



## **First Quarter 2026 – Earnings Conference Call Prepared Remarks**

**Chase Mulvehill** *Baker Hughes – VP of Investor Relations*

Thank you.

Good morning, everyone, and welcome to the Baker Hughes' First-Quarter Earnings Conference Call. Here with me are our Chairman and CEO, Lorenzo Simonelli, and our CFO, Ahmed Moghal. The earnings release we issued yesterday evening can be found on our website at [bakerhughes.com](http://bakerhughes.com). We will also be using a presentation with our prepared remarks during this webcast, which can be found on our investor website.

As a reminder, we will provide forward-looking statements during this conference call. These statements are not guarantees of future performance and involve a number of risks and assumptions. Please review our SEC filings and website for the factors that could cause actual results to differ materially.

Reconciliations of Adjusted EBITDA and certain GAAP to non-GAAP measures can be found in our earnings release and presentation available on our investor website.

With that, I will turn the call over to Lorenzo.

**Lorenzo Simonelli** *Baker Hughes – Chairman & CEO*

Thank you, Chase. Good morning, everyone, and thanks for joining us.

First, I would like to provide a quick outline for today's call.

I will begin with a summary of our first-quarter results and recent portfolio actions, then highlight key awards and address the evolving macro environment, including the ongoing situation in the Middle East.

I will then turn it over to Ahmed, who will present an overview of our financial results as well as provide guidance for the second quarter and review our outlook for the full year. He will also share an update on the progress with Chart integration planning and discuss recent actions to further optimize our portfolio.

To conclude, I will highlight the progress we continue to make in positioning Baker Hughes as a leading provider of industrialized energy solutions, and then we will open the line for questions.

Let us turn to **slide 4**.

Slide 4.

1Q 2026 RESULTS

## Highlights

### Strong quarterly results

Adjusted EBITDA<sup>1</sup> of \$1.16 billion, exceeding the guidance range as we effectively managed Middle East disruptions

### Record IET orders

Power Systems and LNG drove record IET bookings of \$4.9 billion; third consecutive quarter above \$4 billion

### Continued margin expansion

Adjusted EBITDA margin<sup>1</sup> expanded 140 bps YoY to 17.6%, driven by significant IET margin increase

### Disciplined portfolio management

Announced divestiture of Waygate Technologies, taking 2026 expected gross proceeds to ~\$3 billion<sup>2</sup> from combined transactions

1. Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures – see appendix for GAAP to non-GAAP reconciliations. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue.

2. Includes -\$1.6B from the divestiture of Waygate Technologies announced in April and the HMI IPO completed in April, \$115B from the divestiture of Precision Sensors and Instrumentation closed on Jan. 1, 2026, and \$345M from Surface Pressure Control joint venture closed on Jan. 1, 2026.

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Against the backdrop of ongoing conflict in the Middle East, our top priority remains the safety and well-being of our employees and their families. We remain in close contact with our team and continue to monitor the situation closely – and I am proud of our team’s resilience.

Despite a complex operating environment, we delivered another strong quarter of financial results, reflecting the strength of our portfolio and disciplined execution, which more than offset the significant impact of regional disruptions.

For the first quarter, adjusted EBITDA totaled \$1.16 billion, exceeding our guidance range as we continue to deepen our exposure into adjacent end markets and drive structural operational efficiency.

Adjusted earnings per share were 58 cents, 13% above the same quarter last year, even as results were impacted from the Middle East conflict, the PSI<sup>1</sup> divestiture, and the formation of the SPC<sup>2</sup> joint venture.

Adjusted EBITDA margin rose 140 basis points year-over-year to 17.6%, driven by strong IET<sup>3</sup> performance, partially offset by lower OFSE<sup>4</sup> margin.

Turning to orders, IET delivered another outstanding quarter, with bookings reaching a record of \$4.9 billion – marking the third consecutive quarter above \$4 billion. This performance reflects ongoing strength across energy infrastructure, highlighted by \$1.4 billion in Power Systems orders and further progress in LNG, gas infrastructure and CCS<sup>5</sup>.

IET also reported a book-to-bill of 1.5x for the quarter, resulting in a record RPO<sup>6</sup> of \$33.1 billion. This marks the fifth consecutive quarter that IET has achieved this milestone. Excluding transactions<sup>7</sup>, RPO rose by 3% on a sequential basis and increased 10% compared to the prior year.

<sup>1</sup> Precision Sensors & Instrumentation.

<sup>2</sup> Surface Pressure Control.

<sup>3</sup> Industrial & Energy Technology.

<sup>4</sup> Oilfield Services & Equipment.

<sup>5</sup> Carbon Capture & Storage.

<sup>6</sup> Remaining performance obligation.

<sup>7</sup> Excludes PSI from the sequential comparison; excludes both PSI and Continental Disc Corporation from the year-over-year comparison.

These results underscore the diversity and versatility of the IET portfolio, supporting sustained growth across energy infrastructure markets as the importance of energy security continues to rise.

During the first quarter, we generated free cash flow of \$210 million.

Our first-quarter performance demonstrates the durability and robustness of our portfolio, the positive trajectory aided by our Business System, and the strong momentum in IET. We are confident that our versatile portfolio and track record of operational excellence position us for sustained growth during Horizon 2<sup>8</sup> as we continue to navigate a volatile environment.

Earlier this month, we announced the divestiture of Waygate Technologies as part of our ongoing portfolio management strategy and comprehensive evaluation to identify further opportunities for enhancing shareholder value. Combined with the sale of PSI to Crane and the joint venture with Cactus, which both closed early in January, we expect to generate gross proceeds of approximately \$3 billion in 2026, further strengthening our balance sheet.

Now turning to key awards on **slide 5**.

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<sup>8</sup> Horizon 2 represents 2026-2028.

Slide 5.

KEY AWARDS & TECHNOLOGY DEVELOPMENTS

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## Diversified portfolio driving broad-based order momentum



Power Systems

- **Converted ~1GW** slot reservation agreement into an integrated power order
- **25 generators** to Boom Supersonic, supporting advanced AI data center
- **4 synchronous condenser** systems, enhancing grid stability in Australia
- Google Cloud collaboration to develop **AI-enabled power optimization solution** for data centers



Gas Infrastructure

- **3 NovaLT™16-driven gas compression units** for a gas pipeline in Argentina
- Critical **electric motor-driven compression solution**, supporting Middle East offshore operations
- Main liquefaction and power equipment for **QatarEnergy's NFW<sup>1</sup>** two mega trains
- **5-year aftermarket services agreement** across ~19 Petrobras FPSOs



Energy Upstream

- Petrobras awards for **flexible pipe systems** and integrated P&A<sup>2</sup> solutions in Brazil's offshore fields
- Multiple **subsea production systems** contract with Turkish Petroleum for 5 Black Sea wells
- **Well construction** technology for YPF's Vaca Muerta shale development
- **Integrated drilling & completions** contract with Gulf Energy for 43 wells in Kenya's South Lokichar Basin



Digital & Enterprise Wide

- **Cordant™ Asset Health** solutions selected by multiple customers to enhance efficiency and reliability
- **Expanded Leucipa™** agreement with a large NOC
- Multiyear award from Expand Energy to deploy **Leucipa™** across thousands of U.S. gas wells
- XGS Energy collaboration to advance subsurface-to-surface engineering for **150 MW geothermal** project in New Mexico

Diverse end market exposure underpin continued orders strength

1. North Field West (NFW)  
2. Plug and Abandonment (P&A)  
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In Power Systems, we achieved another outstanding quarter, securing orders across our power generation, grid stability, and energy management capabilities.

For power generation, we converted a prior slot reservation agreement into an integrated solution award for a critical infrastructure project in North America. This contract includes NovaLT™ 16 gas turbines, BRUSH™ Power Generation electric generators, gears, and long-term aftermarket services, delivering up to 1 GW<sup>9</sup> of reliable power to support growing energy demand from data centers.

Additionally, we announced a contract to provide 25 BRUSH™ Power Generation generators to Boom Supersonic. When paired with Boom's gas turbines, this is expected to deliver a total of 1.21 GW of generator capacity for data centers.

In grid stability, we secured a contract with Hitachi Energy to design, manufacture, install, and commission four synchronous condensers. These will enhance system reliability and stability at two energy substations in Australia. By providing crucial voltage support and dynamic response, synchronous condensers help mitigate the challenges associated with intermittent power from renewable sources, ensuring a more reliable and stable grid.

In energy management, Baker Hughes received a second contract for the engineering and design of Hydrostor's advanced compressed air energy storage system in the U.S. This collaboration includes up to 1.4 GW of potential equipment orders for compressors, expanders, motors, and generators.

Further highlighting our momentum in energy management, we announced a collaboration with Google Cloud to develop AI-enabled power optimization and sustainability solutions for data center applications. This partnership is a pivotal collaboration that leverages Baker Hughes' expertise in Power Systems and Google Cloud's leadership in advanced AI and data analytics, bringing together the core capabilities of both companies to drive innovation and operational efficiency across the data center market.

In gas infrastructure, we secured two key awards this quarter. We received a significant order for an advanced electric motor-driven compression solution, supporting offshore operations in the Middle East. Additionally, Baker Hughes will deliver gas compression units – including three NovaLT™ gas turbines – for the San Matias pipeline in Argentina, marking our first NovaLT™ deployment in South America.

<sup>9</sup> Gigawatt.

In LNG, we booked equipment orders totaling \$1.2 billion this quarter across key regions. Notably, QatarEnergy LNG awarded us a significant contract for two mega trains on the North Field West project, representing 16 MTPA of capacity. Our scope includes six Frame 9 gas turbines, 12 centrifugal compressors, and integrated power solutions utilizing three Frame 6 gas turbines and three BRUSH™ Power Generation generators.

We are also seeing potential acceleration of LNG project FIDs in North America. Reflecting this momentum, we recently entered into a strategic agreement with ST LNG to provide critical gas compression and power generation solutions for their proposed 8.4 MTPA LNG export terminal offshore Texas.

Additionally, we continue to drive value through our lifecycle model, signing a five-year aftermarket services agreement with Petrobras. This contract covers maintenance, repair and engineering services for up to 64 aeroderivative gas turbines across 19 FPSOs, further strengthening our role as a trusted provider for Petrobras' critical operations.

Including our 1 GW data center order highlighted earlier, we secured \$1.4 billion in New Energy orders this quarter – a strong start to the year that reinforces our confidence in achieving our \$2.4 to \$2.6 billion target for 2026.

New Energy bookings also included a significant award to provide advanced compression and pumping technologies for QatarEnergy LNG's large-scale carbon capture facility. Our scope includes six compression trains powered by variable speed electric motors, enabling the capture and transport of 4.1 million tons of CO<sub>2</sub> annually.

In our downstream chemicals business, we signed a substantial multi-year agreement with Marathon Petroleum, establishing ourselves as the preferred supplier of hydrocarbon treatment products and services for 12 refineries and two renewable fuels facilities throughout North America. This strategic collaboration reinforces our position within the downstream market and demonstrates our commitment to delivering innovative solutions that enhance operational efficiency and support sustainable growth for our customers.

Turning to energy upstream, we secured key awards that reflect our differentiated positioning and long-term value proposition to customers across the oilfield services market.

In Brazil, we secured a major contract with Petrobras to deliver 91 kilometers of flexible pipe, risers, flowlines and comprehensive maintenance and installation services – supporting the country's pre-salt and post-salt developments. We also signed a major contract extension with Petrobras to provide integrated workover and P&A solutions for one of the world's largest offshore P&A projects.

Within SSPS<sup>10</sup>, we also received an award from Turkish Petroleum to provide subsea production systems for five wells in the Black Sea, including deepwater horizontal tree systems, manifolds, subsea distribution infrastructure, and topside control units.

In Argentina's Vaca Muerta shale, we signed a three-year contract with YPF to provide well construction technology – including Lucida™ rotary steerable and PermaFORCE drill bits – to support unconventional shale development.

We also continue to see strong momentum across integrated services, signing a contract with Gulf Energy to drill and complete 43 wells in Kenya's South Lokichar Basin, marking our first fully integrated project in Sub-Saharan Africa.

Moving to digital, we continue to advance our position across both hardware and software solutions.

In IET, we secured several contracts to deploy Cordant™ Asset Health, including an award for a large U.S. combined-cycle power plant, which further illustrates the value of our digital solutions in enhancing efficiency and reliability. Notably, Cordant's power-related orders doubled year-over-year, continuing

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<sup>10</sup> Subsea & Surface Pressure Systems.

strong momentum from 2025 when power orders rose by more than 80%. This robust growth highlights both the rapid adoption of our digital offerings within the power sector and our commitment to advancing the global transformation of power systems.

In OFSE, we expanded our Leucipa™ agreement with a large NOC for ESP surveillance and optimization and signed a new multi-year Leucipa™ contract with Expand Energy, covering gas wells across the Marcellus, Utica and Haynesville shale basins. Currently, this technology is actively deployed across approximately 75,000 wells globally, providing digital enablement that significantly differentiates our artificial lift portfolio through improved surveillance, optimization and production performance.

Lastly, underscoring the expanding commercial synergy opportunities within our enterprise capabilities, we established a strategic collaboration with XGS Energy and were awarded a contract for initial well design and engineering support for its 150 MW<sup>11</sup> geothermal project in New Mexico. Our early involvement positions us to deliver integrated subsurface and surface solutions that set us apart from our competitors.

Turning to the macro on **slide 6**.

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<sup>11</sup> Megawatt.

Slide 6.

MACRO & MARKET OUTLOOK 8

## Heightened geopolitical risk reinforcing energy security

### Macro Outlook

- Middle East conflict introduced new layer of macro uncertainty
- Developments have increased inflationary pressures
- Geopolitical risk a structural reality for oil & gas market
- Energy security increasingly prioritized

### Market Impact

- Oil & LNG balances tightening
- Heightened price volatility & risk premiums
- Continued development of lower-carbon solutions
- Increased focus on infrastructure resilience
- Higher inventory requirements

### BKR Implications

- '26 NAM & Int'l upstream spending, excluding Middle East, both relatively flat YoY
- Post conflict, expect a meaningful increase in remediation and intervention work in the Middle East
- Energy security drives stronger investment in energy infrastructure & new energy
- Increasingly confident Horizon 2<sup>1</sup> IET order target will exceed \$40 billion
- Energy security reinforcing importance of higher upstream spending longer term

1. Horizon 2 represents 2026-2028 IET order target of \$40+ billion.

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Despite an otherwise constructive global demand backdrop, the Middle East conflict has introduced a meaningful new layer of macro uncertainty. Disruptions across critical energy corridors, including the Strait of Hormuz, have tightened global oil and LNG balances, leading to sharp price increases. These developments have heightened inflationary pressures, which would present downside risks to global economic growth should the conflict persist over an extended period.

The conflict has introduced significant volatility into global oil markets, impacting over 10%<sup>12</sup> of global oil volumes. Concerns around the security of key transit routes have tightened near-term supply-demand balances, with growing risk of undersupply in 2026.

While the duration and full extent of the conflict remain uncertain, it is evident that geopolitical risk has become a structural reality for oil and gas markets. This development has significant consequences for the reliability of supply and global energy security.

To address these challenges, there is a growing need for increased upstream investment to expand global production capacity and ensure we can meet rising demand. Additionally, rebuilding global inventories above historical levels is expected to play a critical role in supporting energy security, particularly given the significant drawdown of inventories following the extended closure of the Strait of Hormuz.

The conflict has also significantly affected global LNG markets, with 20% of worldwide LNG capacity now offline, driving significant price volatility. The recent infrastructure damage in the region and the effective closure of the Strait of Hormuz have materially constrained the LNG market's ability to respond to growing demand, likely to result in a supply shortfall this year.

Consequently, we are seeing increased sensitivity to price movements in key consuming regions. In Asia, higher LNG prices have led to fuel switching from natural gas to coal, which has helped moderate additional upward pressure on LNG prices. Meanwhile in Europe, the gas injection season has begun at a slower pace against relatively low storage levels. Currently, storage levels are only 30% of capacity – 6% below last year and 13% below the seasonal average<sup>13</sup>. These dynamics underscore the ongoing challenges and highlight the importance of energy security across global markets.

<sup>12</sup> IEA Oil Market Report: 14 April 2026.

<sup>13</sup> Source: Gas Infrastructure Europe (GIE)

Turning to 2026, we now expect global upstream spending to be modestly below our prior outlook of low-single-digit declines compared to 2025, driven entirely by a significant reduction in Middle East activity. This is expected to be partially mitigated by more resilient spending across other regions, with North America and international markets outside of the Middle East now expected to be broadly flat compared to last year.

This outlook assumes a resolution of the Middle East conflict by mid-year and the full reopening of the Strait of Hormuz. That said, geopolitical conditions remain fluid, and the ultimate timing and magnitude of the recovery in the region are subject to a wide range of potential outcomes.

In the near term, we anticipate greater emphasis on optimizing production from existing wells. Once the conflict ends and the Strait of Hormuz is fully opened, we expect a measured increase in activity in the Middle East – led by a meaningful increase in remediation and intervention work as previously shut-in wells are brought back online. The pace of activity in the region will be dictated by producers' ability to restore export flows out of the region.

In light of these significant disruptions, we see two key structural trends shaping energy markets in the wake of recent geopolitical developments.

First, energy security will likely become a foundational priority for governments and industry alike, driving greater emphasis on diversifying oil and gas supply sources and increased investment in power and energy infrastructure, while also supporting continued development of lower-carbon solutions such as geothermal, nuclear, and grid modernization.

Importantly, this is not just about adding supply – it is about building a more resilient energy system that supports industrial outcomes. That means greater redundancy, more diversified infrastructure, and less reliance on single, large-scale assets. A more distributed energy system will be critical to supporting future economic growth.

This is where Baker Hughes is uniquely positioned, with differentiated capabilities across the full energy value chain – spanning from molecule to electron. By leveraging these strengths, we are able to support customers with integrated, lifecycle solutions across the full energy spectrum and adjacent industrial markets.

Against this backdrop, we are increasingly confident that our Horizon 2 IET order target will exceed \$40 billion, supported by strengthening demand across global energy infrastructure markets.

Second, regardless of the outcome of the current conflict, we expect an environment characterized by heightened geopolitical risk that is likely to result in persistent risk premiums for oil and LNG prices. This environment underscores the importance for higher upstream investment, particularly across the U.S., Latin America, and other deepwater regions.

To close, let me briefly recap.

Despite ongoing tariff-related pressures and significant Middle East disruption, we delivered strong results, with IET achieving 35% year-over-year EBITDA growth and reaching record levels in both orders and backlog. This performance reflects effective execution of the Baker Hughes Business System, supported by strong pricing and continued productivity improvements.

Looking ahead, we remain focused on the successful closing of the Chart transaction and ensuring a seamless integration process. We are making substantial progress in integration planning and remain confident in delivering our targeted cost synergies of \$325 million.

More broadly, our ongoing portfolio management actions, strategic initiatives and comprehensive business evaluation are reinforcing the durability and effectiveness of our long-term strategy. These efforts enable us to navigate an evolving market landscape with confidence and position us to capture new growth opportunities.

With that, I will now turn the call over to Ahmed.

## Ahmed Moghal Baker Hughes – CFO

Slide 8.





FINANCIAL PERFORMANCE

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### 1Q 2026 Financial Results

FINANCIALS <sup>1</sup>	1Q'26	Δ4Q'25	Δ1Q'25
Orders (\$M)	8,159	3%	26%
Revenue (\$M)	6,587	(11%)	2%
<b>Adjusted EBITDA (\$M)</b>	<b>1,158</b>	<b>(13%)</b>	12%
Adjusted EBITDA Margin	17.6%	(50)bps	140bps
<b>Adjusted Diluted EPS (\$/share)</b>	<b>0.58</b>	<b>(26%)</b>	13%
Adjusted Effective Tax Rate	23.8%	490bps	(250)bps
<b>FCF (\$M)</b>	<b>210</b>	<b>(84%)</b>	(54%)

1. Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow (FCF), Adjusted Diluted EPS and Adjusted Effective Tax Rate are non-GAAP measures – see appendix for GAAP to non-GAAP reconciliations. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue.  
2. Excluding Precision Sensors and Instrumentation and Continental Disc Corporation from the year-over-year backlog variance.  
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-  Continued orders strength leading to record backlog
-  +6% YoY revenue, excluding transactions<sup>2</sup>
-  All metrics outperformed guidance midpoint
-  >75% YoY incremental EBITDA margin

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Thanks, Lorenzo.

First, I would like to reiterate Lorenzo's comments that our foremost priority is ensuring the safety and well-being of our employees and their families in the Middle East.

I'll begin on **slide 8** by presenting an overview of our consolidated results. Next, I'll give a quick update on the pending Chart transaction and discuss progress in our portfolio management strategy. After that, I'll review our segment results and provide a brief summary of the second-quarter and the full-year guidance.

As Lorenzo mentioned, we once again delivered strong orders in the first quarter, with total company orders of \$8.2 billion, including \$4.9 billion from IET.

Adjusted EBITDA of \$1.16 billion increased 12% year-over-year, driven by robust IET growth, partially offset by the impact of the Middle East disruptions on our OFSE business.

Adjusted EBITDA margins increased by 140 basis points year-over-year to 17.6%.

GAAP diluted earnings per share were 93 cents. Excluding 35 cents of adjusting items in the quarter, diluted earnings per share were 58 cents, up 13% year-over-year.

During the quarter, we generated free cash flow of \$210 million. The first quarter is generally the weakest period for free cash flow due to seasonal factors, but this period was further affected by some delays in customer payments.

Moving on to capital allocation on **slide 9**.

Slide 9.

CAPITAL ALLOCATION FRAMEWORK

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## Capital allocation framework

PRIORITY	Balance Sheet	Technology Investment	Dividends	Buybacks	Portfolio Management
<b>1Q'26 STATUS</b>	<b>0.3x</b> Net Debt / LTM Adjusted EBITDA <sup>1</sup>	<b>2% sales</b> R&D Investment <sup>2</sup>	<b>\$228M</b> Dividends <sup>3</sup>	<b>\$-</b> Share repurchases	<b>\$1.5B</b> Gross proceeds from transactions <sup>4</sup> closed in the quarter
<b>2026 ACTIONS</b>	Focus on balance sheet strength  Completed financing of Chart transaction, issuing \$6.5B U.S. bonds & €3B Euro bonds	Continue organic technology investment	Maintain dividend	Continue de-leveraging prioritization ahead of Chart closing	Closed the SPC joint venture & PSI divestiture  Announced Waygate Technologies divestiture HMH IPO generated cash proceeds
<b>DE-LEVERAGING PHASE TARGETS</b>	<b>1.0x – 1.5x</b> Within 24 months post Chart close	<b>2% sales</b> Continued R&D Investment across combined portfolio	<b>\$0.23 p/s</b> Committed to growing the dividend over time	<b>Flexible</b> Focused on building cash balances	<b>~\$1.6B</b> Expected incremental proceeds from divestments <sup>5</sup>

1. Net Debt / LTM Adjusted EBITDA are non-GAAP measures – see appendix for GAAP to non-GAAP reconciliations.

2. R&D investment is net of external funding.

3. An increase of our quarterly dividend, from \$0.21 to \$0.23, was announced on Jan. 30, 2025.

4. Includes \$115B from the divestiture of Precision Sensors and Instrumentation closed on Jan. 1, 2026, and \$345M from Surface Pressure Control joint venture closed on Jan. 1, 2026.

5. The expected incremental proceeds include Waygate Technologies and HMH proceeds but exclude proceeds from the formation of Surface Pressure Control joint venture and the divestiture of Precision Sensors and Instrumentation, both closed on Jan. 1, 2026.

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The Company's balance sheet remains strong, with our net debt-to-Adjusted EBITDA ratio declining to 0.3x.

Following the successful debt offering in March, our cash position increased to \$14.8 billion, while liquidity increased to \$17.8 billion. The long-term debt issuance in March raised \$6.5 billion in U.S. bonds and €3 billion in European bonds, marking our inaugural bond offering in Europe.

The proceeds from this offering will be allocated toward closing the Chart acquisition.

Our target remains to reduce our Net Debt to Adjusted EBITDA ratio to between 1x and 1.5x within 24 months after the Chart transaction closes. We plan to achieve this through free cash flow generation and proceeds from our ongoing portfolio management actions.

At the start of the quarter, we completed the previously announced SPC and PSI transactions. In addition, we anticipate generating gross proceeds of \$1.6 billion from the IPO of HMH and the recently announced sale of Waygate Technologies to Hexagon. As a result, we expect to achieve our \$1 billion incremental divestment target ahead of schedule, underscoring our commitment to disciplined capital management and maintaining our strong balance sheet.

With respect to Chart, we remain focused on closing the transaction and executing a seamless integration. With regulatory reviews still underway in certain jurisdictions, we currently expect closing in the second quarter, understanding that the timing may evolve as those processes progress.

We believe this combination will significantly enhance the value we deliver to customers, broaden our industrial portfolio, and enable us to expand into adjacent markets.

On integration, our Integration Management Office – led by Jim Apostolides – continues to make significant progress. The team is organized into 17 operational workstreams, each focused on ensuring a smooth transition. To date, we have identified more than 250 synergy opportunities and remain confident in achieving the full \$325 million of targeted cost synergies.

As we have progressed through integration planning, our work has further reinforced both the strategic and industrial rationale of this acquisition, while highlighting strong cultural alignment between the two organizations.

Let's now turn to segment results, starting with IET on **slide 10**.

Slide 10

INDUSTRIAL & ENERGY TECHNOLOGY (IET) SEGMENT RESULTS

## IET: Strong operational execution drives record orders and EBITDA margin

Financials <sup>1</sup>	1Q'26	Δ4Q'25	Δ1Q'25
Orders (\$M)	4,887	21%	54%
Revenue (\$M)	3,350	(12)%	14%
<b>EBITDA (\$M)</b>	<b>678</b>	<b>(11)%</b>	35%
EBITDA Margin	20.2%	30bps	310bps

### Record IET orders

Continued strong momentum across Power Systems and gas infrastructure

### Robust EBITDA improvement

35% YoY growth led by strength in Gas Tech Equipment and Climate Tech Solutions

### Strong revenue growth

Mid-teens YoY growth led by strong Gas Tech Services performance, supported by continued execution of aeroderivative backlog

### Significant EBITDA margin expansion

Cordant and Gas Tech Equipment drove robust YoY segment margin expansion, supported by strong backlog pricing and disciplined execution

<sup>1</sup> EBITDA Margin is defined as EBITDA divided by revenue.  
<sup>2</sup> RPO = Remaining Performance Obligations.

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## 1Q'26 IET HIGHLIGHTS

# Revenue & EBITDA

Above guidance midpoint

# 1.5x

Book-to-bill

# \$33.1B

Record RPO<sup>2</sup>

# +34% YoY

GTS revenue

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During the quarter, we booked record IET orders of \$4.9 billion, driven by continued strength in Power Systems, LNG and gas infrastructure. Over the last four quarters, IET orders totaled \$16.6 billion, which is up 25% versus the prior four quarters.

Our first-quarter results reflect outstanding performance in IET, with revenue of \$3.35 billion, at the high end of our guidance range and increasing 14% year-over-year. Compared to last year, revenue was impacted by the PSI and CDC<sup>14</sup> transactions, which together represented a headwind of 3% to aggregate revenue. Growth was led by strong performance in Gas Tech Services, as we continued to work down the overdue aeroderivative backlog. We expect these benefits to carry into the second quarter, with a more normalized environment anticipated in the latter half of the year.

During the quarter, IET revenue was slightly impacted by shipping delays associated with Middle East disruptions across key trading routes.

IET EBITDA for the quarter increased 35% year-over-year to \$678 million. Margins expanded by 310 basis points to 20.2%. This strong margin performance was driven by favorable backlog pricing, elevated project close-out and productivity, and ongoing execution of the Baker Hughes Business System, further reinforcing our operating discipline.

Turning to OFSE on **slide 11**.

<sup>14</sup> Continental Disc Corporation.

Slide 11.

OILFIELD SERVICES & EQUIPMENT (OFSE) SEGMENT RESULTS

## OFSE: Strong execution drives margin resilience

Financials <sup>1</sup>	1Q'26	Δ4Q'25	Δ1Q'25
Orders (\$M)	3,272	(15)%	~%
Revenue (\$M)	3,237	(9)%	(7)%
<b>EBITDA (\$M)</b>	<b>565</b>	<b>(13)%</b>	<b>(9)%</b>
EBITDA Margin	17.4%	(70)bps	(40)bps

### Normal International seasonality

Excluding Middle East, OFS Int'l revenue declined mid-single digits, as Mexico & Argentina strength offset declines elsewhere

### Moderate NAM decline

Sequential OFS NAM revenue decline driven by lower NAM land activity, partially offset by growth in offshore

### Resilient SSPS performance

Excluding SPC, SSPS revenue was flat QoQ as subsea services seasonal declines offset growth in flexible pipe systems

### Durable EBITDA margin

More resilient sequential margin performance despite seasonality and Middle East disruptions, supported by favorable offshore product mix and FX

<sup>1</sup> EBITDA margin is defined as EBITDA divided by revenue.  
<sup>2</sup> Subsea and Surface Pressure Systems (SSPS).  
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## 1Q'26 OFSE HIGHLIGHTS

### Revenue & EBITDA

Above guidance midpoint

### 1.1x

SSPS<sup>2</sup> book-to-bill

### +90bps YoY

SSPS EBITDA margin

### Middle East impact

~2% of 4Q'25 OFSE revenue

**Baker Hughes**   
 Rewriting The Energy Equation

OFSE delivered another solid quarter, demonstrating resilience despite persistent macroeconomic headwinds and the ongoing challenges in the Middle East.

Revenue for the quarter was \$3.24 billion, reflecting a 9% sequential decline while remaining slightly above the midpoint of our guidance range. SPC was excluded from the consolidated results after the formation of a joint venture with Cactus in early January, contributing 4% to OFSE's sequential revenue decline.

Relative to our expectations, strong performance in Mexico, Sub-Saharan Africa and the Gulf of America more than offset the disruptions experienced in the Middle East during March, which impacted OFSE revenue by approximately 2% when compared to the fourth quarter of 2025.

OFSE reported EBITDA of \$565 million, exceeding the midpoint of our guidance range. EBITDA margin declined 70 basis points sequentially to 17.4%. This decline was attributed to the SPC transaction, seasonality and the impact of Middle East disruptions, partially offset by an improvement in North America OFS margins. The quarter was positively impacted by foreign exchange and more favorable mix of direct sales across offshore markets, which generally yield higher margins.

In addition, SSPS posted continued strength in orders totaling \$650 million, up 22% year-over-year. This is a robust 82% increase when excluding the impact of SPC.

Slide 12.

GUIDANCE FRAMEWORK

12

## 2Q'26 and FY'26 Guidance

Guidance Assumptions		2Q'26 Guidance				FY'26 Guidance				
KEY ASSUMPTIONS		BKR	Low Range	Midpoint	High Range	BKR	Low Range	Midpoint	High Range	
<ul style="list-style-type: none"> <li>Middle East disruptions continue through the end of June, without further escalation</li> <li>Conflict resolved at the end of 2Q, with <b>Strait of Hormuz</b> fully operational during all 2H'26</li> <li>No significant <b>secondary impacts</b></li> </ul>		REVENUE (\$M)	6,250	6,500	6,750	REVENUE (\$M)	26,200	27,250	28,300	
<p><b>OFSE</b></p> <ul style="list-style-type: none"> <li>Middle East <b>revenue in April</b> similar to March levels, holding April levels through 2Q</li> <li><b>Measured 2H'26 recovery</b> in the Middle East</li> <li>Middle East <b>margin impacted</b> by higher costs and lower absorption</li> </ul>		ADJUSTED EBITDA <sup>1</sup> (\$M)	1,040	1,130	1,220	ADJUSTED EBITDA <sup>1</sup> (\$M)	4,550	4,850	5,150	
<p><b>IET</b></p> <ul style="list-style-type: none"> <li>Potential <b>minor delays to planned LNG maintenance</b> in GTS</li> <li><b>No significant delays for GTE project execution</b> for Middle East backlog</li> <li>Modest impacts related to <b>logistics, inflation and supply chain</b></li> </ul>		<b>OFSE</b>			<b>OFSE</b>			<b>OFSE</b>		
		REVENUE (\$M)	3,050	3,200	3,350	REVENUE (\$M)	13,200	13,750	14,300	
		EBITDA (\$M)	490	540	590	EBITDA (\$M)	2,325	2,475	2,625	
		<b>IET</b>			<b>IET</b>			<b>IET</b>		
		REVENUE (\$M)	3,200	3,300	3,400	ORDERS (\$M)	13,500	14,500	15,500	
		EBITDA (\$M)	630	670	710	REVENUE (\$M)	13,000	13,500	14,000	
		<b>OTHER</b>			<b>OTHER</b>			<b>OTHER</b>		
		CORPORATE COSTS (\$M)	Approx. 80		CORPORATE COSTS (\$M)	Approx. 325		D&A (\$M)		
		D&A (\$M)	Approx. 340		D&A (\$M)	Approx. 1,350		FCF Conversion <sup>2</sup> (%)		
					FCF Conversion <sup>2</sup> (%)	Approach 50%		Adjusted Effective Tax Rate <sup>3</sup> (%)		
					Adjusted Effective Tax Rate <sup>3</sup> (%)	22% - 26%				

Full-year guidance range unchanged; company revenue & Adjusted EBITDA slightly below midpoint

1. Adjusted EBITDA, Free Cash Flow (FCF) and Adjusted Effective Tax Rate are non-GAAP measures – see appendix for GAAP to non-GAAP reconciliations. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from Adjusted EBITDA. We therefore do not present a guidance range or reconciliation to the nearest GAAP financial measure.  
2. FCF Conversion is defined as FCF divided by Adjusted EBITDA and excludes interest expense and other cash costs associated with the closing of the pending Chart acquisition.  
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Turning to **slide 12**, I will provide our outlook for the second quarter and then comment on our full-year 2026 guidance. For clarity, I will speak to the midpoint of the guidance ranges.

For the purposes of this guidance, it is assumed that the situation in the Middle East will continue through the end of June without further escalation. The full reopening of the Strait of Hormuz is anticipated thereafter, followed by a measured increase in Middle East activity levels during the second half of the year. This guidance does not account for any potentially significant secondary impacts, such as elevated inflationary pressures or broader supply chain disruptions, that could arise from the ongoing situation.

Starting with second-quarter guidance, we anticipate company revenue of \$6.5 billion and Adjusted EBITDA of \$1.13 billion.

For IET, we expect results to demonstrate another quarter of robust year-over-year EBITDA growth, led by Gas Technology and CTS<sup>15</sup>. The impact on IET from Middle East-related disruptions is expected to be modest in the second quarter. Overall, we forecast IET EBITDA to reach \$670 million.

The major factors driving our guidance ranges for IET will be the pace of backlog conversion in GTE<sup>16</sup>, the progress with aeroderivative repairs in GTS<sup>17</sup>, the level of disruptions related to the ongoing conflict in the Middle East, foreign exchange rates and trade policy.

For OFSE, we anticipate second-quarter results will be impacted by events in the Middle East and a return to a more typical mix of direct sales. While a normal seasonal recovery is anticipated for regions outside the Middle East, we expect this to be offset by significant declines in the Middle East. Consequently, EBITDA is projected to be \$540 million for the quarter, with revenues estimated at \$3.2 billion.

Outside of the Middle East conflict, factors driving our guidance ranges for OFSE include execution of our SSPS backlog, near-term activity levels, trade policy, foreign exchange rates and pricing across more transactional markets.

<sup>15</sup> Climate Technology Solutions.

<sup>16</sup> Gas Tech Equipment.

<sup>17</sup> Gas Tech Services.

Moving to our full-year guidance, we are maintaining our company's revenue and Adjusted EBITDA guidance range. Currently, we anticipate full-year results to be slightly below the midpoint of these guidance ranges, reflecting both our resilience and adaptability in navigating ongoing uncertainties. Although near-term challenges persist due to the conflict in the Middle East, we remain confident that our portfolio positions us to manage short-term disruptions effectively.

As we look ahead to full-year IET orders, we have started 2026 with strong momentum – driven by a record first quarter led by Power Systems' strong performance. Given this momentum, we believe we are well positioned to achieve at least the \$14.5 billion midpoint of our order guidance.

The growing emphasis on energy security is expected to further support demand for energy infrastructure, unlocking potential upside to IET's Horizon 2 order target.

We now anticipate achieving at least the midpoint of our full-year IET EBITDA guidance of \$2.7 billion. Developments in the Middle East may result in minor delays to planned LNG maintenance in GTS. However, we expect these impacts to be more than offset by the first-quarter outperformance and revenue conversion from higher backlog levels.

In OFSE, ongoing tensions in the Middle East have introduced considerable uncertainty, which may impact our ability to achieve the midpoint of our original full-year guidance range. However, should the conflict conclude by the end of June without significant escalation and provided the Strait of Hormuz is fully operational during the second half of the year, we anticipate being able to achieve the low end of our EBITDA guidance range of \$2.325 billion.

We will continue to monitor the situation closely and will provide any significant updates if and when appropriate.

In summary, we delivered another quarter of outstanding operational performance, even with ongoing challenges in the Middle East. IET once again delivered very strong results, while OFSE demonstrated continued resilience against a difficult backdrop, highlighting the durability of the portfolio. This success is a testament to the strength of the Baker Hughes Business System, which continues to drive enhanced execution, productivity and profitability across the organization.

We also continue to advance our portfolio management strategy, with the announcement of the Waygate Technologies divestiture marking another important milestone.

Collectively, these efforts reinforce our focus on delivering sustained, long-term value for our shareholders.

With that, I'll turn the call back to Lorenzo.

Lorenzo Simonelli Baker Hughes – Chairman & CEO

Slide 14.

STRATEGIC POSITIONING 14

## Executing our strategy to transform Baker Hughes

**CONNECTING ENERGY SOURCES  
WITH INDUSTRIAL OUTCOMES**

**UNIQUELY POSITIONED AT THE INTERSECTION  
OF ENERGY AND INDUSTRIAL MARKETS**

- **Transforming** into a leading industrialized energy solutions company
- **Delivering** differentiated solutions across upstream, energy infrastructure, and industrial end markets
- **Enhancing** capabilities across the full energy value chain, spanning from molecule to electron
- **Expanding** comprehensive lifecycle and advanced digital solutions for industrialized energy applications

Positioning Baker Hughes as a leading industrialized energy solutions company

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Thank you, Ahmed.

For those following along, please turn to **slide 14**.

Following yet another strong quarter, it is clear that we are gaining real momentum in executing our strategy to transform Baker Hughes.

Across our three time horizons, our strategy is designed to evolve Baker Hughes into a leading industrialized energy solutions company – one that is uniquely positioned at the intersection of energy and industrial markets.

Fundamental to this transformation is our ability to operate across the full energy value chain – spanning from molecule to electron.

In energy upstream, we continue to provide our customers with critical technologies and services that enable efficient and reliable hydrocarbon production.

As those molecules move through the system, our energy infrastructure capabilities enable their transportation, processing and subsequent conversion into usable energy.

Through the versatility of our IET portfolio, enhanced by the planned acquisition of Chart, we are expanding our reach into industrial markets that directly rely on the energy produced across the value chain – broadening our capabilities at the intersection of energy systems, industrial demand and global innovation.

What differentiates Baker Hughes is not just our participation across these markets but our ability to connect them. Our portfolio enables us to integrate solutions across the energy value chain – linking subsurface, surface and end-use capabilities in a way that is uniquely differentiated.

This is especially important as the lines between energy and industrial markets increasingly converge, unlocking new opportunities for integrated solutions, higher-value offerings, and more durable, recurring revenue streams.

Reliability, scalability and predictability are critical to industrialized energy solutions, and this is precisely where Baker Hughes is positioned to lead.

Across our broad and versatile portfolio, we deliver mission-critical technologies, comprehensive lifecycle solutions, and advanced digital capabilities for industrialized energy applications.

Importantly, our ongoing portfolio actions continue to positively reinforce our path ahead.

We continue to execute deliberate and strategic steps to advance our transformation as we build a company capable of industrializing energy solutions.

Our strategy, unmatched portfolio and distinct capabilities position Baker Hughes to deliver sustainable growth, continued margin expansion, and create long-term value for our shareholders and customers as we continue our journey in Horizon 2.

In closing, I would like to thank all Baker Hughes employees for delivering another strong quarter. I especially want to recognize the resilience and focus of our colleagues in the Middle East, who continue to support one another and our customers in a challenging environment. We continue to prioritize the safety of our people and their families.

With that, I will turn the call back over to Chase.

**Chase Mulvehill** *Baker Hughes – VP of Investor Relations*

Operator, we can now open the call for questions.