

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 3, 2019

Baker Hughes, a GE company

Baker Hughes, a GE company, LLC

(Exact name of registrant as specified in charter)

Delaware  
(State of Incorporation)

1-38143  
(Commission File No.)

81-4403168  
(I.R.S. Employer  
Identification No.)

Delaware  
(State of Incorporation)

1-09397  
(Commission File No.)

76-0207995  
(I.R.S. Employer  
Identification No.)

17021 Aldine Westfield  
Houston, Texas  
(Address of Principal Executive Offices)

77073-5101  
(Zip Code)

Registrant's telephone number, including area code: (713) 439-8600  
(former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                                | Trading Symbol | Name of each exchange on which registered |
|--|----------------|---|
| Class A Common Stock, par value \$0.0001 per share | BHGE           | New York Stock Exchange                   |
| 5.125% Senior Notes due 2040                       | -              | New York Stock Exchange                   |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure.**

On September 3, 2019, the Chairman, President and Chief Executive Officer of Baker Hughes, a GE company (the "Company"), Lorenzo Simonelli, will present at the Barclays 2019 CEO Energy-Power Conference in New York at 11:00 a.m. Eastern time. A copy of the presentation is furnished with this Form 8-K as Exhibit 99.1 and incorporated into this Item 7.01 by reference. In accordance with General Instructions B.2. of Form 8-K, the information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

In addition to financial results determined in accordance with generally accepted accounting principles ("GAAP") that are included in the presentation, certain information included therein could be considered non-GAAP financial measures (as defined under the SEC's Regulation G). Any non-GAAP financial measures should be considered in addition to, and not as an alternative for, or superior to, operating income (loss) cash flows or other measures of financial performance prepared in accordance with GAAP as more fully discussed in the Company's financial statements, including the notes thereto, and filings with the SEC.

**Item 9.01 Financial Statements and Exhibits.** (Information furnished in this Item 9.01 is furnished pursuant to Item 9.01.)

(d) Exhibits.

|                       |  |
|-----------------------|--|
| <a href="#">99.1*</a> | <a href="#">Presentation of Baker Hughes, a GE company, dated September 3, 2019</a>      |
| 101.SCH*              | Inline XBRL Schema Document  |
| 101.CAL*              | Inline XBRL Calculation Linkbase Document  |
| 101.LAB*              | Inline XBRL Label Linkbase Document  |
| 101.PRE*              | Inline XBRL Presentation Linkbase Document   |
| 101.DEF*              | Inline XBRL Definition Linkbase Document   |
| 104*                  | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

\* Furnished herewith.

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BAKER HUGHES, A GE COMPANY

Dated: September 3, 2019

By:

\_\_\_\_\_  
/s/ Lee Whitley  
Lee Whitley  
Corporate Secretary

BAKER HUGHES, A GE COMPANY, LLC

Dated: September 3, 2019

By:

\_\_\_\_\_  
/s/ Lee Whitley  
Lee Whitley  
Corporate Secretary

EXHIBIT INDEX

| <u>Exhibit No.</u>   | <u>Description</u>   |
|----------------------|--|
| <a href="#">99.1</a> | <a href="#">Presentation of Baker Hughes, a GE company, dated September 3, 2019</a>      |
| 101.SCH              | Inline XBRL Schema Document  |
| 101.CAL              | Inline XBRL Calculation Linkbase Document  |
| 101.LAB              | Inline XBRL Label Linkbase Document  |
| 101.PRE              | Inline XBRL Presentation Linkbase Document   |
| 101.DEF              | Inline XBRL Definition Linkbase Document   |
| 104                  | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

**BAKER  
HUGHES**  
a GE company



# 2019 Barclays CEO Energy-Power Conference

Lorenzo Simonelli  
Chairman & CEO

September 3, 2019

Confidential. Not to be copied, distributed, or reproduced without prior approval.



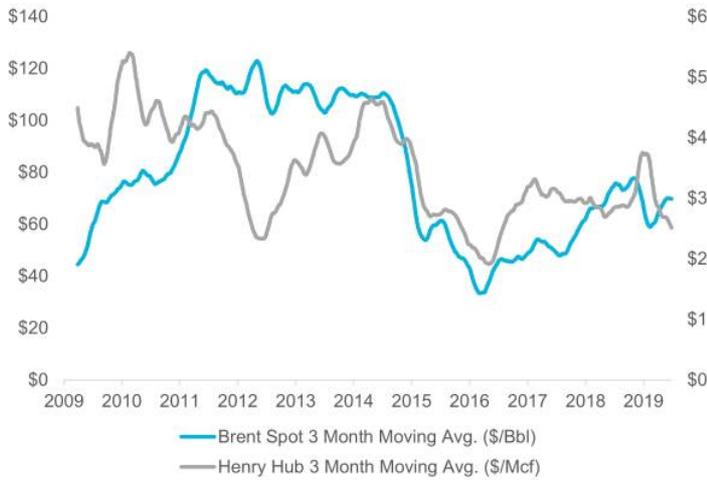
This presentation (and oral statements made regarding the subjects of this release) may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, (each a "forward-looking statement"). The words "anticipate," "believe," "ensure," "expect," "if," "intend," "estimate," "project," "foresee," "forecasts," "predict," "outlook," "aim," "will," "could," "should," "potential," "would," "may," "probable," "likely," and similar expressions, and the negative thereof, are intended to identify forward-looking statements. There are many risks and uncertainties that could cause actual results to differ materially from our forward-looking statements. These forward-looking statements are also affected by the risk factors described in the Company's annual report on Form 10-K for the period ended December 31, 2018 and quarterly report on Form 10-Q for the period ended June 30, 2019 and those set forth from time to time in other filings with the Securities and Exchange Commission ("SEC"). The documents are available through the Company's website at: [www.investors.bhge.com](http://www.investors.bhge.com) or through the SEC's Electronic Data Gathering and Analysis Retrieval ("EDGAR") system at: [www.sec.gov](http://www.sec.gov). We undertake no obligation to publicly update or revise any forward-looking statement.

The Company presents its financial results in accordance with GAAP which includes the results of Baker Hughes and GE Oil & Gas from the transaction closing date of July 3, 2017. However, management believes that using additional non-GAAP measures will enhance the evaluation of the profitability of the Company and its ongoing operations. See Exhibit 99.1 in our Current Report on Form 8-K filed with the Securities and Exchange Commission on July 31, 2019 for a reconciliation of GAAP to non-GAAP financial measures.



# Macro environment challenges us to re-invent ourselves

## Recent commodity price volatility



## Current macro expectations

- NAM oil production growing ... +1.9 MMbd by end-2020
- Global oil supply flexible ... NAM growth, OPE group has 2.2 MMbd spare capacity
- Oil prices likely rangebound ... sufficient supply demand growth slowing
- Gas expected to outgrow other fossils ... transition fuel

In this changing environment, having a differentiated portfolio is more critical than ever

# BHGE today is not an ordinary OFSE company



Our strategic priorities are focused on building a differentiated energy technology company

# Evolving our strategic priorities

2017/2018

- 1 Re-establish presence with customers ... commercial framework
- 2 Deliver on synergies – SG&A
- 3 Integration ... bring cultures together
- 4 Define roles & responsibilities
- 5 Maintain technology DNA + leadership

2018/2019

- 1 Deliver on synergies – SG&A + product cost
- 2 Growth ... regain lost share in OFS (International) ... position for LNG wave
- 3 Refine operating mechanisms ... simplification & digitization
- 4 Preparation for separation from GE

Next twelve months

- 1 Continue delivering on margin improvement ... product cost + service delivery cost
- 2 Portfolio alignment with highest returns activities
- 3 Continued focus on operations ... service delivery, project execution
- 4 GE separation
- 5 Deliver on free cash flow & returns potential



# 2018/2019 execution against goals



- ✓ Delivered synergies ~\$100M above target in '18
- ✓ +10% orders, +5% revenue growth in '18 ... 1H'19 +9% orders, +6% revenue growth vs. 1H'18
- ✓ Simplified regional org structure, TPS structure and footprint, enhanced execution accountability
- ✓ +216bps improvement in total company adjusted operating income margins in '18
- ✓ Commercial agreements with GE in place, initial sell-down N

# Clear strategic priorities for the next 12 months

- 1 Continue delivering on margin improvement ... product cost + service delivery
- 2 Portfolio alignment with highest returns activities
- 3 Continued focus on operations ... service delivery, project execution
- 4 GE separation
- 5 Deliver on free cash flow potential

# 1 Continue margin improvement initiatives

## Significant progress on expanding margins

Adjusted operating income %, growth from 2Q'17 to 2Q'19

+380bps

Improvement in total company adjusted operating income margins

+610bps

Improvement in OFS segment operating income margins

↓ 304 bps

Reduction in SG&A as % of revenue from 3Q'17 to 2Q'19



## ... launching next wave of improvement area



Drive product cost-out ... improved procurement, product standardizat



Improve service delivery ... better efficiency, utilization, execution

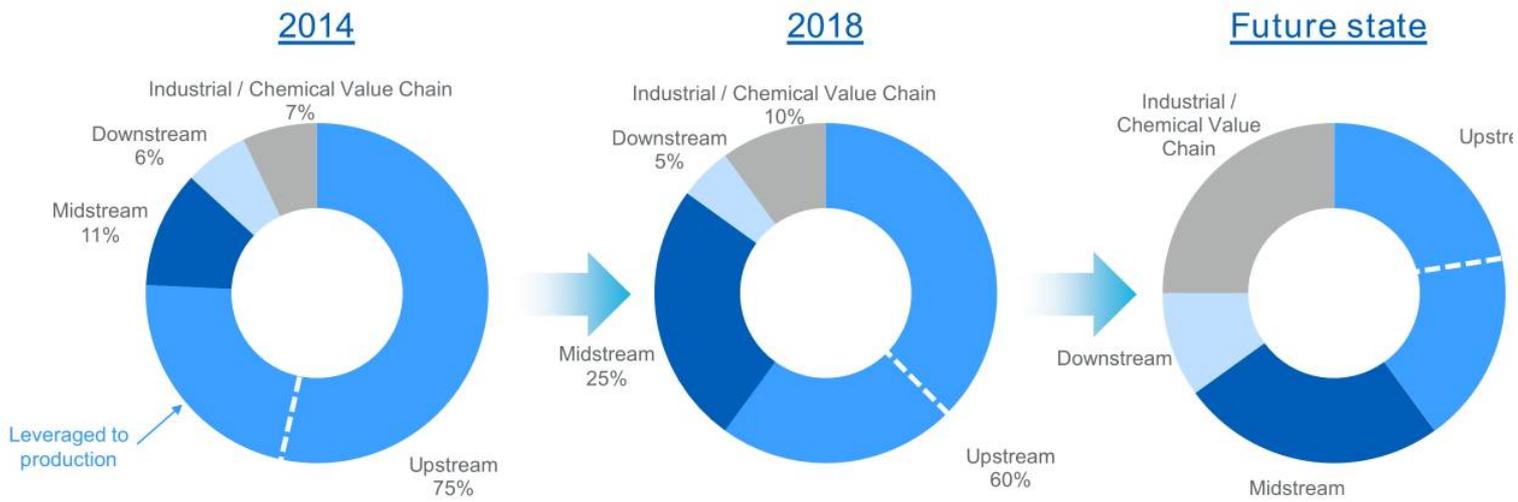


Drive supply chain excellence ... process redesign, lean, on-time deli



Digitize processes ... efficiency thrc digital capability, artificial intelligenc

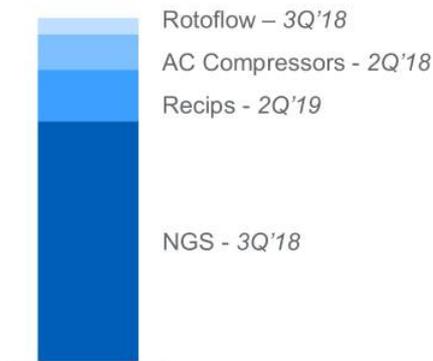
## 2 Evolving the portfolio ... differentiation for the future



Capturing the energy transition ... greater exposure to midstream, chemicals, and industrial ma

## 2 Evolving the portfolio ... taking action & focusing on return

### High-grading portfolio



~\$535M of proceeds  
from dispositions

### Partnering to drive value



5% equity stake in 4Q'18



2Q'19 JV to accelerate software development & AI deployment



Acquired in 4Q'18; non-metallic MOU with Saudi Aramco

~\$640M reinvested in  
high returns areas

### Investing in the right areas

~2,700  
patents issued globally in 2018

\$700M  
2018 R&D spend



Leading LM9000 turbine launched next gen LNG drive



Launched Subsea Connect & Aptaris



Investing in global Production Chemical footprint in KSA & Singapore

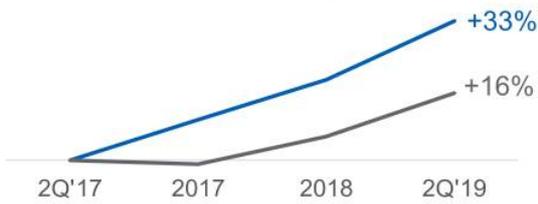
Redeploying capital in accretive areas ... focusing on returns



# 3 Continued focus on operations ... delivering for customer

## Strong international OFS growth

- OFS international revenue indexed growth since 2Q'17
- International rig count indexed growth since 2Q'17



## Continued LNG success

Sanctioned FID LNG Projects with BHGE technology selected (MTPA)



**BAKER HUGHES**  
a GE company

Source: BHGE Rig Count, Company filings

## Focused on executing for customers

### ADNOC Drilling

- Drilled over 100k feet with 97% drilling efficiency
- Saved more than 88 days of drilling time on first 8 wells

### Equinor

- Fully integrated 8 drilling units + 2 already existing
- More than 330k feet drilled with best-in-class performance
- Awarded two additional fields based on early drilling performance

### Continued excellence in LNG

- Yamal Train 3 start-up one year ahead of schedule
- Cheniere production increase to 4.7 – 5.0 MTPA per train
- Launched LM9000 gas turbine on Arctic-2 LNG
- Awarded contract for VG's 10 MTPA Calcasieu Pass

## 4 GE separation



Commercial agreements in place ... solidifies operational and commercial relationships for the long term ... certainty for customers



Initial sell-down in Nov '18 ... working collaboratively with GE as they pursue their orderly exit



Investing in systems and processes that enable us to fully separate .. e.g. IT, HR, and other back office systems

## 5 Deliver on free cash flow potential

### Capital allocation actions since deal close

**\$3 billion**

Share buyback  
executed

**\$1.6 billion**

Dividends  
paid

**\$1.4B / 3.0%**

CAPEX spend /  
% of revenue

**\$1.4 billion**

Research &  
development spend

**160 bps**

Reduction in  
cost of debt

**A3 / A-**

Investment grade  
rating



(a- Based on 5pt. combined business basis average. DSOs excludes impact from monetization winddown)

### Improving working capital processes



### Goals going forward

- Commitment to capital discipline ... cap up to 5% of revenue
- Delivering 90% free cash flow conversion
- Returning excess capital to shareholder

© 2019 Baker Hughes, a GE company - All rights reserved

# At BHGE we are committed to social responsibility

## Core elements embedded in how we operate



People



Planet



Principles

- Empower people in a culture of inclusion and support communities to be vibrant places to live and work
- Stewards of the environment, inventing technologies for reduced impact and using resources wisely
- Grounded on sound governance, effective policies and guidelines, and transparency



## Improving Health, Safety, and Environment

# 153

**“Perfect HSE days” achieved in ‘18 ... up 20% year-over-year**

Days without a recordable injury, vehicle accident, and serious environmental spills or releases

I AM Responsible for a Perfect HSE Day

## Driving carbon footprint reduction



**Net-zero BHGE CO<sub>2</sub> emissions by 2050**

While investing in our portfolio of advanced technologies to enable customer's reduction

Leading the energy transition

# Incentive compensation metrics aligned



Our compensation metrics are aligned to shareholder returns



# Summary



BHGE is not an ordinary OFSE company

5 clear focus areas for the next year

Priorities aligned to shareholder returns ... accretive share, margins, cash

**BAKER  
HUGHES**  
a GE company



