



## **PRESS RELEASE**

# **H. LAWRENCE CULP, JR. NAMED CHAIRMAN AND CEO OF GE**

## **GE Power business outlook declines, leading to shortfall relative to 2018 guidance; Company to take non-cash impairment charge related to GE Power**

### **Thomas W. Horton appointed as Lead Director**

BOSTON – October 1, 2018 – GE (NYSE: GE) announced today that H. Lawrence Culp, Jr. has been named Chairman and Chief Executive Officer of the Company by a unanimous vote of the GE Board of Directors, effective immediately. Additionally, the GE Board has appointed Thomas W. Horton as Lead Director. Mr. Culp and Mr. Horton have been members of the Board since April 2018. Mr. Culp will succeed John Flannery as Chairman and CEO.

While GE's businesses other than Power are generally performing consistently with previous guidance, due to weaker performance in the GE Power business, the Company will fall short of previously indicated guidance for free cash flow and EPS for 2018. In addition, GE expects to take a non-cash goodwill impairment charge related to the GE Power business. GE Power's current goodwill balance is approximately \$23 billion and the goodwill impairment charge is likely to constitute substantially all of this balance. The impairment charge is not yet finalized and remains subject to review. The Company will provide additional commentary when it reports third quarter results.

Mr. Culp said, "GE remains a fundamentally strong company with great businesses and tremendous talent. It is a privilege to be asked to lead this iconic company. We will be working very hard in the coming weeks to drive superior execution, and we will move with urgency. We remain committed to strengthening the balance sheet including deleveraging. Tom and I will work with our board colleagues on opportunities for continued board renewal. We have a lot of work ahead of us to unlock the value of GE. I am excited to get to work."

Mr. Horton said, "Larry Culp has a proven track record in company transformation and delivering shareholder value. He is a strong leader with deep knowledge of industrials and technology, and an intense focus on execution, organization, and talent development. The board looks forward to working with Larry and his team to return GE to growth and long-term success. On behalf of the board, I thank John for his significant contributions and long service to GE."

Mr. Culp, 55, served as Chief Executive Officer and President of Danaher Corporation from 2000 to 2014. During his tenure he led the highly successful transformation of the company from an industrial manufacturer into a leading science and technology company. Under Mr. Culp's leadership, Danaher executed a disciplined capital allocation approach, including a series of strategic acquisitions and dispositions, a focus on investing for high-impact organic growth and margin expansion, and delivering strong free cash flow to drive long-term shareholder value. During his 14 years at the head of Danaher, the company's market capitalization and revenues grew five-fold.

Thomas W. Horton, 57, served as Chairman and Chief Executive Officer of American Airlines from 2011 to 2013, and Chairman of American Airlines Group from 2013 to 2014. During his tenure he led the successful restructuring of the airline and its eventual merger with US Airways, creating the world's largest airline. In addition to a deep knowledge of the aviation industry, Mr. Horton brings strong financial skills and corporate governance experience to the board, having served earlier in his career as the Chief Financial Officer of American Airlines and AT&T Corporation.

### **Caution Concerning Forward Looking Statements**

This document contains "forward-looking statements" – that is, statements related to future events that by their nature address matters that are, to different degrees, uncertain. For details on the uncertainties that may cause our actual future results to be materially different than those expressed in our forward-looking statements, see <http://www.ge.com/investor-relations/disclaimer-caution-concerning-forward-looking-statements> as well as our annual reports on Form 10-K and quarterly reports on Form 10-Q. We do not undertake to update our forward-looking statements. This document also includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.

### **About GE**

GE (NYSE:GE) drives the world forward by tackling its biggest challenges: Energy, health, transportation—the essentials of modern life. By combining world-class engineering with software and analytics, GE helps the world work more efficiently, reliably, and safely. For more than 125 years, GE has invented the future of industry, and today it leads new paradigms in additive manufacturing, materials science, and data analytics. GE people are global, diverse and dedicated, operating with the highest integrity and passion to fulfill GE's mission and deliver for our customers. [www.ge.com](http://www.ge.com)

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