

THOMSON REUTERS STREETEVENTS

# EDITED TRANSCRIPT

GE - Q4 2016 General Electric Co Earnings Call

EVENT DATE/TIME: JANUARY 20, 2017 / 01:30PM GMT

## OVERVIEW:

Co. reported 4Q16 revenues of \$33.1b, net EPS of \$0.39 and continuing EPS of \$0.39. Expects 2017 EPS to be \$1.60-1.70.

### Non-GAAP Financial MEASURES:

In this document, we sometimes use information derived from consolidated financial data but not presented in our financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP). Certain of these data are considered "non-GAAP financial measures" under the U.S. Securities and Exchange Commission rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. The reasons we use these non-GAAP financial measures and the reconciliations to their most directly comparable GAAP financial measures are posted to the investor relations section of our website at [www.ge.com](http://www.ge.com). We use non-GAAP financial measures including the following.

- Operating earnings and EPS, which is earnings from continuing operations excluding non-service-related pension costs of our principal pension plans.
- GE Industrial operating & Verticals earnings and EPS, which is operating earnings of our industrial businesses and the GE Capital businesses that we expect to retain.
- GE Industrial & Verticals revenues, which is revenue of our industrial businesses and the GE Capital businesses that we expect to retain.
- Industrial segment organic revenue, which is the sum of revenue from all of our industrial segments less the effects of acquisitions/dispositions and currency exchange.
- Industrial segment organic operating profit, which is the sum of segment profit from all of our industrial segments less the effects of acquisitions/dispositions and currency exchange.
- Industrial cash flows from operating activities (Industrial CFOA), which is GE's cash flow from operating activities excluding dividends received from GE Capital.
- Capital ending net investment (ENI), excluding liquidity, which is a measure we use to measure the size of our Capital segment.
- GE Capital Tier 1 Common ratio estimate is a ratio of equity to total risk-weighted assets .

General Electric Capital Corporation (GECC) has been merged into GE and our financial services business is now operated by GE Capital Global Holdings LLC (GECGH). In this document, we refer to GECC and GECGH as "GE Capital". We refer to the industrial businesses of the Company including GE Capital on an equity basis as "GE". "GE (ex-GE Capital)" and/or "Industrial" refer to GE excluding GE Capital. Our financial services segment previously referred to as GE Capital is now referred to as Capital. GE's Investor Relations website at [www.ge.com/investor](http://www.ge.com/investor) and our corporate blog at [www.gereports.com](http://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.



## CORPORATE PARTICIPANTS

**Matt Cribbins** *General Electric Company - VP, Investor Communications*

**Jeff Immelt** *General Electric Company - Chairman & CEO*

**Jeff Bornstein** *General Electric Company - SVP & CFO*

## CONFERENCE CALL PARTICIPANTS

**Scott Davis** *Barclays Capital - Analyst*

**Julian Mitchell** *Credit Suisse - Analyst*

**Steven Winoker** *Sanford C. Bernstein & Co. - Analyst*

**Steve Tusa** *JPMorgan - Analyst*

**Andrew Kaplowitz** *Citigroup - Analyst*

**Shannon O'Callaghan** *UBS - Analyst*

**Andrew Obin** *BofA Merrill Lynch - Analyst*

## PRESENTATION

---

### Operator

Good day, ladies and gentlemen, and welcome to the General Electric fourth-quarter 2016 earnings conference call.

(Operator Instructions)

As a reminder, this conference is being recorded. I would now like to turn the program over to your host for today's conference, Matt Cribbins, Vice President of Investor Communications. Please proceed.

---

### **Matt Cribbins - General Electric Company - VP, Investor Communications**

Hello, everyone and welcome to GE's fourth-quarter 2016 earnings call. Presenting first today is our Chairman and CEO Jeff Immelt followed by our CFO Jeff Bornstein.

Before we get started I would like to remind you that our earnings release presentation supplemental have been available since earlier today on our website at [www.GE.com/investor](http://www.GE.com/investor). Also some of the statements we are making today are forward-looking and are based on our best view of the world and our businesses as we see them today. As described in our SEC filings and on our website those elements can change as the world changes.

And now I would like to turn the call over to Jeff Immelt.

---

### **Jeff Immelt - General Electric Company - Chairman & CEO**

Thanks, Matt. GE executed well in a slow growth and volatile environment. We see optimism in the United States and here orders grew by 23%.

In addition, Europe is strengthening and we see positive momentum. Meanwhile, the resource sector and related markets continue to have headwind.

As you know, we closed Alstom on November 1 of 2015. As a result the fourth quarter of 2016 was the first quarter where Alstom was organic.

So I will give you a few ways to look at the quarter. On a reported basis orders were up 4% and revenue was flat. On an organic basis, in other words including Alstom in November and December in the organic calculation, orders are up 2% and revenue was up 4%.



We also show the calculation that excludes Alstom results from the organic calculation. And segment operating profit grew by 6% in the quarter.

For the quarter we had some pluses and minuses. Orders were strong ahead of our expectations. Service growth was very strong for both revenue and orders.

Alstom synergies are ahead of plan. Some businesses had very strong years: Aviation, Healthcare and Renewables. On the negative side we failed to close a couple of big Power deals in tough markets and in addition restructuring exceeded gains for the year.

We were active in the portfolio in the fourth quarter. We announced the acquisition of LM Renewables, strengthening our wind supply chain. We further simplified GE announcing the disposition of our Water and Industrial Solutions businesses.

The GE Capital team has done a great job. We closed \$86 billion of assets sales in 2016 and the move to become an industrial finance Company is very positive for GE.

I'm particularly excited about the Baker Hughes merger which creates a strong full-stream competitor in the industry. This is a good move for investors and customers.

For the quarter, industrial and verticals earnings per share was \$0.46, up 6%, and for the year EPS was \$1.49, up 14%. Industrial EPS was up 12% for the year. We accomplished much of what we set out to do in 2016 and we have no change for our framework in 2017.

To recap the year we finished in line with what we saw in December and within the range for the year. Overall earnings per share was \$1.49, in line with consensus. Organic growth was 1% for the year and margins at 14% were at the low end of our range.

Corporate and Alstom were in line with expectations. Foreign exchange created \$0.03 per share of headwind for the year and we launched incremental restructuring which gains failed to fully offset. And this created \$0.02 of headwind for the year.

We met or exceeded most of our cash targets. At \$32.6 billion free cash flow plus dispositions were in line with our December outlook.

We had good cash execution across both industrial and capital and we returned more than \$30 billion to investors in buyback and dividends. We will go through each of those in more detail.

In all we were able to offset a challenging oil and gas market to deliver a year in line with expectations. Orders grew by 2% organically in the quarter. Services were particularly strong with growth of 20% and we end the quarter with backlog of \$321 billion, up \$6 billion from 2015.

We saw solid growth in Aviation, Renewables, Healthcare and Oil & Gas. Renewable orders grew by 32%. Healthcare had great international strength with China up 20%, Europe up 6% and Latin America up 16%.

GE to GE orders were up 67%. Overall equipment orders declined with tough comps and Transportation versus last year. Oil & Gas orders grew by 2% organically, our first growth in two years.

We see some firming in the market. This includes a 42% orders growth in Turbomachinery. Oil & Gas equipment grew by 10% with services down slightly. For the year Oil & Gas digital orders grew by 30%.

Service orders were strong across the Company. Power was up 19% and Transportation was up 101%. Renewables capitalized on multiple repowering opportunities to drive growth.

Aviation service grew by 8% with spares up 14% and we closed our first big lighting as a service deal with Wal-Mart. Orders in the US grew by 23% and were down about 5% globally. We saw strength in the developed markets which grew by 8% and we booked some big global orders including a \$1.4 billion order with the Iraq Ministry of Energy for gas turbines.

We are gaining share with LEAP in the narrow-body segment. GE Capital facilitated \$5 billion of industrial orders in the quarter.

Orders pricing was down slightly with sustained pressure in Oil & Gas. In addition, Renewables was impacted by US pricing dynamics. This was in line with our expectations.

Predix and software orders, in other words excluding AGPs, grew by 36% in the quarter. At \$4 billion orders were up 22% for the year. Seven of 10 segments grew by at least 10%.



Let me give you some more details, for instance for energy, a key market. Here Energy Connections was up 26%, Renewables were up 126% and Power was up 213%. For the year we signed 427 partnerships and have 22,000 developers on Predix.

We created a few big global partnerships including Reliance and Maersk. And we signed the first enterprise-wide software agreement with Exelon to apply Predix across more than 2,000 power generation assets. Lastly, we acquired ServiceMax to extend our analytics across field service.

So orders were in line with expectations and consistent with our goals for 2017.

Segment organic growth was up 4% in the quarter. This was up 8% without the headwind of Oil & Gas. We saw substantial strength behind the launch of new products.

Power grew by 15% with nine H turbines shipped. Aviation organic growth was up 6% with 44 LEAP engines shipped. Life Sciences grew by 9% and Renewables grew by 26% as we shipped 1.9 gigawatts of onshore wind products.

Services organic growth was up 5% and was particularly strong with Aviation spares growth of 18%. We saw strong revenue growth in Europe, Japan, India, Middle East, China and Russia. Overall global revenue grew by 3%.

Our gross margins were down 10 basis points in the quarter, driven by difficult mix. And this reflects NPI launches with the LEAP, H turbine and new wind products.

The segments continued to drive down SG&A which was a benefit of about 30 basis points. And segment operating profit margins were up 10 basis points, excluding Alstom, and up 110 basis points all-in.

Total industrial margins for the year were 14% at the low end of our 15% to 14.5% guide we gave you in December. Excluding Oil & Gas margins were up 30 basis points.

We made good progress on gross margins this year, up 40 basis points. Service continues to be strong with margins up 170 basis points on the year.

Just a few comments on Alstom execution. For the quarter Alstom generated \$4.7 billion of orders, \$500 million of segment profit and \$500 million of cash sourcing solid growth in grid, steam turbines and services. And we believe Alstom is making GE more competitive and we have good momentum for 2017.

In the fourth quarter, we announced the exits of water and Industrial Solutions. We've seen significant interest in the platforms and discussions are progressing. We expect to close Water around midyear and Industrial Solutions late in the year.

Net proceeds will be approximately \$4 billion. We are targeting gains of about \$2.5 billion. The gains will be offset with additional restructuring this year.

At the outlook meeting we talked about roughly 100 basis point margin improvement per year in 2017 and 2018. About half that comes from running the cost play we've been running and leveling off spend in big programs like the H, the LEAP and new wind turbines.

We've got programs around product and service cost that Jeff and Philippe Cochet are leading. And we will drive synergies in Alstom and Baker Hughes and we will continue to bring down a corporate cost. The other 50 basis points come from incremental cost out of two big buckets: digitization and integration learnings on structure that we'll be spreading across the rest of the Company.

In total we are working a list of close to \$1.7 billion with a target of getting \$1 billion of cost out over two years. We've announced the new IT structure to run IT horizontally across the Company and we expect to save \$450 million. We also recently announced a partnership with PWC (Price Waterhouse Coopers) to hire 600 members of our tax team that will drive another \$100 million of savings per year.

For cash industrial CFOA was \$8.2 billion in the quarter, the biggest cash quarter in our history. We had significant growth in CFOA and free cash flow versus fourth quarter of 2015, both growing by more than 30%. We saw a \$3.2 billion reduction in working capital for the year.

When you add back the \$600 million from the 2016 payment of our long-term incentive plan and cash from restructuring, free cash flow conversion was significantly above last year. We received another \$4 billion dividend from GE Capital for a total of \$20 billion in the year. We reduced net P&E by more than \$1 billion versus expectations in the year as we completed the investment in major NPI launches.



For the year, free cash flow and dispositions were about \$33 billion above our plan and GE's balance sheet have remained strong. We returned \$30 billion to investors in dividend and buyback, a record. We remain on track for our goals in 2017.

With that, I will turn it over to Jeff.

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

Thanks, Jeff. I will start with the fourth-quarter summary.

Revenues were \$33.1 billion, down 2% in the quarter. Industrial revenues were down 3% at \$30.4 billion. As you can see on the right side of the page, the industrial segments were flat on a reported basis.

Organically industrial segment revenue was down 1% excluding Alstom and up 4% including Alstom for the months of November and December for both 2015 and 2016. Industrial operating plus vertical EPS was \$0.46, down 12%. Excluding gains and restructuring which were a net \$0.04 of the headwind in the quarter EPS was up 6%.

The operating EPS number of \$0.43 includes other continuing GE Capital activity including headquarter runoff and other exit-related items that I will cover on the GE Capital page. Continuing EPS of \$0.39 includes the impact of non-operating pension and net EPS of \$0.39 includes discontinued operations. The total disc ops impact was immaterial in the quarter and down significantly from last year which included the gain associated with the Synchrony exit.

As Jeff said we generated \$30 billion in CFOA in 2016, up from \$16.4 billion last year, driven by increased dividends from GE Capital. Industrial CFOA was \$11.6 billion, down 5% excluding deal taxes and pension contributions.

We generated \$8.2 billion of industrial CFOA in the fourth quarter which was up 34% versus last year. This was driven primarily by \$5 billion of working capital with improvement across all buckets including receivables, inventory, accounts payable and progress collections. Industrial free cash flow was up 39% and free cash flow conversion was 212% in the quarter.

On a full-year basis industrial free cash flow conversion was 84% excluding deal taxes, pension and Alstom. Adjusting free cash flow conversion for gains, free cash flow conversion was 106% for the year.

The GE tax rate was a negative 2% for the quarter driven by tax benefits associated with a non-core business exit in Aviation. On a pre-tax basis the gain on the disposition totaled \$49 million, but because of the high tax basis on the Aviation deal, after-tax gains were \$325 million. Normalizing the tax rate by excluding the tax benefit associated with gains in restructuring the tax rate for the quarter was 12%, right about where we expected.

I want to be clear that the tax benefits associated with the disposition did not fall through to earnings. They were spent in restructuring charges.

Similar to prior quarters, the GE Capital tax rate was favorable, reflecting a tax benefit on a pre-tax continuing loss. For the year, the GE tax rate was 9%.

On the right side are the segment results. As I mentioned, industrial segment revenues were flat on a reported basis and down 1% organically, but they were up 4% organically including Alstom organic. Excluding Oil & Gas, which continues to be challenged, organic revenue including Alstom was up 8% with strength in Power, Renewables, Aviation and Healthcare.

Industrial segment op profit was up 6% and industrial op profit, which includes corporate operating cost, was up 2%. On the bottom of the page as I mentioned earlier, industrial operating plus vertical EPS was \$0.46, up 6% excluding gains in restructuring with industrial operating EPS up 5% on the same basis. For the year we delivered \$1.49 of EPS which was up 14% versus 2015.

Included in the \$1.49 was \$0.02 of uncovered restructuring that I will go through on the next page. So next on industrial and other items for the quarter, we had \$0.08 of charges related to industrial restructuring and other items that were taken at Corporate. This was \$0.03 higher than we planned associated with the acceleration of Alstom and Lighting restructuring costs as well as higher BD costs associated with the decisions we've made around Water, Baker Hughes and Additive.

In total for the quarter restructuring charges were \$1 billion on a pre-tax basis with \$300 million related to the Alstom synergy investments. We also made significant investments in Lighting, Oil & Gas, Healthcare in the quarter.



Gains in the quarter were \$0.04 principally driven by nonstrategic business exit and Aviation. As I mentioned before gains were \$49 million on a pre-tax basis but \$325 million after-tax which drove the low industrial tax rate in the quarter. The Aviation divestiture was principally on the tax line because of the high tax basis associated with the business. The gain was more than offset in earnings by higher restructuring.

In the fourth quarter we incurred higher uncovered restructuring charges than we planned and at the bottom of the page you can see that for the year we incurred \$0.02 of uncovered restructuring. We chose to accelerate restructuring as we had good projects with attractive returns and it was the right thing to do for the Company as we head into 2017 and 2018.

In 2017 we expect restructuring to be about \$2.5 billion funded by the Water and Industrial Solutions dispositions with the heaviest spend in the first half of the year. For the first quarter, we are estimating restructuring spend of about \$1 billion with no offsetting gains. For the full year, as we said, we expect gains to equal restructuring but there will be variability by quarter.

Next I will cover the individual segments. First, I'll start with Power. Power orders in the fourth quarter totaled \$11.1 billion, higher by 16%.

Organic orders in the quarter including Alstom organic grew 14%. Core GE orders of \$8.3 billion were lower by 4% and Alstom orders of \$2.8 billion grew 160% organically.

Equipment orders grew 1%. Core equipment orders of \$3.3 billion were down 28% on lower gas turbines, 22 versus 55 a year ago. We received orders for eight H turbines in the quarter versus 12 last year, bringing total H orders to 25 for the year and an ending backlog of 32.

Alstom equipment was strong was \$1.7 billion of orders including 26 HRSGs versus six last year and 11 steam turbines versus two last year. Organically, Alstom equipment orders grew four times. Service orders sold \$6.1 billion, up 32% with GE core services up 24% to \$4.9 billion and Alstom orders grew \$1.2 billion.

We booked orders for 58 AGPs in the quarter versus 42 last year. Total service upgrades including AGPs group grew 87%. Alstom service grew orders 61% organically with strength in India, the Middle East and Africa.

Backlog finished the year at \$84.7 billion, up 10%. Core GE backlog grew 8% and Alstom's backlog of \$18.3 billion grew 18%.

Revenues of \$8.5 billion grew 20%. Core GE revenues of \$6.5 billion were up 6%, driven by equipment higher by 10% and services up 4%. Equipment revenue grew on gas turbine shipments of 35 units versus 28 last year including nine Hs for a total of 26 Hs for the year.

Service growth was driven by 27 more AGPs than last year, 62 versus 35 offset partly by fewer installations. Total AGP shipments for the year were 145. Total Alstom revenues of \$1.9 billion grew 83% organically.

Operating profit of \$2.1 billion was up 27%. Core operating profit was \$1.7 billion and Alstom contributed \$359 million in the quarter. Core earnings were flat on higher volume, favorable FX and positive value gap, offset by the mix impact of nine Hs this year versus zero last year.

H margins are positive and continuing to improve but still well below the margins on our mature F products. Alstom synergies were \$454 million in the quarter and \$1.1 billion for the year.

The business shipped 104 gas turbines this year. We'd expected to ship 110 to 115. We expected to ship six more units but those transactions did not close in the quarter but we expect that those units will close in 2017.

In addition, although Aero turbines were up in the year we expected to ship more in the fourth quarter. Again, we think those units will likely close in 2017.

We operate in very tough geographies in this business. And there's always 500 megawatts or a gigawatt of deals that are hard to close and it's been the nature of the business over the last several years. And we expect this dynamic to continue into the future.

In 2017 we expect a flat market in gigawatts. For the year we are planning on 100 to 105 gas turbine shipments. We have a strong equipment backlog of \$17.6 billion, which was up 27% and a strong services backlog of \$67 billion which was up 6%.

The Alstom integration performed well this year with total year orders of \$10 billion, building a backlog that is up 18% and delivering over \$1 billion of synergies in the year. Our outlook for Power remains consistent with the expectations shared at the outlook meeting, albeit off a lower base. As we said in December we expect double-digit earnings growth in Power in 2017.



In order to achieve that we need to execute on Alstom product margin improvements and deliver services growth. Lastly, the team has to deliver the incremental cost-out actions given the market conditions we face.

Next is Renewables. Renewable Energy had a strong orders quarter. Orders in total grew 32% to \$3.3 billion.

Core GE wind orders were higher by 48% to over \$3 billion. We took orders for 1,180 turbines versus 827 last year, up 43%, principally in the US where the orders were up 54% driven by the Safe Harbor qualification in 2016 for 100% PTC benefit going forward.

Units were higher by 43% and megawatts were up 54% on the larger 2 and 3 megawatt turbines. The business also booked \$300 million of additional repower upgrades in services. Alstom orders, principally Hydro, were \$290 million in the quarter.

Backlog finished the year at \$13.1 billion with GE core up 16%. Revenues in the quarter grew 29% to \$2.5 billion with GE core revenue up 20%. The business shipped 786 turbines versus 847 last year, but the megawatts shipped were up 11% on the larger units.

Alstom revenues of \$279 million were higher by 161% organically. Operating profit of \$163 million was up 3X on better Alstom results. The core business was down 8% on increased NPI spending on the 2 and 3 megawatt turbines, lower price and foreign exchange, partly offset by volume growth and some product cost-out.

Alstom generated \$48 million of profit in the quarter on strong synergies. For the year, the team delivered about \$200 million of synergies, well above their plan, driven by sourcing and SG&A efficiency, particularly in Hydro. We expect Renewables to have a solid 2017 and contribute double-digit earnings improvement.

The unique repower upgrade offering we expect will continue momentum and the team is making good progress of driving down cost of the new NPIs, critical given the competitiveness in the industry. We expect to close the LM Wind Power acquisition in the first half and the vertical integration of blades will also help drive results.

In Aviation we had another solid quarter in the fourth quarter. From a demand perspective global passenger air travel continued to grow strongly, with RPKs up 6.1% year-to-date November with strength in both domestic and international routes. Air freight volumes grew 3.2% year to date in November.

Orders in the quarter were \$7.2 billion, up 5%, with equipment orders higher by 2%. Commercial engine orders were down 4% on lower CF6, CFM and GENx orders, partially offset by strong GE90 and LEAP orders. \$1.8 billion of new Commercial engine orders included \$478 million for LEAP, \$186 million in orders for CFM, \$577 million in orders for GENx and \$326 million in orders for GE90.

Military equipment orders of \$360 million were up 2%, driven by another large T700 order for 306 units. Service orders grew 8% in the quarter. Commercial service orders were higher by 16% with CSA growth of 22% and spare orders up 14% to an ADOR of \$44.5 million a day.

Military service orders were down 18% at \$480 million on tough comparisons. Backlog finished the year at \$155 billion, up 2%, with equipment backlog of \$33.3 billion down 5% and service backlog of \$121 billion, up 4%. Revenues grew 7% in the quarter to \$7.2 billion.

Equipment revenue was up 4% driven by Commercial growth of 8% with 692 engine deliveries versus 643 last year including 44 LEAP engines. This was partly offset by military down 35% on lower shipments.

Service revenue was higher by 12%. Commercial spares rate was \$43.5 million a day, up 18%.

Op profit in the quarter totaled \$1.7 billion, up 11%, primarily driven by favorable price, volume and productivity, partly offset by the LEAP mix. Margins expanded 100 basis points in the quarter.

Aviation had a very good year. The business shipped its first LEAP engines. Currently 20 A320neos powered by LEAP are flying across six different customers.

Reliability has been excellent and the engines are performing to spec. We had expected to ship a total of about 100 engines in 2016, but in coordination with the airframers we delivered 77 for the total year, meeting all our Commercial commitments. These units will now deliver in 2017 with total shipments of about 500 LEAP engines for next year.

The team is also executing in leading our Additive strategy. Arcam and Concept Laser are great platform additions to our capability. We believe 2017 will be another solid year of execution in Aviation.



In Oil & Gas the environment continues to be challenging and activity levels remain muted. External market indicators appear to be stabilizing with expected more balanced supply and demand fundamentals partly influenced by the recent OPEC production agreement. US onshore rig count grew 33% versus the third quarter but was essentially flat versus the beginning of the year.

Forecasted E&P spending is expected to be flat to modestly up in 2017. The business had an encouraging orders quarter. Orders of \$3.3 billion were flat year over year and up 2% organically.

Orders for all business segments are up sequentially versus the third quarter. Equipment orders grew 4% versus last year with TMS up 48%, subsea up 26% and surface up 35%. Downstream was down 45% on no repeat of a large African order last year.

Service orders were down 3% with TMS up strongly at 40% offset by Digital downstream subsea and surface which were all lower. Orders for the total year were down 27%. Backlog finished the year at \$21 billion, down 9% versus last year-end, with equipment down 32% and services growth up 7%.

Revenues in the quarter were down 22% with equipment down 25% and service down 19%. Revenues for the year were also down 22%.

Operating profit of \$411 million was down 43% on lower volume and price, partly offset by cost-out which totaled \$170 million in the quarter. Total cost-out actions for the year were \$700 million. Total cost-out over the last two years was \$1.3 billion.

2016 was an extremely difficult year for Oil & Gas and the business expects the first half of 2017 will continue to remain challenging with sequential improvements in the second half of the year. Offshore drilling and subsea activity will likely remain low in 2017.

Consistent with what we discussed at the December Outlook Meeting we expect the business to deliver lower earnings in 2017. Increased activity in North America Onshore and stabilization in the Middle East and Europe are needed to drive improvement in our shorter cycle and Surface businesses in the second half.

We've made significant progress on integration efforts with Baker Hughes and have dedicated more than 200 people to it. We gave you an update on December 8. No change to that outlook and we expect to close the deal midyear.

Next up is Healthcare. Healthcare had a good quarter. Orders grew 3% to \$5.4 billion.

Organic orders were strong in emerging markets up 10% led by China higher by 19%, and Latin America up 16%. Europe orders were higher by 6% organically and the US was lower by 1% organically.

In terms of business lines, Healthcare Systems orders grew organically by 3% with imaging up 5% on strength in CT, MI and ultrasound, partly offset by lower LCS. Life Sciences orders grew 6% organically with bioprocess higher by 7% and core imaging up 6%.

Healthcare orders for the total year grew 3% reported and grew 5% organically. Revenues in the quarter grew 3%. HCS revenue grew 2% organically with ultrasound up 6% and imaging up 2%.

Life Sciences continued to deliver strong growth with revenues growing 9% organically, driven by bioprocess higher by 15%. Healthcare revenues for the total year grew 4% reported and 5% organically.

Operating profit of more than \$1 billion grew 10% in the quarter. Volume and strong cost productivity more than offset lower price and higher Digital spending. Margins expanded 130 basis points in the fourth quarter.

Healthcare executed strongly in 2016, delivering good organic growth and operating leverage and earnings. They delivered \$450 million of cost-out versus the \$350 million target. Margins for the year expanded 100 basis points.

In 2017 we expect the same focus on cost and product competitiveness with similar results. We will launch 25 new products and are targeting a point of share in 2017. We expect China, Africa and Asia Pacific to continue their strong growth. Europe is expected to be roughly stable while the US may be a bit slower due to the uncertainty around the repeal and replace of the Affordable Care Act.

Next on Transportation, fourth-quarter carload volume improved modestly, up 2.1%, driven by intermodal carloads up 3.4% and commodity carloads up 90 basis points. Commodity volume was driven by agriculture which was higher by 7.4%, metals were higher by 25% and chemicals were higher by 2.4% which is partly offset by coal down 2.8% and petroleum down almost 16%.





Notwithstanding the improvement in the quarter, we expect 2017 to continue to be difficult for volume growth. Year-to-date carload volume was down 4.5% driven by intermodal down 1.5% and commodities down over 7%.

Transportation orders of \$1.4 billion were down 58%, consistent with the North American market. Equipment orders of \$64 million were down 98% on no locomotive orders versus 1,113 units last year including the large 10-year 1,000 loco India order.

Service orders of \$1.3 billion were very strong, up 2X, driven by a large multiyear modernization order to retrofit 500 locomotives with the North American Class I railroad over five years. Backlog finished the year at \$20.1 billion, down \$2.4 billion driven by equipment liquidation.

Revenues in the quarter were down 23% with equipment down 38% and services up 2%. We shipped 171 locos in the quarter versus 320 last year. Services grew 2% on higher contractual services, partly offset by lower spare parts.

Operating profit of \$317 million was down 6%, primarily driven by lower volumes, partially offset by cost-out and restructuring benefits and mix. Margins expanded 450 basis points in the quarter. The Transportation team executed well in 2016 in a very tough environment.

Consistent with the outlook reading we expect 2017 to be even tougher with expected loco shipments down 50% pressuring operating profit down double digits. Having said that, we expect the team will outperform the industry.

Next, Energy Connections & Lighting, orders for the segment totaled \$3.1 billion with Energy Connections orders of \$2.8 billion and Current orders of just under \$300 million. Energy Connection orders grew 8% reported. Organically including Alstom orders grew 5%.

Power Conversion was lower by 23% on continued headwinds in Oil & Gas. Industrial Solutions was down 1% but outperformed the North American market by a couple of points in the quarter. And grid orders of \$1.5 billion grew 27% in the quarter.

Revenues for Energy Connections were higher by 15% and up 16% organically including Alstom. Power Conversion revenues were down 18%, Industrial Solutions were down 3% and Grid grew 56% revenues in the quarter. Current & Lighting revenues were down 14% with Current growing 5% and the legacy business declining 26% as we continue to resize the business downward.

Operating profit in the quarter totaled \$102 million. Energy Connections earned \$98 million and Current & Lighting \$3 million. Energy Connections earnings were driven by \$100 million of grid earnings, \$42 million of Industrial Solutions earnings, up 59% partly offset by Power Conversion which was down.

Alstom synergy execution was strong in 2016, delivering \$226 million of benefits above our target of \$175 million. In 2016 the market backdrop for these businesses was tough, but it was not a good execution year either.

In 2017 we expect the segment to deliver double-digit earnings improvements with better execution in Industrial Solutions, Lighting and Power Conversion and we expect Grid to continue to perform well. Our estimate is the Industrial Solutions divestment will happen later in the year.

Finally, I will cover GE Capital. The verticals earned \$478 million in this quarter, up 9% from prior year driven principally by lower impairments in EFS. GECAS, EFS and Industrial Finance all had strong quarters and overall portfolio quality remains stable.

In the fourth quarter, the Verticals funded \$3.8 billion of on book volume and contributed to enabling \$5 billion of industrial orders. Other continuing operations generated \$262 million loss in the quarter, principally driven by excess interest expense, preferred dividends, restructuring costs related to the portfolio transformation and headquarter operating costs partially offset by tax benefits. These costs will continue to come down as excess debt matures and we rightsize the organization structure.

Discontinued operations showed \$3 million of income with gains in other exit-related items largely offset by operating costs. Overall GE Capital reported net income of \$218 million. We ended the quarter with \$93 billion of ENI excluding liquidity with continuing ENI of \$82 billion. Liquidity at the end of the fourth quarter was \$51 billion.

Asset sales remained ahead of plan. During the quarter we closed \$17 billion of transactions, bringing the total closed transactions through the end of the quarter to \$190 billion. We have signed agreements for an additional \$4 billion in the fourth quarter, bringing the total signings to \$197 billion, which essentially completes our plan given that the majority of the remaining assets will run off as it makes better economic sense.



We remain on track for 1.1 times price to tangible book that we initially estimated. GE Capital paid \$4 billion of dividends during the fourth quarter for a total of \$20 billion in 2016 versus the original \$18 billion target for the year.

Dividends of \$5 billion ahead of the original plan announced in April of 2015. Overall the GE Capital team delivered a strong verticals performance while executing on all aspects of the exit plan.

With that I will turn it back to Jeff.

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

Thanks, Jeff. We have no change to our 2017 framework. Let me take you through the pieces.

Orders grew by 2% in the quarter organically, Oil & Gas seems to have bottomed and services are very strong. Alstom is generating orders growth. So we see line of sight for the 3% to 5% organic growth for the year.

We are executing on a \$1 billion incremental cost-out play with plenty of restructuring to support it. So we see our way to 100 basis points of margin enhancement.

Alstom is executing well and should add EPS at the high-end of our range. And we end the year with good momentum and working capital. Meanwhile, GE Capital continues to execute on their transition to an industrial finance Company.

So to confirm on 2017, we see EPS of \$1.60 to \$1.70, operating cash flow of \$16 billion to \$20 billion and cash to investors of \$19 billion to \$21 billion in buyback and dividends. So a good outlook for the Company, a solid year in 2016. And now Matt, let me turn it back over to you.

---

**Matt Cribbins - General Electric Company - VP, Investor Communications**

Great, thanks, Jeff. With that, operator, let's open up a call for questions.

## QUESTION AND ANSWER

---

**Operator**

(Operator Instructions) Scott Davis, Barclays.

---

**Scott Davis - Barclays Capital - Analyst**

Hi, good morning guys. I know we've talked in December about the election, but now that you've had a couple of months, what are your customers, I understand Healthcare could get pushed out a little bit, but what are your customers in Power and Renewables in some of these other areas where you could have some regulatory uncertainty, is there a risk that they push back orders or delay projects, things like that? Clearly just the US but how do you think about that, Jeff?

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

You know, Scott I will take a crack. I would say we haven't really seen much change so far. I think if I took it by segment, the Affordable Care Act is getting the most, I would say, both attention in the media and by our customers.

I think you could see some caution around the Affordable Care Act as you go forward. We haven't really seen that much but that could happen. I think on the renewable side really with the PTC over the next few years I think that's pretty much locked in place.

Then I still think the basic thesis around gas power in the US remains intact as it pertains to being a baseload technology in the future. Then I think outside the US I really haven't seen much change in interplay post the election in terms of what our customers are saying and how they are thinking.



I don't know, Jeff, would you add anything to that? I think that's the lay of the land, Scott.

---

**Operator**

Julian Mitchell, Credit Suisse.

---

**Julian Mitchell - Credit Suisse - Analyst**

Thanks a lot. Good morning. Just wanted to focus on Aviation.

So I guess you had a very good EBIT number in Q4 helped by the gain in the high teens growth in Commercial spares sales. Should we think that that profit growth levels out in the first half of 2017?

You don't get the same growth rate in spares presumably LEAP shipments catch up after a light Q4. And then also longer term your Commercial engine orders were down about 940 units in 2016 overall. How are you thinking about the cycle and your Commercial OE revenues?

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

Let me start with a few things and then I will let Jeff weigh in. The gain was not recorded in Aviation. That was recorded at corporate.

It was offset in restructuring. So none of the gain results are reflected in the segment performance in Aviation.

We had a strong spares year this year. We are up double digits. Our expectation is the spares sales rate, the ADOR will not be up that strongly next year.

We are thinking high single digits. And I think our expectations are as Jeff shared with you in December is that we are going to continue to grow the operating profit in Aviation next year notwithstanding the LEAP shipments.

So right now our estimate is we will ship something close to 500 LEAP engines next year and that's factored into that outlook. And we expect the services business partly with the spares growth I just talked about to continue to grow smartly in 2017.

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

I think just to echo what Jeff said, I think the two things I think about in Aviation is the business model as it pertains to services and revenue pass-through models and things like that. I think investors should feel great about that.

And then execution on the LEAP. And I think Jeff laid out the LEAP shipments. We are on learning curve, and those two elements I think really are the ones that dictate Aviation growth. But we feel we think the Aviation team did a good job in 2016 and they are well-positioned to do another good job in 2017.

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

And the Commercial equipment backlog is very strong. We took fewer orders on new Commercial equipment engines in 2016, but the backlog is very strong.

---



**Operator**

Steven Winoker, Bernstein.

---

**Steven Winoker - Sanford C. Bernstein & Co. - Analyst**

Thanks, good morning. Since I only have one question I'd love to focus on cash here. And within that, Jeff, is there any factoring this quarter from GE Capital into GE industrial?

And then also while it's the strongest cash flow quarter in a while, still a little bit below what we thought you guys implied when we talked about it before. Then as you think about it progressing through 2017 and beyond maybe just talk a little more about the cash flow initiative comp that really can give investors confidence that the cash flow part of the story is improving.

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

Okay, there's a lot in that. So let me start with the fourth quarter, Steve.

We improved working capital in fourth quarter about \$5.2 billion which the best we can tell is the strongest working capital quarter the Company has ever had. And I want to just give you some of the pieces on that.

So within working capital accounts receivable generated about \$0.5 billion, \$1.2 billion generation in inventory, \$1.8 billion generation in AP, a lot of that being renegotiated terms. We have talked about realigning or aligning suppliers with customers in terms of the time sync between build and collect.

And then \$1.7 billion on progress. Orders were a bit better, as a result progress is a bit better. That's how you get to \$5.2 billion.

So within that accounts receivable performance you asked about factoring. For the total year, factoring with GE Capital was a \$1.6 billion change for the year. It was \$1.7 billion last year, so actually year-to-year it was \$100 million less of a benefit in the year between what we did with GE Capital around factoring. And in the fourth quarter importantly, and you see it because our receivables improved \$500 million, is from the third to fourth quarter of 2015, the benefit was \$2.3 billion, the benefit going from this past third quarter to this quarter was \$700 million.

So it was actually down \$1.6 billion year-to-year between third and fourth quarter each of those years. So there's very good underlying performance here. It's not just about, it's actually very little to do with GE Capital factoring.

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

Steve, I would add, the one piece that we're still not happy with in terms of Q4 is inventory. And I think we generated, we reduced working capital by \$3 billion for the year and still didn't do what I think either Jeff or I want to see on inventory.

We expect inventory to go down by \$2 billion next year. And we think that's going to give us a ton of momentum as it pertains to CFOA and working capital in 2017.

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

So let me just follow up and answer that part of your question. So we came in at \$11.6 billion of industrial CFOA. We were shooting to be something closer to \$12 billion of CFOA in the latest update we gave you.

When you subtract CapEx you get industrial free cash flow we ended up at \$8.9 billion. That was actually right in the middle of the range we gave you coming into the year on industrial free cash flow. But the \$400 million light is really all about inventory and it's essentially the \$1 billion roughly, the \$1 billion sales miss left more in inventory than we expected.



Now not all of that would have converted to receivables and then from receivables would have converted to cash but a significant piece of it would have been. So I would say on an industrial free cash flow basis a couple hundred million lighter, on industrial CFOA closer to \$400 million lighter and most of it is about that volume not going out the door and not being rev rec.

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

And this is all in people's incentive plans for 2016 and 2017.

---

**Operator**

Steve Tusa, JPMorgan.

---

**Steve Tusa - JPMorgan - Analyst**

Hey guys, good morning. So we're getting a lot of, obviously, questions around tax policy, and we've gotten a lot of questions from investors on you guys have a relatively low tax rate as it is, but there's some conversation we've had with investors that say it can go substantially lower, something like almost like a zero to 5% type of range. I can't quite get there just doing the high level math, so maybe if you could just give us some color on how your tax guys are looking at what's out there from a tax policy perspective?

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

At this point, Steve, this is all speculation. The only point of reference you have is a little bit of what's coming out of the new administration and then what exists in the form of the Brady Bill in House Ways and Means.

And I think what GE wants and what we think is most important to competitiveness for US companies is essentially a competitive tax rate, something that looks more like the OECD average which is roughly 21%, 22% and this notion of territoriality, that you pay the tax in the jurisdiction that you actually earned it and then from there those earnings are fungible and can move cross-border. Those are the essential things.

Then as a transition item on historical foreign earnings, that companies left offshore, we want a reasonable transition tax if one is necessary in order to true-up the historical performance. The real delta between that as a minimum to make US companies more competitive and put them on an equal footing with most of the people we compete with, countries we compete with, is this question about border adjustability. And as I'm sure you understand the way border adjustability has been described there is an incentive for exporters to export more because there is essentially no tax on exports.

That's about trying to drive more production in manufacturing into the US. So if a company is a net exporter you could envision under border adjustability they pay a lot lower tax rate against those exports against US. But you've got to remember in the case of General Electric 55%, 60% of what we do we do outside the US.

Border adjustability doesn't impact at all what we pay for taxes in Sweden or Switzerland or the UK, Japan or China. So although you may, companies may find themselves in place with a relatively lower US tax liability, I don't think it changes in any way how they think about what their foreign tax liabilities are.

---

**Operator**

Andrew Kaplowitz, Citi.

---

**Andrew Kaplowitz - Citigroup - Analyst**

Hey, good morning guys. Jeff, can you give us a little more color on your Power business?



It's understandable that you would see some delays in shipments. It's a pretty difficult market. But did you see any incremental delays in closing deals toward the end of the year?

And was it a result of GE being more careful around financing or customers just wanting to delay delivery? Then you mentioned you still expect double-digit earnings growth in Power, but how dependent are you on some of these delayed turbine shipments to reach your 2017 forecast?

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

Maybe I will start, Jeff. So a couple of things happened in the fourth quarter. We had six, arguably seven, but I would say six gas turbines that we absolutely thought were going to ship.

Four of those were 13 E2 class turbines that were going into Bahrain and Iraq. These are just enormously difficulty geographies to get stuff done. And right up through the end of the year we thought those transactions were going to go.

They didn't end up going. I think we are confident they will go in the first half of 2017.

The fact there were two 9Es that were going to West Africa, as it turns out in the end the customer came back and rethought whether they wanted the 9Es which we had made in inventory and whether they actually might want to go with an H-class turbine instead. So that likely will book as an order in 2017. Not clear yet whether it converts to an H whether it will ship in 2017.

And then I'd say the last piece is although for the year we did pretty good on aero turbines, we were up about 10 units for the year, we were down 10 units year over year in the fourth quarter and we missed about seven trailer mounts in the fourth quarter. And again we are talking about places like Libya, Iraq, really, really difficult geographies where we just didn't get those short cycle convertible TMs across the finish line.

I think our outlook for TMs and aero derivatives largely remains intact for 2017. They are just really difficult, difficult transactions to get across the line.

I would say the last thing is although we had a good AGP quarter, we did 145 for the year, very close, right in the middle of what we guided, we expected to do more than 145 AGPs for the year. And other upgrades, dry low NOx, DLNs, we had built sets because we thought we could deliver incremental upgrades here in the fourth quarter and some of those just moved to the right.

We didn't get all the upgrades we thought we would get done in the quarter. And that's really the delta in the fourth quarter as it relates to Power.

Now when you think about next year as I said earlier there's three or four things we need to happen. So Alstom performed very well in Power in 2016. We overdelivered on synergies, the business delivered everything they said they were going to do around Alstom, orders were very, very strong.

The backlog from the time of closing until year-end is up 18% year over year, very strong up on equipment, even stronger than the 18%. So we need the Power business to deliver the incremental improvement in Alstom from 2016 to 2017. We need our service business to do more or less what they did this year.

The service business for the year grew operating profit about 7%. We are looking for mid-single digits, that kind of performance in 2017. We've got to deliver the structural cost-out just given where we are in the industry and the volatility.

And then the last one is we took a lot of headwind this year on the H launch, both the ramp of the H and the individual unit cost. Now the units we shipped in the second half of the year were profitable, significantly more profitable than the beginning of the year, but still much less profitable than a lot of the F technology that they are replacing.

So we are looking for that turnaround, a meaningful turnaround, hundreds of millions of dollars in 2017, as we come down not just the cost curve on the H but you will notice in our orders OPI we've been getting price on the H for the last five quarters in a row. And so we think prices are much better as we deliver 23 Hs in 2017.

---

**Operator**



Shannon O'Callaghan, UBS.

---

**Shannon O'Callaghan - UBS - Analyst**

Good morning, guys. Just a follow-up on the Power and also in Renewables, as you think about ramping the development programs, both those segments on a core basis had margins down Power 150, Renewables 160 this quarter.

How do they turn around in 2017? Do both of those still do you envision the core piece having up margins and how much of this swing in the development programs is part of that versus other factors?

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

Maybe I can start. I think the development programs explain a ton of turnaround year over year. I think in the case of the Power business the H investment was \$300 million or \$400 million headwind in 2016 versus 2015.

We think most of that turns around. And in the case of the Onshore Wind business we are going through a big product conversion process in 2016, as well. So I think we feel like on both those cases we should see core margin enhancement going into 2017, and that's both on, what I would say, both on the development side and also on the product cost side.

---

**Jeff Bornstein - General Electric Company - SVP & CFO**

I think on the H we just talked about that, both price and unit cost, and less development cost. I don't think it's more complicated than that.

On Renewables you don't have the price element. Price is a real challenge in Onshore Wind turbines. Some of it is the competitiveness around getting the PTC Safe Harbor orders.

So in Renewables it's a little bit of program cost around the 2.X and the 3.X turbines. It's a lot about product unit cost and volume.

So we are going to ship order of magnitudes a number similar to what we did this year roughly 3,000 wind turbines. But in addition to that we are likely going to do more than 800 re-power units in 2017. So we expect the volume to be up materially, and that also to contribute with volume leverage to the margin improvement year-to-year.

---

**Operator**

Andrew Obin, Bank of America.

---

**Andrew Obin - BofA Merrill Lynch - Analyst**

Good morning. Just to go back to the question overall revenue, as we look at your revenues versus consensus it just seems that revenues are relatively weak relative consensus across the board, and usually you guys hit the numbers pretty close. And it's not just Power, it seems to be across the board.

And just has anything happened broadly in the last two weeks of the year after the analyst meeting to drive this slowdown? Is there sort of a broader development that explains it? Thank you.

---

**Jeff Immelt - General Electric Company - Chairman & CEO**

I think I would say the fourth-quarter organic revenue was Power up 15%, Renewables up 26%, Oil & Gas down 21%, Aviation up 6%, Transportation down 22%, Healthcare up 3%, Energy Connections up 16%. So the total organic revenue growth was up 4% for the quarter.



I think clearly Power is explainable. I think clearly Oil & Gas, even though I like the orders performance in Oil & Gas it's a harder segment to call. I think other than that, Andrew, it's really just noise.

It's a \$31 billion or \$35 billion a quarter, there's going to be puts and takes on our revenue line. But I think if you think about 2017 as being an organic guide of up 3% to 5% and you've got 4% organic in Q4 in revenue I feel pretty secure about the 3% to 5% guide for 2017. I just think you've got to look at it that way.

Power didn't do as much revenue as we would have liked. It was still substantially up organically, up 5% organically without Alstom and up 15% with Alstom. So that's not bad.

---

**Jeff Bornstein** - *General Electric Company - SVP & CFO*

I would just add to that, Andrew. So Power was light, no question. Oil & Gas was light mostly transactional convertible volume less than the team was forecasting.

Everything else was actually better. When you add up the rest of the portfolio against our framework they came in higher on revenue.

---

**Matt Cribbins** - *General Electric Company - VP, Investor Communications*

Okay, great. A couple of quick announcements before we wrap.

The replay of today's call will be available this afternoon on our investor website and our first-quarter 2017 earnings call will be on April 21. We will also be holding our Annual Shareholders Meeting on April 26 in Asheville, North Carolina. Jeff, back to you.

---

**Jeff Immelt** - *General Electric Company - Chairman & CEO*

So Matt, just to wrap up again, I think the team is focused on 2017. Here's the ways that the GE team is compensated as they look forward into next year.

3% to 5% organic growth, we just went through the pieces of that. 100 basis point margin enhancement, I think a combination of run rate and incremental cost-out actions already in play. And strong free cash flow and dispositions.

Good momentum in Q4, more work to do but I feel like the momentum around the Company's very good. So we are aligned with what we showed you in December and off and executing. Thanks, Matt.

---

**Matt Cribbins** - *General Electric Company - VP, Investor Communications*

Thank you.

---

**Operator**

Thank you. Ladies and gentlemen, this concludes today's conference.

Thank you for participating. You may now disconnect.





**DISCLAIMER**

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

© 2017 Thomson Reuters. All Rights Reserved.

