

GE O&G



Minds + Machines 2016

Investor meeting

November, 2016

Imagination at work.

Additional Information and Where to Find It

In connection with the proposed transaction between GE and Baker Hughes Incorporated (“BHI”), 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 BHI (the “Combined Proxy Statement/Prospectus”). BHI and Newco will prepare and file the Combined Proxy Statement/Prospectus with the SEC, and BHI 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 BHI 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 BHI 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 BHI 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 BHI with the SEC on BHI’s website at <http://www.bakerhughes.com> or by contacting BHI 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, BHI, 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 BHI is contained in BHI’s 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 BHI. 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, BHI 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 BHI may not be obtained; (2) the risk that the proposed transaction may not be completed in the time frame expected by GE or BHI, 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, BHI 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 BHI’s reports filed with the SEC, including GE’s and BHI’s 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 BHI 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.



Agenda

Overview and Introduction

GE O&G Digital Strategy

Business Discussions

Turbomachinery Solutions

Downstream Technology Solutions

Surface

Subsea Systems & Drilling

Digital Solutions

Financial Update

Deal Overview

Q&A

Lorenzo Simonelli

Matthias Heilmann

Rod Christie

Hasan Dandashly

Uwem Ukpong

Neil Saunders

Matthias Heilmann

Brian Worrell

Lorenzo Simonelli



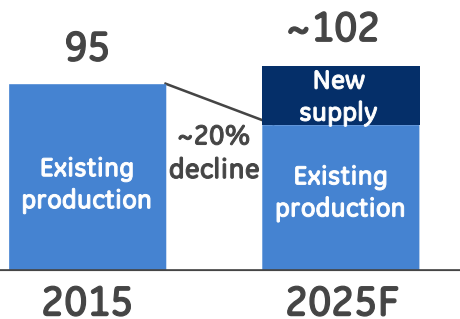
O&G industry ... strong long-term fundamentals

Factors driving industry

Oil

(MBOE/D)

Demand
102+ MBOE/D
~1% CAGR

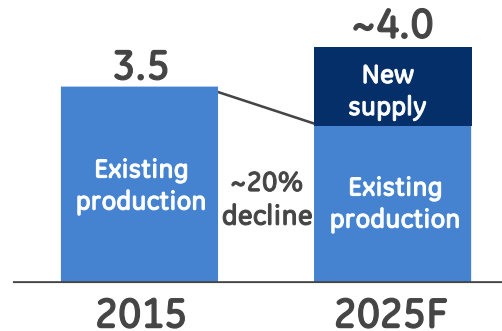


- NAM unconventional ~25% E&P spend
- New fields emerging in international onshore
- Subsea & offshore required

Gas

(BCM/Y)

Demand
4.0+ BCM/Y
~2% CAGR



- Gas \uparrow ~1.5% to 2040
- LNG growing 2-3x faster
- NAM long-term, low cost source

Customer expectations

- 1 Increasing requirements for solutions offering
- 2 Focusing on cost savings & standardization
- 3 Driving efficiency & productivity with digital
- 4 Capex to opex switch



GE O&G



GE O&G ... providing cutting edge technology and service solutions throughout the value chain

UPSTREAM

- Subsea
- Offshore
- Onshore

MIDSTREAM

- LNG
- Pipeline & Storage

DOWNSTREAM

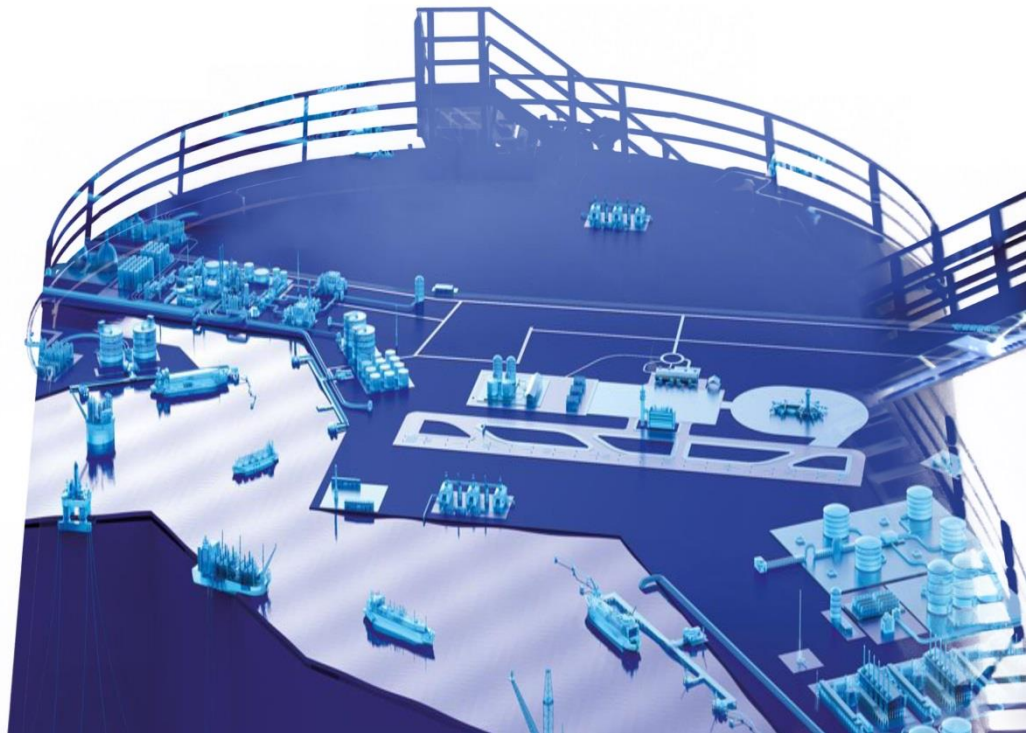
- Refinery
- Petrochemical

Digital solutions

~40,000 EMPLOYEES

~\$16.5B REVENUES '15

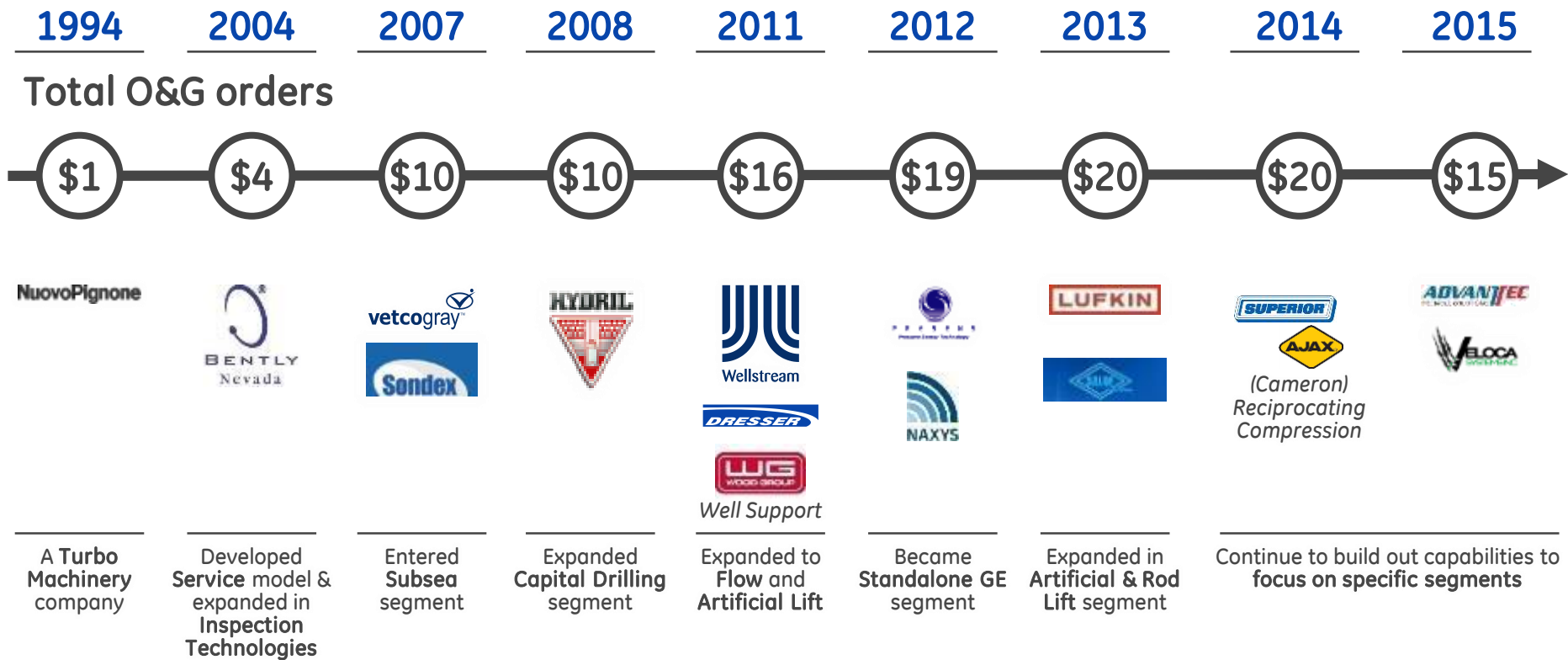
Improving the health & productivity of your operations from extraction to end of use.



Building GE Oil & Gas

Focusing where technology makes the difference
(\$ in billions)

\$14B+ invested **30+** acquisitions



Experienced team with deep domain expertise

Experienced leadership team




Maria Borrás
VP Commercial
>20 years in O&G




Matthias Heilmann
CEO, Digital Solutions
>20 years in Software




Rod Christie
VP Turbomachinery
>10 years in O&G




Uwem Ukpog
Integration Leader
>20 years in O&G

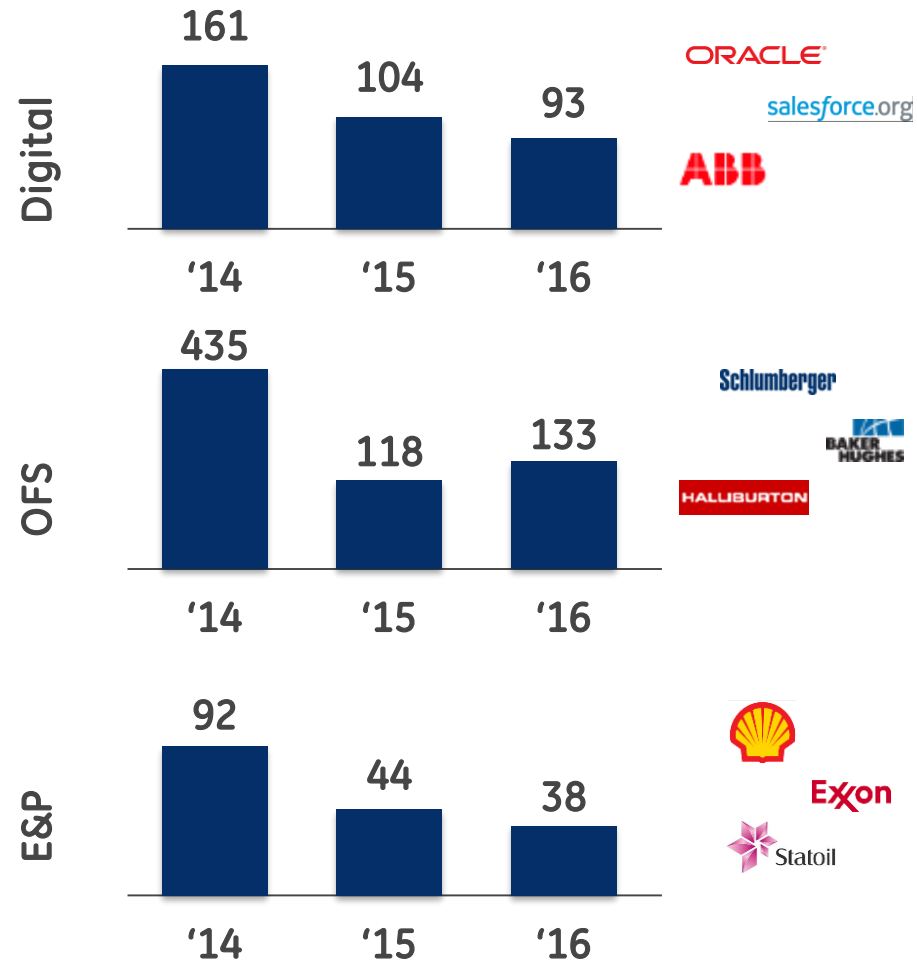



Neil Saunders
VP Subsea, Drilling
>20 years in O&G




Michele Stangarone
Leader Europe + UK
>25 years in O&G

Talent acquisition through the cycle^{-a)}



1,000+ external talent acquired since 2014 ... strong pipeline

^(a)- employee hires within respective year

GE O&G product companies

Offering a leading portfolio of advanced technology and optimization support across all oil and gas segments

2015
Revenues

\$5.4B



TURBOMACHINERY SOLUTIONS

- ✓ Technology leader with strong differentiation
- ✓ Attractive service business – 10-20+ year contracts

\$2.2B



DOWNSTREAM TECHNOLOGY SOLUTIONS

- ✓ Large Installed Base
- ✓ More Stable through cycles

\$2.2B



SURFACE

- ✓ Short-cycle, service focused offerings
- ✓ Expanding presence in unconventional

\$4.3B



SUBSEA SYSTEMS & DRILLING

- ✓ Long-cycle, high technology segment
- ✓ Industry first: 20K PSI BOP, Performance based contracts

\$2.3B



DIGITAL SOLUTIONS

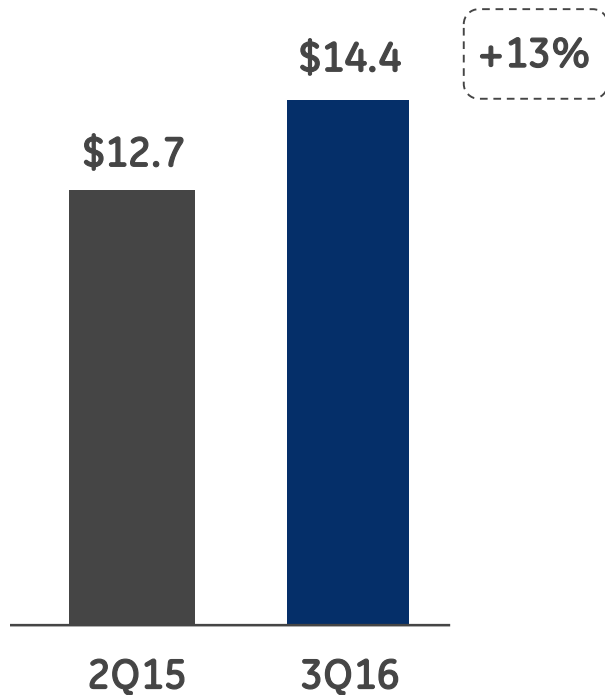
- ✓ Leading positions in high-tech niches
- ✓ Cutting-edge next-gen measurement and controls



Broad Services portfolio

(\$ in billions)

Services backlog



Key wins



D I A M O N D
O F F S H O R E

Subsea Systems & Drilling
Industry first performance based CSA ... 10 years
GE Energy Financial Services support



Turbomachinery Solutions
20+ year service agreement
Follow-up to Sabine Pass \$1B 4Q14



Turbomachinery Solutions
SapuraKencana GE Oil & Gas Services
Floating LNG long term maintenance agreement

Backlog growth in down cycle ... more in pipeline



Capitalizing on the GE Store at Oil & Gas

SOFTWARE CENTER

Smart BOP and advanced controls



POWER

Water injection and processing

TURBO MACHINERY

Pumps and compressor technology

ENERGY CONNECTIONS

Power transmission and distribution

DIGITAL SOLUTIONS

Leak detection and multiphase flow measurement

AVIATION

Valve coatings and advanced materials

HEALTHCARE

Diagnostic software imaging

GLOBAL RESEARCH CENTER

Flow assurance and advanced riser technology

SUBSEA SYSTEMS

Subsea production equipment and services



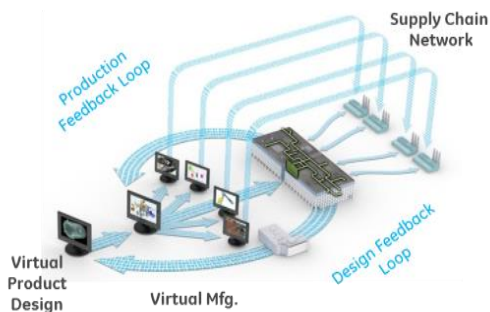
Continuously using the entire company toolkit ... solutions for customers



GE Strategy: Becoming a Digital Industrial Company

One goal in sight – Drive Productivity and Increase Relevance in the World

GE for GE

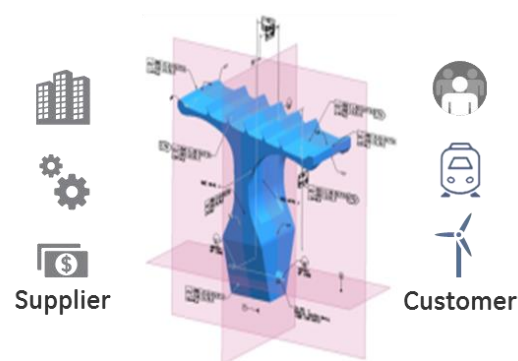


Productivity

- Digital thread
- Predix + data
- Digital twin/1st principle model
- Services Transformation



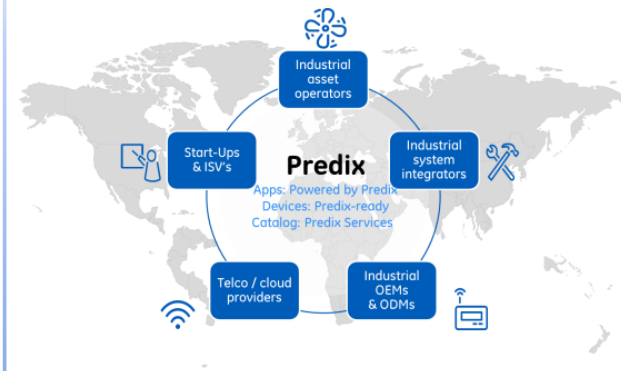
GE for Customers



Apps

- Outcomes for customers
- Optimize GE equipment
- Industrial apps portfolio, micro services
- Digital extensions

GE for World



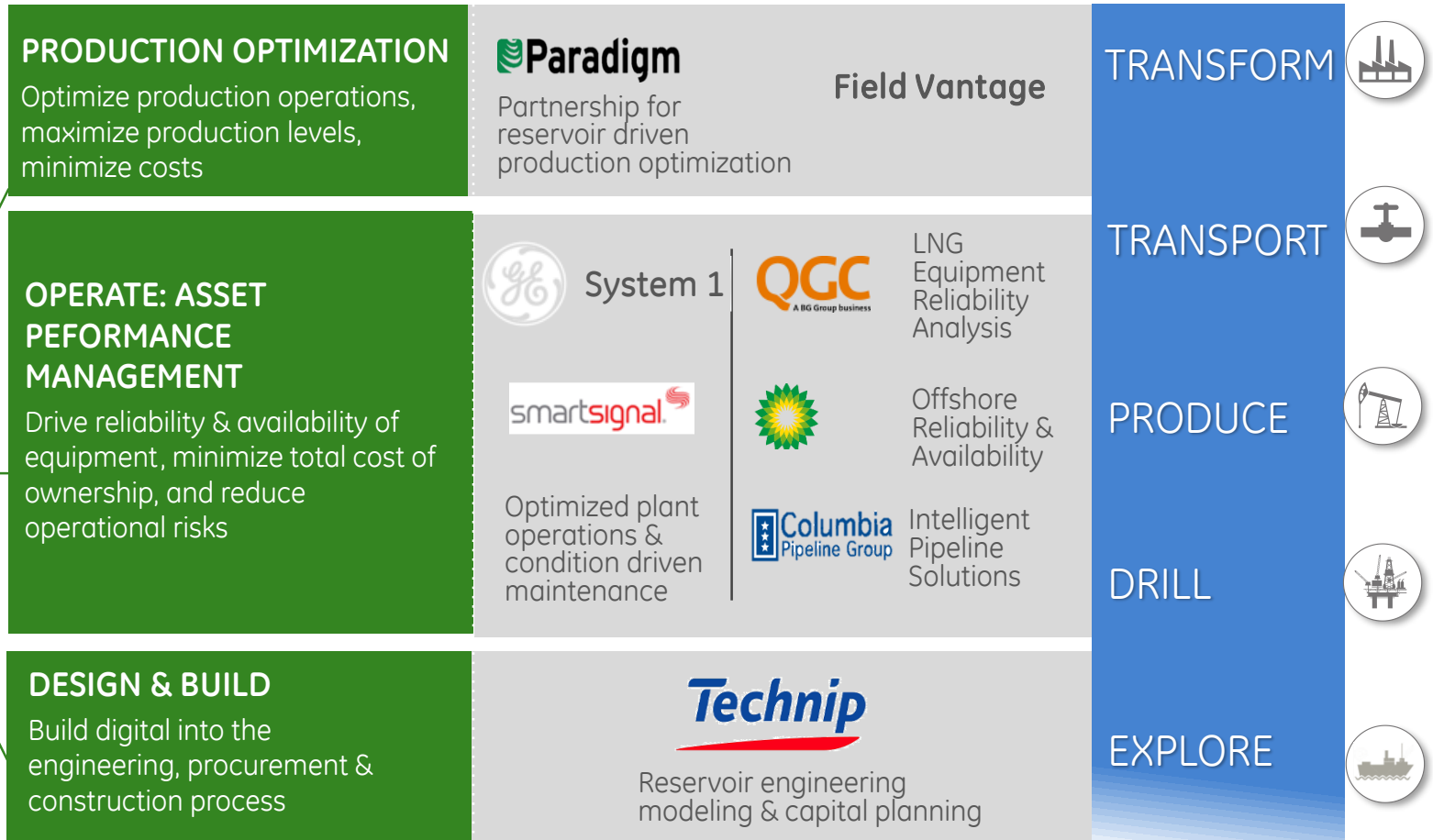
Operating System

- Enable industrial companies
- Predix industrial operating system
- Industrial-focused security

Outcome-based digital eco system

Partnering across the value chain and providing transformative solutions on Predix

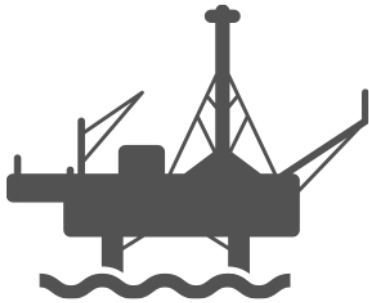
PREDIX



Connecting legacy to future

Bringing 124 years of industrial excellence to the cloud

Equipment & Production Data



O&G Sensors

Safire | SeaLytics | LWM

Edge

On-Ramp to Predix Cloud

System 1

O&G Controls

Predix Field Agents,
Gateway

Predix enabled
Controllers

Predix

Cloud-Based Applications

APM O&G Extensions

APM

Predix

O&G Specific,
from
Reservoir to
Refinery

Common
Building
Blocks
across GE



O&G Digital roadmap

- Non-Productive Time Avoidance
- Production Optimization

O&G Vertical Applications

APM Upstream

- Onshore
- Offshore
- Subsea



APM LNG/FPSO

- LNG
- FPSO
- FLNG



APM Midstream

- Pipelines
- Storage



APM Downstream

- Refinery
- Petrochemical



- Utilize & extend Predix, APM & Meridium cloud services

Core Services

System Health



Incident Management



Digital Inspections



Maintenance Optimization



Visualization



Collaboration



Risk Management



Operations Optimization



Digital Twin Foundation

Asset Services



Analytics Orchestration



Data Management



Simulation



Edge & On-Ramp Services

Connectivity



Edge



Inspections On-ramp



System 1 On-ramp



Turbomachinery Solutions

Key offerings



Gas Turbines **Nuovo Pignone**

- Heavy duty
- Aeroderivative
- Industrial



Centrifugal compressors **Nuovo Pignone**



Small-scale & modular liquefied natural gas **SMI**



Long-term service agreements **Nuovo Pignone**



Transactional services **Nuovo Pignone**

Applications



Large scale liquefied natural gas



Offshore power & processing



Oilfield power & gas (re)injection



Pipeline Compression



Small-scale modular LNG

Business drivers

New Units

~55% 2015 Revenues



- Greenfield projects: liquefied natural gas, offshore, onshore fields, pipelines
- Brownfield extensions and upgrades
- Delivery ~2 years after order/final investment decision

Aftermarket Services

~45% 2015 Revenues



- Long-term agreements (55%) ... typically signed with equipment award
- Transactional and event-based (45%)



Turbomachinery competitive differentiation



Technology

- Innovating with proven solutions – robust NPI deck
- Best in class production integration, compressors and drivers

Execution

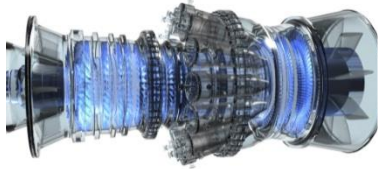
- Project execution excellence – end-to-end project control
- Predictability – planning platform & testing capabilities
- Cost, cycle – scalability

Expertise

- Global & local partnerships / teams
- Industry know-how

Applying GE services experience
to the total portfolio

Services driving predictivity



Installed base & data acquisition ...
the foundation

+



Experience & insight ...
industry expertise

+



Connectivity & big data ... software &
analytics

After market services & installed base

- TMS installed base:
 - ~3,500 centrifugal compressors
 - ~3,000 gas turbines
- LNG installed base:
 - ~410 centrifugal compressors
 - ~330 gas turbines
- Deep OEM domain knowledge & service expertise
- Integrated software architecture

Services



Driving productivity ... no unplanned downtime



Serving the LNG industry across the plant lifecycle ... 20+ with long-term service agreements

CAPEX

Knowledge advisory

- Pre-FEED/FEED equipment selection and studies (iO JV)

Best in class main refrigerant equipment and upstream completions

- Equipment provision and full string test
- Installation supervision & training
- Safety and initial parts

OPEX

Best in class availability commitment

- **ReliabilityMax** (5 active LNG plants).
Zero unplanned downtime. Up to 99% availability guarantee.

Enablers

- CSA ... beyond traditional maintenance
- Digital ... Predictivity maintenance
- Predix ... Remote services & APM
- Power Peak & Trip Reduction Program
- Unified Ops ... move beyond GE assets

-6

Pre-
Feed/Feed

-4

FID

-3

EPC
award

0

COD

Plant operations

20+

Years



Downstream Technology Solutions

Key offerings



Downstream Products & Services (DP&S)

Nuovo Pignone

- Steam turbines
- Reciprocating compressors
- Services & diagnostics



Flow & Process Technologies (F&PT)



- Valves
- Pumps
- Regulators & Actuators



Reciprocating compression

- High speed compressors
- Ajax integral & separable compressors
- Modular CNG solutions



Applications



Refining,
Petrochem &
Fertilizers



Process &
general
industrial



Compression
for upstream
oil & gas

Major customers

Oil Companies

- ✓ International
- ✓ National
- ✓ Independent

Petrochemical companies

General industrial companies

Business drivers

- DP&S: project business + aftermarket for refineries, petrochem & fertilizer plants
- F&PT: project + flow for downstream & process industries
- Reciprocating compressors ... mainly upstream ... gas lift, natural gas for power generation. Shale gas infrastructure levered

Refinery & Petrochemical Solutions

Refineries



- Hydro Skimming
- Catalytic Cracking (FCC)
- Coking

Petrochemical Plants



- Ethylene
- LDPE, HDPE
- Polypropylene

Fertilizer Plants



- Urea
- Methanol
- Nitric Acid

Reciprocating & Centrifugal Compressors
Steam Turbines & Turbo-Expanders
Pumps, Motors & Valves



GE and Channel Service Network
Service and Digital Solutions



مؤسسة البترول الكويتية
Kuwait Petroleum Corporation



Leveraging GE Store for Industrial Solutions

Power Plants



- Steam Turbines
 - Utility 0-140 MW
 - Solar & Geothermal
- Boiler Feed
 - Pumps & Turbines
- Fuel Gas Boosting



Industrial Powergen and Flow Control



- Biomass
- Mining
- Pulp & Paper
- Food & Beverage



Natural Gas Production & Distribution



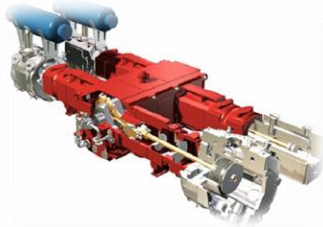
- Gas Lift
- Gas Gathering & Processing
- Gas Transmission
- CNG Fueling



Integrated Customer Solutions



Strong Service Franchise with large Installed Base



Mission critical units in
Downstream... **Our fleet**



Plant Outages & Overhaul
... **Expertise & Flexibility**



Brownfield projects ...
Technology & Execution

Installed Base

- ✓ **Refineries**
 - Reciprocating: ~1,300
 - Centrifugal: ~700
 - Other: ~700
- ✓ **Petrochemical Plants**
 - Reciprocating: ~1,300
 - Centrifugal: ~700
 - Other: ~300
- ✓ **Fertilizer Plants**
 - Centrifugal: ~550
 - Steam: ~250
- ✓ **High-speed recips ~17k**

- ✓ **GE & Channel Partner Service Network**
- ✓ **Digital for APM and Process Management**



Surface

Key offerings

Major customers

'15 Revenue profile

Key brands

Production solutions



- Artificial Lift
 - Electrical submersible pumps
 - Rod lift systems
 - Progressing cavity pumps
- Well services
 - Production & cased hole logging services, E-line, slickline
 - Pipe Recovery & perforation

- ✓ International, National, & Independent Oil Companies
- ✓ E&P operators

NAM ~55%
RoW ~45%



Wood Group
Well Support

Evaluation & optimization



- Downhole tools
- Drilling measurements & sensing
- Monitoring & completion systems

- ✓ E&P operators
- ✓ Oilfied service companies

NAM ~25%
RoW ~75%



Field
Vantage

Pressure control



- Well control equipment
- Surface wellheads
- Production trees
- Frac rentals & flowback

- ✓ Mostly Onshore
- ✓ International, National, & Independent Oil Companies
- ✓ E&P operators

NAM ~35%
RoW ~65%

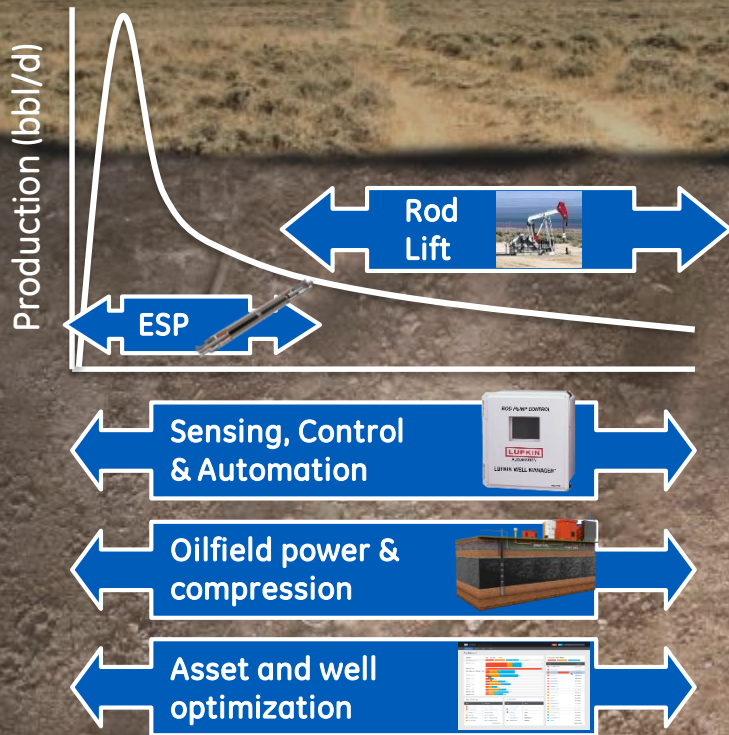


Wood Group
Well Support



Focus on customer outcomes

Full well-lifecycle offering



Responding to customer needs

- Flexible lift solutions as flow changes
- Well optimization ... Zenith downhole sensing + ESP + Intelligent Platforms
- Flexible power and compression solutions
- Performance-based contracts
- Lease/rental models

↑ Recovery
↑ Speed

↓ Costs
↑ Cash flow

Case study: *Middle East Customer*

- Field automation system ... Downhole sensing + ESP
- Manage equipment and adjust production rates

Value

- Targeting ↑ 5% production per well
- ↑ predictability and intervention planning
- ↓ exposure to production loss and cost

↑ Presence in
upstream value
chain



Broadest lift
portfolio +
lifecycle offering



Utilizing decades
of GE reliability
experience



Subsea Systems & Drilling

Key offerings

Major customers

Business drivers

Key brands



Subsea Production Systems & Services

- Trees, Manifolds & Connections
- Controls & Actuators
- Wellheads, Connectors & Pipes
- Power & Processing
- Life of field management
- Well construction & intervention

- ✓ International, National, & Independent Oil Companies
- ✓ Specialized developers

- Subsea project FIDs ... greenfield & brownfield
- Mid-life upgrades ... electrical submersible pump. controls
- Well intervention and workover campaigns



Wellstream flexible pipes

- Flexible production risers, flowlines & jumpers
- Riser integrity management

- ✓ International, National, & Independent Oil Companies
- ✓ Engineering & Procurement Compaies

- Adoption of flexible risers for FPSO projects
- Riser integrity management activity



Drilling products & services

- Blowout Preventers (BOPs)
- Marine drilling risers
- BOP controls & monitoring
- Inspection & repair services
- Long-term service agreements

- ✓ Drilling companies
- ✓ International, National, & Independent Oil Companies

- Deepwater drilling vessel newbuilds/upgrades
- Post-Macondo BOP standards
- Inspection & certification
- Adoption of performance based service agreements



Case study: inserting technology to improve reliability & analytic capability for Statoil

~150
Trees
30%
upgraded

~140
Control pods
60%
upgraded

~10
Manifolds
supplied

~20%
Well recovery
lag globally

CAPEX Driven
2-3yrs

OPEX Driven
~25yrs

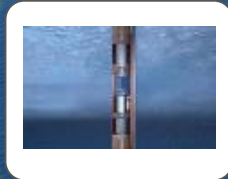
INSTALLATION

LIFECYCLE SERVICES

WH/SPS
Install/Recovery



Well
Intervention



Controls
Upgrades



Equipment
Repairs



Remote
Monitoring



Well
Abandonment



21st century
technology

Better analytics

Obsolescence
mitigation

Improved
availability

Extended
field life



Proven track record ... successful subsea EPC projects worldwide



IDD - Chevron

- Indonesia 10 Manifolds, 27 Trees, PLEMs, Controls, Connections & Tooling
- 2013-2016



ENI 15-06/Mpungi - ENI

- Angola 3 Manifolds, 9 Trees, 5 SDU, Controls, Connections & Tooling
- 2014-2016
- 1100m



ONGC - Vashishta

- India 3 Trees, Well head system, Connections, UTA/UTDA/SDU, Controls & MCS, Services and tooling
- 2015-2017
- 700m^(a)



Julimar - Apache

- Australia 2 Manifolds, 2 PLETs, 8 Trees, Controls, Jumpers, Connections
- 2012-2016
- 250m



Ichthys SPS - Inpex

- Australia 5 Manifolds, 22 Trees, 6 SDU, Controls, Jumpers, Connections & Tooling
- 2012-2016
- 340m



Kizomba Satellite Ph2 - ExxonMobil

- Angola 6 Manifolds, 24 Trees, Controls, Jumpers, Connections & Tooling
- 2012-2016
- 300m



Lianzi - Chevron

- Rep. of Congo 4 x Prod. Trees, 3 x WI Trees, Conns & Flex Jumpers, IWOCs
- 2012-2016
- 820-1070m



ENI 15-06 /West Hub - ENI

- Angola 6 Manifolds, 13 Trees 5 SDU, Controls, Jumpers, Connections & Tooling
- 2011-2016
- 1450m



Gorgon - Chevron

- Australia 10 Manifolds, 3 CDU/UMCA, 36 PLETs, 20 Trees, Controls, Jumpers, Connections & Tool
- 2008-2016
- 300-1300m



OCTP Ghana- ENI

- Ghana 21 Trees , 8 A-Flets, 4 Flets Controls, IWOCs, Jumpers, Connections & Tooling
- 2015-2018
- 500-1100m



Snøhvit CO2 - Statoil

- Norway 1 Manifold, 2 Trees, Controls, Connections & Tooling, Umbilicals
- 2013-2016
- 350m

✓ World record tie-back of 175 kms on Statoil's Snøhvit

^(a)- Depth in meters

Differentiated technology and services: Innovation in deep water drilling

20k psi BOP



Industry first ... access to
20K PSI and 350°F reservoirs

Asset lifecycle management

SeaPrime™ MUX Controls

3x higher availability than existing systems

SeaLytics BOP Advisor™

Troubleshooting and
Maintenance Management

Data-enabled services

- Equipment baseline modeling
- Condition based maintenance
- Rig-based re-certification
- Digitized asset history

Increased reliability
Reduced downtime



DIGITAL SOLUTIONS

Hardware, software and advisory services to improve machinery health and productivity of our customers' industrial assets

CONDITION & ASSET MONITORING By BENTLY NEVADA

Condition monitoring and protection devices
Advanced machinery diagnostic software solutions
Industry leading technical support

CONTROL SOLUTIONS

Control system upgrade/retrofit projects
Parts and services
Cyber security
Software and HMIs
Mechanical solutions
Lifecycle management

40%



Oil & Gas

30%



Power Gen

8%



Aerospace

22%



Other Industrials

INSPECTION TECHNOLOGIES

Ultrasonic
Eddy current
Remote visual
Conventional and digital X-ray
3D computed tomography (CT)
Software

MEASUREMENT & SENSING

Sensors
Nuclear instrumentation
Flow
Gas and moisture
Pressure

PII (JV)

Inspection (ILI) services for oil & gas transmission pipelines
Cracks / corrosion data analysis
Integrity engineering
Software tools
Remote monitoring

Hardware to platform + Service

Current portfolio



Measure

- Pressure + flowmeters



Monitor

- Rotating equipment vibration monitoring



Control

- Turbine controls + cyber



Inspect

- NDT equipment + services



Inspection Services

- Pipeline inspection

Future offering

ANALYTICS

Pattern recognition
Metrology algorithms
Machine learning / AI

APPS

APM+ (IIM)
Mobile workflow mgmt
Inspection cloud

SERVICES

Cloud storage, tagging, reporting
Risk assessments, insp planning
Drone & robotic inspections

HARD-WARE

Mobile inspection workforce
In-line cameras, laser/3D scanners
Wireless sensors, drones, robotics



'Asset-Productivity+'



Attractive HW businesses w/
leading positions



Cloud-based, industry
and HW agnostic

Inspection services increase
asset productivity ... APM+



**Go-to-market
Strategy**

DIRECT
7 regions
2,000+ sales
and commercial

INDIRECT
1,500+ channels
E-commerce
platform

Predictive corrosion management

Predictive Corrosion Management from GE is an APM offering which combines a Predix, cloud-based software application with RightraxPM installed sensors and advisory services to continuously monitor corrosion-related risk, proactively make disposition decisions and minimize total cost of operations

Continuous
Inspection



RightraxPM
Installed UT
Sensors



Predictive & Proactive
Maintenance



Predix cloud-
based Software



Ongoing Advisory
Support



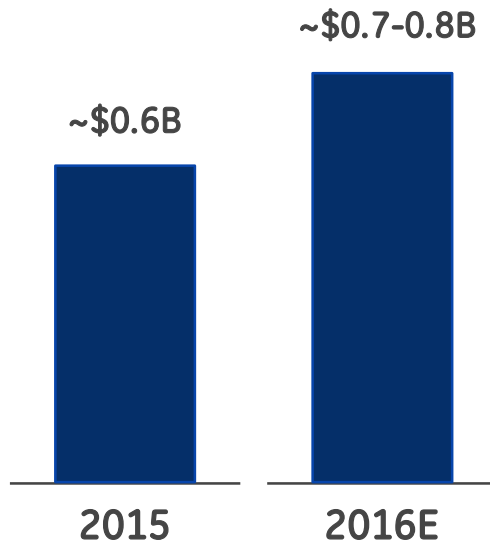
Expert Advisory
Support

Stronger coming out of cycle

(\$ in billions)

Cost-out

Total cost-out '15/'16E ~\$1.3-1.4B



Key drivers



Product cost-out

Execution on sourcing savings, project productivity and material redesign



Infrastructure & services

Rooftop & supplier base streamlining ... Brilliant Factory pilots underway



SG&A & simplification

Commercial & regional transformation, Digital tool enhancement for enabling functions & investment prioritization

Executing on cost while continuing to invest in capability

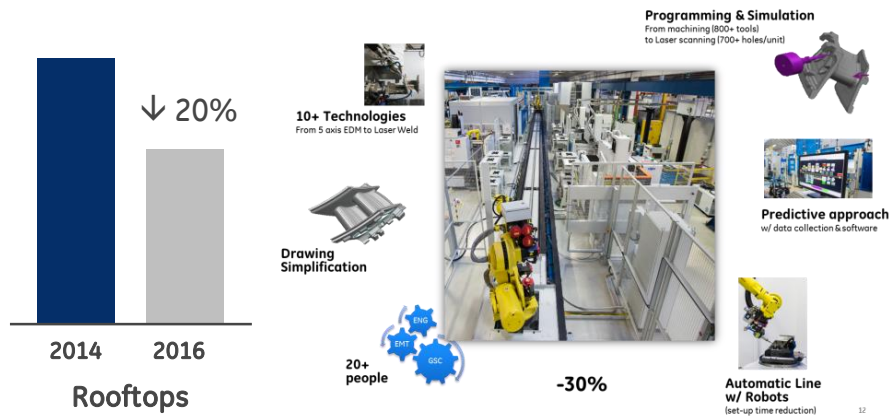


Cost execution in down cycle ... examples

Global supply chain optimization

Cost & optimization ...

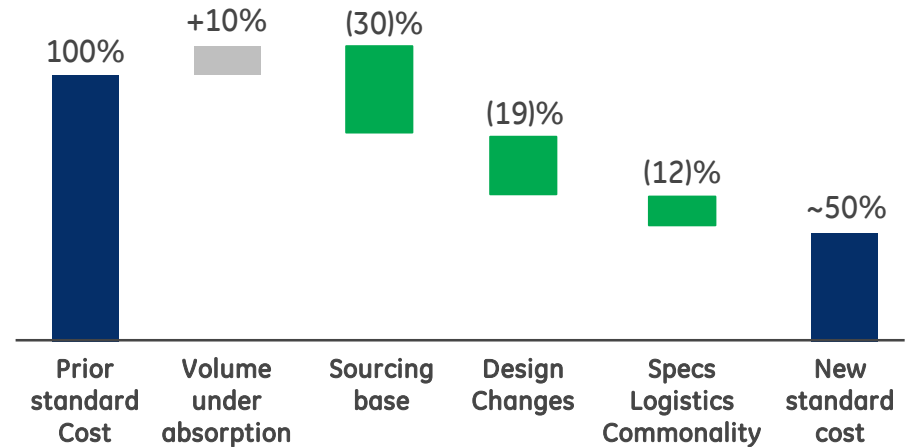
... enhancing through Digital Thread



- Consolidating capability ... investing in multi-modal facilities to leverage GE footprint
- Brilliant Factories, Talamona, Italy: Automated robotics line, 30% reduction in lead times, predictive approach with data collection & software

Product cost-out

Onshore product example



- Driving savings through global supply base
- Cross-functional teams driving design optimization
- Deep catalogue simplification as part of process



GE O&G financial summary

(\$ in billions)

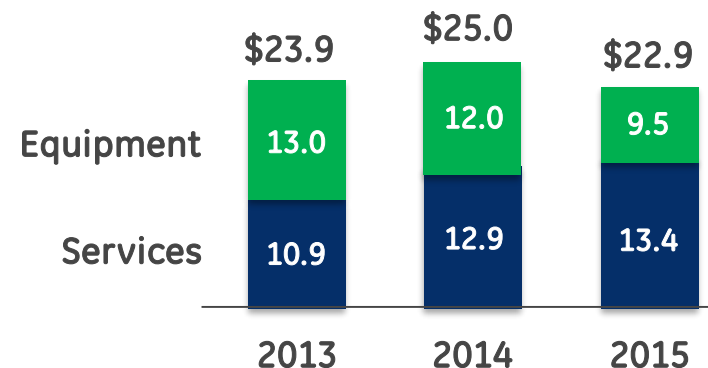
Financials

| | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|------------------|-------------|-------------|-------------|
| Orders | \$19.9 | \$20.1 | \$15.1 |
| Revenue | \$17.3 | \$19.1 | \$16.5 |
| Op profit / EBIT | \$2.4 | \$2.8 | \$2.4 |
| EBITDA | \$2.8 | \$3.3 | \$3.0 |
| EBITDA % | 16.4% | 17.5% | 18.4% |
| CAPEX | \$0.7 | \$0.6 | \$0.5 |

Key actions

- 1 Executing through down-cycle ... operational excellence & cost-out
- 2 Continuing to operate with flexibility to react to different market conditions
- 3 Investing through the cycle & develop further capabilities

Backlog



Deal overview



Creating a productivity leader in Oil & Gas

~70,000 employees

~\$34B revenue '20F

*The most advanced
service technology
company*



*The leader in
O&G technology
equipment*



Integrated digitally-enabled offerings
to set new standards for the oil & gas industry



Deal summary

Overview

- Merge GE O&G with Baker Hughes ... GE owns 62.5%, new Baker Hughes owns 37.5% ... \$7.4B cash dividend to existing BHI shareholders
- Publicly traded company with separate investor base ... partnership structure
- BHI valued at 11.0x pro-forma EBITDA ... 6.7x with run-rate synergies ... 37% total premium for BHI shareholders
- Targeting close in mid-2017 ... committed to work with regulators to address any questions

Strategic rationale

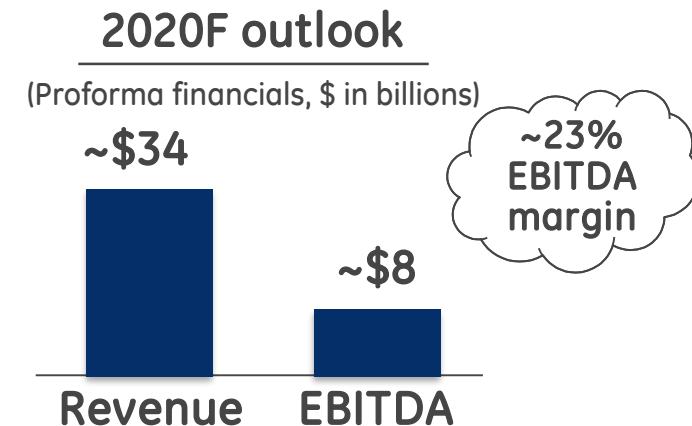
- 1 New company will have unique portfolio in O&G industry ... fullstream capability
- 2 Complementary technology ... leverage GE store + digital
- 3 Significant synergy opportunity ... ~\$1.2B cost, ~\$0.4B revenue
- 4 Earnings accretive ... ~\$0.04 incremental '18 EPS
- 5 Fits capital allocation plan

- ✓ Core business ... expands competitive capabilities
- ✓ '18 EPS accretive ... attractive IRR & long-term value creation



Creating investor value

- 1 Transaction significantly expands GE O&G and Baker Hughes into a fullstream technology provider
- 2 Baker Hughes brings complementary technology, global capability and a unique service mentality to GE
- 3 NewCo will combine GE's strength in large equipment, LNG and offshore with BHI's strength in services and drilling & completion tools
- 4 Deal is financially attractive
 - ✓ Significant synergies + NewCo better positioned to navigate cycles ... value creation for investors



Q&A



