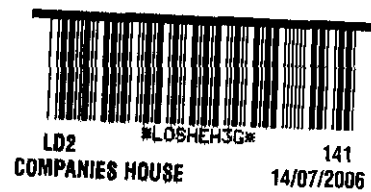


IGE Treasury Services Limited

Directors' report and financial statements
For the year ended 31 December 2005
Registered number: 3689771



IGE Treasury Services Limited

Directors' report and financial statements

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IGE Treasury Services Limited

Directors' report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2005.

Principal activities

The company provides finance to subsidiary undertakings of General Electric Company, a company registered in United States of America.

The Company supports the cashpool function of European subsidiaries of General Electric Company, moving surplus funds to offset borrowings by other group companies.

Results and dividends

The company made a profit before tax for the year of £12,695,000 (2004: £9,268,000).

The directors do not recommend the payment of a dividend (2004: *Nil*).

Directors and directors' interests

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

PA Green (resigned 30 October 2005)
M Risinger
RG Clark
ZJ Citron
WH Morris

Since the company meets the definition in s736 (2)(3) of the Companies Act 1985 of a wholly owned subsidiary of a body corporate incorporated outside Great Britain, the company has taken advantage of regulation 3(1)(a) of Statutory Instrument 1985/802 exempting the company from the requirement to disclose directors' share interests and options in group companies.

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to a shareholders' resolution dated 27 May 1999, the company is not obliged to re-appoint auditors of the company annually and consequently KPMG Audit Plc will continue in office.

On behalf of the board


ZJ Citron
Director

100 Barbirolli Square
Manchester
M2 3AB

30/6 2006

IGE Treasury Services 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.

The 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 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 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; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.



KPMG Audit Plc

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Independent auditors' report to the members of IGE Treasury Services Limited

We have audited the financial statements of IGE Treasury Services Limited for the year ended 31 December 2005 which comprises the Profit and Loss Account, the 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 members, 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 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 auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not 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 on 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 auditors' report to the members of IGE Treasury Services 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 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

4 July

2006

IGE Treasury Services Limited

Profit and loss account for the year ended 31 December 2005

	Note	2005 £000	2004 £000
Administrative income/(expenses)		1,877	(1,000)
Operating profit/(loss)		1,877	(1,000)
Interest receivable and similar income	4	51,087	32,410
Interest payable and similar charges	5	(40,269)	(22,142)
Profit on ordinary activities before taxation	2	12,695	9,268
Tax on profit on ordinary activities	6	(3,808)	(2,782)
Profit on ordinary activities after taxation	11	8,887	6,486
Profit for the financial year		8,887	6,486

The notes on pages 7 to 11 form part of these financial statements.

The results in the above profit and loss account relate entirely to continuing operations.

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

The profit for the current and preceding financial year calculated on a historical cost basis is not materially different to the profit disclosed above. Accordingly a note of historical cost profits and losses as required by paragraph 26 of FRS 3 has not been presented.

IGE Treasury Services Limited

Balance sheet at 31 December 2005

	Note	2005 £000	2004 £000
Current assets			
Debtors	7	968,670	758,934
Cash at bank and in hand		246	94
		<hr/>	<hr/>
		968,916	759,028
Creditors: amounts falling due within one year	8	(774,220)	(573,219)
		<hr/>	<hr/>
Net assets		194,696	185,809
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	10	158	158
Share premium account	11	157,842	157,842
Profit and loss account	11	36,696	27,809
		<hr/>	<hr/>
Shareholders' funds	11	194,696	185,809
		<hr/>	<hr/>

The notes on pages 7 to 11 form part of these financial statements.

These financial statements were approved by the board of directors on
and were signed on its behalf by:



ZJ Citron
Director

30/6 2006

IGE Treasury Services Limited

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date';
- The presentation requirements of FRS25 'Financial instruments: presentation and disclosure'; and
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption. FRS 28 'Corresponding amounts' has had no effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

The first time adoption of FRS 25 'Financial instruments: Presentation and disclosures' has had no effect on these financial statements.

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, under the historical cost convention and on a going concern basis.

(b) Cash flow statement

Under FRS 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement. Exemption is on the grounds that it is a wholly owned subsidiary undertaking and its cash flows appear in a consolidated cash flow statement in the financial statements of the ultimate parent company which are available to the public and can be obtained from the address given in note 12.

(c) Taxation

The charge for taxation is based on the profit for the year. 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 'Deferred Tax'.

Deferred tax assets are recognised to the extent that the directors consider those assets to be recoverable.

(d) Transactions with related parties

The company, as a wholly owned subsidiary undertaking of General Electric Company, has taken advantage of an exemption contained in FRS 8, "Related Party Disclosures", in preparing its financial statements. This exemption allows the company not to disclose details of transactions with other group companies or investees of the group qualifying as related parties, as the consolidated financial statements of General Electric Company in which the company is included are available to the public and can be obtained from the address mentioned in note 12.

(e) Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

IGE Treasury Services Limited

Notes

(continued)

(f) Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements as required by FRS 21. Compliance with this standard has had no impact as no dividends have been proposed in the two preceding years ending 31 December 2005.

(g) Financial guarantee contracts

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that's the company will be required to make a payment under the guarantee.

2. Profit on ordinary activities before taxation

	2005 £000	2004 £000
Auditors' remuneration – audit services	10	2
– other services	2	-
Exchange (gain)/loss	(1,894)	996

3. Directors' emoluments and employee information

The directors of the company received no remuneration in their capacity as directors of the company during the year (2004: *£nil*).

No other persons are employed by the company (2004: *nil*).

4. Interest receivable and similar income

	2005 £000	2004 £000
On amounts owed by group undertakings	51,087	32,410

5. Interest payable and similar charges

	2005 £000	2004 £000
On amounts owed to group undertakings	40,269	22,142

IGE Treasury Services Limited

Notes (continued)

6. Tax on profit on ordinary activities

a) Analysis of charge in the year

	2005 £000	2004 £000
UK corporation tax at 30% (2004: 30%)	3,808	2,780
Adjustment in respect of prior years	-	2
	<hr/>	<hr/>
Total current tax	3,808	2,782
Deferred taxation	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	<u>3,808</u>	<u>2,782</u>

b) Factors affecting current tax charge in year

	2005 £000	2004 £000
Profit on ordinary activities before tax	12,695	9,268
	<hr/>	<hr/>
Tax on profit on ordinary activities at UK standard rate of 30% (2004: 30%)	3,808	2,780
Effects of:		
Adjustment in respect of prior years	-	2
	<hr/>	<hr/>
Total current tax charge for the year	<u>3,808</u>	<u>2,782</u>

7. Debtors

	2005 £000	2004 £000
Amounts owed by group undertakings	<u>968,670</u>	<u>758,934</u>

IGE Treasury Services Limited

Notes

(continued)

8. Creditors: amounts falling due within one year

	2005 £000	2004 £000
Bank overdraft	-	2
Amounts owed to group undertakings	771,393	569,192
Corporation tax	2,505	3,929
Other creditors	314	94
Accruals and deferred income	8	2
	<u>774,220</u>	<u>573,219</u>

9. Deferred taxation

The company had no provided or unprovided deferred taxation as at 31 December 2005 or 31 December 2004.

10. Called up share capital

	2005 £000	2004 £000
<i>Authorised:</i>		
200,000,000 ordinary shares of £1 each	200,000	200,000
<i>Allotted, called up and fully paid:</i>		
158,002 ordinary shares of £1 each	158	158

11. Reconciliation of movements in shareholders' funds

	Share capital £000	Share premium account £000	Profit and loss account £000	Share- holders' funds 2005 £000	Share- holders' funds 2004 £000
At beginning of year	158	157,842	27,809	185,809	179,323
Profit for the year	-	-	8,887	8,887	6,486
At end of year	<u>158</u>	<u>157,842</u>	<u>36,696</u>	<u>194,696</u>	<u>185,809</u>

IGE Treasury Services Limited

Notes

(continued)

12. Parent undertakings

The company's immediate parent undertaking is International General Electric (USA), a company registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by IGE USA Investments, a company registered in England and Wales. The consolidated financial statements of this company are available to the public and may be obtained from 100 Barbirolli Square, Manchester, M23AB

The largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, General Electric Company, a company incorporated in the United States of America. The consolidated financial statements of this company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut, 06431, USA or at www.ge.com.

13. Cross-guarantees

The company is party to pooling arrangements with other General Electric Company group companies with full set-off via a series of cross-guarantees. The company's maximum liability under these arrangements as at 31 December 2005 was £186.9 million (2004: £221.9 million).