

# GE 4Q'16 supplemental information

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**Imagination at work.**

\* Non-GAAP financial measures. See the following pages for reconciliations of these measures to the most directly comparable GAAP financial measures. Also see the Non-GAAP supplemental materials section for descriptions of non-GAAP financial measures and the reasons we believe that they provide useful information to investors.

# Orders & backlog by segment

(\$ in billions)

	4Q'16 Orders	V%	TY '16 Orders	V%	4Q'16 Backlog	V%
Power	\$11.1	16%	\$32.0	37%	\$84.7	10%
- Core	8.3	(4)	22.0	(1)	66.4	8
- Alstom	2.8		10.0		18.3	
Renewable Energy	3.3	32	10.3	38	13.1	5
- Core	3.0	48	8.5	22	8.2	16
- Alstom	0.3		1.8		4.9	
Oil & Gas	3.3	-	11.1	(27)	20.8	(9)
- Core	3.3	-	11.0	(27)	20.7	(10)
- Alstom <sup>-a)</sup>	-		0.1		0.1	
Aviation	7.2	5	26.3	(7)	154.5	2
Healthcare	5.4	3	19.2	3	16.8	(2)
Transportation	1.4	(58)	3.4	(52)	20.1	(11)
EC & Lighting	3.1	18	11.7	33	11.1	(5)
- EC Core	1.3	(18)	5.6	(28)	3.1	(9)
- EC Alstom	1.5		5.5		7.9	
- Current & Lighting	0.3	F	0.6	F	0.1	F
<b>Infrastructure</b>	<b>\$33.9</b>	<b>4%</b>	<b>\$110.9</b>	<b>5%</b>	<b>\$320.9</b>	<b>2%</b>
- Core	29.2	(3)%	93.5	(10)%	289.7	2%
- Alstom	4.7		17.4		31.2	



(a - Industrial Steam Solutions

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Equipment/service orders by segment – 4Q'16

(\$ in billions)

	<u>Equipment</u>	<u>V%</u>	<u>Service</u>	<u>V%</u>	<u>Total</u>	<u>V%</u>
Power	\$5.0	1%	\$6.1	32%	\$11.1	16%
- Core	3.3	(28)	4.9	24	8.3	(4)
- Alstom	1.7		1.2		2.8	
Renewable Energy	2.8	20	0.5	F	3.3	32
- Core	2.6	34	0.5	F	3.0	48
- Alstom	0.3		0.0		0.3	
Oil & Gas	1.3	4	2.0	(3)	3.3	-
- Core	1.3	4	2.0	(3)	3.3	-
- Alstom	-		-		-	
Aviation	2.9	2	4.3	8	7.2	5
Healthcare	3.3	3	2.0	1	5.4	3
Transportation	0.1	(98)	1.3	F	1.4	(58)
EC & Lighting	2.4	23	0.7	3	3.1	18
- EC Core	0.9	(20)	0.4	(13)	1.3	(18)
- EC Alstom	1.3		0.3		1.5	
- Current & Lighting	0.3	F			0.3	F
<b>Infrastructure</b>	<b>\$17.3</b>	<b>(7)%</b>	<b>\$16.5</b>	<b>20%</b>	<b>\$33.9</b>	<b>4%</b>
- Core	<b>14.1</b>	<b>(17)%</b>	<b>15.1</b>	<b>16%</b>	<b>29.2</b>	<b>(3)%</b>
- Alstom	<b>3.2</b>		<b>1.5</b>		<b>4.7</b>	



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Equipment orders

(\$ in billions)

	<u>1Q'16</u>	<u>V%</u>	<u>2Q'16</u>	<u>V%</u>	<u>3Q'16</u>	<u>V%</u>	<u>4Q'16</u>	<u>V%</u>	<u>TY'16</u>	<u>V%</u>
Power	\$1.8	F	\$3.1	67%	\$3.6	F	\$5.0	1%	\$13.5	44%
- Core	1.4	57	1.4	(26)	1.7	-	3.3	(28)	7.8	(14)
- Alstom	0.4		1.7		2.0		1.7		5.8	
Renewable Energy	1.8	F	1.6	(23)	2.4	37	2.8	20	8.5	23
- Core	1.6	94	1.4	(28)	1.4	(20)	2.6	34	7.0	8
- Alstom	0.2		0.1		1.0		0.3		1.5	
Oil & Gas	0.7	(70)	0.9	(58)	0.8	(22)	1.3	4	3.7	(45)
- Core	0.6	(71)	0.9	(59)	0.8	(24)	1.3	4	3.6	(46)
- Alstom	0.0		0.0		0.0		0.0		0.1	
Aviation	2.6	(35)	2.5	(37)	2.1	(27)	2.9	2	10.0	(26)
Healthcare	2.4	3	2.9	6	2.8	10	3.3	3	11.4	5
Transportation	0.1	(89)	0.1	(77)	0.1	(23)	0.1	(98)	0.4	(91)
EC & Lighting	2.0	37	2.2	48	2.5	59	2.4	23	9.2	41
- EC Core	1.0	(30)	1.1	(27)	1.0	(35)	0.9	(20)	4.0	(29)
- EC Alstom	1.0		1.1		1.2		1.3		4.6	
- Current & Lighting			0.0		0.3	F	0.3	F	0.6	F
<b>Infrastructure</b>	<b>\$11.0</b>	<b>(8)%</b>	<b>\$12.9</b>	<b>(11)%</b>	<b>\$13.9</b>	<b>24%</b>	<b>\$17.3</b>	<b>(7)%</b>	<b>\$55.2</b>	<b>(2)%</b>
- Core	9.4	(21)%	9.9	(32)%	9.8	(13)%	14.1	(17)%	43.3	(21)%
- Alstom	1.6		3.0		4.1		3.2		11.9	



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Equipment/service revenue by segment - 4Q'16

(\$ in billions)

	<u>Equipment</u>	<u>V%</u>	<u>Services</u>	<u>V%</u>	<u>Total</u>	<u>V%</u>
Power	\$3.2	32%	\$5.2	13%	\$8.5	20%
- Core	2.4	10	4.1	4	6.5	6
- Alstom	0.8		1.1		1.9	
Renewable Energy	2.1	20	0.4	F	2.5	29
- Core	1.9	13	0.3	F	2.2	20
- Alstom	0.2		0.1		0.3	
Oil & Gas	1.6	(25)	1.8	(19)	3.4	(22)
- Core	1.6	(27)	1.8	(19)	3.4	(23)
- Alstom	0.0		0.0		0.0	
Aviation	3.3	1	3.9	12	7.2	7
Healthcare	3.1	3	2.0	2	5.1	3
Transportation	0.6	(38)	0.6	2	1.2	(23)
EC & Lighting	2.7	(32)	0.6	(9)	3.3	(29)
- EC Core	0.8	(22)	0.4	(5)	1.2	(17)
- EC Alstom	1.3		0.2		1.6	
- Current & Lighting	0.6	(73)	-	(100)	0.6	(74)
<b>Industrial segments</b>	<b>\$16.6</b>	<b>(6)%</b>	<b>\$14.6</b>	<b>6%</b>	<b>\$31.2</b>	<b>-%</b>
- Core	14.2	(14)%	13.2	2%	27.4	(7)%
- Alstom	2.4		1.4		3.8	



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# Equipment/service revenue by segment - TY'16

(\$ in billions)

	<u>Equipment</u>	<u>V%</u>	<u>Services</u>	<u>V%</u>	<u>Total</u>	<u>V%</u>
Power	\$9.6	20%	\$17.2	28%	\$26.8	25%
- Core	7.2	(7)%	13.4	4	20.6	-
- Alstom	2.4		3.9		6.3	
Renewable Energy	8.2	41%	0.9	76	9.0	44
- Core	7.2	26%	0.7	38	7.9	27
- Alstom	0.9		0.2		1.2	
Oil & Gas	6.0	(28)%	6.9	(15)	12.9	(22)
- Core	5.9	(29)%	6.9	(15)	12.8	(22)
- Alstom	0.1		0.0		0.1	
Aviation	11.6	(2)%	14.7	14	26.3	6
Healthcare	10.4	5%	7.9	2	18.3	4
Transportation	2.3	(29)%	2.4	(11)	4.7	(21)
EC & Lighting	12.7	(9)%	2.4	(1)	15.1	(7)
- EC Core	3.4	(28)%	1.4	(25)	4.8	(27)
- EC Alstom	4.7		0.8		5.5	
- Current & Lighting	4.6	(44)%	0.2	(58)	4.8	(45)
<b>Industrial segments</b>	<b>\$60.8</b>	<b>-%</b>	<b>\$52.4</b>	<b>9%</b>	<b>\$113.2</b>	<b>4%</b>
- Core	<b>52.7</b>	<b>(12)%</b>	<b>47.5</b>	<b>1%</b>	<b>100.1</b>	<b>(6)%</b>
- Alstom	<b>8.1</b>		<b>4.9</b>		<b>13.0</b>	



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Non-GAAP reconciliation

# Industrial segment revenue & operating profit

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V%</u>
Total GE revenue (GAAP)	\$31,294	\$30,292	3%	113,676	100,700	13%
Less: Capital earnings	215	(1,465)		(1,251)	(7,672)	
Less: Gains	49	998		3,444	1,497	
Plus: GE-Capital elim	(639)	(450)		(2,139)	(1,786)	
<b>Industrial revenue w. GE Capital elim.</b>	<u><b>30,391</b></u>	<u><b>30,309</b></u>	-%	<u><b>109,344</b></u>	<u><b>105,088</b></u>	4%
(non-GAAP)						
Less: GE Capital eliminations	(639)	(450)		(2,139)	(1,786)	
<b>Industrial revenue (non-GAAP)</b>	<u><b>31,030</b></u>	<u><b>30,759</b></u>	1%	<u><b>111,483</b></u>	<u><b>106,874</b></u>	4%
Less: Core Corporate	(845)	(1,044)		(3,812)	(3,708)	
Plus: GE Capital elim	(639)	(450)		(2,139)	(1,786)	
<b>Industrial segment revenue (GAAP)</b>	<u><b>31,236</b></u>	<u><b>31,352</b></u>	-%	<u><b>113,156</b></u>	<u><b>108,796</b></u>	4%
GE earnings from continuing ops before income taxes (GAAP)	3,411	2,892	18%	9,816	3,252	F
Less: Capital earnings	215	(1,465)		(1,251)	(7,672)	
Less: Non-operating pension	(517)	(687)		(2,052)	(2,764)	
Less: Interest	(536)	(463)		(2,026)	(1,706)	
Less: Minority Interest	(4)	121		(279)	83	
Less: Preferred Dividend	-	(150)		-	(311)	
<b>Industrial op profit (non-GAAP)</b>	<u><b>4,253</b></u>	<u><b>5,536</b></u>	(23)%	<u><b>15,424</b></u>	<u><b>15,622</b></u>	(1)%
Less: Gains & restructuring	(973)	431		(134)	(237)	
<b>Adjusted Industrial op profit (non-GAAP)</b>	<u><b>5,226</b></u>	<u><b>5,105</b></u>	2%	<u><b>15,558</b></u>	<u><b>15,859</b></u>	(2)%
Less: Core Corporate	(616)	(417)		(2,040)	(2,107)	
<b>Industrial segment op profit (GAAP)</b>	<u><b>\$5,842</b></u>	<u><b>\$5,522</b></u>	6%	<u><b>\$17,598</b></u>	<u><b>\$17,966</b></u>	(2)%



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.

Non-GAAP reconciliation

# Industrial segment organic revenue growth

(\$ in millions)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V%</u>
Industrial segment revenue (GAAP)	\$31,236	\$31,352	(0)%	\$113,156	\$108,796	4%
Less the effects of: Acquisitions, dispositions <sup>-a)</sup> and FX <sup>-b)</sup>	<u>3,941</u>	<u>3,794</u>		<u>13,655</u>	<u>8,799</u>	
<b>Industrial segment revenues excluding the effects of acquisitions, dispositions<sup>-a)</sup> and FX<sup>-b)</sup> (non-GAAP)</b>	<b>\$27,295</b>	<b>\$27,559</b>	<b>(1)%</b>	<b>\$99,501</b>	<b>\$99,997</b>	<b>-%</b>
Plus: Alstom revenue (November – December)	<u>3,202</u>	<u>1,812</u>		<u>3,202</u>	<u>1,812</u>	
<b>Industrial segment organic with Alstom revenue (non-GAAP)</b>	<b>30,497</b>	<b>29,371</b>	<b>4%</b>	<b>102,702</b>	<b>101,809</b>	<b>1%</b>
Less: Oil & Gas organic with Alstom revenue (non-GAAP)	<u>3,424</u>	<u>4,355</u>		<u>13,075</u>	<u>16,394</u>	
<b>Industrial segment organic with Alstom revenue ex. O&amp;G (non-GAAP)</b>	<b><u>\$27,073</u></b>	<b><u>\$25,016</u></b>	<b>8%</b>	<b><u>\$89,627</u></b>	<b><u>\$85,416</u></b>	<b>5%</b>



(a- Other than dispositions of businesses acquired for investment

(b- Translational foreign exchange

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Non-GAAP reconciliation

# Industrial segment organic op profit growth

(\$ in millions)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V%</u>
Industrial segment op profit (GAAP)	\$5,842	\$5,522	6%	\$17,598	\$17,966	(2)%
Less the effects of:						
Acquisitions, dispositions <sup>-a)</sup> and FX <sup>-b)</sup>	<u>601</u>	<u>52</u>		<u>886</u>	<u>498</u>	
<b>Industrial segment op profit excluding the effects of acquisitions, dispositions<sup>-a)</sup> and FX<sup>-b)</sup> (non-GAAP)</b>	<b>\$5,241</b>	<b>\$5,471</b>	<b>(4)%</b>	<b>\$16,712</b>	<b>\$17,469</b>	<b>(4)%</b>
Industrial segment op profit (GAAP)	\$5,842	\$5,522	6%	\$17,598	\$17,966	(2)%
Plus: Adjusted Corporate costs (operating) <sup>-c)</sup>	<u>(616)</u>	<u>(417)</u>		<u>(2,040)</u>	<u>(2,107)</u>	
Industrial op profit <sup>-c)</sup>	\$5,226	\$5,105	2%	\$15,558	\$15,859	(2)%
Less the effects of:						
Acquisitions, dispositions <sup>-a)</sup> and FX <sup>-b)</sup>	<u>604</u>	<u>48</u>		<u>906</u>	<u>489</u>	
<b>Industrial op profit<sup>-c)</sup> excluding the effects of acquisitions, dispositions<sup>-a)</sup> and FX<sup>-b)</sup> (non-GAAP)</b>	<b>\$4,622</b>	<b>\$5,056</b>	<b>(9)%</b>	<b>\$14,652</b>	<b>\$15,370</b>	<b>(5)%</b>

(a - Other than dispositions of businesses acquired for investment

(b - Translational foreign exchange

(c - Excluding gains and restructuring & other items

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Non-GAAP reconciliation

# Organic revenue by segment

(\$ in millions)

	4Q'16	4Q'15	V%	TY'16	TY'15	V%
<b>Power</b>						
Reported Revenue	\$8,479	\$7,085	20%	\$26,827	\$21,490	25%
Less Acq./Disp. & FX <sup>(a)</sup>	2,049	946		6,293	946	
Organic Revenue <sup>(b)</sup>	<u>6,430</u>	<u>6,139</u>	5%	<u>20,534</u>	<u>20,544</u>	-%
<b>Renewable Energy</b>						
Reported Revenue	2,500	1,938	29%	9,033	6,273	44%
Less Acq./Disp. & FX <sup>(a)</sup>	286	87		1,050	106	
Organic Revenue <sup>(b)</sup>	<u>2,214</u>	<u>1,851</u>	20%	<u>7,983</u>	<u>6,166</u>	29%
<b>Oil &amp; Gas</b>						
Reported Revenue	3,402	4,355	(22)%	12,898	16,450	(22)%
Less Acq./Disp. & FX <sup>(a)</sup>	6	-		(150)	57	
Organic Revenue <sup>(b)</sup>	<u>3,396</u>	<u>4,355</u>	(22)%	<u>13,048</u>	<u>16,394</u>	(20)%
<b>Aviation</b>						
Reported Revenue	7,187	6,734	7%	26,261	24,660	6%
Less Acq./Disp. & FX <sup>(a)</sup>	61	24		58	24	
Organic Revenue <sup>(b)</sup>	<u>7,127</u>	<u>6,710</u>	6%	<u>26,203</u>	<u>24,637</u>	6%
<b>Healthcare</b>						
Reported Revenue	5,101	4,973	3%	18,291	17,639	4%
Less Acq./Disp. & FX <sup>(a)</sup>	8	47		(90)	136	
Organic Revenue <sup>(b)</sup>	<u>5,093</u>	<u>4,926</u>	3%	<u>18,381</u>	<u>17,503</u>	5%
<b>Transportation</b>						
Reported Revenue	1,243	1,612	(23)%	4,713	5,933	(21)%
Less Acq./Disp. & FX <sup>(a)</sup>	5	34		23	347	
Organic Revenue <sup>(b)</sup>	<u>1,238</u>	<u>1,578</u>	(22)%	<u>4,690</u>	<u>5,586</u>	(16)%
<b>EC &amp; Lighting</b>						
Reported Revenue	3,325	4,657	(29)%	15,133	16,351	(7)%
Less Acq./Disp. & FX <sup>(a)</sup>	1,528	2,657		6,470	7,183	
Organic Revenue <sup>(b)</sup>	<u>\$1,797</u>	<u>\$2,000</u>	(10)%	<u>\$8,663</u>	<u>\$9,167</u>	(5)%



Note: Certain columns and rows may not add due to the use of rounded numbers. Percentages are calculated from the underlying numbers in millions

(a- Translational foreign exchange

(b- Non-GAAP

Non-GAAP reconciliation

# Power & Renewable Energy results ex. Alstom

(\$ in millions)

	Power			Renewable Energy		
	4Q'16	4Q'15	V%	4Q'16	4Q'15	V%
Revenues	\$8,479	\$7,085	20%	\$2,500	\$1,938	29%
Alstom revenues	1,943	917		279	87	
Revenues ex. Alstom <sup>-a)</sup>	<u>\$6,536</u>	<u>\$6,168</u>	6%	<u>\$2,222</u>	<u>\$1,851</u>	20%
Segment profit	\$2,069	\$1,628	27%	\$163	\$56	F
Alstom segment profit	359	(80)		48	(69)	
Segment profit ex. Alstom <sup>-a)</sup>	<u>\$1,710</u>	<u>\$1,708</u>	-%	<u>\$115</u>	<u>\$125</u>	(8)%
Op profit % ex. Alstom <sup>-a)</sup>	<u>26.2%</u>	<u>27.7%</u>	(1.5)pts	<u>5.2%</u>	<u>6.8%</u>	(1.6)pts

(a- non-GAAP

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Non-GAAP reconciliation

# Energy Connections & Lighting ex. Appliances

(\$ in millions)

	Revenue			Segment Profit			Op Profit %		
	4Q'16	4Q'15	V%	4Q'16	4Q'15	V%	4Q'16	4Q'15	V%
Energy Conn. & Lighting	\$3,325	\$4,657	(29)%	\$102	\$274	(63)%	3.1%	5.9%	(2.8)pts
Appliances	-	1,604		-	178				
Energy Conn. & Lighting Excluding Appliances	<u>\$3,325</u>	<u>\$3,053</u>	9%	<u>\$102</u>	<u>\$96</u>	6%	<u>3.1%</u>	<u>3.1%</u>	- pts



Note: Certain columns and rows may not add due to the use of rounded numbers. Percentages presented are calculated from the underlying numbers in millions

# Units summary – orders

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V</u>
<b>Power:</b>						
Gas Turbines <sup>-a)</sup>	22	55	(33)	74	116	(42)
Alstom Gas Turbines	1	-	1	10	-	10
<b>Renewable Energy:</b>						
Wind Turbines <sup>-a)</sup>	1,180	827	353	3,120	2,912	208
<b>Aviation:</b>						
CEO engines	578	515	63	2,658	3,598	(940)
GEnx engines <sup>-b)</sup>	90	68	22	143	237	(94)
Leap engines <sup>-b)</sup>	255	94	161	1,167	1,069	98
Military engines	440	72	368	1,024	387	637
Spares rate <sup>-c)</sup>	\$44.5	\$39.0	\$5.5	\$41.3	\$38.8	\$2.5
<b>Transportation:</b>						
Locomotives	-	1,113	(1,113)	26	1,426	(1,400)

(a- Gas Turbines & Wind Turbines are GE-only

(b- GEnx & Leap engines are a subset of CEO engines

(c- Commercial spares rate in millions of dollars per day



# Units summary – sales

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V</u>
<b>Power:</b>						
Gas Turbines <sup>-a)</sup>	35	28	7	104	107	(3)
Alstom Gas Turbines	-	-		-	-	
<b>Renewable Energy:</b>						
Wind Turbines <sup>-a)</sup>	786	847	(61)	3,228	2,860	368
<b>Aviation:</b>						
CEO engines	692	643	49	2,747	2,588	159
GEnx engines <sup>-b)</sup>	75	59	16	259	260	(1)
Leap engines <sup>-b)</sup>	44	-	44	77	-	77
Military engines	169	265	(96)	571	766	(195)
Spares rate <sup>-c)</sup>	\$43.5	\$37.0	\$6.5	\$40.0	\$37.1	\$3.0
<b>Transportation:</b>						
Locomotives	171	320	(149)	749	985	(236)

(a- Gas Turbines & Wind Turbines are GE-only

(b- GEnx & Leap engines are a subset of CEO engines

(c- Commercial spares rate in millions of dollars per day



# Regional summary

(\$ in billions)

	Infrastructure Orders				Industrial Segment Revenues			
	4Q'16	V%	TY'16	V%	4Q'16	V%	TY'16	V%
Resource Rich <sup>-a)</sup>	\$9.8	2%	\$31.6	2%	\$8.6	(3)%	\$31.1	3%
Asia <sup>-b)</sup>	5.0	(25)%	15.0	(5)%	4.2	6%	14.0	13%
<b>Growth Regions</b>	<b>\$14.8</b>	<b>(9)%</b>	<b>\$46.6</b>	<b>-%</b>	<b>\$12.8</b>	<b>-%</b>	<b>\$45.1</b>	<b>6%</b>
Developed <sup>-c)</sup>	19.0	18%	64.2	8%	18.4	-%	68.1	3%
<b>Total</b>	<b>\$33.9</b>	<b>4%</b>	<b>\$110.9</b>	<b>5%</b>	<b>\$31.2</b>	<b>-%</b>	<b>\$113.2</b>	<b>4%</b>

(a - Resource Rich: Australia & New Zealand, Canada, Latin America, MENAT, Russia/CIS, & Sub Saharan Africa

(b - Asia: ASEAN, China, & India

(c - Developed: US, Europe, Japan, & Korea

Note: Individual amounts are rounded. As a result the sum of the parts presented may not add to the total.



# Alstom results and EPS impact

## Key metrics

	(\$ in millions)	
<u>Orders</u>	<u>4Q'16</u>	<u>TY'16</u>
Power	\$2,846	\$9,996
Renewable Energy	290	1,768
Grid	1,526	5,528
Oil & Gas <sup>(a)</sup>	-	72
<b>Segment orders</b>	<b>\$4,662</b>	<b>\$17,365</b>
<hr/>		
<u>Revenue</u>	<u>4Q'16</u>	<u>TY'16</u>
Power	\$1,943	\$6,252
Renewable Energy	279	1,176
Grid	1,556	5,480
Oil & Gas <sup>(a)</sup>	28	107
<b>Segment revenue</b>	<b>\$3,805</b>	<b>\$13,015</b>
<hr/>		
<u>Op profit</u>	<u>4Q'16</u>	<u>TY'16</u>
Power	359	\$564
Renewable Energy	48	30
Grid	100	171
Oil & Gas <sup>(a)</sup>	4	7
<b>Segment op profit</b>	<b>\$510</b>	<b>\$772</b>
Corporate	(322)	(1,046)
<b>Total op profit</b>	<b>\$188</b>	<b>\$(274)</b>
<i>FX impact</i>	<i>\$60</i>	<i>\$(78)</i>

## Financial impact

	(\$ in billions, except EPS)	
	<u>4Q'16</u>	<u>TY'16</u>
Operations	\$(0.2)	\$(1.0)
Acquisition accounting	0.1	0.1
Cost synergy benefits	0.7	1.5
<b>Ongoing operations</b>	<b>\$0.5</b>	<b>\$0.6</b>
Synergy investment	-	(0.0)
Deal/integration costs	(0.0)	(0.1)
JV minority interest	0.0	0.2
<b>Segment op profit</b>	<b>\$0.5</b>	<b>\$0.8</b>
Corporate charges		
– Deal costs/synergy inv.	(0.3)	(0.9)
– Acquisition accounting	-	(0.1)
Net tax benefits	0.2	0.8
<b>EPS</b>	<b>\$0.04</b>	<b>\$0.04</b>
<i>FX impact</i>	0.01	(0.01)
<b>EPS ex. FX</b> (non-GAAP)	<b>\$0.03</b>	<b>\$0.05</b>



(a – Industrial Steam Turbines

Note: Individual amounts are rounded. As a result the sum of the parts presented may not add to the total.



Non-GAAP reconciliation

# Corporate revenue & operating profit (cost)

(\$ in millions)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V%</u>
Gains (losses) on dispositions	\$49	\$998	(95)%	\$3,444	\$1,497	F
Corporate operations & eliminations	<u>(845)</u>	<u>(1,044)</u>	19%	<u>(3,812)</u>	<u>(3,708)</u>	(3)%
<b>Total Corporate revenue</b> (GAAP)	<b><u>(\$796)</u></b>	<b><u>(\$46)</u></b>	<b>U</b>	<b><u>(\$368)</u></b>	<b><u>(\$2,211)</u></b>	<b>83%</b>
Gains (losses) on dispositions	\$49	\$998		\$3,444	\$1,497	
Principal retirement plans <sup>-a)</sup>	(554)	(640)		(2,044)	(2,760)	
Restructuring and other charges	(1,022)	(567)		(3,578)	(1,734)	
Other Corporate costs & eliminations	<u>(579)</u>	<u>(465)</u>		<u>(2,048)</u>	<u>(2,111)</u>	
<b>Total Corporate costs (continuing)</b> (GAAP)	<b><u>(\$2,106)</u></b>	<b><u>(\$673)</u></b>		<b><u>(\$4,226)</u></b>	<b><u>(\$5,108)</u></b>	
Less: Non-operating pension cost	<u>(517)</u>	<u>(687)</u>		<u>(2,052)</u>	<u>(2,764)</u>	
<b>Total Corporate (operating) profit</b> (non-GAAP)	<b><u>(\$1,589)</u></b>	<b><u>\$14</u></b>		<b><u>(\$2,175)</u></b>	<b><u>(\$2,344)</u></b>	
Less: restructuring & other, gains	<u>(973)</u>	<u>431</u>		<u>(134)</u>	<u>(237)</u>	
<b>Adjusted total Corporate (operating) profit</b> (non-GAAP)	<b><u>(\$616)</u></b>	<b><u>(\$417)</u></b>	<b>(48)%</b>	<b><u>(\$2,040)</u></b>	<b><u>(\$2,107)</u></b>	<b>3%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total  
(a- Includes non-operating pension)

Non-GAAP reconciliation

# Industrial segment gross margins

(\$ in millions)

	4Q'16	4Q'15	TY'16	TY'15
Industrial sales	\$30,345	\$30,614	\$110,835	\$106,206
Less: Corporate sales and eliminations	(540)	(544)	(2,071)	(1,858)
Less: Alstom sales	3,749	1,953	13,096	1,953
<b>Industrial segment sales ex. Alstom</b> (non-GAAP)	<b>\$27,136</b>	<b>\$29,204</b>	<b>\$99,809</b>	<b>\$106,110</b>
Industrial cost of sales	23,318	23,058	85,712	80,827
Less: Corporate cost of sales	1,146	542	3,315	2,026
Less: Alstom cost of sales	2,836	1,730	10,364	1,730
<b>Industrial segment cost of sales ex. Alstom</b> (non-GAAP)	<b>\$19,336</b>	<b>\$20,786</b>	<b>\$72,033</b>	<b>\$77,072</b>
<b>Industrial segment gross margin ex. Alstom</b> (non-GAAP)	<b>\$7,800</b>	<b>\$8,418</b>	<b>\$27,776</b>	<b>\$29,038</b>
<b>Industrial segment gross margin rate ex. Alstom</b> (non-GAAP)	<b>28.7%</b>	<b>28.8%</b>	<b>27.8%</b>	<b>27.4%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

Non-GAAP reconciliation

# Industrial segment operating profit margins

(\$ in millions)

	4Q'16	4Q'15	V%	TY'16	TY'15	V%
Industrial segment revenue <sup>-a)</sup>	\$31,236	\$31,352	-%	\$113,156	\$108,796	4%
Less: Alstom revenues	3,805	1,956	95%	13,015	1,956	F
<b>Industrial segment revenue ex. Alstom</b> (non-GAAP)	<b><u>\$27,431</u></b>	<b><u>\$29,396</u></b>	<b>(7)%</b>	<b><u>\$100,141</u></b>	<b><u>\$106,840</u></b>	<b>(6)%</b>
Industrial segment op profit <sup>-a)</sup>	\$5,842	\$5,522	6%	\$17,598	\$17,966	(2)%
Less: Alstom segment op profit	510	(154)	F	772	(154)	F
<b>Industrial segment op profit ex. Alstom</b> (non-GAAP)	<b><u>\$5,331</u></b>	<b><u>\$5,676</u></b>	<b>(6)%</b>	<b><u>\$16,826</u></b>	<b><u>\$18,120</u></b>	<b>(7)%</b>
<b>Industrial segment op profit margin ex. Alstom</b> (non-GAAP)	<b>19.4%</b>	<b>19.3%</b>	<b>0.1pts</b>	<b>16.8%</b>	<b>17.0%</b>	<b>(0.2)pts</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.  
(a- Total Industrial segment revenue and op profit include the sum of our Industrial reporting segments without giving effect to the elimination of transactions among such segments.

Non-GAAP reconciliation

# Industrial operating profit margins

(\$ in millions)

	4Q'16	4Q'15	TY'16	TY'15
Industrial segment revenue <sup>-a)</sup>	\$31,236	\$31,352	\$113,156	\$108,796
Plus: Corporate revenue ex. gains	(845)	(1,044)	(3,812)	(3,708)
Less: GE-Capital eliminations	(639)	(450)	(2,139)	(1,786)
Industrial revenue	31,030	30,759	111,483	106,874
Less: Alstom revenues	3,805	1,956	13,015	1,956
<b>Industrial revenue ex. Alstom</b> (non-GAAP)	<b>\$27,225</b>	<b>\$28,802</b>	<b>\$98,468</b>	<b>\$104,918</b>
Industrial segment op profit <sup>-a)</sup>	\$5,842	\$5,522	\$17,598	\$17,966
Plus: Corporate operating earnings	(1,589)	14	(2,175)	(2,344)
Less: Gains and restructuring	(973)	431	(134)	(237)
<b>Industrial OP profit</b> (non-GAAP)	<b>5,226</b>	<b>5,105</b>	<b>15,558</b>	<b>15,859</b>
Less: Alstom segment op profit	510	(154)	772	(154)
<b>Industrial op profit ex. Alstom</b> (non-GAAP)	<b>\$4,716</b>	<b>\$5,259</b>	<b>\$14,786</b>	<b>\$16,013</b>
<b>Industrial op profit margin ex. Alstom</b> (non-GAAP)	<b>17.3%</b>	<b>18.3%</b>	<b>15.0%</b>	<b>15.3%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.  
(a- Total Industrial segment revenue and op profit include the sum of our Industrial reporting segments without giving effect to the elimination of transactions among such segments.

# Segment operating profit margins walk

	<u>4Q'16</u>	ex. FX	<u>TY'16</u>	ex. FX
Mix	(50) bps.		(20) bps.	
Value gap (price/inflation)	30		30	
Cost Productivity	<u>10</u>		<u>30</u>	
<b>Gross Margins<sup>-a)</sup></b>	<b>(10) bps.</b>	(20) bps.	<b>40 bps.</b>	40 bps.
Simplification (SG&A)	30		10	
Base Inflation/other	<u>(10)</u>		<u>(70)</u>	
<b>Op Profit Margins<sup>-a)</sup></b>	<b>10 bps.</b>	(40) bps.	<b>(20) bps.</b>	(10) bps.
Alstom	<u>100</u>		<u>(70)</u>	
<b>Op Profit Margins</b>	<b><u><u>110 bps.</u></u></b>		<b><u><u>(90) bps.</u></u></b>	



Non-GAAP reconciliation

# Operating earnings & EPS

(\$ in millions except earnings per share)

	4Q'16	4Q'15	V%	TY'16	TY'15	V%
Earnings from continuing operations attributable to common shareholders (GAAP)	\$3,483	\$2,567	36%	\$9,128	\$1,663	F
Adjustment (net of tax): non-operating pensions costs/(income)	336	447		1,334	1,797	
<b>Operating earnings (non-GAAP)</b>	<b>\$3,819</b>	<b>\$3,014</b>	<b>27%</b>	<b>\$10,462</b>	<b>\$3,460</b>	<b>F</b>
Earnings per share - diluted <sup>-a)</sup>						
Continuing earnings per share (GAAP)	\$0.39	\$0.26	50%	\$1.00	\$0.17	F
Adjustment (net of tax): non-operating pensions costs/(income)	0.04	0.05		0.15	0.18	
<b>Operating earnings per share (non-GAAP)</b>	<b>\$0.43</b>	<b>\$0.31</b>	<b>39%</b>	<b>\$1.14</b>	<b>\$0.35</b>	<b>F</b>



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

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.

Non-GAAP reconciliation

# Industrial operating EPS

(\$ in millions except earnings per share)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V%</u>
Operating earnings (non-GAAP)	<u>\$3,819</u>	<u>\$3,014</u>	27%	<u>\$10,462</u>	<u>\$3,460</u>	F
GE Capital operating earnings (non-GAAP)	215	(1,615)	F	(1,251)	(7,983)	84%
Industrial operating earnings (non-GAAP)	\$3,603	\$4,629	(22)%	\$11,713	\$11,443	2%
Operating earnings per share (non-GAAP)	<u>\$0.43</u>	<u>\$0.31</u>	39%	<u>\$1.14</u>	<u>\$0.35</u>	F
GE Capital operating EPS (non-GAAP) <sup>(a)</sup>	0.02	(0.16)	F	(0.14)	(0.80)	83%
Industrial operating EPS (non-GAAP) <sup>(a)</sup>	\$0.40	\$0.47	(15)%	\$1.28	\$1.14	12%



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

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.

Non-GAAP reconciliation

# Industrial operating plus Verticals earnings & EPS

(\$ in millions except earnings per share)

	4Q'16	4Q'15	V%	TY'16	TY'15	V%
Operating earnings (non-GAAP)	\$3,819	\$3,014	27%	\$10,462	\$3,460	F
Less: Other GE Capital (non-GAAP)	(262)	(2,053)		(3,143)	(9,649)	
<b>Industrial operating plus Verticals earnings</b> (non-GAAP)	<b>\$4,081</b>	<b>\$5,067</b>	<b>(19)%</b>	<b>\$13,605</b>	<b>\$13,109</b>	<b>4%</b>
GE Capital Verticals earnings (non-GAAP)	478	438	9%	1,892	1,666	14%
Industrial operating earnings (non-GAAP)	\$3,603	\$4,629	(22)%	\$11,713	\$11,443	2%
Earnings per share - diluted <sup>(a)</sup>						
Operating earnings per share (non-GAAP)	0.43	0.31	39%	1.14	0.35	F
Less: Other GE Capital (non-GAAP)	(0.03)	(0.21)		(0.34)	(0.96)	
<b>Industrial operating plus Verticals EPS</b> (non-GAAP)	<b>\$0.46</b>	<b>\$0.52</b>	<b>(12)%</b>	<b>\$1.49</b>	<b>\$1.31</b>	<b>14%</b>
GE Capital Verticals operating EPS (non-GAAP)	0.05	0.04	25%	0.21	0.17	24%
Industrial operating EPS (non-GAAP)	\$0.40	\$0.47	(15)%	\$1.28	\$1.14	12%



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

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.



Non-GAAP reconciliation

# Industrial operating plus Verticals earnings & EPS excluding gains & restructuring

(\$ in millions except earnings per share)

	Earnings			Earnings per share <sup>-a)</sup>		
	4Q'16	4Q'15	V%	4Q'16	4Q'15	V%
Industrial operating earnings	\$3,603	\$4,629	(22)%	\$0.40	\$0.47	(15)%
GE Capital Verticals earnings	478	438	9%	0.05	0.04	25%
Industrial operating plus Verticals earnings	\$4,081	\$5,067	(19)%	\$0.46	\$0.52	(12)%
<u>Industrial gains &amp; restructuring (after-tax):</u>						
Gains (after-tax)	\$325	\$838		\$0.04	\$0.08	
Restructuring (after-tax)	(715)	(397)		(0.08)	(0.04)	
Net gains & restructuring (after-tax) (non-GAAP)	\$(390)	\$441		\$(0.04)	\$0.04	
Industrial operating earnings ex. gains & restructuring)	\$3,993	\$4,188	(5)%	\$0.45	\$0.43	5%
GE Capital Verticals earnings	478	438	9%	0.05	0.04	25%
<b>Industrial operating plus Verticals earnings ex. gains &amp; restructuring</b>	<b>\$4,471</b>	<b>\$4,626</b>	<b>(3)%</b>	<b>\$0.50</b>	<b>\$0.47</b>	<b>6%</b>

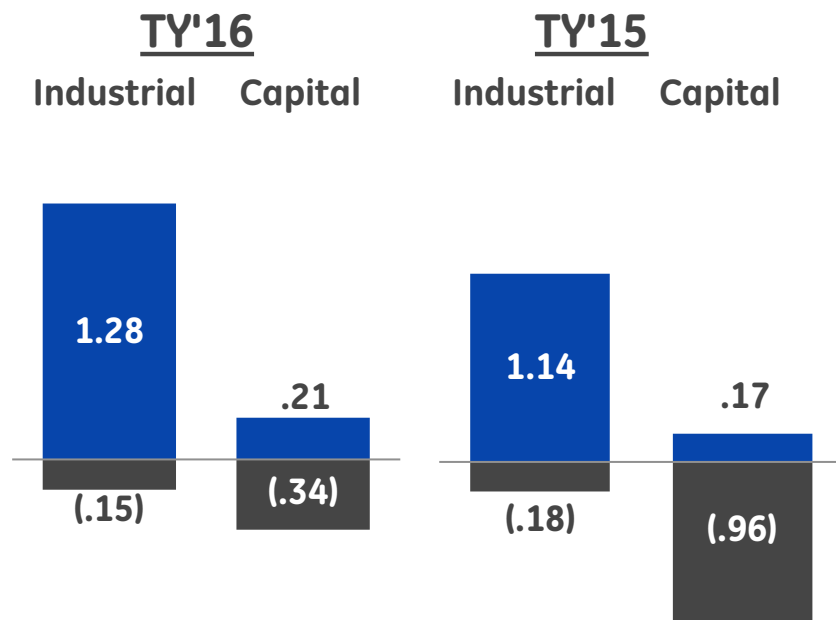
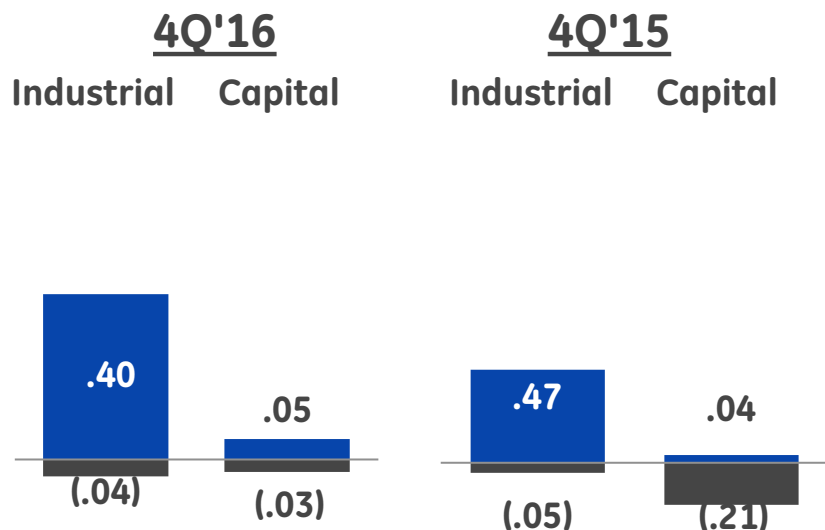


(a) - Earnings per share amounts are computed independently. As a result, the sum of per share amounts may not equal the total

Non-GAAP reconciliation

# GAAP & Industrial Operating plus Verticals EPS

(\$ in millions except earnings per share)



<u>Earnings/(loss) per share</u> <sup>-a)</sup>	<u>4Q'16</u>	<u>4Q'15</u>
Industrial operating	\$ .40	\$ .47
Verticals	<u>.05</u>	<u>.04</u>
Industrial Operating plus Verticals	\$ .46	\$ .52
Non-operating & other GE Capital	<u>(.07)</u>	<u>(.25)</u>
<b>GAAP continuing EPS</b>	<b>\$ .39</b>	<b>\$ .26</b>

<u>Earnings/(loss) per share</u> <sup>-a)</sup>	<u>TY'16</u>	<u>TY'15</u>
Industrial operating	\$ 1.28	\$ 1.14
Verticals	<u>.21</u>	<u>.17</u>
Industrial Operating plus Verticals	\$ 1.49	\$ 1.31
Non-operating & other GE Capital	<u>(.49)</u>	<u>(1.14)</u>
<b>GAAP continuing EPS</b>	<b>\$ 1.00</b>	<b>\$ .17</b>

■ Industrial Operating & Verticals  
 ■ Non-operating pension & other GE Capital



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

Non-GAAP reconciliation

# GE effective tax rate (ex. GE Capital)

(\$ in millions)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>TY'16</u>	<u>TY'15</u>
GE earnings from continuing operations before income taxes (GAAP)	\$3,411	\$2,892	\$9,816	\$3,252
Less GE Capital earnings from continuing ops. attributable to the common shareowner	215	(1,465)	(1,251)	(7,672)
Less GE preferred dividend	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>
Adjusted earnings from continuing ops. before income taxes (non-GAAP)	<u>\$3,195</u>	<u>\$4,338</u>	<u>\$11,066</u>	<u>\$10,906</u>
GE (ex. GE Capital) provision for income taxes - continuing ops.	\$(67)	\$204	\$967	\$1,506
Effective tax rate GE (ex. GE Capital) (non-GAAP)	-2%	5%	9%	14%



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.

Non-GAAP reconciliation

# GE (ex. GE Capital) tax rate adjusted for gains and restructuring & other – 4Q'16

(\$ in millions)

	<u>Pre-tax earnings</u>	<u>Tax</u>	<u>After-tax earnings</u>	<u>Tax rate</u>
Total GE (GAAP)	\$3,411			
Less: GE-Capital from continuing operations attributable to the Company	215			
<b>Total GE, excluding GE Capital</b> (non-GAAP)	<b>\$3,195</b>	<b>\$(67)</b>	<b>\$3,263</b>	<b>(2)%</b>
Less: Gains	49	(277)	325	
Less: Restructuring & other	(1,022)	(307)	(715)	
<b>Total GE, excluding GE Capital adj. for gains &amp; restructuring &amp; other</b> (non-GAAP)	<b>\$4,168</b>	<b>\$516</b>	<b>\$3,653</b>	<b>12%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.

# Industrial CFOA and FCF

(\$ in millions)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>	<u>TY'16</u>	<u>TY'15</u>	<u>V%</u>
Cash from GE's op. activities (GAAP)	\$11,618	\$9,827	18%	\$29,960	\$16,353	83%
Less: Deal taxes	(322)	(184)		(1,398)	(184)	
Less: Pension	(347)	-		(347)	-	
Cash from GE's op. activities ex. deal taxes & pension	<b>\$12,287</b>	<b>\$10,011</b>	<b>23%</b>	<b>\$31,706</b>	<b>\$16,537</b>	<b>92%</b>
Less: Net additions to PP&E	601	664		2,678	2,846	
<b>Free cash flow ex. deal taxes &amp; pension</b> (non-GAAP)	<b>\$11,686</b>	<b>\$9,347</b>	<b>25%</b>	<b>\$29,027</b>	<b>\$13,691</b>	<b>F</b>
Less: GE Capital dividends	4,045	3,850		20,095	4,300	
<b>Industrial free cash flow ex. deal taxes &amp; pension</b> (non-GAAP)	<b>\$7,641</b>	<b>\$5,497</b>	<b>39%</b>	<b>\$8,932</b>	<b>\$9,391</b>	<b>(5)%</b>
Add: Net additions to PP&E	601	664		2,678	2,846	
<b>Industrial CFOA ex. deal taxes &amp; pension</b> (non-GAAP)	<b>\$8,242</b>	<b>\$6,161</b>	<b>34%</b>	<b>\$11,611</b>	<b>\$12,237</b>	<b>(5)%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# TY'16 Industrial free cash flow and conversion

(\$ in millions)

	<u>FCF</u>	<u>Earnings</u>	<u>Conversion</u>
<b>Industrial free cash flow (FCF) ex. deal taxes &amp; pension</b> (non-GAAP)	\$8,932	\$11,712	76%
Less: Alstom	(545)	393	
<b>Industrial FCF ex. deal taxes, pension, &amp; Alstom</b> (non-GAAP)	<u>\$9,478</u>	<u>\$11,319</u>	84%
Less: Non-cash gain/(loss) on business dispositions		2,351	
<b>Industrial FCF ex. deal taxes, pension, Alstom and gain/loss on business dispositions</b> (non-GAAP)	<u>\$9,478</u>	<u>\$8,968</u>	106%



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Free cash flow + dispositions

(\$ in millions)

	<u>TY'16</u>	<u>TY'15</u>
Cash from GE's op. activities (GAAP)	\$29,960	\$16,353
Less: Net additions to PP&E	2,678	2,846
<b>Free cash flow (FCF)</b>	<b>\$27,282</b>	<b>\$13,507</b>
Add: Business dispositions (ex. deal taxes)	5,357	1,725
<b>FCF + dispositions</b>	<b>\$32,639</b>	<b>\$15,232</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# GE Capital segment results

(\$ in millions – net earnings)

	4Q'16	4Q'15	V%
GECAS	\$321	\$354	(9)%
EFS	42	(19)	F
Industrial Finance	130	145	(10)%
Other <sup>-a)</sup>	(16)	(42)	62%
<b>Verticals</b>	<b>\$478</b>	<b>\$438</b>	<b>9%</b>
Other continuing operations <sup>-b)</sup>	(262)	(2,053)	87%
<b>Capital segment profit/(loss)</b>	<b>\$215</b>	<b>\$(1,615)</b>	<b>F</b>
Earnings/(loss) from discontinued ops.	3	3,722	(100)%
<b>GE Capital net earnings/(loss)</b>	<b>\$218</b>	<b>\$2,107</b>	<b>(90)%</b>



(a – Includes run-off insurance business and allocated corporate costs

(b – Includes impact of preferred stock dividends

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total



# GE Capital segment assets<sup>-a)</sup>

(\$ in billions)

	<u>4Q'16</u>	<u>4Q'15</u>	<u>V%</u>
GECAS	\$41.3	\$42.4	(3)%
EFS	11.7	11.4	2%
Industrial Finance	25.4	23.6	8%
Other	35.7	35.0	2%
<b>Verticals</b>	<b>\$114.1</b>	<b>\$112.4</b>	<b>1%</b>
Other continuing operations	54.1	78.1	(31)%
<b>Capital segment assets</b>	<b>\$168.2</b>	<b>\$190.6</b>	<b>(12)%</b>
Assets of discontinued operations	14.8	120.9	(88)%
<b>GE Capital total assets</b>	<b>\$183.0</b>	<b>\$311.5</b>	<b>(41)%</b>



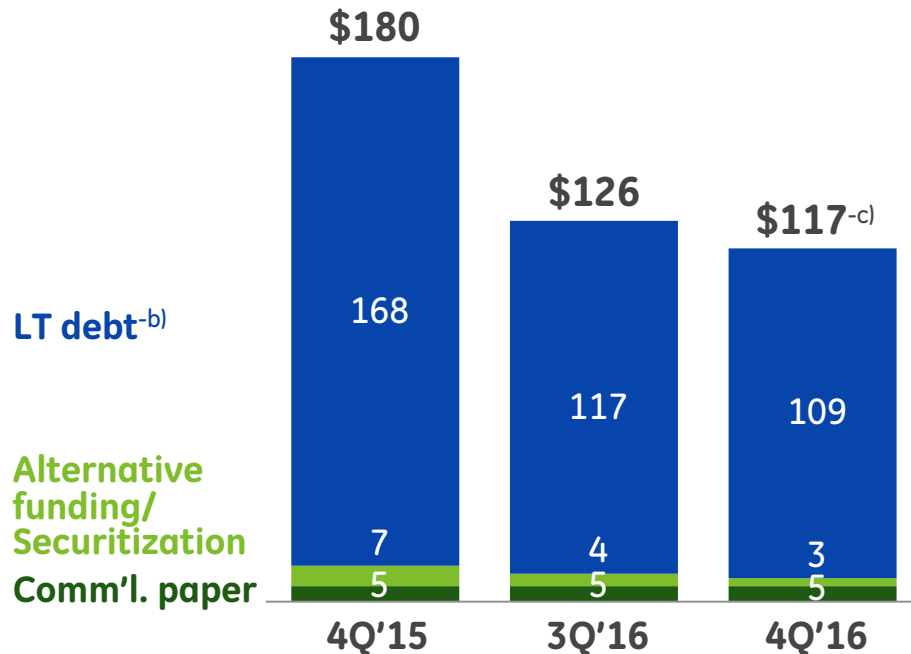
(a - GE Capital total assets include deferred income taxes in line with consolidated GE reported financials

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# GE Capital funding

(\$ in billions)

## Debt composition<sup>-a)</sup>



Bank lines <sup>-d)</sup>	\$46	\$20	\$20
Liquidity <sup>-e)</sup>	\$91	\$57	\$51
LT debt <1yr.	\$49	\$24	\$23

## Comments

- Maintaining \$5B CP outstanding
- No incremental LT debt issuance in line with April 2015 announcement
- \$6B of contractual maturities in 4Q'16



(a - Continuing operations (excludes obligations issued to third parties that we reported in Discontinued operations or Held-for-Sale)

(b - Includes \$59B of GE Capital debt maintained as intercompany debt with GE Company as of 4Q'16 (\$60B assumed by GE Company offset by \$1B intercompany loan to GE)

(c - Includes ~\$(3.2)B YTD FX impact and ~\$(1.6)B YTD FAS 133

(d - Bank lines maintained at GE Company since Dec '15 but can be drawn and lent to GE Capital upon request

(e - Liquidity includes cash & equivalents (including discontinued operations and held for sale balances); 4Q'16 includes \$11.5B of high quality investments

Non-GAAP reconciliation

# Capital ending net investment

(\$ in billions)

	<u>4Q'16</u>	<u>3Q'16</u>	<u>2Q'16</u>	<u>1Q'16</u>	<u>4Q'15</u>
GE Capital total assets <sup>-a)</sup>	\$183.0	\$202.7	\$219.4	\$281.2	\$311.5
Less: assets of discontinued operations	(14.8)	(30.9)	(49.9)	(81.6)	(120.9)
Less: non-interest bearing liabilities & others	(37.4)	(38.6)	(38.7)	(38.8)	(38.8)
Capital ENI (Continuing operations)	130.7	133.2	130.8	160.8	151.8
Less: Liquidity <sup>-b)</sup>	(49.1)	(54.1)	(51.4)	(79.7)	(70.5)
<b>Capital ENI (ex-Liquidity) (non-GAAP)</b>	<b>\$81.6</b>	<b>\$79.1</b>	<b>\$79.3</b>	<b>\$81.1</b>	<b>\$81.3</b>
Memo: Total ENI (ex-Liquidity) incl. disc. ops. (non-GAAP)	\$92.8	\$103.1	\$116.2	\$126.7	\$166.2



(a - GE Capital total assets include deferred income taxes in line with consolidated GE reported financials

(b - Liquidity includes cash & equivalents from continuing operations (excluding held for sale balances) and \$11.5B of high quality investments

## Non-GAAP reconciliation

# GE Capital leverage ratio<sup>-a)</sup>

(\$ in billions)

As reported	<u>4Q'16</u>	<u>3Q'16</u>	<u>4Q'15</u>
Debt	\$119.4	\$132.3	\$211.3
Equity <sup>-b)</sup>	24.7	29.0	46.2
Leverage ratio (GAAP)	4.8	4.6	4.6
Debt	119.4	132.3	211.3
Less: Liquidity <sup>-c)</sup>	<u>(50.5)</u>	<u>(57.0)</u>	<u>(90.9)</u>
Adjusted debt	68.8	75.2	120.4
Equity <sup>-b)</sup>	\$24.7	\$29.0	\$46.2
<b>Adjusted leverage ratio (non-GAAP)</b>	<b>2.8</b>	<b>2.6</b>	<b>2.6</b>



(a - Includes discontinued operations and balances recorded as held for sale for all periods

(b - Total equity ex-non-controlling interests

(c - Liquidity includes cash & equivalents (including discontinued operations and held for sale balances) and \$11.5B of high quality investments

Non-GAAP reconciliation

# GE Capital capital ratios<sup>-a)</sup>

(\$ in billions)

	<u>4Q'16</u>	<u>3Q'16</u>	<u>2Q'16</u>	<u>1Q'16</u>
Equity <sup>-b)</sup>	\$24.7	\$29.0	\$33.8	\$38.2
Less: G/W & Intangibles	2.7	2.7	2.8	3.1
Tangible equity	<u>\$22.0</u>	<u>\$26.2</u>	<u>\$31.1</u>	<u>\$35.1</u>
Less: Preferred equity	5.3	5.2	5.2	5.2
Tangible common equity	<u>\$16.7</u>	<u>\$21.0</u>	<u>\$25.9</u>	<u>\$29.9</u>
GE Capital total assets <sup>-c)</sup>	\$183.0	\$202.7	\$219.4	\$281.2
Less: G/W & Intangibles	2.7	2.7	2.8	3.1
Tangible assets	<u>\$180.3</u>	<u>\$200.0</u>	<u>\$216.6</u>	<u>\$278.0</u>
<b>Tangible equity/Tangible assets</b>	<b>12.2%</b>	<b>13.1%</b>	<b>14.3%</b>	<b>12.6%</b>
<b>Tangible common equity/ Tangible assets</b>	<b>9.3%</b>	<b>10.5%</b>	<b>11.9%</b>	<b>10.7%</b>



(a - Includes discontinued operations and balances recorded as held for sale for all periods

(b - Total equity ex-non-controlling interests

(c - GE Capital total assets include deferred income taxes in line with consolidated GE reported financials

# GE Capital Aircraft and Helicopter asset details

(\$ in millions)

Collateral type (In millions)	Loans and leases		
	4Q'16	3Q'16	4Q'15
Narrow-body aircraft	\$ 18,042	\$ 18,673	\$ 21,747
Wide-body aircraft	8,440	8,394	8,002
Cargo	2,072	1,870	1,621
Regional jets	3,491	3,586	3,861
Engines	3,024	2,908	2,654
Helicopters	3,855	3,788	3,663
<b>Total (a)</b>	<b>\$ 38,923</b>	<b>\$ 39,219</b>	<b>\$ 41,548</b>

Airline regions (In millions)	Loans and leases		
	4Q'16	3Q'16	4Q'15
U.S.	\$ 7,996	\$ 8,478	\$ 9,236
Europe	8,958	9,027	9,818
Pacific Basin	7,945	7,619	8,248
Americas	3,738	3,791	4,006
Other	6,430	6,515	6,577
<b>Total (b)</b>	<b>\$ 35,068</b>	<b>\$ 35,430</b>	<b>\$ 37,885</b>

Aircraft vintage profile (In millions)	4Q'16	3Q'16	4Q'15
	0-5 years	\$ 11,633	\$ 12,103
6-10 years	7,005	7,339	7,880
11 - 15 years	6,916	6,890	7,503
15+ years	2,500	2,408	1,993
<b>Total (c)</b>	<b>\$ 28,054</b>	<b>\$ 28,740</b>	<b>\$ 31,218</b>

(a) - Includes loans and financing leases of \$7,223 million, \$7,035 million and \$7,294 million (less non-aircraft loans and financing leases of \$86 million, \$90 million and \$62 million) and ELTO of \$31,786 million, \$32,274 million and \$34,316 million at December 31, 2016, September 30, 2016 and December 31, 2015 respectively, related to commercial aircraft at GECAS.

(b) - Excludes helicopters.

(c) - Includes aircraft owned by GECAS and leased to others; excludes helicopters, engines and loans.



# 2017 Operating framework (Non-GAAP)

2017F Industrial operating + Vertical EPS \$1.60-1.70

Items not included in non-GAAP metric:

1. Non-operating pension costs, which we estimate to be approximately \$(0.16) – (0.17) on an EPS basis for the year
  
2. Capital Other continuing earnings (excluding the Verticals), which we estimate to be ~\$(0.03)-(0.12) on an EPS basis for the year. This amount is affected by, among other things:
  - The timing of when, and the amount by which, the Company pays down GE Capital’s outstanding debt; and
  - The timing and magnitude of the costs associated with GE Capital’s exit plan.

Note: The company cannot provide an equivalent GAAP guidance range without unreasonable effort because of the uncertainty of the amount and timing of events affecting earnings as we execute the GE Capital Exit Plan. Although we have attempted to estimate GE Capital’s Other continuing earnings for the purpose of explaining the probable significance of this component, as described under number 2, this calculation involves a number of unknown variables, resulting in a GAAP range that we believe is too large and variable to be meaningful.

It is also impractical to provide a reconciliation for our organic revenue target as it involves a number of unknown variables including the effects of future acquisitions, dispositions and currency exchange.



# Non-GAAP supplemental information

In an effort to provide investors with additional information regarding the company's results as determined by generally accepted accounting principles (GAAP), the company also discusses, in its earnings press release and earnings presentation materials, the following Non-GAAP information which management believes provides useful information to investors.

## Operating and non-operating pension costs

We have provided the operating and non-operating components of cost for our principal pension plans. Operating pension costs comprise the service cost of benefits earned, prior service cost amortization and curtailment loss for our principal pension plans. Non-operating pension costs comprise the expected return on plan assets, interest cost on benefit obligations and net actuarial loss amortization for our principal pension plans. We believe that the operating components of pension costs better reflects the ongoing service-related costs of providing pension benefits to our employees. We believe that the operating and non-operating components of cost for our principal pension plans, considered along with the corresponding GAAP measure, provide management and investors with additional information for comparison of our pension plan costs and operating results with the pension plan costs and operating results of other companies.

## Adjusted corporate costs (operating)

Operating corporate costs exclude non-service-related pension costs of our principal pension plans, which comprise interest costs, expected return on plan assets and amortization of actuarial gains/losses. Service cost, prior service cost and curtailment loss components of our principal pension plans are included in operating corporate costs. We believe that these components of pension cost better reflect the ongoing service-related costs of providing pension benefits to our employees. Accordingly, we believe that our measure of operating corporate costs provides management and investors with a useful measure of the operational costs incurred outside of our businesses. We believe that this measure, considered along with the corresponding GAAP measure, provides management and investors with additional information for comparison of our operating corporate costs to the operating corporate costs of other companies.

We also believe that adjusting operating corporate costs to exclude the effects of items that are not closely associated with ongoing corporate operations, such as earnings of previously divested businesses, gains and losses on disposed and held for sale businesses, and restructuring and other charges, provides management and investors with a meaningful measure that increases the period-to-period comparability of our ongoing corporate costs.





# Non-GAAP supplemental information

## Industrial Segment Organic Revenue Growth

Organic revenue growth measures revenue excluding the effects of acquisitions, business dispositions and currency exchange rates. We believe that 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 currency exchange, which activities are subject to volatility and can obscure underlying trends. We also believe that presenting organic revenue growth separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial businesses and companies. Management recognizes that the term "organic revenue growth" may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.

## Industrial Segment Organic Operating Profit Growth

Operating profit growth measures profit excluding the effects of acquisitions, business dispositions and currency exchange rates. We believe that 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 currency exchange, which activities are subject to volatility and can obscure underlying trends. Management recognizes that the term "organic operating profit growth" may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.



# Non-GAAP supplemental information

## Industrial Cash Flows from Operating Activities (Industrial CFOA)

We define “Industrial CFOA” as GE’s cash from operating activities (continuing operations) less the amount of dividends received by GE from GE Capital. This includes the effects of intercompany transactions, including GE customer receivables sold to GE Capital; GE Capital services for trade receivables management and material procurement; buildings and equipment leased by GE from GE Capital; information technology (IT) and other services sold to GE Capital by GE; aircraft engines manufactured by GE that are installed on aircraft purchased by GE Capital from third-party producers for lease to others; and various investments, loans and allocations of GE corporate overhead costs. We believe that investors may find it useful to compare GE’s operating cash flows without the effect of GE Capital dividends, since these dividends are not representative of the operating cash flows of our industrial businesses and can vary from period to period based upon the results of the financial services businesses. Management recognizes that this measure may not be comparable to cash flow results of companies which contain both industrial and financial services businesses, but believes that this comparison is aided by the provision of additional information about the amounts of dividends paid by our financial services business and the separate presentation in our financial statements of the GE Capital cash flows. We believe that our measure of Industrial CFOA provides management and investors with a useful measure to compare the capacity of our industrial operations to generate operating cash flow with the operating cash flow of other non-financial businesses and companies and as such provides a useful measure to supplement the reported GAAP CFOA measure.

## Free cash flow

We define free cash flow as GE’s cash from operating activities (continuing operations) less GE additions to property, plant and equipment, which are included in cash flows from investing activities. We believe that free cash flow is a useful financial metric to assess our ability to pursue opportunities to enhance our growth. We also believe that presenting free cash flow separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial businesses and companies. Management recognizes that the term free cash flow may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.



# Non-GAAP supplemental information

## Industrial operating earnings and EPS and GE Capital operating earnings (loss) and EPS

Operating earnings (loss) excludes non-service related pension costs of our principal pension plans comprising interest cost, expected return on plan assets and amortization of actuarial gains/losses. The service cost, prior service cost and curtailment loss components of our principal pension plans are included in operating earnings. We believe that these components of pension cost better reflect the ongoing service-related costs of providing pension benefits to our employees. As such, we believe that our measure of operating earnings (loss) provides management and investors with a useful measure of the operational results of our business. Other components of GAAP pension cost are mainly driven by capital allocation decisions and market performance, and we manage these separately from the operational performance of our businesses. Neither GAAP nor operating pension costs are necessarily indicative of the current or future cash flow requirements related to our pension plan. We also believe that this measure, considered along with the corresponding GAAP measure, provides management and investors with additional information for comparison of our operating results to the operating results of other companies.

We believe that presenting operating earnings and operating EPS separately for our industrial and financial services businesses also provides management and investors with useful information about the relative size of our industrial and financial services businesses in relation to the total company.

## GE Industrial Operating + Verticals EPS

As described above, Verticals represents the GE Capital businesses that we expect to retain. We believe that presenting Industrial operating + Vertical earnings-per-share amounts provides management and investors with a useful measure to evaluate the performance of the businesses we expect to retain after the disposition of most of our financial services business.



# Non-GAAP supplemental information

## GE Capital capital ratios - Tangible Equity/Tangible Assets; Tangible Common Equity/ Tangible Assets

We use these ratios as a measurement of capital adequacy for GE Capital. Tangible Equity is book equity less goodwill (net of valuation allowance adjustments) and intangibles. Tangible Common Equity is Tangible Equity less preferred equity. Tangible Assets is total assets less goodwill (net of valuation allowance adjustments) and intangibles.

## GE Capital Ending Net Investment (ENI), excluding liquidity

We use ENI to measure the size of our Capital segment. We believe that this measure is a useful indicator of the capital (debt or equity) required to fund a business as it adjusts for non-interest bearing current liabilities generated in the normal course of business that do not require a capital outlay. We also believe that by excluding liquidity, we provide a meaningful measure of assets requiring capital to fund our Capital segment as a substantial amount of liquidity resulted from debt issuances to pre-fund future debt maturities and will not be used to fund additional assets. Liquidity consists of cash and equivalents and certain high quality interest bearing deposits of the U.S. Treasury. As a general matter, investments included in liquidity are expected to be highly liquid, giving us the ability to readily convert them to cash. Providing this measure will help investors measure how we are performing against our previously communicated goal to reduce the size of our financial services segment.



