



# GE 4Q'18 Supplemental Information

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### NON-GAAP SUPPLEMENTAL INFORMATION

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

**ORDERS & BACKLOG BY SEGMENT**

<i>(Dollars in billions)</i>	4Q'18		2018		4Q'18	
	Orders	V%	Orders	V%	Backlog	V%
Power	\$ 7.9	(19)%	\$ 27.5	(23)%	\$ 91.9	(6)%
Renewable Energy	3.9	19	10.9	5	17.3	16
Aviation	8.8	12	35.5	22	223.5	12
Oil & Gas	6.9	21	23.9	39	21.5	(2)
Healthcare	5.8	(2)	20.9	2	17.4	(4)
Transportation	1.1	(48)	5.7	17	18.9	5
Lighting	0.3	(16)	1.0	(16)	0.2	(10)
Industrial	\$ 34.1	(1)%	\$ 124.0	6 %	\$ 391.0	5 %

Note: Industrial orders and backlog include Digital orders and backlog as well as eliminations between Industrial Segments. As a result, the sum of the segments may not add to the total.

**INDUSTRIAL BACKLOG TO REMAINING PERFORMANCE OBLIGATION WALK – 4Q'18**

<i>(Dollars in billions)</i>	Equipment	Services	Total
Backlog	\$ 88.8	\$ 302.2	\$ 391.0
Adjustment:	(36.9)	(101.1)	(138.0)
Remaining Performance Obligation	\$ 51.9	\$ 201.2	\$ 253.1

Note: Backlog represents unfilled customer orders for products and product services (expected life of contract sales for product services). Remaining performance obligation is a defined term under GAAP that represents backlog excluding and purchase orders that provide the customer with the ability to cancel or terminate without incurring a substantial penalty, even if the likelihood of cancellation is remote based on historical experiences. We plan to continue reporting backlog as we believe that is a useful metric for investors, given its relevance to total orders.

**EQUIPMENT/SERVICE REVENUES BY SEGMENT – 4Q'18**

<i>(Dollars in billions)</i>	Equipment	V%	Services	V%	Total	V%
Power	\$ 3.0	(29)%	\$ 3.8	(21)%	\$ 6.8	(25)%
Renewable Energy	2.3	38	1.1	11	3.4	28
Aviation	3.2	13	5.2	26	8.5	21
Oil & Gas	2.6	6	3.6	9	6.2	8
Healthcare	3.3	4	2.1	(2)	5.4	2
Transportation	0.5	73	0.6	(1)	1.2	24
Lighting	0.4	(23)	—	F	0.5	(16)
Industrial segments	\$ 15.3	1 %	\$ 16.5	3 %	\$ 31.8	2 %

**EQUIPMENT/SERVICE REVENUES BY SEGMENT – 2018**

<i>(Dollars in billions)</i>	Equipment	V%	Services	V%	Total	V%
Power	\$ 12.3	(30)%	\$ 15.0	(14)%	\$ 27.3	(22)%
Renewable Energy	7.0	—	2.5	15	9.5	4
Aviation	11.5	13	19.1	14	30.6	13
Oil & Gas	9.3	29	13.6	36	22.9	33
Healthcare	11.4	6	8.4	1	19.8	4
Transportation	1.4	(19)	2.5	13	3.9	(1)
Lighting	1.6	(14)	0.1	69	1.7	(11)
Industrial segments	\$ 54.5	(3)%	\$ 61.2	7 %	\$ 115.7	2 %

**UNITS SUMMARY - ORDERS**

	4Q'18	4Q'17	V	2018	2017	V
<b>Power</b>						
Gas Turbines	11	24	(13)	43	75	(32)
<b>Renewable Energy</b>						
Onshore Wind Turbines	1,085	1,165	(80)	3,198	3,014	184
<b>Aviation</b>						
Commercial Engines	859	543	316	4,772	2,565	2,207
GENx Engines(a)	46	33	13	407	92	315
LEAP Engines(a)	648	343	305	3,637	1,418	2,219
Military Engines	104	93	11	751	522	229
<b>Transportation</b>						
Locomotives	12	358	(346)	1,072	438	634

(a) GENx & LEAP Engines are a subset of Commercial Engines.

**UNITS SUMMARY - SALES**

	4Q'18	4Q'17	V	2018	2017	V
<b>Power</b>						
Gas Turbines	14	39	(25)	42	102	(60)
<b>Renewable Energy</b>						
Onshore Wind Turbines	836	682	154	2,449	2,577	(128)
<b>Aviation</b>						
Commercial Engines	763	735	28	2,825	2,630	195
GENx Engines(a)	79	57	22	251	234	17
LEAP Engines(a)	379	202	177	1,118	459	659
Military Engines	172	215	(43)	674	617	57
Spares rate(b)	\$30.2	\$27.4	\$2.8	\$27.5	\$23.5	\$4.0
<b>Transportation</b>						
Locomotives	118	79	39	272	433	(161)

(a) GENx & LEAP Engines are a subset of Commercial Engines.

(b) Commercial spares rate in millions of dollars per day.

**GE INDUSTRIAL SEGMENT ORGANIC REVENUES (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
GE Industrial segment revenues (GAAP)	\$ 31,827	\$ 31,202	2%	\$ 115,664	\$ 113,168	2%
Adjustments:						
Less: acquisitions	1	—		5,589	92	
Less: business dispositions (other than dispositions acquired for investment)	125	1,378		138	3,857	
Less: currency exchange rate(a)	(523)	—		597	—	
GE Industrial segment organic revenues (Non-GAAP)	\$ 32,224	\$ 29,823	8%	\$ 109,340	\$ 109,220	—%

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

(a) Translational foreign exchange

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

When comparing revenue growth between periods excluding the effects of acquisitions, business dispositions and currency exchange rates, those effects are different when comparing results for different periods. Revenues from acquisitions are considered inorganic from the date we complete an acquisition through the end of the fourth quarter following the acquisition and are therefore reflected as an adjustment to reported revenue to derive organic revenue for the period following the acquisition. In subsequent periods, the revenues from the acquisition become organic as these revenues are included for all periods presented.

**GE INDUSTRIAL ORGANIC PROFIT (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
Adjusted GE Industrial profit (Non-GAAP)	\$ 2,328	\$ 2,757	(16)%	\$ 10,203	\$ 11,257	(9)%
Adjustments:						
Less: acquisitions	(2)	—		291	(19)	
Less: business dispositions (other than dispositions acquired for investment)	22	196		(4)	453	
Less: currency exchange rate(a)	(7)	—		(67)	—	
Adjusted GE Industrial organic profit (Non-GAAP)	\$2,314	\$2,561	(10)%	\$9,983	\$10,823	(8)%
Adjusted GE Industrial profit margin (Non-GAAP)	7.5%	9.0%	(1.5)pts	9.0%	10.1%	(1.1)pts
Adjusted GE Industrial organic profit margin (Non-GAAP)	7.3%	8.8%	(1.5)pts	9.3%	10.1%	(0.8)pts

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

(a) Translational foreign exchange

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

**ORGANIC REVENUES BY SEGMENT (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
<b>Power</b>						
Reported Revenues (GAAP)	\$ 6,760	\$ 9,011	(25)%	\$ 27,300	\$ 34,878	(22)%
Less Acq./Disp. & FX(a)	(65)	1,155		580	3,368	
Organic Revenues (Non-GAAP)	\$ 6,824	\$ 7,856	(13)%	\$ 26,720	\$ 31,510	(15)%
<b>Renewable Energy</b>						
Reported Revenues (GAAP)	\$ 3,361	\$ 2,618	28 %	\$ 9,533	\$ 9,205	4 %
Less Acq./Disp. & FX(a)	(142)	—		56	80	
Organic Revenues (Non-GAAP)	\$ 3,503	\$ 2,618	34 %	\$ 9,477	\$ 9,125	4 %
<b>Aviation</b>						
Reported Revenues (GAAP)	\$ 8,456	\$ 7,010	21 %	\$ 30,566	\$ 27,013	13 %
Less Acq./Disp. & FX(a)	(3)	—		32	2	
Organic Revenues (Non-GAAP)	\$ 8,459	\$ 7,010	21 %	\$ 30,534	\$ 27,010	13 %
<b>Oil &amp; Gas</b>						
Reported Revenues (GAAP)	\$ 6,250	\$ 5,786	8 %	\$ 22,859	\$ 17,180	33 %
Less Acq./Disp. & FX(a)	(95)	42		5,485	42	
Organic Revenues (Non-GAAP)	\$ 6,345	\$ 5,744	10 %	\$ 17,374	\$ 17,138	1 %
<b>Healthcare</b>						
Reported Revenues (GAAP)	\$ 5,398	\$ 5,314	2 %	\$ 19,784	\$ 19,017	4 %
Less Acq./Disp. & FX(a)	(91)	113		171	268	
Organic Revenues (Non-GAAP)	\$ 5,489	\$ 5,201	6 %	\$ 19,613	\$ 18,748	5 %
<b>Transportation</b>						
Reported Revenues (GAAP)	\$ 1,152	\$ 929	24 %	\$ 3,898	\$ 3,935	(1)%
Less Acq./Disp. & FX(a)	—	—		—	—	
Organic Revenues (Non-GAAP)	\$ 1,152	\$ 929	24 %	\$ 3,898	\$ 3,935	(1)%
<b>Lighting</b>						
Reported Revenues (GAAP)	\$ 451	\$ 534	(16)%	\$ 1,723	\$ 1,941	(11)%
Less Acq./Disp. & FX(a)	(2)	69		(1)	189	
Organic Revenues (Non-GAAP)	\$ 452	\$ 466	(3)%	\$ 1,724	\$ 1,753	(2)%

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

(a) Translational foreign exchange

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

When comparing revenue growth between periods excluding the effects of acquisitions, business dispositions and currency exchange rates, those effects are different when comparing results for different periods. Revenues from acquisitions are considered inorganic from the date we complete an acquisition through the end of the fourth quarter following the acquisition and are therefore reflected as an adjustment to reported revenue to derive organic revenue for the period following the acquisition. In subsequent periods, the revenues from the acquisition become organic as these revenues are included for all periods presented.

**ADJUSTED OIL & GAS SEGMENT PROFIT AND PROFIT MARGIN (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
Reported Oil & Gas segment profit (GAAP)	\$ 320	\$ (165)	F	\$ 429	\$ 158	F
Less: restructuring & other (GE share)	(76)	(412)		(616)	(679)	
Adjusted Oil & Gas segment profit (Non-GAAP)	\$ 396	\$ 247	60%	\$ 1,045	\$ 837	25%
Reported Oil & Gas segment revenues (GAAP)	\$ 6,250	\$ 5,786	8%	\$ 22,859	\$ 17,180	33%
Reported Oil & Gas profit margin (GAAP)	5.1%	(2.9)%	8.0pts	1.9%	0.9%	1.0pts
Adjusted Oil & Gas profit margin (Non-GAAP)	6.3%	4.3 %	2.0pts	4.6%	4.9%	(0.3)pts

Adjusted GE Oil & Gas segment profit\* measures Oil & Gas reported segment profit excluding the effects of restructuring and other charges. We believe that this measure provides management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations of our Oil & Gas segment.

**ADJUSTED GE INDUSTRIAL PROFIT AND PROFIT MARGIN (EXCLUDING CERTAIN ITEMS) (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
GE total revenues (GAAP)	\$ 31,213	\$ 30,571	2 %	\$113,642	\$ 111,255	2 %
<b>Costs</b>						
GE total costs and expenses (GAAP)	\$ 31,266	\$ 30,732	2 %	\$135,656	\$ 111,710	21 %
Less: GE interest and other financial charges	714	834		2,708	2,753	
Less: non-operating benefit costs	586	574		2,764	2,385	
Less: restructuring & other	699	894		3,487	3,923	
Less: goodwill impairments	162	217		22,136	1,165	
Add: noncontrolling interests	99	(52)		(129)	(368)	
Adjusted GE Industrial costs (Non-GAAP)	\$ 29,204	\$ 28,161	4 %	\$104,432	\$ 101,116	3 %
<b>Other Income</b>						
GE other income (GAAP)	\$ 1,018	\$ (722)	F	\$ 2,255	\$ 1,937	16 %
Less: unrealized gains (losses)	(193)	—		—	—	
Less: restructuring & other	(7)	(107)		(87)	(107)	
Less: gains (losses) and impairments for disposed or held for sale businesses	900	(961)		1,350	926	
Adjusted GE other income (Non-GAAP)	\$ 319	\$ 346	(8)%	\$ 992	\$ 1,118	(11)%
<b>GE Industrial profit (GAAP)</b>	\$ 965	\$ (883)	F	\$ (19,759)	\$ 1,482	U
<b>GE Industrial profit margin (GAAP)</b>	3.1%	(2.9)%	6.0pts	(17.4)%	1.3%	(18.7)pts
<b>Adjusted GE Industrial profit (Non-GAAP)</b>	\$ 2,328	\$ 2,757	(16)%	\$ 10,203	\$ 11,257	(9)%
<b>Adjusted GE Industrial profit margin (Non-GAAP)</b>	7.5%	9.0 %	(1.5)pts	9.0 %	10.1%	(1.1)pts

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

We have presented our Adjusted GE Industrial profit\* and profit margin\* excluding interest and other financial charges, non-operating benefit costs, restructuring & other, goodwill impairments, non-controlling interests, unrealized gains (loss) on Pivotal equity investment and gains (losses) and impairments for disposed or held for sale businesses. We believe that GE Industrial profit and profit margins adjusted for these items are meaningful measures because they increase the comparability of period-to-period results.

**ADJUSTED GE INDUSTRIAL EBITDA (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	2018
Reported GE Industrial EBITDA (GAAP)	\$ 3,014	\$ (11,010)
Less: restructuring & other	(706)	(3,574)
Less: goodwill impairments	(162)	(22,136)
Less: unrealized gains (losses)	(193)	—
Less: gains (losses) and impairments for disposed or held for sale businesses	900	1,350
Less: non-operating benefit costs	(586)	(2,764)
Less: noncontrolling interest	99	(129)
Add: depreciation & amortization of PP&E and intangibles	(1,335)	(6,041)
Adjusted GE Industrial profit (Non-GAAP)	\$ 2,328	\$ 10,203
Less: Adjusted Corporate costs (operating) (Non-GAAP)	(365)	(1,187)
Adjusted Industrial segment profit	\$ 2,693	\$ 11,390

Note: The above reconciliation is provided for informational purposes only.

**CORPORATE OPERATIONS & ELIMINATIONS (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
<b>Revenues</b>						
Eliminations and other	\$ (1,025)	\$ (1,144)		\$ (3,600)	\$ (3,995)	
Total Corporate Items and Eliminations	\$ (1,025)	\$ (1,144)	10%	\$ (3,600)	\$ (3,995)	10%
<b>Operating profit (cost)</b>						
Gains (losses) and impairments for disposed or held for sale businesses on disposals(a)	\$ 900	\$ (961)		\$ 1,350	\$ 926	
Restructuring and other charges(b)	(630)	(589)		(2,958)	(3,351)	
Unrealized gains (losses)(c)	(193)	—		—	—	
Goodwill impairments	(162)	(217)		(22,136)	(1,165)	
Eliminations and other	(365)	(427)		(1,187)	(1,636)	
Corporate costs (continuing) (GAAP)	\$ (451)	\$ (2,194)	79%	\$ (24,931)	\$ (5,225)	U
Less: gains (losses) and restructuring & other	(85)	(1,767)		(23,744)	(3,589)	
Adjusted Corporate costs (operating) (Non-GAAP)	\$ (365)	\$ (427)	15%	\$ (1,187)	\$ (1,636)	27%

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

(a) Includes gains (losses) on disposed or held for sale businesses. The total amount realized in the second half of 2018 amounted to \$161 million related to the sale of our Pivotal software equity investment. Any fair value adjustments recorded through the date of sale were considered unrealized.

(b) Subsequent to the Baker Hughes transaction, restructuring and other charges are included in the determination of segment profit for our Oil & Gas segment.

(c) Amount is related to our Pivotal Software equity investment for 4Q'18.

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

**ADJUSTED EARNINGS (LOSS) (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V%	2018	2017	V%
Consolidated earnings (loss) from continuing operations attributable to GE common shareowners (GAAP)	\$ 666	\$ (11,184)	F	\$ (21,076)	\$ (8,605)	U
Less: GE Capital earnings (loss) from continuing operations attributable to GE common shareowners (GAAP)	(86)	(6,569)		(489)	(6,765)	
GE Industrial earnings (loss) (Non-GAAP)	\$ 752	\$ (4,615)	F	\$ (20,587)	\$ (1,841)	U
Non-operating benefits costs (pre-tax) (GAAP)	(586)	(574)		(2,764)	(2,385)	
Tax effect on non-operating benefit costs(a)	123	201		581	835	
Less: non-operating benefit costs (net of tax)	(463)	(373)		(2,184)	(1,550)	
Gains (losses) and impairments for disposed or held for sale businesses (pre-tax)	900	(961)		1,350	926	
Tax effect on gains (losses) and impairments for disposed or held for sale businesses(b)	(186)	(16)		(375)	(62)	
Less: gains (losses) and impairments for disposed or held for sale businesses (net of tax)	714	(977)		974	864	
Restructuring & other (pre-tax)	(706)	(1,001)		(3,440)	(4,030)	
Tax effect on restructuring & other(b)	95	299		492	1,252	
Less: restructuring & other (net of tax)	(611)	(702)		(2,948)	(2,778)	
Goodwill impairments (pre-tax)	(162)	(217)		(22,136)	(1,165)	
Tax effect on goodwill impairments(b)	11	2		(235)	9	
Less: goodwill impairments (net of tax)	(151)	(215)		(22,371)	(1,156)	
Unrealized gains (losses) (pre-tax)	(193)	—		—	—	
Tax effect on unrealized gains (losses)(a)	41	—		—	—	
Less: unrealized gains (losses) (net of tax)	(153)	—		—	—	
Less: GE Industrial U.S. tax reform enactment adjustment	17	(4,905)		(38)	(4,905)	
Adjusted GE Industrial earnings (loss) (Non-GAAP)	\$ 1,399	\$ 2,558	(45)%	\$ 5,980	\$ 7,685	(22)%
GE Capital earnings (loss) from continuing operations attributable to GE common shareowners (GAAP)	\$ (86)	\$ (6,569)	99 %	\$ (489)	\$ (6,765)	93 %
EFS impairments and insurance charge (pre-tax)	—	(11,444)		—	(11,444)	
Tax effect on EFS impairments and insurance charge(b)	—	3,501		—	3,501	
Less: EFS impairments and insurance charge (net of tax)	—	(7,943)		—	(7,943)	
Less: GE Capital U.S. tax reform enactment adjustment	(128)	206		(173)	206	
Adjusted GE Capital earnings (loss) (Non-GAAP)	\$ 43	\$ 1,167	(96)%	\$ (316)	\$ 972	U
Adjusted GE Industrial earnings (loss) (Non-GAAP)	\$ 1,399	\$ 2,558	(45)%	5,980	7,685	(22)%
Add: Adjusted GE Capital earnings (loss) (Non-GAAP)	43	1,167	(96)%	(316)	972	U
Adjusted earnings (loss) (Non-GAAP)	\$ 1,441	\$ 3,725	(61)%	\$ 5,664	\$ 8,657	(35)%

(a) The tax effect was calculated using a 21% and 35% U.S. federal statutory tax rate in 2018 and 2017, respectively, based on its applicability to such cost.

(b) The tax effect presented includes both the rate for the relevant item as well as other direct and incremental tax charges.

Adjusted earnings (loss) and EPS\* excludes non-operating benefit costs, gains (losses) and impairments for disposed or held for sale businesses, restructuring & other, goodwill impairments, unrealized gains (losses), and GE Capital EFS impairments and insurance charge in 2017, after tax, excluding the effects of U.S. tax reform enactment adjustment. The service cost of our pension and other benefit plans are included in adjusted earnings\*, which represents the ongoing cost of providing pension benefits to our employees. The components of non-operating benefit costs are mainly driven by capital allocation decisions and market performance, and we manage these separately from the operational performance of our businesses. Gains and restructuring and other items are impacted by the timing and magnitude of gains associated with dispositions, and the timing and magnitude of costs associated with restructuring activities. Prior to the third quarter of 2018, goodwill impairments were included as a component of restructuring and other charges; beginning in the third quarter of 2018, on a comparable basis, we reported it separately in the Statement of Earnings (loss) because of the significance of the charge that quarter, and Adjusted earnings (loss)\* continues to exclude amounts related to goodwill impairments separate from the ongoing operations of our businesses. We believe that the retained costs in Adjusted earnings (loss) and EPS\* provides management and investors a useful measure to evaluate the performance of the total company, and increases period-to-period comparability. We also use Adjusted EPS\* as a performance metric at the company level for our annual executive incentive plan for 2018. We believe that presenting Adjusted Industrial earnings (loss) and EPS\* separately for our financial services businesses also provides management and investors with useful information about the relative size of our industrial and financial services businesses in relation to the total company.



**ADJUSTED EARNINGS (LOSS) PER SHARE (NON-GAAP)**

	4Q'18	4Q'17	V%	2018	2017	V%
Consolidated EPS from continuing operations attributable to GE common shareowners (GAAP)	\$ 0.08	\$ (1.29)	F	\$ (2.43)	\$ (0.99)	U
Less: GE Capital EPS from continuing operations attributable to GE common shareowners (GAAP)	(0.01)	(0.76)		(0.06)	(0.78)	
GE Industrial EPS (Non-GAAP)	\$ 0.09	\$ (0.53)	F	\$ (2.37)	\$ (0.21)	U
Non-operating benefits costs (pre-tax) (GAAP)	(0.07)	(0.07)		(0.32)	(0.27)	
Tax effect on non-operating benefit costs(a)	0.01	0.02		0.07	0.10	
Less: non-operating benefit costs (net of tax)	(0.05)	(0.04)		(0.25)	(0.18)	
Gains (losses) and impairments for disposed or held for sale businesses (pre-tax)	0.10	(0.11)		0.16	0.11	
Tax effect on gains (losses) and impairments for disposed or held for sale businesses(b)	(0.02)	—		(0.04)	(0.01)	
Less: gains (losses) and impairments for disposed or held for sale businesses (net of tax)	0.08	(0.11)		0.11	0.10	
Restructuring & other (pre-tax)	(0.08)	(0.12)		(0.40)	(0.46)	
Tax effect on restructuring & other(b)	0.01	0.03		0.06	0.14	
Less: restructuring & other (net of tax)	(0.07)	(0.08)		(0.34)	(0.32)	
Goodwill impairments (pre-tax)	(0.02)	(0.03)		(2.55)	(0.13)	
Tax effect on goodwill impairments(b)	—	—		(0.03)	—	
Less: goodwill impairments (net of tax)	(0.02)	(0.02)		(2.57)	(0.13)	
Unrealized gains (losses) (pre-tax)	(0.02)	—		—	—	
Tax effect on unrealized gains (losses)(a)	—	—		—	—	
Less: unrealized gains (losses) (net of tax)	(0.02)	—		—	—	
Less: GE Industrial U.S. tax reform enactment adjustment	—	(0.56)		—	(0.56)	
Adjusted GE Industrial EPS (Non-GAAP)	\$ 0.16	\$ 0.30	(47)%	\$ 0.69	\$ 0.88	(22)%
GE Capital EPS from continuing operations attributable to GE common shareowners (GAAP)	\$ (0.01)	\$ (0.76)	99 %	\$ (0.06)	\$ (0.78)	92 %
EFS impairments and insurance charge (pre-tax)	—	(1.32)		—	(1.32)	
Tax effect on EFS impairments and insurance charge (b)	—	0.40		—	0.40	
Less: EFS impairments and insurance charge (net of tax)	—	(0.91)		—	(0.91)	
Less: GE Capital U.S. tax reform enactment adjustment	(0.01)	0.02		(0.02)	0.02	
Adjusted GE Capital EPS (Non-GAAP)	\$ —	\$ 0.13	(100)%	\$ (0.04)	\$ 0.11	U
Adjusted GE Industrial EPS (Non-GAAP)	\$ 0.16	\$ 0.30	(47)%	\$ 0.69	\$ 0.88	(22)%
Add: Adjusted GE Capital EPS (Non-GAAP)	—	0.13	(100)%	(0.04)	0.11	U
Adjusted EPS (Non-GAAP)(c)	\$ 0.17	\$ 0.43	(60)%	\$ 0.65	\$ 1.00	(35)%

(a) The tax effect was calculated using a 21% and 35% U.S. federal statutory tax rate in 2018 and 2017, respectively, based on its applicability to such cost.

(b) The tax effect presented includes both the rate for the relevant item as well as other direct and incremental tax charges.

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

Adjusted earnings (loss) and EPS\* excludes non-operating benefit costs, gains (losses) and impairments for disposed or held for sale businesses, restructuring & other, goodwill impairments, unrealized gains (losses), and GE Capital EFS impairments and insurance charge in 2017, after tax, excluding the effects of U.S. tax reform enactment adjustment. The service cost of our pension and other benefit plans are included in adjusted earnings\*, which represents the ongoing cost of providing pension benefits to our employees. The components of non-operating benefit costs are mainly driven by capital allocation decisions and market performance, and we manage these separately from the operational performance of our businesses. Gains and restructuring and other items are impacted by the timing and magnitude of gains associated with dispositions, and the timing and magnitude of costs associated with restructuring activities. Prior to the third quarter of 2018, goodwill impairments were included as a component of restructuring and other charges; beginning in the third quarter of 2018, on a comparable basis, we reported it separately in the Statement of Earnings (loss) because of the significance of the charge that quarter, and Adjusted earnings (loss)\* continues to exclude amounts related to goodwill impairments separate from the ongoing operations of our businesses. We believe that the retained costs in Adjusted earnings (loss) and EPS\* provides management and investors a useful measure to evaluate the performance of the total company, and increases period-to-period comparability. We also use Adjusted EPS\* as a performance metric at the company level for our annual executive incentive plan for 2018. We believe that presenting Adjusted Industrial earnings (loss) and EPS\* separately for our financial services businesses also provides management and investors with useful information about the relative size of our industrial and financial services businesses in relation to the total company.

**GE PRE-TAX EARNINGS (LOSS) FROM CONTINUING OPERATIONS EXCLUDING GE CAPITAL EARNINGS (LOSS) FROM CONTINUING OPERATIONS AND ADJUSTED GE PRE-TAX EARNINGS AND THE CORRESPONDING EFFECTIVE TAX RATES (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	2018	2017
GE earnings (loss) from continuing operations before income taxes (GAAP)	\$ 880	\$ (7,452)	\$ (20,248)	\$ (5,282)
Less: GE Capital earnings (loss) from continuing operations	(86)	(6,569)	(489)	(6,765)
GE Industrial earnings (loss) from continuing operations before income taxes (Non-GAAP)	\$ 965	\$ (883)	\$ (19,759)	\$ 1,482
Less: non-operating benefits (pre-tax)	(586)	(574)	(2,764)	(2,385)
Less: gains (losses) and impairments for disposed or held for sale businesses (pre-tax)	900	(961)	1,350	926
Less: restructuring & other (pre-tax)	(746)	(995)	(3,649)	(4,119)
Less: goodwill impairments (pre-tax)	(162)	(217)	(22,136)	(1,165)
Less: unrealized gains (losses) (pre-tax)	(193)	—	—	—
Adjusted GE Industrial earnings (loss) from continuing operations before income taxes (Non-GAAP)	\$ 1,752	\$ 1,864	\$ 7,440	\$ 8,225
GE provision (benefit) for income taxes (GAAP)	\$ 115	\$ 3,784	\$ 957	\$ 3,691
Less: taxes on non-operating benefit costs	(123)	(201)	(581)	(835)
Less: taxes on gains (losses) and impairments for disposed or held for sale businesses	186	16	375	62
Less: taxes on restructuring & other charges	(95)	(299)	(492)	(1,252)
Less: taxes related to goodwill impairments	(11)	(2)	235	(9)
Less: unrealized gains (losses)	(41)	—	—	—
Less: GE Industrial U.S. tax reform enactment adjustment	(17)	4,905	(96)	4,905
Adjusted GE Industrial taxes (Non-GAAP)	\$ 215	\$ (636)	\$ 1,515	\$ 819
GE effective tax rate, excluding GE Capital earnings (Non-GAAP)	12%	(429)%	(5)%	249%
Adjusted GE effective tax rate (Non-GAAP)	12%	(34)%	20 %	10%

We believe that the GE effective tax rate is best analyzed in relation to GE earnings before income taxes excluding the GE Capital net earnings from continuing operations, as GE tax expense does not include taxes on GE Capital earnings. Management believes the GE effective tax rate, excluding GE Capital earnings\* provides investors with useful information as it presents the GE effective tax rate that can be used in comparing the GE results to other non-financial services businesses. Adjusted GE effective tax rate\* also excludes non-operating benefit costs, gains (losses) and impairments for disposed or held for sale businesses, goodwill impairments, unrealized gains (losses) and restructuring & other items. The service cost of our pension and other benefit plans are included in adjusted earnings, which represents the ongoing cost of providing pension benefits to our employees. The components of non-operating benefit costs are mainly driven by capital allocation decisions and market performance, and we manage these separately from the operational performance of our businesses. Gains and restructuring and other items are impacted by the timing and magnitude of gains associated with dispositions, and the timing and magnitude of costs associated with restructuring activities. We believe that the retained pre-tax earnings and corresponding taxes in Adjusted GE effective tax rate\* provides management and investors a useful measure to evaluate the performance of the total company, and increases period-to-period comparability.

**GE INDUSTRIAL FREE CASH FLOWS (FCF) AND ADJUSTED GE INDUSTRIAL FCF (NON-GAAP)**

<i>(Dollars in millions)</i>	4Q'18	4Q'17	V\$	2018	2017	V\$
GE CFOA (GAAP)	\$ 6,385	\$ 6,982	\$ (597)	\$ 2,258	\$ 11,033	\$ (8,776)
Add: gross additions to property, plant and equipment	(882)	(1,082)		(3,302)	(4,132)	
Add: gross additions to internal-use software	(86)	(123)		(347)	(518)	
Less: common dividends from GE Capital	—	—		—	4,016	
Less: GE Pension Plan funding	—	(287)		(6,000)	(1,717)	
Less: taxes related to business sales	(90)	(117)		(180)	(229)	
<b>GE Industrial Free Cash Flows (Non-GAAP)</b>	<b>\$ 5,507</b>	<b>\$ 6,182</b>	<b>\$ (675)</b>	<b>\$ 4,789</b>	<b>\$ 4,313</b>	<b>\$ 476</b>
Less: Oil & Gas CFOA	1,094	(234)		1,763	(477)	
Less: Oil & Gas gross additions to property, plant and equipment	(334)	(237)		(964)	(488)	
Less: Oil & Gas gross additions to internal-use software	(8)	(10)		(31)	(34)	
Add: BHGE Class B shareholder dividend	95	129		494	251	
<b>Adjusted GE Industrial Free Cash Flows (Non-GAAP)</b>	<b>\$ 4,850</b>	<b>\$ 6,792</b>	<b>\$ (1,942)</b>	<b>\$ 4,515</b>	<b>\$ 5,562</b>	<b>\$ (1,047)</b>

**POWER FREE CASH FLOWS (NON-GAAP)**

<i>(Dollars in millions)</i>	2018
GE Power CFOA (GAAP)	\$ (2,210)
Add: gross additions to property, plant and equipment	(378)
Add: gross additions to internal-use software	(72)
<b>Power Free Cash Flows (Non-GAAP)</b>	<b>\$ (2,660)</b>

In 2018, GE transitioned from reporting an Adjusted GE Industrial CFOA metric to measuring itself on a GE Industrial Free Cash Flows basis\*. This metric includes GE CFOA plus investments in property, plant and equipment and additions to internal-use software; this metric excludes any dividends received from GE Capital and any cash received from dispositions of property, plant and equipment.

We believe that investors may also find it useful to compare GE's Industrial free cash flows\* performance without the effects of cash used for taxes related to business sales and contributions to the GE Pension Plan. We believe that this measure will better allow management and investors to evaluate the capacity of our industrial operations to generate free cash flows. In addition, we report Adjusted GE Industrial Free Cash Flows\* in order to provide a more fair representation of the cash that we are entitled to utilize in a given period. We also use Adjusted GE Industrial Free Cash Flows\* as a performance metric at the company-wide level for our annual executive incentive plan for 2018.

Management recognizes that the term free cash flows may be interpreted differently by other companies and under different circumstances. Although this may have an effect on comparability of absolute percentage growth from company to company, we believe that these measures are useful in assessing trends of the respective businesses or companies and may therefore be a useful tool in assessing period-to-period performance trends.

**GE INDUSTRIAL NET DEBT (NON-GAAP)**

In this document we use GE Industrial net debt\*. We cannot provide an equivalent GAAP guidance range for our Industrial net debt target, which is calculated based on rating agency methodologies, without unreasonable effort. GE Industrial net debt reflects the total of gross debt excluding BHGE, after-tax net pension and retiree benefit plan liabilities, adjustments for operating lease obligations excluding BHGE, and adjustments for 50% of preferred stock, less 75% of GE's cash balance excluding BHGE. There is significant uncertainty on the timing and amount of events that could give rise to items included in the determination of this metric, including the timing of pension funding, proceeds from dispositions, and the impact of interest rates on our pension assets and liabilities.

**GE CAPITAL SEGMENT RESULTS - 4Q'18**

<i>(Dollars in millions) - net earnings</i>	4Q'18	4Q'17	V%
GECAS	\$ 360	\$ 1,133	(68)%
EFS	(110)	(1,600)	93
Industrial Finance and WCS	25	96	(74)
Insurance	(42)	(7,189)	99
Other continuing operations(a)	(318)	991	U
Capital segment profit/(loss)	\$ (86)	\$ (6,569)	99 %
Earnings (loss) from discontinued operations	(91)	182	
GE Capital Net earnings (loss) attributable to GE common shareowners	\$ (177)	\$ (6,388)	97 %

(a) includes the impact of Preferred stock dividends

**GE CAPITAL SEGMENT ASSETS - 4Q'18**

<i>(Dollars in billions)</i>	4Q'18	3Q'18	V%
GECAS	\$ 41.7	\$ 40.6	3 %
EFS	3.0	6.3	(53)
Industrial Finance and WCS	15.8	19.3	(18)
Insurance	40.3	40.7	(1)
Other continuing operations	18.6	16.9	10
Capital segment assets	\$ 119.3	\$ 123.8	(4)%
Assets of discontinued operations	4.6	4.7	
GE Capital total assets	\$ 123.9	\$ 128.5	(4)%