GE Aviation overview
J.P. Morgan Aviation, Transportation and Industrials Conference
March 14, 2018

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS:
This document contains "forward-looking statements" - that is, statements related to future events that by their nature address matters that are, to different degrees, uncertain. For details on the uncertainties that may cause our actual future results to be materially different than those expressed in our forward-looking statements, see http://www.ge.com/investor-relations/disclaimer-caution-concerning-forward-looking-statements as well as our annual reports on Form 10-K and quarterly reports on Form 10-Q. We do not undertake to update our forward-looking statements. This document also includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.
GE Aviation ... $27.4B revenue

Commercial Engines
$7.5B

BGA and Integrated Systems
$1.4B

Avionics and Digital Systems
$0.7B

Commercial Engine Services
$12.5B

Military Engines and Services
$3.9B

Avio Aero
$1.0B

Note: 2017 external revenues as disclosed in GE 10-K; page does not reflect $0.2B other segment revenues
(a- Reflects GE portion of CFM and EA revenue
(b- 2017 external revenue
CFM is a 50/50 JV between GE and Safran Aircraft Engines; EA is a 50/50 JV between GE and Pratt & Whitney

... and $0.2B GE Additive
2017 Performance
($ in billions)

- GE and JVs surpass 65,000 installed engines ...
- 459 LEAP engines delivered
- $840M in product cost out ...
- R&D (16)%
- Military business revenue up 10% ...
- Avio Aero external revenues up 11%
- Acquired AirVault as a leader in digital aircraft records ...
- Arcam delisted, with ownership pushed to 95%+

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Op profit</th>
<th>OP %</th>
<th>Op profit %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$26.3</td>
<td>$6.1</td>
<td>23.3%</td>
<td>23.3%</td>
</tr>
<tr>
<td>2017</td>
<td>$27.4</td>
<td>$6.6</td>
<td>24.3%</td>
<td>24.3%</td>
</tr>
</tbody>
</table>

VPY:
- 4%
- 9%
2018 Outlook

Sales ~7-10%

Op Profit ~7-10%

Op profit % Flat

Operating imperatives

1. Hold operating profit rate with LEAP & Passport ramp
2. Maintain best in class structural cost
3. Capitalize on Military demand and win next gen applications
4. Build out Additive and Digital businesses

Strongest technology stack in our history ... products, upgrades & adjacencies

Note: 2018 V% after revenue recognition accounting change
Aviation commercial environment

**Demand**
- % change, RPKs
- '17: 7.6%
- '18F: 6.0%
- '20F: 6.4%

*Memo: Freight (FTK)*
- '17: 9.3%
- '18F: 4.5%
- '20F: 4.8%

**Departures**
- Millions of
- '17: 36.8
- '18F: 38.6
- '20F: 41.2

**Load factors**
- % PLF
- '17: 81.4%
- '18F: 81.4%
- '20F: 81.5%

**Fuel**
- WTI, $/barrel
- Source: EIA
- '17: 50.8
- '18F: 58.2
- '20F: 57.5

**2018 global growth**
- RPK % growth
- North America: 3.5%
- Latin America: 8.0%
- Europe: 6.0%
- Middle East: 7.0%
- Africa: 8.0%
- Asia Pacific: 7.0%

**RPK (billions)**
- North America: 1,865
- Latin America: 445
- Europe: 1,390
- Middle East: 761
- Africa: 140
- Asia Pacific: 2,463

**Note:**
- '20F – GE internal analysis (excluding calculation of fuel outlook)
- Fuel analysis – Energy Information Administration, '20F reflective of YE'19 $/barrel, values as of 3/9/18

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March 14, 2018
GE Aviation Overview for JP Morgan
Sustainable leadership in Commercial Engines

**Commercial departures**
(departures in millions)

- 2 out of every 3 Departures\(^\text{a)}\)

**Worldwide shop visits**\(^\text{a)}\)

- 60% of CFM56-5B/-7 have zero shop visits\(^\text{b)}\)

**Installed base**\(^\text{c)}\)
(GE and JV engines)

\(^\text{a)}\) Includes GE and JV engines
\(^\text{b)}\) As of 2017
\(^\text{c)}\) 2017 GE comm’l installed base 12,121; JV comm’l installed base 22,898; 2020F GE comm’l installed base 11,749; JV comm’l installed base 27,394; 2025F GE comm’l installed base 11,879; JV comm’l installed base 34,932

GE and JV engines; CFM is a 50/50 JV between GE and Snecma; EA is a 50/50 JV between GE and Pratt & Whitney

High utilization

Strong forecast ... 5% CAGR

Growing fleet

2 out of every 3 Departures

High utilization

Strong forecast ... 5% CAGR

Growing fleet
Delivering today ... investing in our future

Commercial backlog
($ in billions)

| Services | $160 | 10% |
| Engines | 133 | 10% |

New entrants

**LEAP**

- **Sole Source**
  - On MAX and C919
- **59% win rate**
  - On A320neo
- • 14,500+ on order
- • *Fastest-selling* narrowbody engine in history

**GENx**

- **63% win rate**
  - On 787
- • 1,900+ on order
- • *Best-in-class* dispatch reliability ... 99.93%

**GE9X**

- **Sole Source**
  - On 777X
- • 700+ on order
- • *Best-in-class* fuel efficiency ... 5% better

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**737MAX**

**747-8**

**777X**

**A320neo**

**C919**

**787**
• On spec ... delivering 15% performance improvement

• 253 aircraft in service and 95% utilization ... 18 pt. advantage\(^a\)

• Powering 58% of the A320neo family fleet in service

• Adding capacity for ramp ... working through production learning curve

• Weekly communication with all customers through LEAPLine

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cFM is a 50/50 JV between GE and Snecma; LEAP is a trademark of CFM International
\(^a\) Source: UBS Global Research Report Mar. 5, 2018
Cost and delivery

Ramp conversion

# Units

<table>
<thead>
<tr>
<th>Year</th>
<th>CFM56</th>
<th>LEAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>'15</td>
<td>1,600+</td>
<td></td>
</tr>
<tr>
<td>'16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>'17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>'18F</td>
<td>1,100-1,200</td>
<td></td>
</tr>
<tr>
<td>'19F</td>
<td>1,900+</td>
<td></td>
</tr>
<tr>
<td>'20F</td>
<td>2,200+</td>
<td></td>
</tr>
</tbody>
</table>

Cost out

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>'16</td>
<td>20%↓</td>
</tr>
<tr>
<td>'17</td>
<td>25%↓</td>
</tr>
<tr>
<td>'18E</td>
<td>21%↓</td>
</tr>
</tbody>
</table>

Realizing learning curve

- ~6 weeks average delinquency
- Manufacturing quality issue ... resolved & recovering
- Ramp of 2\textsuperscript{nd} and 3\textsuperscript{rd} sources delayed ... improving yields
- ~90% of product dual sourced

CFM is a 50/50 JV between GE and Safran Aircraft Engines.

GE Aviation Overview for JP Morgan  March 14, 2018
Military engines ... strong portfolio with growth
($ in billions)

- Global threats driving international modernization
- U.S. defense strategy & president budget aligned ... key development programs funded
- Commitment to increasing readiness levels provides upside for aftermarket volume
- ‘19 Budget largely in line with GE growth prospects, favorable for advanced technology

Global installed fleet

(a) Includes only primary Western aircraft engine manufacturers of fleets >5,000; Excludes marine gas turbines and commercial helicopter engines

Sales growth

CFM is a 50/50 Joint Venture between GE and Safran
# A great future in military

(Total program value)

<table>
<thead>
<tr>
<th>Expanding the Core globally</th>
<th>Leveraging technology for upgrades</th>
<th>Defining next-gen propulsion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USAF Trainer</strong></td>
<td><strong>Black Hawk/Apache</strong></td>
<td><strong>Rotorcraft</strong></td>
</tr>
<tr>
<td>F404 ... $5B</td>
<td><strong>9,100</strong> engines</td>
<td><strong>$20B</strong></td>
</tr>
<tr>
<td></td>
<td>✓ International upgrades</td>
<td>$102M under design contract</td>
</tr>
<tr>
<td></td>
<td><strong>KC-135</strong></td>
<td>✓ Proposal submitted ... selection 4Q’18</td>
</tr>
<tr>
<td></td>
<td><strong>1,515</strong> engines</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ 40% complete</td>
<td></td>
</tr>
<tr>
<td><strong>India</strong></td>
<td><strong>B-1B Lancer</strong></td>
<td><strong>Advanced combat</strong></td>
</tr>
<tr>
<td>F404/414/F110 ... $10B</td>
<td><strong>294</strong> engines</td>
<td><strong>$100B</strong></td>
</tr>
<tr>
<td>✓ Proposal for 83 Tejas submitted</td>
<td></td>
<td>$1B under contract</td>
</tr>
<tr>
<td><strong>Korea &amp; Sweden</strong></td>
<td><strong>Super Hornet/Growler</strong></td>
<td>✓ Engines testing begins in ’19</td>
</tr>
<tr>
<td>F414 ... $5B</td>
<td><strong>1,730</strong> engines</td>
<td></td>
</tr>
<tr>
<td>✓ Executing development</td>
<td>✓ Preliminary study started</td>
<td></td>
</tr>
<tr>
<td><strong>Turkey</strong></td>
<td><strong>B-52 re-engine</strong></td>
<td><strong>Heavy lift</strong></td>
</tr>
<tr>
<td>F404/F414/F110 ... $3B</td>
<td><strong>660</strong> engines</td>
<td><strong>$15B</strong></td>
</tr>
<tr>
<td>✓ Working requirements</td>
<td>✓ $1B budgeted over 5 years</td>
<td>In production on CH-53K</td>
</tr>
<tr>
<td></td>
<td><strong>$5B</strong></td>
<td>✓ LRIP contract signed</td>
</tr>
</tbody>
</table>

A great future in military

KC-135 1,515 engines
Black Hawk/Apache 9,100 engines
Super Hornet/Growler 1,730 engines
B-1B Lancer 294 engines
B-52 re-engine 660 engines

Engines testing begins in ’19

GE Aviation Overview for JP Morgan  March 14, 2018
Introducing **GE Catalyst™** advanced turboprop engine
(Formerly GE ATP)

- **Clean sheet** engine design
- **Step-change** in performance
- An engine **born digital**
- Enabled by **Additive** technology
- ~(60)% engine-related tasks, improving **pilot productivity**

**First all-new BGA turboprop engine in 30 years**

**First engine run December, 2017**

**100+ PATENTS**
in GA turboprop space

**10% MORE POWER**
at altitude

**20% LOWER**
mission fuel burn

**855→12 MANUFACTURED PARTS**
subtracted by additive process
A great GE business

• That invests and delivers

• Unprecedented growth ... installed base and services backlog

• A commitment to technology leadership

• Investments in all segments securing product positions

• Digital & Additive ... new frontiers for GE’s industry leadership

• Built on a simple, competitive cost structure