



GE ANNOUNCES FOURTH QUARTER 2018 RESULTS

- **4Q'18: GE CFOA (GAAP) of \$6.4 billion; adjusted GE Industrial free cash flows (non-GAAP)^{-a)} of \$4.9 billion**
- **FY'18: GE CFOA (GAAP) of \$2.3 billion; adjusted GE Industrial free cash flows (non-GAAP)^{-a)} of \$4.5 billion**
- **4Q'18: continuing EPS (GAAP) of \$0.08; adjusted EPS (non-GAAP) of \$0.17**
- **FY'18: continuing EPS (GAAP) of \$(2.43); adjusted EPS (non-GAAP) of \$0.65**

BOSTON – January 31, 2019 - GE (NYSE:GE) announced results today for the quarter ended December 31, 2018. GE reported revenues of \$33.3 billion, GE cash flows from operating activities of \$6.4 billion, adjusted GE Industrial free cash flows (non-GAAP) of \$4.9 billion, continuing earnings per share (EPS) of \$0.08, and adjusted EPS (non-GAAP) of \$0.17. Full details, including full-year results, are below.

Recent actions to make GE simpler and stronger include:

De-leveraging the balance sheet:

- Reduced quarterly dividend, accelerated the sell-down of GE's stake in BHGE, and increased GE's retained stake in the planned Wabtec transaction, collectively allowing GE to generate or retain approximately \$10 billion of cash.
- In GE Industrial, signed or completed substantially all of the \$20 billion asset disposition program in 2018.
- In GE Capital, completed \$8 billion of asset sales and other actions in the quarter, bringing the total dispositions to \$15 billion in 2018; paid down external debt by \$21 billion in 2018.
- Reached agreement in principle with the United States Department of Justice to settle the FIRREA investigation of WMC, with GE to pay a civil penalty of \$1.5 billion, consistent with the prior reserve for this matter.

Strengthening the businesses:

- Delayed Power to improve accountability and cost structures in underlying businesses.
- Announced plans to consolidate GE's renewable and grid assets into Renewable Energy.
- Launching an independent GE-owned Digital business to better focus on growth opportunities in industrial IoT.
- Refocused Global Growth Organization (GGO) to support commercial growth in emerging markets.
- Named new leaders, including Kevin Cox as chief human resources officer, Rachel Duan as CEO of GGO, Scott Strazik as CEO of Gas Power, Karyn Ovelmen as transformation leader of Gas Power, John Rice as chairman of Gas Power, and Steve Winoker as VP of Investor Relations.
- Appointed Paula Rosput Reynolds to GE's Board and announced GE's intention to conduct an auditor tender process.

GE Chairman and CEO H. Lawrence Culp, Jr. said, "Our strategy is clear: de-leverage our balance sheet and strengthen our businesses, starting with Power. To do this, we are improving execution, customer focus, and how we set priorities across GE. I'm confident in our team, technology, and the global reach of GE's brand and relationships. We have more work to do, but I'm encouraged by the changes we're making to strengthen GE and create value for our shareholders, customers, and employees."

(Dollars in millions; except per-share amounts)	Three months ended December 31			Twelve months ended December 31		
	2018	2017	Year on Year	2018	2017	Year on Year
GAAP Metrics						
GE Cash Flows From Operating Activities (GE CFOA)	\$ 6,385	\$ 6,982	(9)%	\$ 2,258	\$ 11,033	(80)%
Continuing EPS	0.08	(1.29)	F	(2.43)	(0.99)	U
Net EPS	0.07	(1.27)	F	(2.62)	(1.03)	U
Total Revenues	33,278	31,603	5%	121,615	118,243	3%
GE Industrial Profit Margin	3.1%	(2.9) %	600 bps	(17.4)%	1.3 %	U
Non-GAAP Metrics						
Adjusted GE Industrial Free Cash Flows (FCF) ^{-a)}	\$ 4,850	\$ 6,792	(29)%	\$ 4,515	\$ 5,562	(19)%
Adjusted EPS	0.17	0.43	(60) %	0.65	1.00	(35) %
GE Industrial Segment Organic Revenues	32,224	29,823	8 %	109,340	109,220	- %
Adjusted GE Industrial Profit ^{-b)}	2,328	2,757	(16) %	10,203	11,257	(9) %
Adjusted GE Industrial Profit Margin ^{-b)}	7.5 %	9.0 %	(150) bps	9.0 %	10.1 %	(110) bps

-a) Excludes deal taxes and GE Pension Plan funding, and with BHGE on a dividend basis

-b) Excludes interest and other financial charges, non-op benefit costs, gains (losses), goodwill impairments, and restructuring & other charges

We present both GAAP and non-GAAP measures to provide investors with additional information. We believe that providing these non-GAAP measures along with GAAP measures allows for increased comparability of our ongoing performance from period to period. Please see pages 8-13 for explanations of why we use these non-GAAP measures and the reconciliation to the most comparable GAAP financial measures.