



GE Oil & Gas Supplemental Selected Financial Information

January 26, 2017

Additional Information and Where to Find It

In connection with the proposed transaction between GE and Baker Hughes, Bear Newco, Inc. (“Newco”) will prepare and file with the SEC a registration statement on Form S-4 that will include a combined proxy statement/prospectus of Newco and Baker Hughes (the “Combined Proxy Statement/Prospectus”). Baker Hughes and Newco will prepare and file the Combined Proxy Statement/Prospectus with the SEC, and Baker Hughes will mail the Combined Proxy Statement/Prospectus to its stockholders and file other documents regarding the proposed transaction with the SEC. This communication is not a substitute for any proxy statement, registration statement, proxy statement/prospectus or other documents Baker Hughes and/or Newco may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ CAREFULLY AND IN THEIR ENTIRETY THE COMBINED PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE, ANY AMENDMENTS OR SUPPLEMENTS TO THE COMBINED PROXY STATEMENT/PROSPECTUS, AND OTHER DOCUMENTS FILED BY BAKER HUGHES OR Newco WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders will be able to obtain free copies of the Combined Proxy Statement/Prospectus and other documents filed with the SEC by Baker Hughes and/or Newco through the website maintained by the SEC at www.sec.gov. Investors and security holders will also be able to obtain free copies of the documents filed by Newco and/or Baker Hughes with the SEC on Baker Hughes’ website at <http://www.bakerhughes.com> or by contacting Baker Hughes Investor Relations at alondra.oteyza@bakerhughes.com or by calling +1-713-439-8822.

No Offer or Solicitation

This communication is for informational purposes only and not intended to and does not constitute an offer to subscribe for, buy or sell, the solicitation of an offer to subscribe for, buy or sell or an invitation to subscribe for, buy or sell any securities or the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the proposed transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

Participants in the Solicitation

GE, Baker Hughes, Newco, their respective directors, executive officers and other members of its management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the proposed transaction, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the Combined Proxy Statement/Prospectus and other relevant materials when it is filed with the SEC. Information regarding the directors and executive officers of GE is contained in GE’s proxy statement for its 2016 annual meeting of stockholders, filed with the SEC on March 16, 2016, its Annual Report on Form 10-K for the year ended December 31, 2015, which was filed with the SEC on February 26, 2016, its Quarterly Report on Form 10-Q/A for the quarter ended September 30, 2016, which was filed with the SEC on November 9, 2016 and certain of its Current Reports filed on Form 8-K. Information regarding the directors and executive officers of Baker Hughes is contained in Baker Hughes’ proxy statement for its 2016 annual meeting of stockholders, filed with the SEC on April 11, 2016, its Annual Report on Form 10-K/A for the year ended December 31, 2015, which was filed with the SEC on February 19, 2016, its Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 which was filed with the SEC on October 25, 2016 and certain of its Current Reports filed on Form 8-K. These documents can be obtained free of charge from the sources indicated above.



Caution Concerning Forward-Looking Statements

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the proposed transaction between GE and Baker Hughes. All statements, other than historical facts, including statements regarding the expected timing and structure of the proposed transaction; the ability of the parties to complete the proposed transaction considering the various closing conditions; the expected benefits of the proposed transaction such as improved operations, enhanced revenues and cash flow, synergies, growth potential, market profile, customers’ business plans and financial strength; the competitive ability and position of the combined company following completion of the proposed transaction, including the projected impact on GE’s earnings per share; the projected future financial performance of GE Oil & Gas, Baker Hughes and Newco; oil and natural gas market conditions; costs and availability of resources; legal, economic and regulatory conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) that one or more closing conditions to the transaction, including certain regulatory approvals, may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the proposed transaction, may require conditions, limitations or restrictions in connection with such approvals or that the required approval by the stockholders of Baker Hughes may not be obtained; (2) the risk that the proposed transaction may not be completed in the time frame expected by GE or Baker Hughes, or at all; (3) unexpected costs, charges or expenses resulting from the proposed transaction; (4) uncertainty of the expected financial performance of the combined company following completion of the proposed transaction; (5) failure to realize the anticipated benefits of the proposed transaction, including as a result of delay in completing the proposed transaction or integrating the businesses of GE, Baker Hughes and Newco; (6) the ability of the combined company to implement its business strategy; (7) difficulties and delays in achieving revenue and cost synergies of the combined company; (8) inability to retain and hire key personnel; (9) the occurrence of any event that could give rise to termination of the proposed transaction; (10) the risk that stockholder litigation in connection with the proposed transaction or other settlements or investigations may affect the timing or occurrence of the contemplated merger or result in significant costs of defense, indemnification and liability; (11) evolving legal, regulatory and tax regimes; (12) changes in general economic and/or industry specific conditions, including oil price changes; (13) actions by third parties, including government agencies; and (14) other risk factors as detailed from time to time in GE’s and Baker Hughes’ reports filed with the SEC, including GE’s and Baker Hughes’ annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive.

Any forward-looking statements speak only as of the date of this communication. Neither GE nor Baker Hughes undertakes any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.



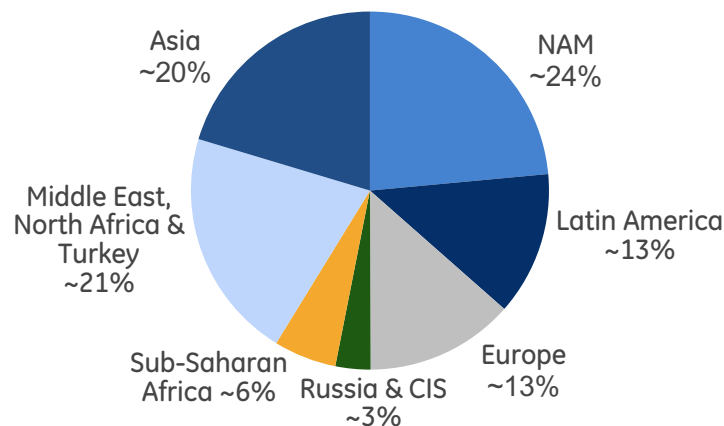
GE O&G – financial summary

(\$ in billions)

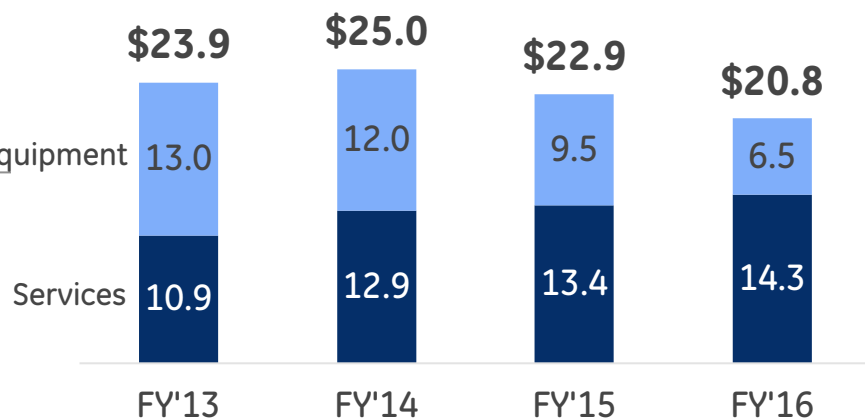
Summary financials

	2013	2014	2015	2016
Orders	19.9	20.1	15.1	11.1
<i>Equip.</i>	10.9	10.2	6.6	3.7
<i>Svcs.</i>	9.0	9.9	8.5	7.4
Revenue	17.3	19.1	16.5	12.9
<i>YoY variance%</i>		10.1%	(13.8)%	(21.6)%
<i>EBITDA%-^{a)}</i>	16.4%	17.5%	18.4%	15.3%
<i>EBITDA-^{a)}</i>	2.8	3.3	3.0	2.0
	FY'13	FY'14	FY'15	FY'16
<i>EBIT-^{a)}</i>	2.4	2.8	2.4	1.4
<i>EBIT%-^{a)}</i>	13.6%	14.5%	14.8%	10.8%
CAPEX	0.7	0.6	0.5	0.4

Orders by geography (FY'16)



Backlog



Note: See footnotes hereto included on page 7, which are an integral part of the selected financial data.
 (a- Non-GAAP measure, EBIT is equivalent to Segment Profit)

GE Oil & Gas selected financial data

(\$ in millions)

	<u>FY'14</u>	<u>FY'15</u>	<u>FY'16</u>
Revenue (\$MM)	19,085	16,450	12,898
Segment Profit / EBIT (\$MM) ^{-a)}	2,758	2,427	1,392
Segment Profit Margin / EBIT ^{-a)}	14.5%	14.8%	10.8%
Depreciation & Amortization (\$MM)	585	596	575
EBITDA (\$MM) ^{-a)}	3,343	3,023	1,967
EBITDA % ^{-a)}	17.5%	18.4%	15.3%
Capex % of revenue	3.4%	3.2%	2.9%



Note: See footnotes hereto included on page 7, which are an integral part of the selected financial data.
(a- non-GAAP measure)

GE Oil & Gas selected financial data

(\$ in millions)

	<u>FY'14</u>	<u>FY'15</u>	<u>FY'16</u>
Revenue (\$MM)	19,085	16,450	12,898
Equipment	10,158	8,329	6,006
Services	8,926	8,121	6,892
Product Line Revenue (\$MM)			
Turbomachinery Solutions	5,787	5,431	4,352
Digital Solutions	2,478	2,333	2,173
Surface	3,208	2,192	1,370
Subsea Systems & Drilling	4,893	4,304	2,918
Downstream Technology Solutions	2,705	2,216	2,186
Backlog (\$MM)	24,990	22,862	20,788
Equipment	12,049	9,454	6,474
Services	12,942	13,408	14,313
Orders (\$MM)	20,072	15,137	11,061
Equipment	10,183	6,618	3,661
Services	9,888	8,519	7,399
Product Line Orders (\$MM)			
Turbomachinery Solutions	6,904	5,088	3,840
Digital Solutions	2,570	2,300	2,148
Surface	3,291	2,008	1,483
Subsea Systems & Drilling	4,340	2,962	1,591
Downstream Technology Solutions	2,967	2,778	1,997



Note: See footnotes hereto included on page 7, which are an integral part of the selected financial data.

GE Oil & Gas selected financial data

Notes

1. Revenue and Segment Profit represent industrial operating segment results of the Oil & Gas segment (the "O&G Segment Results") as reported within General Electric ("GE") Company's SEC filings, which are prepared in conformity with U.S. generally accepted accounting principles. Such information has been prepared solely for purposes of consolidation by GE, and not for stand-alone financial reporting purposes. GE is currently preparing stand-alone financial statements (the "O&G F/S") for inclusion in a combined proxy statement and registration statement on Form S-4. The O&G F/S are expected to differ from the O&G Segment Results, and those differences, which may include (but are not limited to) goodwill, differences in the scope of assets and liabilities contributed in connection with the transaction, and those items described in notes 2 and 3 below, may be material.
2. Segment revenues include revenues and other income related to the segment. Segment profit is determined based on internal performance measures used by the Chief Executive Officer (CEO) to assess the performance of each business in a given period. In connection with that assessment, the CEO may exclude matters such as charges for restructuring; rationalization and other similar expenses; acquisition costs and other related charges; technology and product development costs; certain gains and losses from acquisitions or dispositions; and litigation settlements or other charges, for which responsibility preceded the current management team. For each of the years ended December 31, 2014, 2015 and 2016, excluded charges (pre-tax) aggregated \$0.2B, \$0.5B, and \$0.8B, respectively. Intercompany transactions are reflected in Revenue and Segment Profit on the basis of GE policies and procedures.
3. Segment profit excludes the portion of earnings or loss attributable to non-controlling interests of consolidated subsidiaries, and as such only includes the portion of earnings or loss attributable to our share of the consolidated earnings or loss of consolidated subsidiaries. Segment profit also excludes interest and other financial charges and income taxes. For purposes of this presentation, segment profit may also be referred to as EBIT. Certain GE corporate costs, such as shared services, employee benefits and information technology are allocated to our segments based on usage. A portion of the remaining corporate costs is allocated based on each segment's relative net cost of operations.
4. Revenue, Product Line Revenue and Segment Profit reflect the historical operations of acquired businesses from their date of acquisition and the historical operations of divested businesses through their date of disposal. Such activities include, but are not limited to:
 - the Advanced Sensors and Wayne dispositions within Digital Solutions on December 19, 2013 and June 20, 2014, respectively; and
 - the Industrial Air & Gas Technology disposition and the Reciprocating Compression acquisition within Downstream Technology Solutions on June 30, 2015 and June 2, 2014, respectively.
5. The mathematical aggregation of revenue reported for GE O&G's five product lines differs from revenue reported for GE O&G as a whole due principally to eliminations on inter-product line sales of products and services, which are reflected as an adjustment to the revenue reported for GE O&G but not as an adjustment to the revenue reported for each of the five product lines. In addition, revenue and orders for GE O&G's five product lines have been recast retrospectively (with no impact on GE O&G as a whole) to reflect the effect of internal realignments of individual businesses within GE O&G.

