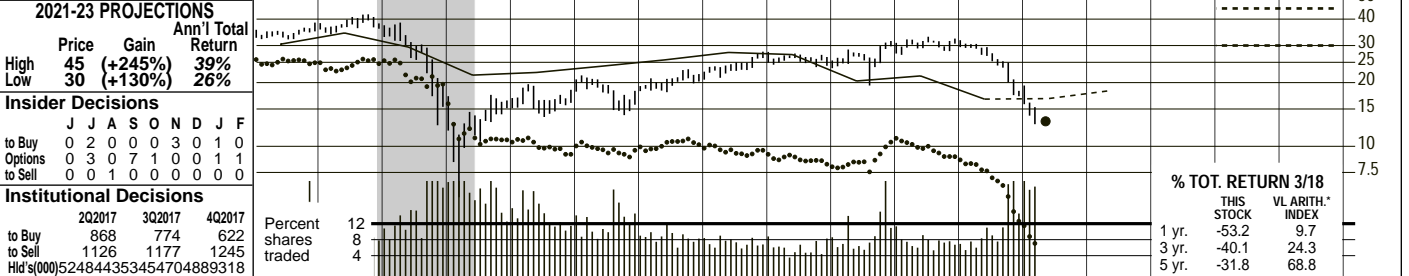


GENERAL ELECTRIC NYSE-GE

RECENT PRICE **13.13** P/E RATIO **14.0** (Trailing: 12.5; Median: 15.0) RELATIVE P/E RATIO **0.76** DIV'D YLD **3.7%** VALUE LINE

TIMELINESS 5 Lowered 1/26/18	High: 42.2	38.5	17.5	19.7	21.7	23.2	28.1	27.9	31.5	33.0	31.8	19.4								Target Price Range		
SAFETY 4 Lowered 4/13/18	Low: 33.9	12.6	5.7	13.8	14.0	18.0	20.7	23.7	19.4	27.1	17.3	12.7								2021	2022	2023
TECHNICAL 4 Lowered 1/12/18	LEGENDS — 10.5 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession																					
BETA 1.00 (1.00 = Market)																						



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC		21-23
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	14.07	14.35	14.80	Revenues per sh		19.05
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	1.59	1.60	1.75	"Cash Flow" per sh		2.90
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	1.05	1.00	1.10	Earnings per sh		2.20
.73	.77	.82	.91	1.03	1.15	1.24	.61	.46	.61	.70	.79	.89	.92	.92	.84	.52	.60	Div'ds Decl'd per sh	C	1.00
.24	.97	1.24	1.38	1.62	1.79	1.52	.81	.92	1.20	1.45	1.34	1.36	.78	.82	.85	.95	1.00	Cap'l Spending per sh		1.25
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	7.40	7.45	8.00	Book Value per sh	D	10.70
9969.9	10063	10586	10484	10277	9987.6	10537	10663	10615	10573	10406	10061	10057	9379.3	8742.6	8680.6	8600.00	8550.0	Common Shs Outst'g	E	8400.0
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	24.8	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio		17.0
1.13	1.03	1.08	1.09	.93	.91	.94	.87	.92	.87	.85	.83	.83	1.02	1.07	1.23			Relative P/E Ratio		.95
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%	3.2%			Avg Ann'l Div'd Yield		2.7%

CAPITAL STRUCTURE as of 12/31/17				2002-2019													2020-2021				
Total Debt \$124.6 bill. Due in 5 Yrs \$60.3 bill.				182515	156783	150211	147300	147359	146045	148589	127684	123693	122092	123540	126330	Revenues (\$mill)	160000				
LT Debt \$108.6 bill. LT Interest \$5.9 bill.				31.1%	25.4%	26.8%	30.3%	27.7%	26.5%	25.3%	19.2%	18.5%	13.9%	13.7%	14.0%	Operating Margin ^A	20.0%				
(63% of Cap'l)				11492	10636	10013	9185.0	9346.0	9762.0	9283.0	4847.0	4997.0	5139.0	5250	5400	Depreciation (\$mill)	6000				
Leases, Uncapitalized \$1216 mill.				18089	11434	12623	14880	16065	16882	16723	13362	13604	9116.0	8600	9405	Net Profit (\$mill)	18480				
Pension Assets-12/17 \$71.6 bill.				5.5%	--	7.4%	27.4%	14.4%	8.5%	10.3%	25.2%	22.0%	22.0%	Income Tax Rate	22.0%						
Obligation \$100.3 bill.				9.9%	7.3%	8.4%	10.1%	10.9%	11.6%	11.3%	10.5%	11.0%	7.5%	7.0%	7.4%	Net Profit Margin	11.6%				
Pf'd. Stock None				254715	316579	314972	272131	283910	245855	234450	46881	37162	48978	54000	60000	Working Cap'l (\$mill)	78000				
Pf'd. Div'd None				330067	338215	360681	315832	312668	251789	230352	145301	105080	108575	106000	103000	Long-Term Debt (\$mill)	90000				
Common Stock 8,680,571,000 shares				104665	117291	118936	116438	123026	130566	128159	98274	75828	64263	64000	68200	Shr. Equity (\$mill) ^D	90000				
MARKET CAP: \$114 billion (Large Cap)				5.6%	4.6%	3.9%	4.8%	4.8%	5.6%	5.9%	5.8%	8.3%	6.1%	7.0%	7.0%	Return on Total Cap'l	11.5%				
CURRENT POSITION				17.3%	9.7%	10.6%	12.8%	13.1%	12.9%	13.0%	13.6%	17.9%	14.2%	13.5%	14.0%	Return on Shr. Equity	20.5%				
(SMILL.)				5.4%	2.1%	6.6%	7.2%	7.2%	6.9%	6.1%	4.1%	6.3%	NMF	6.5%	5.5%	Retained to Com Eq	11.0%				
Cash Assets				69%	79%	38%	43%	45%	46%	53%	70%	65%	NMF	52%	55%	All Div'ds to Net Prof	45%				
Receivables				102456	92442	81995															
Inventory (LIFO)				27022	24076	24438															
Other				22515	22354	21923															
Current Assets				151993	138872	128356															
Accts Payable				13680	14435	15153															
Debt Due				17777	23626	16021															
Other				73655	63649	48204															
Current Liab.				105112	101710	79378															

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 313,000 employees. 2017 international sales equated to 57% of top line. Officers & directors own less than 1% of common stock; BlackRock and Vanguard, 5.0% (3/18 Proxy). CEO: John Flannery. Incorporated: New York. Address: 41 Farnsworth Street, Boston, MA 02210. Telephone: 203-373-2211. Internet: www.ge.com.

General Electric shares have fallen to lows not seen since the early stages of this decade. Investors are exiting in droves and cycling into less risky blue chips at a time when the overall market has been dealing with a bout of volatility. The GE story does get some merit long term, and the Street has been a fan of management's attitude toward the drastic changes that need to be undertaken to right the ship. Still, the current situation is far from ideal and clearly not for everyone. Portfolio simplification is still in the works, with the end result being a focus on aviation, power, and healthcare. In that vein, some divestitures, which will lead to more charges cluttering up the earnings figures, are probably in the cards going forward. Cost trimming will also be a primary focus; the goal is set at \$3 billion. **The stock recently got a boost on whispers that Berkshire Hathaway was looking to take a stake.** Warren Buffett was keen on helping GE during the great recession from 2007-2009. And with the company's stock price once again battered he may well see a buying opportunity. Reports are that an 11% position (\$14 billion) is in play. That amount would make Berkshire the largest shareholder and may be the shot in the arm GE stock needs. Many investors follow Mr. Buffett's ways and if this stake comes to fruition a bounce from the current doldrums would be a distinct possibility. **The next two years are unlikely to show much growth at all as the company's transition wears on.** End markets are stagnant and the Baker Hughes venture is not firing on all cylinders by any stretch of the imagination. Stripping out costs and streamlining the portfolio will be the name of the game. **This equity has fallen to the bottom rung of our Timeliness Ranking System.** Therefore, investors would be wise to not rush in here at this tumultuous time. However, the long-term investment picture is better looking. Appreciation potential from the lows currently being tested are ample out to 2021-2023. Too, the dividend, even after a 50% cut, is north of 3% due to the low share price. We think brighter days are ahead for this 125-year old industrial titan.

(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); '17, (\$1.77). Quarterly EPS may not sum due to rounding. Next egs. report due April 20th. (C) Divs. paid late January, April, July, and October. ■ DRIP available. (D) Includes intangibles. In '17: \$104.2 billion, \$12.00/share. (E) In millions. (F) Revenues may not sum, as reported.	Company's Financial Strength	B
	Stock's Price Stability	85
	Price Growth Persistence	35
	Earnings Predictability	75

Erik M. Manning April 13, 2018