

Registration number: 00607012

# GE Infrastructure UK Limited

## Annual Report and Financial Statements

for the Year Ended 31 December 2016

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# GE Infrastructure UK Limited

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# GE Infrastructure UK Limited

## Directors' Report

*The directors present their report and the financial statements for the year ended 31 December 2016.*

### **Principal activities**

The company has two principal activities. It provides computer technology, data management and related services through its London data centre to other GE businesses. The company also operates as an investment holding company.

### **Results and dividends**

The profit for the year, after taxation, amounted to £66,060,000 (2015: loss £190,000).

On 23 March 2016, the company transferred 74,700 ordinary shares of EUR 1 each in its subsidiary undertaking, GE Italia Holding SpA, equivalent to the amount of £1,566,100 to its immediate parent undertaking International General Electric (U.S.A.), by way of a dividend in specie.

On the same date, the company paid a cash interim dividend of £331,000,000 (2015: £nil) to International General Electric (U.S.A.), its immediate parent undertaking.

On 29 November 2016, the company transferred 830 ordinary shares of EUR 454 each in its subsidiary undertaking, GE Energy Europe B.V., to its immediate parent undertaking International General Electric (U.S.A.), by way of a dividend in specie.

On the same date, the company transferred 296 ordinary shares of EUR 454 each in its subsidiary undertaking, GE Energy Europe B.V., to its immediate parent undertaking IGE USA Holdings by way of a dividend in specie.

The directors do not recommend the payment of a final dividend (2015: £nil).

### **Directors of the company**

The directors who held office during the year and up to the date of the directors' report were as follows:

Z J Citron (resigned 21 April 2017)

S J Dwyer (resigned 3 May 2017)

G M Wheeler (resigned 27 June 2017)

A T P Budge

R C Evans (resigned 9 December 2016)

A P Mathur

W J Brownhill (appointed 13 January 2017)

P J Higgins (appointed 13 January 2017)

# GE Infrastructure UK Limited

## Directors' Report (continued)

### Post balance sheet events

On 25 April 2017, the company distributed 916 ordinary shares with a nominal value of EUR 454 each to the shareholders of the company, IGE USA Holdings and International General Electric (USA) pro rata to their shareholdings in the company by way of a distribution in specie.

On 19 May 2017, the company sold its entire shareholding of 105,300 shares in GE Italia Holding Spa to GE Energy Europe BV for cash.

On 28 June 2017, the company signed a termination agreement for server leases with its third party which resulted in a cash payment by the company to the lessor.

### Directors' liabilities

One or more of the directors have benefited from qualifying third party indemnity provisions in place during the financial year and subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.


### Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 18 September 2017 and signed on its behalf by:



A T P Budge  
Director

# GE Infrastructure UK Limited

## Strategic Report

The directors present their strategic report for the year ended 31 December 2016.

### Business review

The results for the company show a pre tax profit of £67,470,000 (2015: £1,426,000) for the year.

The company has net assets of £1,271,362,000 (2015: £1,667,281,000), of which £937,305,000 (2015: £530,919,000) is due from fellow GE group companies.

On 30 March 2016, the company's immediate parent undertaking, International General Electric (U.S.A.), transferred 319,350,196 ordinary shares of £1 each in the company to IGE USA Holdings.

On 29 September 2016, IGE USA Holdings transferred 27,238,179 ordinary shares of £1 each in the company to International General Electric (U.S.A.).

On 24 November 2016, the company transferred its entire shareholding in its subsidiary undertaking, GE Infrastructure Aviation (comprising 1,396,952,368 shares of US\$1 each) to GE Industrial Consolidation Limited, for a total cash consideration of £838,720,103.

On 12 December 2016, the company reduced its fully paid up share capital from £1,216,099,563 (comprising 1,216,099,563 ordinary shares of £1 each) to £12,160,995.63 (comprising 1,216,099,563 ordinary shares of £0.01 each), creating distributable reserves of £1,203,939,000.

On 14 December 2016, the company cancelled 113,447,435 ordinary shares of £0.01 each and paid £125,000,000 to IGE USA Holdings as a return of capital.

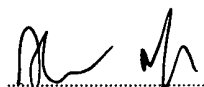
### Principal risks and uncertainties

The principal risk of the company is the carrying value of its investments. The performance of the underlying subsidiaries is periodically reviewed in order to mitigate this risk.

### Other key performance indicators

The company has not identified any key performance indicators.

Approved by the Board on 18 September 2017 and signed on its behalf by:



ATP Budge  
Director

# GE Infrastructure UK Limited

## Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

# GE Infrastructure UK Limited

## Independent Auditor's Report to the members of GE Infrastructure UK Limited

We have audited the financial statements of GE Infrastructure UK Limited for the year ended 31 December 2016, set out on pages 7 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

# GE Infrastructure UK Limited

## Independent Auditor's Report to the members of GE Infrastructure UK Limited (continued)

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Anna Barrell (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

*Chartered Accountants*

One Snowhill  
Birmingham  
United Kingdom  
B4 6GH

Date: 22-9-2012



# GE Infrastructure UK Limited

## Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
<b>Turnover</b>	4	21,905	14,710
Administrative expenses		(17,430)	(10,160)
Impairment of fixed asset investments	13	<u>(3,682)</u>	<u>(6,019)</u>
<b>Operating profit/(loss)</b>	5	793	(1,469)
Dividend received from subsidiary undertaking		15,979	598
Profit on sale of fixed asset investments		49,318	-
Interest receivable and similar income	9	1,388	2,297
Interest payable and similar expenses	10	<u>(8)</u>	<u>-</u>
<b>Profit before taxation</b>		67,470	1,426
Tax on profit	11	<u>(1,410)</u>	<u>(1,616)</u>
<b>Profit/(loss) for the year</b>		66,060	(190)
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u>66,060</u>	<u>(190)</u>

The above results were derived from continuing operations.

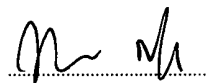
# GE Infrastructure UK Limited

Registration number: 00607012

## Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
<b>Fixed assets</b>			
Tangible assets	12	2,764	3,793
Investments	13	<u>332,442</u>	<u>1,131,505</u>
		<u>335,206</u>	<u>1,135,298</u>
<b>Current assets</b>			
Debtors	14	972,080	533,823
<b>Creditors:</b> Amounts falling due within one year	15	<u>(35,924)</u>	<u>(1,840)</u>
<b>Net current assets</b>		<u>936,156</u>	<u>531,983</u>
<b>Net assets</b>		<u>1,271,362</u>	<u>1,667,281</u>
<b>Capital and reserves</b>			
Called up share capital		11,027	1,216,100
Profit and loss account		<u>1,260,335</u>	<u>451,181</u>
<b>Shareholders' funds</b>		<u>1,271,362</u>	<u>1,667,281</u>

Approved by the Board on 18 September 2017 and signed on its behalf by:



A T P Budge

Director

# GE Infrastructure UK Limited

## Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	1,216,100	451,181	1,667,281
<b>Comprehensive income for the year</b>			
Profit for the year	-	66,060	66,060
Other comprehensive income	-	-	-
Total comprehensive income	-	66,060	66,060
Dividends	-	(336,979)	(336,979)
Reclassification of shares/distributable reserves created on reclassification of shares	(1,203,939)	1,203,939	-
Share buy-back during the year	(1,134)	(123,866)	(125,000)
At 31 December 2016	<u>11,027</u>	<u>1,260,335</u>	<u>1,271,362</u>
	<b>Called up share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 1 January 2015	1,216,100	451,371	1,667,471
<b>Comprehensive income for the year</b>			
Loss for the year	-	(190)	(190)
Other comprehensive income	-	-	-
Total comprehensive income	-	(190)	(190)
At 31 December 2015	<u>1,216,100</u>	<u>451,181</u>	<u>1,667,281</u>

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### **1 General information**

The company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

The address of its registered office is:

3rd Floor  
1 Ashley Road  
Altrincham  
Leeds  
Cheshire  
WA14 2DT

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

#### **Exemption from preparing group accounts**

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The results of the company are included in the consolidated financial statements of General Electric Company which are available from 41 Farnsworth Street, Boston, MA 02210, USA or at [www.ge.com](http://www.ge.com).

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
  - the requirements of IAS 7 Statement of Cash Flows;
  - the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
  - the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
  - the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

#### Going concern

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks. Therefore the company's directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Turnover

Turnover represents amounts receivable from other group companies for the provision of computer technology data management and related services, net of any discounts, value added tax and other sales-related taxes.

#### Investments

Investment in group undertakings are shown at cost less provision for impairment.

At each balance sheet date the company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If such indication exists, the recoverable amount of the investment is estimated based on its net asset value and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in Statement of Comprehensive Income in the period.

#### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any accumulated losses.

#### Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Asset class

Plant, fixtures, tools and equipment

#### Depreciation method and rate

3 to 15 years

#### Operating leases

Rentals paid under operating leases are charged to the profit or loss (net of any incentives received from the lessor) on a straight line basis over the period of the lease.

#### Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Full provision is made for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### Foreign currency transactions and balances

The accounts are presented in sterling which is the company's functional and presentational currency.

Transactions in foreign currencies are recorded using a monthly average operating exchange rate. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the balance sheet date. The gains or losses arising are included in the Statement of Comprehensive Income.

#### Income from shares in group undertakings

Investment income arising from dividends is recognised when dividends are appropriately authorised by subsidiary undertakings.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of the amount, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

#### Impairment of investments

The principal activity of the company is to act as a holding company for underlying subsidiaries. As a result the main risk facing the company is the underlying trade of the investments not supporting the carrying value.

Investments are subject to impairment when there are indicators, such as, the net assets of the underlying company being less than the carrying value of the investments, adverse trade conditions in the underlying investments, cessation of trade in the underlying investments, significant losses in the year in the underlying investments and impairment of fixed assets in the underlying investments in the year.

Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs of disposal and value-in-use), an impairment loss is recognised by writing down the investments to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The estimates of future cash flows exclude cash inflows or outflows attributable to financing activities and income tax. Impairment losses arising in respect of investments are not reversed once recognised.

### 4 Turnover

A geographical analysis of turnover is as follows:

	2016 £ 000	2015 £ 000
United Kingdom	9,714	3,718
Rest of European Union	1,764	2,278
USA and rest of world	10,427	8,714
	<u>21,905</u>	<u>14,710</u>

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 5 Operating profit/(loss)

Operating loss is stated after charging/(crediting)

	2016 £ 000	2015 £ 000
Depreciation of tangible fixed assets	1,123	1,236
Difference on foreign exchange	(171)	43
Operating lease expense - land and buildings	1,718	1,750
Operating lease expense - other	3,245	471
Loss on disposal of fixed assets	<u>2</u>	<u>10</u>

### 6 Directors' remuneration

No directors received any remuneration in respect of services to the company during the current or preceding financial year.

All of the directors are/were also directors of a group undertaking and do not specifically receive any remuneration in respect of the company. It was not possible to determine an appropriate proportion of their services on behalf of the company.

### 7 Auditors' remuneration

Remuneration of £23,000 (2015: £23,000) paid to the auditor for their services to the company was borne by a fellow group undertaking.

### 8 Staff numbers and costs

The company did not employ any staff during the current or preceding financial year. The company's personnel cost is recharged by other group companies and is included within administrative expenses.

### 9 Interest receivable and similar income

	2016 £ 000	2015 £ 000
Interest receivable from group companies	<u>1,388</u>	<u>2,297</u>



# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 10 Interest payable and similar expenses

	2016 £ 000	2015 £ 000
On loans from group undertakings	<u>8</u>	<u>-</u>

### 11 Taxation

Tax charged/(credited) in the profit and loss account

	2016 £ 000	2015 £ 000
<b>Current taxation</b>		
UK corporation tax	1,396	966
UK corporation tax adjustment to prior periods	<u>653</u>	<u>-</u>
	<u>2,049</u>	<u>966</u>
Foreign tax on income for the year	<u>3</u>	<u>8</u>
Total current income tax	<u>2,052</u>	<u>974</u>
<b>Deferred taxation</b>		
Origination and reversal of timing differences	(225)	420
Effect of decreased tax rate	181	222
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	<u>(598)</u>	<u>-</u>
Total deferred taxation	<u>(642)</u>	<u>642</u>
Tax expense in the income statement	<u>1,410</u>	<u>1,616</u>

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 11 Taxation (continued)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £ 000	2015 £ 000
Profit before tax	67,470	1,426
Corporation tax at standard rate	13,494	289
Adjustment to tax charge in respect of prior year	55	-
Non-taxable income	(13,058)	(121)
Expenses not deductible for tax purposes	736	1,218
Overseas tax suffered (expensed)	3	8
Deferred tax expense (credit) relating to changes in tax rates or laws	180	222
Total tax charge	1,410	1,616

### Factors that may affect future tax charges

The UK corporation tax rate will reduce from 20% to 19% on 1 April 2017. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce any current tax charges in future periods accordingly.

Deferred tax assets and liabilities on all timing differences have been calculated at 17%, including those expected to reverse in the years ending 31 December 2017 to 31 December 2020 (the overall average rate ranging from 19.25% to 17.5%). The impact of this on the financial statements is not considered material.

There are no other factors that may significantly affect future tax charges.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 11 Taxation (continued)

#### Deferred tax

Deferred tax movement during the year:

	At 1 January 2016 £ 000	Recognised in income £ 000	At 31 December 2016 £ 000
Accelerated tax depreciation	<u>2,042</u>	<u>643</u>	<u>2,685</u>

Deferred tax movement during the prior year:

	At 1 January 2015 £ 000	Recognised in income £ 000	At 31 December 2015 £ 000
Accelerated tax depreciation	<u>2,684</u>	<u>(642)</u>	<u>2,042</u>

### 12 Tangible assets

	Plant, fixtures, tools and equipment £ 000
<b>Cost</b>	
At 1 January 2016	10,964
Additions	96
Disposals	<u>(650)</u>
At 31 December 2016	<u>10,410</u>
<b>Depreciation</b>	
At 1 January 2016	7,171
Charge for the year	1,123
On disposals	<u>(648)</u>
At 31 December 2016	<u>7,646</u>
<b>Carrying amount</b>	
At 31 December 2016	<u>2,764</u>
At 31 December 2015	<u>3,793</u>

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 13 Fixed asset investments

	<b>Investments in group undertakings £ 000</b>
<b>Cost or valuation</b>	
At 1 January 2016	1,604,284
Disposals	<u>(795,381)</u>
At 31 December 2016	<u>808,903</u>
<b>Impairment</b>	
At 1 January 2016	472,779
Impairment	<u>3,682</u>
At 31 December 2016	<u>476,461</u>
<b>Net book value</b>	
At 31 December 2016	<u>332,442</u>
At 31 December 2015	<u>1,131,505</u>

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2016. This has resulted in a write-off of £3,682,000, the investment having been valued at its current value in use by reference to its future discounted identifiable cash flows where relevant.

On 23 March 2016, the company transferred 74,700 ordinary shares of EUR 1 each in its subsidiary undertaking, GE Italia Holding SpA, equivalent to the amount of £1,566,100 to International General Electric (U.S.A.), its immediate parent undertaking, by way of a dividend in specie.

On 24 November 2016, the company transferred its entire shareholding in its subsidiary undertaking, GE Infrastructure Aviation (comprising 1,396,952,368 shares of US\$1 each) to GE Industrial Consolidation Limited, for a total cash consideration of £838,720,103.

On 29 November 2016, the company transferred 830 ordinary shares of EUR 454 each in its subsidiary undertaking, GE Energy Europe B.V., to International General Electric (U.S.A.), its immediate parent undertaking, by way of a dividend in specie.

On the same date, the company transferred 296 ordinary shares of EUR 454 each in its subsidiary undertaking, GE Energy Europe B.V., to IGE USA Holdings, shareholder in the company's capital, by way of a dividend in specie.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 13 Fixed asset investments (continued)

Details of the company's subsidiaries as at 31 December 2016 are as follows:

Name of subsidiary	Registered office	Class of shares held	Proportion of ownership interest
Vetco Group Limited	The Ark 201 Talgarth Road, Hammersmith, London, W6 8BJ	Ordinary	100%
Beta Research & Development Limited	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT	Ordinary	100%
Hydril Pressure Control Business Limited	The Ark 201 Talgarth Road, Hammersmith, London, W6 8BJ	Ordinary	100%

### Associates

Details of the associates as at 31 December 2016 are as follows:

Name of associate	Registered office	Class of shares held	Proportion of ownership interest 2016
GE Italia Holding SpA	Via Felice Matteucci 2, Firenze, 50127, Italy	Ordinary	0.07%
GE Betz	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT	Ordinary	50%
GE Energy Europe B.V.	Ian McShane, GE Smallworld, Elizabeth House 1 High Street, Chesterton Cambridge, CB4 1WR	Ordinary	0.02%

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 14 Debtors

	2016 £ 000	2015 £ 000
Amounts owed by group undertakings	967,325	530,928
Prepayments and accrued income	91	188
Corporation tax asset	1,155	-
Other debtors	825	665
Deferred tax asset	2,684	2,042
	<u>972,080</u>	<u>533,823</u>

### 15 Creditors: Amounts falling due within one year

	2016 £ 000	2015 £ 000
Trade creditors	3,090	1,176
Accruals and deferred income	751	373
Amounts owed to group undertakings	30,017	8
Social security and other taxes	14	-
Corporation tax	2,052	283
	<u>35,924</u>	<u>1,840</u>

### 16 Share capital

#### Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
Ordinary shares of £1 each	<u>11,026,521</u>	<u>11,026,521</u>	<u>1,216,099,563</u>	<u>1,216,099,563</u>

On 12 December 2016, the company reduced its fully paid up share capital from £1,216,099,563 (comprising 1,216,099,563 ordinary shares of £1 each) to £12,160,995.63 (comprising 1,216,099,563 ordinary shares of £0.01 each), creating distributable reserves of £1,203,939,000.

On 14 December 2016, the company cancelled 113,447,435 ordinary shares of £0.01 each and paid £125,000,000 to IGE USA Holdings as a return of capital.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 17 Operating lease commitments

The total future value of minimum lease payments is as follows:

	2016 £ 000	2015 £ 000
Within one year	9,743	261
In two to five years	10,943	1,750
	<u>20,686</u>	<u>2,011</u>

All leases for vendor SG Equipment Finance Ltd were terminated and paid out in June 2017.

### 18 Dividends

	2016 £ 000	2015 £ 000
Dividend paid of £0.277 (2015 - £nil) per ordinary share	<u>336,979</u>	<u>-</u>

On 23 March 2016, the company transferred 74,700 ordinary shares of EUR 1 each in its subsidiary undertaking, GE Italia Holding SpA, to its immediate parent undertaking International General Electric (U.S.A.) for a total consideration of £1,566,100 payable in cash.

On the same date, the company paid a cash interim dividend of £331,000,000 (2015: £nil) to International General Electric (U.S.A.), its immediate parent undertaking.

On 29 November 2016, the company transferred 830 ordinary shares of EUR 454 each in its subsidiary undertaking, GE Energy Europe B.V., to its immediate parent undertaking International General Electric (U.S.A.), by way of a dividend in specie.

On the same date, the company transferred 296 ordinary shares of EUR 454 each in its subsidiary undertaking, GE Energy Europe B.V., to its immediate parent undertaking IGE USA Holdings by way of a dividend in specie.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### **19 Post Balance sheet event**

On 25 April 2017, the company distributed 916 ordinary shares with a nominal value of EUR 454 each to the shareholders of the company, IGE USA Holdings and International General Electric (USA) pro rata to their shareholdings in the company by way of a distribution in specie.

On 19 May 2017, the company sold its entire shareholding of 105,300 shares in GE Italia Holding Spa to GE Energy Europe BV for cash.

On 28 June 2017, the company signed a termination agreement for server leases with its third party which resulted in a cash payment by the company to the lessor.

### **20 Ultimate parent undertaking and controlling party**

The company's immediate parent is International General Electric (USA), a company registered at 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, General Electric Company, a company registered at 41 Farnsworth Street, Boston, Massachusetts, 02210, USA. The consolidated financial statements of this company are available to the public and may be obtained from the registered address or at [www.ge.com](http://www.ge.com).