



GE ANNOUNCES DETAILED 2021 OUTLOOK

Positive trajectory in 2021 as momentum builds across businesses

BOSTON, Mass. — March 10, 2021 — GE (NYSE:GE) today announced its detailed 2021 outlook.

GE Chairman and CEO H. Lawrence Culp, Jr. said, “Our team has built a strong foundation to drive improvements throughout GE. Scaling lean and shifting decision-making closer to our customers are helping us execute better and transform our culture—so that these improvements are both continuous and lasting.”

Culp continued, “We are on a positive trajectory in 2021 as momentum builds across our businesses and we transform to a more focused, simpler, and stronger industrial company. I remain confident we will deliver value for GE’s shareholders, employees, customers, and communities for the long term. We are excited to shift more toward offense, investing in breakthrough technologies to serve the needs of our customers and the world—for more sustainable, reliable, and affordable energy; more integrated and personalized healthcare; and smarter and more efficient flight.”

GE shared the following total company outlook for full-year 2021:

- GE Industrial revenues* to grow organically in the low-single-digit range.
- Adjusted GE Industrial profit margin* to expand organically by 250-plus basis points.
- Adjusted earnings per share* of \$0.15 to \$0.25.
- GE Industrial free cash flow* of \$2.5 billion to \$4.5 billion.¹

GE's 2021 outlook reflects a reduction in cash and profit from businesses that were disposed in 2020 (primarily BioPharma) as well as the continued reduction of Baker Hughes shareholder dividends in line with the orderly sale of GE's remaining stake. This outlook assumes Aviation organic revenue* is up year-over-year, which depends on the Commercial Aviation market recovery accelerating in the second half of 2021 as well as the timing of aircraft deliveries. GE also expects to improve operational performance in Power and Renewable Energy, with continued strength in Healthcare and better Capital earnings compared to 2020.

GE expects to achieve a net debt*/EBITDA* ratio of less than 2.5x over the next few years.

Business Outlooks

GE also announced the following outlook by business for full-year 2021:

	GE Industrial	Power	Renewable Energy	Aviation	Healthcare
Organic Revenue*	Low -single-digit growth	Down mid-single digits	Mid-single-digit growth	Low-single-digit growth	Low- to mid-single-digit growth
Organic Profit Margin*	250+bps expansion	Expanding	Better	Low double digits	25-75bps expansion
GE Industrial Free Cash Flow*	\$2.5 – 4.5 billion	~Flat (Gas Power up; Power Portfolio down)	Up and positive	Up, partial recovery	Flat to slightly up

GE Capital

Today GE separately announced an agreement to combine its GE Capital Aviation Services business (“GECAS”) with AerCap Holdings N.V. (“AerCap”) for consideration valued at more than \$30 billion. The transaction simplifies GE and focuses it on its industrial core—Power, Renewable Energy, Aviation, and Healthcare—while significantly reducing GE Capital assets and generating proceeds to further de-risk and de-lever.

For the first quarter of 2021, in connection with signing the transaction agreement, GE will record an approximate \$3 billion non-cash charge and report GECAS as a discontinued operation. In 2021, GE Capital expects to generate a loss

¹ Excluding the one-time impact of GE’s decision to discontinue the majority of its factoring programs, as described further in the GE Capital section.

* Non-GAAP Financial Measure

in adjusted continuing earnings* of between \$0.5 to \$0.7 billion, with reported assets, excluding cash and Insurance*, of approximately \$17 billion. In addition, GE will discontinue the majority of its factoring programs. GE's 2021 Industrial free cash flow* outlook of \$2.5 billion to \$4.5 billion excludes the one-time impact of this decision.

With the closing of the GECAS transaction, GE will consolidate the GE Capital balance sheet into Industrial, simplifying its reporting.

Reverse Stock Split

In light of its significant transformation over the past several years, GE is also announcing today that its Board will recommend that shareholders approve a reverse stock split at a ratio of 1-for-8 and a corresponding proportionate reduction in the number of authorized shares of Common Stock. The reverse stock split would decrease the number of shares outstanding to a number more typical of companies with comparable market capitalization. Whether and when to effect it would be at the discretion of GE's Board, at any time prior to the one-year anniversary of its 2021 Annual Meeting on May 4, 2021. GE will share additional information in a preliminary proxy filing, which it expects to file later this week.

Conference Call and Webcast

GE will discuss its 2021 outlook during its investor conference call **today starting at 8:00am. ET**. The first 30 minutes will be dedicated to the transaction, including Chairman and CEO H. Lawrence Culp, Jr. and CFO Carolina Dybeck Happe. The remainder of the call will feature GE's business operating leaders, including Scott Strazik, Gas Power CEO; Dan Janki, Power Portfolio CEO; Jérôme Péresse, Renewable Energy CEO; John Slattery, Aviation CEO; Russell Stokes, Aviation Services CEO; Kieran Murphy, Healthcare CEO; Jennifer VanBelle, GE Capital CEO & GE Treasurer; Pat Byrne, GE Digital CEO; Vic Abate, GE CTO; and Steve Winoker, GE Investor Relations VP.

The conference call will be broadcast live via webcast, and the webcast and accompanying slide presentation containing financial information can be accessed by visiting the Events and Reports page on GE's website at: www.ge.com/investor. An archived version of the webcast will be available on the website after the call.

Caution Concerning Forward Looking Statements

This release and certain of our other public communications and SEC filings contain statements related to future, not past, events. These 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," "estimate," "forecast," "target," "preliminary," or "range." Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about our expected financial performance, including cash flows, revenues, organic growth, margins, earnings, and earnings per share; macroeconomic and market conditions; planned and potential business or asset dispositions; our de-leveraging plans, including leverage ratios and targets, the timing and nature of actions to reduce indebtedness and our credit ratings and outlooks; GE's and GE Capital's funding and liquidity; our businesses' cost structures and plans to reduce costs; restructuring, goodwill impairment or other financial charges; or tax rates.

For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include:

- the continuing severity, magnitude and duration of the COVID-19 pandemic, including impacts of the pandemic, of businesses' and governments' responses to the pandemic and of individual factors such as aviation passenger confidence on our operations and personnel, and on commercial activity and demand across our and our customers' businesses, and on global supply chains;
- the extent to which the COVID-19 pandemic and related impacts will continue to adversely impact our business operations, financial performance, results of operations, financial position, the prices of our securities and the achievement of our strategic objectives;
- our success in executing and completing asset dispositions or other transactions, including our plan to combine our GECAS business with AerCap and our plan to exit our equity ownership position in Baker Hughes, the timing of closing for such transactions, the ability to secure regulatory approvals and satisfy other closing conditions (as applicable), and the expected proceeds and benefits to GE;
- changes in macroeconomic and market conditions and market volatility (including developments and volatility arising from the COVID-19 pandemic), including interest rates, the value of securities and other financial assets (including our equity ownership position in Baker Hughes), oil, natural gas and other commodity prices and exchange rates, and the impact of such changes and volatility on our financial position and businesses;
- our de-leveraging and capital allocation plans, including with respect to actions to reduce our indebtedness, the timing and amount of GE dividends, organic investments, and other priorities;
- further downgrades of our current short- and long-term credit ratings or ratings outlooks, or changes in rating application or methodology, and the related impact on our liquidity, funding profile, costs and competitive position;
- GE's liquidity and the amount and timing of our GE Industrial cash flows and earnings, which may be impacted by customer, supplier, competitive, contractual and other dynamics and conditions;
- GE Capital's capital and liquidity needs, including in connection with GE Capital's run-off insurance operations and discontinued operations, the amount and timing of required capital contributions to the insurance operations and any strategic actions that we may pursue; the impact of conditions in the financial and credit markets on GE Capital's ability to sell financial assets; the availability

and cost of funding; and GE Capital's exposure to particular counterparties and markets, including through GECAS to the aviation sector and adverse impacts related to COVID-19;

- global economic trends, competition and geopolitical risks, including changes in the rates of investment or economic growth in key markets we serve, or an escalation of sanctions, tariffs or other trade tensions between the U.S. and China or other countries, and related impacts on our businesses' global supply chains and strategies;
- market developments or customer actions that may affect levels of demand and the financial performance of the major industries and customers we serve, such as secular, cyclical and competitive pressures in our Power business, pricing and other pressures in the renewable energy market, levels of demand for air travel and other dynamics related to the COVID-19 pandemic, conditions in key geographic markets and other shifts in the competitive landscape for our products and services;
- operational execution by our businesses, including the operations and execution of our Power and Renewable Energy businesses, and the performance of our Aviation business;
- changes in law, regulation or policy that may affect our businesses, such as trade policy and tariffs, regulation related to climate change, and the effects of tax law changes;
- our decisions about investments in new products, services and platforms, and our ability to launch new products in a cost-effective manner;
- our ability to increase margins through implementation of operational changes, restructuring and other cost reduction measures;
- the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of Alstom and other investigative and legal proceedings;
- the impact of actual or potential failures of our products or third-party products with which our products are integrated, and related reputational effects;
- the impact of potential information technology, cybersecurity or data security breaches; and
- the other factors that are described in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2020, as such descriptions may be updated or amended in any future reports we file with the SEC.

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 release includes certain forward-looking projected financial information that is based on current estimates and forecasts, and actual results could differ materially. Refer also to the webcast of our investor conference later this morning for additional discussion of our outlook and uncertainties that could cause our future results to be different than our current expectations.

General Electric Capital Corporation (GECC) has been merged into GE and our financial services business is now operated by GE Capital Global Holdings, LLC (GECGH). In our public communications and SEC filings, we refer to GECC and GECGH as "GE Capital". We refer to the industrial businesses of the Company including GE Capital on an equity basis as "GE". "GE (ex-GE Capital)" and/or "Industrial" refer to GE excluding GE Capital. Our financial services segment previously referred to as GE Capital is now referred to as Capital.

GE's Investor Relations website at www.ge.com/investor and our corporate blog at www.ge.com/reports, 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.

Non-GAAP Financial Measures

In this document, we 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 the 2021 GE Investor Outlook materials posted to the Events and Reports page on GE's website at: www.ge.com/investor.

Additional Financial Information

Additional financial information can be found on the Company's website at: www.ge.com/investor under Events and Reports.

About GE

GE (NYSE:GE) rises to the challenge of building a world that works. For more than 125 years, GE has invented the future of industry, and today the company's dedicated team, leading technology, and global reach and capabilities help the world work more efficiently, reliably, and safely. GE's people are diverse and dedicated, operating with the highest level of integrity and focus to fulfill GE's mission and deliver for its customers. www.ge.com

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