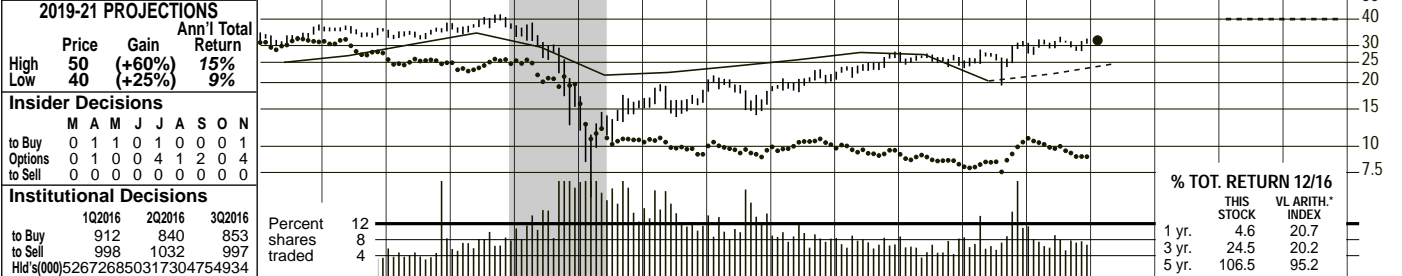


# GENERAL ELECTRIC NYSE-GE

RECENT PRICE **31.69** P/E RATIO **19.9** (Trailing: 22.5; Median: 15.0) RELATIVE P/E RATIO **1.02** DIV'D YLD **3.0%** VALUE LINE

TIMELINESS <b>2</b> Raised 5/6/16	High: 37.3	38.5	42.2	38.5	17.5	19.7	21.7	23.2	28.1	27.9	31.5	33.0	Target Price Range 2019 2020 2021
SAFETY <b>2</b> Raised 1/13/17	Low: 32.7	32.1	33.9	12.6	5.7	13.8	14.0	18.0	20.7	23.7	19.4	27.1	
TECHNICAL <b>3</b> Lowered 11/25/16	LEGENDS — 10.5 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession												
BETA 1.10 (1.00 = Market)													



2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
13.07	12.69	13.21	13.33	14.44	14.28	15.90	17.30	17.32	14.70	14.15	13.93	14.16	14.52	14.77	13.61	14.05	14.10	Revenues per sh	18.15
2.06	2.14	2.12	2.24	2.38	2.56	2.90	3.28	2.81	2.07	2.13	2.28	2.44	2.65	2.59	1.94	2.10	2.35	"Cash Flow" per sh	3.80
1.29	1.41	1.51	1.55	1.61	1.72	1.99	2.20	1.78	1.03	1.15	1.31	1.52	1.64	1.65	1.32	1.50	1.70	Earnings per sh	3.00
.57	.64	.73	.77	.82	.91	1.03	1.15	1.24	.61	.46	.61	.70	.79	.89	.92	.92	.96	Div'ds Decl'd per sh	1.55
.26	.29	.24	.97	1.24	1.38	1.62	1.79	1.52	.81	.92	1.20	1.45	1.34	1.36	.78	.80	.90	Cap'l Spending per sh	1.30
5.08	5.52	6.39	7.87	10.47	10.43	10.93	11.57	9.93	11.00	11.20	11.01	11.82	12.98	12.74	10.48	9.95	9.75	Book Value per sh	13.35
9932.0	9925.9	9969.9	10063	10586	10484	10277	9987.6	10537	10663	10615	10573	10406	10061	10057	9379.3	8850.0	8800.0	Common Shs Outst'g	8700.0
40.1	30.8	20.7	18.1	20.5	20.5	17.3	17.2	15.7	13.0	14.4	13.9	13.3	14.7	15.7	20.3	20.2	20.2	Avg Ann'l P/E Ratio	15.0
2.61	1.58	1.13	1.03	1.08	1.09	.93	.91	.94	.87	.92	.87	.85	.83	.83	1.02	1.08	1.08	Relative P/E Ratio	.95
1.1%	1.5%	2.3%	2.7%	2.5%	2.6%	3.0%	3.0%	4.4%	4.6%	2.8%	3.4%	3.5%	3.3%	3.4%	3.4%	3.0%	3.0%	Avg Ann'l Div'd Yield	3.4%

<b>CAPITAL STRUCTURE as of 9/30/16</b>				163391	172738	182515	156783	150211	147300	147359	146045	148589	127684	124400	124000	Revenues (\$mill)	158000
Total Debt \$147.3 bill. Due in 5 Yrs \$135.0 bill.				32.5%	35.1%	31.1%	25.4%	26.8%	30.3%	27.7%	26.5%	25.3%	19.2%	21.9%	22.6%	Operating Margin <sup>A</sup>	27.0%
LT Debt \$115.7 bill. LT Interest \$6.4 bill.				9158.0	10278	11492	10636	10013	9185.0	9346.0	9762.0	9283.0	4847.0	5100	5550	Depreciation (\$mill)	7100
				20666	22468	18089	11434	12623	14880	16065	16882	16723	13362	13275	14960	Net Profit (\$mill)	26100
Leases, Uncapitalized \$821 mill.				16.1%	15.5%	5.5%	--	7.4%	27.4%	14.4%	8.5%	10.3%	25.2%	24.0%	Income Tax Rate	25.0%	
Pension Assets-12/15 \$45.7 bill.				12.6%	13.0%	9.9%	7.3%	8.4%	10.1%	10.9%	11.6%	11.3%	10.5%	10.7%	12.1%	Net Profit Margin	16.5%
Obligation \$68.7 bill.				235281	244405	254715	316579	314972	272131	283910	245855	234450	46881	102000	107000	Working Cap'l (\$mill)	135000
Pfd. Stock None				260804	319015	330067	338215	360681	315832	312668	251789	230352	145301	112000	107000	Long-Term Debt (\$mill)	92000
Pfd. Div'd None				112314	115559	104665	117291	118936	116438	123026	130566	128159	98274	88000	86000	Shr. Equity (\$mill) <sup>D</sup>	116000
Common Stock 8,846,390,000 shares				6.7%	6.4%	5.6%	4.6%	3.9%	4.8%	4.8%	5.6%	5.9%	5.8%	8.0%	9.5%	Return on Total Cap'l	14.0%
MARKET CAP: \$280 billion (Large Cap)				18.4%	19.4%	17.3%	9.7%	10.6%	12.8%	13.1%	12.9%	13.0%	13.6%	15.0%	17.5%	Return on Shr. Equity	22.5%
CURRENT POSITION				9.1%	9.5%	5.4%	2.1%	6.6%	7.2%	7.2%	6.9%	6.1%	4.1%	6.0%	7.5%	Retained to Com Eq	11.0%
2014				50%	51%	69%	79%	38%	43%	45%	46%	53%	70%	61%	56%	All Div'ds to Net Prof	52%

**BUSINESS:** General Electric Company is a global digital industrial company transforming industry with software-defined machines and solutions that are connected, responsive, and predictive. Products/services range from aircraft engines to power generation to oil/gas equip. to medical imaging, etc. Its GE Capital finance arm remains in the process of being divested (GE Capital Exit Plan). It competes in 180 countries. GE has 330,000 employees. 2015 international sales equated to 55% of top line. Officers & directors own less than 1% of common stock; BlackRock and Vanguard, 5.0% (3/16 Proxy). Chairman & CEO: Jeffrey Immelt. Inc.: NY. Address: 3135 Easton Turnpike, Fairfield, CT 06828. (Planned move to Boston forthcoming). Tel.: 203-373-2211. Internet: www.ge.com.

**General Electric shares probably have some more room to run.** Since Donald Trump was victorious in the U.S. Presidential election, the Dow has been on a solid upswing. Industrials have been at the forefront of this climb, and GE has been many investors' stock of choice to play this surge. Policies put in place by the new administration are likely to be increasingly favorable to this behemoth's operations, and that has not gone unnoticed on Wall Street. With that, we continue to have this equity ranked Above Average for year-ahead relative price performance (Timeliness: 2). Elsewhere, we have long been touting this stock's appeal as an income play. That said, the 4% increase to the quarterly dividend starting in the current quarter only serves to further back this assertion. The current yield is around 3% versus the Value Line average of 2%.

Cal-endar	QUARTERLY REVENUES (\$ mill) <sup>F</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	34815	35123	35725	40382	146045
2014	34178	36233	36174	42004	148589
2015	29356	32754	31680	33894	127684
2016	27845	33494	29266	33795	124400
2017	27500	33000	29650	33850	124000

Cal-endar	EARNINGS PER SHARE <sup>B</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	.39	.36	.36	.53	1.64
2014	.33	.39	.38	.55	1.65
2015	.20	.31	.29	.52	1.32
2016	.21	.36	.32	.61	1.50
2017	.26	.40	.38	.66	1.70

Cal-endar	QUARTERLY DIVIDENDS PAID <sup>C</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	.19	.19	.19	.19	.76
2014	.22	.22	.22	.22	.88
2015	.23	.23	.23	.23	.92
2016	.23	.23	.23	.23	.92
2017	.24	.24	.24	.24	.96

**(A)** Operating margin includes all expenses except interest, depr., and taxes. **(B)** Diluted EPS. Excludes nonrecurring/discontinued items: '02, 10c; '05, (18c); '06, 1c; '07, (3c); '08, (6c); '09, (2c); '10, (9c); '11, (7c). Quarterly EPS may not sum due to rounding. Next eggs report due January 20th. **(C)** Divs. paid late January, April, July, and October. **(D)** DRIP available. **(D)** Includes intangibles. In '15: \$82.3 billion, \$8.82/share. **(E)** In millions. **(F)** Revenues may not sum, as reported.

**December commentary from CEO Jeffrey Immelt increased investor confidence.** A target of \$2.00 a share in operating earnings was set for 2018, which included roughly four cents of contribution from the recent Baker Hughes tie-up. Cautionousness regarding the oil & gas patch was dialed back, and the topic of U.S. tax reform was favorably touched upon. Too, another \$4 billion in asset sales (the industrial solutions arm and its water operations) was disclosed that will likely be used to fortify preexisting capital allocation plans.

**3-D printing will play a significant role in the trimming of expenses out to late decade.** Currently, about 15 items are made via this method. By 2020, that number should climb to 500 and cut manufacturing costs by \$3 billion.

Erik M. Manning  
January 13, 2017

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	35
Earnings Predictability	85

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