Gas Power Systems
Vertical Research Industrial Conference

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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.

The NEW GE Power

Multiple generation types

GAS POWER SYSTEMS

STEAM POWER SYSTEMS

GE HITACHI NUCLEAR ENERGY

Fleet Ops

POWER SERVICES

T&D

GRID SOLUTIONS

Efficiency

POWER DIGITAL SOLUTIONS

POWER CONVERSION

AUTOMATION & CONTROLS

Being divested

INDUSTRIAL SOLUTIONS

Target close date 4Q

WATER & PROCESS TECHNOLOGIES

Target close date 3Q

- Expansive global reach … >150 countries
- Powering more than 1/3 of the world's power
- ~1,600 GW installed capacity
- >750,000 installed assets
- Equipping 90% of transmission utilities worldwide

Gas Power Systems Overview

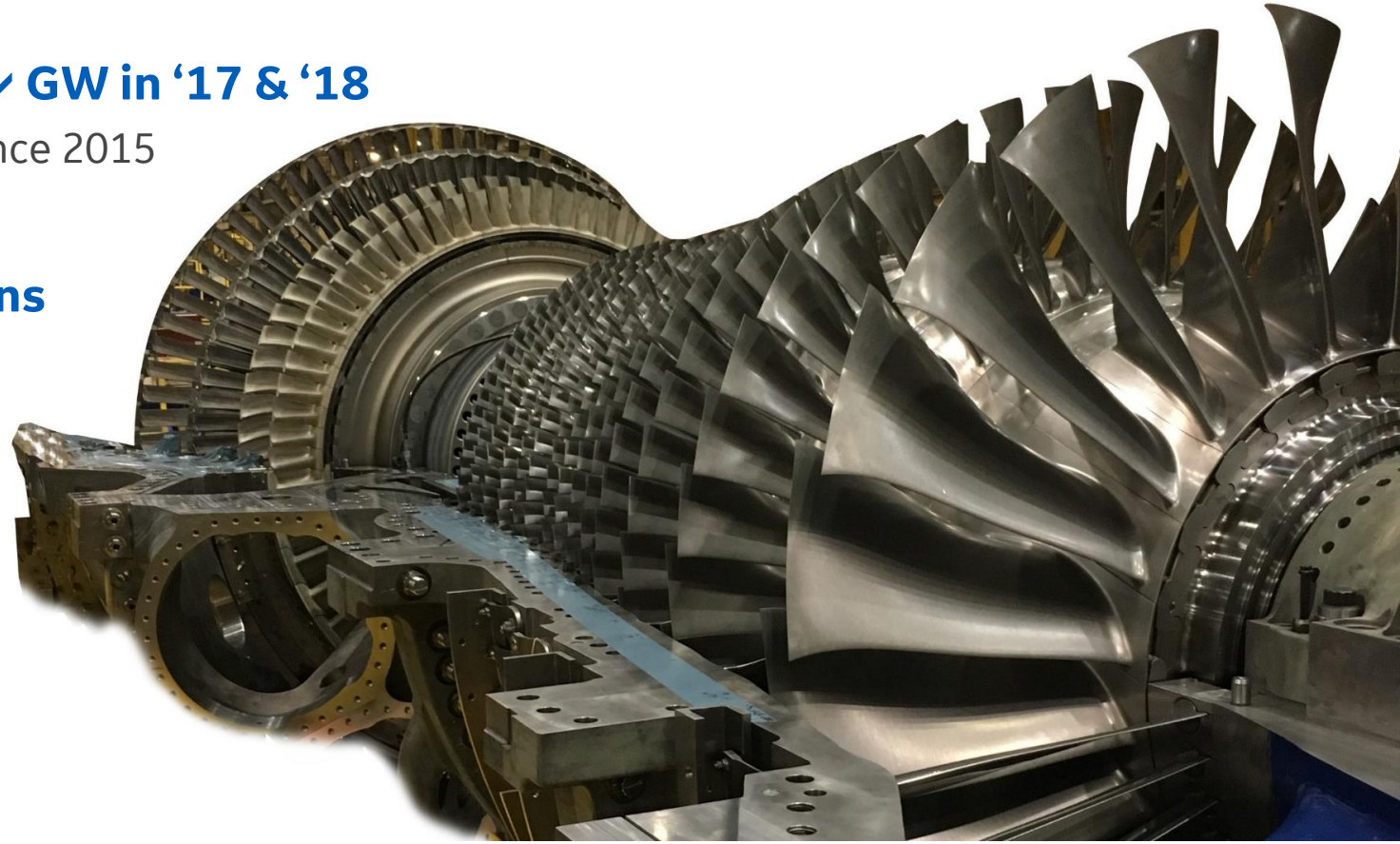
1 **1H'17 McCoy 19.0 GW, ↓ (26)% VPY … GE 56%, +24pts vs. 1H'16**
Continued strength in HA … 48% GW sold in 1H'17

2 **Gas market softening … planning for ↓ GW in '17 & '18**
Capacity reductions & increased utilization since 2015

3 **Customers seeking integrated solutions**
Technological capability + financing

4 **"Ecosystem" complexity increasing**
Intermittency, storage & LCOE position

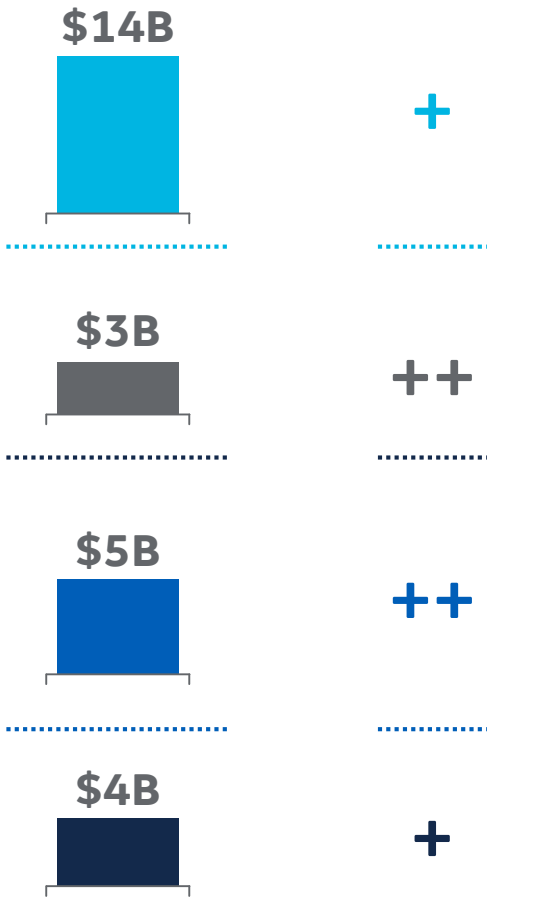
5 **Driving higher returns**
Investments delivering … continued cost out



An integrated Gas Power Systems business

~80-90 GW/year opportunity

- ~38-40 GW Utility Power Gen — Traditional McCoy segment
- ~15-20 GW Bottoming Cycle — Alstom capability
- ~13-15 GW Industrial Power Gen — Fast Power + Combined Heat & Power
- ~13-15 GW Recips — Distributed Power



Differentiated performance

- HA platform … core growth
- Alstom capability … ↑ $/kW sold
- Broad technology portfolio … ↑ GWs
- GE Store … financing & technology

Investment focus

- 65% efficiency roadmap … LCOE focus
- Critical GT upgrades … HA flow-down
- Digital Thread … enables cost out
- Strategic partnerships … capital efficiency

HA platform launch on-track

Program overview

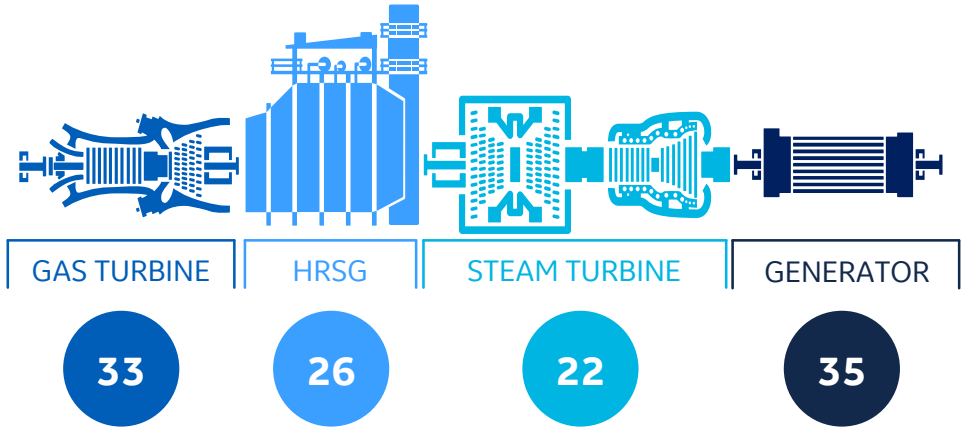
2016 accomplishments

- ✓ 26 unit shipments, +1 vs outlook
- ✓ 10th unit profitable
- ✓ 50/60Hz models fully validated

2017 outlook

- 23 unit shipments
- Margin improvement
- Continued performance improvement

HA Unit backlog 2Q'17



Leading & delivering

EDF Bouchain … world record in efficiency
99.5% reliability … Base load in 23 minutes
8,400+ hours
130+ starts

Exelon … 2x7HA.02
successful full-load validation … May/June COD
+10MW vs.
320MW guarantee

Sergipe … LATAM's largest Gas Power Plant
first HA turnkey self-implement project
$1B
2016 order

Tierra Mojada … first HA in Mexico
Digitally-enabled combined cycle plant
Power 2.8 million
Mexican homes

Clear leader in H technology

HA efficiency growth with technology

On path to achieve 65% efficiency

62.2% **9HA.01, 7HA.01, 7HA.02 … in operation**

Eff. in '13

$1.8B investment

~64%

Eff. today

9HA.02 … being mfg'd

$400MM investment

65%+

Eff. ~'20+

Existing product enhancements

Technology enabling success

COMBUSTION

- Emissions leadership for greater than 3000° Fahrenheit and <25% turndown

COOLING

- Hyper efficient, simple passages to minimize cooling flows

SEALING

- Unique configurations to maximize cooling effectiveness & prolong life

MATERIALS

- Patented alloys & coatings for durability @ high temps

65% efficiency by ~2020 … HA "architecture" change not required

Opportunities for growth

Fast Power

Indonesia distributed grid

20	8	515
TMs	sites	MW

- ✓ 1st site w/in 3 mos
- ✓ World-class fulfillment

Yemen capacity additions

2	1	62
TMs	site	MW

- ✓ 1st site w/in 5 mos
- ✓ Achieved comm'l operation May '17

Distributed Power

Power & heat with storage

20	90%+	190
J920	efficiency	MW

- ✓ Flexible operation
- ✓ Lower cost of ownership

Large recip peaking power

6	47%	51
J920	efficiency	MW

- ✓ 5 minute start-up
- ✓ Smooth grid volatility

Intermediate applications

Power & steam cogeneration

3	56%	225
6F.01	efficiency	MW

- ✓ Flexible steam or power
- ✓ +10% steam, ↓ fuel

Urban peaking power

2	40%	55
LM6000	efficiency	MW

- ✓ Reshaping "duck curve"
- ✓ Power near demand

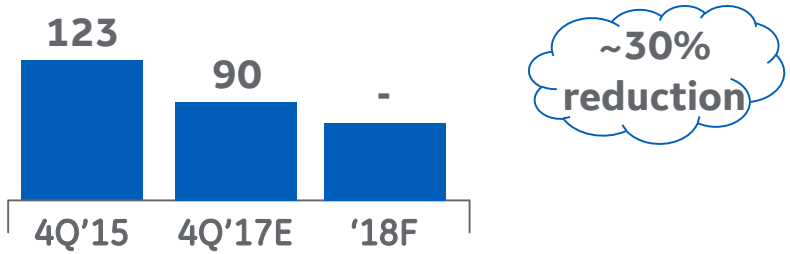
Diverse portfolio meeting new market requirements

Improving cost competitiveness

Key metrics

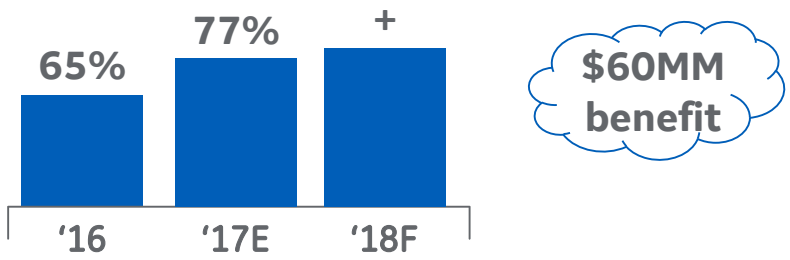
DM deflation	Labor productivity	Indirect deflation
3%	4%	9%

Rooftops



~30% reduction

Alstom factory capacity



$60MM benefit

Operational excellence

- ✓ Right-sized footprint for industry dynamics
- ✓ Additive driving ↑ performance & ↓ cost
- ✓ Factory optimization yielding ↓ cycle time

EFFICIENCY

7F stage one nozzle cooling holes

25-30% Cost reduction

7HA rotor cycle-time reduction

14 week Cycle reduction

Multi-head robotic welding

70% Less cycle | **50%** Less cost

ADDITIVE

DLN fuel nozzle tip

8,400+ Shipped

E-class combustor ring

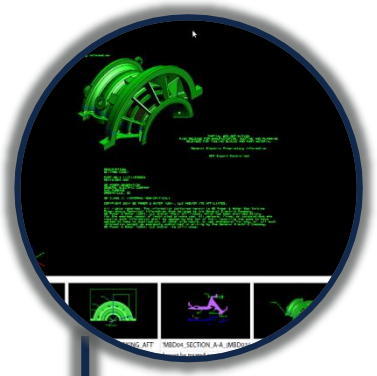
30% Cost reduction

HA turbine shroud

50% Less cycle | **30%** Less cost

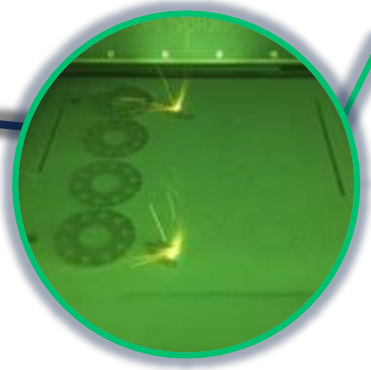
Acquisitions add opportunities

Integrated digital ecosystem



e-Design Models

- Integrated design / analytical model
- Cycle time ↓ 14 months



Advanced Mfg.

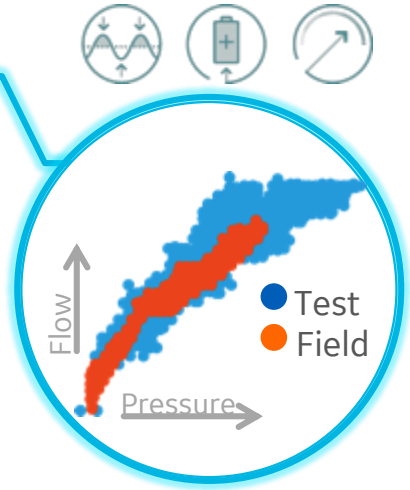
- Speed, cost out, & better outcomes
- 2x shorter cycle time for part production

Robust Testing

- 6,000+ sensors
- 5TB data/200hrs

Design Validation

- Superior cost of quality avoidance



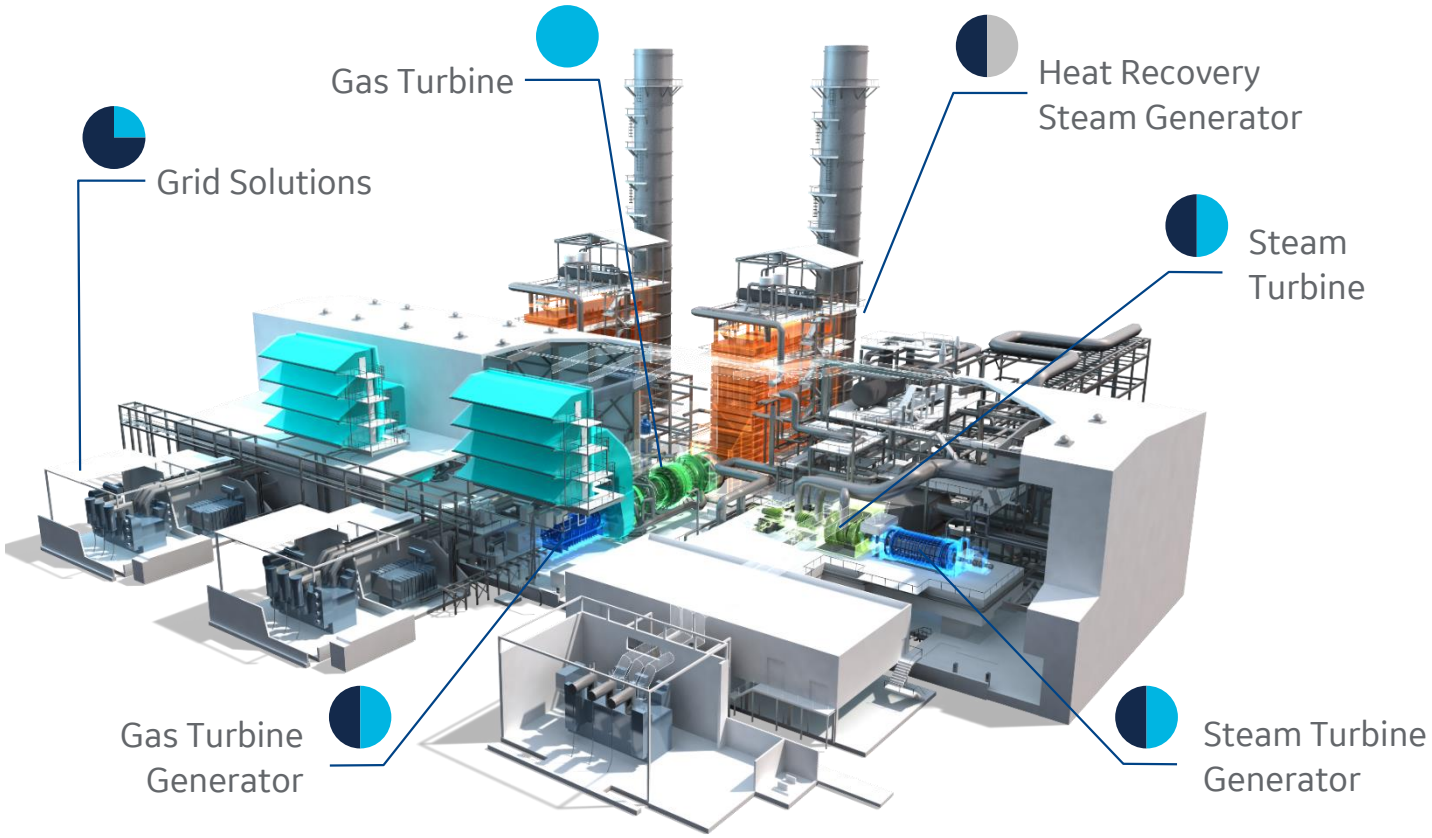
Performance Mapping

- 3D product definition simplifies installation & service

Continuous innovation delivering differentiated performance … ~$30mm per GT

Positioned for the future

Contributions: **GE** **Alstom** **Doosan**



1H'17 McCoy Actuals

Gas Turbines	Steam Turbines	HRSG
+24 pts	**+20 pts**	**+26 pts**

GE % ... V pts Prior year

2017 IMPERATIVES

1. **Continue $/kW sold focus**
2. **Prioritized investment plan**
3. **Deliver higher returns**
4. **Stronger working capital performance**

Strong fundamentals ... focused on driving returns