

GENERAL ELECTRIC NYSE-GE

RECENT PRICE **27.45** P/E RATIO **16.6** (Trailing: 18.4 Median: 15.0) RELATIVE P/E RATIO **0.84** DIV'D YLD **3.5%**

VALUE LINE

TIMELINESS 4 Lowered 6/9/17
SAFETY 2 Raised 1/13/17
TECHNICAL 4 Raised 7/7/17
BETA 1.05 (1.00 = Market)

High: 38.5 42.2 38.5 17.5 19.7 21.7 23.2 28.1 27.9 31.5 33.0 31.8
 Low: 32.1 33.9 12.6 5.7 13.8 14.0 18.0 20.7 23.7 19.4 27.1 26.8

LEGENDS
 — 10.5 x "Cash Flow" p sh
 ... Relative Price Strength
 Options: Yes
 Shaded area indicates recession

2020-22 PROJECTIONS

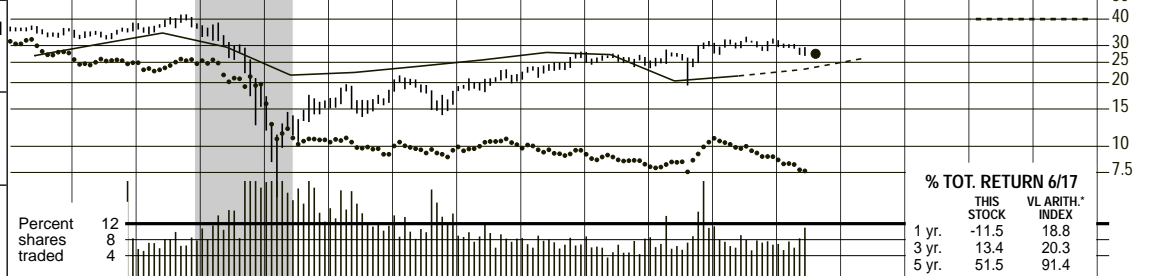
Price	Gain	Ann'l Total Return
High 55	(+100%)	22%
Low 40	(+45%)	14%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	1	0	1	1	0	0	1
Options	2	0	4	1	1	3	1	1	0
to Sell	0	0	0	0	0	1	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	853	901	902
to Sell	997	1034	1091
Hlds(000)	47549344	796512528	9400



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
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	14.15	14.60	15.35	Revenues per sh	20.85
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	2.05	2.20	2.50	"Cash Flow" per sh	4.00
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	1.49	1.65	1.90	Earnings per sh	3.25
.64	.73	.77	.82	.91	1.03	1.15	1.24	.61	.46	.61	.70	.79	.89	.92	.92	.96	1.04	Div'ds Decl'd per sh	1.68
.29	.24	.97	1.24	1.38	1.62	1.79	1.52	.81	.92	1.20	1.45	1.34	1.36	.78	.82	.80	.90	Cap'l Spending per sh	1.20
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	8.67	9.25	10.00	Book Value per sh	12.60
9925.9	9969.9	10063	10586	10484	10277	9987.6	10537	10663	10615	10573	10406	10061	10057	9379.3	8742.6	8650.0	8600.00	Common Shs Outst'g	8400.0
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	20.4	20.4	20.4	Avg Ann'l P/E Ratio	15.0
1.58	1.13	1.03	1.08	1.09	.93	.91	.94	.87	.92	.87	.85	.83	.83	1.02	1.07	1.07	1.07	Relative P/E Ratio	.95
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%	3.0%	Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 3/31/17
 Total Debt \$128.0 bill. Due in 5 Yrs \$70.0 bill.
 LT Debt \$99.7 bill. LT Interest \$5.5 bill.

(55% of Cap'l)

Leases, Uncapitalized \$969 mill.
 Pension Assets-12/16 \$45.9 bill.
 Obligation \$71.5 bill.

Pfd. Stock None

Pfd. Div'd None

Common Stock 8,683,963,000 shares as of 3/31/17

MARKET CAP: \$238 billion (Large Cap)

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
172738	182515	156783	150211	147300	147359	146045	148589	127684	123693	126100	132100	Revenues (\$mill)	175000				
35.1%	31.1%	25.4%	26.8%	30.3%	27.7%	26.5%	25.3%	19.2%	18.5%	18.7%	19.5%	Operating Margin	24.0%				
10278	11492	10636	10013	9185.0	9346.0	9762.0	9283.0	4847.0	4997.0	4850	5100	Depreciation (\$mill)	6350				
22468	18089	11434	12623	14880	16065	16882	16723	13362	13604	14275	16340	Net Profit (\$mill)	27300				
15.5%	5.5%	--	7.4%	27.4%	14.4%	8.5%	10.3%	25.2%	25.2%	25.0%	25.2%	Income Tax Rate	25.0%				
13.0%	9.9%	7.3%	8.4%	10.1%	10.9%	11.6%	11.3%	10.5%	11.0%	11.3%	12.4%	Net Profit Margin	15.6%				
244405	254715	316579	314972	272131	283910	245855	297289	46881	37162	55000	60000	Working Cap'l (\$mill)	90000				
319015	330067	338215	360681	315832	312668	251789	230352	145301	105080	98000	93000	Long-Term Debt (\$mill)	77500				
115559	104665	117291	118936	116438	123026	130566	128159	98274	75828	80000	86000	Shr. Equity (\$mill)	106000				
6.4%	5.6%	4.6%	3.9%	4.8%	4.8%	5.6%	5.9%	5.8%	8.3%	9.5%	10.5%	Return on Total Cap'l	16.0%				
19.4%	17.3%	9.7%	10.6%	12.8%	13.1%	12.9%	13.0%	13.6%	17.9%	18.0%	19.0%	Return on Shr. Equity	26.0%				
9.5%	5.4%	2.1%	6.6%	7.2%	7.2%	6.9%	6.1%	4.1%	6.3%	7.5%	8.5%	Retained to Com Eq	12.5%				
51%	69%	79%	38%	43%	45%	46%	53%	70%	65%	58%	55%	All Div'ds to Net Prof	52%				

CURRENT POSITION

	2015	2016	3/31/17
Cash Assets	102456	92442	83513
Receivables	27022	24076	21675
Inventory (LIFO)	22515	22354	22701
Other	--	--	--
Current Assets	151993	138872	127889
Accts Payable	13680	14435	13698
Debt Due	17777	23626	28324
Other	73655	63649	33680
Current Liab.	105112	101710	75702

BUSINESS: General Electric 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 equipment to medical imaging, etc. Its GE Capital finance arm remains in the process of being almost entirely divested (GE Capital Exit Plan).

It competes in 180 countries. GE has 295,000 employees. 2016 international sales equated to 57% of top line. Officers & directors own less than 1% of common; BlackRock and Vanguard, 5.0% (3/17 Proxy). Chairman & CEO: Jeffrey Immelt (John Flannery becomes CEO 8/1/17). Inc.: NY. Addr.: 41 Farnsworth St., Boston, MA 02210. Tel.: 203-373-2211. Internet: www.ge.com.

ANNUAL RATES

Past 10 Yrs	Past 5 Yrs	Est'd '14-'16 to '20-'22
Revenues	-5%	6.5%
"Cash Flow"	-1.5%	11.0%
Earnings	-1.5%	14.0%
Dividends	--	11.0%
Book Value	--	3.0%

General Electric's recent management shakeup did not take many people off guard. On June 12th, the company announced that Chairman and CEO Jeffrey Immelt would be stepping down. He will be replaced by John Flannery, a long-time GE executive who most recently helmed the GE Healthcare unit. Mr. Flannery will begin his tour as CEO on August 1st and assume the chairman position on December 31st, at which time Mr. Immelt will be retiring. Mr. Immelt has been under pressure from activist investors for some time, and the performance of GE stock under his elongated tenure has left much to be desired. To his credit, he replaced an industry titan, Jack Welch, just before the 9/11 terrorist attacks and led the company through an enormous portfolio transformation that is leading GE back to its industrial roots. Still, the writing had been on the wall, and the initial reaction to his departure was overwhelmingly positive by the investment community.

The question is will new leadership break these shares out of the stagnation experienced of late. As investors have sat through the myriad changes over

the last several years, GE's quotation has been tethered to a tight trading range. The great recession and the troubles experienced at GE Capital brought this equity below \$6 a share, and it has not been able to get above \$33 a share in the decade since. Making things more painful over that time frame is the overall market's climb, particularly the Dow Jones Industrial Average, of which GE is the longest standing member. We do not expect wholesale changes from a strategic standpoint, so the new CEO will need to get creative if the sentiment around these shares is to improve under his guidance.

Our earnings estimates for 2017 and 2018 remain static. Industrial profits will need to be closely monitored, and the integration of the new Baker Hughes pieces needs to go off without a hitch. As far as moving parts go, the lighting business is on the block, as management aims to get deeper in its markets, not broader.

The primary appeal of this good-quality, albeit untimely, equity is its income component. Long-term appreciation potential is also above average.

Erik M. Manning July 14, 2017

QUARTERLY REVENUES (\$ mill.)^F

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	34178	36233	36174	42004	148589
2015	29356	32754	31680	33894	127684
2016	27845	33494	29266	33088	123693
2017	27660	29050	32770	36620	126100
2018	29000	30550	34200	38350	132100

EARNINGS PER SHARE^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.33	.39	.38	.55	1.65
2015	.20	.31	.29	.52	1.32
2016	.21	.50	.32	.46	1.49
2017	.21	.25	.54	.65	1.65
2018	.25	.37	.58	.70	1.90

QUARTERLY DIVIDENDS PAID^C

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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); '15, (\$1.94); '16, (60c). Quarterly EPS may not sum due to rounding. Next egs. report due July 21st. ^(C) Divs. paid late January, April, July, and October. ^(D) DRIP available. ^(E) Includes intangibles. In '16: \$86.9 billion, \$9.93/share. ^(F) Revenues may not sum, as reported.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	30
Earnings Predictability	85