

March 10, 2021

2021 GE Investor Outlook



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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.

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 appendix of this presentation, as applicable.

Our financial services business is operated by GE Capital Global Holdings, LLC (GECGH). In this document, we refer to GECGH and our financial services business as “GE Capital”. We refer to the industrial businesses of the Company as GE Industrial.

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2021 GE Investor Outlook

Agenda

- 1 **Overview**
- 2 **Consolidated financials**
- 3 **Business updates**
 -  Power
 -  Renewable Energy
 -  Aviation
 -  Healthcare
 -  Capital
- 4 **Digital & Research**
- 5 **Wrap-up & Q&A**

Today's Presenters

- Larry Culp, GE Chairman & CEO
- Carolina Dybeck Happe, GE CFO
- Scott Strazik, Gas Power CEO
- Dan Janki, Power Portfolio CEO
- Jérôme Péresse, Renewable Energy CEO
- John Slattery, Aviation CEO
- Russell Stokes, Aviation Services CEO
- Kieran Murphy, Healthcare CEO
- Jen VanBelle, Capital CEO & GE Treasurer
- Pat Byrne, Digital CEO & GE Operational Transformation Leader
- Vic Abate, GE CTO
- Steve Winoker, GE Investor Relations VP





— Overview

GE Industrial today

(\$ in billions)

	2020 Backlog	% Services backlog	2020 Revenue	% Services revenue	2020 Margin%
 Power	\$80	78%	\$17.6	62%	1.6%
 Renewable Energy	\$30	42%	\$15.7	18%	(4.6)%
 Aviation	\$260	87%	\$22.0	61%	5.6%
 Healthcare	\$17	68%	\$18.0	45%	17.0%
Industrial	\$387	81%	\$73.1	49%	3.4%*

Installed base

Serving customers in vital global markets:

- 7,000+ gas turbines
- ~50,000 Onshore & Offshore wind turbines
- ~37,700 commercial engines and ~26,500 military engines
- 4M+ healthcare installations

Strong service capability: \$313B services backlog & ~50% of revenue

More focused, simpler, stronger industrial with leading technology



* Non-GAAP Financial Measure

Positive trajectory for 2021

Strong foundation to drive sustained improvements

- Empowering the best team with humility, transparency & focus
- Accelerating lean & decentralization... customer focus
- Large installed base, driving services growth
- Committed to delivering on deleveraging commitments

Momentum building across GE businesses

- Well-positioned in FY'21... expect revenue growth, margin expansion & FCF* growth
- Encouraged by improvements across businesses
- Shifting toward more offense... organic growth first

Delivering value for the long term

- Sustaining lean efforts to improve results; embedding values
- Leading in energy transition, precision health & future of flight
- Focus on growth, cash generation & profit... leading to high single digit FCF margins* by '23+

Making GE stronger & driving long-term profitable growth

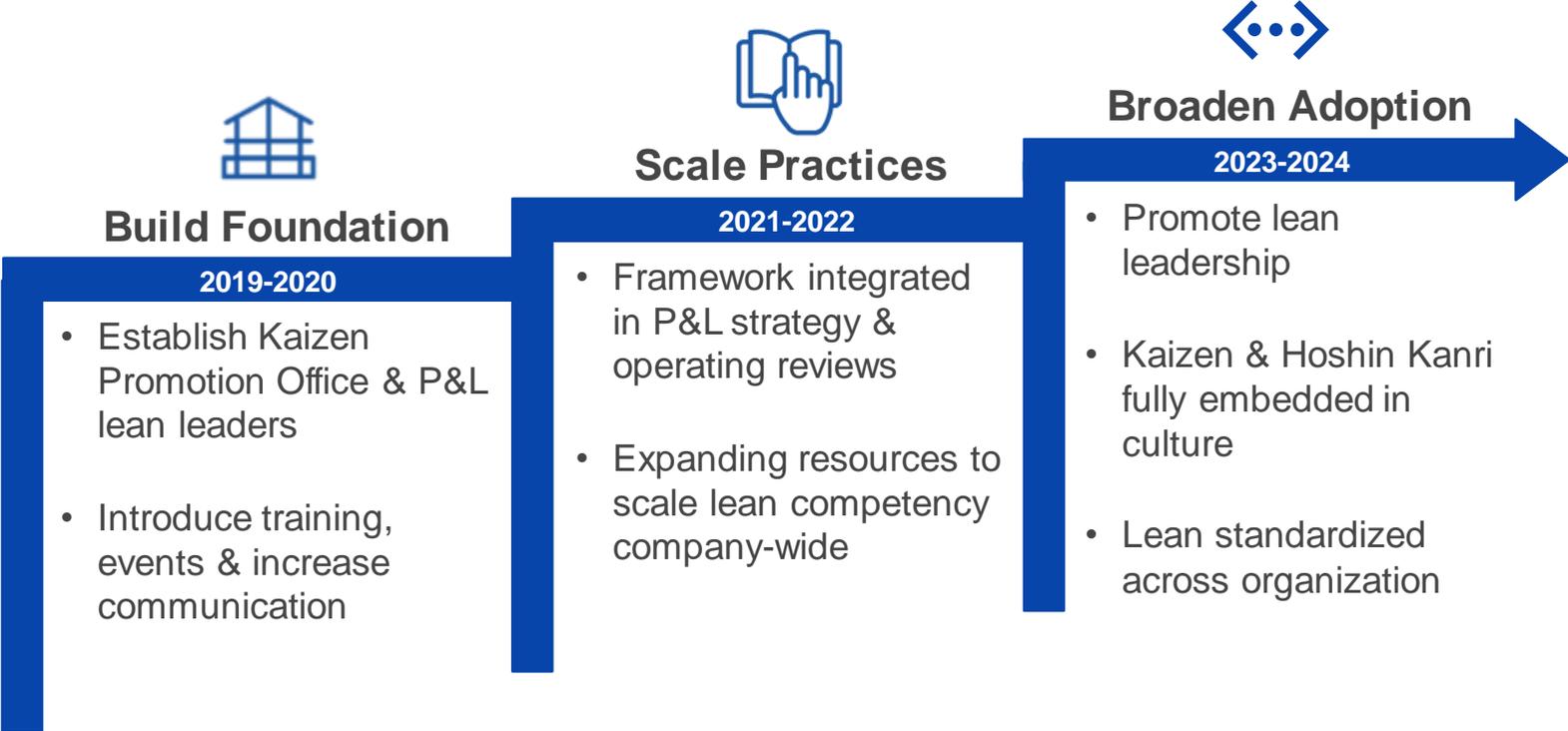


* Non-GAAP Financial Measure

Accelerating GE's lean transformation

Phased approach to lean deployment

Maniacal focus on the customer, Kaizen or continuous improvement, waste elimination at every turn



Meaningful impact

- Safety, quality, delivery & cost (SQDC) improvements
- Broad-based working capital & free cash flow contribution
- Lean-led growth & margin expansion

Lean is real unfinished business... a journey driving continuous improvement

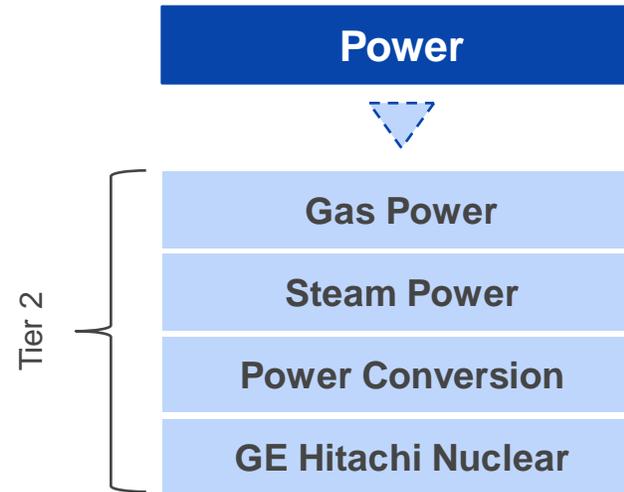


A decentralized business model

Past: focused on Tier 1 businesses



GE today: moving accountability to Tier 2/3 P&Ls



- Moving action closer to the customer... driving operational improvement at deeper levels of the organization
- Prioritizing focus over scale... business strategy, talent development & execution, including supply chain, services & NPI
- Enabling more cross-functional work... breaking down silos, leveraging lean to produce more optimal results
- Enhancing accountability & improving visibility... P&L, balance sheet & cash flow ownership, KPIs

Decentralization is shifting decision-making & operational responsibility to the businesses



2021 outlook

Revenues

LSD
(GE Industrial organic*)

Free cash flow*

\$2.5B to \$4.5B
(GE Industrial FCF*)

Margins

250+ bps expansion
(Adjusted GE Industrial
organic margin*)

EPS

\$0.15 - \$0.25
(Adjusted EPS*)

Outlook assumptions

- Aviation market recovery beginning 2H... top line flat to up
- Gas a key enabler of energy transition ... services growth, selective equipment deals
- Renewable market growth... expand international & services in Onshore, ramp up Offshore, optimize cost base
- Attractive Healthcare market with scans at pre-COVID levels... invest in Healthcare systems growth, PDx recovery
- FCF* driven by earnings & working capital, *excludes one-time factoring reduction impact*

Key variables

- Aviation market recovery, timing of aircraft deliveries
- Renewable Energy operational execution, working capital
- Healthcare market recovery & growth
- Restructuring timing & execution

Positive trajectory in 2021, though still challenged by Aviation



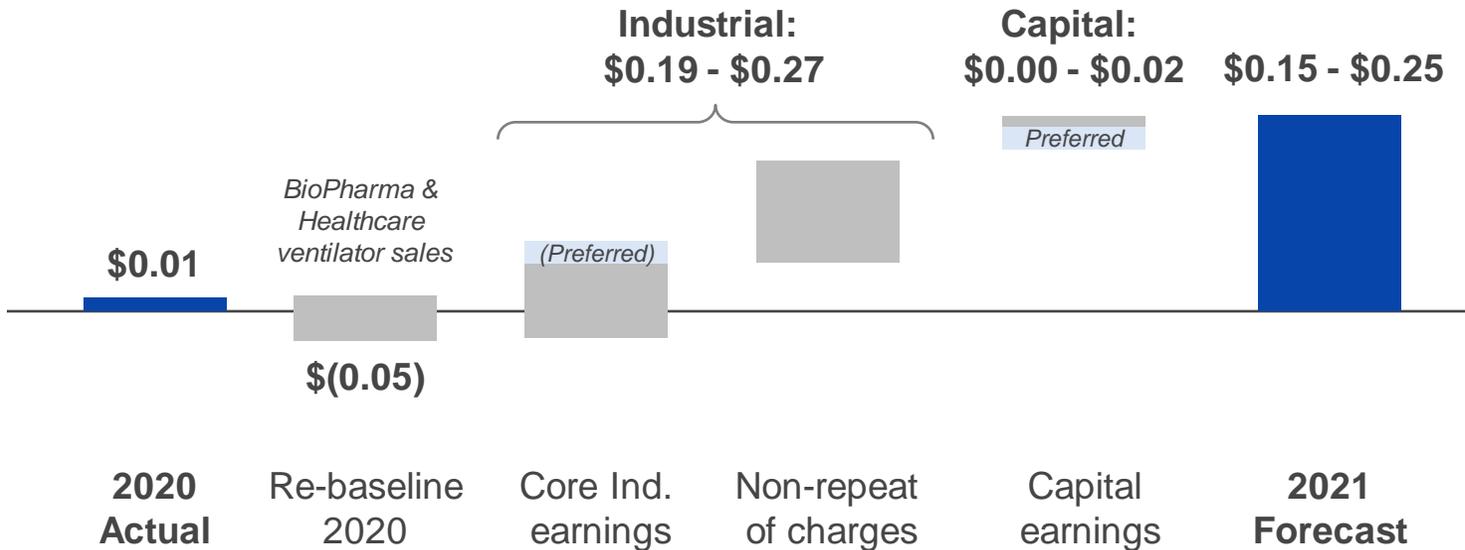
* Non-GAAP Financial Measure



— Consolidated financials

Earnings per share walk

Adjusted EPS* (y/y)



• Includes impact of foregone GECAS earnings to discontinued operations

y/y dynamics

- ~\$(0.04) in '20 after re-baselining for BioPharma & ventilator sales
- Core earnings improvement with ~LSD% top-line growth & margin expansion
- Benefit from lower non-cash charges, primarily in Aviation due to COVID-19
- Preferred dividend moves from Capital to Industrial in '21

Earnings growth driven by Industrial improvement from modest top-line growth & margin expansion

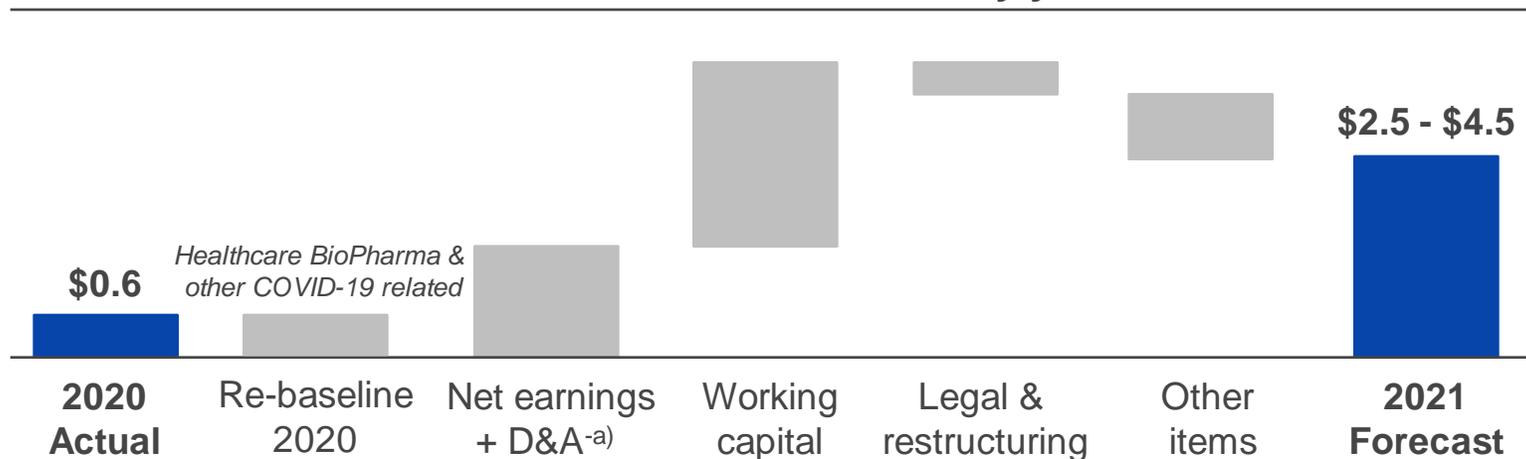


* Non-GAAP Financial Measure

Industrial free cash flow* walk

(\$ in billions)

Industrial free cash flow* y/y



- Earnings contributes 1/3 of y/y FCF* improvement adjusting for '20 non-cash charges
- Working capital materially better y/y ... lean initiatives targeting inventory & receivables; non-repeat of prior year factoring reduction & payables outflow
- Other items include accrued discounts & allowance payments to airframers
- One time impact of reduced factoring to be adjusted out of reported FCF*

'21 working capital flows

- **Receivables:** daily rigor on billings & collections ... improvement in Aviation offset by one-time factoring reduction
- **Inventory:** targeting inventory release across all business units ... multi-year opportunity
- **Payables:** overall pressured from lower inputs with some offsetting volume growth
- **Contract assets:** source of cash ... improving Aviation utilization in line with departures
- **Progress:** Renewable orders growth helps offset headwind in Aviation

Continuing momentum on cash ... cost management & working capital focus in 2021

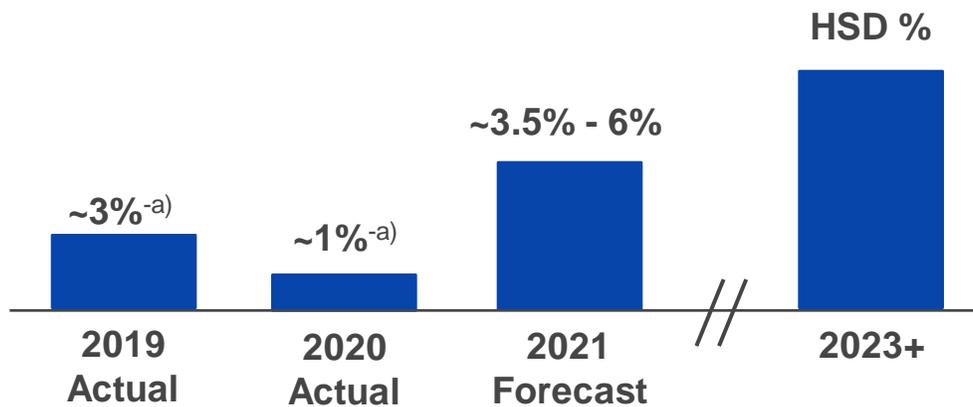


* Non-GAAP Financial Measure

(a – Net earnings plus depreciation & amortization, excluding goodwill impairments, (gains) losses on sales of business interests, (gains) losses on equity securities and non-operating benefit costs

Path to HSD free cash flow margin*

Industrial free cash flow margin*



- Earnings lift through profitable growth and cost out; continued working capital momentum as lean takes hold
- Run-off of legal, pension, and other items; lower restructuring to normal course levels

Segment dynamics

- **Power:** cost reduction, growth in services, and run-off of pension, restructuring, and other items
- **Renewable:** profitable growth in Wind and working capital improvements, cost reduction in turnaround businesses
- **Aviation:** return to '19 levels as market recovers ... cost out, Military, and working capital improvements help offset earnings headwind from new engine and Services mix
- **Healthcare:** invest for profitable growth and continued working capital improvements ... expect FCF conversion*^{-b)} to normalize
- **Corporate:** slight improvement from '20 ... lower Corporate costs & interest expense offset by higher cash taxes as Industrial earnings improve

Path to 2023+ HSD FCF margin* driven by organic growth and margin expansion, with efficient working capital



* Non-GAAP Financial Measure

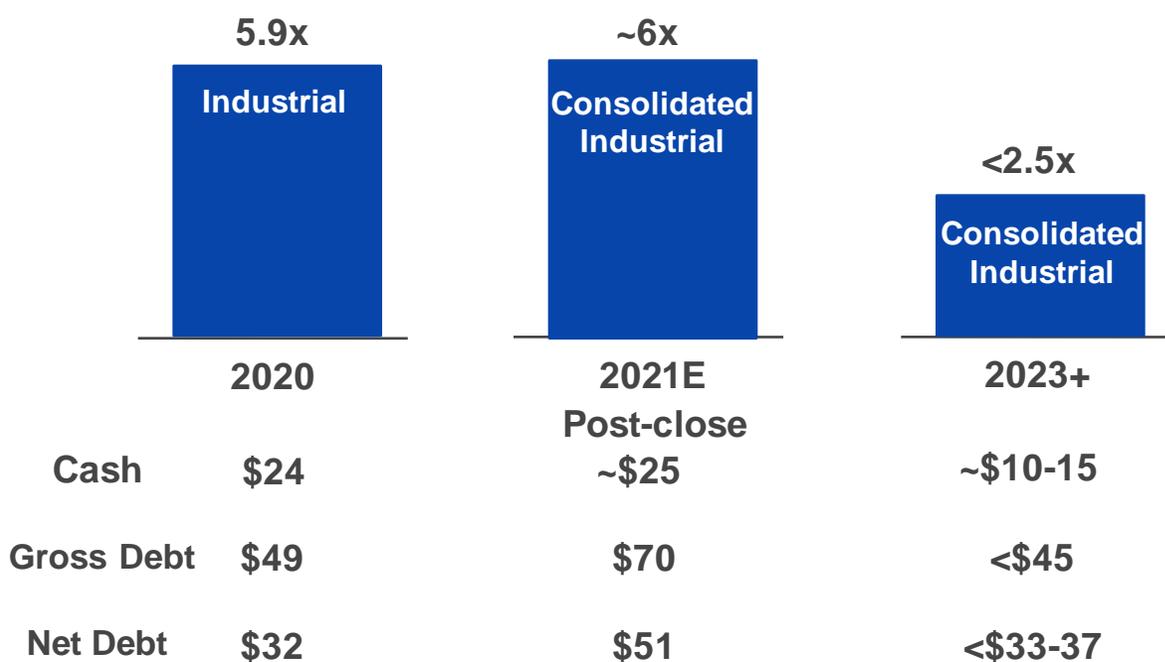
(a – FCF margin* = FCF* / GE Industrial Revenue (GAAP) ... 2019: \$2.3B/\$87.7B = ~3%; 2020: \$0.6B/\$73.1B = ~1%

(b – FCF conversion*: segment FCF* / segment net income, adjusted to include non-GAAP restructuring expense

GE balance sheet... path to well capitalized company

(\$ in billions)

Leverage: net debt* / EBITDA*



Commentary

Building on YE'18 to YE'20 liability reduction of \$37B:

- GE Capital debt: \$14B, Industrial debt: \$16B, Factoring: \$7B

Transaction proceeds and existing cash used for ~\$30B debt reduction in '21

- Reduce debt & factoring and fund debt retirement costs

Significant sources to reduce incremental ~\$25B debt/ pension reduction over time as well as fund other outflows

- Sources: Transaction equity stake, BKR proceeds, FCF
- Other outflows: Insurance funding, dividends, investment in core Industrial businesses

Committed to financial policy

- Maintaining strong investment grade rating through transition

>\$70B debt reduction from 2018 to transaction close ... expect consolidation impact to be leverage neutral '20 to '21



* Non-GAAP Financial Measure



— Business updates

Building a world that works

Strategic opportunities in end markets

- Energy transition: sustainability & reliability & affordability
- Precision health: integrated, efficient, highly personalized care ... AI/digital
- Future of flight: industry recovery & new technology for sustainability goals ... our engine platforms always driven by efficiency

Climate change urgent global priority

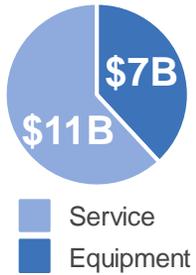
- Taking action with our customers to help the world decarbonize ... ability to drive significant change because of size & scale
- Renewables: fastest growing source of new power generation capacity
- Gas: essential and complementary role to help accelerate decarbonization
- Grid: modernizing physical + digital grid crucial to ensuring resiliency, driving further decarbonization

GE is innovating to help customers solve global challenges





— Power



Power – summary

Gas Power:

- Stabilized and right-sized business to market reality ... advancing the turnaround
- Accelerating lean transformation: services growth, cost productivity, working capital
- Gas will play a critical role to enable the energy transition

Power Portfolio:

- Steam Power: strategic pivot, Power Conversion: profitability and growth, GE Hitachi Nuclear: services & next generation technology

Valuable businesses we're working to run better and position to lead in the energy transition



Power – outlook

	<u>2020</u>	<u>2021F</u>	<u>2022F</u>
Revenue:	\$17.6B	Down MSD ^{*-a)}	~Flat ^{*-a)}
Segment margin:	1.6%	Expanding ^{*-a)}	Expanding ^{*-a)}
Free cash flow*:	\$0.0B	~Flat (GP up & PP down)	Up

2021

Gas Power: HSD segment margin, FCF* improvement:

- Equipment: improved margin rate with lower revenue
- Services: LSD revenue growth, improved field execution
- Working capital improvement ... inventory turns, DSO

Power Portfolio: Steam Power planned new build coal exit, Power Conversion & GE Hitachi Nuclear sequential improvement

2022+

Gas Power: margin expansion, 90%+ FCF conversion^{*-b)}

- Equipment: cost productivity for competitiveness; Services: focus on field excellence
- Lower cash use from long-term AR factoring, restructuring, etc.

Power Portfolio: reduced cash usage from planned exit of new build coal in '22 ... core improvement in margin and FCF*

Business turnarounds accelerating



* Non-GAAP Financial Measure

(a – Organic basis

(b – FCF conversion*: segment FCF* / segment net income, adjusted to include non-GAAP restructuring expense

Power – free cash flow*

(\$ in billions)

	<u>2020</u>	<u>2021F</u>
Net earnings	\$0.1	Better
Depreciation & amortization	0.7	Lower
Operating working capital	(0.1)	Better
Other CFOA	(0.6)	Lower
CFOA	\$0.3	~Flat
Gross Capex	(0.3)	Flat
FCF*	\$0.0	~Flat

2021/+ dynamics

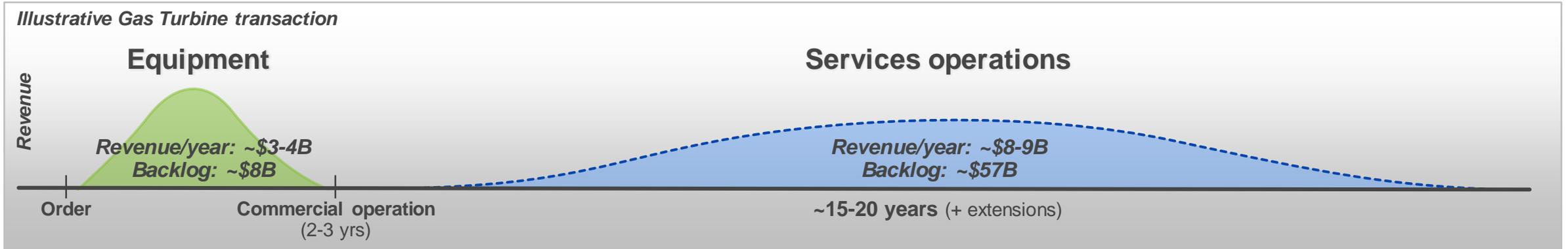
- Gas Power: growing FCF* in '21
 - Improving on-time collections, linearity & intra-quarter peak usage
 - Inventory turns improvement through lean management
 - ~\$(0.8)B cash usage from long-term AR factoring run-off & restructuring in '21, significant drop-off in '22
- Power Portfolio: operational and working capital improvements more than offset by planned coal restructuring, legal settlements & project close-out

Working capital improvements across both Gas Power and Power Portfolio



* Non-GAAP Financial Measure
Refer to page 63 for additional information on free cash flow* components

Gas Turbine lifecycle



Equipment

- New equipment orders evaluated on lifecycle basis, inclusive of services ... targeting a risk-adjusted backlog to enable future services annuity
- Competitive dynamics, largely due to long-term potential in base-load large GT space; driving cost-out
- Commercial operation ~3 years from order notice to proceed ... services outages ~3 years post operation

Services

- Contractual: stable fleet; revenue tied to outages, cashflow tied to utilization and milestones
- Transactional: Varying customer behavior drives timing and scope ... buying profile not always linked to outages
- Upgrades improve performance and extend life for contractual and transactional customers

20+ year business model ... value creation linked to electricity generation growth & services customer experience

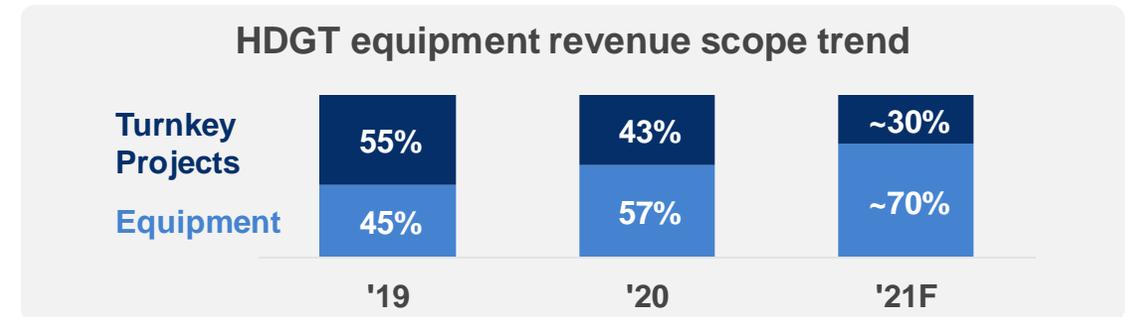


Spotlight: Gas Power Equipment

Business environment

- Sizing for ~25-30 GW GT orders per year medium-term
- HAs will provide reliable base load generation with 1/3rd the carbon emissions of coal
 - 123 units ordered; 93 units shipped
 - 52 units in operation; ~870K operating hours
- Growth in Aeroderivatives enabling peak power
- Investing for higher efficiency (ex: 7HA.03) and decarbonization (fuel flexibility, combustion)

Operational focus areas



- Focused underwriting and project selectivity translating to lower equipment revenues, better risk/return profile
- Accreting margins during project execution; along with engineering & sourcing investments for cost productivity

Technology well positioned ... focused on building risk-adjusted installed base for future services annuity



Spotlight: Gas Power Services

Business environment

- Planning GE fleet utilization to be roughly flat in '21
- Executing higher outages in '21 after '20 deferrals
- Stable billings in contractual; entering '21 with stronger transactional backlog
- Positioning upgrades for energy transition ... improved dispatch with better operational and fuel flexibility

Operational focus areas

- Factories expanding focus to better support outages:

Better material presentation for shrouds; ~50% reduction in prep and install time



- Field focused on improving standard work for operators:

From thousand-page procedures to live visual tools for craft labor



Line of sight to growth in '21 ... leveraging lean to better service the fleet for our customers



Gas will play critical role in energy transition

Catalyst for faster decarbonization

- Gas plant carbon emissions 1/2 of coal on average...
HA carbon emissions 1/3rd of coal
- US power sector CO₂ emissions down 33% since '07...
~40% of the reduction driven by coal-to-gas switching
- ~2,000 GW of coal capacity remains in the world... still
largest source of global power generation
- Traded LNG to grow by ~80% by '40... rest of world
can benefit from US experience

Pathways towards zero carbon GTs

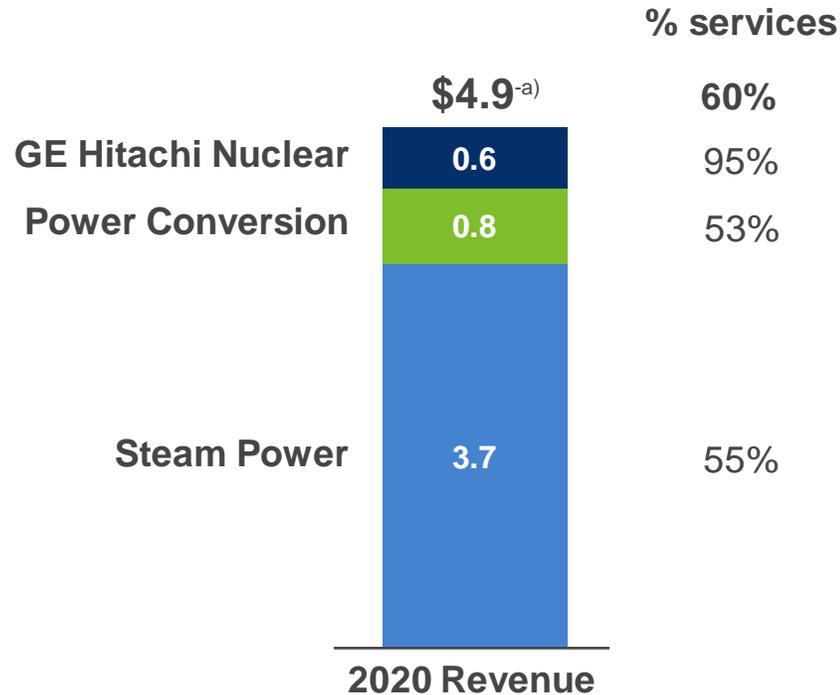
- Hydrogen: GE has leading combustion technology ...
 - ~70 GTs with more than ~6 million operating hours on
hydrogen & hydrogen-like fuels
 - 1st hydrogen blend HA COD by Dec. '21... customer
intent for 100% hydrogen by 2030
- Carbon capture: investing & partnering to advance adoption
 - GE engineering strength in combined cycle ... efficiently
integrate carbon capture into thermal plant performance
 - Multiple amine-based technologies, active DOE programs

Gas generation essential for grid resilience & complementary to renewables ... GE positioned to lead decade of action



Power Portfolio - summary

(\$ in billions)



- Operating margin improving
- FCF* to be paced by planned new unit coal exit

Business dynamics

Steam Power... strategic pivot, planned exit of new unit coal

- Multi-year process, consultation on-going
- ~\$3B business in '23 focused on services and new unit nuclear

Power Conversion ... return to profitability & growth

- 3rd year of continuous improvement ... performing well
- Lean embedded in daily operating model

GE Hitachi Nuclear ... role in energy transition

- Stable, focused services business ... high-single digit margins
- Supporting customers with license and life extensions
- Development of advanced small modular reactors and fuels

Decentralized operating model, aligned business teams & focused execution



* Non-GAAP Financial Measure
(a - also includes \$(0.2) HQ/other)

Spotlight: Steam Power

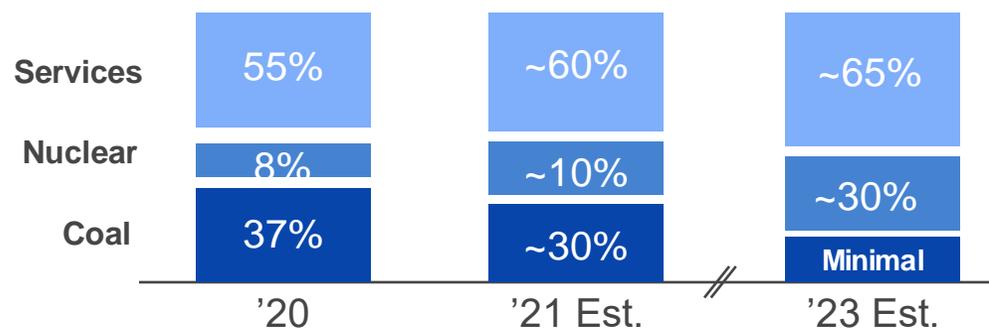
(\$ in billions)

Coal New Unit Exit

Ending backlog



Revenue Composition (%)



2021/+ dynamics

Planned Coal exit ... backlog execution & cost actions

- Consultation ongoing, exit timing tied to backlog execution
- Restructuring, project close-out & legal settlement ... ~\$600 - \$700M cash impact in '21... reduced cash use in '22

Steam Services

- "One Field Services" = better customer execution, productivity
- High-single digit FCF margins*

Steam Nuclear new build

- Stable backlog, revenue to ~30% of total business

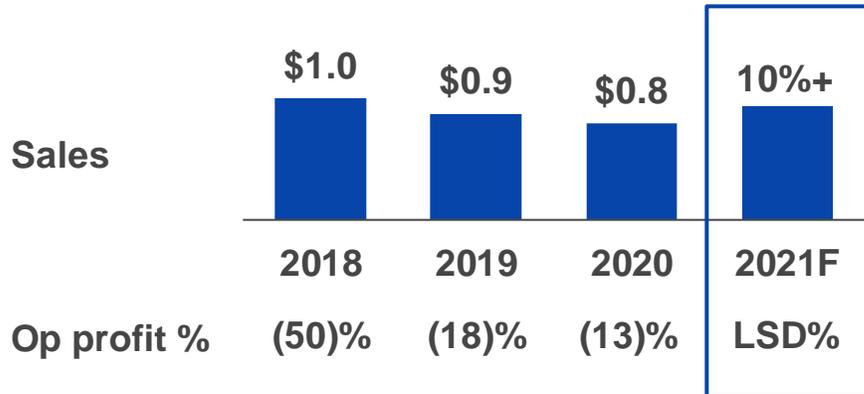
Multi-year process ... team executing well



* Non-GAAP Financial Measure

Spotlight: Power Conversion

(\$ in billions)



Path to sustained profitability & topline growth

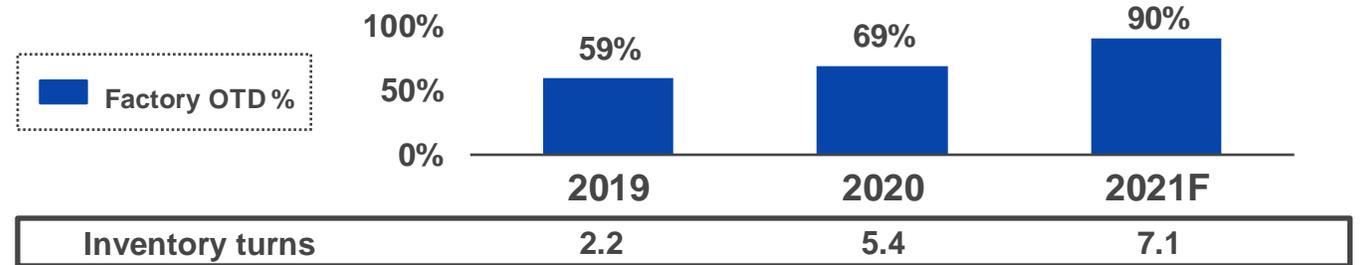
Operational improvement: ↑ on-time delivery, cost-out, improving quality & safety

Cost out & cash flow: SG&A reduction; working capital improvements... payment terms & inventory turns

Growth: focused on profitable sub-segments across Marine, O&G, Industry & Services

Implementing lean operating system

On-time delivery improvements yielding customer & working capital benefits



An example ...

France



2 Factories

Actions

- ✓ Instill lean culture at Genba
- ✓ Implement standard work
- ✓ SI&OP by function

Results

On-time delivery: Mar: 12% → Dec: 62%
Inventory turns: 4.1 in '19 -> 8.1 in '20

Applying lean to commercial processes in '21

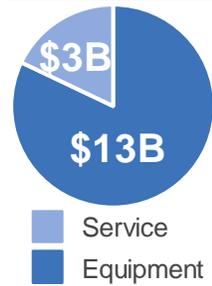
- Strengthen key account focus & bid management processes, improve segmentation
- Grow services... ↑ installed base coverage, ↓ parts quote cycle-time

On track to return to profitability in 2021 & top-line growth





— Renewable Energy



Renewable Energy – summary

- Uniquely positioned to lead the energy transition with products and integrated solutions: growing new renewable energy generation, lowering cost of electricity & modernizing the grid
- Focusing on top operational priorities & lean deployment ... safety, quality, delivery & cost
- Key distinct businesses:
 - **Onshore: \$10.9B*** ... #1 position in the U.S.; focused on improving profitability & operations
 - **Offshore: \$0.2B*** ... strong global momentum, building towards a ~\$3B business by 2024
 - **Grid Solutions: \$3.6B*** ... well positioned for energy transition; turnaround accelerates
- Growing services/repowering → digital services to unlock value of total installed base

Leading in energy transition, while focused on improving execution



* FY'20 revenue

Renewable Energy – outlook

	<u>2020</u>	<u>2021F</u>	<u>2022F</u>
Revenue:	\$15.7B	MSD ^{*-a)}	MSD ^{*-a)}
Segment margin:	(5)%	Better ^{*-a)}	Positive ^{*-a)}
Free cash flow*:	\$(0.6)B	Up & positive	Up

2021

- Onshore Wind: execute backlog, deliver positive margins with improved execution
- Offshore Wind: secure more multi-year commitments & execute 6 MW EDF France project
- Grid Solutions & Hydro: continue turnaround with deal selectivity, cost out & better project profitability
- Reduce fixed costs
- Fund technology initiatives

2022+

- Onshore Wind: US market stable pending '24/'25 PTC exit surge, international growth
- Convert Offshore commitments >5 GW today... path to breakeven profit & positive FCF* by '22
- Grid Solutions: breakeven by '22; Hydro: breakeven by '23
- Grow services penetration, leveraging digital
- Continue to deploy cost productivity initiatives

Continued improvement driven by operational execution & scaling Offshore Wind



* Non-GAAP Financial Measure
(a- Organic basis)

Renewable Energy – free cash flow*

(\$ in billions)

	<u>2020</u>	<u>2021F</u>
Net earnings	\$(0.6)	Better
Depreciation & amortization	0.4	~Flat
Operating working capital	0.4	Better
Other CFOA	(0.5)	Worse
CFOA	\$(0.3)	Better
Gross Capex	(0.3)	Higher
FCF*	\$(0.6)	Up & Positive

2021/+ dynamics

- Improving profitability (organic growth & execution)
- Lean enabling sustainable working capital improvement, examples:
 - Inventory... rolling out standard inventory levels, establishing pull-system & increasing suppliers' flexibility in Onshore Wind
 - Receivables... improving DSO with daily cash management & linearity actions
- Offshore Wind to contribute substantial progress payments
- Improvements to help fund critical capex investments

Driving sustainable, positive FCF* by 2021

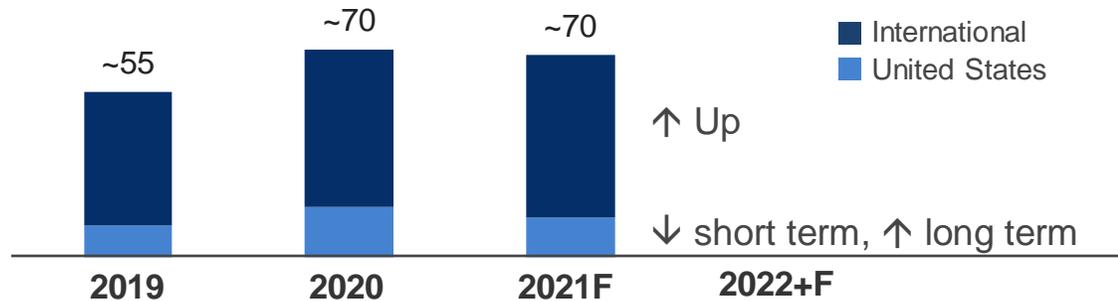


* Non-GAAP Financial Measure
Refer to page 63 for additional information on free cash flow components

Spotlight: Onshore Wind dynamics

Attractive Industry

ONW new equipment segment size outlook (in GW, Install Year)



Source: WoodMac

- Outlook: U.S. short term decline & then up, international up
- U.S.: in '21 expect installs of 13GW (vs. '20 17 GW) & strong orders of ~12GW, off market peak, repowering continues
- Target profitable international markets: expand Cypress platform by improving competitiveness

Operational Improvements

- U.S. Onshore Wind ... delivered record '20 volume with ~5k units installed
 - Leading with 50%+ market share^{-a)}... technology, execution & new products
 - EFS financing support
- LM Wind Power... leveraging technology, productivity initiatives & supply chain efficiency at Kaizen events to deliver ~\$30M annualized cost savings
- Services... increase penetration on 50k turbines installed, integrating digital
 - Optimizing operations... (18)% inventory reduction & variable cost productivity ~(6%)

Mid-single digit margins & solid FCF conversion^{*-b)} by 2023... high-single digit op margins over time



* Non-GAAP Financial Measure

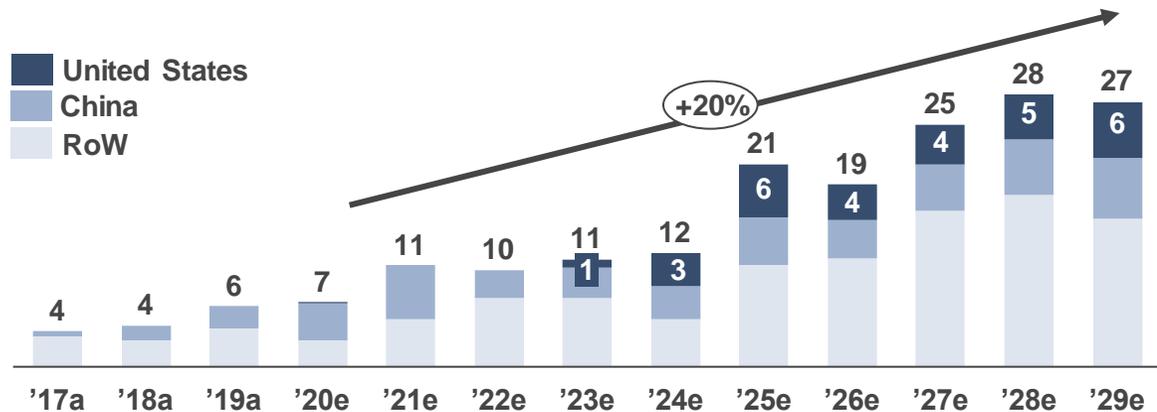
(a – ACP –The American Clean Power Association

(b – FCF conversion*: segment FCF* / segment net income, adjusted to include non-GAAP restructuring expense

Spotlight: The Haliade-X ... the right turbine at the right time

Offshore Wind Forecast

New installs per year, in GW

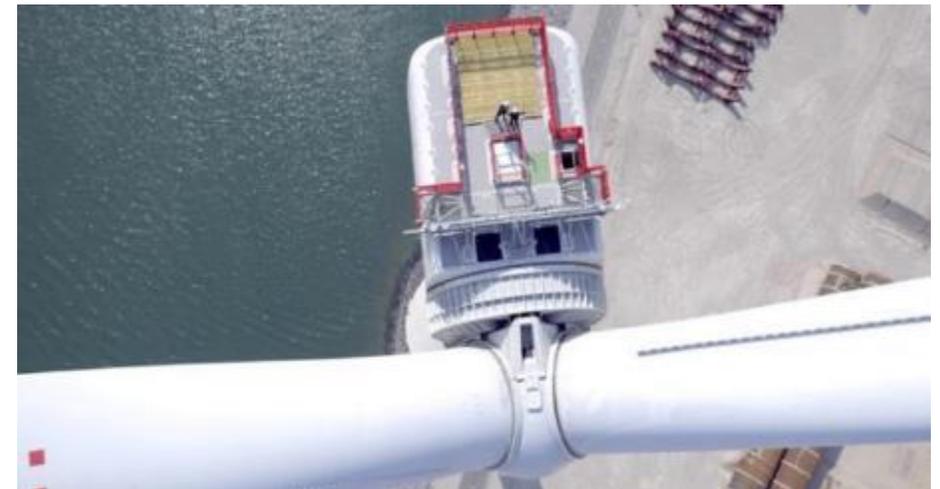


Source: WoodMac

- The global offshore wind sector will grow at >20% CAGR in the next 10 years, from 36GW to 200GW installed base ... expanding from Europe into US and Asia
- GE fulfilling 5.7GW of order commitments starting in '22

Technology & Execution

- Rotterdam prototype operating & certified at 13 MW... will evolve with customer needs
- Daily management system deployed in engineering
- De-risking execution - rigorous technology testing, industry validated models, project rigor & staffing



Established strong track record & customer confidence... supporting ~\$3B business by 2024



Spotlight: Grid Solutions

Clear strategic focus

- Provide solutions for renewable integration..... grid technology for load management & stability / reliability
- Investing in enablers for energy transition ... digital services, automation, green gas for grid (g3)
- Leverage infrastructure expansions & upgrades for growth
- Six discrete P&Ls ... all with opportunity to deliver better performance, path to breakeven by 2022

Turnaround progress

- **Focus:** Narrower & more impactful priorities, such as reduced exposure to turnkey projects
- **Cost:** Resized footprint from 31 to 19 industrial sites; product cost (quality, deflation)
- **Cash:** Reaching positive FCF* through working capital improvements

Improvement examples:

- Lean: avg. DSOs improved by 10%+ in '20
- Transformers: ↓ lead time by 20% at Waynesboro
- Substations: time to resolve customer issues ↓ by ~30%

Executing on strategic initiatives to breakeven in '22



* Non-GAAP Financial Measure

Spotlight: innovation ... creating competitive advantage

LCOE^{a)} reductions coupled with easier Grid integration will drive increased adoption of renewable energy



Superconducting Generator

Breakthrough power density
for Offshore Wind

- Long term – high power density to reduce weight & cost
- Development acceleration with DoE program



Additive Manufacturing

Disruptive cost & logistics

- Investment in IP, full blade tip testing in '21, tower certification
- Blade recycling & material reuse



Hybrid Systems

Dispatchability improves
project value

- Solutions for higher renewable energy penetration
- Hybrids Controls integrating wind with solar & storage

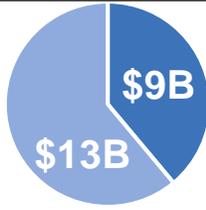
Constant innovation ... driving performance, quality & sustainability



(a – Levelized cost of energy)



Aviation



■ Service
■ Equipment

Aviation – summary

- Diversified commercial business ... differentiated by the breadth of services & equipment portfolio across narrowbodies, widebodies, regional jets and freighters
- Growing Military business ... capitalize on demand that exists today & win generational competitions for domestic, international and indigenous platforms
- Positioning Aviation for the future ... transforming how we run the business through lean while making the technological investments needed to deliver 20%+ efficiency in the next generation of engines

Differentiated portfolio positioned to win today & in the future



Aviation – outlook

	<u>2020</u>	<u>2021F</u>	<u>2022F</u>
Revenue:	\$22.0B	LSD growth ^{*-a)}	Up ^{*-a)}
Segment margin:	5.6%	LDD ^{*-a)}	Growing ^{*-a)}
Free cash flow*:	\$(0.0)B	Up, partial recovery	Up

2021

- Market recovery begins in earnest in 2H'21
- Shop visits expected to be roughly flat to '20 – expecting green-time utilization to continue
- Aligned to airframer production rates – monitoring delivery profiles of key programs
- Focused on Military growth opportunities – expecting high-single digit revenue trajectory

2022+

- Narrowbody recovery outpaces Widebody
- Shop visit growth expected as airlines perform maintenance deferred during '20 and '21
- Commercial portfolio ramping deliveries of next generation engines
- Military continues to be a growth story on legacy engine lines + next generation programs

Progress in '21 as end-markets recover



* Non-GAAP Financial Measure
(a- Organic basis)

Aviation – free cash flow*

(\$ in billions)

	<u>2020</u>	<u>2021F</u>
Net earnings	\$0.8	Better
Depreciation & amortization	1.1	Flat
Operating working capital	(0.7)	Better
Other CFOA	(0.6)	Lower
CFOA	\$0.8	Better
Gross Capex	(0.8)	Better
FCF*	\$(0.0)	Up, partial recovery

2021/+ dynamics

- Earnings growth underlying sustainable FCF* improvement in '21 and beyond
- Working capital improvements via lean management and steadying of end-markets
- Other CFOA driven by discount payments as aircraft deliveries catch-up vs. '20
- CAPEX improving as business reduces spend to account for a smaller commercial aerospace market

Delivering sustainable FCF* in 2021 & beyond

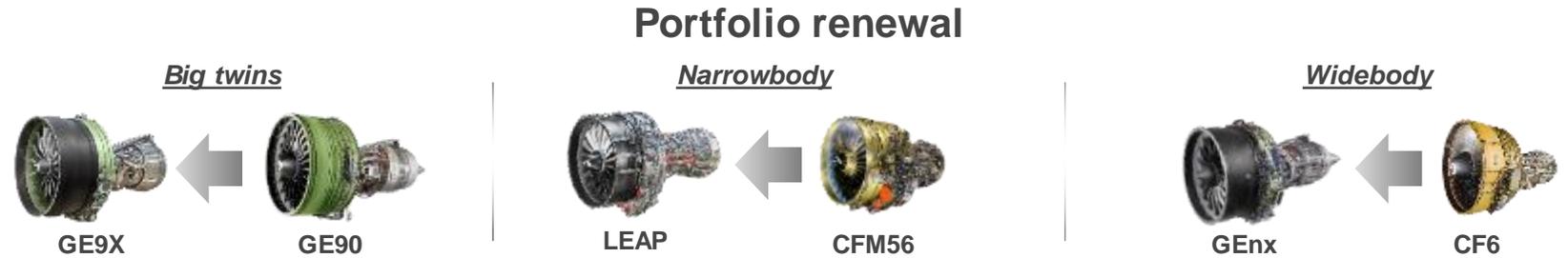
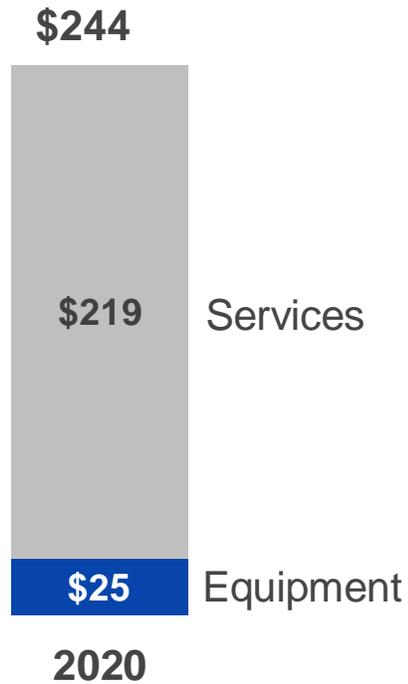


* Non-GAAP Financial Measure
Refer to page 63 for additional information on free cash flow components

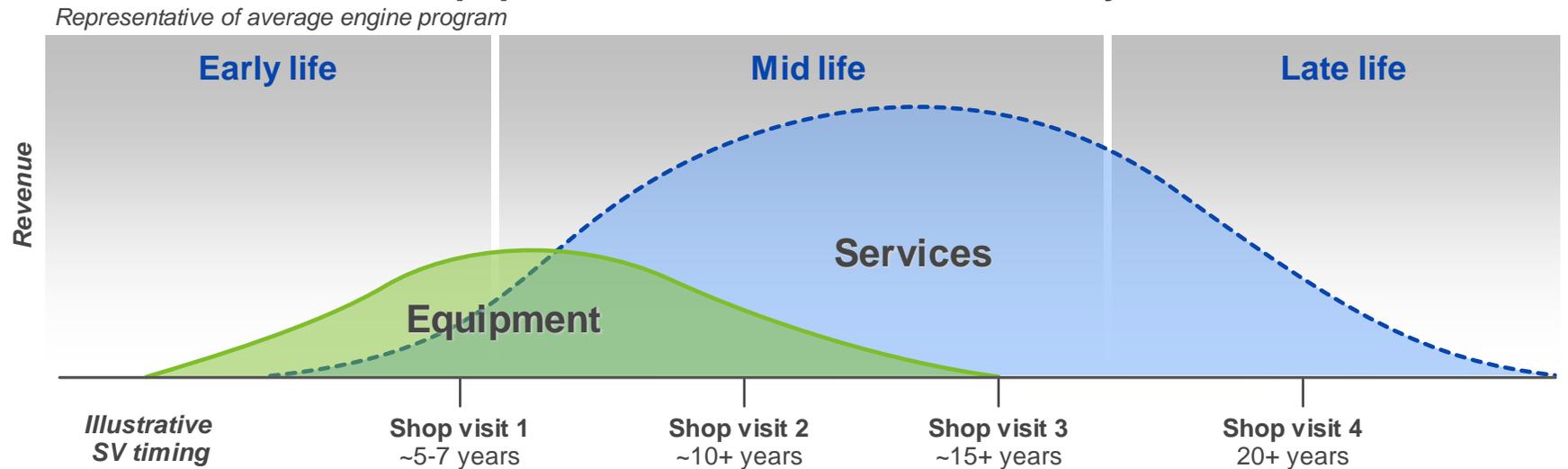
Spotlight: Aviation product lifecycle

(\$ in billions)

Commercial backlog



Equipment and services revenue lifecycle



Installed base of ~38K engines across the GE and CFM fleet

GE and CFM with industry's youngest fleet ... >60% of fleet has had one or less shop visits



CFM is a 50/50 joint company between GE and Safran Aircraft Engines

Spotlight: Aviation Commercial Services

Shop visit drivers

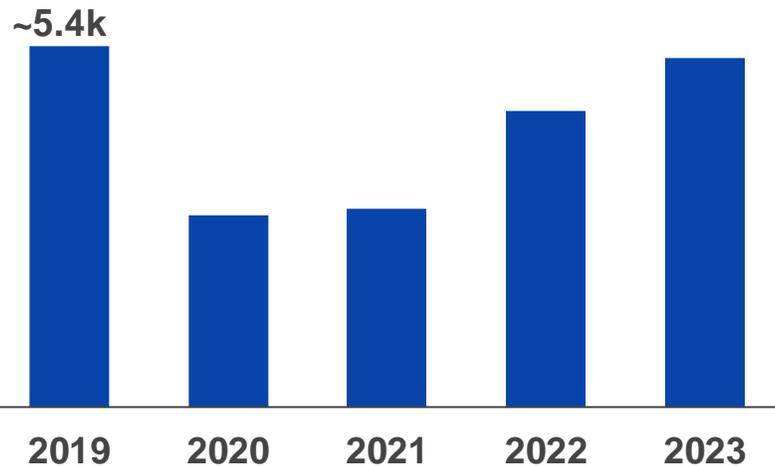
of SV

- Departures
- Retirements
- Green-time

\$/SV

- SV scope
- Used Serviceable Material (USM)

GE & CFM Shop Visit outlook^a



Market dynamics

- Shop visits drive revenue profile of the business – flat levels to '20 in '21 ... recovery to '19 levels by approximately '23
- Timing of shop visits impacted by deferrals due to green time utilization & retirements – retirements expected to increase in '21 vs. '20
- Quality of shop visits remains stable – minimal reduction in scope

What are we doing

- Customer relationships ... market knowledge allows for tailored solutions
- Differentiated model ... ensures network is ready for uptick in demand
- Driving lean ... reducing engine turn-around-time and inventory levels

Offering many the most tools to support airlines & lessors return to flight – and win

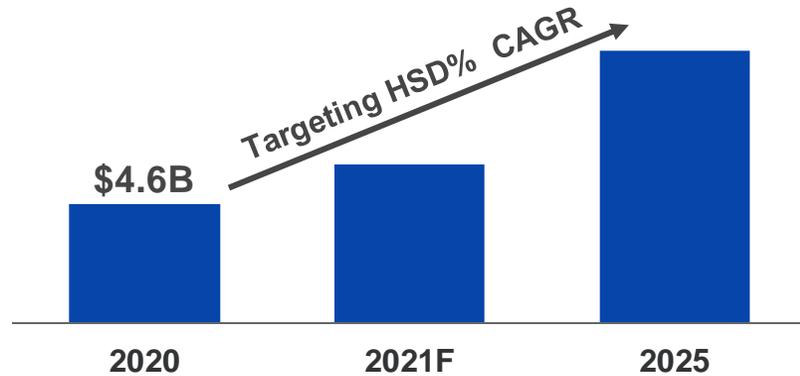


(a – World Wide Shop Visits ex-LEAP)

Spotlight: Military outlook

Accelerating execution

Military division revenue outlook



- Execution gated growth in '20 ... lean approach to problem solve for delivery and quality
- Increasing demand for current products; engine portfolio renewal ongoing with key wins announced in rotorcraft
- Expecting HSD revenue growth in '21 and through '25

Operational focus areas

- Reducing unnecessary travel inside / outside of facility

Insource work to eliminate 1,800 miles of part travel & optimize cell layouts to cut 6k feet of part movement



- Reduced lead time and risk of single points of failure

Cut 116 days of lead time across multiple operations



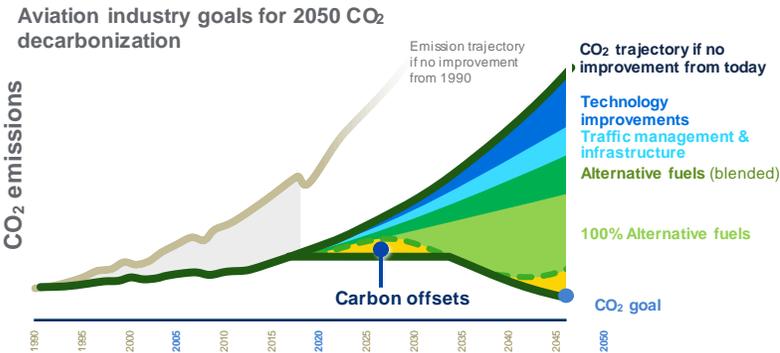
Strong & growing Military business in both domestic & international segments



(a – Fleet includes only military aircraft engines (combat, rotorcraft, tankers)
CFM is a 50/50 joint company between GE and Safran Aircraft Engines

Spotlight: driving a more sustainable future of flight

Supporting Industry

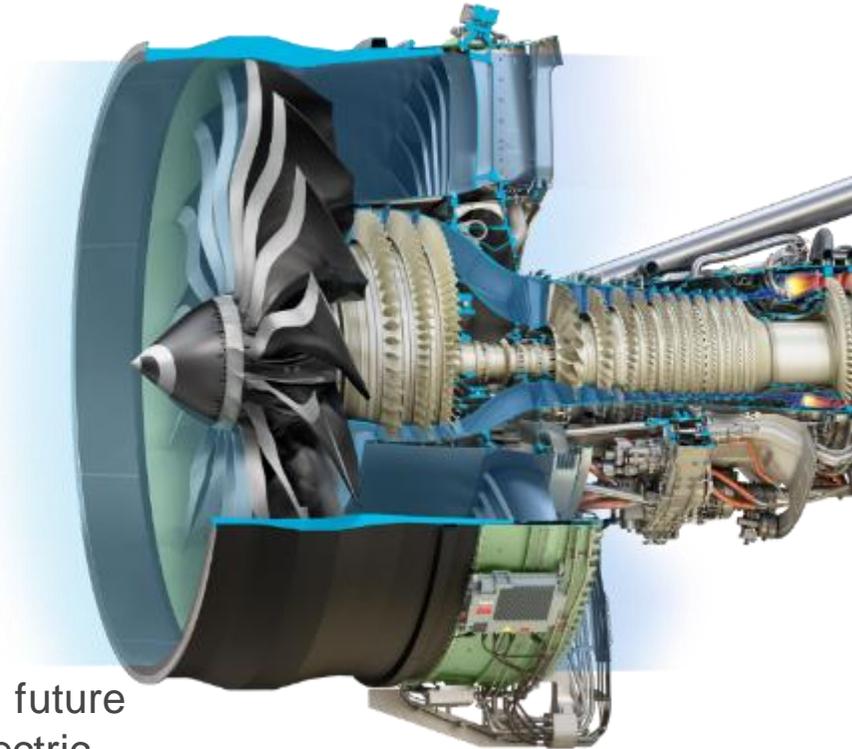


Source: ATAG, GE internal analysis

- Advocating for alternative fuels and advancing the technology
- 15+ years experience testing and evaluating drop-in fuels
- All GE and CFM engines certified to operate Sustainable Aviation Fuels

Leading Technology Evolution

- Heritage of products reducing CO₂ emissions
- ~\$1.8B annual R&D spend for next generation
- Step-changes in efficiencies: architecture and advanced material
- Tech maturation and demonstration ready this decade
- Next gen narrowbody with 20%+ better fuel efficiency vs. LEAP
- Leveraging GE capabilities to develop future net zero aircraft: Hydrogen, Hybrid Electric



Strongest technology portfolio in our history ... a foundation for decarbonization



CFM is a 50/50 joint company between GE and Safran Aircraft Engines



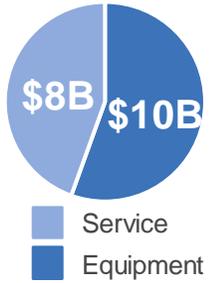
Healthcare

Healthcare – summary

- Strong GE Healthcare franchise with global scale & reach ... leveraging breadth & installed base for growth across equipment & services
- Market fundamentals strong + improving ... partnering with all customers, from governments to local hospitals
- Driving operational improvements ... using lean & aligning strategic business units to drive accountability
- Growing & investing in Precision Health ... creating intelligence-based systems with AI and our Edison™ platform to provide more productive healthcare capacity and better patient outcomes



2020 Revenue



Global healthcare franchise uniquely positioned to win in precision health



Healthcare – outlook

	<u>2020</u> (excludes BP)	<u>2021F</u>	<u>2022F</u>
Revenue:	\$17.1B ^{*-a)}	LSD/MSD ^{*-a)}	Growing ^{*-a)}
Segment margin:	15.8% ^{*-a)}	+25 – 75bps ^{*-a)}	+25 – 75bps ^{*-a)}
Free cash flow*:	\$2.6B [*]	Flat to slightly up	Flat to up

2021

2022+

- Imaging, Ultrasound & PDx markets rebounding and procedures stabilizing; services growth
- Increased R&D spend driven by digital & Edison apps
- Executing on variable & fixed cost to drive margin expansion
- Lean improvements driving FCF conversion^{*-b)} > 100%
- LSD to MSD market growth and continue to see movement towards Digital solutions
- Expanding R&D investment in Digital & AI
- Organic margin expansion driven by product & service cost out & G&A leverage
- FCF conversion^{*-b)} ~100% of net income

Significant opportunity for value creation with continued operational rigor, investment & innovation



* Non-GAAP Financial Measure

(a – Organic basis)

(b – FCF conversion*: segment FCF* / segment net income, adjusted to include non-GAAP restructuring expense)

Healthcare – free cash flow*

(\$ in billions)

	<u>2020</u>	<u>2021F</u>
Net earnings	\$2.3	Better
Depreciation & amortization	0.6	Flat
Operating working capital	0.1	Better
Other CFOA	0.1	Lower
CFOA	\$3.1	Flat to up
Gross Capex	(0.3)	Flat
FCF*	\$2.9	
FCF ex. BP*	\$2.6	Flat to slightly up

2021+ dynamics

- Delivered over 120% conversion^{*-a)} in 2020 with improvement in working capital
- Expecting more than 100% conversion^{*-a)} in '21 & '22
- Working capital improvements primarily driven by lean initiatives in the plants, reducing inventory & improving on-time-delivery for customers
- Capex investment returning to pre-COVID levels to drive innovation and growth

Sustainable FCF* at high conversion* rates through lean improvements



* Non-GAAP Financial Measure

(a – FCF conversion*: segment FCF* / segment net income, adjusted to include non-GAAP restructuring expense
Refer to page 63 for additional information on free cash flow components

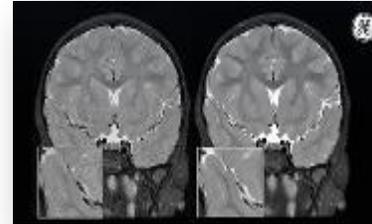
Spotlight: customer-driven innovation

Ultrasound – Voluson SWIFT



“... is **intuitive to use** and comes with many **options to personalize** the system to your preferences and auto-measurement tools that allow you to **focus on the examination rather than time-consuming adjustments**” Dr. Ralf Menkhaus, Gynecologist Germany

MR – AIR Recon DL



“... **improves image quality while reducing scan times**, which directly impacts patient comfort. When you can improve the delivery of care and enhance the clinical efficiency of the team, **it's a win-win.**” Peter Ferrari, President, Shields Health Care Group – first site to scan with AIR Recon DL

Edison™ – Command Center



“... guides our hospital along the path of **automating care delivery** ... our team gathered valuable patient insights from our command center which we've been able to apply to managing **reduced length of stay & better patient flow**” Dr. Peter Chang, VP for care transitions, Tampa General Hospital

Life Care Solutions – Mural



“... allows us to execute our vision of **increasing the level of care in community hospitals**, allowing patients across the state of Oregon to receive **the care they need closer to home** ... optimizing ICU capacity in the area” Joe E. Ness, M.H.A., R.Ph Senior VP and COO of OHSU Healthcare

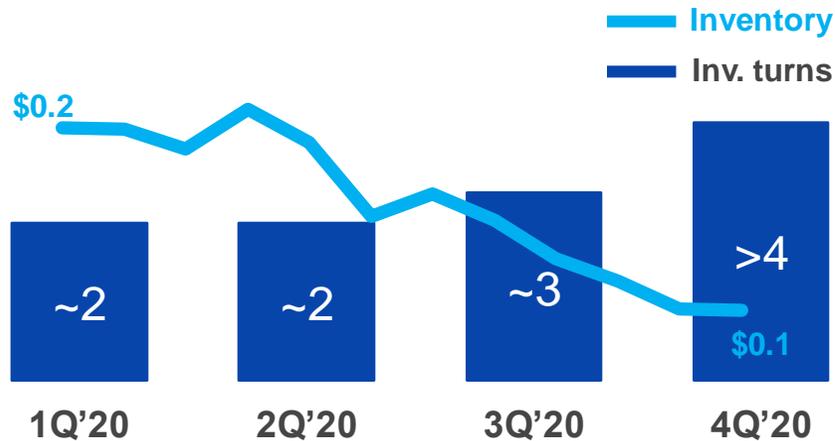
Innovating for customers ... providing more productive healthcare capacity & better patient outcomes



Spotlight: operating with lean

Florence MR Manufacturing Inventory

(\$ in billions)



- Used lean problem solving to implement Kanban replenishment and reduce supplier lead time
- Improved on-time delivery by more than 90% and reduced inventory at the plant by more than 20%

Applying lean across the business

- Scaling lean globally in critical factories in US, China, and Europe to optimize & standardize processes
- Leveraging toolsets for focused-problem solving to improve product design, development & quality

What this means for our customers

- Better on-time and complete deliveries, less rework and additional shipments, higher say-do ratio
- True root-cause analysis & fixes resulting in improved quality & performance

Running business with lean to drive operational improvements & customer satisfaction



Spotlight: growing with precision health



Driving growth & investing in Precision Health

- Market rebounding, procedures stabilizing; PDx double digit growth, HCS ex-vents low to mid-single digit growth
- Growing in key hardware & software markets across Healthcare Systems with Digital offerings
- Launched 40+ NPIs in '20 with 70+ planned in '21 ... R&D investment growing year-over-year
- Investing in Edison-powered apps, growing 3x+ now with >25 Edison Apps, 15+ AI-enabled in '21
- Investing in Imaging, CT deep silicon sensors and photon counting technology (Prismatic acquisition)

Leveraging AI & our Edison platform to lead in innovation





— Capital

GE Capital - outlook

Financial Performance

	<u>2020</u>	<u>2021E post-close</u>
Assets ex. cash & insurance ^{*-a)}	\$55B	~\$17B
Cash ^{*-b)}	\$13B	~\$4B
Debt	\$52B	~\$20B
Continuing earnings ^{*-c)}	\$(0.8)B	\$(0.5)-(0.7)B

- Preparing GECAS transition to strategic partner while managing through cycle...expect lower '21 impairments
- **2021:** GECAS moved to disc ops. Continuing ops neutral to improved
- **2022+:** Continue to drive profitability of remaining operations....neutral to positive earnings impact longer term

Remaining operations

- **EFS: enabling industrial growth**
 - Global structured finance solutions for capital-intensive energy infrastructure projects
 - Enabled ~\$8B Renewables & Gas Power orders in 2020 and ~\$20B since 2018
- **Run-off Insurance: performance stable**
 - Statutory cash flow test completed; \$2.0B funded in 1Q'21
 - Monitoring COVID-19... LTC claim reduction, higher policy terminations; Life higher claims/mortality
 - Driving premium rate increases, investment portfolio optimization and modernized claim management

Post combination, GE Capital reported as part of Corporate to drive increased simplification and focus



*Non-GAAP Financial Measure

(a – Excludes insurance assets of \$51B in '20 and \$53B '21. 2020 reclasses \$2.4B of deferred tax liabilities from reported assets to liabilities

(b – Excludes discontinued operations cash and Insurance cash

(c – Re-casted to reflect GECAS reported in discontinued operations in 2020. Excludes impact from potential debt retirement costs



— Digital & Research

Spotlight: GE Digital ... focused & growing

Vertical market solutions

Grid	Power / O&G	Manufacturing	Aviation
Electric Utilities (Transmission & Distribution) and telcos	Customers operating critical assets at high utilization	Customers across process, hybrid, and discrete; water utilities	Customers across commercial airlines, lessors, and OEMs

Delivering industry leading software

Advanced Distribution Management System (ADMS)	Asset Performance Management (APM)	Manufacturing Execution Systems (MES)	Flight Analytics + Flight Pulse
Safe and secure management and orchestration of the distribution grid	Optimized asset performance to reduce risk and improve safety, reliability, and efficiency	Enable lean manufacturing to reduce costs, improve quality and speed production	Help increase fuel efficiency, lower costs, and reduce carbon emissions



Leading role in the energy transition

GENERATION

Increase asset reliability and utilization to improve efficiency and support decarbonization



TRANSMISSION

Connect demand with supply; manage up to 100% renewables while maintaining transmission stability



DISTRIBUTION

Safe secure management of the grid to run optimally in the face of climate change, storms, etc.

\$1B revenue business growing MSD with >40% recurring revenue



Lean + digital accelerating GE's operational transformation

Lean

Reduce Waste & Create Business Value With **Data**



Digital

Use **Data** in Analysis, Digital Counter Measures & Standard Work



Improved Margins

Reduced Backlog, Warranty, Inventory Costs

Reducing wind turbine blade failure risk

Process

Initiate and perform inspection

Increase accurate inspection coverage



SABRE , Burst , Pinwheel, Internal, Drone

Generate inspection report & disposition

Improve inspection and disposition effectiveness



Inspection Report/History Configuration Repair History

Monitor, repair and replace

Reduce repair/ replacement cost



Repair/Replacement M&D Parameters

Enabling safer, cost-effective service delivery



2021: lean impact at scale

Leaders as lean practitioners

- P&Ls running businesses with a standard lean framework
- One-on-one lean coaching for the top 1,000 GE leaders

Developing lean-capable teams

- Doubling the “kaizen cadence” to accelerate results & learning
- Narrow focus on core lean principles at scale (flow/pull)
- Developing employee-practitioners to scale & sustain results

Delivering cash with a lean focus

- Hoshin Kanri (breakthrough prioritization) focused on cash flow improvement
- Deploying standard work for lean materials management

Lean proof points add up

P&L	Team	Result
Power Conversion	Two production sites applying flow & daily mgmt.	OTD ↑ 12% to 62%, doubling inv. turns
Aviation Services	One customer using problem solving	↓ 29% in engine turnaround time
Healthcare	One production site using daily mgmt.	OTD ↑ 47% to 90% & ↓ 20% inventory
Gas Power	One production line using standard work	↓ 30% costs with ↓ 60% lead time
Renewables	One sales team using transactional process improvement	↓ 70% quote cycle & \$70M+ in backlog

Lean-led culture applied at scale will drive sustainable top-line growth, margin expansion & cash generation



Spotlight: GE Research

Strategy



- Expanding R&D networks... earlier market test
- Intersection of GE & US Gov't Science & Tech priorities ... future of Energy, Healthcare, Flight
- External disruptive views enhance Strat/Session T

Innovation

Energy Transition

- Renewables... hybrids, superconducting, H₂
- Nuclear... next generation fuels, small modular reactor
- Decarb... carbon capture, DAC, H₂ combustion

Precision Health

- AI enabled workflow productivity... AIRx
- Precision imaging technologies... CT, MR
- Wireless technologies... 5G

Future of Flight

- CMC materials... industrialize + next gen
- Service productivity... coatings, robotic inspection
- Decarb... hybrid electric, SAF & H₂ combustion

Market tested R&D platform ... driving value for customers & shareholders





Wrap-up

Delivering value for the long term

- On path to a more focused, simpler, and stronger industrial company
- Sustaining lean efforts will improve results and embed values deeply in organization
- Leading positions to capture strategic opportunities in our end markets ... energy transition, precision health, future of flight
- Unlocking upside potential ... growth, profit, cash generation/deployment

Strong team committed to building a world that works





— Q&A



Appendix

Other Industrial items – 2021 considerations

Baker Hughes • Mark-to-market remaining investment; any impact would be treated as non-GAAP EPS adjustment

Interest expense • Down low teens y/y (%)

Preferred dividend • Expense recorded in Industrial within adjusted EPS ... LIBOR + 333bps

Restructuring • Expense: Total slightly down to flat, in-segment up; Cash: Higher

Gains/losses • Significantly lower driven by non-repeat of BioPharma gain

Non-op benefit costs • Down double digits y/y (%)

Taxes • Adjusted rate high-20s to low-30s; Cash taxes expected to remain elevated relative to book

Adj. Corporate costs* • \$(1.2)B - \$(1.3)B ... functions & operations improving, partially offset by Elims, EHS & Other



* Non-GAAP Financial Measure

2020 GE Industrial free cash flow* details

(\$ in millions)

					2020					
	1Q'20	2Q'20	3Q'20	4Q'20	Industrial	Power	Renewable Energy	Aviation	Healthcare	Corporate
Net earnings (loss)^{-a)}	6,398	(856)	(1,153)	2,515	6,904	146	(618)	841	2,344	4,191
Depreciation & amortization	768	760	1,165	763	3,456	749	413	1,142	628	523
Goodwill impairments	-	877	-	-	877	-	-	-	-	877
Operating Working capital	(2,499)	(1,148)	(268)	3,373	(542)	(66)	407	(665)	75	(293)
Other CFOA ^{-b)}	(6,312)	(1,165)	1,096	(1,986)	(8,367)	(545)	(530)	(555)	95	(6,833)
Gross capex ^{-c)}	(563)	(535)	(326)	(299)	(1,722)	(269)	(313)	(798)	(279)	(63)
GE Industrial FCF*	(2,207)	(2,067)	514	4,367	606	15	(641)	(34)	2,863	(1,598)



* Non-GAAP Financial Measure

(a - Aggregates the following: Net earnings (loss) and (earnings) loss from discontinued operations

(b - Aggregates the following: (Gains) losses on sales of business interests, (gains) losses on equity securities, principal pension plans (net), other post retirement benefit plans (net), income taxes (net), and all other operating activities; excludes deal taxes and GE Pension Plan contributions

(c - Includes additions to property, plant & equipment (PP&E) and internal use software

2020: equipment & services details

Backlog

\$ in billions



Revenue



Service Equipment

Supplemental information

GE Capital segment results (\$ in millions)

	<u>4Q'20</u>	<u>y/y</u>	<u>2020</u>	<u>y/y</u>
GECAS	\$120	(44)%	\$(786)	U
EFS	39	F	52	(57)%
WCS	15	(50)%	66	(72)%
Insurance	112	69%	189	F
Other continuing	(438)	(73)%	(1,232)	6%
Continuing earnings	\$(151)	U	\$(1,710)	U
Less: goodwill impairment	-	-%	(836)	U
Less: Insurance LRT	-	-%	-	F
Less: debt extinguishment	(75)	U	(194)	U
Less: tax adjustments	47	F	145	46%
Less: SEC charge	(100)	U	(100)	U
Adjusted continuing earnings*	\$(24)	U	\$(724)	U

GE Capital segment assets (\$ in billions)

	<u>4Q'20</u>	<u>3Q'20</u>	<u>Seq.</u>
GECAS	\$35.9	\$35.8	0%
EFS	2.4	1.6	47%
WCS	5.9	6.8	(13)%
Insurance	50.8	50.0	2%
Other continuing	18.6	18.7	(1)%
Total segment assets	\$113.5	\$112.9	1%
Plus: assets of discontinued operations	3.4	3.4	(1)%
Less: discontinued operations cash	0.5	0.5	3%
Less: GE Capital cash	13.4	14.1	(5)%
Assets ex-liquidity*	\$103.0	\$101.7	1%



* Non-GAAP Financial Measure



Non-GAAP reconciliations

- Consolidated & GE Industrial revenues excluding BioPharma
- Adjusted GE Industrial profit & profit margin excluding BioPharma
- Adjusted GE Industrial organic profit excluding BioPharma
- BioPharma organic revenue, profit (loss) and profit margin
- GE Industrial and GE Healthcare free cash flow (FCF) excluding BioPharma FCF
- GE Industrial net-debt
- GE Industrial leverage EBITDA & net-debt/EBITDA ratio
- Adjusted total Corporate costs
- Organic revenue, profit (loss) and profit margin by segment – full year
- Adjusted earnings (loss)
- Adjusted earnings (loss) per share
- GE Industrial free cash flow
- Free cash flow by segment
- Gas Power fixed costs
- 2021 operating framework

Non-GAAP reconciliation: Consolidated revenues excluding BioPharma

CONSOLIDATED REVENUES (GAAP)

(Dollars in millions)	4Q'20	4Q'19	V%	2020	2019	V%
Consolidated revenues (GAAP)	\$ 21,928	\$ 26,238	(16%)	\$ 79,619	\$ 95,214	(16%)
Adjustments:						
Less: BioPharma revenues (GAAP)	-	911		830	3,289	
Consolidated revenues excluding BioPharma (Non-GAAP)	21,928	25,327	(13%)	78,789	91,926	(14%)

Non-GAAP reconciliation: GE Industrial revenues excluding BioPharma

GE INDUSTRIAL REVENUES (GAAP)

(Dollars in millions)	4Q'20	4Q'19	V%	2020	2019	V%
GE Industrial revenues (GAAP)	\$ 20,271	\$ 24,460	(17%)	\$ 73,100	\$ 87,719	(17%)
Adjustments:						
Less: BioPharma revenues (GAAP)	-	911		830	3,289	
GE Industrial revenues excluding BioPharma (Non-GAAP)	20,271	23,549	(14%)	72,270	84,430	(14%)



* Non-GAAP Financial Measure

Non-GAAP reconciliation: adjusted GE industrial profit & profit margin excluding BioPharma

(Dollars in millions)	4Q'20	4Q'19	V%	2020	2019	V%
GE Industrial total revenues (GAAP)	\$ 20,271	\$ 24,460	(17%)	\$ 73,100	\$ 87,719	(17%)
GE Industrial total costs and expenses (GAAP)	20,310	23,917	(15%)	77,252	88,118	(12%)
Less: GE Industrial interest and other financial charges	254	423		1,333	2,115	
Less: non-operating benefit costs	609	1,144		2,424	2,828	
Less: restructuring & other	170	340		693	922	
Less: Steam asset impairments	-	-		363	-	
Less: SEC settlement	-	-		100	-	
Less: goodwill impairments	-	2		728	1,486	
Add: noncontrolling interests	(0)	(11)		(161)	6	
Adjusted GE Industrial costs (Non-GAAP)	19,276	21,998	(12%)	71,450	80,773	(12%)
GE Industrial other income (GAAP)	2,964	1,023	F	11,444	2,200	F
Less: unrealized gains (losses)	2,817	917		(1,911)	793	
Less: restructuring & other	13	27		13	36	
Less: gains (losses) and impairments for disposed or held for sale businesses	(160)	(148)		12,472	4	
Adjusted GE Industrial other income (Non-GAAP)	294	227	30%	871	1,367	(36%)
GE Industrial profit (GAAP)	\$ 2,925	\$ 1,565	87%	\$ 7,291	\$ 1,801	F
GE Industrial profit margin (GAAP)	14.4%	6.4%	8.0pts	10.0%	2.1%	7.9pts
Adjusted GE Industrial profit (Non-GAAP)	\$ 1,289	\$ 2,689	(52%)	\$ 2,520	\$ 8,313	(70%)
Adjusted GE Industrial profit margin (Non-GAAP)	6.4%	11.0%	(4.6)pts	3.4%	9.5%	(6.1)pts
Less: BioPharma profit (GAAP)	-	409		382	1,472	
Adjusted GE Industrial profit excluding BioPharma profit (Non-GAAP)	\$ 1,289	\$ 2,279	(43%)	\$ 2,139	\$ 6,841	(69%)
Adjusted GE Industrial profit margin excluding BioPharma profit margin (Non-GAAP)	6.4%	9.7%	(3.3)pts	3.0%	8.1%	(5.1)pts



* Non-GAAP Financial Measure

We believe that these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, as these activities can obscure underlying trends. We also believe that presenting organic revenues* and organic profit* separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial companies.

Non-GAAP reconciliation: adjusted GE Industrial organic profit excluding BioPharma

ADJUSTED GE INDUSTRIAL ORGANIC PROFIT (NON-GAAP)

(Dollars in millions)

	4Q'20	4Q'19	V%	2020	2019	V%
Adjusted GE Industrial profit (Non-GAAP)	\$ 1,289	\$ 2,689	(52%)	\$ 2,520	\$ 8,313	(70%)
Adjustments:						
Less: acquisitions	5	12		(4)	6	
Less: business dispositions	-	368		(3)	1,064	
Less: foreign currency effect	7	-		22	-	
Adjusted GE Industrial organic profit (Non-GAAP)	\$ 1,277	\$ 2,308	(45%)	\$ 2,505	\$ 7,244	(65%)
Adjusted GE Industrial organic profit margin (Non-GAAP)	6.4%	9.9%	(3.5)pts	3.4%	8.6%	(5.2)pts
BioPharma organic profit (Non-GAAP)	-	-		380	311	
Adjusted GE Industrial organic profit excluding BioPharma organic profit (Non-GAAP)	\$ 1,277	\$ 2,308	(45%)	\$ 2,125	\$ 6,933	(69%)
Adjusted GE Industrial organic profit margin excluding BioPharma organic profit margin (Non-GAAP)	6.4%	9.9%	(3.5)pts	2.9%	8.3%	(5.4)pts



* Non-GAAP Financial Measure

We believe that these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, as these activities can obscure underlying trends. We also believe that presenting organic revenues* and organic profit* separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial companies.

Non-GAAP reconciliation: BioPharma organic revenue, profit (loss) and profit margin

(Dollars in millions)	Revenue			Segment profit (loss)			Profit margin		
	2020	2019	V%	2020	2019	V%	2020	2019	V pts
BioPharma (GAAP)	\$ 830	\$ 3,289	(75%)	\$ 382	\$ 1,472	(74%)	46.0%	44.8%	1.2pts
Adjustments:									
Less: acquisitions	-	-		-	-				
Less: business dispositions	-	2,527		-	1,161				
Less: foreign currency effect	(9)	-		2	-				
BioPharma organic (Non-GAAP)	\$ 839	\$ 762	10%	\$ 380	\$ 311	22%	45.3%	40.8%	4.5pts



* Non-GAAP Financial Measure

We believe that these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, as these activities can obscure underlying trends. We also believe that presenting organic revenues* and organic profit* separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial companies.

Non-GAAP reconciliation: GE Industrial and GE Healthcare free cash flow (FCF) excluding BioPharma FCF

GE INDUSTRIAL FREE CASH FLOW (FCF) (NON-GAAP)

(Dollars in millions)	4Q'20	4Q'19	V\$	2020	2019	V\$
GE Industrial CFOA (GAAP)	\$ 1,921	\$ 4,537	\$ (2,616)	\$ (1,254)	\$ 4,614	\$ (5,868)
Add: gross additions to property, plant and equipment	(276)	(620)		(1,579)	(2,216)	
Add: gross additions to internal-use software	(23)	(71)		(143)	(274)	
Less: GE Pension Plan funding	(2,500)	-		(2,500)	-	
Less: taxes related to business sales	(245)	(38)		(1,082)	(198)	
GE Industrial free cash flow (Non-GAAP)	\$ 4,367	\$ 3,884	\$ 483	\$ 606	\$ 2,322	\$ (1,716)
Less: BioPharma CFOA	-	434		315	1,446	
Less: BioPharma gross additions to property, plant and equipment	-	(37)		(17)	(123)	
Less: BioPharma gross additions to internal-use software	-	(4)		(2)	(11)	
GE Industrial excluding BioPharma free cash flow (Non-GAAP)	\$ 4,367	\$ 3,491	\$ 876	\$ 310	\$ 1,010	\$ (700)

HEALTHCARE FREE CASH FLOW (FCF) (NON-GAAP)

(Dollars in millions)	2020	2019	V\$
Healthcare CFOA (GAAP)	\$ 3,143	\$ 3,024	\$ 119
Add: gross additions to property, plant and equipment	(256)	(395)	
Add: gross additions to internal-use software	(24)	(79)	
Healthcare free cash flow (Non-GAAP)	\$ 2,863	\$ 2,550	\$ 313
Less: BioPharma CFOA	315	1,446	(1,131)
Less: BioPharma gross additions to property, plant and equipment	(17)	(123)	
Less: BioPharma gross additions to internal-use software	(2)	(11)	
Healthcare excluding BioPharma free cash flow (Non-GAAP)	\$ 2,568	\$ 1,238	\$ 1,330



* Non-GAAP Financial Measure

We believe investors may find it useful to compare GE's Industrial free cash flow* performance without the effects of cash used for taxes related to business sales and contributions to the GE Pension Plan. We believe this measure will better allow management and investors to evaluate the capacity of our industrial operations to generate free cash flows.

Non-GAAP reconciliation: GE Industrial net-debt

GE INDUSTRIAL NET DEBT (NON-GAAP)

(Dollars in millions)	December 31, 2020		December 31, 2019	
Total GE Industrial short- and long-term borrowings (GAAP)	\$	42,736	\$	52,059
Less: GE Capital short- and long-term debt assumed by GE Industrial		22,390		31,368
Add: intercompany loans from GE Capital		3,177		12,226
Total adjusted GE Industrial borrowings		23,523		32,917
Pension and principal retiree benefit plan liabilities (pre-tax)(a)		25,492		27,773
Less: taxes at 21%		5,353		5,832
Pension and principal retiree benefit plan liabilities (net of tax)		20,139		21,941
GE Industrial operating lease liabilities		3,133		3,369
GE Industrial preferred stock		5,918		5,738
Less: 50% of GE Industrial preferred stock		2,959		2,869
50% of preferred stock		2,959		2,869
Deduction for total GE Industrial cash, cash equivalents and restricted cash		(23,209)		(17,613)
Less: 25% of GE Industrial cash, cash equivalents and restricted cash		(5,802)		(4,403)
Deduction for 75% of GE Industrial cash, cash equivalents and restricted cash		(17,407)		(13,210)
Total GE Industrial net debt (Non-GAAP)	\$	32,347	\$	47,886



* Non-GAAP Financial Measure

a) Represents the total net deficit status of principal pension plans, other pension plans and retiree benefit plans.

In this document we use GE Industrial net debt*, which is calculated based on rating agency methodologies. We are including the calculation of GE industrial net debt* to provide investors more clarity regarding how the credit rating agencies measure GE Industrial leverage.

Non-GAAP reconciliation: GE Industrial leverage EBITDA & net-debt/EBITDA ratio

GE INDUSTRIAL LEVERAGE EBITDA (NON-GAAP)

(Dollars in millions)	December 31, 2020	December 31, 2019
GE Industrial earnings (loss) from continuing operations before income taxes (GAAP)	\$ 7,291	\$ 1,801
Less: Interest and other financial charges	(1,333)	(2,115)
Less: Depreciation and amortization of property, plant and equipment and amortization of intangible assets	(3,456)	(3,513)
Less: Non-operating benefit costs	(2,424)	(2,828)
Less: goodwill impairments	(877)	(1,486)
Less: Other items(a)	10,196	739
Add: Disposition related adjustments(b)	267	350
Total GE Industrial leverage EBITDA (Non-GAAP)	\$ 5,453	\$ 11,354

GE INDUSTRIAL NET DEBT/EBITDA RATIO (NON-GAAP)

(Dollars in millions)	December 31, 2020	December 31, 2019
Total GE Industrial net debt (Non-GAAP)	\$ 32,347	\$ 47,886
Total GE Industrial leverage EBITDA (Non-GAAP)	\$ 5,453	\$ 11,354
GE Industrial net debt/EBITDA ratio (Non-GAAP)	5.9x	4.2x



* Non-GAAP Financial Measure

a) Other items is mainly comprised of adjustments for other income, long-term fixed operating lease expense and stock-related compensation expense.

b) Includes the BKR dividend in both 2019 and 2020.

In this document we use GE Industrial leverage EBITDA*, which is calculated based on rating agency methodologies. We are including the calculation of GE Industrial leverage EBITDA* to provide investors more clarity regarding how the credit rating agencies measure GE Industrial leverage.

Non-GAAP reconciliation: adjusted total Corporate costs

(Dollars in millions)	4Q'20	4Q'19	V%	2020	2019	V%
Revenues						
Corporate revenues	\$ 275	\$ 397	(31%)	\$ 1,313	\$ 1,791	(27%)
Eliminations and other	(637)	(740)		(2,245)	(2,096)	
Total Corporate Items and Eliminations	(362)	(343)	(6%)	(932)	(305)	U
Operating profit (cost)						
Gains (losses) on disposals and held for sale businesses	(160)	(148)		12,472	4	
Restructuring and other charges	(157)	(313)		(680)	(886)	
Unrealized gains (losses)(a)	2,817	917		(1,911)	793	
Steam asset impairments	-	-		(363)	-	
SEC settlement	-	-		(100)	-	
Goodwill impairments(b)	-	(2)		(728)	(1,486)	
Adjusted total corporate operating costs (Non-GAAP)	(443)	(573)		(1,328)	(1,736)	
Total Corporate Items and Eliminations (GAAP)	2,057	(119)	F	7,362	(3,311)	F
Less: gains (losses) and restructuring & other	2,500	454		8,689	(1,575)	
Adjusted total corporate operating costs (Non-GAAP)	\$ (443)	\$ (573)	23%	\$ (1,328)	\$ (1,736)	24%

(a) Included non-cash pre-tax impairment charges of \$429 million, net of \$65 million attributable to noncontrolling interests for the Steam business within our Power segment for the twelve months ended December 31, 2020.

(b) Included non-cash pre-tax impairment charge of \$877 million, net of \$149 million attributable to noncontrolling interests for the Additive reporting unit within our Aviation segment for the twelve months ended December 31, 2020.



* Non-GAAP Financial Measure

Adjusted total corporate operating costs* excludes gains (losses) on disposals and held for sale businesses, restructuring and other charges, unrealized gains (losses), Steam asset impairment and goodwill impairments. We believe that adjusting corporate costs* to exclude the effects of items that are not closely associated with ongoing corporate operations provides management and investors with a meaningful measure that increases the period-to-period comparability of our ongoing corporate costs.

Non-GAAP reconciliation: organic revenue, profit (loss) and profit margin by segment – full year

	Revenue			Segment profit (loss)			Profit margin		
	2020	2019	V%	2020	2019	V%	2020	2019	V pts
Power (GAAP)	\$ 17,589	\$ 18,625	(6%)	\$ 274	\$ 291	(6%)	1.6%	1.6%	(0.0)pts
Less: acquisitions	19	19		(3)	(2)				
Less: business dispositions	15	104		2	7				
Less: foreign currency effect	(64)	-		10	-				
Power organic (Non-GAAP)	\$ 17,619	\$ 18,502	(5%)	\$ 266	\$ 287	(7%)	1.5%	1.6%	(0.1)pts
Renewable Energy (GAAP)	\$ 15,666	\$ 15,337	2%	\$ (715)	\$ (791)	10%	(4.6%)	(5.2%)	0.6pts
Less: acquisitions	-	-		-	-				
Less: business dispositions	8	94		-	(11)				
Less: foreign currency effect	(167)	-		16	-				
Renewable Energy organic (Non-GAAP)	\$ 15,824	\$ 15,243	4%	\$ (731)	\$ (781)	6%	(4.6%)	(5.1%)	0.5pts
Aviation (GAAP)	\$ 22,042	\$ 32,875	(33%)	\$ 1,229	\$ 6,812	(82%)	5.6%	20.7%	(15.1)pts
Less: acquisitions	-	-		-	-				
Less: business dispositions	13	369		(2)	(2)				
Less: foreign currency effect	(3)	-		(5)	-				
Aviation organic (Non-GAAP)	\$ 22,032	\$ 32,506	(32%)	\$ 1,237	\$ 6,814	(82%)	5.6%	21.0%	(15.4)pts
Healthcare (GAAP)	\$ 18,009	\$ 19,942	(10%)	\$ 3,060	\$ 3,737	(18%)	17.0%	18.7%	(1.7)pts
Less: acquisitions	55	21		(13)	(4)				
Less: business dispositions	21	2,603		(2)	1,111				
Less: foreign currency effect	(46)	-		(6)	-				
Healthcare organic (Non-GAAP)	\$ 17,979	\$ 17,318	4%	\$ 3,081	\$ 2,630	17%	17.1%	15.2%	1.9pts
Less: BioPharma organic (Non-GAAP)	839	762		380	311				
Healthcare excluding BioPharma organic (Non-GAAP)	\$ 17,140	\$ 16,557	4%	\$ 2,701	\$ 2,319	16%	15.8%	14.0%	1.8pts



* Non-GAAP Financial Measure

We believe that these measures provide management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, as these activities can obscure underlying trends. We also believe that presenting organic revenues* and organic profit* separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial companies.

Non-GAAP reconciliation: adjusted earnings (loss)

(Dollars in millions)	4Q'20	4Q'19	V%	2020	2019	V%
Consolidated earnings (loss) from continuing operations attributable to GE common shareholders (GAAP)	\$ 2,341	\$ 654	F	\$ 5,342	\$ (45)	F
Add: Accretion of redeemable noncontrolling interests (RNCI)	(10)	-		(151)	-	
Less: GE Capital earnings (loss) from continuing operations attributable to GE common shareholders (GAAP)	(151)	69	U	(1,710)	(530)	U
GE Industrial earnings (loss) (Non-GAAP)	2,482	585	F	6,901	485	F
Non-operating benefits costs (pre-tax) (GAAP)	(609)	(1,144)		(2,424)	(2,828)	
Tax effect on non-operating benefit costs	128	240		509	594	
Less: non-operating benefit costs (net of tax)	(481)	(904)		(1,915)	(2,234)	
Gains (losses) and impairments for disposed or held for sale businesses (pre-tax)	(160)	(148)		12,472	4	
Tax effect on gains (losses) and impairments for disposed or held for sale businesses	190	31		(1,080)	34	
Less: gains (losses) and impairments for disposed or held for sale businesses (net of tax)	30	(117)		11,392	39	
Restructuring & other (pre-tax)	(157)	(313)		(680)	(886)	
Tax effect on restructuring & other	33	68		151	187	
Less: restructuring & other (net of tax)	(124)	(244)		(529)	(699)	
Less: SEC Settlement (pre-tax and net of tax)	-	-		(100)	-	
Steam asset impairments (pre-tax)	-	-		(363)	-	
Tax effect on Steam asset impairment	-	-		37	-	
Less: Steam asset impairments (net of tax)	-	-		(326)	-	
Goodwill impairments (pre-tax)	-	(2)		(728)	(1,486)	
Tax effect on goodwill impairments	-	-		(23)	(55)	
Less: goodwill impairments (net of tax)	-	(2)		(751)	(1,541)	
Unrealized gains (losses) (pre-tax)	2,817	917		(1,911)	793	
Tax effect on unrealized gains (losses)	(491)	(140)		460	(114)	
Less: unrealized gains (losses) (net of tax)	2,326	777		(1,451)	679	
Debt extinguishment costs	-	-		(63)	(255)	
Tax effect on debt extinguishment costs	-	-		13	53	
Less: debt extinguishment costs (net of tax)	-	-		(50)	(201)	
BioPharma deal expense (pre-tax)	-	-		-	-	
Tax on BioPharma deal expense	-	(633)		-	(647)	
Less: BioPharma deal expense (net of tax)	-	(633)		-	(647)	
Accretion of RNCI	(10)	-		(151)	-	
Tax effect on accretion of RNCI	-	-		-	-	
Less: Accretion of RNCI (net of tax)	(10)	-		(151)	-	
Less: GE Industrial U.S. tax reform enactment adjustment	-	-		(51)	(101)	
Adjusted GE Industrial earnings (loss) (Non-GAAP)	742	1,708	(57%)	833	5,191	(84%)
GE Capital earnings (loss) from continuing operations attributable to GE common shareholders (GAAP)	(151)	69	U	(1,710)	(530)	U
Insurance premium deficiency test charge (pre-tax)	-	-		-	(972)	
Tax effect on insurance premium deficiency test charge	-	-		-	204	
Less: insurance premium deficiency test charge (net of tax)	-	-		-	(768)	
Good will impairment (pre-tax)	-	-		(839)	-	
Tax effect on goodwill impairment	-	-		3	-	
Less: goodwill impairment (net of tax)	-	-		(836)	-	
Less: SEC Settlement (pre-tax and net of tax)	(100)	-		(100)	-	
Debt extinguishment costs (pre-tax)	(95)	-		(238)	-	
Tax effect on debt extinguishment costs	20	-		44	-	
Less: debt extinguishment costs (net of tax)	(75)	-		(194)	-	
Less: GE Capital U.S. tax reform enactment adjustment	-	-		2	99	
Less GE Capital tax benefit related to BioPharma sale	47	-		143	-	
Adjusted GE Capital earnings (loss) (Non-GAAP)	(24)	69	U	(724)	139	U
Adjusted GE Industrial earnings (loss) (Non-GAAP)	742	1,708	(57%)	833	5,191	(84%)
Add: Adjusted GE Capital earnings (loss) (Non-GAAP)	(24)	69	U	(724)	139	U
Adjusted earnings (loss) (Non-GAAP)	\$ 718	\$ 1,777	(60%)	\$ 109	\$ 5,330	(98%)



* Non-GAAP Financial Measure

Non-GAAP reconciliation: adjusted earnings (loss) per share

(Per share amounts in dollars)	4Q'20	4Q'19	V%	2020	2019	V%
Consolidated earnings (loss) from continuing operations attributable to GE common shareholders (GAAP)	\$ 0.27	\$ 0.07	F	\$ 0.61	\$ (0.01)	F
Add: Accretion of redeemable noncontrolling interests (RNCI)	(0.00)	(0.00)		(0.02)	(0.00)	
Less: GE Capital earnings (loss) from continuing operations attributable to GE common shareholders (GAAP)	(0.02)	0.01	U	(0.20)	(0.06)	U
GE Industrial earnings (loss) (Non-GAAP)	0.28	0.07	F	0.79	0.06	F
Non-operating benefits costs (pre-tax) (GAAP)	(0.07)	(0.13)		(0.28)	(0.32)	
Tax effect on non-operating benefit costs	0.01	0.03		0.06	0.07	
Less: non-operating benefit costs (net of tax)	(0.05)	(0.10)		(0.22)	(0.26)	
Gains (losses) and impairments for disposed or held for sale businesses (pre-tax)	(0.02)	(0.02)		1.42	0.00	
Tax effect on gains (losses) and impairments for disposed or held for sale businesses	0.02	0.00		(0.12)	0.00	
Less: gains (losses) and impairments for disposed or held for sale businesses (net of tax)	0.00	(0.01)		1.30	0.00	
Restructuring & other (pre-tax)	(0.02)	(0.04)		(0.08)	(0.10)	
Tax effect on restructuring & other	0.00	0.01		0.02	0.02	
Less: restructuring & other (net of tax)	(0.01)	(0.03)		(0.06)	(0.08)	
Less: SEC Settlement (pre-tax and net of tax)	-	-		(0.01)	-	
Steam asset impairments (pre-tax)	-	-		(0.04)	-	
Tax effect on Steam asset impairment	-	-		0.00	-	
Less: Steam asset impairments (net of tax)	-	-		(0.04)	-	
Goodwill impairments (pre-tax)	-	(0.00)		(0.08)	(0.17)	
Tax effect on goodwill impairments	-	-		(0.00)	(0.01)	
Less: goodwill impairments (net of tax)	-	(0.00)		(0.09)	(0.18)	
Unrealized gains (losses) (pre-tax)	0.32	0.10		(0.22)	0.09	
Tax effect on unrealized gains (losses)	(0.06)	(0.02)		0.05	(0.01)	
Less: unrealized gains (losses) (net of tax)	0.26	0.09		(0.17)	0.08	
Debt extinguishment costs	-	-		(0.01)	(0.03)	
Tax effect on debt extinguishment costs	-	-		0.00	0.01	
Less: debt extinguishment costs (net of tax)	-	-		(0.01)	(0.02)	
BioPharma deal expense (pre-tax)	-	-		-	-	
Tax on BioPharma deal expense	-	(0.07)		-	(0.07)	
Less: BioPharma deal expense (net of tax)	-	(0.07)		-	(0.07)	
Accretion of RNCI	(0.00)	-		(0.02)	-	
Tax effect on accretion of RNCI	-	-		-	-	
Less: Accretion of RNCI (net of tax)	(0.00)	-		(0.02)	-	
Less: GE Industrial U.S. tax reform enactment adjustment	-	-		(0.01)	(0.01)	
Adjusted GE Industrial earnings (loss) (Non-GAAP)	0.08	0.19	(58%)	0.10	0.59	(83%)
GE Capital earnings (loss) from continuing operations attributable to GE common shareholders (GAAP)	(0.02)	0.01	U	(0.20)	(0.06)	U
Insurance premium deficiency test charge (pre-tax)	-	-		-	(0.11)	
Tax effect on insurance premium deficiency test charge	-	-		-	0.02	
Less: insurance premium deficiency test charge (net of tax)	-	-		-	(0.09)	
Good will impairment (pre-tax)	-	-		(0.10)	-	
Tax effect on goodwill impairment	-	-		0.00	-	
Less: goodwill impairment (net of tax)	-	-		(0.10)	-	
Less: SEC Settlement (pre-tax and net of tax)	(0.01)	-		(0.01)	-	
Debt extinguishment costs (pre-tax)	(0.01)	-		(0.03)	-	
Tax effect on debt extinguishment costs	0.00	-		0.00	-	
Less: debt extinguishment costs (net of tax)	(0.01)	-		(0.02)	-	
Less: GE Capital U.S. tax reform enactment adjustment	-	-		0.00	0.01	
Less GE Capital tax benefit related to BioPharma sale	0.01	-		0.02	-	
Adjusted GE Capital earnings (loss) (Non-GAAP)	(0.00)	0.01	U	(0.08)	0.02	U
Adjusted GE Industrial earnings (loss) (Non-GAAP)	0.08	0.19	(58%)	0.10	0.59	(83%)
Add: Adjusted GE Capital earnings (loss) (Non-GAAP)	(0.00)	0.01	U	(0.08)	0.02	U
Adjusted earnings (loss) (Non-GAAP)	\$ 0.08	\$ 0.20	(60%)	\$ 0.01	\$ 0.61	(98%)



* Non-GAAP Financial Measure

Non-GAAP reconciliation: GE Industrial free cash flow

GE INDUSTRIAL FREE CASH FLOW (FCF) (NON-GAAP)

(Dollars in millions)	4Q'20	4Q'19	V\$	2020	2019	V\$
GE Industrial CFOA (GAAP)	\$ 1,921	\$ 4,537	\$ (2,616)	\$ (1,254)	\$ 4,614	\$ (5,868)
Add: gross additions to property, plant and equipment	(276)	(620)		(1,579)	(2,216)	
Add: gross additions to internal-use software	(23)	(71)		(143)	(274)	
Less: GE Pension Plan funding	(2,500)	-		(2,500)	-	
Less: taxes related to business sales	(245)	(38)		(1,082)	(198)	
GE Industrial free cash flow (Non-GAAP)	\$ 4,367	\$ 3,884	\$ 483	\$ 606	\$ 2,322	\$ (1,716)

GE INDUSTRIAL FREE CASH FLOW (FCF) (NON-GAAP)

(Dollars in millions)	1Q'20	2Q'20	3Q'20	4Q'20	2020
GE Industrial CFOA (GAAP)	\$ (1,662)	\$ (1,604)	\$ 90	\$ 1,921	\$ (1,254)
Add: gross additions to property, plant and equipment	(504)	(498)	(300)	(276)	(1,579)
Add: gross additions to internal-use software	(58)	(36)	(26)	(23)	(143)
Less: GE Pension Plan funding	-	-	-	(2,500)	(2,500)
Less: taxes related to business sales	(17)	(71)	(749)	(245)	(1,082)
GE Industrial free cash flow (Non-GAAP)	\$ (2,207)	\$ (2,067)	\$ 514	\$ 4,367	\$ 606



* Non-GAAP Financial Measure

We believe investors may find it useful to compare GE's Industrial free cash flows* performance without the effects of cash used for taxes related to business sales and contributions to the GE Pension Plan. We believe this measure will better allow management and investors to evaluate the capacity of our industrial operations to generate free cash flows.

Non-GAAP reconciliation: free cash flow by segment

2020 FREE CASH FLOW (FCF) BY SEGMENT

(Dollars in millions)		Power	Renewable Energy	Aviation	Healthcare	Corporate & Eliminations	GE Industrial
CFOA (GAAP)	\$	285	\$ (328)	\$ 763	\$ 3,143	\$ (5,117)	\$ (1,254)
Add: gross additions to property, plant and equipment		(245)	(302)	(737)	(256)	(40)	(1,579)
Add: gross additions to internal-use software		(25)	(11)	(61)	(24)	(23)	(143)
Less: GE Pension Plan funding		-	-	-	-	(2,500)	(2,500)
Less: taxes related to business sales		-	-	-	-	(1,082)	(1,082)
Free cash flow (Non-GAAP)	\$	15	\$ (641)	\$ (34)	\$ 2,863	\$ (1,598)	\$ 606

2019 FREE CASH FLOW (FCF) BY SEGMENT

(Dollars in millions)		Power	Renewable Energy	Aviation	Healthcare	Corporate & Eliminations	GE Industrial
CFOA (GAAP)	\$	(1,200)	\$ (512)	\$ 5,552	\$ 3,024	\$ (2,250)	\$ 4,614
Add: gross additions to property, plant and equipment		(277)	(455)	(1,031)	(395)	(59)	(2,216)
Add: gross additions to internal-use software		(46)	(14)	(107)	(79)	(28)	(274)
Less: GE Pension Plan funding		-	-	-	-	-	-
Less: taxes related to business sales		-	-	-	-	(198)	(198)
Free cash flow (Non-GAAP)	\$	(1,523)	\$ (980)	\$ 4,415	\$ 2,550	\$ (2,139)	\$ 2,322



* Non-GAAP Financial Measure

We believe investors may find it useful to compare GE's Industrial free cash flows* performance without the effects of cash used for taxes related to business sales and contributions to the GE Pension Plan. We believe this measure will better allow management and investors to evaluate the capacity of our industrial operations to generate free cash flows.

Non-GAAP reconciliation: Gas Power fixed costs

GAS POWER FIXED COSTS (NON-GAAP)

(Dollars in millions)

	2021F	2020	2018
Gas Power total costs and expenses (GAAP)	11,000 - 12,000	12,302	\$ 14,239
Less: Gas Power variable costs (Non-GAAP)	8,500 - 9,500	9,635	10,773
Gas Power fixed costs (Non-GAAP)	\$ 2,500	\$ 2,667	\$ 3,466



* Non-GAAP Financial Measure

We believe that fixed costs* is a meaningful measure as it is broader than selling, general and administrative costs and represents the costs in the segments that generally do not vary with volume. Segment variable costs* are those costs within our industrial segments that vary with volume. The most significant variable costs would be material and direct labor costs incurred to produce our products and deliver our services that are recorded in the Statement of Earnings line items of cost of goods and cost of services sold.

Non-GAAP reconciliation: 2021 operating framework

2021 ADJUSTED EPS: We cannot provide a reconciliation of the differences between the non-GAAP expectations and corresponding GAAP measure for Adjusted EPS* in 2021 without unreasonable effort due to the uncertainty of timing of any gains or losses related to acquisitions & dispositions, the timing and magnitude of the financial impact related to the mark-to-market of our remaining investment in Baker Hughes, and the timing and magnitude of restructuring expenses. Although we have attempted to estimate the amount of gains and restructuring charges for the purpose of explaining the probable significance of these components, this calculation involves a number of unknown variables, resulting in a GAAP range that we believe is too large and variable to be meaningful.

2021 GE INDUSTRIAL FREE CASH FLOW: We cannot provide a reconciliation of the differences between the non-GAAP expectations and corresponding GAAP measure for GE Industrial Free Cash flow* in 2021 without unreasonable effort due to the uncertainty of timing of deal taxes related to business sales.

2021 ADJUSTED TOTAL CORPORATE OPERATING COSTS: We cannot provide a reconciliation of the differences between the non-GAAP expectations and corresponding GAAP measure for adjusted total corporate operating costs* in 2021 without unreasonable effort due to the uncertainty of timing of any gains or losses related to acquisitions & dispositions, the timing and magnitude of the financial impact related to the mark-to-market of our remaining investment in Baker Hughes, and the timing and magnitude of restructuring expenses. Although we have attempted to estimate the amount of gains and restructuring charges for the purpose of explaining the probable significance of these components, this calculation involves a number of unknown variables, resulting in a GAAP range that we believe is too large and variable to be meaningful.



*Non-GAAP measure



Building a world that works