

2Q 2023 Results

July 19, 2023

This presentation (and oral statements made regarding the subjects of this release) may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, (each a “forward-looking statement”). The words “anticipate,” “believe,” “ensure,” “expect,” “if,” “intend,” “estimate,” “project,” “foresee,” “forecasts,” “predict,” “outlook,” “aim,” “will,” “could,” “should,” “potential,” “would,” “may,” “probable,” “likely,” and similar expressions, and the negative thereof, are intended to identify forward-looking statements. There are many risks and uncertainties that could cause actual results to differ materially from our forward-looking statements. These forward-looking statements are also affected by the risk factors described in the Company’s annual report on Form 10-K for the period ended December 31, 2022 and those set forth from time to time in other filings with the Securities and Exchange Commission (“SEC”). The documents are available through the Company’s website at: www.investors.bakerhughes.com or through the SEC’s Electronic Data Gathering and Analysis Retrieval (“EDGAR”) system at: www.sec.gov. We undertake no obligation to publicly update or revise any forward-looking statement.

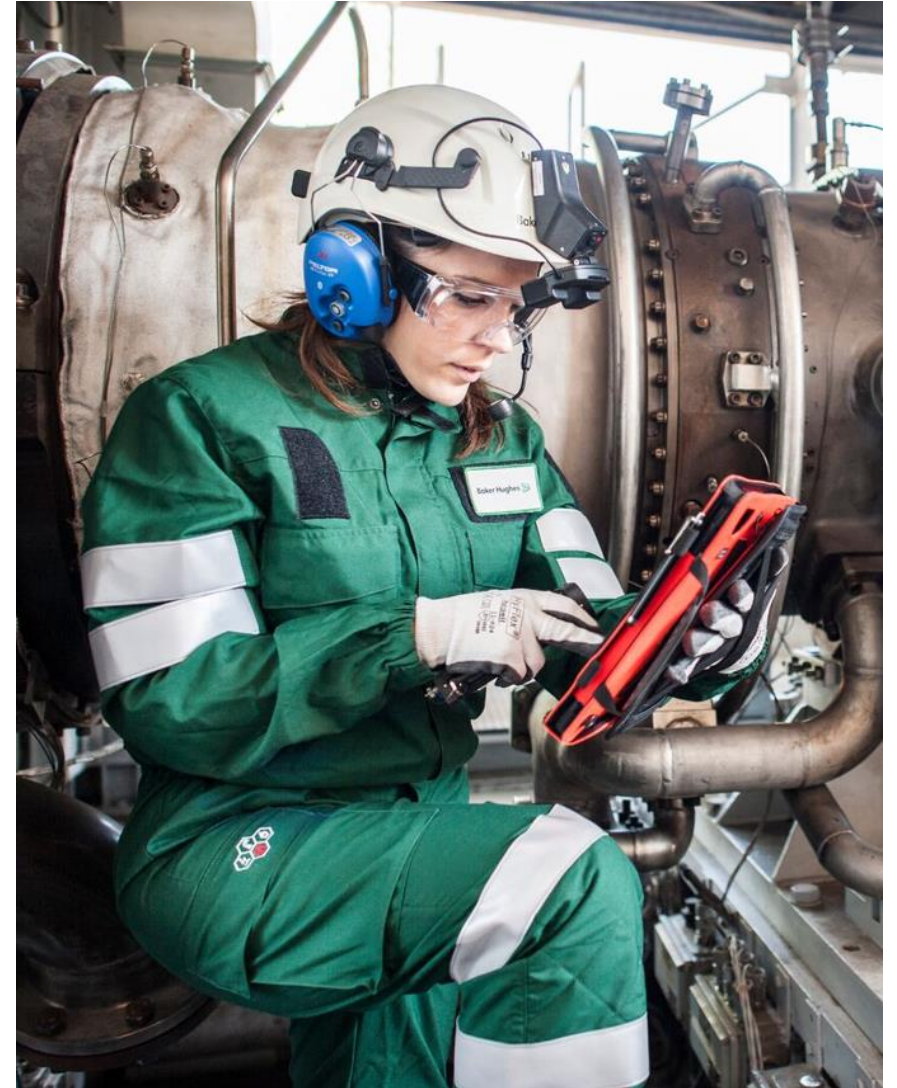
The Company presents its financial results in accordance with GAAP; however, management believes that using additional non-GAAP measures will enhance the evaluation of the profitability of the Company and its ongoing operations. See the Appendix of this presentation for a reconciliation of GAAP to non-GAAP financial measures.

Lorenzo Simonelli

Chairman & Chief Executive Officer

2Q 2023 Highlights

- **Strong order momentum in IET maintained** ... third straight quarter of orders exceeding \$3B, including \$900M in LNG equipment orders led by 17.6 MTPA Rio Grande project
- **Continued offshore strength drives major award for SSPS** ... booked order for the Baleine field offshore Ivory Coast
- **Raised FY IET orders guidance** ... now expect between \$11.5B - \$12.5B with potential to exceed the high end of the range
- **Operational results at the high end of guidance range...** solid operational performance in both OFSE & IET
- **Booked ~\$150M in New Energy orders** in 2Q23, ~\$440M YTD – led by hydrogen & ammonia plant equipment orders
- **Strong free cash flow of \$623 million...** executed ~\$99M of share repurchases



Energy fundamentals remain solid despite macro uncertainty

- » Despite oil and gas price volatility, we maintain a constructive outlook for global upstream spending in 2023 ... **supportive of double-digit upstream spending growth in 2023**
- » Softness in North America ... **to be offset by strength in international and offshore markets**, particularly in the Middle East and Latin America
- » **LNG outlook remains positive** ... LNG demand continues to grow led by Europe and Asia ... **continued strength in signed offtake agreements supporting project sanctioning**
- » Growing optimism on multi-year FID outlook ... 53 MTPA of FIDs year-to-date and still **expect to exceed 65 MTPA of LNG FIDs in 2023** ... could see roughly similar levels in 2024

UNIQUE AND EXTENDED CYCLE UNFOLDING

Upstream spending more durable than previous cycles ... supported by strong balance sheets and disciplined spending

Continued production discipline by large producers

Portfolio balances cyclical durability & leverage to multiple growth vectors

Focused on driving growth and optimizing organizational structure



Changing the way we operate

Fundamentally re-wiring the organization

Simplifying reporting lines and eliminating duplication

Taking measured steps to upgrade our financial reporting systems

UPSIDE OPPORTUNITIES BEYOND INITIAL TARGETS



Capitalizing on investment cycles

Internationally focused OFSE portfolio (73% in 1H23)¹

Unique LNG liquefaction & modularization capability

Commercial H₂ and CO₂ turbomachinery offering

COMPLEMENTED BY A DIVERSE PORTFOLIO OF DECARB & DIGITAL TECH



Tackling our customers' biggest challenges

Long history of being at the forefront of energy sector innovation

Strategic supplier to NOCs, IOCs & Industrial companies

Portfolio of solutions aligned with customer capital allocation

PARTICIPATING ACROSS THE VALUE CHAIN PROVIDES UNIQUE VANTAGE POINT



Continuously striving to enhance shareholder returns

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1. 73% of 1H'23 OFSE revenues were International

2. Calculated from the top 25 customers who have purchased products and services from both IET & OFSE.

Strong customer positioning with unique technology portfolio

Well positioned for growth in integrated solutions utilizing subsurface to surface capabilities

BAKER HUGHES PORTFOLIO VISION



2000s – MID-2010s

2017

TODAY

MID-2020s

2030s & BEYOND

EVOLUTION OF CUSTOMER & SECTOR DYNAMICS

Discrete sourcing & procurement practices

Early signs of project integration in OFSE, mirroring integrated solutions provided in LNG & OOP



Sector consolidation increases size & scale

Enhanced size and scale strengthens BKR customer relationships in key markets



Energy Transition driving strategies & relationships

Unique portfolio driving expanded opportunities in multiple areas, including gas value chain, deepwater and New Energy



First wave of New Energy tech deployed

Deployment of funding drives first wave of New Energy developments. Subsurface to surface capabilities leveraged for a range of project types



All Energy fully encompasses New Energy

Decarbonization solutions become a pre-requisite for all energy projects. Increased penetration of hard-to-abate industrial sectors

Tailwinds continue across both business segments

OFSE

OILFIELD SERVICES & EQUIPMENT

Strength in International and offshore helping to offset NAM weakness

NAM market continues to trend softer on lower oil and gas prices ... OFSE more resilient due to portfolio and customer mix

Multi-year cycle unfolding in deepwater basins ... robust SSPS pipeline building for subsea trees and flexibles

Expect double digit revenue growth and EBITDA margin to expand 150-200 bps in 2023

IET

INDUSTRIAL & ENERGY TECHNOLOGY

Strong LNG and OOP order momentum continues ... notable Rio Grande & Equinor orders

New Energy tracking ahead of expectations with multiple awards in hydrogen and blue ammonia

Industrial Tech turning the corner with better profitability as supply chain issues abate

Record RPO exceeding \$27B, driving strong revenue growth in future years along with higher margins and returns

Committed to sustainability

Led by our purpose of making energy cleaner, safer, and more efficient for people and the planet



DRIVING CARBON FOOTPRINT REDUCTION

Reduction in Baker Hughes Scope 1 and 2 GHG emissions compared to 2019 baseline

- Investing in low carbon energy technologies enabling customer's emissions reduction
- We are now reporting on 10 categories of Scope 3 emissions
- 26% of Baker Hughes electricity comes from renewables or zero-carbon sources, up 2% YoY

HEALTH, SAFETY & WELLNESS

Providing a safe and healthy workplace for all

- Achieved 217 Perfect HSE days, up 6% from 2021
- We offer more than 230 unique HSE courses including foundational training required for all employees, workplace and job specific training, and human-performance leadership training for managers.

COMMITTED TO DIVERSITY, EQUITY AND INCLUSION

Enacting new programs to promote inclusion and diversity

- Recognized as "DEI best places to work for disability inclusion" by *Disability: IN* with score of 90% by participating in Disability Inclusion Index
- In May 2023, we published our 2022 Diversity, Equity, and Inclusion Annual Report
- Updated process to evaluate and reconcile pay equity across the company

ETHICS, COMPLIANCE, AND TRANSPARENCY

Improving external reporting & internal processes

- 97% of all employees completed annual Code of Conduct training, including training on ethics, compliance, and anti-corruption
- 100% of enterprise security personnel trained in human rights policies or procedures
- 99% of governance body members who have received training on anti-corruption¹

Nancy Buese

Chief Financial Officer

2Q 2023 Financial Results

Very strong YoY order & revenue growth

Orders
\$7.5B
↑ 28% YoY

Revenue
\$6.3B
↑ 25% YoY

Continued YoY margin improvement ... 14.4% Adj. EBITDA margin

Adj. EBITDA
\$907M
↑ 39% YoY

Adj. operating income
\$631M
↑ 68% YoY

Significant increase in YoY free cash flow generation

Free cash flow
\$623M
↑ +\$476M YoY

Adjusted EPS
\$0.39

Strong balance sheet and solid cash flow

STRONG BALANCE SHEET

Strong balance sheet enables
financial flexibility

1.1X¹

Net debt / LTM Adj. EBITDA

A3/A-

Credit Ratings from Moody's and S&P

\$5.8B²

Total Liquidity

**Committed to
investment grade rating**

PRIORITIZING FREE CASH FLOW

Portfolio focused on maximizing
free cash flow generation

\$0.6B³

FCF in 2Q'23

+\$0.5B

vs. 2Q'22

69%³

FCF conversion in 2Q'23

**Targeting 50+% FCF
conversion through-cycle**

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1. Net Debt / LTM Adj. EBITDA is a non-GAAP measure – see earnings release and/or appendix for GAAP to non-GAAP reconciliations

2. As of June, 30 2023: Cash and cash equivalents of \$2,805 million and a \$3 billion committed unsecured revolving credit facility

3. FCF Conversion = FCF / Adj. EBITDA. FCF & Adj. EBITDA are non-GAAP measures – see earnings release and/or appendix for GAAP to non-GAAP reconciliations

Flexible Capital Allocation Policy

Prioritizing a strong balance sheet and returning capital to shareholders

60%-80% FCF⁴

PRIORITY



PHILOSOPHY

- Maintain a strong balance sheet
- Maintain optionality to pay down near-term debt maturities

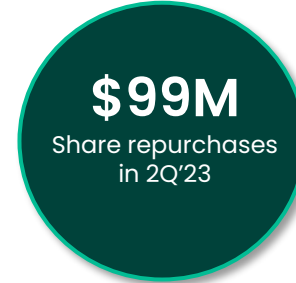
- Focus growth capital on highest return, highest impact, highest growth opportunities across the portfolio

- Prioritize dividend growth supported by continued margin improvement & structural growth in IET

- Repurchase shares to offset share-based compensation
- Maintain flexibility for opportunistic buybacks

- Disciplined strategy targeting high return bolt-on acquisitions
- Selectively recycle capital from divestments & equity investments

STATUS



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1. Technology investment represents small acquisitions and equity investments in incubator stage technology companies focused in the areas of CCUS, H2, Geothermal, Clean Power and Industrial Asset Management.
 2. Net Debt / LTM Adj. EBITDA is a non-GAAP measure – see earnings release and/or appendix for GAAP to non-GAAP reconciliations
 3. As of June 30, 2023: Cash and cash equivalents of \$2,805 million and a \$3 billion committed unsecured revolving credit facility
 4. Free Cash Flow (FCF) is a non-GAAP measures – see earnings release and/or appendix for GAAP to non-GAAP reconciliations.

Changing the way we operate

All actions executed to deliver \$150+M cost-out target by year end

	OILFIELD SERVICES & EQUIPMENT (OFSE)	INDUSTRIAL & ENERGY TECHNOLOGY (IET)	CORPORATE FUNCTIONS
COST OUT TARGET	\$60+M	\$50+M	\$40+M
ACTIONS TAKEN	Combination of legacy OFS and OFE businesses Streamlined functions and management layers	Combination of legacy TPS and DS businesses Key leadership changes	Simplified ELT structure Moved activities & resources into segments Simplified reporting lines and eliminated duplication

Focused on driving margins above targets

20+%
EBITDA margins across OFSE & IET

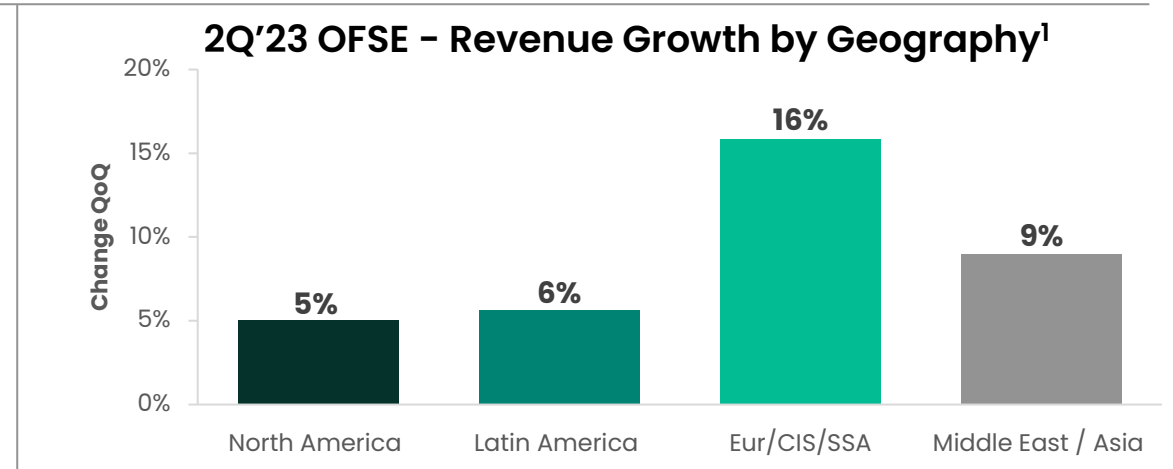
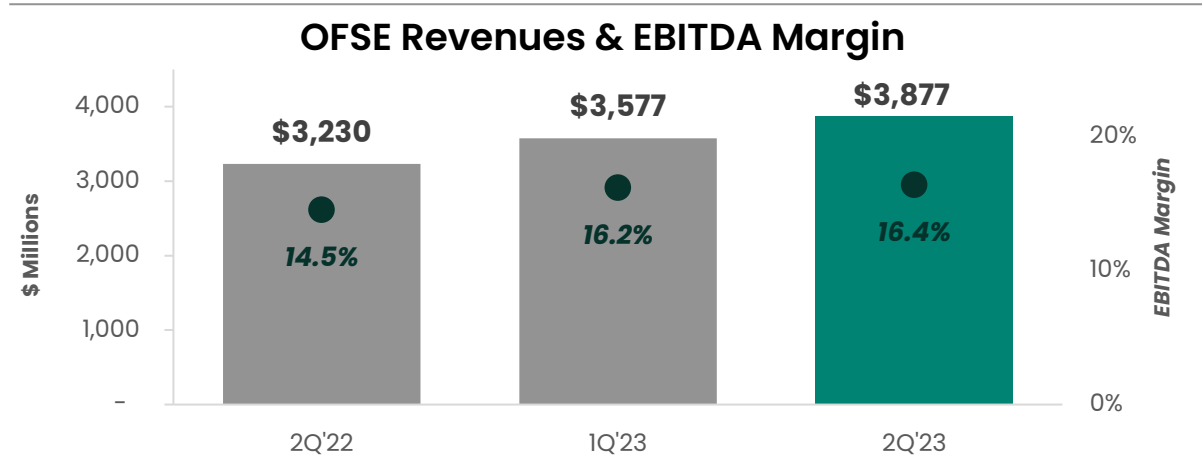
15%
OFSE ROIC

20%
IET ROIC

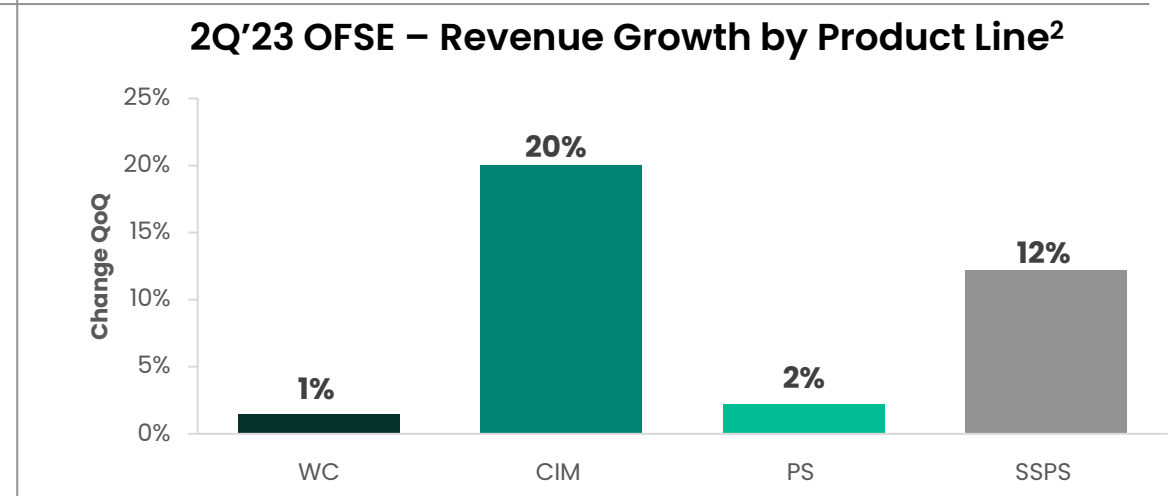
Taking first steps in multi-year operational and margin optimization process – additional opportunities for cost reduction identified in 2024 and beyond

Oilfield Services & Equipment (OFSE) Results

Strong performance driven by international and offshore markets



- **Revenue up 8.4% QoQ and 20.0% YoY ...** growth in traditional Oilfield Service businesses combined with continued growth in SSPS driven by backlog conversion
- **EBITDA margin rate 16.4% ...** up 20 bps sequentially primarily driven by pricing & productivity and offset by higher mix of SSPS equipment
- **Broad growth across all regions ...** growth experienced in Middle East/Asia, Latin America, and Europe/CIS/SSA offset by weaker NAM.



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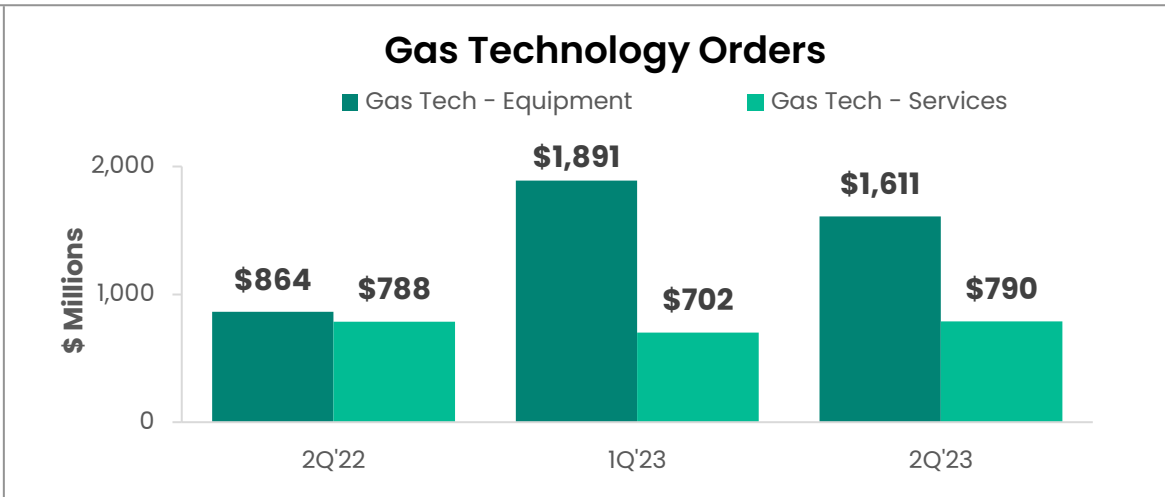
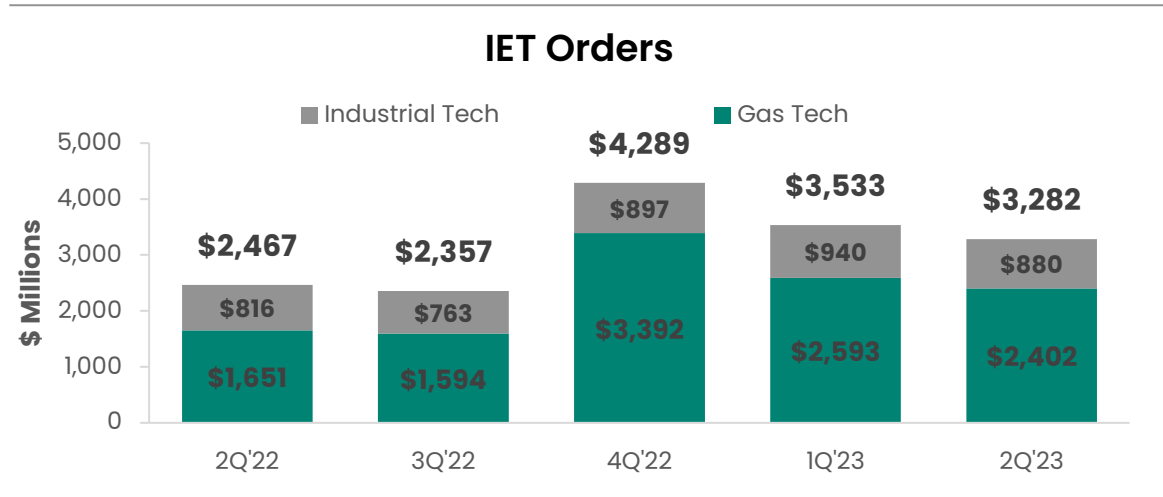
EBITDA margin is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations

1. Note Europe/CIS/SSA QoQ revenue growth of 6% excluding the acquisition of Altus Intervention (2Q'23 revenues of US\$57M).

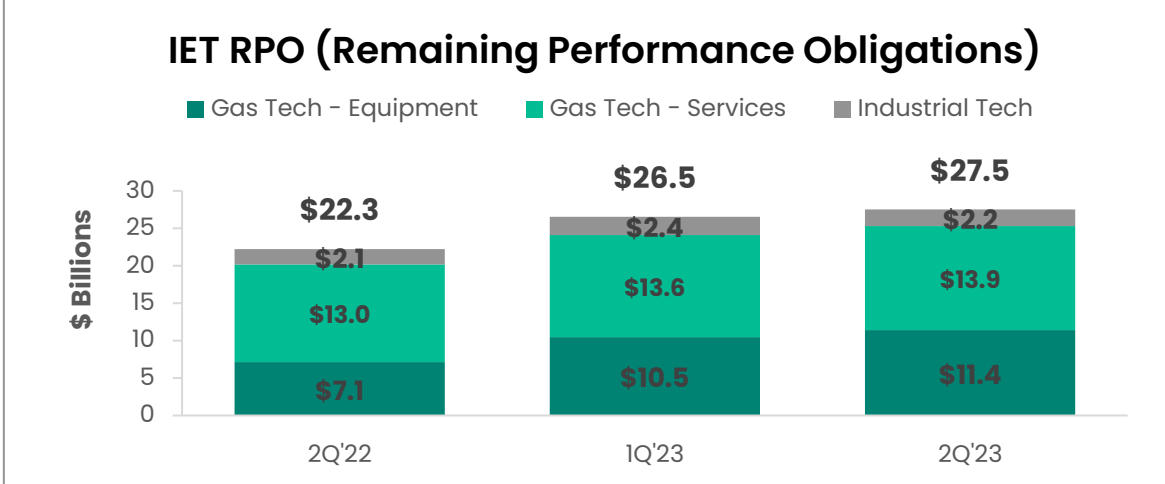
2. WC – Well Construction, CIM – Completions, Intervention & Measurement, PS – Production Solutions, SSPS – Subsea & Surface Pressure Systems. Note CIM QoQ revenue growth of 13% excluding the acquisition of Altus Intervention (2Q'23 Revenues of US\$67M).

Industrial & Energy Technology (IET) Orders

Strong orders driven by continued strength in LNG & Onshore/Offshore Production



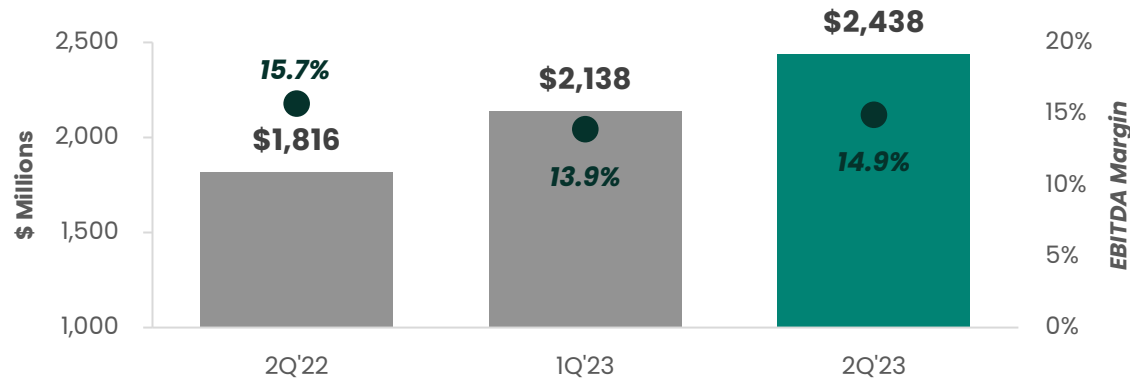
- **\$3.3B of orders** up 33% YoY driven by Gas Tech Equipment up 87% YoY due to award of Rio Grande LNG for 3 liquefaction trains
- **IET Book-to-bill of 1.3x; RPO of \$27.5** up 4% sequentially and 24% YoY
- **Industrial Tech orders up 8% YoY** up 10% excluding impacts from the Quest acquisition and the disposition of Nexus
- **>\$100M New Energy orders in 2Q**, mainly driven by Hydrogen
- **>\$80M IET Digital orders in 2Q**



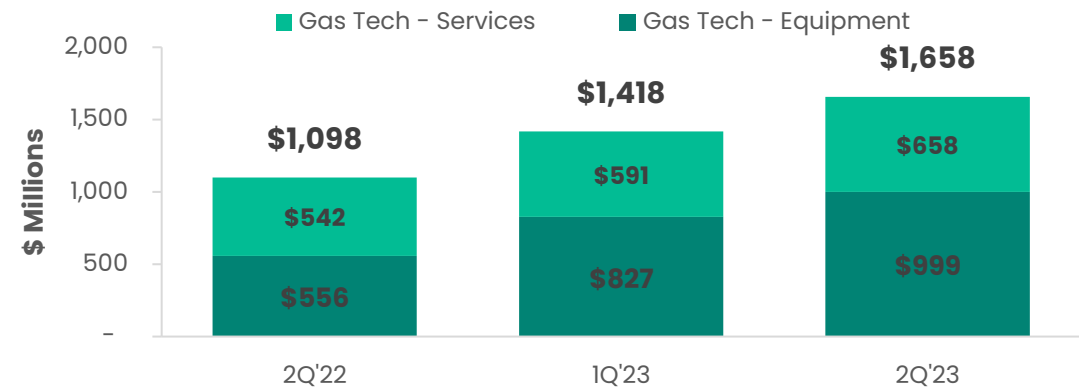
IET Results

Strong revenue growth driven by Gas Tech Equipment backlog conversion

IET Revenues & EBITDA Margin

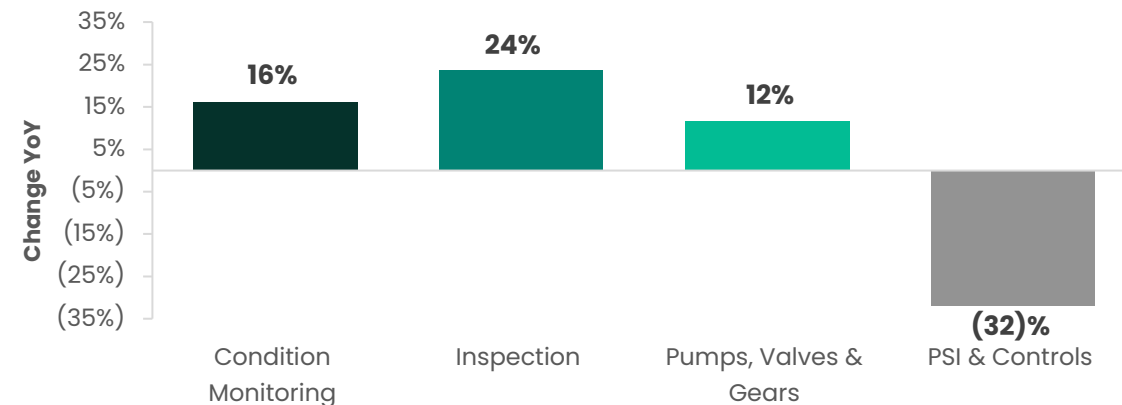


2Q'23 IET – Gas Technology Revenues



- **Revenue growth** +34% YoY & 14% QoQ driven by execution of backlog across all product lines
- **Gas Technology Equipment** revenue up 80% YoY & 21% QoQ driven by execution of project backlog
- **Gas Technology Services** revenue was up 21% YoY (7% excluding the impact from Russia) driven by strong transactional services and upgrade projects
- **Industrial Technology** solid double-digit revenue growth YoY across all business units ... Nexus Controls sale to GE finalized in April'23
- IET EBITDA margin rate of **14.9%** down YoY due to mix / higher R&D

2Q'23 IET – Industrial Technology Revenue Growth^{1,2}



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EBITDA margin is a non-GAAP measure – see appendix for GAAP to non-GAAP reconciliations

1. Excluding the sale of Nexus Controls, PSI revenue increased 12% YoY during the second quarter (Nexus 2Q'22 revenue of \$54M vs. 2Q'23 revenue of \$1M).

2. Excluding the acquisition of Quest Integrity, Inspection revenue increased 8% YoY during the second quarter (Quest Integrity 2Q'22 revenue of \$4M vs. 2Q'23 Revenue of \$44M).

2023 Outlook

3Q'23 Outlook

BKR

Revenue	\$6.4 – \$6.6B
Adj. EBITDA	\$930 – \$990M

OFSE

Revenue	\$3.8 – \$4.0B
EBITDA	\$635 – \$695M

IET

Revenue	\$2.45 – \$2.75B
EBITDA	\$355 – \$415M

Other

Corporate costs ¹	Approx. \$95M
D&A	Approx. \$280M

2023 Outlook

BKR

Revenue	\$24.8 – \$26B
Adj. EBITDA	\$3.65 – \$3.8B

OFSE

Revenue	\$15.1 – \$15.7B
EBITDA	\$2.5 – \$2.7B

IET

Orders	\$11.5 – \$12.5B
Revenue	\$9.65 – \$10.35B
EBITDA	\$1.4 – \$1.6B

Other

Corporate costs	\$370M – \$390M
D&A	Approx. \$1.1B
Adj. Effective Tax Rate	32.5% – 37.5%

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Note: EBITDA, Adj. EBITDA and Adj. Effective Tax Rate are non-GAAP measures – see appendix for EBITDA reconciliation. Adj. EBITDA and Adj. Effective Tax Rate are non-GAAP financial measures. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from Adj. EBITDA or Adj. ETR. We therefore do not present a guidance range or reconciliation to the nearest GAAP financial measure.

1. Corporate costs guidance is stated at the Operating Income level. Corporate costs guidance at the EBITDA level is Approx. \$90M.

A graphic with a dark background and glowing green and white geometric shapes, including lines and polygons, creating a sense of motion and technology. The text 'Action plan to enhance shareholder value' is overlaid in white.

Action plan to enhance shareholder value

TOP PRIORITIES

- Capitalize on the growth opportunities across OFSE and IET, including LNG and New Energy
- Increasing R&D to developing new energy technology portfolio in hydrogen, carbon capture and clean power
- Optimize corporate structure to enhance our margin and return profile
- Targeting EBITDA margins of 20+% in OFSE & IET by 2025/2026, and increasing ROIC to 15% and 20%, respectively
- Flexible capital allocation policy to balance returning cash to shareholders (60–80% of FCF) while investing for growth

Baker Hughes 

Appendix

GAAP to Non-GAAP reconciliations

Reconciliation of Cash Flow From Operating Activities to Free Cash Flow *(in millions)*

Cash flow reconciliation

	TY2018	TY2019	TY2020	IQ2021	2Q2021	3Q2021	4Q2021	TY2021	IQ2022	2Q2022	3Q2022	4Q2022	TY2022	IQ2023	2Q2023
Cash flow from operating activities (GAAP)	1,762	2,126	1,304	678	506	416	773	2,374	72	321	597	898	1,888	461	858
Add: cash used in capital expenditures, net of proceeds from disposal of assets	(537)	(976)	(787)	(180)	(121)	(111)	(129)	(541)	(177)	(174)	(180)	(241)	(772)	(264)	(235)
Free cash flow (Non-GAAP)	1,225	1,150	518	498	385	305	645	1,832	(105)	147	417	657	1,116	197	623

Reconciliation of Operating Income to Adjusted EBITDA and Adjusted EBITDA Margin *(\$ in millions)*

Operating income (GAAP) to adjusted EBITDA reconciliation

	TY2018	TY2019	TY2020	IQ2021	2Q2021	3Q2021	4Q2021	TY2021	IQ2022	2Q2022	3Q2022	4Q2022	TY2022	IQ2023	2Q2023
Revenue	22,877	23,838	20,705	4,782	5,142	5,093	5,485	20,502	4,835	5,047	5,369	5,905	21,156	5,716	6,315
Operating Income (loss) (GAAP)	701	1,074	(15,978)	164	194	378	574	1,310	279	(25)	269	663	1,185	438	514
Less: Merger, Impairment, Restructuring & Other	(691)	(528)	(17,018)	(106)	(139)	(24)	3	(266)	(70)	(402)	(235)	(29)	(735)	(74)	(117)
Adjusted Operating Income (Non-GAAP)	1,391	1,602	1,040	270	333	402	571	1,576	348	376	503	692	1,920	512	631
Add: Depreciation & Amortization	1,486	1,418	1,317	292	278	262	273	1,105	277	275	254	255	1,061	269	276
Adjusted EBITDA (Non-GAAP)	2,877	3,020	2,357	562	611	664	844	2,681	625	651	758	947	2,981	782	907
Adjusted EBITDA Margin (Non-GAAP)¹	12.6%	12.7%	11.4%	11.7%	11.9%	13.0%	15.4%	13.1%	12.9%	12.9%	14.1%	16.0%	14.1%	13.7%	14.4%

Reconciliation of Net Debt to Last Twelve Months (LTM) Adjusted EBITDA *(\$ in millions)*

Net Debt to Last Twelve Months (LTM) Adjusted EBITDA

	2Q2023
Short-term debt and current portion of long-term debt	797
Long-term debt	5,847
Total debt	6,644
Less: Cash and cash equivalents	2,805
Net Debt	3,839
LTM Adj. EBITDA	3,394
Net debt / LTM Adj. EBITDA	1.1X

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Note: certain columns and rows may not add up due to the use of rounded numbers.

1. Adjusted EBITDA divided by Total Revenue

OFSE & IET reconciliations

Orders by Reporting Segment *(in millions)*

	<u>FY 2019</u>	<u>FY 2020</u>	<u>1Q 2021</u>	<u>2Q 2021</u>	<u>3Q 2021</u>	<u>4Q 2021</u>	<u>FY 2021</u>	<u>1Q 2022</u>	<u>2Q 2022</u>	<u>3Q 2022</u>	<u>4Q 2022</u>	<u>FY 2022</u>	<u>1Q2023</u>	<u>2Q2023</u>
Oilfield Services & Equipment	16,419	12,304	2,544	3,040	3,136	3,077	11,798	3,270	3,392	3,707	3,721	14,089	4,100	4,192
Gas Technology - Equipment	4,179	3,014	622	561	765	1,912	3,860	2,086	864	882	2,601	6,432	1,891	1,611
Gas Technology - Services	2,821	2,631	607	733	742	821	2,903	671	788	713	791	2,962	702	790
Total Gas Technology	7,001	5,645	1,229	1,294	1,507	2,733	6,763	2,757	1,651	1,594	3,392	9,395	2,593	2,402
Total Industrial Technology	3,554	2,765	767	759	735	846	3,108	810	816	763	897	3,285	940	880
Industrial & Energy Technology	10,555	8,410	1,996	2,053	2,242	3,579	9,870	3,567	2,467	2,357	4,289	12,680	3,533	3,282
Total Orders	26,973	20,714	4,541	5,093	5,378	6,656	21,668	6,837	5,860	6,063	8,009	26,770	7,632	7,474

OFSE & IET reconciliations

Consolidated Revenue by Reporting Segment and Product Line *(in millions)*

	<u>FY 2019</u>	<u>FY 2020</u>	<u>1Q 2021</u>	<u>2Q 2021</u>	<u>3Q 2021</u>	<u>4Q 2021</u>	<u>FY 2021</u>	<u>1Q 2022</u>	<u>2Q 2022</u>	<u>3Q 2022</u>	<u>4Q 2022</u>	<u>TY 2022</u>	<u>1Q2023</u>	<u>2Q2023</u>
Well Construction	4,222	3,257	743	800	844	914	3,301	883	936	991	1,043	3,854	1,061	1,076
Completions, Intervention & Measurements	4,491	3,614	716	782	791	817	3,106	781	886	920	972	3,559	909	1,090
Production Solutions	4,175	3,269	740	777	783	835	3,135	825	866	931	965	3,587	938	959
Subsea & Surface Pressure Systems	2,921	2,844	628	637	603	619	2,486	528	541	561	599	2,230	670	752
Oilfield Services & Equipment	15,809	12,984	2,827	2,995	3,021	3,185	12,028	3,017	3,230	3,403	3,579	13,229	3,577	3,877
Gas Technology - Equipment	1,958	2,421	733	795	703	686	2,916	543	556	610	851	2,560	827	999
Gas Technology - Services	2,710	2,475	573	636	661	829	2,700	581	542	629	690	2,441	591	658
Total Gas Technology	4,668	4,896	1,306	1,431	1,364	1,516	5,616	1,124	1,098	1,239	1,541	5,002	1,418	1,658
Condition Monitoring	647	581	136	147	129	149	562	126	133	131	155	545	140	154
Inspection	1,189	865	204	236	249	259	949	212	257	259	267	995	254	318
Pumps, Valves & Gears	868	809	179	197	198	226	801	221	194	199	212	826	201	217
PSI & Controls	656	570	130	136	131	149	546	136	135	138	150	559	125	92
Total Industrial Technology	3,360	2,824	648	717	708	784	2,857	694	718	728	784	2,925	721	780
Industrial & Energy Technology	8,028	7,721	1,954	2,148	2,072	2,300	8,473	1,818	1,816	1,967	2,325	7,926	2,138	2,438
Total Revenue	23,838	20,705	4,782	5,142	5,093	5,485	20,502	4,835	5,047	5,369	5,905	21,156	5,716	6,315

Oilfield Services & Equipment Geographic Revenue *(\$ in millions)*

	<u>FY 2019</u>	<u>FY 2020</u>	<u>1Q 2021</u>	<u>2Q 2021</u>	<u>3Q 2021</u>	<u>4Q 2021</u>	<u>FY 2021</u>	<u>1Q 2022</u>	<u>2Q 2022</u>	<u>3Q 2022</u>	<u>4Q 2022</u>	<u>TY 2022</u>	<u>1Q2023</u>	<u>2Q2023</u>
North America	5,095	3,107	681	719	753	751	2,904	823	925	986	1,030	3,764	992	1,042
Latin America	1,677	1,447	379	411	436	454	1,681	440	509	549	601	2,099	661	698
Europe/CIS/Sub-Saharan Africa	3,138	2,846	649	695	726	795	2,865	660	660	586	577	2,483	581	672
Middle East/Asia	5,900	5,584	1,118	1,170	1,106	1,185	4,579	1,094	1,136	1,282	1,371	4,883	1,345	1,465
Oilfield Services & Equipment	15,809	12,984	2,827	2,995	3,021	3,185	12,028	3,017	3,230	3,403	3,579	13,229	3,577	3,877
North America	5,095	3,107	681	719	753	751	2,904	823	925	986	1,030	3,764	992	1,042
International	10,714	9,877	2,146	2,275	2,269	2,434	9,124	2,194	2,305	2,417	2,549	9,465	2,586	2,835

OFSE & IET GAAP to Non-GAAP reconciliations

Reconciliation of Operating Income (Loss) by Segment (GAAP) to EBITDA (non-GAAP) (in millions)

Operating Income (loss) by Segment (GAAP)	FY 2019	FY 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	TY 2022	1Q2023	2Q2023
Oilfield Services & Equipment	972	506	147	199	204	280	830	213	249	324	416	1,201	371	417
Industrial & Energy Technology	1,062	998	231	245	304	397	1,177	241	236	282	377	1,135	241	311
Segment operating income	2,035	1,504	379	444	508	676	2,006	453	485	606	792	2,336	612	728
Corporate	(433)	(464)	(109)	(111)	(105)	(106)	(429)	(105)	(108)	(103)	(100)	(416)	(100)	(97)
Inventory impairment	—	(246)	—	—	—	—	—	—	(31)	—	—	(31)	(18)	(15)
Goodwill impairment	—	(14,773)	—	—	—	—	—	—	—	—	—	—	—	—
Restructuring, impairment and other	(342)	(1,866)	(80)	(125)	(14)	11	(209)	(61)	(362)	(230)	(29)	(682)	(56)	(102)
Separation related	(184)	(134)	(27)	(15)	(11)	(8)	(60)	(9)	(9)	(5)	—	(23)	—	—
Operating income (loss)	1,074	(15,978)	164	194	378	574	1,310	279	(25)	269	663	1,185	438	514
Add: Depreciation & Amortization														
Oilfield Services & Equipment	1,160	1,072	233	221	205	215	874	222	221	204	198	845	208	219
Industrial & Energy Technology	219	216	52	53	52	52	208	51	49	45	52	197	56	52
Segment depreciation and amortization	1,379	1,288	285	273	257	267	1,082	272	270	249	250	1,041	264	271
Corporate	39	29	7	5	5	6	23	4	5	5	5	19	5	5
Total depreciation and amortization	1,418	1,317	292	278	262	273	1,105	277	275	254	255	1,061	269	276
EBITDA by Segment (non-GAAP)														
Oilfield Services & Equipment	2,132	1,578	380	420	409	495	1,704	434	470	528	614	2,046	579	636
Industrial & Energy Technology	1,281	1,214	283	297	356	449	1,385	291	285	327	429	1,332	297	363
Segment EBITDA (non-GAAP)	3,413	2,792	664	717	765	944	3,088	725	755	855	1,042	3,377	876	999
Corporate	(394)	(435)	(102)	(106)	(100)	(100)	(407)	(101)	(103)	(98)	(95)	(397)	(95)	(92)
Inventory impairment	—	(246)	—	—	—	—	—	—	(31)	—	—	(31)	(18)	—
Goodwill impairment	—	(14,773)	—	—	—	—	—	—	—	—	—	—	—	(15)
Restructuring, impairment and other	(342)	(1,866)	(80)	(125)	(14)	11	(209)	(61)	(362)	(230)	(29)	(682)	(56)	(102)
Separation related	(184)	(134)	(27)	(15)	(11)	(8)	(60)	(9)	(9)	(5)	—	(23)	—	—
EBITDA (non-GAAP)	2,493	(14,661)	456	472	640	847	2,415	555	250	523	918	2,245	708	790

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Note: certain columns and rows may not add up due to the use of rounded numbers.

OFSE & IET GAAP to Non-GAAP reconciliations

Reconciliation of Operating Income (Loss) by Segment (GAAP) to EBITDA (non-GAAP) Outlook Framework *(in millions)*

Oilfield Services & Equipment

	<u>3Q 2023 Outlook Range</u>	<u>2023 FY Outlook Range</u>
	<u>3Q 2023</u>	<u>FY 2023</u>
Operating Income (loss) by Segment (GAAP)	415 – 475	1,620 – 1,820
Add: Depreciation & Amortization	220	880
EBITDA by Segment (non-GAAP)	635 – 695	2,500 – 2,700

Industrial & Energy Technology

	<u>3Q 2023 Outlook Range</u>	<u>2023 FY Outlook Range</u>
	<u>3Q 2023</u>	<u>FY 2023</u>
Operating Income (loss) by Segment (GAAP)	300 – 360	1,180 – 1,380
Add: Depreciation & Amortization	55	220
EBITDA by Segment (non-GAAP)	355 – 415	1,400 – 1,600

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