



GE fourth quarter & full year 2023 performance

Financial results & company highlights

January 23, 2024

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS:

This document contains "forward-looking statements" – that is, statements related to future events that by their nature address matters that are, to different degrees, uncertain. For details on the uncertainties that may cause our actual future results to be materially different than those expressed in our forward-looking statements, see <https://www.ge.com/investor-relations/important-forward-looking-statement-information> as well as our annual reports on Form 10-K and quarterly reports on Form 10-Q. We do not undertake to update our forward-looking statements. This document also includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.

NON-GAAP FINANCIAL MEASURES:

In this document, we sometimes use information derived from consolidated financial data but not presented in our financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP). Certain of these data are considered "non-GAAP financial measures" under the U.S. Securities and Exchange Commission rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. The reasons we use these non-GAAP financial measures and the reconciliations to their most directly comparable GAAP financial measures are included in our earnings release and the appendix of this presentation and prior earnings presentations, as applicable.

Amounts shown on subsequent pages may not add due to rounding. Forward projections for GE Aerospace and GE Vernova on pages 8 and 9 of this presentation are on a standalone basis.

GE's Investor Relations website at www.ge.com/investor and our corporate blog at www.gereports.com, as well as GE's LinkedIn and other social media accounts, contain a significant amount of information about GE, including financial and other information for investors. GE encourages investors to visit these websites from time to time, as information is updated, and new information is posted.

Creating stronger, more valuable businesses ... delivering now



Excellent year as
earnings more than tripled &
FCF* grew significantly ...
GE Aerospace & GE Vernova
ready to go

GE Aerospace
driving growth with
robust demand &
operating improvements ...
climbing even higher in 2024

GE Vernova
delivering meaningfully
better results ...
expecting substantial profit &
FCF* growth in 2024

GE Aerospace & GE Vernova are ready to go



- ✓ **Operationally ready** ... planning to spin off GE Vernova & launch GE Aerospace in early April 2024
- ✓ **Named future Boards** ... strong mix of domain expertise, diverse perspectives, & leadership experience
- ✓ **Further simplified & strengthened balance sheet** ... completed exit of AerCap stake with ~\$2B proceeds
- ✓ **Filed Form 10 on confidential basis** ... key milestone to GE Vernova becoming a standalone public co.

Upcoming ... GE Vernova & GE Aerospace Investor Days on March 6 & March 7, respectively



FY 2023 snapshot



	4Q'23		FY'23	
	RESULTS	Y/Y VARIANCE ^{a)}	RESULTS	Y/Y VARIANCE ^{a)}
Orders	\$21.7B	+7%	\$79.2B	+25%
Adjusted revenue*	\$18.5B	+13%	\$64.6B	+17%
Adjusted EPS*	\$1.03	\$0.37, 56%	\$2.81	\$2.04, Favorable y/y
Free cash flow*	\$3.0B	\$(0.4)B, (11)%	\$5.2B	\$2.1B, 68%

Solid close to the year, driven by robust demand & leaner, more focused businesses

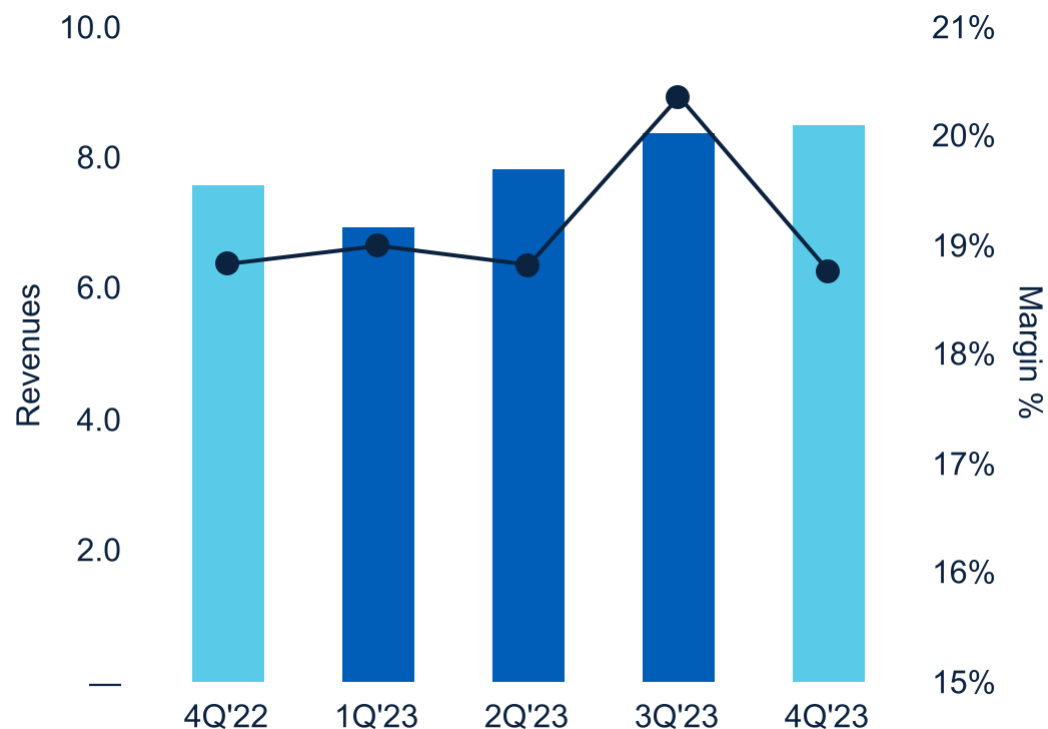
* Non-GAAP Financial Measure
(a – Year-over-year variances for orders and revenue are presented on an organic basis)

GE Aerospace

(\$ in billions)



4Q'23 RESULTS



Rev. Growth^{org*}	26%	25%	28%	25%	12%
Profit \$	1.4	1.3	1.5	1.7	1.6

4Q'23 DYNAMICS^{a)}

- **Orders:** \$10.6B, +10% ... led by Commercial Engines & Services
 - **Revenue:** \$8.5B, +12%* ... +23%* Commercial Services, +1%* Commercial Engines (LEAP units +22%), (1)%* Defense
 - **Profit:** \$1.6B, +8%* ... price & services volume offset inflation & investments
 - **Margin:** 18.8%, (70)bps* ... volume & price (net of inflation) offset by unfavorable mix, investments
-
- **FY'23:** revenue \$31.8B, +22%*; profit \$6.1B, +25%*; margin 19.2%, +50bps* ... volume, price (net of inflation) > mix & investments
 - **FY'23 FCF*:** \$5.7B ... earnings with W/C more than offsetting accrued discounts & allowances; +\$0.8B y/y

* Non-GAAP Financial Measure

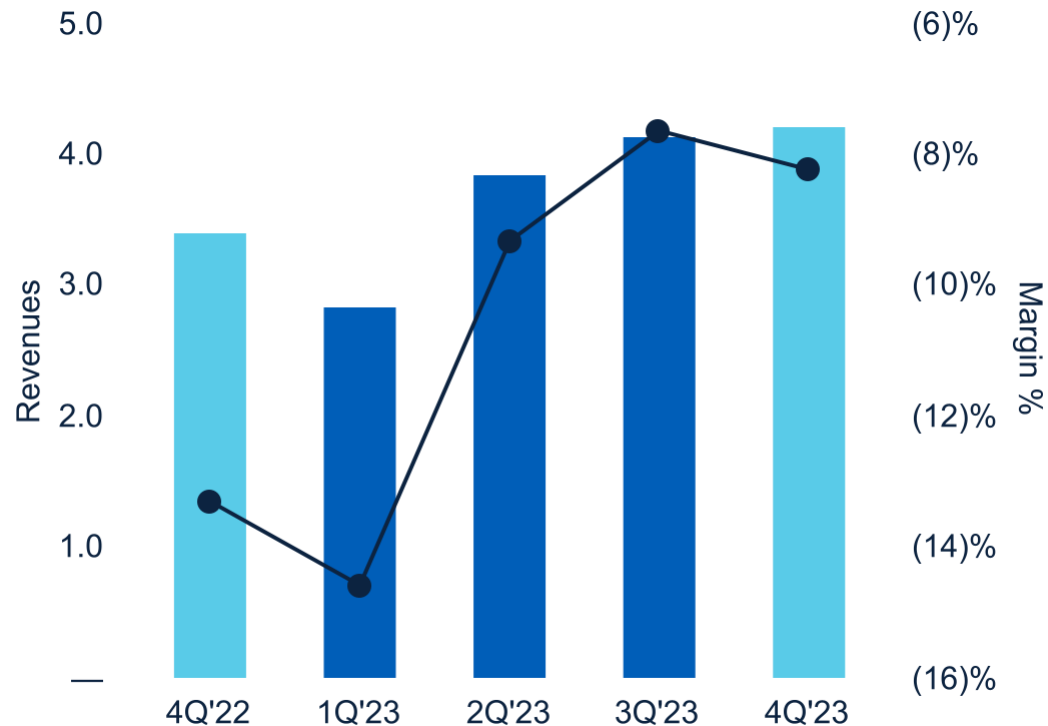
(a – Year-over-year variances for orders, revenue, profit and margin are presented on an organic basis)

GE Vernova^{a)}: Renewable Energy

(\$ in billions)



4Q'23 RESULTS



Rev. Growth^{org*}	(13)%	5%	27%	14%	19%
Profit \$	(0.5)	(0.4)	(0.4)	(0.3)	(0.3)



4Q'23 DYNAMICS^{b)}

- **Orders:** \$5.1B, +1% ... strong Onshore equipment & repower offset by Offshore order cancellation
 - **Revenue:** \$4.2B, +19%* ... equipment growth at Offshore, Grid & Onshore North America
 - **Profit:** \$(0.3)B, +32%* ... Grid & Onshore profitable ... better price & productivity offsetting Offshore pressure
 - **Margin:** (8.2)%, +550bps* ... price & productivity
-
- **FY'23:** revenue \$15.0B, +17%*; profit \$(1.4)B, +45%*; margin (9.5)%, +920bps* ... better price, quality & productivity
 - **FY'23 FCF*:** \$(1.5)B ... earnings & disbursements partially offset by down payments; +\$0.6B y/y

* Non-GAAP Financial Measure

(a – GE Vernova refers to the sum of our Renewable Energy & Power segments, without giving effect to eliminations & Corporate adjustments. On a stand-alone basis, GE Vernova will include GE's portfolio of energy businesses

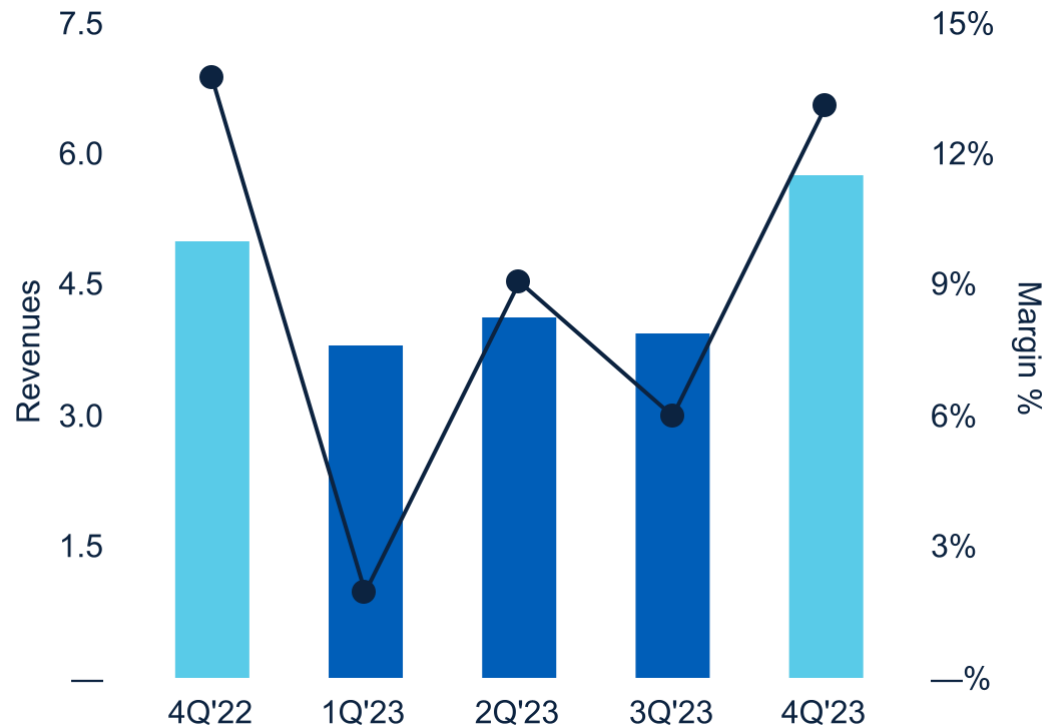
(b – Year-over-year variances for orders, revenue, profit and margin are presented on an organic basis

GE Vernova^{a)}: Power

(\$ in billions)



4Q'23 RESULTS



Rev. Growth^{org*}	12%	11%	(2)%	9%	12%
Profit \$	0.7	0.1	0.4	0.2	0.8

4Q'23 DYNAMICS^{b)}



- **Orders:** \$5.7B, +4% ... +10% services driven by Gas, partially offset by lower Steam
 - **Revenue:** \$5.8B, +12%* ... double-digit growth driven by Gas and Power Conversion services & equipment
 - **Profit:** \$0.8B, (4)%* ... services strength & price more than offset by inflation & higher equipment volume
 - **Margin:** 13.1%, (210)bps* ... services strength & price more than offset by inflation & equipment mix
-
- **FY'23:** revenue \$17.7B, +7%*; profit \$1.4B, +10%*, margin 8.2%, +20bps* ... services mix, productivity & price more than offset inflation
 - **FY'23 FCF*:** \$2.0B ... strong earnings & collections more than offset inventory build; +\$0.2B y/y

* Non-GAAP Financial Measure

(a – GE Vernova refers to the sum of our Renewable Energy & Power segments, without giving effect to eliminations & Corporate adjustments. On a stand-alone basis, GE Vernova will include GE's portfolio of energy businesses

(b – Year-over-year variances for orders, revenue, profit and margin are presented on an organic basis

GE Vernova FY 2024 Guidance: as of January 23, 2024

On a standalone basis



2024E

DYNAMICS

Revenue	\$34B - \$35B
Adj. EBITDA* margin	MSD (higher end)
Free cash flow*	\$0.7B - \$1.1B

- **Gas Power:** continued revenue growth with low-double-digit margins
- **Onshore:** high-single-digit margins with 2H volume ramp
- **Offshore:** slight profit improvement y/y
- **Grid:** at least high-single-digit revenue growth with mid-single-digit margins
- Expect \$0.8B-\$0.9B of D&A, incremental ~\$0.2B of standalone cost and ~\$0.1B of other carve-out costs

GE Vernova to deliver substantial profit & FCF* growth in 2024

* Non-GAAP Financial Measure

GE Aerospace FY 2024 Guidance: as of January 23, 2024

On a standalone basis



GE Aerospace

2024E

Adj. revenue* growth	LDD+
Operating profit*	\$6.0B - \$6.5B
Free cash flow*	>\$5B

DYNAMICS

- **Commercial Engines & Services:** mid-high-teens revenue growth, including:
 - Commercial Engines: High-teens growth
 - Commercial Services: Mid-teens growth
- **Defense & Systems^{a)}:** mid-high-single-digit revenue growth
- Expect incremental ~\$0.6B cost ... primarily EH&S, standalone cost & run-off corporate expense
- **FCF* conversion >100%**

Expect GE Aerospace to deliver higher revenue, profit & FCF* in 2024

* Non-GAAP Financial Measure
(a – Includes Propulsion & Additive Technologies)

The GE teams are excited & ready for what's ahead



**We invent the future of flight,
lift people up and
bring them home safely.**

*GE or JV^{a)} engines powering
3 out of 4 commercial flights*

~70,000 engines in service



GE Aerospace

**We electrify and decarbonize the planet,
and together, we have the energy to
change the world.**

*Helping generate ~30%
of the world's electricity*

~55,000 wind turbines & ~7,000 gas turbines



GE VERNOVA

Both businesses positioned for long-term, sustainable growth & success

Q&A

GE Aerospace

At the Dubai Air Show, Emirates announced an order for 202 GE9X engines and spares plus a long term service agreement to power its upcoming fleet of Boeing 777X.



GE VERNOVA

Secured 2.4 GW order to support Pattern Energy's SunZia wind project in New Mexico—expected to be the largest wind project in U.S. history—with 674 onshore wind turbines and a long-term services award.





Appendix

13 TY Operating segment results

14 Orders \$

15 Orders and sales units

16 RPO

17 Revenue \$

18 FCF

19 FCF details

2023 Operating segment results

(\$ in billions)



	AEROSPACE		RENEWABLES		POWER	
	\$ / %	y/y (org.)*	\$ / %	y/y (org.)*	\$ / %	y/y (org.)*
Orders	\$38.1	22%	\$22.6	54%	\$18.5	3%
Revenue	\$31.8	22%	\$15.0	17%	\$17.7	7%
Segment profit	\$6.1	25%	\$(1.4)	45%	\$1.4	10%
Segment margin	19.2%	50bps	(9.5)%	920bps	8.2%	20bps
FCF*	\$5.7	\$0.8	\$(1.5)	\$0.6	\$2.0	\$0.2

* Non-GAAP Financial Measure

Orders - supplemental information

(\$ in billions)



	EQUIPMENT ORDERS				SERVICE ORDERS				TOTAL ORDERS			
	4Q'23	y/y (org.)	FY'23	y/y (org.)	4Q'23	y/y (org.)	FY'23	y/y (org.)	4Q'23	y/y (org.)	FY'23	y/y (org.)
Aerospace	\$4.2	(5)%	\$13.5	18%	\$6.4	22%	\$24.6	25%	\$10.6	10%	\$38.1	22%
Renewable Energy	\$3.9	(12)%	\$19.8	60%	\$1.1	Fav	\$2.9	22%	\$5.1	1%	\$22.6	54%
Power	\$1.6	(10)%	\$5.5	(1)%	\$4.2	10%	\$13.0	4%	\$5.7	4%	\$18.5	3%
Total Company	\$9.7	(8)%	\$38.3	33%	\$12.0	24%	\$40.9	18%	\$21.7	7%	\$79.2	25%

Orders and Sales - supplemental information, units

(in units)



	ORDERS					SALES			
	4Q'23	4Q'22	FY23	FY22		4Q'23	4Q'22	FY23	FY22
Aerospace					Aerospace				
Commercial Engines	1,494	824	3,827	2,127	Commercial Engines	531	476	2,075	1,663
LEAP Engines ^(a)	1,053	579	2,508	1,515	LEAP Engines ^(a)	396	324	1,570	1,136
Defense Engines	88	373	731	532	Defense Engines	153	166	556	632
					Spares rate ^(f) (\$ in millions)	38.3	31.9	36.1	26.9
Renewable Energy					Renewable Energy				
Wind Turbines ^(b)	803	1,011	2,290	2,243	Wind Turbines ^(b)	507	487	2,225	2,190
Wind Turbine Gigawatts ^{(b),(c)}	2.2	3.2	8.4	7.8	Wind Turbine Gigawatts ^{(b),(c)}	2.1	1.8	8.5	7.5
Repower units	273	—	446	411	Repower units	—	165	179	580
Power					Power				
GE Gas Turbines	34	32	93	92	GE Gas Turbines	35	32	91	101
Heavy-Duty Gas Turbines ^(d)	9	13	41	30	Heavy-Duty Gas Turbines ^(d)	19	16	58	53
HA-Turbines ^(e)	—	1	8	9	HA-Turbines ^(e)	5	5	14	11
Aeroderivatives ^(d)	25	19	52	62	Aeroderivatives ^(d)	16	16	33	48
GE Gas Turbine Gigawatts ^(c)	2.1	2.9	9.5	9.8					

(a) LEAP engines are a subset of Commercial Engines

(b) Includes Onshore and Offshore units

(c) Gigawatts reported associated with orders and sales in the periods presented

(d) Heavy-Duty Gas Turbines and Aeroderivatives are subsets of GE Gas Turbines

(e) HA-Turbines are a subset of Heavy-Duty Gas Turbines

(f) Commercial externally shipped spares and spares used in time & material shop visits in millions of dollars per day

RPO - supplemental information

(\$ in billions)



	EQUIPMENT RPO		SERVICE RPO		TOTAL RPO	
	2023	y/y	2023	y/y	2023	y/y
Aerospace	\$16.2	18%	\$137.6	13%	\$153.9	14%
Renewable Energy	\$27.7	38%	\$15.1	2%	\$42.8	22%
Power	\$12.3	6%	\$59.5	4%	\$71.7	4%
Total Company	\$54.7	24%	\$212.5	9%	\$267.2	12%

To align with our 10K reporting, GE has replaced our annual backlog supplemental reporting with RPO. Remaining performance obligation (RPO) includes unfilled customer orders for equipment, excluding any purchase order that provides the customer with the ability to cancel or terminate without incurring a substantive penalty. Services RPO includes the estimated life of contract sales related to long-term service agreements which remain unsatisfied at the end of the reporting period, the estimated amount of unsatisfied performance obligations for time and material agreements, material services agreements, spare parts under purchase order, multi-year maintenance programs and other services agreements, excluding any order that provides the customer with the ability to cancel or terminate without incurring a substantive penalty. GE may use the term "backlog" to refer to RPO going forward.

Revenues - supplemental information

(\$ in billions)



	EQUIPMENT REVENUES				SERVICE REVENUES				TOTAL REVENUES			
	4Q'23	y/y (org.)*	FY'23	y/y (org.)*	4Q'23	y/y (org.)*	FY'23	y/y (org.)*	4Q'23	y/y (org.)*	FY'23	y/y (org.)*
Aerospace	\$2.5	1%	\$9.3	18%	\$6.0	17%	\$22.5	23%	\$8.5	12%	\$31.8	22%
Renewable Energy	\$3.5	28%	\$12.6	25%	\$0.7	(10)%	\$2.4	(13)%	\$4.2	19%	\$15.0	17%
Power	\$2.0	16%	\$5.4	11%	\$3.8	10%	\$12.3	6%	\$5.8	12%	\$17.7	7%
Total Company	\$7.9	14%	\$26.8	19%	\$10.6	13%	\$37.8	15%	\$18.5^{-a)}	13%	\$64.6^{-a)}	17%

* Non-GAAP Financial Measure
(a – Adjusted revenues* (Total revenues less Insurance))

Free cash flow* performance

(\$ in billions)



	<u>4Q'23</u>	<u>y/y</u>	<u>FY'23</u>	<u>y/y</u>
Net earnings (loss) ^{-a)}	1.6	(0.2)	9.0	9.8
Depreciation & amortization	0.5	(0.0)	2.1	(0.8)
Operating working capital	1.6	(0.9)	1.6	0.0
Current receivables	(1.0)	(0.8)	(0.8)	1.9
Inventory	0.7	0.4	(1.5)	0.4
Accounts payable	(0.6)	(1.2)	(0.2)	(2.5)
Progress collections	2.0	0.9	2.9	0.6
Current contract assets	0.5	(0.2)	1.3	(0.4)
Other CFOA ^{-b)}	(0.3)	0.9	(6.0)	(6.5)
Gross CAPEX	(0.5)	(0.2)	(1.6)	(0.4)
FCF*	3.0	(0.4)	5.2	2.1

FY'23 DYNAMICS

- FCF* primarily driven by strong adjusted earnings*
- Delivered robust working capital despite volume growth
 - Receivables use supporting business growth
 - Inventory use to fulfill 2024 strong customer demand
 - Progress source from strong order downpayments and equipment milestone collections at Vernova
 - Contract assets source from strong utilization billings at Aerospace and Power
- Other CFOA: includes \$(5.8)B for gains on equity stakes and \$(0.2)B AD&A use

* Non-GAAP Financial Measure

(a – Aggregates the following: Net earnings (loss) and (earnings) loss from discontinued operations

(b – Includes the following: (Gains) losses on sales of business interests, (Gains) losses on retained and sold ownership interests and other equity securities, principal pension plans (net), other post retirement benefit plans (net), income taxes (net), financial services derivatives and all other operating; excludes Insurance CFOA, separation cash expenditures, Corporate restructuring cash expenditures and deal taxes

2023 Free cash flow* details

(\$ in billions)



	2023								
	1Q'23	2Q'23	3Q'23	4Q'23	Total Company	Aerospace	Renewables ^{-c)}	Power	Corporate
Net earnings (loss)^{-a)}	6.2	1.1	0.2	1.6	9.0	4.8	(1.6)	1.3	4.5
Depreciation & amortization	0.5	0.5	0.5	0.5	2.1	1.1	0.4	0.5	0.1
Operating working capital	(0.4)	0.1	0.4	1.6	1.6	0.6	0.3	1.1	(0.3)
Other CFOA ^{-b)}	(5.9)	(0.8)	1.0	(0.3)	(6.0)	(0.1)	(0.1)	(0.5)	(5.4)
Gross capex	(0.3)	(0.4)	(0.4)	(0.5)	(1.6)	(0.8)	(0.4)	(0.4)	(0.0)
FCF*	0.1	0.4	1.7	3.0	5.2	5.7	(1.5)	2.0	(1.1)

* Non-GAAP Financial Measure

(a– Aggregates the following: Net earnings (loss) and (earnings) loss from discontinued operations

(b– Includes the following: (Gains) losses on sales of business interests, (Gains) losses on equity securities, debt extinguishment costs, principal pension plans (net), other post retirement benefit plans (net), income taxes (net), financial services derivatives and all other operating; excludes Insurance CFOA, separation cash expenditures, Corporate restructuring cash expenditures and deal taxes

(c– Renewable Energy segment free cash flows* included \$215 million from benefits arising from the IRA and \$252 million due to the deferral of tax associated with certain customer down payments, both of which were offset at Corporate and had no consolidated impact. The deferred tax amount may be paid to Corporate by Renewable Energy prior to the GE Vernova spin-off. Additionally, during the fourth quarter of 2023, Renewable Energy, Power and Corporate made prepayments of \$473 million, \$185 million and \$76 million, respectively, related to supply chain finance programs.



Non-GAAP reconciliations

- [21 Organic revenues, profit \(loss\) & profit margin by segment](#)
- [22 Organic revenues](#)
- [23 Organic revenues by subsegment](#)
- [24 Equipment & service organic revenues](#)
- [25 Equipment & service organic revenues by sub segment](#)
- [26 Adjusted profit & profit margin](#)
- [27 Adjusted organic profit & profit margin](#)
- [28 Adjusted earnings \(loss\) and Adjusted earnings \(loss\) per share](#)
- [29 Adjusted earnings from continuing operations before income taxes](#)
- [30 Adjusted income tax rate](#)
- [31 Free cash flows \(FCF\)](#)
- [32 Free cash flows \(FCF\) by quarter](#)
- [33 Free cash flows \(FCF\) by segment](#)
- [34 Adjusted Corporate costs](#)
- [35 Net debt, EBITDA & leverage](#)

Organic revenues, profit (loss) and profit margin by segment



ORGANIC REVENUES, PROFIT (LOSS) AND PROFIT MARGIN BY SEGMENT (NON-GAAP)

(Dollars in millions)	REVENUES			PROFIT (LOSS)			PROFIT MARGIN			REVENUES			PROFIT (LOSS)			PROFIT MARGIN		
	4Q'23	4Q'22	V%	4Q'23	4Q'22	V%	4Q'23	4Q'22	V pts	2023	2022	V%	2023	2022	V%	2023	2022	V pts
Aerospace (GAAP)	\$ 8,520	\$ 7,615	12 %	\$ 1,598	\$ 1,434	11 %	18.8 %	18.8 %	—pts	\$31,770	\$26,050	22 %	\$ 6,115	\$ 4,775	28 %	19.2 %	18.3 %	0.9pts
Less: acquisitions and business dispositions	—	—		—	—					—	—		—	—				
Less: foreign currency effect	10	(9)		8	(43)					15	(18)		78	(38)				
Aerospace organic (Non-GAAP)	\$ 8,510	\$ 7,624	12 %	\$ 1,590	\$ 1,477	8 %	18.7 %	19.4 %	(0.7)pts	\$31,755	\$26,067	22 %	\$ 6,037	\$ 4,813	25 %	19.0 %	18.5 %	0.5pts
Renewable Energy (GAAP)	\$ 4,213	\$ 3,413	23 %	\$ (347)	\$ (454)	24 %	(8.2)%	(13.3)%	5.1pts	\$15,050	\$12,977	16 %	\$(1,437)	\$(2,240)	36 %	(9.5)%	(17.3)%	7.8pts
Less: acquisitions and business dispositions	—	—		—	—					—	—		—	—				
Less: foreign currency effect	159	19		(52)	(21)					(6)	57		(200)	5				
Renewable Energy organic (Non-GAAP)	\$ 4,053	\$ 3,394	19 %	\$ (295)	\$ (433)	32 %	(7.3)%	(12.8)%	5.5pts	\$15,056	\$12,920	17 %	\$(1,237)	\$(2,245)	45 %	(8.2)%	(17.4)%	9.2pts
Power (GAAP)	\$ 5,786	\$ 5,030	15 %	\$ 759	\$ 692	10 %	13.1 %	13.8 %	(0.7)pts	\$17,731	\$16,262	9 %	\$ 1,449	\$ 1,217	19 %	8.2 %	7.5 %	0.7pts
Less: acquisitions and business dispositions	66	—		16	—					152	—		21	—				
Less: foreign currency effect	93	(8)		2	(77)					65	(48)		(74)	(152)				
Power organic (Non-GAAP)	\$ 5,627	\$ 5,038	12 %	\$ 741	\$ 769	(4)%	13.2 %	15.3 %	(2.1)pts	\$17,514	\$16,310	7 %	\$ 1,503	\$ 1,369	10 %	8.6 %	8.4 %	0.2pts

* Non-GAAP Financial Measure

We believe these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, which includes translational and transactional impacts, as these activities can obscure underlying trends.

Organic revenues



ORGANIC REVENUES (NON-GAAP)

(Dollars in millions)	4Q'23	4Q'22	V%	2023	2022	V%
Total revenues (GAAP)	\$ 19,423	\$ 16,828	15 %	\$ 67,954	\$ 58,100	17 %
Less: Insurance revenues	909	783		3,389	2,957	
Adjusted revenues (Non-GAAP)	\$ 18,514	\$ 16,045	15 %	\$ 64,565	\$ 55,143	17 %
Less: acquisitions and business dispositions	68	—		155	1	
Less: foreign currency effect	265	2		74	(8)	
Organic revenues (Non-GAAP)	\$ 18,182	\$ 16,043	13 %	\$ 64,336	\$ 55,150	17 %

* Non-GAAP Financial Measure

We believe these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of revenues from our run-off Insurance business, acquisitions, dispositions and foreign currency, which includes translational and transactional impacts, as these activities can obscure underlying trends.

Organic revenues by sub segment



ORGANIC REVENUES BY SUB SEGMENT (NON-GAAP)

(Dollars in millions)	4Q'23	4Q'22	V%	2023	2022	V%
Aerospace commercial services revenues (GAAP)	\$ 4,516	\$ 3,680	23 %	\$ 16,657	\$ 12,858	30 %
Less: acquisitions and business dispositions	—	—		—	—	
Less: foreign currency effect	—	—		—	—	
Aerospace commercial services organic revenues (Non-GAAP)	\$ 4,516	\$ 3,680	23 %	\$ 16,657	\$ 12,858	30 %
Aerospace commercial engines revenues (GAAP)	\$ 1,875	\$ 1,855	1 %	\$ 7,027	\$ 5,807	21 %
Less: acquisitions and business dispositions	—	—		—	—	
Less: foreign currency effect	—	—		—	—	
Aerospace commercial engines organic revenues (Non-GAAP)	\$ 1,875	\$ 1,855	1 %	\$ 7,027	\$ 5,807	21 %
Aerospace defense revenues (GAAP)	\$ 1,244	\$ 1,251	(1)%	\$ 4,714	\$ 4,410	7 %
Less: acquisitions and business dispositions	—	—		—	—	
Less: foreign currency effect	—	—		—	—	
Aerospace defense organic revenues (Non-GAAP)	\$ 1,244	\$ 1,251	(1)%	\$ 4,714	\$ 4,410	7 %

* Non-GAAP Financial Measure

We believe these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, which includes translational and transactional impacts, as these activities can obscure underlying trends.

Equipment & service organic revenues



EQUIPMENT AND SERVICES ORGANIC REVENUES (NON-GAAP)

(Dollars in millions)	EQUIPMENT						SERVICES					
	4Q'23	4Q'22	V%	2023	2022	V%	4Q'23	4Q'22	V%	2023	2022	V%
Aerospace revenues (GAAP)	\$ 2,514	\$ 2,463	2 %	\$ 9,319	\$ 7,842	19 %	\$ 6,006	\$ 5,152	17 %	\$ 22,451	\$ 18,207	23 %
Less: acquisitions and business dispositions	—	—		—	—		—	—		—	—	
Less: foreign currency effect	4	(19)		6	(21)		6	11		9	3	
Aerospace organic revenues (Non-GAAP)	\$ 2,510	\$ 2,482	1 %	\$ 9,314	\$ 7,863	18 %	\$ 6,000	\$ 5,141	17 %	\$ 22,441	\$ 18,204	23 %
Renewable Energy revenues (GAAP)	\$ 3,541	\$ 2,686	32 %	\$ 12,625	\$ 10,191	24 %	\$ 672	\$ 727	(8)%	\$ 2,425	\$ 2,785	(13)%
Less: acquisitions and business dispositions	—	—		—	—		—	—		—	—	
Less: foreign currency effect	137	18		(10)	52		23	1		4	5	
Renewable Energy organic revenues (Non-GAAP)	\$ 3,404	\$ 2,669	28 %	\$ 12,634	\$ 10,140	25 %	\$ 649	\$ 725	(10)%	\$ 2,421	\$ 2,780	(13)%
Power revenues (GAAP)	\$ 1,970	\$ 1,621	22 %	\$ 5,396	\$ 4,737	14 %	\$ 3,816	\$ 3,409	12 %	\$ 12,335	\$ 11,526	7 %
Less: acquisitions and business dispositions	27	—		64	—		39	—		88	—	
Less: foreign currency effect	62	(4)		66	(24)		31	(4)		(1)	(24)	
Power organic revenues (Non-GAAP)	\$ 1,881	\$ 1,625	16 %	\$ 5,266	\$ 4,761	11 %	\$ 3,746	\$ 3,413	10 %	\$ 12,248	\$ 11,549	6 %
Total revenues (GAAP)	\$ 7,878	\$ 6,730	17 %	\$ 26,793	\$ 22,334	20 %	\$ 10,636	\$ 9,316	14 %	\$ 37,772	\$ 32,808	15 %
Less: acquisitions and business dispositions	27	—		64	—		41	—		91	1	
Less: foreign currency effect	206	(6)		62	7		59	8		12	(15)	
Total organic revenues (Non-GAAP)	\$ 7,646	\$ 6,735	14 %	\$ 26,667	\$ 22,327	19 %	\$ 10,536	\$ 9,308	13 %	\$ 37,669	\$ 32,823	15 %

* Non-GAAP Financial Measure

We believe these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, which includes translational and transactional impacts, as these activities can obscure underlying trends.

Equipment & service organic revenues by sub segment



EQUIPMENT AND SERVICES ORGANIC REVENUES BY SUB SEGMENT (NON-GAAP)

(Dollars in millions)	EQUIPMENT						SERVICES					
	4Q'23	4Q'22	V%	2023	2022	V%	4Q'23	4Q'22	V%	2023	2022	V%
Gas Power revenues (GAAP)	\$ 1,546	\$ 1,241	25 %	\$ 4,198	\$ 3,460	21 %	\$ 2,872	\$ 2,597	11 %	\$ 9,091	\$ 8,612	6 %
Less: acquisitions and business dispositions	27	—		64	—		39	—		88	—	
Less: foreign currency effect	42	(5)		50	(25)		7	(5)		1	(25)	
Gas Power organic revenues (Non-GAAP)	\$ 1,477	\$ 1,246	19 %	\$ 4,083	\$ 3,485	17 %	\$ 2,826	\$ 2,602	9 %	\$ 9,003	\$ 8,637	4 %
Steam Power revenues (GAAP)	\$ 221	\$ 261	(15)%	\$ 631	\$ 892	(29)%	\$ 522	\$ 484	8 %	\$ 1,874	\$ 1,751	7 %
Less: acquisitions and business dispositions	—	—		—	—		—	—		—	—	
Less: foreign currency effect	12	—		7	—		13	—		(14)	—	
Steam Power organic revenues (Non-GAAP)	\$ 209	\$ 261	(20)%	\$ 623	\$ 892	(30)%	\$ 509	\$ 484	5 %	\$ 1,888	\$ 1,751	8 %
Power Conversion, Nuclear and other revenues (GAAP)	\$ 203	\$ 119	71 %	\$ 567	\$ 385	47 %	\$ 422	\$ 328	29 %	\$ 1,369	\$ 1,162	18 %
Less: acquisitions and business dispositions	—	—		—	—		—	—		—	—	
Less: foreign currency effect	8	1		8	1		11	1		12	1	
Power Conversion, Nuclear and other organic revenues (Non-GAAP)	\$ 195	\$ 118	65 %	\$ 559	\$ 384	46 %	\$ 411	\$ 327	26 %	\$ 1,357	\$ 1,161	17 %

* Non-GAAP Financial Measure

We believe these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, which includes translational and transactional impacts, as these activities can obscure underlying trends.

Adjusted profit & profit margin



ADJUSTED PROFIT AND PROFIT MARGIN (EXCLUDING CERTAIN ITEMS) (NON-GAAP)

(Dollars in millions)	4Q'23	4Q'22	V%	2023	2022	V%
Total revenues (GAAP)	\$ 19,423	\$ 16,828	15 %	\$ 67,954	\$ 58,100	17 %
Less: Insurance revenues	909	783		3,389	2,957	
Adjusted revenues (Non-GAAP)	\$ 18,514	\$ 16,045	15 %	\$ 64,565	\$ 55,143	17 %
Total costs and expenses (GAAP)	\$ 18,442	\$ 17,421	6 %	\$ 64,891	\$ 60,071	8 %
Less: Insurance cost and expenses	810	842		3,057	2,753	
Less: interest and other financial charges	287	337		1,073	1,423	
Less: non-operating benefit cost (income)	(402)	(107)		(1,585)	(409)	
Less: restructuring & other	241	660		679	836	
Less: debt extinguishment costs	—	465		—	465	
Less: separation costs	320	296		978	715	
Less: Steam asset sale impairment	—	(1)		—	824	
Less: Russia and Ukraine charges	—	—		190	263	
Add: noncontrolling interests	—	(3)		(38)	16	
Add: EFS benefit from taxes	(41)	(53)		(195)	(213)	
Adjusted costs (Non-GAAP)	\$ 17,145	\$ 14,872	15 %	\$ 60,268	\$ 53,004	14 %
Other income (loss) (GAAP)	\$ 1,029	\$ 2,172	(53) %	\$ 7,129	\$ 1,172	Fav
Less: gains (losses) on retained and sold ownership interests and other equity securities	621	1,935		5,773	76	
Less: restructuring & other	—	28		—	31	
Less: gains (losses) on purchases and sales of business interests	4	17		(9)	45	
Adjusted other income (loss) (Non-GAAP)	\$ 404	\$ 192	Fav	\$ 1,365	\$ 1,020	34 %
Profit (loss) (GAAP)	\$ 2,009	\$ 1,580	27 %	\$ 10,191	\$ (799)	Fav
Profit (loss) margin (GAAP)	10.3 %	9.4 %	0.9 pts	15.0 %	(1.4) %	16.4 pts
Adjusted profit (loss) (Non-GAAP)	\$ 1,773	\$ 1,366	30 %	\$ 5,662	\$ 3,159	79 %
Adjusted profit (loss) margin (Non-GAAP)	9.6 %	8.5 %	1.1 pts	8.8 %	5.7 %	3.1 pts

* Non-GAAP Financial Measure

Fav = favorable y/y

We believe that adjusting profit to exclude the effects of items that are not closely associated with ongoing operations provides management and investors with a meaningful measure that increases the period-to-period comparability. Gains (losses) and restructuring and other items are impacted by the timing and magnitude of gains associated with dispositions, and the timing and magnitude of costs associated with restructuring and other activities.

Adjusted organic profit and profit margin



ADJUSTED ORGANIC PROFIT (NON-GAAP)

(Dollars in millions)	4Q'23		4Q'22		V%	2023		2022		V%
Adjusted profit (loss) (Non-GAAP)	\$	1,773	\$	1,366	30 %	\$	5,662	\$	3,159	79 %
Less: acquisitions and business dispositions		13		—			12		(5)	
Less: foreign currency effect		(57)		(151)			(294)		(189)	
Adjusted organic profit (loss) (Non-GAAP)	\$	1,818	\$	1,517	20 %	\$	5,944	\$	3,353	77 %
Adjusted profit (loss) margin (Non-GAAP)		9.6 %		8.5 %	110 bps		8.8 %		5.7 %	310 bps
Adjusted organic profit (loss) margin (Non-GAAP)		10.0 %		9.5 %	50 bps		9.2 %		6.1 %	310 bps

* Non-GAAP Financial Measure

We believe this measure provides management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, which includes translational and transactional impacts, as these activities can obscure underlying trends.

Adjusted earnings (loss) and Adjusted earnings (loss) per share



ADJUSTED EARNINGS (LOSS) (NON-GAAP) (Dollars in millions, per-share amounts in dollars)	4Q'23		4Q'22		V%		2023		2022		V%	
	Earnings	EPS	Earnings	EPS	Earnings	EPS	Earnings	EPS	Earnings	EPS	Earnings	EPS
Earnings (loss) from continuing operations (GAAP)	\$ 1,589	\$ 1.44	\$ 1,680	\$ 1.53	(5)%	(6)%	\$ 8,769	\$ 7.98	\$ (1,097)	\$ (1.00)	Fav	Fav
Insurance earnings (loss) (pre-tax)	99	0.09	(59)	(0.05)			334	0.30	210	0.19		
Tax effect on Insurance earnings (loss)	(20)	(0.02)	9	0.01			(74)	(0.07)	(52)	(0.05)		
Less: Insurance earnings (loss) (net of tax)	78	0.07	(49)	(0.05)			260	0.24	159	0.15		
Earnings (loss) excluding Insurance (Non-GAAP)	\$ 1,511	\$ 1.37	\$ 1,730	\$ 1.58	(13)%	(13)%	\$ 8,509	\$ 7.74	\$ (1,255)	\$ (1.15)	Fav	Fav
Non-operating benefit (cost) income (pre-tax) (GAAP)	402	0.37	107	0.10			1,585	1.44	409	0.37		
Tax effect on non-operating benefit (cost) income	(84)	(0.08)	(22)	(0.02)			(333)	(0.30)	(86)	(0.08)		
Less: Non-operating benefit (cost) income (net of tax)	317	0.29	85	0.08			1,252	1.14	323	0.30		
Gains (losses) on purchases and sales of business interests (pre-tax)	4	—	17	0.02			(9)	(0.01)	45	0.04		
Tax effect on gains (losses) on purchases and sales of business interests	(1)	—	1	—			(24)	(0.02)	57	0.05		
Less: Gains (losses) on purchases and sales of business interests (net of tax)	3	—	18	0.02			(32)	(0.03)	102	0.09		
Gains (losses) on retained and sold ownership interests and other equity securities (pre-tax)	621	0.56	1,935	1.76			5,773	5.25	76	0.07		
Tax effect on gains (losses) on retained and sold ownership interests and other equity securities(a)(b)	—	—	(3)	—			1	—	(17)	(0.02)		
Less: Gains (losses) on retained and sold ownership interests and other equity securities (net of tax)	621	0.56	1,933	1.76			5,774	5.26	58	0.05		
Restructuring & other (pre-tax)	(241)	(0.22)	(633)	(0.58)			(679)	(0.62)	(806)	(0.74)		
Tax effect on restructuring & other	51	0.05	139	0.13			143	0.13	176	0.16		
Less: Restructuring & other (net of tax)	(190)	(0.17)	(494)	(0.45)			(536)	(0.49)	(630)	(0.58)		
Debt extinguishment costs (pre-tax)	—	—	(465)	(0.42)			—	—	(465)	(0.42)		
Tax effect on debt extinguishment costs	—	—	68	0.06			—	—	68	0.06		
Less: Debt extinguishment costs (net of tax)	—	—	(397)	(0.36)			—	—	(397)	(0.36)		
Separation costs (pre-tax)	(320)	(0.29)	(296)	(0.27)			(978)	(0.89)	(715)	(0.65)		
Tax effect on separation costs	(59)	(0.05)	(7)	(0.01)			197	0.18	23	0.02		
Less: Separation costs (net of tax)	(378)	(0.34)	(304)	(0.28)			(781)	(0.71)	(692)	(0.63)		
Steam asset sale impairment (pre-tax)	—	—	1	—			—	—	(824)	(0.75)		
Tax effect on Steam asset sale impairment	—	—	—	—			—	—	84	0.08		
Less: Steam asset sale impairment (net of tax)	—	—	—	—			—	—	(740)	(0.68)		
Russia and Ukraine charges (pre-tax)	—	—	—	—			(190)	(0.17)	(263)	(0.24)		
Tax effect on Russia and Ukraine charges	—	—	—	—			(5)	—	15	0.01		
Less: Russia and Ukraine charges (net of tax)	—	—	—	—			(195)	(0.18)	(248)	(0.23)		
Less: Excise tax and accretion of preferred share redemption	—	—	—	—			(58)	(0.05)	4	—		
Less: U.S. and foreign tax law change enactment	—	—	163	0.15			—	—	126	0.11		
Adjusted earnings (loss) (Non-GAAP)	\$ 1,138	\$ 1.03	\$ 725	\$ 0.66	57 %	56 %	\$ 3,085	\$ 2.81	\$ 839	\$ 0.77	Fav	Fav

* Non-GAAP Financial Measure

Fav = favorable y/y

(a) Includes tax benefits available to offset the tax on gains in equity securities.

(b) Includes related tax valuation allowances.

Earnings-per-share amounts are computed independently. As a result, the sum of per-share amounts may not equal the total.

The service cost for our pension and other benefit plans are included in Adjusted earnings*, which represents the ongoing cost of providing pension benefits to our employees. The components of non-operating benefit costs are mainly driven by capital allocation decisions and market performance. We believe the retained costs in Adjusted earnings* provides management and investors a useful measure to evaluate the performance of the total company and increases period-to-period comparability.

Adjusted earnings from continuing operations before income taxes



ADJUSTED EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES (NON-GAAP)

(Dollars in millions)

	4Q'23	4Q'22	V%	2023	2022	V%
Adjusted profit (loss) (Non-GAAP)	\$ 1,773	\$ 1,366	30 %	\$ 5,662	\$ 3,159	79 %
Add: interest and other financial charges (ex EFS, ex Insurance)	(287)	(338)		(1,075)	(1,428)	
Less: noncontrolling interests	—	3		38	(16)	
Less: EFS benefit from taxes	41	53		195	213	
Adjusted earnings (loss) from continuing operations before income taxes (Non-GAAP)	\$ 1,445	\$ 972	49 %	\$ 4,355	\$ 1,534	Fav
Less: adjusted provision (benefit) for income taxes (Non-GAAP)	307	141		1,067	389	
Add: preferred stock dividends and other	—	(97)		(295)	(289)	
Add: noncontrolling interests	—	3		38	(16)	
Add: dilution	—	(12)		(3)	—	
Less: excise tax on preferred stock repurchase	—	—		(58)	—	
Adjusted earnings (loss) (Non-GAAP)	\$ 1,138	\$ 725	57 %	\$ 3,085	\$ 839	Fav

* Non-GAAP Financial Measure

Fav = favorable y/y

We believe that adjusting profit to exclude the effects of items that are not closely associated with ongoing operations before income taxes provides management and investors with a meaningful measure that increases the period-to-period comparability. Gains (losses) and restructuring and other items are impacted by the timing and magnitude of gains associated with dispositions, and the timing and magnitude of costs associated with restructuring and other activities.

Adjusted tax rate



ADJUSTED TAX RATE (NON-GAAP)

(Dollars in millions)

	4Q'23		4Q'22		V%	2023		2022		V%
Earnings (loss) from continuing operations before taxes (GAAP)	\$	2,009	\$	1,580	27 %	\$	10,191	\$	(799)	Fav
Less: Insurance earnings		99		(59)			334		210	
Earnings (loss) from continuing operations before taxes, excluding Insurance (Non-GAAP)	\$	1,911	\$	1,638	17 %	\$	9,857	\$	(1,009)	Fav
Less: non-operating benefit (cost) income		402		107			1,585		409	
Less: gains (losses) on purchases and sales of business interests		4		17			(9)		45	
Less: gains (losses) on retained ownership interests and other equity securities		621		1,935			5,773		76	
Less: restructuring & other		(241)		(633)			(679)		(806)	
Less: debt extinguishment costs		—		(465)			—		(465)	
Less: separation costs		(320)		(296)			(978)		(715)	
Less: Steam asset sale impairment		—		1			—		(824)	
Less: Russia and Ukraine charges		—		—			(190)		(263)	
Adjusted earnings (loss) from continuing operations before income taxes (Non-GAAP)	\$	1,445	\$	972	49 %	\$	4,355	\$	1,534	Fav
Provision (benefit) for income taxes (GAAP)	\$	421	\$	(206)	Unfav	\$	1,162	\$	(3)	Unfav
Less: taxes on Insurance earnings		20		(9)			74		52	
Less: taxes on non-operating benefit (cost) income		84		22			333		86	
Less: taxes on gains (losses) on purchases and sales of business interests		1		(1)			24		(57)	
Less: taxes on gains (losses) on equity securities		—		3			(1)		17	
Less: taxes on restructuring & other		(51)		(139)			(143)		(176)	
Less: taxes on debt extinguishment costs		—		(68)			—		(68)	
Less: taxes on separation costs		59		7			(197)		(23)	
Less: taxes on Steam asset sale impairment		—		—			—		(84)	
Less: taxes on Russia and Ukraine charges		—		—			5		(15)	
Less: U.S. and foreign tax law change enactment		—		(163)			—		(126)	
Adjusted provision (benefit) for income taxes (Non-GAAP)	\$	307	\$	141	Unfav	\$	1,067	\$	389	Unfav
Income tax rate (GAAP)		21.0 %		(13.0) %			11.4 %		0.4 %	
Adjusted income tax rate (Non-GAAP)		21.2 %		14.5 %			24.5 %		25.4 %	

* Non-GAAP Financial Measure

Fav = favorable y/y; Unfav = unfavorable y/y

We believe the retained costs in the Adjusted income tax rate* provides management and investors a useful measure to evaluate the performance of the total company and increases period-to-period comparability.

Free cash flows (FCF)



FREE CASH FLOWS (FCF) (NON-GAAP)

(Dollars in millions)

	4Q'23	4Q'22	V\$	2023	2022	V\$
CFOA (GAAP)	\$ 3,216	\$ 3,664	(448) \$	\$ 5,570	\$ 4,043	1,526
Less: Insurance CFOA	67	88		191	136	
CFOA excluding Insurance (Non-GAAP)	\$ 3,149	\$ 3,576	(427) \$	\$ 5,378	\$ 3,907	1,471
Add: gross additions to property, plant and equipment and internal-use software(a)	(531)	(373)		(1,595)	(1,174)	
Less: separation cash expenditures	(308)	(86)		(1,060)	(158)	
Less: Corporate restructuring cash expenditures	(49)	(38)		(177)	(38)	
Less: taxes related to business sales	15	(10)		(130)	(129)	
Free cash flows (Non-GAAP)	\$ 2,961	\$ 3,338	(377) \$	\$ 5,150	\$ 3,059	2,092

* Non-GAAP Financial Measure

(a) Included in Gross CAPEX

We believe investors may find it useful to compare free cash flows* performance without the effects of CFOA related to our run-off Insurance business, separation cash expenditures, Corporate restructuring cash expenditures (associated with the separation-related program announced in October, 2022), and taxes related to business sales. We believe this measure will better allow management and investors to evaluate the capacity of our operations to generate free cash flows.

Free cash flows (FCF) by quarter



FREE CASH FLOWS (FCF) (NON-GAAP)

(Dollars in millions)

	1Q'23	2Q'23	3Q'23	4Q'23	2023
CFOA (GAAP)	\$ 155	\$ 311	\$ 1,888	\$ 3,216	\$ 5,570
Less: CFOA from insurance	6	72	47	67	191
CFOA excluding Insurance (Non-GAAP)	\$ 149	\$ 239	\$ 1,842	\$ 3,149	\$ 5,378
Add: gross additions to property, plant and equipment and internal-use software(a)	(298)	(364)	(402)	(531)	(1,595)
Less: separation cash expenditures	(204)	(372)	(175)	(308)	(1,060)
Less: Corporate restructuring cash expenditures	(32)	(75)	(21)	(49)	(177)
Less: taxes related to business sales	(16)	(93)	(36)	15	(130)
Free cash flows (Non-GAAP)	\$ 102	\$ 415	\$ 1,672	\$ 2,961	\$ 5,150

FREE CASH FLOWS (FCF) (NON-GAAP)

(Dollars in millions)

	1Q'22	2Q'22	3Q'22	4Q'22	2022
CFOA (GAAP)	\$ (924)	\$ 490	\$ 813	\$ 3,664	\$ 4,043
Less: CFOA from insurance	(15)	70	(7)	88	136
CFOA excluding Insurance (Non-GAAP)	\$ (909)	\$ 420	\$ 820	\$ 3,576	\$ 3,907
Add: gross additions to property, plant and equipment and internal-use software(a)	(262)	(287)	(252)	(373)	(1,174)
Less: separation cash expenditures	(3)	(10)	(60)	(86)	(158)
Less: Corporate restructuring cash expenditures	—	—	—	(38)	(38)
Less: taxes related to business sales	—	(50)	(69)	(10)	(129)
Free cash flows (Non-GAAP)	\$ (1,169)	\$ 192	\$ 697	\$ 3,338	\$ 3,059

* Non-GAAP Financial Measure

(a) Included in Gross CAPEX

We believe investors may find it useful to compare free cash flows* performance without the effects of CFOA related to our run-off Insurance business, separation cash expenditures, Corporate restructuring cash expenditures (associated with the separation-related program announced in October, 2022), and taxes related to business sales. We believe this measure will better allow management and investors to evaluate the capacity of our operations to generate free cash flows.

Free cash flows (FCF) by segment



2023 FREE CASH FLOWS (FCF) (Non-GAAP)

(Dollars in millions)

	Aerospace	Renewable Energy ^{b)}	Power	Corporate	Total Company
CFOA (GAAP)	\$ 6,494	\$ (1,064)	\$ 2,400	\$ (2,261)	\$ 5,570
Less: Insurance CFOA	—	—	—	191	191
CFOA excluding Insurance (Non-GAAP)	\$ 6,494	\$ (1,064)	\$ 2,400	\$ (2,452)	\$ 5,378
Add: gross additions to property, plant and equipment and internal-use software(a)	(830)	(392)	(351)	(24)	(1,595)
Less: separation cash expenditures	—	—	—	(1,060)	(1,060)
Less: Corporate restructuring cash expenditures	—	—	—	(177)	(177)
Less: taxes related to business sales	—	—	—	(130)	(130)
Free cash flows (Non-GAAP)	\$ 5,664	\$ (1,455)	\$ 2,049	\$ (1,108)	\$ 5,150

2022 FREE CASH FLOWS (FCF) (Non-GAAP)

(Dollars in millions)

	Aerospace	Renewable Energy	Power	Corporate	Total Company
CFOA (GAAP)	\$ 5,514	\$ (1,759)	\$ 2,078	\$ (1,790)	\$ 4,043
Less: Insurance CFOA	—	—	—	136	136
CFOA excluding Insurance (Non-GAAP)	\$ 5,514	\$ (1,759)	\$ 2,078	\$ (1,926)	\$ 3,907
Add: gross additions to property, plant and equipment and internal-use software(a)	(624)	(281)	(228)	(41)	(1,174)
Less: separation costs cash expenditures	—	—	—	(158)	(158)
Less: Corporate restructuring costs cash expenditures	—	—	—	(38)	(38)
Less: taxes related to business sales	—	—	—	(129)	(129)
Free cash flows (Non-GAAP)	\$ 4,890	\$ (2,040)	\$ 1,850	\$ (1,642)	\$ 3,059

* Non-GAAP Financial Measure

(a) Included in Gross CAPEX

(b) Renewable Energy segment free cash flows* included \$215 million from benefits arising from the IRA and \$252 million due to the deferral of tax associated with certain customer down payments, both of which were offset at Corporate and had no consolidated impact. The deferred tax amount may be paid to Corporate by Renewable Energy prior to the GE Vernova spin-off. Additionally, during the fourth quarter of 2023, Renewable Energy, Power and Corporate made prepayments of \$473 million, \$185 million and \$76 million, respectively, related to supply chain finance programs.

We believe investors may find it useful to compare free cash flows* performance without the effects of CFOA related to our run-off Insurance business, separation cash expenditures, Corporate restructuring cash expenditures (associated with the separation-related program announced in October, 2022), and taxes related to business sales. We believe this measure will better allow management and investors to evaluate the capacity of our operations to generate free cash flows.

Adjusted Corporate costs



CORPORATE REVENUES AND OPERATING PROFIT (COST)

(Dollars in millions)	4Q'23	4Q'22	V%	2023	2022	V%
GE Digital revenues	\$ 262	\$ 247		\$ 958	\$ 882	
Insurance revenues	909	783		3,389	2,957	
Eliminations and other	(266)	(260)		(944)	(1,028)	
Total Corporate revenues	\$ 905	\$ 770	18 %	\$ 3,403	\$ 2,812	21 %
Gains (losses) on retained and sold ownership interests and other equity securities	\$ 621	\$ 1,935		\$ 5,773	\$ 76	
Gains (losses) on purchases and sales of business interests	4	17		(9)	45	
Restructuring and other charges	(241)	(633)		(679)	(806)	
Separation costs	(320)	(296)		(978)	(715)	
Steam asset sale impairment	—	1		—	(824)	
Russia and Ukraine charges	—	—		(190)	(263)	
Insurance profit (loss)	99	(60)		332	205	
Adjusted total Corporate operating costs (Non-GAAP)	(236)	(306)		(464)	(593)	
Total Corporate operating profit (cost) (GAAP)	\$ (73)	\$ 658		\$ 3,785	\$ (2,875)	
Less: gains (losses), impairments, Insurance, and restructuring & other	163	965		4,249	(2,283)	
Adjusted total Corporate operating costs (Non-GAAP)	\$ (236)	\$ (306)	23 %	\$ (464)	\$ (593)	22 %
Functions & operations	\$ (192)	\$ (302)		\$ (503)	\$ (539)	
Environmental, health and safety (EHS) and other items	(57)	(14)		(28)	(94)	
Eliminations	12	9		67	41	
Adjusted total Corporate operating costs (Non-GAAP)	\$ (236)	\$ (306)	23 %	\$ (464)	\$ (593)	22 %

* Non-GAAP Financial Measure

Adjusted total Corporate operating costs* excludes gains (losses) on purchases and sales of business interests, significant, higher-cost restructuring programs, separation costs, gains (losses) on equity securities, impairments and our run-off Insurance business profit. We believe that adjusting Corporate costs to exclude the effects of items that are not closely associated with ongoing Corporate operations provides management and investors with a meaningful measure that increases the period-to-period comparability of our ongoing Corporate costs.

GE - net debt, EBITDA and leverage



- **Market Aligned Approach:** Introduced in 4Q'21 to provide another market view of GE's leverage.
- **Rating Agency Aligned Approach:** Introduced in 2018. Aligned to credit rating methodology.

GE Net Debt

NET DEBT (NON-GAAP) (Dollars in millions)	December 31, 2023
Total consolidated GE borrowings (GAAP)	\$ 20,965
Deduction for 100% of GE cash, cash equivalents and restricted cash	(16,967)
Total GE consolidated net debt - market aligned (Non-GAAP)(a)	\$ 3,998
Total consolidated GE borrowings (GAAP)	\$ 20,965
Pension and principal retiree benefit plan liabilities (pre-tax)(b)	8,133
Less: taxes at 21%	1,708
Pension and principal retiree benefit plan liabilities (net of tax)	6,425
GE operating lease liabilities	1,973
Short-term off-book factoring	23
Deduction for GE cash, cash equivalents and restricted cash	(16,967)
Less: 25% of GE cash, cash equivalents, and restricted cash	(4,242)
Deduction for 75% of GE cash, cash equivalents and restricted cash	(12,725)
Total GE consolidated net debt - rating agency aligned (Non-GAAP)(c)	\$ 16,660

EBITDA and leverage

GE CONSOLIDATED LEVERAGE (NON-GAAP) (Dollars in millions)	December 31, 2023
GE earnings (loss) from continuing operations before income taxes (GAAP)	\$ 10,191
Less: Insurance earnings before income taxes	332
Less: Interest and other financial charges	(1,073)
Less: Non-operating benefit costs	1,585
Less: Restructuring & other(d)	5,047
Less: Separation costs	(978)
Less: Russia and Ukraine charges	(190)
Add: EFS benefit from taxes	195
Less: Depreciation and amortization of property, plant and equipment and amortization of intangible assets	(2,080)
Total GE leverage EBITDA - MARKET ALIGNED (Non-GAAP)	\$ 7,742
Add: Rating Agency aligned adjustments(e)	(735)
Total GE leverage EBITDA - RATING AGENCY ALIGNED (Non-GAAP)	\$ 7,007

GE NET DEBT/EBITDA RATIO (NON-GAAP)

(Dollars in millions)	Market Aligned	Rating Agency Aligned
Net Debt (Non-GAAP)	\$ 3,998	\$ 16,660
Total GE leverage EBITDA (Non-GAAP)	\$ 7,742	\$ 7,007
GE net debt/EBITDA ratio	0.5x	2.4x

* Non-GAAP Financial Measure

(a) We are including this calculation to provide another market view to GE's leverage.

(b) Represents the total net deficit status of principal pension plans, other pension plans and retiree benefit plans.

(c) We are including this calculation to provide a view aligned to credit rating methodology.

(d) Other items are mainly comprised of adjustments for gains and out of segment restructuring

(e) Rating Agency aligned adjustments are mainly comprised of adjusted other income, long-term fixed operating lease expense, stock-related compensation expense and out of segment restructuring that is not related to the GE Vernova separation.



Upcoming calendar

GE Vernova Investor Day	March 6, 2024
GE Aerospace Investor Day	March 7, 2024
GE Aerospace 2024 Quarterly Earnings	April 23, July 23, October 22
GE Vernova 2024 Quarterly Earnings	April 25, July 24, October 23
GE / GE Aerospace Annual Shareholders Meeting	May 7, 2024