

United States Securities and Exchange Commission
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2011

or

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 001-00035

General Electric Company

(Exact name of registrant as specified in charter)

New York

(State or other jurisdiction of incorporation or organization)

14-0689340

(I.R.S. Employer Identification No.)

3135 Easton Turnpike, Fairfield, CT

(Address of principal executive offices)

06828-0001

(Zip Code)

203/373-2211

(Telephone No.)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class

Common stock, par value \$0.06 per share

Name of each exchange on which registered

New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act:

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the outstanding common equity of the registrant not held by affiliates as of the last business day of the registrant's most recently completed second fiscal quarter was at least \$201.5 billion. There were 10,581,257,000 shares of voting common stock with a par value of \$0.06 outstanding at February 3, 2012.

DOCUMENTS INCORPORATED BY REFERENCE

Report of Independent Registered Public Accounting Firm

To Shareowners and Board of Directors
of General Electric Company:

We have audited the accompanying statement of financial position of General Electric Company and consolidated affiliates (“GE”) as of December 31, 2011 and 2010, and the related statements of earnings, changes in shareowners’ equity and cash flows for each of the years in the three-year period ended December 31, 2011. We also have audited GE’s internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). GE management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on these consolidated financial statements and an opinion on GE’s internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements appearing on pages 91, 93, 94, 96 and 98-192 and the Summary of Operating Segments table on page 38 present fairly, in all material respects, the financial position of GE as of December 31, 2011 and 2010, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles. Also in our opinion, GE maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control – Integrated Framework* issued by COSO.

As discussed in Note 1 to the consolidated financial statements, GE, in 2010, changed its method of accounting for consolidation of variable interest entities; and, in 2009, changed its method of accounting for impairment of debt securities, business combinations and noncontrolling interests.

Our audits of GE's consolidated financial statements were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying consolidating information appearing on pages 92, 95 and 97 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual entities. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

/s/ KPMG LLP

Stamford, Connecticut
February 24, 2012

Noncontrolling Interests

Noncontrolling interests in equity of consolidated affiliates includes common shares in consolidated affiliates and preferred stock issued by affiliates of GECC. Preferred shares that we are required to redeem at a specified or determinable date are classified as liabilities. The balance is summarized as follows:

<i>December 31 (In millions)</i>	<u>2011</u>	<u>2010</u>
Noncontrolling interests in consolidated affiliates		
NBC Universal	\$ —	\$ 3,040
Others(a)	1,696	1,947
Preferred stock(b)		
GECC affiliates	—	275
Total	<u>\$ 1,696</u>	<u>\$ 5,262</u>

- (a) Consisted of a number of individually insignificant noncontrolling interests in partnerships and consolidated affiliates.
- (b) The preferred stock paid cumulative dividends at an average rate of 6.81% in 2010 and was retired in 2011.

Changes to noncontrolling interests are as follows.

<i>(In millions)</i>	<u>Years ended December 31</u>		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
Beginning balance	\$ 5,262	\$ 7,845	\$ 8,947
Net earnings	292	535	200
Repurchase of NBCU shares(a)	(3,070)	(1,878)	—
Dispositions(b)	(609)	(979)	(707)
Dividends	(34)	(317)	(548)
AOCI and other(c)	(145)	56	(47)
Ending balance	<u>\$ 1,696</u>	<u>\$ 5,262</u>	<u>\$ 7,845</u>

- (a) In January 2011 and prior to the transaction with Comcast, we acquired 12.3% of NBCU's outstanding shares from Vivendi for \$3,673 million and made an additional payment of \$222 million related to previously purchased shares. Of these amounts, \$3,070 million reflects a reduction in carrying value of noncontrolling interests. The remaining amount of \$825 million represents the amount paid in excess of our carrying value, which was recorded as an increase in our basis in NBCU.
- (b) Includes noncontrolling interests related to the sale of GE SeaCo of \$(311) million and the redemption of Heller Financial preferred stock of \$(275) million in 2011, as well as the deconsolidation of Regency of \$(979) million in 2010 and Penske Truck Leasing Co., L.P. (PTL) of \$(331) million in 2009.
- (c) Changes to the individual components of AOCI attributable to noncontrolling interests were insignificant.

NOTE 16. OTHER STOCK-RELATED INFORMATION

We grant stock options, restricted stock units (RSUs) and performance share units (PSUs) to employees under the 2007 Long-Term Incentive Plan. This plan replaced the 1990 Long-Term Incentive Plan. In addition, we grant options and RSUs in limited circumstances to consultants, advisors and independent contractors under a plan approved by our Board of Directors in 1997 (the consultants' plan). There are outstanding grants under one shareowner-approved option plan for non-employee directors. Share requirements for all plans may be met from either unissued or treasury shares. Stock options expire 10 years from the date they are granted and vest over service periods that range from one to five years. RSUs give the recipients the right to receive shares of our stock upon the vesting of their related restrictions. Restrictions on RSUs vest in various increments and at various dates, beginning after one year from date of grant through grantee retirement. Although the plan permits us to issue RSUs settleable in cash, we have only issued RSUs settleable in shares of our stock. PSUs give recipients the right to receive shares of our stock upon the achievement of certain performance targets.

All grants of GE options under all plans must be approved by the Management Development and Compensation Committee, which consists entirely of independent directors.

Stock Compensation Plans

<i>December 31, 2011 (Shares in thousands)</i>	Securities to be issued upon exercise	Weighted average exercise price	Securities available for future issuance
Approved by shareowners			
Options	449,517	\$ 18.86	(a)
RSUs	15,412	(b)	(a)
PSUs	700	(b)	(a)
Not approved by shareowners (Consultants' Plan)			
Options	344	26.94	(c)
RSUs	132	(b)	(c)
Total	466,105	\$ 18.87	113,963

- (a) In 2007, the Board of Directors approved the 2007 Long-Term Incentive Plan (the Plan). The Plan replaced the 1990 Long-Term Incentive Plan. The maximum number of shares that may be granted under the Plan is 500 million shares, of which no more than 250 million may be available for awards granted in any form provided under the Plan other than options or stock appreciation rights. The approximate 105.9 million shares available for grant under the 1990 Plan were retired upon approval of the 2007 Plan. Total shares available for future issuance under the 2007 Plan amounted to 85.6 million shares at December 31, 2011.
- (b) Not applicable.
- (c) Total shares available for future issuance under the consultants' plan amount to 28.3 million shares.

Outstanding options expire on various dates through December 9, 2021.

The following table summarizes information about stock options outstanding at December 31, 2011.

Stock Options Outstanding (Shares in thousands)

Exercise price range	Outstanding			Exercisable	
	Shares	Average life(a)	Average exercise price	Shares	Average exercise price
Under \$10.00	59,344	6.8	\$ 9.57	28,440	\$ 9.57
10.01-15.00	78,001	7.1	11.98	37,521	11.97
15.01-20.00	202,808	8.9	17.42	24,366	16.20
20.01-25.00	1,270	8.9	20.57	49	22.49
25.01-30.00	45,788	3.3	27.62	38,748	27.51
30.01-35.00	47,396	3.1	33.22	47,291	33.22
Over \$35.00	15,254	5.1	38.67	12,934	38.66
Total	449,861	7.0	\$ 18.87	189,349	\$ 22.47

At year-end 2010, options with a weighted average exercise price of \$29.76 were exercisable on 158 million shares.

- (a) Average contractual life remaining in years.

Stock Option Activity

	<u>Shares (In thousands)</u>	<u>Weighted average exercise price</u>	<u>Weighted average remaining contractual term (In years)</u>	<u>Aggregate intrinsic value (In millions)</u>
Outstanding at January 1, 2011	400,439	\$ 20.82		
Granted	105,944	18.59		
Exercised	(7,994)	11.13		
Forfeited	(8,739)	15.73		
Expired	(39,789)	39.98		
Outstanding at December 31, 2011	<u>449,861</u>	<u>\$ 18.87</u>	<u>7.0</u>	<u>\$ 1,140</u>
Exercisable at December 31, 2011	<u>189,349</u>	<u>\$ 22.47</u>	<u>5.0</u>	<u>\$ 505</u>
Options expected to vest	<u>230,694</u>	<u>\$ 16.23</u>	<u>8.4</u>	<u>\$ 576</u>

We measure the fair value of each stock option grant at the date of grant using a Black-Scholes option pricing model. The weighted average grant-date fair value of options granted during 2011, 2010 and 2009 was \$4.00, \$4.11 and \$3.81, respectively. The following assumptions were used in arriving at the fair value of options granted during 2011, 2010 and 2009, respectively: risk-free interest rates of 2.6%, 2.9% and 3.2%; dividend yields of 3.9%, 3.9% and 3.9%; expected volatility of 30%, 35% and 49%; and expected lives of seven years and eight months, six years and eleven months, and six years and ten months. Risk-free interest rates reflect the yield on zero-coupon U.S. Treasury securities. Expected dividend yields presume a set dividend rate and we used a historical five-year average for the dividend yield. Expected volatilities are based on implied volatilities from traded options and historical volatility of our stock. The expected option lives are based on our historical experience of employee exercise behavior.

The total intrinsic value of options exercised during 2011, 2010 and 2009 amounted to \$65 million, \$23 million and an insignificant amount, respectively. As of December 31, 2011, there was \$765 million of total unrecognized compensation cost related to nonvested options. That cost is expected to be recognized over a weighted average period of two years, of which approximately \$189 million after tax is expected to be recognized in 2012.

Stock option expense recognized in net earnings during 2011, 2010 and 2009 amounted to \$230 million, \$178 million and \$120 million, respectively. Cash received from option exercises during 2011, 2010 and 2009 was \$89 million, \$37 million and an insignificant amount, respectively. The tax benefit realized from stock options exercised during 2011, 2010 and 2009 was \$21 million, \$7 million and an insignificant amount, respectively.

Other Stock-based Compensation

	<u>Shares (In thousands)</u>	<u>Weighted average grant date fair value</u>	<u>Weighted average remaining contractual term (In years)</u>	<u>Aggregate intrinsic value (In millions)</u>
RSUs outstanding at January 1, 2011	21,571	\$ 29.16		
Granted	3,145	16.74		
Vested	(8,559)	31.92		
Forfeited	(613)	27.78		
RSUs outstanding at December 31, 2011	<u>15,544</u>	<u>\$ 25.18</u>	<u>2.7</u>	<u>\$ 278</u>
RSUs expected to vest	<u>14,223</u>	<u>\$ 25.22</u>	<u>2.6</u>	<u>\$ 255</u>

The fair value of each restricted stock unit is the market price of our stock on the date of grant. The weighted average grant date fair value of RSUs granted during 2011, 2010 and 2009 was \$16.74, \$15.89 and \$13.63, respectively. The total intrinsic value of RSUs vested during 2011, 2010 and 2009 amounted to \$154 million, \$111 million and \$139 million, respectively. As of December 31, 2011, there was \$210 million of total unrecognized compensation cost related to nonvested RSUs. That cost is expected to be recognized over a weighted average period of two years, of which approximately \$72 million after tax is expected to be recognized in 2012. As of December 31, 2011, 0.7 million PSUs with a weighted average remaining contractual term of three years, an aggregate intrinsic value of \$13 million and \$2 million of unrecognized compensation cost were outstanding. Other share-based compensation expense for RSUs and PSUs recognized in net earnings amounted to \$84 million, \$116 million and \$127 million in 2011, 2010 and 2009, respectively.

The income tax benefit recognized in earnings based on the compensation expense recognized for all share-based compensation arrangements amounted to \$163 million, \$143 million and \$118 million in 2011, 2010 and 2009, respectively. The excess of actual tax deductions over amounts assumed, which are recognized in shareowners' equity, were insignificant in 2011, 2010 and 2009.

When stock options are exercised and restricted stock vests, the difference between the assumed tax benefit and the actual tax benefit must be recognized in our financial statements. In circumstances in which the actual tax benefit is lower than the estimated tax benefit, that difference is recorded in equity, to the extent there are sufficient accumulated excess tax benefits. At December 31, 2011, our accumulated excess tax benefits are sufficient to absorb any future differences between actual and estimated tax benefits for all of our outstanding option and restricted stock grants.