

Global Growth

J. G. Rice
CLSA Conference, September 16, 2015



CAUTION CONCERNING 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 that 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 our announced plan to reduce the size of our financial services businesses as well as other aspects of that 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 for, announced transactions, such as the proposed transactions and alliances with Alstom, Appliances and our announced plan to reduce the size of our financial services businesses, 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 (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.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.

Imagination at work.

Alstom Update

Deal/remedies update ...

- European Commission approval
- DOJ filed proposed consent decree
- GE will divest to Ansaldo:
 - Alstom's GT26 new unit sales
 - Alstom's GT36 technology development program
 - Services contracts for 34 GT26s
- GE will divest Alstom's PSM business ... license agreement in place

Expect deal to close in 4Q

Economics intact ...

- Purchase price ~\$9.5B
 - Earnings per share
- 
- | Year | Earnings per share |
|-------|--------------------|
| 2016F | \$0.05-.08 |
| 2018F | \$.15-.20 |
- Year 5 gross cost synergies ~\$3B
 - Strong deal returns

This is a good deal for GE



A lot going on in the world

Opportunities

- + Demand for infrastructure remains intact
- + Customers need better solutions from companies that can deliver ... “cost/unit”
- + Companies that can “add value” locally will win more; “jobs” = real global currency
- + Plenty of capital ... not always where the projects are

Environment

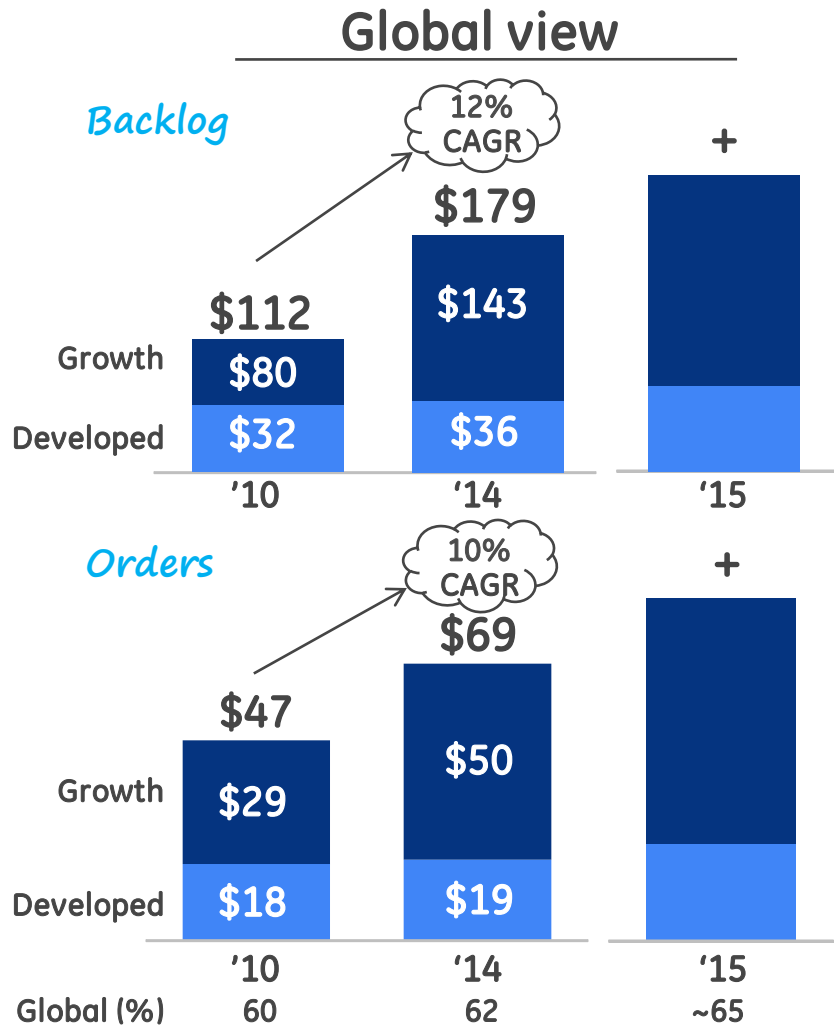
- Position for a world without US Exim
- Oil price, currency & equity market volatility
- Geopolitical uncertainty abounds (not “systemic”)
- Governments count more than ever; “Economic nationalism”
- Project development capacity
- Complicated decision making processes

Big & complicated ... but plenty of opportunities for growth



Imperatives for driving growth

(\$ in billions)



Imperatives

- Leveraging the “GE store”
- Acceleration in Growth Markets ... long term commitment
- Implementation of localization strategies
- Big growth themes ... investing to win
- Expansion in new markets
- Building partnerships & providing financing solutions



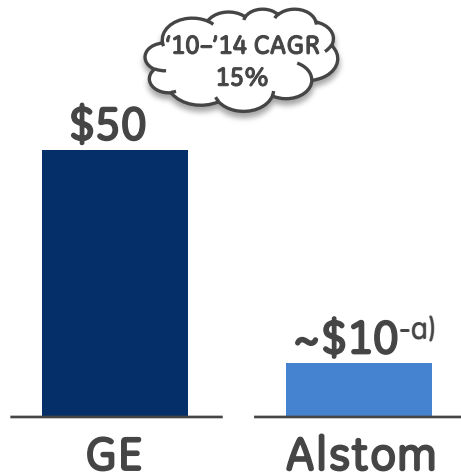
The GE store



Growth market acceleration

(\$ in billions)

2014 orders



GE store advantages

- ✓ **Scale** ... strong foundation in places that count
- ✓ **Expansion beyond the core** ... Power Conversion, Life Sciences, Avionics
- ✓ **Scope of GE** ... ↓ cost through multi-modal sites & engineering centers



(a - Alstom Power & Grid orders outside of Western Europe & North America, fiscal year 2013/14)

Key geographies

MENAT - \$55B Backlog



- ✓ Leading with technology ... Healthcare, GE9X, Aviation services, HDGT
- ✓ Partnering to increase localization ... Sonelgaz power gen facility
- ✓ Executing amidst volatility

ASEAN - \$19B Backlog



- ✓ Partnering with LCCs to grow
- ✓ Harnessing Vietnam multi-modal & engineering center in delivering value
- ✓ Capitalizing on distributed power & affordable healthcare opportunity

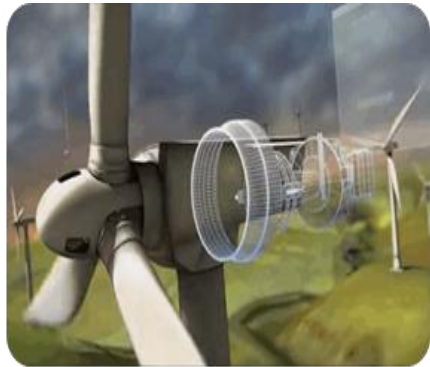
China - \$18B Backlog



- ✓ Partnering with state champions to deliver clean energy solutions
- ✓ Delivering localized affordable healthcare products & services
- ✓ Air transportation expanding ... C919

China: Fundamental mega needs ... not changed

Clean
energy



#1 PG

installed capacity
... 2TW

Affordable
healthcare



2nd largest

Healthcare spends
... \$1TN

Mass
transportation



#1 air

travelers
... 725MM

China going
global



#2 EPC

contract value
... \$400BN

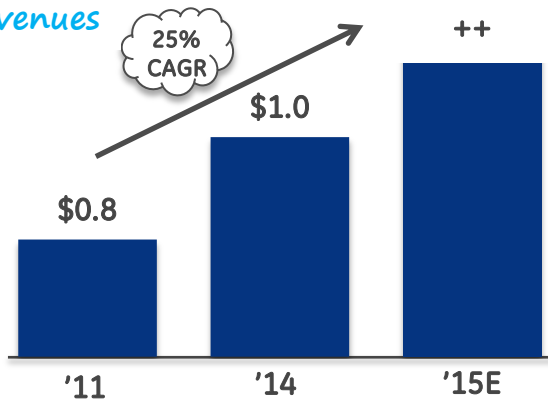


Growth themes ... Value Healthcare & Wind

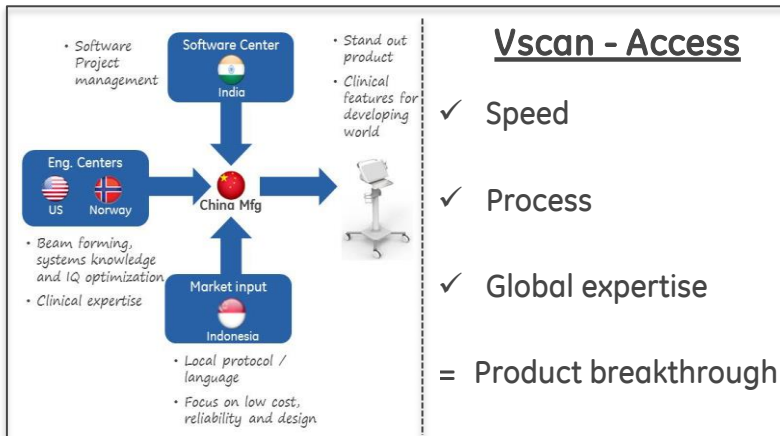
(\$ in billions)

Value Healthcare

Revenues

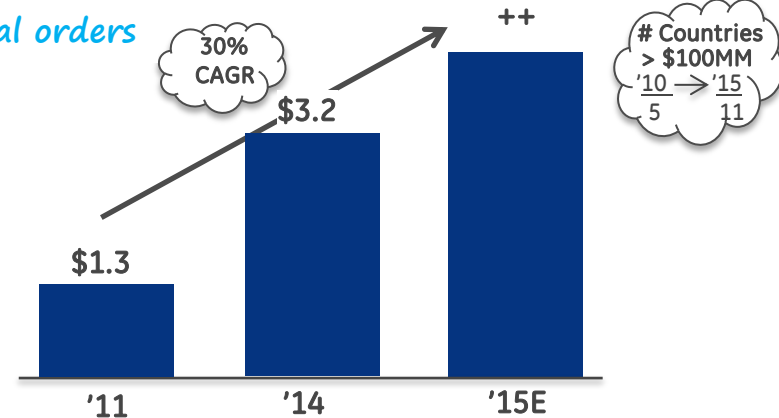


Products for broad access



Wind

Global orders



Investing to win

- Need for clean energy across the world
- ~49GW+, \$45B+ annual opportunity
 - Global ~44GW; US ~5GW
- GE well positioned to win
 - Technology
 - Localization
 - Project development
 - Execution capability

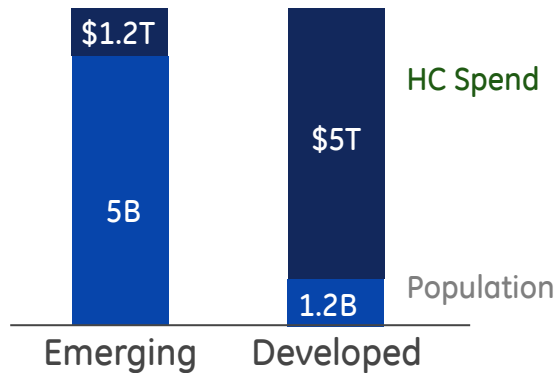
Investing in technology, localization & project development: well positioned to win



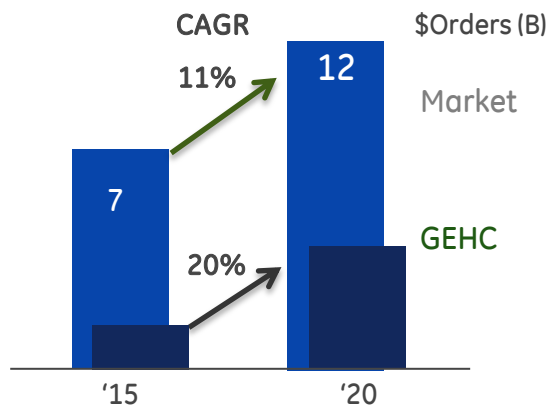
Sustainable Healthcare Solutions

New Growth Opportunity

Global need for HC Access



Global Mkt: Value/SV Products



New Business Model

Rapid Innovation of Value



Strong Initial Results in Affordable Platforms:

- ✓ > 2.4 ROI
- ✓ > 50% IRR
- ✓ Accretive Margins & New IP
- Investments driven by Care Area
- Design & Manufacturing in China & India

Channel Intensity

Targeted GTM → Scale

- Invest in market reach
- Develop local service & support networks



NIGERIA



KENYA



INDONESIA



ETHIOPIA



PHILIPPINES



MYANMAR



Proven 'Ecosystem' Solns

- Create Solutions & PPP CoE
- GE as Preferred MoH Partner



- ✓ Capital structures



- ✓ Skills Development



- ✓ Clinical outcomes



- ✓ Operational models



- ✓ Facility Design

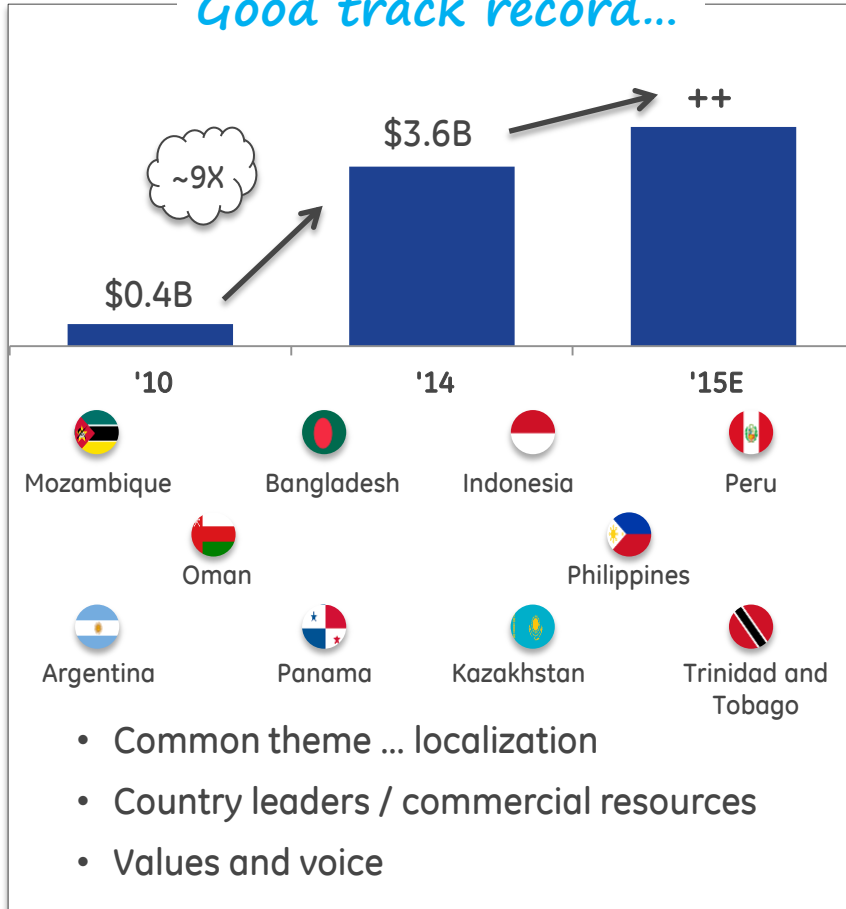
Substantial opportunity ... accelerate through focus and new model



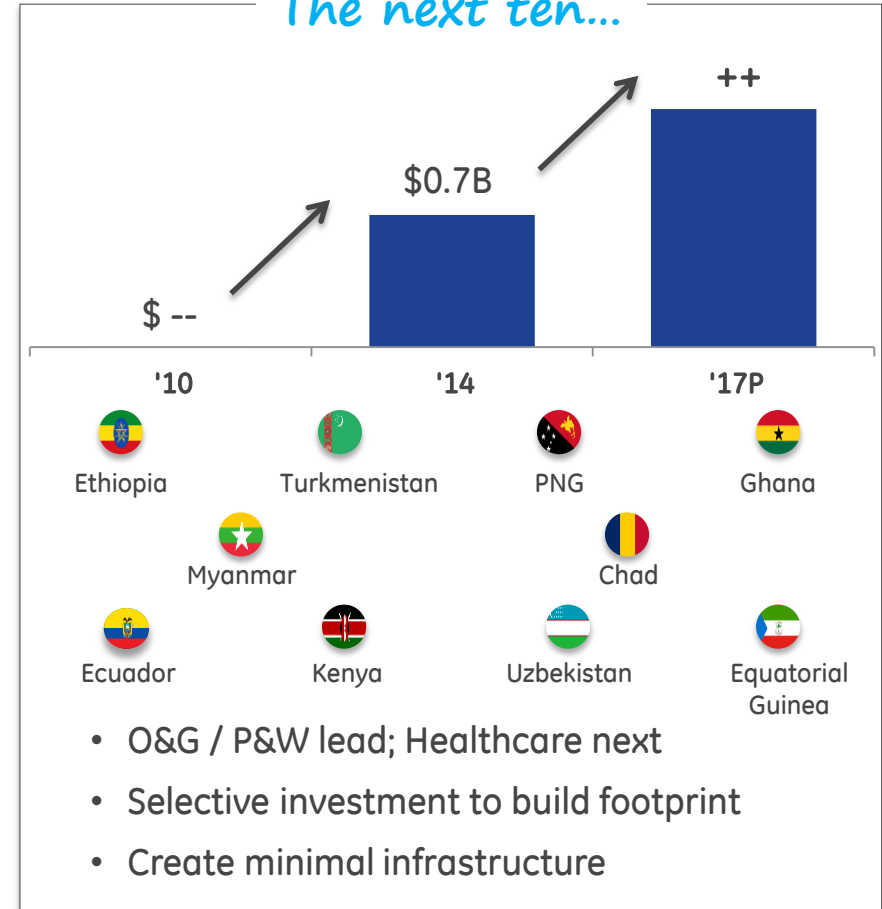
Presence in new markets

(Orders \$ in billions)

Good track record...



The next ten...



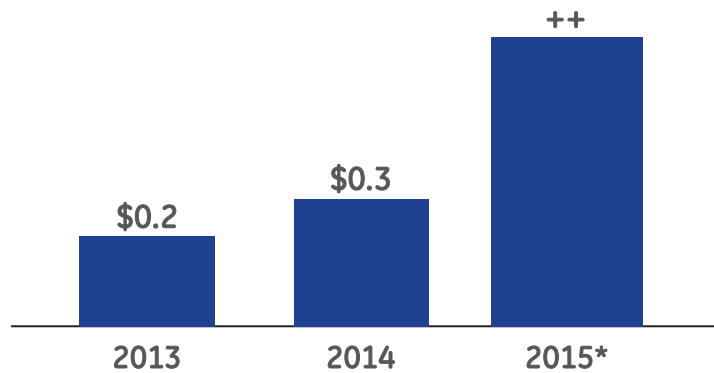
Big opportunities ... continue to prioritize and invest



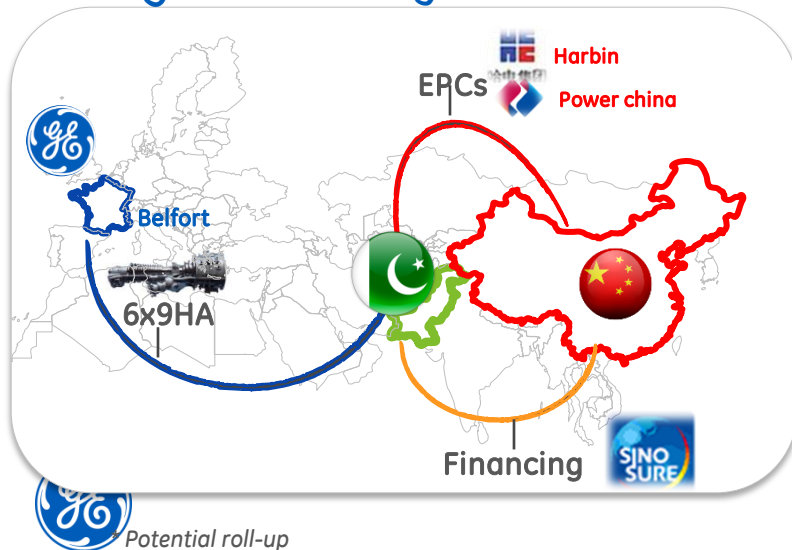
Pakistan ... GE Store at work

Orders growth

\$ in billions



Moving horizontally...



2015 best bets

Aviation



PIA – Engine OH
US EXIM & ICIEC Engine

\$0.1MM

✓ Closed

GET



PR 55 and PIL 16
71x4500HP locos. Local Financing

\$0.3MM

✓ Closed:
\$213M

Wind



Master & TENAGA 2x50MW

\$0.1MM

✓ Closed

Frames



H-Class & 12 years LTSA.
Bhikki – 1.2GW – \$0.4B
Haveli – 1.2GW – \$0.5B
Balloki – 1.2GW – \$0.4B

\$1.3B

✓ LOA
L1& L2
Pending

Aeros



Fast Track 1 GW

\$0.4MM

In Process

Active Deals

\$2.2B+

Indonesia: Positioning GE with C2C approach

Power Gen

\$19B



35GW by 2020

Oil & Gas

\$8B



Upstream capex \$75B

Healthcare

\$2B



Universal HC
(250 million people)

Aviation & Transportation

\$3B



Robust growth in traffic

GE strategy & actions

- Positioning GE as technology provider with local capability
- Partner with IHH/Parkway to build out 500 primary care clinics. Establish rural healthcare COE
- Plan for C2C investment

Tremendous opportunity



The value of a GE “job”



Leadership training and development

- Recognized for leadership
- ~ 4,000 next-generation leaders are on leadership development programs today ... leadership + domain



Technical & operational skills and capacity building

- China - 4,000 primary healthcare physicians trained in radiology & ultrasound
- Saudi - Technical Academy (500 Saudis over 5 years incl. scholarships for 30 females); GE Healthcare Training Institute has trained over 4500 professionals



Supplier Ecosystem and SME development

- Nigeria - regional manufacturing hub; \$800 million in local sourcing & training (2,300 new jobs)
- India (Pune) ~ 60% materials from domestic suppliers; 50% of the output exported (~400 GE jobs)
- Saudi MTC - 70 customers in 30 countries; 290 Saudi suppliers and 140 SMEs in the Kingdom



Global Innovation Ecosystem

- China: 3,000 scientists in Shanghai GRC connected to 12 R&D centers working on energy emissions & affordable healthcare; in China for China + export



Ethical and transparent business practices everywhere

- Top ranking as ethical company - applied to JVs, customer and all interactions
- Myanmar: public & private sector leaders trained at Lee Kuan Yew School of Public Policy



A GE job is much more than just “a job”



How we win globally

- Emerging Markets ~50% of world's GDP GE's growth markets growing at ~10% annually
- Invested since 2010 ... global capability in place
 - local leaders and teams
 - multi-modal facilities
 - project finance capabilities
- GE store capabilities ... diversity of portfolio strength
- Competitive products – technology and cost
- Scale to take advantage of global trends
- Ethical and transparent business everywhere

Leading “Digital Industrial Enterprise”

