



GE Digital

Credit Suisse Global Industrials Conference

December 2nd, 2020

Pat Byrne, CEO

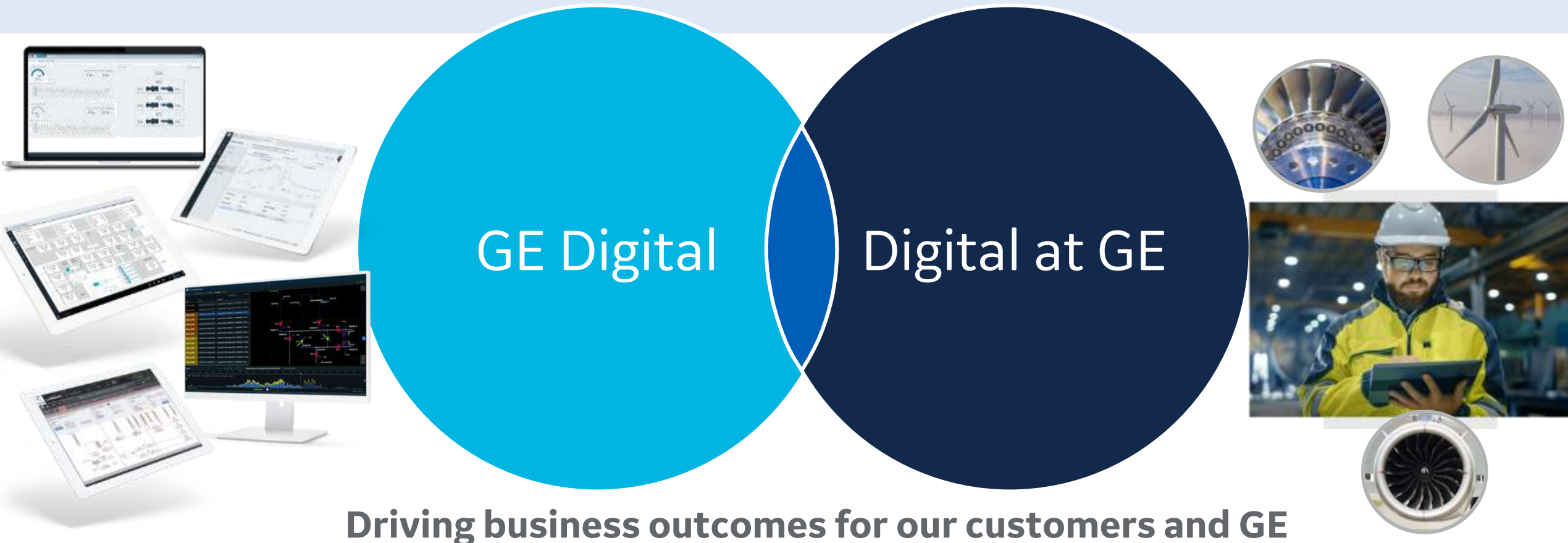
CAUTION CONCERNING FORWARD-LOOKING STATEMENTS: This document contains "forward-looking statements" – that is, statements related to future events that by their nature address matters that are, to different degrees, uncertain. For details on the uncertainties that may cause our actual future results to 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.

ADDITIONAL INFORMATION ABOUT GE: 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.

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What does **digital** mean at GE today?

Transform how industry solves its toughest challenges by **putting industrial data to work**



Driving business outcomes for our customers and GE



Forces impacting digital transformations

MARKET

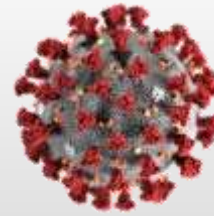
INDUSTRY SPECIFIC DISRUPTION



Decarbonization Digitalization Decentralization Democratization

Renewables is ~28% of global electricity today,
Growing in double digits

BUSINESS DISRUPTION



Digital is 3yrs ahead in
avg rate of adoption due to COVID-19

DIGITAL DISRUPTION



87% of companies think digital
will disrupt their industry

CUSTOMERS

COST REDUCTION



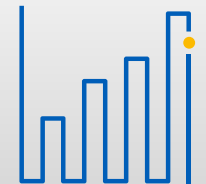
REGULATORY/ COMPLIANCE



BREAKTHROUGH CUSTOMER EXPERIENCE



REVENUE GROWTH



GE

INDUSTRIAL DOMAIN EXPERTISE



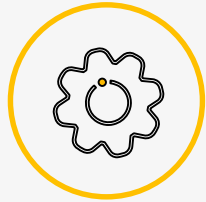
SCALABLE SW, HW & CONTROL SYSTEMS



DEPLOYMENT AT POINT OF IMPACT



GE Digital business today



OPERATE

Better enable customers to **operate** industrial equipment and systems, delivering higher ROI



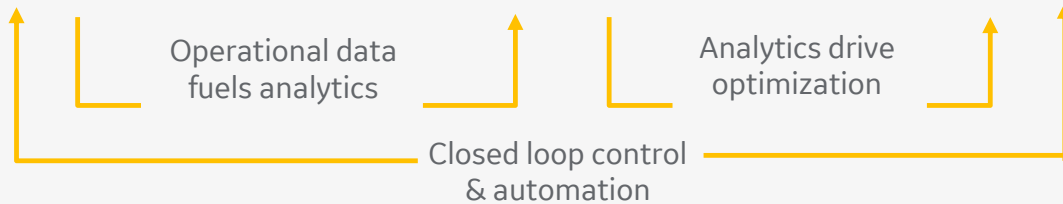
ANALYZE

Analyze customer and industry data to derive unique, actionable insights



OPTIMIZE

Optimize our customers' assets, operations, and people, improving business outcomes



4,000+ Employees

1,000+ Engineers

100+ PhDs

21,000+ Customers

300+ Digital Twin Blueprints

5+ Managed Service Centers



Grid Software



Power Generation Software



Oil & Gas Software



Manufacturing Software



Aviation Software



Today's GE Digital ~\$1B in revenue...focus evolved from platform to vertical market solutions

Grid

INDUSTRY FOCUS

Grid utilities (transmission and distribution) and telecommunications

PRODUCT FAMILY

- Transmission Operations (EMS)
- Distribution Operations (DMS)
- Grid Asset Management & Analytics
- Utilities Communications



Power / O&G

INDUSTRY FOCUS

Customers operating critical, expensive assets at high utilization

PRODUCT FAMILY

- Asset Performance Management (APM)
- Operations Performance Management (OPM)
- Predix Essentials



Manufacturing

INDUSTRY FOCUS

Customers across process, hybrid, and discrete manufacturing; water utilities

PRODUCT FAMILY

- Automation software (i.e., HMI/SCADA)
- Manufacturing Execution Systems (MES)
- Historian



Aviation

INDUSTRY FOCUS

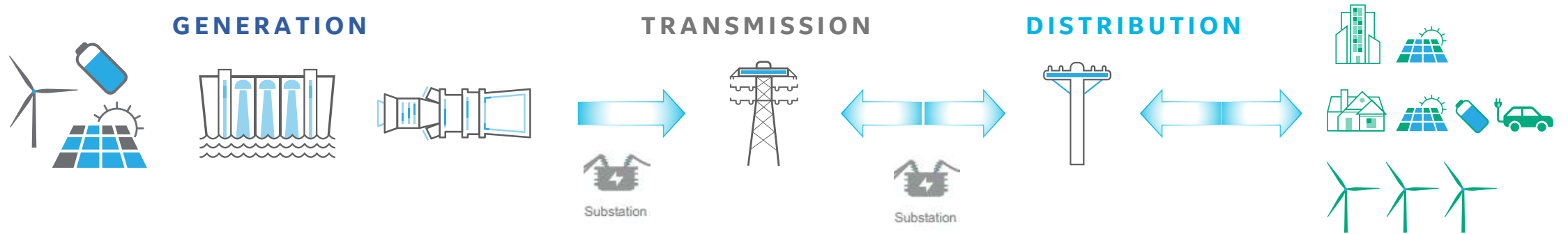
Customers across commercial airlines, lessors, general aviation, and OEMs

PRODUCT FAMILY

- Flight Analytics
- Asset Records
- Services & Partners



Putting digital to work in the energy transition



Customer



Problem

Improve profitability and flexibility with predictive analytics and process automation to optimize equipment reliability and O&M efficiency

Managing up to 100% renewables penetration while maintaining transmission stability

Safe secure management of the distribution network as distributed resource penetration continues to drive complexity

Solution

GE Asset Performance Management (APM) software

GE Advanced Energy Management System (AEMS)

GE Advanced Distribution Management System (ADMS)



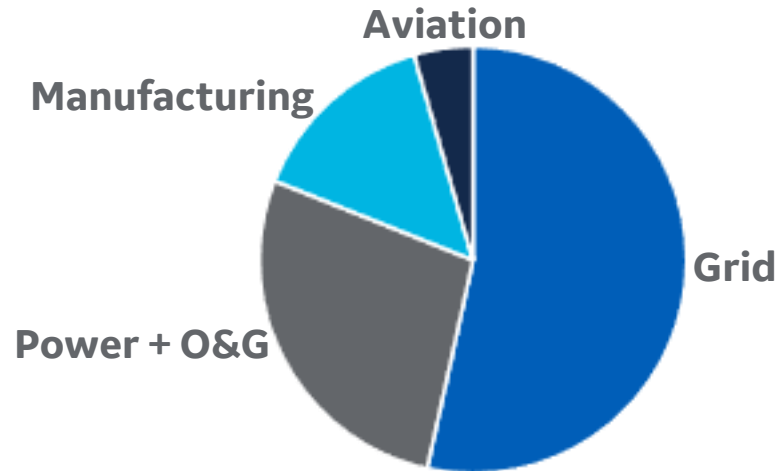
Ranked Leader by Verdantix



Ranked #1 by Navigant

Driving profitable growth

~\$1B Software business



Financial outlook

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenue	~\$1B	~\$1B	+MSD
Profit margin	Negative	Improving	Around break-even
Free cash flow*	Negative	Improving	Around break-even

* Non-GAAP Financial Measure

GE Digital financial results included in GE Corporate

Dynamics

- Lean management operating system driving sustainable productivity
- Improvements in all businesses in operating profit driven by improved labor utilization and organization optimization
- Free cash flow improvements driven by increased profitability & focus on collections
- ~40% recurring revenue and improving
- Targeting +MSD organic revenue growth from industrial data driven offerings
- Prioritizing investments around "problems worth solving"

Digital at GE



Digital at GE | Renewable Energy impact of digital services today

1 TRANSACTIONAL GROWTH

- Digital products enable transactional parts and repair revenue across service businesses
- Solutions: Self-Perform Package; Hydro RM&D; Cyber Services

2 INCREASED PRODUCTIVITY

- Using Lean practices to map out digital solutions to the highest cost drivers
- Opportunities: Advanced detection, M&D automation, field transformation, fleet updates

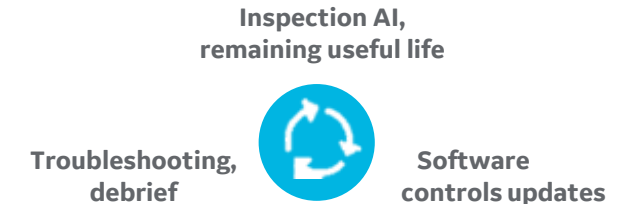
3 RISK REDUCTION

- Maximizing performance of our fleet while standardizing contractual reporting process
- Objectives: Standardize reporting; cross-fleet daily resolution through data quality and latency improvements, performance insights to proactively drive field actions

Assets under management



Lifecycle of services productivity



Risk management



Renewable Energy impact of digital tomorrow

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

Problem Statement

Use Frequent, Accurate, AI-Assisted Digital Inspections to Reduce Wind Turbine Blade Failures by detecting problems earlier | Earlier detection and repair reduces Warranty and Services cost as well as catastrophic Blade Failures

Initiate and Perform inspection

Generate inspection report & disposition

Monitor, Repair, Replace

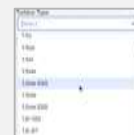
Process

Increase Accurate Inspection Coverage



SABRE , Burst , Pinwheel, Internal, Drone

Improve Inspection and Disposition Effectiveness

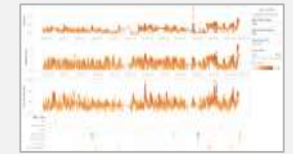


Inspection Report/History Configuration Repair History

Reduce Repair/ Replacement Cost



Repair/Replacement



M&D Parameters

Lean + Digital for safer, cost-effective service delivery

Key takeaways

- Digital is driving **business outcomes** for our customers and GE
- GE Digital is a **leading industrial software business with ~\$1B in revenues**
- **Digital technologies will accelerate the energy transition** by optimizing asset productivity, enabling more renewables, and transforming the grid
- Progress across GE Digital: **growth, profit margin, free cash flow***
- **Lean + digital is accelerating GE's transformation**

* Non-GAAP Financial Measure





Pat Byrne

CEO, GE Digital



Pat Byrne is the Chief Executive Officer for GE Digital, leading the company's strategy to focus GE on the IIoT opportunities for GE's core businesses, while continuing to support and grow its existing digital portfolio. He also serves as VP, Lean Transformation for GE. With a background that spans more than three decades of deep domain expertise in technology and strategic business development, Pat has considerable experience running businesses and collaborating across businesses within large organizations.

Pat joined GE from Fortive, where he most recently served as Senior Vice President, leading their Product Realization business. Prior to Fortive, Pat was the Vice President of Strategy and Chief Technology Officer for Danaher's test and measurement segment, where he drove strategic market development, business development and M&A. Pat also served as President of Tektronix, a leading worldwide provider of measurement solutions, and President and CEO of Intermec Technologies and Agilent's electronic measurement group. Pat began his career at Hewlett-Packard, holding various leadership roles in R&D, technology development, marketing, quality and general management. Throughout his career, Pat has served as a member of the board of directors for multiple publicly-traded companies, including Micron Technology, the global leader in memory solutions.

Pat holds a B.S. in Electrical Engineering from the University of California, Berkeley, and an M.S. in Electrical Engineering from Stanford University.

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