



# 'ANGUS BARKS'

By Jeff Francis  
AEG Executive Board

## *Annual Report*

### **2004 RESULTS:**

**GE PROFITS - 16 billion (10% increase over 2003)**

**GE REVENUES - 152 billion (13% increase over 2003)**

**TRANSPORTATION PROFITS – 3.2 billion (21% increase over 2003)**

**TRANSPORTATION REVENUES – 15.6 billion (15% increase over 2003)**

Transportation (Aircraft and Rail) provided the second highest total profits of GE's six business segments.

GE predicts significant growth in future sales of aircraft engines. The market has rebounded from the post-9/11 aviation cycle, with strong demand for commercial planes.

For the first time in 20 years, GE expects to grow industrial earnings faster than financial earnings.

### **PENSION PLAN:**

**TOTAL ASSETS- 46.6 billion**

**FUTURE OBLIGATIONS- 39.9 billion**

**OVERFUNDING- 6.7 billion**

**2004 PLAN EARNINGS- 4.8 billion**

**2004 BENEFITS PAID- 2.3 billion**

**# PLAN PARTICIPANTS- 520,000**

Once again, our Pension Plan was able to pay all benefits owed in 2004 from the Fund's annual earnings, without touching the Plan's assets, or requiring contributions from GE.

## **INVESTMENT DECISIONS**

The Lynn Plant plays an important role in generating profits for GE. We are GE's largest *domestic* manufacturing facility for aircraft engines. However, for several years, Lynn has been starved for investment dollars. You see it in the age of our machinery, in the lack of maintenance, tooling, programming, and the desperation with which managers cut costs to meet budgets.

Your COE manager in Lynn only manages costs. He or she does not have authority over the profits created by your area. That cash gets collected by Corporate. To buy new machinery, your manager must go hat-in-hand to Corporate for funding, and endure a lengthy approval process.

In the past decade, GE's investment dollars flowed overseas, for new machinery and plants in China and Romania, and to strengthen partnerships in Sweden and Italy, Korea and Japan, Turkey and Israel, Russia and Brazil.

The Annual Report says it's "Our Time" to expand the business. We say, it's "High Time" to invest in new machinery for Lynn.

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