Forward-Looking Statements:
This document contains “forward-looking statements” — that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” “will,” “would,” or “target.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about our announced plan to reduce the size of our financial services businesses, including expected cash and non-cash charges associated with this plan; expected income; earnings per share; revenues; organic growth; margins; cost structure; restructuring charges; cash flows; return on capital; capital expenditures, capital allocation or capital structure; dividends; and the split between industrial and GE Capital earnings. For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: obtaining or the timing of obtaining any required regulatory reviews or approvals or any other consents or approvals associated with our announced plan to reduce the size of our financial services businesses; our ability to complete incremental asset sales as part of this plan in a timely manner or at all and at the prices we have assumed; changes in law, economic and financial conditions, including interest and exchange rate volatility, commodity and equity prices and the value of financial assets, including the impact of these conditions on our ability to sell or the value of incremental assets to be sold as part of this plan as well as other aspects of this plan; the impact of conditions in the financial and credit markets on the availability and cost of GECC’s funding, and GECC’s exposure to counterparties; the impact of conditions in the housing market and unemployment rates on the level of commercial and consumer credit defaults; pending and future mortgage loan repurchase claims and other litigation claims in connection with WMC, which may affect our estimates of liability, including possible loss estimates; our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so; the adequacy of our cash flows and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level or to repurchase shares at planned levels; GECC’s ability to pay dividends to GE at the planned level, which may be affected by GECC’s cash flows and earnings, financial services regulation and oversight, and other factors; our ability to convert pre-order commitments/wins into orders; the price we realize on orders since commitments/wins are stated at list prices; customer actions or developments such as early aircraft retirements or reduced energy demand and other factors that may affect the level of demand and financial performance of the major industries and customers we serve; the effectiveness of our risk management framework; the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of financial services regulation and litigation; adverse market conditions, timing of and ability to obtain required bank regulatory approvals, or other factors relating to us or Synchrony Financial that could prevent us from completing the Synchrony Financial split-off as planned; our capital allocation plans, as such plans may change including with respect to the timing and size of share repurchases, acquisitions, joint ventures, dispositions and other strategic actions; our success in completing, including obtaining regulatory approvals and the specifics of any approvals for announced transactions, such as the proposed transactions and alliances with Alstom, Appliances and Real Estate, and our ability to realize anticipated earnings and savings; our success in integrating acquired businesses and operating joint ventures; the impact of potential information technology or data security breaches; and the other factors that are described in “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2014. These or other uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.
This document includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.
This document also contains non-GAAP financial information. Management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. For a reconciliation of non-GAAP measures presented in this document, see the accompanying supplemental information posted to the investor relations section of our website at www.ge.com.*

In this document, “GE” refers to the industrial businesses of the Company including GECC on an equity basis. GE Capital or GECC refers to the financial services businesses of the company. “GE (ex-GECC)” and/or “Industrial” refer to GE excluding Financial Services.”

GE’s Investor Relations website at www.ge.com/investor and our corporate blog at www.geblogs.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.

Imagination at work.
GE businesses

Aviation
$20B

Power & Water
$28B

Energy Management
$7B

Appliances & Lighting
$8B

Healthcare
$18B

Transportation
$6B

Oil & Gas
$15B

50,000+ Technologists

Spending = $5+B/year
GE Global Research
THE TECHNOLOGY DEVELOPMENT ARM FOR GE

- First U.S. industrial lab
- Market-focused R&D
- One of the world’s most diversified industrial research organizations
- Leading a team of ~50K world-class engineers
Win with Technology

Business model

Innovate at scale
- LEAP ... 79%\(^{a)}\) share, +15% efficiency
- H-turbine ... world’s largest & most efficient gas turbine; 15 in backlog + 30 technical selections
- Tier 4 ... 1,355 locos ordered in ’14\(^{b)}\); only qualified product

Lower product cost
- Advanced manufacturing ... CMCs, 3D, service value
- Design & testing ... Greenville test stand
- Vertical integration ... ↑ GE content, ↓ sole source
- Brilliant Factory

Installed base value
- ↑ $/IB ... targeting growth of 3-5%/year
- Predictivity™ revenue of $1.4B in ’14
- Increasing global presence & value in the aged fleet
- ’14 Services Op profit ~32%

Analytics

Gain share

Improve margins

Grow services

How Technology wins ... GE Advantage

\(^{a)}\) 79% market share to date: 55% on A320neo & 100% for 737MAX; LEAP is a trademark of CFM International a 50/50 JV between GE & SNECMA.

\(^{b)}\) Tier 4 compliant orders
The GE Store for Technology

**POWER & WATER**
Combustion science & services installed base

**APPLIANCES & LIGHTING**
LED is gateway to energy efficiency

**AVIATION**
Advanced materials/manufacturing & engineering productivity

**HEALTHCARE**
Diagnostics technology, software & first-mover in growth markets

**OIL & GAS**
Services technology & first mover in growth markets

**ENERGY MANAGEMENT**
Electrification, controls & power conversion technology

**TRANSPORTATION**
Engine technology & growth market localization

DRIVING TECHNOLOGY ADVANTAGE ACROSS OUR BUSINESSES
## GRC role in GE Store

<table>
<thead>
<tr>
<th>Invest in foundation</th>
<th>Spread ideas</th>
<th>Value in acquisitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advanced manufacturing</strong></td>
<td>CMC</td>
<td><strong>Oil &amp; Gas</strong></td>
</tr>
<tr>
<td>✓ Materials</td>
<td>✓ Additive manufacturing</td>
<td>✓ Systems thinking</td>
</tr>
<tr>
<td>✓ Combustion</td>
<td>✓ Repairs</td>
<td>✓ Bio-inspired materials</td>
</tr>
<tr>
<td>✓ High-performance computing</td>
<td>✓ Design tools</td>
<td>✓ Electrification</td>
</tr>
<tr>
<td>✓ Thermo systems</td>
<td>✓ Aerodynamics</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Nurture innovation</th>
<th>Digital at scale</th>
<th>Develop engineering community</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Solid oxide fuel cell</td>
<td>✓ Analytics</td>
<td>✓ Best practices</td>
</tr>
<tr>
<td>✓ Silicon carbide</td>
<td>✓ Big data</td>
<td>✓ Tools</td>
</tr>
<tr>
<td>✓ Cell therapy</td>
<td>✓ Physical + Digital</td>
<td>✓ Careers</td>
</tr>
<tr>
<td>✓ Brain imaging</td>
<td></td>
<td>✓ Leadership development</td>
</tr>
<tr>
<td>✓ Robotics/AI</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓ Multi-phase flow meter</td>
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</tr>
</tbody>
</table>

- **Software COE**
- **Power Conversion**
- **Life Sciences**
- **Engineers** ~50K
Accelerating innovation through collaboration

- **BIG COMPANIES**
  - Statoil
  - Nestle
  - Sncema
  - Chevron
  - Lilly

- **UNIVERSITIES**
  - Indian Institute of Technology
  - TUM
  - PENNSTATE

- **GOVERNMENTS**
  - US
  - China
  - Europe

- **VENTURE CAPITAL**
  - Health care
  - Energy
  - Software
  - Advanced mfg.

- **OPEN COLLABORATION**
  - Challenges
    - Eco/Healthy
    - 3D printing
    - Flight

- **IN COUNTRY, FOR COUNTRY + CUSTOM INNOVATION CENTERS**

GE
50,000+ technologists

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The FastWorks Framework

EXPERIMENT... LEARN... ITERATE

1 | Problem statement
Define customer problem ... long term vision to solve

2 | Leaps of faith
Identify assumptions that need to be true to achieve vision

3 | MVPs
Build series of tests to validate assumptions

4 | Learning metrics
Identify and track leading indicators ... validate learnings

5 | Pivot or Persevere
Adjust strategy based on validated learnings

Learn → Build → Measure

Pivot or Persevere

Problem statement

Leaps of faith

Learning metrics

MVPs

GE
What’s Next

Six areas of research that will ignite the future

- EXTREME MACHINES
- SUPER MATERIALS
- MAPPED MINDS
- ENERGY EVERYWHERE
- BRILLIANT FACTORIES
- INTELLIGENT INTERNET
*CFM LEAP...not just any new product introduction

- First engine fired two days ahead of schedule
- Achieved max thrust
- 15,000 parts...3,000° F temps
- Composites, ceramics, super alloys
- 3D printed fuel nozzles
- Clearances ¼ thickness of a human hair

*CFM is a 50/50 JV between GE and Safran.
Super materials ... ceramic-matrix composites

CMCs are silicon carbide fibers in a silicon carbide matrix

- **High-temperature**
  - CMCs
  - Nickel alloys

- **Not brittle**
  - Monolithic ceramics
  - CMCs

+500°F  +  1/3 weight of metal  =  1.5% Fuel efficiency

Diameter of a human hair
Extreme machines: GE “store” for subsea

SOFTWARE CENTER
Smart BOP and advanced controls

POWER & WATER
Water injection and processing

TURBO MACHINERY
Pumps and compressor technology

ENERGY MANAGEMENT
Power transmission and distribution

SUBSEA SYSTEMS
Subsea production equipment and services

MEASUREMENT & CONTROL
Leak detection and multiphase flow measurement

AVIATION
Valve coatings and advanced materials

HEALTHCARE
Diagnostic software imaging

GLOBAL RESEARCH CENTER
Flow assurance and advanced riser technology

USING THE ENTIRE COMPANY TOOLKIT ... SOLUTIONS FOR CUSTOMERS
Mapped minds: Brain health

Trends

Normative Science
Understanding the brain at multiple scales
Multi-scale data integration and analytics
Scale of the human genome project

Disease Understanding
Common disease mechanisms and pathways
Brain stimulation and implants
Common solutions for TBI, AD, PD, etc.

Research ecosystem

Micro level cell classification and disease pathways

GE analytical toolkit
(Multi-scale, multimodal)
- Biology of imaging signatures
- Radiogenomics
- Multi-scale data analytics

Common disease solutions

Macro level brain structure and function

Advanced human imaging

Meso level brain network mapping
Neural Recording
(Dr. Donoghue) GRC microelectronics technologies

Collaborative ecosystem is key to finding a cure
Life Sciences: a biological factory
INDUSTRIALIZED AND AUTOMATED FOR CELL THERAPIES

QUALITY ASSURANCE/QUALITY CONTROL

Source/donor  Processing/enrichment  Expansion  Harvesting/washing  Formulation  Delivery

ADVANCED MANUFACTURING FOR HEALTHCARE ENABLES WIDESPREAD ADOPTION OF CELL THERAPIES
Revolution™ CT – Platform for the future with uncompromised clinical performance

KEY GLOBAL RESEARCH TECHNOLOGIES

Image reconstruction:
• SnapShot Freeze™

Spectral imaging:
• Gemstone™ Detector

CLINICAL/PATIENT VALUE

Safety:
• Routine low radiation dose

Improved outcomes:
• 1-beat cardiac
• Tissue characterization

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Energy everywhere

Growth in emerging countries

Need for cleaner energy

Investments in O&G industry

Increased gas availability

Need for fast, scalable & financeable solutions
Power & Water: HA turbine technology

- **Lower OPEX**: Industry-leading efficiency & maintenance costs
- **Lower CAPEX**: Largest turbines with lowest $/kW through economies of scale
- **Simpler**: No complexity and cost of steam cooling... and designed for plant constructability
- **Most Flexible**: Industry-leading operating flexibility... start times, ramp rates, operating range

5% lower lifecycle cost of electricity ... significant customer validation, building the HA order book
Distributed Power
GE – FUEL CELLS ... OUR NEWEST “START-UP”

DISRUPTIVE TECHNOLOGY FOR POWER GENERATION

• 65% efficiency, 1-10MW Distributed Power solution ... best-in-any-class

• Clean energy ... Low GHG Emissions

• Hybrid solution ... 65% SOFC fuel cell, 35% GE Jenbacher

MARKET OPPORTUNITIES ... DELIVER POWER WHERE IT’S NEEDED

• Developing nations, remote communities
• Utility substations
• Industrial/Commercial centers (factories, data centers)
• Retrofit for customers with gas engines

Opened new pilot development facility in Aug. 2014

GE’s Hybrid SOFC system
Renewables going mainstream

**Competitive today**

**Wind Cost of Electricity (LCOE)**

- '03: ~15/kWh (unsubsidized)
- '06: ~10
- '09: ~8
- '12F: ~5

LCOE ↓65%

**GE product advancements ...**

- Turbine performance ↑50%
- Efficiency ↑35%+
- Availability ↑13 pts

Source: GE Marketing, Lazard

**More competitive tomorrow**

**GRC technologies ...**

- Controls to better manage performance... 5% LCOE
- Improved blade aero/manage noise
- More efficient drivetrain and power electronics

Technology making wind more economic than ever
GE Brilliant Factory vision
Creating the “digital thread”

- Fully-connected
- Automated
- Never surprised
- “Factory that never stops”
Virtual Manufacturing

**Process Modeling**
- Solidification
- Welding
  - Broaden supply base, design space
  - Shorten NPI cycle time
  - Quality... yield increase
  - Cost reduction

**Manufacturing Producibility**
- Advisor tool *during* design
- - Producibility, cost, capability
- Enables Design for Manufacturing
- Drives faster NPI
- Opens supply base

**Model-Based Manufacturing**
- Engineering data to mfg. model
  - Today:
    - Significant manual work
    - Long time to adapt NC to new part
- In-process models for machining
- Linked to engineering models
- Reusable libraries

Design Producibility Advisors

In Process Models
Inspection Technologies...Factory

Real-time Adaptive Process Control & Feedback to Design on Part Cost & Quality

- Inspection-Guided Manufacturing
- Real-time Adaptive Process Control
- Part Quality & Cost Feedback
Factory & Demand-Side Analytics and Optimization

Throughput, Expense, Fulfillment Capability
Design & Decision Support for reliable capacity to meet demand and ID cost/quality opportunities

Inventory, WIP
Optimized material & labor at each process – throughput & timing as function of variation and interdependencies

Value Chain
Determine make/buy, plant locations, late point customization, inventory/delivery to fulfill demand and lower cost

Operations Optimization: Engineering & Finance
3D printing ... complexity is free

• 300+ 3D printing machines in use across the company

• Developing parts for Aviation, Oil & Gas, Healthcare, Power & Water and other GE businesses

• Will print more than 100,000 parts for Aviation by 2020

*CFM’s LEAP Engine ... 1st jet engine with 3D printed parts

World largest user of additive technologies for metal

* A 50/50 joint company between Snecma and GE
INDUSTRIAL INTERNET
What happened when 1B people became connected?

- Social marketing emerged
- Communications mobilized
- IT architecture virtualized
- Retail & ad transformed
- Entertainment is digitized

Consumer Internet
What happens when 50B Machines become connected?

- Real-time Network Planning
- Shipment Visibility
- Hospital Optimization
- Factory Optimization
- Logistics Optimization
- Connected Machines
- Hospital
- Smart Grid
- Factory
- Rail Yard
- Patient
- Grid

OT is virtualized  Analytics become predictive  Employees increase productivity

Machines are self healing & automated  Monitoring and maintenance is mobilized
Physical + digital

These drivers are a doorway to endless outcomes

Software & Analytics
Combining the power of physics-based analytics, predictive algorithms & deep domain expertise

Intelligent Machines
Increasing system intelligence through embedded software to connect facilities, fleets & networks

Big Data
Generating data-driven insights & enhancing asset performance

People at Work
Connecting people to support more intelligent operations, maintenance & safety
The merging of the physical and digital worlds enables machines to talk to machines, systems, and people so that they can perform better, faster, safer, and more reliably.

- Factories grow progressively more efficient by collecting, analyzing, and applying production data.
- City’s interconnectivity among lighting fixtures can optimize transportation by collecting and analyzing information about vehicles, traffic, work zones, & roadways.
- Hospitals know and serve their patients better by equipping them with RFID wristbands that enable the full view of their medical history.
- Fleets will tell maintenance crews which parts are needed to be replaced & when, helping aircraft operators to predict future downtime, before it occurs.

- **40%** \(\downarrow\) Manufacturing value by optimizing supply chain
- **$1B** Industry value by reducing inefficiencies
- **$63B** Industry value by reducing process inefficiency
- **$30B** Industry value by increasing fuel savings
Solutions for APM + Operations Optimization
Powered by Predix

Predix Services
Experience / Mobile

Predix Services
Machine Connectivity
GE / Non GE

Predix Cloud
PaaS / DevOps Services
IaaS

Predix Services
Asset Data Mgmt.
Data Sciences
APM (RM&D, ...)

Open integration with legacy IT

Aviation Healthcare Manufacturing Mining Oil & Gas Power Distribution Power Generation Rail Water Wind
GE Industrial Internet Controls System

Driven by safety, reliability and performance

1. Controls asset behavior
2. Provides safety & security
3. Bridges digital & physical
4. Hosts critical control apps

GE Cloud
- Analytics & APM
- Deploy
- Create
- Configure

GE Machines
- Actuators
- Sensors

Predix-ready platform

Brings scale of GE capability

Predix

Vready platform

Analytics & APM

GE Cloud

Operate

Real-Time Control

Predix Machine

Communication
SAFE & COOPERATIVE

1. Cloud gateway
2. User experience gateway
3. Security & SW upgrades
4. Hosts fleet level, non-critical apps
Predictivity + aviation

Impact of Unplanned Downtime

Air turnbacks are costly

Airline industry maintenance cost for delays & cancellations

Decrease in workforce productivity

Added maintenance costs

$45MM per day

Loss per cancellation or diversion: $25K - $100K

Loss per delay: $6K - $8K

Benefits of Predictive Maintenance

Effective workforce & reduced maintenance costs

On-time performance

Customer satisfaction
## Technology leadership

($ in billions)

<table>
<thead>
<tr>
<th>Investment</th>
<th>Key launches</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$16</td>
<td>LEAP</td>
</tr>
<tr>
<td>~$16</td>
<td>H gas turbine</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>R&amp;D (%)</th>
<th>~5%</th>
<th>~5%</th>
</tr>
</thead>
</table>

- R&D ramp starting in ’10
- Key investments made ... product + software
- Executed well ... FastWorks, Analytics, GE Store

PET/MR

Predix