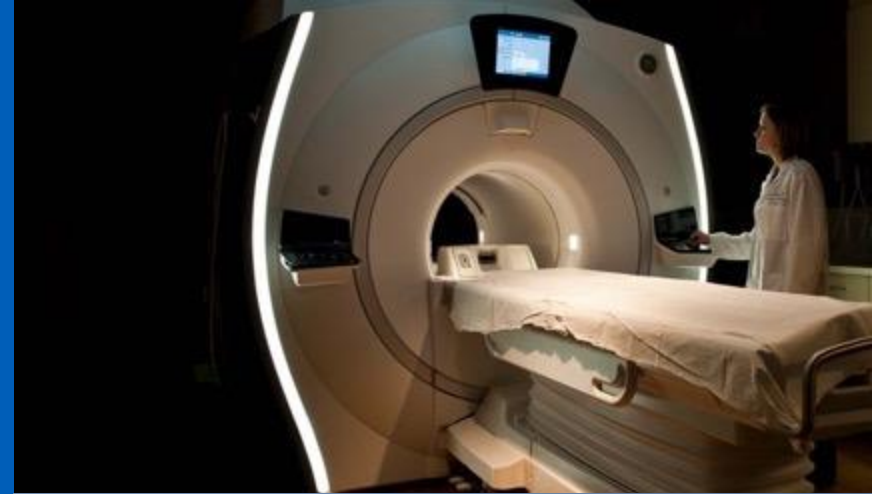




Bernstein Strategic Decisions Conference

Larry Culp
Chairman & CEO, GE
May 30, 2019



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.

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 included in the supplemental information package posted to the investor relations section of our website at www.ge.com.

ADDITIONAL INFORMATION ABOUT GE: GE’s Investor Relations website at www.ge.com/investor and our corporate blog at 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.



The background of the slide is a photograph of several large, white wind turbine blades lying horizontally on a dirt ground. A person wearing a yellow safety vest and a dark jacket is standing on the right side of the image, looking up at the blades. The sky is a pale blue.

Eight months in...

Multi-year transformation to renew and grow
GE profitably, **rewarding investors over time**

Building on a **strong global installed base** in **vital markets**
where **technology and service matter**

Focusing on **continuous operational improvement** driven by
employees to achieve **better results** for customers and investors



2019: A reset year

Day to day

Improving our financial position

Strengthening the businesses

Reinventing how we will work

In the boardroom

Smaller and more focused board

Putting the right team, accountability and incentives in place

Strong investor feedback loop

• Positive Industrial FCF* in 2020 with growth accelerating in 2021



**Non-GAAP measure*

How we will work

Customer at the center

Operational performance first

Sharper, more strategic priorities

Lean → Results → Culture



GE portfolio



Power

Revenue: \$27.3B

7,000+ gas turbines and nearly 6,000 steam turbines



Renewable Energy

Revenue: \$9.5B

40,000+ onshore wind turbines



Aviation

Revenue: \$30.6B

~70,000 aircraft engines



Healthcare

Revenue: \$19.8B

4 million+ healthcare system installations



**Capital + Digital + Research +
Global Growth + Additive**



**Baker Hughes,
a GE Company**
~50% interest



Wabtec
~12% interest



Revenue data as of December 2018; BHGE and WAB share data as of May 2019

Power outlook

	<u>2018</u>	<u>2019F</u>	<u>2020F</u>
Revenues	\$27.3B	Down HSD ^{*-a)}	Growing ^{*-a)}
Segment margin	(3.0)%	Positive	Expanding
Free cash flows*	\$(2.7)B	Down	Significantly better, negative

^{*}Non-GAAP measure

^(a) Organic revenue growth (including Grid)

Business Dynamics

- Gas new unit profitability heavily impacted by project execution and legacy underwriting
- Healthy contractual services book; focused on improving transactional services profitability
- Power Portfolio challenged in Grid and Power Conversion
- Power HQ being dismantled ... \$1.6B cost, expect ~20% reduction over next 2 years
- Strong, multi-decade partnership with Harbin Electric in China



Long-term transition & recovery ... 2019 a critical milestone in our journey

2019

Gas new unit margin expansion, Gas services margins flat to up

Cost reduction across Gas Power & Power Portfolio

2020

Stabilizing Gas new unit contribution margins LSD-MSD

Gas services margins up on flat volume/better execution

Meaningful cash improvement



2019+ outlook

Revenues

LSD-MSD
(Industrial segment organic*)

Margins

Expansion
(Adjusted GE Industrial margin*
range ~flat to up ~100bp)

Free Cash Flows*

\$(2) - \$0B
(Adjusted Industrial*)

2020: significant improvement, positive
2021: acceleration

EPS

\$0.50 - \$0.60
(Adjusted EPS*)

Restructuring (Industrial)	Non-op benefit costs (Industrial)
\$(0.22) - \$(0.25)	\$(0.21) - \$(0.23)



*Non-GAAP measure