

*Registration number: 107727*

# GE Capital European Funding Unlimited Company

Condensed Interim Financial Report

**Half-Year ended 30 June 2025**

GE Capital European Funding Unlimited Company  
Condensed interim financial report

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# GE Capital European Funding Unlimited Company

## Management Review

The Directors present their interim financial report for the six month period ended 30 June 2025.

### Principal activities, business review and future developments

GE Capital European Funding Unlimited Company (the "Company") is incorporated and tax resident in Ireland and operates as a financial services company.

The Company is a public unlimited company, it is a wholly owned indirect subsidiary of General Electric Company, which operates as GE Aerospace ('GE Aerospace'), a global aerospace leader with the industry's largest and growing commercial propulsion fleet.

The Company has established a Euro Commercial Paper ("Commercial Paper" or "CP") Programme and a Euro Medium Term Note ("MTN") Programme (referred as debt securities issued in the notes to the accounts). This debt is principally listed on the London Stock Exchange (\$1,360 million) with a small minority listed on the Euro MTF of the Luxembourg Stock Exchange (\$123 million). The purpose of these programmes is to obtain financing in the capital markets, primarily to fund the operations of GE Aerospace affiliates. GE Capital International Holdings Limited ('GECIHL'), has guaranteed (assigned from General Electric Capital Corporation 'GECC', which now operates as part of GE Aerospace) the CP and MTN programmes of the Company thus reducing the risk to any potential investor and supporting the CP and MTN programme. GE Aerospace (rated A-) (2024: rated BBB+), has also guaranteed the CP and MTN programmes of the Company thus reducing further the risk to any potential investor and supporting the CP and MTN programmes (see Note 18). During the period, GE Aerospace had sufficient liquidity and therefore had no requirement to participate in the CP market.

The Company made a loss of \$34 million for the 6 month period ending 30 June 2025 compared with a profit of \$8 million in the 6 months to 30 June 2024. This is primarily driven by FX loss in the period. The results for the half-year are set out in the Condensed Statement of Comprehensive Income - Unaudited on page 8 and the related notes. During the period end of 30 June 2025, no debt failed hedge effectiveness (2024: \$nil failed hedge effectiveness).

The directors are not expecting a change in the principal activity of the company in the foreseeable future.

### Dividends

The Directors do not propose a dividend for the current period (*30 June 2024: \$Nil*).

### Going concern

The future growth of the Company is dependent on the cash needs of the GE Aerospace. The Directors have assessed the loan receivable positions and have concluded that the balances remain recoverable. GE Aerospace does not expect the need for new long-term debt issuances by the Company for the foreseeable future with the expectation that the current MTN portfolio remains until maturity. The CP programme continues presently albeit no CP is in issue at year end. The Company has access to the cash pool should it be required. As noted above the debt issued by the Company through its CP and MTN arrangements is guaranteed by GE Aerospace and GECIHL.

The Directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements, also considering events reasonably foreseeable beyond this horizon, which indicates that, taking account of the inflationary impacts in the economy and in light of the Company's ability to access the GE Aerospace group's cash pool facility if required, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

## GE Capital European Funding Unlimited Company

### Management Review (continued)

#### Going concern (continued)

The Directors have also considered the below among other factors in concluding that it is appropriate to prepare the financial statements on a going concern basis:

- The Company has substantial positive equity and it is a member of a GE Aerospace operated cash pool arrangement, connected to the GE Aerospace's European and U.S. cash pool, therefore has the resources to continue in business.
- GE Aerospace does not expect the need for new long-term debt issuances by the Company for the foreseeable future.
- GECIHL has guaranteed the Company's liabilities under its CP and MTN programmes, substantially mitigating liquidity risk.
- GE Aerospace has also guaranteed the Company's liabilities under its CP and MTN programmes, substantially mitigating liquidity risk.

#### CP and MTNs

The following table sets out the period on period increase/(decrease) in MTNs issued, lending from GE Aerospace affiliates and lending to GE Aerospace affiliates. The Directors define GE Aerospace affiliates to be subsidiaries, associates and joint ventures of the wider GE Aerospace Group. The table has been calculated using the closing balances for the period, the figures are in USD.

	<b>30 June 2025</b>	<b>31 December 2024</b>	<b>% Movement</b>
Issued Medium Term Notes - Nominal	(1,482,981,465)	(1,304,509,994)	13.7%
Loans from GE Aerospace affiliates	(41,869,000)	(25,060,000)	67.1%
Loans to GE Aerospace affiliates	2,299,550,000	2,120,114,000	8.5%

The movement in MTNs is primarily driven by increase of the EUR/USD foreign exchange rate from 1.036 as at 31 December 2024 to 1.178 as at 30 June 2025.

The movement in loans to GE Aerospace affiliates is primarily driven by FX gain as a result of the EUR/USD FX increasing during the period. The movement in loans from GE Aerospace affiliates is primarily driven by the euro cashpool, which was used to fund debt and derivative interest payments.

The following table sets out the average maturities of MTNs in issue at 30 June 2025 and 31 December 2024. The maximum maturity date on the medium term notes is 2038.

	<b>30 June 2025</b>	<b>31 December 2024</b>
Medium Term Notes (floating) at amortised cost	5.07 years	5.57 years
Medium Term Notes (fixed) in qualifying hedging relationships	8.07 years	8.57 years

## GE Capital European Funding Unlimited Company

### Management Review (continued)

#### **Principal risk and uncertainties**

The Company is subject to general economic risk including changes in macroeconomic and market conditions and market volatility.

The main financial risks that the Company is exposed to are market risk, liquidity risk and credit risk. The Directors are responsible for the oversight of the management of these exposures, as set out in Note 13.

The principal risks and uncertainties noted below are the same as the those noted in the Company's financial statements for the year ended 31 December 2024 and are expected to be the same for the remainder of the 2025 financial year.

#### *Foreign exchange risk*

The Company has exposure to foreign exchange risk. This risk arises during the current period, as some operations including loans and advances to GE Aerospace affiliates and all debt securities issued are in Euro while the functional currency of the Company is USD. During the period, the Company recorded an FX loss of \$43 million (30 June 2024: gain of \$21 million) driven by movement in the Euro/USD rates.

#### *Interest rate risk*

The Company, as a funding company, is exposed to interest rate volatility on variable funding arrangements. Through the use of derivatives the Company is generally able to reduce interest rate mis-matches and in so doing reduce its interest rate risk. The Directors monitor interest rate exposure. See Note 13(c) for analysis of interest rate exposure at period end.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. The Company has access to the cash pool of the wider GE Aerospace Group to fill any short-term liquidity requirements. See further analysis of liquidity risk at the period end at Note 13(b).

#### *Market risk*

The carrying value of financial assets and liabilities may change due to interest rate volatility, credit spread changes and general market conditions. In an effort to ensure appropriate valuations were obtained, the Company relied on independent pricing providers such as International Data Corporation ("IDC") and models used by the wider GE Aerospace Group which primarily use observable market data as inputs. Such valuations necessarily involve judgments and uncertainties on the selection of the inputs. Critical judgments and uncertainties surrounding valuations are discussed further in Note 14.

#### *Credit risk*

GE Aerospace affiliates may experience difficulty in repaying loans. By carrying out comprehensive due diligence on each borrower the Company has been able to manage its exposure to credit risk and the Company experienced no defaults during the period. The closing impairment loss provision was \$2 million (2024: \$4 million). Please refer to Note 13 for further details. The Directors will continue to monitor the financial strength of its borrowers to ensure the Company's exposure to the risk of default is minimized.

## GE Capital European Funding Unlimited Company

### Management Review (continued)

#### Principal risk and uncertainties (continued)

##### *Operational risk*

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations and are faced by all business entities. The Company seeks to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The Directors, supported by the wider GE Aerospace Group, are responsible for the development and implementation of controls to address operational risk.

This responsibility is supported by the development of overall GE Aerospace standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- training and professional development;
- ethical and business standards.

Compliance with the Company standards is supported by a programme of periodic reviews to ensure compliance with GE Aerospace Group risk management policies.

#### **Related parties**

The Directors in place at period end were: Keith Lynch, Sarah O'Connor, David Redmond and John Connor. Thomas Geary and Michael Power resigned as non-executive Directors effective from 14 March 2025. In accordance with the Articles of Association, the Directors are not required to retire by rotation.

#### **Audit committee**

The Company's ultimate parent, GE Aerospace, is a regulated entity that must meet certain requirements in accordance with its New York Stock Exchange listing. The Audit Committee of the board of directors of GE Aerospace assists the board in its oversight of the integrity of the financial statements compliance with legal and regulatory requirements, of the independence and qualifications of the independent auditor and of the performance of the internal audit function and independent auditor. The Company is included within the oversight of that GE Aerospace Audit Committee. The Company is also subject to the oversight of the GE Aerospace internal audit function and included within its risk assessment and audit programme.

#### **Subsequent events**

No significant events affecting the Company occurred since the reporting date, which require adjustment to or disclosure in the condensed interim financial statements.

#### **Independent Auditor**

In accordance with Section 383(2) of the Companies Act 2014, the auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm will continue in office.

GE Capital European Funding Unlimited Company  
Statement of Directors' responsibilities  
*for the half-year ended 30 June 2025*

The Directors are responsible for preparing a half-yearly financial report in accordance with the Financial Conduct Authority's Transparency Rules.

In preparing the condensed set of financial statements included within the half-yearly financial report, the directors are required to:

- prepare and present the condensed set of financial statements in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and the Financial Conduct Authority's Transparency Rules;
- ensure the condensed set of financial statements has adequate disclosures;
- select and apply appropriate accounting policies; and
- make accounting estimates that are reasonable in the circumstances.

The directors are responsible for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of the condensed set of financial statements that is free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

(1) the condensed set of financial statements in the half-yearly financial report of GE Capital European Funding Unlimited Company ("the Company") for the six months ended 30 June 2025 ("the interim financial information") which comprises the condensed statement of comprehensive income, the condensed statement of financial position, the condensed statements of changes in equity, the condensed cash flow statement and the related explanatory notes, have been presented and prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as adopted by the European Union.

(2) The interim financial information presented, as required by the DTR of the UK FCA, gives a true and fair view of the assets, liabilities, financial position of the Company as at 30 June 2025 and its profit for the period then ended. includes:

- a. an indication of important events that have occurred during the first 6 months of the financial year, and their impact on the condensed set of financial statements; and
- b. a description of the principal risks and uncertainties for the remaining 6 months of the financial year.
- c. details of any related party transactions that have materially affected the Company's financial position or performance in the six months ended 30 June 2025, and material changes to related party transactions described in the Annual Report for the financial year ended 31 December 2024.

On behalf of the Board

Signed by:  
  
8DAF83CFB17ED40D...  
**Keith Lynch**  
**Director**

Signed by:  
  
C1437986D4CD42C...  
**Sarah O'Connor**  
**Director**

Date 24 September 2025

## **INDEPENDENT REVIEW REPORT TO GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY**

### **Conclusion**

We have been engaged by GE Capital European Funding Unlimited Company ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed statement of comprehensive income, the condensed statement of financial position, the condensed statement of changes in equity, the condensed cash flow statement, and the related notes 1 to 23. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union.

### **Basis for Conclusion**

We conducted our review pursuant to International Standard on Review Engagements (Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Irish Auditing and Accountancy Supervisory Authority ("ISRE (Ireland) 2410"). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion Relating to Going Concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Scope of Review section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (Ireland) 2410, however future events or conditions may impact this conclusion.

### **Directors' responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with International Accounting Standard 34 as adopted by the European Union.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

In preparing the half-yearly financial report, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibility**

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report, including a conclusion relating to the Company's Going Concern, based on our review.





### **Use of our Report**

This report is made solely to the Company pursuant to ISRE (Ireland) 2410. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

A handwritten signature in black ink, appearing to read "David McCaffrey".

David McCaffrey  
For and on behalf of Deloitte Ireland LLP,  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date 26 September 2025

# GE Capital European Funding Unlimited Company

## Condensed Statement of Comprehensive Income - Unaudited for the half-year ended 30 June 2025

	<i>Note</i>	<b>30 June 2025</b> <b>\$'000</b>	30 June 2024 \$'000
Interest income	4	20,518	29,440
Interest expense	5	<u>(16,523)</u>	<u>(29,238)</u>
Net interest income		3,995	202
Fee and commission income	6	<u>-</u>	<u>1</u>
<b>Net trading income</b>		<u>3,995</u>	<u>203</u>
Service and commitment fee expense	7	(138)	(109)
Foreign exchange (loss)/gain	8	(43,148)	21,463
Net gain/(loss) from financial instruments carried at fair value	9	3,057	(12,213)
Movement in impairment loss allowance	13	1,991	(1,175)
Other expenses		<u>(80)</u>	<u>(58)</u>
<b>Other operating (loss)/profit</b>		<u>(38,318)</u>	<u>7,908</u>
<b>(Loss)/profit before income tax</b>		<b>(34,323)</b>	<b>8,111</b>
Income tax charge	10	<u>-</u>	<u>-</u>
(Loss)/profit for the period		<u>(34,323)</u>	<u>8,111</u>
<b>Comprehensive income for the period</b>		<b><u>(34,323)</u></b>	<b><u>8,111</u></b>

GE Capital European Funding Unlimited Company  
Condensed Statement of Financial Position - Unaudited  
at 30 June 2025

	<i>Note</i>	<b>30 June 2025 \$'000</b>	31 December 2024 \$'000
<b>Non-current assets</b>			
Derivative assets held for qualifying hedging relationships	16	10,630	23,672
Loans and advances to GE Aerospace affiliates	17	2,057,981	1,879,510
		<u>2,068,611</u>	<u>1,903,182</u>
<b>Current assets</b>			
Cash and cash equivalents	11	250	228
Derivative assets held for qualifying hedging relationships	16	20,641	32,145
Loans and advances to GE Aerospace affiliates	17	241,569	240,604
Other assets		11	-
		<u>262,471</u>	<u>272,977</u>
<b>Total assets</b>		<u>2,331,082</u>	<u>2,176,159</u>
<b>Current liabilities</b>			
Loans and advances from GE Aerospace affiliates	17	(41,869)	(25,060)
Debt securities issued	18	(28,622)	(43,379)
Other liabilities		(96)	(454)
		<u>(70,587)</u>	<u>(68,893)</u>
<b>Net current assets</b>		191,884	204,084
<b>Non-current liabilities</b>			
Debt securities issued	18	(1,810,548)	(1,622,996)
<b>Net assets</b>		<u>449,947</u>	<u>484,270</u>
<b>Capital and reserves</b>			
Share capital		125,789	125,789
Share premium		295,653	295,653
Capital contribution		305,020	305,020
Undenominated capital reserve		15,402	15,402
Retained earnings		(16,987)	17,336
Foreign exchange reserve		<u>(274,930)</u>	<u>(274,930)</u>
<b>Shareholders' equity</b>		<u>449,947</u>	<u>484,270</u>
<b>Total equity</b>		<u>449,947</u>	<u>484,270</u>

# GE Capital European Funding Unlimited Company

## Condensed Statement of Changes in Equity - Unaudited for the half-year ended 30 June 2025

	Share capital \$'000	Share premium \$'000	Undenominated capital reserves \$'000	Capital Contribution \$'000	Retained Earnings \$'000	Foreign exchange Reserve \$'000	Total \$'000
<b>Balance at 1 January 2024</b>	125,789	295,653	15,402	305,020	(1,360)	(274,930)	465,574
Comprehensive income for the period	-	-	-	-	8,111	-	8,111
<b>Balance at 30 June 2024</b>	<u>125,789</u>	<u>295,653</u>	<u>15,402</u>	<u>305,020</u>	<u>6,751</u>	<u>(274,930)</u>	<u>473,685</u>
<b>Balance at 1 January 2025</b>	125,789	295,653	15,402	305,020	17,336	(274,930)	484,270
Comprehensive income for the period	-	-	-	-	(34,323)	-	(34,323)
<b>Balance at 30 June 2025</b>	<u>125,789</u>	<u>295,653</u>	<u>15,402</u>	<u>305,020</u>	<u>(16,987)</u>	<u>(274,930)</u>	<u>449,947</u>

## GE Capital European Funding Unlimited Company

Condensed Cash Flow Statement - Unaudited  
for the half-year ended 30 June 2025

	<i>Note</i>	<b>30 June 2025</b> <b>\$'000</b>	30 June 2024 \$'000
<b>Cash flows from operating activities</b>			
(Loss)/profit for the year		(34,323)	8,111
Adjustments for:			
Net interest income		(3,995)	(202)
Change in loans and advances to GE Aerospace affiliates		(178,486)	(520,569)
Movement in impairment loss allowance		(1,991)	1,175
Change in other assets		(11)	22
Change in derivative assets held for qualifying hedging relationships		8,901	28,991
Change in derivative liabilities held for qualifying hedging relationships		-	1,722
FX and fair value movement on fixed rate debt securities in qualifying hedging relationships		202,143	(84,987)
Change in accrued interest on debt securities issued		4,289	(1,115)
Change in derivative assets not in qualifying hedging relationships		-	12,578
Change in derivative liabilities not in qualifying hedging relationships		-	2,123
Change in other liabilities		(358)	179
		<u>(3,831)</u>	<u>(551,972)</u>
Interest received		39,155	42,798
Interest paid		<u>(51,783)</u>	<u>(56,586)</u>
<b>Net cash provided by operating activities</b>		<u>(16,459)</u>	<u>(565,760)</u>
<b>Cash flows from investing activities</b>			
Net cash flows from investing activities		<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
(Decrease)/increase in cashpool lendings		(376)	597,354
Debt securities matured		-	(61,041)
Decrease in cashpool borrowings		<u>16,857</u>	<u>29,443</u>
<b>Net cash flows generated from financing activities</b>		<u>16,481</u>	<u>565,756</u>
<b>Net movement in cash and cash equivalents</b>		22	(4)
Cash and cash equivalents at 1 January	11	<u>228</u>	<u>235</u>
<b>Cash and cash equivalents at 30 June</b>	11	<u><u>250</u></u>	<u><u>231</u></u>

# GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025*

## 1 Reporting entity

GE Capital European Funding Unlimited Company is an Irish incorporated, public unlimited company and is Irish tax resident. The unaudited condensed interim financial statements of the Company as at and for the six months ended 30 June 2025 comprise the Company financial performance and financial position. The Company is primarily involved in obtaining financing in the capital markets to fund the operations of the wider GE Aerospace Group.

## 2 Basis of preparation

### (a) Statement of compliance

The unaudited condensed financial statements of the Company have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as adopted by the European Union (“EU”). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual financial statements as at and for the year ended 31 December 2024, which were prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU, and interpretations adopted by the International Accounting Standards Board (“IASB”), and under the requirements of Irish Company Law. The condensed interim financial statements for the six months ended 30 June 2025 are unaudited, but have been reviewed by the auditor whose report is set out on pages 6 and 7. The financial information presented herein for the year to 30 June 2025 does not amount to statutory financial statements that are required by Irish Company Law to be annexed to the annual return of the Company. The statutory financial statements for the year ended 31 December 2024 were annexed to the annual return and filed with the Registrar of Companies. The audit report on those statutory financial statements was unqualified and did not contain any matters to which attention was drawn by way of emphasis.

### (b) Judgements and estimates

Preparing the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense (see Note 14).

In preparing these unaudited condensed interim financial statements, significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended 31 December 2024.

## 3 Material accounting policies

The same accounting policies, presentation and methods of computation have been followed in these unaudited condensed financial statements as were applied in the preparation of the Company’s financial statements for the year ended 31 December 2024. These unaudited interim financial statements should be read in conjunction with the Company’s financial statements for the year ended 31 December 2024.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 3 Material accounting policies (continued)

#### Fair value estimation

The Company's derivatives are carried at fair value and are classified as Level 2. There were no transfers between Level 2 and Level 3 of the fair value hierarchy during the period. The different levels have been defined as follows:

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation.

#### Newly effective EU-endorsed standards for 01 Jan 2025 to 30 June 2025

The below table lists the recent changes to Accounting Standards applying to years commencing on or after 1 January 2025. The Directors have assessed the impact of the below standards and have determined that they don't have a material impact on the financial statements of the Company:

New standards or amendments	EU Effective Date
The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendment to IAS 21)	01 January 2025

#### Standards and amendment to standards not yet adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective and have not been applied in preparing these unaudited condensed financial statements. The Directors have reviewed the below and are not determined to have a material impact on the statements when they are effective.

New standards of amendments	Effective Date
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	01 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 4 Interest income

The following table details the interest income earned by the Company during the period.

	30 June 2025 \$'000	30 June 2024 \$'000
Interest income on loan and advances to GE Aerospace affiliates	20,518	29,440
	<u>20,518</u>	<u>29,440</u>

Interest income is earned on loans made by the Company directly to other GE Aerospace affiliates. Movement in the period is primarily driven by a decrease in the average loans interest rate.

### 5 Interest expense

The following table details the interest expense incurred by the Company during the period.

	30 June 2025 \$'000	30 June 2024 \$'000
Interest expense on debt securities issued:		
- in qualifying hedging relationships at adjusted amortised cost	(28,168)	(37,768)
- at amortised cost	(2,509)	(3,994)
Adjustment for the amortisation of fair value component of debt associated with terminated derivative assets, or those no longer in a hedging relationship	14,591	14,466
Interest expense on loans and advances from GE Aerospace affiliates	(435)	(1,941)
Bank charges and other interest expense	(2)	(1)
	<u>(16,523)</u>	<u>(29,238)</u>

Interest expense on loans and advances from GE Aerospace affiliates relates to borrowings from Cash Management Services Inc. ("CMS"). Decrease in interest expense is primarily driven by a decrease in EURIBOR.

### 6 Fee and commission income

	30 June 2025 \$'000	30 June 2024 \$'000
Commitment fee income from GE Aerospace affiliates	<u>-</u>	<u>1</u>

Decrease in commitment fee income from GE Aerospace affiliates primarily driven by decrease in unused facilities on loans and advances to GE Aerospace affiliates during the period.



## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 7 Service and commitment fee expense

	30 June 2025	30 June 2024
	\$'000	\$'000
Service fee expense	(138)	(109)
	<u>(138)</u>	<u>(109)</u>

The Company has a management service agreement in place with GE Treasury Ireland Services UK ("T2K"), an affiliate Company until 8 March 2024. On 8 March 2024, T2K merged into GE Management services Ireland Limited ("H83"), and the service agreement has been novated from T2K to H83.

### 8 Foreign exchange (loss)/gain

	30 June 2025	30 June 2024
	\$'000	\$'000
Foreign exchange (loss)/gain	(43,148)	21,463
	<u>(43,148)</u>	<u>21,463</u>

The foreign exchange loss for the current period is driven by the movement in EUR/USD exchange rate from 1.036 as at 31 December 2024 to 1.178 as at 30 June 2025 (movement in EUR/USD exchange rate from 1.104 as at 31 December 2023 to 1.071 as at 30 June 2024).

### 9 Net gain/(loss) from financial instruments carried at fair value

	30 June 2025	30 June 2024
	\$'000	\$'000
Fair value movement on interest rate swaps		
- in qualifying hedging relationships	(13,970)	(31,905)
- not in qualifying hedging relationships	-	97
Fair value movement on fixed rate debt securities issued in qualifying hedging relationships	17,027	31,676
Gain/(loss) on foreign currency forwards	-	(12,081)
	<u>3,057</u>	<u>(12,213)</u>

The above table includes the hedge ineffectiveness gain \$3 million (2024: loss 0.1 million). All the foreign currency forwards matured in 2024.

## GE Capital European Funding Unlimited Company

Notes  
for the half-year ended 30 June 2025 (continued)

### 10 Income tax charge

	30 June 2025 \$'000	30 June 2024 \$'000
Analysis of charge/(credit) in year		
<i>Current tax:</i>		
Total current tax	-	-
Total tax charge in the Income Statement	-	-

#### *Factors effecting tax charge/credit for the year*

The tax assessed for the year is different to that at the standard rate of corporation tax in Ireland (12.5%). The differences are explained below.

#### **Reconciliation of effective rate**

	2025 \$'000	2024 \$'000
(Loss)/profit before taxation	(34,323)	8,111
(Loss)/profit multiplied by the standard rate of corporation tax in Republic of Ireland of 12.5% (2024:12.5%)	(4,290)	1,014
<i>Tax effect of:</i>	-	-
Non deductible expenditure	18	1,594
Non-taxable income	(508)	-
Utilisation of losses forward	-	(2,608)
Losses carried forward	4,780	-
Total tax charge/(credit) in the profit or loss	-	-

GE Capital European Funding Unlimited Company

Notes  
for the half-year ended 30 June 2025 (continued)

10 Income tax charge (continued)

The Company, as a subsidiary of GE Aerospace, is within the scope of the Organisation for Economic Co-operation and Development (OECD) Pillar Two model rules (“Pillar Two”). The Pillar Two legislation was enacted in Ireland, the jurisdiction in which the Company is incorporated. Upon enactment, the Pillar Two taxation regime (specifically the qualifying domestic minimum top-up tax (“QDMTT”)) came into effect on 1 January 2024.

The Company has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the Amendments to IAS 12 issued in 2023.

For 2024 GE Aerospace has completed an assessment to estimate the impact of the Pillar Two legislation for its Irish subsidiaries and the results of the analysis indicate that the Company is expected to qualify for applying the transitional Country-by-Country Reporting (CbCR) Safe Harbour in 2024 and not incur a top-up tax liability under the Pillar Two taxation regime, specifically the QDMTT.

It is not yet certain whether the Safe Harbour will continue to apply for 2025, but to the extent that it did not and GE Aerospace’s Pillar Two effective tax rate in Ireland for the period was below the Pillar Two minimum tax rate of 15% such that there was a top-up tax in respect of the GE Aerospace subsidiary entities in Ireland for 2025, a current tax expense would be recognised in a GE Aerospace subsidiary entity other than the Company (the nominated group filer) for Ireland. The nominated group filer would, in that event, pay the Irish Pillar Two top-up tax for all Irish GE entities. The top up tax would not be recharged on an individual entity basis.

11 Cash and cash equivalents

	30 June 2025	31 December 2024
	\$'000	\$'000
Cash and balances with banks	250	228
	250	228

There were no restricted cash balances at the period end (31 December 2024: USD Nil). Cash balances are held with Barclays Bank rated BBB+ (31 December 2024: Barclays Bank rated BBB+).

All 2025 and 2024 ratings are S&P long-term counterparty credit ratings as at 30 June 2025 and 31 December 2024. The percentage of cash held by bank is Barclays Bank 100% (31 December 2024: The percentage of cash held by bank is Barclays Bank 100%).

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 12 Deferred tax asset

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be recovered. The Directors have considered the assumptions underpinning the recognition of a deferred tax asset and have determined that it is appropriate to recognise no deferred tax asset for the year ending 30 June 2025 (31 December 2024: USD Nil).

The Company has an unrecognized deferred tax asset at period end of \$78.2 million (*31 December 2024: \$73.5 million*) which relates to losses carried forward.

### 13 Financial risk management

#### ***Introduction and overview***

The Company has exposure to the following risks from the use of financial instruments:

- (a) credit risk
- (b) liquidity risk
- (c) market risk
- (d) other price risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The condensed interim financial statements do not include all financial risk information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2024. There have been no significant changes in the risk management department or in any risk management policies since the year end.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 13 Financial risk management (continued)

#### **Risk management framework**

The Directors have overall responsibility for the establishment and oversight of the Company's risk management framework in line with the overall GE Aerospace risk management framework

The Board of Directors has four members.

The Company's risk management policies are based on the policies of the Company's ultimate parent GE Aerospace and are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

The Directors are responsible for monitoring compliance with the Company's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Company. The Directors are assisted in these functions by GE Aerospace Internal Audit Staff.

#### ***(a) Credit risk***

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to GE Aerospace affiliates and derivative transactions which are entered into with GE Aerospace affiliates. For risk management reporting purposes the Company considers and consolidates all elements of credit risk exposure (such as individual obligor risk, default risk and country risk). The Directors monitor performance of borrowers and continually assess recoverability of loans (see points below). All loans and advances made by the Company are with GE Aerospace affiliates. All loans are uncollateralized.

#### ***Management of credit risk***

The Directors are responsible for the oversight of the Company's credit risk in line with the overall GE Aerospace risk framework, including:

- Following GE Aerospace credit policies covering credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements;
- Establishing the authorization structure for the approval and renewal of credit facilities;
- Reviewing and assessing credit risk. The Directors assess all credit exposures prior to facilities being committed, and these facilities are subject to periodic review based on the overall risk associated as determined by Management.

For each review, a comprehensive due diligence is carried out on each borrower.

At 30 June 2025 the total carrying amount of lending exposed to credit risk in the Company amounted to \$2,300 million (31 December 2024: \$2,120 million).

As at 30 June 2025, the loans and advances to CMS was 64% (31 December 2024: 60%) of the total loan portfolio for the Company. As at 30 June 2025, the loans and advances to GE Capital Global Holdings, LLC was 25% (31 December 2024: 27%) of the total loan portfolio for the Company. The Directors monitor the performance of GE Aerospace affiliates to assess the recoverability of the loans in line with the overall GE Aerospace risk framework. As at 30 June 2025, the Directors consider none of the loans and advances to be either past due or credit impaired.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 13 Financial risk management (continued)

#### (a) Credit risk (continued)

The Company is also exposed to counterparty credit risk in relation to derivatives. The derivative counterparty is a GE Aerospace affiliate.

Cash and cash equivalents are held with financial institutions rated BBB+ by Standard and Poor at the period end as per Note 11.

#### *Loans with renegotiated terms*

Loans with renegotiated terms are loans that have been restructured due to the deterioration of the borrower's financial position. No loans on the Condensed Statement of Financial Position - Unaudited as at 30 June 2025 were renegotiated during the period (31 December 2024: \$Nil).

#### *Allowances for impairment*

The Company establishes an allowance for impairment based on the Expected credit losses ("ECL") model as required by IFRS 9. It is considered that all loans and advances are Stage 1, as all loans are to GE Aerospace affiliates and interest and principal are paid in a timely manner as per the terms of the loan agreements. No history of default or non repayment in respect of the borrowers. Additionally, the Company have determined that the credit risk on financial assets has not significantly increased since initial application.

Measuring ECL - explanation of inputs, assumptions and estimation techniques: The ECL is measured on either a 12-month or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECLs are the discounted product of Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD), defined as follows:

The PD represents the likelihood of a borrower defaulting on its financial obligation either in the next 12 months or the remaining lifetime of the obligation. The PD for the loans in the Company is considered low as all loans are to GE Aerospace Group undertakings. S&P's Credit Model is used to assign a rating to internal GE Aerospace entities. This model produces outputs on the S&P rating scale. Reviewing S&P's model documents confirms that the Credit Model rating output maps directly to the S&P scale. Since the S&P rating is the industry reference, this is also used to set the GE Aerospace Obligor Rating scale which was directly mapped to the S&P scale, which in turn assigns a PD.

EAD is based on the amounts the Company expects to be owed at the time of default. For revolving credit agreements ('RCAs'), the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

LGD is assumed to be 60%. For GE Aerospace intercompany loans, given the fact that all these loans are senior unsecured, an external benchmark is leveraged for the LGD assumption. According to Moody's Corporate Default and Recovery dataset, the LGD of 60% is estimated based on the summary statistics from US Corporate Senior Unsecured Bonds population.

The discount rate used in the ECL calculation is determined to be the original effective interest rate on the loan (market rate of interest)."

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 13 Financial risk management (continued)

#### (a) Credit risk (continued)

The following table provides information about exposure to credit risk and ECLs as at 30 June 2025 :

In thousand's of \$	S&P rating	Gross carrying amount	Impairment loss allowance	Credit impaired
Low risk				
Loans and advances to GE Aerospace affiliates	Various	2,349,550	(1,711)	No
<b>Total</b>		2,349,550	(1,711)	

The following table provides information about exposure to credit risk and ECLs as at 31 December 2024 :

In thousand's of \$	S&P rating	Gross carrying amount	Impairment loss allowance	Credit impaired
Low risk				
Loans and advances to GE Aerospace affiliates	BBB+	2,170,114	(3,702)	No
<b>Total</b>		2,170,114	(3,702)	

The movement in the allowance for impairment in respect of loans and advances to GE Aerospace affiliates during the reporting period was as follows:

In thousand's of \$

Balance at 1 January 2025	3,702
Decrease in loss allowance	(1,991)
<b>Balance at 30 June 2025</b>	<b>1,711</b>

The decrease in the loss allowance is mainly attributable to the decrease in the average PD rate due to a better rating for GE Aerospace.

#### Fair value adjustment for credit risk

The Company assesses the valuation adjustments required for credit risks associated with derivatives measured at fair value as at 30 June 2025. All derivatives are executed with Hedge Management Services, Inc. ("HMS") and a credit valuation adjustment ("CVA") is calculated to reflect the credit risk of HMS. A debit valuation adjustment ("DVA") is calculated to reflect the credit risk of the Company with the bilateral adjustment recorded in the measurement of the derivatives in the Interim Financial Report. As at 30 June 2025 the bilateral adjustment for the Company amounted to \$1 million (31 December 2024: credit of \$0.3 million) which has been recorded as a credit to the 'Net gain/(loss) from financial instruments carried at fair value' in the Statement of Comprehensive Income.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 13 Financial risk management (continued)

#### ***(b) Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities.

#### ***Management of liquidity risk***

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

GE Aerospace does not expect the need for new long-term debt issuances by the Company for the foreseeable future with the expectation that the current MTN portfolio remains until maturity. The CP programme continues presently albeit no CP is in issue at year end. The Company has access to the cash pool should it be required.

GECIHL has guaranteed that it will meet the liabilities of the CP and MTN programmes should the Company be unable to meet these liabilities. GE Aerospace, has also guaranteed the CP and MTN programmes of the Company thus reducing further the risk to any potential investor and supporting the CP and MTN programmes. As part of the Company's processes, management monitor the ratings of GECIHL and the GE Aerospace affiliates with which the Company trades.

GE Aerospace receives information from other business units regarding the liquidity profile of their financial assets and financial liabilities and details of other projected cash flows arising from projected future business. The repayment terms of debt securities issued are outlined in Note 18. GE Aerospace maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Company. The Company also has access to short term liquidity through their access to the GE Cashpool operated by CMS. The Directors with the assistance of GE Aerospace monitor the ongoing liquidity requirements of the Company in detail, and by way of short-term loans from GE Aerospace cover any short term fluctuations and obtain longer term funding to address any structural liquidity requirements. The overall daily liquidity position is monitored by GE Aerospace.

The Company held derivative assets for qualifying hedging relationships purposes of \$31 million (*31 December 2024: \$56 million*) and derivative assets held for qualifying trading purposes of \$Nil million at 30 June 2025 (*31 December 2024: \$Nil million*). The Company held derivative liabilities for qualifying hedging relationships purposes of \$Nil million (*31 December 2024: \$Nil*) and derivative liabilities for trading purposes of \$Nil million at 30 June 2025 (*31 December 2024: \$Nil*). The derivative assets and liabilities have been split between qualifying hedging relationships and not in hedging relationships, disclosing separately those derivatives that qualify as hedging instruments under IAS39 from those that do not.



## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 13 Financial risk management (continued)

#### (b) Liquidity risk (continued)

##### Residual contractual maturities of financial assets

	Note	Carrying amount	Current amount	Non-current amount
<i>In millions of \$</i>				
<b>30 June 2025</b>				
<i>Non-derivative financial assets</i>				
Cash and cash equivalents	11	-	-	-
Loans and advances to GE Aerospace affiliates	17	2,300	242	2,058
Other assets		-	-	-
		<u>2,300</u>	<u>242</u>	<u>2,058</u>
<i>Derivative assets</i>				
Inflow- held for qualifying hedging relationships	16	1,577	21	1,556
Outflow - held for qualifying hedging relationships	16	<u>(1,546)</u>	<u>-</u>	<u>(1,546)</u>
		<u>31</u>	<u>21</u>	<u>10</u>
		<u>2,331</u>	<u>263</u>	<u>2,068</u>

##### Residual contractual maturities of financial assets

	Note	Carrying amount	Current amount	Non-current amount
<i>In millions of \$</i>				
<b>31 December 2024</b>				
<i>Non-derivative financial assets</i>				
Loans and advances to GE Aerospace affiliates	17	<u>2,120</u>	<u>240</u>	<u>1,880</u>
		<u>2,120</u>	<u>240</u>	<u>1,880</u>
<i>Derivative assets</i>				
Inflow- held for qualifying hedging relationships	16	1,432	33	1,399
Outflow - held for qualifying hedging relationships	16	<u>(1,376)</u>	<u>(1)</u>	<u>(1,375)</u>
		<u>56</u>	<u>32</u>	<u>24</u>
		<u>2,176</u>	<u>272</u>	<u>1,904</u>

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)***13 Financial risk management (continued)****Residual contractual maturities of financial liabilities**

	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
<i>In million of \$</i>								
<b>30 June 2025</b>								
<i>Non derivative liabilities</i>								
Loans and advances from GE Aerospace affiliates	17	42	(42)	(42)	-	-	-	-
Debt securities issued	18	1,839	(2,082)	(29)	-	(66)	(724)	(1,263)
Other liabilities		-	-	-	-	-	-	-
		<u>1,881</u>	<u>(2,124)</u>	<u>(71)</u>	<u>-</u>	<u>(66)</u>	<u>(724)</u>	<u>(1,263)</u>
<i>Derivative liabilities</i>								
Held for qualifying hedging relationships	16	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Undrawn loan commitments		-	(50)	-	-	(50)	-	-
		<u>1,881</u>	<u>(2,174)</u>	<u>(71)</u>	<u>-</u>	<u>(116)</u>	<u>(724)</u>	<u>(1,263)</u>

At 30 June 2025, loans and advances from GE Aerospace affiliates represent outstanding principal and interest balances on cash pool borrowing with a GE Aerospace affiliate.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)***13 Financial risk management (continued)****Residual contractual maturities of financial liabilities**

	<b>Note</b>	<b>Carrying amount</b>	<b>Gross nominal inflow/(outflow)</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>3 months to 1 year</b>	<b>1-5 years</b>	<b>More than 5 years</b>
<i>In millions of \$</i>								
<b>31 December 2024</b>								
<i>Non derivative liabilities</i>								
Loans and advances from GE								
Aerospace affiliates	17	25	(25)	(25)	-	-	-	-
Debt securities issued	18	1,666	(1,738)	(43)	-	(49)	(557)	(1,089)
Other liabilities		-	-	-	-	-	-	-
		<u>1,691</u>	<u>(1,763)</u>	<u>(68)</u>	<u>-</u>	<u>(49)</u>	<u>(557)</u>	<u>(1,089)</u>
<i>Derivative liabilities</i>								
Held for qualifying hedging relationship	16	-	-	-	-	-	-	-
Undrawn loan commitments		-	(50)	-	-	(50)	-	-
		<u>1,691</u>	<u>(1,813)</u>	<u>(68)</u>	<u>-</u>	<u>(99)</u>	<u>(557)</u>	<u>(1,089)</u>

At 31 December 2024, loans and advances from GE Aerospace affiliates represent outstanding principal and interest balances on cash pool borrowing with a GE Aerospace affiliate.

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 13 Financial risk management (continued)

#### (b) Liquidity risk (continued)

The previous table shows the undiscounted cash flows on the Company's financial liabilities and unrecognised loan commitments on the basis of their earliest possible contractual maturity. The Company's expected cash flows on these instruments may vary significantly from this analysis.

To manage the liquidity risk arising from financial liabilities, the Company holds liquid assets comprising cash and cash equivalents and is linked to the CMS cashpool. Hence the Company believes that it is not necessary to disclose a maturity analysis in respect of these assets to enable users to evaluate the nature and extent of liquidity risk. The cash balances pool with another GE Aerospace affiliate nightly, is payable on demand and is recorded under loans and advances from GE Aerospace affiliates and/or loans and advances to GE Aerospace affiliates depending on whether the cash has been borrowed from or lent to the cashpool.

#### (c) Market risk

##### Exposure to foreign currency risk

The principal market risk faced by the Company relates to currency risk as almost all borrowing and lending is in Euro while the functional currency is USD. The following table sets out the Company's non-USD monetary assets and liabilities at 30 June 2025 and 31 December 2024 and the net exposure in original currency and USD of those monetary assets and liabilities.

Original Currency Amounts						
Currency	Monetary Assets	Monetary Liabilities	Derivatives	Net Exposure	Year end Rates	Net Exposure
30 June 2025	'000	'000	'000	'000		\$'000
EUR	1,259,067	(1,594,678)	26,712	(308,899)	1.178	(363,836)
GBP	182	-	-	182	1.372	250

Original Currency Amounts						
Currency	Monetary Assets	Monetary Liabilities	Derivatives	Net Exposure	Year end Rates	Net Exposure
31 December 2024	'000	'000	'000	'000		\$'000
EUR	1,259,400	(1,609,695)	55,000	(295,295)	1.036	(305,955)
GBP	182	-	-	182	1.252	228

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 13 Financial risk management (continued)

#### (c) Market risk (continued)

The Company reduces currency exposure through the use of foreign currency forwards. A 1% appreciation/depreciation in the EUR/USD exchange rate as at 30 June 2025 would give rise to approximately a \$3.6 million loss/profit based on the net exposure at 30 June 2025 (2024: A 1% appreciation/depreciation in the EUR/USD exchange rate as at 31 December 2024 would give rise to approximately a \$3.1 million loss/profit based on the net exposure at 31 December 2024).

#### Exposure to interest rate risk

The Company has exposure to interest rates. This is mitigated by entering into interest rate swaps to match the maturity of assets and liabilities held by the Company.

Under the Company policy, in order to conclude that a hedge relationship is effective, all of the following criteria should be met:

- The regression co-efficient (R Squared), which measures the correlation between the variables in the regression, is at least 0.8;
- The slope of the regression line is within a 0.8 - 1.25 range;
- The confidence level of the slope is at least 95%;

In these hedge relationships the main sources of ineffectiveness are:

- The effect of the counterparty's and the Company's own credit risk on the fair value of the swaps which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- Differences in repricing dates between the swaps and the borrowings.

Portfolios are exposed to the risks associated with fixed rate liabilities versus floating rate receivables, the loss from fluctuations in the future cash flows and fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and the Directors are responsible for monitoring such interest rate gaps.

The interest rate on floating rate assets and liabilities are reset quarterly from the initial date of funding. Therefore movements in the benchmark interest rate during the quarter can give rise to a mismatch between interest expense and income. The effect on the group of a 0.5% increase in the benchmark rate for a full year could give rise to additional profit of approximately \$2 million (31 December 2024: \$2 million). A decrease of 0.5% would have an equal and opposite effect.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 13 Financial risk management (continued)

#### ***(d) Other price risk***

Other price risk is the risk that the fair value of the financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual instrument, its issuer or factors affecting all instruments traded in the market.

The Directors consider the impact of other price risk to be low.

The process for monitoring and measuring this risk is unchanged from year end.

One GE Aerospace affiliate, GE Aerospace accounted for 20% (2024: 15%) of Company revenue and another GE Aerospace affiliate, RYZ, accounted for 72% (2024: 20%) of Company revenue.

In addition to the above, the Company had entered into lending commitments of \$50 million (*31 December 2024: \$50 million*) with 100% owned GE Aerospace affiliates.

### 14 Use of estimates and judgements

The Directors review the development, selection and disclosure of the Company's critical accounting policies and estimates, and the application of these policies and estimates.

These disclosures supplement the commentary on financial risk management (see Note 13).

#### **Sources of estimation uncertainty**

##### **(a) Determining fair values of financial instruments where a quoted market price is unavailable**

As indicated in Note 15, certain of the Company's financial instruments are measured at fair value on the respective Statements of Financial Position and it is usually possible to determine their fair values within a reasonable range of estimates.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve market uncertainties and matters of judgement (including interest rates, volatility, estimated cash flows) and therefore, cannot be determined with precision.

The Company has estimated the fair value of its loans and advances to GE Aerospace affiliates taking into account market risk and the changes in credit quality of its borrowers.

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 14 Use of estimates and judgements (continued)

#### (b) Valuation of financial assets and liabilities

The Company measures fair values using the hierarchy of methods stated in Note 3.

The valuation techniques and significant inputs used in determining the fair values for financial assets and liabilities classified as Level 1, Level 2 and Level 3 are as follows:

**Loans and advances from GE Aerospace affiliates** - The fair value of issued loans is estimated from the present value of the cash flows, using current market rates from similar loans.

**Loans and advances to GE Aerospace affiliates** - The fair value of issued loans is estimated from the present value of the cash flows, using current market rates from similar loans.

**Debt securities** - The Company determine fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, and comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond prices, foreign currency exchange rates, expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

**Derivative assets and liabilities** - the Company use widely recognised valuation models for determining the fair value of common and more simple financial instruments, such as interest rate swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt securities of the parent, GE Aerospace, exchange traded derivatives and simple over the counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets. Derivatives are shown gross on statements of financial position as they do not qualify for offset in accordance with IAS 32. In addition there are no master netting agreements in place. All derivatives are executed with HMS and a credit valuation adjustment ("CVA") is calculated to reflect the credit risk of HMS. A debit valuation adjustment ("DVA") is calculated to reflect the credit risk of the Company with the bilateral adjustment recorded in the measurement of the derivatives in the Financial Statements

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 14 Use of estimates and judgements (continued)

The table below analyses the fair values of financial assets and liabilities between those carried at fair value and amortised cost, by valuation level:

Company	Measured at Fair Value			Measured at Amortised Cost	Total
	Level 1	Level 2	Level 3		
<i>In millions of USD</i>					
<b>30 June 2025</b>					
<b>Assets</b>					
Derivative assets held for qualifying hedging relationship	-	31	-	-	31
Loans to GE Aerospace affiliates	-	-	-	2,300	2,300
	-	31	-	2,300	2,331
<i>In millions of USD</i>					
<b>Liabilities</b>					
Loans from GE Aerospace affiliates	-	-	-	(42)	(42)
Debt securities issued	-	-	-	(1,839)	(1,839)
	-	-	-	(1,881)	(1,881)

\* Measured at amortised cost as adjusted for the fair value of hedged risk under hedge accounting rules.



## GE Capital European Funding Unlimited Company

Notes  
for the half-year ended 30 June 2025 (continued)

### 14 Use of estimates and judgements (continued)

	Measured at Fair Value			Measured at Amortised Cost	Total
	Level 1	Level 2	Level 3		
<i>In millions of \$</i>					
<b>31 December 2024</b>					
<b>Assets</b>					
Loans and advances to GE Aerospace affiliates	-	-	-	2,120	2,120
Derivative assets held for qualifying hedging relationships	-	56	-	-	56
	<u>-</u>	<u>56</u>	<u>-</u>	<u>-</u>	<u>56</u>
	<u>-</u>	<u>56</u>	<u>-</u>	<u>2,120</u>	<u>2,176</u>
<i>In millions of \$</i>					
<b>31 December 2024</b>					
<b>Liabilities</b>					
Debt securities issued	-	-	-	(1,666)	(1,666)
Loans and advances from GE Aerospace affiliates	-	-	-	(25)	(25)
Other liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,691)</u>	<u>(1,691)</u>

\* Measured at amortised cost as adjusted for the fair value of hedged risk under hedge accounting rules.

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 15 Accounting classifications and fair values

The table below sets out the carrying amounts and fair values of the Company's financial assets and liabilities.

<i>In millions of \$</i>	<b>Fair value through profit or loss Held for qualifying hedging relationships</b>	<b>Derivatives not in qualifying hedging relationships</b>	<b>Amortised cost</b>	<b>Amortised Cost Loans and receivables</b>	<b>Qualifying hedging relationships at amortised cost</b>	<b>Total carrying amount</b>	<b>Fair Value *</b>
<b>30 June 2025</b>							
Derivative assets held for qualifying hedging relationships	31	-	-	-	-	31	31
Derivative assets held for trading	-	-	-	-	-	-	-
Loans and advances to GE Aerospace affiliates	-	-	-	2,300	-	2,300	2,201
	<u>31</u>	<u>-</u>	<u>-</u>	<u>2,300</u>	<u>-</u>	<u>2,331</u>	<u>2,232</u>
Derivative liabilities held for qualifying hedging relationships	-	-	-	-	-	-	-
Loans and advances from GE Aerospace affiliates	-	-	-	(42)	-	(42)	(42)
Debt securities issued	-	-	(182)	-	(1,657)	(1,839)	(1,659)
	<u>-</u>	<u>-</u>	<u>(182)</u>	<u>(42)</u>	<u>(1,657)</u>	<u>(1,881)</u>	<u>(1,701)</u>

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 15 Accounting classifications and fair values (continued)

<i>In millions of \$</i>	Fair value through profit or loss Held for qualifying hedging relationships	Derivatives not in qualifying hedging relationships	Amortised Cost Amortised cost	Loans and receivables	Amortised Cost Qualifying hedging relationships at amortised cost	Total Carrying Amount	Fair Value *
<b>31 December 2024</b>							
Derivatives assets held for qualifying hedging relationships	56	-	-	-	-	56	56
Loans and advances to GE Aerospace affiliates	-	-	-	2,120	-	2,120	2,112
	<u>56</u>	<u>-</u>	<u>-</u>	<u>2,120</u>	<u>-</u>	<u>2,176</u>	<u>2,168</u>
Loans and advances from GE Aerospace affiliates	-	-	-	(25)	-	(25)	(25)
Debt securities issued	-	-	(160)	-	(1,506)	(1,666)	(1,485)
	<u>-</u>	<u>-</u>	<u>(160)</u>	<u>(25)</u>	<u>(1,506)</u>	<u>(1,691)</u>	<u>(1,510)</u>

\* Readers of this Interim Financial Report are advised to use caution when using the data in the table above to evaluate the Company's financial position or to make comparisons with other institutions. All "Loans and advances to affiliates" are with GE Aerospace affiliates and planned to be held to maturity. Market risks are key assumptions in the estimation of the fair value of "loans and advances to GE Aerospace affiliates". Derivative assets and liabilities are valued using internal models. These models maximise the use of market observable inputs including market observable swap rates and spread indicators obtained from three leading market makers.

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 16 Financial assets and liabilities

#### Fair value hedging relationships

At 30 June 2025, certain MTN's shown within debt securities issued are in interest rate hedging relationships valued at \$1,301 million (31 December 2024: \$1,145 million). These are nominal valued with respect to the hedged interest risk.

#### Derivatives held for risk management

At 30 June 2025 certain derivatives are entered into for risk management purposes however those that qualify under IAS 39 for hedge accounting are disclosed separately from those that are not. All the derivatives are with a GE Aerospace affiliate, HMS.

	30 June 2025	31 December 2024
	\$'000	\$'000
<b>Non-current assets</b>		
Derivative assets held for qualifying hedging relationships	10,630	23,672
<b>Current assets</b>		
Derivative assets held for qualifying hedging relationships	20,641	32,145
	<u>31,271</u>	<u>55,817</u>

#### Fair value hedges of interest rate risk

The Company use interest rate swaps to hedge its exposure to changes in the fair value of its fixed rate Euro MTN's. Interest rate swaps are matched to specific issuances of fixed rate notes. The fair value of derivative assets designated as fair value hedges is \$31 million (31 December 2024: \$56 million) and the fair value of derivative liabilities designated as fair value hedges is \$nil million (31 December 2024: \$Nil million)

The notional amounts of all interest rate swaps outstanding at 30 June 2025 were \$1,301 million (31 December 2024: \$1,145 million).

### 17 Loans and advances

#### Loans and advances to GE Aerospace affiliates at amortised cost

	30 June 2025	31 December 2024
	\$'000	\$'000
Amounts falling due within one year	241,569	240,604
Amounts falling due after one year	<u>2,057,981</u>	<u>1,879,510</u>
	<u>2,299,550</u>	<u>2,120,114</u>

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 17 Loans and advances (continued)

#### Loans and advances from GE Aerospace affiliates at amortised cost

	30 June 2025 \$'000	31 December 2024 \$'000
Amounts falling due within one year	(41,869)	(25,060)
	<u>(41,869)</u>	<u>(25,060)</u>

Please refer to note 13 for details of impairment loss provision recognised in relation to loans and advances to GE Aerospace affiliates.

### 18 Debt securities issued

	30 June 2025 \$'000	31 December 2024 \$'000
Fixed rate debt securities in qualifying hedging relationship	1,657,193	1,481,479
Floating rate debt securities issued at amortised cost	181,977	184,896
Fixed rate debt securities held at amortised cost (no longer in qualifying hedging relationships)	-	-
	<u>1,839,170</u>	<u>1,666,375</u>
	30 June 2025 \$'000	31 December 2024 \$'000
Debt securities issued falling due within one year	28,622	43,379
Debt securities issued falling after one year	1,810,548	1,622,996
	<u>1,839,170</u>	<u>1,666,375</u>

At 30 June 2025, \$1,483 million (31 December 2024: \$1,305 million) of nominal debt securities issued are expected to be settled more than twelve months after the reporting date.

Floating rate debt securities issued by the MTN program held at amortised cost have maturities from 4 years to 7 years (31 December 2024: 5 years to 8 years), a weighted average maturity of 5 years (31 December 2024: 6 years) and a range of interest rates from 3 month Euribor plus 0.3400% to 3 month Euribor plus 0.5500% (31 December 2024: from 3 month Euribor plus 0.3400% to 3 month Euribor plus 0.5500%).

Fixed rate debt securities issued in qualifying hedging relationships by the MTN program have a range of maturities from 2 years to 13 years (31 December 2024: 3 years to 14 years), a weighted average maturity of 8 years (31 December 2024: 9 years) and a range of interest rates from 3.65% to 6.025% (31 December 2024: 3.65% to 6.025%).

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 18 Debt securities issued (continued)

The table below analyses nominal movements in medium term notes and commercial paper:

	30 June 2025	31 December 2024
	Medium Term Notes	Medium Term Notes
	\$'000	\$'000
Opening balance	1,304,510	1,452,928
Maturities		(61,041)
Early redemption	-	
Foreign Exchange (gains)/loss	178,471	(87,377)
<b>Closing Balance</b>	<b>1,482,981</b>	<b>1,304,510</b>

The Company has not had any defaults of principal, interest or other breaches with respect to its debt securities during 2025 or 2024.

### 19 Changes in liabilities from financing activities

	1 January 2025	Cash Flows	Non-cash Changes			30 June 2025
			FX Movements	Fair Value Changes	Accrued interest and fees	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Debt securities issued	1,666,375	-	178,472	8,997	(14,674)	1,839,170

  

	1 January 2024	Cash Flows	Non-cash Changes			31 December 2024
			FX Movements	Fair Value Changes	Accrued interest and fees	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Debt securities issued	1,854,384	(61,041)	(87,377)	(34,374)	(5,217)	1,666,375

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 20 Operating segments

It is the Directors' view that the Company's business is organised as a single segment. The Company has earned its interest income in the Republic of Ireland and the United States and all of the Company's revenues arise from the provision of loans to GE Aerospace affiliates and from management fee income from GE Aerospace affiliates.

#### Company

	<b>30 June 2025</b>	30 June 2024
	<b>Ireland</b>	Ireland
	<b>\$'000</b>	\$'000
Revenue from loans and advances to GE Aerospace affiliates	20,518	29,440
Revenue from commitment fees and management fees from GE Aerospace affiliates	-	1
<b>Total segment revenue</b>	<b>20,518</b>	<b>29,441</b>
Reportable segment profit/(loss) before tax	(34,323)	8,111
	<b>30 June 2025</b>	<b>31 December 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Reportable segment assets	2,331,082	2,176,159
Reportable segment liabilities	(1,881,135)	(1,691,889)

One GE Aerospace affiliate, GE Aerospace affiliate, RYZ, accounted for 72% of total revenue of the Company during the period (30 June 2024: 20%). GE Aerospace accounted for 20% of total revenue of the Company during the period (30 June 2024: 15%). No other GE Aerospace affiliates accounted for more than 10% of total revenue.

Loans to CMS, accounted for 64% of segment assets at 30 June 2025 (31 December 2024: 60%). Loans to RYZ, accounted for 25% of segment assets at 30 June 2025 (31 December 2024: 27%). No other GE Aerospace affiliates account for more than 10% of segment assets.

## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 21 Related party disclosures

#### (a) Transactions with subsidiary undertakings and other affiliate GE Aerospace Group affiliates

The Company enters into financial transactions with other GE Aerospace affiliates in the normal course of business. These include loans and derivative instruments on an "arm's length" or cost plus basis. In addition, the Company enter into derivative transactions with HMS. Transactions and balances between the Company and other GE Aerospace Group affiliates are detailed in relevant notes.

Since 3 December 2015, the guarantee for the CP and MTNs programmes has been provided by GECIHL and GE Aerospace. No fee has been payable from this date for these guarantees.

The below table provides the Company's SOCI transactions with related parties including it's immediate parent, GE Ireland USD Holdings Unlimited Company.

Related Party	30 June 2025 USD'000	31 December 2024 USD'000
<b>Service fee expense</b>		
GE Treasury Ireland Services Unlimited Company	-	(109)
GE Management Services Ireland Limited	(138)	(275)
<b>Interest income and expense on loan and advances with GE Aerospace affiliates</b>		
Cash Management Services Inc.	(63)	17,326
GE Aerospace Ireland, Inc.	11	-
GE Ireland USD Holdings Unlimited Company	530	1,321
GE Ireland CHF Funding Unlimited Company	512	1,212
GE Aviation Global Holdings B.V.	732	(318)
GE SCF SOCIETE EN COMMANDITE PAR ACTIONS	-	406
General Electric Company	4,086	10,814
GE Capital European Treasury Services Ireland Unlimited Company	-	1
GE Capital Treasury Services (U.S.) LLC	-	-
GE Capital Global Holdings, LLC	14,973	21,909
<b>Gain/(loss) on derivative instruments</b>		
Hedge Management Services, Inc.	(15,547)	20,480
	<b>5,096</b>	<b>72,767</b>



## GE Capital European Funding Unlimited Company

Notes

for the half-year ended 30 June 2025 (continued)

### 21 Related party disclosures (continued)

The below table lists the related parties that the Company has balances or has transacted with during the year. Balances and transactions during the year with the immediate parent, GE Ireland USD Holdings Unlimited Company are included in the below table.

Related Party	Opening Balance 1/1/25	Receipts/FV adjustments during the period	Repayments/FV adjustments during the period	Closing Balance 30/06/2025
	USD'000	USD'000	USD'000	USD'000
<b>Service fee accrued</b>				
GE Management ServicesIreland Limited	(274)	274	-	-
<b>Loans and advances to/from GE Aerospace affiliates</b>				
Cash Management Services Inc.	1,277,709	162,480	-	1,440,189
GE Ireland CHF Funding Unlimited Company	20,218	-	(20,218)	-
GE Ireland USD Holdings Unlimited Company	20,217	-	(7)	20,210
GE Capital Global Holdings, LLC	580,845	-	(13)	580,832
GE Aviation Global HoldingsB.V.	24,682	332	-	25,014
General Electric Company	171,366	-	(58)	171,308
GE Capital European Treasury	16		(16)	-
GE Aerospace Ireland, Inc.	-	20,126	-	20,126
<b>Derivative instruments held</b>				
Hedge Management Services, Inc.	55,817	-	(24,546)	31,271
<b>Total</b>	<b>2,150,596</b>	<b>183,212</b>	<b>(44,858)</b>	<b>2,288,950</b>

## GE Capital European Funding Unlimited Company

Notes

*for the half-year ended 30 June 2025 (continued)*

### 21 Related party disclosures (continued)

#### ***(b) Sale of loans***

In the current period no loans were sold *(31 December 2024: No loans sold)*.

#### ***(c) Compensation of key management personnel***

There has been no material change in the remuneration of key management personnel for the period ended 30 June 2025.

Under IAS 24, “Key Management Personnel” are defined as comprising of the Directors together with senior executive officers.

#### ***(d) Transactions with key management personnel***

There were no loans, quasi-loans or credit transactions outstanding by the Company to its Directors at any time during the current or preceding year.

#### ***(e) Off balance sheet arrangements***

As part of the wider GE Aerospace Group, the Company avail of services provided by other GE Aerospace affiliates. These include cash operations, treasury, human resources and technical accounting services.

### 22 Subsequent events

No significant events affecting the Company occurred since the reporting date, which require adjustment to or disclosure in the unaudited condensed interim financial statements.

### 23 Approval of financial statements

The unaudited condensed interim financial report was approved by the Directors on 24 September 2025.