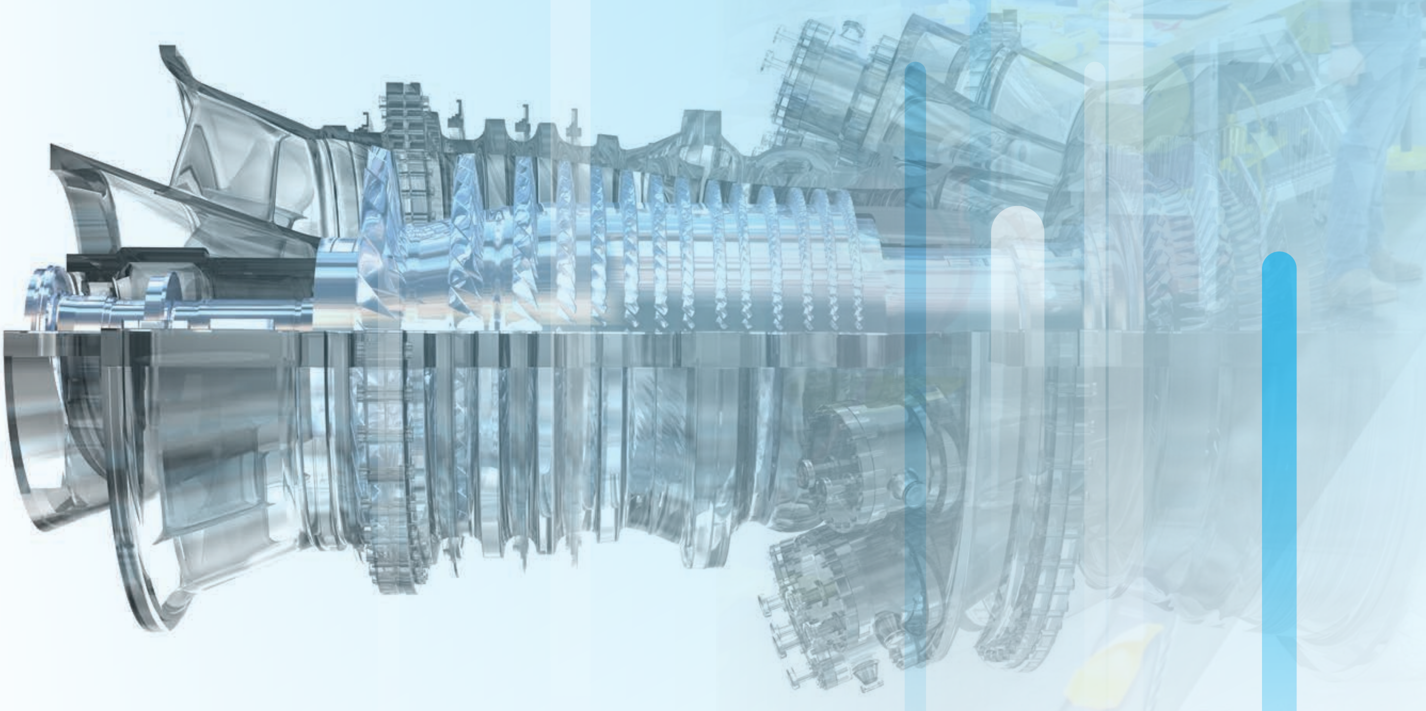
GE 2016 INTEGRATED SUMMARY REPORT

“THE INTEGRATED SUMMARY REPORT SHOWS INVESTORS GE THROUGH THE LENS OF MANAGEMENT.”

JEFFREY R. IMMELT
Chairman of the Board & Chief Executive Officer, GE

March 10, 2017



This document provides an overview of General Electric. It does not contain all of the information that you should consider. Please read our entire 2016 Annual Report and 2017 Proxy Statement carefully before making a voting or investment decision.

WHERE YOU CAN FIND MORE INFORMATION

- **Annual Report**
  www.ge.com/annualreport
- **Proxy Statement**
  www.ge.com/proxy
- **Sustainability Report**
  www.ge.com/sustainability

FORWARD-LOOKING STATEMENTS

Some of the information we provide in this document is forward-looking and therefore could change over time to reflect changes in the environment in which GE competes. See Forward-Looking Statements on page 65 for more information.

NON-GAAP FINANCIAL MEASURES

Some of the financial measures we provide in this document, including measures that exclude Alstom, may be considered to be non-GAAP financial measures. For more information, see *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.

THROUGHOUT THIS DOCUMENT, WE USE THE FOLLOWING ICONS

Power · Renewable Energy · Oil & Gas

Aviation · Healthcare · Transportation

Energy Connections & Lighting · Capital

Appliances

GE EXECUTIVE TEAM

JEFFREY R. IMMELT
Chairman of the Board and Chief Executive Officer

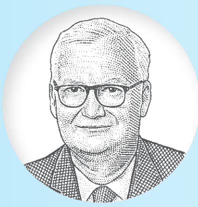
BETH COMSTOCK
Vice Chair and Chief Executive Officer, GE Business Innovations

DAVID JOYCE
Vice Chairman and Chief Executive Officer, GE Aviation

JOHN G. RICE
Vice Chairman and Chief Executive Officer, GE Global Growth Organization

VIC ABATE
Senior Vice President and Chief Technology Officer

JEFFREY S. BORNSTEIN
Senior Vice President and Chief Financial Officer



PHILIPPE COCHET
Senior Vice President and Chief Productivity Officer

ALEX DIMITRIEF
Senior Vice President and General Counsel

SUSAN P. PETERS
Senior Vice President, Human Resources

BILL RUH
Senior Vice President and Chief Digital Officer

Financial Highlights

2016 & 2017 OPERATING GOALS

	2016			2017
	ORIGINAL TARGET	ACTUAL (VS. 2015)	ACHIEVED	TARGET
INDUSTRIAL OPERATING + VERTICALS EPS[1]	**$1.45-1.55**	**$1.49**[5] **▲ 14%**	✓	**$1.60–1.70**
Organic revenue growth[1]	2-4%	1%[6]	×	3-5%
Industrial operating margin[1, 2]	+	▼ 30bps	×	▲ ~100bps
FREE CASH FLOW + DISPOSITIONS[1, 3]	**$28–31B**	**$32.6B ▲ $17.4B**	✓	**$16–20B**
+Industrial cash from operating activities (CFOA)[1, 3, 4]	$12–14B	$11.6B	×	$11–15B
+GE Capital dividend	~$18B	$20.1B	✓	$6–7B
−Industrial net plant & equipment (P&E)	~$4B	$2.7B	✓	$3–4B
+Industrial disposition proceeds[4]	$2–3B	$4.0B	✓	~$4B
TOTAL CASH RETURNED TO INVESTORS	**~$26B**	**$30.5B ▼ $2.5B**[7]	✓	**$19–21B**
+Dividends	~$8B	$8.5B	✓	~$8B
+Buyback	~$18B	$22.0B	✓	~$11–13B

OUR HISTORICAL RESULTS

	2013	2014	2015	2016	Compound annual growth rate
Industrial revenues[1,8]	$101.9B	$107.9B	$106.9B	$111.5B	3%
Industrial operating profit + Verticals[1,9]	$14.3B	$17.0B	$17.5B	$17.5B	7%
Industrial operating + Verticals EPS[1,10]	$1.00	$1.12	$1.31	$1.49	14%
Industrial operating EPS[1]	$0.87	$0.96	$1.14	$1.28	14%
Industrial operating margin[1,11]	12.6%	14.2%	14.8%	14.0%	50bps
GE CFOA[12]	$17.4B[1]	$15.2B	$16.5B[1]	$31.7B[1]	22%

The chart above provides four years of data, consistent with the timeframe for which we have reported the results of the businesses we expect to retain after completion of the GE Capital Exit Plan (which we call Verticals).

1. Non-GAAP Financial Measures. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.
2. Excludes non-operating pension costs, restructuring and other charges & gains and, for 2016, Alstom (2017 target includes Alstom).
3. Free cash flow includes principal pension plan funding of $(0.3)B for 2016 & ~$(1.7)B expected for 2017. Principal pension plan funding excluded from Industrial CFOA.
4. Deal-related taxes excluded from Industrial CFOA & included in dispositions (for 2016, $1.4B related to Appliances).
5. Includes $0.05 impact from Alstom (excluding foreign exchange of $(0.01)), $(0.03) impact from foreign currency exchange rate changes & $(0.02) impact from net restructuring & other charges (after gains).
6. Adjusted to include the results of Alstom for November & December of both 2015 & 2016. Excluding these results, organic revenue growth would have been 0%.
7. For 2015, cash returned to investors included $20.4B of proceeds from our split-off of Synchrony Financial.
8. Excludes gains and, in 2013, NBCUniversal revenues.
9. Industrial operating profit presented on a pre-tax basis, excluding interest expense; Verticals presented on an after-tax basis. Industrial operating profit represents segment profits for our industrial businesses + adjusted corporate operating costs (excluding non-operating pension cost, restructuring and other charges & gains).
10. Industrial operating + Verticals EPS presented on an after-tax basis, including interest expense, restructuring and other charges & gains.
11. Excludes non-operating pension costs, restructuring and other charges & gains.
12. Excludes deal-related taxes ($3.2B in 2013, $0.2B in 2015 and $1.4B in 2016) and principal pension plan funding ($0.3B in 2016).

LEADING A DIGITAL INDUSTRIAL ERA

Your company delivered in a year of sluggish growth and geopolitical surprise. There is deep skepticism toward the ideas that powered economic expansion for a generation, with concepts like innovation, productivity, and globalization being challenged and protectionism on the rise. We're in an era when some very basic assumptions about the global economy are being tested — an era when trust in big institutions is so low that the most valued "strategy" is simply change in any form. For an American company, our country is diverging from the rest of the world. We will be less of a leader in trade. Meanwhile, we are stripping away years of bad regulatory and economic practices to promote competitiveness.

GE is filled with business leaders, not philosophers. We understand that the best companies don't make decisions based on what they hope for, but rather on the facts they see. We win by being a valuable, global company and by engaging members of every community we operate in all over the world. We play to our fundamental strengths. We have the world's best industrial businesses that compete in large markets. We add enterprise strength through what we call the GE Store. We are building a culture that is simpler, faster, and more accountable.

Positioning GE to win has required change. Every leader talks about change, but most are just managing momentum. This is a luxury we didn't have in GE. We refocused the company to be in businesses where we can lead while investing in new capability to capture future growth. We want GE to be essential to our customers, investors, and the world.

Over the last decade, we transformed the GE portfolio, increasing the portion of earnings from our industrial businesses from about 45% to 90%. We strengthened our competitiveness through investments in technology, globalization, and efficiency. In the past year, we sold most of GE Capital assets at good prices, integrated Alstom — our largest industrial acquisition — and announced plans to merge our Oil & Gas business with Baker Hughes, creating a broad industry leader. These are "once-in-a-lifetime" deals for most companies. We did them all in one year.

At the same time, we are investing in disruptive innovation that will drive industrial productivity in the future. We have established two new businesses — GE Digital and GE Additive Manufacturing — that are in the early stages of value creation for GE investors.

The challenge for any company is to invest in the future while delivering results. We have challenged ourselves to hit aggressive financial goals as we transform GE.

EXECUTING A PIVOT

Our team expects to expand earnings while changing the portfolio and investing in growth. We try to do this without making excuses for the economic environment. We seek to grow earnings per share (EPS) ahead of our industrial peers. We drive efficiency, targeting improvement in margins and reducing working capital. We are returning a substantial amount of capital to investors through dividends and buyback.

In 2016, we made progress on our goals, hitting $1.49 EPS, up 14%, but were short of our expectations. Our cash flow from operating activities (CFOA) was $30 billion, up 83%. We returned $30.5 billion to investors through dividends and share buyback. Alstom, an important acquisition, delivered $0.05 in incremental earnings. We sustained our investment in new products, continuing to win in the marketplace and finished the year with $321 billion in backlog, a record.

Our Industrial operating profit and Verticals earnings were $17.5 billion, flat from the previous year. Over the past five years, our profit growth has averaged 6%. Organic growth was up 1%, while operating margins declined slightly.[1] We grew gross margins by 40 basis points[1] and reduced working capital by more than $3 billion. Oil & Gas markets continued to be tough, and earnings there declined by 37%.[2] The rest of our portfolio grew by 8%.[2] Normally, we expect our diversified model to shrug off headwinds in one market and continue to achieve our goals. In 2016, we simply couldn't outrun pressure in

1. Margins excluding the impact of Alstom
2. Excluding the impact of foreign exchange

the resource markets. Consequently, our compensation plans only paid out at 80% of target. This gives us more motivation for 2017.

Nonetheless, our performance compared favorably to our industrial peers, where EPS growth was 4%, and organic revenue declined by 1%. Pure play Oil & Gas competitors saw their earnings decline by more than 50%. Our dividend yield of 3.1% leads most of our peers. We remain competitive but feel that we can do better in 2017.

Over the next two years, we aim to grow our industrial profits in line with our historical performance. Our goal is to achieve 3% to 5% organic growth with 100 basis points of margin expansion per year. We will lower our structural cost each year and improve operating cash flow. Effective capital allocation will continue to accelerate our growth, with acquisitions and buyback adding $0.31 to our earnings. We have $10 billion of capital to allocate, which will be deployed to generate solid returns for investors. We are on track to hit strong double-digit EPS growth despite a volatile global economy. Our team incentives are aligned with these goals.

GE's shareholder return was 5%, versus S&P growth of 12%. Over two years our returns are up 33%, and five-year growth is 108%, versus 13% and 98% in the S&P. Going forward, our valuation should be positively affected by EPS growth that exceeds our peers' along with valuable capital allocation. But to accomplish these goals, we need to navigate a global economy filled with geopolitical uncertainty and technical disruption.

WINNING IN THE ENVIRONMENT

Every organization is being impacted by two macro themes: changing views on globalization and the role that digitization plays in disrupting industry. No company can escape these waves of change.

GE is a global company today and in the future. We have never considered ourselves to be a "stateless multinational." We are a proud American company that is winning in every corner of the world.

In 2000, about 70% of our revenue was in the U.S. Today, over 60% of our orders come from global markets. Over that time, our global growth has averaged 5% to 10% annually; in fact, 85% of our aircraft engines and gas turbines have been sold abroad. Winning in global markets has created thousands of U.S. jobs at GE. After the 9/11 tragedy, the U.S. commercial aviation market shut down. Our ability to win around the world kept our business strong and our American factories working. Today, we export more than $20 billion annually, spreading best practices and building relationships.

But attitudes on globalization have been changing, and it is important that we remain agile to move on our own. There is a strong trend toward economic nationalism all over the world. Governments will execute heavy influence over the economy, with an even stronger focus on local job creation.

BRILLIANT FACTORIES

Reducing Lead Time and Increasing Productivity

AVIATION	TRANSPORTATION	OIL & GAS	MULTI-MODAL	RENEWABLE ENERGY	HEALTHCARE
MUSKEGON, MI **USA**	GROVE CITY, PA **USA**	FLORENCE **ITALY**	PUNE **INDIA**	HAIPHONG **VIETNAM**	HINO **JAPAN**
▲ 25% on-time delivery	▲ 7% shop efficiency	▼ 50% lead time	▲ 18% equipment effectiveness	▼ 36% lead time	▼ 32% hours/CT unit
$20M cost-out	10% → 80% analytics-based work scopes	▼ 39% inventory	$76 → $45 operating costs per hour	▲ 5% productivity	▼ 42% CT lead time
+1.1 inventory turns	**+2** inventory turns	**+0.8** inventory turns	**+3** inventory turns	**+2** inventory turns	**+2** inventory turns

BUILDING THE LEAP FOR THE WORLD

The CFM LEAP[1] is the world's first jet engine with 3D-printed fuel nozzles and parts made from advanced materials, such as ceramic matrix composites. These technologies make the LEAP 15 percent more fuel-efficient than other similar engines made by CFM.

Pictured: *LEAP Engine Lafayette Team, GE Aviation*

1. LEAP is a trademark of CFM International, a 50-50 joint venture between Snecma (Safran) and GE.

The U.S. doesn't compete for global markets on the same basis as China and Germany. Over the past generation, the U.S. has done very little to help our manufacturers or workers. Our tax policy favors imports, not exports. Our infrastructure is subpar. Our regulations have exploded. We remain the only major economy in the world without a functioning export bank. In almost every category, the U.S. stands apart with antiquated policies while our global competitors have embraced change. Meanwhile, other countries are on the move, doing trade deals and promoting growth. They are selling "government-to-government" to grow their competitive advantage. The world does not stand still. We are hopeful that the new administration will "level the playing field" for U.S. companies.

We have globalized in our own way. We know that outsourcing is different from globalization. Outsourcing is yesterday's game. During the '80s and '90s, business looked to the emerging markets as a cheap labor source. Some American jobs migrated to countries that welcomed U.S. companies with open arms. Some American workers lost in the game of wage arbitrage.

Today, our globalization is driven by a desire to access fast-growing global markets. We still see substantial opportunity to grow around the world by investing, operating, and building relationships in the countries where we do business. We've developed creative financing solutions and joint ventures that have given us a critical edge in economies where the opportunities for growth are immense. Being global and local gives us the ability to compete and win in 180 countries around the world. Because we are a real and regular presence in diverse markets, when we win globally, we benefit the U.S. as well.

This includes China. Every company and country needs a strategy to engage the second-biggest economy on earth. We continue to grow in China. GE competes by localizing capability, building partnerships, and creating a productive digital framework for the local market. We are a net exporter to China. We partner with Chinese construction companies and leverage their funding to win in Africa and Asia. Our investments have created jobs in China and the U.S., while making GE more competitive.

GE's innovations solve some of the world's toughest problems. We have long been a leader in clean energy innovation and providing affordable healthcare. GE's locomotives can be found in South Africa, Brazil, and Indonesia. We have restored electricity to Iraq, Argentina, and Nigeria. Our jet engines power military aircraft that keep the world safe. You can only solve local problems where you have local capability. I would confidently state that GE has the finest global footprint of any company in the world.

At the same time, the benefits we bring to the communities where we operate are clear, especially to the roughly one million men and women we employ either directly or indirectly in the U.S. They count on us for high-quality jobs and for long-term investing at home and abroad to keep our company strong and growing. Leadership, now more than ever, is about embracing the new and bringing people with you. We act like a single company, a meritocracy that doesn't discriminate or fear the future. The Americans in GE like their Brazilian and Chinese counterparts. Good global companies are diverse teams, who take care of each other when times are tough.

Are we witnessing the end of globalization? I don't think so. It is the end of the "global elite," those who see the world only from financial centers or a website. Most "Global Institutions" are 70 years old and must be modernized to address contemporary global challenges. Globalization is "gritty,"

PARTNERING TO BRING PREDIX TO THE WORLD

GE and Schindler Group are partnering to optimize Schindler's connected elevators, escalators, and smart buildings around the world with Predix.

Pictured left to right: *Kate Johnson, Bill Ruh, Harel Kodesh, Michael Nilles, Silvio Napoli, Alfred N. Schindler, Karl Hofstetter, Thomas Oetterli*

meant to be consumed at retail, from the ground. It is differentiated and intensely local. Investment and jobs matter everywhere. Globalization is fresh — it changes every day.

To be clear, our preference is for multilateralism and free trade. But in this period of nationalization, GE's competitive advantage will grow. We don't need trade deals, because we have a superior global footprint. We can export from multiple countries that give us access to their funding. We will adjust to potential changes in tax policy or protectionist tendencies. We value our global team. We see many giving up on globalization; that means more for us.

Can American businesspeople be loyal to their global teams and their country? I know we can, because American values endure. The notions of fairness, merit, competing to be your best, risk taking, trying hard, giving back, training, integrity … these are the values that have allowed GE to win around the world, as an American company. I could never be a good American CEO if I fail to treat our global employees with the values I grew up with.

But let's face it. Many fears of the American workforce are created by a lack of competitiveness. We cannot merely blame a dysfunctional government. While tax reform can help, it is unlikely to be the only answer. American business needs to invest more. Over the past years, capital investment has declined substantially. Outsourcing, purely to achieve lower wages, is too easy. The massive industry consolidations that we see today haven't helped, because they have choked off innovation and reduced investments in a competitive workforce.

We believe that digital investment in industry can help solve the productivity challenge. The Industrial Internet and additive manufacturing are two emerging technologies that create new entitlements for productivity. GE chooses to lead in both fields. But why? We could always sit back and let others create the market, relegating our role to consumer and not as leader.

GE has the most intellectual property and the best capability in both innovations. We are a huge practitioner, and our customers have a thirst for productivity. We have the most to gain by building the Industrial Internet and additive manufacturing and the most to lose by giving it to others. Your company is building new businesses that generate productivity for GE, our customers, and the world.

When digitization and globalization intersect, we build a more competitive company with a highly skilled, well-paid workforce. We recently opened a jet engine factory in Indiana where we make our CFM LEAP engine. This engine has 141 sensors, which includes parts designed and manufactured with additive technology and our next-gen ceramic matrix composite materials (CMCs). The CFM LEAP engine is designed to be the most advanced, durable, and digitally-enabled engine ever made, and 80% of the products will be exported. Meanwhile, every day our service engineers — equipped with digital tools — serve their customers all over the world. Innovation is making work and workers smarter.

GE is a leader in globalization and a leader in digitization. We plan to capitalize on change to build our competitive advantage.

CREATING A FULLSTREAM DIGITAL INDUSTRIAL SERVICES COMPANY

Combining Complementary Strengths To Drive Long-Term Growth

LEADING UPSTREAM CAPABILITY — BAKER HUGHES

BROAD O&G CAPABILITY + GE STORE — GE

UPSTREAM → DOWNSTREAM

DRILLING & EVALUATION

WELL COMPLETION & PRODUCTION

LIQUEFIED NATURAL GAS & PIPELINE SOLUTIONS

REFINERY & PETROLEUM SOLUTIONS

CREATE FULLSTREAM CAPABILITY ACROSS O&G VALUE CHAIN

2X
SCALE

~$1.6B
SYNERGIES TARGETED IN 2020

GE STORE
ADDS VALUE TO BAKER HUGHES

~70,000
EMPLOYEES

120
COUNTRIES WITH OPERATIONS

BUILDING THE GE DIGITAL PORTFOLIO

GE FOR GE
When we apply digital capabilities to our own businesses, we learn, and in return, we bring our customers value.

GE FOR CUSTOMERS
We are taking our digital capabilities to our existing customers, using our scale and delivering efficiency and productivity.

GE FOR THE WORLD
We are transforming companies in the industrial world. Non-traditional GE customers, such as Schindler, LIXIL, and Gerdau, are changing their business with our capabilities.

APPLICATIONS

Using Predix, GE and partners code applications to gather and analyze data from machines to help employees, customers, and operators make informed business decisions.

- Services Transformation
- Asset Performance Management
- Brilliant Manufacturing

DIGITAL TWIN

GE's advanced virtual models of products and processes combine physical and analytical data with applications to deliver outcomes.

- Analytics Orchestration
- Asset Modeling
- Data Ingestion & Integration

PREDIX

Predix is the operating system for the Industrial Internet, providing a platform to connect industrial equipment and use applications to analyze data and deliver actionable results.

- Edge
- Data Security
- Cloud

MOMENTUM IN INDUSTRIAL

$4.0B
Predix-powered and software orders

$730M
Gross Digital Thread cost productivity

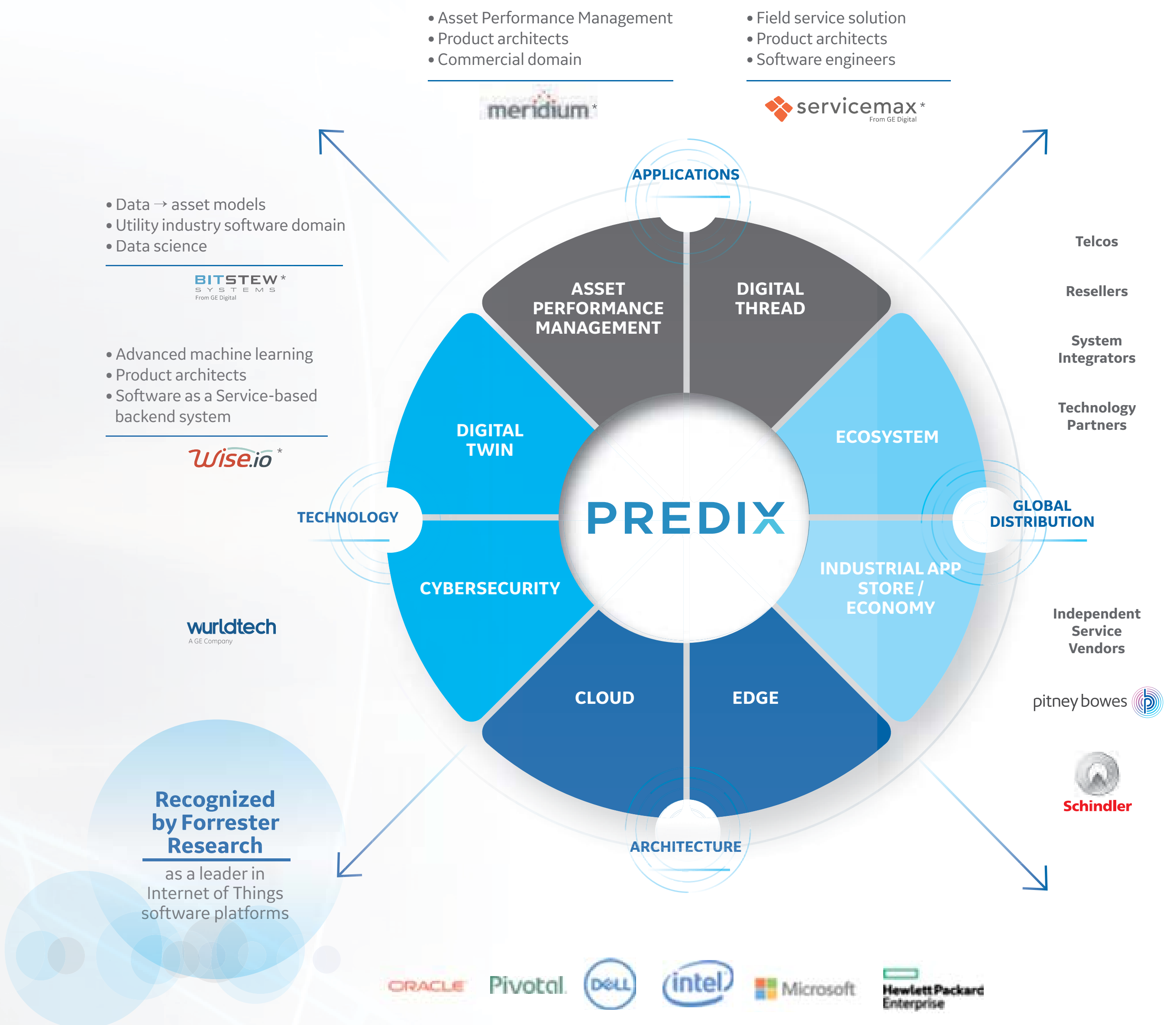
~22,000
Developers on Predix

400+
Partners

~670,000
Digital Twins

250
Software applications

PREDIX-POWERED WORLD



* Companies recently acquired by GE

Building an Ecosystem

As a company, we made the conscious choice to help build an ecosystem and not just become a part of someone else's. In doing this, we believe we've created long-term value for industrials. **We set a target of 50 partners for 2016, and we signed over 400.** This ecosystem helps build the Digital Industrial world and is an important part of our strategy.

DELIVERING DIGITAL TECHNOLOGY ACROSS GE

GE's Digital Technology team is reinventing IT and designing a new way to implement technology inside GE. The team has aligned GE's IT professionals horizontally across the company with teams focused on products that drive internal productivity and GE's Digital Industrial transformation.

Pictured left to right: *Anup Sharma, James Ross, Sam Guertin, Nasrin Rezai, Justin Greenberger, Nick Perugini, Jennifer Sampson, Mano Mannoochahr, Tony Thomas, Jude Schramm, Nancy Anderson, Dayan Anandappa, Jim Fowler, Julie Stansbury, Dave Kepczynski, Sabrina Dooner, Jennifer Hartsock, Chris Drumgoole, James Richards, Steve Rullo, Pam Halligan, Ashim Gupta*

GE AVIATION ON WING SUPPORT SERVICES

CUSTOMIZED WORK ORDERS	REAL-TIME COST ACCUMULATION	INVENTORY MANAGEMENT	TIME MANAGEMENT

PREDIX ENABLED

servicemax From GE Digital

DELIVERING AROUND THE WORLD

10 locations around the world	250+ customers	24/7 coverage	36,000 GE Aviation and joint venture engines supported

OUTCOMES

5,000 RAPID REPAIR SOLUTIONS IN 2016	FIELD-ENABLED APPLICATIONS TO CONNECT WORLDWIDE	250+ QUICK TURNS BY 2020	SERVICEMAX IMPLEMENTED ACROSS ALL 10 SITES IN 2016

A SIMPLER, MORE POWERFUL PORTFOLIO

In recent years, we have been making our $125 billion company simpler by focusing on core industrial businesses and deeper by means of building new capabilities. We create value through technology, delivering essential systems like engines, scanners, and turbines. We have a diversified model: product and service, multiple geographies, industry balance, creating demand through data, and financing. It is important that all our business achieve a competitive cost position and superior organic growth.

GE competes in big ecosystems. Each business derives value from our enterprise strength, called the GE Store. All have their cycles and periods of disruption, but our diversity and embedded value make us tough to displace. We want to get deeper in our industries, moving beyond our assets to create value from data and moving backward to capture more supply chain value. We continue to invest in disruptive technologies and build new industries.

The GE Capital transformation has generated cash and growth. We have exited about $190 billion of business platforms in 2015 and 2016, yielding some $45 billion in dividends[1] that we have applied to maximize returns. With our smaller size and balance sheet strength, we are no longer federally regulated as a systemic institution.

This has been an important strategic pivot as well. The "old GE Capital" was connected to our industrial balance sheet, but not really engaged with industrial growth. The "new GE Capital" has tighter alignment and broader objectives. Last year, it enabled $13 billion of industrial orders, earned $1.9 billion, paid a $20 billion dividend, and arranged $50 billion in export credit capacity outside of the U.S.

One objective in 2016 was to capitalize on the current cycle in Oil & Gas to fill gaps and gain strength for the recovery. In October, we announced the merger of GE Oil & Gas with Baker Hughes, with a view to create a fullstream Digital Industrial services company, with operational synergies from reservoir to refinery. We had lacked a presence in oilfield services, and this was our chance to build long-term leadership. GE investors will own 62.5% of the combined entity called "Baker Hughes, a GE Company." The combined entity will have unmatched capability.

The range of synergies gained in the Baker Hughes acquisition is maybe the best new evidence we have of the GE Store's value and power. Oilfield service is a natural fit with Predix, our Industrial Internet software platform, while additive manufacturing for pumps holds great potential for Baker Hughes. GE has a global footprint, and Baker Hughes offers considerable share upside. In all of this, the GE Store is a driver of value, and without it, much of this progress would be impossible.

Our Oil & Gas customers now have a different mindset than they did two years ago — one deeply committed to productivity. This new enterprise will have best-in-class physical and digital technology, and a presence in 120 countries. We expect the company to have a market capitalization of about $60 billion. We believe this transaction will strengthen GE both financially and strategically, very much as our acquisition of Alstom's power and grid business did in 2015.

Alstom was a big and complicated deal, but we are executing well. We remain on track to deliver a return in the "mid-teens." First and foremost, Alstom has brought tremendous talent to GE. The combination substantially improves our Power business, including enhancing the

1. Including Synchrony Financial split-off

SCALING AND DIGITIZING CELL THERAPY

GE Ventures, GE Healthcare, and Mayo Clinic launched Vitruvian Networks to bring cloud-ready software and manufacturing services to cell and gene therapies.

Pictured left to right: *Amy Duross, Jason Bowman, Kieran Murphy, Sue Siegel, Risa Stack, Ger Brophy, Kelly Warrick, Kevin O'Neill*

H Turbine, giving us a pathway to industry leadership. Globally, GE and Alstom have a stronger presence in regions like India, Southeast Asia, and Africa. Alstom Grid has substantial upside with GE's distribution strength. In service, we offer our customers new solutions for upgrading both steam and gas fleets. We have successfully rationalized our global capacity and are insourcing components to generate incremental margin. Importantly, we are finding ways to grow the Alstom assets, providing meaningful upside to our investment.

Life Sciences is a good example of how we grow the platforms we have acquired. Our organic growth has been close to 10%, with high margins and good cash flow. The business fully leverages our Global Research Center (GRC) and our worldwide footprint. We are poised to lead in fields like cell therapy and global drug manufacturing. In 2016, we acquired a company called Biosafe, which added key technology to our cell therapy systems. Our Ventures group has also created several partnerships that can accelerate growth. One is called Vitruvian, a cell therapy service business we launched with the Mayo Clinic. We are building a total solution in cell therapy service and will grow with the industry.

We have captured more supply chain value. We invest more than our suppliers in materials and manufacturing innovation. Increasingly, we can monetize this through backward integration. Over the past few years, we acquired several suppliers in Aviation, Power, and Oil & Gas. We found that some suppliers have not kept up with requirements, by reducing their R&D and cutting corners on quality. Not only can we insource margins, but we can quickly become a better supplier to the industries they served. Investing in backward integration is both a growth and cost story. In this vein, we announced the acquisition of LM Wind Power, a large supplier of wind turbine blades. This will allow GE to differentiate technology and recapture margins in a competitive industry.

A simpler, deeper portfolio also requires an objective evaluation of portfolio fit. In 2016, we announced the planned exit of one of our legacy businesses, Industrial Solutions. As with the exit from our Appliances business in 2016, we lacked the global presence to compete over the long term. We also announced the planned sale of our Water business, which has some overlap with Baker Hughes. These moves generate cash that we can redeploy for higher returns and create gains that we reinvest in restructuring.

Over time, we have been our own "portfolio activist," buying and selling more than $100 billion worth of businesses. This was necessary, but difficult. It meant that every leader juggled strategic and operational tasks, while financial reporting was often complex as we move in and out of businesses. But today, the GE portfolio is pretty well set.

We have never believed in size for the sake of size. Over the last few years, several legacy companies — the companies I grew up with — declared themselves too small to exist. They favored con-

USING THE GE STORE TO...

BUILD MARKETS

GAS TO POWER

Move from equipment provider to fuel solutions and financing partner

GAS AND SOLAR

Combine renewable energy with gas power for optimized results

GHANA	BRAZIL	BANGLADESH	INDIA	
Small scale solution that deploys fast, adaptable & flexible power	Large scale turnkey solution to meet growing energy demand	Full value chain solution combined with financing for clean, affordable energy	Solar energy stabilized by gas power to strengthen grid system	Solar energy with combined-cycle gas power to increase overall plant efficiency

solidation to long-term innovation. By so doing, they become bigger companies that don't grow. Meanwhile, new innovations are offering the promise of disruption and growth. We want GE to be a large company that can capitalize on disruption. The investments we are making to become a Digital Industrial will create the next level of GE growth.

LEADING THE DIGITAL INDUSTRIAL FUTURE

We plan to lead in the next wave of industrial productivity. Last year, we invested about $4 billion to build out our analytics software and machine learning capability. We invested another $2 billion to build leadership in additive manufacturing, equipment, and services, an emerging innovation that will allow us to set new entitlements for cost and speed. These are two of our most important bets for the future.

By harnessing data and turning it directly into productivity, the Industrial Internet will be far greater in size and impact than the Consumer Internet. Internet-driven technologies, after all, have so far created immense value mostly for the tech companies, with many benefits to consumers. In recent years, however, industrial companies have seen relatively slow growth in productivity.

Herein lies our competitive advantage. GE understands high-tech assets, industrial domain, and how workers will use digital tools. These are the keys to unleashing productivity. The software world is accustomed to building a "brain," the platform that standardizes information. The Industrial Internet requires a "brain with a body," delivering outcomes customer-by-customer, industry-by-industry, country-by-country. This is GE's turf, bolstered by a $237 billion backlog of long-term service agreements that create a foundation for customer value creation.

Predix is our operating platform, and we are building out the infrastructure. We have opened three software foundries to incubate ideas with customers around the world, most recently in Shanghai and Paris. We are scaling the platform, extending from edge to cloud and improving developer experience. Forrester — a leading tech consulting service — cites Predix as one of the leading platforms for the Industrial Internet.

In 2016, we launched the Industrial Internet Control System and Predix Box, edge devices that run algorithms and analyze data in real time. These controls facilitate connectivity, security, and computing at the edge. We aim to have a common architecture across GE. Ultimately, success will require expertise in both hardware and software.

We are building "Digital Twins," virtual models of products or processes that marry physical and analytical data with applications that deliver outcomes. Our aim is to predict the performance of all assets. Machine learning allows our assets to learn from each other, from humans, and from simulation. The GE Health Cloud will allow our partners to use machine learning to improve diagnostics and therapy. Our competitive advantage is that GE devices produce 45 million images daily, so we are in a prime position to leverage data to improve patient outcomes.

From those building blocks, we offer four horizontal solutions: Predix operating system, Asset Performance Management (APM), Service Transformation, and Brilliant Manufacturing. These are optimized with domain expertise to drive customer outcomes. We have a variety of commercial models to monetize customer benefits.

We are building out the Predix ecosystem with more than 400 partners and 22,000 developers. This includes system integrators, software resellers, and technical partners. Microsoft is leveraging Predix as a key platform in Azure Cloud Service. Tata has more than 50 Predix-based apps in their store. Our partners represent an external validation for Predix and our strategy. Predix is being used for both GE and non-GE customers, and we want it to be embraced by industry. We hope to have 100 airlines on Predix by year-end.

Asset Performance Management is our biggest application and delivers powerful outcomes to our customers. We can deliver it at both the enterprise and field levels, on GE and non-GE equipment, in the cloud or on premises, and on a single pane of glass. We have 250 apps that have been developed by GE and our partners. Last year, we acquired Meridium, a category leader who can help us build APM on non-GE assets.

Each of our businesses has an APM outcome roadmap. In Oil & Gas, we have edge and on-ramp service, a Digital Twin foundation, and core services like maintenance optimization, delivered through vertical applications in upstream, pipeline, midstream, and downstream. We have an app for LNG reliability. Here, a 1% to 2% improvement in reliability is worth $2 billion in incremental revenue for our customers. Predix will be immediately applied in our new oilfield service platform. We know analytics can impact valuable outcomes like recovery factors, utilization ratio, gas lift production gains, unplanned downtime, and safety. We believe analytics can deliver $200 million of productivity in an average onshore oilfield.

We use APM across GE, executing our own Digital Thread. In manufacturing, we have a program called Brilliant Factory that leverages digital tools to accelerate productivity. We will have 18 showcase sites by the end of 2017. At our Muskegon Aviation plant, we have reduced cost by $20 million and improved inventory by one turn. At our Transportation engine plant in Grove City, we have improved shop efficiency by 7% and inventory by two turns. We are taking "Brilliant Factory" tools to other companies like P&G and Intel.

Industrial service is an important domain where GE leads. We generate $1 billion to $2 billion in service productivity each year and have built analytical tools to support this effort. Field Vision is a GE tool that automates outage and analytical data for a distributed workforce. We use analytics to establish customer-based work scopes, parts optimization, and failure analytics. We leverage new visualization tools, like drones, to automate inspections. We have combined these digital tools with APM to build a Digital Thread for service, a big market where we can lead.

To be valuable, we must support our customers' digital workers by improving productivity and resource management. We acquired ServiceMax to incorporate analytical tools with service workflow. We plan to add GE content to the ServiceMax platform, which has leading edge tools with broad applications. ServiceMax has 350 customers and is tracking to $100 million in revenue this year. We believe the digital service market

THE GE STORE

The GE Store is the global exchange of technology, talent, and expertise across GE's diverse businesses and markets. GE businesses give and take from the Store.

WHAT DOES THE GE STORE MEAN TO YOU?

SUSAN P. PETERS

Senior Vice President, Human Resources

"I've often said that GE's culture is one of our greatest innovations. It is also an essential aspect of the GE Store, thus a unifying force across our businesses, regions, and functions — a point of pride for all. We believe that our leaders create our culture — and that our culture, in turn, creates leaders."

PHILIPPE COCHET

Senior Vice President and Chief Productivity Officer

"From the Industrial Revolution to the age of the assembly line, and now in the emergence of digital and 3D-printing technologies, manufacturing has always been an incubator for ingenuity. The GE Store provides the knowledge, tools, and scale to optimize our supply chain and pave the way for next-generation manufacturing — resulting in significant productivity gains for customers and shareholders."

JEFFREY S. BORNSTEIN

Senior Vice President and Chief Financial Officer

"The GE Store is the very essence of why GE exists. Put simply, it is the collective processes, capabilities, leadership, and assets that make each of our individual franchises more competitive and valuable. Without it, GE would be a loose collection of sub-optimized, independent businesses."

MARK HUTCHINSON

President and Chief Executive Officer, GE Europe

"In Europe, we have invested to help grow our businesses globally and build the offering of the GE Store. Since 2015, we have invested $20 billion in acquiring businesses and technologies, which have enhanced our diverse portfolio and are helping drive GE's transformation as a Digital Industrial company."

VIC ABATE

Senior Vice President and Chief Technology Officer

"GE Global Research is at the heart of the GE Store. It's our role to identify, invent, and develop technologies that create better GE businesses and ultimately redefine the technical benchmarks of our industries. I call it Technology+ … the powerful combination of technical expertise and strategic business thinking."

BETH COMSTOCK

Vice Chair and Chief Executive Officer, GE Business Innovations

"If the GE Store is the beating heart of our company, then innovation is the lifeblood that animates it. By taking the best ideas and products from all our businesses, we can stack technologies and know-how like LEGO® blocks and quickly build new things that the world needs and reach unexpected breakthroughs."

is $25 billion based on labor efficiency and asset productivity. There will be a valuable analytics enterprise platform in service where GE can lead.

Our efforts in the Industrial Internet are delivering results. In 2016, Digital software orders were $4 billion, up 22%. Predix orders should total $1 billion in 2017. Customer interest is high, with 1,100 customer visits to our software foundries last year. By the end of 2017, we will have more than one million Digital Twins predicting asset performance. We are working with industry leaders, major companies like Exelon, BP, Schindler, BNSF, Saudi Aramco, Emirates Airlines, and FedEx. The market is in its early days, but we are in the lead pack.

Our investors can begin modeling incremental value from our Industrial Internet franchise. We are already seeing more rapid service growth and higher margins. We anticipate that with the benefits of analytics, we will continue to grow services profit faster than revenues. Separately, in 2017, we expect our Digital software orders to be over $5 billion, with growth of 20% to 30%, a valuable franchise. We are well placed in the market for industrial analytical operating systems.

Our other big investment in industrial productivity is in additive manufacturing. In 2016, we acquired two additive equipment companies: Arcam and Concept Laser. They give GE about 20% market share in the emerging additive equipment market. In addition, we invest around $500 million annually in advanced manufacturing and material science at the GRC. In additive manufacturing for metal parts, we are the most advanced designer, an innovative materials leader, a big consumer, and the largest supplier. Remember our thought: productivity for GE, productivity for our customers, productivity for the world.

We believe the long-term market potential for additive manufacturing is huge at about $75 billion. We plan to build a business with $1 billion of revenue in additive equipment and service by 2020, from $300 million today. Like the Industrial Internet, we are in the lead pack. We will offer a full line of products, participate in the materials supply, design, and build parts. We see the development of additive machines to be similar to medical imaging equipment. It requires high level assembly of proprietary advanced systems. There will be a valuable systems and service business in materials and design. Predix and automated factory tools will also play a large part. We plan to sell about 10,000 machines over the next decade, with 10% going to GE.

Additive manufacturing can reduce GE's product cost by $3 billion to $5 billion over the next decade and create new performance entitlement. We expect to have 500 additive parts in GE by 2020. Our Advanced Turboprop is the first Aviation product to fully utilize additive tools. It has 30% fewer parts and will be completed with a 50% reduction in cycle time.

We expect to serve current and new markets for additive manufacturing. We begin with a solid customer base in automotive, aviation, and healthcare. We are developing new relationships with customers like J&J, GM, and Airbus. In ways we could hardly have imagined a decade ago, additive manufacturing will drive new levels of productivity for GE's business units and for our customers.

Both the analytics from the Industrial Internet and additive manufacturing are being added to the GE Store, becoming a source of growth and productivity across the company.

USING THE GE STORE TO...

ADVANCE CUTTING-EDGE PRODUCTS

65% COMBINED-CYCLE GAS POWER PLANT

Extending world-record efficiency leadership

Breakthroughs in advanced metals, coatings, fluid dynamics, and additive-enabled cooling technologies will push higher operating temperatures and enable future record-setting gas power plant efficiencies.

COST LEADING SOLAR

Reducing solar balance of plant cost by 20%

We are harnessing silicon carbide-based high frequency DC-DC transformer technology and Digital Twin to help optimize plant operation and controls, providing full-scale plant solutions for our customers.

TURBO-ELECTRIC PROPULSION

World's most efficient aircraft propulsion system

We are developing the next generation of motors, generators, and electric controls to deliver the world's most efficient, highest power density electric system.

GRID PARITY WIND

The world's lowest cost of energy, highest output, land-based wind turbine

Combining advanced blade design and manufacturing with silicon carbide and Digital Twin technologies, we will enable a competitive, subsidy-free renewables portfolio that delivers higher returns to our customers.

GE Global Research exists to make GE businesses the world's most competitive. Our new Product Breakout Lab is an agile, interdisciplinary team that is working to accelerate GE Store technology into our next-gen cutting-edge products.

2X WELL

2x faster return on customers' upstream investment

When the planned merger of Oil & Gas and Baker Hughes is closed, it will bring together brilliant drilling, downhole sensing, optimized facilities, advanced artificial lift, and enhanced recovery solutions, and shift the upstream development performance curve.

PLUG & PLAY MRI

Industry-leading speed to diagnosis

Integrating helium-free superconducting magnets, silicon carbide technology, machine learning algorithms, electronics miniaturization, and physics will get a patient in, scanned, and out of the MR imaging suite enabling a diagnosis in 10 minutes.

THE GE STORE

The GE Store creates horizontal platforms inside our company to leverage scale, create market solutions, spread intellect, and extend global reach. Achieving these horizontal collaborations is unique to GE — it is embraced by our teams and a part of our operating advantage. We call it a "Store" because every business contributes and every business benefits.

World-class metrics are key. In the next few years, we are targeting 3% to 5% organic growth with 100 basis points of margin expansion. We want to grow our free cash flow conversion to 95%. All these metrics are embedded in our teams' incentives.

At the heart of the GE Store is technology. Here we execute horizontally through our network of GRCs. We believe in investing in technical leadership. There are a set of horizontal technologies that are used across the company. We continue to push the boundaries of material science, which we view as a differentiating GE strength. In 2016, we commercialized CMCs in the CFM LEAP engine. These critical materials allow customers to run engines at higher temperatures, translating into industry-leading efficiency. Our next material breakthrough is for silicon carbide, which will revolutionize power efficiency across many applications in Healthcare, Renewable Energy, and Aviation.

The GRC must be our chief technology scout and critic, provoking us to acknowledge disruption. Today, we are broadly focused on changes in the market for electricity driven by renewables and storage. We have also launched a Product Breakout Lab, accountable for accelerating GE Store technology into our next-gen products. The team is working on delivering grid parity wind power, 65% efficient combined-cycle gas power plant, solar inverters that provide the lowest-cost electrical architecture enabled by silicon carbide, and turbo-electric propulsion, the next performance breakthrough in aviation.

The leaders across GRC are constantly pushing the envelope on technology while reimagining new business models. Munesh Makhija runs our GRC in Bangalore. He drives technology breakouts for the region and supports horizontal technology development for the world. Currently, his team is working on the next locomotive breakthrough for the transportation industry.

The Store drives global leadership. GE remains a large global company with $70 billion of business outside the U.S. and a $230 billion global backlog. Our Global Growth Organization (GGO) provides a horizontal platform and competitive advantage. Because we have local teams and partners, we have a unique ability to create local demand. We are pursuing 25GW of global wind deals and over $6 billion of global rail deals. A unique and integrated GE

GROWING BUSINESSES WITH CAPITAL

GE Capital Aviation Services (GECAS) is the world's leading commercial aircraft and engine lessor and lender — equipped with an industry-leading suite of products and services to help businesses grow.

Pictured left to right: *Daniel Rosenthal, Declan Kelly, Nils Hallerstrom, Michael Deeny, Virginia Fox, Declan Hartnett, Alec Burger, Chris Damianos, Li Liu, Greg Conlon, Dermot Manifold, John Ludden, Sean Flannery*

ADDITIVE MANUFACTURING

WHAT IS IT?
Additive manufacturing is a process that produces parts using successive layers of material laid down under computer control.

HOW IS IT DIFFERENT?
The resource-efficient process uses only material that is required for product assembly, limiting waste.

WHY CHOOSE ADDITIVE?
Additive technologies allow for lighter, cheaper, complex, and durable parts and systems.

THE GE ADDITIVE PART STORY

PART REDUCTION	LEAP FUEL NOZZLE PART REDUCTION	20 → 1
COMBINE COMPONENT PARTS INTO SYSTEMS	ADVANCED TURBOPROP PART REDUCTION	800+ → LESS THAN 15
NEW PERFORMANCE ENTITLEMENT	T25 SENSOR PROGRAM DELIVERY	12 MONTHS+ SAVED

$76B

OPPORTUNITY ACROSS MULTIPLE INDUSTRIES

POWER | AVIATION | TRANSPORTATION | AUTOMOTIVE | OIL & GAS | HEALTHCARE | MEDICAL

GE ADDITIVE

WE SEE GROWTH ACROSS ALL AREAS

MACHINES
Manufacturing additive machines with acquisitions

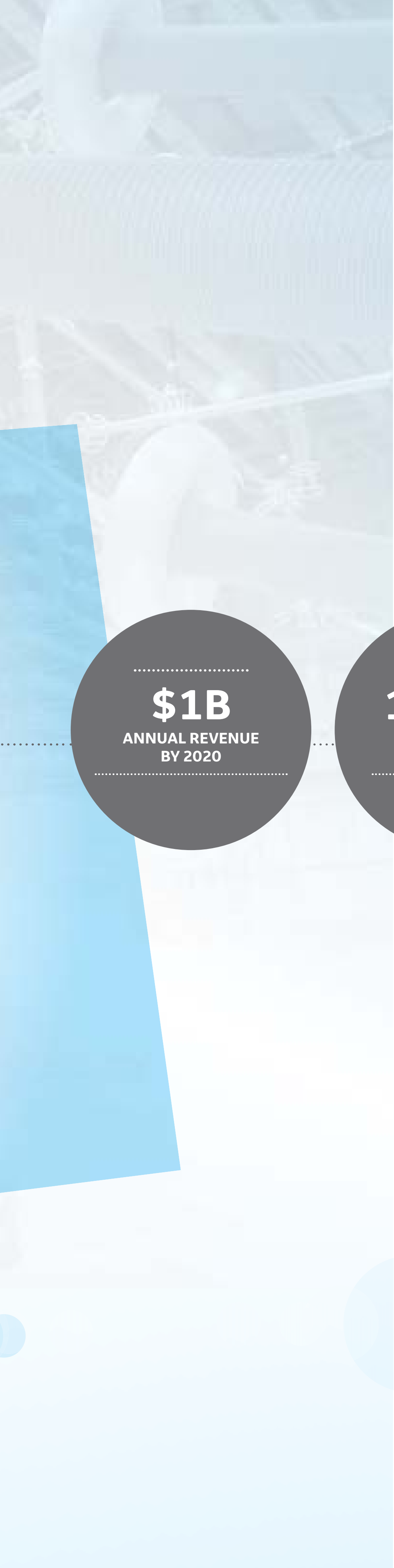
ENGINEERING
Updating design practices & processes

PHASE 1
Re-design existing parts for additive

PHASE 2
Design new parts & systems for additive

MATERIALS
Evolving production & material science

GE GLOBAL RESEARCH CENTER



solution is in converting natural gas to electricity. These are large and complicated projects, but the opportunities in Africa, Asia, and Latin America are immense.

Terri Bresenham leads our Sustainable Healthcare business, a good example of market creation. She looks after our growth in India, Africa, and Southeast Asia. She is also responsible for reimagining low-cost products and efficient business models. This is classic demand creation. She has built a $1 billion business from the innovations that improve healthcare access, a business that is growing 20% annually.

$1B
ANNUAL REVENUE BY 2020

10,000
UNITS SOLD BY 2026

$3-5B+
PRODUCT COST-OUT BY 2026

Our global strength allows GE to be a contrarian investor, finding value when others pull back. For instance, we are a large employer and net exporter from Europe. European export banks are aggressive and savvy. With a weak euro, we can source much of the world from Europe. We are currently working on multiple global Power deals with financing from France, Italy, U.K., Germany, and Switzerland. In a world of geopolitical volatility, our flexible footprint is a competitive advantage.

Service creates value from the GE Store. Our backlog of long-term service agreements reached $237 billion in 2016. At about $50 billion in revenue, our service business is growing at more than 5% over the long term with high margins. Our service business continues to deliver productive solutions for our customers. Each GE business brings unique service capability, but we also share assets and ideas across the company, through a very effective Service Council.

In a slow-growth economy, our customers want to get value out of their assets. This is particularly true in places like Africa where money is scarce. Here, we challenge our teams to get 5% to 10% more production out of each asset by advancing new service solutions and analytics. Increasingly, this is a focus for our team.

Pete McCabe ran our Transportation Service business. He also led a horizontal initiative for our Service Council to penetrate our aged installed base to focus on upgrading old assets and making them more productive. Pete is also a best practice leader who has worked with rail customers who cut budgets during a difficult industry cycle. Nonetheless, Pete had created a $1 billion business through modifying our aged fleet and delivering 30% operating efficiency.

USING THE GE STORE TO...

POWER ARGENTINA

755MW of power installed by 2018

Equivalent **755K** average global homes powered

TM2500 provides **50%** lower emissions than comparable diesel generators

A complete turnkey energy solution that can provide power whenever and wherever it's needed.

The TM2500 can reach full power production in less than 10 minutes and provide up to 35MW of mobile power.

WORKING WITH GENNEIA

Two projects focused on trailer-mounted gas turbines, the quickest way to achieve commercial operations.

Expanding Bragado's power plant capacity by 100% while also adding **116MW** to Argentina's grid by early 2017.

WORKING WITH YPF

Two projects will add **365MW** to Argentina's grid by early 2018.

WORKING WITH MSU

Two projects will add **276MW** of power to the national grid by the end of 2018.

Financing is a differentiator from the GE Store. We have deployed hundreds of GE Capital sales and risk people around the world to drive profitable industrial growth. They have been essential to arrange project finance for infrastructure in emerging markets. We recently closed deals to sell locomotives in Angola and wind power in Brazil, regions where needs are great and funding is sparse. These deals required arranging export finance in concert with new pools of risk capital.

In the U.S., many customers want to shift from a capex to an opex world in their investing to manage their balance sheet and technical risk. Last year, we signed a large deal with Mission Health, leveraging an innovative financing approach to drive productivity in healthcare.

Scott Strazik is the sales leader for our Power business — maybe the largest commercial risk in GE — but he doesn't have a classic background. Scott has spent his entire career in finance. But in a world where customers need solutions, our commercial teams must become more financially savvy.

The GE Store delivers cost and cash. Two metrics are essential for us to improve: gross margins and working capital. Hitting our internal goals in 2017 would create a significant improvement in gross margins with another $3 billion reduction in working capital. To achieve this, we have

a systematic focus throughout the company: lower product cost; reduce structure; improve working capital accountability; reduce cycle times; and turn around underachieving businesses. We drive these through active councils that create scale.

We are treating product cost-out as a science. Vic Abate, our chief technology officer, has created a Variable Cost Productivity lab at the GRC, building product catalogs and should-cost tools. In Healthcare, we will achieve $500 million of product cost-out through advanced design and cost tools. We have substantially improved competitive sourcing, built sourcing data lakes, and can leverage insourcing capability. We expect to achieve another year with $1 billion in deflation. Importantly, we must execute on the CFM LEAP engine and H Turbine, two of the biggest product launches in our history. The H Turbine will be profitable in 2017, five years ahead of its predecessor. We will take 30% out of the CFM LEAP engine cost this year while hitting our performance targets.

We are improving working capital accountability across GE, dedicating substantial incremental resources to achieve our goals. For inventory, we track 10 major initiatives across each GE business, targeting cycle time, process discipline, and reducing waste. We have about $5 billion of working capital reduction projects underway, more than we need to hit our 2017 targets. Sustained working capital reductions are essential to achieve our 95% free cash flow conversion goal.

We are reducing cycles and cost in new product investment through FastWorks. Recently, we launched the LM 9000, an aeroderivative engine that can be used for oil and gas compression and power generation. Through FastWorks, we reduced cycles by 40% and investment by 30%. This is a great Store example of pushing Aviation technology into Power and Oil & Gas.

We continue to reduce our operating structure, in line with our goals for acquisition integration. With Alstom, GE has more than 500 facilities worldwide, and Baker Hughes will add even more. Through plant efficiency and by making every facility capable to house more than one business, we will drive substantial investment efficiency. Melissa Twiningdavis is a talented supply chain leader whom we have moved from Aviation to Europe so that we can accelerate efficiency in the regions where we have the greatest overlap. In the short term, our aim is to grow without adding structure.

We continue to leverage scale through horizontal processes. We aim to put 65% of our processes through shared services — what we call Global Operations — with a target of 25% cost reduction. We plan to run all of our IT through digital platforms, improving speed while reducing cost 5% to 10%.

We still need to run our businesses better. Russell Stokes is one of our finest leaders and is responsible for the GE business with the lowest margins, Energy Connections. Russell has simplified the business, providing his team with real-time data that provides operating execution. Changing this profile is important to our investors and vastly more valuable than disposing the business. This is Russell's third turnaround, and something he knows how to do.

POWERING NIGERIA

GE has been in Nigeria for over 40 years, working with local partners and governments to generate fast power and support the country's growth.

Pictured left to right: *Chiweta Ikemefuna, Adesua Dozie, Longinus Okereke, Joyce Shyngle-Wigwe, Chinonyem Obaji, Ahmad Zakari, Goodluck Enimakpokpo, Mohammed Mijindadi, Caroline Ndungu, Emmanuel Mercier, Patrick Kiloo, Leslie Nelson, Abdellatif Belkentaoui, Michael Adegbenro*

USING THE GE STORE TO...

PROVIDE AFFORDABLE CARE

Helping
5.8B
people without access to affordable care

Sustainable Healthcare Solutions & Healthcare's Affordable Care Portfolio:

Across the globe, nearly 5.8 billion people lack access to quality, affordable healthcare. To fill this need, GE Healthcare committed $300 million to the launch of Sustainable Healthcare Solutions, which is focused on bringing disruptive technologies to healthcare providers across emerging markets. At the center of this initiative is GE's Affordable Care Portfolio, which today includes more than 50 healthcare devices designed specifically for rural markets.

Revolution ACT (Pictured)
A low-cost CT scanner designed in emerging markets for emerging markets. It already has nearly 700 installations across India, China, Southeast Asia, and Africa and is estimated to have touched one million lives since launch.

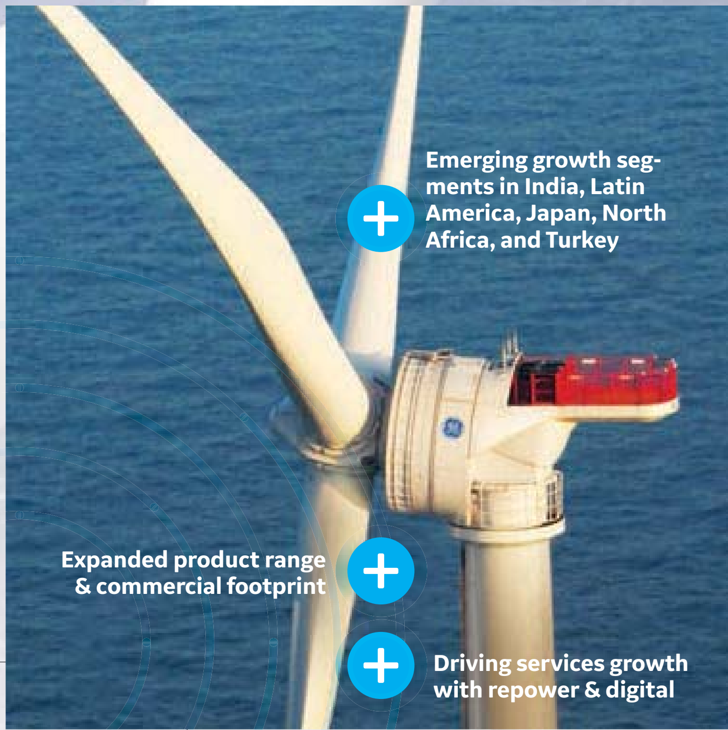
$300M
commitment

Sustainable Healthcare Solutions & five.eight:

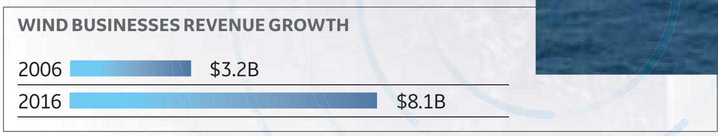
GE Healthcare recently launched 'five.eight'—the company's first healthcare accelerator aimed at improving healthcare outcomes for the world's developing economies. five.eight will bring together global health startups with a vision to improve healthcare quality and accessibility in developing or low-resource settings—from education and training to disruptive, low-cost technologies, and digital applications.

USING THE GE STORE TO...

GENERATE LIMITLESS ENERGY



GE continues to expand our global wind product range and commercial footprint, extending to more than 35 countries worldwide.



INDIA/ MYTRAH 200MW DIGITAL WIND FARM:

Completed construction of the first of a three-phase wind project in southeast India, namely 30 units of GE's 1.7-103 technology.

Mytrah Energy Limited's Aspari I, the first 51MW of a planned 200MW project, is now erected and ready for commissioning.

The full scope of the project, located in the Kurnool district of Andhra Pradesh, is expected to consist of 52 units of GE's new 2.3-116 technology, plus 47 units of its 1.7-103 machine.

MILESTONE 50,000MW GLOBAL WIND INSTALLS:

Renewable Energy announced it reached a milestone of more than 50,000MW of onshore wind turbines installed across the globe in the first quarter of 2016.

We reached our milestone largely due to the acquisition of Alstom's renewable energy unit in November 2015. Over the course of 2016, Renewable Energy added an additional 7,000MW of global capacity.

GE's global wind footprint, which now extends to more than 35 countries worldwide, represents enough energy to power the equivalent of approximately five cities the size of Hong Kong.

Corporate plays a small, but important, role in making the GE Store work. We want our headquarters to develop new ideas, improve the GE Store, and spend a little bit of time managing. Our move to Boston is part of this culture. In Boston, we see history (GE is 125 years old), academic innovation (GE is a technology company), and a town with a chip on its shoulder (ditto). Some headquarters moves can seem silly: a waste of time and money. Being in Boston allows us to live in a sea of ideas—and see them before others. Boston will make GE younger, hungrier, smarter, and better. This is important for a 125-year-old company.

A RESILIENT CULTURE

This year, GE turns 125 years old, a remarkable achievement in resiliency. We remain the only original DJIA company still on the list. Our company is both valued and admired, this year ranking #7 on Fortune's "World's Most Admired" list. What makes a company endure for so long? Performance is a must, and we are blessed with great people that have integrity as their foundation. More than that, we have a determination to shape our own future, and a refusal to let things take care of themselves. It requires a willingness to abandon old management ideas, while testing the boundaries of our capability. It requires a certain amount of conviction, not from conceit, but because you know what you believe.

For years, and to great effect, we have focused on matching GE's culture to the challenges we face. We have not let age and size become drawbacks, because we understand that complex challenges do not require complex organizations. Designing a culture of simplification, we have cut management layers by one-third and needless administrative procedures. It's not easy to give an enterprise in its 13th decade the feel of an ambitious start-up, but we are doing just that.

We have teams that are capable and empowered, with clear responsibilities and abilities to make local decisions. Collaboration and candor are rewarded, including the right to "call out" bureaucratic

To be a successful Digital Industrial company, we must adopt behaviors that allow us to work faster and be both more agile and customer-focused. Employee feedback is critical to this process. In fact, it has been the driver behind most of the culture changes, like FastWorks, that have succeeded in making GE a simpler place.

In 2016, we said goodbye to the old GE opinion surveys and introduced a new feedback tool: the Culture Compass.

THE CULTURE COMPASS IS:

SIMPLE.
We prioritized what we needed to know from employees, focusing on meaningful topics and limiting the number of questions to 10.

TRANSPARENT.
Employees see results together, at the same time.

FAST.
We collect feedback from employees for one week. After answering the questions, results are available immediately. No more waiting.

bosses. We tightly link the GE Beliefs with performance development to make sure compensation is aligned with outcomes.

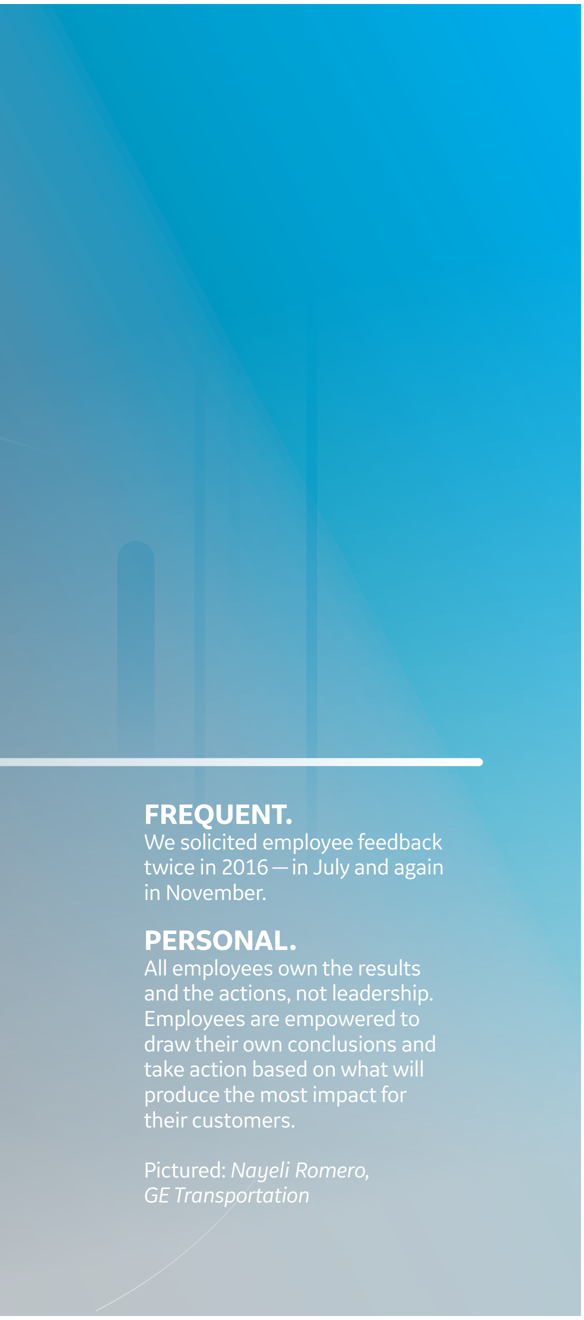
We took a new look at performance rankings. We will always reward our best people and fire those who don't perform. But the centerpiece of GE today are purposeful, high-performance teams dedicated to winning together. What we require is a strong sense of mutual accountability. Each leader depends on the other to "do their job" in pursuit of valuable outcomes for customers and investors. Our leaders get rewarded — or fired — based on how well they perform for each other. A simple culture requires transparency around performance.

An essential part to being a meritocracy is a commitment to diversity. We recently announced an initiative to hire 20,000 women for STEM roles at GE by 2020, with 50% representation in our technical entry programs. This will require about a 40% increase over the next few years. We know that diversity makes GE more competitive and promotes a performance culture.

Culture change is critical to becoming a Digital Industrial. We have been at this for six years, and I can tell you a digital transformation requires a constant push. No one has yet captured the unique spirit of the Industrial Internet. It requires more than having one foot in the "industrial camp" and the other in the "digital camp." We must find a new place together.

This is, first and foremost, about talent and structure. To recruit the best, we must allow multiple talent streams to exist and view that as a strength. We have revamped our IT function, making it more technical and organizing it around platforms instead of businesses. We have learned that outsourcing digital muscle — a move industrial companies made 20 years ago — is a loser today. Every new GE recruit will learn to code. We don't expect them all to write software, but they must understand the "art of the possible" in a digital future.

Becoming a Digital Industrial requires comfort in being in a horizontal and vertical world simultaneously. Winning requires knowledge of Predix and industrial markets. To accomplish this, we need peo-



FREQUENT.
We solicited employee feedback twice in 2016 — in July and again in November.

PERSONAL.
All employees own the results and the actions, not leadership. Employees are empowered to draw their own conclusions and take action based on what will produce the most impact for their customers.

Pictured: *Nayeli Romero, GE Transportation*

ple who are more committed to winning in the market than doing exactly what their boss says. Big industrial companies get lost in processes. The urgency of digital is making GE better.

Becoming a Digital Industrial requires both speed and a form of "staying power" that doesn't always exist in Silicon Valley. When you are flying at 35,000 feet above the Atlantic Ocean — and the miracle that is keeping you aloft is a GE engine — you value tenure and expertise. If no one that built the engine still works at the company, you should worry! If every employee leaves every company every five years, you can't build a jet engine or the analytics that make it perform better. Building the future requires a respect for collective strength.

Driving change of this magnitude requires conviction. The more I have had the chance to view the world, the more I admire the people who stand apart from the crowd. When the "in crowd" always changes, it helps to know what you believe in.

We believe in our unique multi-business structure. We know that our horizontal innovation combined with domain expertise can beat single-market players. Our Oil & Gas customers are happy to have GE invest in their industry as a symbol of reliability. They know that innovation from Aviation and Healthcare will make their industry better. Hospitals and pharmaceutical companies welcome GE's role in developing innovation in healthcare. They recognize that Healthcare must "industrialize" to meet the productivity challenges in front of them. They value and reward our difference. We don't fit into a simple thesis or model. If you want to invest in a big company that grows, GE is for you.

We believe in sustained investment in both growth and cost-out. This may sound basic, but it is rare. Achieving high share with high returns and high customer loyalty is never built through acquisitions. Rather, it requires sustained investment over time in technology, capability, and efficiency. We, alone, have sustained our industrial research lab for more than a century. This commitment is critical to deliver complex technology. It requires conviction, and it delivers for you.

At this moment of maximum cynicism, I am reminded all over the world why companies like GE matter. I recently returned from a trip to Africa, a continent where GE has experienced explosive growth and is winning, even in a tough economy. I was reviewing a huge pipeline of power deals with Lazarus Angbazo, Elisee Sezan, and Leslie Nelson, members of our African leadership team. I could remember eating breakfast with them in Ghana almost 10 years ago. At that time, we couldn't sell a gas cooker let alone a complex gas-to-power project. But, I have watched these talented individuals mature into capable leaders for GE and their countries. They have grown while we have grown.

Later that trip, I visited the Nelson Mandela Children's Hospital in Johannesburg where GE innovations will bring quality medical care to the youngest patients in need. This world-class institution is positioned to serve the poorest families. These innovations are at the intersection of science and social responsibility. Through it all, I was accompanied by Jay Ireland, an American who has led our work in Africa for six years and is considered the finest executive in the region. Nothing in Jay's background would have suggested that this was his destiny other than his character and curiosity. Yet Jay has had a profound impact on solving problems and developing people in Africa. He has changed many lives and GE's future. Companies are about good people doing good work together. I could not have been more proud of all the great people at GE.

As much as anything, they make me optimistic about 2017 and beyond. I feel great about where we are and where we are headed. I can't recall ever feeling such excitement about our opportunities or such confidence in our ability to meet them.

Jeffrey R. Immelt

Chairman of the Board
and Chief Executive Officer

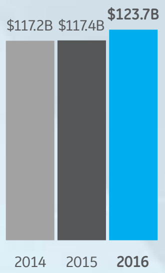
February 24, 2017

OUR 10-K RESULTS

MISSION: Building, powering, moving & curing the world by transforming industry with software-defined machines & solutions that are connected, responsive & predictive

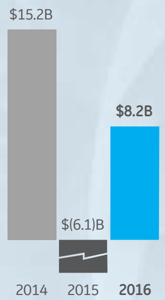
Strategy: We've organized GE around a global exchange of knowledge that we call the GE Store, through which each business shares & accesses the same technology, markets, structure & intellect to make them more competitive & enable them to deliver better outcomes for customers

Revenues

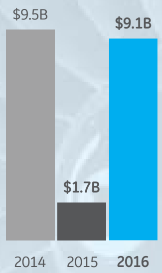


Earnings[1]

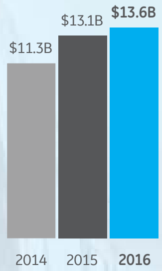
Net



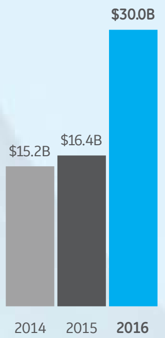
Continuing Operations



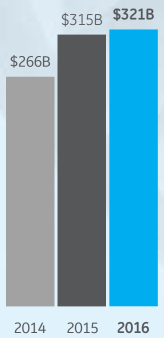
Industrial Operating + Verticals[2]



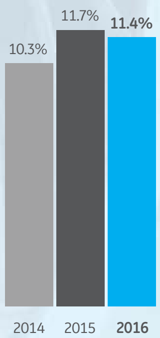
GE Cash from Operating Activities (Continuing)



Backlog



Industrial Margin



2016 Competitive Dynamics

Positive: Strengthening U.S. economy & potential catalysts from possible regulatory & tax reform; positive momentum in Europe

Negative: Continued slow growth & volatile economic environment; headwinds in the resource sector & related markets, which has put pressure on some of our businesses

Outlook: Continuing to strengthen the portfolio with the planned Baker Hughes combination; building digital & additive manufacturing capability to drive leadership in software & analytics and next-generation manufacturing; expanding margins & returns through aggressive restructuring & other cost-out actions

1. Amounts attributable to GE common shareowners.
2. Non-GAAP Financial Measure. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.

Reconciling Our 10-K Results to Our Investor Framework

WHY WE USE NON-GAAP. We use non-GAAP metrics to manage our business. In general, they capture items that can be controlled by management and that reflect our continuing operations. We use these metrics internally to set operational targets and incentivize our leaders through our compensation plans, as well as externally in our investor framework.

We believe that the focus on our ongoing operations is particularly important as we execute on the transformation of our business portfolio to focus on our core infrastructure businesses (for example, exiting most of our financial services businesses and acquiring Alstom).

Below we explain key non-GAAP metrics that we use throughout this report, including how they differ from GAAP.

	REVENUES	EPS	MARGINS	CASH FLOW
GAAP	Industrial Segment Revenues **$113.2B** ▲4%	Continuing EPS **$1.00** ▲488%	Industrial Margin **11.4%** ▼30bps A/C	GE Cash From Operating Activities (Continuing) **$30.0B** ▲83%
HOW WE ADJUST TO GET TO THE MEASURES WE USE TO RUN GE[1]	– 13.2 Effects of acquired businesses – 1.3 Effects of sold businesses + 0.8 Currency exchange rates impact = **$99.5B Industrial segment organic revenues (0%)** + 3.2 Alstom revenues for November & December	+ 0.15 Non-operating pension costs = **$1.14 Operating EPS** + 0.34 Other GE Capital (non-Verticals) losses	A **$13.1B Industrial profit** + 2.1 Non-operating pension costs + 3.6 Restructuring & other charges – 3.4 Gains – 0.8 Alstom + 0.3 Noncontrolling interests B = **$14.8B Industrial operating profit (ex. Alstom)** C **$114.9B Industrial revenues** – 3.4 Gains – 13.0 Alstom D = **$98.5B Industrial operating revenues (ex. Alstom)**	– 3.8 Industrial plant & equipment additions + 1.1 Industrial plant & equipment dispositions = **$27.3B Free cash flow** + 5.4 Industrial business dispositions
HOW WE RUN GE[1,2] (NON-GAAP)	Industrial Segment Organic Revenues (including Alstom for Nov. & Dec.) **$102.7B** ▲1%	Industrial Operating + Verticals EPS **$1.49** ▲14%	Industrial Operating Margin (ex. Alstom) **15.0%** ▼30bps B/D	Free Cash Flow + Dispositions **$32.6B** ▲114%
WHY WE USE THESE MEASURES	Focuses management on the top-line organic growth of our industrial businesses. Our calculation of organic growth excludes the impact of businesses we acquired or disposed of within the last five quarters as well as the impact from currency exchange rates. Given the significance of the Alstom acquisition, we also adjusted to include Alstom's results for November & December of both 2015 & 2016 to show, on a comparable basis, how Alstom impacted our performance	Focuses management on the underlying operating results of our businesses by excluding non-operating pension costs (generally, non-service-related costs) & GE Capital costs that are unrelated to the businesses we expect to retain after completion of the GE Capital Exit Plan (which we call Verticals)	Focuses management on how efficiently we are running our industrial businesses by excluding non-operating items (non-operating pension costs, gains and restructuring & other charges) & provides year-to-year comparability by excluding Alstom	Focuses management on the cash we have available to execute on our capital allocation plan & position GE for long-term growth
WHERE YOU CAN FIND MORE INFORMATION IN OUR 2016 ANNUAL REPORT ON FORM 10-K	Page 102	Pages 106–108	Page 109	Page 114

1. Certain totals may not add due to the use of rounded numbers.
2. Non-GAAP Financial Measures. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.

Our 2016 & 2017 Investor Framework

	2016			2017
	ORIGINAL TARGET	ACTUAL (VS. 2015)	ACHIEVED	TARGET
INDUSTRIAL OPERATING + VERTICALS EPS[1]	**$1.45-1.55**	**$1.49**[5] ▲ **14%**	✓	**$1.60-1.70**
KEY EARNINGS DRIVERS				
Organic revenue growth[1]	2-4%	1%[6]	×	3-5%
Industrial operating margin[1,2]	+	▼ 30bps	×	▲ ~100bps
FREE CASH FLOW + DISPOSITIONS[1,3]	**$28-31B**	**$32.6B** ▲ **$17.4B**	✓	**$16-20B**
COMPONENTS				
+Industrial cash from operating activities (CFOA)[1,3,4]	$12-14B	$11.6B	×	$11-15B
+GE Capital dividend	~$18B	$20.1B	✓	$6-7B
−Industrial net plant & equipment (P&E)	~$4B	$2.7B	✓	$3-4B
+Industrial disposition proceeds[4]	$2-3B	$4.0B	✓	~$4B
TOTAL CASH RETURNED TO INVESTORS	**~$26B**	**$30.5B** ▼ **$2.5B**[7]	✓	**$19-21B**
COMPONENTS				
+Dividends	~$8B	$8.5B	✓	~$8B
+Buyback	~$18B	$22.0B	✓	~$11-13B

IMPORTANT GAAP INFORMATION
The table above sets forth our 2017 framework that we laid out for our investors at the beginning of the year. This is the same framework that we are using internally to manage the company. As noted in the table, some of the goals included in the framework are non-GAAP measures. We believe that it is impractical to provide a reconciliation for these targets as they involve a number of unknown variables.

For more information, see *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.

LINKING PAY TO PERFORMANCE

Our bonus pool funding is based 75% on financial goals & 25% on strategic goals. For 2016, our financial goals were:

Metric	Result
Industrial operating + Verticals EPS	Between threshold & target
Industrial operating margins	Between threshold & target
Free cash flow + dispositions	Above maximum
Industrial operating profit	Below threshold

As a result of this performance (along with our 95% achievement of our strategic goals), our bonus pool was funded at 80%. See our 2017 Proxy Statement for more information

OUR HISTORICAL RESULTS

The chart below provides four years of data, consistent with the timeframe for which we have reported the results of the businesses we expect to retain after completion of the GE Capital Exit Plan (which we call Verticals).

	2013	2014	2015	2016	Compound annual growth rate
Industrial revenues[1,8]	$101.9B	$107.9B	$106.9B	$111.5B	3%
Industrial operating profit + Verticals[1,9]	$14.3B	$17.0B	$17.5B	$17.5B	7%
Industrial operating + Verticals EPS[1,10]	$1.00	$1.12	$1.31	$1.49	14%
Industrial operating EPS[1]	$0.87	$0.96	$1.14	$1.28	14%
Industrial operating margin[1,11]	12.6%	14.2%	14.8%	14.0%	50bps
GE CFOA[12]	$17.4B[1]	$15.2B	$16.5B[1]	$31.7B[1]	22%

1. Non-GAAP Financial Measures. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.
2. Excludes non-operating pension costs, restructuring and other charges & gains and, for 2016, Alstom (2017 target includes Alstom).
3. Free cash flow includes principal pension plan funding of $(0.3)B for 2016 & ~$(1.7)B expected for 2017. Principal pension plan funding excluded from Industrial CFOA.
4. Deal-related taxes excluded from Industrial CFOA & included in dispositions (for 2016, $1.4B related to Appliances).
5. Includes $0.05 impact from Alstom (excluding foreign exchange of $(0.01)), $(0.03) impact from foreign currency exchange rate changes & $(0.02) impact from net restructuring & other charges (after gains).
6. Adjusted to include the results of Alstom for November & December of both 2015 & 2016. Excluding these results, organic revenue growth would have been 0%.
7. For 2015, cash returned to investors included $20.4B of proceeds from our split-off of Synchrony Financial.
8. Excludes gains and, in 2013, NBCUniversal revenues.
9. Industrial operating profit presented on a pre-tax basis, excluding interest expense; Verticals presented on an after-tax basis. Industrial operating profit represents segment profits for our industrial businesses + adjusted corporate operating costs (excluding non-operating pension cost, restructuring and other charges & gains).
10. Industrial operating + Verticals EPS presented on an after-tax basis, including interest expense, restructuring and other charges & gains.
11. Excludes non-operating pension costs, restructuring and other charges & gains.
12. Excludes deal-related taxes ($3.2B in 2013, $0.2B in 2015 and $1.4B in 2016) and principal pension plan funding ($0.3B in 2016).

THE GE STORE

The GE Store is the global exchange of technology, talent, and expertise across GE's diverse businesses and markets. GE businesses give and take from the Store.

See the next page for examples of how we use the GE Store to win

How We Use the GE Store to Win

GLOBAL SCALE

"We continue to win outside the US because of our unique global footprint, ability to localize and project finance capabilities."

John Rice
Vice Chairman & CEO, Global Growth Organization[1]

KEY 2016 METRICS

$69B ▲3% Non-U.S. infrastructure orders		**$67B ▲10%** Non-U.S. industrial segment revenues
62%	% OF TOTAL	**59%**

23 countries with $1B+ orders

Driving Key Wins Outside the US

EXAMPLES	YEAR	PRICE	PRODUCT	COUNTRY
Aviation	2017	**$2B+ list price**	GE9X engines	SINGAPORE
Power	2016	**$1.9B**	Steam turbines & generators	UNITED KINGDOM
Power	2016	**$1.4B**	Combined cycle generators	IRAQ
Renewable Energy	2016	**$0.9B**	Offshore wind turbine farm	GERMANY
Energy Connections	2016	**$250M**	Advanced grid solutions technologies	Egypt

TECHNOLOGY

"Our R&D spend over the last few years reflects several major new product introductions. We expect our R&D spend will be lower in the near term as these products exit their development cycle and move into scale production."

Vic Abate
SVP, Chief Technology Officer

KEY 2016 METRICS

$5.5B[2] **▲4%** Research & Development spend	**3,000+** New patents filed

10 Global Research Centers

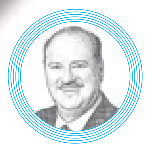
Driving Efficiencies Across Our Businesses

EXAMPLES	PRODUCT	KEY STORE TECHNOLOGIES	CUSTOMER VALUE PROPOSITION
Aviation	LEAP engine[3]	Ceramic matrix composites & 3D printing	15% lower fuel consumption versus today's CFM56 engines
Renewable Energy	Digital wind turbine farm	Modular turbine technology & Predix software platform	Up to 10% higher energy production & 10% lower maintenance costs
Power	H-class gas turbine	Thermal coatings & 3D printing	World's most efficient gas turbine at 62%+ efficiency
Transportation	Tier 4 locomotive	Compressor & turbine technology	70% lower emissions versus Tier 3 locomotives & lower infrastructure costs

1. For an explanation of Global Growth Organization reporting, see *Other Terms Used by GE* on page 21 of our 2016 Annual Report on Form 10-K.
2. Including customer-funded portion ($0.7B).
3. LEAP is a trademark of CFM International, a 50-50 joint venture between Snecma (Safran) and GE.

Recent Investments in the GE Store

DIGITAL



"With our digital investments in 2016, we are building out key capabilities such as field service management, data gathering, machine learning and asset performance management."

Bill Ruh
SVP, Chief Digital Officer

KEY 2016 METRICS

$730M gross Digital Thread cost productivity

~22,000 developers on Predix

400+ Predix partners

250 software applications

Driving Customer Productivity

Power Example

		Customer Value	Current Potential	2018+ Goal
Asset Performance Management	Gas/Steam	Starting reliability	▲5%	▲10%
		Total plant availability	▲1%	▲3%
Operations Optimization	Gas	Startup fuel	▼10%	▼30%
		Heat rate	▼1%	▼2%+
		Capacity	▲3-4%	▲5-6%
	Steam	Heat rate	▼0.75%	▼1.25%
		Emissions	▼10%	▼20%

DIGITAL TWIN
+
APPS
+
MERIDIUM (NON-GE)

Predix-powered + Software orders[1]

2016	$4B
2017E	$5B+

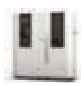
ADDITIVE MANUFACTURING

"The acquisitions of the Arcam and Concept Laser 3D printing businesses enable us to accelerate our brilliant factory initiative and lead the next wave of productivity in manufacturing."

David Joyce
Vice Chairman & CEO, GE Aviation

2016 ACQUISITIONS

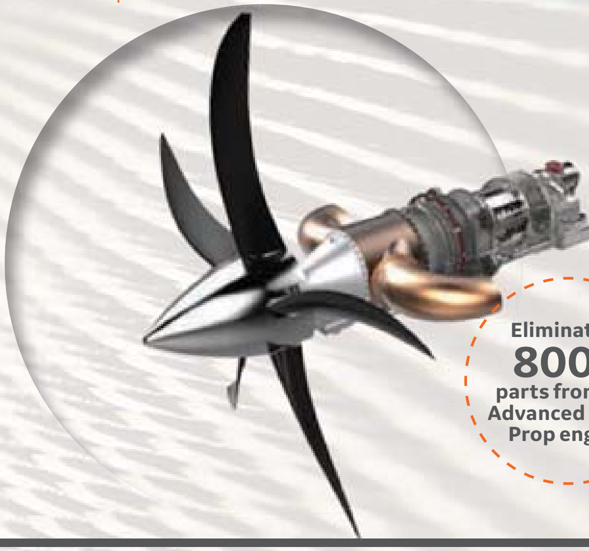
Provides 3D printing machines using...	Arcam AB	CONCEPT LASER
	Electron beam technology	Laser technology



$1B investment in 2016

Driving Productivity In Our Factories

Aviation Example



Eliminating 800+ parts from the Advanced Turbo Prop engine

Number of 3D printers

2017E	~330
2018F	~550

Number of 3D printed parts in GE

2017E	15
2020F	500+

Enhancing productivity for GE, our customers & the world

1. For an explanation of GE Digital's reporting, see *Other Terms Used by GE* on page 21 of our 2016 Annual Report on Form 10-K.

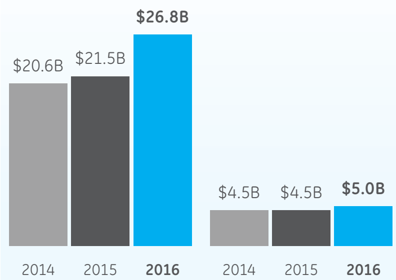
How Our Segments Performed

POWER

MISSION: Leading globally in power generation technologies

Major products: power generation services, gas turbines, engines & generators, steam turbines & generators, nuclear reactors

Revenues Profits



Other 2016 results

Margins: 18.6% ▼230bps
Backlog: $84.7B ▲10%

2016 Ex. Alstom

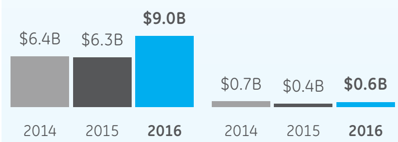
Revenues: $20.6B[1]
Profits: $4.4B[1]
Margins: 21.5%[1]

RENEWABLE ENERGY

MISSION: Making renewable power sources affordable, accessible & reliable for the benefit of people everywhere

Major products: onshore & offshore wind turbines, hydropower solutions

Revenues Profits



Other 2016 results

Margins: 6.4% ▼50bps
Backlog: $13.1B ▲5%

2016 Ex. Alstom

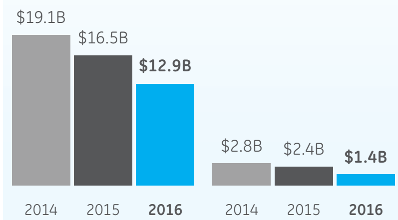
Revenues: $7.9B[1]
Profits: $0.5B[1]
Margins: 6.9%[1]

OIL & GAS

MISSION: Pushing the boundaries of technology in oil & gas to bring energy to the world

Major products: turbomachinery, subsea & drilling systems, digital solutions, surface products & services, downstream technology

Revenues Profits



Other 2016 results

Margins: 10.8% ▼400bps
Backlog: $20.8B ▼9%

2016 Competitive Dynamics

Power

- **Positive:** Significant efficiencies from Alstom in supply chain, service infrastructure, new product development and selling, general & administrative (SG&A) costs; strong services growth; H-class gas turbine launch
- **Negative:** Excess capacity in developed markets; continued pressure in oil & gas sector
- **Outlook:** Improving global competitive position; positioning the business for growth with Alstom

Renewable Energy

- **Positive:** Strong revenue & orders growth from new product introductions & digital capability
- **Negative:** Increasing pricing pressure & need for innovation from continued competitive pressure from other wind turbine producers & energy sources
- **Outlook:** Positioning the onshore & offshore wind businesses to drive value for customers by in-sourcing blade production through the acquisition of LM Wind Power[2]

Oil & Gas

- **Positive:** Positive equipment orders growth in the fourth quarter; significant cost reduction actions
- **Negative:** Continued market pressure from lower oil prices & customers' capital expenditures that are lower than forecasted; volatility in currency exchange rates
- **Outlook:** Improving competitive position through Baker Hughes combination to create a fullstream oil & gas business[2]

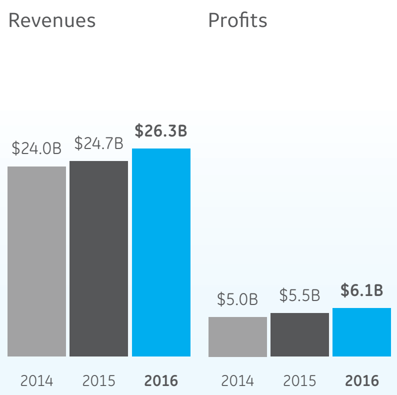
1. Non-GAAP Financial Measure. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.
2. Subject to customary closing conditions, including approvals by regulators and, with respect to the Baker Hughes combination, Baker Hughes shareholders.

How Our Segments Performed

AVIATION

MISSION: Providing our aviation customers with the most technologically advanced & productive engines, systems & services for their success

Major products: commercial & military engines & services, aviation systems, additive manufacturing machines



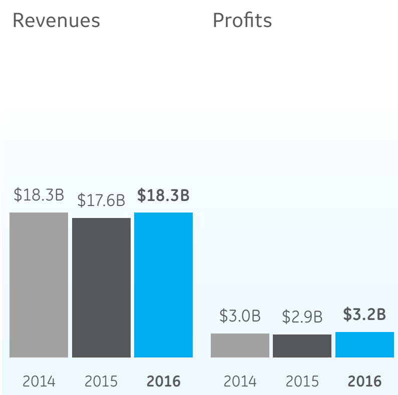
Other 2016 results

Margins: 23.3% ▲100bps
Backlog: $154.5B ▲2%

HEALTHCARE

MISSION: Developing transformational outcome-based solutions through the combination of leading medical technologies, services & digital platforms

Major products: healthcare diagnostic imaging & clinical systems, life sciences products & services, digital solutions



Other 2016 results

Margins: 17.3% ▲100bps
Backlog: $16.8B ▼2%

TRANSPORTATION

MISSION: Being a global technology leader & supplier to the railroad, mining, marine, stationary power & drilling industries

Major products: locomotives, rail services, digital solutions, mining equipment, diesel engines

Other 2016 results

Margins: 22.6% ▲110bps
Backlog: $20.1B ▼11%

2016 Competitive Dynamics

Aviation

- **Positive:** New product launches (e.g., LEAP) fueling growth in installed base; digital solutions driving customer value
- **Negative:** Current geopolitical environment driving uncertainty in military engines & services
- **Outlook:** Positioning the business for continued growth & manufacturing efficiency through additive manufacturing investments

Healthcare

- **Positive:** Technology innovation & demand for productivity-based technology, services & IT/cloud-based solutions; growth in China
- **Negative:** Uncertain U.S. market as a result of potential healthcare reform
- **Outlook:** Positioned for continued growth in core imaging business through technology leadership & digital platforms/solutions, and in Life Sciences business through expansion of bioprocess solutions; continued growth in emerging markets & China

Transportation

- **Positive:** Significant restructuring actions to position the business for future growth
- **Negative:** Continued declines in North American rail carload volumes; continued low demand for natural resources negatively impacting the mining industry
- **Outlook:** Challenging market, but focusing on transforming the business to align to a more global/digital future

How Our Segments Performed

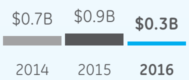
ENERGY CONNECTIONS & LIGHTING[1]

MISSION: Being a global technology leader for the transmission, distribution & conversion of electrical power & leading an energy efficiency revolution to deliver innovative solutions that change the way people light & interact with their environments

Major products: grid management solutions, power conversion technologies, lighting & energy efficiency solutions

Revenues

Profits



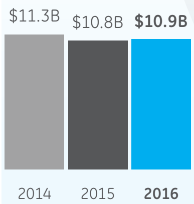
Other 2016 results	2016 Ex. Alstom & Appliances
Margins: 2.1% ▼370bps	**Revenues:** $7.1B[2]
Backlog: $11.1B ▼5%	**Profits:** $(0.1)B[2]
	Margins: (1.6)%[2]

CAPITAL

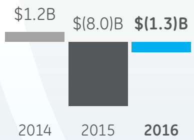
MISSION: Investing financial, human & intellectual capital to help our industrial businesses & their customers grow

Major products: GE industry-focused financial services verticals, including GE Capital Aviation Services, Energy Financial Services & Industrial Finance

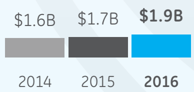
Revenues



Profits (loss)



Verticals Earnings



Other 2016 results

Ending net investment[2,3]: $93B ▼44%
Exit plan sales closed (ENI): $190B[4]

2016 Competitive Dynamics

Energy Connections & Lighting

- **Positive:** Increasing demand for Grid automation/software as a result of digitization & modernization of grid infrastructure; LED opportunities from technological shift away from traditional lighting products
- **Negative:** Challenging oil & gas environment; soft demand in the North American & European electrical distribution market
- **Outlook:** Continuing to integrate Alstom & restructure the Energy Connections business; strategically reorganizing Lighting to reduce costs, focus on key markets & simplify the business

Capital

- **Positive:** Substantial progress on the GE Capital Exit Plan[4]; strong performance from the Verticals (those GE Capital businesses that will remain after completion of the exit plan and that are aligned to our industrial businesses)
- **Negative:** Declining excess interest costs on borrowing, restructuring & headquarter costs resulting from execution of the GE Capital Exit Plan
- **Outlook:** Positioning the business to support growth in our industrial businesses

1. In connection with the sale of our Appliances business, we combined Energy Connections & Lighting into one reporting segment. Appliances included in segment results until its sale in June 2016.
2. Non-GAAP Financial Measure. *See Financial Measures That Supplement U.S. Generally Accepted Accounting Principles (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.
3. Excluding liquidity & including assets of discontinued operations.
4. Since announcing the GE Capital Exit Plan in April 2015. Progress on the plan generally is reflected in discontinued operations & not GE Capital's segment results.

How We Are Strengthening & Simplifying the Portfolio

CAPITALIZING ON OIL & GAS CYCLE

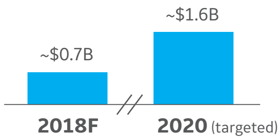
BAKER HUGHES

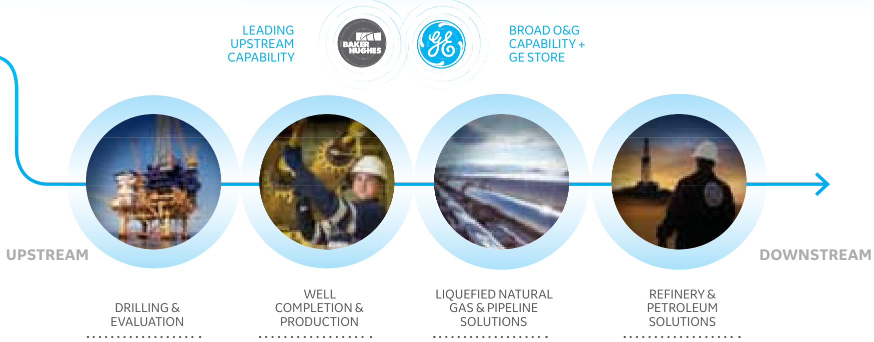
In October 2016, GE announced an agreement to combine GE's Oil & Gas business with Baker Hughes, forming a new public company in which GE will hold a 62.5% ownership stake. Closing is targeted for mid-2017.[1]

STRATEGIC RATIONALE

- Create "fullstream" capability across O&G value chain
- GE Store adds value to Baker Hughes
- 2X scale & global presence ... digital industrial productivity leader

SYNERGY TARGETS



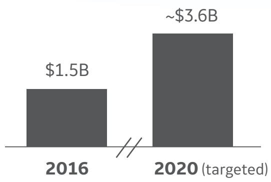


INTEGRATING ALSTOM

ALSTOM

Integration continued in 2016 following GE's acquisition of Alstom's Thermal, Renewables and Grid businesses in November 2015.

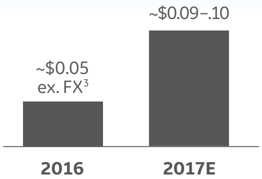
SYNERGY PROGRESS



YEAR 1 OBSERVATIONS

- Cost synergies ahead of plan
- Incremental growth opportunity (steam)
- Lengthy close process hurt value

GE EPS IMPACT[2]



RECAPTURING SUPPLY CHAIN VALUE

In October 2016, GE announced a plan to acquire LM Wind Power,[1] adding supply chain capacity and flexibility with one of the world's largest wind turbine blade manufacturers ... in line with broader strategy to drive margin expansion with backward integration.

$1.7B PURCHASE PRICE

WIND TURBINE KEY COMPONENT COST

- Blades ~25%
- Towers ~22%
- Gearbox ~15%

Image credit: Deepwater Wind

EXECUTING ON GE CAPITAL DISPOSITIONS

GE CAPITAL

GE Capital dispositions were substantially complete in 2016, with execution of the April 2015 plan to sell most of the assets of GE Capital proceeding ahead of schedule. The U.S. Financial Stability Oversight Council de-designated GE Capital as a nonbank systemically important financial institution (SIFI) in June 2016.

Progress at December 31, 2016
(ENI, excluding liquidity, as originally reported at December 31, 2014)

CLOSED DEALS	$190B
SIGNED DEALS	$197B
TARGET	~$200B

96% OF SIGNINGS COMPLETE

SIMPLIFYING INDUSTRIAL PORTFOLIO

Dispositions on the Industrial side are further simplifying the portfolio and making it more focused. In 2016, we closed our sale of Appliances to Haier, and we announced plans to sell our Water and Industrial Solutions businesses.

	APPLIANCES	WATER	INDUSTRIAL SOLUTIONS
GAINS (PRE-TAX)	$3.1B	~$2.5B (targeted)	

1. Subject to customary closing conditions, including approvals by regulators and, with respect to the Baker Hughes combination, Baker Hughes shareholders.
2. See *Risk Factors* on page 120 of our 2016 Annual Report on Form 10-K for risks and uncertainties.
3. GE EPS from Alstom of $0.05 excluding foreign currency exchange impact of $(0.01).

Our Capital Allocation Framework

"In 2016 we made significant portfolio moves, as well as investments in Digital and Additive, while maintaining a balanced capital allocation plan."

Jeffrey S. Bornstein
SVP & Chief Financial Officer

GENERATING CAPITAL

- Industrial cash from operating activities
- GE Capital dividends
- Disposition proceeds (including from GE Capital Exit Plan)
- Incremental leverage to optimize capital structure (~$20B)

~$115B
capital to allocate from 2016–2018

ALLOCATING CAPITAL

Buyback ... reduce share count to 8–8.5B shares outstanding & offset dilution from employee benefit plan programs

Dividends ... grow in line with earnings & maintain yield > S&P 500

Organic investments ... capital expenditures

M&A ... targeting 15%+ returns from bolt-ons to existing businesses (without assuming growth synergies) while fueling strategic momentum & market upside & being incremental to EPS

Liquidity

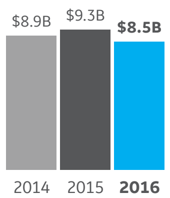
Pension funding

Unallocated ... $10B

HOW WE BALANCE CAPITAL ALLOCATION

ALLOCATION /AMOUNTS | **RESULTS**

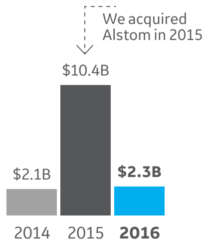
Dividends



Per share dividends paid
2014 = $0.88
2015 = $0.92
2016 = $0.92

Raised quarterly dividend $0.01 per share, beginning with $0.24 dividend paid in January 2017

Acquisitions

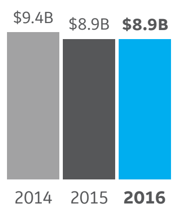


2016 Significant acquisitions closed

- meridium
- CONCEPT LASER
- Arcam AB

Organic Investments

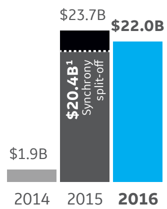
(Capital Expenditures + R&D)



Industrial segment organic revenue growth[3]	Ex. Oil & Gas[3]
2014 = 7% →	= 6%
2015 = 3% →	= 4%
2016 = 1% →	= 5%

Buyback

(reported on a book basis)



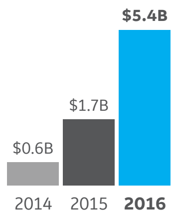
Shares outstanding[2]
2014 = 10.1B
2015 = 9.4B
2016 = 8.7B

Dispositions

(excluding deal-related taxes)

2016 Significant dispositions closed

- GE Capital Exit Plan sales
- Appliances
- GE Asset Management



Restructuring & other charges funded in part from disposition gains
2014 = $1.8B
2015 = $1.7B
2016 = $3.6B

1. We effectuated the Synchrony Financial split-off in November 2015 through a share exchange that retired 671 million GE shares.
2. Basic (not diluted); year-end (not weighted average).
3. Non-GAAP Financial Measure. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K. Adjusted to include the results of Alstom for November and December of both 2015 & 2016.

How We Drive Industrial Margin Expansion

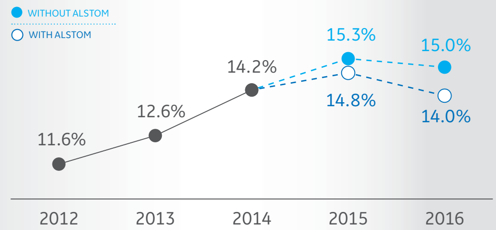
WHAT IS OUR COST BREAKDOWN

16% SG&A | **84% Products & Services**

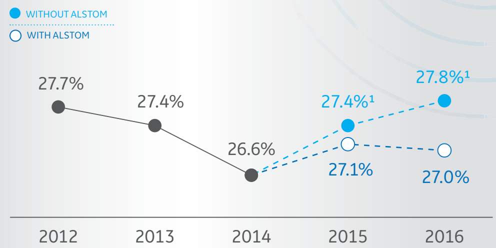
~$100B total Industrial costs in 2016

OUR HISTORICAL MARGIN TRENDS

INDUSTRIAL OPERATING MARGIN (INDUSTRIAL SEGMENTS + CORPORATE)[1,2]



INDUSTRIAL SEGMENT GROSS MARGIN



HOW WE DRIVE MARGINS

HISTORICAL & ONGOING FOCUS

Leaner Structure

Over the last 3 years...

- **$2.3B reduction** in SG&A structural costs
- **$1.3B reduction** in adjusted corporate operating costs[1,2]
- **~10,000** Industrial functional employees moved to shared services centers

RECENT FOCUS

Lower Product Costs

- **Investing in additive manufacturing & digitized factories** (e.g., Concept Laser & Arcam acquisitions)
- **Capturing supply chain value through ...**
  - **Deflation** ($2B over last 3 years)
  - **Sourcing & backward integration** (e.g., 2013 Avio & 2017 planned LM Wind Power acquisitions)

WHAT WE ARE DRIVING TOWARDS

▲ ~100bps

Targeted Industrial Operating Margin Expansion in 2017[1,3]

	KEY COST-OUT DRIVERS	EXAMPLES
~50bps Run Rate	**Product & Service Costs**	Factory & services productivity; vertical integration; less cost for new product introductions
	Acquisition Integration	Alstom synergies
	Lower SG&A/Corporate	Global operations/shared services; moving authority to segments; reducing operational layers
~50bps Incremental (new cost-out program announced Dec. '16)	**Digital Investment**	Platform revenue offsetting Digital spend
	Further SG&A Productivity	Horizontal IT; structural simplification & reduce redundancy
	Integration Learnings	Factory consolidation; R&D productivity; reduce repetitive work

Targeting ~$1B cost-out for 2017 & 2018 under new program

1. Non-GAAP Financial Measure. See *Financial Measures That Supplement U.S. Generally Accepted Accounting Principles Measures (Non-GAAP Financial Measures)* on page 101 of our 2016 Annual Report on Form 10-K.
2. Excluding restructuring and other charges & gains.
3. Including Corporate & Alstom; excluding Baker Hughes, restructuring and other charges & gains.

Statement of Earnings

For the years ended December 31 (In millions; per-share amounts in dollars)

REVENUES AND OTHER INCOME
Sales of goods
Sales of services
Other income (Note 17)
GE Capital earnings (loss) from continuing operations
GE Capital revenues from services
Total revenues and other income
COSTS AND EXPENSES (Note 27)
Cost of goods sold
Cost of services sold
Selling, general and administrative expenses
Interest and other financial charges
Investment contracts, insurance losses and insurance annuity benefits
Other costs and expenses
Total costs and expenses
EARNINGS (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES
Benefit (provision) for income taxes (Note 14)
EARNINGS (LOSS) FROM CONTINUING OPERATIONS
Earnings (loss) from discontinued operations, net of taxes (Note 2)
NET EARNINGS (LOSS)
Less net earnings (loss) attributable to noncontrolling interests
NET EARNINGS (LOSS) ATTRIBUTABLE TO THE COMPANY
Preferred stock dividends
NET EARNINGS (LOSS) ATTRIBUTABLE TO GE COMMON SHAREOWNERS
AMOUNTS ATTRIBUTABLE TO GE COMMON SHAREOWNERS
Earnings (loss) from continuing operations
Less net earnings (loss) attributable to noncontrolling interests, continuing operations
Earnings (loss) from continuing operations attributable to the Company
Preferred stock dividends
Earnings (loss) from continuing operations attributable to GE common shareowners
Earnings (loss) from discontinued operations, net of taxes
Less net earnings (loss) attributable to noncontrolling interests, discontinued operations
NET EARNINGS (LOSS) ATTRIBUTABLE TO GE COMMON SHAREOWNERS
PER-SHARE AMOUNTS (Note 18)
Earnings from continuing operations
Diluted earnings per share
Basic earnings per share
Net earnings (loss)
Diluted earnings (loss) per share
Basic earnings (loss) per share
DIVIDENDS DECLARED PER COMMON SHARE

Amounts may not add due to rounding.

See Note 3 for other-than-temporary impairment amounts on investment securities.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

Statement of Earnings (Continued)

General Electric Company and consolidated affiliates			GE[(a)]			Financial Services (GE Capital)		
2016	**2015**	**2014**	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**
$ 75,414	$ 74,510	$ 76,568	**$ 75,580**	$ 74,565	$ 76,715	**$ 115**	$ 79	$ 121
34,976	31,298	30,190	**35,255**	31,641	30,594	**—**	—	—
4,005	2,227	778	**4,092**	2,165	707	**—**	—	—
—	—	—	**(1,251)**	(7,672)	1,532	**—**	—	—
9,297	9,350	9,648	**—**	—	—	**10,790**	10,722	11,199
123,693	117,386	117,184	**113,676**	100,700	109,546	**10,905**	10,801	11,320
62,440	59,905	61,257	**62,628**	59,970	61,420	**93**	69	104
25,043	22,788	22,447	**23,084**	20,858	20,456	**2,238**	2,273	2,394
18,377	17,831	16,848	**16,123**	14,914	14,972	**2,947**	3,512	2,689
5,025	3,463	2,723	**2,026**	1,706	1,579	**3,790**	2,301	1,638
2,797	2,605	2,530	**—**	—	—	**2,861**	2,737	2,660
982	2,608	1,115	**—**	—	—	**1,013**	2,647	1,159
114,663	109,200	106,921	**103,860**	97,447	98,427	**12,942**	13,539	10,645
9,030	8,186	10,263	**9,815**	3,252	11,119	**(2,037)**	(2,739)	676
464	(6,485)	(773)	**(967)**	(1,506)	(1,634)	**1,431**	(4,979)	861
9,494	1,700	9,490	**8,849**	1,746	9,485	**(606)**	(7,718)	1,537
(954)	(7,495)	5,855	**(952)**	(7,807)	5,698	**(954)**	(7,485)	5,860
8,540	(5,795)	15,345	**7,896**	(6,061)	15,182	**(1,560)**	(15,202)	7,397
(291)	332	112	**(279)**	83	(50)	**(12)**	248	162
8,831	(6,126)	15,233	**8,176**	(6,145)	15,233	**(1,548)**	(15,450)	7,234
(656)	(18)	—	**—**	—	—	**(656)**	(330)	(322)
$ 8,176	$ (6,145)	$ 15,233	**$ 8,176**	$ (6,145)	$ 15,233	**$ (2,204)**	$ (15,780)	$ 6,912
$ 9,494	$ 1,700	$ 9,490	**$ 8,849**	$ 1,746	$ 9,485	**$ (606)**	$ (7,718)	$ 1,537
(290)	19	(45)	**(279)**	83	(50)	**(10)**	(64)	5
9,784	1,681	9,535	**9,128**	1,663	9,535	**(595)**	(7,654)	1,532
(656)	(18)	—	**—**	—	—	**(656)**	(330)	(322)
9,128	1,663	9,535	**9,128**	1,663	9,535	**(1,251)**	(7,983)	1,209
(954)	(7,495)	5,855	**(952)**	(7,807)	5,698	**(954)**	(7,485)	5,860
(1)	312	157	**—**	—	—	**(1)**	312	157
$ 8,176	$ (6,145)	$ 15,233	**$ 8,176**	$ (6,145)	$ 15,233	**$ (2,204)**	$ (15,780)	$ 6,912
$ 1.00	$ 0.17	$ 0.94						
$ 1.01	$ 0.17	$ 0.95						
$ 0.89	$ (0.61)	$ 1.50						
$ 0.90	$ (0.62)	$ 1.51						
$ 0.93	$ 0.92	$ 0.89						

(a) Represents the adding together of all affiliated companies except GE Capital, which is presented on a one-line basis. See Note 1.

Amounts may not add due to rounding.

In the consolidating data on this page, “GE” means the basis of consolidation as described in Note 1 to the consolidated financial statements; “GE Capital” means GE Capital Global Holdings, LLC (GECGH) and its predecessor General Electric Capital Corporation (GECC) and all of their affiliates and associated companies. Separate information is shown for “GE” and “Financial Services (GE Capital).” Transactions between GE and GE Capital have been eliminated from the “General Electric Company and consolidated affiliates” columns.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

General Electric Company and Consolidated Affiliates
Consolidated Statement of Comprehensive Income (Loss)

For the years ended December 31 (In millions)	2016	2015	2014
NET EARNINGS (LOSS)	**$ 8,540**	$ (5,795)	$ 15,345
Less net earnings (loss) attributable to noncontrolling interests	**(291)**	332	112
NET EARNINGS (LOSS) ATTRIBUTABLE TO THE COMPANY	**$ 8,831**	$ (6,126)	$ 15,233
Other comprehensive income (loss)			
Investment securities	**$ 203**	$ (553)	$ 708
Currency translation adjustments	**(1,311)**	(3,137)	(2,730)
Cash flow hedges	**93**	99	234
Benefit plans	**(1,068)**	5,165	(7,278)
OTHER COMPREHENSIVE INCOME (LOSS)	**(2,083)**	1,575	(9,066)
Less other comprehensive income (loss) attributable to noncontrolling interests	**(14)**	(69)	(13)
OTHER COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	**$ (2,069)**	$ 1,644	$ (9,053)
Comprehensive income (loss)	**$ 6,457**	$ (4,220)	$ 6,278
Less comprehensive income (loss) attributable to noncontrolling interests	**(305)**	263	99
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	**$ 6,762**	$ (4,483)	$ 6,180

Amounts presented net of taxes. See Note 15 for further information about other comprehensive income (loss) and noncontrolling interests.

Amounts may not add due to rounding.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

General Electric Company and Consolidated Affiliates
Consolidated Statement of Changes In Shareowners' Equity

(In millions)	2016	2015	2014
GE shareowners' equity balance at January 1	**$ 98,274**	$ 128,159	$ 130,566
Net earnings (loss) attributable to the Company	**8,831**	(6,126)	15,233
Dividends and other transactions with shareowners	**(9,054)**	(9,155)	(8,948)
Redemption value adjustment for redeemable noncontrolling interests	**(266)**	(25)	(2)
Other comprehensive income (loss) attributable to the Company	**(2,069)**	1,644	(9,053)
Net sales (purchases) of shares for treasury [(a)] [(b)]	**(19,499)**	(20,946)	(32)
Changes in other capital	**(389)**	4,724	396
Ending balance at December 31	**75,828**	98,274	128,159
Noncontrolling interests	**1,663**	1,864	8,674
Total equity balance at December 31	**$ 77,491**	$ 100,138	$ 136,833

(a) 2015 included $(20,383) million related to the split-off of Synchrony Financial from GE, where GE shares were exchanged for shares of Synchrony Financial.

(b) 2016 included $(11,370) million of GE shares purchased under accelerated share repurchase (ASR) agreements.

Amounts may not add due to rounding.

See Note 15 for further information about changes in shareowners' equity.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

Statement of Financial Position

December 31 (In millions, except share amounts)
ASSETS
Cash and equivalents
Investment securities (Note 3)
Current receivables (Note 4)
Inventories (Note 5)
Financing receivables—net (Note 6)
Other GE Capital receivables
Property, plant and equipment—net (Note 7)
Receivable from GE Capital (debt assumption)
Investment in GE Capital
Goodwill (Note 8)
Other intangible assets—net (Note 8)
Contract assets (Note 9)
All other assets (Note 9)
Deferred income taxes (Note 14)
Assets of businesses held for sale (Note 2)
Assets of discontinued operations (Note 2)
Total assets [a]
LIABILITIES AND EQUITY
Short-term borrowings[b] (Note 10)
Accounts payable, principally trade accounts
Progress collections and price adjustments accrued
Dividends payable
Other GE current liabilities
Non-recourse borrowings of consolidated securitization entities (Note 10)
Long-term borrowings[b] (Note 10)
Investment contracts, insurance liabilities and insurance annuity benefits (Note 11)
Non-current compensation and benefits
All other liabilities (Note 13)
Liabilities of businesses held for sale (Note 2)
Liabilities of discontinued operations (Note 2)
Total liabilities [a]
Redeemable noncontrolling interests (Note 15)
Preferred stock (5,944,250 shares outstanding at both December 31, 2016 and December 31, 2015)
Common stock (8,742,614,000 and 9,379,288,000 shares outstanding at December 31, 2016 and December 31, 2015, respectively)
Accumulated other comprehensive income (loss)—net attributable to GE[c]
Investment securities
Currency translation adjustments
Cash flow hedges
Benefit plans
Other capital
Retained earnings
Less common stock held in treasury
Total GE shareowners' equity
Noncontrolling interests[d] (Note 15)
Total equity (Note 15)
Total liabilities, redeemable noncontrolling interests and equity

(a) Our consolidated assets at December 31, 2016 included total assets of $6,332 million of certain variable interest entities (VIEs) that can only be used to settle the liabilities of those VIEs. These assets included current receivables and net financing receivables of $1,722 million and investment securities of $982 million within continuing operations and assets of discontinued operations of $692 million. Our consolidated liabilities at December 31, 2016 included liabilities of certain VIEs for which the VIE creditors do not have recourse to GE. These liabilities included non-recourse borrowings of consolidated securitization entities (CSEs) of $(417) million within continuing operations. See Note 21.

(b) On December 2, 2015, senior unsecured notes and commercial paper was assumed by GE upon its merger with GE Capital resulting in an intercompany payable to GE. The short-term borrowings were $11,696 million (which includes a loan amount of $1,329 million from GE Capital to GE) and $17,642 million and the long-term borrowings were $47,084 million and $67,062 million at December 31, 2016 and December 31, 2015, respectively. See Note 10 for additional information.

(c) The sum of accumulated other comprehensive income (loss) (AOCI) attributable to the Company was $(18,598) million and $(16,529) million at December 31, 2016 and December 31, 2015, respectively.

(d) Included AOCI attributable to noncontrolling interests of $(278) million and $(264) million at December 31, 2016 and December 31, 2015, respectively.

Amounts may not add due to rounding.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

Statement of Financial Position (Continued)

General Electric Company and consolidated affiliates		GE[a]		Financial Services (GE Capital)	
2016	**2015**	**2016**	**2015**	**2016**	**2015**
$ 48,129	$ 70,483	**$ 10,525**	$ 10,372	**$ 37,604**	$ 60,111
44,313	31,973	**137**	151	**44,180**	31,827
24,076	27,022	**12,715**	14,707	**—**	—
22,354	22,515	**22,263**	22,449	**91**	66
12,242	12,052	**—**	—	**26,041**	25,003
5,944	6,782	**—**	—	**15,576**	15,455
50,518	54,095	**19,103**	20,145	**32,225**	34,781
—	—	**58,780**	84,704	**—**	—
—	—	**24,677**	46,227	**—**	—
70,438	65,526	**68,070**	63,157	**2,368**	2,370
16,436	17,797	**16,131**	17,365	**305**	435
25,162	21,156	**25,162**	21,156	**—**	—
27,176	36,797	**12,007**	12,813	**14,608**	25,081
1,833	3,105	**6,666**	7,666	**(4,833)**	(4,561)
1,745	2,818	**1,629**	2,818	**—**	—
14,815	120,951	**9**	9	**14,806**	120,942
$365,183	$493,071	**$277,874**	$323,737	**$182,970**	$311,508
$ 30,714	$ 49,860	**$ 20,482**	$ 19,792	**$ 23,443**	$ 48,617
14,435	13,680	**20,876**	19,250	**1,605**	1,745
16,760	15,776	**16,838**	15,776	**—**	—
2,107	2,167	**2,107**	2,167	**—**	—
17,564	23,597	**17,564**	23,595	**—**	—
417	3,083	**—**	—	**417**	3,083
105,080	144,659	**58,810**	83,309	**93,443**	128,478
26,086	25,692	**—**	—	**26,546**	26,155
43,780	40,487	**42,770**	39,472	**1,001**	1,006
22,912	23,611	**17,506**	16,217	**7,430**	9,351
656	861	**656**	1,409	**—**	—
4,158	46,487	**35**	128	**4,123**	46,359
284,668	389,961	**197,644**	221,115	**158,008**	264,795
3,025	2,972	**3,025**	2,972	**—**	—
6	6	**6**	6	**6**	6
702	702	**702**	702	**—**	—
674	460	**674**	460	**656**	456
(6,816)	(5,499)	**(6,816)**	(5,499)	**(740)**	(898)
12	(80)	**12**	(80)	**43**	(112)
(12,469)	(11,410)	**(12,469)**	(11,410)	**(622)**	(540)
37,224	37,613	**37,224**	37,613	**12,669**	12,326
139,532	140,020	**139,532**	140,020	**12,664**	34,988
(83,038)	(63,539)	**(83,038)**	(63,539)	**—**	—
75,828	98,274	**75,828**	98,274	**24,677**	46,227
1,663	1,864	**1,378**	1,378	**285**	486
77,491	100,138	**77,205**	99,651	**24,962**	46,713
$365,183	$493,071	**$277,874**	$323,737	**$182,970**	$311,508

(a) Represents the adding together of all affiliated companies except GE Capital, which is presented on a one-line basis. See Note 1.

Amounts may not add due to rounding.

In the consolidating data on this page, "GE" means the basis of consolidation as described in Note 1 to the consolidated financial statements; "GE Capital" means GE Capital Global Holdings, LLC (GECGH) and its predecessor General Electric Capital Corporation (GECC) and all of their affiliates and associated companies. Separate information is shown for "GE" and "Financial Services (GE Capital)." Transactions between GE and GE Capital have been eliminated from the "General Electric Company and consolidated affiliates" columns.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

Statement of Cash Flows

For the years ended December 31 (In millions)
CASH FLOWS—OPERATING ACTIVITIES
Net earnings (loss)
Less net earnings (loss) attributable to noncontrolling interests
Net earnings (loss) attributable to the Company
(Earnings) loss from discontinued operations
Adjustments to reconcile net earnings attributable to the Company to cash provided from operating activities:
Depreciation and amortization of property, plant and equipment
Earnings from continuing operations retained by GE Capital[(a)]
Deferred income taxes
Decrease (increase) in GE current receivables
Decrease (increase) in inventories
Increase (decrease) in accounts payable
Increase (decrease) in GE progress collections
All other operating activities
Cash from (used for) operating activities – continuing operations
Cash from (used for) operating activities – discontinued operations
CASH FROM (USED FOR) OPERATING ACTIVITIES
CASH FLOWS—INVESTING ACTIVITIES
Additions to property, plant and equipment
Dispositions of property, plant and equipment
Net decrease (increase) in GE Capital financing receivables
Proceeds from sale of discontinued operations
Proceeds from principal business dispositions
Net cash from (payments for) principal businesses purchased
All other investing activities
Cash from (used for) investing activities – continuing operations
Cash from (used for) investing activities – discontinued operations
CASH FROM (USED FOR) INVESTING ACTIVITIES
CASH FLOWS—FINANCING ACTIVITIES
Net increase (decrease) in borrowings (maturities of 90 days or less)
Newly issued debt (maturities longer than 90 days)
Repayments and other reductions (maturities longer than 90 days)
Net dispositions (purchases) of GE shares for treasury
Dividends paid to shareowners
All other financing activities
Cash from (used for) financing activities – continuing operations
Cash from (used for) financing activities – discontinued operations
CASH FROM (USED FOR) FINANCING ACTIVITIES
Effect of currency exchange rate changes on cash and equivalents
INCREASE (DECREASE) IN CASH AND EQUIVALENTS
Cash and equivalents at beginning of year
Cash and equivalents at end of year
Less cash and equivalents of discontinued operations at end of year
Cash and equivalents of continuing operations at end of year
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION
Cash paid during the year for interest
Cash recovered (paid) during the year for income taxes

(a) Represents GE Capital earnings/loss from continuing operations attributable to the Company, net of GE Capital dividends paid to GE.

Amounts may not add due to rounding.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

Statement of Cash Flows (Continued)

General Electric Company and consolidated affiliates			GE(a)			Financial Services (GE Capital)		
2016	2015	2014	2016	2015	2014	2016	2015	2014
$ 8,540	$ (5,795)	$ 15,345	$ 7,896	$ (6,061)	$ 15,182	$ (1,560)	$ (15,202)	$ 7,397
(291)	332	112	(279)	83	(50)	(12)	248	162
8,831	(6,126)	15,233	8,176	(6,145)	15,233	(1,548)	(15,450)	7,234
954	7,495	(5,855)	952	7,807	(5,698)	954	7,485	(5,860)
4,997	4,847	4,953	2,597	2,473	2,508	2,384	2,436	2,529
—	—	—	21,345	12,284	1,625	—	—	—
814	383	(882)	1,107	(1,800)	(476)	(293)	2,183	(406)
1,514	(52)	(1,913)	929	666	(473)	—	—	—
(1,389)	(314)	(872)	(1,337)	(282)	(877)	(10)	(14)	27
1,198	(541)	565	1,716	276	884	17	(189)	258
1,836	(996)	(515)	1,913	(1,010)	(528)	—	—	—
(12,655)	7,160	5,318	(7,438)	2,083	2,973	(3,054)	5,087	2,480
6,099	11,856	16,033	29,960	16,354	15,171	(1,552)	1,537	6,263
(6,343)	8,034	11,676	(90)	(12)	(2)	(6,253)	8,046	11,678
(244)	19,891	27,709	29,870	16,342	15,169	(7,805)	9,583	17,941
(7,199)	(7,309)	(7,134)	(3,758)	(3,785)	(3,970)	(3,769)	(4,237)	(3,818)
4,424	3,020	2,923	1,080	939	615	3,637	2,526	2,331
200	1,043	1,260	—	—	—	(1,279)	226	(161)
59,890	79,615	232	—	—	—	59,890	79,615	232
5,357	2,283	630	5,357	1,725	602	—	532	—
(2,271)	(12,027)	(2,091)	(2,271)	(10,350)	(2,091)	—	(1,677)	—
2,212	(5,013)	23,410	(2,392)	(1,308)	(1,062)	1,639	(4,690)	24,574
62,613	61,613	19,229	(1,984)	(12,779)	(5,906)	60,118	72,295	23,158
(13,412)	(2,125)	(24,263)	90	12	2	(13,501)	(2,137)	(24,263)
49,202	59,488	(5,034)	(1,894)	(12,767)	(5,905)	46,617	70,158	(1,105)
(1,135)	(24,459)	(6,409)	1,595	603	243	(1,655)	(24,834)	(7,078)
1,492	13,951	14,629	5,307	3,560	3,084	1,174	10,391	11,545
(58,768)	(47,038)	(38,410)	(4,156)	(2,190)	(323)	(58,285)	(44,848)	(38,087)
(21,429)	(1,099)	(1,218)	(21,429)	(1,099)	(1,218)	—	—	—
(8,806)	(9,295)	(8,852)	(8,474)	(9,289)	(8,851)	(20,427)	(4,620)	(3,322)
(1,274)	(1,605)	(652)	(273)	203	346	(1,127)	(1,362)	(679)
(89,920)	(69,547)	(40,912)	(27,430)	(8,211)	(6,719)	(80,320)	(65,273)	(37,621)
789	(6,507)	23,956	—	—	—	789	(6,507)	23,956
(89,131)	(76,054)	(16,956)	(27,430)	(8,211)	(6,719)	(79,531)	(71,780)	(13,665)
(1,146)	(3,464)	(3,492)	(392)	(908)	(312)	(754)	(2,556)	(3,180)
(41,319)	(138)	2,224	153	(5,544)	2,234	(41,473)	5,406	(9)
90,879	91,017	88,792	10,372	15,916	13,682	80,506	75,100	75,109
49,558	90,879	91,017	10,525	10,372	15,916	39,033	80,506	75,100
1,429	20,395	20,991	—	—	—	1,429	20,395	20,991
$ 48,129	$ 70,483	$ 70,025	$ 10,525	$ 10,372	$ 15,916	$ 37,604	$ 60,111	$ 54,109
$ (5,779)	$ (8,764)	$ (9,539)	$ (1,753)	$ (1,327)	$ (1,248)	$ (4,982)	$ (8,047)	$ (8,910)
(7,469)	(2,486)	(2,955)	(2,612)	(1,636)	(1,337)	(4,857)	(850)	(1,618)

(a) Represents the adding together of all affiliated companies except GE Capital, which is presented on a one-line basis.

Amounts may not add due to rounding.

In the consolidating data on this page, "GE" means the basis of consolidation as described in Note 1 to the consolidated financial statements; "GE Capital" means GE Capital Global Holdings, LLC (GECGH) and its predecessor General Electric Capital Corporation (GECC) and all of their affiliates and associated companies. Separate information is shown for "GE" and "Financial Services (GE Capital)." Transactions between GE and GE Capital have been eliminated from the "Consolidated" columns and are discussed in Note 24.

See accompanying notes in the Notes to Consolidated Financial Statements within the GE 2016 Form 10-K report.

What You Can Find in the Footnotes to Our Financial Statements

1. **Basis of Presentation and Summary of Significant Accounting Policies**
   Description of how our financial statements are presented, key accounting policies and new accounting standards
2. **Businesses Held for Sale and Discontinued Operations**
   Summary financial data and other information about businesses we are selling or have sold
3. **Investment Securities**
   Details of our investment portfolio, including realized and unrealized gains/losses
4. **Current Receivables**
   Current receivables by operating segment
5. **Inventories**
   Inventory details (raw materials, work in process and finished goods)
6. **GE Capital Financing Receivables and Allowance for Losses on Financing Receivables**
   Details of financing receivables, associated allowance for loan losses, and contractual maturities
7. **Property, Plant and Equipment**
   Property, plant and equipment details (land, buildings, equipment leased to others, etc.), associated depreciation and noncancellable future rentals
8. **Acquisitions, Goodwill and Other Intangible Assets**
   Information about acquisitions, goodwill, impairment testing, intangibles and associated amortization
9. **Contract Assets and All Other Assets**
   Assets associated with long-term contracts and other assets including investments in associated companies and long-term receivables
10. **Borrowings**
    Details of short-term & long-term borrowings and liquidity
11. **Investment Contracts, Insurance Liabilities and Insurance Annuity Benefits**
    Obligations to annuitants and policyholders of our run-off insurance operations
12. **Postretirement Benefit Plans**
    Details of pension and other postretirement benefits, including costs, composition of plan assets, funding status and key assumptions
13. **All Other Liabilities**
    Composition of other liabilities and cross references to additional information
14. **Income Taxes**
    Current and deferred income taxes, tax-related assets and liabilities and income tax rate reconciliation
15. **Shareowners' Equity**
    Composition of equity accounts, share repurchase program and redeemable/nonredeemable noncontrolling interests
16. **Other Stock-related Information**
    Information about share-based compensation programs including stock option and restricted stock grants
17. **Other Income**
    Composition of GE other income
18. **Earnings Per Share Information**
    Information about basic and diluted earnings per share calculations
19. **Fair Value Measurements**
    Recurring and non-recurring fair value measurements, including fair value levels, activity and unobservable measurement inputs
20. **Financial Instruments**
    Details of financial instruments, derivatives and hedging activities
21. **Variable Interest Entities**
    Financial data related to consolidated and unconsolidated variable interest entities
22. **Receivables Facility**
    Information about the Company's working capital management through sales of current receivables to trusts
23. **Commitments, Guarantees, Product Warranties and Other Loss Contingencies**
    Information about commitments, guarantees (credit support, indemnifications, etc.), product warranties and other legal and environmental matters
24. **Intercompany Transactions**
    Details of intercompany activities, including effects on our Statement of Cash Flows
25. **Operating Segments**
    Additional information and disclosures about our operating segments
26. **Cash Flows Information**
    Supplemental cash flow information
27. **Cost Information**
    Information about research & development, collaborative arrangements and rental expenses
28. **Guarantor Financial Information**
    Financial data related to the issuer and the guarantors of registered securities of a GE subsidiary
29. **Supplemental Information**
    Additional information about postretirement benefits and derivatives & hedging
30. **Quarterly Information (unaudited)**
    Selected quarterly data related to our consolidated Statement of Earnings

You can find the financial statement footnotes in our 10-K at:
www.ge.com/annualreport
(click on the downloads)

How We Focus on the Most Critical Enterprise Risks

"When I think about GE's biggest risks, I start with the strategy: are we in the right businesses and offering the right products to capture growth and stay relevant? Our investment in Digital, for example, is a bet on the future of industrial productivity but also protects our services franchise. From there, we focus on the core risks to strategic execution: product quality, cybersecurity, liquidity, global compliance and business integrations."

Jeffrey R. Immelt
Chairman & Chief Executive Officer

GE Board

Each committee oversees risk in its area of expertise & reports to the full Board

BOARD OVERSIGHT

- **AUDIT COMMITTEE**
- **GOVERNANCE & PUBLIC AFFAIRS COMMITTEE**
- **MANAGEMENT DEVELOPMENT & COMPENSATION COMMITTEE**
- **TECHNOLOGY & INDUSTRIAL RISK COMMITTEE**

MANAGEMENT OVERSIGHT

LINES OF DEFENSE

1 DEEP DOMAIN EXPERTISE

GE employees across functions act as first line of defense for risk management and escalation (e.g., Global Research Center; ~530 compliance professionals and ~600 ombuds; designated business integration leaders).

2 DISCIPLINED BUSINESS PROCESSES & CHALLENGE CULTURE

Blueprint planning reviews throughout year with the most senior business leaders provide structured enterprise risk oversight. Additional governance and testing in key areas (e.g., GE-wide oversight councils (e.g., cash, services); Cybersecurity Task Force; Policy Compliance Review Board).

3 STRONG INDEPENDENT OVERSIGHT

GE's Corporate Audit Staff (internal audit) has principal responsibility for monitoring financial reporting and internal control matters across GE. KPMG (external audit) devotes ~300 partners and 500k+ audit hours annually to GE audit.

CORE RISK FOCUS AREAS

PRODUCT QUALITY
- Product failure, safety or environmental risks from operational or other problems
- New product introductions ... anticipating market and technological changes
- Sourcing and supply chain issues at third-party providers

CYBERSECURITY
- Threats to systems, networks, IP, products, solutions and services from increasing and more sophisticated cyber-attacks
- Confidentiality, availability and integrity of GE and customer data

LIQUIDITY
- Credit ratings and impact on cost of funds, margins, liquidity, competitive position and access to capital markets
- Market conditions ... exposure to customers and counterparties

GLOBAL COMPLIANCE
- Current and changing laws, regulations and other government policies that affect our businesses
- Investigations, enforcement or other proceedings by governmental authorities ... monetary penalties, changes to business practices

BUSINESS INTEGRATIONS
- Success in achieving expected returns, synergies and other strategic objectives from M&A and restructuring
- Integration and collaboration challenges (e.g., technology, systems, personnel)

Q&A with Our Lead Director

John J. Brennan
Lead Director

See our proxy website (**www.ge.com/proxy**) for a video Q&A with our Lead Director

Can you discuss the Board's role in the strategic planning process?

One of the Board's key roles is overseeing strategy, for which we use an annual rhythm that starts in mid-summer. The Board does a deep dive, working closely in small groups with executives of varying seniority. The output of these sessions provides the strategic context for the Board's discussions at its meetings throughout the year.

While we have a multi-year strategic plan, we also realize that in today's environment we need to be nimble and opportunistic, adjusting strategy as the world around us changes. This requires a lot of Board meetings. For example, we met as a Board 13 times last year.

Large capital allocation decisions are typically the product of an iterative Board discussion. For example, one of the most important things we did in 2016 was announce our planned combination of GE Oil & Gas with Baker Hughes. This was the result of discussions over the course of 10 meetings in which we engaged on the risks and opportunities.

How does the Board approach director recruitment?

Board recruitment is a topic that is front and center with investors today and, as a Board, we spend a lot of time on it. Over the last five years, we have refreshed more than half of the Board.

In looking for candidates, we start with character, seeking candidates with the highest standards, who are committed to upholding GE's values and who will be independent, strong stewards of our investors' capital. Then, as we go through the process of assessing future Board recruitment needs, we look to recruit candidates from different backgrounds so that they can contribute to the cognitive diversity on the Board.

This is an ongoing endeavor for us. We of course take a long-term look at the refreshment that is expected to occur over time as a result of our term limit and age limit policies, but we are always looking for new directors. It is vitally important that we continue to have the right skill sets on the Board as GE's portfolio and strategy change.

Can you discuss the Board's role in the investor outreach process?

One of the things that impressed me when I joined the Board was how front and center our investors were in the Board's discussions. We think about a number of stakeholders, but a key question for us is how our decisions impact the owners of the company.

There are several ways in which the Board receives investor feedback. Our IR and governance teams are on the front lines engaging with shareowners. Throughout the year, they have 1,000+ investor engagements, including 150+ meetings with senior management, and provide feedback to the Board.

The Board also hears directly from investors. Two years ago, we began a process of inviting major shareowners into the boardroom to meet in executive session with the independent directors. We listen to their views on strategy, business and financial issues, including what we are doing well and areas for improvement. In addition, in my role as lead director, I am available to our large investors and have had the opportunity to engage with several of them on governance and compensation matters.

How do GE's executive pay plans fit together and connect to GE's strategy?

An important focus area for the Board is executive pay and ensuring that the structure provides the right incentives for our leaders. We have 3 main performance-based compensation plans. First, we have an annual cash bonus plan, in which approximately 5,000 executives participate, and which aligns with our annual investor framework. It is a relatively new plan at GE, but so far has been a tremendous cultural enhancement to drive accountability. We also have a long-term cash incentive plan (our LTPAs), in which ~1,000 senior executives participate, and which aligns with our 3-year operating plan. It is important for ensuring that our leaders do not simply focus on annual results, but are managing the company for the long term. Lastly, we have a performance-based equity plan (our PSUs), in which <25 of our most senior officers participate, and which helps drive relative stock price outperformance over a 3-year period.

AN ACTIVE & ENGAGED BOARD

2016
Refreshed Board, recruiting 4 directors & retiring 3
Oversaw significant portfolio shifts: Baker Hughes and GE Digital & Additive

2015
Adopted director term limit of 15 years
Implemented proxy access

2014
Redesigned cash & equity incentive compensation programs
Eliminated dividend equivalents on unvested RSUs

BOARD ACCOUNTABILITY TO INVESTORS

Annual director elections with majority voting standard

+

Proxy access at 3%, 3 years, 20% of Board, up to 20 shareowners can aggregate

+

Annual Board governance review that includes investor views & feedback

+

Periodic independent director meetings with investors

INDEPENDENT BOARD LEADERSHIP

3X+/year
meetings in executive session without management present

2X+/year
visits to GE businesses by each director

30+
committee meetings in 2016 (all committees are independent)

annual
assessment of Board leadership structure

Board Composition & Refreshment

YOUR VOTE IS NEEDED ON DIRECTOR ELECTIONS:
Election of the 18 nominees named in the proxy for the coming year

YOUR BOARD RECOMMENDS A VOTE FOR EACH NOMINEE

DIVERSITY OF EXPERIENCE

GE POLICY:
create an experienced board with expertise in areas relevant to GE

100% **LEADERSHIP** — **18/18** directors

72% **GLOBAL** — **13/18** directors

61% **FINANCE** — **11/18** directors

56% **INDUSTRY/OPERATIONS** — **10/18** directors

50% **TALENT DEVELOPMENT** — **9/18** directors

33% **TECHNOLOGY** — **6/18** directors

28% **INVESTOR** — **5/18** directors

22% **RISK MANAGEMENT** — **4/18** directors

22% **GOVERNMENT** — **4/18** directors

11% **MARKETING** — **2/18** directors

HOW WE THINK ABOUT BOARD REFRESHMENT

Term Limits
+
Retirement Age
+
Annual Board evaluation

10 **new directors**

8 **retired directors**

over last 5 years

JOINING THE BOARD SINCE THE 2016 ANNUAL MEETING

- Mollenkopf (2016)
- Lavizzo-Mourey (2017)

EXPECTED TO LEAVE THE BOARD CONSISTENT WITH OUR TERM LIMIT POLICY

- Jung (2018)
- Lazarus (2019)

DIVERSITY OF AGE

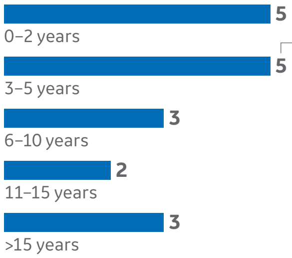
GE POLICY:
retirement age 75

62 **median age**

39% **younger than 60**

DIVERSITY OF TENURE

GE POLICY:
balanced mix of both deep GE knowledge & new perspectives



5 **median years tenure**

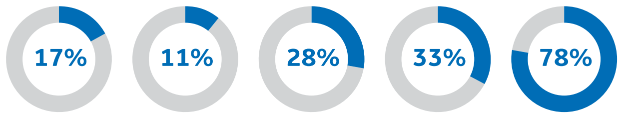
56% **with 5 years or less**

72% **with 10 years or less**

TERM LIMIT POLICY:
15 years with a 2-year transition for existing directors

DIVERSITY OF BACKGROUND

GE POLICY:
build a cognitively diverse board representing a range of backgrounds



- **3** former regulators
- **2** leading academics
- **5** women
- **6** born outside the US
- **14** current & former CEOs

INDEPENDENCE

GE POLICY:
all non-management directors must be independent

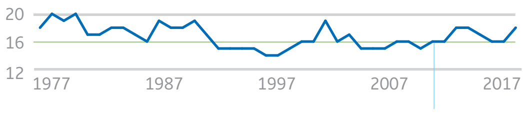
17/18 **director nominees are independent**

94% **independent (all director nominees except CEO)**

94% **meet heightened committee independence standards**

BOARD SIZE

GE POLICY:
13–18, given need for expertise across multiple businesses



18 DIRECTOR NOMINEES

16 **median**

Board Nominees

Name	Age	Director since	Primary Occupation & Other Public Company Boards	A	G	C	I
				Committee Memberships			
Bazin	55	2016	**Chair & CEO, AccorHotels** Boards: AccorHotels, China Lodging Group	○			
Beattie	56	2009	**CEO, Generation Capital & Former CEO, The Woodbridge Company** Boards: Maple Leaf Foods, Royal Bank of Canada, Acasta Enterprises	○			
Brennan	62	2012	**Chair, FINRA & Chair Emeritus & Senior Advisor, The Vanguard Group** Boards: American Express, LPL Financial Holdings		●	◉	
D'Souza	48	2013	**CEO, Cognizant Technology Solutions** Boards: Cognizant				●
Dekkers	59	2012	**Chair, Unilever & Former CEO, Bayer** Boards: Unilever			●	◉
Henry	47	2016	**Dean & Professor of Economics & Finance, NYU's Stern School of Business*** Boards: Citigroup	●			
Hockfield	65	2006	**President Emerita & Professor of Neuroscience, MIT**		●		◉
Immelt	61	2000	**Chair & CEO, General Electric**				
Jung	58	1998	**President & CEO, Grameen America & Former Chair/CEO, Avon** Boards: Apple, Daimler		●	●	
Lane	67	2005	**Former Chair & CEO, Deere** Boards: BMW			●	
Lavizzo-Mourey	62	Nominee **NEW**	**President & CEO, Robert Wood Johnson Foundation*** Boards: Hess		●		
Lazarus	69	2000	**Chair Emeritus & Former CEO, Ogilvy & Mather** Boards: Blackstone, Merck		◉	●	
McAdam	62	2016	**Chair & CEO, Verizon Communications** Boards: Verizon				●
Mollenkopf	48	2016 **NEW**	**CEO, Qualcomm** Boards: Qualcomm				●
Mulva	70	2008	**Former Chair & CEO, ConocoPhillips** Boards: General Motors	○			●
Rohr	68	2013	**Former Chair & CEO, PNC Financial Services Group** Boards: Allegheny Technologies, EQT, Marathon Petroleum	○		●	
Schapiro	61	2013	**Vice Chair of Advisory Board, Promontory & Former Chair, SEC** Boards: London Stock Exchange	○ ◉			
Tisch	64	2010	**President & CEO, Loews** Boards: Loews and its consolidated subsidiaries		●		

*Mr. Henry is expected to retire as Dean at the end of 2017 (but will remain a faculty member), and Dr. Lavizzo-Mourey is expected to retire from the Foundation in the first half of 2017.

INDEPENDENCE
All director nominees other than the CEO are independent

ATTENDANCE
All director nominees attended at least 75% of the meetings of the Board and committees on which they served in 2016

QUALIFICATIONS
- Leadership
- Global
- Industry/Operations
- Finance
- Talent Development
- Investor
- Technology
- Risk Management
- Government
- Marketing

- A Audit Committee
- G Governance Committee
- C Compensation Committee
- I Industrial Risk Committee
- ◉ Chair
- ○ Financial Expert

Board & Committee Operations

FULL BOARD

CHAIR
Jeff Immelt

LEAD DIRECTOR
Jack Brennan

2016 MEETINGS
17, including 4 formal meetings of the independent directors

BOARD RHYTHM

8X/year
Regular meetings
Calls between meetings as appropriate

2X+/year
Business visits for each director

1X/year
Strategy session

1X/year
Governance & investor feedback review

1X/year
Board self-evaluation

A TYPICAL GE BOARD MEETING ... 2 DAYS, 8X/YEAR

BEFORE THE MEETING
Board committee chairs: prep meetings with management & outside advisors (e.g., KPMG)

Management: internal prep meetings

THURSDAY (DAY 1)
Daytime: Board committee meetings

Evening: Business presentations & dinner (Board interacts directly with senior business managers)

FRIDAY (DAY 2)
Early morning: independent directors' or Compensation Committee breakfast session

Late morning: full Board meeting (including reports from each committee chair)

AFTER THE MEETING
Management: follow-up sessions to discuss & respond to Board requests

RECENT FOCUS AREAS

— Capital allocation framework
— Significant portfolio changes
  – Planned combination of GE Oil & Gas with Baker Hughes
  – Launch of GE Additive (Arcam & Concept Laser acquisitions)
  – Growth of GE Digital (ServiceMax & Meridium acquisitions)
  – Planned sale of non-core businesses (Water & Industrial Solutions)
— Alstom integration & GE Capital Exit Plan progress
— Key GE initiatives (simplification, gross margin improvement, cash conversion, digitization)
— Healthcare industry dynamics

COMMITTEES

AUDIT

CHAIR:
Mary Schapiro

2016 MEETINGS: 12

MEMBERS: Bazin, Beattie, Henry, Mulva, Rohr, Schapiro

OVERSEES: KPMG, financial reporting, internal audit, compliance, GE Capital risk management

RECENT FOCUS AREAS
— Implementation of the new revenue recognition standard
— Alstom purchase accounting process
— Financial reporting planning for GE's planned combination with Baker Hughes
— Resource planning for internal audit
— Legacy Alstom compliance & investigative matters

GOVERNANCE & PUBLIC AFFAIRS

CHAIR:
Shelly Lazarus

2016 MEETINGS: 4

MEMBERS: Brennan, Hockfield, Jung, Lavizzo-Mourey,* Lazarus, Tisch

OVERSEES: director recruitment, corporate governance, sustainability, political spending

RECENT FOCUS AREAS
— Director recruitment
— Political & lobbying strategy in the wake of the U.S. Presidential transition
— Board committee reorganization
— Environmental, human rights & supply chain practices
— Director compensation changes

MANAGEMENT DEVELOPMENT & COMPENSATION

CHAIR:
Jack Brennan

2016 MEETINGS: 11

MEMBERS: Brennan, Dekkers, Jung, Lane, Lazarus, Rohr

OVERSEES: CEO & senior executive performance evaluations & compensation, equity planning & succession planning

RECENT FOCUS AREAS
— Leadership transitions to support the company's portfolio changes (e.g., launch of GE Additive, GE Capital exit)
— Organizational planning for Baker Hughes
— Program design for the 2016–2018 LTPAs
— Compensation structure for GE Digital employees

TECHNOLOGY & INDUSTRIAL RISK

CO-CHAIRS:
Marijn Dekkers & Susan Hockfield

2016 MEETINGS: 4

MEMBERS:
D'Souza, Dekkers, Hockfield, McAdam, Mollenkopf, Mulva

OVERSEES: technology & product risk, cybersecurity, software & innovation strategies & investments/initiatives, R&D

RECENT FOCUS AREAS
— Product risks & cybersecurity
— Launch of GE Additive
— Significant product launches (LEAP aircraft engine & H-class turbine)
— Deepwater technologies
— GE's nuclear activities
— Market risk

*Effective upon her election at the annual meeting.

Compensation Profile

YOUR VOTE IS NEEDED ON MANAGEMENT PROPOSAL #1

Advisory approval of our named executives' compensation for 2016

YOUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

PAY CONSIDERATIONS

PERFORMANCE
Emphasize overall GE results & consistent, relative & sustainable performance

BALANCE
Formulaic compensation vs. Compensation Committee judgment; future vs. current pay; mix of performance measures

RISK
Performance metrics include specific risk- & sustainability-focused goals

WHAT WE DO

- **SHAREOWNER APPROVAL** for severance & death benefits
- **CLAWBACK OF INCENTIVE COMPENSATION** when warranted
- **SIGNIFICANT SHARE OWNERSHIP REQUIREMENTS** & holding period for option shares
- **LIMITED PERQUISITES** including air & auto transportation, life insurance, home security

WHAT WE DON'T DO

- No standing individual severance or change-of-control agreements
- No gross-ups on excise taxes
- No dividend equivalents on unearned RSUs/PSUs
- No hedging or pledging of GE stock
- No lump sum payout of pension

PRIMARY COMPENSATION ELEMENTS FOR 2016

	Salary	Bonus	LTPAs	PSUs	Options	RSUs
Who receives	All named executives					All named executives except CEO
When granted	Reviewed every 18 months	Annually in February or March for prior year	Generally every 3 years	Annually		
Form of delivery	Cash			Equity		
Type of performance	Short-term emphasis		Long-term emphasis			
Performance Period	Ongoing	1 year	3 years		Generally 5-year vesting period	
How payout is determined	Committee judgment	Formulaic & committee judgment	Formulaic; committee verifies performance before payout		Formulaic; depends on stock price on exercise/vest date	
Most recent performance measures	N/A	4–5 financial metrics + strategic goals	5 financial metrics	2 financial metrics + relative TSR modifier	Stock price appreciation	
What is incentivized	**Balance against excessive risk taking**	**Deliver on *annual* investor framework**	**Deliver on *long-term* investor framework**	**Outperform peers**	**Increase stock price**	**Balance against excessive risk taking**

Aligning Pay With Performance

2016 ANNUAL BONUSES (CASH)

Result	Threshold	Target	Max	Weight	Performance Metrics Align with 2016 Investor Framework	Change from Prior Program
$1.49	$1.45	$1.51	$1.55	18.75%	**2016 Industrial Operating + Verticals EPS*** GE Goal: attractive earnings profile	Target level ▲ 14%
$15.6B	$16.0B	$16.8B	$17.4B	18.75%	**2016 Industrial Operating Profit*** GE Goal: valuable portfolio	Target level ▲ 2%
14.0%	13.9%	14.3%	14.7%	18.75%	**2016 Industrial Operating Margin*** GE Goal: strong industrial segment execution	Metric now includes Corporate & Alstom
$32.6B	$27B	$30B	$32B	18.75%	**2016 Free Cash Flow + Dispositions*** GE Goal: high cash flows	Added Industrial disposition proceeds to metric
95%		100%		25%	**Strategic Metrics** GE Goal: portfolio shift, capital allocation, GE Store outcomes, enterprise risks, organization	Reflects increased focus on Digital Industrial

RESULT: Overall bonus pool funded at 80% of target

2016–2018 LONG-TERM PERFORMANCE AWARDS (CASH)

Threshold	Target[1]	Max	Weight	Performance Metrics Align with Long-Term Investor Framework	Change from Prior Program
$5.05	N.D.	$5.55	20%	**2016–2018 Industrial Operating + Verticals EPS*** GE Goal: attractive earnings profile	Reflects EPS metric we are using to measure GE until GE Capital transition complete
$70B	N.D.	$97B	20%	**2016–2018 Total Cash*** GE Goal: high cash flows	Same metric
15%	N.D.	17%	20%	**2018 Industrial Operating Margin*** GE Goal: valuable portfolio	Replaces Industrial earnings % metric
16%	N.D.	18%	20%	**2018 Industrial Return on Total Capital*** GE Goal: leading returns	Same metric
$55B	N.D.	$67B	20%	**2016–2018 Cash Returned to Investors** GE Goal: investor-focused capital allocation strategy	New metric

RESULT: Payout to be determined in 2019, following end of performance period

1 LTPA targets not yet disclosed (N.D.); will be disclosed following completion of the performance period, consistent with past practice

2013–2016 PERFORMANCE SHARE UNITS (EQUITY)

Result	Target	Weight	Performance Metrics Align with Long-Term Investor Framework	Change from Prior Program
$121B	$75B	33%	**2013–2016 Total Cash*** GE Goal: high cash flows	Adds GE Capital dividends & Industrial disposition proceeds to metric
16.8%	16.5%	33%	**2016 Industrial Segment Operating Margin (ex. Corporate & Alstom)*** GE Goal: valuable portfolio	New metric
72%	71%	33%	**2013–2016 TSR (outperform S&P 500)** GE Goal: market-leading stock returns	Same metric

RESULT: CEO earned 100% of the PSUs because GE met all three targets

2014–2016 PERFORMANCE SHARE UNITS (EQUITY)

Result	Threshold	Target	Max	Weight	Performance Metrics Align with Long-Term Investor Framework	Change from Prior Program
$89B	$50B	$55B		50%	**2014–2016 Total Cash*** GE Goal: high cash flows	Same metric
17.0%	16.5%	17.0%		50%	**2016 Industrial Segment Operating Margin (ex. Corporate, Alstom & Appliances)*** GE Goal: valuable portfolio	Target ▲ 50 bps because it excludes Alstom
43rd	40th percentile	50th percentile	75th percentile	+/–25% adjustment	**2014–2016 TSR (outperform S&P 500)** GE Goal: market-leading stock returns	Now a +/– modifier instead of a performance goal

RESULT: CEO earned 83% of the PSUs (total cash & margin targets exceeded, but (17)% adjustment due to TSR performance)

See "How Our Incentive Compensation Plans Paid Out for 2016" on page 32 of our 2017 Proxy Statement for more information on how these plans work. Metrics denoted with a * are non-GAAP financial measures. For information on how we calculate the performance metrics, see "Explanation of Non-GAAP Financial Measures and Performance Metrics" on page 52 of our 2017 Proxy Statement.

2016 CEO Pay

DECISIONS

$3.8M
Base salary (same as 2015)

200K
PSUs (same as 2015)

$4.3M
Cash bonus (80% of target, down from 100% of target in 2015)

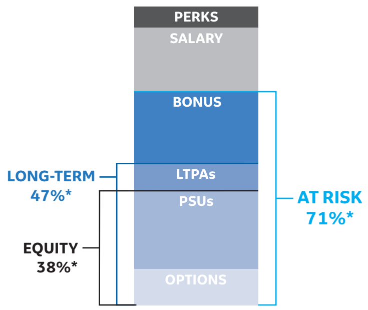
600K
options (same as 2015)

TOTAL COMPENSATION ANALYSIS

Year-over-year change		Main drivers
Adjusted SEC total	▼ **33%**	LTPA ▼ 79%, PSUs & options ▼ 26%, bonus ▼ 20%
SEC total compensation	▼ **35%**	Reflects drivers above & 45% lower change in pension value
Realized compensation	▲ **174%**	3-year LTPA payout in '16

CEO ACCOUNTABILITY

Significant portion of compensation tied to GE's operating and/or stock price performance



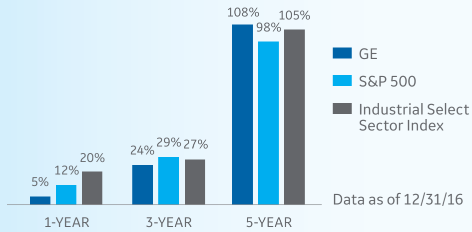
*Based on the CEO's 2016 adjusted SEC total compensation

Responsive approach to compensation
CEO declined $11.7M LTPA payout & two bonuses over the last 10 years

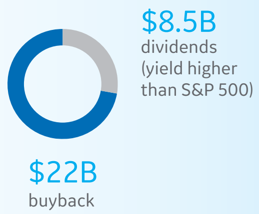
Substantial stock ownership
~1.2M GE shares purchased since 2001 & no shares sold, other than to pay equity award-related taxes/exercise prices

2016 Performance

SOLID SHAREOWNER RETURNS



RETURNED $30.5B TO INVESTORS



STRENGTHENED & SIMPLIFIED THE PORTFOLIO

— Aggressive execution on Alstom integration
— Announced the planned Baker Hughes combination
— Investments in supply chain, Digital & Additive
— Substantial progress on GE Capital Exit Plan
— Plans to sell Water & Industrial Solutions

OTHER KEY PERFORMANCE METRICS

— Industrial segment revenues ▲ 4%, ▲ 1% organically*
— Industrial operating + Verticals EPS* ▲ 14% to $1.49
— Gross margins* ▲ 40bps to 27.8% & Industrial operating margins (both ex. Alstom)* ▼ 30bps to 15.0%
— GE CFOA (ex. deal taxes & pension funding)* ▲ $15.2B to $31.7B

*Non-GAAP financial measures. See page 52 of our 2017 Proxy Statement.

2016 Summary & Realized Compensation (in thousands)

Name & Principal Position	Year	Salary	Bonus	PSUs & RSUs	Stock options	LTPAs	Pension & deferred comp	All other comp	SEC total	Adjusted SEC total[1]	Realized comp (W-2)[2]
Jeff Immelt Chair & CEO	2016	$3,800	$4,320	$4,673	$2,142	$1,624	$3,580	$1,185	$21,325	$17,962	$27,467
	2015	$3,800	$5,400	$6,239	$2,964	$7,614	$6,337	$620	$32,974	$26,831	$10,029
Jeff Bornstein SVP & CFO	2016	$1,688	$1,920	$1,532	$750	$739	$2,882	$395	$9,906	$7,082	$13,638
	2015	$1,600	$2,500	$2,747	$1,087	$3,351	$1,815	$161	$13,261	$11,498	$5,266
Beth Comstock[3] Vice Chair	2016	$1,500	$1,248	$6,211	$750	$550	$2,046	$175	$12,479	$10,460	$9,348
David Joyce[3] Vice Chair	2016	$1,333	$1,524	$6,212	$750	$0	$2,524	$239	$12,583	$10,059	$12,561
John Rice Vice Chair	2016	$2,625	$3,278	$1,532	$750	$1,181	$4,184	$1,611	$15,162	$11,213	$19,154
	2015	$2,538	$4,088	$2,991	$1,186	$5,845	$1,318	$1,696	$19,660	$18,555	$9,671
Keith Sherin Former Vice Chair	2016	$2,575	$3,784	$6,965[4]	$2,487[4]	$1,287	$12,890[4]	$362	$30,351	$17,610	$19,791
	2015	$2,500	$5,233	$2,991	$1,186	$6,751	$6,953	$293	$25,906	$19,088	$6,947

1 Represents SEC total compensation minus change in pension value.

2 Represents the compensation our named executives actually realized, as reported on their IRS W-2 forms. Year-over-year increase largely driven by the 3-year LTPA payout reported on the named executives' W-2 forms for 2016. See "Realized Compensation" on page 37 of our 2017 Proxy Statement.

3 2015 compensation not presented for Ms. Comstock and Mr. Joyce because they were not named executives in that year.

4 Amounts reported under "PSUs & RSUs" and "Stock options" represent the accounting value of modifications to existing equity awards (not new awards) pursuant to an early retirement agreement entered into with Mr. Sherin. $7.2M of the amount reported under "Pension & deferred comp" reflects early retirement allowance payments under this agreement.

YOUR VOTE IS NEEDED ON MANAGEMENT PROPOSAL #2:

Approve frequency of future say-on-pay votes

YOUR BOARD RECOMMENDS A VOTE OF ONE YEAR ON THIS PROPOSAL

WHY? The Board believes that we should be accountable to shareowners annually for our executive compensation decisions

YOUR VOTE IS NEEDED ON MANAGEMENT PROPOSAL #4:

Approve material terms of senior officer performance goals

YOUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

WHY? Approval of this proposal would allow GE to continue operating its executive compensation program in a tax-efficient manner

YOUR VOTE IS NEEDED ON MANAGEMENT PROPOSAL #3:

Approve amended 2007 Long-Term Incentive Plan

YOUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

WHAT WOULD THE AMENDMENT DO?

- **Add 150M shares to the Plan's share pool**, bringing total # of Plan shares available for new grants to 373.5M*, which we expect to last us 4–5 years
- **Extend Plan's term to 2027** (but we expect to ask shareowners to reapprove the Plan no later than the 2022 annual meeting)
- **Add non-employee directors as Plan participants**, bringing the director DSU program under the Plan
- **Establish annual limit for director compensation** ($1.5 million, applies to both cash & equity compensation)
- **Make certain other changes to the Plan**, as described on page 56 of our 2017 Proxy Statement

GOOD GOVERNANCE FEATURES OF THE PLAN

- ✔ LIMITS ON SHARE POOL & NUMBER OF SHARES GRANTED AS "FULL VALUE" AWARDS
- ✔ 10-YEAR MAXIMUM STOCK OPTION TERMS
- ✖ NO STOCK OPTION REPRICING
- ✖ NO DISCOUNTED STOCK OPTION GRANTS
- ✖ NO AUTOMATIC CHANGE-OF-CONTROL BENEFITS
- ✖ NO SHARE RECYCLING

OUR CURRENT EQUITY GRANT PRACTICES

- ✔ **BALANCED AWARD MIX** of PSUs, RSUs & options for senior officers
- ✔ **LONG-TERM VESTING** with 5 years for options/ RSUs & 3 years for PSUs
- ✖ **NO DIVIDEND EQUIVALENT PAYMENTS** to executive officers on unearned RSUs/PSUs

KEY DATA ABOUT OUR EQUITY COMPENSATION SHARE USAGE**

BURN RATE

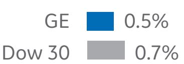
WHAT THIS MEASURES: how rapidly we are using the Plan's share pool

HOW WE MANAGE: by considering the aggregate value of our equity grants in the context of GE's stock price & other compensation actions (over last 5 years, the Compensation Committee has twice reset overall grant levels)

GROSS

Excludes forfeited shares returned to share pool

NET



Includes forfeited shares returned to share pool

OVERHANG

WHAT THIS MEASURES: potential shareowner dilution from outstanding equity awards & available share pool

HOW WE MANAGE: through our buyback program (in 2016, we repurchased $22B of GE Shares, approximately $1.9B of which was to offset dilution)

CONCENTRATION RATIO

WHAT THIS MEASURES: the concentration of Plan benefits directed to our proxy officers

HOW WE MANAGE: by granting equity awards to 5,000+ employees to align their interests with shareowners'

* Total share pool under the Plan would be 1,075M shares, which reflects the Plan being in place since 2007.

** GE data covers 2014–2016 while Dow 30 data covers 2013–2015 (the last year for which data is available). Please see "Key Data About Our Grant Practices" on page 57 of our 2017 Proxy Statement for more information about these metrics & how we calculate them.

How We Think About Auditor Reengagement

YOUR VOTE IS NEEDED ON MANAGEMENT PROPOSAL #5:

Ratification of our selection of KPMG as independent auditor for 2017

YOUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

In engaging KPMG for 2017, we reviewed:

- KPMG's performance on GE audit... includes results of internal, worldwide survey
- KPMG's capability & expertise in handling breadth & complexity of our worldwide operations
- KPMG's known legal & regulatory risks... includes interview with KPMG's chairman & review of the number of audit clients with restatements as compared to other Big 4 firms
- External data on audit quality & performance... includes recent PCAOB reports on KPMG & peer firms
- Appropriateness of KPMG's fees on both an absolute basis & relative to peer firms
- KPMG's tenure & independence... including benefits & independence risks of long-tenured auditor & controls/processes that help ensure KPMG's independence

BENEFITS OF A LONG-TENURED AUDITOR

HIGHER AUDIT QUALITY
- Institutional knowledge & deep expertise — through 100+ years of experience with GE & 1,350+ statutory GE audits in 80+ countries

EFFICIENT FEE STRUCTURE
- Familiarity with GE business keeps costs competitive

NO ONBOARDING OR EDUCATING NEW AUDITOR
- Saves management's time & resources

INDEPENDENCE CONTROLS

THOROUGH AUDIT COMMITTEE OVERSIGHT
- Includes private meetings with KPMG (8X+ per year)
- Annual evaluation
- Committee-directed process for selecting lead audit engagement partner

RIGOROUS LIMITS ON NON-AUDIT SERVICES
- Audit Committee preapproves non-audit services
- Certain types of otherwise permissible services prohibited
- KPMG engaged only when best-suited for the job

STRONG INTERNAL KPMG INDEPENDENCE PROCESS
- Includes periodic internal quality reviews
- Large number of partners staffed on GE audit (~300)
- Lead audit engagement partner rotation every 5 years

ROBUST REGULATORY FRAMEWORK
- KPMG subject to PCAOB inspections, Big 4 peer reviews & PCAOB/SEC oversight

KPMG Fees

(in millions)	Audit[1]	Audit-related[2]	Tax[3]	All Other[4]	Total
2016	$81.5	$6.9	$1.5	$0.0	$89.9
2015	$75.0	$20.8	$1.8	$0.0	$97.6

1 Audit & review of financial statements for 10-K/10-Q, internal control over financial reporting audit, statutory audits; year-over-year increase largely driven by the Alstom acquisition.
2 Assurance services, M&A due diligence & audit services, employee benefit plan audits; year-over-year decrease largely driven by work performed in 2015 related to the GE Capital Exit Plan and Synchrony Financial split-off.
3 Tax compliance & tax advice/planning.
4 GE did not engage KPMG for any other services.

See "Audit" on page 62 of our 2017 Proxy Statement for more information.

WHAT WE ARE PAYING FOR

500K+ audit hours

1,350+ statutory audits globally

~300 partners

2017 Shareowner Proposals

YOUR VOTE IS NEEDED ON THE FOLLOWING PROPOSALS

YOUR BOARD RECOMMENDS A VOTE AGAINST THESE PROPOSALS

	Proposal	Proponent	What the proposal asks for	Why the Board recommends a vote **Against** the proposal
1	**Lobbying report** see page 65 of our 2017 Proxy Statement	PhilPERS*	Provide annual report on GE's lobbying activity	GE already provides comprehensive disclosure of its political & lobbying activities on our Sustainability website
2	**Independent chair** see page 66 of our 2017 Proxy Statement	Kenneth Steiner	Require board chair to be independent at the next CEO transition	GE believes that our present leadership structure is the most effective for GE, and we will continue to monitor this issue (as we do all governance issues)
3	**Cumulative voting** see page 68 of our 2017 Proxy Statement	Martin Harangozo	Allow shareowners to aggregate their shares & vote all for one or more nominees	Directors should be elected & accountable to all shareowners, not special interests
4	**Charitable giving report** see page 69 of our 2017 Proxy Statement	NCPPR**	Provide annual report on GE's charitable giving	GE already provides comprehensive disclosure of its charitable giving on our Sustainability website

*PhilPERS = City of Philadelphia Public Employees Retirement System

**NCPPR = National Center for Public Policy Research

How to Submit a Proposal for Next Year

	Proposals to include in proxy*	Director nominees to include in proxy (proxy access)**	Other proposals/nominees to be presented at annual meeting**
Minimum GE stock ownership requirement	$2,000	3% for 3 years (up to 20 shareowners can aggregate)	1 share
Deadline for GE to receive	Close of business on 11/10/17	Between 10/11/17 and close of business on 11/10/17	
Where to send	**By mail:** Alex Dimitrief, Secretary, General Electric Company, at the address listed on the inside front cover of the 2017 Proxy Statement **By email:** shareowner.proposals@ge.com		
What to include	Information required by SEC rules	Information required by our by-laws	

*Proposals must satisfy SEC requirements, including Rule 14a-8

**Proposals not submitted pursuant to SEC Rule 14a-8, as well as any director nominees, must satisfy GE's by-law requirements, which are available on GE's website (see "Helpful Resources" on page 81 of our 2017 Proxy Statement)

How We Drive Sustainability

"Business must now lead and not depend on government to be a beacon for sustainability. We must move on our own. It is no longer enough for companies to focus on their direct footprint, they must think about what types of jobs and opportunities they are creating for society."

— **Jeff Immelt,** CEO

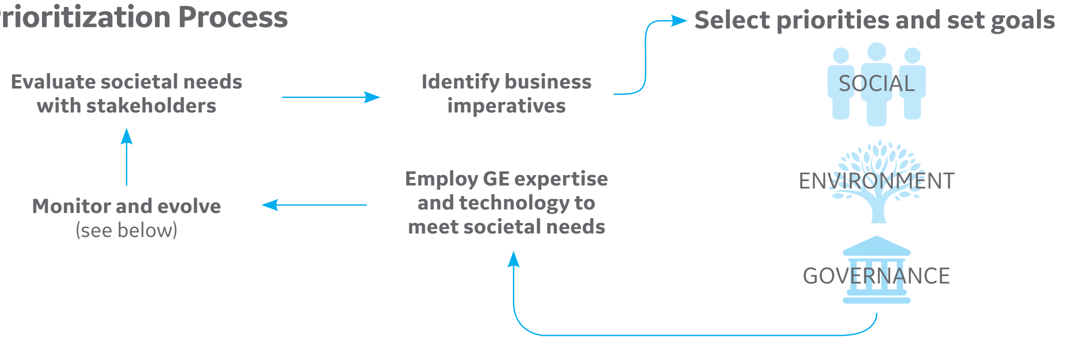
ECOMAGINATION

WHAT IT IS: GE's strategy to drive long-term shareowner value by enhancing resource productivity & reducing environmental impact on a global scale through commercial solutions for our customers & through our own operations

OUR RETURNS SINCE LAUNCHING ECOMAGINATION IN 2005 (THROUGH 2016)

$20B R&D Investment → **$270B** Revenues

Annual Prioritization Process



GOVERNANCE

BOARD OF DIRECTORS

The CEO & the Board oversee the execution of GE's sustainability strategy as part of their oversight of business strategy and risk management

CEO	Audit Committee	Governance & Public Affairs Committee	Technology & Industrial Risk Committee	Management Development & Compensation Committee

SELECTED 2016 SUSTAINABILITY-RELATED BOARD REVIEWS

• EHS* • Supply Chain & Human Rights • Cybersecurity • Political Contributions & Lobbying Strategy • Compliance Program

INTERNAL SUSTAINABILITY STEERING COMMITTEE

GE's sustainability approach is coordinated by a Sustainability Steering Committee composed of leaders from across GE with deep subject matter expertise

Global Government Affairs Resource/Environment Strategy Investor Relations	EHS*/GE Foundation (Chair) Ecomagination	Communications Labor/Employment Corporate Governance

SOME OF OUR EXTERNAL ADVISORS

Institute for Human Rights & Business	Corporate Social Responsibility, Harvard Kennedy School	Global Green Growth Institute & International Sustainability Development

HOW WE INCORPORATE SUSTAINABILITY GOALS INTO OUR COMPENSATION PROGRAMS

Annual "blueprints" for each business include sustainability-focused goals (e.g., cybersecurity, product safety, employee development, compliance, plant safety) in addition to financial & operational metrics ... drives bonus & other pay decisions for corporate/business leaders

* Environment, Health & Safety

Progress Toward Our Goals

How GE Works

GE holds itself and its partners to the highest standards of integrity, and we are committed to leadership, job creation, working safely and building strong workforces in the markets where we operate.

WORKFORCE & IDEA DEVELOPMENT

Goal: Recruit & hire 5,000 veterans

Progress: **6,100+ veterans hired through 2016**

ENVIRONMENT, HEALTH & SAFETY

Goal: Continuous reduction in recordable illness & injuries

Progress: **49% reduction since 2006** **20% decrease 2015–2016**

ENVIRONMENT, HEALTH & SAFETY

Goal: Continuous reduction in environmental events (air & waste water exceedances, spills & releases)

Progress: **54% reduction since 2006** **2% increase 2015–2016**

Building Things That Matter

GE works every day to bring to market innovative solutions that provide energy and water security, create jobs, improve health and reduce environmental impact.

WATER

Goal: Reduce freshwater use by 20% by 2020 (from 2011 baseline)

Progress: **17% reduction through 2015**

ENERGY & CLIMATE

Goal: Reduce greenhouse gas emissions 20% by 2020 (from 2011 baseline)

Progress: **12% reduction through 2015**

ENERGY & CLIMATE

Goal: Ecomagination R&D commitment to increase our investment to $25B by 2020

Progress: **$20B spent on Ecomagination R&D 2005–2016, including $2.7B in 2016**

See our Sustainability Website

(www.ge.com/sustainability) for more information on how we are performing

GE's 2016 reporting informed by the Global Reporting Initiative's Reporting Guidelines

Enabling Progress

GE has stayed competitive for more than a century by our continuous drive for improvement and we have continued our investment in R&D and innovation. We lead by example and enable progress for others around the world.

CHARITABLE GIVING

Goal: Support community & educational programs through charitable contributions

Progress: $172M in contributions from GE businesses, GE employees & GE Foundation in 2016

VOLUNTEERS

Goal: Support GE Volunteers to achieve >1M volunteer hours

Progress: **.5M GE Volunteer hours reported in 66 countries in 2016**

R&D INVESTMENT

Goal: Consistently invest in innovation

Progress: **$5.5B total R&D investment (GE & customer-funded) in 2016**

Annual Meeting

You are invited to attend GE's 2017 annual meeting. This page contains important information about the meeting, including how you can make sure your views are represented by voting today. Be sure to check out our interactive, mobile-friendly online proxy, annual report and integrated summary report at the websites below.

Cordially, **Alex Dimitrief, Secretary**

LOGISTICS

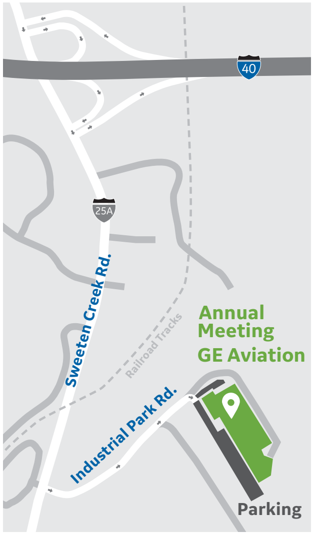
DATE:
April 26, 2017

TIME:
10:00 a.m. Eastern Time

WEBCAST:
www.ge.com/investor-relations

LOCATION:
GE Aviation,
502 Sweeten Creek
Industrial Park Road,
Asheville, North Carolina
28803

ATTENDING IN PERSON:
You must be a GE shareowner as of the record date, and you must bring your admission card & photo ID. Follow the instructions on page 73 of our 2017 Proxy Statement or on our proxy website



Want to submit a question for discussion at the annual meeting?
Please visit our proxy website at **www.ge.com/proxy**

VOTING Q&A

Who can vote?
Shareowners as of our record date, February 27, 2017

How many shares are entitled to vote?
8.7 billion common shares (preferred shares are not entitled to vote)

How many votes do I get?
One vote on each proposal for each share you held as of the record date (see first question above)

Do you have an independent inspector of elections?
Yes, you can reach them at IVS Associates, 1000 N. West St., Ste. 1200, Wilmington, DE 19801

Can I change my vote?
Yes, by voting in person at the meeting, delivering a new proxy or notifying IVS Associates in writing. But, if you hold shares through a broker, you will need to contact them

Is my vote confidential?
Yes, only IVS Associates & certain GE employees/agents have access to individual shareowner voting records

How many votes are needed to approve a proposal?
Majority of votes cast; abstentions & broker non-votes generally are not counted & have no effect

Where can I find out more information?
See "Voting & Meeting Information" on page 71 of our 2017 Proxy Statement

AGENDA

Elect the 18 directors named in the proxy for the coming year

Your Board recommends a vote FOR each director nominee

read more on page 12 of our 2017 Proxy Statement

Approve our named executives' compensation in advisory vote

Your Board recommends a vote FOR this proposal

read more on page 30 of our 2017 Proxy Statement

Approve the frequency of future say-on-pay votes

Your Board recommends a vote for ONE YEAR on this proposal

read more on page 30 of our 2017 Proxy Statement

Approve our amended 2007 Long-Term Incentive Plan

Your Board recommends a vote FOR this proposal

read more on page 56 of our 2017 Proxy Statement

Approve the material terms of senior officer performance goals

Your Board recommends a vote FOR this proposal

read more on page 61 of our 2017 Proxy Statement

Ratify the selection of KPMG as independent auditor for 2017

Your Board recommends a vote FOR this proposal

read more on page 62 of our 2017 Proxy Statement

Vote on shareowner proposals included in proxy if properly presented at the meeting

Your Board recommends a vote AGAINST each proposal

read more on page 65 of our 2017 Proxy Statement

Shareowners also will transact any other business that properly comes before the meeting

HOW YOU CAN VOTE

	Do you hold shares directly with GE or in the Retirement Savings Plan (RSP)?	Do you hold shares through a bank or broker?
Internet	Use the Internet at www.proxypush.com/GE	Use the Internet at www.proxyvote.com
Phone	Call toll-free (US/Canada) 1-866-883-3382	Call toll-free (US/Canada) 1-800-454-VOTE (8683)
Mail	Mail your signed proxy form	Mail your signed voting instruction form

Check out our interactive, mobile-friendly online proxy, annual report & integrated summary report

www.ge.com/proxy
www.ge.com/annualreport
www.ge.com/ar2016/integrated-report

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," "estimate," "forecast" or "target."

Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about our announced plan to combine our Oil & Gas business with Baker Hughes, including projected revenue and cost synergies, impact on our earnings per share, and the timing and structure of the proposed transaction; the completion of our announced plan to reduce the size of our financial services businesses, including expected cash and non-cash charges associated with this plan and earnings per share of GE Capital's retained businesses (Verticals); expected income; earnings per share, including our 2018 target; revenues; organic growth; growth and productivity associated with our Digital business; margins; cost structure and plans to reduce costs; restructuring charges; transaction-related synergies and gains; cash flows, including the impact of pension funding contributions; returns on capital and investment; capital expenditures; capital allocation, including dividends, share repurchases and acquisitions; or capital structure, including leverage.

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

- our ability to complete incremental asset sales as we complete our announced plan to reduce the size of our financial services businesses and our ability to reduce costs as we execute that plan;
- changes in law, economic and financial conditions, including interest and exchange rate volatility, commodity and equity prices and the value of financial assets;
- the impact of conditions in the financial and credit markets on the availability and cost of GE Capital Global Holdings, LLC's (GE Capital) funding, and GE Capital's exposure to counterparties;
- pending and future mortgage loan repurchase claims and other litigation claims and investigations 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 amount and timing 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;
- GE Capital's ability to pay dividends to GE at the planned level, which may be affected by GE Capital's cash flows and earnings, financial services regulation and oversight, claims and investigations relating to WMC and other factors;
- our ability to launch new products in a cost-effective manner;
- our ability to increase margins through restructuring and other cost reduction measures;
- our ability to convert pre-order commitments/wins into orders/bookings;
- the price we realize on orders/bookings since commitments/wins are stated at list prices;
- customer actions or developments such as early aircraft retirements or reduced energy demand, changes in economic conditions, including oil prices, and other factors that may affect the level of demand and financial performance of the major industries and customers we serve;
- the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of Alstom investigative and legal proceedings;
- 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 satisfying other closing conditions for, announced transactions, such as our announced plans and transactions to combine our Oil & Gas business with Baker Hughes, to reduce the size of our financial services businesses, and to acquire LM Wind Power;
- our success in integrating acquired businesses and operating joint ventures, including Baker Hughes;
- our ability to realize revenue and cost synergies from announced transactions, acquired businesses and joint ventures, including Alstom and Baker Hughes;
- the impact of potential information technology or data security breaches; and
- the other factors that are described in the Risk Factors section of our 2016 Annual Report on Form 10-K.

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.

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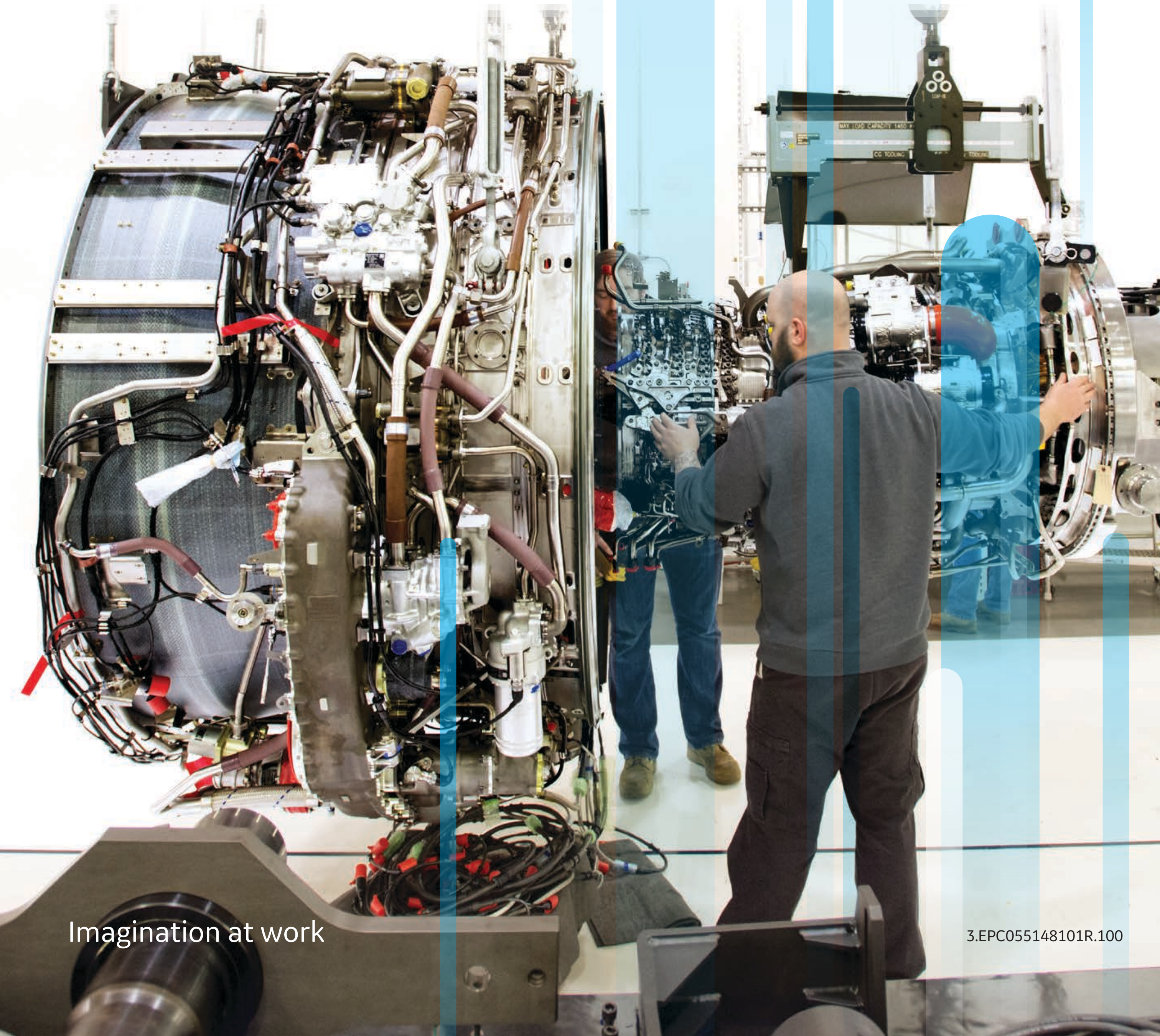

Imagination at work

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