2023 GE Paris Air Show
Investor Meeting
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 https://www.ge.com/investor-relations/important-forward-looking-statement-information 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 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 our earnings releases.

Except as otherwise noted, forward projections for GE Aerospace are shown on a current GE-defined basis, and do not reflect costs or other changes for standalone financials in connection with the planned spin-off of GE Vernova.

GE’s Investor Relations website at www.ge.com/investor and our corporate blog at www.gereports.com, as well as GE's LinkedIn and other social media 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.
Video: Safety moment
Today at Pavillon Dauphine Saint Clair

In event of an emergency:

• Please exit the building through same doors you entered
• Follow routes to emergency rally point

If you are unsure about anything, please ask
## Today’s agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter(s)</th>
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<tbody>
<tr>
<td>8:30AM</td>
<td>Welcome</td>
<td>Steve Winoker</td>
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<tr>
<td></td>
<td>GE Aerospace Overview</td>
<td>Larry Culp</td>
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<tr>
<td></td>
<td>Commercial Engines &amp; Services</td>
<td>Russell Stokes</td>
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<tr>
<td></td>
<td>Technology &amp; Innovation</td>
<td>Mohamed Ali</td>
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<tr>
<td></td>
<td>Supply Chain</td>
<td>Mike Kauffman</td>
</tr>
<tr>
<td>9:45AM</td>
<td>Session 1 Q&amp;A</td>
<td>Team</td>
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<tr>
<td>10:00AM</td>
<td>Break</td>
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<tr>
<td></td>
<td>Defense &amp; Systems</td>
<td>Amy Gowder</td>
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<td></td>
<td>Propulsion &amp; Additive Technologies</td>
<td>Riccardo Procacci</td>
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<tr>
<td></td>
<td>Financial Outlook</td>
<td>Rahul Ghai</td>
</tr>
<tr>
<td>10:45AM</td>
<td>Wrap, Session 2 Q&amp;A</td>
<td>Team</td>
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GE Aerospace Overview

Larry Culp I CEO
OUR PURPOSE

We invent the future of flight, lift people up and bring them home safely

~3B
Passengers flew with GE technology\(^{(a)}\) under wing in 2022

~650K
People flying at any given time on GE or JV\(^{(a)}\) powered aircraft

3 out of 4
Commercial flights powered by GE or JV\(^{(a)}\) engines

\(^{(a)}\) Includes equipment made by CFM & Engine Alliance Joint Ventures. CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines. Engine Alliance is a 50/50 Joint Venture between GE & Pratt & Whitney.
GE Aerospace – key messages

Global aerospace propulsion & services leader in attractive, growing sectors

Defining flight for today, tomorrow & the future with differentiated technology & service

Running the business with greater focus & momentum building toward GE Aerospace launch
Global leader uniquely positioned to serve strong demand... 
... with resilient, high-margin services, keeping us close to customers

**Commercial Engines & Services**
$18.7B revenue

- Largest & youngest fleet
  - ~40,900 engines\(^a\)

- Most complete value prop...
  - efficiency, reliability, safety

**2022 revenue**

$26B

- ~70% services

**Defense & Systems\(^b\)**
$7.4B revenue

- Diverse & growing portfolio
  - ~26,100 engines

- Rotorcraft & combat engine provider of choice...
  - next gen U.S. & international programs

- >60%\(^c\) services revenue...
  - engineering design through full product lifecycle support

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\(^a\) Includes equipment made by CFM & Engine Alliance Joint Ventures
\(^b\) Includes Propulsion & Additive Technologies
\(^c\) Inclusive of Defense & Systems defined as Defense, Systems, & Other; Defense services revenue >70%

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 Joint Venture between GE & Pratt & Whitney

Source: Cirium Dec 31, 2022, in-service fleets
Positive commercial aerospace environment

Industry departures
Millions of flights (IATA)

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<thead>
<tr>
<th></th>
<th>2019</th>
<th>2022E</th>
<th>2023E</th>
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</thead>
<tbody>
<tr>
<td>Latin America</td>
<td>38.9</td>
<td>27.7</td>
<td>34.4</td>
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<tr>
<td>Europe</td>
<td>8.7</td>
<td>5.9</td>
<td>7.6</td>
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<td>Asia-Pacific</td>
<td>57.0</td>
<td>94.9</td>
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<tr>
<td>China</td>
<td>82.6</td>
<td>78.7</td>
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Industry demand
Passenger traffic industry RPK (IATA)

% change vs. 2019

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<thead>
<tr>
<th></th>
<th>2019</th>
<th>2022E</th>
<th>2023E</th>
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<tbody>
<tr>
<td>Latin America</td>
<td>(32)%</td>
<td>(12)%</td>
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<tr>
<td>Europe</td>
<td>8%</td>
<td>12%</td>
<td></td>
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<tr>
<td>Asia-Pacific</td>
<td>31%</td>
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<tr>
<td>China</td>
<td>91%</td>
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Fuel
WTI, $/barrel EIA

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<tr>
<th></th>
<th>2019</th>
<th>2022</th>
<th>2023E</th>
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<td>31%</td>
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<tr>
<td>China</td>
<td>91%</td>
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Load factor
% PLF (IATA)

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<th>2019</th>
<th>2022E</th>
<th>2023E</th>
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<td>91%</td>
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CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines
Customer momentum ... recent customer wins

Air India signed an agreement for 800 LEAP, 40 GEnx-1B & 20 GE9X engines to power its new fleet of aircraft & related services agreements.

Ryanair announced it will purchase up to 300 Boeing 737 MAX 10 aircraft, all powered by CFM International LEAP-1B engines.

Awarded $685M NAVAIR contract for production of T408 engines for Sikorsky CH-53K King Stallion heavy lift helicopter production lots 6-8.

Jet2 Plc orders additional CFM LEAP-1A engines to power up to 71 new Airbus A320/A321 NEO family aircraft, increasing its firm orders to 98 & options to 48.

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines.
Driving operational rigor across GE Aerospace

Empowering world-class team

*Deepening engineering domain expertise across product lifecycle*

Accelerating lean progress

*Delivering sustainable improvements in safety, quality, delivery & cost*

Embracing a more decentralized business model

*Moving decision-making & accountability closer to the customer*

Redefined & intensifying focus on organization wide KPIs & actions
How we are defining flight with differentiated technology & service

**Commercial Engines & Services**
- **Today**: Keep the installed fleet flying
- **Tomorrow**: Grow & optimize LEAP & GE9X fleet
- **Future**: Develop, certify & scale next gen technology

**Defense & Systems**
- **Today**: Recover delivery
- **Tomorrow**: Deliver on growth
- **Future**: Lead with next gen technology
Video: Air Asia
Commercial Engines & Services

Russell Stokes | President & CEO
CES is differentiated by products, technologies & services

Industry's broadest portfolio spanning narrowbody, widebody, regional, business & turboprop aircraft

Leading technology enables best-in-class reliability, fuel efficiency & durability

Extensive, open MRO network means flexibility for customers

GE or JV\textsuperscript{a}) engines power 3 out of 4 commercial flights

\textbf{CES revenue breakdown}

\begin{itemize}
  \item 43\% Narrowbody
  \item 36\% Widebody
  \item 21\% Regional & other
  \item \$18.7B 2022 revenue
  \item \~70\% services
\end{itemize}

Source: Cirium Dec 31, 2022, in-service fleets
(a – includes equipment made by CFM & Engine Alliance Joint Ventures
CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 Joint Venture between GE & Pratt & Whitney
### Managing product lifecycle to enable customer success, while sustainably growing free cash flow

**Today**
- Keep the installed fleet flying
- Build on world-class safety & reliability to increase fleet utilization
- Support customers transitioning from CSA to other services
- Deploy material solutions that meet customer cost of ownership expectations

**Tomorrow**
- Grow & optimize LEAP & GE9X fleet
- Meet production ramp to support airframer demand
- Improve product durability to meet customer expectations
- Expand GE & partner MRO network to meet LEAP shop visit ramp

**Future**
- Develop, certify & scale next gen technology
- Achieve mid-decade ground & flight test demos for CFM RISE Open Fan
- Execute hybrid electric roadmap, including mid-decade demo with NASA
- Support alternative fuels (SAF & hydrogen)

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*CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; CFM RISE is a registered trademark.*
Strong commercial wins driving installed base growth … focus on deliveries amidst a challenging supply chain

OE deliveries

- ~480 engines shipped in Q1… on track for ~1,700 LEAP engines in 2023

<table>
<thead>
<tr>
<th>Year</th>
<th>CFM56</th>
<th>LEAP</th>
<th>CF34 &amp; Other</th>
<th>GEnx, GE90, CF6 &amp; Other</th>
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<tr>
<td>2022</td>
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<td>2023</td>
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<td>2025F</td>
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Mid-20s CAGR

Commercial wins TTM-a)

- >2,000 engine orders last 12 months; >12,000 engines yet to be delivered-b)

<table>
<thead>
<tr>
<th>Aircraft</th>
<th>LEAP</th>
<th>CFM56</th>
<th>CF34 &amp; Other</th>
<th>GEnx, GE90, CF6 &amp; Other</th>
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<tbody>
<tr>
<td>737MAX</td>
<td>100</td>
<td>150</td>
<td>16</td>
<td>210</td>
</tr>
<tr>
<td>787</td>
<td>10</td>
<td>83</td>
<td>320neo</td>
<td>190</td>
</tr>
<tr>
<td>777-9</td>
<td>10</td>
<td>10</td>
<td>787</td>
<td>777-9</td>
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Installed base-c)

- Large & growing installed base, driven by primarily LEAP & GEnx

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<td>10</td>
<td>10</td>
<td>787</td>
<td>777-9</td>
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</table>

(a – Firm GE/CFM-powered aircraft wins in the trailing 12 months as of June 2023. Not exhaustive.
(b – >2,000 engine orders last 12 months & >12,000 engines yet to be delivered includes ~1,400 & ~10,000 CFM engines, respectively
(c – Large commercial jets, excludes BG&A and commercial rotorcraft.)

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney.
Robust departure growth driving strong demand for services … ~70% of Commercial revenue

- PAX recovery on track, aligned to customer expectations
- Widebody freight to normalize by 2024 & remain above 2019 levels

(a – Includes equipment made by CFM & Engine Alliance joint ventures; internal shop visits performed at GE MRO shops

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney
Powering the largest & youngest fleet of narrowbody aircraft

Engine program lifecycle revenue\(^{-a)}\)

Well-positioned on narrowbody & regional platforms … ~55% of NEO fleet, sole-sourced on MAX & C919

\(^{(a)}\) Includes equipment made by CFM & Engine Alliance joint ventures.

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney
Robust plan to manage CFM fleet transition

Three-prong strategy to support customers while maintaining strong financials:

- Improve product durability to meet customer expectations
- Expand our open MRO network to meet shop visit ramp
- Win new deals that deliver strong margins & cash

CFM56 worldwide shop visit forecast

- Enabling CFM56 longevity by enhancing total cost of ownership value prop for customers
- Supporting customer transition to LEAP as new aircraft enter the fleet

LEAP internal shop visit forecast

(a – CFM56-5B/7B commercial engines
(b – Shop visits performed at GE MRO shops
(c – Excludes LEAP quick turns
CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines
Profitable LEAP growth requires focus on time on wing (TOW) & shop visit volume

LEAP TOW better than CFM56 at comparable age\(^a\)

TOW indexed to technical requirement (Mean TOW, cycles)

Customer expectation at maturity

Delivery year, since entry into service (EIS)

Focus on customers

- Keep customers flying #1 priority … flexible MRO network provides capacity to roll out fixes to operators
- Durability fixes on target … validating through extensive testing

OE breakeven & program profitable expected mid-decade

\(^a\) – LEAP-1A Low Thrust, Neutral environment, projections based on available field data; CFM56-5B Low Thrust (B4/B6), neutral environment

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines
Open MRO Network is a key differentiator enabling asset-light expansion at attractive margins

Critical actions to execute MRO strategy

- **Capacity**: Increase network capacity by >2,000 shop visit slots through internal & external expansion
- **CBSA-a) agreements**: Signed three operator-MROs & two independent MROs located in Americas, EU, Asia
- **Productivity**: Industrializing part repairs & investing inspection technology to reduce cost/SV
- **LEAP turnaround time**: Leveraging lean, value stream mapping, shop standardization & repair shop co-location

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(a – CFM Branded Service Agreements
(b – CFM parents (GE & Safran) each perform 50% of LEAP SVs
CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney
Focused on improving turnaround time (TAT) to meet customer needs across all product lines & MRO sites

<table>
<thead>
<tr>
<th>CFM56 TAT</th>
<th>GE90 TAT</th>
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<tbody>
<tr>
<td>Days</td>
<td>Days</td>
</tr>
<tr>
<td>2019</td>
<td>2019</td>
</tr>
<tr>
<td>~80</td>
<td>~100</td>
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<tr>
<td>2023E</td>
<td>2023E</td>
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<tr>
<td>~95</td>
<td>~140</td>
</tr>
<tr>
<td>Target</td>
<td>Target</td>
</tr>
<tr>
<td>~70</td>
<td>~90</td>
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**Key actions to improve TAT 30-50 days…**

**Advanced inspection:** Foam wash & advanced robotics to improve on-wing performance

**Optimizing capacity:** Leverage lean practices (e.g., 3P) to grow shop capacity with targeted capital deployment

**Material availability:** Partnering & problem solving with suppliers to improve readiness & flow

**Repair strategy:** Industrializing repairs (>2,000 repairs developed per year) & co-locating repairs within overhaul shops

**Example: CFM56 component repair**

- ~72 Days
- ~60 Days

- Collaborated with a supplier to introduce a repair for Line Replaceable Unit (LRU)
- ~80% reduction in new material demand
- Component TAT reduction >15%
- Impact across CFM56 internal shop visits (Wales, Malaysia, Strother, Celma)

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney
Video: Lean at Celma & Singapore
Widebody fleet is a significant differentiator & growth generator

Engine program lifecycle revenue\(^{a)}\)

More than 6,600 GE engines powering world’s widebody platforms

(a – Includes equipment made by CFM & Engine Alliance joint ventures.
CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney)
Strong services growth from engines on mature widebody aircraft

>99.96% Dispatch reliability

World-class reliability & durability across GE90, CF6 & GP7200 driving high utilization

Exceeding pre-COVID utilization with China recovery & int’l passenger strength

GE90

Sole-sourced on 777-a) … ~50% fleet <10 years old

CF6

>8,500 engines delivered over program life; powers >80% of 767 & 747-4 freighters

GP7200

Robust services opportunities from A380 returning to service & retrofit investments

Internal shop visit forecast

HSD CAGR

GE90

CF6

GP7200

(a – Sole sourced on 777-300ER, 777-200LR, 777-F
Engine Alliance is a 50/50 Joint Venture between GE & Pratt & Whitney
GEnx poised to become the third largest platform in the GE Aerospace portfolio by end of decade

~65% 787s powered by GEnx today\(^{(a)}\); sole sourced on 747-8

Strong growth with >3,700 installed engines in service by 2030 driven by nearly 80% win rate\(^{(b)}\)

~1.4% fuel burn advantage vs. competition\(^{(c)}\)

Best-in-class engine reliability & durability … nearly 2,000 installed engines in service today\(^{(a)}\)

Significant TOW advantage … keep customers flying longer

\(^{(a)}\) Includes in service & parked fleets as of December 31, 2022  
\(^{(b)}\) Projection includes undelivered aircraft on firm order with engine selections made  
\(^{(c)}\) Based on 2021 NAMS test data over a typical 3000 nm mission
Future of flight ... technology leadership for the next generation

**Sustainable fuels**
100% sustainable aviation fuels (SAF) & hydrogen compatibility

**Hybrid electric**
leveraging key demo programs (EPFD, AMBER, HEX)

**Advanced architectures & materials**
leveraging XA100 3rd stream adaptive tech, advanced cooling, & CMCs

**Compact core**
higher thermal efficiency, lower fuel consumption

**Open fan**
targeting >20% better fuel efficiency vs. LEAP
Industry’s largest engine portfolio, powering the world’s most successful aircraft platforms

Capitalizing on cyclical & secular tailwinds to grow well above GDP for foreseeable future

Large fleet in service supports global customer base & free cash flow generation for GE

Using lean & technology innovations to support customers today, tomorrow & in the future
Technology & Innovation

Mohamed Ali | VP, Engineering
World-class engineering expertise integrated throughout the product lifecycle

Achieving LEAP mature time on wing (TOW) is #1 priority ... significant progress since entry into service (EIS), strong conviction to meet LEAP mature TOW

Reliable LEAP architecture built on over 20 years of testing & field experience

Pioneering the revolutionary technology that is enabling the invention of the future of flight ... CFM RISE, hybrid electric, alternative fuels
LEAP durability actions on handful of parts to achieve mature TOW

LEAP durability scorecard

- **Shroud**: improved coating released into production in 2018
- **Accessory radial drive shaft**: bearing update released into production in 2019
- **Fuel nozzle**: root cause understood; since March ’23 certification testing complete & on track for end of year
- **HPT blade**: root cause understood; testing replicates field observations, updated blade performing very well

LEAP durability improvements

Continued improvement with durability introductions & field experience

High conviction in ability to meet customer expectations based on prior engine experience

2023 GE Paris Air Show
LEAP HPT blade durability improvements ... test observations affirming confidence

Field observations
Current production blade
- Distress observed in MENA region
- Root cause identified dust as an exacerbating factor to durability

Test observations
Current production blade
- Field distress on endurance engine successfully replicated in factory at comparable cycles
- 1:1 field to test severity achieved

Test observations
Updated blade
- Shows ability to withstand same environmental testing
- Improvements to dust separating capability to provide benefits above & beyond updated blade

Updated blade showing significant improvements
Large global fleet allows for historical field learnings to be applied on newest engines

**Progress in dust testing …**

- Development of testing methodologies
  - **14 iterations** … of dust testing across historical engine lines

- Development of dust compound
  - **10 years** … to develop dust compound to replicate hot & harsh environments

- Collection of field data & advanced analytics
  - **44MM+ hours** … GE90 & GEnx experience for Middle East operators

**… built on 20 years of experience**

![Removal rate per 1,000 hours for first 5 years of service](chart)

- **Entry into service (EIS)**
  - Basic removals, 12 months rolling avg at month 60 since EIS, except LEAP-1B, which is at month 22 since EIS (MAX pre-grounding)

**LEAP is 3rd generation of a high-pressure application, significant Middle East environment experience**
Decades of testing has led to successful design for generations of GE & CFM engines … strong foundation for LEAP architecture

LEAP is …

1. … the 3rd generation of composite fan blade technology
2. … the 2nd generation of TAPS\(^{a)}\) combustors
3. … built on 20+ years of CMC\(^{b)}\) development
4. … the 3rd high pressure ratio engine, system integration optimized for performance & durability

>10,000 global engineers bringing unique depth to each stage of engine lifecycle

(a – Twin Annular Premixing Swirler
(b – Ceramic matrix composite
CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines
Innovation supports both future of flight & current engines fleet

Supercomputing design

- Enables new geometries at a quintillion calculations per second
- Achieving fuel efficiency & noise commitments

Acoustics testing

- Wind tunnel testing validated supercomputing analysis of design for noise & fuel efficiency
- Preliminary results ... better noise performance than the current state of the art LEAP engines

Impact to today’s engines

- Supercomputing capability & new technologies to enable fleet upgrades – on test this year
- Extends asset life, increases asset value into the next decade

Defining the future of flight through market-leading design practices
Virtuous engineering cycle of continuous improvement to advance existing products & define the future of flight

Learnings from large installed base, coupled with decades of experience in testing, driving high conviction in ability to meet LEAP durability expectations

Continuous investment to deliver upgrades & driving value to customers

Leading the technology revolution to define the future of flight
Supply Chain

Mike Kauffman | VP
Building the supply chain of tomorrow through lean transformation

Focus & partnering at Genba to break key constraints & execute ramps

Committed to enterprise lean transformation to drive safety, quality, delivery & cost

Execute on connected flow shortening the distance between order to customer
Overview of GE Aerospace manufacturing & maintenance network

GE’s global network

- >450 Suppliers
- 30 OEM sites
- 16 MRO sites
- ~50K SKUs

Material spend\(^{a)}\)

Annual supplier spend by region

- North America: 63%
- Europe: 21%
- APAC: 16%
- Other: <1%

\(\sim9B\)\(^{a)}\)

(a – Material spend inclusive of commercial & military programs, not comprehensive of all divisions
(b – Top 50 by spend noted above)
Engine manufacturing environment

### Example: LEAP engine

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<thead>
<tr>
<th></th>
<th>LEAP 1-A</th>
<th>LEAP 1-B</th>
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<tbody>
<tr>
<td>Discrete parts</td>
<td>2,500</td>
<td>~2,300</td>
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<tr>
<td>Sub-assemblies</td>
<td>482</td>
<td>461</td>
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<td>Sources</td>
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<td>External</td>
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<tr>
<td>Internal</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>GE sites</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Avio sites</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

Only 11% of parts similar across 1-A & 1-B

### Current manufacturing dynamics

#### Key challenges

- Labor ... capacity constrained as GE & suppliers recruit & retrain to improve productivity
- Quality ... disruptions, non-conformance, rework
- Material availability ... improving, but on-time delivery below growth rate
- Complexity ... growing & less mature network increasing travel time

#### How we’re managing

- Partnering with suppliers ... ~300 expert resources focused on capability & problem solving at point of impact
- Digital tools ... visibility & quicker information to drive action
- Product line orientation ... management at the engine level

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines; Engine Alliance is a 50/50 JV between GE & Pratt & Whitney
Indicators of improving supply chain performance

Weekly hardware receipts $M

- Material receipts to support engines & services trending up, aligned with output
- Supplier on time delivery improving
- Focused problem solving is breaking key constraints

Engine unit output

- Engine output continues to increase sequentially & y/y
- Incorporating tools (e.g., plan for every part) to enable targeted problem solving
- Management systems aligned throughout the supply chain by product line

Growth in engine output supported by increased hardware & decreased disruptions
Model lines & PFEP are key lean tools to enable supply chain transformation

### Supply chain timeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Key Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020-2021</td>
<td></td>
</tr>
</tbody>
</table>
• First model line (Greenville, SC)  
• Take learnings & apply across supply chain  
• Hoshin Kanri Connected flow launched |
| 2022 |  
• Enabling pull with plan for every part (PFEP) introduction  
• Hoshin Kanri zero defect culture launched  
• Focused on increasing stability  
• 11 model lines selected |
| 2023 |  
• Hoshin Kanri zero defect culture launched  
• 100% parts available for pilot  
• >10% PFEP attainment over two weeks |

### Delivering key outcomes

- **Creating flow through 3P & executing standard work**
  - >60% lead time reduction
  - >30% productivity improvement

- **Enabling problem solving**
  - >50% improvement on specific at point issue

- **Scaling pull to external suppliers**
  - 100% parts available for pilot
  - >10% PFEP attainment over two weeks
Delivering with focus using lean

Plan for every part (PFEP)

Lean tool identifies the most problematic hardware using calculated min/max ranges & coded priority tagging

- **Delivery prioritization**: Allows us to allocate & shift resources to meet customers’ highest priorities & deliver the parts they need when they need them

- **Inventory management & pull**: By matching inventory levels to customer demand, we can identify opportunities to ramp, slow or even stop production

- **Productivity**: Once inventories are within a good range, manufacturing costs become more aligned with consumption

Example: Bromont, Quebec Shop Inventory

- Bromont Rotating Parts team adopted PFEP at the cell level & is adjusting throughput rate accordingly

- PFEP is enabling people & limited raw material to be allocated accordingly

- Achieving strong results ... reducing finished goods inventory by **60%**, while improving part availability by **20%**

Incorporated enterprise-wide to support improved delivery & move to pull
Building a rationalized supply chain for the future of flight

Building the right internal capabilities protecting IP & controlling cost

Investing in manufacturing engineering … the right capable process at the right time

Simplifying & creating the right partnerships for the future of flight
Break
Defense & Systems

Amy Gowder | President & CEO
Threat environment driving strong budgets

U.S. Department of Defense budget\textsuperscript{a)}

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>744</td>
</tr>
<tr>
<td>2023E</td>
<td>817</td>
</tr>
<tr>
<td>2024F</td>
<td></td>
</tr>
<tr>
<td>2025F</td>
<td></td>
</tr>
</tbody>
</table>

LSD CAGR anticipated in President’s Budget 2024+

+9.8% in 2023

International defense budget\textsuperscript{b)}

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>2023E</td>
<td></td>
</tr>
<tr>
<td>2024F</td>
<td></td>
</tr>
<tr>
<td>2025F</td>
<td></td>
</tr>
</tbody>
</table>

LSD CAGR

- U.S. focused on great power competition
- Maintaining superiority through new technology
- Readiness ... upgrades to improve existing fleet capabilities
- NATO & allies driving force structure reassessment
- Increased demand for U.S. export fighters & rotorcraft
- Indigenous capability an increasing priority internationally

\textsuperscript{a} – Source: U.S. Dept of Defense, GE internal forecast
\textsuperscript{b} – Source: Aviation Week forecast & internal company estimate; addressable market for GE
Delivering growth & innovating technology for the future of combat

**Today**

- **Defense & Systems**
  - Recover delivery

**Tomorrow**

- **Execute new product introduction in rotorcraft**
- **Integrate & deliver on international platforms**
- **Refresh spares & services go to market to drive growth**

**Future**

- **Lead in adaptive cycle engine technology**
- **Develop technologies for hypersonic & UAV application**
- **Execute hybrid electric technology roadmap**
Today … focused on operational performance

Running the business differently

Material availability
- Plan for every part (PFEP) to manage flow proactively
- Critical path supplier partnerships

Delivery & quality
- Structured daily/weekly operating rhythm to drive results
- Focus on “Part to Print” delivering 30% defect reduction on T700

Labor & capacity
- Modernization investment to drive shop output
- Talent upskilling throughout the enterprise

T700 proof points

Driving improvement through lean

- 44% fewer supplier defects in last 6 mos. vs. prior 3 years
- 26% fewer internal defects in last 18 mos. vs. prior 18 mos.

Using lean to unlock a step change in execution & output linearity
Tomorrow … delivering on growth

Engine unit outlook

Recent wins & program updates

<table>
<thead>
<tr>
<th>Wins</th>
<th>Program updates</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ $650M Lot 6-8</td>
<td>✓ Flight Engines for FARA in Acceptance Test</td>
</tr>
<tr>
<td>✓ T-7A LRIP 1-3</td>
<td>✓ Korea KF-21, Campaigns: India Tejas &amp; AMCA</td>
</tr>
<tr>
<td>✓ $65M LM2500: U.S. Navy, Korea</td>
<td>✓ Campaigns: Israel F-15, India fighters</td>
</tr>
<tr>
<td>✓ CFM56-7: P-8 &amp; E-7</td>
<td></td>
</tr>
</tbody>
</table>

Strong customer demand continues to drive OE & services growth … building into the late decade

(a – Inclusive of Defense & Systems defined as Defense, Systems, & Other; Defense services revenue >70%)
Future … position for innovation

Adaptive cycle engines

XA100 continues to demonstrate readiness
- Rigorous prototype testing ongoing – hundreds of hours complete, including harsh environments
- Building DoD & Congressional 2024 advocacy
- Positioning to compete on Next Generation Adaptive Propulsion

Adaptive advantages

- 25% better fuel efficiency + 30% range increase & 50% more loiter time
- 10 to 20% more thrust + Combat performance
- 2X mission systems cooling + Survivability & lethality

Advanced programs in Edison Works

Position for future of combat
- Execute & expand advanced programs portfolio
- Providing innovation in Hypersonics, Hybrid Electric & unmanned Collaborative Combat Aircraft (CCA)
- Innoveering acquisition augments expertise with ramjet/scramjet capability
- Aligned with DARPA, AFRL, NASA & other agencies

Positioned with advanced technology aligned to evolving customer requirements

$350M Funding for advanced programs in ’22
2x Advanced programs revenue growth from ’22 to ’25

2023 GE PARIS AIR SHOW

56
Defense & Systems: growing in strong & resilient sector

Focused on driving a step change in performance today

Growing in both core & next generation products tomorrow

Technology shared across civil & defense products
Propulsion & Additive Technologies

Riccardo Procacci | President & CEO
Avio Aero is a solid presence in Europe

**Portfolio overview**
- 5,500 people, 7 plants, 6 R&D centers, 2 MRO sites
- End-to-end value proposition ... components to propulsion systems, design to service
- Balanced portfolio of GE Aerospace & external customers

**External customers**
- Portfolio of external customers across the industry
- Distinct proprietary technology
- Integrated with GE Aerospace with organization & firewalls in place to deliver to & protect external customers

2022 revenue
- ~$1.5B

% of total external customer revenue
- Engines: 20%
- Low pressure turbines: 20%
- Gearboxes: 14%
- Engines: 14%
- Other: 7%
- Service & spares: 22%
- Defense: 45%
- Commercial: 55%

State-of-the-art technology sustaining a diversified portfolio
Threat environment driving strong European defense budget

Significant increases in defense spending ... NATO & EU countries targeting >2% of GDP
- Procurement of EU capabilities in Europe … reshoring
- Refocus on defense, quick response in case of need

Over next 10 years, Avio Aero expectations through a balanced business cycle:
- Existing platform revenues ~$5B
- NPI developments in major strategic platforms ~$2B

Technology sovereignty to drive future European programs

(a – Source: SIPRI database, Internal Intelligence)
A European Defense native technology player

Today
A performing partner

- Eurofighter
- NH90
- EJ200
- T700

Tomorrow
Execute on new programs

- European Catalyst turboprop engine powering the Eurodrone
- Indigenized T700 powering new attack helo AW249 for Italian Army
- Expanding scope to new engine models & on-field support & service

Future
Strategic EU role

- GCAP … ITA-UK-JAP future 6th generation fighter
- EU funded defense programs for technological autonomy (EDF)
- Targeting growth with international applications

Well-positioned to support strategic autonomy with transatlantic ties
At the forefront of the quest for sustainability

<table>
<thead>
<tr>
<th>Technology</th>
<th>Transmission Systems for open fan architecture</th>
<th>Hybrid electric propulsion system, fuel cell tech</th>
<th>H2 combustion/fuel system</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU funding</td>
<td>€100M</td>
<td>€34M</td>
<td>€80M</td>
</tr>
<tr>
<td>GE Aerospace received</td>
<td>€33M-a)</td>
<td>€15M</td>
<td>€33M-a)</td>
</tr>
</tbody>
</table>

~€81M-a) externally funded to support the GE Aerospace technology roadmap for sustainability

(a – Including E-TDC partners
Clean Aviation is the European Union’s leading research & innovation program for transforming aviation towards a sustainable & climate neutral future
Delivering now for our customers

Key actions to improve delivery

Suppliers
- Multiple sources added to increase supply base resilience
- Readiness assessment extended at 2/3 sub-tiers
- Kaizens-at-suppliers to solve for process capability

Manufacturing flow
- Value Stream Map for process-time waste elimination
- Plan for Every Part for more effective control of material input inventory
- In-Process Inspection to problem solving for quality at point of generation

Capacity
- Kaizens-in-the-shop to remove bottlenecks from specific operations
- Sales inventory & operations planning for capacity management
- Breakthrough manufacturing technologies for greater throughput

Proof point: Defense services

Lean to drive customer satisfaction & profitable growth
Avio Aero, deeply rooted in Europe

Key player in a more autonomous European defense market and supporting transatlantic ties

Committed EU partner, able to access to large collaborative, funded programs

Balanced portfolio and more solid execution positioned for growth
Financial Outlook

Rahul Ghai | CFO
## On track for 2023 financial guidance...

### Key guidance metrics

<table>
<thead>
<tr>
<th><strong>Revenue growth</strong>&lt;sup&gt;a)&lt;/sup&gt;</th>
<th>Mid-to-high teens</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Operating profit</strong></th>
<th>$5.3B-$5.7B</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Profit growth y/y</strong></th>
<th>Mid teens</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Free cash flow (FCF)</strong>&lt;sup&gt;*-b)&lt;/sup&gt;</th>
<th>Up year-over-year</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>FCF conversion</strong>&lt;sup&gt;*-b)&lt;/sup&gt;</th>
<th>&gt;100%</th>
</tr>
</thead>
</table>

### 2023 dynamics

- **Revenue growth**
  - Commercial OE: ~20%
  - Commercial Services: high-teens to 20%
  - Defense: HSD

- **Operating profit**
  - Growing ~$700M at mid-point... margins ~flat y/y
  - Volume & price benefits; mix & investment headwinds
  - Tougher Service comps & unfavorable install/spare equipment mix in 2H

- **Profit growth & working capital reduction more than offset ~$(0.5)B AD&A headwind**

---

*Non-GAAP Financial Measure

<sup>a</sup> Organic basis

<sup>b</sup> FCF conversion: segment FCF / segment net income, adjusted to include non-GAAP restructuring expense
## 2025 financial outlook

### Reported on current basis

<table>
<thead>
<tr>
<th>‘23 to ‘25 Revenue growth CAGR*(^{a)})</th>
<th>Low double-digits to mid-teens</th>
</tr>
</thead>
</table>

### 2025 dynamics

- Continued strong revenue growth
  - Commercial: mid-teens
  - Defense: MSD-HSD

### ‘23 to ‘25 Profit growth

<table>
<thead>
<tr>
<th>‘23 to ‘25 Profit growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2B+, high teens CAGR</td>
</tr>
</tbody>
</table>

### 2025 Profit margin*

- ~20%

### FCF conversion*\(^{b)}\)

- >100%

---

\(^{a)}\) Non-GAAP Financial Measure, as a segment of GE

\(^{b)}\) FCF conversion*: segment FCF* / segment net income, adjusted to include non-GAAP restructuring expense
## Services profitability & CSA-\(^a\) coverage by platform

<table>
<thead>
<tr>
<th></th>
<th>CFM56</th>
<th>GE90</th>
<th>GEnx</th>
<th>LEAP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Avg. fleet age (years)</strong></td>
<td>~12</td>
<td>~10</td>
<td>~6</td>
<td>~3</td>
</tr>
<tr>
<td><strong>% of fleet under CSA</strong></td>
<td>~15%</td>
<td>~60%</td>
<td>~70%</td>
<td>~60%</td>
</tr>
<tr>
<td><strong>Platform Service margin vs. overall Service business</strong></td>
<td>Above</td>
<td>Above</td>
<td>Above</td>
<td>Below</td>
</tr>
</tbody>
</table>

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<p>| |</p>
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• CSA coverage (~40% of Services revenue) reduces with maturity</td>
</tr>
<tr>
<td>• Mature platforms with high CSA coverage accretive to average Services margins</td>
</tr>
<tr>
<td>• CSAs allow GE to manage workscope, drive margin expansion &amp; have a favorable FCF profile</td>
</tr>
<tr>
<td>• Committed to an open network … providing service options at a competitive price</td>
</tr>
<tr>
<td>• LEAP service margins a headwind near-term … warranty &amp; lease pool costs &amp; absence of PRSVs</td>
</tr>
</tbody>
</table>

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\(^a\) – Customized service agreement

CFM is a 50/50 Joint Venture between GE & Safran Aircraft Engines
Services transition & margin expansion

Services revenue growth

- LEAP ... a big contributor to services growth
- Improvement in LEAP service margins between 2022 & 2025, driving overall LEAP program to be profitable by mid-decade

LEAP growth impacting near-term margins ... expecting to drive significant improvement

GEnx services margins

Entry into service (EIS) in 2011

~4x improvement

Improvement drivers

- Improve TOW
- Commercial underwriting
- Cost out
- External part sales
Healthy cash flow generation from CSAs\(^a\))

Billings to go from existing CSAs\(^a\)) …

<table>
<thead>
<tr>
<th>Engine Type</th>
<th>Completed Billings</th>
<th>Future Billings</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFM56</td>
<td>&gt;65%</td>
<td></td>
</tr>
<tr>
<td>GE90, CF6, GP7200</td>
<td>~70%</td>
<td></td>
</tr>
<tr>
<td>GEnx</td>
<td>~90%</td>
<td></td>
</tr>
<tr>
<td>LEAP</td>
<td>&gt;99%</td>
<td></td>
</tr>
</tbody>
</table>

… driving favorable working capital flow

- Flight hours & departures growth drive higher billings
- Billings continue to outpace shop visit volume & drives positive cash flow from contract assets through mid decade

(a – Customized service agreement
(b – Contract assets defined as the difference between billings & revenue recognized.)
Attractive financial profile with services, representing ~70% of revenue & sustainable cash generation

Strong revenue trajectory fueled by growing installed base & higher utilization

Growing operating profit $2.0B+ through 2025 with price, productivity & growth … before absorbing the impact of standalone public company & legacy GE expenses

Higher FCF* driven by working capital opportunities & disciplined investments

Long-term outlook*: MSD to HSD revenue growth\(^{a)}\), continued margin expansion\(^{a)}\), FCF in line with NI

* Non-GAAP Financial Measure
\(^{a)}\) organic basis
Wrap

Larry Culp | CEO
GE Aerospace – creating value now & ahead

Global aerospace leader in attractive, growing commercial & defense sectors

Most competitive value proposition for propulsion

Best commercial & defense platforms

Large installed base

Defining flight for today, tomorrow & the future with differentiated technology & service

Unique products & services, underpinned by deep engineering expertise

Importance of flight support & differentiated services creates customer intimacy

Pioneering future flight technology to decarbonize, lower costs & support mission readiness

Running the business with greater focus & momentum building toward GE Aerospace launch

Embedding lean & decentralization further ... greater product line focus

Higher-margin services represent ~70% of revenue & infrequent equipment replacement cycles

Sustainable cash generation with low capital intensity
Q&A