

# 3Q 2023 Results

October 26, 2023

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The Company presents its financial results in accordance with GAAP; however, management believes that using additional non-GAAP measures will enhance the evaluation of the profitability of the Company and its ongoing operations. See the Appendix of this presentation for a reconciliation of GAAP to non-GAAP financial measures.

# Lorenzo Simonelli

Chairman & Chief Executive Officer



## 3Q 2023 highlights

- **LNG strength drives record IET orders ...** of \$4.3B and a fourth straight quarter of orders exceeding \$3B, including ~\$2.5B in LNG equipment orders led by Venture Global award
- **Major awards for SSPS ...** booked 11 XT order from a sub-Saharan African operator for subsea equipment offshore Angola and two major contracts with Vår Energi
- **On track to significantly exceed previous IET orders guidance ...** now expect IET orders to be between \$14.0B – \$14.5B
- **EBITDA of \$983M at the upper end of guidance range ...** largely driven by IET as revenue and EBITDA margin came in above respective guidance midpoints
- **Booked ~\$100M in new energy orders** in 3Q'23, led by hydrogen & ammonia plant equipment orders and brings YTD to ~\$540M
- **Strong free cash flow of \$592M ...** increased dividend to \$0.20/sh and executed \$119M of share repurchases



# Energy fundamentals remain strong despite macro & political uncertainty

## Multi-year investment cycles underway in both upstream & LNG markets

### UPSTREAM OIL & GAS

Confident in our 2023 outlook - development plans mostly set through year-end

International D&C spend expected to be up mid-teens YoY in 2023

NAM D&C up by mid-to-high single digits YoY in 2023

Another year of solid upstream spending growth in 2024, led by international and offshore markets

**Awarded total of 21 subsea trees in 3Q23**

**11 subsea trees awarded in offshore Angola**

**7 subsea trees from Vår Energi for Balder Field**

**SSPS RPO of \$3.6B, up 52% YoY**

### LNG MARKET

LNG market remains tight ... recent price spikes caused by Middle East conflict & LNG facility strikes

Expect LNG demand to reach record levels of ~410 MTPA in 2023, up 2% YoY

Global nameplate capacity of 490 MTPA in 2023 ... effective utilization >90% ... strong fundamentals

LNG demand to increase 3% in 2024 ... elevated levels of utilization with just 15 MTPA coming online

**Major Venture Global order, providing LNG & power island**

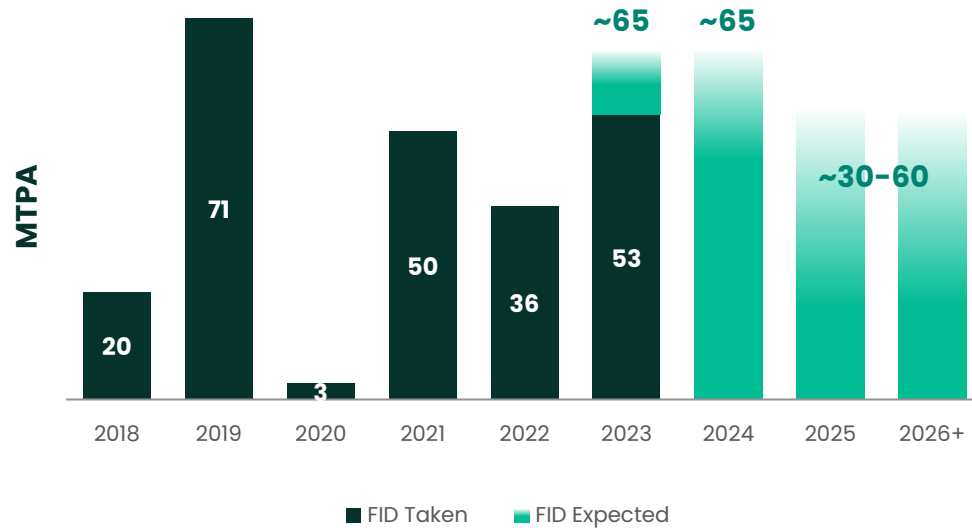
**LNG order for East Africa FLNG project**

**Gas Tech Equipment RPO of \$12.8B, up 76% YoY**

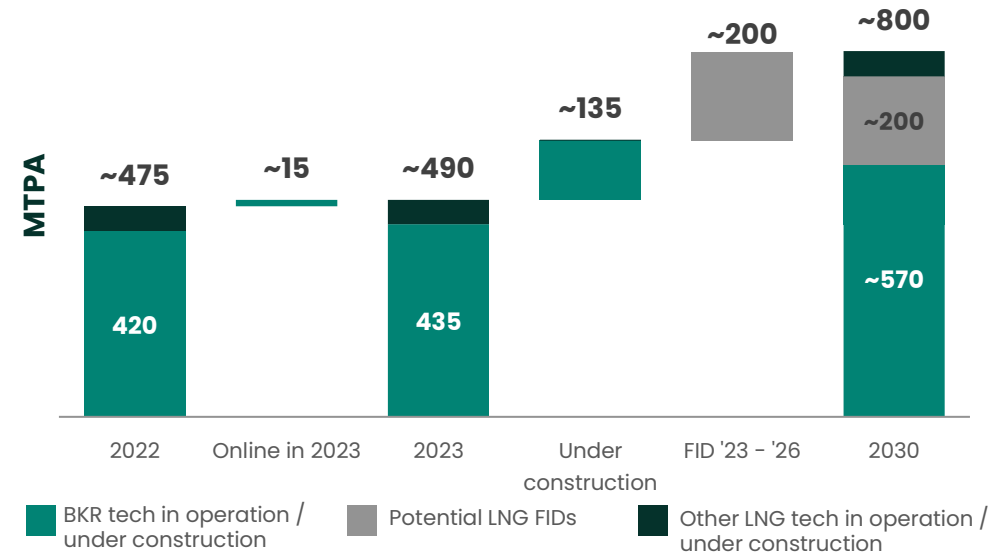
# On track for at least 65 MTPA of LNG FIDs in 2023

## The LNG project pipeline continues to grow, both in the US and internationally

LNG FIDS & FID OUTLOOK<sup>1</sup>



LNG CAPACITY OUTLOOK<sup>1</sup>



### Strong LNG orders quarter

- Booked almost **\$2.5 billion** of LNG equipment orders, bringing total YTD to ~\$4.8 billion.
- Expect to book LNG orders of **~80 MTPA** in 2023.

### On track to achieve 800 MTPA of capacity by 2030

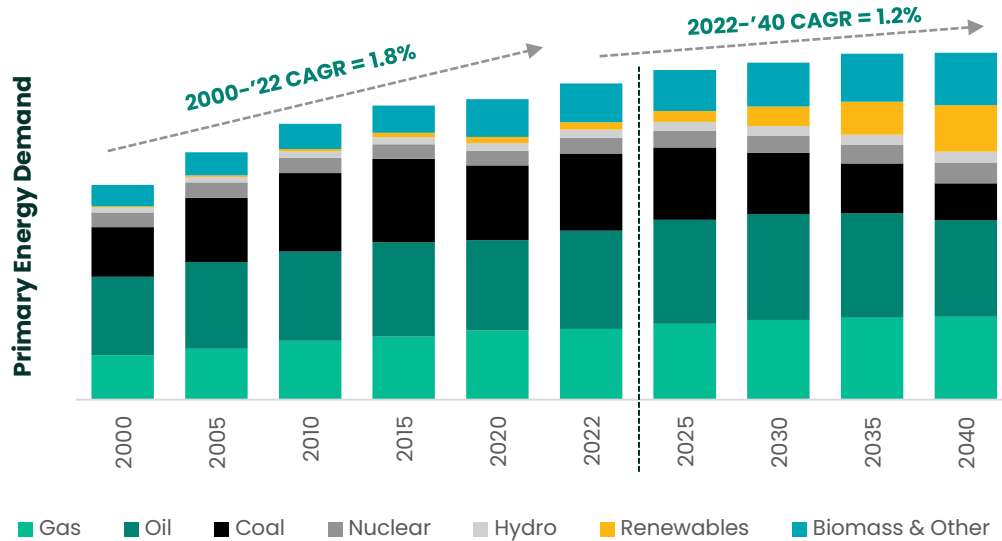
- Out of the **204 MTPA of LNG FIDs since 2017**, Baker Hughes has been selected to provide **201 MTPA** of this new capacity.
- Once online, our global liquefaction installed base is set to increase by **50%** by 2028.

# Long-term energy demand growth expected beyond 2040

Driven by rising population & increasing energy consumption per capita in the developing world

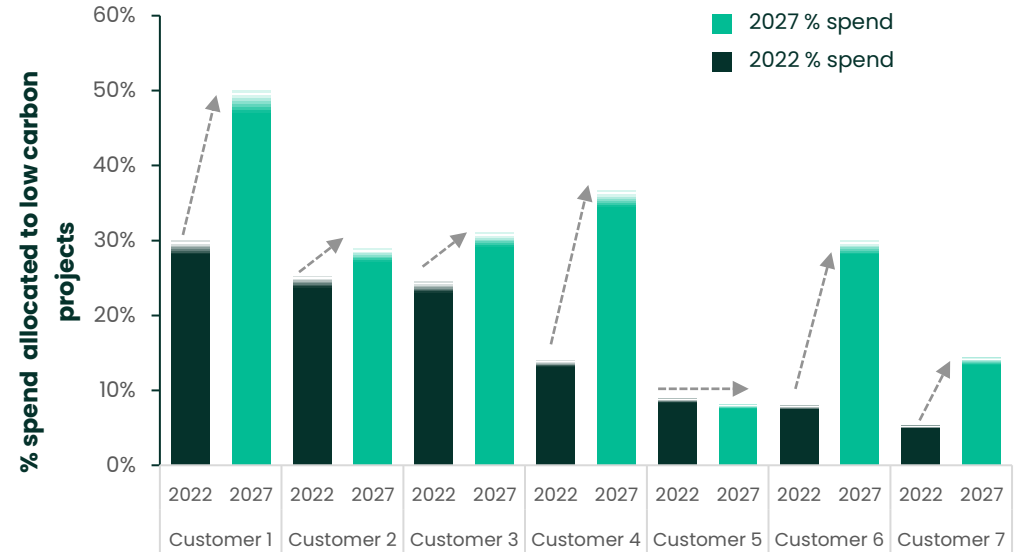
## PRIMARY GLOBAL ENERGY DEMAND BY ENERGY SOURCE<sup>1</sup>

Growth backdrop provides strong support to Baker Hughes underlying business



## % MAJORS SPEND ON LOW CARBON PROJECTS 2022 VS. 2027<sup>2</sup>

At the same time, key oil & gas customers are indicating increasingly ambitious low carbon investment plans



As coal is displaced in the energy mix, lower-carbon energy solutions will be needed to meet increasing global energy demand

# Executing our strategy across three time horizons

Delivering on near-term targets while laying the foundations for long-term success

## HORIZON ONE

*THROUGH 2025*

*Multi year growth cycles underway in LNG & upstream*

## HORIZON TWO

*MID TO LATE 2020'S*

*Growth moderates in upstream – new energy starts to scale*

## HORIZON THREE

*TO 2030 & BEYOND*

*Decarbonization becomes the pre-requisite for all energy projects*

Market Landscape

**Transform the core**

Transforming our business and simplifying the way we work

Strong aftermarket services growth driven by increasing LNG installed base

Leveraging current capabilities in new ways as traditional markets mature

**Invest for growth**

Optimizing the portfolio and integrating recent acquisitions

Scaling digital offerings as customers focus on efficiencies & emissions reductions

Significant recurring revenue from digital and services franchises

**Position for new frontiers**

Leveraging world class capabilities to progress digital & new energy tech

Successful commercialization of digital & new energy technology

New energy inflects, driving significant order growth across decarb offerings

**BKR TARGETS:**

**20%**  
OFSE/IET EBITDA margins targeted in '25/'26

ROIC  
**15%/20%**  
OFSE / IET

**20+%**  
OFSE/IET EBITDA margins

ROIC  
**>15%/>20%**  
OFSE / IET

**\$6-7B**  
New energy orders



Nancy Buese

Chief Financial Officer

# 3Q 2023 financial results

## Significant order & revenue growth

Orders  
**\$8.5B**  
↑ 40% YoY

Revenue  
**\$6.6B**  
↑ 24% YoY

## Continued margin improvement ... 14.8% Adj. EBITDA margin

Adj. EBITDA  
**\$983M**  
↑ 30% YoY

Adj. operating income  
**\$716M**  
↑ 42% YoY

## Strong increase in free cash flow generation

Free cash flow  
**\$592M**  
↑ +\$42% YoY

Adjusted EPS  
**\$0.42**  
↑ +\$61% YoY

# Strong balance sheet and solid cash flow

## STRONG BALANCE SHEET

Strong balance sheet enables  
financial flexibility

**1.0X<sup>1</sup>**

Net debt / LTM Adj. EBITDA

**A3/A-**

Credit Ratings from Moody's and S&P

**\$6.2B<sup>2</sup>**

Total Liquidity

**Committed to  
investment grade rating**

## PRIORITIZING FREE CASH FLOW

Portfolio focused on maximizing  
free cash flow generation

**\$0.6B<sup>3</sup>**

FCF in 3Q'23

**+\$0.2B**

vs. 3Q'22

**60%<sup>3</sup>**

FCF conversion in 3Q'23

**Targeting 50+% FCF  
conversion across all horizons**

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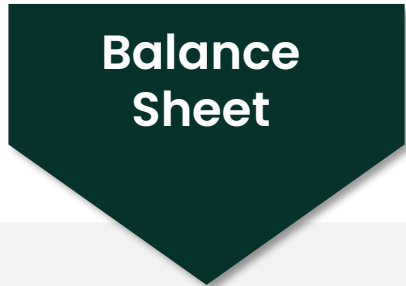
1. Net Debt / LTM Adj. EBITDA is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations
2. As of September, 30 2023: Cash and cash equivalents of \$3,201 million and a \$3 billion committed unsecured revolving credit facility
3. FCF Conversion = FCF / Adj. EBITDA. FCF & Adj. EBITDA are non-GAAP measures – see appendix for GAAP to non-GAAP reconciliations

# Flexible capital allocation policy

## Prioritizing a strong balance sheet and returning capital to shareholders

60%-80% FCF<sup>4</sup>

PRIORITY



PHILOSOPHY

- Maintain a strong balance sheet
- Maintain optionality to pay down near-term debt maturities

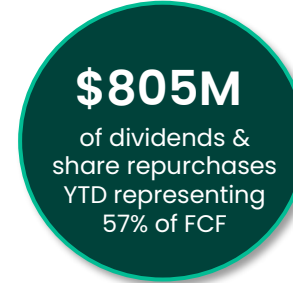
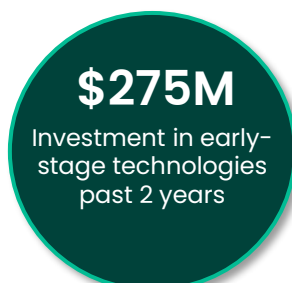
- Focus growth capital on highest return, highest impact, highest growth opportunities across the portfolio

- Prioritize dividend growth supported by continued margin improvement & structural growth in IET

- Repurchase shares to offset share-based compensation
- Opportunistic share repurchases to meet shareholder return framework

- Disciplined strategy targeting high return, bolt-on acquisitions
- Selectively recycle capital from divestments & equity investments

STATUS



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1. Technology investment represents small acquisitions and equity investments in incubator stage technology companies focused in the areas of CCUS, H2, Geothermal, Clean Power and Industrial Asset Management.

2. Net Debt / LTM Adj. EBITDA is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations

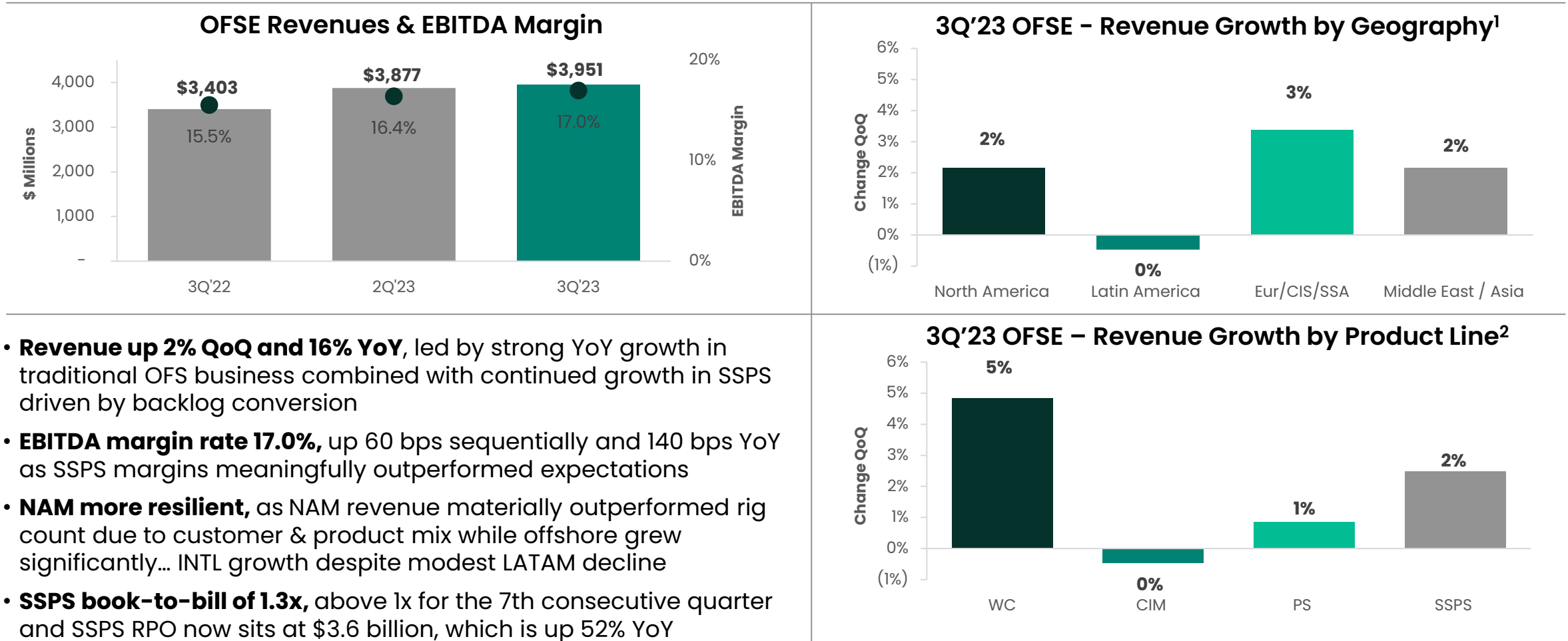
3. As of September 30, 2023: Cash and cash equivalents of \$3,201 million and a \$3 billion committed unsecured revolving credit facility

4. Free Cash Flow (FCF) is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations.

5. increased dividend amount (\$0.20) was announced on July 27, 2023

# Oilfield Services & Equipment (OFSE) results

Strong performance driven by international markets across all product lines



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EBITDA margin is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations

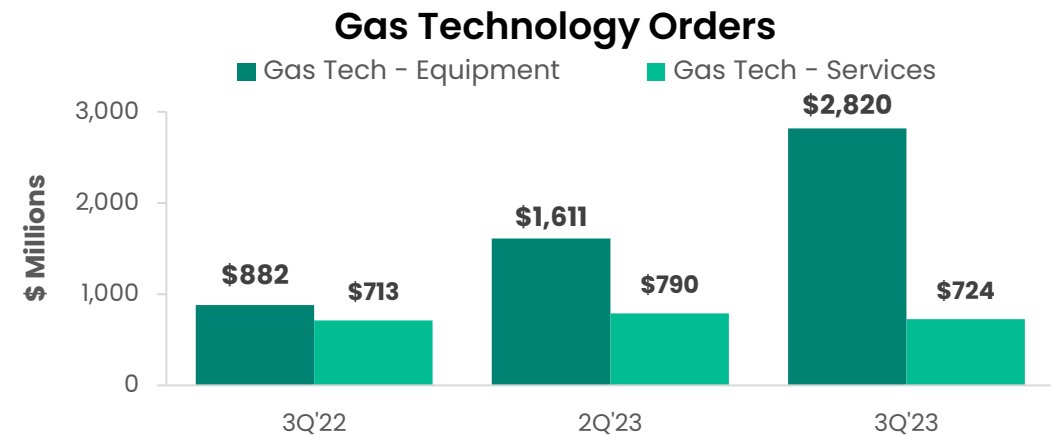
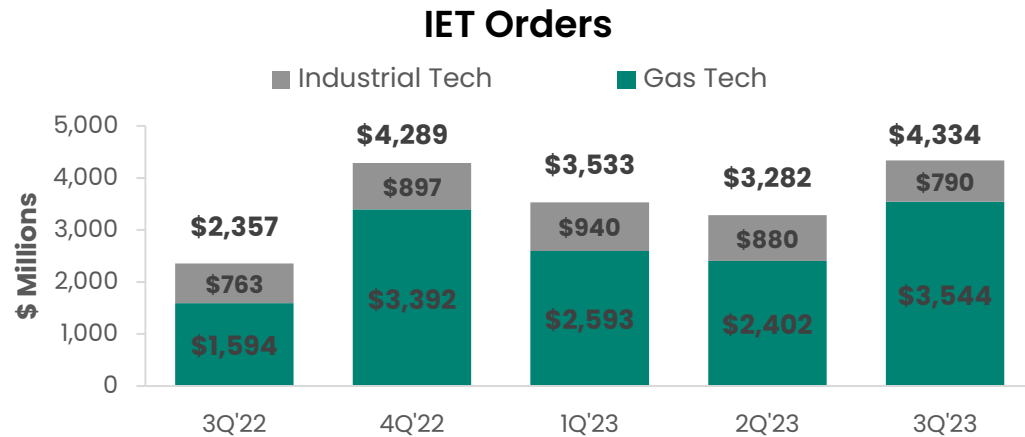
1. Note Europe/CIS/SSA QoQ revenue growth of 3.1% excluding the acquisition of Altus Intervention (3Q'23 revenues of US\$61M).

2. WC – Well Construction, CIM – Completions, Intervention & Measurement, PS – Production Solutions, SSPS – Subsea & Surface Pressure Systems. Note CIM QoQ revenue growth of -0.9% excluding the acquisition of Altus Intervention (3Q'23 Revenues of US\$72M).

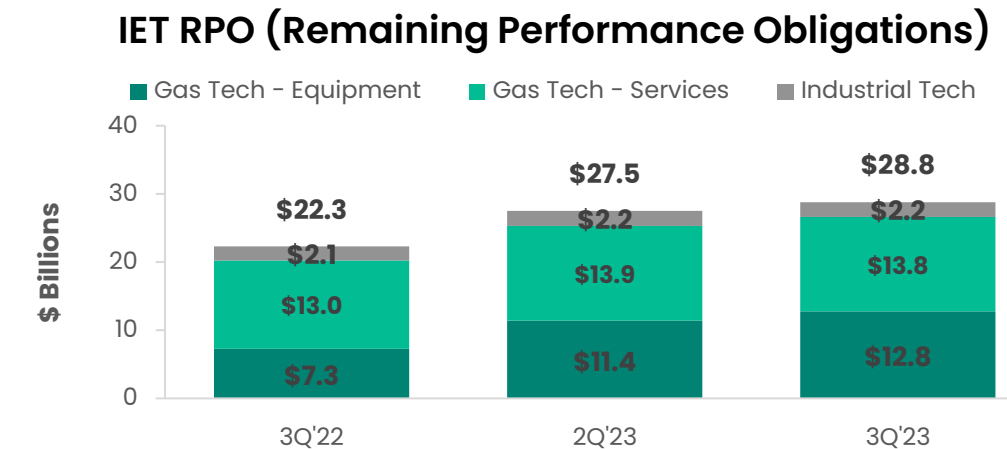


# Industrial & Energy Technology (IET) orders

## Record orders driven by continued strength in LNG

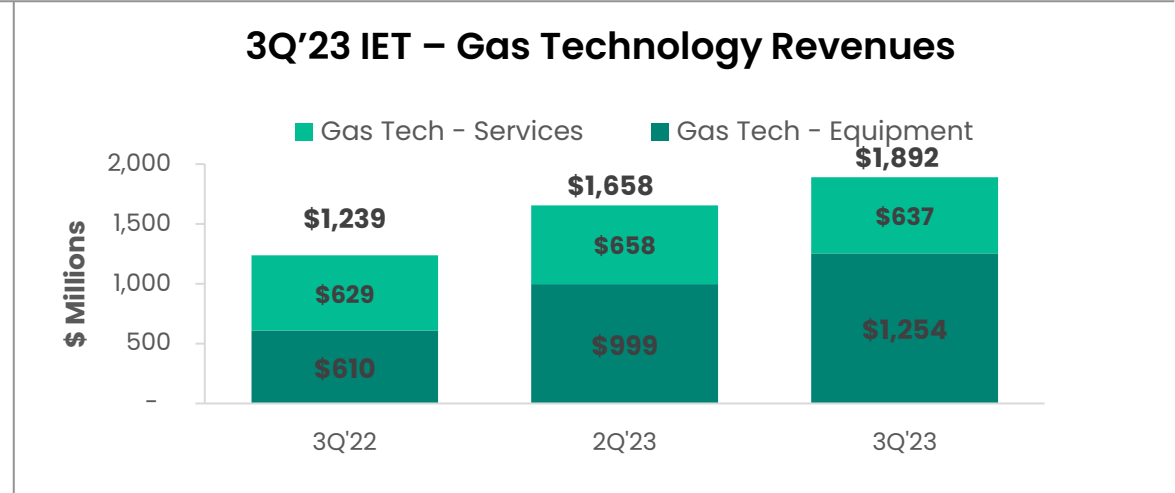
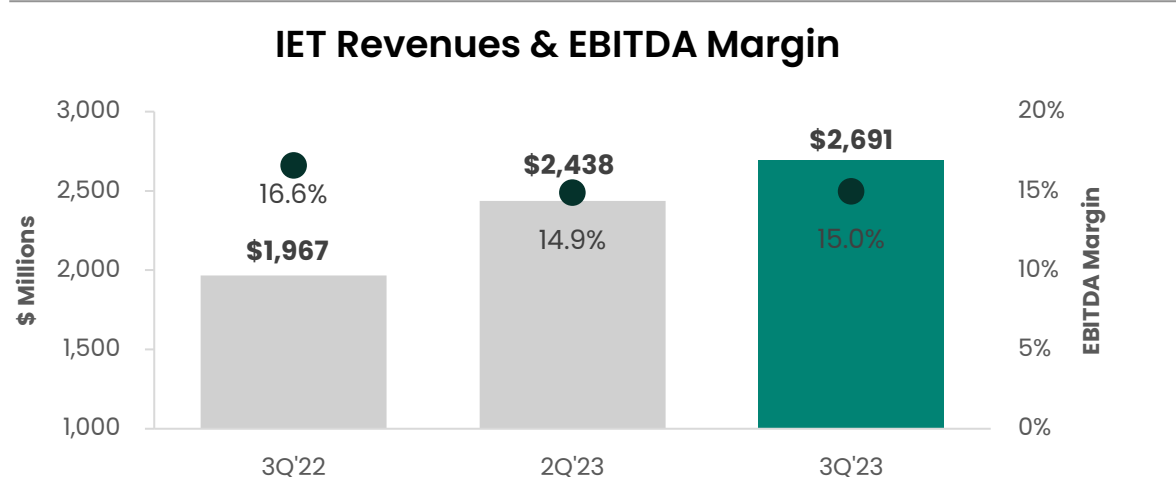


- **\$4.3B of record orders**, up 32% sequentially and up 84% YoY - included almost \$2.5 billion of LNG equipment orders
- **Gas Tech Equipment Book-to-bill of 2.2x**, the ninth consecutive quarter above 1x
- **Record IET RPO of \$28.8B** up 5% sequentially, with Gas Tech Equipment RPO up 76% YoY to \$12.8B
- **Industrial Tech** orders up 4% YoY
- **~\$50M new energy orders in 3Q**, mainly driven by hydrogen & CCUS growth areas and **~\$60M IET Digital orders in 3Q**

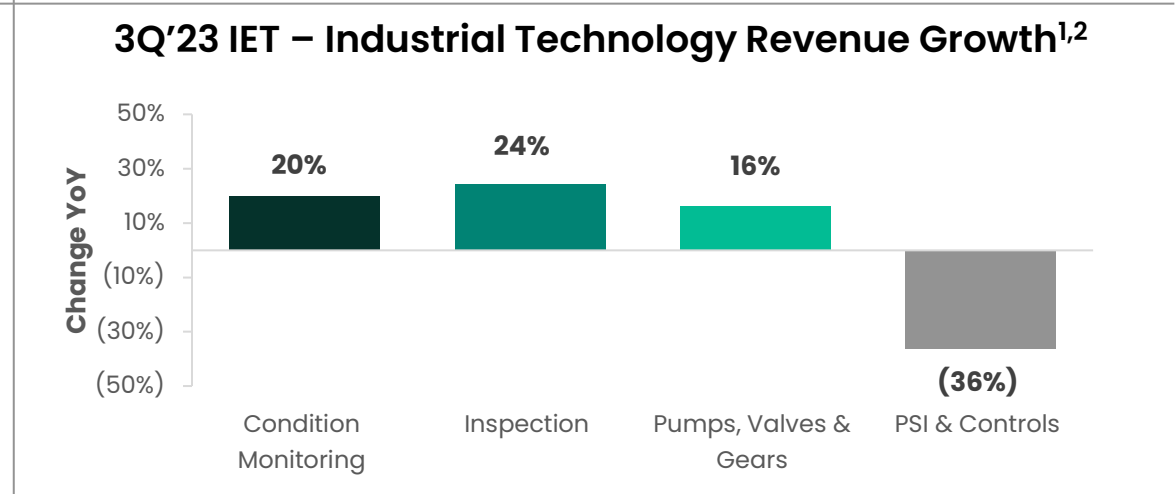


# IET results

## Strong revenue growth driven by Gas Tech Equipment backlog conversion



- **Revenue growth +37% YoY & +10% QoQ** led by Gas Tech Equipment growth that was up over 100% YoY driven by execution of project backlog
- **Gas Technology Services revenue +1% YoY**, slightly lower-than-expected volume in Gas Tech Services due to upgrades delivery timing & supply chain tightness for aeroderivative components
- **Industrial Technology +10% YoY**, with all business units growing
- **EBITDA margin rate of 15.0%, up 10 basis points QoQ** on better Gas Tech margins, down 160 basis points YoY driven by higher equipment mix and higher R&D spend



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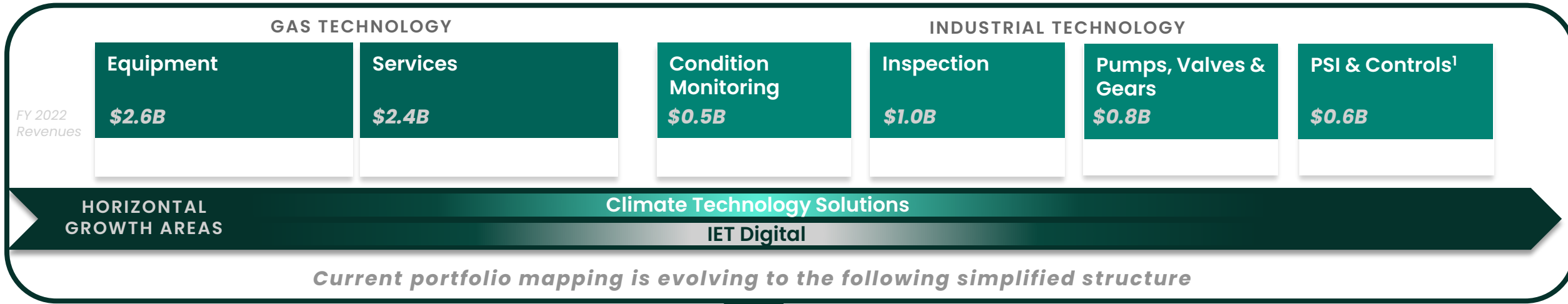
EBITDA margin is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations

1. Excluding the sale of Nexus Controls, PSI revenue increased 3% YoY during the third quarter (Nexus 3Q'22 revenue of \$52.8M vs. 3Q'23 revenue of \$0M).

2. Excluding the acquisition of Quest Integrity, Inspection revenue increased 15% YoY during the third quarter (Quest Integrity 3Q'23 revenue of \$30.3M vs. 3Q'22 revenue of \$0M).

# Setting up IET for the next phase of growth

**Re-aligning product lines and simplifying the business to drive margin improvement – effective October 1st**



**KEY BENEFITS:**

- Increased transparency around CTS business
- Integrating Asset Performance Management capabilities
- Driving margin growth through simplification

**Targeting 20+% EBITDA Margins by 2025/26**

# IET long-term growth visibility is a key differentiator

Meaningful long-term FCF expansion driven by structural growth in IET

- **On track to book ~\$9 billion of LNG equipment orders in 2022/23** – driving strong equipment backlog coverage
- **Global LNG installed base to increase 70% by 2030**, providing significant growth visibility for our LNG Service franchise
- **Growing opportunity in Industrial Tech** to provide integrated suite of solutions and generate recurring revenues
- Significant new energy opportunity – targeting to grow orders from **\$600-\$700M** in 2023 to **\$6-\$7B** in 2030



# 2023 outlook

## 4Q'23 Outlook

### BKR

Revenue	<b>\$6.7 – \$7.1B</b>
Adj. EBITDA	<b>\$1,050 – \$1,110M</b>

### OFSE

Revenue	<b>\$3.85 – \$4.05B</b>
EBITDA	<b>\$675 – \$735M</b>

### IET

Revenue	<b>\$2.8 – \$3.1B</b>
EBITDA	<b>\$430 – \$490M</b>

### Other

Corporate costs <sup>1</sup>	<b>Approx. \$90M</b>
D&A	<b>Approx. \$270M</b>

## 2023 Outlook<sup>2</sup>

### BKR

Revenue	<b>\$25.4 – \$25.8B</b>
Adj. EBITDA	<b>\$3.7 – \$3.8B</b>

### OFSE

Revenue	<b>\$15.3 – \$15.5B</b>
EBITDA	<b>\$2.55 – \$2.65B</b>

### IET

Orders	<b>\$14.0 – \$14.5B</b>
Revenue	<b>\$10.05 – \$10.35B</b>
EBITDA	<b>\$1.50 – \$1.55B</b>

### Other

Corporate costs	<b>\$370 – \$390M</b>
D&A	<b>Approx. \$1.1B</b>
Adj. Effective Tax Rate	<b>32.5% – 37.5%</b>

**Increased midpoint of 2023 Adj. EBITDA guidance**  
**Raised 2023 IET order guidance from \$11.5 – \$12.5B to \$14 – \$14.5B**

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Note: EBITDA, Adj. EBITDA and Adj. Effective Tax Rate are non-GAAP measures – see appendix for EBITDA reconciliation.

Outlook for Adj. EBITDA and Adj. Effective Tax Rate are non-GAAP financial measures. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from Adj. EBITDA or Adj. ETR. We therefore do not present a guidance range or reconciliation to the nearest GAAP financial measure.

1. Corporate costs guidance is stated at the Operating Income level. 4Q'23 corporate costs guidance at the EBITDA level is Approx. \$85M.

2. Annual guidance ranges may not add using year-to-date and 4Q'23 guidance due to rounding



# Appendix

# Results by reporting segment

## Oilfield Services & Equipment

(in millions)

Segment results	Three Months Ended			Variance	
	September 30, 2023	June 30, 2023	September 30, 2022	Sequential	Year-over-year
Orders	\$ 4,178	\$ 4,192	\$ 3,707	—%	13%
Revenue	\$ 3,951	\$ 3,877	\$ 3,403	2%	16%
Operating income	\$ 465	\$ 417	\$ 324	11%	43%
Operating income margin	11.8%	10.8%	9.5%	1pts	2.2pts
Depreciation & amortization	\$ 206	\$ 219	\$ 204	(6%)	1%
EBITDA*	\$ 670	\$ 636	\$ 528	5%	27%
EBITDA margin*	17.0%	16.4%	15.5%	0.6pts	1.4pts

Revenue by Product Line	September 30, 2023	June 30, 2023	September 30, 2022	Sequential	Year-over-year
Well Construction	\$ 1,128	\$ 1,076	\$ 991	5%	14%
Completions, Intervention & Measurements	1,085	1,090	920	—%	18%
Production Solutions	967	959	931	1%	4%
Subsea & Surface Pressure Systems	770	752	561	2%	37%
<b>Total Revenue</b>	<b>\$ 3,951</b>	<b>\$ 3,877</b>	<b>\$ 3,403</b>	<b>2%</b>	<b>16%</b>

Revenue by Geographic Region	September 30, 2023	June 30, 2023	September 30, 2022	Sequential	Year-over-year
North America	\$ 1,064	\$ 1,042	\$ 986	2%	8%
Latin America	695	698	549	—%	27%
Europe/CIS/Sub-Saharan Africa	695	672	586	3%	19%
Middle East/Asia	1,497	1,465	1,282	2%	17%
<b>Total Revenue</b>	<b>\$ 3,951</b>	<b>\$ 3,877</b>	<b>\$ 3,403</b>	<b>2%</b>	<b>16%</b>

North America	\$ 1,064	\$ 1,042	\$ 986	2%	8%
International	2,887	2,835	2,417	2%	19%

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Note: certain columns and rows may not add up due to the use of rounded numbers.

\*Non-GAAP measure – EBITDA is defined as operating income excluding depreciation and amortization. EBITDA margin is defined as EBITDA divided by revenue.

# Results by reporting segment

## Industrial & Energy Technology

(in millions)

Segment results	Three Months Ended			Variance	
	September 30, 2023	June 30, 2023	September 30, 2022	Sequential	Year-over-year
Orders	\$ 4,334	\$ 3,282	\$ 2,357	32%	84%
Revenue	\$ 2,691	\$ 2,438	\$ 1,967	10%	37%
Operating income	\$ 346	\$ 311	\$ 282	11%	23%
Operating income margin	12.9%	12.8%	14.3%	0.1pts	-1.5pts
Depreciation & amortization	\$ 57	\$ 52	\$ 45	9%	28%
EBITDA*	\$ 403	\$ 363	\$ 327	11%	23%
EBITDA margin*	15.0%	14.9%	16.6%	0.1pts	-1.6pts
Orders by Product Line	September 30, 2023	June 30, 2023	September 30, 2022	Sequential	Year-over-year
Gas Technology Equipment	\$ 2,820	\$ 1,611	\$ 882	75%	F
Gas Technology Services	724	790	713	(8%)	2%
Total Gas Technology	3,544	2,402	1,594	48%	F
Total Industrial Technology	790	880	763	(10%)	4%
<b>Total Orders</b>	<b>\$ 4,334</b>	<b>\$ 3,282</b>	<b>\$ 2,357</b>	<b>32%</b>	<b>84%</b>
Revenue by Product Line	September 30, 2023	June 30, 2023	September 30, 2022	Sequential	Year-over-year
Gas Technology Equipment	\$ 1,254	\$ 999	\$ 610	26%	F
Gas Technology Services	637	658	629	(3%)	1%
Total Gas Technology	1,892	1,658	1,239	14%	53%
Condition Monitoring	157	154	131	2%	20%
Inspection	322	318	259	1%	24%
Pumps, Valves & Gears	232	217	199	7%	16%
PSI & Controls	88	92	138	(4%)	(36%)
Total Industrial Technology	799	780	728	2%	10%
<b>Total Revenue</b>	<b>\$ 2,691</b>	<b>\$ 2,438</b>	<b>\$ 1,967</b>	<b>10%</b>	<b>37%</b>

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\*Non-GAAP measure - EBITDA is defined as operating income excluding depreciation and amortization. EBITDA margin is defined as EBITDA divided by revenue.

# GAAP to Non-GAAP reconciliations

## Reconciliation of Cash Flow From Operating Activities to Free Cash Flow *(\$ in millions)*

	FY 2019	FY 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2023	2Q 2023	3Q 2023
<b>Cash flow from operating activities (GAAP)</b>	<b>2,126</b>	<b>1,304</b>	<b>678</b>	<b>506</b>	<b>416</b>	<b>773</b>	<b>2,374</b>	<b>72</b>	<b>321</b>	<b>597</b>	<b>898</b>	<b>1,888</b>	<b>461</b>	<b>858</b>	<b>811</b>
Add: cash used in capital expenditures, net of proceeds from disposal of assets	(976)	(787)	(180)	(121)	(111)	(129)	(541)	(177)	(174)	(180)	(241)	(772)	(264)	(235)	(219)
<b>Free cash flow (Non-GAAP)</b>	<b>1,150</b>	<b>518</b>	<b>498</b>	<b>385</b>	<b>305</b>	<b>645</b>	<b>1,832</b>	<b>(105)</b>	<b>147</b>	<b>417</b>	<b>657</b>	<b>1,116</b>	<b>197</b>	<b>623</b>	<b>592</b>

## Reconciliation of Net Income (Loss) Attributable to Baker Hughes to Adjusted Operating Income, Adjusted EBITDA, and Adjusted EBITDA Margin *(\$ in millions)*

	FY 2019	FY 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2023	2Q 2023	3Q 2023
<b>Revenue</b>	<b>23,838</b>	<b>20,705</b>	<b>4,782</b>	<b>5,142</b>	<b>5,093</b>	<b>5,485</b>	<b>20,502</b>	<b>4,835</b>	<b>5,047</b>	<b>5,369</b>	<b>5,905</b>	<b>21,156</b>	<b>5,716</b>	<b>6,315</b>	<b>6,641</b>
<b>Net income (loss) attributable to Baker Hughes (GAAP)</b>	<b>128</b>	<b>(9,940)</b>	<b>(452)</b>	<b>(68)</b>	<b>8</b>	<b>294</b>	<b>(219)</b>	<b>72</b>	<b>(839)</b>	<b>(17)</b>	<b>182</b>	<b>(601)</b>	<b>576</b>	<b>410</b>	<b>518</b>
Net income attributable to noncontrolling interests	143	(5,821)	(153)	(9)	8	42	(111)	8	2	8	6	23	5	4	6
Provision for income taxes	482	559	69	143	193	352	758	107	182	153	157	600	179	200	235
Interest expense, net	237	264	74	65	67	95	299	64	60	65	64	252	64	58	49
Other non-operating (income) loss, net	84	(1,040)	626	63	102	(208)	583	28	570	60	254	911	(386)	(158)	(94)
<b>Operating Income (loss) (GAAP)</b>	<b>1,074</b>	<b>(15,978)</b>	<b>164</b>	<b>194</b>	<b>378</b>	<b>574</b>	<b>1,310</b>	<b>279</b>	<b>(25)</b>	<b>269</b>	<b>663</b>	<b>1,185</b>	<b>438</b>	<b>514</b>	<b>714</b>
Less: Merger, Impairment, Restructuring & Other	(528)	(17,018)	(106)	(139)	(24)	3	(266)	(70)	(402)	(235)	(29)	(735)	(74)	117	2
<b>Adjusted Operating Income (Non-GAAP)</b>	<b>1,602</b>	<b>1,040</b>	<b>270</b>	<b>333</b>	<b>402</b>	<b>571</b>	<b>1,576</b>	<b>348</b>	<b>376</b>	<b>503</b>	<b>692</b>	<b>1,920</b>	<b>512</b>	<b>631</b>	<b>716</b>
Add: Depreciation & Amortization	1,418	1,317	292	278	262	273	1,105	277	275	254	255	1,061	269	276	267
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>3,020</b>	<b>2,357</b>	<b>562</b>	<b>611</b>	<b>664</b>	<b>844</b>	<b>2,681</b>	<b>625</b>	<b>651</b>	<b>758</b>	<b>947</b>	<b>2,981</b>	<b>782</b>	<b>907</b>	<b>983</b>
<b>Adjusted EBITDA Margin (Non-GAAP)<sup>1</sup></b>	<b>12.7%</b>	<b>11.4%</b>	<b>11.7%</b>	<b>11.9%</b>	<b>13.0%</b>	<b>15.4%</b>	<b>13.1%</b>	<b>12.9%</b>	<b>12.9%</b>	<b>14.1%</b>	<b>16.0%</b>	<b>14.1%</b>	<b>13.7%</b>	<b>14.4%</b>	<b>14.8%</b>

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Note: certain columns and rows may not add up due to the use of rounded numbers.

1. Adjusted EBITDA divided by Total Revenue

# Additional reconciliations

## Orders by Reporting Segment *(in millions)*

	FY 2019	FY 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2023	2Q 2023	3Q 2023
<b>Oilfield Services &amp; Equipment</b>	<b>16,419</b>	<b>12,304</b>	<b>2,544</b>	<b>3,040</b>	<b>3,136</b>	<b>3,077</b>	<b>11,798</b>	<b>3,270</b>	<b>3,392</b>	<b>3,707</b>	<b>3,721</b>	<b>14,089</b>	<b>4,100</b>	<b>4,192</b>	<b>4,178</b>
Gas Technology Equipment	4,179	3,014	622	561	765	1,912	3,860	2,086	864	882	2,601	6,432	1,891	1,611	2,820
Gas Technology Services	2,821	2,631	607	733	742	821	2,903	671	788	713	791	2,962	702	790	724
Total Gas Technology	7,001	5,645	1,229	1,294	1,507	2,733	6,763	2,757	1,651	1,594	3,392	9,395	2,593	2,402	3,544
Total Industrial Technology	3,554	2,765	767	759	735	846	3,108	810	816	763	897	3,285	940	880	790
<b>Industrial &amp; Energy Technology</b>	<b>10,555</b>	<b>8,410</b>	<b>1,996</b>	<b>2,053</b>	<b>2,242</b>	<b>3,579</b>	<b>9,870</b>	<b>3,567</b>	<b>2,467</b>	<b>2,357</b>	<b>4,289</b>	<b>12,680</b>	<b>3,533</b>	<b>3,282</b>	<b>4,334</b>
<b>Total Orders</b>	<b>26,973</b>	<b>20,714</b>	<b>4,541</b>	<b>5,093</b>	<b>5,378</b>	<b>6,656</b>	<b>21,668</b>	<b>6,837</b>	<b>5,860</b>	<b>6,063</b>	<b>8,009</b>	<b>26,770</b>	<b>7,632</b>	<b>7,474</b>	<b>8,512</b>

## Reconciliation of Net Debt to Last Twelve Months (LTM) Adjusted EBITDA *(\$ in millions)*

<b>Net Debt to Last Twelve Months (LTM) Adjusted EBITDA</b>	3Q 2023
Short-term debt and current portion of long-term debt	802
Long-term debt	5,857
<b>Total debt</b>	<b>6,659</b>
Less: Cash and cash equivalents	3,201
<b>Net Debt</b>	<b>3,458</b>
<b>LTM Adj. EBITDA</b>	<b>3,619</b>
<b>Net debt / LTM Adj. EBITDA</b>	<b>1.0x</b>

## Reconciliation of Net Income (Loss) Attributable to Baker Hughes to Adjusted Net Income Attributable to Baker Hughes

	3Q 2023	2Q 2023	3Q 2022
<i>(in millions, except per share amounts)</i>			
<b>Net income (loss) attributable to Baker Hughes (GAAP)</b>	<b>\$ 518</b>	<b>\$ 410</b>	<b>\$ (17)</b>
Total operating income adjustments	2	117	235
Other adjustments (non-operating)	(95)	(156)	63
Tax on total adjustments	2	24	(15)
Total adjustments, net of income tax	(91)	(15)	282
Less: adjustments attributable to noncontrolling interests	—	—	2
Adjustments attributable to Baker Hughes	(91)	(15)	281
<b>Adjusted net income attributable to Baker Hughes (non-GAAP)</b>	<b>\$ 427</b>	<b>\$ 395</b>	<b>\$ 264</b>
Denominator:			
Weighted-average shares of Class A common stock outstanding diluted	1,017	1,015	1,015
<b>Adjusted earnings per share - diluted (non-GAAP)</b>	<b>\$ 0.42</b>	<b>\$ 0.39</b>	<b>\$ 0.26</b>



# OFSE & IET reconciliations

## Consolidated Revenue by Reporting Segment and Product Line (\$ in millions)

	FY 2019	FY 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2023	2Q 2023	3Q 2023
Well Construction	4,222	3,257	743	800	844	914	3,301	883	936	991	1,043	3,854	1,061	1,076	1,128
Completions, Intervention & Measurements	4,491	3,614	716	782	791	817	3,106	781	886	920	972	3,559	909	1,090	1,085
Production Solutions	4,175	3,269	740	777	783	835	3,135	825	866	931	965	3,587	938	959	967
Subsea & Surface Pressure Systems	2,921	2,844	628	637	603	619	2,486	528	541	561	599	2,230	670	752	770
<b>Oilfield Services &amp; Equipment</b>	<b>15,809</b>	<b>12,984</b>	<b>2,827</b>	<b>2,995</b>	<b>3,021</b>	<b>3,185</b>	<b>12,028</b>	<b>3,017</b>	<b>3,230</b>	<b>3,403</b>	<b>3,579</b>	<b>13,229</b>	<b>3,577</b>	<b>3,877</b>	<b>3,951</b>
Gas Technology Equipment	1,958	2,421	733	795	703	686	2,916	543	556	610	851	2,560	827	999	1,254
Gas Technology Services	2,710	2,475	573	636	661	829	2,700	581	542	629	690	2,441	591	658	637
Total Gas Technology	4,668	4,896	1,306	1,431	1,364	1,516	5,616	1,124	1,098	1,239	1,541	5,002	1,418	1,658	1,892
Condition Monitoring	647	581	136	147	129	149	562	126	133	131	155	545	140	154	157
Inspection	1,189	865	204	236	249	259	949	212	257	259	267	995	254	318	322
Pumps, Valves & Gears	868	809	179	197	198	226	801	221	194	199	212	826	201	217	232
PSI & Controls	656	570	130	136	131	149	546	136	135	138	150	559	125	92	88
Total Industrial Technology	3,360	2,824	648	717	708	784	2,857	694	718	728	784	2,925	721	780	799
<b>Industrial &amp; Energy Technology</b>	<b>8,028</b>	<b>7,721</b>	<b>1,954</b>	<b>2,148</b>	<b>2,072</b>	<b>2,300</b>	<b>8,473</b>	<b>1,818</b>	<b>1,816</b>	<b>1,967</b>	<b>2,325</b>	<b>7,926</b>	<b>2,138</b>	<b>2,438</b>	<b>2,691</b>
<b>Total Revenue</b>	<b>23,838</b>	<b>20,705</b>	<b>4,782</b>	<b>5,142</b>	<b>5,093</b>	<b>5,485</b>	<b>20,502</b>	<b>4,835</b>	<b>5,047</b>	<b>5,369</b>	<b>5,905</b>	<b>21,156</b>	<b>5,716</b>	<b>6,315</b>	<b>6,641</b>

## Oilfield Services & Equipment Geographic Revenue (\$ in millions)

	FY 2019	FY 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2023	2Q 2023	3Q 2023
North America	5,095	3,107	681	719	753	751	2,904	823	925	986	1,030	3,764	992	1,042	1,064
Latin America	1,677	1,447	379	411	436	454	1,681	440	509	549	601	2,099	661	698	695
Europe/CIS/Sub-Saharan Africa	3,138	2,846	649	695	726	795	2,865	660	660	586	577	2,483	581	672	695
Middle East/Asia	5,900	5,584	1,118	1,170	1,106	1,185	4,579	1,094	1,136	1,282	1,371	4,883	1,345	1,465	1,497
<b>Oilfield Services &amp; Equipment</b>	<b>15,809</b>	<b>12,984</b>	<b>2,827</b>	<b>2,995</b>	<b>3,021</b>	<b>3,185</b>	<b>12,028</b>	<b>3,017</b>	<b>3,230</b>	<b>3,403</b>	<b>3,579</b>	<b>13,229</b>	<b>3,577</b>	<b>3,877</b>	<b>3,951</b>

North America	5,095	3,107	681	719	753	751	2,904	823	925	986	1,030	3,764	992	1,042	1,064
International	10,714	9,877	2,146	2,275	2,269	2,434	9,124	2,194	2,305	2,417	2,549	9,465	2,586	2,835	2,887

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Note: certain columns and rows may not add up due to the use of rounded numbers.

# OFSE & IET GAAP to Non-GAAP reconciliations

## Reconciliation of Operating Income (Loss) by Segment (GAAP) to EBITDA (non-GAAP) (\$ in millions)

<b>Operating Income (loss) by Segment (GAAP)</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>1Q 2021</b>	<b>2Q 2021</b>	<b>3Q 2021</b>	<b>4Q 2021</b>	<b>FY 2021</b>	<b>1Q 2022</b>	<b>2Q 2022</b>	<b>3Q 2022</b>	<b>4Q 2022</b>	<b>FY 2022</b>	<b>1Q 2023</b>	<b>2Q 2023</b>	<b>3Q 2023</b>
Oilfield Services & Equipment	972	506	147	199	204	280	830	213	249	324	416	1,201	371	417	465
Industrial & Energy Technology	1,062	998	231	245	304	397	1,177	241	236	282	377	1,135	241	311	346
Segment operating income	2,035	1,504	379	444	508	676	2,006	453	485	606	792	2,336	612	728	811
Corporate	(433)	(464)	(109)	(111)	(105)	(106)	(429)	(105)	(108)	(103)	(100)	(416)	(100)	(97)	(95)
Inventory impairment	—	(246)	—	—	—	—	—	—	(31)	—	—	(31)	(18)	(15)	—
Goodwill impairment	—	(14,773)	—	—	—	—	—	—	—	—	—	—	—	—	—
Restructuring, impairment and other	(342)	(1,866)	(80)	(125)	(14)	11	(209)	(61)	(362)	(230)	(29)	(682)	(56)	(102)	(2)
Separation related	(184)	(134)	(27)	(15)	(11)	(8)	(60)	(9)	(9)	(5)	—	(23)	—	—	—
<b>Operating income (loss)</b>	<b>1,074</b>	<b>(15,978)</b>	<b>164</b>	<b>194</b>	<b>378</b>	<b>574</b>	<b>1,310</b>	<b>279</b>	<b>(25)</b>	<b>269</b>	<b>663</b>	<b>1,185</b>	<b>438</b>	<b>514</b>	<b>714</b>
<b>Add: Depreciation &amp; Amortization</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>1Q 2021</b>	<b>2Q 2021</b>	<b>3Q 2021</b>	<b>4Q 2021</b>	<b>FY 2021</b>	<b>1Q 2022</b>	<b>2Q 2022</b>	<b>3Q 2022</b>	<b>4Q 2022</b>	<b>FY 2022</b>	<b>1Q 2023</b>	<b>2Q 2023</b>	<b>3Q 2023</b>
Oilfield Services & Equipment	1,160	1,072	233	221	205	215	874	222	221	204	198	845	208	219	206
Industrial & Energy Technology	219	216	52	53	52	52	208	51	49	45	52	197	56	52	57
Segment depreciation and amortization	1,379	1,288	285	273	257	267	1,082	272	270	249	250	1,041	264	271	263
Corporate	39	29	7	5	5	6	23	4	5	5	5	19	5	5	4
<b>Total depreciation and amortization</b>	<b>1,418</b>	<b>1,317</b>	<b>292</b>	<b>278</b>	<b>262</b>	<b>273</b>	<b>1,105</b>	<b>277</b>	<b>275</b>	<b>254</b>	<b>255</b>	<b>1,061</b>	<b>269</b>	<b>276</b>	<b>267</b>
<b>EBITDA by Segment (non-GAAP)</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>1Q 2021</b>	<b>2Q 2021</b>	<b>3Q 2021</b>	<b>4Q 2021</b>	<b>FY 2021</b>	<b>1Q 2022</b>	<b>2Q 2022</b>	<b>3Q 2022</b>	<b>4Q 2022</b>	<b>FY 2022</b>	<b>1Q 2023</b>	<b>2Q 2023</b>	<b>3Q 2023</b>
Oilfield Services & Equipment	2,132	1,578	380	420	409	495	1,704	434	470	528	614	2,046	579	636	670
Industrial & Energy Technology	1,281	1,214	283	297	356	449	1,385	291	285	327	429	1,332	297	363	403
Segment EBITDA (non-GAAP)	3,413	2,792	664	717	765	944	3,088	725	755	855	1,042	3,377	876	999	1,073
Corporate	(394)	(435)	(102)	(106)	(100)	(100)	(407)	(101)	(103)	(98)	(95)	(397)	(95)	(92)	(90)
Inventory impairment	—	(246)	—	—	—	—	—	—	(31)	—	—	(31)	(18)	(15)	—
Goodwill impairment	—	(14,773)	—	—	—	—	—	—	—	—	—	—	—	—	—
Restructuring, impairment and other	(342)	(1,866)	(80)	(125)	(14)	11	(209)	(61)	(362)	(230)	(29)	(682)	(56)	(102)	(2)
Separation related	(184)	(134)	(27)	(15)	(11)	(8)	(60)	(9)	(9)	(5)	—	(23)	—	—	—
<b>EBITDA (non-GAAP)</b>	<b>2,493</b>	<b>(14,661)</b>	<b>456</b>	<b>472</b>	<b>640</b>	<b>847</b>	<b>2,415</b>	<b>555</b>	<b>250</b>	<b>523</b>	<b>918</b>	<b>2,245</b>	<b>708</b>	<b>790</b>	<b>981</b>

# OFSE & IET GAAP to Non-GAAP reconciliations

## Reconciliation of Operating Income (Loss) by Segment (GAAP) to EBITDA (non-GAAP) Outlook Framework *(in millions)*

### Oilfield Services & Equipment

	<u>4Q 2023 Outlook Range</u>	<u>2023 FY Outlook Range</u>
	<u>4Q 2023</u>	<u>FY 2023</u>
<b><u>Operating Income (loss) by Segment (GAAP)</u></b>	465 - 525	1,710 - 1,810
<b><u>Add: Depreciation &amp; Amortization</u></b>	210	840
<b><u>EBITDA by Segment (non-GAAP)</u></b>	675 - 735	2,550 - 2,650

### Industrial & Energy Technology

	<u>4Q 2023 Outlook Range</u>	<u>2023 FY Outlook Range</u>
	<u>4Q 2023</u>	<u>FY 2023</u>
<b><u>Operating Income (loss) by Segment (GAAP)</u></b>	375 - 435	1,280 - 1,330
<b><u>Add: Depreciation &amp; Amortization</u></b>	55	220
<b><u>EBITDA by Segment (non-GAAP)</u></b>	430 - 490	1,500 - 1,550

**Baker Hughes** 