



PRESS RELEASE

**GE PROVIDES UPDATE ON INSURANCE REVIEW;
\$6.2B AFTER-TAX GAAP CHARGE IN 4Q'17**

- *\$9.5B pre-tax, \$6.2B after-tax GAAP charge in 4Q'17; \$7.5B after-tax impact at 21% tax rate (post U.S. tax reform)*
- *~\$3 billion statutory contribution in 1Q'18 and ~\$2 billion annually from 2019 to 2024 for an estimated statutory contribution of ~\$15 billion over 7 years*
- *GE Capital to fund contributions and suspend dividend to GE for foreseeable future*
- *Ongoing actions over the next two years to make GE Capital smaller, more focused and restore its capital ratios to appropriate levels*
- *Goodwill and other non-cash impairments of \$1.8 billion after-tax related to GE Capital actions*
- *No impact to Industrial business and 2018 capital allocation plan*

BOSTON – January 16, 2018 – GE (NYSE: GE) announced today that the comprehensive review and reserve testing for GE Capital's run-off insurance portfolio, North American Life & Health (NALH), will result in an after-tax GAAP charge of \$6.2 billion for the fourth quarter of 2017, and GE Capital expects to make statutory reserve contributions of ~\$15 billion over seven years. The Kansas Insurance Department, NALH's primary regulator, approved a phased contribution of ~\$3 billion in 1Q'18 and ~\$2 billion annually from 2019 through 2024.

"As we disclosed during the company's second- and third-quarter earnings calls and further discussed during our November 13, 2017, investor presentation, earlier this year GE Capital initiated a comprehensive review of our insurance reserves with the assistance of leading outside experts," said John Flannery, chairman and CEO of GE. "This was a rigorous process involving complex factors and estimates relating primarily to long-term care policies written by primary insurance companies and reinsured by NALH."

Flannery added, "The required contributions to the statutory reserve will be made by GE Capital, which has sufficient liquidity to do so. We have been taking ongoing actions to make GE Capital smaller and more focused while maintaining its key capabilities to support financing for GE Industrial products. These actions will also help restore GE Capital ratios to appropriate levels. At a time when we are moving forward as a company, a charge of this magnitude from a legacy insurance portfolio in run-off for more than a decade is deeply disappointing."

The required statutory contributions will be a higher number than the GAAP charge, due primarily to modifications of certain assumptions to reflect various potential adverse conditions, as is required for statutory accounting purposes.

GE will be holding an investor webcast at 8:30 a.m. ET today to present the results of the comprehensive review, the GAAP charge and the statutory contributions. To access, visit: <https://www.ge.com/investor-relations/events-reports>

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.

About GE

GE (NYSE: GE) is the world's Digital Industrial Company, transforming industry with software-defined machines and solutions that are connected, responsive and predictive. GE is organized around a global exchange of knowledge, the "GE Store," through which each business shares and accesses the same technology, markets, structure and intellect. Each invention further fuels innovation and application across our industrial sectors. With people, services, technology and scale, GE delivers better outcomes for customers by speaking the language of industry. www.ge.com.

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