

**BAKER
HUGHES**
a GE company



Scotia Howard Weil 2018 Energy Conference

Lorenzo Simonelli
Chairman & CEO

March 26, 2018

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

© 2018 Baker Hughes, a GE company - All rights reserved.

This presentation (and oral statements made regarding the subjects of this presentation) 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 annual period ended December 31, 2017; 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 or through the SEC’s Electronic Data Gathering and Analysis Retrieval (“EDGAR”) system at: www.sec.gov. We undertake no obligation to publicly update or revise any forward-looking statement.

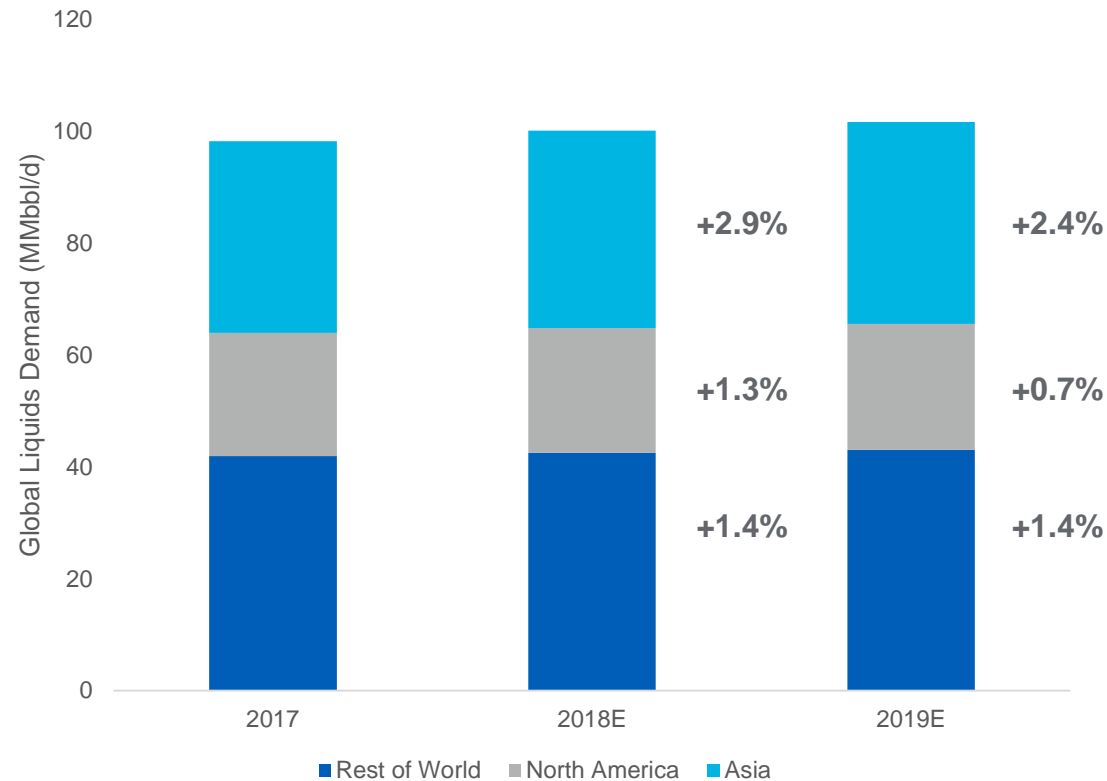
On July 3, 2017, we closed our previously announced transaction to combine the Oil & Gas business of General Electric Company (“GE Oil & Gas”) and Baker Hughes Incorporated (“Baker Hughes”). The Company presents its financial results in accordance with GAAP which includes the results of Baker Hughes and GE Oil & Gas from the transaction closing date of July 3, 2017. However, management believes that using additional non-GAAP measures on a “Combined Business Basis” will enhance the evaluation of the profitability of the Company and its ongoing operations. Combined business results combine the results of GE Oil & Gas with Baker Hughes as if the closing date had occurred on the first day of all periods presented. The business combination impacts only the Oilfield Services and Digital Solutions segments. Accordingly, no reconciliation is presented for our other segments, Oilfield Equipment and Turbomachinery & Process Solutions. All combined business results presented in this presentation are unaudited. Such combined business results are not prepared in accordance with Article 11 of Regulation S-X. See Exhibit 99.2 in our Current Report on Form 8-K filed with the Securities and Exchange Commission on January 24, 2018, which includes a reconciliation of the combined business information contained herein from financial results prepared in accordance with GAAP.

Last 12 months

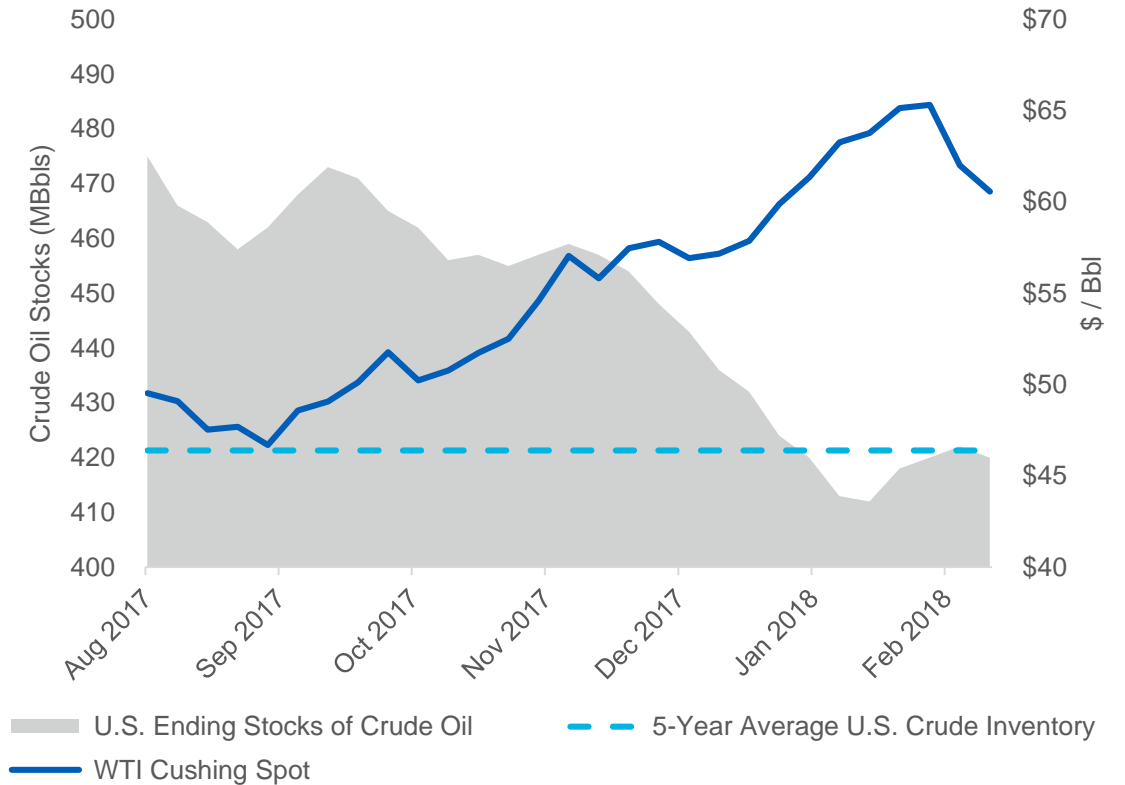
- Transaction closed on schedule ... started trading as BHGE in July 2017
- Customer reception very positive ... gaining traction across product lines
- Focused on fundamentals ... HSE, quality, operations
- Synergies on track ... \$119M in 2H'17, \$700M in 2018
- Priorities clear ... gain share, grow margins, generate cash

Macro outlook positive: rangebound oil prices driven by demand growth, stock reductions & US production growth

Global liquids demand rising

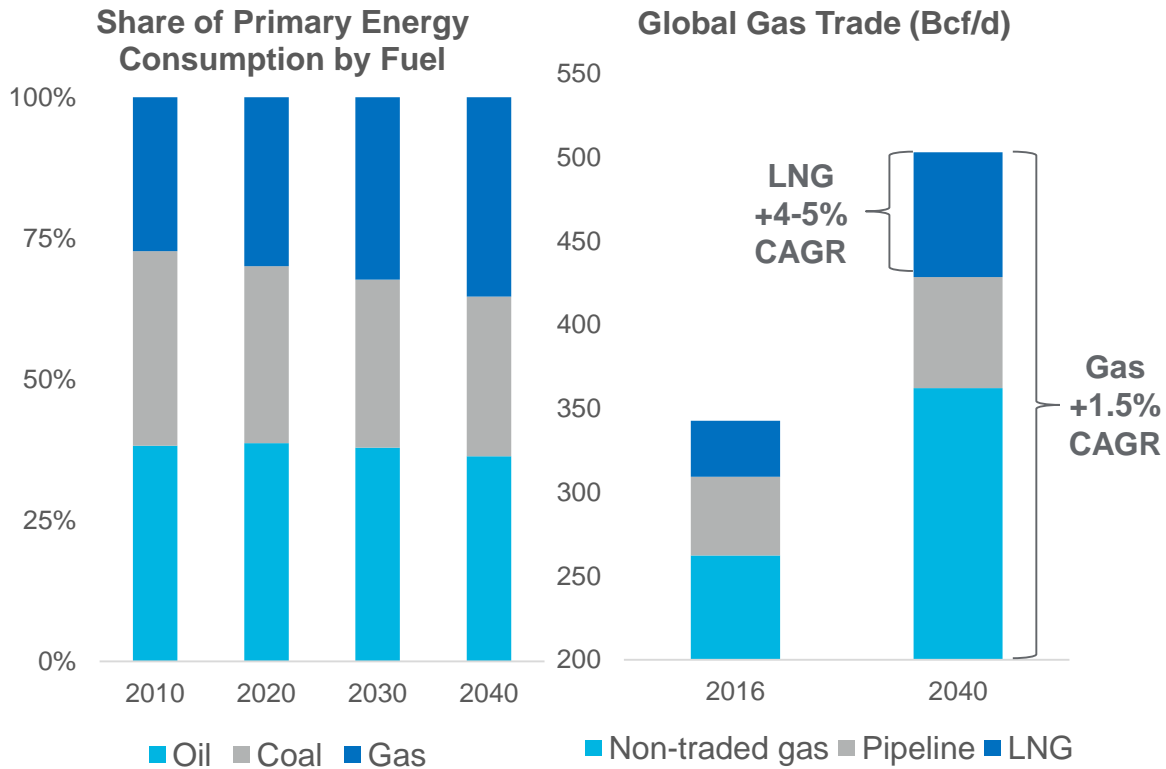


US crude stocks declining

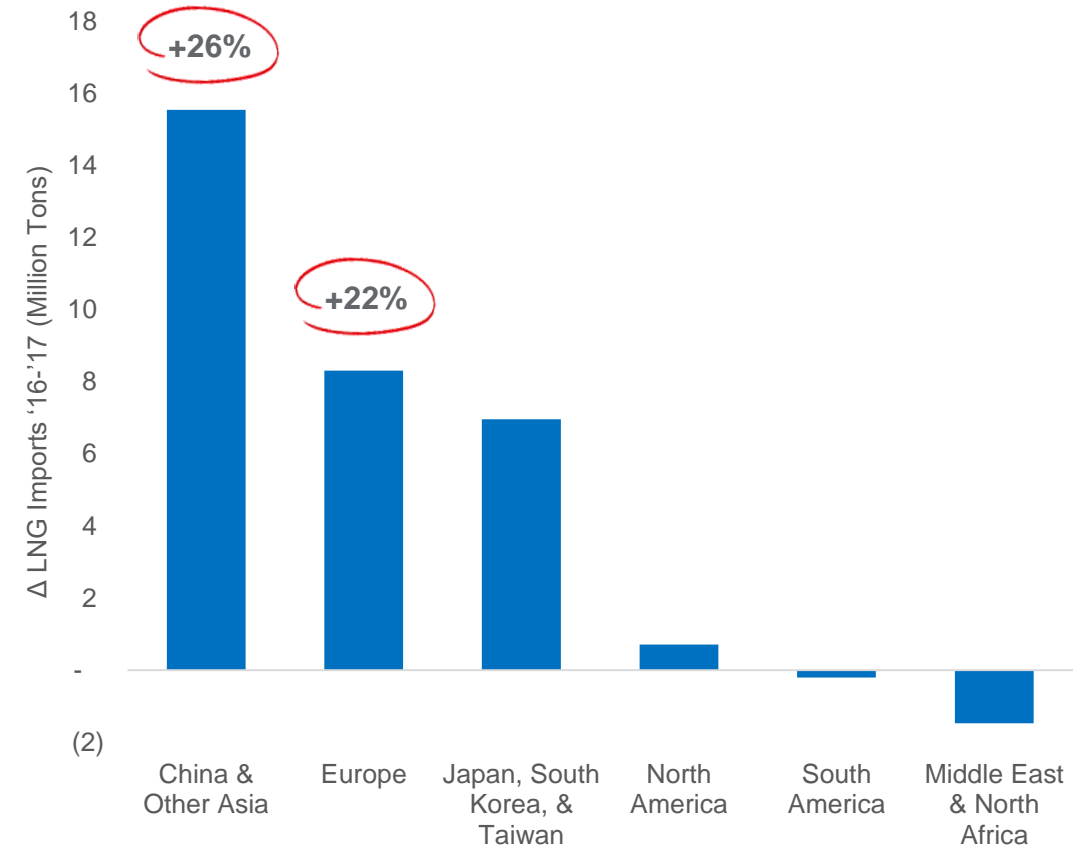


Gas outpacing other fossils ... LNG demand remains strong

Gas gaining share, LNG trade doubling by 2040



11% increase in global LNG imports in '17



BHGE is uniquely positioned across the value chain



\$10.3B
2017
Revenue

Oilfield Services (OFS)

- Drilling & Evaluation, Completions, Artificial Lift, Chemicals + Industrial Services
- Industry leading products and solutions ... strong global presence



\$6.3B
2017
Revenue

Turbomachinery & Process Solutions (TPS)

- Centrifugal & Reciprocating Compressors + Drivers, Aftermarket Services, Pumps & Valves
- Significant installed base ... \$14B service backlog



\$2.7B
2017
Revenue

Oilfield Equipment (OFE)

- Subsea Production Systems, BOPs, Flexible Risers, Wellheads, Subsea Services, Surface Pressure Control
- Strong execution & technology pipeline



\$2.5B
2017
Revenue

Digital Solutions (DS)

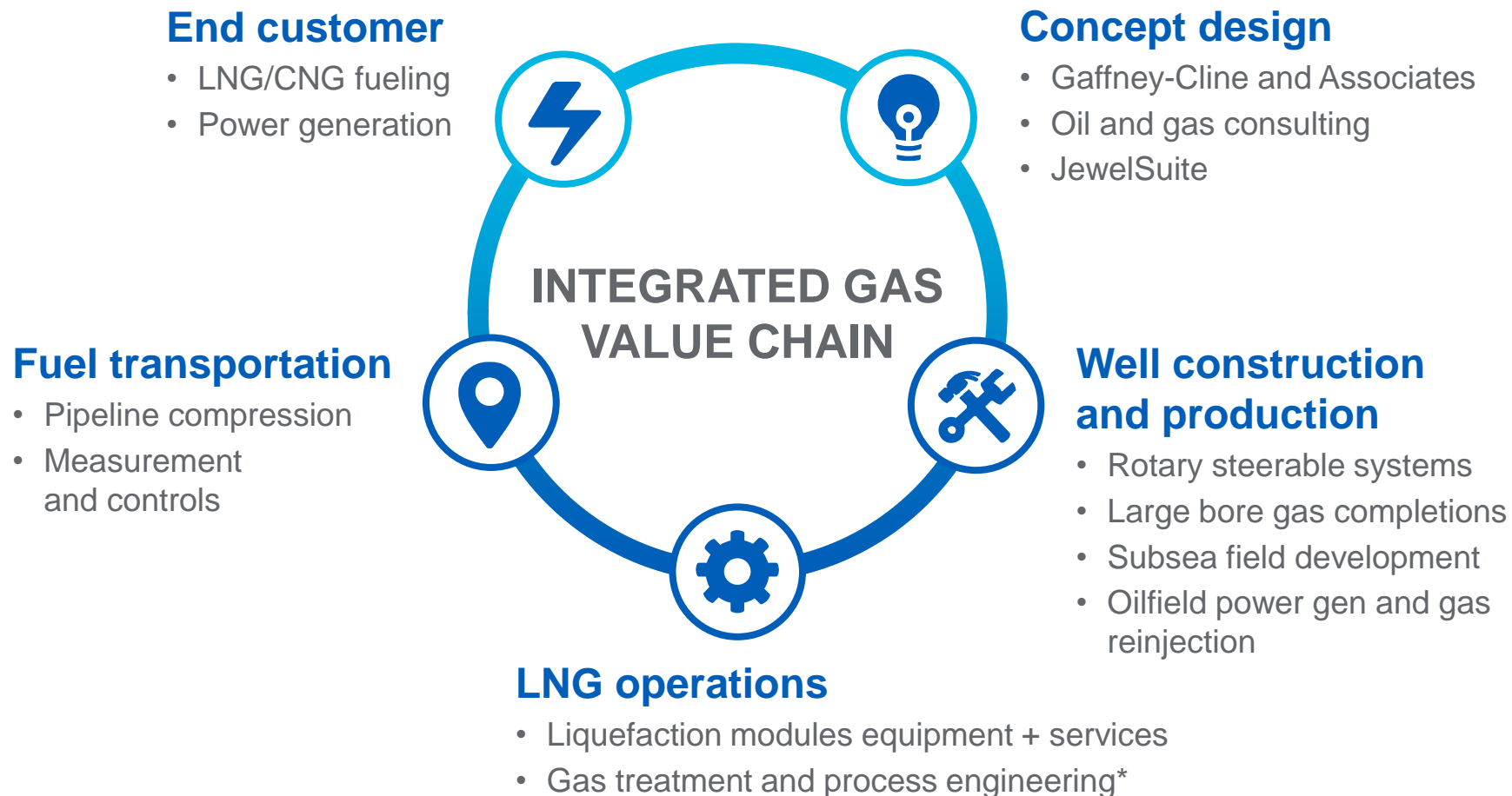
- Best in class sensing & measurement technology
- Differentiated software offerings ... >120 APM customers

**BAKER
HUGHES**
a GE company



Note: 2017 revenues on a combined business and ASC 605 basis. See 4Q'17 and TY'17 earnings release for GAAP to Non-GAAP reconciliation.

BHGE is differentiated in the gas market



ENABLERS

High efficiency equipment and services

Physical + data science

Technology + commercial innovation

Integrated fullstream operations

TPS is the technology leader in critical applications ... compression & power gen for every segment



**On & Offshore
Production**



**Liquefied
Natural Gas**



**Pipeline & Gas
Processing**



**Refinery &
Petrochemical**



Industrial

**BHGE
Position**



**Customer
Value Drivers**

- Time to market
- Scope integration

- Availability
- References

- Efficiency
- Plug & play

- Low capex
- Efficiency

- Efficiency
- Turnkey

**'14 - '17
Equipment
Revenue %**

~30%

~30%

~15%

~15%

~10%

**Broad equipment offering across the value chain, supported by after-market services
2017 after-market services ~55% of TPS revenue**

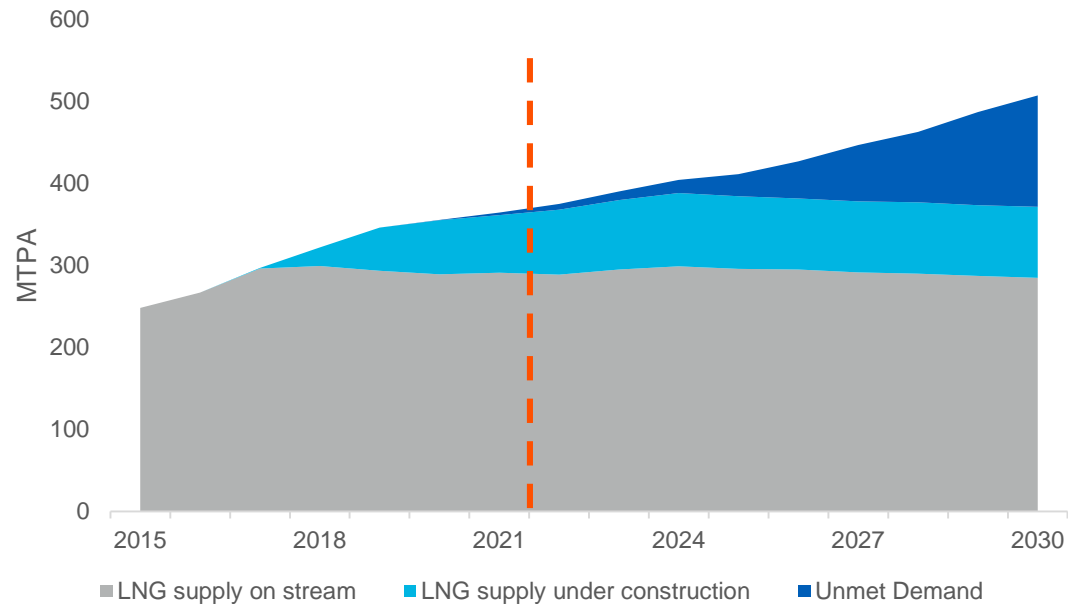
Clear strategic priorities for TPS ... maintain leadership position, return to normalized margins

1. LNG leadership ... capture growth opportunities
2. Optimize service capability, readiness
3. Expand aggressively into industrial space
4. Position for the future ... simplification, cost out



1. LNG leadership ... capture growth opportunities

Supply gap developing ... investment needed



- Supply / demand imbalance from 2022+
- Near-term FID's required to meet demand

BHGE positioned to win

- A Upgrade existing BHGE installations**
 - Deploy latest technology to increase total system throughput and efficiency
- B Brownfield expansion & train additions**
 - Large BHGE installed base presents significant opportunity for customers to increase production with proven technology
- C Partnering with customers for greenfield projects**
 - Most referenced tech + unique aftermarket model with performance guarantees position BHGE for success



Most referenced technology

+



Leading edge new products

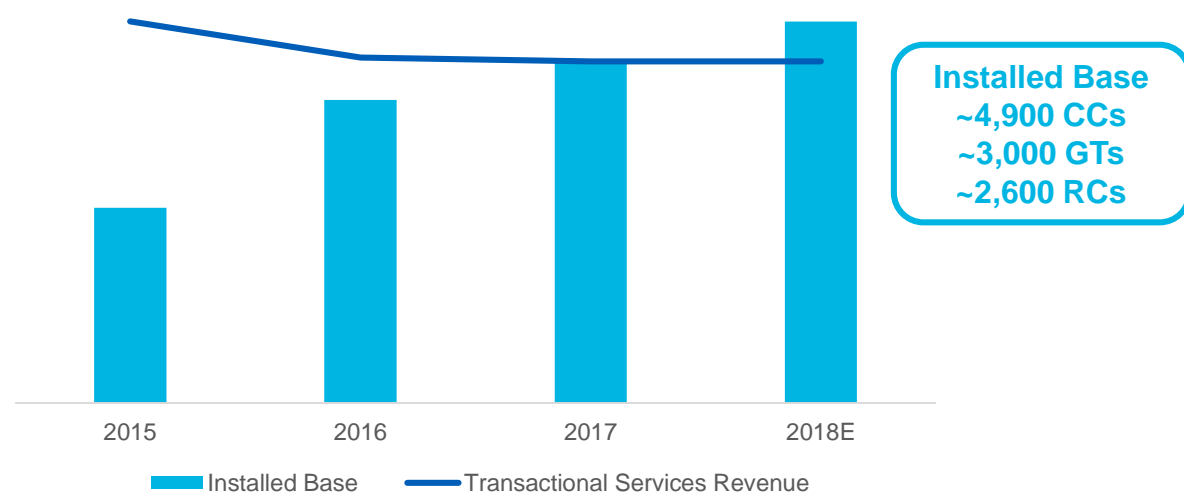
+



Highest availability

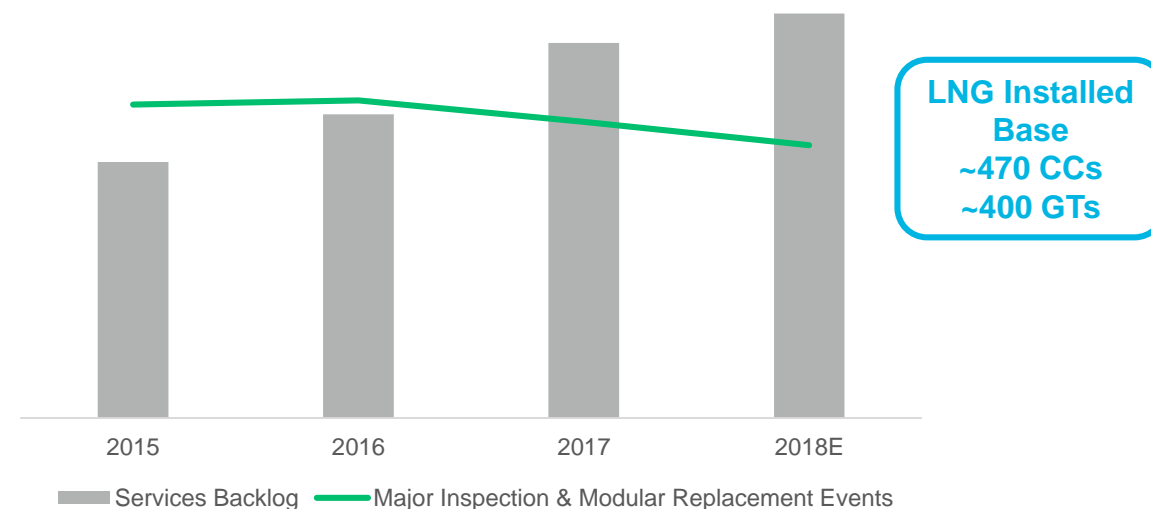
2. Optimize service capability ... readiness to serve

Large, distributed installed base driving transactional services



- Customers depleting safety stock, minimizing opex ... service spend per unit down significantly
- Service win-rate remains high
- Positioned to serve customers when demand returns

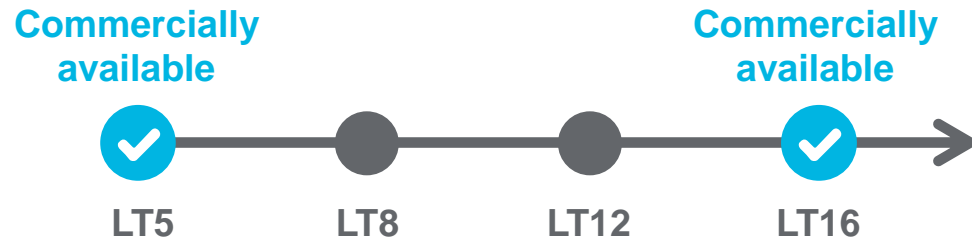
\$14B TPS services backlog driven by LNG long-term service agreements



- Significant backlog and installed base growth since 2015
- Fewer contractual service events in 2H'17 and 2018 due to outage cycle
- '16-'19 capacity additions reach milestones in late '18-early '19

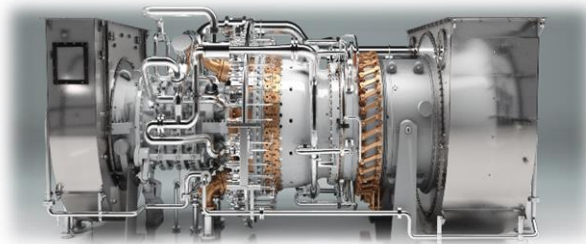
3. New technology opening industrial space opportunity

NovaLT gas turbines ... at leading edge of performance envelope



Applications

- On- and offshore platforms
- Pipeline stations
- Cogeneration
- Combined cycle



Market opportunity

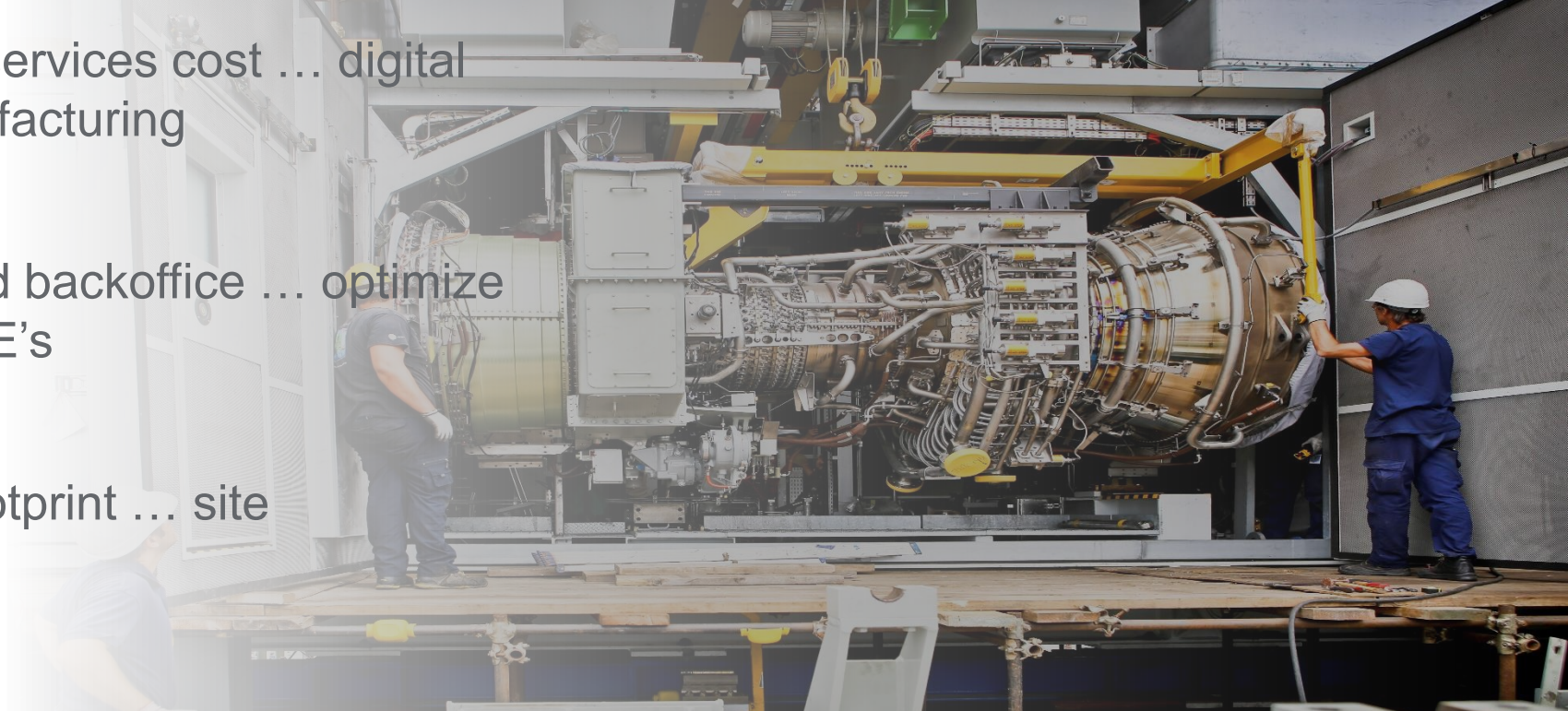
- Demand driven by outdated infrastructure & policy changes
- ~\$2B annual TAM

BHGE value proposition

- Highest reliability / availability ... 99%
- Up to 85% cogeneration efficiency ... best-in-class
- Low emission ... 15 ppm NOx

4. Position for the future ... drive simplification & cost out

- Driving lower product and services cost ... digital enablement, additive manufacturing
- Simplify global footprint and backoffice ... optimize service hubs, leverage COE's
- Optimize manufacturing footprint ... site rationalization



~\$0.2B annualized cost out

Summary

- Macro environment encouraging
- Integration efforts and synergies on track
- TPS focus ... LNG, optimized services, new markets, cost out
- Priorities clear ... gain share, grow margins, generate cash

BAKER
HUGHES
a GE company

