



# GE Healthcare

Citi bank virtual investor meeting

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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 report 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 internal estimates and forecasts. Actual results could differ materially.

NON-GAAP FINANCIAL MEASURES: In this document, we sometimes use information derived from consolidated financial data but not presented in our financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP). Certain of these data are considered "non-GAAP financial measures" under the U.S. Securities and Exchange Commission rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. The reasons we use these non-GAAP financial measures and the reconciliations to their most directly comparable GAAP financial measures are included in our annual report on Form 10-K and our quarterly reports on Form 10-Q, our 2020 GE Investor Outlook, and the appendix of this presentation, as applicable.

ADDITIONAL INFORMATION ABOUT GE: GE's Investor Relations website at [www.ge.com/investor](http://www.ge.com/investor) and our corporate blog at [www.gereports.com](http://www.gereports.com), as well as GE's Facebook page and Twitter accounts, contain a significant amount of information about GE, including financial and other information for investors. GE encourages investors to visit these websites from time to time, as information is updated and new information is posted.

# Leading global medical technology and digital solutions innovator

## Financials

*Excluding Biopharma*

	<b>2019</b>
<b>Revenue*</b>	<b>\$16.7B</b>
<b>Operating Profit*</b>	<b>\$2.4B</b>
<i>% of revenue</i>	<i>14.6%</i>
<b>FCF Conversion*</b>	<b>75%</b>
	<i>85% - 95% near/mid-term</i>

## Differentiators

### 100+ year legacy of innovation

- 12K patents issued; 3K pending
- Strong PET tracer and contrast agent pipeline

### Global scale with world's largest IB

- 4M+ installed base and 2B+ exams per year
- 3 patients / second using contrast media
- 160+ countries
- 50K employees worldwide
- Local, globally with R&D in 18 countries

### Ability to integrate data for insights

- 200+ digital and analytics apps
- >230B patient images stored
- COVID-19 accelerating pace of digital transformation



\*Non-GAAP  
FCF conversion: FCF / net income (\$1.8B in '19), adjusted to include restructuring expense

# A global leader in large, attractive markets

## Solutions for the diagnosis, treatment and monitoring of patients

Global markets

Size ('19A)

Growth drivers



Imaging

\$19B-a)



Ultrasound

\$6B-a)



Life Care Solutions

\$6B-a)



Pharmaceutical Diagnostics

\$9B-b)



Enterprise Software and Solutions

\$5B-c)

- Persistent need for better care, delivered more efficiently
- Growth of middle class & aging populations creates demand for more capacity
- Digital and AI ready for application to healthcare problems, at scale
- Growth in contrast use in developing markets & expanding indications of molecular imaging agents
- Continued growth in Precision Diagnostics (e.g., cancer, Alzheimer's)

**\$47B global market (excluding services), expected to grow 3-4% longer term**



(a- Imaging, Ultrasound and LCS markets measured in equipment order \$; all others based on revenue \$; excludes LCS digital

(b- Contrast media (X-Ray & MRI), Ultrasound and Nuclear Medicine (SPECT & PET)

(c- ESS markets include Advanced Visualization, Radiology IT, Cardiology IT, Imaging Analytics, AI-based Clinical Applications, Radiation Dose Management, IT for Teleradiology

# Delivering innovation close to our customers, globally

**5,700**  
Sales professionals

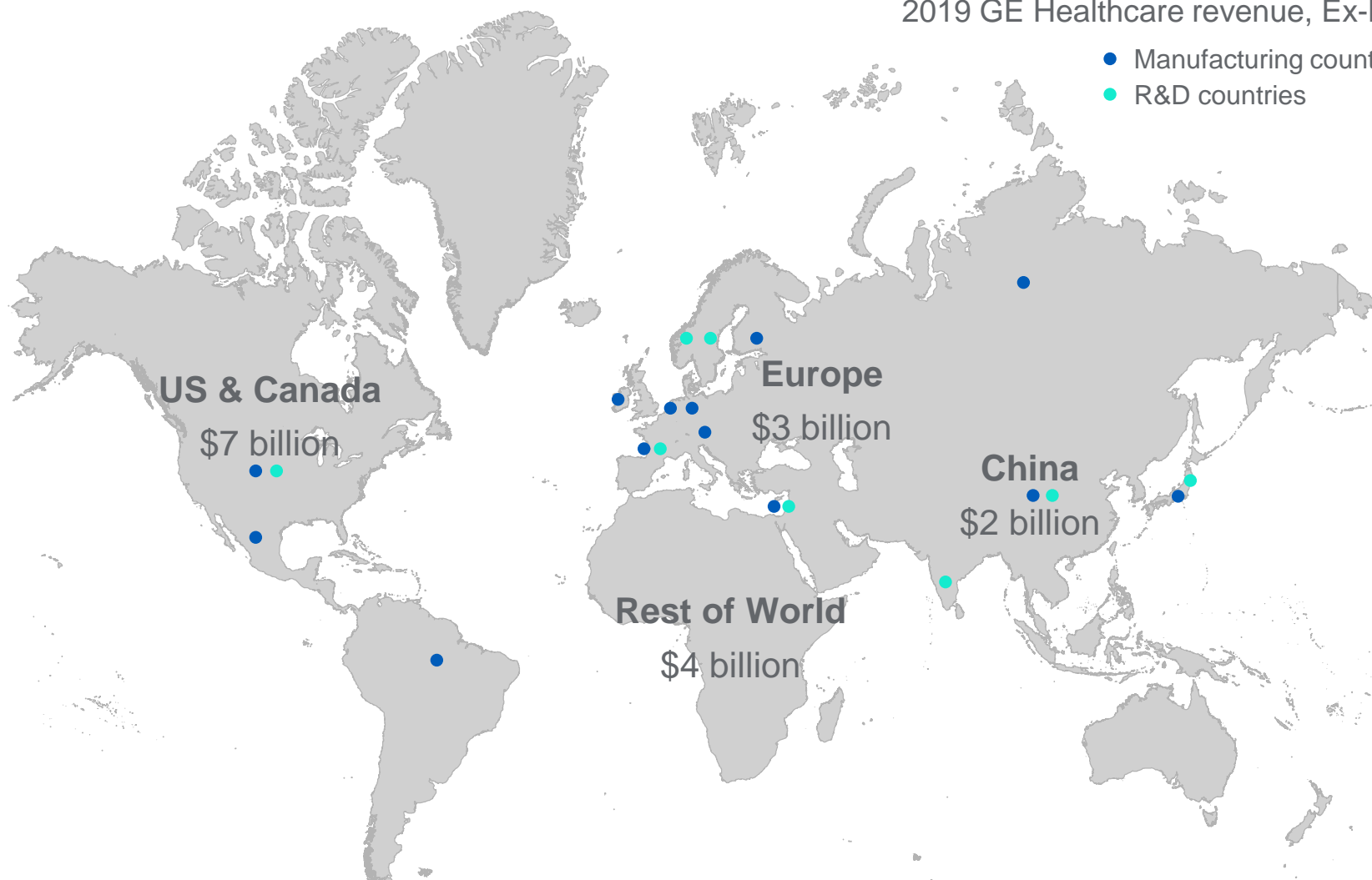
**1,900**  
Channel partners

**8,000**  
Field service engineers

**7,400**  
Engineers,  
in China and India

**2,400**  
Manufacturing sites

2019 GE Healthcare revenue, Ex-Biopharma



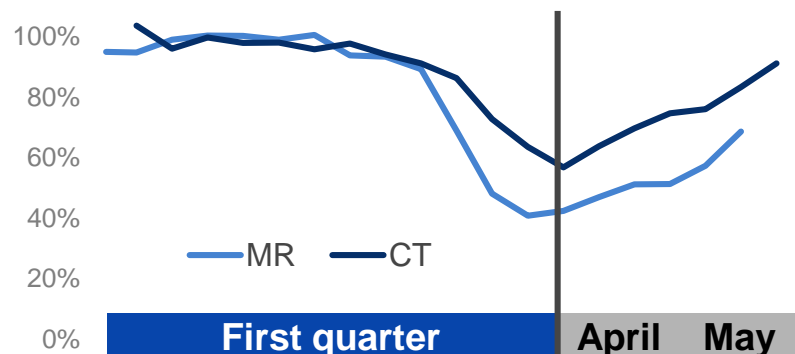
**New leadership in key regions (US, China) driving improvements in visibility & win rate to accelerate growth**



# Taking multiple actions in response to COVID-19

## Our Reality

Scans / system / week vs. 4Q baseline<sup>-a)</sup>



- **COVID-19 products<sup>-b)</sup>**: demand remains elevated; 2Q orders estimate up >100%
- **Other diagnostic products & services**: 2Q orders down DD with sales lagging orders on some rescheduling requests

(a – Global

(b – Respiratory, CT, monitoring solutions, X-ray, Anesthesia, and Point of Care Ultrasound

## Our Approach

- 1 Safety of our employees & partners
- 2 Delivering what the world needs now
- 3 Partnering closely with customers
- 4 Reducing cost & conserving cash leveraging lean

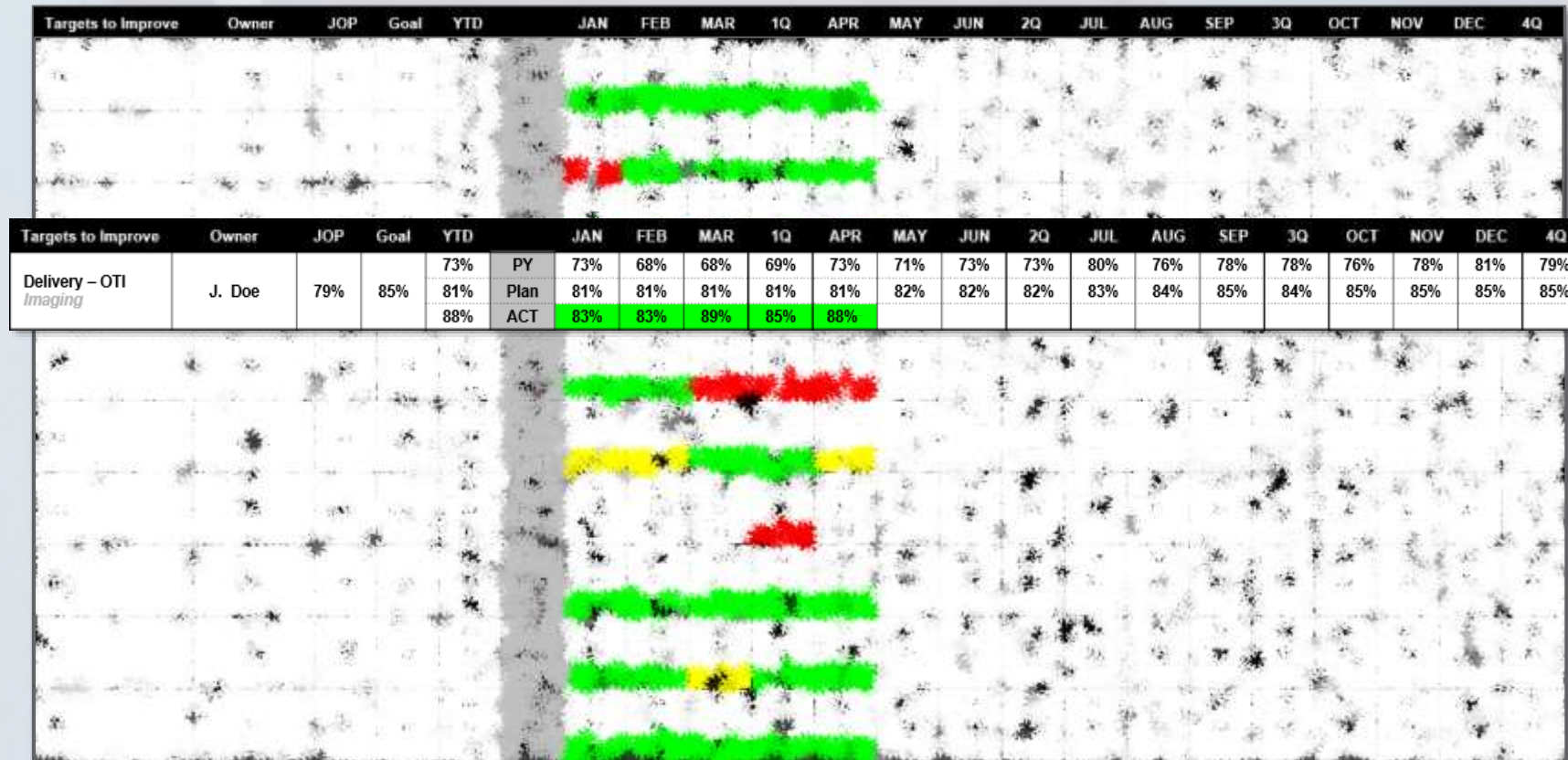


Delivering for our customers while moving with speed to accelerate fixed cost\* out



# Executing our plan

## GE Healthcare Bowler - Example



## How we operate

- **Standard KPIs and fewer priorities**
  - Safety: patient and employee
  - Customer: reliability and delivery
  - Organic growth and margin expansion
  - Cash generation
- **Daily management** incorporating lean principles throughout the organization
- **Monthly operating reviews** underpinned by transparency, humility, and focus
- **Real time** root cause analysis and problem solving

Embedding Lean into daily management ... accelerating transformation



*Strong  
Healthcare  
franchise* +

*Bold  
growth  
agenda* +

*Lean* + *Investing  
for the  
future*

Significant  
opportunity for  
value creation



**Near-/mid-term financial targets**  
Remains intact (ex-2020 trough)

**LSD/MSD**

**+25-75 bps**

**85 - 95%**

Revenue growth  
per year

Margin expansion  
per year

FCF conversion\*



\* Non-GAAP

# Appendix: Non-GAAP reconciliation: 2019 financials ex-BioPharma

<b>HEALTHCARE EXCLUDING BIOPHARMA (GAAP)</b>	<b>Revenues</b>	<b>Profit (loss)</b>	<b>Profit margin</b>
<b>(Dollars in millions)</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>
Healthcare (GAAP)	\$ 19,942	\$ 3,896	19.5%
Adjustments:			
Less: BioPharma	3,289	1,472	44.8%
<b>Healthcare excluding BioPharma (GAAP)</b>	<b>\$ 16,653</b>	<b>\$ 2,424</b>	<b>14.6%</b>

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

<b>(Dollars in millions)</b>	<b>2019</b>
Healthcare CFOA (GAAP)	\$ 3,024
Add: gross additions to property, plant and equipment	(395)
Add: gross additions to internal-use software	(79)
<b>Healthcare free cash flow (Non-GAAP)</b>	<b>\$ 2,550</b>
Less: BioPharma CFOA	1,446
Less: BioPharma gross additions to property, plant and equipment	(123)
Less: BioPharma gross additions to internal-use software	(11)
<b>Healthcare excluding BioPharma free cash flow (Non-GAAP)</b>	<b>\$ 1,238</b>

