div'd Yield | 3.5% |

CAPITAL STRUCTURE as of 6/30/14
 Total Debt \$320.6 bill. Due in 5 Yrs \$160.0 bill.
 LT Debt \$247.1 bill. LT Interest \$13.6 bill.

Leases, Uncapitalized \$854 mill.
 Pension Assets-12/13 \$59.4 bill.
 Obligation \$71.6 bill.

Pfd. Stock None

Pfd. Div'd None

Common Stock 10,033,903,754 shares
 MARKET CAP: \$249 billion (Large Cap)

| CURRENT POSITION | 2012 | 2013 | 6/30/14 |
|------------------|--------|--------|---------|
| (\$MILL.) | | | |
| Cash Assets | 125866 | 132536 | 133324 |
| Receivables | 287489 | 272442 | 261724 |
| Inventory (LIFO) | 15374 | 17325 | 19706 |
| Other | -- | -- | -- |
| Current Assets | 428729 | 422303 | 414754 |
| Accts Payable | 15675 | 16471 | 17561 |
| Debt Due | 101392 | 77890 | 73531 |
| Other | 27752 | 82087 | 27450 |
| Current Liab. | 144819 | 176448 | 118542 |

| ANNUAL RATES | Past 10 Yrs. | Past 5 Yrs. | Est'd '11-'13 to '17-'19 |
|-----------------|--------------|-------------|--------------------------|
| change (per sh) | | | |
| Revenues | 1.0% | -3.5% | 4.0% |
| "Cash Flow" | 1.5% | -4.0% | 7.5% |
| Earnings | -- | -5.5% | 11.0% |
| Dividends | -- | -9.5% | 12.0% |
| Book Value | 6.0% | 2.0% | 6.0% |

| Cal-endar | QUARTERLY REVENUES (\$ mill.) ^F | Full Year |
|-----------|--|-----------|
| | Mar.31 Jun.30 Sep.30 Dec.31 | |
| 2011 | 35938 36199 36043 39120 | 147300 |
| 2012 | 35182 36501 36349 39327 | 147359 |
| 2013 | 34815 35123 35725 40382 | 146045 |
| 2014 | 34178 36233 37050 41739 | 149200 |
| 2015 | 34400 36900 37600 42100 | 151000 |

| Cal-endar | EARNINGS PER SHARE ^B | Full Year |
|-----------|---------------------------------|-----------|
| | Mar.31 Jun.30 Sep.30 Dec.31 | |
| 2011 | .31 .33 .30 .37 | 1.31 |
| 2012 | .34 .38 .36 .44 | 1.52 |
| 2013 | .39 .36 .36 .53 | 1.64 |
| 2014 | .33 .39 .42 .56 | 1.70 |
| 2015 | .36 .43 .46 .60 | 1.85 |

| Cal-endar | QUARTERLY DIVIDENDS PAID ^C | Full Year |
|-----------|---------------------------------------|-----------|
| | Mar.31 Jun.30 Sep.30 Dec.31 | |
| 2010 | .10 .10 .10 .12 | .42 |
| 2011 | .14 .14 .15 .15 | .58 |
| 2012 | .17 .17 .17 .17 | .68 |
| 2013 | .19 .19 .19 .19 | .76 |
| 2014 | .22 .22 .22 .22 | |

BUSINESS: General Electric Company is one of the largest & most diversified technology and financial services companies in the world. With products ranging from aircraft engines, power generation, oil and gas production equip., and household appliances to medical imaging, business and consumer financing, and industrial products, it serves customers in more than 100 countries. 2013

General Electric is out of favor in today's investment world. We do not mean that the stock is trading lower, it is not. But it is not trading much higher either. Bluntly put, it is not moving much at all. For years, GE was the cornerstone of many portfolios, and its solid financials and growth brought in an array of investors. Present day, however, the shares have traded between \$24 and \$27 a share for the entirety of 2014, a year that has seen the market head higher. The casual investor, in our view, does not appear interested in this story. The top holders of this equity are index-based funds (Dow 30) and exchange-traded funds, not the sexiest list. It is pretty clear why that is. With the Apples and Googles stealing all the headlines, industrial conglomerates in the midst of spinning off their finance arms are not everyone's cup of tea. The financial crisis scared away droves of investors, and GE needs to win them back.

Recent portfolio moves continue to point the company in the direction management wants to be heading. Getting back to its industrial roots is a slogan that has been thrown around for

some time now, and the pace of this movement cannot move fast enough for many of those on board. The Synchrony IPO and the purchase of the power and grid business from Alstom were met with rousing approval. The in-house goal is to have 70% of earnings derived from industrial operations by the close of 2015. We are on board with this call, and particularly like the complementary technologies brought on board with the Alstom pact. Too, this agreement should lead to \$1.2 billion in synergies five years out. This amount could translate into an extra dime on earnings each year upon completion.

Earnings growth likely will not bowl over anyone this year and the next. Oil and gas operations will lead the way. Our figures remain unchanged at \$1.70 and \$1.85 for 2014 and 2015.

At current price levels, we think the dividend is this neutrally ranked stock's best feature. Too, appreciation potential out to 2017-2019 is above average. Therefore, a wait-and-see approach should be rewarded by the time the full transformation is complete.

Erik M. Manning October 17, 2014