

Avia Holdings Limited

Directors' Report & Financial Statements

From Date of Incorporation 21 May 2007 to 31 December 2007

Reg. No. 06253167

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**Directors Report and Financial Statements
For The Period Ended 31 December 2007
Avia Holdings Limited**

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Directors & Other Information
Avia Solutions Limited

Directors

Mr N Liu (UK)
Mr M Balmforth (UK)
Mr E Schaefer (US)

Auditor

KPMG
Chartered Accountants
1 Harbourmaster Place
IFSC
Dublin 1

Secretary

Mr M Balmforth (UK)

Solicitors

Ashurst LLP
Broadwalk House
Appold Street,
London, EC2A 2HA

Registered Office

Sixth Floor
50 Berkeley Street
London
W1J 8HA

Directors' Report
For The Period Ended 31 December 2007
Avia Holdings Limited

The directors present herewith their annual report together with the audited financial statements of Avia Holdings Limited ("the Company") for the period from incorporation 21 May 2007 to 31 December 2007

Principal activities

The principal activity of the company in the period under review was that of a holding company

Review of business and future developments

Both the level of business and the period end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future

Business risk

The Company owns 86.5% of Avia Solutions Limited therefore the business risk of Avia Holdings Limited is that the value of its investment in Avia Solutions Limited may become impaired. The ability of Avia Solutions Limited to succeed is partially dependent on the financial strength of its customers and their ability to both compete effectively in the market place and manage the competitive environment in which they operate. The principal activity of Avia Solutions Limited is that of business and management consultants in the aviation industry.

Key Performance Indicators

Profit after tax is a key indicator of performance for the Company

Results

The results for the period are set out in the Profit and Loss account on page 9

Dividends

The directors declared and paid no dividend during the period ended 31 December 2007

Directors

On incorporation on 21 May 2007, Norm Liu, Marcus Balmforth and Eric Schaefer were appointed directors of the Company. In accordance with the Articles of Association, the directors are not required to retire by rotation.

Directors Report (continued)
For The Period Ended 31 December 2007
Avia Holdings Limited

Transactions involving directors

There are no contracts or arrangements of any significance in relation to the business of the Company in which the directors had any interest as defined by the Companies Act 1985, at any time during the period ended 31 December 2007

Post balance sheet events

Details of important events affecting the Company which have taken place since the end of the financial period are given in note 15 to the financial statements

Disclosure of information to auditors

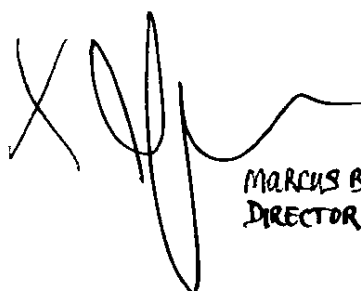
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Independent Auditor

During the period KPMG, Chartered Accountants, were appointed auditors to the Company and in accordance with Section 384 of the Companies Act, 1985, will continue in office

By order of the board

31 October 2008



MARCUS BALMFORTH
DIRECTOR

**Directors Responsibilities
For The Period Ended 31 December 2007
Avia Holdings Limited**

Statement of directors' responsibilities in respect of the directors report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The company financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the member of Avia Holdings Limited

We have audited the financial statements of Avia Holdings Limited for the period ended 31 December 2007 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's member, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards of Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent Auditor's Report to the member of Avia Holdings Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007 and of its profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements

KPMG

KPMG

Chartered Accountants

Date 31 October 2008

Statement of Accounting Policies
For the Period ended 31 December 2007
Avia Holdings Limited

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the financial statements

1. Reporting currency

The reporting and functional currency used in these financial statements is GBP

2. Basis of preparation

The financial statements are prepared on the going concern basis in accordance with UK Generally Accepted Accounting Practice and under the historic cost convention. All amounts are stated in GBP which is the principal operating currency of the Company

3. Foreign currencies

Transactions denominated in currencies other than GBP are translated into GBP at the rate applicable at the date of the transaction or at exchange rates under forward currency contracts, where such contracts exist

Asset and liabilities expressed in currencies other than GBP are translated into GBP at rates of exchange ruling at the balance sheet date or at exchange rates under forward currency contracts, where such contracts exist. Differences arising on translation are included in the operating profits for the year

4. Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

5. Interest

Interest receivable and payable are recognised as they are earned or incurred. Interest is dealt with as part of operating profit

6. Financial Assets

Financial assets are shown at cost less provisions for impairments in value. Income from financial assets, together with any relevant tax credit, is recognised in the Profit and Loss account in the year in which it is receivable

Avia Holdings Limited
Profit and Loss Account
For The Period Ended 31 December 2007

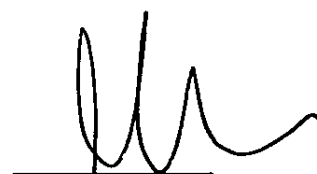
	Notes	Period Ended 31 December 2007 GBP£' 000
Income		-
Net operating expenses		-
Operating profit		-
Interest receivable and similar charges	2	41
Interest payable and similar charges	2	(21)
Profit on ordinary activities before taxation		20
Tax on profit on ordinary activities	3	(6)
Profit for the Period		14

All the results of the Company derive from continuing operations. The Company had no recognised gains or losses other than those recognised in the Profit and Loss account.

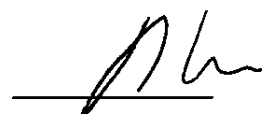
The accompanying notes form an integral part of the financial statements.

On behalf of the board:

Marcus Balmforth



Norm Liu



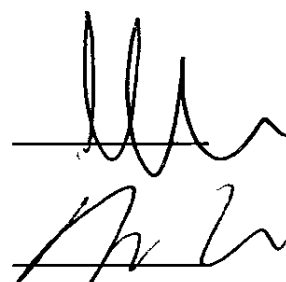
Avia Holdings Limited
Balance Sheet at 31 December 2007

	Notes	Period Ended 31 December 2007 GBP£' 000
Financial Fixed assets	4	5,689
Current assets		
Debtors	5	41
Cash at bank		-
		<u>41</u>
Creditors: Amounts falling due after one year	6	(616)
Net Current assets		<u>(575)</u>
Net Assets		<u><u>5,114</u></u>
Capital and reserves		
Called up share capital	7	-
Share Premium	8	5,100
Profit and loss account	9	14
Shareholders' funds - equity interest	10	<u><u>5,114</u></u>

The accompanying notes form an integral part of the financial statements

On behalf of the board: Marcus Balmforth

Norm Liu



Avia Holdings Limited
Notes to the Financial Statements
For The Period Ended 31 December 2007

1 Employee information

The Company did not employ any persons during the year

2. Interest

	Period Ended 31 December 2007 GBP£' 000
Interest Income	41
Interest expense	(21)

Interest Income arises on funds held in escrow on the purchase of Avia Solutions Limited, interest expense arises on outstanding intercompany balances

3. Tax on profit on ordinary activities

	Period Ended 31 December 2007 GBP£' 000
(a) Analysis of tax charge for period	
<i>Current tax</i>	
Total current tax charge for period (note 3 (b))	(6)
	(6)

(b) Factors affecting current tax charge for the period

The reconciliation of current tax on profits on ordinary activities at the standard rate of UK corporation tax to the Company's actual current tax charge is analysed as follows

	Period Ended 31 December 2007 GBP£' 000
Profit on ordinary activities before tax	20
Current tax at 30%	(6)
Effects of	
Expenses not deductible for tax purposes	-
Marginal Relief	-
Total current tax charge for period (see note 3(a))	(6)

Avia Holdings Limited
Notes to the Financial Statements
For The Period Ended 31 December 2007

4. Financial Fixed Assets

Avia Holdings Limited owns 86.5% of Avia Solutions Limited a UK Airport Consulting business at 31 December 2007. The registered office of Avia Solutions Limited is Links 2, Links Business Centre, Old Woking Road, Old Woking, Surrey GU22 8BF.

5. Debtors

**Period Ended
31 December
2008
GBP£' 000**

Interest Receivable	41
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6. Creditors

**Period Ended
31 December
2007
GBP£' 000**

Amounts falling due after one year	
Trade Creditors	(139)
Amounts owed to group companies	(471)
Corporation Tax	(6)
	<u>(616)</u>

7. Called up share capital

Authorised

1,000 Ordinary Shares of £1

**Period Ended
31 December
2007
GBP£**

1,000

Allotted, called up and fully paid

101 Ordinary Shares of £1

GBP£

100

8. Share Premium

At 1st April 2007

Cash Share Issue

At 31st December 2007

**Period Ended
31 December
2007
GBP£' 000**

-
5,100

5,100

During the year 101 shares were purchased at £1 for a consideration of £5,100,000 creating a share premium per share of £51,979.

Avia Holdings Limited
Notes to the Financial Statements (Continued)
For The Period Ended 31 December 2007

9. Profit and Loss Account

Period Ended
31 December
2007
GBP£' 000

Opening balance	-
Profit for the period	14
Closing Balance	<u>14</u>

10. Reconciliation of movements in shareholder's funds

Period Ended
31 December
2007
GBP£' 000

Opening shareholders funds	-
Share Premium	5,100
Profit for the financial period	14
Closing shareholders funds	<u>5,114</u>

11. Remuneration of Directors

The Directors did not receive any remuneration from Avia Holdings Limited during the period
Avia Holdings Limited is not required to provide the directors with a pension

12. Ultimate parent company

The Company is a wholly owned subsidiary of GECC UK , a company incorporated in UK and ultimately owned by General Electric Company The directors regard General Electric Company, a company incorporated in the USA as the ultimate holding company The results of the Company are consolidated by General Electric Company Copies of the group financial statements are available at Corporate Investor Communications, General Electric Company, Fairfield, CT 06431, USA.

13. Related party transactions

The Company has entered into transactions with its parent Such trading activities are carried out on an arms length basis The Company has availed of the exemption in FRS No 8 Related Party Transactions which permits qualifying subsidiaries of an undertaking not to disclose details of transactions between group entities that are eliminated on consolidation

During the period the company purchased 86.5% of the shares in Avia Solutions Limited

14. Cash flow statement

The Company's ultimate parent company is General Electric Company, which prepares financial statements including the Company and which are publicly available Consequently, the Company is exempt under the terms of Financial Reporting Standard No 1 (Revised) "Cash Flow Statement" from preparing a cash flow statement

Avia Holdings Limited
Notes to the Financial Statements (Continued)
For The Period Ended 31 December 2007

15. Post balance sheet events

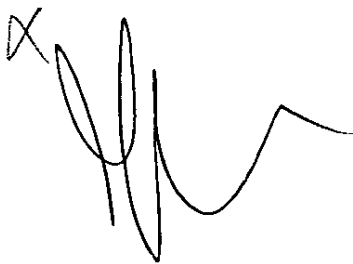
There were no significant post balance sheet events affecting the company since the end of the period

16. Commitments

The Company has an option to purchase the remaining 13.5% of the shares of Avia Solutions Limited. This option is exercisable during the period beginning on the fifth anniversary of the first completion date and ending on the seventh anniversary.

17. Approval of financial statements

The board of directors approved the financial statements on 31 October 2008

A handwritten signature in black ink, appearing to be 'Marcus Balmforth', written in a cursive style.

Marcus Balmforth
Director