Alstom update

December 3, 2015

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS:
This document contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” “will,” “would,” or “target.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about our announced plan to reduce the size of our financial services businesses, including expected cash and non-cash charges associated with this plan; expected income; earnings per share; revenues; organic growth; margins; cost structure; restructuring charges; cash flows; return on capital; capital expenditures, capital allocation or capital structure; dividends; and the split between Industrial and GE Capital earnings. For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: obtaining (or the timing of obtaining) any required regulatory reviews or approvals or any other consents or approvals associated with our announced plan to reduce the size of our financial services businesses; our ability to complete incremental asset sales as part of that plan in a timely manner (or at all) and at the prices we have assumed; changes in law, economic and financial conditions, including interest and exchange rate volatility, commodity and equity prices and the value of financial assets, including the impact of these conditions on our ability to sell or the value of incremental assets to be sold as part of our announced plan to reduce the size of our financial services businesses as well as other aspects of that plan; the impact of conditions in the financial and credit markets on the availability and cost of GECC’s funding, and GECC’s exposure to counterparties; the impact of conditions in the housing market and unemployment rates on the level of commercial and consumer credit defaults; pending and future mortgage loan repurchase claims and other litigation claims in connection with WMC, which may affect our estimates of liability, including possible loss estimates; our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so; the adequacy of our cash flows and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level or to repurchase shares at planned levels; GECC’s ability to pay dividends to GE at the planned level, which may be affected by GECC’s cash flows and earnings, financial services regulation and oversight, and other factors; our ability to convert pre-order commitments/wins into orders; the price we realize on orders since commitments/wins are stated at list prices; customer actions or developments such as early aircraft retirements or reduced energy demand and other factors that may affect the level of demand and financial performance of the major industries and customers we serve; the effectiveness of our risk management framework; the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of financial services regulation and litigation; our capital allocation plans, as such plans may change including with respect to the timing and size of share repurchases, acquisitions, joint ventures, dispositions and other strategic actions; our success in completing, including obtaining regulatory approvals for, announced transactions, such as the Appliances disposition and our announced plan and transactions to reduce the size of our financial services businesses; our success in integrating acquired businesses and operating joint ventures; our ability to realize anticipated earnings and savings from announced transactions, acquired businesses and joint ventures; the impact of potential information technology or data security breaches, and the other factors that are described in “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2014. These or other uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.

This document includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.

This document also contains non-GAAP financial information. Management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. For a reconciliation of non-GAAP measures presented in this document, see the accompanying supplemental information posted to the investor relations section of our website at www.ge.com.

In this document, “GE” refers to the Industrial businesses of the Company including GECC on an equity basis. “GE (ex-GECC)” and/or “Industrial” refer to GE excluding Financial Services.

GE’s Investor Relations website at www.ge.com/investor and our corporate blog at www.gereports.com, as well as GE’s Facebook page and Twitter 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.

Imagination at work.
Agenda

Overview

Business deep dives

- Power
  - Gas Power Systems
  - Power Services

Renewable Energy

Grid

Financial update

Wrap up

Jeff Bornstein/Mark Hutchinson

Steve Bolze

Joe Mastrangelo

Paul McElhinney

Jérôme Pécresse

Russell Stokes

Lynn Calpeter

Jeff Bornstein
Overview

“New GE”

~$130B

Revenue

+ Leadership businesses with $300B+ backlog
+ Built on the GE Store: technology, services, and global footprint
+ Strong margins & returns

Deal summary

• Completed acquisition of Alstom Power & Grid on November 2 for $10.3B
• Complementary technologies in segments we know; brings scale to grid business
• Solid customer support & opportunity to build broader solutions
• Synergy pipeline robust... strong track record
• Improved joint capabilities ... global operations, project capabilities, services
• Alstom in play for ~18 months ... has impacted business performance
• Alstom EPS ~$0.05 in 2016, $0.15-0.20 in 2018 ... IRR ~15%+

A critical step forward in GE’s industrial transformation
The Alstom deal
(2014 revenue, $ in billions)

### Acquired businesses

**Thermal**
- Gas
- Steam
- Services

**Renewables**
- Onshore Wind
- Hydro
- Offshore Wind

**Grid**

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### Alstom alignment in GE

<table>
<thead>
<tr>
<th>Business</th>
<th>GE</th>
<th>Alstom</th>
<th>Alstom reported revenue on GE calendar basis, converted at average 2014 FX rates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Power</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Services</td>
<td>$8</td>
<td>$6</td>
<td>$14B</td>
</tr>
<tr>
<td>Gas Power</td>
<td>$6</td>
<td>$1</td>
<td>$7B</td>
</tr>
<tr>
<td>Steam Power</td>
<td></td>
<td>$3B</td>
<td></td>
</tr>
<tr>
<td><strong>Renewable Energy</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Onshore Wind</td>
<td>$6</td>
<td>$1</td>
<td>$7B</td>
</tr>
<tr>
<td>Offshore Wind</td>
<td></td>
<td>$0B</td>
<td>50/50 JV</td>
</tr>
<tr>
<td>Hydro</td>
<td></td>
<td>$2B</td>
<td>50/50 JV</td>
</tr>
<tr>
<td><strong>Energy Management</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grid Solutions</td>
<td>$1</td>
<td>$5</td>
<td>$6B</td>
</tr>
</tbody>
</table>

Alstom reported revenue on GE calendar basis, converted at average 2014 FX rates.
Alstom adding value to GE

Core GE Store foundations

- **GRC**
  - Technical Leadership
  - Generational gains through NPI strength

+ 

- **GGO**
  - Lead in Growth Markets
  - Scaled & balanced geographic portfolio

+ 

- **Service Council**
  - Valuable Services Franchise
  - Increasing growth rate & margins

+ 

- **Shared services**
  - Culture of Simplification
  - Lean structure and common processes

+ 

- **GE Digital**
  - Digital Strength
  - Lead the intersection of physical & analytical

Alstom capabilities ...

- ✓ Leading steam, HRSG, & grid/HVDC technology
- ✓ Turnkey & total plant design capabilities

- ✓ Emerging market expertise ... ~85%+ of revenue outside the U.S.

- ✓ More than 500 GW gas & steam installed base
- ✓ Strong multi-vendor capability

- ✓ Overlapping global structure
- ✓ Excellent global leadership team

- ✓ High-tech grid solutions
- ✓ Opportunity for Predix adoption
Different business models

<table>
<thead>
<tr>
<th>Goals</th>
<th>Power + Services</th>
<th>Renewables + Services</th>
<th>Grid + Services</th>
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</thead>
<tbody>
<tr>
<td>Margins</td>
<td>~20%</td>
<td>~5-10%</td>
<td>10%+</td>
</tr>
<tr>
<td>Returns</td>
<td>~20%</td>
<td>~30%</td>
<td>~15%+</td>
</tr>
<tr>
<td>Profit drivers</td>
<td>✓ Technical depth ✓ Services &amp; analytics ✓ Supply chain strength ✓ Global reach</td>
<td>✓ Integration/product cost ✓ International growth ✓ Build services ✓ Manage projects</td>
<td>✓ Lower product cost ✓ Project &amp; supply chain execution ✓ Commercial excellence</td>
</tr>
</tbody>
</table>

Can win in each ... incremental margins and returns
Synergy overview
($ in billions)

Cost synergies

<table>
<thead>
<tr>
<th>Year</th>
<th>~$1.1</th>
<th>~$2.5</th>
<th>~$3.0</th>
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</thead>
<tbody>
<tr>
<td>2016F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020F</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2020F synergy benefits

+ Manufacturing & services $0.5
+ Sourcing 0.9
+ SG&A 1.2
+ Engineering/technology 0.4

Total cost synergies ~$3B

Cumulative investment

<table>
<thead>
<tr>
<th>Year</th>
<th>~$0.5</th>
<th>~$1.6</th>
<th>~$1.9</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020F</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+ Growth synergies $0.6+

Executing from day one
Integration readiness

- Executing functional work streams... 200+ people dedicated
- 40+ Alstom leaders joined GE’s senior leadership team, 2 Alstom leaders named to Corporate Executive Council
- Clear accountability and ownership of synergy projects, monthly operating rhythm
- Commercial execution... winning deals together (GE4GE)
- Ansaldo divestiture in 1Q16
- Moving fast to instill GE’s integrity culture and compliance programs

Teams in place and executing
Key Alstom leaders

**Corporate**

Philippe Cochet  
- SVP, Chief Productivity Officer  
- Fairfield

**Power**

Andreas Lusch  
- VP, Steam Power Systems  
- Baden

Michael Rechsteiner  
- VP, Thermal Services  
- Baden

Keith Carr  
- VP, Power General Counsel  
- Baden

**Renewable Energy**

Jérôme Pégresse  
- SVP, Renewables  
- Paris

Yves Rannou  
- VP, Hydro  
- Paris

**Grid**

Stéphane Cai  
- VP, Grid Products & Global Supply Chain  
- Paris

Strong bench of Alstom leaders joining GE
Power
THE NEW GE POWER
~$32B '14 REVENUE/~65,000 EMPLOYEES/>120 COUNTRIES

GAS POWER SYSTEMS
Schenectady, NY, USA

POWER SERVICES
Baden, Switzerland

STEAM POWER SYSTEMS
Baden, Switzerland

DISTRIBUTED POWER
Jenbach, Austria

GE HITACHI NUCLEAR
Wilmington, NC, USA

WATER & PROCESS TECHNOLOGY
Trevose, PA, USA

FUNCTIONAL EXPERTISE

OPERATIONAL EXCELLENCE

DIGITAL CAPABILITY

#PoweringEveryone
Power overview

Global presence

% Revenue

- Europe 22%
- U.S. 28%
- Middle East 20%
- Asia 18%
- LATAM 7%
- Africa 4%

- ~50% revenue outside the U.S. and Europe
- 72 global facilities
- Local talent & execution

Services

Installed base

- ~1,500GW
- ~$50B backlog

- ~1,000
- ~500

- Largest installed base
- Expanded steam & BOP capability
- Other OEM as growth opportunity
Power demand growing... fundamentals strong

Central power

Energy drivers
- Economic growth (GDP)
- Population growth
- Demand-side efficiency

Capacity drivers
- Environmental policy
- Economic displacement
- Peak demand growth
- Fuel availability & price

Central Power Equipment Orders*
*Excludes 700 GW of non-grid connected capacity additions

Sources: World Bank, IEA, IHS, EIA, EPRI, Navigant, Brattle, GE Marketing
## Expanding the GE offering

<table>
<thead>
<tr>
<th>Power</th>
<th>Grid</th>
<th>Renewables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas</td>
<td>Distribution</td>
<td>Onshore Wind</td>
</tr>
<tr>
<td>Steam</td>
<td>Transmission</td>
<td>Hydro</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Offshore Wind</td>
</tr>
</tbody>
</table>

- GE contribution
- Alstom contribution

- World’s most efficient power plant offering
- Broader Services solutions
- Key enabler of GE2GE & GE4GE growth opportunities
- Comprehensive T&D offering
- Enhanced Renewables portfolio
Expanding Power competitiveness

Technology leadership

- **World's most efficient power plant offering**
  Gas & steam leadership, complete plant solutions

- **Broader services platform**
  Broaden digital reach, multi-technology capabilities

- **Expanded GE Store capability**
  Projects/risk management, local cost position

Global presence

- **1/3 of the world’s power**
  ~1,500 GW installed base, 2x India presence

- **Local capability to support customers**
  >120 countries, 6,000 service engineers

- **Enhanced emerging market capability**
  Expanded solutions, global footprint

Unlocked value for customers and shareholders
Power synergies
($ in billions)

Cost synergies

<table>
<thead>
<tr>
<th>Year</th>
<th>Manufacturing &amp; services</th>
<th>Sourcing</th>
<th>SG&amp;A consolidation</th>
<th>Engineering/technology</th>
<th>Total cost synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016F</td>
<td>~$0.7</td>
<td>~$0.6</td>
<td>~$0.8</td>
<td>~$0.3</td>
<td>~$0.7</td>
</tr>
<tr>
<td>2018F</td>
<td>~$1.7</td>
<td>~$0.6</td>
<td>~$0.8</td>
<td>~$0.3</td>
<td>~$1.7</td>
</tr>
<tr>
<td>2020F</td>
<td>~$2.2</td>
<td>~$0.6</td>
<td>~$0.8</td>
<td>~$0.3</td>
<td>~$2.2</td>
</tr>
</tbody>
</table>

Cumulative Investment

<table>
<thead>
<tr>
<th>Year</th>
<th>Gas Power</th>
<th>Steam Power</th>
<th>Services</th>
<th>HQ</th>
<th>Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016F</td>
<td>~$0.3</td>
<td>~$0.4</td>
<td>~$0.8</td>
<td>~$0.6</td>
<td>~$0.3</td>
</tr>
<tr>
<td>2018F</td>
<td>~$1.3</td>
<td>0.4</td>
<td>~$0.8</td>
<td>0.6</td>
<td>~$1.3</td>
</tr>
<tr>
<td>2020F</td>
<td>~$1.5</td>
<td>~$0.1</td>
<td>~$1.5</td>
<td>~$0.1</td>
<td>~$1.5</td>
</tr>
</tbody>
</table>

Power synergies by 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Power</td>
<td>$0.5</td>
<td>$0.1</td>
</tr>
<tr>
<td>Steam Power</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Services</td>
<td>0.8</td>
<td>0.1</td>
</tr>
<tr>
<td>HQ</td>
<td>0.6</td>
<td>-</td>
</tr>
<tr>
<td>Power</td>
<td>~$2.2</td>
<td>~$0.2</td>
</tr>
</tbody>
</table>

Early wins

- Indirect sourcing cost
- Combined direct material buy
- Portfolio investment strategy
- SG&A overlap

Clear ownership and accountability
GE Store expands with Alstom acquisition

<table>
<thead>
<tr>
<th>Alstom → GE</th>
<th>GE → Alstom</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔ Vertical integration of key technologies</td>
<td>✔ GE revenue &amp; margin growth</td>
</tr>
<tr>
<td>✔ Gross margin recapture</td>
<td>✔ Expanded BOP scope</td>
</tr>
<tr>
<td>✔ Design for performance</td>
<td>✔ Simpler execution for customers</td>
</tr>
</tbody>
</table>

**Heat Recovery Steam Generators**

30+ opportunities per yr.

**Gas Turbine Generators**

40+ opportunities per yr.

**Boiler feed pumps & valves**

**Low & medium voltage equipment**

Opportunity to expand GE2GE buy $1B+ by 2018
Winning better together globally

**Additional/extended scope**

- 4x 7HA.02 GTs
- 2x STs
- 4x HRSGs

- 1x 7HA.02 GT
- 1x ST
- 1x HRSG

+ 7HA launch with complete GE power island
+ Extended package offering with Alstom HRSGs
  ... additional value creation for GE
+ Total fulfillment, execution & performance

**Enhancing power cycle**

- QA Thermal Power Ltd, Government of Punjab Pakistan

- 2x 9HA.01 GTs
- 1x ST
- 2x HRSGs

- 4x 9HA.01 GTs
- 2x ST
- 2x HRSGs

+ Bhikki order signed with Alstom-sourced ST
+ Unprecedented performance levels with combined offering ... +0.5pt of efficiency
+ Global business partners, including Harbin

Potential to double the size of the gas business
Steam Power Systems

Market segment & global presence

- Nuclear: ~13
- Coal: ~50

Segment demand:
- Nuclear: ~63 GW
- Coal: ~40% of today’s installed base

- A leading player in coal and high efficiency
- Strong in Nuclear turbines
- Strong presence & capabilities in key Asian countries

Technology

Coal Power Plants
- Broadest in-house portfolio
- Leading technology to minimize environment impact
- Best life cycle economics

Nuclear Turbine Islands

Growth with GE

- More customers through additional GE base, including GE O&G and GE industrial presence
- Better stakeholder relationships with GGO and presence in growth regions
- Improved competitiveness through local supply chain and financing capabilities
- GE2GE/insourcing opportunities
- New generation of analytics and digital solutions as differentiator

Increased ability to win against competition
Total project execution capability

Alstom project portfolio

- ~170 large projects in over 50 countries
- Term ranges 2-7 years
- Backlog margins as expected

Complexities

- Project scope
- Global execution

Risk mitigation

- Established dedicated central PMO ... ~120+ years experience and growing
- Risk-based reviews at underwriting
- Coordinated EPC partner strategy
- Lifecycle project reviews to influence execution outcomes
- Superior process, tools, and workforce competencies

Implementing rigorous EPC processes & capabilities
Power summary
($ in billions)

**Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015E</th>
</tr>
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<tbody>
<tr>
<td>$32</td>
<td>10.1</td>
<td>-</td>
</tr>
<tr>
<td>21.5</td>
<td>+</td>
<td></td>
</tr>
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</table>

**Driving profits**

- Improved product performance
- Lower product cost + supply chain efficiencies + HA ramp-up
- Service margins
- More expanded scope
- Manage project risk

**Environment**

- Continued growth of natural gas, renewables, coal
- Global trend towards project solutions for customers
- Supply > demand in Europe

Strong platform ... improved global competitive position

Alstom reported revenue on GE calendar basis, converted at average FX rates for each year.
Gas Power Systems
Gas Power Systems overview

($ in billions)

![Revenue chart]

- **Profit drivers**
  - **Strong gas dynamics ... ~45 GW/year**
    - Abundant & competitively priced
    - Leads all fuels in capacity growth
  - **Improved core competitiveness**
    - New technology leadership (HA class)
    - Competitive cost structure (SG&A/sales ~4%)
  - **GE + Alstom = better outcomes**
    - ~63% CC efficiency (~1pt = $50MM)
    - Integrated solution capability for faster power

**Selected competitors**
- Siemens
- Mitsubishi Heavy Industries Ltd.
- Ansaldo

**Adding new capability in a growth segment**

Alstom reported revenue on GE calendar basis, converted at average FX rates for each year.
New Gas Power Systems capability

**Integrated systems expertise**
- GE contribution
- Alstom contribution

**Alstom value creation**

↑ **Combined cycle performance**
- Broader gas turbine portfolio
- Bottoming cycle enhancements

↓ **Cycle time for quicker power**
- Modular power island configurations
- Scalable global project capability

↓ **Product cost + ↑ volume**
- Component cost & performance
- GE2GE/GE4GE volume

Better customer outcomes ... increased growth opportunities
Utility scale technology shifting to H class

**Segment opportunity**

<table>
<thead>
<tr>
<th>H class</th>
<th>35 GW</th>
<th>35+ GW</th>
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</thead>
<tbody>
<tr>
<td>25%</td>
<td>75%</td>
<td>25%</td>
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<table>
<thead>
<tr>
<th>F class</th>
<th>'13-'15E</th>
<th>'16F-'18F</th>
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</thead>
<tbody>
<tr>
<td>75%</td>
<td>25%</td>
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</table>

$36/year

$15

$12

$9

Turnkey

Power Island Equipment only

**Segment drivers**

- Cost effective performance
- Gas turbine reliability
- Access to capital

**GE + Alstom capability**

Yesterday

- GT performance guarantee 100% of time
- ST performance guarantee ~15% of time

Today

Complete power island performance guarantee

**Recent power island guarantee win**

+10 MW Plant Output

$0 Incremental Cost

+$35 MM Customer Value

**New capabilities = 2x growth potential**
Additional GE store capability

**H turbine extended scope**
(Orders backlog $B)

- 2013: $0.5
- 2014: $1.1
- 2015E: ++

- 70+ technical selections

**Multiple synergy opportunities**

- Lower component cost ... welded rotor
- Improved product performance ... high pressure steam
- Supply chain vertical integration ... generator product line

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2013</th>
<th>2014</th>
<th>2015E</th>
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<tbody>
<tr>
<td>Gas Turbines</td>
<td>8</td>
<td>15</td>
<td>25-30</td>
</tr>
<tr>
<td>Steam Turbines</td>
<td>1</td>
<td>3</td>
<td>8-11</td>
</tr>
<tr>
<td>Generators</td>
<td>3</td>
<td>12</td>
<td>25-30</td>
</tr>
<tr>
<td>HRSG</td>
<td>0</td>
<td>0</td>
<td>5-7</td>
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</table>

Deliver growth on synergy pipeline ... find more opportunities
Bringing the GE store to intermediate power

**Segment opportunity**

<table>
<thead>
<tr>
<th></th>
<th>Combined Cycle</th>
<th>Simple Cycle</th>
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<tbody>
<tr>
<td>20 GW</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>~20GW</td>
<td>65%</td>
<td>35%</td>
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<tr>
<td>$27/year</td>
<td>$11</td>
<td>$8</td>
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<td></td>
<td>Turnkey</td>
<td>Power Island</td>
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<tr>
<td></td>
<td>Segment only</td>
<td>Equipment only</td>
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**Segment drivers**

- Project financing
- Speed to power
- Operating flexibility

**GE + Alstom capability**

- Complete GT portfolio
- GT MW size
- Filled 30% Gap

**Modular Power Island**

- 50% faster power
- 25% site man-hours

Integrated, flexible solutions addressing a broader opportunity
Digital ecosystem

Digital Thread
↓ NPI cycle time & cost
↑ Throughput & quality
↑ Performance/reliability

Virtual Power Plant
↓ Build/commission cycle
↓ Installed cost/interfaces
↑ EPC/end-user partnerships

Predix™ Applications
↓ Production downtime
↑ Revenue & reliability
↑ Dispatch & profitability

Engineering models
Continuous NPI Cycle
Rigorous testing
Manufacturing technology
Reduced execution risk

Integrated digital & industrial capability across value chain
Power Services
Power Services

GE installed base

With Alstom

→ ~$50B backlog
→ ~$14B revenue ... ~50% of GE Power
→ Attractive margins

Accelerating access + capability

Leapfrog decades of organic growth

• Stronger in steam: broader steam portfolio targeting steam tails

• Expanding other OEM capability: utilizing Alstom technology/expertise

• Local presence: ~26,000 people, 6,000 engineers, 50+ repair shops

Complete portfolio offering ... all equipment, any plant
Expanding service margins

Applying GE service discipline for margin accretion

Roadmap to +10 points expansion

- Material cost... sourcing, design and life extensions +3 pts.
- Outage cost... field automation, cross training, efficiencies +3 pts.
- Repairs... shop automation, improved yields +2 pts.
- Digital... condition based maintenance & monitoring +2 pts.

Alstom Thermal services revenue $5B+

Margin opportunity ~10 pts.

Gas +14 pts.

Steam/Gen +7 pts.

Boiler +7 pts.
Technology driving growth

Combined revenue

- $14B
- 5.7
- 8.4
- 2014
- 2015E
- 2020F

Technology collaboration

- Upgrades
  - AGP
  - MXL2
  - $0.2B
- Steam tail capture
  - $0.1B
- Software solutions
  - $0.1B
- Other OEM
  - $0.1B
  - $0.5B

Complementary expertise ... huge potential

Alstom reported revenue on GE calendar basis, converted at average FX rates for each year
Broadening services capabilities

Expanding digital presence

- Assets under management

<table>
<thead>
<tr>
<th>Current</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>~90</td>
<td>~600</td>
</tr>
</tbody>
</table>

- Connect assets ... target customers identified
- Integrate Alstom software & domain expertise
- Utilize established GE digital solutions

Winning in steam

<table>
<thead>
<tr>
<th>Utility Steam units</th>
<th>Upgrade penetration</th>
</tr>
</thead>
<tbody>
<tr>
<td>~2,700</td>
<td>20%</td>
</tr>
</tbody>
</table>

- Increase GE steam OEM penetration +30 pts.
- Utilize Alstom other OEM capability to ↑ share
- Improve supply chain cycle / efficiency

Adding levers to grow Power Services
Renewable Energy
THE NEW RENEWABLE ENERGY

~$9B '14 REVENUE/~13,000 EMPLOYEES/>55 COUNTRIES

ONSHORE WIND

Schenectady, NY, USA

OFFSHORE WIND

Nantes, France

HYDRO

Paris, France

GLOBAL REACH

BROAD PRODUCT OFFERING

EXECUTION EXCELLENCE
Renewable Energy will continue to grow

Global renewable energy installations
Cumulative (GW)

Market:
- Continues to drive towards CO₂ free energy
- Most renewable energies now at grid parity

GE:
- Broadest and deepest renewables technology portfolio in the industry
- 370 GW of installed base (>20% of total)
- Access to stronger resources to scale quickly & foster leadership
- More visibility and accountability towards customers & shareholders

Source: GWEC, Navigant, REN21, Bloomberg, MAKE, IEA

GE: leader in the fastest growing Energy market segment
Renewable Energy strategy
($ in billions)

**Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015E</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALSTOM</td>
<td>6.4</td>
<td>-</td>
</tr>
<tr>
<td>GE</td>
<td>2.8</td>
<td>+</td>
</tr>
</tbody>
</table>

**Driving profits**

- Lower **product cost** through GE + Alstom global supply chain capabilities
- Apply GE **services** playbook + **digital** ... grow volume & margins
- Drive **international growth** through increased global reach & more diversified product offering
- Successful launch of **Wind NPI**
- Execute on **synergies** & restructuring
- Manage **project risk** ... best-in-class execution

**Environment**

- Strong growth in renewables power demand
- Large combined installed base to grow services and digital
- Challenging execution/GE Onshore Wind new product transition

Alstom reported revenue on GE calendar basis, converted at average FX rates for each year
Renewable Energy overview

Global presence

% Revenue

- U.S./Canada 51%
- Africa 2%
- LATAM 22%
- Asia 8%
- Europe 16%
- Middle East 1%

- 30%+ revenue in growth markets
- 17 facilities across the globe
- ~13K employees

Services

Installed base/capacity

- 29K Wind turbines
- 26K Hydro capacity (*)
- 227 GW

- 43% Onshore Wind installed base penetration
- Large services growth opportunity across all products
- Digital capabilities

(*) installed capacity (average Turbine & Generator) at end of 2014
Renewable Energy: synergies overview

($ in billions)

### Cost synergies

<table>
<thead>
<tr>
<th>Cumulative investment</th>
<th>2016F</th>
<th>2018F</th>
<th>2020F</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$0.1</td>
<td>~$0.2</td>
<td>~$0.3</td>
<td></td>
</tr>
</tbody>
</table>

### Synergy examples

- **Streamline duplicative HQ and support functions**
- **Optimize R&D in overlapping product lines**
- **Consolidate footprint in global manufacturing centers of excellence**
- **Execute GE2GE (e.g. Power Conversion)**
- **Leverage GE + Alstom volume in sourcing**

### Cost synergies

- Engineering / technology: ~$0.1
- SG&A consolidation: ~$0.1
- Sourcing: ~$0.1
- Manufacturing: ~$0.0

**Total cost synergies**: ~$0.3

- Growth: <$0.1
## Synergies in action

<table>
<thead>
<tr>
<th>Product cost</th>
<th>Brazil</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leverage GE Wind <strong>scale</strong> to Alstom Onshore and Offshore</td>
<td>• <strong>Leader</strong> for Renewable Energy in LATAM</td>
</tr>
<tr>
<td>• Supply chain synergies for <strong>key commodities</strong> across the segments (steel,</td>
<td>• Combination creates <strong>3.3 GW Onshore Wind backlog</strong></td>
</tr>
<tr>
<td>blades, castings, etc.), in particular in China</td>
<td>• Allows synergies on overhead, supply chain &amp; manufacturing</td>
</tr>
<tr>
<td>• Implement GE <strong>product line management</strong> and <strong>should-cost</strong> models</td>
<td>• Strong focus on project execution</td>
</tr>
<tr>
<td>• Relentless focus to bring product cost down every year ... <strong>direct material</strong></td>
<td>• Leverage <strong>Hydro facility</strong> to absorb more GE volume</td>
</tr>
<tr>
<td>deflation and <strong>logistics</strong> playbooks</td>
<td>• Cost-efficient production platform</td>
</tr>
<tr>
<td></td>
<td>• Total base of <strong>~2,700 employees</strong></td>
</tr>
<tr>
<td></td>
<td>• Strong pool of talent for GE</td>
</tr>
</tbody>
</table>
New businesses in GE Renewable portfolio

### Hydro

<table>
<thead>
<tr>
<th>2014 financials ($B)</th>
<th>Service</th>
<th>Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>$1.3</td>
<td>$0.4</td>
</tr>
<tr>
<td>Revenues</td>
<td>$1.7</td>
<td>$0.3</td>
</tr>
</tbody>
</table>

- **Global leadership** with world-class technology for large plants & project execution expertise
- Building a stronger **services** franchise
  - 25% of global installed base
  - Utilizing GE service / digital
- Leverage fully invested **global manufacturing** base

### Offshore Wind

- **Scope**: turbine sales & commissioning + O&M contracts; no construction/installation risk
- Second largest **project pipeline** in the industry today (2GW) ... first OEM in US
- Key focus on **product cost reduction** and continued **R&D**
Renewable Energy – 2018 roadmap

✓ Leader in Renewable Energy - globally and in all major regions

✓ 2/3 of revenues generated outside of the US

✓ New businesses (Offshore, Hydro, Solar) to represent more than 1/3 of revenues

✓ Unrivalled service/digital franchise

✓ Revenues ~$10B with margins 5-10% and strong returns

✓ First-in-class project execution expertise

A global, diversified business delivering high return on investment
Grid
THE NEW ENERGY MANAGEMENT
~$12B '14 REVENUE/ ~47,000 EMPLOYEES/> 150 COUNTRIES

GRID SOLUTIONS
Paris, France

POWER CONVERSION
Paris, France

INDUSTRIAL SOLUTIONS
Plainville, CT, USA

EXPERTISE & SCALE
INTEGRATED SOLUTIONS
WORLD-CLASS PRODUCTS
Grid Solutions strategy
($ in billions)

Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015E</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$6</td>
<td>4.7</td>
<td>0</td>
</tr>
<tr>
<td>$1.4</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Strategic imperatives

1. Integration
   - Execution, cultural transformation, compliance … focus on backbone & enterprise processes

2. Organization
   - Product line/ regional execution
   - Strong global supply chain

3. Growth
   - Drive products into end markets through our combined strengths
   - Grow EBoP
   - Develop global services model on large installed base & upgrades

Environment

+ Aging assets driving need for replacements in NAM & EU
+ Cross-border transmission projects & renewable integration in EU & US
− Emerging market slowdown, oil price pressure remains

Alstom reported revenue on GE calendar basis, converted at average FX rates for each year
Deal gives GE EM scale in attractive T&D space
Grid synergies
($ in billions)

Cost synergies

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost Synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016F</td>
<td>~$0.2</td>
</tr>
<tr>
<td>2018F</td>
<td>~$0.4</td>
</tr>
<tr>
<td>2020F</td>
<td>~$0.5</td>
</tr>
</tbody>
</table>

Synergy examples

Sourcing, manufacturing, technology
- Competitive and optimized organizations
- Deflation on overlapping spend
- Supplier/indirect sourcing benefits
- Optimize GE2GE / GE4GE

SG&A
- Functional synergies ... simplification / streamlining

Growth
- Electrical balance of plant
- Expand Alstom in North America
- Complementary platforms
Growth in global electricity demand requires connecting new power generation to the grid. Utility, Grid & industrial operators require flexibility, speed, efficiency and simplification from their electrical systems.

- **Expanded scope** improves competitiveness on cost and speed.
- **Pulls from across EM** ... controls, grid, MV/LV and power electronics.
- **Align with GE Power, O&G, Renewables & EPCs on reference designs.**
- **OneGE approach** to customers ... empower regions.
- **Integrated system efficiency** + an enabler for GE Digital.
- **Meaningful** ... only ~5% penetration with GE Power today.

**Advanced Analytics**

- Power generation
- Power Island
- Power Evacuation
- High voltage switchyard
- Grid
- Consumer & Industrial

**Control & Automation Systems**

**EBoP and power generation**

Typical 9HA Combined Cycle power plant

- **Controls (EM)**
  - Gas Turbines control
  - Plant control systems – DCS
  - Communications
- **Electrical BoP (EM)**
  - MV/LV electric room
  - HV switchyard
  - Generator circuit breaker
  - Step up transformer
- **Power block (P&W)**
  - Gas Turbine
  - Steam Turbine
  - Engineering
  - Generator
  - HRSG
- **Mechanical BoP**
  - Water treatment (MGW)
  - Pumps (OEG)
  - Valves (OEG)
  - System engineering (P&W)

**Legacy GE content - $60M**

Value of GE equipment, based on 9HA.01 single shaft combined cycle plant.

**Alstom additions / complements - $110M**

$25

$1+
Predix adoption for Grid Software Solutions

**Asset Control**
- Mission-critical/real-time controls
- SCADA - on premise based
- Reliability & cyber security focus
- Tied into field operations

**Asset Optimization**
- Close to real time analytics
- Productivity and efficiency focus
- Big Data – cloud based
- Tied into planning and maintenance

Adopt Predix Core UI/UX, Analytics and Security Services
Control Room, Operations, Mission-Critical

Leverage complete Predix stack and Industrial Cloud
Big data, Optimization/Efficiency, Investment/$

Creating a ~$500M software business
Financial update & wrap up
# Financial summary

($ in billions)

## EPS outlook

<table>
<thead>
<tr>
<th></th>
<th>2015E</th>
<th>2016F</th>
<th>2018F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>~$(.01)-(0.02)</td>
<td>~$.05</td>
<td>~$.15-.20</td>
</tr>
</tbody>
</table>

## Assumptions

- 2015 loss driven by acquisition accounting items and deal costs
- Alstom operating earnings ↓ driven by delay in deal closing ... synergies ↑
- Synergy investments of ~$1.9B through 2020, booked principally at Corporate
- Acquisition accounting items preliminary estimate ... subject to change

## Financial dynamics

<table>
<thead>
<tr>
<th></th>
<th>4Q’15E</th>
<th>’16F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>~$(0.0)</td>
<td>~$0.2</td>
</tr>
<tr>
<td>Cost synergy benefits</td>
<td>-</td>
<td>~1.1</td>
</tr>
<tr>
<td>Synergy investment</td>
<td>~$(0.0)</td>
<td>~$(0.0)</td>
</tr>
<tr>
<td>Acquisition accounting</td>
<td>~$(0.2)</td>
<td>~$(0.7)</td>
</tr>
<tr>
<td>Deal/integration costs</td>
<td>~$(0.0)</td>
<td>~$(0.1)</td>
</tr>
<tr>
<td>JV minority interest</td>
<td>~0.0</td>
<td>~0.1</td>
</tr>
<tr>
<td><strong>Segment op profit</strong></td>
<td>~$(0.2)</td>
<td>~$0.6</td>
</tr>
<tr>
<td>Corporate charges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Deal costs/synergy inv.</td>
<td>~$(0.1)</td>
<td>~$(0.5)</td>
</tr>
<tr>
<td>- Acquisition accounting</td>
<td>~$(0.1)</td>
<td>~$(0.2)</td>
</tr>
<tr>
<td>Net tax benefits</td>
<td>~$0.3</td>
<td>~$0.7</td>
</tr>
<tr>
<td><strong>EPS estimate</strong></td>
<td>$(.01)-(0.02)</td>
<td>~$.05</td>
</tr>
</tbody>
</table>
Cost synergies

($ in billions)

Synergy investment & benefits

- Synergy benefits
- Synergy investment

<table>
<thead>
<tr>
<th>Year</th>
<th>Synergy Benefits</th>
<th>Synergy Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016F</td>
<td>$(0.5)</td>
<td>$1.1</td>
</tr>
<tr>
<td>2017F</td>
<td>$(0.8)</td>
<td>$1.9</td>
</tr>
<tr>
<td>2018F</td>
<td>$(0.3)</td>
<td>$2.5</td>
</tr>
<tr>
<td>2019F</td>
<td>$(0.2)</td>
<td>$2.8</td>
</tr>
<tr>
<td>2020F</td>
<td>$(0.1)</td>
<td>$3.0</td>
</tr>
</tbody>
</table>

Robust synergy pipeline ... mitigating operating pressure
## Purchase price walk
($ in billions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Original April ’14 before cash</th>
<th>Expected cash position in April ’14</th>
<th>Original price net of cash</th>
<th>Adjustment for JV investments</th>
<th>Net adjustments including Ansaldo</th>
<th>Cash usage from operations/timing</th>
<th>Original rate €/$ 1.37</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original gross price</td>
<td>$16.9</td>
<td></td>
<td></td>
<td>$13.5</td>
<td>(3.5)</td>
<td>0.0</td>
<td>2.8</td>
<td>(2.5)</td>
</tr>
<tr>
<td>Cash balance</td>
<td>(3.4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Original price</strong></td>
<td><strong>$13.5</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint ventures</td>
<td>(3.5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revised price</strong></td>
<td><strong>$10.0</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ansaldo/other</td>
<td>0.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower cash balance</td>
<td>2.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FX benefit</td>
<td>(2.5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Final price</strong></td>
<td><strong>$10.3</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Deal IRR 15%+
- Present value of synergies = purchase price
- Returns > WACC by 2018
Growing in a slow growth environment
(Revenue, in $ billions)

**Power**
- ~$32B
- ✓ Technical leadership
- ✓ Win big deals
- ✓ More content ... product pull through
- ✓ Service portfolio
- ✓ Competitive global position

**Renewables**
- ~$9B
- ✓ Diversified product offering
- ✓ Apply GE services playbook + Digital
- ✓ Increased global reach
- ✓ Product cost & supply chain efficiency

**Grid**
- ~$6B
- ✓ Compete at scale
- ✓ Pull through opportunities ... EBoP
- ✓ Global services model
- ✓ Software as a service
- ✓ Expand regional presence

Well-positioned to compete
Other deal updates

**Synchrony**
- Split-off complete ... 3.2x oversubscribed
- $20.4B share repurchase; GE shares ↓ 6.6%

**GE Capital**
- ~$146B announced signings YTD ... expect ~$100B closings in 2015
- Planning ~$2.5B dividend in 4Q

**Appliances**
- Trial began 11/9 ... 12/7 right to terminate
Summary

• Alstom acquisition is a critical step in Industrial transformation
• Overall economics and strategic rationale unchanged ... complementary technologies, global presence, project capabilities, and installed base
• Businesses add to and take from the GE Store ... GE + Alstom benefit
• Opportunity to strengthen GE subscale product lines (grid, balance of plant, steam)
• Deal economics:
  – Underlying operations impacted by deal uncertainty ... Alstom “in play” for ~18 month impacting backlog
  – Synergy plan well-developed ... far ahead relative to other acquisitions ... $3B+ annualized synergies by year 5
  – Growth opportunities better than original outlook

Company never better positioned for acquisition integration