GENERAL ELECTRIC CO
Form DEF 14A
March 03, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

General Electric Company

(Name of Registrant as Specified In Its Charter)

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x No fee required.

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(1) Amount Previously Paid:

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(4) Date Filed:

Notice of 2008

Annual Meeting

and

Proxy Statement

Important Notice Regarding the Availability of Proxy Materials for the Shareowners Meeting to Be Held on April 23, 2008 the proxy statement is available at *www.ge.com/proxy08* and the annual report is available at *www.ge.com/annual07*.

In accordance with our security procedures, all persons attending the 2008 Annual Meeting must present an admission card and picture identification.

Please follow the advance registration instructions on the back cover of this proxy statement to obtain an admission card.

General Electric Company

3135 Easton Turnpike

Fairfield, Connecticut 06828

March 10, 2008

Dear Shareowner,

You are invited to attend the 2008 Annual Meeting of Shareowners to be held on Wednesday, April 23, in Erie, Pennsylvania.

The annual meeting will begin with a report on our operations, followed by discussion and voting on the matters set forth in the accompanying notice of annual meeting and proxy statement and discussion on other business matters properly brought before the meeting.

If you plan to attend the meeting, please follow the advance registration instructions on the back of this proxy statement. An admission card, which is required for admission to the meeting, will be mailed to you prior to the meeting.

Whether or not you plan to attend, you can ensure that your shares are represented at the meeting by promptly voting and submitting your proxy by telephone or by Internet, or by completing, signing, dating and returning your proxy form in the enclosed envelope.

Cordially,

Jeffrey R. Immelt

Chairman of the Board

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n To be voted on at the meeting

Every shareowner s vote is important. Please complete, sign, date and return your proxy form, or submit your vote and proxy by telephone or by Internet.

Notice of 2008 Annual Meeting of Shareowners

10:00 a.m., April 23, 2008

Bayfront Convention Center

One Sassafras Pier

Erie, Pennsylvania 16507

March 10, 2008

To the Shareowners:

General Electric Company s 2008 Annual Meeting of Shareowners will be held at the Bayfront Convention Center, One Sassafras Pier, Erie, Pennsylvania 16507, on April 23, 2008, at 10:00 a.m., to address all matters that may properly come before the meeting. Following a report on GE s business operations, shareowners will vote on:

(a) election of directors for the ensuing year;

(b) ratification of the selection of the independent auditor for 2008; and

(c) shareowner proposals set forth at pages 38 through 44 in the accompanying proxy statement.

Shareowners of record at the close of business on February 25, 2008 will be entitled to vote at the meeting and any adjournments.

Brackett B. Denniston III

Secretary

Proxy Statement

General Electric Company

3135 Easton Turnpike

Fairfield, Connecticut 06828

This proxy statement is furnished in connection with the solicitation of proxies by General Electric Company on behalf of the Board of Directors for the 2008 Annual Meeting of Shareowners. Distribution of this proxy statement and a proxy form to shareowners is scheduled to begin on or about March 10, 2008.

You can ensure that your shares are voted at the meeting by submitting your instructions by telephone or by Internet, or by completing, signing, dating and returning the enclosed proxy form in the envelope provided. Submitting your instructions or proxy by any of these methods will not affect your right to attend and vote at the meeting. We encourage shareowners to submit proxies in advance. A shareowner who gives a proxy may revoke it at any time before it is exercised by voting in person at the annual meeting, by delivering a subsequent proxy or by notifying the inspectors of election in writing of such revocation. If your GE shares are held for you in a brokerage, bank or other institutional account, you must obtain a proxy from that entity and bring it with you to hand in with your ballot, in order to be able to vote your shares at the meeting.

Election of Directors

At the 2008 Annual Meeting, 16 directors are to be elected to hold office until the 2009 Annual Meeting and until their successors have been elected and qualified. The 16 nominees for election at the 2008 Annual Meeting are listed on pages 6 to 9, with brief biographies. They are all now GE directors, other than Mr. Mulva who was recommended to the Nominating and Corporate Governance Committee as a director candidate by our chairman and CEO. Mr. Wright, one of our current directors, will retire from the company and the Board. The Board of Directors has determined that the following 13 nominees satisfy the New York Stock Exchange s definition of independent director and GE s more stringent director independence guidelines: James I. Cash, Jr., Ann M. Fudge, Claudio X. Gonzalez, Susan Hockfield, Andrea Jung, A.G. Lafley, Robert W. Lane, Ralph S. Larsen, Rochelle B. Lazarus, James J. Mulva, Sam Nunn, Robert J. Swieringa and Douglas A. Warner III. We do not know of any reason why any nominee would be unable to serve as a director. If any nominee is unable to serve, the shares represented by all valid proxies will be voted for the election of such other person as the Board may nominate.

James I. Cash, Jr., 60, Emeritus James E. Robison Professor of Business Administration, Harvard Graduate School of Business, Boston, Massachusetts. Director since 1997.

A graduate of Texas Christian University with MS and PhD degrees from Purdue University, Dr. Cash joined the faculty of Harvard Business School in 1976, where he served as chairman of the MBA program from 1992 to 1995, and served as chairman of HBS Publishing from 1998 until 2003. Dr. Cash retired from the Harvard Business School faculty in 2003. Dr. Cash is also a director of The Chubb Corporation, Microsoft Corporation, Wal-Mart Stores, Inc. and Phase Forward, Inc. He also serves as a trustee of the Bert King Foundation and on the board of the National Association of Basketball Coaches (NABC) Foundation.

Sir William M. Castell, 60, Former Vice Chairman, General Electric Company. Director since 2004.

A graduate of the City of London College, Sir William joined Amersham plc in 1989 as chief executive. After GE acquired Amersham plc in April 2004, Sir William was appointed a vice chairman of GE and became the CEO of GE Healthcare, the combination of the Amersham and the GE Medical businesses and, in July 2005, became the chairman of GE Healthcare. In April 2006, Sir William retired as a vice chairman of GE. Sir William was knighted in 2000 for services to the life sciences industry. He served in the United Kingdom from 1998 to 2003 as chairman of The Prince s Trust, a charity set up by the Prince of Wales in 1976. Sir William is currently chairman of the Wellcome Trust, a non-executive director of British Petroleum plc and a trustee of London s Natural History Museum. Sir William is an honorary fellow of Green College Oxford and an honorary fellow of the Academy of Medical Sciences. He has received honorary degrees from the University of Cardiff, King s College University of London, Brunel University and the University of Oxford.

Ann M. Fudge, 56, Former Chairman and Chief Executive Officer, Young & Rubicam Brands, global marketing communications network, New York, New York. Director since 1999.

Ms. Fudge received a BA degree from Simmons College and an MBA from Harvard University. Ms. Fudge served as the chairman and chief executive officer of Young & Rubicam from 2003 to the end of 2006. Prior to joining Young & Rubicam, Ms. Fudge worked at General Mills and at General Foods, where she served in a number of positions including president of Kraft General Foods Maxwell House Coffee Company and president of Kraft s Beverages, Desserts and Post Divisions. Ms. Fudge is a director of

Novartis AG, the Gates Foundation and the Rockefeller Foundation and is on the board of overseers of Harvard University.

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Claudio X. Gonzalez, 73, Chairman of the Board, Kimberly-Clark de Mexico, S.A. de C.V., Mexico City, Mexico, consumer products. Director since 1993.

Mr. Gonzalez is a graduate of Stanford University. He was employed by Kimberly-Clark in 1956 and by Kimberly-Clark de Mexico in 1957. He was elected vice president of operations of Kimberly-Clark de Mexico in 1962 and executive vice president and managing director in 1966. He served as the chairman of the board and chief executive officer of Kimberly-Clark de Mexico from 1973 to March 2007, when he became chairman of the board. Mr. Gonzalez is also a director of Grupo Carso, Grupo Financiero Inbursa, Grupo ALFA, Grupo Mexico, Grupo Televisa, Home Depot, Inc. (until May 2008), Kellogg Company (until April 2008), The Mexico Fund, Inc. and Investment Co. of America.

Susan Hockfield, 56, President of the Massachusetts Institute of Technology, Cambridge, Massachusetts. Director since 2006.

President of MIT since 2004, Dr. Hockfield received an undergraduate degree from the University of Rochester, and a PhD from the Georgetown University School of Medicine, concentrating in neuroscience. Following a postdoctoral fellowship at the University of California at San Francisco, she joined the scientific staff at the Cold Spring Harbor Laboratory in 1980. In 1985, Dr. Hockfield joined the faculty of Yale University, where she went on to serve as dean of the Graduate School of Arts and Sciences from 1988 to 2002 and as provost from 2003 to 2004. Dr. Hockfield is a member of the American Academy of Arts and Sciences, and has received honorary degrees from Tsinghua University, Brown University and Watson School of Biological Sciences at the Cold Spring Harbor Laboratory. Dr. Hockfield is also a trustee of the Carnegie Corporation of New York and the Woods Hole Oceanographic Institution.

Jeffrey R. Immelt, 52, Chairman of the Board and Chief Executive Officer, General Electric Company. Director since 2000.

Mr. Immelt joined GE in corporate marketing in 1982 after receiving a degree in applied mathematics from Dartmouth College and an MBA from Harvard University. He then held a series of leadership positions with GE Plastics in sales, marketing and global product development. He became a vice president of GE in 1989, responsible for consumer services for GE Appliances. He subsequently became vice president of worldwide marketing product management for GE Appliances in 1991, vice president and general manager of GE Plastics Americas commercial division in 1992, and vice president and general manager of GE Plastics Americas in 1993. He became senior vice president of GE and president and chief executive officer of GE Medical Systems in 1996. Mr. Immelt became GE s president and chairman-elect in 2000, and chairman and chief executive officer in 2001. He is also a director of the Federal Reserve Bank of New York and a member of The Business Council.

Andrea Jung, 49, Chairman of the Board and Chief Executive Officer, Avon Products, Inc., beauty products, New York, New York. Director since 1998.

Ms. Jung, a graduate of Princeton University, joined Avon Products, Inc. in 1994 as president, product marketing for Avon U.S. She was elected president, global marketing, in 1996, an executive vice president in 1997, president and a director of the company in 1998, chief operating officer from 1998 to 1999, chief executive officer in 1999 and chairman of the board in 2001. Previously, she was executive vice president, Neiman Marcus and a senior vice president for I. Magnin. Ms. Jung is also a director of Apple Inc., Catalyst and a member and former chairman of the Cosmetic, Toiletry and Fragrance Association.

Alan G. (A.G.) Lafley, 60, Chairman of the Board and Chief Executive Officer, Procter & Gamble Company, personal and household products, Cincinnati, Ohio. Director since 2002.

Mr. Lafley received a BA degree from Hamilton College and an MBA from Harvard University, following which time he joined Procter & Gamble. He was named a group vice president in 1992, an executive vice president in 1995 and, in 1999, president of global beauty care and North America. He was elected chief executive officer in 2000 and chairman of the board in 2002. He serves on the board of directors of Dell Inc., the board of trustees of Hamilton College, and is a member of the Lauder Institute Board of Governors (Wharton School of Arts & Sciences), the Business Roundtable and The Business Council.

Robert W. Lane, 58, Chairman of the Board and Chief Executive Officer, Deere & Company, agricultural and forestry equipment, Moline, Illinois. Director since 2005.

A graduate of Wheaton College, Mr. Lane also holds an MBA from the University of Chicago. Mr. Lane joined Deere & Company in 1982 following a career in global banking, and has served Deere in leadership positions in its global construction equipment and agricultural divisions as well as at Deere Credit, Inc. He also has served as Deere s chief financial officer and president, and was elected chairman and chief executive officer in August 2000. Mr. Lane is a director of Verizon Communications Inc.

Ralph S. Larsen, 69, Former Chairman of the Board and Chief Executive Officer, Johnson & Johnson, pharmaceutical, medical and consumer products, New Brunswick, New Jersey. Director since 2002.

After graduating with a BBA from Hofstra University, Mr. Larsen joined Johnson & Johnson in 1962. In 1981, he left Johnson & Johnson to serve as president of Becton Dickinson s consumer products division and returned to Johnson & Johnson in 1983 as president of its Chicopee subsidiary. In 1986, Mr. Larsen was named a company group chairman and later that year became vice chairman of the executive committee and chairman of the consumer sector. He was elected a director in 1987 and served as chairman of the board and chief executive officer from 1989 to 2002. Mr. Larsen is also a director of Xerox Corporation and a trustee of the Robert Wood Johnson Foundation.

Rochelle B. Lazarus, 60, Chairman and Chief Executive Officer, Ogilvy & Mather Worldwide, multinational advertising, New York, New York. Director since 2000.

A graduate of Smith College, Ms. Lazarus also holds an MBA from Columbia University. She joined Ogilvy & Mather Worldwide in 1971, becoming president of its U.S. direct marketing business in 1989. She then became president of Ogilvy & Mather New York and president of Ogilvy & Mather North America before becoming president and chief operating officer of the worldwide agency in 1995, chief executive officer in 1996 and chairman in 1997. Ms. Lazarus also serves as a director of Merck & Co., New York Presbyterian Hospital, the American Museum of Natural History and the World Wildlife Fund, and is a member of the board of overseers of Columbia Business School.

James J. Mulva, 61, Chairman, President and Chief Executive Officer, ConocoPhillips, international, integrated energy company, Houston, Texas. Nominee for director.

Mr. Mulva received a BBA degree and an MBA in finance from the University of Texas. After serving as an officer in the U.S. Navy, he joined Phillips Petroleum Company in 1973 and became its chief financial officer in 1990, when he also became part of the company s management committee. He was appointed senior vice president in 1993, executive vice president in January 1994, president and chief operating officer in May 1994 and served as chairman and chief executive officer from 1999 to 2002. He has been president and chief executive officer of ConocoPhillips since 2002 and also became chairman in 2004. Mr. Mulva served as the chairman of the American Petroleum Institute in 2006 and is a member of the board of visitors for the M.D. Anderson Cancer Center and The Business Council.

Sam Nunn, 69, Co-Chairman and Chief Executive Officer, Nuclear Threat Initiative, Washington, D.C. Director since 1997.

After attending the Georgia Institute of Technology and serving in the U.S. Coast Guard, Mr. Nunn received an AB degree from Emory University in 1960 and an LLB degree from Emory Law School. He practiced law and served in the Georgia House of Representatives before being elected to the United States Senate in 1972, where he served as the chairman and ranking member on both the Senate Armed Services Committee and the Senate s Permanent Subcommittee on Investigations before retiring in 1997. He was a partner at King & Spalding from 1997 through 2003. He is the co-chairman and CEO of the Nuclear Threat Initiative and the chairman of the board of the Center for Strategic and International Studies. Mr. Nunn is a distinguished professor at the Sam Nunn School of International Affairs at Georgia Tech. He is also a director of Chevron Corporation, The Coca-Cola Company and Dell Inc.

Roger S. Penske, 71, Chairman of the Board, Penske Corporation, Penske Truck Leasing Corporation, and Penske Automotive Group, Inc., Detroit, Michigan. Director since 1994.
After attending Lehigh University, Mr. Penske founded Penske Corporation in 1969. He became chairman of the board of Penske Truck Leasing Corporation in 1982 and chairman of the board of United Auto Group, Inc. (currently Penske Automotive Group, Inc.) in 1999. Mr. Penske is also a director of Universal Technical Institute, Inc. and Internet Brands, Inc. He is a director of Detroit Renaissance, Inc., chairman of Downtown Detroit Partnership and a trustee of the Detroit Medical Center.

Robert J. Swieringa, 65, Professor of Accounting and former Anne and Elmer Lindseth Dean, S.C. Johnson Graduate School of Management, Cornell University, Ithaca, New York. Director since 2002.
Dr. Swieringa received a BA degree from Augustana College, an MBA in accounting and economics from the University of Denver and a PhD in accounting and complex organizations from the University of Illinois. He taught accounting at Stanford s Graduate School of Business and at the Johnson Graduate School of Management at Cornell University before serving as a member of the Financial Accounting Standards Board from 1986 to 1996. He was then a professor in the practice of accounting at Yale s School of Management from 1996 to 1997 and was the ninth dean of the S.C. Johnson Graduate School of Management from 1997 to 2007. Dr. Swieringa is currently a member of the American Accounting Association, and is a past president of its Financial Accounting and Reporting Section.

Douglas A. Warner III, 61, Former Chairman of the Board, J.P. Morgan Chase & Co., The Chase Manhattan Bank, and Morgan Guaranty Trust Company, investment banking, New York, New York. Director since 1992.
Following graduation from Yale University in 1968, Mr. Warner joined Morgan Guaranty Trust Company of New York, a wholly owned subsidiary of J.P. Morgan Chase & Co. (formerly J.P. Morgan & Co. Incorporated). He was elected president and a director of the bank and its parent in 1990, serving as chairman and chief executive officer from 1995 to 2000, when he became chairman of the board of J.P. Morgan Chase & Co., The Chase Manhattan Bank and Morgan Guaranty Trust Company until his retirement in 2001. Mr. Warner is also a director of Anheuser-Busch Companies, Inc. and Motorola, Inc., a member of the board of counselors of The Bechtel Group, Inc., a senior advisor at Carlyle Group L.P., chairman of the board of managers and the board of overseers of Memorial Sloan-Kettering Cancer Center, a member of The Business Council, and a member of the Yale Investment Committee.

Corporate Governance

Governance Principles. The Board of Directors   Governance Principles, which include guidelines for determining director independence and qualifications for directors, are published on GE s website under the Governance section of Our Company at *www.ge.com/company/governance*. This section of the website makes available all of GE s corporate governance materials, including board committee charters and statements of committee key practices. These materials are also available in print to any shareowner upon request. The Board regularly reviews corporate governance developments and modifies its Governance Principles, committee charters and key practices as warranted.

Our Governance Principles provide that directors should not be nominated for election to the Board after their 73rd birthday, although the Board may nominate candidates over 73 in special circumstances. Mr. Gonzalez is a current director who is being nominated for election to the Board at the 2008 Annual Meeting, although he has already reached age 73. Mr. Gonzalez has been a GE director since 1993 and has demonstrated tremendous energy and commitment to his GE Board service. He is a member and former chairman of the Audit Committee, a member of the Management Development and Compensation Committee (MDCC) and chairs our Nominating and Corporate Governance Committee, and in the past three years he has attended all Board and committee meetings. Mr. Gonzalez s knowledge and understanding of GE s accounting policies and procedures and internal controls are important to the Audit Committee in managing its current workload. The Board has determined that the current needs of the Audit Committee warrant the nomination of Mr. Gonzalez to stand for election for a single additional term as a GE director.

Director Independence. The company currently has 12 independent directors out of 16. Mr. Wright will retire from the company and the Board and is not being nominated. Mr. Mulva is a new nominee for election to the Board at the 2008 Annual Meeting. We anticipate that after the 2008 Annual Meeting the company will have 13 independent directors out of 16. The Board has satisfied, and expects to continue to satisfy, its objective that at least two-thirds of the Board should consist of independent directors. For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with GE. The Board has established guidelines to assist it in determining director independence, which conform to, or are more exacting than, the independence requirements in the New York Stock Exchange listing standards. In addition to applying these guidelines, which are set forth in Section 4 of our Governance Principles and attached as Appendix A to this proxy statement, the Board will consider all relevant facts and circumstances in making an independence determination. The independent nominees for directors are named above under   Election of Directors.

In the course of the Board s determination regarding independence, it considered any transactions, relationships and arrangements as required by the company s independence guidelines. In particular, with respect to each of the most recent three completed fiscal years, the Board evaluated for:

each of directors Gonzalez, Lafley and Lane, the annual amount of sales to GE by the company where he serves as an executive officer, and purchases by that company from GE, and determined that the amount of sales and the amount of purchases in each fiscal year was below one percent of the annual revenues of each of those companies;

director Jung, (1) the annual amount of purchases from GE by the company where she serves as an executive officer, and determined that the amount of purchases in each fiscal year was below one percent of the annual revenues of that company, (2) the total amount of that company s indebtedness to GE, and determined that the amount of indebtedness was below one percent of that company s total consolidated assets, and (3) the annual amount of purchases from GE by a company where one of her immediate family members serves as an executive officer, and determined that the amount of purchases in each fiscal year was below $1 million;

director Hockfield, the annual amount of sales to GE by a company where one of her immediate family members serves as an executive officer, and determined that the amount of sales in each fiscal year was below one percent of the annual revenues of that company;

director Lazarus, the annual amount of sales to GE by the company where she serves as an executive officer, and determined that the amount of sales in each fiscal year was below one percent of the annual revenues of that company; and director nominee Mulva, (1) the annual amount of purchases from GE by the company where he serves as an executive officer, and determined that the amount of purchases in each fiscal year was below one percent of the annual revenues of that company, (2) the total amount of that company s indebtedness to GE, and determined that the amount of indebtedness was below one percent of that company s total consolidated assets, and (3) the annual amount of purchases from GE and the total amount of indebtedness to GE by a company where one of his immediate family members serves as an executive officer, and determined that the amount of purchases in each fiscal year was below one percent of the annual revenues of that company and the amount of indebtedness was below one percent of that company s total consolidated assets.

In addition, with respect to directors Cash, Fudge, Gonzalez, Hockfield, Jung, Lafley, Lane, Larsen, Lazarus, Nunn, Swieringa and Warner and director nominee Mulva, the Board considered the amount of GE s discretionary charitable contributions to charitable organizations where he or she serves as an executive officer, director or trustee, and determined that GE s contributions constituted less than the greater of $200,000 or one percent of the charitable organization s annual consolidated gross revenues during the organization s last completed fiscal year.

All members of the Audit Committee, MDCC and Nominating and Corporate Governance Committee must be independent directors as defined by the Board s Governance Principles. Members of the Audit Committee must also satisfy a separate Securities and Exchange Commission (SEC) independence requirement, which provides that they may not accept directly or indirectly any consulting, advisory or other compensatory fee from GE or any of its subsidiaries other than their directors compensation. As a policy matter, the Board has determined to apply a separate, heightened independence standard to members of both the MDCC and the Nominating and Corporate Governance Committee. No member of either committee may be a partner, member or principal of a law firm, accounting firm or investment banking firm that accepts consulting or advisory fees from GE or any of its subsidiaries. The Board has determined that all members of the Audit Committee, MDCC and Nominating and Corporate Governance Committee are independent and satisfy the relevant SEC or GE additional independence requirements for the members of such committees.

Code of Conduct. All directors, officers and employees of GE must act ethically at all times and in accordance with the policies comprising GE s code of conduct set forth in the company s integrity manual, *The Spirit & The Letter*, which is published on GE s website at *www.ge.com/files/usa/citizenship/pdf/english.pdf* and which is available in print to any shareowner upon request. Under the Board s Governance Principles, the Board will not permit any waiver of any ethics policy for any director or executive officer. Amendments to the code related to certain matters will be published on the GE website as required under SEC rules, at *www.ge.com*. If an actual or potential conflict of interest arises for a director, the director will promptly inform the CEO and the presiding director. Our Audit Committee is responsible for resolving any such conflict of interest. If a significant conflict exists and cannot be resolved, the director should resign. All directors are required to recuse themselves from any discussion or decision affecting their personal, business or professional interests.

Communicating Concerns to Directors. The Audit Committee and the non-management directors have established procedures to enable anyone who has a concern about GE s conduct or policies, or any employee who has a concern about the company s accounting, internal accounting controls or auditing matters, to communicate that concern directly to the Board, to the presiding director, to the non-management directors or to the Audit Committee. Such communications may be confidential or anonymous, and may be e-mailed or otherwise submitted in writing or reported by phone through a toll-free phone number. Information on how to submit any such communications can be found on GE s website at *www.ge.com/company/citizenship/compliance/index.html*. All such communications are promptly reviewed by GE s ombudsperson, and concerns relating to accounting, internal accounting controls, auditing or officer conduct are sent to the presiding director and to the chair of the Audit Committee. The status of all outstanding concerns addressed to the Board, the non-management directors, the presiding director or the Audit Committee is reported to the presiding director and the chair of the Audit Committee periodically. The company s code of conduct prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve an integrity concern.

Board of Directors and Committees

Our Board of Directors currently consists of 16 directors. Ralph S. Larsen is the Board s presiding director, whose responsibilities include those matters discussed in the Board s Governance Principles.

The Board held 13 meetings during 2007. No member attended fewer than 75% of the Board meetings and committee meetings on which the member sits. It is the Board s policy that the directors should attend our Annual Meeting of Shareowners absent exceptional circumstances. All of our then 16 directors attended the 2007 Annual Meeting.

The Board has adopted written charters for each of its four standing committees: the Audit Committee, the MDCC, the Nominating and Corporate Governance Committee and the Public Responsibilities Committee. The committee charters and key practices are available on GE s website under the Governance section of Our Company at *www.ge.com/company/governance*.

Audit Committee. The members of the Audit Committee are directors Warner, who chairs the committee, Cash, Gonzalez, Lane and Swieringa. The Board has determined that Messrs. Gonzalez, Lane, Swieringa and Warner are audit committee financial experts, as defined under SEC rules. The Board has also determined that although Mr. Gonzalez

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currently sits on the audit committees of more than three public companies, these relationships do not impair his ability to serve effectively on GE s Audit Committee. The Audit Committee is primarily concerned with the integrity of the company s financial statements, the company s compliance with legal and regulatory requirements, the independence and qualifications of the independent auditor and the performance of the company s internal audit function and independent auditor. Its duties include: (1) selecting and overseeing the independent auditor, (2) reviewing the scope of the audit to be conducted by them, as well as the results of their audit, (3) overseeing our financial reporting activities, including our annual report, and the accounting standards and principles followed, (4) approving audit and non-audit services provided to the company by the independent auditor, (5) reviewing the organization and scope of our internal audit function and our disclosure and internal controls, (6) reviewing, approving and ratifying transactions with related persons required to be disclosed under SEC rules, (7) overseeing the company s compliance program, and (8) resolving any conflict of interest involving directors or executive officers. The Audit Committee met 22 times during 2007. The committee s report is on page 36.

Management Development and Compensation Committee. The members of the MDCC are directors Larsen, who chairs the committee, Gonzalez, Jung, Nunn and Warner. This committee has two primary responsibilities: (1) to establish, review and approve CEO compensation and to review and approve other senior executive compensation, and (2) to monitor our management resources, structure, succession planning, development and selection process as well as the performance of key executives. It also oversees the GE 2007 Long-Term Incentive Plan and the Incentive Compensation Plan and any other compensation and equity-based plans. This committee met eight times during 2007. The committee s report is on page 19. Additional information on the committee s processes and procedures for consideration of executive compensation are addressed in the Compensation Discussion and Analysis below.

Nominating and Corporate Governance Committee. The members of the Nominating and Corporate Governance Committee are directors Gonzalez, who chairs the committee, Hockfield, Jung, Lafley, Larsen, Lazarus and Warner. This committee s responsibilities include the selection of director nominees for the Board and the development and review of our Governance Principles. The committee also (1) reviews director compensation and benefits, (2) oversees the annual self-evaluations of the Board and its committees, as well as director performance and board dynamics, and (3) makes recommendations to the Board concerning the structure and membership of the Board committees. This committee held three meetings during 2007.

This committee will consider all shareowner recommendations for candidates for the Board, which should be sent to the Nominating and Corporate Governance Committee, c/o Brackett B. Denniston III, Secretary, General Electric Company, 3135 Easton Turnpike, Fairfield, Connecticut 06828. The information required to be included is set forth in our by-laws, and the general qualifications and specific qualities and skills established by the committee for directors are included in Section 3 of the Board s Governance Principles. We believe that directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the shareowners. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. We endeavor to have a Board representing diverse experience at policy-making levels in business, government, education and technology, and in areas that are relevant to the company s global activities.

The committee also considers candidates recommended by current directors, company officers, employees and others. The committee evaluates all nominees for directors in the same manner, and typically bases its initial review on any written materials submitted with respect to the candidate.

Public Responsibilities Committee. The members of the Public Responsibilities Committee are directors Nunn, who chairs the committee, Cash, Castell, Fudge, Hockfield, Immelt, Lazarus, Penske and Wright. Mr. Wright will retire from the company and the Board and is not being nominated for election at the 2008 Annual Meeting. The purpose of the committee is to review and oversee GE positions on corporate social responsibilities and public issues of significance that affect investors and other key GE stakeholders. The committee met three times last year.

Meetings of Non-management Directors. The non-management directors met without any management directors or employees present three times last year. Mr. Larsen, the presiding director, chairs these meetings.

Compensation Discussion and Analysis

Our Goal

The goal of our executive compensation program is to retain and reward leaders who create long-term value for our shareowners. This goal affects the compensation elements we use and our compensation decisions. Our compensation program rewards sustained financial and operating performance and leadership excellence, aligns the executives long-term interests with those of our shareowners and motivates executives to remain with the company for long and productive careers built on expertise.

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Key Considerations in Setting Pay

The following is a summary of key considerations affecting the determination of compensation for the named executives by the MDCC.

Emphasis on Consistent Performance. Our compensation program provides the greatest pay opportunity for executives who demonstrate superior performance for sustained periods of time. Each of our named executives has served the company for at least 25 years, during which time he has held diverse positions with increasing levels of responsibility. The amount of their pay reflects the fact that they have consistently contributed, and are expected to continue to contribute, to the company s success.

Our emphasis on consistent performance affects our discretionary annual cash bonus and equity incentive compensation, which are determined with the prior year s award or grant serving as an initial basis for consideration. After an assessment of a named executive s past performance, and expected future contribution, to the company s results as well as the performance of any business or function he leads, the MDCC uses its judgment in determining the amount of bonus or equity and the resulting percentage change from the prior year.

Emphasis on Future Pay Opportunity Versus Current Pay. The MDCC strives to provide an appropriate mix of different compensation elements, including finding a balance among current versus long-term compensation and cash versus equity incentive compensation. Cash payments primarily reward recent performance, and equity awards encourage our named executives to continue to deliver results over a longer period of time and serve as a retention tool. The MDCC generally strives to make the total value of the annual equity incentive compensation higher than the annual cash compensation, in order to focus on pay opportunity based on long-term, rather than current, performance. The MDCC believes that named executive compensation should be more at risk by being based on the company s operating and stock price performance over the long term.

Discretionary Nature of Compensation Programs. Except with respect to our long-term performance awards and the performance share units granted to our CEO in lieu of any other equity awards, both of which depend on achieving specific quantitative performance objectives, the MDCC does not use formulas in determining the amount and mix of compensation. The MDCC believes that solely using annual quantitative performance measurements does not create the appropriate balance of incentives to build long-term shareowner value. Thus, the MDCC evaluates a broad range of both quantitative and qualitative factors, including reliability in delivering financial and growth targets, a track record of integrity, good judgment, the vision and ability to create further growth, and the ability to lead others. The evaluation of a named executive s performance against his stated objectives plays an important role in awarding the discretionary annual cash bonus, and also contributes to a determination of overall compensation. For annual equity incentive awards, the MDCC primarily considers a named executive s potential for future successful performance and leadership as part of the executive management team, taking into account past performance as a key indicator.

Significance of Company Results. The MDCC evaluates the named executives contributions to the company s overall performance rather than focusing only on their individual business or function. The MDCC believes that the named executives share the responsibility to support the goals and performance of the company, as key members of the company s leadership team. While this compensation philosophy influences all of the MDCC s compensation decisions, it has the biggest impact on annual equity incentive awards, which tend to be similar in size and composition.

Use of Compensation Consultants and Benchmarking Data. Neither the company nor the MDCC currently has any contractual arrangement with any executive compensation consultant who has a role in determining or recommending the amount or form of senior executive or director compensation. Periodically, the company, through its human resources function, and the MDCC have sought the views of Frederic W. Cook & Co., Inc. about market intelligence on compensation trends along with their views on specific compensation programs designed by our human resources function, with the oversight of the MDCC. In 2006 and 2007, the company engaged Hewitt Associates on a limited basis to help ensure that the 2007 Long-Term Incentive Plan, which was approved by our shareowners at the 2007 Annual Meeting, satisfied certain technical requirements. The MDCC and the company have recently adopted a policy that any compensation consultant used to advise on executive compensation will not at the same time advise the company on any other human resources matters. With respect to benchmark data, the MDCC considers executive compensation at each of the other component companies of the Dow Jones Industrial Average only as one among several factors in setting pay. The MDCC does not target a percentile within this Dow 30 peer group and instead uses the comparative data only as a reference point after having determined the types and amount of compensation based on its own evaluation.

No Employment and Severance Agreements. Our named executives do not have employment, severance or change-of-control agreements. They serve at the will of the Board, which enables the company to terminate their employment with discretion as to the terms of any severance arrangement. To preserve the MDCC s flexibility to consider the facts and circumstances of any particular situation, we provide limited guaranteed post-termination benefits, which are discussed in more detail beginning on page 30, including death and disability benefits. Other than retirement benefits, which serve as a retentive tool, post-employment benefits have little bearing on our compensation decisions.

Compensation Elements We Use to Achieve Our Goal

The following summarizes the compensation elements we use as tools to reward, align and retain our named executives.

Base Salary and Bonus. Base salaries for our named executives depend on the scope of their responsibilities, their leadership skills and values, their performance and length of service. Decisions regarding salary increases are affected by the named executive s current salary and the amounts paid to their peers within and outside the company. Base salaries are reviewed approximately every 18 months. For each named executive other than the CEO, we pay discretionary cash bonuses each February for the prior year s performance based upon the evaluation of the MDCC and CEO of their performance against stated goals and objectives. In the case of the CEO, his bonus is also paid each February for the prior year s performance based on the MDCC s evaluation as described beginning on page 15.

Stock Options and Restricted Stock Units (RSUs). The company s equity incentive compensation program is designed to recognize scope of responsibilities, reward demonstrated performance and leadership, align the interests of the named executive with those of our shareowners and retain them. We believe that providing combined grants of stock options and RSUs effectively focuses the named executives on delivering long-term value to our shareowners. Stock options motivate our named executives to increase shareowner value because the options only have value to the extent the price of GE stock on the date of exercise exceeds the stock price on the grant date, and thus compensation is realized only if the stock price increases over the term of the award. RSUs reward and retain the named executives by offering them the opportunity to receive shares of GE stock on the date the restrictions lapse so long as they continue to be employed by the company, with the RSU value linked to the price of GE stock on the date of lapse. To balance upside potential with volatility risk, we have determined that for annual equity incentive awards the total number of shares of GE stock awarded should be divided equally between stock options and RSUs, with stock options converting to RSUs on a 3-to-1 basis. Unvested stock options and RSUs are forfeited if the named executive voluntarily leaves GE, and are generally vested if he reaches age 60 and retires prior to the scheduled vesting. The RSUs pay dividend equivalents prior to the lapse of restrictions, equal to the quarterly dividends on GE stock.

Performance Share Units (PSUs). Since 2003, we have compensated our CEO with PSUs in lieu of any other equity incentive compensation because the MDCC and the CEO believe that his equity awards should be based on key performance measures that are aligned with our shareowners interests and fully at risk based on these measures. Half of the PSUs will convert into shares of GE stock only if GE s cash flow from operating activities, adjusted to exclude the effect of unusual events, has grown an average of 10% or more per year over the performance period, which is generally five years. Otherwise, they will be cancelled. The remaining PSUs will convert into shares of GE stock only if GE s total shareowner return meets or exceeds that of the S&P 500 over the performance period. Total shareowner return means the cumulative total return on GE stock and the S&P 500 Index, respectively, over the performance period, calculated in the same manner as the performance graph shown in our annual report. Beginning with PSUs granted in September 2006, dividend equivalents are paid out only on shares actually received.

Long-Term Performance Awards (LTPA). Beginning in 1994, contingent LTPA have been granted every three years to our named executives and other select leaders. These awards provide a strong incentive for achieving specified financial performance goals that the MDCC considers to be important contributors to shareowner value. The awards are settled in cash and encourage retention as they are subject to forfeiture if the named executive s employment terminates for any reason other than death, disability or retirement before the end of the performance period.

Our last grant was made in March 2006 and is payable in 2009 only if the company achieves, on an overall basis for the three-year 2006 to 2008 period, specified goals based on four equally weighted business measurements. These business measurements are: (1) average earnings per share growth rate, (2) average revenue growth rate, (3) cumulative return on total capital, and (4) cumulative cash flow from operating activities. The final amount paid is based on achieving threshold, target or maximum levels for any of the four measurements. As was the case with the awards granted under our prior LTPA program, with results shown in our 2006 Proxy Statement, the goals for the 2006 to 2008 performance period are challenging but achievable.

In 2007, the MDCC modified the method of calculating the payout under the LTPA for participants other than the CEO to be based on a multiple of the named executive s base salary in effect in February 2009 and the discretionary bonus awarded in February 2009 for the 2008 performance period, rather than a multiple of the base salary in effect in February 2006 and the discretionary annual cash bonus awarded in February 2006 for the 2005 performance period. The MDCC decided to base the LTPA payouts on the most recent compensation awarded prior to payout to provide additional incentive for superior performance and retention, by having final awards better reflect the progression of the named executive s job responsibilities, experience, performance and pay during the three-year period.

Deferred Compensation. The company offers both a deferred salary plan periodically and an annual deferred bonus plan with only the deferred salary plan providing the payment of an above-market rate of interest as defined by the SEC. These plans are available to approximately 4,000 eligible employees in the company who are subject to U.S. federal income taxes. Individuals who are named executives at the time a deferred salary plan is initiated are not offered the opportunity to participate. The plans are intended to promote retention by providing a long-term savings opportunity on a tax-efficient basis. The deferred salary plan is viewed as a strong retention tool because executives generally must remain with the company for at least five years from the time of deferral to receive any interest on deferred balances. No deferred salary plan was offered in 2007 but such a plan was offered in 2006. The deferred bonus plan allows executives to defer up to 100% of their discretionary annual cash bonus in GE stock units, S&P 500 Index units or cash units. Under this plan, payouts will commence following termination of employment.

Pension Plans. The company provides retirement benefits to the named executives under the GE Pension Plan, the GE Supplementary Pension Plan and the GE Excess Benefits Plan. The GE Pension Plan is a broad-based tax-qualified plan under which employees generally are eligible to retire with unreduced benefits at age 60 or later. The company also offers the GE Supplementary Pension Plan to increase retirement benefits above amounts available under the GE Pension Plan. Unlike the GE Pension Plan, the Supplementary Pension Plan is an unfunded, unsecured obligation of the company and is not qualified for tax purposes. We believe it is a strong retention tool because named executives are generally not eligible for such benefits if they leave the company prior to reaching age 60.

Other Compensation. We provide our named executives with other benefits, reflected in the All Other Compensation column in the Summary Compensation Table on page 20, that we believe are reasonable, competitive and consistent with the company s overall executive compensation program.

Determining Compensation for Our Chief Executive Officer in 2007

Since 2001, Mr. Immelt has been the company s CEO and chairman of the Board. Over his 25-year career with the company, he has held a number of key positions, as described in his biography on page 7. Under Mr. Immelt s leadership, the company has received significant recognition, including being named by *FORTUNE* magazine as the most admired company globally for five of the past seven years. More than half of the company s revenues now come from outside the United States, and the company s portfolio of businesses has been reshaped and built to deliver consistent earnings growth. Revenues have grown 13% year-over-year since 2003, rising to $173 billion in 2007 from $105 billion in 2003, or 65% cumulatively. During the same period, earnings from continuing operations have grown 14% year-over-year, from $13.3 billion in 2003 to $22.5 billion in 2007, or 69% cumulatively. Over $90 billion of cash flow from operating activities has been generated since 2003, enabling the company to return $75 billion to shareowners through dividends and stock buybacks, while at the same time successfully refocusing the company by investing in research and new technologies and by acquiring growth businesses.

At the beginning of each year, Mr. Immelt develops the objectives that he believes need to be achieved for the company to be successful, which he then reviews with the MDCC for the corollary purpose of establishing how his performance will be assessed. These objectives are derived largely from the company s annual financial and strategic planning sessions, during which in-depth reviews of the company s growth opportunities are analyzed and goals are established for the upcoming year. They include both quantitative financial measurements and qualitative strategic and operational considerations and are focused on the factors that our CEO and the Board believe create long-term shareowner value. Mr. Immelt reviews and discusses preliminary considerations as to his own compensation with the MDCC. In developing these considerations, he solicits the input of, and receives advice and data from, our senior vice president, human resources. Mr. Immelt does not participate in the final determination of his own compensation.

In determining Mr. Immelt s compensation for 2007, the MDCC considered his performance against the following goals and objectives:

Financial Objectives	Goal	Performance	Change from Prior Year Results
Revenues (in $ billions)	~170	173	14%
Earnings from continuing operations (in $ billions)	22 23	22.5	16%
Earnings per share (EPS) ($ per share)	2.15 2.20	2.20	18%
Cash flow from operating activities (CFOA) (in $ billions)	22-23	23.3	(2%)
Return on total capital (ROTC) (%)	~19	18.9	30bp
Margins (%)	~16.9	16.6	70bp

The MDCC believes that Mr. Immelt performed very well in 2007. He met or exceeded his revenue, earnings, EPS and CFOA targets and made good progress on his ROTC target (+30 basis points). In addition, productivity efforts resulted in a margin expansion of 70 basis points. A comprehensive review of the company s performance under Mr. Immelt s leadership can be found in our Annual Report on Form 10-K. In addition to executing the company s financial plan described above, the MDCC established for 2007 a number of operational and strategic goals for Mr. Immelt. These goals included sustaining financial strength and flexibility, driving organic revenue growth at 2 to 3 times gross domestic product (GDP) and creating a more valuable portfolio of businesses. Retaining an excellent team and a strong culture are ongoing imperatives, and Mr. Immelt was also expected to manage the company s risk and reputation, build an excellent investor base and lead the Board activities.

Mr. Immelt is continuing to position the company for sustained growth through his strong performance in 2007. This performance, in a difficult economic environment, enabled the company to maintain its solid Triple-A credit rating, keep risk at very acceptable levels and return over $25 billion to investors through dividends and the company s stock buyback program, which was completed one year early. The company exceeded, for the 14th consecutive quarter, its organic revenue growth goal of 2 to 3 times GDP, with revenue from ecomagination-related products and services growing 17%, making this one of GE s most successful growth initiatives ever.

Mr. Immelt continued to build a more valuable portfolio in 2007, obtaining a highly competitive price for GE Plastics of $11.6 billion, and quickly integrating the newly acquired Smiths Aerospace and VetcoGray businesses. The company has a robust, flexible global platform that has attracted a strong base of value investors. The MDCC believes that Mr. Immelt s operational and strategic achievements account for GE s continued high reputation and for GE and its leadership team being consistently ranked among the best in the world in surveys published by *FORTUNE*, *Barron s* and *CEO* magazines.

Mr. Immelt also had another successful year developing and retaining leaders, managing key leadership transitions at NBCU, Industrial and our human resources function. Mr. Immelt is also continuing to effectively lead the Board by further strengthening its composition and governance practices. In addition, the company successfully negotiated a new four-year labor contract.

Since 2003, Mr. Immelt has received all of his equity incentive compensation in the form of PSUs because the MDCC and Mr. Immelt believe that his equity incentive compensation should be fully at risk and based on key performance measures that are aligned with the interests of our shareowners. As a further indication of Mr. Immelt s alignment with shareowners, Mr. Immelt purchased 183,000 shares of GE stock in the open market in 2007 and his direct ownership of GE stock as of February 1, 2008 is 1,173,813 shares, 230% of the amount required under the company s share ownership requirements. He has purchased 469,400 shares in the open market since he became our CEO.

For 2007, based on the MDCC s evaluation of the company s performance, his leadership contribution and his potential to enhance long-term shareowner value through continued service, the MDCC increased Mr. Immelt s cash compensation from $8.3 million to $9.1 million, a 10% increase from 2006. In addition, he was granted 150,000 PSUs on the same terms as the grant he received in September 2006, when he received 250,000 PSUs. Even though Mr. Immelt received fewer PSUs in 2007, the PSU accounting expense reported in the Summary Compensation Table increased. This is primarily attributable to the SFAS 123R expense of PSUs granted to Mr. Immelt prior to 2007, a portion of which was not earned as described in the section below. Under applicable SEC rules, this expense must be recognized over the life of the grant, which is generally five years. In 2007, we recognized expenses relating to six PSU grants, compared with five in 2006 ($8.6 million in 2007 versus $6.1 million in 2006). We believe it is important to clarify the value of PSUs to Mr. Immelt on realization versus the accounting charge since they are 100% at risk and have outcomes that are unknown. Including the SFAS 123R accounting charge and all other compensation, Mr. Immelt s total compensation for 2007 was $19,591,580, a 10% increase from 2006. We believe that Mr. Immelt s total compensation is closely connected with the company s objective to reward, align, motivate and challenge Mr. Immelt to continue leading the company successfully.

PSUs Vested in 2008. In February 2008, Mr. Immelt received 125,000 shares from the 250,000 PSUs granted to him in 2003 and 90,000 shares from the 180,000 PSUs granted to him in 2006. As shown in the table below, pursuant to the terms of these grants, 50% of the PSUs converted into shares of GE stock because GE s cash flow from operating activities had grown an average of more than 10% per year over the performance period. The remaining 50% of the PSUs, representing shares with a market value of $7.3 million on the vesting date, were cancelled since GE s total shareowner return had not met or exceeded that of the S&P 500 over the performance period.

PSU Performance Results Versus Goals:

PSU Grant Date	Number of PSUs Granted	Performance Period	Total Shareowner Return GE	Total Shareowner Return Goal (S&P 500)	Average CFOA Growth GE	Average CFOA Growth Goal	PSUs Earned[1]	PSUs Cancelled[1]
9/15/2003	250,000	5 years[2]	75%	83%	21%	10%	125,000	125,000
2/10/2006	180,000	2 years[3]	12%	22%	17%	10%	90,000	90,000
Total	430,000[4]						215,000	215,000
					Market Value[5]		$ 7,275,600	$ 7,275,600

1 All of the PSUs, including those cancelled, are accounted for in the SFAS 123R expense shown in the Summary Compensation Table for Mr. Immelt.

2 January 1, 2003 December 31, 2007

3 January 1, 2006 December 31, 2007

4 The company s total SFAS 123R expense for these PSUs was $11,176,462 over the performance period.

5 Based on the closing price of GE stock of $33.84 on the vesting date, February 8, 2008.

Determining Compensation for Our Other Named Executives in 2007

Each other named executive is a leader of an individual business or function and a vice chairman of the company. As part of the executive management team, they report directly to Mr. Immelt, who develops the objectives that each individual is expected to achieve, and against which their performance is assessed. Similar to Mr. Immelt, these objectives are reviewed with the MDCC at the beginning of each year and are derived largely from the company s annual financial and strategic planning sessions in which the other named executives participate.

Like Mr. Immelt, their objectives include both quantitative financial measurements and qualitative strategic and operational considerations affecting the company and the businesses or function that the named executives lead. Mr. Immelt leads the assessment of a named executive s individual performance against the objectives, the company s overall performance and the performance of his business or function. He then makes an initial compensation recommendation to the MDCC for each named executive, again with the advice of our senior vice president, human resources. The named executives do not play a role in their compensation determination, other than discussing with the CEO their individual performance against their predetermined objectives.

Keith Sherin. Mr. Sherin has been our chief financial officer since 1998 and was named a vice chairman in July 2007. Since he joined GE in 1981, he has assumed roles with increasing responsibilities at many of our key businesses. As the leader of the company s finance organization, Mr. Sherin s financial objectives focus on the overall performance of the company and are the same as Mr. Immelt s. His strategic and operational goals included supporting the businesses with strong and effective finance and controllership functions, leading efforts toward improving those functions, managing healthcare and pension costs, continuing to build relationships with investors, and helping the company sustain its Triple-A credit rating in order to access capital on a cost-effective basis.

As described in the above review of Mr. Immelt s performance and the company s Annual Report on Form 10-K, the company delivered strong financial results in 2007, and Mr. Sherin s financial leadership was instrumental in achieving these results. In a difficult economic environment, Mr. Sherin s financial leadership across the company s businesses was critical to maintaining a strong balance sheet and Triple-A credit rating. Important steps were taken to strengthen the company s controllership and finance functions by enhancing the company s technical accounting resources and internal audit function. Mr. Sherin also led efforts to control pension and retiree healthcare costs thereby improving GE s competitiveness. Mr. Sherin was promoted to vice chairman in 2007, reflecting his success as a GE leader and effective communicator with our investors as well as his contributions to building a stronger finance function.

In light of the assessment of Mr. Sherin s achievements, he received a $3,000,000 cash bonus, an 18% increase from 2006. In addition, his annual base salary was increased to $1,500,000 effective August 2007 following his promotion to vice chairman. Mr. Sherin received 275,000 stock options and 91,667 RSUs in 2007. His total compensation is in the Summary Compensation Table on page 20.

Mike Neal. Mr. Neal has been the leader of our Commercial Finance business since 2002 and is also a vice chairman of the company. Previously, he was the president and chief operating officer of GE Capital, and held several leadership positions at other businesses since he joined GE in 1979. Mr. Neal s financial objectives focused on increasing assets, revenues, net income and return on equity in the Commercial Finance business. His strategic and operational goals included accelerating the global growth of his business and improving the business margins.

Commercial Finance under Mr. Neal s leadership had a strong year in 2007. Revenues grew by 11%, to $34.3 billion, and net income of $6.0 billion was a 14% increase from the prior year. Assets grew 23%, to $310 billion, with Europe and Asia growing by more than 30%, while risk and costs were controlled effectively. Although the real estate market presented significant challenges, Mr. Neal demonstrated great leadership in guiding Commercial Finance through this difficult environment and limiting the company s exposure.

In light of the assessment of Mr. Neal s achievements, he received a $3,880,000 cash bonus, an 18% increase from 2006. In addition, Mr. Neal received 275,000 stock options and 91,667 RSUs in 2007. His total compensation is in the Summary Compensation Table on page 20.

John Rice. Mr. Rice has been the leader of our Infrastructure business since 2006 and is also a vice chairman of the company. During his career at GE, which began in 1978, he has served as president and CEO of GE Industrial, GE Energy and GE Transportation Systems. For 2007, Mr. Rice s key financial objectives included increasing revenues, operating profit, net income, cash flow from operating activities and margins in the Infrastructure business. His strategic and operational goals included launching new key technologies to drive performance and margins, integrating acquisitions and managing and improving profits in important business areas that are underperforming.

Mr. Rice led Infrastructure in 2007 to a strong performance, and successfully completed the integration of key acquisitions in the Aviation business (Smiths Aerospace) and Oil & Gas (VetcoGray). Revenue grew by 23%, operating profit increased 22% and cash flow from operating activities exceeded $9 billion. The performances by the Energy and Oil & Gas businesses were particularly good, and a solid turnaround at the Water business is well underway. Major equipment orders and backlog are at historic highs, as are the growth and business operations in emerging markets. Under Mr. Rice s leadership, Infrastructure has been very successfully positioned for future growth.

In light of the assessment of Mr. Rice s achievements, he received a $3,000,000 cash bonus, an 18% increase from 2006. Mr. Rice received 275,000 stock options and 91,667 RSUs in 2007. His total compensation is in the Summary Compensation Table on page 20.

Bob Wright. Mr. Wright has built a long and distinguished career with GE. After 21 years leading and building NBCU, he stepped down as NBCU s CEO in February 2007, and subsequently as NBCU s chairman at the end of April 2007. Throughout 2007, Mr. Wright was instrumental in transitioning the leadership of NBCU to Mr. Zucker and helping him launch a very successful turnaround of this business. In addition, Mr. Wright supported the chairman on a number of broader company-wide activities that included developing longer-term business strategies for the company and NBCU. Mr. Wright also provided his leadership and substantial industry expertise to various public policy issues of importance to the company, anti-piracy being key among these, and continued his participation on a number of boards of GE affiliates to ensure that the interests of GE were well served.

In light of the assessment of Mr. Wright s achievements, he received a $7,590,000 cash bonus, a 10% increase from 2006. He did not receive any equity incentive compensation in 2007. His total compensation is in the Summary Compensation Table on page 20.

Other Compensation Practices

Role of the MDCC and Executives in Establishing and Implementing Compensation Goal. The MDCC has the primary responsibility for assisting the Board in developing and evaluating potential candidates for executive positions and for overseeing the development of executive succession plans. As part of this responsibility, the MDCC oversees the design, development and implementation of the compensation program for the CEO and the other named executives. Our CEO and senior vice president, human resources, assist the MDCC in administering our compensation programs. The senior vice president, human resources, assists the MDCC and participates in its deliberations about compensation matters by providing advisory services and information, such as past compensation, compensation practices and guidelines, company performance, current industry compensation practices and competitive market information. Information setting forth the total annual compensation of each named executive, and potential retirement benefits accruing to each, is also assembled by the human resources function for the MDCC.

Share Ownership Requirements. We require our named executives to own significant amounts of GE stock. These share ownership requirements are set forth in the Nominating and Corporate Governance Committee s key practices, which are published on GE s website under the Governance section of Our Company at *www.ge.com/company/governance/board/mngment_dev_key_practices07.pdf*. The named executives ownership is shown in the share ownership table on page 34. In addition, they are required to hold for at least one year any net shares of GE stock that they receive through the exercise of stock options. We prohibit short sales on GE stock, or the purchase or sale of options, puts, calls, straddles, equity swaps or other derivative securities that are directly linked to GE stock, by our named executives.

Equity Grant Practices. The exercise price of each stock option awarded under our long-term incentive plan is the closing price of GE stock on the date of grant, which is the date of the MDCC meeting at which equity awards for the named executives are determined. Board and committee meetings are generally scheduled at least a year in advance. Scheduling decisions are made without regard to anticipated earnings or other major announcements by the company. We prohibit the repricing of stock options.

Tax Deductibility of Compensation. Section 162(m) of the Internal Revenue Code of 1986, as amended, imposes a $1 million limit on the amount that a public company may deduct for compensation paid to the company s CEO or any of the company s three other most highly compensated executive officers who are employed as of the end of the year. This limitation does not apply to compensation that meets the requirements under Section 162(m) for qualifying performance-based compensation (i.e., compensation paid only if the individual s performance meets pre-established objective goals based on performance criteria approved by shareowners). For 2007, the grants of stock options, RSUs and PSUs and the payments of discretionary annual cash bonuses were designed to satisfy the requirements for deductible compensation.

Potential Impact on Compensation from Executive Misconduct. If the Board determines that an executive officer has engaged in fraudulent or intentional misconduct, the Board may take a range of actions to remedy the misconduct, prevent its recurrence, and impose such discipline on the wrongdoers as would be appropriate. Discipline would vary depending on the facts and circumstances, and may include, without limit, (1) termination of employment, (2) initiating an action for breach of fiduciary duty, and (3) if the misconduct resulted in a significant restatement of the company s financial results, seeking reimbursement of any portion of performance-based or incentive compensation paid or awarded to the executive that is greater than would have been paid or awarded if calculated based on the restated financial results. These remedies would be in addition to, and not in lieu of, any actions imposed by law enforcement agencies, regulators or other authorities.

Compensation Committee Report

The MDCC has reviewed the Compensation Discussion and Analysis and discussed that analysis with management. Based on its review and discussions with management, the committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in the company s Annual Report on Form 10-K for 2007 and the company s 2008 proxy statement. This report is provided by the following independent directors, who comprise the committee:

Ralph S. Larsen (Chairman)
Claudio X. Gonzalez
Andrea Jung
Sam Nunn
Douglas A. Warner III

Summary Compensation Table

Name and Principal Position	Year	Salary[1]	Bonus	Stock Awards[2]	Option Awards[4]	Change in Pension Value and Nonqualified Deferred Compensation Earnings[5]	All Other Compensation[6]	Total
Jeffrey R. Immelt,	2007	$ 3,300,000	$ 5,800,000	$ 9,802,359[3]	$ 214,664	$ 78,290	$ 396,267	$ 19,591,580
Chairman of the Board and CEO	2006	3,300,000	5,000,000	7,404,209[3]	574,322	1,036,908	548,013	17,863,452
Keith S. Sherin,	2007	$ 1,354,167	$ 3,000,000	$ 3,076,095	$ 1,714,833	$ 1,281,453	$ 275,400	$ 10,701,948
Vice Chairman and CFO	2006	1,225,000	2,550,000	2,808,919	2,225,749	1,564,398	308,222	10,682,288
Michael A. Neal,	2007	$ 1,550,000	$ 3,880,000	$ 4,212,201	$ 1,457,839	$ 2,979,130	$ 343,674	$ 14,422,844
Vice Chairman	2006	1,400,000	3,300,000	3,906,929	1,759,672	3,032,927	294,872	13,694,400
John G. Rice,	2007	$ 1,550,000	$ 3,000,000	$ 4,406,900	$ 1,714,833	$ 1,852,735	$ 393,825	$ 12,918,293
Vice Chairman	2006	1,400,000	2,550,000	4,122,437	2,225,749	2,183,677	335,866	12,817,729
Robert C. Wright,	2007	$ 2,750,000	$ 7,590,000	$ 1,943,665	$ 1,303,005	$ 1,072,075	$ 1,314,005	$ 15,972,750
Vice Chairman	2006	2,500,000	6,900,000	2,516,712	2,473,683	2,422,714	1,010,780	17,823,889

1 Messrs. Sherin and Rice deferred a portion of their salaries under the 2006 Executive Deferred Salary Plan. They were not named executives at the time this plan was initiated. The amounts are also part of the Nonqualified Deferred Compensation table on page 30. In addition, each of the named executives contributed a portion of his salary to the company s 401(k) savings plan.

2 This column represents the dollar amounts recognized for the 2007 and 2006 fiscal years for the fair value of PSUs and RSUs granted in those years, as well as prior fiscal years, in accordance with SFAS 123R. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. For RSUs, fair value is calculated using the closing price of GE stock on the date of grant. As Mr. Wright is eligible for retirement, the fair value of his awards that have been held for more than a year have already been fully expensed. For additional information, refer to note 23 of the GE financial statements in the Form 10-K for the year ended December 31, 2007, as filed with the SEC. For information on the valuation assumptions with respect to grants made prior to 2007, refer to the note on Other Stock-Related Information for the GE financial statements in the Form 10-K for the respective year-end. Refer to note 3 below for a discussion of the calculation of the fair value of PSUs. See the Grants of Plan-Based Awards table for information on grants awarded in 2007. These amounts reflect the company s accounting expense, and do not correspond to the actual value that will be realized by the named executives.

3 This amount represents the company s accounting expense for PSUs pursuant to SFAS 123R and SEC rules. It reflects the expense for all previously granted PSUs, not only those granted in 2006 or 2007. The actual value received depends on performance: 50% of the PSUs converts into GE stock only if GE s cash flow from operating activities, adjusted to exclude the effect of unusual events, has grown an average of 10% or more per year over the performance period and 50% converts into GE stock only if GE s total shareowner return meets or exceeds that of the S&P 500 over the performance period. Accordingly, Mr. Immelt may receive 0%, 50% or 100% of each PSU grant. For example, as described in the Compensation Discussion and Analysis on page 17, Mr. Immelt did not earn 50%, or a total of 215,000 shares, from the PSUs granted to him in September 2003 and February 2006 because the total shareowner return condition was not met. Although the PSUs not earned by Mr. Immelt were cancelled, the related accounting expense of $4.3 million has been disclosed as compensation to Mr. Immelt over the performance period. In measuring fair value, SFAS 123R distinguishes between the PSU vesting condition related to the company s stock price and the non-stock price related performance condition. The restrictions on the PSUs lapse at the MDCC meeting in February following the end of the performance period.

4 This column represents the dollar amounts recognized for the 2007 and 2006 fiscal years for the fair value of stock options granted in those years, as well as prior fiscal years, in accordance with SFAS 123R. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. As Mr. Wright is eligible for retirement, the fair value of his awards that have been held for more than a year have already been fully expensed. For information on the valuation assumptions, refer to note 23 of the GE financial statements in the Form 10-K for the year ended December 31, 2007, as filed with the SEC. For information on the valuation assumptions with respect to grants made prior to 2007, refer to the note on Other Stock-Related Information for the GE financial statements in the Form 10-K for the respective year-end. See the Grants of Plan-Based Awards table for information on options granted in 2007. These amounts reflect the company s accounting expense, and do not correspond to the actual value that will be realized by the named executives.

5 This column represents the sum of the change in pension value and nonqualified deferred compensation earnings for each of the named executives. The change in pension value in 2007 was $(99,861), $1,221,780, $2,913,282, $1,759,575 and $488,342 for Messrs. Immelt, Sherin, Neal, Rice and Wright, respectively. The negative value for Mr. Immelt was primarily due to an increase in the discount rate used to calculate the present value of his benefit, partially offset by an additional year of pension accrual. In accordance with SEC rules, the amount included in this column relating to the change in pension value for Mr. Immelt is $0. See the Pension Benefits table on page 28 for additional information, including the present value assumptions used in this calculation. In 2007, the above-market earnings on the executive deferred salary plans in which the named executives participated were $78,290, $59,673, $65,848, $93,160 and $583,733 for Messrs. Immelt, Sherin, Neal, Rice and Wright, respectively. Above-market earnings represent the difference between market interest rates determined pursuant to SEC rules and the 8.5% to 14% interest contingently credited by the company on salary deferred by the named executives under various executive deferred salary plans in effect between 1987 and 2007. See Nonqualified Deferred Compensation beginning on page 29 for additional information.

6 See the All Other Compensation table below for additional information.

All Other Compensation

We provide our named executives with additional benefits, reflected in the All Other Compensation table below for 2007, that we believe are reasonable, competitive and consistent with the company s overall executive compensation program. We believe that these benefits generally allow our named executives to work more efficiently, and the costs of these benefits constitute only a small percentage of each named executive s total compensation.

Name of Executive	Other Benefits[1]	Tax Payments[2]	Value of Supplemental Life Insurance Premiums[3]	Payments Relating to Employee Savings Plan[4]	Total
Immelt	$ 260,980	$ 0	$ 127,412	$ 7,875	$ 396,267
Sherin	101,692	8,470	73,263	91,975	275,400
Neal	106,065	0	125,634	111,975	343,674
Rice	190,815	10,738	93,397	98,875	393,825
Wright	355,882	43,539	697,609	216,975	1,314,005

1 See the Other Benefits table below for additional information.

2 This column reports amounts reimbursed for the payment of taxes with respect to financial counseling, tax preparation services and the personal use of car service. See the Other Benefits table below for the incremental costs associated with providing these services.

3 This column reports taxable payments made to the named executives to cover premiums for universal life insurance policies owned by the executives. These policies include: (a) Executive Life, which provides universal life insurance policies for the named executives totaling $3 million in coverage at the time of enrollment, increased 4% annually thereafter, and (b) Leadership Life, which provides universal life insurance policies for the company s executive-band employees and above with coverage of two times their salary plus 100% of their latest bonus payments. The amount for Mr. Wright also includes Supplemental Life, the predecessor plan to Executive Life.

4 This column reports: (a) company matching contributions to the named executives 401(k) savings account of 3.5% of pay up to the limitations imposed under IRS rules, and (b) other than for Mr. Immelt, related matching deferred bonus credits of 3.5% of certain pay in excess of amounts eligible for matching under the 401(k) savings plan. See Nonqualified Deferred Compensation beginning on page 29 for a further description of the company contributions related to nonqualified deferred compensation.

Other Benefits

The following table describes other benefits and the incremental cost to the company of providing them in 2007. The total amount of these other benefits is included in the All Other Compensation table above for each named executive.

Name of Executive	Use of Aircraft[1]	Leased Cars[2]	Financial Counseling and Tax Preparation[3]	Other[4]	Total
Immelt	$ 235,727	$ 0	$ 0	$ 25,253	$ 260,980
Sherin	55,865	28,008	12,000	5,819	101,692
Neal	105,347	718	0	0	106,065
Rice	123,706	29,237	15,341	22,531	190,815
Wright	263,557	25,515	49,550	17,260	355,882

1 The calculation of incremental cost for personal use of company aircraft includes the variable costs incurred as a result of personal flight activity: a portion of ongoing maintenance and repairs, aircraft fuel, satellite communications and any travel expenses for the flight crew. It excludes non-variable costs, such as exterior paint, interior refurbishment and regularly scheduled inspections, which would have been incurred regardless of whether there was any personal use of aircraft.

2 Includes expenses associated with the leased cars program, such as leasing and management fees, administrative costs and gas allowance.

3 Includes expenses associated with the use of advisors for financial, estate and tax preparation and planning, as well as investment analysis and advice.

4 This column reports the total amount of other benefits provided, none of which individually exceeded the greater of $25,000 or 10% of the total amount of these benefits for the named executive. These other benefits included: (a) car service fees, (b) alarm and generator installation, maintenance and monitoring, (c) participation in the Executive Products and Lighting Program, and (d) an annual physical examination.

Grants of Plan-Based Awards

The following table provides information about equity awards granted to the named executives, other than Mr. Wright, in 2007: (1) the grant date, (2) estimated future payouts under equity incentive plan awards, which consist of the PSUs awarded to Mr. Immelt, (3) the number of shares underlying all other stock awards, which consist of RSUs awarded to certain named executives, (4) all other awards, which consist of the number of shares underlying stock options awarded to certain named executives, (5) the exercise price of the stock option awards, which reflects the closing price of GE stock on the date of grant, and (6) the grant date fair value of each equity award computed under SFAS 123R.

Name of Executive	Grant Date	Estimated Future Payouts Under Equity Incentive Plan Awards[1] Maximum	All Other Stock Awards: Number of Shares of Stock or Units[2]	All Other Awards: Number of Securities Underlying Options[3]	Exercise or Base Price of Option Awards	Full Grant Date Fair Value[4]
Immelt	11/2/2007	150,000				$ 4,713,000
Sherin	9/7/2007		91,667			$ 3,552,096
	9/7/2007			275,000	$ 38.75	2,563,000
Neal	9/7/2007		91,667			$ 3,552,096
	9/7/2007			275,000	$ 38.75	2,563,000
Rice	9/7/2007		91,667			$ 3,552,096
	9/7/2007			275,000	$ 38.75	2,563,000

1 This column shows the number of PSUs granted in 2007 to Mr. Immelt, which is the maximum number of PSUs that will convert into shares of GE stock at the end of the five-year performance period, if GE achieves the specified performance conditions. The terms of the PSUs are described in note 3 of the Summary Compensation Table on page 20.

[2] This column shows the number of RSUs granted, which will vest and convert into shares of GE stock ratably in five equal annual installments beginning on September 7, 2008, and each year thereafter following the date of grant. During the restricted period, each RSU entitles the individual to receive quarterly payments from the company equal to the quarterly dividends on one share of GE stock.

[3] This column shows the number of stock options granted, which will vest and become exercisable ratably in five equal annual installments, beginning on September 7, 2008, and each year thereafter following the date of grant.

4 This column shows the full grant date fair value of PSUs under SFAS 123R granted to Mr. Immelt, and the full grant date fair value of RSUs and stock options under SFAS 123R granted to the other named executives in the table, in 2007. Generally, the full grant date fair value is the amount that the company will expense in its financial statements over the award s vesting schedule. See note 3 of the Summary Compensation Table for a discussion of the fair value calculation related to the PSUs. For RSUs, fair value is calculated using the closing price of GE stock on the grant date of $38.75. For stock options, fair value is calculated using the Black Scholes value on the grant date of $9.32. For additional information on the valuation assumptions, refer to note 23 of the GE financial statements in the Form 10-K for the year ended December 31, 2007, as filed with the SEC.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information on the current holdings of stock option and stock awards by the named executives. This table includes unexercised and unvested option awards, unvested RSUs, or PSUs with vesting conditions that were not satisfied as of December 31, 2007. Each equity grant is shown separately for each named executive. The vesting schedule for each outstanding award is shown following this table, based on the option or stock award grant date. The option exercise prices shown below indicate rounding with respect to prices prior to 2000, which extended to four decimal points. For additional information about the stock option and stock awards, see the description of equity incentive compensation in the Compensation Discussion and Analysis on page 14.

	Option Awards					Stock Awards				
ame of xecutive	Option Grant Date	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date	Stock Award Grant Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested[1]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market o Payout Value of Unearne Shares, Units or Other Rights That Hav Not Vested[1]
nmelt						7/3/1989	60,000	$ 2,224,200		
						12/20/1991	72,000	2,669,040		
						6/23/1995	75,000	2,780,250		
						6/26/1998	112,500	4,170,375		
	9/11/1998	270,000		$ 26.42	9/11/2008					
	9/10/1999	375,000		39.73	9/10/2009					
	9/22/2000	350,000		57.31	9/22/2010					
	11/24/2000	200,000		49.38	11/24/2010					
						11/24/2000	150,000	5,560,500		
	7/26/2001	800,000		43.75	7/26/2011					
	9/26/2001	400,000		35.48	9/26/2011					
	9/13/2002	1,000,000		27.05	9/13/2012					
						9/15/2003			250,000[2]	$ 9,267,50
						9/17/2004(a)			250,000	9,267,50
						9/16/2005(a)			250,000	9,267,50
						2/10/2006			180,000[2]	6,672,60
						9/8/2006(a)			250,000	9,267,50
						11/2/2007			150,000	5,560,50

	Option Awards					Stock Awards				
Name of Executive	**Option Grant Date**	**Number of Securities Underlying Unexercised Options Exercisable**	**Number of Securities Underlying Unexercised Options Unexercisable**	**Option Exercise Price**	**Option Expiration Date**	**Stock Award Grant Date**	**Number of Shares or Units of Stock That Have Not Vested**	**Market Value of Shares or Units of Stock That Have Not Vested[1]**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested[1]**
Sherin						12/20/1996	30,000	$ 1,112,100		
						6/26/1998	45,000	1,668,150		
	9/11/1998	75,000		$ 26.42	9/11/2008					
						7/29/1999	30,000	1,112,100		
	9/10/1999	150,000		39.73	9/10/2009					
						6/2/2000	30,000	1,112,100		
	9/22/2000	150,000		57.31	9/22/2010					
	7/26/2001	225,000		43.75	7/26/2011					
						9/10/2001	37,500	1,390,125		
	9/26/2001	112,500		35.48	9/26/2011					
	9/13/2002	350,000		27.05	9/13/2012					
						9/12/2003(a)	26,667	988,546		
	9/12/2003	192,000	48,000	31.53	9/12/2013					
						9/12/2003(b)	93,750	3,475,313		
	9/17/2004	162,000	108,000	34.22	9/17/2014					
						9/17/2004(b)	30,000	1,112,100		
	9/16/2005	120,000	180,000	34.47	9/16/2015					
						9/16/2005(b)	66,667	2,471,346		
	9/8/2006	50,000	200,000	34.01	9/8/2016					
						9/8/2006(b)	83,334	3,089,191		
	9/7/2007		275,000	38.75	9/7/2017					
						9/7/2007	91,667	3,398,096		
Neal						6/24/1994	60,000	$ 2,224,200		
						6/23/1995	75,000	2,780,250		
						6/26/1998	45,000	1,668,150		
	9/11/1998	108,000		$ 26.42	9/11/2008					
						7/29/1999	30,000	1,112,100		
	9/10/1999	135,000		39.73	9/10/2009					
						6/22/2000	30,000	1,112,100		
						7/27/2000	7,500	278,025		
	9/22/2000	125,000		57.31	9/22/2010					
	7/26/2001	160,000		43.75	7/26/2011					
	9/26/2001	80,000		35.48	9/26/2011					
	9/13/2002	250,000		27.05	9/13/2012					
						3/14/2003	18,000	667,260		
						9/12/2003(a)	20,000	741,400		
	9/12/2003	144,000	36,000	31.53	9/12/2013					
						9/12/2003(b)	56,250	2,085,188		
	9/17/2004	126,000	84,000	34.22	9/17/2014					
						9/17/2004(b)	23,334	864,991		
						7/1/2005	200,000	7,414,000		
	9/16/2005	96,000	144,000	34.47	9/16/2015					
						9/16/2005(b)	53,334	1,977,091		
	9/8/2006	50,000	200,000	34.01	9/8/2016					
						9/8/2006(b)	83,334	3,089,191		
	9/7/2007		275,000	38.75	9/7/2017					
						9/7/2007	91,667	3,398,096		

	Option Awards					Stock Awards				
Name of Executive	Option Grant Date	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date	Stock Award Grant Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested[1]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested[1]
Rice						6/23/1995	45,000	$ 1,668,150		
						6/26/1998	60,000	2,224,200		
	9/11/1998	120,000		$ 26.42	9/11/2008					
						7/29/1999	30,000	1,112,100		
	9/10/1999	150,000		39.73	9/10/2009					
						7/27/2000	30,000	1,112,100		
	9/22/2000	150,000		57.31	9/22/2010					
	7/26/2001	225,000		43.75	7/26/2011					
						9/10/2001	37,500	1,390,125		
	9/26/2001	112,500		35.48	9/26/2011					
	9/13/2002	350,000		27.05	9/13/2012					
						9/12/2003(a)	26,667	988,546		
	9/12/2003	192,000	48,000	31.53	9/12/2013					
						9/12/2003(b)	93,750	3,475,313		
	9/17/2004	162,000	108,000	34.22	9/17/2014					
						9/17/2004(b)	30,000	1,112,100		
						7/1/2005	200,000	7,414,000		
	9/16/2005	120,000	180,000	34.47	9/16/2015					
						9/16/2005(b)	66,667	2,471,346		
	9/8/2006	50,000	200,000	34.01	9/8/2016					
						9/8/2006(b)	83,334	3,089,191		
	9/7/2007		275,000	38.75	9/7/2017					
						9/7/2007	91,667	3,398,096		
Wright						6/27/1986	216,000	$ 8,007,120		
						7/3/1989	270,000	10,008,900		
						6/26/1992	270,000	10,008,900		
						6/23/1995	180,000	6,672,600		
						6/26/1998	90,000	3,336,300		
	9/11/1998	375,000		$ 26.42	9/11/2008					
	9/10/1999	450,000		39.73	9/10/2009					
						7/27/2000	100,000	3,707,000		
	9/22/2000	400,000		57.31	9/22/2010					
	7/26/2001	500,000		43.75	7/26/2011					
	9/26/2001	250,000		35.48	9/26/2011					
	9/13/2002	625,000		27.05	9/13/2012					
						9/12/2003(a)	46,667	1,729,946		
	9/12/2003	336,000	84,000	31.53	9/12/2013					
						7/29/2004	50,000	1,853,500		
	9/17/2004	252,000	168,000	34.22	9/17/2014					
						9/17/2004(b)	46,667	1,729,946		
	9/16/2005	120,000	180,000	34.47	9/16/2015					
						9/16/2005(b)	66,667	2,471,346		
	9/8/2006	50,000	200,000	34.01	9/8/2016					
						9/8/2006(b)	83,334	3,089,191		

1 The market value of the stock awards and the equity inventive plan awards represents the product of the closing price of GE stock as of December 31, 2007, which was $37.07, and the number of shares underlying each such award. The market value for the equity inventive plan awards, representing PSUs, also assumes the satisfaction of both the cumulative total shareowner return condition and the average cash flow from operating activities condition as of December 31, 2007.

2 Additional information on the actual value realized by Mr. Immelt on these awards is in the Compensation Discussion and Analysis on page 17.

(a), (b) Indicates grants made on the same day with different vesting schedules as set forth in the tables below.

Option Awards Vesting Schedule

Grant Date	Vesting Schedule
9/11/1998	50% vested in 2001 and 50% vested in 2003
9/10/1999	50% vested in 2002 and 50% vested in 2004
9/22/2000	50% vested in 2003 and 50% vested in 2005
11/24/2000	50% vested in 2003 and 50% vested in 2005
7/26/2001	50% vested in 2003 and 50% vested in 2005
9/26/2001	50% vested in 2004 and 50% vested in 2006
9/13/2002	20% vested each year for five years from date of grant (2003-2007)
9/12/2003	20% vested and vests each year for five years from date of grant (2004-2008)
9/17/2004	20% vested and vests each year for five years from date of grant (2005-2009)
9/16/2005	20% vested and vests each year for five years from date of grant (2006-2010)
9/8/2006	20% vested and vests each year for five years from date of grant (2007-2011)
9/7/2007	20% vests each year for five years from date of grant (2008-2012)

Stock Awards Vesting Schedule

Grant Date	Vesting Schedule
6/27/1986	Vests upon retirement
7/3/1989	Vests upon retirement
12/20/1991	Vests upon retirement
6/26/1992	Vests upon retirement
6/24/1994	Vests upon retirement
6/23/1995	Vests upon retirement
12/20/1996	Vests upon retirement
6/26/1998	Vests upon retirement
7/29/1999	Vests upon retirement
6/2/2000	Vests upon retirement
6/22/2000	Vests upon retirement
7/27/2000	Vests upon retirement
11/24/2000	Vests upon retirement
9/10/2001	One-third vests in 2008 and two-thirds vest upon retirement
3/14/2003	Vests in 2008
9/12/2003(a)	Vests in 2008
9/12/2003(b)	One-third vests in 2008, one-third vests in 2013 and one-third vests upon retirement
9/15/2003	Vests upon the satisfaction of performance conditions at the end of 2007 and continued employment through the MDCC meeting in the following February
7/29/2004	Vests upon retirement
9/17/2004(a)	Vests upon the satisfaction of performance conditions at the end of 2008 and continued employment through the MDCC meeting in the following February
9/17/2004(b)	Vests in 2009
7/1/2005	25% vests in 2008, 25% vests in 2010, 25% vests in 2015 and 25% vests upon retirement
9/16/2005(a)	Vests upon the satisfaction of performance conditions at the end of 2009 and continued employment through the MDCC meeting in the following February
9/16/2005(b)	50% vests in 2008 and 50% vests in 2010
2/10/2006	Vests upon the satisfaction of performance conditions at the end of 2007 and continued employment through the MDCC meeting in the following February
9/8/2006(a)	Vests upon the satisfaction of performance conditions at the end of 2010 and continued employment through the MDCC meeting in the following February
9/8/2006(b)	50% vests in 2009 and 50% vests in 2011
9/7/2007	20% vests each year for five years from date of grant (2008 2012)
11/2/2007	Vests upon the satisfaction of performance conditions at the end of 2011 and continued employment through the MDCC meeting in the following February

Option Exercises and Stock Vested

The following table provides information, for the named executives, on (1) stock option awards exercised during 2007, including the number of shares acquired upon exercise and the value realized, and (2) the number of shares acquired upon the vesting of stock awards in the form of RSUs and the value realized, each before payment of any applicable withholding tax and brokerage commission. As described in the Compensation Discussion and Analysis, these named executives are required to hold the net shares acquired upon the exercise of stock options for at least one year. The exercise prices reported in the notes below indicate rounding, since prices prior to 2000 extended to four decimal points. Mr. Immelt retained all of the shares he acquired upon the exercise of stock options and the shares he received upon the vesting of RSUs. He has not sold any of the shares he acquired upon the exercise of stock options or received upon the vesting of RSUs since he became our CEO in 2001 and is committed to continue this practice as long as he serves as our CEO.

	Option Awards		**Stock Awards**	
Name of Executive	**Number of Shares Acquired on Exercise**	**Value Realized on Exercise**	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting**
Immelt[1]	180,000	$ 3,028,806	79,000	$ 2,958,575
Sherin[2]	60,000	1,009,602	45,000	1,770,938
Neal[3]	96,000	1,615,363	60,083	2,280,164
Rice[4]	105,000	1,527,404	45,000	1,794,525
Wright[5]	360,000	6,057,612	146,667	5,795,280

1 Mr. Immelt exercised 180,000 expiring stock options on August 2, 2007, with an exercise price of $22.08 and market price of $38.91, and he retained all the shares (45,030 shares) after the payment of the exercise price and taxes. Upon the lapse of RSUs, he acquired 4,000 shares with a market price of $40.36 on October 28, 2007, and 75,000 shares with a market price of $37.30 on November 24, 2007.

2 Mr. Sherin exercised 60,000 stock options on August 2, 2007, with an exercise price of $22.08 and market price of $38.91. Upon the lapse of RSUs, he acquired 15,000 shares with a market price of $37.67 on June 2, 2007, and 30,000 shares with a market price of $40.20 on September 17, 2007.

3 Mr. Neal exercised 96,000 stock options on August 2, 2007, with an exercise price of $22.08 and market price of $38.91. Upon the lapse of RSUs, he acquired 18,000 shares with a market price of $34.15 on March 14, 2007, 15,000 shares with a market price of $38.70 on June 22, 2007, 3,750 shares with a market price of $39.25 on July 27, 2007, and 23,333 shares with a market price of $40.20 on September 17, 2007.

4 Mr. Rice exercised 35,000 stock options on January 31, 2007, with an exercise price of $22.08 and a market price of $36.00, 35,000 stock options on April 25, 2007, with an exercise price of $22.08 and a market price of $34.98, and 35,000 stock options on August 2, 2007, with an exercise price of $22.08 and a market price of $38.91. Upon the lapse of RSUs, he acquired 15,000 shares with a market price of $39.25 on July 27, 2007, and 30,000 shares with a market price of $40.20 on September 17, 2007.

5 Mr. Wright exercised 360,000 stock options on August 2, 2007, with an exercise price of $22.08 and a market price of $38.91. Upon the lapse of RSUs, he acquired 50,000 shares with a market price of $39.25 on July 27, 2007, 50,000 shares with a market price of $39.15 on July 29, 2007, and 46,667 shares with a market price of $40.20 on September 17, 2007.

Pension Benefits

The table below sets forth information on the pension benefits for the named executives under each of the following pension plans:

GE Pension Plan. The GE Pension Plan is a funded and tax-qualified retirement program that covers eligible employees. As applicable to the named executives, the plan provides benefits based primarily on a formula that takes into account the named executive s earnings for each fiscal year. Since 1989, the formula provides an annual benefit accrual equal to 1.45% of the named executive s earnings for the year up to covered compensation and 1.9% of his earnings for the year in excess of covered compensation. Covered compensation is $35,000 for 2007 and has varied over the years based in part on changes in the average of the Social Security taxable wage bases. The named executive s annual earnings taken into account under this formula include base salary and up to one-half of his bonus payments, but may not exceed an IRS-prescribed limit applicable to tax-qualified plans ($225,000 for 2007). As a result, for service in 2007 the maximum incremental annual benefit a named executive could have earned toward his total pension payments under this formula was $4,117.50 ($343.13 per month), payable after retirement as described below. Over the years, we have made special one-time adjustments to this plan that increased eligible participants pensions, and such an adjustment was made in 2007.

The accumulated benefit an employee earns over his or her career with the company is payable starting after retirement on a monthly basis for life with a guaranteed minimum term of five years. The normal retirement age as defined in this plan is 65. For employees who commenced service prior to 2005, including the named executives, retirement may occur at age 60 without any reduction in benefits. Employees vest in the GE Pension Plan after five years of qualifying service. In addition, the plan provides for Social Security supplements and spousal joint and survivor annuity options, and requires employee contributions.

Benefits under the GE Pension Plan are subject to the limitations imposed under Section 415 of the Internal Revenue Code. The Section 415 limit for 2007 is $180,000 per year for a single life annuity payable at an IRS-prescribed retirement age. This ceiling may be actuarially adjusted in accordance with IRS rules for items such as employee contributions, other forms of distribution and different annuity starting dates.

GE Supplementary Pension Plan. The company offers the GE Supplementary Pension Plan to eligible employees in the executive-band and above to provide for retirement benefits above amounts available under the company s tax-qualified and other pension programs. The Supplementary Pension Plan is unfunded and is not qualified for tax purposes. An employee s annual supplementary pension, when combined with certain amounts payable under the company s tax-qualified and other pension programs and Social Security, will equal 1.75% of the employee s earnings credited for retirement benefits multiplied by the number of the employee s years of credited service, up to a maximum of 60% of such earnings credited for retirement benefits. The earnings credited for retirement benefits are the employee s average annual compensation (base salary and bonus) for the highest 36 consecutive months out of the last 120 months prior to retirement. Employees are generally not eligible for benefits under the Supplementary Pension Plan if they leave the company prior to reaching age 60. The normal retirement age as defined in this plan is 65. For employees who commenced service prior to 2005, including the named executives, retirement may occur at age 60 without any reduction in benefits. Benefits under the Supplementary Pension Plan are generally payable at the same time and in the same manner as the GE Pension Plan.

GE Excess Benefits Plan. The GE Excess Benefits Plan is unfunded and not qualified for tax purposes. Benefits payable under this program are equal to the excess of (1) the amount that would be payable in accordance with the terms of the GE Pension Plan disregarding the limitations imposed pursuant to Section 415 of the Internal Revenue Code over (2) the pension actually payable under the GE Pension Plan taking such Section 415 limitations into account. Benefits under the Excess Benefits Plan are generally payable at the same time and in the same manner as the GE Pension Plan. The company expects only insignificant accruals under this plan.

No pension benefits were paid to any of the named executives in the last fiscal year.

The amounts reported in the table below equal the present value of the accumulated benefit at December 31, 2007, for the named executives under each plan based upon the assumptions described in note 1.

Name of Executive	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit[1]
Immelt	GE Pension Plan	25.532	$ 675,962
	GE Supplementary Pension Plan	25.532	23,158,061
	GE Excess Benefits Plan	25.532	847
Sherin	GE Pension Plan	26.425	$ 590,705
	GE Supplementary Pension Plan	26.425	9,947,250
	GE Excess Benefits Plan	26.425	
Neal	GE Pension Plan	28.233	$ 880,812
	GE Supplementary Pension Plan	28.233	18,841,107
	GE Excess Benefits Plan	28.233	3,208
Rice	GE Pension Plan	29.390	$ 701,625
	GE Supplementary Pension Plan	29.390	13,128,358
	GE Excess Benefits Plan	29.390	
Wright[2]	GE Pension Plan	32.655	$ 1,369,086
	GE Supplementary Pension Plan	38.984	59,753,004
	GE Excess Benefits Plan	32.655	230,510

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[1] The accumulated benefit is based on service and earnings (base salary and bonus, as described above) considered by the plans for the period through December 31, 2007. It includes the value of contributions made by the named executives throughout their careers. The present value has been calculated assuming the named executives will remain in service until age 60, the age at which retirement may occur without any reduction in benefits, and that the benefit is payable under the available forms of annuity consistent with the assumptions as described in note 6 of the GE financial statements in the Form 10-K for the year ended December 31, 2007, as filed with the SEC. As described in such note, the discount rate assumption is 6.34%. The post-retirement mortality assumption is based on the Uninsured Pensioner 1994 Mortality Table projected to 2015. With the exception of Mr. Wright, none of the named executives is vested in the GE Supplementary Pension Plan as of December 31, 2007.

[2] The present value for Mr. Wright has been calculated based on his current age of 64. The company does not have a policy for granting extra pension service but has done so under the GE Supplementary Pension Plan in individual situations on very rare occasions. Mr. Wright received credit for an additional six years and four months of service under the GE Supplementary Pension Plan in 1990, which includes the years when he was employed at Cox Communications. The impact of the special service credit was limited to an additional 1.3 years because the maximum replacement ratio of 60% of pensionable earnings was reached upon entitlement of 34 years of service. The present value of the accumulated benefit attributable to the additional service is approximately $2.8 million.

Nonqualified Deferred Compensation

The table below provides information on the nonqualified deferred compensation of the named executives in 2007, including:

Deferral of bonus. Executive-band and above employees, including the named executives, are able to defer all or a portion of their bonus payments in either (1) GE stock (GE Stock Units), (2) an index based on the S&P 500 (the S&P 500 Index Units), or (3) cash units. The participants may change their election among these options four times a year. If a participant elects either to defer bonus payments in GE Stock Units or the S&P 500 Index Units, the company credits a number of such units to the participant s Deferred Incentive Compensation account based on the respective average price of GE stock and the S&P 500 Index for the 20 trading days preceding the date the Board approves the company s total bonus allotment.

Deferred cash units earn interest income on the daily outstanding balance in the account based on the prior calendar month s average yield for U.S. Treasury Notes and Bonds issued with maturities of 10 and 20 years. The interest income does not constitute an above-market interest rate as defined by the SEC, and is credited to the participant s account monthly. Deferred GE Stock Units and S&P 500 Index Units earn dividend income on such units held as of the start of trading on the NYSE ex-dividend date equal to (1) for GE Stock Units, the quarterly dividend declared by the GE Board, or (2) for S&P 500 Index Units, the quarterly dividend as declared by Standard & Poor s for the S&P 500 Index for the preceding calendar quarter. Participants who made contributions prior to 2005 are permitted to receive their deferred compensation balance upon termination of employment either through a lump sum payment or in annual installments over 10 to 20 years. Participants who made contributions in or after 2005 are permitted to either a lump sum payment or 10, 15 or 20 annual installments.

In addition, the company awards a special discretionary credit to the named executive s account, as a result of the limitations imposed by U.S. income