Caution Concerning Forward-Looking Statements:

This document contains "forward-looking statements" – that is, statements related to future events that by their nature address matters that are, to different degrees, uncertain. For details on the uncertainties that may cause our actual future results to be materially different than those expressed in our forward-looking statements, see http://www.ge.com/investor-relations/disclaimer-caution-concerning-forward-looking-statements as well as our annual reports on Form 10-K and quarterly reports on Form 10-Q. We do not undertake to update our forward-looking statements. This document also includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.
This is GE Healthcare

IMPACT

Leader in Imaging – 1MM+ Installed Base
  • 16K+ Scans every minute

Leader in China & Emerging Markets

Leader in Data & Analytics
  • 230MM exams; 124K assets under management

Leader in Life Sciences
  • Presence in biologics

AT SCALE

Revenue $18B
Op Profit $2.9B
OP% 16.3%
FCF Conv. 126%
GE Healthcare in context

Big opportunity

- $7T global market
  - ~10% of global GDP
- Core long term growth
  - Aging demographics
  - Chronic disease
  - Emerging market access
- Critical infrastructure
  - Lynchpin of economy
  - Politically important
- $3T market cap
  - 12%+ of equity market

GE store

- Technology
- Digital platform
- Industrial “know how”
  - Cost out
- Leverages and enhances brand
- Opens doors around the world

Essential global industry ... strong GE fit
A leading healthcare solutions provider

Diagnostic imaging & service
- Magnetic Resonance
- Computed Tomography
- Molecular Imaging
- Service & Solutions

Mobile diagnostics & monitoring
- Ultrasound
- Clinical Solutions
- Monitoring
- Mobile Health

IT & digital solutions
- Enterprise Imaging
- Financial Management
- Care Area Workflows
- GE Health Cloud™

Life Sciences
- Bio process
- Protein & Cell Sciences
- Contrast Media & Nuclear Tracers
- Cellular Therapy

$8B
$4B
$2B
$4B
History and path forward

Financials ($B)

- Revenue: $18B
- Op Profit: $2.9B
- FCF Conversion: 126%

“Slow growth” (Last 5 Yrs)
- Government funding pressures
- US market uncertainty (ACA)
- FX headwind
- Underachieved on cost

Path forward

- Running business better
  - Differentiated customer experience
  - Product costs down / restructuring
  - Invest in core imaging
  - Leverage Ultrasound playbook

- High return organic growth opportunities
  - Ultrasound
  - Emerging markets
  - Life Sciences

- Grow Digital / Solutions
  - GE Health Cloud

- New leadership team + AEIP alignment

Driving growth and returns
Accelerating shift towards value-based healthcare

Industry forces

**Burden of COST**

**Explosion of DATA**

**MOBILITY**

Systemic reactions

**GOV'T POLICY**
Enabling the value agenda

**CONSUMERS**
Bear more risk, demand value

**DIGITIZATION**
System-wide connectivity to enable value delivery

**NEW ENTRANTS**
Creating disruptive models to capture new profit pools

New paradigms of care

Community-Based Care ... moving to clinic
- Retail Pharmacy
- Dx Imaging Center
- Preventive Care
- Physician Clinic

Acute ... care-area focused
- Oncology
- OR
- Hospital
- Cardiology
- Radiology

Post-Acute Care ... moving to mobile health
- Out-patient Rehab
- In-patient Rehab
- Home Care

Customers need solutions for value-based and personalized care
GE Healthcare
Leading provider of outcome-based solutions in healthcare
GE Healthcare

### Revenue

($ in billions)

<table>
<thead>
<tr>
<th></th>
<th>'15</th>
<th>'16E</th>
<th>'17F+</th>
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<tbody>
<tr>
<td>Op Profit</td>
<td>$17.6</td>
<td>+</td>
<td>+</td>
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</table>

<p>| | | | |</p>
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<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Op Profit</td>
<td>$2.9</td>
<td>+</td>
<td>+/++</td>
</tr>
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</table>

### Strategic priorities

1. **Margin expansion**
   Sourcing at scale, brilliant/lean factories, digital services

2. **World-class imaging**
   Distributed imaging ... aligned to market needs

3. **Leader in market solutions**
   GE as partner of choice to grow access to affordable care

4. **Expand Life Sciences**
   Enable next generation of therapies & pharma productivity

5. **Digital growth**
   Mobile & cloud-based apps, product & system-wide solutions

6. **Cash & capital allocation**
   Rigorous cash mgmt & disciplined capital controls
Margin expansion

<table>
<thead>
<tr>
<th>Year</th>
<th>Op Margin %</th>
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<tbody>
<tr>
<td>'13</td>
<td>16.7%</td>
</tr>
<tr>
<td>'14</td>
<td>16.7%</td>
</tr>
<tr>
<td>'15</td>
<td>16.3%</td>
</tr>
<tr>
<td>'16E</td>
<td>~16.8%+</td>
</tr>
<tr>
<td>'18F</td>
<td>~18%+</td>
</tr>
</tbody>
</table>

**Key drivers**

- **Design productivity**
  - Engineering focus on material cost out ... 2X Investment
  - Launch NPIs with expanded CM rates

- **Lowest cost procurement, manufacturing & assembly**
  - Global best-cost country sourcing, reduced cost of quality
  - Global supply chain ... lean, digital thread & brilliant factories

- **Services margin accretion**
  - Grow value-added software-enabled offerings
  - Increase material and labor productivity

- **Structural simplification**
  - Increasing shared service penetration, single ERP
  - Localize engineering/software, reduce spans/layers

**Poised for 3X historical cost out**

1. Metrics
   - Brilliant Factories: 5 → 60
   - ERPs: 48 → 4
   - VCP Invest: $150-200
   - Dual Sources: 28% → 50%
   - Service Margin: Up 2 pts
World-class imaging

Matching product development with market needs

- Market-backed new product introduction
- Care area and value-based segmentation is key
- Accretive margins across the value chain

Avg Selling Price

**Women’s Health**
- Sens $100k-500k
- Lunar $20k-200k

**Interventional Cardiology & Radiology**
- Image Guided Systems ~$0.5-2MM
- Revolution CT ~$0.2-3MM
- SIGNA MR ~$0.5-10MM

**General Imaging**
- Discovery ~$0.2-3MM

**Molecular Imaging**
- Image Guided Systems ~$0.5-2MM

**Surgery**
- Surgical C-Arms ~$20-200K

**ULTRASOUND**

**Women's health - Voluson $25-150k**

**Cardiac**
- Vivid $25-200k

**General imaging**
- LOGIQ $25-200k

**Primary care Vscan $7-25k**
### Leader in market solutions

#### Developed markets ~75%

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<tbody>
<tr>
<td>China</td>
<td>$13.5B</td>
<td></td>
<td>70%</td>
</tr>
<tr>
<td>M.East/Africa</td>
<td></td>
<td></td>
<td>80%</td>
</tr>
<tr>
<td>LATAM</td>
<td></td>
<td></td>
<td>80%</td>
</tr>
<tr>
<td>India</td>
<td></td>
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<td>35%</td>
</tr>
<tr>
<td>ASEAN</td>
<td></td>
<td></td>
<td>90%</td>
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</table>

- ACA uncertainty diminishing ... U.S. growth returning
- Focus on outcomes ... opportunity exists in solutions, ex. Temple University Health System
- Solid growth in Europe platform
  - 6 consecutive quarters of organic orders growth
  - Eastern Europe double digit growth

#### Emerging markets ~25%

- Building a $5B business
  - Local capabilities on par w/ U.S. & EU
  - Global COE for value products
- GE company-to-country focus
  - Aligned with MOH priorities
  - Select localization in key regions
- Solid path to growth
  - Expand coverage & service
  - Mfg. localization in Brazil
- Introducing disruptive NPI
  - Private driven ... low govt. funding
  - Local R&D teams drive innovation
- Accelerate growth to meet demand
  - Countries investing in HC systems
  - Expand coverage & svc. capability

### Diverse markets ... customized approach
GE Healthcare in China

**Revenue**

($ in billions)

- '05: $0.5
- '10: $1.0
- '15: $1.9

15% CAGR

- '16: $1.9

**Tenders ... Market bottoming out**

(YoY Change %)

- Q3'14: -14%
- Q4'14: -13%
- Q1'15: -8%
- Q2'15: -7%
- Q3'15: -6%
- Q4'15: 1%

**Strong local presence**

- **Strong commercial presence**
  - 1,500+ direct sales force... 60% deployed in Tier 2 & 3 cities
  - Dedicated sales managers to support private growth
  - Differentiated service offerings

- **Value COE ... for China and the world**
  - 1,000+ engineers ... full system design
  - 36 China NPI's launched ... $1B+ rev. P.A. (35% China, 65% ROW)

- **Service ... 70%+ parts local repair**
  - 1 local repair shop + 3 tier parts distribution ... 40% remote fix

- **Supply chain ... 2X output**
  - 1 of every 2 GE CT's shipped from Beijing, 1 of 3 GE Ultrasound devices shipped from Wuxi, new MR plant

- **Strong Life Sciences: first 2 global KUBio deals signed**

---

**China still very attractive... increasing spend from 5.7% to 6.5% of GDP by 2020**
Expand Life Sciences

2015 financials

- Revenue: $4B
- ’15: +
- ’16E: ++

20%+ Margins $18+ FCF

Critical solutions for biopharmaceutical companies
- Creates flexible, productive capacity
- Highly regulated production process
- Equipment + consumables business model

Leverages GE’s strengths
- GRC ... product pipeline
- Growth markets ... China
- Services model ... GE “know how”
- M&A leverages GE footprint / brand

Strong organic growth opportunities
- Strong top line growth... Bioprocess 10%+
- Turnkey investments with 20%+ returns
- Leading partner in emerging field of cell therapy

Wing-to-wing offering

Software and Services

- Cell Culture Media & Sera
- Bio-Reactors for cell growth
- Chromatography Media & Equipment

Robust business model with high returns

Revenue ++

$4B

Robust business model with high returns

13
Digital growth

Path forward

1. Software business
   - Build on deep clinical domain expertise
   - Standardize on Predix™

2. “Internal” Digitization
   - Digital thread ... Brilliant factories
   - Service efficiency
   - Engineering/design tools

3. GE Health Cloud
   - Mobility/collaboration
   - Analytics ... GE + 3rd parties
   - Aggregated images & data → outcomes

Improving customer productivity & patient outcomes

- Deep installed base/customer relationships
- Leader in Radiology imaging
- Gaining share in enterprise imaging & financial management
- Multiple platforms

Revenues

\[ \text{’15} \quad \text{~$2B} \quad \text{’16+} \]

Cloud: ++
Existing: =
# GE Digital portfolio

## GE Healthcare apps
- Enterprise imaging
- Care area workflows
- Diagnostic imaging
- Asset performance
- Cellular diagnosis
- Ultrasound
- Dose management
- Drug development
- Monitoring
- Operational analytics
- Population Health (Caradigm)

## ISV apps
- Thousands of applications from Independent Software Vendors

## GE Health Cloud services
- Health data mgmt
- Care area workflows
- Care pathway modeling
- Guideline & protocols
- Care coordination
- Data science & decision support
- Analytic model development
- Interoperability
- Multi modality
- Visualization
- Workflow
- Care navigation
- Collaboration
- Analytics

## GE Predix™ services
- Security
- Privacy
- Scalability
- PaaS
- Infrastructure Services
- Deployment & Service

## GE advantage
- Installed base
- Customer relationships
- Clinical expertise
- Secure platform
- FDA/regulatory
- GE Store
Cash & capital allocation

**Disciplined capital allocation... producing strong returns for investors**

**Strong cash conversion**
- % of NI:
  - ‘13: 106%
  - ‘14: 100%
  - ‘15: 126%

**Capital allocation**
- ROIC: +2 pts. ‘16E

- Disciplined capex and WC management
- Capex: average investment ~2.5 year payback
- Inventory: Targeting 1 turn factory improvements
- A/P: +2 day ↑ ... harmonizing terms across GE
- Disciplined investing based on ROIC, differentiated R&D
- Driven by cost-out & working capital
- M&A targets ‘bolt on’ to existing franchise, ↓ risk
- Portfolio pruning: exit low ROIC businesses, ex. Clarient
Today’s agenda

**GE Healthcare**

9 AM – 11 AM

- **Business Overview**
  - John Flannery

- **Mobile Diagnostics & Monitoring**
  - Anders Wold, Ultrasound

- **Emerging Markets**
  - Terri Bresenham, Sustainable Healthcare Solutions

- **Life Sciences**
  - Kieran Murphy, Life Sciences

- **Imaging & Services**
  - Karim Karti, Imaging

- **Digital Growth**
  - David Hale, Digital

- **Supply Chain Excellence**
  - Chuck Nugent, Global Supply Chain

- **Delivering**
  - John Flannery

- **Q&A**
  - Team

**Product showcase**

11 AM – 12 PM

- **Delivering**
  - John Flannery

- **Q&A**
  - Team
Mobile diagnostics and monitoring
Ultrasound: Built on strong product management

2015 financials

- Revenue: $2B in '15, projected $2B++ in '16E

Built on strong history
- Revenue: '95 $0.2B, '05 $1B, '15 $2B

Solid market fundamentals & economics...
GE growth ~2x market

Guiding principles:
- Customer backed R&D ... optimizes success in market, Premium to Value in all care settings
- Fast innovation ... >10 NPI's every year, embedded in winning culture
- Product cost out ... (10)%/year, non-negotiable, aligned with technology curve
GE Ultrasound technology leader

**VIVID**  
Cardiovascular

**VOLUSON**  
Women’s health

**LOGIQ**  
General imaging

- Real time
- Easy to use
- Portable
- Lower cost
- Image quality

High technology segmented to new users & new applications
Ultrasound entering new markets for GEHC

Moving out of hospital to clinics

Improving quality, cost, mobility...


Expanding use in all geographies...
Golden rule: Annual NPI’s & cost out on every product release, extensive use of cost catalog

- FastWorks principles guide NPI’s
- Sourcing ... input cost
- Value engineering & design
- Quality & reliability forefront

NPI refresh... Price uplift

10% cost out... Every product, every year

Culture drives margin accretion → Template for Imaging business
GE Ultrasound growth

Key drivers of growth

- **Core**: General imaging, women’s health, cardiac
- **New Users**: Clinic, point of care, services
- **New profit pools**: Primary care, distributed health, guidance

Financials

- Sales ($ billions)
  - '15 ~$2B
  - '20F ~$4B+
  - 2X Growth
  - ~4-6% Core
  - ~3-5% New Users
  - ~1-3% New profit pools

Investments:
- Sales ++
- R&D ++
- Manuf. +

Driving ~2X growth by 2020
Mobile monitoring

The problem

Customer issues
- Too many wires
- Risk of infection
- Periodic measurement
- Reactionary
- Reduce cost of care

GE innovations

GE value-add
- Miniaturization & sensor technology
- Real-time monitoring in Cloud leveraging Predix™ analytics... secure, robust
- Proactive, linked to clinical care apps

Solutions

- $800MM monitoring business, growing double-digit
- Leveraging GE store to lead key industry trend
- High margins, accretive to business
Growth in emerging markets
Delivering value in healthcare

**Significant unmet need**

- Inadequate access...
  - >75% population is rural
  - Beds concentrated in urban areas

- Uneven quality of care...
  - Infant/maternal mortality rates: 2-3X DM
  - 80% CVD deaths are in EM’s
  - Late stage detection drives cost, mortality

- Limited, but rising capacity to pay...
  - Gross national income: 5.8B avg <$13K
  - High out-of-pocket: 35-60% of spend
  - Growing middle class

**Robust existing market**

- Value Equipment Segment
  - EM’s have 1/6th # of doctors/capita
  - >25
  - 1-5 Dr/10,000 In EM

- CAGR 12%
  - $3.6

- HC spend
  - $5T
  - Emerging: 5.8B
  - Developed: 1.2B

- Population
  - 2015: 1.2B
  - 2025: 5.8B

- Public/Private
  - 2015
    - Public: 0.7
    - Private: 0.5
  - 2025
    - Public: 1.7
    - Private: 1.9

- Global market for affordable products... with substantial long-term growth
Established a capable emerging markets foundation

**Delivering growth**

<table>
<thead>
<tr>
<th>Revenue</th>
<th>’10</th>
<th>’15</th>
<th>’20F</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>$2B</td>
<td>$4B</td>
<td>$6B+</td>
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</table>

- >30 EM products launched
- Accretive gross margin rate
- Attracting new buyers

**Driving disruptive, affordable innovation**

- **Product design → Affordable technology**
  - FastWorks... rapid & iterative
  - Ground up vs. “de-feature”
  - >30% cost out minimum

- **Localization:** Product, production, service

- Optima 540
- Revolution ACTs
  - 4x More affordable
  - 2x Smaller footprint
  - Simple UI → Intuitive & easy

**Proven profitable growth**
Now expanding our breadth to capture more value

**What are customers asking for?**
- Affordable technology R&D
- Skills development
- Business model innovation
- Capital structures

**How GE is responding**
- **Focusing**: Dedicated emerging markets investments
- **Building**: GE core technologies & Predix™
- **Scaling**: Increased investments in portfolio & go-to-market
- **Skilling**: Building education business, target 100K students
- **Outcome-based business models**: Turnkey with financing
- **Connecting**: Using GE’s GGO + new care areas

Unique business model for emerging markets

Care area focus:
- Primary care
- Mother & child
- Cardiovascular
- Cancer
A unique position & great source of growth

**Recent wins**

<table>
<thead>
<tr>
<th>Equipment/Service</th>
<th>Solution</th>
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<tr>
<td>Kenya</td>
<td>10 year managed service contract</td>
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<tr>
<td>IT</td>
<td>Equipment</td>
</tr>
<tr>
<td>Financing</td>
<td>Service</td>
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**Oncology Network**

Partner with new cancer care network in India

~$100MM

<table>
<thead>
<tr>
<th>Equipment</th>
<th>Service</th>
<th>IT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners</td>
<td>Financing</td>
<td>Business Development</td>
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Significant wins already ... strong pipeline
A leading Life Sciences business

In 2015...

• **62 million** patients diagnosed using GE contrast media... two patients every second!

• Manufactured **2.9 million** radio pharmaceutical doses

• **8 new monoclonal antibodies** approved by FDA ... **all 8** use GE technologies

• **7 of top 10** human medicines were biologics... **all 7** use our products
A broad Life Sciences portfolio

Research

- Research and Applied Markets
  - Research instruments
  - Consumables
  - Cell therapy tools

Bioprocessing

- Biopharmaceutical manufacturing
  - Cell culture media
  - Filtration systems
  - Chromatography

Diagnostics

- Contrast media, SPECT & PET imaging
  - Contrast Media
  - SPECT imaging
  - PET imaging agents

Leveraging best of GE Store: GRC + GGO footprint + Predix™
Traditional medicines, biopharmaceuticals and vaccines

Traditional medicine

- Prozac: <50 atoms
  - Simple manufacturing

Biopharmaceuticals & vaccines

- Insulin: 100’s atoms
- Monoclonal antibody: >10,000 atoms
- Flu vaccine: >100,000 atoms
  - Complex manufacturing

Global biopharma revenue

- $300B by 2019
- Recombinant products
- mAb
- Vaccines
- Others

Leading biopharmaceuticals

- Cancer MAbs $20B
- Insulin $15B
- Clotting factors $7B
- RA $15B
- EPO $9B
- Interferon $9B
Biopharmaceutical manufacturing

Investing along the value chain

- Grow cells: Cell culture, Cell and media
- Extract protein: Filtration membranes and systems
- Purify: Chromatography media & systems

Equipment, consumables, solutions

Bioprocess sales growth

- 11% CAGR
- $0.6B, '07
- $1.5B, '15
- ++, '16E

Next steps: cell therapy

A great GE business... hardware, software, services

Traditional: Fixed stainless steel

Today/Future: Flexible, single-use
GE’s innovative solutions for biopharma

**KUBio™ modular facility**

- First KUBio built: Wuhan, China
- Begins operation June 2016

**New global pharma customer**

**With FlexFactory™ single-use manufacturing**

- Low execution risk
- ~50% capital cost
- ~80% less water & energy
- ~75% less CO₂
- 12 month project timeline
- Equivalent operating cost of a conventional facility

**Designed in ... recurring GE revenues**
Life Sciences... Inorganic performance

**Amersham + Bolt-Ons**

Investing to build wing-to-wing bio processing capability ... best in industry

<table>
<thead>
<tr>
<th>Year</th>
<th>Company</th>
<th>Price($MM)</th>
<th>Multiple</th>
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<tbody>
<tr>
<td>2004</td>
<td>Amersham</td>
<td>$10,500</td>
<td>17.2x</td>
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<tr>
<td>2006</td>
<td>Biacore</td>
<td>$390</td>
<td>15.1x</td>
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<tr>
<td>2007</td>
<td>Wave</td>
<td>&lt;$100</td>
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<tr>
<td>2008</td>
<td>Whatman</td>
<td>$702</td>
<td>12.4x</td>
</tr>
<tr>
<td>2012</td>
<td>Xcellerex</td>
<td>&lt;$100</td>
<td>20.8x</td>
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<tr>
<td>2014</td>
<td>HyClone</td>
<td>$1,060</td>
<td>14.5x</td>
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**Performance**

- Key consumable in workflow
- Accelerated growth from 14% to 22%
- Returns ahead of deal model
- GE brand valued by customers

**Strategy/execution**

- Building out end-to-end solutions capability
- Disciplined on strategic fit
- Rigorous integration and execution

**Bolt-on acquisitions delivering growth and returns**
Betting on long-term growth in cell therapies

$2B cancer immunotherapy segment …
Extension of GE’s bioprocess expertise

Industry at an inflection point
- 375 active programs
- 7 companies with $17B market cap focused on CAR-T

GE positioned to solve industry challenges
- Scale up/scale out
- Process optimization
- Standardization & industrialization

Establishing GE as an Industry Leader
SILENT MR

- 120 dB: ROCK CONCERT
- 108 dB: STANDARD MR
- 95 dB: JACKHAMMER
- 77 dB: SILENT SCAN
- 74 dB: AMBIENT
Imaging opportunity in a value-based world

Shifting beyond in-patient imaging...

↑ Out-patient imaging
↑ Screening clinics
↑ ED imaging
↓ In-patient imaging
↑ New diagnostic tracers
↑ Image-guided therapy

Developed... ↑ IB Aging + ↓ Cost + ↓ Footprint

Old IB

New sockets
++ Connected
↑ Data
↑ Speed
↓ Dose

Outcomes
↑ Quality
↑ Revenue
↓ Cost

Developing... Large need for build-out

IB/Head
'S15 '18+

$/Unit
'S15 '18+

Value Segment
SVCT India

Matching portfolio with evolving market needs
Imaging

A true GE business

- High-tech
  - Advanced RF, MEMS, Digital PET Detector..."Only GE"

- Service
  - Revenues
    - 50% revenues from service
  - Equipment

- Digital
  - Imaging analytics
  - Digital services
  - Large IB connected

GE Store
GRC, GE Health Cloud, San Ramon, GE Services Technologies

The path forward

<table>
<thead>
<tr>
<th></th>
<th>Today</th>
<th>Future</th>
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<td>+</td>
</tr>
<tr>
<td>2 Distribution</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>3 Cost out</td>
<td>-</td>
<td>↑</td>
</tr>
<tr>
<td>4 Service</td>
<td>=</td>
<td>↑</td>
</tr>
<tr>
<td>5 Digital &amp; Solutions</td>
<td>+</td>
<td>+</td>
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Grow $8B franchise
Technical leadership for outcomes

Clinical value for improved outcomes
- Wide-coverage cardiac CT
- 1st portable 4D fetal u/sound
- 1st high field MR
- 100 yrs of XRay
- 1st silent MR exam on head
- Highly sensitive PET/CT exam
- Cardiac exams in one beat

Value for growth & life cycle economics
- Supervalue Revo ACT
- Life extension upgrades
  - Explorer Lift MR
  - SenoClaire 3D Mammo
- Long-life “vital organs”
- 1st pocket-sized ultrasound
- Design for Service

Advanced applications cloud and analytics
- Only HC industry specific Cloud
- Low dose imaging
- Award-winning connectivity
- Cardiac motion freeze
- 4D flow visualization
- CT+Vascular fusion for planning & guidance

Built on GE store value
- Advanced algorithms
- Efficient materials
- Modeling & simulation
- Robotics
- Predix™ Cloud
- Design to Value
Distribution leadership

World-class salesforce

SCALE
✓ GE’s largest distribution ... 10K
✓ Large distributor network ... 2,500
✓ Local presence in >100 countries

COMPETITIVE
✓ Highly specialized
✓ Strong relationships

Winning & efficient distribution

Talent
➢ Solutions ↑

Training
➢ Outcomes ↑

Digital
➢ SFDC & mobile
➢ Customer experience

Coverage
➢ Direct/indirect mix
➢ Acct mgmt/ specialist mix

Speed & Focus
➢ Incentives
➢ Empowered & strong support

Distribution is a competitive advantage... Driving share gain
### Roadmap

<table>
<thead>
<tr>
<th>Design</th>
<th>Sourcing</th>
<th>Supply Chain</th>
<th>GE Store</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Design for lower cost</td>
<td>2 Optimize supply base</td>
<td>3 Brilliant factories</td>
<td>4 Advanced electronics</td>
</tr>
<tr>
<td>• Disruptive innovation</td>
<td>• Value vs cost benchmark</td>
<td>• Logistics efficiency</td>
<td>• Cost productivity lab</td>
</tr>
</tbody>
</table>

### Driving cost out

<table>
<thead>
<tr>
<th>Product redesign</th>
<th>Target</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>X-ray product A</td>
<td>-22%</td>
<td>Eglinton Manner</td>
</tr>
<tr>
<td>MICT product B</td>
<td>-20%</td>
<td>Barber</td>
</tr>
<tr>
<td>MR product C</td>
<td>-16%</td>
<td>Stahre</td>
</tr>
</tbody>
</table>

#### Optimize

- Cabling... 10% deflation

#### Logistics efficiency

- Mode optimization... 10% cost ↓

#### Cost productivity lab

- Integrated electronics... 30% cost ↓

Focused cross-functional team... incentives aligned... cost catalogue for each product
4 Services margin expansion

**Strong foundation**
- Large connected installed base
- Distributed & experienced workforce
- Global parts & repair network

**Digitization**
- Service Digital Thread
- Digital Twin

**Increase connectivity/remote**
- +Build on strong base focus on emerging
- +Cross region acceleration
- +Connectivity up ↑2-3pts/yr

**Transform service delivery**
- +Broad engineer X-training
- +Call Center → Support Center
- +Digitally optimized dispatch
- +Driving 2% annual productivity

**Predictive & proactive**
- +Expanded real-time monitoring
- +More sensors ... more data ... more analytics
- +Remote fix capabilities

Improving customer experience & expanding margins +200 bps
Service growth acceleration

1. Grow the core “Asset level”
   - Serve/Optimize the IB
   - Expand in growth markets
     - Premier delivery capabilities
   - Grow life cycle offerings
     - Upgrades & applications
   - ↑ Service coverage
     Zero unplanned down time

2. Expand with digital “Department focus”
   - Outcomes driven analytics
   - Mining IB machine data
   - Cloud based offerings
     - GE Health Cloud
     - SaaS models
   - + Incremental productivity
     for imaging department

3. Extend radiology sol. “Across enterprise”
   - Solving Enterprise Challenges
     - Quantify target outcomes
     - Architect solutions
   - Multi-year risk sharing agreements
   - +++ Operational savings
     ↑ tech utilization,
     ↑ patient capacity

Service revenue

- V% Organic
- ~0-1%
- 3%
- +

‘12-‘14  ‘15  ‘16E

Built on GE store
- Predix™ & Analytics
- Global footprint
- Financing solutions

‘16E

2015

3%
Digital services delivering customer outcomes

**Productivity analytics**
- Machine utilization data
- Analytics to optimize throughput
- Asset tracking
  - ↓ Scan times and ↑ throughput
  - ↑ Fleet asset utilization
  - Exam slots / year ↑
  - $ revenue / year ↑
  - $ revenue / year ↑

**Clinical analytics**
- Disease Quantification
- Automated Analysis Tools
- Decision Support
  - ↓ Read time and ↑ capacity
  - Treatment guidance tools
  - Faster, better informed decisions
  - Radiology reading capacity ↑
  - $ revenue / year ↑

Analytics as a service
- Renewals ↑
- Price ↑
- User base ↑

Connected devices
- Enabled by Predix™

Connected users

Strong growth ... 20%+ 2016 - 2018
Digital growth
Portfolio designed for the next phase of healthcare IT

<table>
<thead>
<tr>
<th>Data</th>
<th>Insights</th>
<th>Action</th>
<th>Transformation</th>
</tr>
</thead>
</table>

**Broad portfolio of solutions...**

**Clinical optimization**
- Enterprise imaging
- Advanced visualization
- Precision medicine
- Clinical analytics
- Operational analytics

**Care system optimization**
- Care pathway optimization
- Financial management
- Workforce management
- Population health management
- Digital health monitoring
- GE Healthcare Partners

**...addresses key needs for health systems**

**Make machines smarter**
- utilize big data and cloud analytics for actionable clinical insights

**Guide optimal treatment**
- utilize deep clinical domain to properly apply insight to caregiver workflow

**Close the gap to value**
- ensure our software solutions help improve quality and reduce costs

Data, insight and action capabilities required to drive better outcomes
GE Health Cloud
The first industry-specific cloud built on top of Predix™

- Interoperability
- Deployment & service models
- Industry compliant
- Consistent user experience
- Analytics services
- Data management
- Security & privacy

Being designed to manage volume, velocity & complex 3-D medical imaging data within a secure, HIPAA-compliant cloud environment

GE Health Cloud has anticipated availability in 2H'16
GE Health Cloud is a differentiator for large enterprise wins

East Midlands Radiology Consortium (EMRAD)

• 6MM patient population across diverse regions
• 2.5MM exams/year... 50K clinicians... 7 NHS trusts
• Severe radiology resource constraints → led to outsourcing significant # of exams/year

Contract details

• $40MM contract over 10 years
• ~90% GE HCIT apps + ~10% GE Health Cloud apps
• New cloud apps (collaboration, image sharing) complement HCIT archiving & workflow solutions
• Termed “Vanguard innovation project”... NHS will use EMRAD as model for follow-on trusts
• Scheduled to go live in 2H’16

Create clinical collaboration network to provide timely radiology care
GE Healthcare vision for big data analytics

**Predix™ platform**
- Security & privacy certifications
- Scalable framework for big data & analytics

**GE Health Cloud services**
- Data sets for clinical, financial, operational, life sciences
- Built-in analytics, collaboration, image manipulation & dashboard creation

**Commercial plans**
- 80% of apps from 3rd-party developers
- Outcomes-driven consulting model

Transforming portfolio over time to cloud-enabled analytics and workflows... clear customer migration path
Supply chain
Supply chain ... global scale, local presence

- 70 factories in 22 countries;
- 40% in emerging markets ... 60% by 2018
- "Vital organs" in 5 key hubs / local assembly distributed

500 equipment deliveries/day ... 250,000 devices/day

600 products ... 100,000 sku’s

6,000 suppliers across the globe

US, UK, Netherlands
Nuclear imaging media production ... 24 hours from cyclotron to patient

US and China
36,000 miles of superconducting wire goes in 1000 MR machines each year

US, Europe, China, Korea, India
35,000 Ultrasound machines / year 2 week lead time

Ireland, China, Norway
60 million units of contrast media ... one dose every 2 seconds

500 equipment deliveries/day ... 250,000 devices/day

600 products ... 100,000 sku’s

6,000 suppliers across the globe
Supply chain... technical capability and low cost

**Sourced parts**
- $88 spend... enabled by GE commodity pricing
- Regional... low cost

**Component manufacturing**
- Unique manufacturing technology producing “crown jewels” at scale
- Global... US, Europe, Japan, China, India

**Vertical integration**
- Global manufacturing footprint... low cost
- Localized value stream
- Quality and regulatory expertise

**Chemical processes**
- Contrast agents scale... lowest cost
- Pharma growth capability & capacity

- Lowest price
- Product capability @ lowest cost
- Optimized value stream
- Scale Cost
How we’re attacking gross margins across GE...

\[ Y = \text{Product/service costs} \]

- **\( X_1 \) Material**: Product design, Deflation
  - Drivers: Drive to “should cost”, Supplier diversification
  - Owners: Supply chain, Sourcing, Engineering
- **\( X_2 \) Labor**: Competitive wage, Labor productivity
  - Drivers: Low cost countries, Lean
  - Owners: Supply chain, HR
- **\( X_3 \) Overhead**: OCPH, Installation, Indirect cost
  - Drivers: Multi-modal factories, Bullet train reviews
  - Owners: Supply chain, Engineering
- **\( X_4 \) COQ**: Supplier recovery, Scrap/rework reduction
  - Drivers: T&C enforcement, Defect process control
  - Owners: Supply chain, Engineering
- **\( X_5 \) Services**: Unplanned outages, Labor productivity
  - Drivers: Reducing downtime, Field services efficiency
  - Owners: Services

**1) Multi-functional... 2) 100% of costs allocated to owner & tracked... 3) Incentives**
Gross margin expansion

Cost ... Productivity/Year

$MM

| Year | $110MM | $240MM | $350MM+ |

Design for cost
- 300 dedicated cost out engineers... focus
- Global Research Center Productivity Lab

Logistics
- Targeting 30% reduction
- Rates, mode, consolidation

Sourcing
- Big data enabling sub tier “should cost”
- 30% reduction in single source suppliers

Factory
- 80% lean certified production lines... 200 → 500
- Brilliant factories... 5 → 60, additive, robotics
- ERPs, Predix™ enabled predictive testing

Install efficiency
- Today: regional installation with varied process
- Future: standardized, digital = remote, lean
Supply chain... executing cost out

Super conducting wire... $50M / year spend... 7% deflation

- Developed new lower cost source for raw material
- Compete wire buy across global suppliers: US, Europe, Asia
- Best landed cost for US and China factories

Reducing single source suppliers ... 2X deflation

GE Uppsala chromatography media production
- Converted from manual paper based scheduling to analytical based optimized
- Increased output: 10% increased output ... $80M revenue
- Investment postponed: $120M investment postponed

Next: Supply chain chemistry optimization with Predix™

Competitive sourcing

<table>
<thead>
<tr>
<th>Single/sole source suppliers</th>
<th>'15</th>
<th>'16E</th>
<th>'17F</th>
<th>'18F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50%</td>
</tr>
</tbody>
</table>

Brilliant digital factories

<table>
<thead>
<tr>
<th>Brilliant factories</th>
<th>'15</th>
<th>'16E</th>
<th>'17F</th>
<th>'18F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>15</td>
<td>30</td>
<td>50</td>
</tr>
</tbody>
</table>

30 tons annual production ... $800M revenue
56 base chemistry matrix ... 270 products

Raw material suppliers

GE Uppsala

Pharma customers
Delivering earnings growth
Leveraging GE Store

**GE → GE Healthcare**
- Technology
- Predix™, data analytics
- Services
- Solutions + Financing

**GE Healthcare → GE**
- “First in” regions
- Sensors, Imaging, Inspection
- Cash generation
- Anchor tenant in EM

The GE Store is the transfer of technology, talent, expertise and connections through GE’s massive, diverse network of businesses and markets. GE’s businesses give and take from the Store, and in 2015, the Company made great progress.
Annual Executive Incentive Plan (AEIP) driving alignment

### AEIP framework

75% Financial/25% Strategic

<table>
<thead>
<tr>
<th>Financial goals</th>
<th>Strategic goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Op Profit ($B)</td>
<td>Margin expansion</td>
</tr>
<tr>
<td>FCF ($B)</td>
<td>Sourcing at scale, brilliant/lean factories, digital services</td>
</tr>
<tr>
<td>Margins (%)</td>
<td>World-class imaging</td>
</tr>
<tr>
<td>Cost Out($M)</td>
<td>Distributed imaging ... aligned to market needs</td>
</tr>
</tbody>
</table>

### Mapped to individual performance

- **Commercial**: share, margin, FCF
- **Supply chain**: cost out, FCF, cost of quality
- **Digital**: digital strategy, Op Profit, margin, FCF
- **Imaging**: product margin, Op Profit
- **Life Sciences**: sales growth, Op Profit, FCF
- **Services**: cost out, FCF, growth
- **Mobile Dx/Monitoring**: growth, Op Profit, FCF, margin %

All in for investors
Summary

- Franchise business... tech, digital, service
- Investing for margin expansion
- GE Store key competitive advantage
- Digital platform opens new path
- Disciplined capital allocation
- Revamped team... AEIP aligned