UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)
☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2023

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission file number 001-41528

GE HealthCare

GE HEALTHCARE TECHNOLOGIES INC.

(Exact name of registrant as specified in its charter)

Delaware	**88-2515116**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
500 W. Monroe Street, Chicago IL	**60661**
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code) **(833) 735-1139**

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	GEHC	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☑	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

There were 454,838,213 shares of common stock with a par value of $0.01 per share outstanding as of July 18, 2023.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. These forward-looking statements might be identified by words, and variations of words, such as “will,” “expect,” “may,” “would,” “could,” “plan,” “believe,” “anticipate,” “intend,” “estimate,” “potential,” “position,” “forecast,” “target,” “guidance,” “outlook,” and similar expressions. These forward-looking statements may include, but are not limited to, statements about our business; information related to our business segment portfolios and strategies; financial performance, financial condition, and results of operations, including revenue, revenue growth, profit, taxes, earnings per share, and cash flows; the impacts of macroeconomic and market conditions and volatility on our business operations, financial results, and financial position and on supply chains and the world economy; our strategy, innovation, and investments; our cost structure; our funding and liquidity; the impacts on our business of manufacturing, sourcing, and supply chain management, the Coronavirus Disease 2019 ("COVID-19") pandemic, and the Russia and Ukraine conflict; our operations as a stand-alone company; and risks related to foreign currency exchange, interest rates, and commodity price volatility. These forward-looking statements involve risks and uncertainties, many of which are beyond our control. Factors that could cause our actual results to differ materially from those described in our forward-looking statements include, but are not limited to, operating in highly competitive markets; the actions or inactions of third parties with whom we partner and the various collaboration, licensing, and other partnerships and alliances we have with third parties; demand for our products, services, or solutions and factors that affect that demand; management of our supply chain and our ability to cost-effectively secure the materials we need to operate our business; disruptions in our operations; changes in third-party and government reimbursement processes, rates, contractual relationships, and mix of public and private payers; our ability to attract and/or retain key personnel and qualified employees; the global COVID-19 pandemic and its effects on our business; maintenance and protection of our intellectual property rights; the impact of potential information technology, cybersecurity, or data security breaches; compliance with the various legal, regulatory, tax, and other laws to which we are subject and related changes, claims, or actions; our ability to control increases in healthcare costs and any subsequent effect on demand for our products, services, or solutions; the impact of potential product liability claims; environmental, social, and governance matters; our ability to successfully complete strategic transactions; our ability to operate effectively as an independent, publicly traded company and achieve the benefits we expect from our spin-off from General Electric Company; and the incurrence of substantial indebtedness in connection with the spin-off and any related effect on our business. Please also see the “Risk Factors” section of our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission and any updates or amendments we make in future filings. There may be other factors not presently known to us or which we currently consider to be immaterial that could cause our actual results to differ materially from those projected in any forward-looking statements we make. We do not undertake any obligation to update or revise our forward-looking statements except as required by applicable law or regulation.

ITEM 1. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Part I. Financial Information

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Condensed Consolidated and Combined Statements of Income (Unaudited)

(In millions, except per share amounts)	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Sales of products	$ 3,213	$ 2,903	$ 6,344	$ 5,690
Sales of services	1,604	1,581	3,180	3,137
Total revenues	**4,817**	**4,484**	**9,524**	**8,827**
Cost of products	2,084	1,915	4,121	3,829
Cost of services	793	773	1,572	1,524
Gross profit	**1,940**	**1,796**	**3,831**	**3,474**
Selling, general, and administrative	1,072	908	2,134	1,839
Research and development	298	257	568	495
Total operating expenses	**1,370**	**1,165**	**2,702**	**2,334**
Operating income	**570**	**631**	**1,129**	**1,140**
Interest and other financial charges – net	137	12	273	16
Non-operating benefit (income) costs	(123)	(1)	(238)	(3)
Other (income) expense – net	(14)	(19)	(22)	(45)
Income from continuing operations before income taxes	**570**	**639**	**1,116**	**1,172**
Benefit (provision) for income taxes	(137)	(153)	(300)	(284)
Net income from continuing operations	**433**	**486**	**816**	**888**
Income from discontinued operations, net of taxes	—	12	—	12
Net income	**433**	**498**	**816**	**900**
Net (income) attributable to noncontrolling interests	(15)	(13)	(26)	(26)
Net income attributable to GE HealthCare	**418**	**485**	**790**	**874**
Deemed preferred stock dividend of redeemable noncontrolling interest	—	—	(183)	—
Net income attributable to GE HealthCare common stockholders	**$ 418**	**$ 485**	**$ 607**	**$ 874**
Earnings per share from continuing operations:				
Basic	$ 0.92	$ 1.04	$ 1.34	$ 1.90
Diluted	0.91	1.04	1.33	1.90
Earnings per share attributable to GE HealthCare common stockholders:				
Basic	$ 0.92	$ 1.07	$ 1.34	$ 1.93
Diluted	0.91	1.07	1.33	1.93
Weighted-average number of shares outstanding:				
Basic	455	454	455	454
Diluted	458	454	458	454

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

Condensed Consolidated and Combined Statements of Comprehensive Income (Unaudited)

(In millions, net of tax)	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Net income attributable to GE HealthCare	**$ 418**	**$ 485**	**$ 790**	**$ 874**
Net income attributable to noncontrolling interests	15	13	26	26
Net income	**433**	**498**	**816**	**900**
Other comprehensive income (loss):				
Currency translation adjustments – net of taxes	3	(472)	60	(625)
Benefit plans – net of taxes	(18)	3	(83)	(2)
Cash flow hedges – net of taxes	10	(9)	(29)	15
Other comprehensive income (loss)	**(5)**	**(478)**	**(52)**	**(612)**
Comprehensive income	**428**	**20**	**764**	**288**
Comprehensive (income) attributable to noncontrolling interests	(15)	(13)	(26)	(26)
Comprehensive income attributable to GE HealthCare	**$ 413**	**$ 7**	**$ 738**	**$ 262**

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

Condensed Consolidated and Combined Statements of Financial Position (Unaudited)

(In millions, except share and per share amounts)	As of June 30, 2023	As of December 31, 2022
Cash, cash equivalents, and restricted cash	$ 1,939	$ 1,445
Receivables – net of allowances of $92 and $91	3,370	3,295
Due from related parties	27	17
Inventories	2,264	2,155
Contract and other deferred assets	1,044	989
All other current assets	596	417
Current assets	**9,240**	**8,318**
Property, plant, and equipment – net	2,357	2,314
Goodwill	12,929	12,813
Other intangible assets – net	1,423	1,520
Deferred income taxes	4,349	1,550
All other assets	2,013	1,024
Total assets	**$ 32,311**	**$ 27,539**
Short-term borrowings	$ 5	$ 15
Accounts payable	2,835	2,944
Due to related parties	168	146
Contract liabilities	2,003	1,896
All other current liabilities	2,570	2,190
Current liabilities	**7,581**	**7,191**
Long-term borrowings	10,233	8,234
Compensation and benefits	5,167	549
Deferred income taxes	81	370
All other liabilities	1,926	1,603
Total liabilities	**24,988**	**17,947**
Commitments and contingencies		
Redeemable noncontrolling interests	**209**	**230**
Common stock, par value $0.01 per share, 1,000,000,000 shares authorized, 454,808,732 shares issued and outstanding as of June 30, 2023; 100 shares issued and outstanding as of December 31, 2022	5	—
Additional paid-in capital	6,451	—
Retained earnings	576	—
Net parent investment	—	11,235
Accumulated other comprehensive income (loss) – net	70	(1,878)
Total equity attributable to GE HealthCare	**7,102**	**9,357**
Noncontrolling interests	12	5
Total equity	**7,114**	**9,362**
Total liabilities, redeemable noncontrolling interests, and equity	**$ 32,311**	**$ 27,539**

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

Condensed Consolidated and Combined Statements of Changes in Equity (Unaudited)

	Common stock							
(In millions)	Common shares outstanding	Par value	Additional paid-in capital	Retained earnings	Net parent investment	Accumulated other comprehensive income (loss) – net	Equity attributable to noncontrolling interests	Total equity
Balances as of March 31, 2023	**455**	**$ 5**	**$ 6,425**	**$ 185**	**$ —**	**$ 75**	**$ 6**	**$ 6,696**
Net transfers from Parent, including Spin-Off-related adjustments	—	—	—	—	(9)	—	3	(6)
Issuance of common stock in connection with the Spin-Off and reclassification of net parent investment	—	—	(9)	—	9	—	—	—
Issuance of common stock in connection with employee stock plans	—	—	7	—	—	—	—	7
Net income attributable to GE HealthCare	—	—	—	418	—	—	—	418
Dividends declared ($0.06 per common share)	—	—	—	(27)	—	—	—	(27)
Currency translation adjustments – net of taxes	—	—	—	—	—	3	—	3
Benefit plans – net of taxes	—	—	—	—	—	(18)	—	(18)
Cash flow hedges – net of taxes	—	—	—	—	—	10	—	10
Changes in equity attributable to noncontrolling interests	—	—	—	—	—	—	3	3
Share-based compensation expense	—	—	28	—	—	—	—	28
Balances as of June 30, 2023	**455**	**$ 5**	**$ 6,451**	**$ 576**	**$ —**	**$ 70**	**$ 12**	**$ 7,114**

	Common stock							
(In millions)	Common shares outstanding	Par value	Additional paid-in capital	Retained earnings	Net parent investment	Accumulated other comprehensive income (loss) – net	Equity attributable to noncontrolling interests	Total equity
Balances as of March 31, 2022	**—**	**$ —**	**$ —**	**$ —**	**$ 17,728**	**$ (1,171)**	**$ 21**	**$ 16,578**
Net income attributable to GE HealthCare	—	—	—	—	485	—	—	485
Currency translation adjustments – net of taxes	—	—	—	—	—	(472)	—	(472)
Benefit plans – net of taxes	—	—	—	—	—	3	—	3
Cash flow hedges – net of taxes	—	—	—	—	—	(9)	—	(9)
Transfers (to) from GE	—	—	—	—	467	—	—	467
Changes in equity attributable to noncontrolling interests	—	—	—	—	—	—	2	2
Balances as of June 30, 2022	**—**	**$ —**	**$ —**	**$ —**	**$ 18,680**	**$ (1,649)**	**$ 23**	**$ 17,054**

(In millions)	Common stock: Common shares outstanding	Common stock: Par value	Additional paid-in capital	Retained earnings	Net parent investment	Accumulated other comprehensive income (loss) – net	Equity attributable to noncontrolling interests	Total equity
Balances as of December 31, 2022	**—**	**$ —**	**$ —**	**$ —**	**$ 11,235**	**$ (1,878)**	**$ 5**	**$ 9,362**
Net transfers from Parent, including Spin-Off-related adjustments	—	—	—	—	(4,842)	2,000	2	(2,840)
Issuance of common stock in connection with the Spin-Off and reclassification of net parent investment	454	5	6,388	—	(6,393)	—	—	—
Issuance of common stock in connection with employee stock plans	1	—	11	—	—	—	—	11
Net income attributable to GE HealthCare	—	—	—	790	—	—	—	790
Dividends declared ($0.06 per common share)	—	—	—	(27)	—	—	—	(27)
Currency translation adjustments – net of taxes	—	—	—	—	—	60	—	60
Benefit plans – net of taxes	—	—	—	—	—	(83)	—	(83)
Cash flow hedges – net of taxes	—	—	—	—	—	(29)	—	(29)
Changes in equity attributable to noncontrolling interests	—	—	—	—	—	—	5	5
Share-based compensation expense	—	—	52	—	—	—	—	52
Changes in equity due to redemption value adjustments on redeemable noncontrolling interests	—	—	—	(187)	—	—	—	(187)
Balances as of June 30, 2023	**455**	**$ 5**	**$ 6,451**	**$ 576**	**$ —**	**$ 70**	**$ 12**	**$ 7,114**

(In millions)	Common stock: Common shares outstanding	Common stock: Par value	Additional paid-in capital	Retained earnings	Net parent investment	Accumulated other comprehensive income (loss) – net	Equity attributable to noncontrolling interests	Total equity
Balances as of December 31, 2021	**—**	**$ —**	**$ —**	**$ —**	**$ 17,692**	**$ (1,037)**	**$ 21**	**$ 16,676**
Net income attributable to GE HealthCare	—	—	—	—	874	—	—	874
Currency translation adjustments – net of taxes	—	—	—	—	—	(625)	—	(625)
Benefit plans – net of taxes	—	—	—	—	—	(2)	—	(2)
Cash flow hedges – net of taxes	—	—	—	—	—	15	—	15
Transfers (to) from GE	—	—	—	—	114	—	—	114
Changes in equity attributable to noncontrolling interests	—	—	—	—	—	—	2	2
Balances as of June 30, 2022	**—**	**$ —**	**$ —**	**$ —**	**$ 18,680**	**$ (1,649)**	**$ 23**	**$ 17,054**

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

Condensed Consolidated and Combined Statements of Cash Flows (Unaudited)

	For the six months ended June 30	
(In millions)	2023	2022
Net income	**$ 816**	**$ 900**
Income (loss) from discontinued operations, net of taxes	—	12
Net income from continuing operations	**$ 816**	**$ 888**
Adjustments to reconcile Net income to Cash from (used for) operating activities		
Depreciation and amortization of property, plant, and equipment	124	112
Amortization of intangible assets	189	204
Gain on fair value remeasurement of contingent consideration	(3)	—
Net periodic postretirement benefit plan (income) expense	(207)	6
Postretirement plan contributions	(180)	(12)
Provision for income taxes	300	284
Share-based compensation	52	39
Cash paid during the year for income taxes	(271)	(443)
Cash paid during the year for interest	(250)	—
Changes in operating assets and liabilities, excluding the effects of acquisitions and dispositions:		
Receivables	(32)	(161)
Due from related parties	10	(1)
Inventories	(172)	(447)
Contract and other deferred assets	(64)	(96)
Accounts payable	(40)	282
Due to related parties	(11)	(48)
Contract liabilities	111	84
All other operating activities	29	(242)
Cash from (used for) operating activities – continuing operations	**401**	**449**
Cash flows – investing activities		
Additions to property, plant, and equipment	(213)	(159)
Dispositions of property, plant, and equipment	1	3
Purchases of businesses, net of cash acquired	(147)	—
All other investing activities	9	(29)
Cash from (used for) investing activities – continuing operations	**(350)**	**(185)**
Cash flows – financing activities		
Net increase (decrease) in borrowings (maturities of 90 days or less)	(12)	—
Newly issued debt, net of debt issuance costs (maturities longer than 90 days)	2,000	—
Repayments and other reductions (maturities longer than 90 days)	(6)	(1)
Dividends paid to shareholders	(14)	—
Redemption of noncontrolling interests	(211)	—
Net transfers (to) from GE	(1,317)	(225)
All other financing activities	6	(54)
Cash from (used for) financing activities – continuing operations	**446**	**(280)**
Effect of foreign currency rate changes on cash, cash equivalents, and restricted cash	(3)	(15)
Increase (decrease) in cash, cash equivalents, and restricted cash	**494**	**(31)**
Cash, cash equivalents, and restricted cash at beginning of year	1,451	561
Cash, cash equivalents, and restricted cash as of June 30	$ 1,945	$ 530

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

NOTE 1. ORGANIZATION AND BASIS OF PRESENTATION

BACKGROUND.

GE HealthCare Technologies Inc. (“GE HealthCare,” the “Company,” “our,” or “we”) is a leading global medical technology, pharmaceutical diagnostics, and digital solutions innovator. We operate at the center of the healthcare ecosystem, helping enable precision care by increasing health system capacity, enhancing productivity, digitizing healthcare delivery, and improving clinical outcomes while serving patients’ demand for greater efficiency, access, and personalized medicine. Our products, services, and solutions are designed to enable clinicians to make more informed decisions quickly and efficiently, improving patient care from diagnosis to therapy to monitoring.

On January 3, 2023 (the “Distribution Date”), the General Electric Company (“GE” or “Parent”) completed the previously announced spin-off of GE HealthCare Technologies Inc. (the “Spin-Off”). The Spin-Off was completed through a distribution of approximately 80.1% of the Company’s outstanding common stock to holders of record of GE's common stock as of the close of business on December 16, 2022 (the “Distribution”), which resulted in the issuance of approximately 454 million shares of common stock. Prior to the Distribution, the Company issued 100 shares of common stock in exchange for $1.00, all of which were held by GE as of December 31, 2022. As a result of the Distribution, the Company became an independent public company. Our common stock is listed under the symbol “GEHC” on the Nasdaq Stock Market LLC (“Nasdaq”). In the quarter ended June 30, 2023, GE disposed of approximately 29 million shares of its retained interest in GE HealthCare, reducing its beneficial ownership to approximately 13.5% of the Company’s outstanding common stock.

In connection with the Spin-Off, certain adjustments were recorded to reflect transfers from GE, the draw-down of the Term Loan Facility and settlement of Spin-Off transactions with GE, which resulted in the net reduction in Total equity of $2,840 million. These items substantially consisted of the transfer of: (a) certain pension plan liabilities and assets as described in Note 9, “Postretirement Benefit Plans,” (b) certain deferred income taxes as described in Note 10, “Income Taxes,” (c) deferred compensation liabilities of $548 million, and (d) employee termination obligations as described in Note 14, “Restructuring and Other Activities – Net.”

In connection with the Spin-Off, the Company entered into or adopted several agreements that provide a framework for the relationship between the Company and GE. See Note 18, “Related Parties” for more information on these agreements.

Unless the context otherwise requires, references to “GE HealthCare,” “we,” “us,” “our,” and the “Company” refer to (i) GE’s healthcare business prior to the Spin-Off as a carve-out business of GE with related condensed combined financial statements and (ii) GE HealthCare Technologies Inc. and its subsidiaries following the Spin-Off with related condensed consolidated financial statements.

BASIS OF PRESENTATION.

The condensed consolidated and combined financial statements have been prepared in accordance with United States (“U.S.”) generally accepted accounting principles (“U.S. GAAP”) and present the historical results of operations and comprehensive income for the three and six months ended June 30, 2023 and 2022, cash flows for the six months ended June 30, 2023 and 2022, and the financial position as of June 30, 2023 and December 31, 2022. It is management’s opinion that these financial statements include all normal and recurring adjustments necessary for a fair presentation of the Company’s financial position and operating results. The following tables are presented in millions of U.S dollars (“USD”) unless otherwise stated.

All intercompany balances and transactions within the Company have been eliminated in the condensed consolidated and combined financial statements. These financial statements include certain transactions with GE, which are disclosed as related party transactions. See Note 18, “Related Parties” for further information.

Prior to the Spin-Off, the condensed combined financial statements were derived from the consolidated financial statements and accounting records of GE including the historical cost basis of assets and liabilities comprising the Company, as well as the historical revenues, direct costs, and allocations of indirect costs attributable to the operations of the Company, using the historical accounting policies applied by GE. The condensed combined financial statements do not purport to reflect what the results of operations, comprehensive income, financial position, or cash flows would have been had the Company operated as a separate, stand-alone entity during the periods presented.

The condensed consolidated and combined financial statements should be read in conjunction with the Company’s audited combined financial statements and notes included in our Annual Report on Form 10-K for the year ended December 31, 2022.

ESTIMATES AND ASSUMPTIONS.

The preparation of the condensed consolidated and combined financial statements in conformity with U.S. GAAP requires management to make estimates based on assumptions about current, and for some estimates, future, economic and market conditions, which affect the reported amounts and related disclosures in the condensed consolidated and combined financial statements. We base our estimates and judgments on historical experience and on various other assumptions and information that we believe to be reasonable under the circumstances. Although our estimates contemplate current and expected future conditions, as applicable, it is reasonably possible that actual conditions could differ from our expectations, which could materially affect our results of operations, financial position, and cash flows.

There have been no material impacts to our accounting estimates as of June 30, 2023 and December 31, 2022, or the results for the three and six months ended June 30, 2023 and 2022, from the COVID-19 pandemic. The federal COVID-19 Public Health Emergency declaration in the U.S. ended in May 2023, and COVID-19 restrictions have been lifted in many locations globally. We do not expect future material economic consequences from the COVID-19 pandemic.

ACCOUNTING CHANGES.

Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, provides that interest and penalties related to unrecognized income tax benefits may either be classified as income tax expense or interest expense in the condensed consolidated statements of operations. In the first quarter of 2023, the Company changed its accounting policy for presentation of interest expense on uncertain tax positions. The interest was previously presented within "Interest and other financial charges – net" and has changed to being presented within "Benefit (provision) for income taxes." The Company believes this presentation is preferable because the cost is related to income tax matters and this presentation enhances comparability with our peers. The effects of the change in accounting have been prospectively applied to periods beginning in the first quarter of 2023 and were not material to any previously reported periods prior to March 31, 2023.

Recent Accounting Pronouncements reflected in the Condensed Consolidated and Combined Financial Statements

In September 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2022-04, *Liabilities – Supplier Finance Programs (Subtopic 405-50)*. The ASU requires companies to disclose information about supplier finance programs, including key terms of the program, outstanding confirmed amounts as of the end of the period, a rollforward of such amounts during each annual period, and a description of where the amounts are presented. The new standard does not affect the recognition, measurement, or financial statement presentation of supplier finance obligations. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods, except for rollforward information, which is effective for fiscal years beginning after December 15, 2023. The Company adopted this guidance on January 1, 2023. See Note 17, "Supplemental Financial Information" for further information.

In October 2021, the FASB issued ASU No. 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*. The ASU requires companies to apply the definition of a performance obligation under ASC 606, *Revenue from Contracts with Customers*, to recognize and measure contract assets and contract liabilities relating to contracts with customers acquired in a business combination. Prior to the adoption of this ASU, an acquirer generally recognized assets acquired and liabilities assumed in a business combination, including contract assets and contract liabilities arising from revenue contracts with customers, at fair value on the acquisition date. The ASU results in the acquirer recording acquired contract assets and liabilities on the same basis that would have been recorded by the acquiree before the acquisition under ASC 606. The ASU is effective for fiscal years beginning after December 15, 2022, with early adoption permitted. The Company adopted this guidance on January 1, 2023 using a prospective method, and the adoption did not have a material impact on the condensed consolidated financial statements.

NOTE 2. REVENUE RECOGNITION

Our revenues primarily consist of sales of products and services to customers. Products include equipment, imaging agents, software-related offerings, and upgrades. Services include contractual and stand-by preventative maintenance and corrective services, as well as related parts and labor, extended warranties, training, and other service-type offerings. The Company recognizes revenue from contracts with customers when the customer obtains control of the underlying products or services.

Contract and Other Deferred Assets

	As of	
	June 30, 2023	December 31, 2022
Contract assets	$ 642	$ 584
Other deferred assets	402	405
Contract and other deferred assets	**1,044**	**989**
Non-current contract assets[(a)]	54	37
Non-current other deferred assets[(a)]	84	82
Total contract and other deferred assets	**$ 1,182**	**$ 1,108**

(a) Non-current contract and other deferred assets are recognized within All other assets in the Condensed Consolidated and Combined Statements of Financial Position.

Contract assets primarily reflect revenue recognized on contracts in excess of billings based on contractual terms. Contract assets are classified as current or non-current based on the amount of time expected to lapse until the Company's right to consideration becomes unconditional. Other deferred assets consist of costs to obtain contracts, primarily commissions, other cost deferrals for shipped products, and deferred service, labor, and direct overhead costs.

CONTRACT LIABILITIES.

Contract liabilities primarily include customer advances and deposits received when orders are placed and billed in advance of completion of performance obligations. Contract liabilities are classified as current or non-current based on the periods over which remaining performance obligations are expected to be satisfied and fulfilled with our customers.
As of June 30, 2023 and December 31, 2022, contract liabilities were approximately $2,673 million and $2,526 million, respectively, of which the non-current portion of $670 million and $630 million, respectively, was recognized in All other liabilities in the Condensed Consolidated and Combined Statements of Financial Position. Contract liabilities increased by $147 million in 2023 primarily due to an increase in customer advances and deposits as a result of product orders growth relative to fulfillment and the normal annual service contract billing cycle. Revenue recognized related to the contract liabilities balance at the beginning of the year was approximately $1,105 million and $1,083 million for the six months ended June 30, 2023 and 2022, respectively.

REMAINING PERFORMANCE OBLIGATIONS.

Remaining performance obligations represent the estimated revenue expected from customer contracts that are partially or fully unperformed inclusive of amounts deferred in contract liabilities, excluding contracts, or portions thereof, that provide the customer with the ability to cancel or terminate without incurring a substantive penalty. As of June 30, 2023, the aggregate amount of the contracted revenues allocated to our unsatisfied (or partially unsatisfied) performance obligations was $14,309 million. We expect to recognize revenue as we satisfy our remaining performance obligations as follows: a) product-related remaining performance obligations of $4,992 million of which 99% is expected to be recognized within two years, and the remaining thereafter; and b) services-related remaining performance obligations of $9,317 million of which 67% and 97% is expected to be recognized within two years and five years, respectively, and the remaining thereafter.

NOTE 3. SEGMENT INFORMATION

GE HealthCare's operations are organized and managed through four reportable segments: Imaging, Ultrasound, Patient Care Solutions ("PCS"), and Pharmaceutical Diagnostics ("PDx"). These segments have been identified based on the nature of the products sold and how the Company manages its operations. We have not aggregated any of our operating segments to form reportable segments. A description of our reportable segments has been provided in the "Business" section of our Annual Report on Form 10-K for the year ended December 31, 2022.

The performance of these segments is principally measured based on Total revenues and an earnings metric defined as "Segment EBIT." Segment EBIT is calculated as Income from continuing operations before income taxes in our Condensed Consolidated and Combined Statements of Income less the following: Interest and other financial charges – net, Non-operating benefit (income) costs, restructuring costs, acquisition and disposition-related benefits (charges), gains and losses of business and asset dispositions, Spin-Off and separation costs, amortization of acquisition-related intangible assets, and investment revaluation gains and losses.

Total Revenues by Segment

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Imaging:				
Radiology	$ 2,227	$ 2,064	$ 4,315	$ 3,982
Interventional Guidance	393	385	801	778
Total Imaging	**2,620**	**2,449**	**5,116**	**4,760**
Total Ultrasound	**839**	**828**	**1,698**	**1,643**
PCS:				
Monitoring Solutions	563	512	1,115	1,033
Life Support Solutions	207	201	436	396
Total PCS	**770**	**713**	**1,551**	**1,429**
Total PDx	**568**	**478**	**1,126**	**962**
Other(a)	**20**	**16**	**33**	**33**
Total revenues	**$ 4,817**	**$ 4,484**	**$ 9,524**	**$ 8,827**

(a) Financial information not presented within the reportable segments, shown within the Other category, represents the HealthCare Financial Services ("HFS") business which does not meet the definition of an operating segment.

Segment EBIT

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Segment EBIT				
Imaging	$ 278	$ 306	$ 469	$ 512
Ultrasound	191	220	398	412
PCS	84	81	193	146
PDx	152	115	307	253
Other(a)	6	(3)	8	(5)
	711	**719**	**1,375**	**1,318**
Restructuring costs	(19)	(10)	(31)	(22)
Acquisition and disposition-related benefits (charges)	2	(14)	1	(29)
Gain/(loss) of business and asset dispositions	—	—	—	3
Spin-Off and separation costs	(72)	—	(130)	—
Amortization of acquisition-related intangible assets	(32)	(30)	(63)	(63)
Investment revaluation gain (loss)	(6)	(14)	(1)	(22)
Interest and other financial charges – net	(137)	(12)	(273)	(16)
Non-operating benefit income (costs)	123	1	238	3
Income from continuing operations before income taxes	**$ 570**	**$ 639**	**$ 1,116**	**$ 1,172**

(a) Financial information not presented within the reportable segments, shown within the Other category, represents the HFS business and certain other business activities which do not meet the definition of an operating segment.

NOTE 4. RECEIVABLES

Current Receivables

	As of	
	June 30, 2023	December 31, 2022
Current customer receivables(a)	**$ 3,154**	**$ 3,112**
Non-income based tax receivables	196	174
Other sundry receivables	112	100
Sundry receivables	**308**	**274**
Allowance for credit losses	(92)	(91)
Total current receivables – net	**$ 3,370**	**$ 3,295**

(a) Chargebacks, which are primarily related to our PDx business, are generally settled through issuance of credits, typically within one month of initial recognition, and are recorded as a reduction to current customer receivables. Balances related to chargebacks were $140 million and $157 million as of June 30, 2023 and December 31, 2022, respectively. The decrease in chargebacks is primarily due to lower wholesaler product levels.

Long-Term Receivables

	As of	
	June 30, 2023	December 31, 2022
Long-term customer receivables	$ 67	$ 80
Sundry receivables	76	57
Non-income based tax receivables	28	28
Supplier advances	11	11
Allowance for credit losses	(30)	(31)
Total long-term receivables – net[(a)]	**$ 152**	**$ 145**

(a) Long-term receivables are recognized within All other assets in the Condensed Consolidated and Combined Statements of Financial Position.

NOTE 5. FINANCING RECEIVABLES

Financing Receivables

	As of	
	June 30, 2023	December 31, 2022
Loans, net of deferred income	$ 32	$ 29
Investment in financing leases, net of deferred income	73	72
Allowance for credit losses	(4)	(4)
Current financing receivables – net[(a)]	**101**	**97**
Loans, net of deferred income	43	44
Investment in financing leases, net of deferred income	157	158
Allowance for credit losses	(5)	(6)
Non-current financing receivables – net[(a)]	**$ 195**	**$ 196**

(a) Current financing receivables and non-current financing receivables are recognized within All other current assets and All other assets, respectively, in the Condensed Consolidated and Combined Statements of Financial Position.

As of June 30, 2023, 5%, 4%, and 5% of financing receivables were over 30 days past due, over 90 days past due, and on nonaccrual, respectively, with the majority of nonaccrual financing receivables secured by collateral. As of December 31, 2022, 7%, 6%, and 6% of financing receivables were over 30 days past due, over 90 days past due, and on nonaccrual, respectively, with the majority of nonaccrual financing receivables secured by collateral.

NOTE 6. LEASES

OPERATING LEASE LIABILITIES.

Operating lease liabilities recognized within All other current liabilities or All other liabilities in the Condensed Consolidated and Combined Statements of Financial Position were $370 million and $347 million as of June 30, 2023 and December 31, 2022, respectively. Expense related to our operating lease portfolio was $57 million and $40 million for the three months ended June 30, 2023 and 2022, respectively, and $113 million and $96 million for the six months ended June 30, 2023 and 2022, respectively.

NOTE 7. ACQUISITIONS, GOODWILL, AND OTHER INTANGIBLE ASSETS

ACQUISITIONS.

On February 17, 2023, the Company acquired 100% of the stock of Caption Health, Inc. (“Caption Health”) for $127 million of upfront payment, $10 million future holdback payment and potential earn-out payments valued at $13 million based primarily on various milestones and sales targets. The preliminary purchase price allocation resulted in goodwill of $94 million, intangible assets of $60 million, and deferred tax liabilities of $3 million. Purchase price allocations are based on preliminary valuations. Our estimates and assumptions are subject to change within the measurement period. The goodwill associated with the acquired business is non-deductible for tax purposes and is reported in the Ultrasound segment. Caption Health is an artificial intelligence (“AI”) company whose technology expands access to AI-guided ultrasound screening for novice users.

See Note 12, “Financial Instruments and Fair Value Measurements” for further information about the fair value measurement of contingent consideration.

Goodwill

	Balance as of December 31, 2022	Acquisitions	Foreign exchange and other	Balance as of June 30, 2023
Imaging[(a)]	$ 4,409	$ 16	$ 2	$ 4,427
Ultrasound	3,835	94	1	3,930
PCS	2,036	—	2	2,038
PDx	2,533	—	1	2,534
Total Goodwill	**$ 12,813**	**$ 110**	**$ 6**	**$ 12,929**

(a) Includes the acquisition of IMACTIS SAS ("Imactis") in the second quarter of 2023. Imactis is a French company that provides electromagnetic navigation solutions for image-guided procedures in computed tomography.

We assess the possibility that a reporting unit's fair value has been reduced below its carrying amount due to the occurrence of events or circumstances between annual impairment testing dates. We did not identify any reporting units that required an interim impairment test since the last annual impairment testing date.

Substantially all other intangible assets are subject to amortization. Intangible assets decreased during the six months ended June 30, 2023, primarily as a result of amortization, partially offset by acquisitions in our Imaging and Ultrasound segments. Amortization expense was $93 million and $101 million for the three months ended June 30, 2023 and 2022, respectively, and $189 million and $204 million for the six months ended June 30, 2023 and 2022, respectively.

NOTE 8. BORROWINGS

The Company's borrowings include the following senior unsecured notes and credit agreements:

Senior Unsecured Notes
The Company's long-term borrowings include $8,250 million aggregate principal amount of senior unsecured notes in six series with maturity dates ranging from 2024 through 2052 (collectively, the "Notes"). Refer to the table below for further information about the Notes.

Credit Facilities
The Company has credit agreements providing for:

- a five-year senior unsecured revolving credit facility in an aggregate committed amount of $2,500 million;
- a 364-day senior unsecured revolving credit facility in an aggregate committed amount of $1,000 million; and
- a three-year senior unsecured term loan credit facility in an aggregate principal amount of $2,000 million (the "Term Loan Facility" and, together with the five-year revolving credit facility and the 364-day revolving credit facility, the "Credit Facilities").

There were no outstanding amounts under the five-year revolving credit facility and 364-day revolving credit facility as of June 30, 2023 or December 31, 2022. On January 3, 2023, the Company completed a $2,000 million drawdown of the floating rate Term Loan Facility in connection with the Spin-Off from GE.

The weighted average interest rate for the Notes and our Credit Facilities for the six months ended June 30, 2023 was 5.98%. We had no principal debt repayments on the Notes or the Term Loan Facility for the six months ended June 30, 2023.

Long-Term Borrowings Composition

	As of	
	June 30, 2023	December 31, 2022
5.550% senior notes due November 15, 2024	$ 1,000	$ 1,000
5.600% senior notes due November 15, 2025	1,500	1,500
5.650% senior notes due November 15, 2027	1,750	1,750
5.857% senior notes due March 15, 2030	1,250	1,250
5.905% senior notes due November 22, 2032	1,750	1,750
6.377% senior notes due November 22, 2052	1,000	1,000
Floating rate Term Loan Facility	2,000	—
Other	32	38
Total principal debt issued	**10,282**	**8,288**
Less: Unamortized debt issuance costs and discounts	44	47
Less: Current portion of long-term borrowings	5	7
Long-term borrowings, net of current portion	**$ 10,233**	**$ 8,234**

See Note 12, “Financial Instruments and Fair Value Measurements” for further information about borrowings and associated cross-currency interest rate swaps.

LETTERS OF CREDIT, GUARANTEES, AND OTHER COMMITMENTS.

In addition to the Notes, which were guaranteed on a senior unsecured basis by GE through the completion of the Spin-Off, at which time GE was automatically and unconditionally released and discharged from all obligations under its guarantees, as of June 30, 2023 and December 31, 2022, the Company had unused letters of credit, bank guarantees, bid bonds, and surety bonds of approximately $693 million and $657 million, respectively, related to certain commercial contracts. Additionally, we have approximately $44 million and $43 million of guarantees as of June 30, 2023 and December 31, 2022, respectively, primarily related to residual value guarantees on equipment sold to third-party finance companies. Our Condensed Consolidated and Combined Statements of Financial Position reflect a liability of $4 million and $4 million as of June 30, 2023 and December 31, 2022, respectively, related to these guarantees. For credit-related guarantees, we estimate our expected credit losses related to off-balance sheet credit exposure consistent with the method used to estimate the allowance for credit losses on financial assets held at amortized cost. See Note 13, “Commitments, Guarantees, Product Warranties, and Other Loss Contingencies” for further information on guarantee arrangements with GE.

NOTE 9. POSTRETIREMENT BENEFIT PLANS

PENSION BENEFITS AND RETIREE HEALTH AND LIFE BENEFITS SPONSORED BY GE, TRANSFERRED TO GE HEALTHCARE IN CONNECTION WITH THE SPIN-OFF.

Certain GE HealthCare employees were covered under various pension and retiree health and life plans sponsored by GE prior to the Spin-Off, including principal pension plans, other pension plans, and principal retiree benefit plans. A subset of these pension plans have been closed to new participants. For the three and six months ended June 30, 2022, relevant participation costs for these plans were allocated to the Company and recognized within the Condensed Combined Statement of Income. These included service costs for active employees in the U.S. GE Pension Plan, certain international pension plans, the U.S. GE Supplementary Pension Plan, and the U.S. retiree benefit plan. We did not record any liabilities associated with our participation in these plans in our Condensed Combined Statement of Financial Position as of December 31, 2022.

Expenses associated with our employees’ participation in the U.S. GE principal pension and principal retiree benefit plans, which represent the majority of related expense, were $25 million and $49 million for the three and six months ended June 30, 2022. Expenses associated with our employees’ participation in GE’s non-U.S. based pension plans were $12 million and $16 million for the three and six months ended June 30, 2022.

In connection with the Spin-Off, on January 1, 2023, these plans were separated and GE transferred certain liabilities and assets of these plans to GE HealthCare based upon measurements as of December 31, 2022. The amounts assumed by GE HealthCare on January 1, 2023, are shown in the tables below.

Accumulated Benefit Obligations and Unrecognized Gain

	As of January 1, 2023		
	Defined benefit plans	Other postretirement plans	Total
Accumulated benefit obligations	$ 21,696	$ 1,210	$ 22,906
Unrecognized gain to be recorded in AOCI	1,258	1,223	2,481

Net Benefit Liability

	As of January 1, 2023		
	Defined benefit plans	Other postretirement plans	Total
Projected benefit obligations	$ 21,743	$ 1,210	$ 22,953
Fair value of assets	18,908	—	18,908
Net liability	**$ 2,835**	**$ 1,210**	**$ 4,045**

PENSION PLANS SPONSORED BY GE HEALTHCARE, INCLUDING THOSE TRANSFERRED BY GE.

As the pension plans were transferred by GE on January 1, 2023, there are no amounts included for these plans in the periods ended June 30, 2022. Pension plans with pension assets or obligations less than $50 million and $20 million as of June 30, 2023 and 2022, respectively, are not included in the results below.

Components of Expense (Income)

	For the three months ended June 30			
	Defined benefit plans		Other postretirement plans	
	2023	2022	2023	2022
Service cost – Operating	**$ 15**	**$ 5**	**$ 2**	**$ —**
Interest cost	290	5	15	—
Expected return on plan assets	(357)	(7)	—	—
Amortization of net loss (gain)	(32)	1	(16)	—
Amortization of prior service cost (credit)	(1)	(1)	(22)	—
Non-operating	**$ (100)**	**$ (2)**	**$ (23)**	**$ —**
Net periodic expense (income)	**$ (85)**	**$ 3**	**$ (21)**	**$ —**

	For the six months ended June 30			
	Defined benefit plans		Other postretirement plans	
	2023	2022	2023	2022
Service cost – Operating	**$ 29**	**$ 10**	**$ 4**	**$ —**
Interest cost	582	9	30	—
Expected return on plan assets	(713)	(14)	—	—
Amortization of net loss (gain)	(61)	3	(32)	—
Amortization of prior service cost (credit)	(2)	(2)	(44)	—
Non-operating	**$ (194)**	**$ (4)**	**$ (46)**	**$ —**
Net periodic expense (income)	**$ (165)**	**$ 6**	**$ (42)**	**$ —**

For the six months ended June 30, 2023, the Company made contributions for benefit payments totaling $107 million to the pension plans and $73 million to its postretirement plans. During 2023, the Company expects to make total benefit payments of approximately $353 million to our defined benefit pension and postretirement plans for benefit payments. The Company does not have a required minimum cash pension contribution obligation for its U.S. plans in 2023. Future contributions will depend on market conditions, interest rates, and other factors.

Prior to the Spin-Off, we disclosed postretirement plans with assets or obligations that exceeded $20 million. As a result of the transferred liabilities and assets to GE HealthCare on January 1, 2023, we now present postretirement plans with assets or obligations that exceed $50 million. For the year, the Company expects to contribute approximately $11 million to postretirement plans that are no longer disclosed.

Defined Contribution Plan
As a result of the Spin-Off, GE HealthCare established a defined contribution plan for its eligible U.S. employees that was largely consistent with the plan they participated in while GE HealthCare operated as a business of GE. Expenses associated with our employees' participation in GE HealthCare's defined contribution plan in 2023 and GE's defined contribution plan in 2022 represent the employer matching contributions for GE HealthCare employees and were $33 million and $35 million for the three months ended June 30, 2023 and 2022, respectively, and $66 million for both the six months ended June 30, 2023 and 2022.

NOTE 10. INCOME TAXES

Our income tax rate was 24.0% and 23.9% for the three months ended June 30, 2023 and 2022, respectively, and 26.9% and 24.2% for the six months ended June 30, 2023 and 2022, respectively. The tax rate for 2023 is higher than the U.S. statutory rate primarily due to the cost of global activities, including the U.S. taxation on international operations, withholding taxes, and state taxes. The tax rate for 2022 is higher than the U.S. statutory rate primarily due to the cost of global activities, including the U.S. taxation on international operations and state taxes.

The Company is currently being audited in a number of jurisdictions for tax years 2004-2021, including China, Egypt, France, Germany, Norway, the United Kingdom, and the U.S.

In the first quarter of 2023, the Company changed its accounting policy for presentation of interest expense on uncertain tax positions from within "Interest and other financial charges – net" to within "Benefit (provision) for income taxes." See Note 1, "Organization and Basis of Presentation" for further information.

Post Spin-Off, the Company's previously undistributed earnings of certain of our foreign subsidiaries are no longer indefinitely reinvested in non-U.S. businesses due to current U.S. funding needs. Therefore, in the first quarter of 2023, an incremental deferred tax liability of $30 million was recorded for withholding and other foreign taxes due upon future distribution of earnings. In addition, the Company is providing for withholding and other foreign taxes due upon future distribution of current period earnings.

Also, in connection with the Spin-Off, our net deferred income tax assets increased by $3,099 million primarily due to transfers from GE, including $964 million related to pension and postretirement benefits, with the remainder primarily attributable to tax attributes that were not part of the Company's stand-alone operations and changes to valuation on a GE HealthCare basis.

NOTE 11. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) – NET

Changes in Accumulated other comprehensive income (loss) ("AOCI") by component, net of income taxes, were as follows:

	For the three months ended June 30, 2023			
	Currency translation adjustments[(a)]	Benefit plans	Cash flow hedges	Total AOCI
March 31, 2023	**$ (1,760)**	**$ 1,865**	**$ (30)**	**$ 75**
Other comprehensive income (loss) before reclasses – net of taxes of $28, $(11), and $(2)	3	36	5	44
Reclasses from AOCI – net of taxes of $0, $17, and $(1)[(c)]	—	(54)	5	(49)
June 30, 2023	**$ (1,757)**	**$ 1,847**	**$ (20)**	**$ 70**

	For the three months ended June 30, 2022			
	Currency translation adjustments	Benefit plans	Cash flow hedges	Total AOCI
March 31, 2022	**$ (1,122)**	**$ (105)**	**$ 56**	**$ (1,171)**
Other comprehensive income (loss) before reclasses – net of taxes of $(12), $(1), and $4	(472)	3	(3)	(472)
Reclasses from AOCI – net of taxes of $0, $0, and $0[(c)]	—	—	(6)	(6)
June 30, 2022	**$ (1,594)**	**$ (102)**	**$ 47**	**$ (1,649)**

	For the six months ended June 30, 2023			
	Currency translation adjustments[(a)(d)]	Benefit plans	Cash flow hedges	Total AOCI
December 31, 2022	**$ (1,845)**	**$ (42)**	**$ 9**	**$ (1,878)**
Other comprehensive income (loss) before reclasses – net of taxes of $17, $(9), and $2	88	23	(8)	103
Unrecognized gain transferred from GE pension – net of taxes of $0, $(509), and $0[(b)]	—	1,972	—	1,972
Reclasses from AOCI – net of taxes of $0, $33, and $6[(c)]	—	(106)	(21)	(127)
June 30, 2023	**$ (1,757)**	**$ 1,847**	**$ (20)**	**$ 70**

	For the six months ended June 30, 2022			
	Currency translation adjustments	Benefit plans	Cash flow hedges	Total AOCI
December 31, 2021	**$ (969)**	**$ (100)**	**$ 32**	**$ (1,037)**
Other comprehensive income (loss) before reclasses – net of taxes of $(14), $(10), and $(2)	(625)	(2)	32	(595)
Reclasses from AOCI – net of taxes of $0, $0, and $0[c]	—	—	(17)	(17)
June 30, 2022	**$ (1,594)**	**$ (102)**	**$ 47**	**$ (1,649)**

(a) The amount of foreign currency translation recognized in Other comprehensive income (loss) during the six months ended June 30, 2023 included net gains (losses) relating to net investment hedges, as further discussed in Note 12, "Financial Instruments and Fair Value Measurements."
(b) Refer to Note 9, "Postretirement Benefit Plans" for further information on the unrecognized gain transferred from the GE pension and other postretirement plans in connection with the Spin-Off.
(c) Reclassifications from AOCI into earnings for Benefit plans are recognized within Non-operating benefit (income) loss, while Cash flow hedges are recognized within Cost of products or Cost of services in our Condensed Consolidated and Combined Statements of Income.
(d) Other comprehensive income (loss) before reclassification for Currency translation adjustments includes $28 million associated with Spin-Off related adjustments.

NOTE 12. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

DERIVATIVES AND HEDGING.

Our primary objective in executing and holding derivatives is to reduce the earnings and cash flow volatility associated with fluctuations in foreign currency exchange rates and commodity prices and hedge the volatility associated with the translation of the assets and liabilities of subsidiaries with a different functional currency than the USD. These hedge contracts reduce, but do not entirely eliminate, the impact of foreign currency rate and commodity price movements. The Company does not enter into or hold derivative instruments for speculative trading purposes.

Cash Flow Hedges
The total amount in AOCI related to cash flow hedges of foreign currency-denominated forecasted transactions was a net $20 million loss as of June 30, 2023. We expect to reclassify $14 million of pre-tax net deferred losses associated with designated cash flow hedges to earnings in the next 12 months, contemporaneously with the earnings effects of the related forecasted transactions. Pre-tax gains (losses) reclassified from AOCI into earnings were $(6) million and $6 million, for the three months ended June 30, 2023 and 2022, respectively and $27 million and $17 million for the six months ended June 30, 2023 and 2022, respectively. As of June 30, 2023, the maximum length of time over which we are hedging our forecasted transactions was approximately two years.

Net Investment Hedges
The Company uses derivative instruments to hedge the currency risk associated with its net investment in foreign operations. The derivative instruments include cross-currency swaps and foreign currency forward contracts in combination with foreign currency options contracts. As of June 30, 2023 and December 31, 2022, the Company had $2,296 million and $2,132 million notional, respectively, of derivatives consisting mainly of receive-fixed USD, pay-fixed Euro ("EUR") cross-currency swaps, each designated as the hedging instruments in net investment hedging relationships in order to mitigate the foreign currency risk attributable to the translation of its net investment in certain EUR-functional subsidiaries.

The following table presents the gross fair values of our outstanding derivative instruments as of the dates indicated:

Fair Value of Derivatives

	June 30, 2023			December 31, 2022		
	Gross Notional	Fair Value – Assets	Fair Value – Liabilities	Gross Notional	Fair Value – Assets	Fair Value – Liabilities
Foreign currency exchange contracts	$ 1,206	$ 34	$ 56	$ 1,240	$ 32	$ 53
Derivatives accounted for as cash flow hedges	**1,206**	**34**	**56**	**1,240**	**32**	**53**
Cross-currency swaps	2,197	29	211	2,132	—	111
Foreign currency exchange contracts and options	99	3	2	—	—	—
Derivatives accounted for as net investment hedges	**2,296**	**32**	**213**	**2,132**	**—**	**111**
Foreign currency exchange contracts	5,269	34	24	4,456	9	20
Embedded derivatives	683	20	13	604	24	18
Equity contracts	198	31	3	8	—	6
Commodity derivatives	77	1	3	48	1	1
Derivatives not designated as hedges	**6,227**	**86**	**43**	**5,116**	**34**	**45**
Total derivatives	**$ 9,729**	**$ 152**	**$ 312**	**$ 8,488**	**$ 66**	**$ 209**

Under the master arrangements with the respective counterparties to our derivative contracts, in certain circumstances and subject to applicable requirements, we are allowed to net settle transactions with a single net amount payable by one party to the other. However, we have elected to present the derivative assets and derivative liabilities on a gross basis on our Condensed Consolidated and Combined Statements of Financial Position and in the table above. The fair value of the derivatives contracts is recognized within All other current assets, All other assets, All other current liabilities, and All other liabilities in the Condensed Consolidated and Combined Statements of Financial Position based upon the contractual timing of settlements for these contracts.

As of June 30, 2023, the potential effect of rights of offset associated with the derivative contracts would be an offset to both assets and liabilities by $64 million.

The table below presents the pre-tax gains (losses) recognized in OCI associated with the Company's cash flow and net investment hedges:

Pre-tax Gains (Losses) Recognized in OCI Related to Cash Flow and Net Investment Hedges

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Cash flow hedges	$ 7	$ (7)	$ (10)	$ 34
Net investment hedges	(36)	—	(71)	—

The tables below present the gains (losses) of our derivative financial instruments in the Condensed Consolidated and Combined Statements of Income:

Derivative Financial Instruments

	For the three months ended June 30, 2023				For the three months ended June 30, 2022			
	Cost of products	Cost of services	Selling, general and administrative	Other [(a)]	Cost of products	Cost of services	Selling, general and administrative	Other [(a)]
Foreign currency exchange contracts	$ (5)	$ (1)	$ —	$ —	$ 5	$ 1	$ —	$ —
Effects of cash flow hedges	**(5)**	**(1)**	**—**	**—**	**5**	**1**	**—**	**—**
Foreign currency exchange contracts	3	1	—	4	(60)	(11)	—	7
Embedded derivatives	—	—	—	2	—	—	—	5
Equity contracts	—	—	18	—	—	—	—	(1)
Commodity derivatives	—	—	—	(2)	—	—	—	5
Effects of derivatives not designated as hedges	**$ 3**	**$ 1**	**$ 18**	**$ 4**	**$ (60)**	**$ (11)**	**$ —**	**$ 16**

Derivative Financial Instruments

	For the six months ended June 30, 2023				For the six months ended June 30, 2022			
	Cost of products	Cost of services	Selling, general and administrative	Other [(a)]	Cost of products	Cost of services	Selling, general and administrative	Other [(a)]
Foreign currency exchange contracts	$ 22	$ 5	$ —	$ —	$ 14	$ 3	$ —	$ —
Effects of cash flow hedges	**22**	**5**	**—**	**—**	**14**	**3**	**—**	**—**
Foreign currency exchange contracts	10	3	—	5	(61)	(11)	—	7
Embedded derivatives	—	—	—	1	—	—	—	8
Equity contracts	—	—	33	3	—	—	—	(1)
Commodity derivatives	—	—	—	(4)	—	—	—	15
Effects of derivatives not designated as hedges	**$ 10**	**$ 3**	**$ 33**	**$ 5**	**$ (61)**	**$ (11)**	**$ —**	**$ 29**

(a) Amounts inclusive of Other income (expense) − net on the Condensed Consolidated and Combined Statements of Income.

FAIR VALUE MEASUREMENTS.

The following table represents financial assets and liabilities that are recorded and measured at fair value on a recurring basis:

Fair Value of Financial Assets and Liabilities

	As of June 30, 2023				As of December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Investment securities	$ 30	$ —	$ —	$ 30	$ 21	$ —	$ —	$ 21
Derivatives	—	152	—	152	—	66	—	66
Liabilities:								
Deferred compensation[(a)]	243	3	—	246	62	2	—	64
Derivatives	—	309	3	312	—	203	6	209
Contingent consideration	—	—	65	65	—	—	42	42

(a) Certain deferred compensation plans whose value is derived from market-based securities values were transferred from GE as part of the Spin-Off.

Contingent Consideration
The contingent consideration liabilities as of June 30, 2023 and December 31, 2022 were recorded in connection with business acquisitions. Changes in the Level 3 fair value measurement of contingent consideration were not material during the six months ended June 30, 2023.

Fair Value of Other Financial Instruments
The estimated fair value of long-term debt (including the current portion) as of June 30, 2023 and December 31, 2022, was $10,630 million and $8,512 million compared to a carrying value (which includes a reduction for amortized debt issuance costs and discounts) of $10,238 million and $8,241 million, respectively. The fair value of our borrowings is determined based on observable and quoted prices and spreads of comparable debt and benchmark securities and is considered Level 2 in the fair value hierarchy. See Note 8, “Borrowings” for further information.

Non-recurring Fair Value Measurements
Equity investments without readily determinable fair value as of June 30, 2023 and December 31, 2022 were $121 million and $117 million, respectively.

NOTE 13. COMMITMENTS, GUARANTEES, PRODUCT WARRANTIES, AND OTHER LOSS CONTINGENCIES

GUARANTEES.

The Company has off-balance sheet credit exposure through standby letters of credit, bank guarantees, bid bonds, and surety bonds. See Note 8, “Borrowings" for further information. In addition, GE has provided parent company guarantees in certain jurisdictions where we lack the legal structure to issue the requisite guarantees required on certain projects.

Following the Spin-Off, which was completed pursuant to a Separation and Distribution Agreement (the "Separation and Distribution Agreement"), the Company has remaining performance guarantees on behalf of GE. Under the Separation and Distribution Agreement, GE is obligated to use reasonable best efforts to replace the Company as the guarantor or terminate all such performance guarantees. Until such termination or replacement, in the event of non-fulfillment of contractual obligations by the relevant obligors, the Company could be obligated to make payments under the applicable instruments for which GE is obligated to reimburse and indemnify the Company. As of June 30, 2023 the Company’s maximum aggregate exposure, subject to GE reimbursement, is approximately $114 million.

PRODUCT WARRANTIES.

We provide warranty coverage to our customers as part of customary practices in the market to provide assurance that the products we sell comply with agreed-upon specifications. We provide estimated product warranty expenses when we sell the related products. Warranty accruals are estimates that are based on the best available information, mostly historical claims experience, therefore claims costs may differ from amounts provided. An analysis of changes in the liability for product warranties follows.

Product Warranties

	For the six months ended June 30	
	2023	2022
Balance at beginning of period	**$ 193**	**$ 161**
Current-year provisions	102	131
Expenditures	(105)	(104)
Other changes	—	(5)
Balance at end of period	**$ 190**	**$ 183**

Product warranties are recognized within All other current liabilities in the Condensed Consolidated and Combined Statements of Financial Position.

LEGAL MATTERS.

In the normal course of our business, we are involved from time to time in various arbitrations; class actions; commercial, intellectual property, and product liability litigation; government investigations; investigations by competition/antitrust authorities; and other legal, regulatory, or governmental actions, including the significant matter described below that could have a material impact on our results of operations. In many proceedings, including the specific matter described below, it is inherently difficult to determine whether any loss is probable or even reasonably possible or to estimate the size or range of the possible loss, and accruals for legal matters are not recorded until a loss for a particular matter is considered probable and reasonably estimable. Given the nature of legal matters and the complexities involved, it is often difficult to predict and determine a meaningful estimate of loss or range of loss until we know, among other factors, the particular claims involved, the likelihood of success of our defenses to those claims, the damages or other relief sought, how discovery or other procedural considerations will affect the outcome, the settlement posture of other parties, and other factors that may have a material effect on the outcome. For such matters, unless otherwise specified, we do not believe it is possible to provide a meaningful estimate of loss at this time. Moreover, it is not uncommon for legal matters to be resolved over many years, during which time relevant developments and new information must be continuously evaluated.

Contracts with Iraqi Ministry of Health
In 2017, a number of U.S. Service members, civilians, and their families brought a complaint in the U.S. District Court for the District of Columbia (the “District Court”) against a number of pharmaceutical and medical device companies, including GE HealthCare and certain affiliates, alleging that the defendants violated the U.S. Anti-Terrorism Act. The complaint seeks monetary relief and alleges that the defendants provided funding for an Iraqi terrorist organization through their sales practices pursuant to pharmaceutical and medical device contracts with the Iraqi Ministry of Health. In July 2020, the District Court granted defendants’ motions to dismiss and dismissed all of the plaintiffs’ claims. In January 2022, a panel of the U.S. Court of Appeals for the District of Columbia Circuit reversed the District Court’s decision. In February 2022, the defendants requested review of the decision by all of the judges on the U.S. Court of Appeals for the District of Columbia Circuit (“the D.C. Circuit”). In February 2023, the D.C. Circuit denied this request. Also in February 2023, defendants filed a motion for a temporary, partial stay of further district court proceedings until the Supreme Court issues its decision in a separate case, Twitter, Inc. v. Taamneh, which also involves the U.S. Anti-Terrorism Act. In March 2023, the District Court granted the motion for a temporary, partial stay. In May 2023, the Supreme Court issued its opinion in Twitter, Inc. v. Taamneh, and the partial stay was extended by the District Court pending further submissions by the parties. In June 2023, defendants petitioned the Supreme Court to review the D.C. Circuit’s decision.

NOTE 14. RESTRUCTURING AND OTHER ACTIVITIES – NET

Restructuring activities are essential to optimize the business operating model for GE HealthCare as a stand-alone company and mostly involve workforce reductions, organizational realignments, and revisions to our real estate footprint. Specifically, restructuring and other charges (gains) primarily include facility exit costs, employee-related termination benefits associated with workforce reductions, asset write-downs, and cease-use costs. For segment reporting, restructuring and other activities are not allocated.

As a result of committed restructuring initiatives, we recorded net expenses of $19 million and $10 million for the three months ended June 30, 2023 and 2022 and $31 million and $22 million for the six months ended June 30, 2023 and 2022. These restructuring initiatives are expected to result in additional expenses of approximately $35 million, to be incurred primarily in 2023, substantially related to employee-related termination benefits and facility exit costs. Restructuring expenses (gains) are recognized within Cost of products, Cost of services, or Selling, general, and administrative ("SG&A"), as appropriate, in the Condensed Consolidated and Combined Statements of Income.

Restructuring and Other Activities

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Employee termination costs	$ 15	$ 9	$ 25	$ 18
Facility and other exit costs	—	1	1	4
Asset write-downs	4	—	5	—
Total restructuring and other activities – net	**$ 19**	**$ 10**	**$ 31**	**$ 22**

In connection with the Spin-Off, GE transferred employee termination obligations for services already rendered of $31 million to GE HealthCare. Liabilities related to restructuring are recognized within All other current liabilities and All other liabilities in the Condensed Consolidated and Combined Statements of Financial Position and totaled $91 million and $75 million as of June 30, 2023 and December 31, 2022, respectively.

NOTE 15. SHARE-BASED COMPENSATION

We grant stock options, restricted stock units (“RSU”), and performance share units (“PSU”) to employees under the 2023 Long-Term Incentive Plan (“LTIP”). The Talent, Culture, and Compensation Committee of the Board of Directors approves grants under the LTIP. Under the LTIP, we are authorized to issue up to approximately 41 million shares. We record compensation expense for awards expected to vest over the vesting period. We estimate forfeitures based on experience and adjust expense to reflect actual forfeitures. When options are exercised, RSUs vest, and PSUs are earned, we issue shares from authorized unissued common stock.

Stock options provide employees the opportunity to purchase GE HealthCare shares in the future at the market price of our stock on the date the award is granted (the strike price). The options become exercisable over the vesting period, typically becoming fully vested in three to three and a half years, and expire ten years from the grant date if not exercised. RSUs provide an employee the right to shares of GE HealthCare stock when the restrictions lapse over the vesting period. Upon vesting, each RSU is converted into one share of GE HealthCare common stock. PSUs provide an employee with the right to receive shares of GE HealthCare stock based upon achievement of certain performance and market metrics. Upon vesting, each PSU earned is converted into one share of GE HealthCare common stock. We value stock options using a Black-Scholes option pricing model, RSUs using the market price on the grant date, and PSUs using the market price on the grant date and a Monte Carlo simulation as needed based on performance metrics.

The following tables provide the weighted average fair value of options, RSUs, and PSUs granted to employees during the six months ended June 30, 2023 and the related stock option valuation assumptions used in the Black-Scholes model:

Weighted Average Grant Date Fair Value

(In dollars)	June 30, 2023
Stock options	$ 25
RSUs	73
PSUs	84

Key Assumptions in the Black-Scholes Valuation for Stock Options

	June 30, 2023
Risk free rate	3.6 %
Dividend yield	0.01 %
Expected volatility	26.2 %
Expected term (in years)	6.2
Strike price (in dollars)	$ 72

For new awards granted in 2023, the expected volatility was derived from a peer group's blended historical and implied volatility as GE HealthCare does not have sufficient historical volatility based on the expected term of the underlying options. The expected term of the stock options was determined using the simplified method. The risk-free interest rate was determined using the implied yield currently available for zero-coupon U.S. government issues with a remaining term approximating the expected life of the options. The dividend yield input was calculated using an annualized rate based on actual dividends declared.

Share-Based Compensation Activity

	Stock options				RSUs			
	Shares (in thousands)	Weighted average exercise price (in dollars)	Weighted average contractual term (in years)	Intrinsic value (in millions)	Shares (in thousands)	Weighted average grant date fair value (in dollars)	Weighted average contractual term (in years)	Intrinsic value (in millions)
Outstanding as of January 4, 2023[(a)]	3,738	$ 90			3,551	$ 58		
Granted	2,143	72			1,788	73		
Exercised/Vested	(448)	60			(672)	70		
Forfeited	(31)	69			(158)	62		
Expired	(30)	131			—	—		
Outstanding as of June 30, 2023	**5,372**	**$ 85**	**6.4**	**$ 53**	**4,509**	**$ 63**	**1.8**	**$ 368**
Exercisable as of June 30, 2023	**3,044**	**$ 95**	**4.0**	**$ 31**	**N/A**	**N/A**	**N/A**	**N/A**
Expected to vest	**1,780**	**$ 72**	**9.5**	**$ 17**	**3,851**	**$ 55**	**1.8**	**$ 313**

(a) Our common stock began "regular way" trading on The Nasdaq Global Market on January 4, 2023. The shares outstanding as of January 4, 2023 pertain to GE equity-based awards issued by GE in prior periods to employees of the Company that were converted to GE HealthCare equity-based awards as part of the Spin-Off.

Total outstanding PSUs as of June 30, 2023 were 1,293 thousand shares with a weighted average fair value of $85 dollars. The intrinsic value and weighted average contractual term of PSUs outstanding were $105 million and 1.8 years, respectively.

Share-based compensation expense is recognized within Cost of products, Cost of services, SG&A or Research and development ("R&D"), as appropriate, in the Condensed Consolidated Statement of Income.

Share-based Compensation Expense	For the three months ended June 30, 2023	For the six months ended June 30, 2023
Share-based compensation expense (pre-tax)	$ 28	$ 52
Income tax benefits	(3)	(11)
Share-based compensation expense (after-tax)	**$ 25**	**$ 41**

Other Share-based Compensation Data

Unrecognized compensation expense as of June 30, 2023[(a)]	$ 202
Cash received from stock options exercised for the six months ended June 30, 2023	27
Intrinsic value of stock options exercised and RSU/PSUs vested in the six months ended June 30, 2023	57

(a) Amortized over a weighted average period of 2.2 years.

NOTE 16. EARNINGS PER SHARE

On January 3, 2023, there were approximately 454 million shares of GE HealthCare common stock outstanding, including the interest in our outstanding shares of common stock retained by GE following the Distribution. The computation of basic and diluted earnings per common share for all periods through December 31, 2022 was calculated using this same number of common shares outstanding since no GE HealthCare equity awards were outstanding as of the Distribution Date and is net of Net (income) loss attributable to noncontrolling interest which is fully associated with continuing operations.

Earnings Per Share

	For the three months ended June 30		For the six months ended June 30	
(In millions, except per share amounts)	**2023**	**2022**	**2023**	**2022**
Numerator:				
Net income from continuing operations	$ 433	$ 486	$ 816	$ 888
Net (income) attributable to noncontrolling interests	(15)	(13)	(26)	(26)
Net income from continuing operations attributable to GE HealthCare	418	473	790	862
Deemed preferred stock dividend of redeemable noncontrolling interest	—	—	(183)	—
Net income from continuing operations attributable to GE HealthCare common shareholders	418	473	607	862
Income from discontinued operations, net of taxes	—	12	—	12
Net income attributable to GE HealthCare common stockholders	$ 418	$ 485	$ 607	$ 874
Denominator:				
Basic weighted-average shares outstanding	455	454	455	454
Dilutive effect of common stock equivalents	3	—	3	—
Diluted weighted-average shares outstanding	458	454	458	454
Basic Earnings Per Share:				
Continuing operations	$ 0.92	$ 1.04	$ 1.34	$ 1.90
Discontinued operations	—	0.03	—	0.03
Attributable to GE HealthCare common stockholders	0.92	1.07	1.34	1.93
Diluted Earnings Per Share:				
Continuing operations	$ 0.91	$ 1.04	$ 1.33	$ 1.90
Discontinued operations	—	0.03	—	0.03
Attributable to GE HealthCare common stockholders	0.91	1.07	1.33	1.93
Antidilutive securities[a]	4	—	4	—

(a) Diluted earnings per share excludes certain shares issuable under share-based compensation plans because the effect would have been antidilutive.

NOTE 17. SUPPLEMENTAL FINANCIAL INFORMATION

Cash, Cash Equivalents and Restricted Cash	As of	
	June 30, 2023	**December 31, 2022**
Cash and cash equivalents	$ 1,936	$ 1,440
Short-term restricted cash	3	5
Total cash, cash equivalents, and restricted cash as presented on the Condensed Consolidated and Combined Statements of Financial Position	**1,939**	**1,445**
Long-term restricted cash[a]	6	6
Total cash, cash equivalents, and restricted cash as presented on the Condensed Consolidated and Combined Statements of Cash Flows	**$ 1,945**	**$ 1,451**

(a) Long-term restricted cash is recognized within All other assets in the Condensed Consolidated and Combined Statements of Financial Position.

Inventories

	As of	
	June 30, 2023	December 31, 2022
Raw materials	$ 1,103	$ 1,053
Work in process	106	91
Finished goods	1,055	1,011
Inventories[(a)]	**$ 2,264**	**$ 2,155**

(a) Certain inventory items are long-term in nature and therefore have been recognized within All other assets in the Condensed Consolidated and Combined Statements of Financial Position.

Property, Plant, and Equipment - Net

	As of	
	June 30, 2023	December 31, 2022
Original cost	$ 5,075	$ 4,989
Less accumulated depreciation and amortization	(3,057)	(2,988)
Right-of-use operating lease assets	339	313
Property, plant, and equipment - net	**$ 2,357**	**$ 2,314**

ALL OTHER CURRENT AND NON-CURRENT ASSETS.

All other current assets primarily include prepaid expenses and deferred costs, derivative instruments, and financing receivables. All other non-current assets primarily include pension assets, equity method and other investments, long-term financing receivables, long-term customer and sundry receivables, long-term contract and other deferred assets, and long-term inventories. All other current and non-current assets increased in the six months ended June 30, 2023, primarily due to assets transferred from GE as a result of the Spin-Off. Refer to Note 1, “Organization and Basis of Presentation” for further information.

ALL OTHER CURRENT AND NON-CURRENT LIABILITIES.

All other current liabilities primarily include employee compensation and benefits liabilities, sales allowances, equipment projects and other commercial liabilities, product warranties, uncertain and other income tax payable, accrued freight and utilities, operating lease liabilities, and derivative instruments. All other non-current liabilities primarily include long-term contract liabilities, long-term operating lease liabilities, long-term environmental, health and safety obligations, long-term derivative instruments and long-term uncertain and other income tax payable. All other current and non-current liabilities increased in the six months ended June 30, 2023, primarily due to liabilities transferred from GE as a result of the Spin-Off. Refer to Note 1, “Organization and Basis of Presentation” for further information.

SUPPLY CHAIN FINANCE PROGRAMS.

The Company participates in voluntary supply chain finance programs which provide participating suppliers the opportunity to sell their GE HealthCare receivables to third parties at the sole discretion of both the suppliers and the third parties. We evaluate supply chain finance programs to ensure the use of a third-party intermediary to settle our trade payables does not change the nature, existence, amount, or timing of our trade payables and does not provide the Company with any direct economic benefit. If any characteristics of the trade payables change or we receive a direct economic benefit, we reclassify the trade payables as borrowings. In connection with the supply chain finance program, payment terms normally range from 30 to 150 days, not exceeding 180 days, depending on the underlying supplier agreements. Included in Accounts payable as of June 30, 2023 and December 31, 2022 were $422 million and $392 million, respectively, of confirmed supplier invoices that are outstanding and subject to the third-party programs.

REDEEMABLE NONCONTROLLING INTERESTS.

The Company has noncontrolling interests with redemption features. These redemption features, such as put options, could require the Company to purchase the noncontrolling interests upon the occurrence of certain events, such as a change of control of the Company. All noncontrolling interests with redemption features that are not solely within our control are recognized within the Condensed Consolidated and Combined Statements of Financial Position between liabilities and equity. Redeemable noncontrolling interests are initially recorded at the issuance date fair value. Those that are currently redeemable or probable of becoming redeemable are subsequently adjusted to the greater of current redemption value or initial carrying value. A change of control is generally not considered probable until it occurs.

The activity attributable to redeemable noncontrolling interests for the six months ended June 30, 2023 and 2022 is presented below.

Redeemable Noncontrolling Interests

	For the six months ended June 30	
	2023	2022
Balance at beginning of period	**$ 230**	**$ 220**
Net income attributable to redeemable noncontrolling interests	21	19
Redemption value adjustments[a]	183	—
Distributions to and exercise of redeemable noncontrolling interests[b]	(225)	(19)
Balance at end of period	**$ 209**	**$ 220**

(a) As of January 3, 2023, certain redeemable noncontrolling interests were probable of becoming redeemable due to the change of control that occurred upon consummation of the Spin-Off. These redeemable noncontrolling interests were remeasured to their current redemption value resulting in a redemption value adjustment of $183 million. The remeasurement was accounted for as a deemed preferred stock dividend of redeemable noncontrolling interest and recorded as an adjustment to retained earnings.
(b) In the first quarter of 2023, the redeemable noncontrolling interest holder exercised its option redemption provision. The redemption amount of $211 million was paid in the second quarter of 2023.

Other Income (Expense) – Net

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Net interest and investment income (expense)	$ —	$ (10)	$ 13	$ (12)
Equity method investment income	5	6	9	9
Change in fair value of assumed obligation	(6)	—	(19)	—
Other items, net[a]	15	23	19	48
Total other income (expense) – net	**$ 14**	**$ 19**	**$ 22**	**$ 45**

(a) Other items, net primarily consists of lease income, licensing and royalty income, and gains and losses related to derivatives for the three and six months ended June 30, 2023, and licensing and royalty income, and gains and losses related to derivatives for the three and six months ended June 30, 2022.

NOTE 18. RELATED PARTIES

PRIOR TO SPIN-OFF.

Prior to the Spin-Off, GE provided the Company with significant corporate infrastructure and shared services. Some of these services continue to be provided by GE to the Company on a temporary basis under the Transition Services Agreement, as discussed below. The following disclosures summarize related party activity between GE HealthCare and GE. This activity, which occurred prior to the Spin-Off, is included in the condensed combined financial statements.

Pensions, Benefit, and Contribution Plans
As discussed in Note 9, “Postretirement Benefit Plans,” employees of the Company participated in pensions, benefit, and contribution plans that were sponsored by GE. The Company was charged $64 million and $123 million for the three and six months ended June 30, 2022 related to employee participation in these plans. In connection with the Spin-Off, a portion of these plans were transferred to the Company.

Share-based Compensation
GE granted various employee benefits to its group employees, including those of the Company, under the GE Long-Term Incentive Plan. These benefits primarily included stock options and restricted stock units. Compensation expense allocated to the Company was $20 million and $39 million for the three and six months ended June 30, 2022, respectively, and is recognized within SG&A in the Condensed Combined Statement of Income.

Corporate Overhead and Other Allocations from GE
GE provided certain services described below that were charged to the Company based on employee headcount, revenue, or other allocation methodologies.

Corporate Allocations from GE	For the three months ended June 30, 2022	For the six months ended June 30, 2022
Costs for centralized services[(a)]	$ 13	$ 26
Costs associated with employee medical insurance[(b)]	30	60
Costs for corporate and shared services[(c)]	104	220

(a) Costs for centralized services such as public relations, treasury and cash management, and other services were recognized within SG&A in the Condensed Combined Statement of Income.
(b) Costs associated with employee medical insurance were recognized within Cost of products, Cost of services, SG&A, and R&D in the Condensed Combined Statement of Income based on the employee population.
(c) Costs for corporate and shared services such as information technology, finance and other services were primarily recognized in SG&A and R&D in the Condensed Combined Statement of Income.

Management believes that the expense and cost allocations have been determined on a basis that is a reasonable reflection of the utilization of services provided or the benefit received by the Company during the three and six months ended June 30, 2022. The amounts that would have been, or will be incurred, on a stand-alone basis could materially differ from the amounts allocated due to economies of scale, difference in management judgment, a requirement for more or fewer employees, or other factors.

AFTER SPIN-OFF.

In connection with the Spin-Off, the Company entered into or adopted several agreements that provide a framework for the relationship between the Company and GE, including, but not limited to the following which had activity during the first six months of 2023:

- *Separation and Distribution Agreement* – sets forth the principal actions to be taken in connection with the Spin-Off, including the transfer of assets and assumption of liabilities, and establishes certain rights and obligations between the Company and GE following the Distribution, including procedures with respect to claims subject to indemnification and related matters.

- *Transition Services Agreement* – governs all matters relating to the provision of services between the Company and GE on a transitional basis. The services the Company receives include support for digital technology, human resources, supply chain, finance, and real estate services, among others. The services generally commenced on the date of the Spin-Off and will terminate up to 36 months following the Distribution Date depending upon the related transitional service. For the three and six months ended June 30, 2023, we incurred $84 million and $192 million, net, which represents fees charged from GE to the Company primarily for information technology, human resources, and R&D and is net of fees charged from the Company to GE for facilities and other shared services.

- *Tax Matters Agreement ("TMA")* – governs the respective rights, responsibilities, and obligations between the Company and GE with respect to all tax matters (excluding employee-related taxes covered under the Employee Matters Agreement), in addition to certain restrictions which generally prohibit us from taking or failing to take any action in the two-year period following the Distribution that would prevent the Distribution from qualifying as tax-free for U.S. federal income tax purposes, including limitations on our ability to pursue certain strategic transactions. The TMA specifies the portion of tax liability for which the Company will bear contractual responsibility, and the Company and GE will each agree to indemnify each other against any amounts for which such indemnified party is not responsible.

Current amounts due from and to GE under the various agreements described above are recognized within Due from related parties or Due to related parties, as applicable, in the Condensed Consolidated and Combined Statements of Financial Position. Non-current amounts due from GE were $88 million and due to GE were $132 million, and were recognized within All other assets or All other liabilities, as applicable, in the Condensed Consolidated Statements of Financial Position as of June 30, 2023. These amounts primarily relate to tax and other indemnities.

GE HealthCare sells products and services in the ordinary course of business to certain entities associated with two members of our Board of Directors. During the three and six months ended June 30, 2023, we recognized revenue of $23 million and $47 million, respectively, from these entities in connection with providing products and services. Current amounts due from these entities as of June 30, 2023 were not significant.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Part I. Financial Information

Index

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the condensed consolidated and combined financial statements and corresponding notes included elsewhere in this Quarterly Report on Form 10-Q. The following discussion and analysis provides information management believes to be relevant to understanding the financial condition and results of operations of GE HealthCare Technologies Inc. (“GE HealthCare,” the “Company,” “our,” or “we”) for the three and six months ended June 30, 2023 and 2022. For a full understanding of our financial condition and results of operations, the below discussion should be read alongside the Management’s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. This discussion contains forward-looking statements that are based upon current expectations and are subject to uncertainty and changes in circumstances. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed below and elsewhere in this Quarterly Report on Form 10-Q, and particularly in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. Actual results may differ materially from these expectations, see “Forward-Looking Statements.”

The following tables are presented in millions of United States ("U.S.") dollars unless otherwise stated, except for per-share amounts which are presented in U.S. dollars.

Unless the context otherwise requires, references to “GE HealthCare,” “we,” “us,” “our,” and the “Company” refer to (i) General Electric Company's ("GE's") healthcare business prior to the previously announced spin-off of the Company on January 3, 2023 (the “Spin-Off”) as a carve-out business of GE with related condensed combined financial statements and (ii) GE HealthCare Technologies Inc. and its subsidiaries following the Spin-Off with related condensed consolidated financial statements.

GE HealthCare’s operations are organized and managed through four reportable segments: Imaging, Ultrasound, Patient Care Solutions (“PCS”), and Pharmaceutical Diagnostics (“PDx”) and we evaluate their operating performance using revenue and Segment EBIT.

TRENDS AND FACTORS IMPACTING OUR PERFORMANCE

We believe that our performance and future success depend on a number of factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and particularly in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

KEY TRENDS AFFECTING RESULTS OF OPERATIONS.

Russia and Ukraine Conflict
We had $141 million and $143 million of assets in, or directly related to, these two countries as of June 30, 2023 and December 31, 2022, respectively, none of which are subject to sanctions that impact the carrying value of the assets. We generated revenues of $155 million and $148 million from customers in these two countries for the six months ended June 30, 2023 and June 30, 2022, respectively. The potential inability to repatriate earnings from these two countries will not have a material impact on our ability to operate.

We continue to monitor the effects of Russia’s invasion of Ukraine, including the consideration of financial impact, cybersecurity risks, the applicability and effect of sanctions, and the employee base in Ukraine and Russia. In May 2023, the U.S. Department of Commerce implemented expanded measures that require us to obtain a license for the export, reexport to, or transfer of specified medical equipment and spare parts to customers in Russia. The European Union and other countries have also expanded licensing requirements for certain spare parts and other items. We are applying for the licenses needed to continue supplying these customers. The implementation of these new measures affected our ability to supply customers in Russia in the second quarter of 2023 and will continue to do so until we are able to obtain licenses, and there is no guarantee we will obtain all of the licenses for which we applied or that our business in Russia will not be further disrupted due to evolving legal or operational considerations. Our board of directors (the "Board"), with management, will continue to assess whether developments related to the conflict have had, or are reasonably likely to have, a material impact on the Company.

TRANSITION TO STAND-ALONE COMPANY.

Financial Presentation Under GE Ownership
GE HealthCare utilized allocations and carve-out methodologies through the date of the Spin-Off to prepare historical condensed combined financial statements. The condensed combined financial statements herein for periods prior to the Spin-Off may not be indicative of our future performance, do not necessarily include the actual expenses that would have been incurred by us, and may not reflect our results of operations, financial position, and cash flows had we been a separate, stand-alone company during the historical periods presented. For additional information, see Note 1, “Organization and Basis of Presentation” to the condensed consolidated and combined financial statements.

Pension and Other Benefit-Related Liabilities
In connection with the Spin-Off, on January 1, 2023, GE transferred certain plan liabilities and assets to GE HealthCare. The amounts related to the plans assumed by GE HealthCare on January 1, 2023, in addition to the existing GE HealthCare plans, are shown in the table below.

Postretirement Benefit Plans

	Projected benefit obligations	Fair value of plan assets	Funded status – surplus (deficit)
GE HealthCare Pension Plan	$ 15,968	$ 14,860	$ (1,108)
GE HealthCare Supplementary Pension Plan	2,032	—	(2,032)
Other Pension Plans	3,743	4,048	305
Retiree Benefit Plans	1,210	—	(1,210)
Total transferred plans	**$ 22,953**	**$ 18,908**	**$ (4,045)**
Plans sponsored by GE HealthCare	703	425	(278)
Total postretirement benefit plans	**$ 23,656**	**$ 19,333**	**$ (4,323)**

See Note 9, “Postretirement Benefit Plans” to the condensed consolidated and combined financial statements for further information.

SUMMARY OF KEY PERFORMANCE MEASURES

Management reviews and analyzes several key performance measures including Total revenues, Remaining Performance Obligations (“RPO”), Operating income, Net income attributable to GE HealthCare, Earnings per share − continuing operations, and Cash flow from operations. Management also reviews and analyzes Organic revenue*, Adjusted Earnings Before Interest and Taxes* (“Adjusted EBIT*”), Adjusted net income*, Adjusted earnings per share*, and Free cash flow*, which are non-GAAP financial measures. These measures are reviewed and analyzed in order to evaluate our business performance, identify trends affecting our business, allocate capital, and make strategic decisions, including those discussed below. See “Results of Operations” and “Liquidity and Capital Resources” below for further discussion on our key performance measures.

The non-GAAP financial measures should be considered along with the most directly comparable U.S. generally accepted accounting principles (“U.S. GAAP”) financial measures. Definitions of these non-GAAP financial measures, a discussion of why we believe they are useful to management and investors as well as certain of their limitations, and reconciliations to their most directly comparable U.S. GAAP financial measures are provided below under “Non-GAAP Financial Measures.”

*Non-GAAP Financial Measure

RESULTS OF OPERATIONS

The following tables set forth our results of operations for each of the periods presented:

Condensed Consolidated and Combined Statements of Income

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Sales of products	$ 3,213	$ 2,903	$ 6,344	$ 5,690
Sales of services	1,604	1,581	3,180	3,137
Total revenues	**4,817**	**4,484**	**9,524**	**8,827**
Cost of products	2,084	1,915	4,121	3,829
Cost of services	793	773	1,572	1,524
Gross profit	**1,940**	**1,796**	**3,831**	**3,474**
Selling, general, and administrative	1,072	908	2,134	1,839
Research and development	298	257	568	495
Total operating expenses	**1,370**	**1,165**	**2,702**	**2,334**
Operating income	**570**	**631**	**1,129**	**1,140**
Interest and other financial charges – net	137	12	273	16
Non-operating benefit (income) costs	(123)	(1)	(238)	(3)
Other (income) expense – net	(14)	(19)	(22)	(45)
Income from continuing operations before income taxes	**570**	**639**	**1,116**	**1,172**
Benefit (provision) for income taxes	(137)	(153)	(300)	(284)
Net income from continuing operations	**433**	**486**	**816**	**888**
Income from discontinued operations, net of taxes	—	12	—	12
Net income	**433**	**498**	**816**	**900**
Net (income) attributable to noncontrolling interests	(15)	(13)	(26)	(26)
Net income attributable to GE HealthCare	**$ 418**	**$ 485**	**$ 790**	**$ 874**

TOTAL REVENUES AND RPO.

Revenues by Segment

	For the three months ended June 30				For the six months ended June 30			
	2023	2022	% change	% organic* change	2023	2022	% change	% organic* change
Segment revenues								
Imaging	$ 2,620	$ 2,449	7%	9%	$ 5,116	$ 4,760	7%	11%
Ultrasound	839	828	1%	3%	1,698	1,643	3%	7%
PCS	770	713	8%	9%	1,551	1,429	9%	10%
PDx	568	478	19%	20%	1,126	962	17%	20%
Other[(a)]	20	16			33	33		
Total revenues	**$ 4,817**	**$ 4,484**	**7%**	**9%**	**$ 9,524**	**$ 8,827**	**8%**	**11%**

(a) Financial information not presented within the reportable segments, shown within the Other category, represents the HealthCare Financial Services ("HFS") business which does not meet the definition of an operating segment.

Revenues by Region

	For the three months ended June 30			For the six months ended June 30		
	2023	2022	% change	2023	2022	% change
USCAN	$ 2,139	$ 2,027	6%	$ 4,222	$ 3,970	6%
EMEA	1,216	1,118	9%	2,384	2,210	8%
China region	714	636	12%	1,386	1,205	15%
Rest of World	748	703	6%	1,532	1,442	6%
Total revenues	**$ 4,817**	**$ 4,484**	**7%**	**$ 9,524**	**$ 8,827**	**8%**

*Non-GAAP Financial Measure

For the three months ended June 30, 2023

Total revenues were $4,817 million for the three months ended June 30, 2023, growing 7% or $333 million as reported and 9% organically*. The reported growth was primarily due to Sales of products growing 11% or $310 million as reported, driven primarily by growth in Imaging, PDx, and PCS revenues.

The segment revenues were as follows:

- Imaging segment revenues were $2,620 million for the three months ended June 30, 2023, growing 7% or $171 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 9% primarily due to growth in Molecular Imaging and Computed Tomography ("MI/CT") and Magnetic Resonance ("MR") product lines, due to supply chain fulfillment improvements, stable demand in the past few quarters, new product introductions, and an increase in price;
- Ultrasound segment revenues were $839 million for the three months ended June 30, 2023, growing 1% or $11 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 3% primarily due to revenue growth in Cardiovascular and Women's Health product lines due to new product introductions;
- PCS segment revenues were $770 million for the three months ended June 30, 2023, growing 8% or $57 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 9% primarily due to growth in Monitoring Solutions and Anesthesia and Respiratory Care product lines due to an increase in price and supply chain fulfillment improvements; and
- PDx segment revenues were $568 million for the three months ended June 30, 2023, growing 19% or $90 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 20%, with growth across all regions due to an increase in price and improving demand.

The regional revenues were as follows:

- USCAN revenues were $2,139 million for the three months ended June 30, 2023, growing 6% or $112 million as reported due to growth across all segment revenues;
- EMEA revenues were $1,216 million for the three months ended June 30, 2023, growing 9% or $98 million as reported due to growth in Imaging and PDx revenues;
- China region revenues were $714 million for the three months ended June 30, 2023, growing 12% or $78 million as reported due to growth across all segment revenues, partially offset by unfavorable foreign currency impacts; and
- Rest of World revenues were $748 million for the three months ended June 30, 2023, growing 6% or $45 million as reported due to growth in PDx and Imaging revenues, partially offset by unfavorable foreign currency impacts.

For the six months ended June 30, 2023

Total revenues were $9,524 for the six months ended June 30, 2023, growing 8% or $697 million as reported and 11% organically*. The reported growth was primarily due to Sales of products growing 11% or $654 million as reported with growth across all segment revenues.

The segment revenues were as follows:

- Imaging segment revenues were $5,116 million for the six months ended June 30, 2023, growing 7% or $356 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 11% primarily due to growth in MI/CT and MR product lines, due to supply chain fulfillment improvements, stable demand in the past few quarters, new product introductions, and an increase in price;
- Ultrasound segment revenues were $1,698 million for the six months ended June 30, 2023, growing 3% or $55 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 7% primarily due to growth in Cardiovascular and Women's Health product lines due to new product introductions and supply chain fulfillment improvements;
- PCS segment revenues were $1,551 million for the six months ended June 30, 2023, growing 9% or $122 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 10% with growth across all product lines driven by an increase in price and supply chain fulfillment improvements; and
- PDx segment revenues were $1,126 million for the six months ended June 30, 2023, growing 17% or $164 million as reported due to an increase in Organic revenue*, partially offset by unfavorable foreign currency impacts. Organic revenue* grew 20%, with growth across all regions due to improving demand and an increase in price.

*Non-GAAP Financial Measure

The regional revenues were as follows:

- USCAN revenues were $4,222 million for the six months ended June 30, 2023, growing 6% or $252 million as reported due to growth across all segment revenues;
- EMEA revenues were $2,384 million for the six months ended June 30, 2023, growing 8% or $174 million as reported due to growth in Imaging and PDx revenues, partially offset by unfavorable foreign currency impacts;
- China region revenues were $1,386 million for the six months ended June 30, 2023, growing 15% or $181 million as reported due to growth across all segment revenues, partially offset by unfavorable foreign currency impacts; and
- Rest of World revenues were $1,532 million for the six months ended June 30, 2023, growing 6% or $90 million as reported due to growth in Imaging and PDx revenues, partially offset by unfavorable foreign currency impacts.

Remaining Performance Obligations

	As of		
	June 30, 2023	December 31, 2022	% change
Products	$ 4,992	$ 4,992	—%
Services	9,317	9,351	—%
Total RPO	**$ 14,309**	**$ 14,343**	**—%**

RPO represents the estimated revenue expected from customer contracts that are partially or fully unperformed inclusive of amounts deferred in contract liabilities, excluding contracts, or portions thereof, that provide the customer with the ability to cancel or terminate without incurring a substantive penalty. RPO as of June 30, 2023 was flat to December 31, 2022.

OPERATING INCOME, NET INCOME ATTRIBUTABLE TO GE HEALTHCARE, ADJUSTED EBIT*, AND ADJUSTED NET INCOME*.

	For the three months ended June 30					For the six months ended June 30				
	2023	% of Total revenues	2022	% of Total revenues	% change	2023	% of Total revenues	2022	% of Total revenues	% change
Operating income	$ 570	11.8%	$ 631	14.1%	(10)%	$ 1,129	11.9%	$ 1,140	12.9%	(1)%
Net income attributable to GE HealthCare	418	8.7%	485	10.8%	(14)%	790	8.3%	874	9.9%	(10)%
Adjusted EBIT*	711	14.8%	719	16.0%	(1)%	1,375	14.4%	1,318	14.9%	4%
Adjusted net income*	419	8.7%	524	11.7%	(20)%	807	8.5%	961	10.9%	(16)%

For the three months ended June 30, 2023

Operating income was $570 million for the three months ended June 30, 2023, a decrease of $61 million or 230 basis points as a percent of Total revenues. The decrease as a percent of Total revenues was due to the following factors:

- Cost of products sold increased $169 million but decreased 110 basis points as a percent of Sales of products. The decrease as a percent of sales was driven by an increase in pricing of our products and cost productivity, partially offset by continued cost inflation. Cost of services sold increased $20 million or 50 basis points as a percent of Sales of services. The increase as a percent of sales was driven by cost inflation, partially offset by cost productivity and an increase in pricing of our service offerings. Included in our total cost of revenue for the three months ended June 30, 2023, as part of our product investment, was $110 million in engineering costs for design follow-through on new product introductions and product lifecycle maintenance subsequent to the initial product launch, compared to $109 million for the three months ended June 30, 2022; and
- Total operating expenses increased $205 million due to an increase in Selling, general, and administrative ("SG&A") expense of $164 million driven by increased costs associated with both the stand-up and operation as a standalone company and commercial and marketing investments and a planned increase in Research and Development ("R&D") investments of $41 million. As a result, SG&A as a percentage of Total revenues increased by 210 basis points and R&D as a percentage of Total revenues increased by 50 basis points.

*Non-GAAP Financial Measure

Net income attributable to GE HealthCare and Net income margin were $418 million and 8.7%, for the three months ended June 30, 2023, a decrease of $67 million and 210 basis points, respectively, primarily due to the following factors:

- Operating income decreased $61 million, as discussed above;
- Interest and other financial charges – net increased $125 million primarily due to interest expense related to the debt securities issued by GE HealthCare in November of 2022 and the Term Loan Facility drawn upon in January of 2023;
- Non-operating benefit income, net, increased $122 million primarily related to the pension plans transferred to GE HealthCare as part of the Spin-Off; and
- Provision for income taxes decreased $16 million primarily due to the impact of lower income before taxes. For additional detail regarding our income taxes, see Note 10, "Income Taxes" to the condensed consolidated and combined financial statements.

Adjusted EBIT* and Adjusted EBIT margin* were $711 million and 14.8% for the three months ended June 30, 2023, a decrease of $8 million and 120 basis points, respectively, primarily due to the increase in Total operating expenses as discussed above, excluding one-time spin-off and separation costs, partially offset by an increase in Total revenues.

Adjusted net income* was $419 million for the three months ended June 30, 2023, a decrease of $105 million primarily due to higher Interest and other financial charges − net.

For the six months ended June 30, 2023

Operating income was $1,129 million for the six months ended June 30, 2023, a decrease of $11 million or 100 basis points as a percent of Total revenues. The decrease as a percent of Total revenues was due to the following factors:

- Cost of products sold increased $292 million but decreased 230 basis points as a percent of Sales of products. The decrease as a percent of sales was driven by cost productivity and an increase in pricing of our products, partially offset by continued cost inflation. Cost of services sold increased $48 million or 80 basis points as a percent of Sales of services. The increase as a percent of sales was driven by cost inflation, partially offset by cost productivity and an increase in pricing of our service offerings. Included in our total cost of revenue for the six months ended June 30, 2023, as part of our product investment, was $220 million in engineering costs for design follow-through on new product introductions and product lifecycle maintenance subsequent to the initial product launch, compared to $214 million for the six months ended June 30, 2022; and
- Total operating expenses increased $368 million due to an increase in SG&A expense of $295 million driven by increased costs associated with both the stand-up and operation as a standalone company and commercial and marketing investments and a planned increase in R&D investments of $73 million. As a result, SG&A as a percentage of Total revenues increased by 160 basis points and R&D as a percentage of Total revenues increased by 40 basis points.

Net income attributable to GE HealthCare and Net income margin were $790 million and 8.3% for the six months ended June 30, 2023, a decrease of $84 million and 160 basis points, respectively, primarily due to the following factors:

- Operating income decreased $11 million, as discussed above;
- Interest and other financial charges – net increased $257 million primarily due to interest expense related to the debt securities issued by GE HealthCare in November of 2022 and the Term Loan Facility drawn upon in January of 2023;
- Non-operating benefit income, net, increased $235 million primarily related to the pension plans transferred to GE HealthCare as part of the Spin-Off; and
- Provision for income taxes increased $16 million primarily due to taxes accrued for the future repatriation of current earnings as well as a one-time charge for prior period earnings of certain of our foreign subsidiaries, partially offset by the impact of lower income before taxes. For additional detail regarding our income taxes, see Note 10, "Income Taxes" to the condensed consolidated and combined financial statements.

Adjusted EBIT* and Adjusted EBIT margin* were $1,375 million and 14.4% for the six months ended June 30, 2023, an increase of $57 million but a decrease of 50 basis points, respectively, primarily due to an increase in Operating income excluding the impact of one-time spin-off and separation costs.

Adjusted net income* was $807 million for the six months ended June 30, 2023, a decrease of $154 million primarily due to higher Interest and other financial charges − net, partially offset by an increase in Operating Income as discussed above, excluding the impact of one-time spin-off and separation costs.

*Non-GAAP Financial Measure

RESULTS OF OPERATIONS – SEGMENTS

We exclude from Segment EBIT certain corporate-related expenses and certain transactions or adjustments that our Chief Operating Decision Maker (which is our Chief Executive Officer) considers to be non-operational, such as interest expenses, income tax expenses, restructuring costs, acquisition and disposition related charges (benefits), Spin-Off and separation costs, Non-operating benefit (income) costs, gain/loss of business and asset dispositions, amortization of acquisition-related intangible assets, Net (income) loss attributable to noncontrolling interests, Income (loss) from discontinued operations, net of taxes, and investment revaluation gain/loss. See “Results of Operations” section above for discussion on the performance of segments on revenue.

Segment EBIT

	For the three months ended June 30					For the six months ended June 30				
	2023	% of segment revenues	2022	% of segment revenues	% change	2023	% of segment revenues	2022	% of segment revenues	% change
Segment EBIT										
Imaging	$ 278	10.6 %	$ 306	12.5 %	(9)%	$ 469	9.2 %	$ 512	10.8 %	(8)%
Ultrasound	191	22.8 %	220	26.6 %	(13)%	398	23.4 %	412	25.1 %	(3)%
PCS	84	10.9 %	81	11.4 %	4 %	193	12.4 %	146	10.2 %	32 %
PDx	152	26.8 %	115	24.1 %	32 %	307	27.3 %	253	26.3 %	21 %
Other(a)	6		(3)			8		(5)		
	$ 711		**$ 719**		**(1)%**	**$ 1,375**		**$ 1,318**		**4 %**

(a) Financial information not presented within the reportable segments, shown within the Other category, represents the HFS business and certain other business activities which do not meet the definition of an operating segment.

For the three months ended June 30, 2023

- Imaging Segment EBIT was $278 million for the three months ended June 30, 2023, a decrease of $28 million due to delivery of high-cost inventory from prior year purchases and planned investments, partially offset by cost productivity, growth in sales volume, and an increase in price;
- Ultrasound Segment EBIT was $191 million for the three months ended June 30, 2023, a decrease of $29 million due to cost inflation and planned investments, partially offset by cost productivity and an increase in price;
- PCS Segment EBIT was $84 million for the three months ended June 30, 2023, an increase of $3 million due to an increase in price, cost productivity, and growth in sales volume, largely offset by cost inflation and planned investments; and
- PDx Segment EBIT was $152 million for the three months ended June 30, 2023, an increase of $37 million due to an increase in price, growth in sales volume, and cost productivity, partially offset by cost inflation and planned investments.

For the six months ended June 30, 2023

- Imaging Segment EBIT was $469 million for the six months ended June 30, 2023, a decrease of $43 million due to delivery of high-cost inventory from prior year purchases, planned investments, and mix between our product and service offerings, partially offset by cost productivity, growth in sales volume, and an increase in price;
- Ultrasound Segment EBIT was $398 million for the six months ended June 30, 2023, a decrease of $14 million due to cost inflation and planned investments, partially offset by cost productivity and an increase in price;
- PCS Segment EBIT was $193 million for the six months ended June 30, 2023, an increase of $47 million due to cost productivity, an increase in price, and growth in sales volume, partially offset by cost inflation and planned investments; and
- PDx Segment EBIT was $307 million for the six months ended June 30, 2023, an increase of $54 million due to an increase in price, growth in sales volume, and cost productivity, partially offset by cost inflation and planned investments.

NON-GAAP FINANCIAL MEASURES

The non-GAAP financial measures presented in this Quarterly Report on Form 10-Q are supplemental measures of our performance and our liquidity that we believe help investors understand our financial condition, cash flows and operating results, and assess our future prospects. We believe that presenting these non-GAAP financial measures, in addition to the corresponding U.S. GAAP financial measures, are important supplemental measures that exclude non-cash or other items that may not be indicative of or related to our core operating results and the overall health of our company. We believe that these non-GAAP financial measures provide investors greater transparency to the information used by management for its operational decision-making and allow investors to see our results “through the eyes of management.” We further believe that providing this information assists our investors in understanding our operating performance and the methodology used by management to evaluate and measure such performance. When read in conjunction with our U.S. GAAP results, these non-GAAP financial measures provide a baseline for analyzing trends in our underlying businesses and can be used by management as one basis for making financial, operational, and planning decisions. Finally, these measures are often used by analysts and other interested parties to evaluate companies in our industry.

The non-GAAP financial measures we report include:

Organic revenue and Organic revenue growth rate
We believe that Organic revenue and Organic revenue growth rate, by excluding the effect of acquisitions, dispositions, and foreign currency rate fluctuations, provide management and investors with additional understanding of our core, top-line operating results and greater visibility into underlying revenue trends of our established, ongoing operations. Organic revenue and Organic revenue growth rate also provide greater insight regarding the overall demand for our products and services.

Adjusted EBIT and Adjusted EBIT margin
We believe Adjusted EBIT and Adjusted EBIT margin provide management and investors with additional understanding of our business by highlighting the results from ongoing operations and the underlying profitability factors. These metrics exclude interest expense, interest income, non-operating benefit (income) costs, and tax expense, as well as non-recurring and/or non-cash items, that can have a material impact on our results. In addition, we may from time to time consider excluding other nonrecurring items to enhance comparability between periods. We believe this provides additional insight into how our businesses are performing, on a normalized basis. However, Adjusted EBIT and Adjusted EBIT margin should not be construed as inferring that our future results will be unaffected by the items for which the measure adjusts.

Adjusted net income
We believe Adjusted net income provides investors with improved comparability of underlying operating results and a further understanding and additional transparency regarding how we evaluate our business. Adjusted net income also provides management and investors with additional perspective regarding the impact of certain significant items on our earnings. Adjusted net income excludes non-operating benefit (income) costs, certain tax expense adjustments, and non-recurring and/or non-cash items, that can have a material impact on our results. In addition, we may from time to time consider excluding other nonrecurring items to enhance comparability between periods. However, Adjusted net income should not be construed as inferring that our future results will be unaffected by the items for which the measure adjusts.

Adjusted earnings per share
We believe Adjusted earnings per share provides investors with improved comparability of underlying operating results and a further understanding and additional transparency regarding how we evaluate our business. Adjusted earnings per share also provides management and investors with additional perspective regarding the impact of certain significant items on our per share earnings. Adjusted earnings per share excludes non-operating benefit (income) costs, certain tax expense adjustments, and non-recurring and/or non-cash items, that can have a material impact on our results. In addition, we may from time to time consider excluding other nonrecurring items to enhance comparability between periods. However, Adjusted earnings per share should not be construed as inferring that our future results will be unaffected by the items for which the measure adjusts.

Free cash flow
We believe that Free cash flow provides management and investors with an important measure of our ability to generate cash on a normalized basis. Free cash flow also provides insight into our flexibility to allocate capital, including reinvesting in the Company for future growth, paying down debt, paying dividends, and pursuing other opportunities that may enhance stockholder value. Free cash flow is Cash from (used for) operating activities − continuing operations including cash flows related to the additions and dispositions of PP&E and internal-use software as well as the impact of discontinued factoring programs. Interest expense associated with external debt that was historically held by GE is not recognized in the condensed combined financial statements and related notes. Additionally, Free cash flow does not represent residual cash flows available for discretionary expenditures, due to the fact the measures do not deduct the payments required for debt repayments.

Non-GAAP Reconciliations

Management recognizes that these non-GAAP financial measures have limitations, including that they may be calculated differently by other companies or may be used under different circumstances or for different purposes, thereby affecting their comparability from company to company. In order to compensate for these and the other limitations discussed below, management does not consider these measures in isolation from or as alternatives to the comparable financial measures determined in accordance with U.S. GAAP. Readers should review the reconciliations below and should not rely on any single financial measure to evaluate our business. The reconciliations of each non-GAAP financial measure to the most directly comparable U.S. GAAP financial measure are provided below.

Organic Revenue*	For the three months ended June 30			For the six months ended June 30		
	2023	2022	% change	2023	2022	% change
Imaging revenues	**$ 2,620**	**$ 2,449**	**7%**	**$ 5,116**	**$ 4,760**	**7%**
Less: Acquisitions[(a)]	—	—		—	—	
Less: Dispositions[(b)]	—	—		—	—	
Less: Foreign currency exchange	(47)	—		(145)	—	
Imaging Organic revenue*	**$ 2,667**	**$ 2,449**	**9%**	**$ 5,261**	**$ 4,760**	**11%**
Ultrasound revenues	**$ 839**	**$ 828**	**1%**	**$ 1,698**	**$ 1,643**	**3%**
Less: Acquisitions[(a)]	—	—		—	—	
Less: Dispositions[(b)]	—	—		—	—	
Less: Foreign currency exchange	(15)	—		(55)	—	
Ultrasound Organic revenue*	**$ 854**	**$ 828**	**3%**	**$ 1,753**	**$ 1,643**	**7%**
PCS revenues	**$ 770**	**$ 713**	**8%**	**$ 1,551**	**$ 1,429**	**9%**
Less: Acquisitions[(a)]	—	—		—	—	
Less: Dispositions[(b)]	—	—		—	—	
Less: Foreign currency exchange	(6)	—		(23)	—	
PCS Organic revenue*	**$ 776**	**$ 713**	**9%**	**$ 1,574**	**$ 1,429**	**10%**
PDx revenues	**$ 568**	**$ 478**	**19%**	**$ 1,126**	**$ 962**	**17%**
Less: Acquisitions[(a)]	—	—		—	—	
Less: Dispositions[(b)]	—	—		—	—	
Less: Foreign currency exchange	(6)	—		(25)	—	
PDx Organic revenue*	**$ 574**	**$ 478**	**20%**	**$ 1,151**	**$ 962**	**20%**
Other revenues	**$ 20**	**$ 16**	**25%**	**$ 33**	**$ 33**	**—%**
Less: Acquisitions[(a)]	—	—		—	—	
Less: Dispositions[(b)]	—	—		—	—	
Less: Foreign currency exchange	—	—		—	—	
Other Organic revenue*	**$ 20**	**$ 16**	**25%**	**$ 33**	**$ 33**	**—%**
Total revenues	**$ 4,817**	**$ 4,484**	**7%**	**$ 9,524**	**$ 8,827**	**8%**
Less: Acquisitions[(a)]	—	—		—	—	
Less: Dispositions[(b)]	—	—		—	—	
Less: Foreign currency exchange	(74)	—		(248)	—	
Organic revenue*	**$ 4,891**	**$ 4,484**	**9%**	**$ 9,772**	**$ 8,827**	**11%**

(a) Represents revenues attributable to acquisitions from the date we completed the transaction through the end of four quarters following the transaction.

(b) Represents revenues attributable to dispositions for the four quarters preceding the disposition date.

*Non-GAAP Financial Measure

Adjusted EBIT*	For the three months ended June 30			For the six months ended June 30		
	2023	2022	% change	2023	2022	% change
Net income attributable to GE HealthCare	**$ 418**	**$ 485**	**(14)%**	**$ 790**	**$ 874**	**(10)%**
Add: Interest and other financial charges - net	137	12		273	16	
Add: Non-operating benefit (income) costs	(123)	(1)		(238)	(3)	
Less: Benefit (provision) for income taxes	(137)	(153)		(300)	(284)	
Less: Income (loss) from discontinued operations, net of taxes	—	12		—	12	
Less: Net (income) attributable to noncontrolling interests	(15)	(13)		(26)	(26)	
EBIT*	**$ 584**	**$ 651**	**(10)%**	**$ 1,151**	**$ 1,185**	**(3)%**
Add: Restructuring costs[(a)]	19	10		31	22	
Add: Acquisition and disposition related charges (benefits)[(b)]	(2)	14		(1)	29	
Add: Spin-Off and separation costs[(c)]	72	—		130	—	
Add: (Gain)/loss of business and asset dispositions[(d)]	—	—		—	(3)	
Add: Amortization of acquisition-related intangible assets	32	30		63	63	
Add: Investment revaluation (gain)/loss[(e)]	6	14		1	22	
Adjusted EBIT*	**$ 711**	**$ 719**	**(1)%**	**$ 1,375**	**$ 1,318**	**4%**
Net income margin	**8.7%**	**10.8%**	**(210) bps**	**8.3%**	**9.9%**	**(160) bps**
Adjusted EBIT margin*	**14.8%**	**16.0%**	**(120) bps**	**14.4%**	**14.9%**	**(50) bps**

(a) Consists of severance, facility closures, and other charges associated with restructuring programs.

(b) Consists of legal, consulting, and other transaction and integration fees, and adjustments to contingent consideration, as well as other purchase accounting related charges and other costs directly related to the transactions.

(c) Costs incurred in the Spin-Off and separation from GE, including system implementations, audit and advisory fees, legal entity separation, Founders Grant equity awards, and other one-time costs.

(d) Consists of gains and losses resulting from the sale of assets and investments.

(e) Primarily relates to valuation adjustments for equity investments.

Adjusted Net Income*	For the three months ended June 30			For the six months ended June 30		
	2023	2022	% change	2023	2022	% change
Net income attributable to GE HealthCare	**$ 418**	**$ 485**	**(14)%**	**$ 790**	**$ 874**	**(10)%**
Add: Non-operating benefit (income) costs	(123)	(1)		(238)	(3)	
Add: Restructuring costs[(a)]	19	10		31	22	
Add: Acquisition and disposition related charges (benefits)[(b)]	(2)	14		(1)	29	
Add: Spin-Off and separation costs[(c)]	72	—		130	—	
Add: (Gain)/loss of business and asset dispositions[(d)]	—	—		—	(3)	
Add: Amortization of acquisition-related intangible assets	32	30		63	63	
Add: Investment revaluation (gain)/loss[(e)]	6	14		1	22	
Add: Tax effect of reconciling items	(3)	(16)		1	(31)	
Add: Certain tax adjustments[(f)]	—	—		30	—	
Less: Income (loss) from discontinued operations, net of taxes	—	12		—	12	
Adjusted net income*	**$ 419**	**$ 524**	**(20)%**	**$ 807**	**$ 961**	**(16)%**

(a) Consists of severance, facility closures, and other charges associated with restructuring programs.

(b) Consists of legal, consulting, and other transaction and integration fees, and adjustments to contingent consideration, as well as other purchase accounting related charges and other costs directly related to the transactions.

(c) Costs incurred in the Spin-Off and separation from GE, including system implementations, audit and advisory fees, legal entity separation, Founders Grant equity awards, and other one-time costs.

(d) Consists of gains and losses resulting from the sale of assets and investments.

(e) Primarily relates to valuation adjustments for equity investments.

(f) Consists of certain income tax adjustments, including the accrual of a deferred tax liability on the prior period earnings of certain of our foreign subsidiaries for which we are no longer permanently reinvested.

*Non-GAAP Financial Measure

Adjusted Earnings Per Share*	For the three months ended June 30			For the six months ended June 30		
(In dollars, except shares outstanding presented in millions)	**2023**	**2022**	**$ change**	**2023**	**2022**	**$ change**
Diluted earnings per share – continuing operations	**$ 0.91**	**$ 1.04**	**$ (0.13)**	**$ 1.33**	**$ 1.90**	**$ (0.57)**
Add: Deemed preferred stock dividend of redeemable noncontrolling interest	—	—		0.40	—	
Add: Non-operating benefit (income) costs	(0.27)	(0.00)		(0.52)	(0.01)	
Add: Restructuring costs(a)	0.04	0.02		0.07	0.05	
Add: Acquisition and disposition related charges (benefits)(b)	(0.00)	0.03		(0.00)	0.06	
Add: Spin-Off and separation costs(c)	0.16	—		0.28	—	
Add: (Gain)/loss of business and asset dispositions(d)	—	—		—	(0.01)	
Add: Amortization of acquisition-related intangible assets	0.07	0.07		0.14	0.14	
Add: Investment revaluation (gain)/loss(e)	0.01	0.03		0.00	0.05	
Add: Tax effect of reconciling items	(0.01)	(0.04)		0.00	(0.07)	
Add: Certain tax adjustments(f)	—	—		0.07	—	
Adjusted earnings per share*(g)	**$ 0.92**	**$ 1.15**	**$ (0.23)**	**$ 1.76**	**$ 2.12**	**$ (0.36)**
Diluted weighted-average shares outstanding	**458**	**454**		**458**	**454**	

(a) Consists of severance, facility closures, and other charges associated with restructuring programs.

(b) Consists of legal, consulting, and other transaction and integration fees, and adjustments to contingent consideration, as well as other purchase accounting related charges and other costs directly related to the transactions.

(c) Costs incurred in the Spin-Off and separation from GE, including system implementations, audit and advisory fees, legal entity separation, Founders Grant equity awards, and other one-time costs.

(d) Consists of gains and losses resulting from the sale of assets and investments.

(e) Primarily relates to valuation adjustments for equity investments.

(f) Consists of certain income tax adjustments, including the accrual of a deferred tax liability on the prior period earnings of certain of our foreign subsidiaries for which we are no longer permanently reinvested.

(g) Adjusted earnings per share* amounts are computed independently, thus, the sum of per-share amounts may not equal the total.

Free Cash Flow*	For the six months ended June 30		
	2023	**2022**	**% change**
Cash from (used for) operating activities – continuing operations	**$ 401**	**$ 449**	**(11)%**
Add: Additions to PP&E and internal-use software	(213)	(159)	
Add: Dispositions of PP&E	1	3	
Free cash flow*	**$ 189**	**$ 293**	**(35)%**

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2023, our Cash, cash equivalents, and restricted cash balance was $1,939 million. We have historically generated positive cash flows from operating activities from continuing operations. Additionally, we have access to revolving credit facilities of $3,500 million in aggregate, described in detail in Note 8, "Borrowings" to the condensed consolidated and combined financial statements. Historically, we relied on cash pooling arrangements with GE to manage liquidity and fund our operations. Upon completion of the Spin-Off, we ceased participation in GE cash pooling arrangements and our Cash, cash equivalents, and restricted cash are held and used solely for our own ongoing operations and commitments.

We believe that our existing balance of Cash, cash equivalents, and restricted cash, future cash generated from operating activities, access to capital markets, and existing credit facilities will be sufficient to meet the needs of our current and ongoing operations, pay taxes due, service our existing debt, and fund investments in our business for at least the next 12 months.

*Non-GAAP Financial Measure

The following table summarizes our cash flows for the periods presented:

Cash Flow	**For the six months ended June 30**	
	2023	**2022**
Cash from (used for) operating activities – continuing operations	$ 401	$ 449
Cash from (used for) investing activities – continuing operations	(350)	(185)
Cash from (used for) financing activities – continuing operations	446	(280)
Free cash flow*	189	293

Operating Activities
Cash generated from operating activities from continuing operations was $401 million for the six months ended June 30, 2023 and $449 million for the six months ended June 30, 2022.

Cash generated from operating activities in the six months ended June 30, 2023 included Net income of $816 million, non-cash charges for depreciation and amortization of $313 million, and $728 million outflow from changes in assets and liabilities, primarily driven by bi-annual cash paid for interest for senior unsecured notes, an increase in inventory and an increase in company funded benefit payments for postretirement benefit plans.

Cash generated from operating activities in the six months ended June 30, 2022 included Net income of $888 million, non-cash charges for depreciation and amortization of $316 million, and $755 million outflow from changes in assets and liabilities, primarily driven by an increase in inventory and higher cash taxes paid, partially offset by an increase in accounts payable.

Investing Activities
Cash used for investing activities from continuing operations was $350 million for the six months ended June 30, 2023 and $185 million for the six months ended June 30, 2022.

Cash used for investing activities in the six months ended June 30, 2023 primarily included additions to PP&E of $213 million related primarily to new product introductions, manufacturing capacity expansion, and purchases of businesses, net of cash acquired of $147 million primarily related to Caption Health, Inc. (“Caption Health”). On February 17, 2023, we acquired Caption Health, an artificial intelligence ("AI") company whose technology expands access to AI-guided ultrasound screening for novice users.

Cash used for investing activities from continuing operations was $185 million in the six months ended June 30, 2022, and included additions to PP&E of $159 million related primarily to new product introductions and manufacturing capacity expansion.

Financing Activities
Cash generated from financing activities from continuing operations was $446 million for the six months ended June 30, 2023 and cash used for financing activities from continuing operations was $280 million for the six months ended June 30, 2022.

Cash used for financing activities primarily included $1,317 million and $225 million of transfers to GE in the six months ended June 30, 2023 and 2022, respectively, and $211 million of Redemption of noncontrolling interests in the six months ended June 30, 2023, offset by newly issued debt of $2,000 million in the six months ended June 30, 2023.

*Free cash flow**
Free cash flow* was $189 million for the six months ended June 30, 2023 and primarily included $401 million of cash generated from operating activities in the six months ended June 30, 2023, partially offset by $213 million of cash used for capital expenditures in the six months ended June 30, 2023.

Free cash flow* was $293 million for the six months ended June 30, 2022 and primarily included $449 million of cash generated from operating activities in the six months ended June 30, 2022, partially offset by $159 million of cash used for capital expenditures in the six months ended June 30, 2022.

Capital Expenditures
Cash used for capital expenditures was $213 million and $159 million for the six months ended June 30, 2023 and 2022, respectively. Capital expenditures were primarily for manufacturing capacity expansion, equipment and tooling for new and existing products.

*Non-GAAP Financial Measure

Material Cash Requirements
In the normal course of business, we enter into contracts and commitments that obligate us to make payments in the future. Information regarding our obligations under lease, debt, and purchase arrangements are provided in Note 8, "Borrowings," and Note 13, "Commitments, Guarantees, Product Warranties, and Other Loss Contingencies," to the condensed consolidated and combined financial statements contained elsewhere in this Quarterly Report on Form 10-Q, as well as Note 7, "Leases," disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. Additionally, we have material cash requirements related to our pension obligations as described in Note 9, "Postretirement Benefit Plans," to the condensed consolidated and combined financial statements in this Quarterly Report on Form 10-Q.

Debt and Credit Facilities
As part of our capital structure, we have incurred debt. The servicing of this debt will be supported by cash flows from our operations. As of June 30, 2023, we had $10,238 million of total debt compared to $8,250 million as of December 31, 2022.

The weighted average interest rates for the Notes and our Credit Facilities for the six months ended June 30, 2023 was 5.98%. We had no principal debt repayments on the Notes or the Term Loan Facility for the six months ended June 30, 2023.

Our credit facilities include a five-year senior unsecured revolving facility that provides borrowings of up to $2,500 million expiring in November 2028, and a 364-day senior unsecured revolving facility that provides borrowings of up to $1,000 million expiring in November 2023.

The Credit Facilities include various customary covenants that limit, among other things, the incurrence of liens, the entry into certain fundamental change transactions by GE HealthCare, and the maximum permitted leverage ratio. As of June 30, 2023, we were in compliance with the covenant requirements, including the maximum permitted leverage ratio.

For additional details on debt and credit facilities, see Note 8, "Borrowings" to the condensed consolidated and combined financial statements.

Access to Capital and Credit Ratings
We have historically relied, via GE, on the debt capital markets to fund a significant portion of our operations. Concurrent with our Spin-off, we accessed the capital markets and raised $10,250 million of debt by issuing $8,250 million of senior unsecured notes in November 2022, and completed a drawdown of the Term Loan Facility of $2,000 million in January 2023. In addition, we were able to arrange revolving credit facilities of $3,500 million to further support our liquidity needs. We plan to continue to rely on capital markets, and we expect to have access to credit facilities to fund operations. The cost and availability of debt financing will be influenced by our credit ratings and market conditions. Moody's Investors Service ("Moody's"), Standard and Poor's Global Ratings ("S&P"), and Fitch Ratings ("Fitch") currently issue ratings on our long-term debt. Our credit ratings as of the date of this filing are set forth in the table below.

	Moody's	S&P	Fitch
Long-term rating	Baa2	BBB	BBB
Outlook	Stable	Stable	Stable

We are disclosing our credit ratings to enhance understanding of our sources of liquidity and the effects of our ratings on our costs of funds and access to liquidity. Our ratings may be subject to a revision or withdrawal at any time by the assigning rating organization, and each rating should be evaluated independently of any other rating.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

For a discussion of recently issued accounting standards, see Note 1, "Organization and Basis of Presentation" to the condensed consolidated and combined financial statements appearing elsewhere in this Quarterly Report on Form 10-Q.

CRITICAL ACCOUNTING ESTIMATES

Our financial results are affected by the selection and application of accounting policies and methods. We have adopted accounting policies to prepare our condensed consolidated and combined financial statements in conformity with U.S. GAAP.

To prepare our condensed consolidated and combined financial statements in accordance with U.S. GAAP, management makes estimates and assumptions that may affect the reported amounts of our assets and liabilities, including our contingent liabilities, as of the date of our condensed consolidated and combined financial statements and the reported amounts of our revenues and expenses during the reporting periods. Our actual results may differ from these estimates. We consider estimates to be critical (i) if we are required to make assumptions about material matters that are uncertain at the time of estimation or (ii) if materially different estimates could have been made or it is reasonably likely that the accounting estimate will change from period to period.

Management believes that there have been no significant changes during the six months ended June 30, 2023 to the items that we disclosed as our critical accounting estimates in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk primarily from changes in interest rates and foreign currency exchange rates, which may impact future income, cash flows, and fair value of our business. In certain situations, we may seek to reduce cash flow volatility associated with changes in interest rates and foreign currency exchange rates by entering into financial arrangements intended to provide a hedge against a portion of the risks associated with such volatility. We continue to have exposure to such risks to the extent they are not hedged. We enter into derivative financial arrangements to the extent they meet the objective described above, and we do not use derivatives for trading or speculative purposes.

See Note 12, “Financial Instruments and Fair Value Measurements” for further information about our risk exposures, our use of derivatives, and the effects of this activity on our financial statements.

ITEM 4. CONTROLS AND PROCEDURES

Under the direction of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), we have evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2023 (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on their evaluation, our CEO and CFO concluded that, as of June 30, 2023, our disclosure controls and procedures were effective.

We relied on certain material processes and internal controls over financial reporting performed by GE prior to the Spin-Off. Following the Spin-Off, new corporate and governance functions were implemented in order to meet the regulatory requirements of a standalone public company, such as external reporting, treasury, and stock administration. There were no changes in our internal control over financial reporting during the quarter ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information on material pending legal proceedings is incorporated herein by reference to the information set forth in Note 13, “Commitments, Guarantees, Product Warranties, and Other Loss Contingencies” to the financial statements included elsewhere in this Quarterly Report on Form 10-Q.

We are reporting the following environmental matter in compliance with SEC requirements to disclose environmental proceedings where a governmental authority is a party and that involve potential monetary sanctions of $300,000 or greater.

In July 2022, GE HealthCare received a notice of intention to impose an administrative fine of approximately $0.6 million related to a December 2019 liquid hazardous waste event at our Rehovot, Israel site. The event involved clean room waste that spilled onto an unsealed floor, leading to an escape of a small amount of liquid to a third-party facility on a lower floor. The Israeli Ministry of Environmental Protection (“MEP”) concluded that the incident breached the site’s toxins permit. In accordance with local law, GE HealthCare responded to MEP’s notice of fine challenging both the basis for, and level of, the fine. In June 2023, MEP returned a decision reducing the overall administrative fine to approximately $0.3 million. GE HealthCare paid the fine to MEP on June 18, 2023.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no unregistered sales of equity securities during the period covered by this report.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Number	Description
3.1	Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 29, 2022).
3.2	Bylaws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 29, 2022).
10.1	GE HealthCare US Severance and Change in Control Plan for CEO and Leadership Team.
10.2	Offer Letter with James K. Saccaro, dated May 4, 2023. †
31.1	Certification of the Registrant's Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Registrant's Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of the Registrant's Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from GE HealthCare Technologies Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, formatted in inline XBRL (eXtensible Business Reporting Language); (i) Condensed Consolidated and Combined Statements of Income for the three and six months ended June 30, 2023 and 2022; (ii) Condensed Consolidated and Combined Statements of Comprehensive Income for the three and six months ended June 30, 2023 and 2022; (iii) Condensed Consolidated and Combined Statements of Financial Position at June 30, 2023 and December 31, 2022; (iv) Condensed Consolidated and Combined Statements of Changes in Equity for the three and six months ended June 30, 2023 and 2022; (v) Condensed Consolidated and Combined Statements of Cash Flows for the six months ended June 30, 2023 and 2022; and (vi) Notes to the Condensed Consolidated and Combined Financial Statements.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
†	Certain portions of this exhibit have been redacted pursuant to Item 601(b)(2)(ii) and Item 601(b)(10)(iv) of Regulation S-K, as applicable. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the Securities and Exchange Commission upon its request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	GE HealthCare Technologies Inc.
	(Registrant)
July 25, 2023	/s/ George A. Newcomb
Date	George A. Newcomb, Controller & Chief Accounting Officer (authorized signatory)

GE HealthCare US Severance and Change in Control Plan for CEO and Leadership Team

Section I. Purpose and Effective Date

The GE HealthCare US Severance and Change in Control Plan for CEO and Leadership Team (the "Plan") provides severance benefits under specified conditions to the CEO and Executives who experience a Qualifying Termination on or after April 1, 2023 (the "Effective Date"). The Plan is an unfunded plan maintained primarily for the purpose of providing severance benefits to a select group of management and highly compensated employees of GE HealthCare and Participating Affiliates. The Plan shall be interpreted and administered consistently with the intent to be a "top hat" plan that is not subject to various provisions of ERISA. All capitalized terms are defined below or in Section VIII. On June 22, 2023, the Compensation Committee restated the Plan as provided herein to clarify the application of termination trigger definitions without any increase in benefits.

Section II. Qualifying Termination

A "Qualifying Termination" occurs when the Plan Administrator determines in its sole discretion that one of the following events occurred:

(a) The Executive's employment is terminated in connection with a position elimination;

(b) The Executive's employment is terminated in connection with a Participating Employer-initiated separation which is not for Cause;

(c) The Executive experiences a Non-Change in Control Good Reason Termination; or

(d) A Change in Control occurred and, within 24 months after the date of such Change in Control: (i) the Executive has a Qualifying Termination in accordance with subsection (a) or (b), or (ii) the Executive experiences a Change in Control Good Reason Termination.

However, a Qualifying Termination shall not include a termination of employment for Cause or on account of voluntary resignation (other than (i) a Non-Change in Control Good Reason Termination; or (ii) a Change in Control Good Reason within the 24-month period following a Change in Control), death or disability, or any termination of employment prior to the Effective Date.

Section III. Additional Conditions

Any benefit under this Plan shall be conferred via a separation agreement executed by the Executive, and shall be contingent upon the Executive signing, not revoking, and complying with the terms of such agreement which will include a release and waiver of claims (the "Release") and which may include, among other things and where legally permissible, confidentiality, cooperation, non-competition, non-solicitation and/or non-disparagement requirements. If the separation agreement (including the Release) is not executed in a form acceptable to the Plan Sponsor by the deadline established by the Plan Sponsor (which shall be no later than 45 days following the effective date of the Qualifying Termination), or is revoked or breached, no benefit shall be payable under the Plan. To the extent the express terms of a separation agreement conflict with the terms of this Plan, the terms of this Plan shall prevail. For the avoidance of doubt, silence in the separation agreement shall not constitute a conflict with the Plan terms.

If the Plan Administrator determines in its sole discretion that an Executive has engaged in conduct that (a) constitutes a breach of the separation agreement (including the Release), (b) results in (or has the potential to cause) material harm financially, reputationally, or otherwise to the Company or (c) occurred prior to the Qualifying Termination and would give rise to a termination for Cause (regardless of whether such conduct is discovered before, during or after the Qualifying Termination), the Executive shall forfeit the right to any unpaid benefit under this Plan and may be required to repay any amounts previously paid under the Plan to the extent recovery is permitted by law.

This remedy is not exclusive and shall not limit any right of the Company under applicable law, including (but not limited to) a remedy under (a) Section 10D of the Securities Exchange Act of 1934, as amended, (b) any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which shares of the Company may be traded, and/or (c) any Company policy adopted with respect to compensation recoupment.

Section IV. Amount and Form of Payment

An Executive who meets the requirements of Sections I, II and III shall be entitled to the following benefits under the Plan:

(a) If the Executive is the CEO immediately prior to the Qualifying Termination and the Qualifying Termination is not pursuant to Section II(d), the Company shall pay or cause to be paid to the Executive:

(1) a lump sum cash severance amount to be paid within 60 days following the effective date of the Qualifying Termination equal to the sum of (i) 24 months of the Executive’s Base Salary and (ii) two times the Executive’s target bonus under the Company’s annual bonus plan for the year of the Qualifying Termination; and

(2) the opportunity to continue participation for the Executive (and any enrolled dependents) in the Company’s health and welfare benefit plans in which the Executive was enrolled immediately prior to the Qualifying Termination for a period of 24 months following the Qualifying Termination, (i) to the extent the

Plan Administrator determines such continued participation is permitted by applicable law or can be administered in a manner that will not require the Company to provide post-termination coverage to other employees on the same terms to avoid a violation of the nondiscrimination requirements, and (ii) subject to the Executive (and any enrolled dependents) continuing to satisfy the terms and conditions for participation in such health and welfare benefit plans (as may be modified by the Plan Administrator to avoid a violation of the nondiscrimination requirements), including making any required payments for such plans (which the Plan Administrator may require the Executive to pay on an after-tax basis) and paying any required taxes on some or all of the Company's payments for the Executive's (and any enrolled dependents') coverage.

(b) If the Executive is any Executive other than the CEO immediately prior to the Qualifying Termination and the Qualifying Termination is not pursuant to Section II(d), the Company shall pay or cause to be paid to the Executive:

(1) a lump sum cash severance amount to be paid within 60 days following the effective date of the Qualifying Termination equal to the sum of (i) 12 months of the Executive's Base Salary and (ii) the Executive's target bonus under the Company's annual bonus plan for the year of the Qualifying Termination; and

(2) the opportunity to continue participation for the Executive (and any enrolled dependents) in the Company's health and welfare benefit plans in which the Executive was enrolled immediately prior to the Qualifying Termination, for a period of 12 months following the Qualifying Termination, (i) to the extent the Plan Administrator determines such continued participation is permitted by applicable law or can be administered in a manner that will not require the Company to provide post-termination coverage to other employees on the same terms to avoid a violation of the nondiscrimination requirements, and (ii) subject to the Executive (and any enrolled dependents) continuing to satisfy the terms and conditions for participation in such health and welfare benefit plans (as may be modified by the Plan Administrator to avoid a violation of the nondiscrimination requirements), including making any required payments for such plans (which the Plan Administrator may require the Executive to pay on an after-tax basis) and paying any required taxes on some or all of the Company's payments for the Executive's (and any enrolled dependents') coverage.

(c) If the Executive is the CEO immediately prior to the Qualifying Termination and the Qualifying Termination is pursuant to Section II(d), the Company shall pay or cause to be paid to the Executive

(1) a lump sum cash severance amount to be paid within 60 days following the effective date of the Qualifying Termination equal to the sum of (i) 36 months of the Executive's Base Salary and (ii) 2.99 times the Executive's target bonus under the Company's annual bonus plan for the year of the Qualifying Termination; and

(2) the opportunity to continue participation for the Executive (and any enrolled dependents) in the Company's health and welfare benefit plans in which the Executive was enrolled immediately prior to the Qualifying Termination, for a period of 36 months following the Qualifying Termination, (i) to the extent the Plan Administrator determines such continued participation is permitted by applicable law or can be administered in a manner that will not require the Company to provide post-termination coverage to other employees on the same terms to avoid a violation of the nondiscrimination requirements, and (ii) subject to the Executive (and any enrolled dependents) continuing to satisfy the terms and conditions for participation in such health and welfare benefit plans (as may be modified by the Plan Administrator to avoid a violation of the nondiscrimination requirements), including making any required payments for such plans (which the Plan Administrator may require the Executive to pay on an after-tax basis) and paying any required taxes on some or all of the Company's payments for the Executive's (and any enrolled dependents') coverage.

(d) If the Executive is any Executive other than the CEO immediately prior to the Qualifying Termination and the Qualifying Termination is pursuant to Section II(d), the Company shall pay or cause to be paid to the Executive:

(1) a lump sum cash severance amount to be paid within 60 days following the effective date of the Qualifying Termination equal to the sum of (i) 24 months of the Executive's Base Salary and (ii) two times the Executive's target bonus under the Company's annual bonus plan for the year of the Qualifying Termination; and

(2) the opportunity to continue participation for the Executive (and any enrolled dependents) in the Company's health and welfare benefit plans in which the Executive was enrolled immediately prior to the Qualifying Termination, for a period of 24 months following the Qualifying Termination, (i) to the extent the Plan Administrator determines such continued participation is permitted by applicable law or can be administered in a manner that will not require the Company to provide post-termination coverage to other employees on the same terms to avoid a violation of the nondiscrimination requirements, and (ii) subject to the Executive (and any enrolled dependents) continuing to satisfy the terms and conditions for participation in such health and welfare benefit plans (as may be modified by the Plan Administrator to avoid a violation of the

nondiscrimination requirements), including making any required payments for such plans (which the Plan Administrator may require the Executive to pay on an after-tax basis) and paying any required taxes on some or all of the Company’s payments for the Executive’s (and any enrolled dependents’) coverage.

The lump sum payment pursuant to this Section IV shall be subject to applicable withholdings and deductions, as well as the offsets described in Section VII.

Section V. Benefits Subject to Code Section 280G

Anything in the Plan to the contrary notwithstanding and except as set forth below, in the event it shall be determined that any payment, benefit, vesting or distribution to or for the benefit of an Executive (whether paid or payable or distributed or distributable pursuant to the terms of the Plan or otherwise) (a “Payment”) would but for this Section be subject to the excise tax imposed by Section 4999 of the Code, or any comparable successor provisions (the “Excise Tax”), then the Payments shall be either be (i) provided to Executive in full, or (ii) provided to Executive as to such lesser extent which would result in no portion of such Payments being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by Executive on an after-tax basis, of the greatest amount of Payments, notwithstanding that all or some portion of such Payments may be subject to the Excise Tax. Any determination required under this Section shall be made in writing in good faith by the Company's independent certified public accountants, appointed prior to any change in ownership (as defined under Section 280G(b)(2) of the Code), and/or tax counsel selected by such accountants (the “Accounting Firm”) in accordance with the principles of Section 280G of the Code. In the event of a reduction of Payments hereunder, the Payments shall be reduced as follows: (i) first from cash payments which are included in full as parachute payments, (ii) second from equity awards (or the accelerated vesting thereof) which are included in full as parachute payments, (iii) third from cash payments which are partially included as parachute payments and (iv) fourth from equity awards (or the accelerated vesting thereof) that are partially included as parachute payments, and (5) last from non-cash, non-equity benefits, in each instance provided that Section 409A is complied with and the Payments to be made later in time are to be reduced before Payments to be made sooner in time, and further provided that only payments or benefits (or portions of payments or benefits) that, if reduced, would reduce the total amount of “parachute payments” (as that term is used in Section 280G of the Code) shall be reduced. For purposes of making the calculations required by this Section, the Accounting Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the code, and other applicable legal authority. The Company and Executive shall furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably request in order to make a determination under this Section. All fees and expenses of the Accounting Firm shall be borne solely by the Company. All applicable taxes, including any Excise Tax, shall be borne solely by the Executive.

Section VI. Outplacement Services

An Executive who meets the requirements of Sections I, II and III shall also be eligible for outplacement services through a nationally recognized outplacement firm selected by the Plan Sponsor. To receive these outplacement services, the Executive must enroll in such services in accordance with procedures established by the Plan Sponsor and within 30 days following the effective date of the Qualifying Termination. Executives who enroll shall receive outplacement services for the number of months of Base Salary paid pursuant to Section IV; provided, however, that such services shall cease upon the Executive obtaining subsequent employment. Executives are required to notify the Participating Employer immediately upon obtaining subsequent employment.

Section VII. Offset and Rehire Rules

To the extent the Executive is vested in a GE HealthCare Supplementary Pension, Executive Retirement Benefit or equivalent payments, the amount of any lump sum payment described in Section IV shall be reduced by the Executive’s estimated monthly benefit payable during the same number of months following the Qualifying Termination that apply under Section IV. For this purpose, the Executive’s estimated monthly benefit is determined (a) during the week prior to the Executive’s written notification of the Qualifying Termination, (b) applying the five-year certain benefit for GE HealthCare Supplementary Pension and 1/12th of the annual Executive Retirement Benefit, and (c) disregarding any delay required by Section 409A.In addition, the Special Early Retirement Option Offset required by the GE HealthCare Pension Plan shall apply to the extent the Executive qualifies for and elects the Special Early Retirement Option or Plant Closing Pension Option under the GE HealthCare Pension Plan.

In the event the Executive is rehired by the Company before the period of time for which Base Salary was paid under Section IV has expired, the Executive shall repay the portion of the lump sum attributable to the period of time during which the Executive is reemployed in accordance with procedures established by the Plan Administrator.

Section VIII. Definitions

(a) “Affiliate” means any company or business entity connected to the Plan Sponsor by a direct or indirect 50% or more interest, whether or not a Participating Affiliate.

(b) “Base Salary” means an Executive’s salary rate (excluding bonuses, commissions or other compensation) in effect immediately prior to the Qualifying Termination.

(c) "Board” means the Board of Directors of GE HealthCare Technologies Inc.

(d) “Cause” means, as determined in the sole discretion of the Plan Administrator, an Executive’s:

(1) breach of the Employee Innovation and Proprietary Information Agreement or any other confidentiality, non-solicitation, or non-competition agreement with the Company or breach of a material term of any other agreement between the Executive and the Company;

(2) engagement in conduct that results in, or has the potential to cause, material harm financially, reputationally, or otherwise to the Company;

(3) commission of an act of dishonesty, fraud, embezzlement or theft;

(4) conviction of, or plea of guilty or no contest to, a felony or crime involving moral turpitude;

(5) failure to comply with the Company’s policies and procedures, including but not limited to The Spirit and Letter; or

(6) sustained poor performance of any material aspect of the Executive’s duties or obligations, including refusal to follow lawful instructions from the CEO if the Executive is not the CEO and from the Board if the Executive is the CEO, which is not substantially cured to the satisfaction of the CEO if the Executive is not the CEO and of the Board if the Executive is the CEO within 30 days after written notice of such failure or poor performance has been given to the Executive.

(e) “CEO” means the Chief Executive Officer of GE HealthCare.

(f) “Change in Control” means any one of the following:

(1) A transaction or series of transactions that results in a person directly or indirectly acquiring 50% or more beneficial ownership of the outstanding shares of the Company, or 50% or more of the combined voting power of shares of the Company; or

(2) A reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the Company’s assets;

provided, however, that a public offering, internal restructuring, or transfer of common stock or assets of the Company to any Affiliate will not be treated as a Change in Control under the Plan.

(g) “Change in Control Good Reason Termination” means the Executive’s employment with the Company is terminated for one of the following reasons within 24 months after a Change in Control:

(1) the assignment to the Executive of any duties inconsistent in any material respect with the Executive’s position (including status, offices, titles, and reporting requirements), authority, duties, or responsibilities, or any other action by the Company which results in a material diminution in such position, authority, duties, reporting requirements, or responsibilities, in each case from those in effect immediately prior to the Change in Control, provided that the sale, disposition, or spin-off of any one or more of the businesses of the Company or its Affiliates, or any transaction following which the Company’s (or its successor’s) common equity is not publicly traded on a nationally recognized securities exchange or through a national market quotation service, shall not be deemed a material diminution in the Executive’s position, authority, duties, or responsibilities;

(2) a reduction in Base Salary, annual target cash incentive opportunity, or annual target long-term incentive opportunity in each case, from those in effect immediately prior to the Change in Control;

(3) a material breach by the Company of any agreement pursuant to which the Executive provides services to the Company, including without limitation failure to pay any compensation due and owing to the Executive; or

(4) the Company’s requirement to relocate to a location more than 50 miles from the Executive’s principal place of employment as of the Change in Control; and

The Executive takes all of the following actions in response to the existence of the Change in Control Good Reason condition(s):

(A) provides written notice to the Chief People Officer of GE HealthCare of the existence of the circumstances providing grounds for a Change in Control Good Reason Termination within 30 calendar days of the date the Executive first becomes aware of such circumstances;

(B) allows the Company at least 30 calendar days to cure the circumstances providing grounds for a Change in Control Good Reason Termination; and

(C) if the Company fails to cure the circumstances providing grounds for a Change in Control Good Reason Termination, terminates employment with the Company within 30 calendar days following such failure to cure.

Any good faith determination of a Change in Control Good Reason by the Executive shall be conclusive and binding on the Company.

(h) “Code” means the Internal Revenue Code of 1986, as amended.

(i) “Company” means GE HealthCare or any Affiliate.

(j) “Compensation Committee” means the Talent, Culture, and Compensation Committee of the Board.

(k) “Employee” means a common law U.S. employee of the Participating Employer (including such an employee on a bona fide leave of absence). If the Plan Administrator or a Participating Employer determines that an individual is not an “employee,” the individual will not be eligible to participate in the Plan, regardless of whether the determination is subsequently upheld by a court or tax or regulatory authority having jurisdiction over such matters or whether the individual is subsequently treated or classified as an employee for certain specified purposes. Any change to an individual’s status by reason of such reclassification or subsequent treatment will apply prospectively only.

(l) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

(m) “Executive” means an Employee assigned by GE HealthCare to a Senior Executive Director or higher management level of GE HealthCare who is (1) the CEO, or (2) required to report solely to the CEO, provided that an individual is not an Executive if the individual is eligible to receive severance benefits or similar benefits under a plan or arrangement maintained by the Company or an affiliate for the benefit of employees of a non-U.S. jurisdiction (whether or not mandated by the law of such jurisdiction), unless the individual has waived any rights to such foreign benefits and has not revoked or violated such waiver. An Executive shall not be eligible for severance or similar benefits from the Company other than a benefit under this Plan, including under any offer letter dated prior to the Effective Date, the GE HealthCare US Executive Severance Plan (the “Executive Severance Plan”), the GE HealthCare Layoff Benefit Plan for Salaried Employees, a plan or arrangement maintained for the benefit of employees of a non-U.S. jurisdiction (whether or not mandated by the law of such jurisdiction), or any other plan, program, agreement, or arrangement sponsored by the Company that provides for severance or similar benefits. The above classifications are determined by GE HealthCare based on its management levels, and not those assigned by an Affiliate. If an individual ceases to be an Executive and remains an Employee, the Employee shall cease to be eligible for this Plan. If such Employee meets the definition of “Executive” under the Executive Severance Plan, the Employee shall be eligible for the Executive Severance Plan, subject to the terms of that plan.

(n) “GE HealthCare” means GE HealthCare Technologies Inc. or its successor.

(o) “Non-Change in Control Good Reason Termination” means the Executive’s employment with the Company is terminated for one of the following reasons:

(1) a material adverse change in the nature or status of the Executive’s duties or responsibilities with the Company and/or a Participating Employer, provided that the sale, disposition, or spin-off of any one or more of the businesses of the Company or its Affiliates, or any transaction following which the Company’s (or its successor’s) common equity is not publicly traded on a nationally recognized securities exchange or through a national market quotation service, shall not be deemed a material diminution in the Executive’s duties, or responsibilities;

(2) a material reduction in Base Salary or annual target cash incentive opportunity in each case, from those in effect immediately prior to the termination other than a general reduction in Base Salary or annual target cash incentive award opportunity which similarly affects a significant number or class of executives in addition to the Executive; or

(3) the Company’s requirement to relocate to a location more than 50 miles from the Executive’s principal place of employment prior to such change; and

The Executive takes all of the following actions in response to the existence of the Non-Change in Control Good Reason condition(s):

(A) provides written notice to the Chief People Officer of GE HealthCare of the existence of the circumstances providing grounds for a Non-Change in Control Good Reason Termination within 30 calendar days of the date the Executive first becomes aware of such circumstances;

(B) allows the Company at least 30 calendar days to cure the circumstances providing grounds for a Non-Change in Control Good Reason Termination; and

(C) if the Company fails to cure the circumstances providing grounds for a Non-Change in Control Good Reason Termination, terminates employment with the Company within 30 calendar days following such failure to cure.

(p) “Participating Affiliate” means an Affiliate whose participation in the Plan is approved by the Plan Administrator.

(q) “Participating Employer” means GE HealthCare or a Participating Affiliate.

(r) “Plan Administrator” means the Compensation Committee, or its designee or delegate.

(s) “Plan Sponsor” means GE HealthCare.

(t) “Section 409A” means Section 409A of the Code.

(u) “Special Early Retirement Option Offset” shall have the meaning set forth in the GE HealthCare Pension Plan.

Section IX. Other

(a) Payments made under this Plan shall not be treated as eligible “compensation” for purposes of any retirement, savings, or similar plan of the Company, including, but not limited to, the GE HealthCare Retirement Savings Plan, the GE HealthCare Pension Plan, the GE HealthCare Restoration Plan, the GE HealthCare Supplementary Pension Plan, and the GE HealthCare Excess Benefits Plan.

(b) If the Company determines that an Executive is indebted to it on the effective date of the Qualifying Termination, including by reason of breaching a commitment to the Company, the Company reserves the right to offset the payment of any benefits under the Plan by the amount of such indebtedness, as determined by the Plan Administrator. Such offset will be made in accordance with all applicable laws (including the intent not to trigger taxes under Section 409A).

(c) No amount payable at any time under this Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge or encumbrance of any kind (except as described in subsection (b) above). Any attempt to alienate, sell, transfer, assign, pledge, commute, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey any such benefit, whether presently or subsequently payable, shall be void. Except as required by law or as described in Section XII, no benefit payable under this Plan shall, prior to actual payment, in any manner be subject to seizure, garnishment, attachment, execution, sequestration or other legal process for the payment of any debts, judgments, alimony, separate maintenance or liability of any Executive, or be transferrable by operation of law in the event of an Executive’s or any other person’s bankruptcy or insolvency.

(d) The Plan Administrator is authorized to comply with any court order in any action in which the Plan or the Plan Administrator has been named as a party, including any action involving a determination of the rights or interests in an Employee’s benefits under the Plan.

(e) This Plan does not provide any individual a right to continue employment with the Company, nor does it affect the Company's right to terminate the employment of any individual at any time for any reason with or without Cause.

(f) Except to the extent preempted by ERISA or otherwise governed by federal law, the laws of the State of Delaware shall govern the construction and interpretation of the Plan, without regard to conflicts of law provisions therein.

(g) Benefits provided under this Plan are unfunded and unsecured obligations of the Participating Employer payable from its general assets.

(h) Each Executive shall cooperate with the Plan Administrator by furnishing any and all information requested by the Plan Administrator and take such other actions as may be requested in order to facilitate the administration of the Plan and the payment of benefits hereunder.

(i) This Plan contains a complete statement of its terms. The Plan may be amended, suspended or terminated only in writing and then only as provided in Section X. The legal or equitable rights or interests of any person in this Plan, and the Participating Employer's obligations or liabilities therefor, shall be exclusively determined by the express provisions of the Plan.

(j) If any provision of the Plan shall be held unlawful or otherwise invalid or unenforceable in whole or in part, the unlawfulness, invalidity, or unenforceability shall not affect any other provision of the Plan, each of which shall remain in full force and effect.

(k) If a severance benefit is paid to an Executive and the Company or Plan Administrator determines that all or part of such payment was not owed under the terms of the Plan, the Company reserves the right to recover such payment, including deducting such amounts from any sums due the Executive.

Section X. Amendment or Termination

The Plan may be amended or terminated by the Talent, Compensation Committee or its designee, at any time and for any reason, in its sole discretion and with the result that benefits under the Plan may be changed or discontinued, retroactively or prospectively.

Section XI. Administration

Except as otherwise expressly provided in the Plan, the management and control of the operation and administration of the Plan shall be vested in the Plan Administrator. The Plan Administrator has sole discretion to make all determinations with respect to eligibility and benefits under the Plan and such determinations shall be final and binding.

No liability shall attach to or be incurred by the stockholders, officers, directors or employees of the Company, in whatever capacity, under or by reason of the terms, conditions or agreements contained in the Plan or any law, rule or regulation, or for acts or decisions taken or omitted by any of them thereunder.

The Plan Administrator may, from time to time, employ agents and delegate to them such administrative duties as it sees fit. In accordance with its charter, the Plan Administrator may also delegate to other persons or other entities any or all of its authority, responsibilities, obligations and duties with respect to the Plan. If the Company, Plan Administrator, or other plan fiduciary (an “Advisee”) engages attorneys, accountants, actuaries, consultants, and other service providers (an “Advisor”) to advise them on issues related to a Plan or the Advisee’s responsibilities under the Plan:

(a) The Advisor’s client is the Advisee and not any employee, participant, dependent, beneficiary, claimant, or other person;

(b) The Advisee will be entitled to preserve the attorney-client privilege and any other privilege accorded to communications with the Advisor, and all other rights to maintain confidentiality, to the full extent permitted by law; and

(c) No employee, participant, dependent, beneficiary, claimant or other person will be permitted to review any communication between the Advisee and any of the Advisee’s Advisors with respect to whom a privilege applies, unless mandated by a court order.

Section XII. Taxation and Section 409A

All payments and benefits under the Plan are subject to all applicable deductions and withholdings, including obligations to withhold federal, state and local income and employment taxes. Each recipient of benefits under the Plan (and not the Company) shall be solely responsible for the recipient’s own tax liability with respect to such benefits (including imputed income), without regard to the amount withheld or reported to the Internal Revenue Service. The amount withheld shall be determined by the Company. Nothing in this Plan shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from any Executive or an Executive’s spouse, beneficiary, or estate to any other individual or entity.

The Plan shall be construed and administered consistently with the intent that payments under the Plan be exempt from the requirements of Section 409A (i.e., applying the “short-term deferral” rule described in Treas. Reg. § 1.409A-1(b)(4), the “two-year, two-time” rule described in Treas. Reg. § 1.409A-1(b)(9) and/or another exemption). To the extent Section 409A applies, the Plan shall be construed and administered consistently with the requirements thereof to avoid taxes thereunder.

Consistent therewith, where the Plan specifies a window during which a payment may be made, the payment date within such window shall be determined by the Plan Sponsor in its sole discretion. Furthermore, any installment in any series of payments shall be treated as a separate payment.

To the extent that Section 409A applies:

(a) Payment of the lump sum benefit described in Section IV shall occur on the 60th day following the Executive's Qualifying Termination;

(b) The effective date of an Executive's Qualifying Termination shall be the date the Executive actually incurs a "separation from service" within the meaning of Section 409A and the regulations and other guidance issued thereunder, as determined by the Plan Administrator;

(c) If, upon separation from service, an Executive is a "specified employee" within the meaning of Section 409A, any payment under this Plan that is subject to Section 409A and would otherwise be paid within six months after the Executive's separation from service will instead be paid in the seventh month following the Executive's separation from service; and

(d) If the period during which an Executive has discretion to execute or revoke the separation agreement (including the Release) described in Section III straddles two calendar years, the Plan Sponsor shall make payments conditioned on execution of such separation agreement no earlier than January 1st of the second calendar year, regardless of which year the separation agreement becomes effective.

Section XIII. Claims and Appeals

The provisions of this Section XIII shall apply to any claim for a benefit under the Plan, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred. Any such claim shall be addressed through the claims and appeals process described in the handbook summary for this Plan, and no such claim may be filed in court, arbitration, or similar proceeding before the claimant has exhausted that process. Such process is intended to comply with Section 503 of ERISA and shall be administered and interpreted in a manner consistent with such intent.

The claims administrator shall be the Plan Administrator, or its designee or delegate.

Section XIV. Limitations Period

(a) Any claim (1) for benefits; (2) to enforce rights under the Plan; or (3) otherwise seeking a remedy or judgment of any kind against the Plan, the Plan Administrator or the

Company must be filed within the limitations period prescribed by this Section XIV (and subsequent to exhaustion as described in Section XIII).

(b) The limitations period shall begin on the following date:

(1) For a claim for benefits, the earliest of: (i) the date the first benefit payment was actually made or allegedly due, or (ii) the date the Plan, the Plan Administrator or the Company first repudiated the alleged obligation to provide such benefits, regardless of whether such repudiation occurred during administrative review pursuant to Section XIII. A repudiation described in clause (ii) may be made in the form of a direct communication to the employee or a more general oral or written communication related to benefits payable under the Plan (for example, a summary of the Plan or an amendment to the Plan);

(2) For a claim to enforce an alleged right under the Plan (other than a right to benefits), the date the Plan first denied the request made on behalf of the employee to exercise such right, regardless of whether such denial occurred during administrative review pursuant to Section XIII; or

(3) For any claim otherwise seeking a remedy or judgment of any kind against the Plan, the Plan Administrator or the Company, the earliest date on which the employee knew or should have known of the material facts on which such claim or action is based, regardless of whether the employee was aware of the legal theory underlying the claim.

(c) The limitations period shall end on the first anniversary of the beginning date described in Section XIV(b); provided, however, that if a request for administrative review pursuant to Section XIII is pending at such time, the limitations period shall be extended to end on the date that is 60 days after the final denial of such claim on administrative review.

(d) The limitations period described in this Section XIV replaces and supersedes any limitations period that otherwise might be deemed applicable under state or federal law in the absence of this Section XIV. A claim filed after the expiration of the limitations period shall be deemed time-barred, except that the Plan Administrator shall have discretion to extend the limitations period upon a showing of exceptional circumstances that, in the opinion of the Plan Administrator, provide good cause for an extension. The exercise of this discretion is committed solely to the Plan Administrator and is not subject to review.

(e) In the event of any claim brought by or on behalf of two or more employees, the requirements of this Section XIV shall apply separately with respect to each employee.

Exhibit 10.2

[Logo]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS OFFER LETTER HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***], PURSUANT TO REGULATION S-K ITEM 601(B) OF THE SECURITIES ACT OF 1933, AS AMENDED. CERTAIN CONFIDENTIAL INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS: (i) NOT MATERIAL AND (ii) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Betty Larson
Chief People Leader
GE Healthcare
500 W. Monroe Street
Chicago, IL 60661
USA

May 4, 2023

Mr. Jay Saccaro

Dear Jay,

We are pleased to offer you the position of Chief Financial Officer for GE HealthCare Technologies, Inc. (together with its affiliates "GE HealthCare" or the "Company") on June 1, 2023 (your "start date"). This position will be based in Chicago, Illinois, and you will report to Peter Arduini, Chief Executive Officer (the "CEO"). The details of our offer are noted below:

Salary:	$875,000 (US dollars) paid bi-weekly.
One GE HealthCare Annual Bonus Plan ("Bonus Plan"):	Your target under the Bonus Plan is 100% of your base salary as of December 31st each plan year. Payments are made in the Company's discretion and are typically based on business performance, segment/region performance and individual performance. For the performance year 2023, any bonus you receive will be pro-rated based on your start date.
Long-Term Incentive Plan ("LTIP")*:	The target grant value of your annual equity award will be $3,800,000 (US dollars). LTIP awards are typically granted in March each year, with the award type and terms determined by the Talent, Culture, and Compensation Committee of the Board of Directors ("Committee"). For 2023, your annual equity award will be granted on June 1, 2023. The award will consist of 50% performance stock units ("PSUs") which vest on the date in the first quarter of 2026 on which the Committee certifies PSU performance, 25% restricted stock units ("RSUs") and 25% stock options and both of which will vest 33% on September 1, 2024, 33% on September 1, 2025, and 34% on September 1, 2026. All vesting is subject to your continued employment on the vesting dates.
Founders Grant*:	You will also receive a one-time Founders Grant in the amount of $1,900,000 (US dollars), which will be granted on June 1, 2023, and will be in the form of 25% RSUs and 75% stock options, both of which will vest 50% on February 1, 2025, and 50% on February 1, 2026. All vesting is subject to your continued employment on the vesting dates.
Benefits:	You will also be eligible to participate in the Company's benefit plans, including: • Reimbursement of up to $3,100 (US dollars) annually for physical health examinations.

- Reimbursement of up to $15,000 (US dollars) annually for financial planning services.

- Participation in the Restoration Plan under which 7% of your pay above the IRS pay limit that applies to 401(k) plans is credited each year and notionally invested as you choose. These amounts generally vest after 3 years of service.

- Participation in the Severance and Change in Control Plan for CEO and Leadership Team under which protections and benefits are provided in the event of certain terminations, including, in some cases following a change in control of the Company.

All aspects of these and other benefits, including the Bonus Plan, will be governed by the terms of the applicable plan or program, as may be amended from time to time.

New Hire Equity Grant*:	In consideration of some of the equity awards from your prior employer (“Prior Employer”) that are forfeited in connection with your commencement of employment with us, we will provide you with a Special New Hire Equity Grant valued at $3,500,000 (US dollars) to be granted on June 1, 2023. The grant will consist of RSUs and will vest 50% on June 1, 2024, and 50% on June 1, 2025, subject to your continued employment on such dates.
Contingent Make-Whole Award*:	In the event that (i) applicable securities laws or insider trading policies of your Prior Employer preclude you from selling shares for the entire 90-day period following your termination of employment, which prevents you from exercising your fully vested stock options granted on each of September 2, 2014, March 3, 2015, March 3, 2016 and March 2, 2017 (such options, collectively, the “Vested Options”) from the time your employment with your Prior Employer terminates through the 90-day period following termination of employment when the Vested Options terminate in accordance with their terms and (ii) your Prior Employer fails to permit a net exercise or extend such 90-day period to allow you an opportunity to exercise the Vested Options during a period where such exercise is not precluded by applicable securities laws or insider trading policies, you will be entitled to receive a one-time make-whole award (the “Make-Whole Award”). The value of the Make-Whole Award will be determined based on the fair market value of the total number of shares subject to the Vested Options (determined by the average closing stock price of the Prior Employer’s stock over the 90-day period following your termination of employment with the

Prior Employer) less the aggregate exercise price of such options, up to a maximum of $3,000,000 (US dollars) in the aggregate. One-third of the Make-Whole Award will be paid as a special cash payment (the “Cash Make-Whole Award”) and two-thirds of the Make-Whole Award will be granted to you in the form of RSUs (the “Make-Whole RSUs”). The Make Whole RSUs will be granted on the first business day following the date the Vested Options terminate and the Cash Make-Whole Award will be paid as soon as practicable following the date the Vested Options terminate, and in each case no event later than December 31, 2023, provided that you have (i) used reasonable best efforts to obtain your Prior Employer’s consent to your exercise of such Vested Options or extension of the post-termination exercise period, and (ii) provided us with reasonably satisfactory information about the number of Vested Options forfeited, why the Vested Options cannot be exercised and the date the Vested Options terminate.

The Cash Make-Whole Award is subject to applicable tax an other withholding and must be repaid to the Company if: (i) you resign on or before the one-year anniversary of its payment; and/or (ii) you are found, in the Company's sole discretion, to have engaged in conduct that would give rise to a termination by us for "Cause" (as defined below).

The Make-Whole RSUs will vest 100% on the first anniversary of the date of grant, subject to your continued employment on such date, provided, however, that in the event your employment terminates due to death or “Disability” (as defined in our 2023 Long-Term Incentive Plan), or you are are terminated by us without “Cause” (as defined below), in each case, prior to the first anniversary of the date of grant, your Make-Whole RSUs will vest in full as of the date of your termination of employment.

For the avoidance of doubt, in the event that your Vested Options may, for any reason, be exercised prior to their expiration, you will not be entitled to the grant of the Make-Whole Award or any other payment or benefit with respect to such Vested Options.

Cash Sign-on Payment:

In consideration of some of the compensation from your Prior Employer that is forfeited in connection with your commencement of employment with us, we will provide you with a special cash payment of $350,000 (US Dollars) to be paid within 30 days from your employment start date. As with your annual salary and other payments, this amount is subject to applicable tax and other withholding. This special cash payment must be repaid to the Company if: (i) you resign on or before the one-year anniversary of its payment; and/or (ii) you are found, in the Company’s sole discretion, to have engaged in conduct that would give rise to a termination by us for “Cause” (as defined below).

A termination by us for “Cause” means your: (1) breach of the Employee Invention and Proprietary Information Agreement (“EIPIA”) or any other confidentiality, non-solicitation, or non-competition agreement, or breach of a material term of any other agreement between you and the Company or its affiliate; (2) engagement in conduct that results in, or has the potential to cause material harm financially, reputationally, or otherwise to the Company or its affiliate; (3) commission of an act of dishonesty, fraud, embezzlement or theft; (4) conviction of, or plea of guilty or no contest to a felony or crime involving moral turpitude; (5) failure to comply with the Company’s or affiliate’s policies and procedures, including but not limited to The Spirit and the Letter, its code of conduct; or (6) sustained poor performance of any material aspect of your duties or obligations, including refusal to follow lawful instructions from the CEO, which is not substantially cured to the CEO’s satisfaction within 30 days after written notice of such failure or poor performance has been given to you.

Restrictive Covenants. As a condition of your employment, you agree to sign and abide by the Company’s Protective Covenants Agreement, which is enclosed for your review and signature.

Confidentiality. You acknowledge that during your employment you will have access to confidential and/or proprietary information (including trade secrets) concerning the business, operations, processes and affairs of GE HealthCare, and its suppliers, customers, agents and employees which is commercially sensitive and which, if disclosed, may cause significant damage to GE HealthCare (“Confidential Information”).

You agree that you will not directly or indirectly (except as authorized or required in the proper course of your duties or as required by law), either during your employment or at any time after its termination (howsoever arising), use or disclose to any person, company or other organization (and shall use your best endeavors to prevent the unauthorized publication or disclosure of) any Confidential Information or any information in respect of which the Company owes an obligation of confidentiality to a third party which may come to your knowledge during your employment or otherwise. This restriction will not apply to information that is already in, or comes into, the public domain other than through your unauthorized disclosure. You further agree you will sign, as a condition of your employment, the Company’s Employee Innovation and Proprietary Information Agreement as part of the onboarding process. Nothing herein will limit or restrict you from exercising any legally protected whistleblower rights.

Please note, this offer is contingent upon your agreement to the conditions of employment described in the Company's “Acknowledgement of Conditions of Employment”. Your acknowledgment of this document and other required documentation will be collected electronically through the GE HealthCare Hire onboarding tool. More information on how to access this tool will be provided shortly. Nothing in this letter is a guarantee of employment for any fixed period or changes your at-will employment status with the Company or its affiliate.

Jay, I am incredibly excited about the prospect of your joining our team.

If you have any questions, please contact me at **[***]**

Sincerely,

Betty Larson
Chief People Officer
GE HealthCare

cc: Peter Arduini

Please signify your acceptance of this offer letter:

/s/ James K. Saccaro___________ 5/4/23___________________________

Signature Date

*The number of PSUs and RSUs granted pursuant to this offer letter will be determined using the closing stock price for GE HealthCare on the date of the relevant grant; options granted under this offer letter will be determined using the same price and the Black Scholes model.

Exhibit 31.1

Certification Pursuant to
Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as Amended

I, Peter J. Arduini, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GE HealthCare Technologies Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 25, 2023

/s/ Peter J. Arduini

Peter J. Arduini
President & Chief Executive Officer

**Certification Pursuant to
Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as Amended**

I, James K. Saccaro, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GE HealthCare Technologies Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 25, 2023

/s/ James K. Saccaro

James K. Saccaro
Vice President & Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
18 U.S.C. Section 1350

In connection with the Quarterly Report of GE HealthCare Technologies Inc. (the “registrant”) on Form 10-Q for the period ended June 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “report”), we, Peter J. Arduini and James K. Saccaro, President & Chief Executive Officer and Vice President & Chief Financial Officer, respectively, of the registrant, certify, pursuant to 18 U.S.C. § 1350, that to our knowledge:

(1) The report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

July 25, 2023

/s/ Peter J. Arduini
Peter J. Arduini
President & Chief Executive Officer

/s/ James K. Saccaro
James K. Saccaro
Vice President & Chief Financial Officer