

BAKER HUGHES INC

Form 425

November 16, 2016

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Subject Company: Baker Hughes Incorporated

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GE OG Minds + Machines 2016 Investor meeting November, 2016  
Imagination at work.

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Additional Information and Where to Find It In connection with the proposed transaction between GE and Baker Hughes Incorporated ("BHI"), Bear Newco, Inc. ("Newco") will prepare and file with the SEC a registration statement on Form S-4 that will include a combined proxy statement/prospectus of Newco and BHI (the "Combined Proxy Statement/Prospectus"). BHI and Newco will prepare and file the Combined Proxy Statement/Prospectus with the SEC, and BHI will mail the Combined Proxy Statement/Prospectus to its stockholders and file other documents regarding the proposed transaction with the SEC. This communication is not a substitute for any proxy statement, registration statement, proxy statement/prospectus or other documents BHI and/or Newco may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ CAREFULLY AND IN THEIR ENTIRETY THE COMBINED PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE, ANY AMENDMENTS OR SUPPLEMENTS TO THE COMBINED PROXY STATEMENT/PROSPECTUS, AND OTHER DOCUMENTS FILED BY BHI OR NEWCO WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION, BECAUSE THESE DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders will be able to obtain free copies of the Combined Proxy Statement/Prospectus and other documents filed with the SEC by BHI and/or Newco through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). Investors and security holders will also be able to obtain free copies of the documents filed by Newco and/or BHI with the SEC on BHI's website at <http://www.bakerhughes.com> or by contacting BHI Investor Relations at [alondra.oteyza@bakerhughes.com](mailto:alondra.oteyza@bakerhughes.com) or by calling +1-713-439-8822.

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Participants in the Solicitation GE, BHI, Newco, their respective directors, executive officers and other members of its management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the proposed transaction, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the Combined Proxy Statement/Prospectus and other relevant materials when it is filed with the SEC. Information regarding the directors and executive officers of GE is contained in GE's proxy statement for its 2016 annual meeting of stockholders, filed

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with the SEC on March 16, 2016, its Annual Report on Form 10-K for the year ended December 31, 2015, which was filed with the SEC on February 26, 2016, its Quarterly Report on Form 10-Q/A for the quarter ended September 30, 2016, which was filed with the SEC on November 9, 2016 and certain of its Current Reports filed on Form 8-K. Information regarding the directors and executive officers of BHI is contained in BHI's proxy statement for its 2016 annual meeting of stockholders, filed with the SEC on April 11, 2016, its Annual Report on Form 10-K/A for the year ended December 31, 2015, which was filed with the SEC on February 19, 2016, its Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 which was filed with the SEC on October 25, 2016 and certain of its Current Reports filed on Form 8-K. These documents can be obtained free of charge from the sources indicated above

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Caution concerning forward-looking statements This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the proposed transaction between GE and BHI. All statements, other than historical facts, including statements regarding the expected timing and structure of the proposed transaction; the ability of the parties to complete the proposed transaction considering the various closing conditions; the expected benefits of the proposed transaction such as improved operations, enhanced revenues and cash flow, synergies, growth potential, market profile, customers' business plans and financial strength; the competitive ability and position of the combined company following completion of the proposed transaction, including the projected impact on GE's earnings per share; the projected future financial performance of GE Oil & Gas, BHI and Newco; oil and natural gas market conditions; costs and availability of resources; legal, economic and regulatory conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions.

Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) that one or more closing conditions to the transaction, including certain regulatory approvals, may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the proposed transaction, may require conditions, limitations or restrictions in connection with such approvals or that the required approval by the stockholders of BHI may not be obtained; (2) the risk that the proposed transaction may not be completed in the time frame expected by GE or BHI, or at all; (3) unexpected costs, charges or expenses resulting from the proposed transaction; (4) uncertainty of the expected financial performance of the combined company following completion of the proposed transaction; (5) failure to realize the anticipated benefits of the proposed transaction, including as a result of delay in completing the proposed transaction or integrating the businesses of GE, BHI and Newco; (6) the ability of the combined company to implement its business strategy; (7) difficulties and

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delays in achieving revenue and cost synergies of the combined company; (8) inability to retain and hire key personnel; (9) the occurrence of any event that could give rise to termination of the proposed transaction; (10) the risk that stockholder litigation in connection with the proposed transaction or other settlements or investigations may affect the timing or occurrence of the contemplated merger or result in significant costs of defense, indemnification and liability; (11) evolving legal, regulatory and tax regimes; (12) changes in general economic and/or industry specific conditions, including oil price changes; (13) actions by third parties, including government agencies; and (14) other risk factors as detailed from time to time in GE's and BHI's reports filed with the SEC, including GE's and BHI's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive.

Any forward-looking statements speak only as of the date of this communication. Neither GE nor BHI undertakes any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

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Business Discussions Turbomachinery Solutions Downstream  
Technology Solutions Surface Subsea Systems & Drilling  
Digital Solutions Financial Update Deal Overview Q&A Lorenzo  
Simonelli Matthias Heilmann Rod Christie Hasan Dandashly  
Uwem Ukpong Neil Saunders Matthias Heilmann Brian Worrell  
Lorenzo Simonelli

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OG industry ... strong long-term fundamentals Factors driving industry Oil Gas Customer expectations (MBOE/D) (BCM/Y) 1 Increasing requirements for solutions offering Demand 102+ MBOE/D ~1% CAGR 95~102 Demand 4.0+ BCM/Y ~2% CAGR ~4.0 Existing production ~20% decline New supply Existing production 3.5 Existing production ~20% decline New supply Existing production 2 Focusing on cost savings standardization 2015 2025F o NAM unconventional ~25% E P spend o New fields emerging in international onshore o Subsea offshore required 2015 2025F o Gas ~1.5% to 2040 o LNG growing 2-3x faster o NAM long-term, low cost source 3 Driving efficiency productivity with digital 4 Capex to opex switch

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GE O and G

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GE O and G ... providing cutting edge technology and service solutions throughout the value chain

U P S T R E A M M I D S T R E A M D O W N S T R E A M -  
Subsea - Offshore - Onshore - LNG - Pipeline Storage -  
Refinery - Petrochemical Digital solutions ~40,000 EMPLOYEES  
~\$16.5B REVENUES '15 Improving the health productivity of  
your operations from extraction to end of use.

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Building GE Oil and Gas Focusing where technology makes the difference (\$ in billions) \$14B+ invested 30+ acquisitions  
1994 2004 2007 2008 2011 2012 2013 2014 2015 Total O and G  
orders \$1 \$4 \$10 \$10 \$16 \$19 \$20 \$20 \$15 A Turbo Machinery  
company Developed Service model and expanded in Inspection  
Technologies Entered Subsea segment Expanded Capital  
Drilling segment Expanded to Flow and Artificial Lift Became  
Standalone GE segment Expanded in Artificial and Rod Lift  
segment Continue to build out capabilities to focus on  
specific segments

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Experienced team with deep domain expertise Experienced leadership team Talent acquisition through the cycle-a) Maria Borrás VP Commercial >20 years in O and G Rod Christie VP Turbomachinery >10 years in O and G Neil Saunders VP Subsea, Drilling >20 years in O and G Matthias Heilmann CEO, Digital Solutions >20 years in Software Uwem Ukpong Integration Leader >20 years in O and G Michele Stangarone Leader Europe + UK >25 years in O and G 161 '14 435 '14 92 '14 104 '15 118 '15 44 '15 93 '16 133 '16 38 '16 1,000+ external talent acquired since 2014 ... strong pipeline (a- employee hires within respective year

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GE O and G product companies Offering a leading portfolio of advanced technology and optimization support across all oil and gas segments 2015 Revenues \$5.4B \$2.2B \$2.2B \$4.3B \$2.3B  
TURBOMACHINERY SOLUTIONS Technology leader with strong differentiation Attractive service business - 10-20+ year contracts  
DOWNSTREAM TECHNOLOGY SOLUTIONS Large Installed Base More Stable through cycles  
SURFACE Short-cycle, service focused offerings Expanding presence in unconventional  
SUBSEA SYSTEMS and DRILLING Long-cycle, high technology segment Industry first: 20K PSI BOP, Performance based contracts  
DIGITAL SOLUTIONS Leading positions in high-tech niches Cutting-edge next-gen measurement and controls

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Broad Services portfolio (\$ in billions) Services backlog  
Key wins \$12.7 2Q15 \$14.4 3Q16 +13% Subsea Systems and  
Drilling Industry first performance based CSA ... 10 years  
GE Energy Financial Services support Turbomachinery  
Solutions 20+ year service agreement Follow-up to Sabine  
Pass \$1B 4Q14 Turbomachinery Solutions SapuraKencana GE Oil  
and Gas Services Floating LNG long term maintenance agreement  
Backlog growth in down cycle ... more in pipeline

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Capitalizing on the GE Store at Oil and Gas SOFTWARE CENTER  
Smart BOP and advanced controls POWER Water injection and  
processing DIGITAL SOLUTIONS Leak detection and multiphase  
flow measurement AVIATION Valve coatings and advanced  
materials TURBO MACHINERY Pumps and compressor technology  
ENERGY CONNECTIONS Power transmission and distribution  
SUBSEA SYSTEMS Subsea production equipment and services  
HEALTHCARE Diagnostic software imaging GLOBAL RESEARCH  
CENTER Flow assurance and advanced riser technology  
Continuously using the entire company toolkit ... solutions  
for customers

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GE Strategy: Becoming a Digital Industrial Company One goal in sight - Drive Productivity and Increase Relevance in the World GE for GE GE for Customers GE for World Productivity o Digital thread o Predix + data o Digital twin/1st principle model o Services Transformation Apps o Outcomes for customers o Optimize GE equipment o Industrial apps portfolio, micro services o Digital extensions Operating System o Enable industrial companies o Predix industrial operating system o Industrial-focused security

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Outcome-based digital eco system Partnering across the value chain and providing transformative solutions on Predix  
PRODUCTION OPTIMIZATION Optimize production operations, maximize production levels, minimize costs OPERATE: ASSET PERFORMANCE MANAGEMENT Drive reliability and availability of equipment , minimize total cost of ownership, and reduce operational risks Paradigm Partnership for reservoir driven production optimization System 1 Optimized plant operations and condition driven maintenance Field Vantage LNG Equipment Reliability Analysis Offshore Reliability and Availability Intelligent Pipeline Solutions TRANSFORM TRANSPORT PRODUCE DRILL EXPLORE DESIGN and BUILD Build digital into the engineering, procurement and construction process Reservoir engineering modeling and capital planning

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Connecting legacy to future Bringing 124 years of industrial  
excellence to the cloud Equipment and Production Data Edge  
On-Ramp to Predix Cloud Predix Cloud-Based Applications O  
and G Sensors Safire (2) SeaLytics (2) LWM System 1 O and G  
Controls Predix Field Agents, Gateway Predix enabled  
Controllers APM O and G Extensions APM Predix O and G  
Specific, from Reservoir to Refinery Common Building Blocks  
across GE

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O and G Digital roadmap o Non-Productive Time Avoidance o  
Production Optimization O and G Vertical Applications APM  
Upstream o Onshore o Offshore o Subsea APM LNG/FPSO o LNG o  
FPSO o FLNG APM Midstream o Pipelines o Storage APM  
Downstream o Refinery o Petrochemical o Utilize and extend  
Predix, APM and Meridium cloud services o Contribute to GE  
Store Core Services System Health Visualization Digital Twin  
Foundation Asset Services Incident Management Collaboration  
Analytics Orchestration Digital Inspections Risk Management  
Data Management Maintenance Optimization Operations  
Optimization Simulation Edge and On-Ramp Services  
Connectivity Edge Inspections On-ramp System 1 On-ramp

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Turbomachinery Solutions Key offerings Gas Turbines o Heavy duty o Aeroderivative o Industrial Centrifugal compressors Small-scale and modular liquefied natural gas Long-term service agreements Transactional services Applications Large scale liquefied natural gas Offshore power and processing Oilfield power and gas (re)injection Pipeline Compression Small-scale modular LNG Business drivers New Units ~55% 2015 Revenues o Greenfield projects: liquefied natural gas, offshore, onshore fields, pipelines o Brownfield extensions and upgrades o Delivery ~2 years after order/final investment decision Aftermarket Services ~45% 2015 Revenues o Long-term agreements (55%) ... typically signed with equipment award o Transactional and event-based (45%)

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Turbomachinery competitive differentiation Technology o  
Innovating with proven solutions - robust NPI deck o Best in  
class production integration, compressors and drivers  
Execution o Project execution excellence - end-to-end  
project control o Predictability - planning platform and  
testing capabilities o Cost , cycle - scalability Expertise  
o Global and local partnerships / teams o Industry know-how  
Applying GE services experience to the total portfolio

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Services driving predictivity Installed base and data  
acquisition ... the foundation + Experience and insight ...  
industry expertise + Connectivity and big data ... software  
and analytics After market services and installed base o TMS  
installed base: o ~3,500 centrifugal compressors o ~3,000  
gas turbines o LNG installed base: o ~410 centrifugal  
compressors o ~330 gas turbines o Deep OEM domain knowledge  
and service expertise o Integrated software architecture  
Services ++ Driving productivity ... no unplanned downtime

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Serving the LNG industry across the plant lifecycle ... 20+  
with long-term service agreements CAPEX Knowledge advisory o  
Pre-FEED/FEED equipment selection and studies (iO JV) Best  
in class main refrigerant equipment and upstream completions  
o Equipment provision and full string test o Installation  
supervision and training o Safety and initial parts -6 -4 -3  
0 20+ OPEX Best in class availability commitment o  
ReliabilityMax (5 active LNG plants). Zero unplanned  
downtime. Up to 99% availability guarantee. Enablers o CSA  
.... beyond traditional maintenance o Digital ...  
Predictivity maintenance o Predix ... Remote services and  
APM o Power Peak and Trip Reduction Program o Unified Ops  
.... move beyond GE assets Pre- Feed/Feed FID EPC award COD  
Plant operations Years

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Downstream Technology Solutions Key offerings Applications  
Downstream Products and Services (DPandS) o Steam turbines o  
Reciprocating compressors o Services and diagnostics  
Refining, Petrochem and Fertilizers Process and general  
industrial Compression for upstream oil and gas Flow and  
Process Technologies (FandPT) o Valves o Pumps o Regulators  
and Actuators Major customers Oil Companies International  
National Independent Petrochemical companies General  
industrial companies Reciprocating compression o High speed  
compressors o Ajax integral and separable compressors o  
Modular CNG solutions Business drivers o DPandS: project  
business + aftermarket for refineries, petrochem and  
fertilizer plants o FandPT: project + flow for downstream  
and process industries o Reciprocating compressors ...  
mainly upstream ... gas lift, natural gas for power  
generation. Shale gas infrastructure levered

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Refinery and Petrochemical Solutions Refineries  
Petrochemical Plants Fertilizer Plants o Hydro Skimming o  
Catalytic Cracking (FCC) o Coking o Ethylene o LDPE, HDPE o  
Polypropylene o Urea o Methanol o Nitric Acid Reciprocating  
and Centrifugal Compressors Steam Turbines and  
Turbo-Expanders Pumps, Motors and Valves + GE and Channel  
Service Network Service and Digital Solutions

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Leveraging GE Store for Industrial Solutions Power Plants  
Industrial Powergen and Flow Control Natural Gas Production  
and Distribution o Steam Turbines - Utility 0-140 MW - Solar  
and Geothermal o Boiler Feed - Pumps and Turbines o Fuel Gas  
Boosting Thermodyn o Biomass o Mining o Pulp and Paper o  
Food and Beverage o Gas Lift o Gas Gathering and Processing  
o Gas Transmission o CNG Fueling Integrated Customer  
Solutions

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Strong Service Franchise with large Installed Base Mission critical units in Downstream ... Our fleet Plant Outages and Overhaul ... Expertise and Flexibility Brownfield projects .... Technology and Execution Installed Base Refineries - Reciprocating: ~1,300 - Centrifugal: ~700 - Other: ~700 Petrochemical Plants - Reciprocating: ~1,300 - Centrifugal: ~700 - Other: ~300 Fertilizer Plants - Centrifugal: ~550 - Steam: ~250 High-speed recipis ~17k GE and Channel Partner Service Network Digital for APM and Process Management

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Surface Key offerings Major customers '15 Revenue profile  
Key brands Production solutions o Artificial Lift -  
Electrical submersible pumps - Rod lift systems -  
Progressing cavity pumps o Well services - Production and  
cased hole logging services, E-line, slickline - Pipe  
Recovery and perforation International, National, and  
Independent Oil Companies EandP operators NAM ~55% RoW ~45%  
Wood Group Well Support Evaluation and optimization o  
Downhole tools o Drilling measurements and sensing o  
Monitoring and completion systems EandP operators Oilfied  
service companies NAM ~25% RoW ~75% Field Vantage Pressure  
control o Well control equipment o Surface wellheads o  
Production trees o Frac rentals and flowback Mostly Onshore  
International, National, and Independent Oil Companies EandP  
operators NAM ~35% RoW ~65% Wood Group Well Support

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Focus on customer outcomes Full well-lifecycle offering  
Responding to customer needs o Flexible lift solutions as  
flow changes ESP Rod Lift o Flexible power and compression  
solutions o Well optimization ... Zenith downhole sensing +  
ESP + Intelligent Platforms o Performance-based contracts o  
Lease/rental models Recovery Speed Costs Cash flow Sensing,  
Control and Automation Oilfield power and compression Asset  
and well optimization Case study: Middle East Customer o  
Field automation system ... Downhole sensing + ESP o Manage  
equipment and adjust production rates Value o Targeting 5%  
production per well o predictability and intervention  
planning o exposure to production loss and cost Presence in  
upstream value chain Broadest lift portfolio + lifecycle  
offering Utilizing decades of GE reliability experience

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Subsea Systems and Drilling Key offerings Major customers  
Business drivers Key brands Subsea Production Systems and  
Services Wellstream flexible pipes o Trees, Manifolds and  
Connections o Controls and Actuators o Wellheads, Connectors  
and Pipes o Power and Processing o Life of field management  
o Well construction and intervention o Flexible production  
risers, flowlines and jumpers o Riser integrity management  
International, National, and Independent Oil Companies  
Specialized developers International, National, and  
Independent Oil Companies Engineering and Procurement o  
Subsea project FIDs ... greenfield and brownfield o Mid-life  
upgrades ... electrical submersible pump. controls o Well  
intervention and workover campaigns o Adoption of flexible  
risers for FPSO projects o Riser integrity management  
activity Compaies Drilling products and services o Blowout  
Preventers (BOPs) o Marine drilling risers o BOP controls  
and monitoring o Inspection and repair services o Long-term  
service agreements Drilling companies International,  
National, and Independent Oil Companies o Deepwater drilling  
vessel newbuilds/upgrades o Post-Macondo BOP standards o  
Inspection and certification o Adoption of performance based  
service agreements

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Case study: inserting technology to improve reliability and analytic capability for Statoil ~150 ~140 ~10 ~20% Trees 30% upgraded Control pods 60% upgraded Manifolds supplied Well recovery lag globally CAPEX Driven 2-3yrs OPEX Driven ~25yrs INSTALLATION LIFECYCLE SERVICES WH/SPS Install/Recovery Well Intervention Controls Upgrades Equipment Repairs Remote Monitoring Well Abandonment 21st century technology Improved availability Better analytics Extended field life Obsolescence mitigation

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Proven track record ... successful subsea EPC projects worldwide  
IDD - Chevron ENI 15-06/Mpungi - ENI o Indonesia o 2013-2016 10 Manifolds, 27 Trees, PLEMs, Controls, Connections and Tooling o Angola o 2014-2016 o 1100m 3 Manifolds, 9 Trees, 5 SDU, Controls, Connections and Tooling  
ONGC - Vashishta Julimar - Apache o India o 2015-2017 o 700m -a) 3 Trees, Well head system, Connections, UTA/UTDA/SDU, Controls and MCS, Services and tooling o Australia o 2012-2016 o 250m 2 Manifolds, 2 PLETs, 8 Trees, Controls, Jumpers, Connections Ichthys SPS - Inpex Kizomba Satellite Ph2 - ExxonMobil o Australia o 2012-2016 o 340m 5 Manifolds, 22 Trees, 6 SDU, Controls, Jumpers, Connections and Tooling o Angola o 2012-2016 o 300m 6 Manifolds, 24 Trees, Controls, Jumpers, Connections and Tooling Lianzi - Chevron ENI 15-06 /West Hub - ENI o Rep. of Congo o 2012-2016 o 820-1070m 4 x Prod. Trees, 3 x WI Trees, Conns and Flex Jumpers, IWOCS o Angola o 2011-2016 o 1450m 6 Manifolds, 13 Trees 5 SDU, Controls, Jumpers, Connections and Tooling Gorgon - Chevron OCTP Ghana- ENI o Australia o 2008-2016 o 300-1300m 10 Manifolds, 3 CDU/UMCA, 36 PLETs, 20 Trees, Controls, Jumpers, Connections and Tool o Ghana o 2015-2018 o 500-1100m 21 Trees , 8 A-Flets, 4 Flets Controls, IWOCS, Jumpers, Connections and Tooling Snohvit CO2 - Statoil World record tie-back of 175 kms on Statoil's SnOhvit (a- Depth in meters o Norway o 2013-2016 o 350m 1 Manifold, 2 Trees, Controls, Connections and Tooling, Umbilicals

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Differentiated technology and services: Innovation in deep water drilling 20k psi BOP Asset lifecycle management SeaPrime™ MUX Controls 3x higher availability than existing systems SeaLytics BOP Advisor (™) Troubleshooting and Maintenance Management Data-enabled services o Equipment baseline modeling o Condition based maintenance o Rig-based re-certification o Digitized asset history Industry first .... access to 20K PSI and 350(0)F reservoirs Increased reliability Reduced downtime

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DIGITAL SOLUTIONS CONDITION and ASSET MONITORING By BENTLY  
NEVADA CONTROL SOLUTIONS Hardware, software and advisory  
services to improve machinery health and productivity of our  
customers' industrial assets Condition monitoring and  
protection devices Advanced machinery diagnostic software  
solutions Industry leading technical support Control system  
upgrade/retrofit projects Parts and services Cyber security  
Software and HMIs Mechanical solutions Lifecycle management  
40% 30% 8% 22% Oil and Gas Power Gen Aerospace Other  
Industrials INSPECTION TECHNOLOGIES MEASUREMENT and SENSING  
PII (JV) Ultrasonic Eddy current Remote visual Conventional  
and digital X-ray 3D computed tomography (CT) Software  
Sensors Nuclear instrumentation Flow Gas and moisture  
Pressure Inspection (ILI) services for oil and gas  
transmission pipelines Cracks / corrosion data analysis  
Integrity engineering Software tools Remote monitoring \*A  
registered trademark of General Electric Company.

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Hardware to platform + Service Current portfolio Future  
offering 'Asset-Productivity+' Measure o Pressure +  
flowmeters Monitor o Rotating equipment vibration monitoring  
Control o Turbine controls + cyber Inspect o NDT equipment +  
services ANALYTICS APPS SERVICES Pattern recognition  
Metrology algorithms Machine learning / AI APM+ (IIM) Mobile  
workflow mgmt Inspection cloud Cloud storage, tagging,  
reporting Risk assessments, insp planning Drone and robotic  
inspections Mobile inspection workforce Smart Machines  
Inspection Services o Pipeline inspection HARDWARE In-line  
cameras, laser/3D scanners Wireless sensors, drones,  
robotics Inspection / Integrity Services Attractive HW  
businesses w/leading positions Cloud-based, industry and HW  
agnostic DIRECT INDIRECT Inspection services increase asset  
productivity ... APM+ Go-to-market Strategy 7 regions 2,000+  
sales and commercial 1,500+ channels E-commerce platform

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Predictive corrosion management Predictive Corrosion Management from GE is an APM offering which combines a Predix, cloud-based software application with RightraxPM installed sensors and advisory services to continuously monitor corrosion-related risk, proactively make disposition decisions and minimize total cost of operations Continuous Inspection Predictive and Proactive Maintenance Ongoing Advisory Support RightraxPM Installed UT Sensors Predix cloud-based Software Expert Advisory Support

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Stronger coming out of cycle (\$ in billions) Cost-out Total  
cost-out '15/'16E ~\$1.3-1.4B ~\$0.7-0.8B Key drivers Product  
cost-out Execution on sourcing savings, project productivity  
and material redesign ~\$0.6B Infrastructure and services  
Rooftop and supplier base streamlining ... Brilliant Factory  
pilots underway 2015 2016E SGandA and simplification  
Commercial and regional transformation, Digital tool  
enhancement for enabling functions and investment  
prioritization Executing on cost while continuing to invest  
in capability

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Cost execution in down cycle ... examples Global supply chain optimization Product cost -out Onshore product example Cost and optimization ... 20% 2014 2016 Rooftops ... enhancing through Digital Thread 100% Prior standard Cost +10% Volume under absorption (30)% Sourcing base (19)% Design Changes (12)% Specs Logistics Commonality ~50% New standard cost o Consolidating capability ... investing in multi-modal facilities to leverage GE footprint o Brilliant Factories, Talamona, Italy: Automated robotics line, 30% reduction in lead times, predictive approach with data collection and software o Driving savings through global supply base o Cross-functional teams driving design optimization o Deep catalogue simplification as part of process

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GE O and G financial summary (\$ in billions) Financials 2013  
 2014 2015 Key actions 1 Executing through down-cycle ...  
 operational excellence and cost-out Orders Revenue Op profit  
 / EBIT \$19.9 \$17.3 \$20.1 \$15.1 \$19.1 \$16.5 \$2.8 2 Continuing  
 to operate with flexibility to react to different market  
 conditions 3 Investing through the cycle and develop further  
 capabilities Backlog EBITDA EBITDA % CAPEX \$2.8 16.4% \$0.7  
 \$3.3 17.5% \$0.6 \$3.0 18.4% \$0.5 Equipment Services \$23.9  
 \$25.0 \$22.9 13.0 12.0 9.5 10.9 12.9 13.4 2013 2014 2015

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Deal overview

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Creating a productivity leader in Oil and Gas ~70,000  
employees ~\$34B revenue '20F The most advanced service  
technology company The leader in O and G technology  
equipment Integrated digitally-enabled offerings to set new  
standards for the oil and gas industry

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Deal summary Overview Strategic rationale o Merge GE O and G with Baker Hughes ... GE owns 62.5%, new Baker Hughes owns 37.5% ... \$7.4B cash dividend to existing BHI shareholders o Publicly traded company with separate investor base ... partnership structure o BHI valued at 11.0x pro-forma EBITDA .... 6.7x with run-rate synergies ... 37% total premium for BHI shareholders o Targeting close in mid-2017 ... committed to work with regulators to address any questions 1 New company will have unique portfolio in O and G industry ... fullstream capability 2 Complementary technology ... leverage GE store + digital 3 Significant synergy opportunity ... ~\$1.2B cost , ~\$0.4B revenue 4 Earnings accretive ... ~\$0.04 incremental '18 EPS 5 Fits capital allocation plan Core business ... expands competitive capabilities '18 EPS accretive ... attractive IRR and long-term value creation

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Creating investor value 1 Transaction significantly expands  
GE O and G and Baker Hughes into a fullstream technology  
provider 2 Baker Hughes brings complementary technology,  
global capability and a unique service mentality to GE 3  
NewCo will combine GE's strength in large equipment, LNG and  
offshore with BHI's strength in services and drilling and  
completion tools 4 Deal is financially attractive  
Significant synergies + NewCo better positioned to navigate  
cycles ... value creation for investors 2020F outlook  
(Proforma financials, \$ in billions) ~23% EBITDA margin ~\$34  
~\$8 Revenue EBITDA

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Q and A

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GE

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