

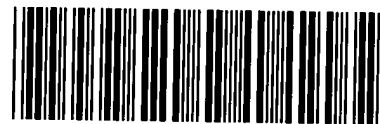
Registration number: 03255767

# GE Capital Investments

## Annual Report and Financial Statements

for the Year Ended 31 December 2017

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# GE Capital Investments

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# GE Capital Investments

## Strategic Report

The directors present their strategic report for the year ended 31 December 2017.

### Business review

The company is a holding company for subsidiary undertakings of General Electric Company.

The loss for the year, after taxation, amounted to \$219,368,000 (2016: As restated \$5,239,000).

Investment impairment of \$331,286,000 (2016 As restated: \$16,623,000) was recognised during the year. \$162,000,000 (2016 As restated: Nil) resulted from section 75 pension payments made by indirect subsidiaries. The remainder is attributable to the reduction in net assets in subsidiaries resulting from the payment of dividends.

On 10 March 2017, the company acquired the entire issued share capital of Key Leasing Limited (comprising 1 ordinary share of £1) for an amount of \$7,307,972 from its subsidiary undertaking, Barcom Limited, by way of a dividend in specie.

On the same date, the company acquired the entire issued share capital of GE Capital Equipment Services Limited (comprising 57,001,000 ordinary shares of £1 each) for an amount of \$10,175,315 from its subsidiary undertaking, Barcom Limited, by way of a dividend in specie.

On 23 March 2017, the company received a cash dividend of \$16,457,275 from GE Leveraged Loans Holdings Limited.

On 12 May 2017, the company received a return of capital of \$414,604 and a cash dividend of \$261,325 from its subsidiary undertaking GE Servicios de Investigacion, S. de R.L. de C.V.

On 31 May 2017, the company received a cash dividend of \$1,882,688 from Barcom Limited.

On 12 June 2017, the company received a cash dividend of \$2,151 from GE Leveraged Loans Holdings Limited.

On 27 June 2017, the company received a cash dividend of \$8,123 from Barcom Limited.

On 28 June 2017, the company contributed its equity quota with a nominal value of MXN 236,393,308.59 in the share capital of its subsidiary GE Capital de Mexico GE, S. de R.L. de C.V. to GE Servicios de Investigacion, S. de R.L. de C.V. in exchange for an equity quota in GE Servicios de Investigacion, S. de R.L. de C.V. with a nominal value of MXN 13,001,632.

On 12 September 2017, the company received a cash dividend of \$597,454 from GE Servicios de Investigacion, S. de R.L. de C.V.

On 20 October 2017, the company acquired the entire issued share capital of Kenco Rentals Limited (comprising 2 ordinary shares of £1 each) for an amount of \$67,551 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

# GE Capital Investments

## Strategic Report

On the same date, the company acquired the entire issued share capital of GE European Equipment Finance (Aircraft No 2) Limited (comprising 100 ordinary shares of £1 each) for an amount of \$52,186,336 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On 24 October 2017, the company's subsidiary undertaking GE Leveraged Loans Holdings Limited was placed into liquidation.

On the same date, the company's subsidiary undertaking Barcom Limited was placed into liquidation.

On 26 October 2017, the company acquired the entire issued share capital of GE Commercial Financial Services Real Estate Properties Limited (comprising 1 ordinary share of £1) for an amount of \$4,210,845 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On 31 October 2017, the company acquired the entire issued share capital of GE Real Estate Partners Limited (comprising 1 ordinary share of £1) for an amount of \$2,123,206 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On the same date, the company acquired the entire issued share capital of GE Capital European Treasury Services Limited (comprising 300 ordinary shares of £1 each) for an amount of \$81,061,548 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On the same date, the company acquired 18% of the issued share capital of Consolidated Insurance Holdings Limited (comprising 180,000 ordinary shares of £1 each) for an amount of \$1,847,293 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On 10 November 2017, the company received a cash dividend of \$48,604,846 from GE Capital Investments Funding Limited.

On 30 November 2017, the company received a cash dividend of \$634,600 from GE Capital Investments Funding Limited.

On 6 December 2017, the company received a cash dividend of \$44,040 from its subsidiary undertaking GE Servicios de Investigacion, S. de R.L. de C.V.

### Change in functional and presentational currency

With effect from 1 January 2017, the functional currency of the Company changed from GBP to USD. The change in functional currency resulted from the reorganisation of GE's Capital business during 2015. As a consequence of this reorganisation the company's immediate parent, IGE USA Investments, changed its functional currency to USD. Consistent with IAS 21, intermediate holding companies are an integral operation of their parent and essentially operate in the primary economic environment of the parent. The new functional currency has been applied prospectively from 1 January 2017, in accordance with IAS 21.

Also with effect from 1 January 2017, the company's presentation currency was changed from GBP to USD. To give effect to the change in functional currency, the assets, liabilities and equity of the Company in GBP at 31 December 2016 were converted into USD on 1 January 2017 at a fixed exchange rate of GBP 1: USD 1.2357. Prior period comparative numbers for the company in these financial statements have been restated in USD to provide meaningful comparable information.

# GE Capital Investments

## Strategic Report

Further details are provided in note 19.

### Principal risks and uncertainties

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

### Other key performance indicators

The company has not identified any other key performance indicators due to the nature of its operations as a holding company.

Approved by the Board on 16/10/18 and signed on its behalf by:



P. S. Girling  
Director

# GE Capital Investments

## Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2017.

### **Principal activity**

The company operates as an investment holding company.

### **Results and dividends**

The loss for the year, after taxation, amounted to \$219,368,000 (2016: As restated \$5,239,000).

During the year, the company paid an interim dividend of \$100,000,000 (2016: \$nil).

The directors do not recommend the payment of a final dividend (2016: \$nil).

### **Directors of the company**

The directors who served during the year and up to the date of directors' report were:

G M Wheeler (resigned 3 March 2017)

Z J Citron (resigned 3 March 2017)

S J Dwyer (resigned 3 March 2017)

A E Brennan (resigned 17 January 2017)

J P Swithenbank (appointed 3 March 2017 and resigned 11 September 2017)

B E Gilligan (appointed 3 March 2017 and resigned 29 March 2018)

P S Girling (appointed 3 March 2017)

N A Geldard (appointed 21 March 2018)

### **Post balance sheet events**

On 14 September 2018, the company's subsidiary undertaking GE Leveraged Loans Holdings Limited was dissolved.

On the same date, the company's subsidiary undertaking Barcom Limited was dissolved.

### **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.

# GE Capital Investments

## Directors' Report

### Reappointment of auditor

The auditor, KPMG LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 16/10/18 and signed on its behalf by:



P S Girling  
Director

# GE Capital Investments

## 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 then apply them consistently;
- make judgements 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 Members of GE Capital Investments

### Opinion

We have audited the financial statements of GE Capital Investments (the 'company') for the year ended 31 December 2017, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### Strategic Report and Directors' Report

The directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## Independent Auditor's Report to the Members of GE Capital Investments

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## Independent Auditor's Report to the Members of GE Capital Investments

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



Nigel Harker (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

15 Canada Square  
Canary Wharf  
London  
E14 5GL  
United Kingdom

Date: 19/10/2018

## GE Capital Investments

### Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2017

		2017 \$ 000	As restated 2016 \$ 000
Administrative expenses		(148,253)	(33,210)
Impairment of fixed asset investments	11	(331,286)	(16,623)
Income from fixed asset investments		<u>227,473</u>	<u>12,601</u>
<b>Operating loss</b>	4	(252,066)	(37,232)
Interest receivable and similar income	8	94,827	97,179
Interest payable and similar expenses	9	<u>(62,129)</u>	<u>(65,186)</u>
<b>Loss before tax</b>		(219,368)	(5,239)
Tax on loss	10	<u>-</u>	<u>-</u>
<b>Loss for the year</b>		(219,368)	(5,239)
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>		<u>(219,368)</u>	<u>(5,239)</u>

The above results were derived from continuing operations.

# GE Capital Investments

Registration number: 03255767

## Balance Sheet as at 31 December 2017

	Note	2017 \$ 000	As restated 2016 \$ 000
<b>Fixed assets</b>			
Investments	11	706,278	878,998
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	146,181	31,037
Debtors: amounts falling due after more than one year	12	2,883,070	2,967,469
		3,029,251	2,998,506
<b>Creditors: Amounts falling due within one year</b>	13	(301,289)	(1,959,252)
<b>Net current assets</b>		2,727,962	1,039,254
<b>Total assets less current liabilities</b>		3,434,240	1,918,252
<b>Creditors: Amounts falling due after more than one year</b>	14	(1,835,356)	
<b>Net assets</b>		1,598,884	1,918,252
<b>Capital and reserves</b>			
Called up share capital	16	330,742	330,742
Share premium reserve		64,348	64,348
Profit and loss account		1,203,794	1,523,162
<b>Shareholders' funds</b>		1,598,884	1,918,252

Approved by the Board on 16/12/18 and signed on its behalf by:



P S Girling  
Director

## GE Capital Investments

### Statement of Changes in Equity for the Year Ended 31 December 2017

	Called up share capital \$ 000	Share premium reserve \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2017 (As restated)	330,742	64,348	1,523,162	1,918,252
<b>Comprehensive income for the year</b>				
Loss for the year			(219,368)	(219,368)
Other comprehensive income				
Total comprehensive income for the year			(219,368)	(219,368)
Dividends paid			(100,000)	(100,000)
At 31 December 2017	330,742	64,348	1,203,794	1,598,884

	Called up share capital \$ 000	Share premium reserve \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2016 (As restated)	330,742	64,348	1,528,401	1,923,491
<b>Comprehensive income for the year</b>				
Loss for the year			(5,239)	(5,239)
Other comprehensive income				
Total comprehensive loss for the year			(5,239)	(5,239)
At 31 December 2016 (As restated)	330,742	64,348	1,523,162	1,918,252

# GE Capital Investments

## Notes to the Financial Statements

### 1 General information

The company is a private unlimited company, registered in England, incorporated and domiciled in the United Kingdom.

The address of its registered office is:

3rd Floor  
1 Ashley Road  
Altrincham  
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' ('FRS 101') and the Companies Act 2006. The amendments to FRS 101 (2016/17 Cycle) issued in July 2017 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 Capital Investments

## 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;
- 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.

#### 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 temporary 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 temporary differences can be deducted.

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

Deferred tax assets and liabilities are not discounted.



# GE Capital Investments

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### 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 estimated based on its fair value less costs of disposal (for which its net asset value may be used as a reasonable proxy) and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in Profit and Loss Account in the period.

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

The preparation of the financial statements requires the directors to make judgments, 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 judgment 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.

# GE Capital Investments

## Notes to the Financial Statements

### 4 Operating loss

Operating loss is stated after charging:

	2017	As restated 2016
	\$ 000	\$ 000
Difference on foreign exchange	148,217	33,108

### 5 Staff costs

The company had no employees during the year (2016: nil).

### 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 \$15,000 (2016 As restated: \$15,000) paid to the auditor to their services to the company was borne by a fellow group undertaking.

### 8 Interest receivable and similar income

	2017	As restated 2016
	\$ 000	\$ 000
Interest receivable from group companies	94,827	97,179

### 9 Interest payable and similar expenses

	2017	As restated 2016
	\$ 000	\$ 000
On loans from group undertakings	62,129	65,186

# GE Capital Investments

## Notes to the Financial Statements

### 10 Taxation

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

	2017 \$ 000	As restated 2016 \$ 000
<b>Current taxation</b>		
UK corporation tax		
<b>Deferred taxation</b>		
Arising from changes in tax rates and laws		468
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods		26,891
Arising from amounts not recognised		(27,359)
Total deferred taxation		
Tax expense/(receipt) in the Profit and Loss Account		

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 19.25% (2016 - 20%).

The differences are reconciled below:

	2017 \$ 000	As restated 2016 \$ 000
Loss before tax	(219,368)	(5,239)
Corporation tax at standard rate	(42,221)	(1,048)
Adjustment to tax charge in respect of prior year		26,891
Effect of changes to tax rates		468
Non-taxable income	(43,781)	(2,520)
Expenses not deductible for tax purposes	63,761	3,324
Movement on deferred tax not provided		(27,359)
Group relief for £nil consideration	22,241	244
Total tax charge/(credit)		

# GE Capital Investments

## Notes to the Financial Statements

### 10 Taxation (continued)

#### Factors that may affect future tax charges

The UK corporation tax rate was reduced from 20% to 19% on 1 April 2017. A further reduction to 17% (effective 1 April 2020) was substantively enacted at the balance-sheet date. This will reduce any current tax charges 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 2018 to 31 December 2020 (the overall average rate ranging from 19% 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.

#### Deferred tax

There are \$7,950,000 of unused tax losses (2016: \$7,950,000) for which no deferred tax asset is recognised in the balance sheet.

### 11 Fixed asset investments

	Investments in group undertakings \$ 000
<b>Cost</b>	
At 1 January 2017 (As restated)	1,214,051
Additions	159,651
Disposals	(1,086)
At 31 December 2017	<u>1,372,616</u>
<b>Impairment</b>	
At 1 January 2017 (As restated)	335,052
Charge for the year	<u>331,286</u>
At 31 December 2017	<u>666,338</u>
<b>Net book value</b>	
At 31 December 2017	<u>706,278</u>
At 31 December 2016 (As restated)	<u>878,998</u>

# GE Capital Investments

## Notes to the Financial Statements

### 11 Fixed asset investments (continued)

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2017. This has resulted in a write-off of \$331,286,000 (2016 As restated: \$16,623,000), the investment having been valued at its net asset value. \$162,000,000 (2016 As restated: £nil) resulted from section 75 pension payments made by indirect subsidiaries. The remainder is attributable to the reduction in net assets in subsidiaries resulting from the payment of dividends.

On 10 March 2017, the company acquired the entire issued share capital of Key Leasing Limited (comprising 1 ordinary share of £1) for an amount of \$7,307,972 from its subsidiary undertaking, Barcom Limited, by way of a dividend in specie.

On the same date, the company acquired the entire issued share capital of GE Capital Equipment Services Limited (comprising 57,001,000 ordinary shares of £1 each) for an amount of \$10,175,315 from its subsidiary undertaking, Barcom Limited, by way of a dividend in specie.

On 12 May 2017, the company received a return of capital of \$414,604 from its subsidiary undertaking GE Servicios de Investigacion, S. de R.L. de C.V.

On 28 June 2017, the company contributed its equity quota with a nominal value of MXN 236,393,308.59 in the share capital of its subsidiary GE Capital de Mexico GE, S. de R.L. de C.V. to GE Servicios de Investigacion, S. de R.L. de C.V. in exchange for an equity quota in GE Servicios de Investigacion, S. de R.L. de C.V. with a nominal value of MXN 13,001,632.

On 20 October 2017, the company acquired the entire issued share capital of Kenco Rentals Limited (comprising 2 ordinary shares of £1 each) for an amount of \$67,551 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On the same date, the company acquired the entire issued share capital of GE European Equipment Finance (Aircraft No 2) Limited (comprising 100 ordinary shares of £1 each) for an amount of \$52,186,336 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On 24 October 2017, the company's subsidiary undertaking GE Leveraged Loans Holdings Limited was placed into liquidation.

On the same date, the company's subsidiary undertaking Barcom Limited was placed into liquidation.

On 26 October 2017, the company acquired the entire issued share capital of GE Commercial Financial Services Real Estate Properties Limited (comprising 1 ordinary share of £1) for an amount of \$4,210,845 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On 31 October 2017, the company acquired the entire issued share capital of GE Real Estate Partners Limited (comprising 1 ordinary share of £1) for an amount of \$2,123,206 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

# GE Capital Investments

## Notes to the Financial Statements

### 11 Fixed asset investments (continued)

On the same date, the company acquired the entire issued share capital of GE Capital European Treasury Services Limited (comprising 300 ordinary shares of £1 each) for an amount of \$81,061,548 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

On the same date, the company acquired 18% of the issued share capital of Consolidated Insurance Holdings Limited (comprising 180,000 ordinary shares of £1 each) for an amount of \$1,847,293 from its subsidiary undertaking, GE Capital Investments Funding Limited, by way of a dividend in specie.

Details of the company's direct group undertakings as at 31 December 2017 are as follows:

Name of subsidiary	Registered office	Class of shares held	Proportion of ownership interest
GE Capital Corporation (Holdings)	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT	Ordinary	100%
GE Mail Services Limited	PO Box 2497 Building 4, Hatters Lane, Watford, United Kingdom, WD18 1YY	Ordinary	100%
GE Capital Limited	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	100%
GE Capital Investments Funding Limited	1 More London Place, London, United Kingdom, SE1 2AF	Ordinary	100%
GE European Equipment Finance (Aircraft) Limited	1 More London Place, London, United Kingdom, SE1 2AF	Ordinary	100%
GE Leveraged Loans Holdings Limited	1 More London Place, London, United Kingdom, SE1 2AF	Ordinary	100%
GE Servicios de Investigación, S. de R. L. de C.V.	Calle Antonio Dovali Jaime 70, Col. Santa Fe, Del. Alvaro Obregon, Torre A, Piso 5, Mexico D.F., 01210, Mexico	Ordinary	0.14%
Barcom Limited	1 More London Place, London, United Kingdom, SE1 2AF	Ordinary	100%

# GE Capital Investments

## Notes to the Financial Statements

### 11 Fixed asset investments (continued)

Name of subsidiary	Registered office	Class of shares held	Proportion of ownership interest
Key Leasing Limited	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	100%
Kenco Rentals Ltd	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	100%
GE European Equipment Finance (Aircraft No. 2) Limited	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	100%
GE Real Estate Partners Limited	1 More London Place, London, United Kingdom, SE1 2AF	Ordinary	100%
GE Commercial Financial Services Real Estate Properties Limited	The Ark, 201 Talgarth Road, London, W6 8BJ, United Kingdom	Ordinary	100%
GE Capital Equipment Services Limited	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	100%
GE Capital European Treasury Services Limited	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	100%
Consolidated Insurance Holdings Limited	3rd floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT	Ordinary	18%

Details of the company's indirect holdings as at 31 December 2017 are given in Appendix 1.

# GE Capital Investments

## Notes to the Financial Statements

### 12 Debtors

	2017 \$ 000	As restated 2016 \$ 000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	2,883,070	2,967,469
<b>Due within one year</b>		
Amounts owed by group undertakings	143,716	31,037
Corporation tax asset	2,465	-
	<u>146,181</u>	<u>31,037</u>

Included within amounts owed by group undertakings are \$2,875,187,000 (2016: As restated \$2,875,187,000) repayable in 2025, with interest being incurred at a fixed rate of 3.29% (2016: 3.29%).

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

	2017 \$ 000	As restated 2016 \$ 000
Amounts owed to group undertakings	301,289	1,959,252

### 14 Creditors: falling due after more than one year

	2017 \$ 000	As restated 2016 \$ 000
Amounts owed to group undertakings	1,835,356	-

### 15 Dividends

	2017 \$ 000	As restated 2016 \$ 000
Dividend paid of \$0.037 (2016: \$nil) per ordinary share	100,000	-

On 11 December 2017, the company paid an interim dividend of \$100,000,000 (2016: \$nil) to IGE USA Investments, its immediate parent undertaking.



# GE Capital Investments

## Notes to the Financial Statements

### 16 Share capital

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

	2017		As restated 2016	
	No. 000	\$ 000	No. 000	\$ 000
Ordinary shares of £0.10 each	2,676,552	330,742	2,676,552	330,742

### 17 Post balance sheet events

On 14 September 2018, the company's subsidiary undertaking GE Leveraged Loans Holdings Limited was dissolved.

On the same date, the company's subsidiary undertaking Barcom Limited was dissolved.

### 18 Ultimate parent undertaking and controlling party

The company's immediate parent is IGE USA Investments, a company registered at 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA 14 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).

### 19 Change in functional and presentational currency

An entity's functional currency is the currency of the primary economic environment in which the entity operates. With effect from 1 January 2017, the functional currency of the Company changed from GBP to USD. The change in functional currency resulted from the reorganisation of GE's Capital business during 2015. As a consequence of this reorganisation the company's immediate parent, IGE USA Investments, changed its functional currency to USD. Consistent with IAS 21, intermediate holding companies are an integral operation of their parent and essentially operate in the primary economic environment of the parent. The new functional currency has been applied prospectively from 1 January 2017, in accordance with IAS 21.

Also with effect from 1 January 2017, the company's presentation currency was changed from GBP to USD. To give effect to the change in functional currency, the assets, liabilities and equity of the Company in GBP at 31 December 2016 were converted into USD on 1 January 2017 at a fixed exchange rate of GBP 1: USD 1.2357. Prior period comparative numbers for the company in these financial statements have been restated in USD to provide meaningful comparable information.

# GE Capital Investments

## Notes to the Financial Statements

### 19 Change in functional and presentational currency (continued)

	31 December 2016	
	As originally reported £ 000	As represented \$ 000
<b>Fixed assets</b>		
Investments	711,336	878,998
<b>Current assets</b>		
Debtors: amounts falling due within one year	25,117	31,037
Debtors: amounts falling due after more than one year	2,401,448	2,967,469
	<u>2,426,565</u>	<u>2,998,506</u>
Creditors: amounts falling due within one year	(1,585,540)	(1,959,252)
<b>Net current assets</b>	<u>841,025</u>	<u>1,039,254</u>
<b>Net assets</b>	<u><b>1,552,361</b></u>	<u><b>1,918,252</b></u>
<b>Capital and reserves</b>		
Called up share capital	267,655	330,742
Share premium account	52,074	64,348
Profit and loss account	1,232,632	1,523,162
<b>Shareholders' funds</b>	<u><b>1,552,361</b></u>	<u><b>1,918,252</b></u>

# GE Capital Investments

## Notes to the Financial Statements

### Appendix 1: Fixed asset Investments

Details of the company's indirect holdings as at 31 December 2017 are as follows:

Name of subsidiary	Registered Office	Class of shares held	Proportion of ownership interest
Avia Holdings	The Ark, 201 Talgarth Road, London, United Kingdom W6 8BJ	Ordinary	100.00%
Benchmark Group Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
Benchmark Investment Portfolio Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
Burnhill Equipment Finance Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
Consolidated Insurance Holdings Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
Danwood Financial Services Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE (Sigma) Holding Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE A38 SAS	Tour Facto, 18 rue Hoche, Paris, France 92988	Ordinary	100.00%
GE Capital (Germany) GmbH	Bleichstrasse 64-66, Frankfurt Am Main, Germany 60313	Ordinary	100.00%
GE Capital Corporation (Estates) Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital Corporation (Funding) Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Corporation (Investment Properties) Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Corporation (Leasing) Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Corporation (Properties) Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital Corporation (Property Company Investments) Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%

# GE Capital Investments

## Notes to the Financial Statements

### Appendix 1: Fixed asset Investments

GE Capital Corporation (Property Management) Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital EMEA Services Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Energy Funding Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital Equipment Finance Holdings	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Equipment Finance Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Finance	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Group Services Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Invoice Finance Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital Rail Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Real Estate UK Finance Holdings Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital Shared Services Europe Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Capital Sigma Holding Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital Solutions Europe Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Capital UK Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Commercial Finance Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Heller Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Industrial Finance UK Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Keynes Holdings Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Leveraged Loans Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%

# GE Capital Investments

## Notes to the Financial Statements

### Appendix 1: Fixed asset Investments

GE Real Estate (Investment Property Company) Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Real Estate (Sheffield) Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Real Estate European Finance Holdings Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Real Estate European Finance Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Real Estate Finance Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
GE Real Estate Finance Trustee Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Real Estate GPS Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Real Estate Lending	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Real Estate Leveraged Loans Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Real Estate Loans Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GE Real Estate UK Property Regional Investments Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
GECC UK	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
Heller Capital UK Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
NMB-Heller Trade Finance Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	100.00%
TCR (Number 1) Ltd	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	100.00%
UKPH No 1 Ltd	Ogier House, St Julians Avenue, St. Peter Port, Guernsey GY1 1WA	Ordinary	100.00%
Woodchester Credit Ltd	PO Box 2497, Building 4 Hatters Lane, Croxley Green Business Park, Watford, United Kingdom WD18 8YF	Ordinary	100.00%
Woodchester Finance Ltd	30 Finsbury Square, London, United Kingdom EC2P 2YU	Ordinary	100.00%
GE Prem KF LLP	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	75.00%

# GE Capital Investments

## Notes to the Financial Statements

### Appendix 1: Fixed asset Investments

GE Capital TLS Ltd	3rd Floor, 1 Ashley Road, Altrincham, Cheshire, United Kingdom WA14 2DT	Ordinary	65.56%
Countryside Properties (Salford Quays) Ltd	Countryside House, The Drive, Great Warley, Brentwood, United Kingdom CM13 3AT	Ordinary	50.00%
The Courtwick Partnership LLP	1 More London Place, London, United Kingdom SE1 2AF	Ordinary	50.00%
GE Capital Woodchester Finance Ltd	31-36 Golden Lane, Dublin, Ireland 8	Ordinary	40.00%
GE Capital Woodchester Ltd	31-36 Golden Lane, Dublin, Ireland 8	Ordinary	40.00%
GE Money EMEA Unlimited Company	31-36 Golden Lane, Dublin, Ireland 8	Ordinary	40.00%
ISM Golden Lane Unlimited Company	31-36 Golden Lane, Dublin, Ireland 8	Ordinary	40.00%
Joe Browns Ltd	Kandy Works Brown Lane East, Leeds, United Kingdom LS11 0BT	Ordinary	28.22%