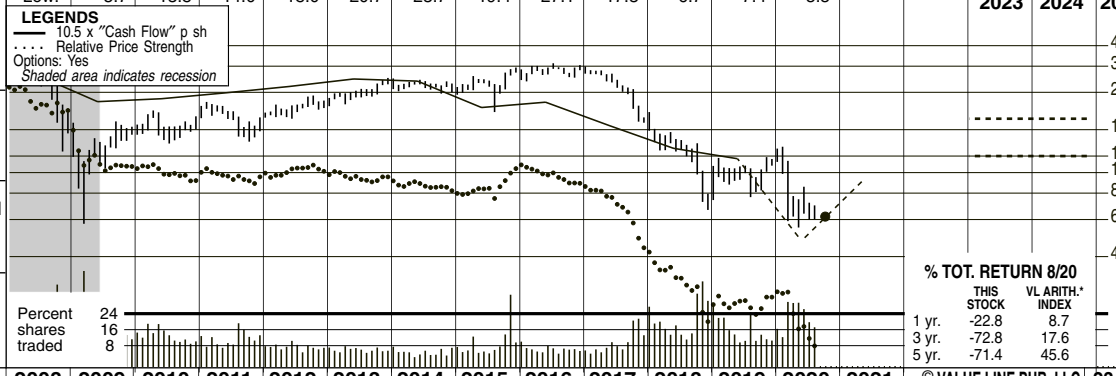
GENERAL ELECTRIC NYSE-GE

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
6.20	NMF	(Trailing: 23.8 Median: 16.0)	NMF	0.6%	VALUE LINE

TIMELINESS — Suspended 1/11/19
SAFETY 4 Lowered 8/23/19
TECHNICAL — Suspended 1/11/19
BETA 1.30 (1.00 = Market)

High:	17.5	19.7	21.7	23.2	28.1	27.9	31.5	33.0	31.8	19.4	11.8	13.3
Low:	5.7	13.8	14.0	18.0	20.7	23.7	19.4	27.1	17.3	6.7	7.4	5.5

Target Price Range
2023 | 2024 | 2025



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$4-$12	$8 (30%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	19	(+190%)	31%
Low	11	(+95%)	19%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	714	776	666
to Sell	999	916	992
Hld's(000)	5432926	5424070	5258970

% TOT. RETURN 8/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-22.8	8.7
3 yr.	-72.8	17.6
5 yr.	-71.4	45.6

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
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	13.98	10.90	*9.00*	*9.40*	Revenues per sh	*11.70*
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	1.24	1.11	*.45*	*.90*	"Cash Flow" per sh	*1.60*
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	.65	.65	*d.05*	*.35*	Earnings per sh	*.90*
.82	.91	1.03	1.15	1.24	.61	.46	.61	.70	.79	.89	.92	.92	.84	.37	.04	*.04*	*.04*	Div'ds Decl'd per sh C■	*.20*
1.24	1.38	1.62	1.79	1.52	.81	.92	1.20	1.45	1.34	1.36	.78	.82	.85	.88	.67	*.50*	*.60*	Cap'l Spending per sh	*.80*
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	3.56	3.24	*4.00*	*4.25*	Book Value per sh D	*5.50*
10586	10484	10277	9987.6	10537	10663	10615	10573	10406	10061	10057	9379.3	8742.6	8680.6	8702.2	8738.4	*8750.0*	*8700.00*	Common Shs Outst'g E	*8500.0*
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	19.8	15.2	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
1.08	1.09	.93	.91	.94	.87	.92	.87	.85	.83	.83	1.02	1.07	1.25	1.07	.83	*Value Line*		Relative P/E Ratio	*.95*
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%	2.9%	.4%	*estimates*		Avg Ann'l Div'd Yield	*1.3%*

CAPITAL STRUCTURE as of 6/30/20
Total Debt $81.4 bill. **Due in 5 Yrs** $38.0 bill.
LT Debt $72.4 bill. **LT Interest** $3.9 bill.
(67% of Cap'l)
Leases, Uncapitalized $766 mill.
Pension Assets-12/19 $71.8 bill. **Obligation** $94.7 bill.
Pfd. Stock $6.0 mill.
Pfd. Div'd $447.0 mill.
Common Stock 8,753,289,000 shares

MARKET CAP: $54.3 billion (Large Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
150211	147300	147359	146045	148589	127684	123693	122092	121615	95214	*78800*	*81800*	Revenues ($mill)	*99500*
26.8%	30.3%	27.7%	26.5%	25.3%	19.2%	18.5%	13.9%	13.5%	17.5%	*NMF*	*12.5%*	Operating Margin A	*17.0%*
10013	9185.0	9346.0	9762.0	9283.0	4847.0	4997.0	5139.0	5562.0	4026.0	*4500*	*4900*	Depreciation ($mill)	*5750*
12623	14880	16065	16882	16723	13362	13604	9116.0	5692.0	6114.0	*d440*	*3045*	Net Profit ($mill)	*7650*
7.4%	27.4%	14.4%	8.5%	10.3%	25.2%	- -	- -	19.8%	14.4%	*22.0%*	*22.0%*	Income Tax Rate	*22.0%*
8.4%	10.1%	10.9%	11.6%	11.3%	10.5%	11.0%	7.5%	4.7%	6.4%	*NMF*	*3.7%*	Net Profit Margin	*7.7%*
314972	272131	283910	245855	234450	46881	37162	48978	35778	39873	*60000*	*62000*	Working Cap'l ($mill)	*67000*
360681	315832	312668	251789	230352	145301	105080	108575	95234	67155	*71000*	*70000*	Long-Term Debt ($mill)	*60000*
118936	116438	123026	130566	128159	98274	75828	64263	30981	28316	*35000*	*37000*	Shr. Equity ($mill) D	*46850*
3.9%	4.8%	4.8%	5.6%	5.9%	5.8%	8.3%	6.1%	6.1%	8.1%	*1.5%*	*4.5%*	Return on Total Cap'l	*8.5%*
10.6%	12.8%	13.1%	12.9%	13.0%	13.6%	17.9%	14.2%	18.4%	21.6%	*NMF*	*8.5%*	Return on Shr. Equity	*16.5%*
6.6%	7.2%	7.2%	6.9%	6.1%	4.1%	6.3%	.0%	3.9%	19.3%	*NMF*	*8.0%*	Retained to Com Eq	*12.5%*
38%	43%	45%	46%	53%	70%	65%	100%	79%	11%	*NMF*	*11%*	All Div'ds to Net Prof	*22%*

CURRENT POSITION ($MILL.)	2018	2019	6/30/20
Cash Assets	68855	84915	88548
Receivables	19874	16769	16041
Inventory (LIFO)	19271	14104	15251
Other	- -	- -	- -
Current Assets	108000	115788	119840
Accts Payable	17153	15926	13469
Debt Due	12849	19065	9059
Other	42220	40924	36462
Current Liab.	72222	75915	58990

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-2.5%	-2.0%	*-1.5%*
"Cash Flow"	-7.0%	-12.5%	*3.5%*
Earnings	-7.5%	-13.5%	*2.5%*
Dividends	-8.5%	-12.0%	*-12.0%*
Book Value	-8.0%	-17.5%	*2.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) F Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	27660	29558	33472	31402	122092
2018	28660	30109	29573	33273	121615
2019	21305	23737	23616	26556	95214
2020	20524	17754	*18690*	*21832*	*78800*
2021	*21300*	*18500*	*19500*	*22500*	*81800*

Cal-endar	EARNINGS PER SHARE B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	.21	.28	.29	.27	1.05
2018	.16	.19	.14	.17	.65
2019	.14	.17	.15	.21	.65
2020	.05	d.15	*d.02*	*.07*	*d.05*
2021	*.05*	*.10*	*.10*	*.10*	*.35*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.23	.23	.23	.23	.92
2017	.24	.24	.24	.24	.96
2018	.12	.12	.12	.12	.48
2019	.01	.01	.01	.01	.04
2020	.01	.01	.01		

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 205,000 employees. 2019 international sales equated to 59% of top line. Offs. & dirs. own less than 1% of common stock; 5%+ beneficial owners include Vanguard, BlackRock, Fidelity, and T. Rowe Price (3/20 Proxy). CEO: H. Lawrence Culp. Inc.: NY. Addr.: 41 Farnsworth Street, Boston, MA 02210. Tel.: 203-373-2211. Internet: www.ge.com.

General Electric shares have been rangebound of late. The stock has not been trading on fundamentals for some time, and the release of second-quarter results was added proof of such. Revenues came in ahead of our call and share net swung to a loss, as the effects of the coronavirus pandemic pinched earnings. The reaction to this news was notably muted, which came as no surprise. The company remains in the midst of a portfolio transformation back to its industrial roots. We have long told subscribers to watch the industrial readings and cash flow levels. Of late, CEO Lawrence Culp did have a bit of favorable news, stating that free cash flow in the second half of the year should be positive. Previously, Mr. Culp had not been targeting positive free cash flow until 2021. Even with that plus, though, the quotation remains below the $7.00 mark.

We no longer see an annual profit at the end of a tough 2020. Our revenue estimates in the next two quarters are coming down, as we think the lingering effects of COVID-19 will drag on and last into early 2021. Additionally, progress is being made between Boeing and the FAA on the 737 MAX, though a firm timeline has not been set. Then, when factoring in debt levels/pension shortfalls, things get dimmer. Next year should be a step in the right direction, but not enough that the investment community would come rushing back into positions here.

Profitability should return in 2021, but the company still has a lot of work to do to return to its former prestige. A lot of the heavy lifting has been done with regard to the portfolio flux. Unloading the Biopharma arm to Danaher was a significant step, and the funds generated should put out some fires. Regardless, its endmarkets remain depressed, especially aviation and power. Its highly likely that GE will not be firing on all industrial cylinders in the near term.

These unranked shares still do not get our nod of approval. Too many variables exist at this time. More appealing and safer offerings are available on the industrial diversified front. The dividend is expected to remain at just $0.01 per quarter for the foreseeable future.

Erik M. Manning *October 9, 2020*

(A) Operating margin includes all expenses except interest, depr., and taxes. (B) Diluted EPS. Excludes nonrecur./disc. items: '06, 1¢; '07, (3¢); '08, (6¢); '09, (2¢); '10, (9¢); '11, (7¢); '15, ($1.94); '16, (60¢); '17, ($1.77); '18, ($3.27); '19, ($1.27). Quarterly EPS may not sum due to rounding. Next egs. report due October 28th. (C) Divs. paid in late January, April, July, and October. ■ DRIP available. (D) Includes intangibles. In '19: $37.4 billion, $4.28/share. (E) In millions. (F) Revenues may not sum, as reported.

Company's Financial Strength	C++
Stock's Price Stability	40
Price Growth Persistence	25
Earnings Predictability	60

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