

Follow The Company
Mrisha Sharma

# AGENDA



### Company Background

**Letter From the CEO** 

Financial Highlights

<u>Sustainablity</u>

**GE in The Media** 

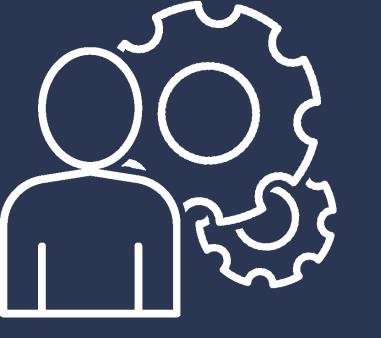
**Discussion Questions** 

# # COMPANY BACKGROUND

- Headquarters in Boston, Massachusetts
- 172,000 Employees
- Power, Renewable Energy, Aviation and Healthcare industries.
- Founded in 1892 by Thomas Edison, Charles Coffin, and J.P. Morgan
- Edison General Electric Company, later renaming as General Electric.
- Present in around 170 countries
- Ticker Symbol on NYSE: GE

#### HISTORIC FACT

- 1. Invention of the first light bulb,
- 2. Development of the first jet engine, and
- 3. First CT scanner for medical imaging.



## **GE McKinsey Matrix with Brief** Instructions

Strong Medium Low

#### Protect position

- Invest to grow at maximum rate possible
- · Focus on maintaining strength

#### Invest to build

- Challenge for leadership
- Build selectively on strengths
- Reinforce vulnerable areas

#### **Build selectively**

- Specialize around limited
- weaknesses
- · Withdraw if indications of sustainable growth are lacking

#### Protect position

- Invest in most attractive
- Build up ability to counter competition
- Emphasize profitability by increased productivity

#### Selectivity/Manage for earnings

- Protect existing program
- Concentrate investments in segments where profitability is good & risks are relatively low

#### **Expand or Harvest**

 Look for ways to expand without high risks; otherwise minimize investments and rationalize operations

#### Protect position and refocus

- · Concentrate on attractive
- Defend strengths

#### Manage for earnings

- Protect position in most profitable segments
- Upgrade product line
- Minimize investment

#### **Divest**

- · Sell at time what will maximize cash value
- Cut fixed costs and avoid investment meanwhile

Industry Attractiveness



Strength of Business Unit

# LETTER FROM THE CEO

"2022 marked the beginning of a new era for GE. One where we are unleashing our full potential as three independent industry leaders. Creating a smarter and more efficient future of flight, driving decarbonization through the energy transition, and enabling precision care are big challenges, not for the faint of heart. I know our teams are ready to deliver."



H. Lawrence (Larry) Culp, Jr.
Chairman and CEO, GE and CEO, GE Aerospace



# THE SPLIT

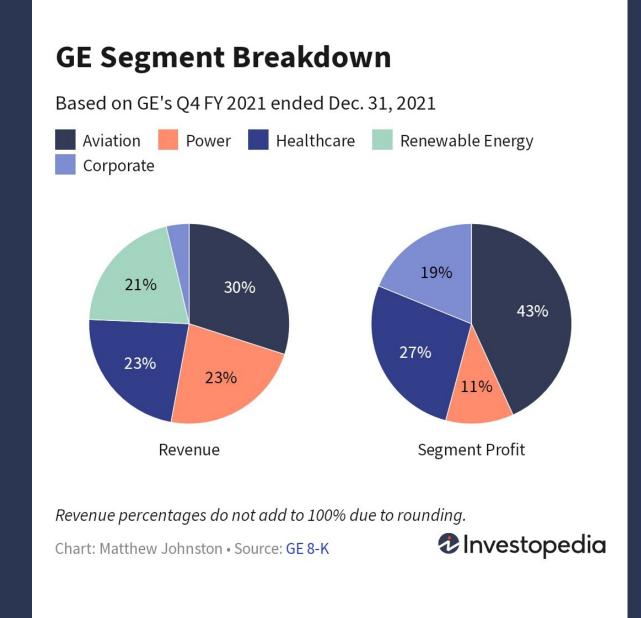
November 2021 - Announced the split into three branches viz;
Healthcare, Aviation, and Renewable Energy.
These divisions will be named GE

These divisions will be named GE Aerospace, GE Healthcare, and GE Vernova.

January 4, 2023, - Launchied GE
HealthCare Technologies Inc.
ticker symbol "GEHC."
GE Aerospace and GE Vernova are
also set to become standalone
companies in early 2024.

Focus on its core businesses, improve financial performance in the market, increase value for its shareholders, and give hope to the investors.

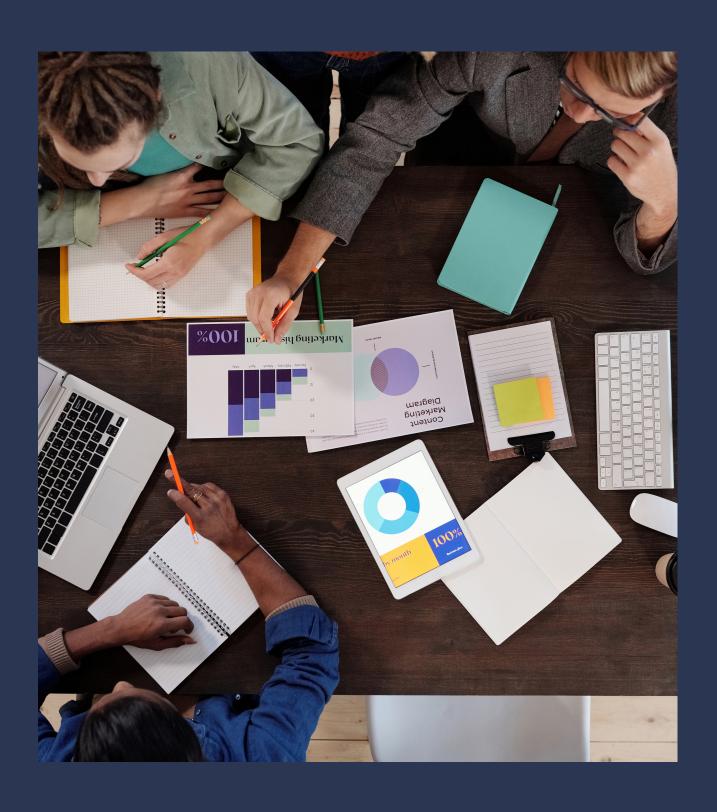
- General Electric distributed 80.1% of GE Healthcare (GEHC) stock to GE stock owners based on the number of shares they own.
- The original parent company kept the remaining 19.9% of GEHC stock.
- When GEHC went public on Nasdaq, its stock price increased by 8.4%.



#### **GE's Business Segments**

GE operates through four industrial segments: Aviation, Healthcare, Renewable Energy, and Power. It provides a breakdown of segment profit and revenue for each of these business segments as well as a separate Corporate





# FINANCIAL HIGHLIGHTS



#### General Electric Company

\$96.21 1 +35.18 1Y

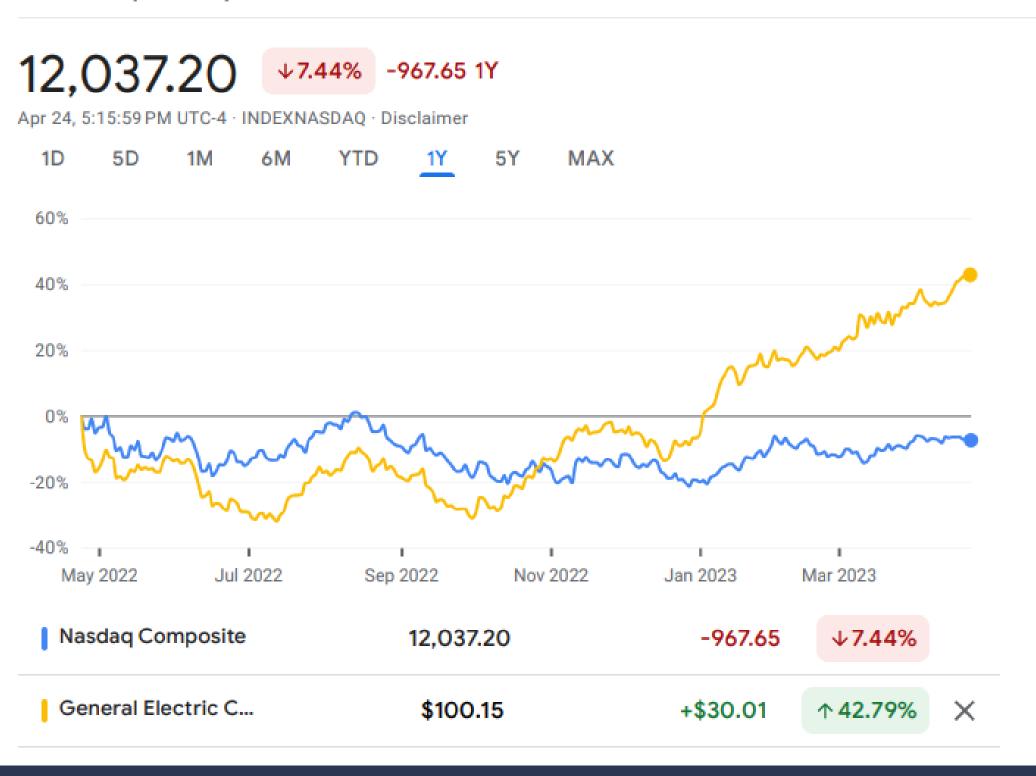
After Hours: \$96.38 (↑0.18%) +0.17

Closed: Apr 26, 6:51:05 PM UTC-4 · USD · NYSE · Disclaimer



Stock US listed secu	irity
PREVIOUS CLOSE	\$98.44
DAY RANGE	\$96.09 - \$98.45
YEAR RANGE	\$46.77 - \$102.01
MARKET CAP	104.90B USD
AVG VOLUME	6.86M
P/E RATIO	12.56
DIVIDEND YIELD	0.33%
PRIMARY EXCHANGE	NYSE

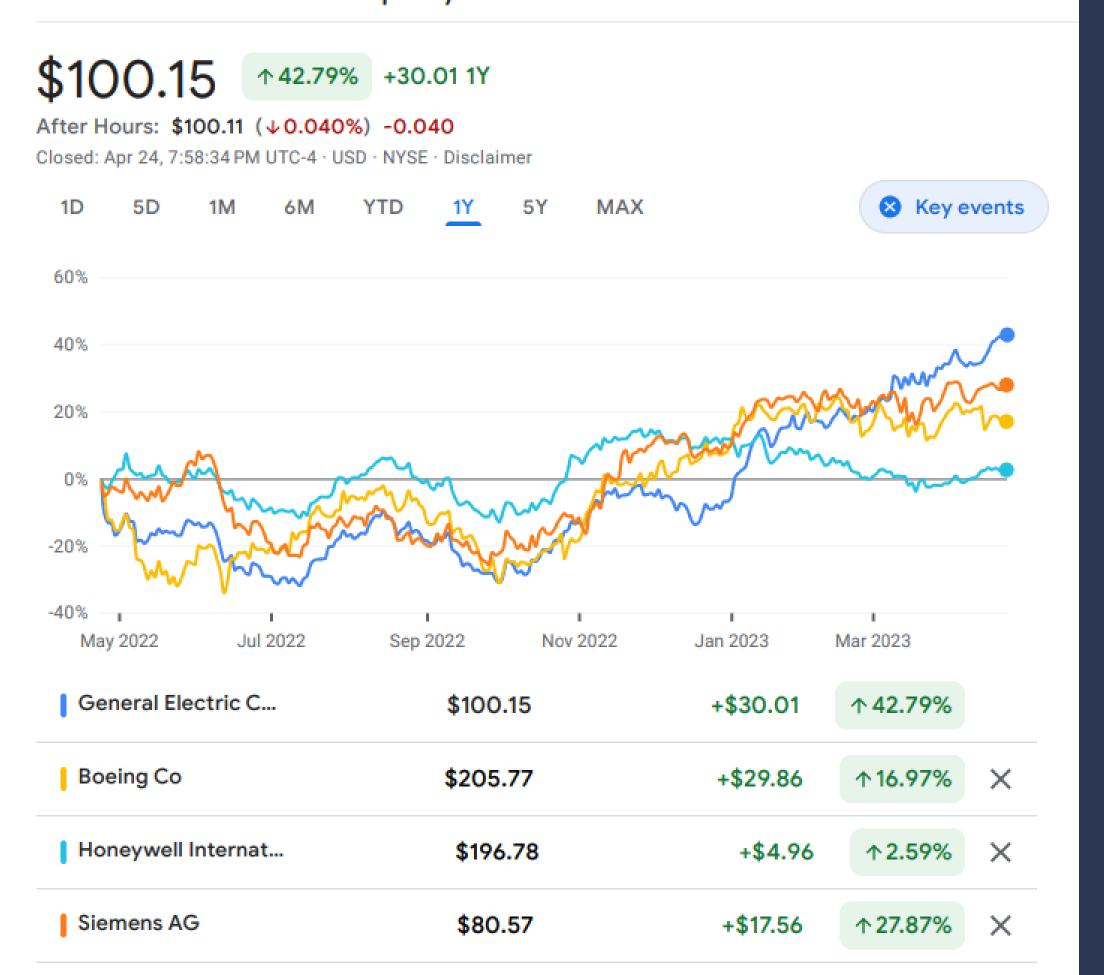
#### Nasdaq Composite



# FY 2022 GE and Its Competitors

Name	Revenue	Gross Profit	EPS	P/E Ratio	Market Cap
GE	\$76.5 billion	\$21.020B	\$0.53	38.37	\$109.19B
Boeing	\$66.608B	\$3.53B	\$-8.3	0.00	\$123.29B
Siemens	\$77.618B	\$28.023B	\$2.49	35.65	\$128.91B
Honeywall	\$35.466B	\$11.641B	\$7.27	22.41	\$131B

#### General Electric Company



Ryan Beene from Bloomberg reported on April 26, 2022, that GE had suffered a major slump due to supplychain problems, the rising cost of raw materials, and labor deficiency. Its shares fell to 13%, the biggest fall since march 2020, and the free cash flow was -\$880 billion, the worst GE had ever faced.

## Recommendation

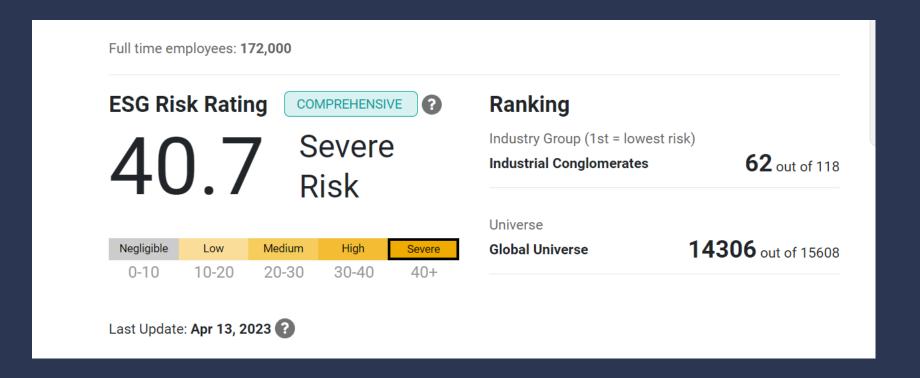
# •It is recommended to BUY the stock

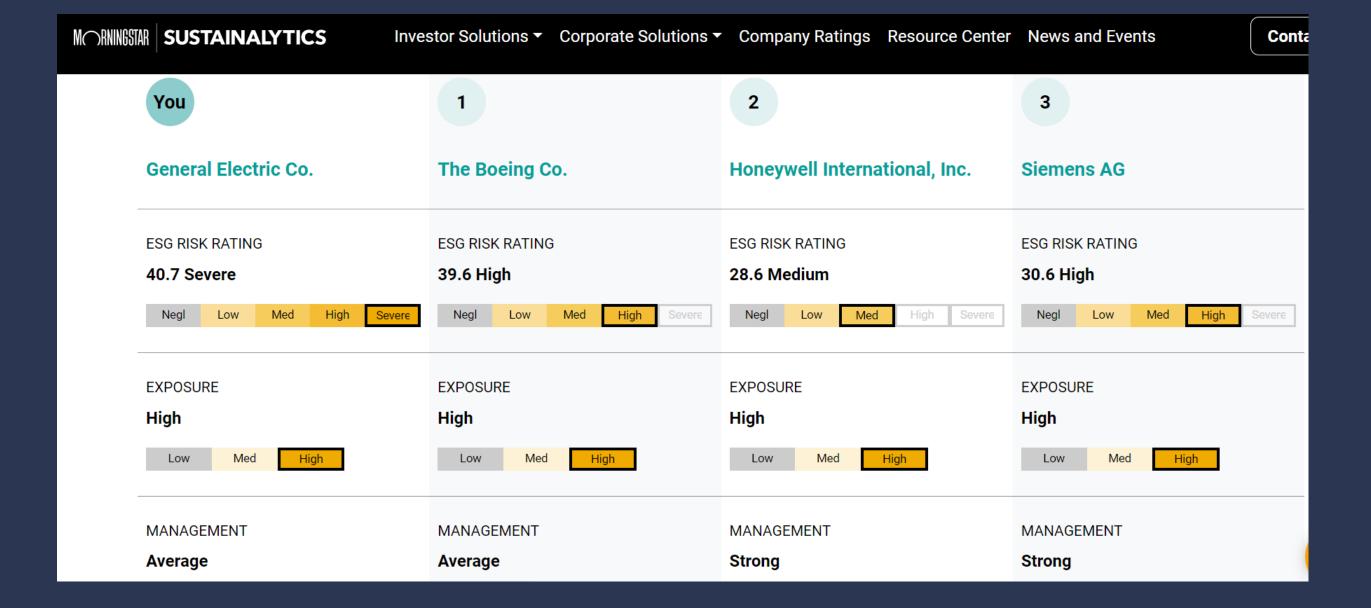
- Stock Price Forecast 2024- The median target of 104.00. High 120.00 and a low 90.00. This is a +3.85% increase from the last price of 100.14.
  - •The sales forecast will grow to \$105.5 million



Analyst Brad Smith says "General Electric has raised its full year profit outlook on the back of strong travel demand, predicting airplane manufacturing will be a strong performer for years to come. This as the company plans to split its power and aerospace businesses into two companies, GE Aerospace and GE Vernova. The stock is up by about 53% since the beginning of this year."









#### **Our Sustainability Priorities**



#### **Our Efforts**

2030 carbon neutrality commitment (Scope 1/2 emissions)

Ambition to be a **net zero company by 2050**, including
Scope 3 emissions from use of
sold products

Committed to **innovating technologies** for global
decarbonization, sustainability

Planned exit from new-build coal business

Invested **\$3.8B** in 2020 R&D companywide\*

\* GE and Customer & Partner funded

 A few goals are progression towards attaining carbon-neutral status by 2030 and becoming a zeroemission company by 2050.

• It also lays heavy emphasis on Human Rights and developing practices and products which are safe, sustainable, and of high quality.

Read the full report at: www.ge.com/sustainability

BUILDING A WORLD THAT WORKS FOR TOMORROW 1

#### < yahoo!finance

**A** ZACKS

#### **General Electric (GE), Ecogreen Energy Team Up on Solar Project**

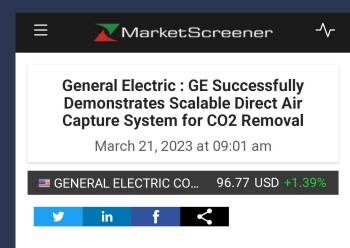
Zacks Equity Research April 3, 2023, 6:46 am

**General Electric Company** GE recently announced that it secured a deal from Ecogreen Energy to supply its FLEXINVERTER Solar Power Station technology for the 130 MWp, 100 MWac Nigde Bor Solar power plant to be constructed in Nigde, Turkey.

The FLEXINVERTER Solar Power Station is a containerized solution that contains a solar inverter (a medium voltage power transformer) and an optional MV Ring Main Unit. These are merged in a standard 20-foot ISO high cube container. This state-of-the-art technology supplies a reliable, plug & play, cost-efficient, factory-integrated power conversion platform for utility-scale solar and storage applications as well as lowers the capital and operation costs and ensures a more reliable plant performance.



### **BREAKING NEWS**



- · System employs unique technical approach that brings together GE's core competencies in heat exchangers, thermal management, and innovative materials
- The Direct Air Capture (DAC) system is part of a much larger effort led by GE's CAGE (Climate [email protected]) Lab in Niskayuna, NY, to deliver cuttingedge solutions in CO2 capture
- GE's CAGE Lab involves a carbon capture team of 50+ scientists and engineers, working with the U.S. Department of Energy, ARPA-E, and a host of other industry and university partners on various projects to advance



MORNING MEDIA NEWSFEED

#### **GE Buys Out Entire NYT Print Paper in Historic First**





By Brad Pareso on Dec. 7, 2022 - 7:52 AM

The New York Times on Tuesday unveiled a unique version of its weekday print paper featuring more than two dozen ads from just one advertiser—General Electric. It's the first time in the paper's 171-year history that any advertiser has gotten to own all of the Times' print real estate exclusively in addition to most of its premier digital advertising real estate. (Axios)



#### **GE Digital Signs Collaboration** Agreement with AWS to Help **Utilities Accelerate Grid** Modernization

- Collaborates with AWS to address increasing customer demand for cloud-based services
- Delivers solutions to modernize the transmission and distribution industry
- Highlights cloud deployment as key strategy to accelerate transition to a flexible, secure, clean energy grid of the future
- New Zealand-based Vector Limited successfully deploys GE Digital's ADMS on AWS Outposts

February 07, 2023 10:00 AM Eastern Standard Time

SAN RAMON, Calif .-- (BUSINESS WIRE)--GE Digital, an energy software leader, today announced that it has signed a multiyear strategic collaboration agreement with Amazon Web Services, Inc. (AWS) aimed at helping utilities accelerate grid modernization. Through this collaboration, GE Digital and AWS plan to deliver intelligent grid orchestration solutions. These software solutions will help utilities digitally transform



INDIA

'The Backbone of Indian Aviation': GE Aerospace, CFM Close One of Commercial Aviation's Largest Deals Ever

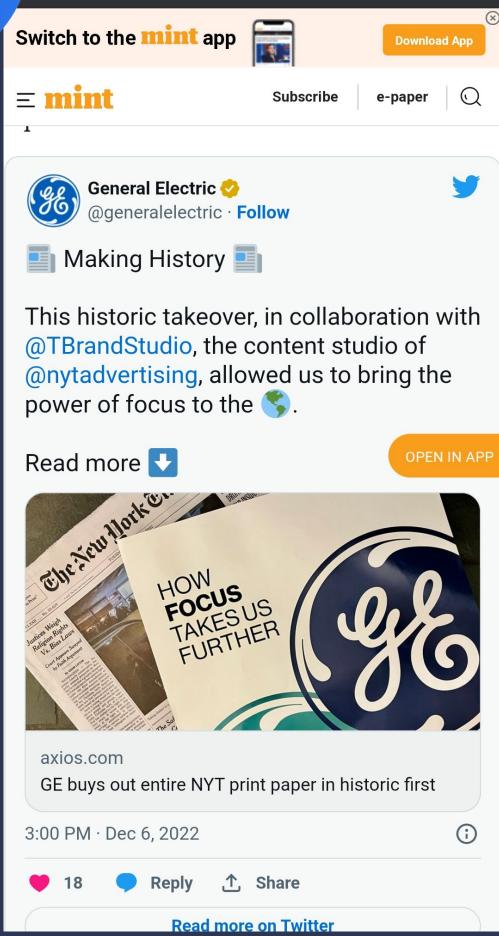
#### **Christine Gibson**

February 14, 2023

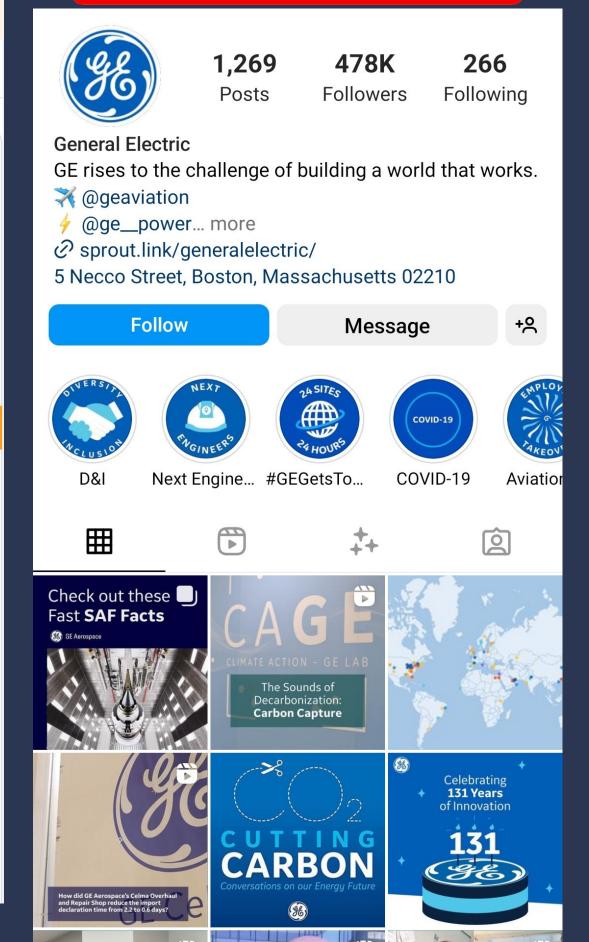
Vikram Rai remembers well the days when air travel was rare in India. He didn't fly outside his native India until he was 25. His father's first time abroad came when he was 48, and his grandfather never left the country. "We had no opportunity to







### SUBSCRIBE







## <u>Discussion Questions</u>

 Can we refer to GE as a company that focuses on environmental protection protocols and truly believes in them?

• GE created a stir when it bought the New York Times entire paper for a day to feature almost two dozen ads of its company. Does it indicate the power of this company?



## **Citation**

- 1. https://www.macrotrends.net/stocks/charts/GE/general-electric/pe-ratio
- 2. https://money.cnn.com/quote/forecast/forecast.html? symb=ge#:~:text=Stock%20Price%20Forecast,the%20last%20price%20of%201 00.14.
- 3. https://finance.yahoo.com/news/general-electric-q1-highlights-double-145332122.html
- 4. https://www.macrotrends.net/stocks/charts/GE/general-electric/market-cap
- 5. https://simplywall.st/stocks/us/capital-goods/nyse-ge/general-electric
- 6.https://g.co/finance/GE:NYSE? window=1Y&comparison=NYSE%3ABA%2CNASDAQ%3AHON%2COTCMKTS%3A SIEGY
- 7. https://www.wallstreetzen.com/stocks/us/nyse/ge/stock-forecast
- 8. https://www.ge.com/sites/default/files/ge2021\_sustainability\_report.pdf
- 9. https://www.sustainalytics.com/esg-rating/general-electric-co/1008055277