

# GE 3Q'16 supplemental information



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**Imagination at work.**

\* Non-GAAP financial measures. See the following pages for reconciliations of these measures to the most directly comparable GAAP financial measures. Also see the Non-GAAP supplemental materials section for descriptions of non-GAAP financial measures and the reasons we believe that they provide useful information to investors.

# Orders & backlog by segment

(\$ in billions)

	3Q'16		3Q'16 YTD		3Q'16	
	Orders	V%	Orders	V%	Backlog	V%
Power	\$7.5	56%	\$20.9	52%	\$80.8	40%
- Core	4.7	(3)	13.7	0	63.1	9
- Alstom	2.8		7.1		17.7	
Renewable Energy	3.0	59	6.9	40	12.9	F
- Core	1.9	3	5.5	10	7.2	15
- Alstom	1.0		1.5		5.7	
Oil & Gas	2.5	(21)	7.7	(34)	21.6	(7)
- Core	2.5	(22)	7.7	(35)	21.4	(7)
- Alstom <sup>(a)</sup>	0.0		0.1		0.2	
Aviation	6.2	(6)	19.2	(11)	155.8	10
Healthcare	4.8	6	13.9	3	16.8	5
Transportation	0.7	(21)	2.0	(46)	19.9	-
EC & Lighting	3.0	47	8.7	40	11.7	F
- EC Core	1.4	(34)	4.3	(30)	3.2	(40)
- EC Alstom	1.4		4.0		8.3	
- Current & Lighting	0.3	F	0.3	F	0.1	F
<b>Infrastructure</b>	<b>\$26.9</b>	<b>16%</b>	<b>\$77.0</b>	<b>5%</b>	<b>\$319.2</b>	<b>18%</b>
- Core	21.7	(6)	64.3	(12)	287.3	6
- Alstom	5.2		12.7		31.9	



(a- Industrial Steam Turbines

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Equipment/service orders by segment – 3Q'16

(\$ in billions)

	<u>Equipment</u>	<u>V%</u>	<u>Service</u>	<u>V%</u>	<u>Total</u>	<u>V%</u>
Power	\$3.6	F	\$3.9	24%	\$7.5	56%
- Core	1.7	-	3.0	(4)	4.7	(3)
- Alstom	2.0		0.9		2.8	
Renewable Energy	2.4	37	0.6	F	3.0	59
- Core	1.4	(20)	0.5	F	1.9	3
- Alstom	1.0		0.1		1.0	
Oil & Gas	0.8	(22)	1.7	(21)	2.5	(21)
- Core	0.8	(24)	1.7	(21)	2.5	(22)
- Alstom	0.0		0.0		0.0	
Aviation	2.1	(27)	4.1	10	6.2	(6)
Healthcare	2.8	10	2.0	1	4.8	6
Transportation	0.1	(23)	0.6	(21)	0.7	(21)
EC & Lighting	2.5	59	0.5	9	3.0	47
- EC Core	1.0	(35)	0.3	(31)	1.4	(34)
- EC Alstom	1.2		0.2		1.4	
- Current & Lighting	0.3	F			0.3	F
<b>Infrastructure</b>	<b>\$13.9</b>	<b>24%</b>	<b>\$13.0</b>	<b>9%</b>	<b>\$26.9</b>	<b>16%</b>
- Core	9.8	(13)	11.9	(1)	21.7	(6)
- Alstom	4.1		1.1		5.2	



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Equipment orders

(\$ in billions)

	<u>4Q'15</u>	<u>V%</u>	<u>1Q'16</u>	<u>V%</u>	<u>2Q'16</u>	<u>V%</u>	<u>3Q'16</u>	<u>V%</u>	<u>Four qtr. rolling average</u>	<u>V%</u>
Power	\$5.0	58%	\$1.8	F	\$3.1	67%	\$3.6	F	\$3.4	78%
- Core	4.6	46	1.4	57	1.4	(26)	1.7	-	2.3	19
- Alstom	0.4		0.4		1.7		2.0		1.1	
Renewable Energy	2.3	(1)	1.8	F	1.6	(23)	2.4	37	2.0	16
- Core	1.9	(20)	1.6	94	1.4	(28)	1.4	(20)	1.6	(9)
- Alstom	0.4		0.2		0.1		1.0		0.4	
Oil & Gas	1.2	(52)	0.7	(70)	0.9	(58)	0.8	(22)	0.9	(55)
- Core	1.2	(52)	0.6	(71)	0.9	(59)	0.8	(24)	0.9	(55)
- Alstom	0.0		0.0		0.0		0.0		0.0	
Aviation	2.8	(36)	2.6	(35)	2.5	(37)	2.1	(27)	2.5	(34)
Healthcare	3.2	(5)	2.4	3	2.9	6	2.8	10	2.8	3
Transportation	2.6	F	0.1	(89)	0.1	(77)	0.1	(23)	0.7	10
EC & Lighting	2.0	20	2.0	37	2.2	48	2.5	59	2.2	41
- EC Core	1.1	(34)	1.0	(30)	1.1	(27)	1.0	(35)	1.1	(32)
- EC Alstom	0.9		1.0		1.1		1.2		1.0	
- Current & Lighting							0.3	F	0.1	
Infrastructure	<u>\$18.7</u>	<u>2%</u>	<u>\$11.0</u>	<u>(8)%</u>	<u>\$12.9</u>	<u>(11)%</u>	<u>\$13.9</u>	<u>24%</u>	<u>\$14.1</u>	<u>1%</u>
- Core	17.1	(7)	9.4	(21)	9.9	(32)	9.8	(13)	11.5	(18)
- Alstom	1.7		1.6		3.0		4.1		2.6	



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# Equipment/service revenue by segment - 3Q'16

(\$ in billions)

	3Q'16		3Q'16		3Q'16	
	Equipment	V%	Services	V%	Total	V%
Power	\$2.5	46%	\$4.0	32%	\$6.5	37%
- Core	2.0	15	3.1	2	5.1	7
- Alstom	0.5		0.9		1.4	
Renewable Energy	2.6	67	0.2	55	2.8	66
- Core	2.3	46	0.1	9	2.4	43
- Alstom	0.3		0.1		0.4	
Oil & Gas	1.4	(33)	1.6	(16)	3.0	(25)
- Core	1.3	(34)	1.6	(16)	2.9	(25)
- Alstom	0.0		0.0		0.0	
Aviation	2.7	(3)	3.6	12	6.3	5
Healthcare	2.5	7	2.0	3	4.5	5
Transportation	0.6	(26)	0.6	(18)	1.2	(22)
EC & Lighting	2.6	(25)	0.5	(9)	3.2	(22)
- EC Core	0.9	(33)	0.3	(33)	1.2	(33)
- EC Alstom	1.2		0.2		1.4	
- Current & Lighting	0.6	(74)	-	(100)	0.6	(75)
<b>Industrial segments</b>	<b>\$14.9</b>	<b>1%</b>	<b>\$12.5</b>	<b>8%</b>	<b>\$27.4</b>	<b>4%</b>
- Core	12.9	(12)	11.3	(2)	24.2	(8)
- Alstom	2.0		1.2		3.2	



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# Equipment/service revenue by segment - 3Q'16 YTD

(\$ in billions)

	3Q'16 YTD		3Q'16 YTD		3Q'16 YTD	
	Equipment	V%	Services	V%	Total	V%
Power	\$6.4	15%	\$12.0	35%	\$18.3	27%
- Core	4.8	(14)	9.3	5	14.0	(3)
- Alstom	1.6		2.7		4.3	
Renewable Energy	6.0	50	0.5	54	6.5	51
- Core	5.3	32	0.4	7	5.6	30
- Alstom	0.7		0.2		0.9	
Oil & Gas	4.4	(29)	5.1	(14)	9.5	(21)
- Core	4.3	(30)	5.1	(14)	9.4	(22)
- Alstom	0.1		0.0		0.1	
Aviation	8.3	(3)	10.7	15	19.1	6
Healthcare	7.3	6	5.9	2	13.2	4
Transportation	1.7	(24)	1.8	(15)	3.5	(20)
EC & Lighting	10.0	1	1.8	2	11.8	1
- EC Core	2.7	(30)	1.0	(31)	3.6	(30)
- EC Alstom	3.3		0.6		3.9	
- Current & Lighting	4.1	(34)	0.2	(42)	4.2	(34)
<b>Industrial segments</b>	<b>\$44.1</b>	<b>2%</b>	<b>\$37.8</b>	<b>11%</b>	<b>\$81.9</b>	<b>6%</b>
- Core	38.4	(11)	34.3	-	72.7	(6)
- Alstom	5.7		3.5		9.2	



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Non-GAAP reconciliation

# Industrial segment revenue & operating profit

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Total GE revenue (GAAP)	\$27,172	\$25,659	6%	\$82,382	\$70,408	17%
Less: Capital earnings	26	(154)		(1,466)	(6,207)	
Less: Gains	208	-		3,395	499	
Plus: GE-Capital elim	(481)	(444)		(1,500)	(1,336)	
<b>Industrial revenue w. GE-Capital elim (non-GAAP)</b>	<b>26,457</b>	<b>25,368</b>	<b>4%</b>	<b>78,953</b>	<b>74,779</b>	<b>6%</b>
Less: GE-Capital elim	(481)	(444)		(1,500)	(1,336)	
<b>Industrial revenue (non-GAAP)</b>	<b>26,938</b>	<b>25,813</b>	<b>4%</b>	<b>80,453</b>	<b>76,115</b>	<b>6%</b>
Less: Core Corporate	(963)	(888)		(2,967)	(2,665)	
Plus: GE-Capital elim	(481)	(444)		(1,500)	(1,336)	
<b>Industrial segment revenue (non-GAAP)</b>	<b>27,421</b>	<b>26,256</b>	<b>4%</b>	<b>81,920</b>	<b>77,445</b>	<b>6%</b>
GE earnings from continuing operations before income taxes (GAAP)	\$2,263	\$2,334	(3)%	\$6,405	\$360	F
Less: Capital earnings	26	(154)		(1,466)	(6,207)	
Less: Non-operating pension	(511)	(693)		(1,534)	(2,077)	
Less: Interest	(483)	(440)		(1,490)	(1,243)	
Less: Minority Interest	(76)	(43)		(275)	(38)	
Less: Preferred Dividend	-	-		-	(161)	
<b>Industrial op profit (non-GAAP)</b>	<b>3,307</b>	<b>3,663</b>	<b>(10)%</b>	<b>11,170</b>	<b>10,086</b>	<b>11%</b>
Less: Gains & restructuring	(475)	(346)		838	(668)	
<b>Adjusted Industrial op profit (non-GAAP)</b>	<b>3,782</b>	<b>4,009</b>	<b>(6)%</b>	<b>10,332</b>	<b>10,754</b>	<b>(4)%</b>
Less: Core Corporate	(538)	(520)		(1,424)	(1,691)	
<b>Industrial segment op profit (non-GAAP)</b>	<b>4,320</b>	<b>4,530</b>	<b>(5)%</b>	<b>11,756</b>	<b>12,445</b>	<b>(6)%</b>



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Non-GAAP reconciliation

# Industrial segment organic revenue growth

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Industrial segment revenue (non-GAAP)	\$27,421	\$26,256	4%	\$81,920	\$77,445	6%
Less the effects of:						
Acquisitions, business dispositions (other than dispositions of businesses acquired for investment) & translational foreign exchange	<u>3,224</u>	<u>2,219</u>		<u>9,696</u>	<u>4,962</u>	
Industrial segment revenues excluding the effects of acquisitions, business dispositions (other than dispositions of businesses acquired for investment), translational foreign exchange (non-GAAP)	<u>\$24,198</u>	<u>\$24,038</u>	1%	<u>\$72,224</u>	<u>\$72,483</u>	-%
Oil & Gas organic revenue	2,980	3,938		9,651	12,039	
Industrial segment organic revenue ex O&G (non-GAAP)	<u>\$21,218</u>	<u>\$20,099</u>	6%	<u>\$62,573</u>	<u>\$60,444</u>	4%



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Non-GAAP reconciliation

# Industrial segment organic op profit growth

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Industrial segment op profit (non-GAAP)	\$4,320	\$4,530	(5)%	\$11,756	\$12,445	(6)%
Less the effects of:						
Acquisitions, business dispositions (other than dispositions of businesses acquired for investment) & translational foreign exchange	114	209		291	454	
Industrial segment op profit excluding the effects of acquisitions, business dispositions (other than dispositions of businesses acquired for investment), translational foreign exchange (non-GAAP)	\$4,205	\$4,321	(3)%	\$11,466	\$11,991	(4)%



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Non-GAAP reconciliation

# Industrial organic op profit growth

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Industrial segment op profit (non-GAAP)	\$4,320	\$4,530	(5)%	\$11,756	\$12,445	(6)%
Plus: Adjusted Corporate costs (operating) <sup>(a)</sup>	(538)	(520)		(1,424)	(1,691)	
Industrial op profit <sup>(a)</sup>	\$3,782	\$4,009	(6)%	\$10,332	\$10,754	(4)%
Less the effects of:						
Acquisitions, business dispositions (other than dispositions of businesses acquired for investment) & translational foreign exchange	114	203		307	448	
Industrial op profit excluding the effects of acquisitions, business dispositions (other than dispositions of businesses acquired for investment), transactional foreign exchange <sup>(a)</sup> (non-GAAP)	<u>\$3,667</u>	<u>\$3,807</u>	<u>(4)%</u>	<u>\$10,026</u>	<u>\$10,306</u>	<u>(3)%</u>



(a- Excluding gains and restructuring & other items

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Non-GAAP reconciliation

# Organic revenue by segment

(\$ in millions)

	<u>3Q'16</u>	<u>3Q'15</u>	<u>V%</u>	<u>3Q'16 YTD</u>	<u>3Q'15 YTD</u>	<u>V%</u>
<b>Power</b>						
Reported Revenue	6,506	4,738	37%	18,348	14,405	27%
Less Acq./Disp. & FX-(a)	1,458	-		4,244	-	
Organic Revenue-(b)	<u>5,047</u>	<u>4,738</u>	<u>7%</u>	<u>14,104</u>	<u>14,405</u>	<u>(2)%</u>
<b>Renewable Energy</b>						
Reported Revenue	2,770	1,666	66%	6,533	4,335	51%
Less Acq./Disp. & FX-(a)	379	-		764	19	
Organic Revenue-(b)	<u>2,391</u>	<u>1,666</u>	<u>44%</u>	<u>5,769</u>	<u>4,316</u>	<u>34%</u>
<b>Oil &amp; Gas</b>						
Reported Revenue	2,964	3,938	(25)%	9,497	12,096	(21)%
Less Acq./Disp. & FX-(a)	(16)	-		(155)	57	
Organic Revenue-(b)	<u>2,980</u>	<u>3,938</u>	<u>(24)%</u>	<u>9,651</u>	<u>12,039</u>	<u>(20)%</u>
<b>Aviation</b>						
Reported Revenue	6,300	6,001	5%	19,074	17,927	6%
Less Acq./Disp. & FX-(a)	1	-		(2)	-	
Organic Revenue-(b)	<u>6,299</u>	<u>6,001</u>	<u>5%</u>	<u>19,076</u>	<u>17,927</u>	<u>6%</u>
<b>Healthcare</b>						
Reported Revenue	4,482	4,255	5%	13,190	12,666	4%
Less Acq./Disp. & FX-(a)	35	29		(98)	90	
Organic Revenue-(b)	<u>4,447</u>	<u>4,226</u>	<u>5%</u>	<u>13,288</u>	<u>12,577</u>	<u>6%</u>
<b>Transportation</b>						
Reported Revenue	1,249	1,593	(22)%	3,471	4,322	(20)%
Less Acq./Disp. & FX-(a)	-	81		-	270	
Organic Revenue-(b)	<u>1,249</u>	<u>1,513</u>	<u>(17)%</u>	<u>3,471</u>	<u>4,052</u>	<u>(14)%</u>
<b>EC &amp; Lighting</b>						
Reported Revenue	3,151	4,065	(22)%	11,808	11,695	1%
Less Acq./Disp. & FX-(a)	1,367	2,110		4,942	4,526	
Organic Revenue-(b)	<u>1,784</u>	<u>1,956</u>	<u>(9)%</u>	<u>6,866</u>	<u>7,168</u>	<u>(4)%</u>



Note: Certain columns and rows may not add due to the use of rounded numbers. Percentages are calculated from the underlying numbers in millions

(a- Translational foreign exchange

(b- Non-GAAP

Non-GAAP reconciliation

# Power & Renewable Energy results ex. Alstom

(\$ in millions)

	Power			Renewable Energy		
	3Q'16	3Q'15	V%	3Q'16	3Q'15	V%
Revenues	\$6,506	\$4,738	37%	\$2,770	\$1,666	66%
Alstom revenues	1,446	-		381	-	
Revenues ex. Alstom-a)	<u>\$5,059</u>	<u>\$4,738</u>	<u>7%</u>	<u>\$2,389</u>	<u>\$1,666</u>	<u>43%</u>
Segment profit	\$1,197	\$1,071	12%	\$202	\$174	16%
Alstom segment profit	91	-		(12)	-	
Segment profit ex. Alstom-a)	<u>\$1,106</u>	<u>\$1,071</u>	<u>3%</u>	<u>\$213</u>	<u>\$174</u>	<u>22%</u>
Op profit % ex. Alstom-a)	<u>21.9%</u>	<u>22.6%</u>	<u>(0.7)pts</u>	<u>8.9%</u>	<u>10.4%</u>	<u>(1.5)pts</u>

(a- Non-GAAP

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Non-GAAP reconciliation

# Energy Connections & Lighting organic growth

(\$ in millions)

	Revenue			Segment Profit			Op Profit %		
	3Q'16	3Q'15	V%	3Q'16	3Q'15	V%	3Q'16	3Q'15	V
Energy Conn. & Lighting	\$3,151	\$4,065	-22%	\$48	\$292	-84%	1.5%	7.2%	(5.7) pts.
Less the effects of:									
Acquisitions, business dispositions (other than dispositions of businesses acquired for investment) & translational foreign exchange	<u>1,367</u>	<u>2,110</u>		<u>61</u>	<u>196</u>				
Energy Connections & Lighting excluding the effects of acquisitions, business dispositions (other than dispositions of businesses acquired for investment), translational foreign exchange (Non-GAAP)	<u>\$1,784</u>	<u>\$1,956</u>	<u>-9%</u>	<u>(\$13)</u>	<u>\$96</u>	<u>U</u>	<u>(0.7)%</u>	<u>4.9%</u>	<u>(5.6) pts.</u>



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# Units summary – orders

	<u>3Q'16</u>	<u>3Q'15</u>	<u>V</u>	<u>3Q'16</u> <u>YTD</u>	<u>3Q'15</u> <u>YTD</u>	<u>V</u>
<b>Power:</b>						
Gas Turbines-a)	11	22	(11)	52	61	(9)
<b>Renewable Energy:</b>						
Wind Turbines-a)	592	821	(229)	1,940	2,085	(145)
<b>Aviation:</b>						
CEO engines	625	883	(258)	2,080	3,083	(1,003)
GEnx engines-b)	17	84	(67)	53	169	(116)
Leap engines-b)	204	342	(138)	912	975	(63)
Military engines	17	3	14	584	315	269
Spares rate-c)	\$42.0	\$39.5	\$2.5	\$40.5	\$38.8	\$1.7
<b>Transportation:</b>						
Locomotives	5	3	2	26	313	(287)

(a- Gas Turbines & Wind Turbines are GE-only

(b- GEnx & Leap engines are a subset of CEO engines

(c- Commercial spares rate in millions of dollars per day



# Units summary – sales

	<u>3Q'16</u>	<u>3Q'15</u>	<u>V</u>	<u>3Q'16</u> <u>YTD</u>	<u>3Q'15</u> <u>YTD</u>	<u>V</u>
<b>Power:</b>						
Gas Turbines-a)	30	16	14	69	79	(10)
<b>Renewable Energy:</b>						
Wind Turbines-a)	970	735	235	2,442	2,013	429
<b>Aviation:</b>						
CEO engines	654	611	43	2,055	1,945	110
GEnx engines-b)	53	64	(11)	184	201	(17)
Leap engines-b)	22	-	22	33	-	33
Military engines	100	158	(58)	402	501	(99)
Spares rate-c)	\$39.7	\$37.6	\$2.1	\$38.9	\$37.1	\$1.8
<b>Transportation:</b>						
Locomotives	200	259	(59)	578	665	(87)

(a- Gas Turbines & Wind Turbines are GE-only

(b- GEnx & Leap engines are a subset of CEO engines

(c- Commercial spares rate in millions of dollars per day



# Regional summary

(\$ in billions)

	Infrastructure Orders				Industrial Segment Revenues			
	3Q'16	V%	3Q'16 YTD	V%	3Q'16	V%	3Q'16 YTD	V%
Resource Rich-a)	\$8.1	37%	\$21.8	3%	\$7.6	12%	\$22.4	5%
Asia-b)	3.1	(7)	10.0	10	3.3	19	9.8	16
<b>Growth Regions</b>	<b>11.2</b>	<b>21%</b>	<b>31.8</b>	<b>5%</b>	<b>11.0</b>	<b>14%</b>	<b>32.2</b>	<b>8%</b>
Developed-c)	15.7	13	45.2	5	16.5	(1)	49.7	4
<b>Total</b>	<b>\$26.9</b>	<b>16%</b>	<b>\$77.0</b>	<b>5%</b>	<b>\$27.4</b>	<b>4%</b>	<b>\$81.9</b>	<b>6%</b>

(a - Resource Rich: Australia & New Zealand, Canada, Latin America, MENAT, Russia/CIS, & Sub Saharan Africa

(b - Asia: ASEAN, China, & India

(c - Developed: US, Europe, Japan, & Korea

Note: Individual amounts are rounded. As a result the sum of the parts presented may not add to the total.





# Alstom results and EPS impact

## Key metrics

(\$ in millions)

<b><u>Orders</u></b>	<b><u>3Q'16</u></b>
Power	\$2,826
Renewable Energy	1,047
Grid	1,354
Oil & Gas <sup>-a)</sup>	16
<b>Segment orders</b>	<b><u>\$5,244</u></b>

<b><u>Revenue</u></b>	<b><u>3Q'16</u></b>
Power	\$1,446
Renewable Energy	381
Grid	1,382
Oil & Gas	17
<b>Segment revenue</b>	<b><u>\$3,226</u></b>

<b><u>Op profit</u></b>	<b><u>3Q'16</u></b>
Power	91
Renewable Energy	(12)
Grid	64
Oil & Gas	1
<b>Segment op profit</b>	<b><u>\$144</u></b>

Corporate	(200)
<b>Total op profit</b>	<b><u>\$(56)</u></b>

*FX impact* **\$(37)**

## Financial impact

(\$ in billions, except EPS)

	<b><u>3Q'16</u></b>
Operations	<b><u>\$(0.4)</u></b>
Cost synergy benefits	0.4
Synergy investment	-
Acquisition accounting	0.1
Deal/integration costs	-
JV minority interest	0.1
<b>Segment op profit</b>	<b><u>0.1</u></b>
Corporate charges	
– Deal costs/synergy inv.	(0.2)
– Acquisition accounting	-
Net tax benefits	0.2
<b>EPS</b>	<b><u>\$0.01</u></b>



Non-GAAP reconciliation

# Corporate revenue & operating profit (cost)

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Gains (losses) on dispositions	\$208	\$-	F	\$3,395	\$499	F
Corporate operations & eliminations	(963)	(888)	(8)%	(2,966)	(2,665)	(11)%
<b>Total Corporate revenue (GAAP)</b>	<b>(755)</b>	<b>(888)</b>	<b>15%</b>	<b>429</b>	<b>(2,166)</b>	<b>F</b>
Gains (losses) on dispositions	\$208	\$-		\$3,395	\$499	
Principal retirement plans-a)	(542)	(659)		(1,489)	(2,121)	
Restructuring and other charges	(683)	(346)		(2,557)	(1,167)	
Other Corporate costs & eliminations	(507)	(554)		(1,469)	(1,647)	
<b>Total Corporate costs (continuing) (GAAP)</b>	<b>(1,524)</b>	<b>(1,559)</b>		<b>(2,120)</b>	<b>(4,436)</b>	
Less: Non-operating pension cost	(511)	(693)		(1,534)	(2,077)	
<b>Total Corporate (operating) Profit (non-GAAP)</b>	<b>(1,012)</b>	<b>(866)</b>		<b>(586)</b>	<b>(2,359)</b>	
Less: restructuring & other, gains	(475)	(346)		838	(668)	
<b>Adjusted Total Corporate (operating) Profit (non-GAAP)</b>	<b>(\$538)</b>	<b>(\$520)</b>	<b>(3)%</b>	<b>(\$1,424)</b>	<b>(\$1,691)</b>	<b>16%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total  
(a- Includes non-operating pension

Non-GAAP reconciliation

# Industrial segment gross margins

(\$ in millions)

	3Q'16	3Q'15	3Q'16 YTD	3Q'15 YTD
Industrial sales	\$26,934	\$25,612	\$80,490	\$75,592
Less: Corporate sales and eliminations	(574)	(411)	(1,531)	(1,314)
Less: Alstom sales	3,273	-	9,347	-
<b>Industrial segment sales ex. Alstom (non-GAAP)</b>	<b><u>24,234</u></b>	<b><u>26,023</u></b>	<b><u>72,673</u></b>	<b><u>76,906</u></b>
Industrial cost of sales	20,545	19,336	62,394	57,769
Less: Corporate cost of sales and eliminations	672	481	2,169	1,484
Less: Alstom cost of sales	2,655	-	7,527	-
<b>Industrial segment cost of sales ex. Alstom (non-GAAP)</b>	<b><u>17,218</u></b>	<b><u>18,855</u></b>	<b><u>52,698</u></b>	<b><u>56,286</u></b>
<b>Industrial segment gross margin ex. Alstom (non-GAAP)</b>	<b>7,016</b>	<b>7,168</b>	<b>19,977</b>	<b>20,622</b>
<b>Industrial segment gross margin rate ex. Alstom (non-GAAP)</b>	<b>29.0%</b>	<b>27.5%</b>	<b>27.5%</b>	<b>26.8%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

Non-GAAP reconciliation

# Industrial segment operating profit margins

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Industrial segment revenue-a)	\$27,421	\$26,256		\$81,920	\$77,445	
Less: Alstom revenues	3,226	-		9,210	-	
<b>Industrial segment revenue ex. Alstom (non-GAAP)</b>	<b>24,195</b>	<b>26,256</b>		<b>72,710</b>	<b>77,445</b>	
Industrial segment op profit-a)	\$4,320	\$4,530		\$11,756	\$12,445	
Less: Alstom segment op profit	144	-		261	-	
<b>Industrial segment op profit ex. Alstom (non-GAAP)</b>	<b>4,176</b>	<b>4,530</b>	<b>(8)%</b>	<b>11,495</b>	<b>12,445</b>	<b>(8)%</b>
<b>Industrial segment op profit margin ex. Alstom (non-GAAP)</b>	<b>17.3%</b>	<b>17.3%</b>	<b>- pts</b>	<b>15.8%</b>	<b>16.1%</b>	<b>(0.3)pts</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.  
(a- Total Industrial segment revenue and op profit include the sum of our Industrial reporting segments without giving effect to the elimination of transactions among such segments.

Non-GAAP reconciliation

# Industrial operating profit margins

(\$ in millions)

	<u>3Q'16</u>	<u>3Q'15</u>	<u>3Q'16 YTD</u>	<u>3Q'15 YTD</u>
Industrial segment revenue-(a)	\$27,421	\$26,256	\$81,920	\$77,445
Plus: Corporate revenue ex. gains	(963)	(888)	(2,967)	(2,665)
Less: GE-Capital eliminations	(481)	(444)	(1,500)	(1,336)
<b>Industrial revenue</b>	<u>26,938</u>	<u>25,813</u>	<u>80,453</u>	<u>76,115</u>
Less: Alstom revenues	3,226	-	9,210	-
<b>Industrial revenue ex. Alstom (non-GAAP)</b>	<u><u>23,712</u></u>	<u><u>25,813</u></u>	<u><u>71,244</u></u>	<u><u>76,115</u></u>
Industrial segment op profit-(a)	\$4,320	\$4,530	\$11,756	\$12,445
Plus: Corporate operating earnings	(1,012)	(866)	(586)	(2,358)
Less: Gains and restructuring	(475)	(346)	838	(668)
<b>Industrial OP profit (non-GAAP)</b>	<u>3,782</u>	<u>4,009</u>	<u>10,332</u>	<u>10,754</u>
Less: Alstom segment op profit	144	-	261	-
<b>Industrial op profit ex. Alstom (non-GAAP)</b>	<u><u>3,638</u></u>	<u><u>4,009</u></u>	<u><u>10,070</u></u>	<u><u>10,754</u></u>
<b>Industrial op profit margin ex. Alstom (non-GAAP)</b>	<b>15.3%</b>	<b>15.5%</b>	<b>14.1%</b>	<b>14.1%</b>



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total.  
(a- Total Industrial segment revenue and op profit include the sum of our Industrial reporting segments without giving effect to the elimination of transactions among such segments.

Non-GAAP reconciliation

# Operating earnings & EPS

(\$ in millions except earnings per share)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Earnings from continuing operations attributable to common shareholders (GAAP)	\$2,097	\$1,965	7%	\$5,645	\$(904)	F
Adjustment (net of tax): non-operating pensions costs/(income)	332	450		997	1,350	
Operating earnings (non-GAAP)	\$2,429	\$2,415	1%	\$6,642	\$448	F
Earnings per share - diluted <sup>(a)</sup>						
Continuing earnings per share (GAAP)	\$0.23	\$0.19	21%	\$0.61	\$(0.09)	F
Adjustment (net of tax): non-operating pensions costs/(income)	0.04	0.04		0.11	0.13	
Operating earnings per share (non-GAAP)	\$0.27	\$0.24	13%	\$0.72	\$0.04	F



(a) - Earnings per share amounts are computed independently. As a result, the sum of per share amounts may not equal the total

Non-GAAP reconciliation

# Industrial operating EPS

(\$ in millions except earnings per share)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Operating earnings (non-GAAP)	\$2,429	\$2,415	1%	\$6,642	\$448	F
GE Capital operating earnings (non-GAAP)	26	(154)	F	(1,466)	(6,368)	77%
Industrial operating earnings (non-GAAP)	2,404	2,569	(6)%	8,109	6,814	19%
Operating earnings per share (non-GAAP)	\$0.27	\$0.24	13%	\$0.72	\$0.04	F
GE Capital operating EPS (non-GAAP)-a)	-	(0.02)	100%	(0.16)	(0.63)	75%
Industrial operating EPS (non-GAAP)-a)	0.27	0.25	8%	0.88	0.68	29%



(a - Earnings per share amounts are computed independently. As a result, the sum of per share amounts may not equal the total

Non-GAAP reconciliation

# Industrial operating plus Verticals earnings & EPS

(\$ in millions except earnings per share)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Operating earnings (non-GAAP)	\$2,429	\$2,415	1%	\$6,642	\$448	F
Less: Other GE Capital (non-GAAP)	(441)	(504)		(2,881)	(7,596)	
Industrial operating plus Verticals earnings (non-GAAP)	2,870	2,920	(2)%	9,523	8,042	18%
GE Capital Verticals earnings (non-GAAP)	466	351	33%	1,414	1,228	15%
Industrial operating earnings (non-GAAP)	2,404	2,569	(6)%	8,109	6,814	19%
Earnings per share - diluted <sup>-a)</sup>						
Operating earnings per share (non-GAAP)	\$0.27	\$0.24	13%	\$0.72	\$0.04	F
Less: Other GE Capital (non-GAAP)	(0.05)	(0.05)		(0.31)	(0.75)	
Industrial operating plus Verticals EPS (non-GAAP)	0.32	0.29	10%	1.03	0.80	29%
GE Capital Verticals operating EPS (non-GAAP)	0.05	0.03	67%	0.15	0.12	25%
Industrial operating EPS (non-GAAP)	0.27	0.25	8%	0.88	0.68	29%



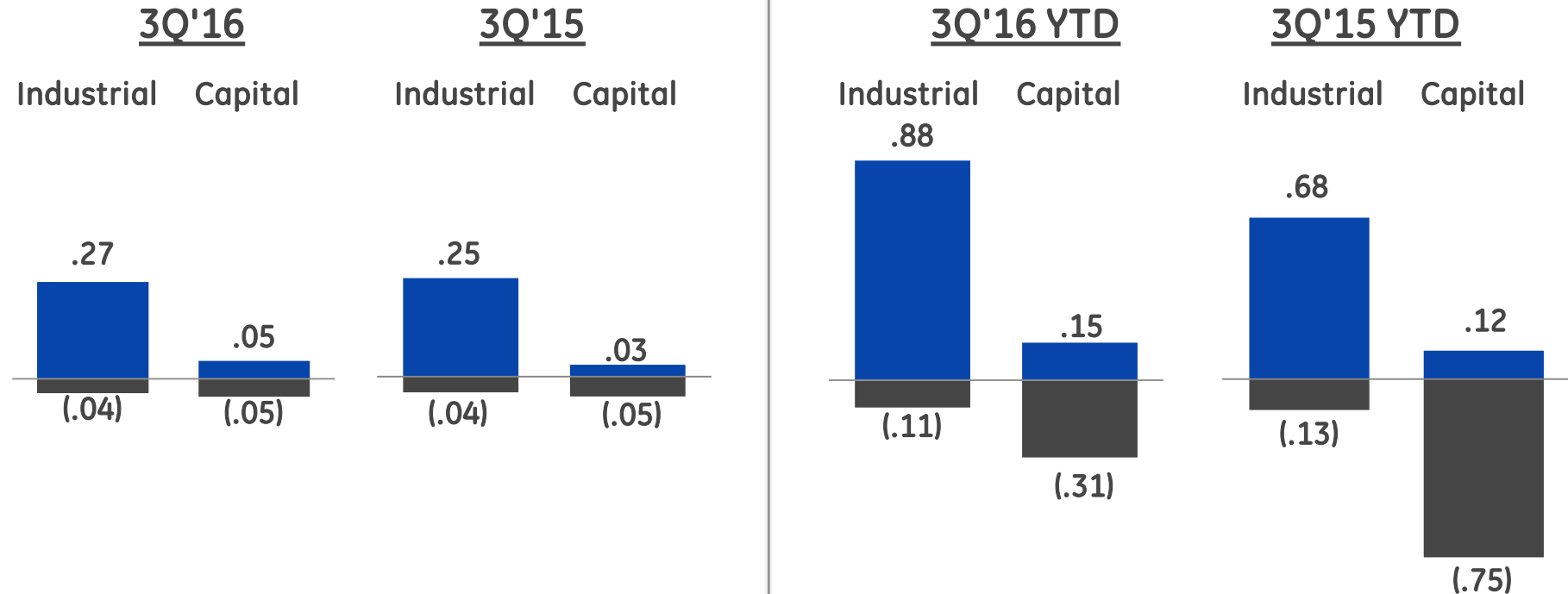
<sup>(a)</sup> - Earnings per share amounts are computed independently. As a result, the sum of per share amounts may not equal the total



Non-GAAP reconciliation

# GAAP & Industrial Operating plus Verticals EPS

(\$ per share)



Earnings/(loss) per share -a)	3Q'16	3Q'15
Industrial operating	\$ .27	\$ .25
Verticals	<u>.05</u>	<u>.03</u>
Industrial Operating plus Verticals	\$ .32	\$ .29
Non-operating & other GE Capital	<u>(.09)</u>	<u>(.09)</u>
GAAP continuing EPS	\$ .23	\$ .19

Earnings/(loss) per share -a)	3Q'16 YTD	3Q'15 YTD
Industrial operating	\$ .88	\$ .68
Verticals	<u>.15</u>	<u>.12</u>
Industrial Operating plus Verticals	\$ 1.03	\$ .80
Non-operating & other GE Capital	<u>(.42)</u>	<u>(.89)</u>
GAAP continuing EPS	\$ .61	\$ (.09)

■ Industrial Operating & Verticals  
 ■ Non-operating pension & other GE Capital



(a) - Earnings per share amounts are computed independently. As a result, the sum of per share amounts may not equal the total

Non-GAAP reconciliation

# GE effective tax rate (ex. Capital)

(\$ in millions)

	3Q'16	3Q'15	3Q'16 YTD	3Q'15 YTD
GE earnings from continuing operations before income taxes (GAAP)	\$2,263	\$2,334	\$6,405	\$360
Less GE Capital earnings from continuing ops. attributable to the common shareowner	26	(154)	(1,466)	(6,207)
Adjusted earnings from continuing ops. before income taxes (non-GAAP)	\$2,238	\$2,487	\$7,871	\$6,567
GE (ex. GE Capital) provision for income taxes - continuing ops.	241	413	1,034	1,302
Effective tax rate GE (ex. GE Capital) (non-GAAP)	11%	17%	13%	20%



Non-GAAP reconciliation

# Industrial CFOA from continuing operations

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
Cash from GE's operating activities (GAAP)	\$7,575	\$2,576	F	\$18,342	\$6,526	F
Less: Deal taxes	(376)	-		(1,076)	-	
Cash from GE's operating activities excluding deal taxes	7,951	2,576	F	19,418	6,526	F
Cash from GE's operating activities as reported (GAAP)	7,575	2,576	F	18,342	6,526	F
Less: GE Capital dividends	5,050	-		16,050	450	
Cash from GE's operating activities excluding dividends from GE Capital (Industrial CFOA) (non-GAAP)	2,525	2,576	(2)%	2,292	6,076	(62)%
Less: Deal taxes	(376)	-		(1,076)	-	
Cash from GE's operating activities excluding dividends from GE Capital & deal taxes (Industrial CFOA ex. deal taxes) (non-GAAP)	\$2,901	\$2,576	13%	\$3,368	\$6,076	(45)%



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

## Non-GAAP reconciliation

# Free cash flow

(\$ in millions)

	3Q'16	3Q'15	V%	3Q'16 YTD	3Q'15 YTD	V%
GE's CFOA (GAAP)	\$7,575	\$2,576	F	\$18,342	\$6,526	F
Less: Deal taxes	(376)	-		(1,076)	-	
GE's CFOA ex. deal taxes	7,951	2,576		19,418	6,526	
Less: Additions to property, plant and equipment	864	819		2,804	2,708	
Plus: Dispositions of property, plant and equipment	187	149		727	525	
<b>Free cash flow ex. deal taxes (non-GAAP)</b>	<b>7,275</b>	<b>1,907</b>	<b>F</b>	<b>17,341</b>	<b>4,344</b>	<b>F</b>
Less: GE Capital dividends	5,050	-		16,050	450	
<b>Industrial free cash flow ex. deal taxes (non-GAAP)</b>	<b>2,225</b>	<b>1,907</b>	<b>17%</b>	<b>1,291</b>	<b>3,894</b>	<b>(67)%</b>
<b>Industrial operating earnings (non-GAAP)</b>	<b>2,404</b>	<b>2,569</b>		<b>8,109</b>	<b>6,814</b>	
Industrial FCF conversion ex. deal taxes (non-GAAP)	93%	74%		16%	57%	



Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total

# GE Capital segment results

(\$ in millions – net earnings)

	<u>3Q'16</u>	<u>3Q'15</u>	<u>V%</u>
GECAS	\$341	\$313	9%
EFS	72	(38)	F
Industrial Finance	111	111	-
Other <sup>-a)</sup>	(58)	(34)	(68)
<b>Verticals</b>	<b>\$466</b>	<b>\$351</b>	<b>33%</b>
Other continuing operations <sup>-b)</sup>	(441)	(504)	13
<b>Capital segment profit/(loss)</b>	<b>\$26</b>	<b>\$(154)</b>	<b>F</b>
Earnings/(loss) from discontinued ops.	(103)	541	U
<b>GE Capital net earnings/(loss)</b>	<b>\$(78)</b>	<b>\$387</b>	<b>U</b>

(a – Includes run-off insurance business and allocated corporate costs

(b – Includes impact of preferred stock dividends

Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total



# GE Capital segment assets

(\$ in billions)

	<u>3Q'16</u>	<u>3Q'15</u>	<u>V%</u>
GECAS	\$45.0	\$45.8	(2)%
EFS	13.2	15.4	(14)
Industrial Finance	23.9	21.6	11
Other	38.6	37.0	4
<b>Verticals</b>	<b>\$120.7</b>	<b>\$119.8</b>	<b>1%</b>
Other continuing operations	57.1	69.8	(18)
<b>Capital segment assets</b>	<b>\$177.8</b>	<b>\$189.6</b>	<b>(6)%</b>
Assets of discontinued operations	30.9	244.0	(87)
<b>GE Capital assets</b>	<b>\$208.7</b>	<b>\$433.7</b>	<b>(52)%</b>

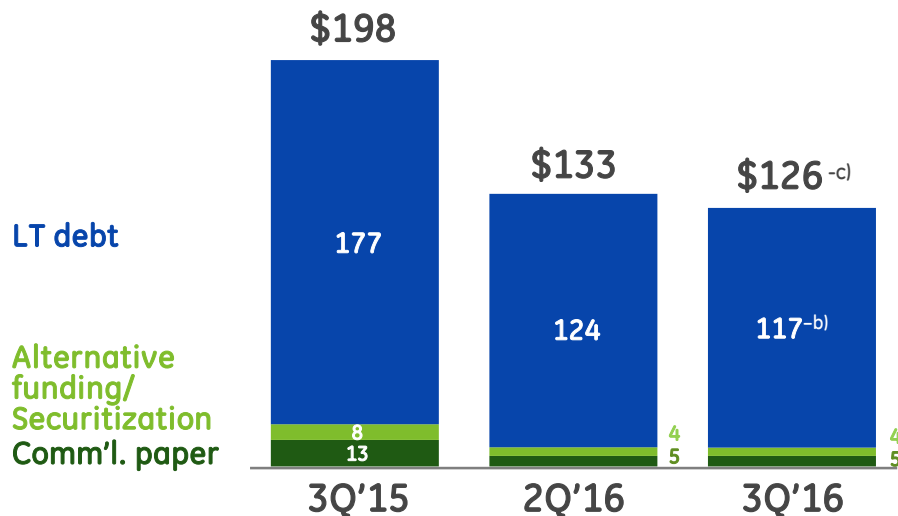
Note: Individual amounts are rounded. As a result, the sum of the parts presented may not add to the total



# GE Capital funding

(\$ in billions)

## Debt composition<sup>-a)</sup>



Bank lines <sup>-d)</sup>	\$45	\$20	\$20
Liquidity <sup>-e)</sup>	\$97	\$56	\$57
LT debt <1yr.	\$30	\$25	\$24

## Comments

- Maintaining \$5B CP outstanding
- No incremental LT debt issuance in line with April 2015 announcement
- \$4B of contractual maturities in 3Q'16
- \$2B of ALM actions in 3Q'16 (\$1.6B hybrid calls and \$0.6B make whole)



(a - Continuing operations (excludes obligations issued to third parties that we reported in Discontinued operations or Held-for-Sale)

(b - Includes \$60B of GE Capital debt maintained as intercompany debt with GE Company as of 3Q'16 (\$65B assumed by GE Company offset by \$5B intercompany loan to GE)

(c - Includes ~\$(0.2)B YTD FX impact and ~\$0.8B YTD FAS 133

(d - Bank lines maintained at GE Company since Dec '15 but can be drawn and lent to GE Capital upon request

(e - Liquidity includes cash & equivalents (including discontinued operations and held for sale balances); 3Q'16 includes \$12.2B of high quality investments

## Non-GAAP reconciliation

# Capital ending net investment

(\$ in billions)

	<u>3Q'16</u>	<u>2Q'16</u>	<u>1Q'16</u>	<u>4Q'15</u>	<u>3Q'15<sup>-a)</sup></u>
GE Capital total assets (GAAP)	\$208.7	\$224.6	\$285.4	\$316.1	\$433.8
Less: assets of discontinued operations <sup>-b)</sup>	(30.9)	(49.9)	(81.6)	(120.9)	(121.9)
Less: non-interest bearing liabilities & others	(44.6)	(43.9)	(43.0)	(43.3)	(50.3)
Capital ENI (Continuing operations)	<u>133.2</u>	<u>130.8</u>	<u>160.8</u>	<u>151.8</u>	<u>261.6</u>
Less: Liquidity <sup>-c)</sup>	(54.1)	(51.4)	(79.7)	(70.5)	(85.5)
<b>Capital ENI (ex-Liquidity) (non-GAAP)</b>	<b><u>\$79.1</u></b>	<b><u>\$79.3</u></b>	<b><u>\$81.1</u></b>	<b><u>\$81.3</u></b>	<b><u>\$176.1</u></b>
Memo:					
Total ENI (ex-Liquidity) incl. disc. ops. (Non-GAAP)	\$103.1	\$116.2	\$126.7	\$166.2	\$270.6

(a - As originally reported)

(b - Real Estate, majority of Commercial Lending & Leasing, and Consumer segments moved to discontinued operations during 1Q'15, 2Q'15, and 4Q'15 respectively)

(c - Liquidity includes cash & equivalents from continuing operations (excluding held for sale balances) and \$12.2B of high quality investments)





## Non-GAAP reconciliation

# GE Capital leverage ratio<sup>-a)</sup>

(\$ in billions)

	<u>3Q'16</u>	<u>2Q'16</u>	<u>3Q'15</u>
<b>As reported</b>			
Debt	\$132.3	\$139.1	\$298.7
Equity <sup>-b)</sup>	29.0	33.8	68.2
 Leverage ratio (GAAP)	 4.6	 4.1	 4.4
 Debt	 132.3	 139.1	 298.7
Less: Liquidity <sup>-c)</sup>	<u>(57.0)</u>	<u>(55.6)</u>	<u>(97.0)</u>
Adjusted debt	\$75.2	\$83.4	\$201.7
 Equity <sup>-b)</sup>	 29.0	 33.8	 68.2
 Adjusted leverage ratio (non-GAAP)	 2.6	 2.5	 3.0

(a - Includes discontinued operations and balances recorded as held for sale for all periods

(b - Total equity ex-non-controlling interests

(c - Liquidity includes cash & equivalents (including discontinued operations and held for sale balances) and \$12.2B of high quality investments



Non-GAAP reconciliation

# GE Capital capital ratios<sup>-a)</sup>

(\$ in billions)

	<u>3Q'16</u>	<u>2Q'16</u>	<u>1Q'16</u>
Equity <sup>-b)</sup>	\$29.0	\$33.8	\$38.2
Less: G/W & Intangibles	<u>2.7</u>	<u>2.8</u>	<u>3.1</u>
Tangible equity	\$26.2	\$31.1	\$35.1
Less: Preferred equity	<u>5.2</u>	<u>5.2</u>	<u>5.2</u>
Tangible common equity	\$21.0	\$25.9	\$29.9
GE Capital assets	\$208.7	\$224.6	\$285.4
Less: G/W & Intangibles	<u>2.7</u>	<u>2.8</u>	<u>3.1</u>
Tangible assets	\$206.0	\$221.8	\$282.3
<b>Tangible equity/Tangible assets</b>	<b>12.7%</b>	<b>14.0%</b>	<b>12.4%</b>
<b>Tangible common equity/ Tangible assets</b>	<b>10.2%</b>	<b>11.7%</b>	<b>10.6%</b>

(a - Includes discontinued operations and balances recorded as held for sale for all periods

(b - Total equity ex-non-controlling interests



# GE Capital Aircraft and Helicopter asset details

(\$ in millions)

Collateral type (In millions)	Loans and leases		
	3Q'16	2Q'16	3Q'15
Narrow-body aircraft	\$ 18,673	\$ 18,805	\$ 21,615
Wide-body aircraft	8,394	7,505	7,475
Cargo	1,870	1,639	1,676
Regional jets	3,586	3,679	3,878
Engines	2,908	2,911	2,585
Helicopters	3,788	3,719	3,692
<b>Total (a)</b>	<b>\$ 39,219</b>	<b>\$ 38,259</b>	<b>\$ 40,921</b>

Airline regions (In millions)	Loans and leases		
	3Q'16	2Q'16	3Q'15
U.S.	\$ 8,478	\$ 8,609	\$ 9,095
Europe	9,027	8,871	9,312
Pacific Basin	7,619	6,712	8,586
Americas	3,791	3,888	4,045
Other	6,515	6,459	6,191
<b>Total (b)</b>	<b>\$ 35,430</b>	<b>\$ 34,539</b>	<b>\$ 37,229</b>

Aircraft vintage profile (In millions)	Loans and leases		
	3Q'16	2Q'16	3Q'15
0-5 years	\$ 12,103	\$ 11,065	13,044
6-10 years	7,339	7,450	7,884
11 - 15 years	6,890	7,165	7,880
15+ years	2,408	2,103	1,758
<b>Total (c)</b>	<b>\$ 28,740</b>	<b>\$ 27,782</b>	<b>\$ 30,566</b>

(a) - Includes loans and financing leases of \$7,035 million, \$7,165 million and \$7,394 million less non-aircraft loans and financing leases of \$90 million, \$92 million and \$64 million and ELTO of \$33,274 million, \$31,185 million and \$33,591 million at September 30, 2016, June 30, 2016 and September 30, 2015 respectively, related to commercial aircraft at GECAS.

(b) - Excludes helicopters

(c) - Includes aircraft owned by GECAS and leased to others; excludes helicopters, engines and loans



# 2016 operating framework (non-GAAP)

2016E Industrial operating + Vertical EPS \$1.48-1.52

Items not included in non-GAAP metric:

1. Non-operating pension costs, which we estimate to be approximately \$(0.14) – (0.15) on an EPS basis for the year
  
2. Capital Other continuing earnings (excluding the Verticals), which we estimate to be ~\$(0.33)-(0.36) on an EPS basis for the year. This amount is affected by, among other things:
  - The timing of when, and the amount by which, the Company pays down GE Capital’s outstanding debt; and
  - The timing and magnitude of the costs associated with GE Capital’s exit plan.

Note: The company cannot provide an equivalent GAAP guidance range without unreasonable effort because of the uncertainty of the amount and timing of events affecting earnings as we execute the GE Capital Exit Plan. Although we have attempted to estimate GE Capital’s Other continuing earnings for the purpose of explaining the probable significance of this component, as described under number 2, this calculation involves a number of unknown variables, resulting in a GAAP range that we believe is too large and variable to be meaningful. It is also impractical to provide a reconciliation for our organic revenue target as it involves a number of unknown variables including the effects of future acquisitions, dispositions and foreign exchange.



# Non-GAAP supplemental information

In an effort to provide investors with additional information regarding the company's results as determined by generally accepted accounting principles (GAAP), the company also discusses, in its earnings press release and earnings presentation materials, the following Non-GAAP information which management believes provides useful information to investors.

## Operating and non-operating pension costs

We have provided the operating and non-operating components of cost for our principal pension plans. Operating pension costs comprise the service cost of benefits earned, prior service cost amortization and curtailment loss for our principal pension plans. Non-operating pension costs comprise the expected return on plan assets, interest cost on benefit obligations and net actuarial loss amortization for our principal pension plans. We believe that the operating components of pension costs better reflects the ongoing service-related costs of providing pension benefits to our employees. We believe that the operating and non-operating components of cost for our principal pension plans, considered along with the corresponding GAAP measure, provide management and investors with additional information for comparison of our pension plan costs and operating results with the pension plan costs and operating results of other companies.

## Adjusted corporate costs (operating)

Operating corporate costs exclude non-service-related pension costs of our principal pension plans, which comprise interest costs, expected return on plan assets and amortization of actuarial gains/losses. Service cost, prior service cost and curtailment loss components of our principal pension plans are included in operating corporate costs. We believe that these components of pension cost better reflect the ongoing service-related costs of providing pension benefits to our employees. Accordingly, we believe that our measure of operating corporate costs provides management and investors with a useful measure of the operational costs incurred outside of our businesses. We believe that this measure, considered along with the corresponding GAAP measure, provides management and investors with additional information for comparison of our operating corporate costs to the operating corporate costs of other companies.

We also believe that adjusting operating corporate costs to exclude the effects of items that are not closely associated with ongoing corporate operations, such as earnings of previously divested businesses, gains and losses on disposed and held for sale businesses, and restructuring and other charges, provides management and investors with a meaningful measure that increases the period-to-period comparability of our ongoing corporate costs.



# Non-GAAP supplemental information

## Industrial Segment Organic Revenue Growth

Organic revenue growth measures revenue excluding the effects of acquisitions, business dispositions and currency exchange rates. We believe that this measure provides management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and currency exchange, which activities are subject to volatility and can obscure underlying trends. We also believe that presenting organic revenue growth separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial businesses and companies. Management recognizes that the term "organic revenue growth" may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.

## Industrial Segment Organic Operating Profit Growth

Operating profit growth measures profit excluding the effects of acquisitions, business dispositions and currency exchange rates. We believe that this measure provides management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and currency exchange, which activities are subject to volatility and can obscure underlying trends. Management recognizes that the term "organic operating profit growth" may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.



# Non-GAAP supplemental information

## Industrial Cash Flows from Operating Activities (Industrial CFOA)

We define “Industrial CFOA” as GE’s cash from operating activities (continuing operations) less the amount of dividends received by GE from GE Capital. This includes the effects of intercompany transactions, including GE customer receivables sold to GE Capital; GE Capital services for trade receivables management and material procurement; buildings and equipment leased by GE from GE Capital; information technology (IT) and other services sold to GE Capital by GE; aircraft engines manufactured by GE that are installed on aircraft purchased by GE Capital from third-party producers for lease to others; and various investments, loans and allocations of GE corporate overhead costs. We believe that investors may find it useful to compare GE’s operating cash flows without the effect of GE Capital dividends, since these dividends are not representative of the operating cash flows of our industrial businesses and can vary from period to period based upon the results of the financial services businesses. Management recognizes that this measure may not be comparable to cash flow results of companies which contain both industrial and financial services businesses, but believes that this comparison is aided by the provision of additional information about the amounts of dividends paid by our financial services business and the separate presentation in our financial statements of the GE Capital cash flows. We believe that our measure of Industrial CFOA provides management and investors with a useful measure to compare the capacity of our industrial operations to generate operating cash flow with the operating cash flow of other non-financial businesses and companies and as such provides a useful measure to supplement the reported GAAP CFOA measure.

## Free cash flow

We define free cash flow as GE’s cash from operating activities (continuing operations) less GE additions to property, plant and equipment, which are included in cash flows from investing activities. We believe that free cash flow is a useful financial metric to assess our ability to pursue opportunities to enhance our growth. We also believe that presenting free cash flow separately for our industrial businesses provides management and investors with useful information about the trends of our industrial businesses and enables a more direct comparison to other non-financial businesses and companies. Management recognizes that the term free cash flow may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.



# Non-GAAP supplemental information

## Industrial operating earnings and EPS and Capital operating earnings (loss) and EPS

Operating earnings (loss) excludes non-service related pension costs of our principal pension plans comprising interest cost, expected return on plan assets and amortization of actuarial gains/losses. The service cost, prior service cost and curtailment loss components of our principal pension plans are included in operating earnings. We believe that these components of pension cost better reflect the ongoing service-related costs of providing pension benefits to our employees. As such, we believe that our measure of operating earnings (loss) provides management and investors with a useful measure of the operational results of our business. Other components of GAAP pension cost are mainly driven by capital allocation decisions and market performance, and we manage these separately from the operational performance of our businesses. Neither GAAP nor operating pension costs are necessarily indicative of the current or future cash flow requirements related to our pension plan. We also believe that this measure, considered along with the corresponding GAAP measure, provides management and investors with additional information for comparison of our operating results to the operating results of other companies.

We believe that presenting operating earnings and operating EPS separately for our industrial and financial services businesses also provides management and investors with useful information about the relative size of our industrial and financial services businesses in relation to the total company.

## GE Industrial Operating + Verticals EPS

As described above, Verticals represents the GE Capital businesses that we expect to retain. We believe that presenting Industrial operating + Vertical earnings-per-share amounts provides management and investors with a useful measure to evaluate the performance of the businesses we expect to retain after the disposition of most of our financial services business.





# Non-GAAP supplemental information

## GE Capital capital ratios - Tangible Equity/Tangible Assets; Tangible Common Equity/ Tangible Assets

We use these ratios as a measurement of capital adequacy for GE Capital. Tangible Equity is book equity less goodwill (net of valuation allowance adjustments) and intangibles. Tangible Common Equity is Tangible Equity less preferred equity. Tangible Assets is total assets less goodwill (net of valuation allowance adjustments) and intangibles.

## Capital Ending Net Investment (ENI), excluding liquidity

We use ENI to measure the size of our Capital segment. We believe that this measure is a useful indicator of the capital (debt or equity) required to fund a business as it adjusts for non-interest bearing current liabilities generated in the normal course of business that do not require a capital outlay. We also believe that by excluding liquidity, we provide a meaningful measure of assets requiring capital to fund our Capital segment as a substantial amount of liquidity resulted from debt issuances to pre-fund future debt maturities and will not be used to fund additional assets. Liquidity consists of cash and equivalents and certain high quality interest bearing deposits of the U.S. Treasury. As a general matter, investments included in liquidity are expected to be highly liquid, giving us the ability to readily convert them to cash. Providing this measure will help investors measure how we are performing against our previously communicated goal to reduce the size of our financial services segment.



