Consolidated and combined US GAAP financial statements

December 31, 2012, 2011 and 2010

(CHF amounts in thousands)

Final Version: August 22, 2013

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Consolidated and Combined Statements of Income

For the years ended December 31 (CHF in thousands)	Note	Consolidated 2012	2011	Combined 2010
Interest income	17	352,309	368,800	404,978
Interest expense		(20,549)	(15,762)	(5,836)
Affiliated interest expense		(49,484)	(84,837)	(112,616)
Net interest income		**282,276**	**268,201**	**286,526**
Commission and fee income	18	73,444	69,727	62,909
Net revenues		**355,720**	**337,928**	**349,435**
Provision for losses on financing receivables	4	**(22,334)**	**(14,316)**	**(21,810)**
Compensation and benefits		(102,737)	(97,694)	(93,326)
General and administrative expenses	19	(61,631)	(58,887)	(70,825)
Total operating expenses		**(164,368)**	**(156,581)**	**(164,151)**
Income before income taxes		**169,018**	**167,031**	**163,474**
Income tax expense	12	(35,892)	(35,582)	(34,113)
Net income		**133,126**	**131,449**	**129,361**

See accompanying notes to the consolidated and combined financial statements.

Consolidated and Combined Statements of Comprehensive Income

For the years ended December 31 (CHF in thousands)	Consolidated 2012	2011	Combined 2010
Net income	133,126	131,449	129,361
Benefit plans, net of tax	(4,365)	(10,302)	(2,436)
Comprehensive income	**128,761**	**121,147**	**126,925**

See accompanying notes to the consolidated and combined financial statements.

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Consolidated Statements of Financial Position

At December 31 (CHF in thousands)	Note	2012	Consolidated 2011	2010
Assets				
Cash and equivalents		367,868	393,217	214,990
Financing receivables, net	4	4,010,512	3,994,327	4,125,034
Property, plant and equipment, net	5	3,840	5,174	6,137
Intangible assets, net	6	2,829	2,837	5,889
Other assets	7	45,758	8,129	10,454
Deferred income taxes	12	8,449	7,548	4,818
Total assets (a)		**4,439,256**	**4,411,232**	**4,367,322**
Liabilities and equity				
Deposits	8	1,280,269	1,189,531	674,777
Accrued expenses and other payables		138,901	86,538	83,748
Due to affiliates	9	1,504,000	1,855,000	2,662,652
Long-term debt	9	400,000	300,000	100,000
Other liabilities	11	34,858	27,696	14,825
Total liabilities (a)		**3,358,028**	**3,458,765**	**3,536,002**
Common shares		30,000	30,000	30,000
Additional paid in capital		811,542	811,542	811,542
Retained earnings		270,682	137,556	6,107
Accumulated other comprehensive loss		(30,996)	(26,631)	(16,329)
Total shareholder's equity		**1,081,228**	**952,467**	**831,320**
Total liabilities and shareholder's equity		**4,439,256**	**4,411,232**	**4,367,322**

(a) Our consolidated assets at December 31, 2012 include total assets of TCHF 297,427 of a consolidated variable interest entity (VIE) that can only be used to settle the liabilities of the VIE. These assets include net financing receivables of TCHF 274,617. Our consolidated liabilities at December 31, 2012 include liabilities of the VIE for which the VIE creditors do not have recourse to GE Money Bank AG. These liabilities include non-recourse borrowings for a consolidated VIE of TCHF 200,000.

See accompanying notes to the consolidated and combined financial statements.

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Consolidated and Combined Statements of Changes in Shareholder's Equity

CHF in thousands	Net parent investment	Common shares	Additional paid in capital	Retained earnings	Accumulated other comprehensive loss (a)	**Total equity**
Balance at January 1, 2010 (b)	**927,060**				**(13,893)**	**913,167**
Net income - combined (b)	123,254			6,107		**129,361**
Reorganization (b)	(1,050,314)	30,000	811,542		(2,283)	**(211,055)**
Other comprehensive loss before reclassifications, net of deferred tax of 694					(2,611)	**(2,611)**
Reclassifications from other comprehensive loss, net of deferred tax of (654)					2,458	**2,458**
Balance at December 31, 2010		**30,000**	**811,542**	**6,107**	**(16,329)**	**831,320**
Net income				131,449		**131,449**
Other comprehensive loss before reclassifications, net of deferred tax of 3,425					(12,885)	**(12,885)**
Reclassifications from other comprehensive loss, net of deferred tax of (686)					2,583	**2,583**
Balance at December 31, 2011		**30,000**	**811,542**	**137,556**	**(26,631)**	**952,467**
Net income				133,126		**133,126**
Other comprehensive loss before reclassifications, net of deferred tax of 2,246					(8,449)	**(8,449)**
Reclassifications from other comprehensive loss, net of deferred tax of (1,085)					4,084	**4,084**
Balance at December 31, 2012		**30,000**	**811,542**	**270,682**	**(30,996)**	**1,081,228**

(a) Other comprehensive loss consists of movements related to our benefit plan obligation. Reclassifications from other comprehensive loss are classified in the income statement under compensation and benefits.

(b) Refer to Note 1 on the reorganization of GE Money Bank AG in 2010.

See accompanying notes to the consolidated and combined financial statements.

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Consolidated and Combined Statements of Cash Flows

For the years ended December 31 (CHF in thousands)	Consolidated 2012	2011	Combined 2010
Cash flows from operating activities:			
Net income	133,126	131,449	129,361
Adjustments to reconcile net income to cash provided by operating activities			
Provision for losses on financing receivables	22,334	14,316	21,810
Deferred income taxes	260	9	(701)
Depreciation	1,890	2,263	2,856
Amortization of intangibles	1,227	4,214	5,232
Increase in accrued expenses	52,363	2,790	38,089
(Increase) / decrease in tax receivables	(15,310)	6,076	-
All other operating activities	539	(3,334)	(4,412)
Net cash provided by operating activities	**196,429**	**157,783**	**192,235**
Cash flows from investing activities:			
(Increase) / decrease in financing receivables	(38,519)	116,391	553,570
Additions to buildings and equipment	(556)	(1,300)	(785)
Increase in restricted cash	(21,223)	(587)	-
All other investing activities	(1,218)	(1,162)	(608)
Net cash (used in) / provided by investing activities	**(61,516)**	**113,342**	**552,177**
Cash flows from financing activities:			
Net change in deposits	90,738	514,754	460,544
Net change in due to affiliates	(351,000)	(807,652)	(1,090,362)
Issuance of non-recourse long-term borrowings	200,000	-	-
Issuance of long-term debt	-	200,000	100,000
Repayments of long-term debt	(100,000)	-	-
Net cash used in financing activities	**(160,262)**	**(92,898)**	**(529,818)**
Net (decrease) / increase in cash and equivalents	**(25,349)**	**178,227**	**214,594**
Cash and equivalents:			
Beginning of year	393,217	214,990	396
End of year	**367,868**	**393,217**	**214,990**
Supplemental disclosure:			
Interest paid	(71,963)	(98,284)	(104,783)
Income taxes paid	(34,713)	(18,853)	(19,672)

See accompanying notes to the consolidated and combined financial statements.

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Notes to the Consolidated and Combined Financial Statements

1. Organization and business

Business overview

GE Money Bank AG (the Bank), is a wholly-owned subsidiary of GE Capital Swiss Funding AG, whose ultimate parent is General Electric Capital Corporation (GECC). GECC is a wholly-owned subsidiary of General Electric Company (GE). The Bank has its headquarters in Zurich and 25 branches across Switzerland. Its business purpose focuses primarily on granting loans to private customers, vehicle lease financing, and receiving funds in the form of deposit accounts. Furthermore, the Bank has a MasterCard license and issues various credit cards, including the Cumulus MasterCard. Interest margin earned on financing receivables constitutes the most important source of income for the Bank. Consumer loans and credit cards are granted on an unsecured basis, whereas financing leases are secured by assets. The Bank acts as an intermediary and provides additional payment protection insurance which covers the customer's monthly loan payment in the event of unemployment, accident or sickness, as well as further insurance products for credit card loss.

Reorganization of the Bank in 2010

In 2010, GE Money Bank AG, was renamed GE Capital Swiss Funding AG as of December 1, 2010 when all of its banking business was transferred through an asset transfer pursuant to Article 69 et seq. of the Merger Act [Fusionsgesetz (FusG)] to the new Bank also named GE Money Bank AG, trading at that time as GE Money AG.

The former GE Money Bank AG was a licensed bank subject to the Swiss Financial Market Supervisory Authority (FINMA). Prior to the asset transfer, the former GE Money Bank AG refinanced its core business almost exclusively internally within GE or subsidiaries of GE (the GE Group). The new GE Money Bank AG received a banking license from FINMA on implementation of the asset transfer on December 1, 2010 and has since been subject to its supervision. The asset transfer facilitated the transfer of the entire banking business of the former GE Money Bank AG including all assets and liabilities and associated contracts to the new GE Money Bank AG. Financing activities not related to the core business were not included in the asset transfer and remained with GE Capital Swiss Funding AG. These primarily include intra-group loans to BPH S.A. (Poland), a subsidiary of GECGFH, of TCHF 1,230,000 and the GE group financing of TCHF 4,584,627. Furthermore, all current tax liabilities, of TCHF (49,888), relating to the period prior to the asset transfer remained with GE Capital Swiss Funding AG. The new GE Money Bank AG is continuing to perform the banking business transferred to it under the same framework and in compliance with the requirements of the supervisory authorities. As part of the transfer, there was an increase in the parent's investment of the new GE Money Bank AG resulting in registered shares of TCHF 30,000 at December 1, 2010. The transfer also resulted in additional paid in capital from the parent of TCHF 811,542. A revised intra-group financing was provided by GECC and related subsidiaries as described in Note 9.

The asset transfer was accounted for as a transfer of assets between entities under common control. Transfers of net assets or exchanges of shares between entities under common control are accounted for at historical value, and as if the transfer occurred at the beginning of the earliest period. Prior period results for 2010 are retrospectively presented to furnish comparative information, as if the

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assets transfer had occurred as of January 1, 2010. Therefore, the 2010 operations for the 12 months ended December 31, 2010 are reflected on a combined basis.

2. Basis of presentation and summary of significant accounting policies

The consolidated and combined financial statements have been prepared on a stand-alone basis and, as the reorganization was considered a transaction between entities under common control, have been derived from the historical accounting records and consolidated financial statements of the former GE Money Bank AG. The combined historical financial statements consist of the financial positions, results of operations and cash flows of the businesses and assets acquired by GE Money Bank AG in the reorganization described previously as if those businesses were combined into a reporting entity for all periods presented.

The consolidated and combined historical financial statements reflect our financial position, results of operations and cash flows as we were historically managed, in accordance with accounting principles generally accepted in the U.S. ("GAAP"). The consolidated and combined historical financial statements include all revenues, costs, assets and liabilities directly attributable to us and are stated in Swiss Francs (CHF). The abbreviation TCHF within these financials statements refers to thousands CHF. The Bank believes that all costs of running the business on a standalone basis have been reflected in the financial statements. However, the results of operations of the Bank are not necessarily indicative of those that would have been achieved had the Bank operated as an independent entity during the years ending December 31, 2012, 2011 and 2010.

Because a direct ownership relationship did not exist among the various units comprising the Bank, net parent investment is shown in lieu of common stock, additional paid-in capital, and retained earnings for the period prior to December 1, 2010 on the combined statement of changes in shareholder's equity. The following is a description of the Bank's significant accounting policies.

Consolidation

The consolidated and combined financial statements represent the Bank and all of its majority owned and controlled affiliates. All significant transactions among the Bank's consolidated affiliates have been eliminated.

To determine if we hold a controlling financial interest in an entity we first evaluate if we are required to apply the variable interest entity (VIE) model to the entity, otherwise the entity is evaluated under the voting interest model. Where we hold current or potential rights that give us the power to direct the activities of a VIE that most significantly impact the VIE's economic performance combined with a variable interest that gives us the right to receive potentially significant benefits or the obligation to absorb potentially significant losses, we have a controlling financial interest in that VIE. Rights held by others to remove the party with power over the VIE are not considered unless one party can exercise those rights unilaterally. When changes occur to the design of an entity we reconsider whether it is subject to the VIE model. We continuously evaluate whether we have a controlling financial interest in a VIE.

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Use of estimates

Preparing financial statements in conformity with U.S. GAAP requires management to make estimates based on assumptions about future economic and market conditions (for example, unemployment, market liquidity, etc.) which affect reported amounts and related disclosures in the financial statements. Although the Bank's current estimates contemplate current conditions and how management expects them to change in the future, as appropriate, it is reasonably possible that in 2013 and beyond actual conditions could be worse than anticipated in those estimates, which could materially affect the Bank's results of operations and financial position. Among other effects, such changes could result in future impairments of intangibles and long-lived assets, incremental losses on financing receivables, and establishment of additional valuation allowances on deferred tax assets.

Revenues (earned income)

The Bank uses the interest method to recognize income on loans. Interest on loans includes origination and other nonrefundable fees, and also includes origination costs related to funding (recorded in interest income in accordance with the interest method). The Bank stops accruing interest at the earlier of the time at which collection of an account becomes doubtful or the account becomes 90 days past due, and at that time, previously recognized interest income that was accrued but not collected from the borrower is reversed, unless the terms of the loan agreement permit capitalization of accrued interest to the principal balance. Although we stop accruing interest in advance of payments, we recognize interest income as cash is collected when appropriate, provided the amount does not exceed that which we would have been earned at the historical effective interest rate; otherwise, payments received are applied to reduce the principal balance of the loan. The Bank resumes accruing interest on nonaccrual, non-restructured commercial loans only when (a) payments are brought current according to the loan's original terms and (b) future payments are reasonably assured.

The Bank resumes accruing interest on nonaccrual consumer loans when the customer's account is less than 90 days past due and collection of such amounts is probable.

Financing lease income is recognized on the interest method to produce a level yield on funds not yet recovered. Interest on leases also includes origination, commitment and other nonrefundable fees and origination costs related to funding. Estimated residual values at the date of lease inception are based upon the Bank's initial best estimates of the value of the leased asset at the end of the lease term. The Bank uses various sources of data in determining this estimate, including information obtained from third parties, which is adjusted for the attributes of the specific asset under lease. All residual values are guaranteed by third party dealers. The guarantees on residual values provided by unrelated third parties are considered part of minimum lease payments.

Credit card origination fees and certain direct origination costs are deferred and amortized over 12 months.

Commission and fee income include commissions earned from the sale of insurance products as well as fees earned from all products. Credit card fees are primarily composed of interchange and other card fees, including annual and reminder fees, reduced by any reward program costs. Interchange and other card fees are recognized when earned, except for annual card fees, which are deferred and amortized on a straight-line basis over a 12-month period.

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Notes to the Consolidated and Combined Financial Statements

Depreciation and amortization

Depreciation of property, plant, and equipment is recorded on a straight-line basis over the estimated useful lives of the assets by type of fixed assets.

The cost of intangible assets is generally amortized on a straight-line basis over the asset's estimated useful life. We review long-lived assets for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable.

Losses on financing receivables

Losses on financing receivables are recognized when they are incurred, which requires the Bank to make the best estimate of probable losses inherent in the portfolio. The method of calculating estimated losses depends on the size, type and risk characteristics of the related receivables. Such an estimate requires consideration of historical loss experience, adjusted for current conditions, and judgments about the probable effects of relevant observable data, including present economic conditions such as delinquency rates, financial health of specific customers and market sectors, and the present and expected future levels of interest rates. The underlying assumptions, estimates and assessments the Bank uses to provide for losses are updated periodically to reflect our view of current conditions and are subject to the regulatory examination process, which can result in changes to our assumptions. Changes in such estimates can significantly affect the allowance and provision for losses. It is possible to experience credit losses that are different from current estimates. Write offs are deducted from the allowance for losses when we judge the principal to be uncollectible and subsequent recoveries are added to the allowance at the time cash is received on a written-off account.

"Nonaccrual financing receivables" are those on which we have stopped accruing interest. We stop accruing interest at the earlier of the time at which collection of an account becomes doubtful or the account becomes 90 days past due. Although we stop accruing interest in advance of payments, we recognize interest income as cash is collected when appropriate provided the amount does not exceed that which would have been earned at the historical effective interest rate.

"Delinquent" receivables are those that are 30 days or more past due based on their contractual terms.

"Troubled debt restructurings" (TDRs) are those loans for which we have granted a concession to a borrower experiencing financial difficulties where we do not receive adequate compensation. The Bank does not have any TDRs.

The Bank's loan portfolio consists of smaller balance, homogeneous loans including credit card receivables, installment loans, auto loans and leases. Each portfolio is collectively evaluated for impairment quarterly. The allowance for losses on these receivables is established through a process that estimates the probable losses inherent in the portfolio based upon statistical analyses of portfolio data. These analyses include migration analysis, in which historical delinquency and credit loss experience is applied to the current aging of the portfolio, together with other analyses that reflect current trends and conditions. Management also considers our historical loss experience to date based on actual defaulted loans and overall portfolio indicators including nonaccrual loans, trends in loan volume and lending terms, credit policies and other observable environmental factors such as unemployment rates and home price indices.

Experience is not available for new products; therefore, while we are developing that experience, we set loss allowances based on our experience with the most closely analogous products in the portfolio.

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The Bank writes off unsecured closed-end installment loans and auto finance leases at 120 days contractually past due and unsecured open-ended revolving loans at 180 days contractually past due. Unsecured consumer loans in bankruptcy are written off within 60 days of notification of filing by the bankruptcy court or within contractual write-off periods, whichever occurs earlier.

When collateral is repossessed in satisfaction of an auto finance lease, the receivable is written down against the allowance for losses. Repossessed collateral is included in "Other assets" in the Statement of Financial Position and carried at the lower of cost or estimated fair value less costs to sell.

Cash and equivalents

Cash and equivalents consist of currency on hand, demand deposits with banks or other financial institutions and cash equivalents. Cash equivalents are defined as short-term, highly liquid instruments with original maturities of three months or less.

Intangible assets

The cost of intangible assets is amortized on a straight-line basis over their estimated useful lives. Amortizable intangible assets are tested for impairment based on undiscounted cash flows and, if impaired, written down to fair value based on either discounted cash flows or appraised values.

Income taxes

Deferred tax assets and liabilities are recorded for the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities at the date of the balance sheets and their respective tax bases. Deferred tax assets and liabilities are computed using currently enacted tax rates and are recorded in other assets and other liabilities, respectively. Income tax expense or benefit is recorded in income tax expense/ (benefit), except to the extent the change relates to transactions recorded directly in total shareholder's equity. Deferred tax assets are reduced by a valuation allowance, if necessary, to the amount that management believes will more likely than not be realized. Deferred tax assets and liabilities are adjusted for the effect of changes in tax laws and rates in the period in which changes are enacted by the relevant authority. Deferred tax assets and liabilities are presented on a net basis for the same tax-paying component within the same tax jurisdiction. The Bank prepares taxes on a stand-alone basis.

The Bank determines whether it is more likely than not that an income tax position will be sustained upon examination based on technical merits of the position. Sustainable income tax positions are then measured to determine the amount of benefit eligible for recognition in the financial statements. Each such sustainable income tax position is measured at the largest amount of benefit that is more likely than not to be realized upon ultimate settlement.

Fair value measurements

For financial assets and liabilities measured at fair value on a recurring basis, fair value is the price we would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date.

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Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Significant inputs to the valuation model are unobservable.

We maintain policies and procedures to value instruments using the best and most relevant data available. Shares in investment companies and units in mutual funds, which are not directly quoted on a public stock exchange and/or for which fair value is not readily determinable, are measured at fair value using net asset value. With regards to Level 3 valuations, we perform a variety of procedures to assess the reasonableness of the valuations. Such reviews, performed quarterly, take into account any changes in the current interest rate and credit environment, as well as any other available published market data.

3. Accounting changes

On January 1, 2012, we adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2011-05, an amendment to Accounting Standards Codification (ASC) 220, *Comprehensive Income*. ASU 2011-05 introduced a new statement, the Consolidated Statement of Comprehensive Income. The amendments affect only the display of those components of equity categorized as other comprehensive income and do not change existing recognition and measurement requirements that determine net income.

On January 1, 2012, we adopted FASB ASU 2011-04, an amendment to ASC 820, *Fair Value Measurements*. ASU 2011-04 clarifies or changes the application of existing fair value measurements, including: that the highest and best use valuation premise in a fair value measurement is relevant only when measuring the fair value of nonfinancial assets; that a reporting entity should measure the fair value of its own equity instrument from the perspective of a market participant that holds that instrument as an asset; to permit an entity to measure the fair value of certain financial instruments on a net basis rather than based on its gross exposure when the reporting entity manages its financial instruments on the basis of such net exposure; that in the absence of a Level 1 input, a reporting entity should apply premiums and discounts when market participants would do so when pricing the asset or liability consistent with the unit of account; and that premiums and discounts related to size as a characteristic of the reporting entity's holding are not permitted in a fair value measurement. Adopting these amendments had no effect on the financial statements.

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4. Financing receivables and allowance for losses

At December 31, 2012, the Bank's financing receivables included lending to private customers, vehicle lease financing, and private label credit card financing for approximately 400,000 customers across Switzerland.

At December 31 (CHF in thousands)	2012	2011	2010
Loans	2,568,224	2,535,858	2,543,275
Deferred costs, net	28,341	25,411	22,601
Total loans, including deferred costs, net	**2,596,565**	**2,561,269**	**2,565,876**
Investment in financing leases, net of deferred income	1,464,442	1,488,596	1,625,654
Financing receivables, before allowance for losses	**4,061,007**	**4,049,865**	**4,191,530**
Less allowance for losses	(50,495)	(55,538)	(66,496)
Financing receivables, net	**4,010,512**	**3,994,327**	**4,125,034**

The majority of the investment in financing leases are related to auto leases. Components of the Bank's net investment in financing leases, which are included in financing receivables above, are shown below:

At December 31 (CHF in thousands)	2012	2011	2010
Total minimum lease payments receivable	1,597,889	1,630,623	1,773,279
Deferred income (a)	(133,447)	(142,027)	(147,625)
Investment in financing leases, net of deferred income	**1,464,442**	**1,488,596**	**1,625,654**
Less allowance for losses	(5,697)	(5,151)	(8,048)
Net investment in financing leases	**1,458,745**	**1,483,445**	**1,617,606**

(a) Included TCHF 14,199, TCHF 13,759, and TCHF 12,178 of initial direct costs on direct financing leases at December 31, 2012, 2011 and 2010, respectively.

At December 31, 2012, the Bank's contractual maturities for loans and financing leases were:

Due in (CHF in thousands)	Loans	Minimum lease payment receivable
2013	63,916	144,843
2014	185,042	268,118
2015	288,962	428,387
2016	379,274	512,000
2017	559,996	232,065
2018 and later	493,432	12,476
Consumer revolving loans	597,602	-
Total	**2,568,224**	**1,597,889**

Actual maturities may differ from contractual maturities.

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Notes to the Consolidated and Combined Financial Statements

The following table provides further information about general reserves related to financing receivables:

At December 31 (CHF in thousands)	2012	2011	2010
Personal loans	1,939,579	1,973,179	2,008,896
Auto leases and loans	1,711,014	1,753,826	1,936,051
Credit cards	410,414	322,860	246,583
Total financing receivables, before allowance for losses	**4,061,007**	**4,049,865**	**4,191,530**
General reserve	(50,495)	(55,538)	(66,496)

A summary of activity in the allowance for losses is shown below:

CHF in thousands	Balance at January 1, 2012	Provision for losses (a)	Amounts written off	Recoveries	Balance at December 31, 2012
Personal loans	44,119	8,738	(83,564)	68,984	**38,277**
Auto leases and loans	7,635	7,416	(20,781)	13,374	**7,644**
Credit cards	3,784	6,180	(9,515)	4,125	**4,574**
Total	**55,538**	**22,334**	**(113,860)**	**86,483**	**50,495**

CHF in thousands	Balance at January 1, 2011	Provision for losses	Amounts written off	Recoveries	Balance at December 31, 2011
Personal loans	51,611	9,074	(90,189)	73,623	**44,119**
Auto leases and loans	11,682	299	(17,832)	13,486	**7,635**
Credit cards	3,203	4,943	(7,335)	2,973	**3,784**
Total	**66,496**	**14,316**	**(115,356)**	**90,082**	**55,538**

CHF in thousands	Balance at January 1, 2010	Provision for losses	Amounts written off	Recoveries	Balance at December 31, 2010
Personal loans	68,216	10,492	(107,953)	80,856	**51,611**
Auto leases and loans	12,215	5,133	(23,646)	17,980	**11,682**
Credit cards	2,419	6,185	(7,481)	2,080	**3,203**
Total	**82,850**	**21,810**	**(139,080)**	**100,916**	**66,496**

(a) The recovery rate model was amended to reflect an increase in the Bank's recovery experience post charge-off. This change resulted in a reduction of the allowance for losses of TCHF 4,688 in 2012.

Credit quality of financing receivables

We describe the characteristics of the financing receivables and provide information about collateral, payment performance, credit quality indicators, and impairment. We manage these portfolios using delinquency and nonaccrual data as key performance indicators. The categories used within this section such as nonaccrual financing receivables are defined by the authoritative guidance and we base our categorization on the related scope and definitions contained in the related standards. The category of delinquent is defined by us and is used in our process for managing our financing receivables. Definitions of these categories are provided in Note 2.

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Past due financing receivables

The following table displays payment performance of our financing receivables:

At December 31	2012		2011		2010	
	Over 30 days past due	Over 90 days past due	Over 30 days past due	Over 90 days past due	Over 30 days past due	Over 90 days past due
Personal loans	3.0%	0.7%	2.8%	0.7%	3.3%	0.9%
Auto leases and loans	1.1%	0.2%	1.0%	0.2%	1.1%	0.2%
Credit cards	1.2%	0.5%	1.3%	0.6%	1.3%	0.6%
Total	**2.0%**	**0.5%**	**1.9%**	**0.5%**	**2.1%**	**0.6%**

Nonaccrual financing receivables

The following table provides further information about financing receivables that are classified as nonaccrual:

	Nonaccrual financing receivables		
At December 31 (CHF in thousands)	2012	2011	2010
Personal loans	14,046	14,549	18,081
Auto leases and loans	3,938	3,394	3,967
Credit cards	1,930	1,803	1,417
Total	**19,914**	**19,746**	**23,465**
Allowance for losses percentage	39.4%	35.6%	35.3%

Credit quality indicators

For our lending products, the Bank uses consumer ratings (CR) to assess overall credit quality. There are five consumer ratings, each having an implied probability of default within 12 months, with a default definition of 90 days past due. The five ratings and their associated probabilities of default are (a) CR1 0% - 1.2%, (b) CR2 1.21% - 2.97%, (c) CR3 2.98% - 6.99%, (d) CR4 7.0% - 13.16% and (e) CR5 13.17% and greater. For private customers the consumer rating is derived from an application credit score that is calculated through one of the Bank's internal scorecards. Each credit score translates into one of the consumer ratings. For commercial customers, an obligor rating (OR) is assigned. The obligor rating can be translated into the grades of the consumer rating.

In addition to the scorecard monitoring, on a quarterly basis, a parity test is run to monitor at portfolio level whether the consumer ratings are adequately reflecting the credit quality. The parity tests confirm that although a consumer rating may have been assigned greater than 12 months ago and so the initial 12 month window for probability of default has passed, the consumer ratings still accurately reflect the probability of default.

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	2012				
At December 31 (CHF in thousands)	CR 1	CR 2	CR3	CR 4	CR 5
Personal loans	793,280	587,262	395,177	120,923	42,937
Auto leases and loans	1,008,385	510,330	134,573	20,168	37,558
Credit cards	321,308	70,062	17,993	963	88

	2011				
At December 31 (CHF in thousands)	CR 1	CR 2	CR3	CR 4	CR 5
Personal loans	805,444	587,483	388,498	121,267	70,487
Auto leases and loans	1,123,139	426,260	139,185	33,839	31,403
Credit cards	257,448	52,497	12,170	659	86

	2010				
At December 31 (CHF in thousands)	CR 1	CR 2	CR3	CR 4	CR 5
Personal loans	811,876	590,504	377,631	122,252	106,633
Auto leases and loans	1,236,425	491,866	141,729	40,682	25,349
Credit cards	202,137	37,943	6,196	257	50

5. Property, plant and equipment

At December 31 (CHF in thousands)	Estimated useful lives (years)	2012	2011	2010
Original cost:				
Buildings and improvements	(5-40)	7,120	7,015	6,594
Office equipment	(3-10)	11,341	10,890	10,011
Total		**18,461**	**17,905**	**16,605**
Accumulated depreciation:				
Buildings and improvements		(5,336)	(4,687)	(4,046)
Office equipment		(9,285)	(8,044)	(6,422)
Total		**(14,621)**	**(12,731)**	**(10,468)**
Net carrying value:				
Buildings and improvements		1,784	2,328	2,548
Office equipment		2,056	2,846	3,589
Total		**3,840**	**5,174**	**6,137**

Depreciation expense was TCHF 1,890, TCHF 2,263 and TCHF 2,856 for the years ended December 31, 2012, 2011 and 2010, respectively.

The Bank did not recognize any impairment losses in 2012, 2011 or 2010.

6. Intangible assets

Intangible assets consisted of capitalized software of TCHF 2,829, TCHF 2,837, and TCHF 5,889 at December 31, 2012, 2011 and 2010 respectively. Capitalized software is amortized over a useful life of 1 to 5 years.

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Amortization expense related to intangible assets subject to amortization for 2012, 2011 and 2010 was TCHF 1,227, TCHF 4,214 and TCHF 5,232, respectively. Accumulated amortization related to intangible assets subject to amortization was TCHF 25,348, TCHF 24,121 and TCHF 19,907 at December 31, 2012, 2011 and 2010, respectively. We estimate annual pre-tax amortization for intangible assets over the next five years to be as follows: 2013- TCHF 1,003; 2014- TCHF 623; 2015- TCHF 510; 2016- TCHF 451; and 2017- TCHF 242.

7. Other assets

Other assets consisted of the following:

At December 31 (CHF in thousands)	**2012**	**2011**	**2010**
Restricted cash	21,810	587	-
Tax receivables	15,313	3	6,079
Other receivables	4,303	5,459	2,194
Prepaid expenses	2,899	441	1,017
Other	1,433	1,639	1,164
Total other assets	**45,758**	**8,129**	**10,454**

Restricted cash is cash that is not available for use in the ordinary course of operations and is restricted as to withdrawal or usage. In 2012, the Bank had TCHF 21,810 of restricted cash related to the consolidated VIE (See note 15).

8. Deposits

The following table presents, as of December 31, 2012, 2011 and 2010 respectively, maturities of the Bank's customers' saving deposits, term deposits and prepaid cards.

At December 31 (CHF in thousands)	**2012**	**2011**	**2010**
Deposits:			
On demand	180,181	171,108	180,312
Less than 3 months	116,597	41,674	1,285
3 to less than 6 months	223,255	61,542	33,421
6 to less than 12 months	350,880	348,656	198,653
12 months plus	409,356	566,551	261,106
Total	**1,280,269**	**1,189,531**	**674,777**

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There is no term of maturity for on demand saving deposits. All deposits are in Switzerland and denominated in CHF. The weighted average effective interest rate on all deposits was approximately 1.29%, 1.35%, and 0.96% at December 31, 2012, 2011 and 2010, respectively.

9. Long-term debt

Long-term debt is shown below:

		2012		2011		2010	
At December 31 (CHF in thousands)	Maturity	Amount	Average rate (a)	Amount	Average rate (a)	Amount	Average rate (a)
Due to affiliates	2020	1,504,000	3.25%	1,855,000	4.00%	2,662,652	4.00%
External debt	2014	200,000	1.29%	300,000	1.58%	100,000	1.70%
Non-recourse borrowings (b)	2015	200,000	0.78%	-		-	
Total long-term debt		**1,904,000**		**2,155,000**		**2,762,652**	

(a) Based on year-end balances and year-end weighted average effective interest rate.

(b) Related to consolidated VIE.

The Bank obtained its related party funding from its sole shareholder GE Capital Swiss Funding AG (Lender). Credit agreements between the Lender and the Bank contain provisions to ensure rapid and sufficient access to funds. Automatic renewal provisions and notification periods for termination of lending agreements are included to ensure the Bank's access to liquidity. Loans provided by the Lender to the Bank are documented in loan agreements, and the interest rates charged for those loans have been determined based on margin linked to credit scores for the Lender in compliance with transfer pricing laws and requirements. In the event of a change in control of the Bank, the Lender is entitled to terminate and declare the loan to become due and payable immediately.

Accrued interest expense for this borrowing was TCHF 4,148, TCHF 6,308 and TCHF 9,081 for the years ended December 31, 2012, 2011, and 2010, respectively.

Available unused lines of credit at December 31, 2012, 2011 and 2010 were TCHF 196,000, TCHF 145,000, and TCHF 837,348, respectively. These lines were available from the Lender.

10. Pension plan

The pension benefits of the employees of the Bank and its subsidiaries are insured by the defined benefit pension fund for employees of companies and subsidiaries of GE in Switzerland. The Bank's participation in the GE plan has been accounted for as a defined benefit plan in the consolidated and combined financial statements. The pension plan assets and liabilities were allocated to the Bank based on the proportion of the total Bank participants included in the GE plan and the related actuarial assumptions for those specific participants. The funding policy of the Bank's plan is consistent with the local government and tax requirements.

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The Bank recognizes an asset for the plan's overfunded status or a liability for the underfunded status in the consolidated Statement of Financial Position. The Bank records annual amounts relating to its pension plan based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, assumed rates of return, compensation increases, and turnover rates. The Bank reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The Bank believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions. The net periodic costs are recognized as employees render the services necessary to earn the postretirement benefits.

Apart from temporary staff with an expected duration of employment of less than three months and people receiving an IV pension and whose degree of incapacity to perform day-to-day tasks is 70%, all employees of at least age 17 and with an annual base salary exceeding 75% of the applicable maximum single old-age pension are insured. As a general rule, statutory retirement age is 65; however, for early retirement, starting from the age of 58, no special conditions apply. The pension plan insures both mandatory occupational benefits and extra mandatory benefits. The pension plan provides benefits based on a formula recognizing career earnings and length of service. The Bank uses a December 31 measurement date for the plan.

The Bank's pension plan participants as of December 31, 2012, were as follows:

At December 31	**2012**
Active employees	735
Beneficiaries and retirees	98
Total	**833**

The cost of the pension plan is presented below:

For the years ended December 31 (CHF in thousands)	**2012**	**2011**	**2010**
Service cost for benefits earned	5,010	4,670	3,883
Prior service credit amortization	(338)	(338)	(338)
Expected return on plan assets	(5,978)	(6,614)	(6,244)
Interest cost on benefit obligations	4,057	4,078	4,126
Net actuarial loss amortization	5,507	3,607	3,450
Pension plan cost	**8,258**	**5,403**	**4,877**

The actuarial assumptions at December 31 are used to measure the year-end benefit obligations and the pension costs for the subsequent year. Actuarial assumptions are presented below:

At December 31	**2012**	**2011**	**2010**
Discount rate	1.50%	2.50%	2.75%
Compensation increases	2.55%	2.59%	2.65%
Expected return on assets	3.75%	4.25%	4.75%

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To determine the expected long-term rate of return on pension plan assets, we consider current and target asset allocations, as well as historical and expected returns on various categories of plan assets. In developing future return expectations for our pension plan's assets, we formulate views on the future economic environment. We evaluate general market trends and historical relationships among a number of key variables that impact asset class returns such as expected earnings growth, inflation, valuations, yields and spreads, using both internal and external sources. We also take into account expected volatility by asset class and diversification across classes to determine expected overall portfolio results given current and target allocations. Based on our analysis of future expectations of asset performance, past return results, and our current and target asset allocations, we have assumed a 3.75% long-term expected return on those assets for cost recognition in 2013. For the pension plan, we apply our expected rate of return to the market value of assets.

We amortize experience gains and losses, as well as the effects of changes in actuarial assumptions and plan provisions, over the average future service of employees.

Funding policy for the pension plan is to contribute amounts sufficient to meet minimum funding requirements as set forth in employee benefit and tax laws plus such additional amounts as we may determine to be appropriate. We expect to contribute approximately TCHF 5,096 to the pension plan in 2013.

Benefit obligations are described in the following tables. Accumulated and projected benefit obligations (ABO and PBO, respectively) represent the obligations of the pension plan for past service as of the measurement date. ABO is the present value of benefits earned to date with benefits computed based on current compensation levels. PBO is ABO increased to reflect expected future compensation.

The accumulated benefit obligation was TCHF 185,250, TCHF 164,000, and TCHF 150,826 for December 31, 2012, 2011 and 2010 respectively.

The change in projected benefit obligation is presented below:

At December 31 (CHF in thousands)	2012	2011	2010
Balance at January 1	**168,576**	**154,241**	**143,943**
Service cost for benefits earned	5,010	4,670	3,883
Interest cost on benefit obligations	4,057	4,078	4,126
Participant contributions	3,594	3,433	3,406
Actuarial loss / (gain)	18,599	8,186	(3,697)
Benefits (paid) / received	(7,679)	(6,032)	2,580
Balance at December 31	**192,157**	**168,576**	**154,241**

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Plan assets are reported at fair value. The fair value of the classes of the pension plan's investments is presented below. The inputs and valuation techniques used to measure the fair value of the assets are consistently applied and described in Note 2.

The changes in fair value of plan assets are presented below:

At December 31 (CHF in thousands)	2012	2011	2010
Balance at January 1	**143,027**	**141,519**	**133,628**
Actual gain / (loss) on plan assets	13,882	(1,510)	(3,648)
Employer contributions	6,632	5,617	5,553
Participant contributions	3,594	3,433	3,406
Benefits (paid) / received	(7,679)	(6,032)	2,580
Balance at December 31	**159,456**	**143,027**	**141,519**

The asset allocations are described below:

At December 31 (CHF in thousands)	2012 Target allocation	2012 Actual allocation
Equity securities		
Swiss equity securities	13%	13%
Non-Swiss equity securities	23%	23%
Debt securities		
Swiss bonds	28%	25%
Non-Swiss bonds	17%	17%
Real estate	14%	9%
Other investments	5%	13%

Plan fiduciaries of the pension plan set investment policies and strategies for the pension trust and oversee its investment allocation, which includes selecting investment managers, commissioning periodic asset-liability studies and setting long-term strategic targets. Long-term strategic investment objectives take into consideration a number of factors, including the funded status of the plan, a balance between risk and return and the plan’s liquidity needs. Target allocation percentages are established at an asset class level by plan fiduciaries. Target allocation ranges are guidelines, not limitations, and occasionally plan fiduciaries will approve allocations above or below a target range. Plan fiduciaries monitor the pension plan’s liquidity position in order to meet the near term benefit payment and other cash needs.

The pension trust assets are invested subject to the following additional guidelines:

- Investment in the following assets may not exceed the following maximum % of total assets in the plan: Swiss bonds 45%, Non-Swiss bonds 25%, Swiss equities 16%, Non-Swiss equities 33%, real estate funds 20% and alternative funds 10%.
- No single bond can exceed more than 10% of total assets.
- No single equity security or real estate investment can exceed more than 5% of total assets.

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The fair values of the pension plan investments are presented below:

	2012			
At December 31 (CHF in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
Swiss equity securities	20,697	-	-	20,697
Non-Swiss equity securities	29,166	7,556	-	36,722
Debt securities				
Swiss bonds	40,964	-	-	40,964
Non-Swiss bonds	27,085	-	-	27,085
Real estate funds	5,938	8,709	-	14,647
Other investments (a)	13,062	7,639	419	21,120
Total investments	**136,912**	**23,904**	**419**	**161,235**
Other (b)				(1,779)
Total assets				**159,456**

	2011			
At December 31 (CHF in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
Swiss equity securities	17,481	-	-	17,481
Non-Swiss equity securities	30,621	-	-	30,621
Debt securities				
Swiss bonds	54,787	-	-	54,787
Non-Swiss bonds	23,847	-	-	23,847
Real estate funds	5,601	2,056	-	7,657
Other investments (a)	9,298	-	612	9,910
Total investments	**141,635**	**2,056**	**612**	**144,303**
Other (b)				(1,276)
Total assets				**143,027**

	2010			
At December 31 (CHF in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
Swiss equity securities	16,826	-	-	16,826
Non-Swiss equity securities	32,230	-	-	32,230
Debt securities				
Swiss bonds	53,228	-	-	53,228
Non-Swiss bonds	23,181	-	-	23,181
Real estate funds	1,692	5,367	-	7,059
Other investments (a)	9,940	-	786	10,726
Total investments	**137,097**	**5,367**	**786**	**143,250**
Other (b)				(1,731)
Total assets				**141,519**

(a) Primarily includes money market funds.

(b) Represents short-term liabilities of the pension plan, primarily related to employees transferring out of the pension plan.

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The amounts recorded for pensions plans assets and liabilities are described below:

At December 31 (CHF in thousands)	2012	2011	2010
Funded status	**(32,701)**	**(25,549)**	**(12,722)**
Pension liability recorded in the Statement of Financial Position			
Pension liabilities			
Due after one year	(32,701)	(25,549)	(12,722)
Net amount recognized	(32,701)	(25,549)	(12,722)
Amounts recorded in shareholder's equity (unamortized)			
Prior service credit	(895)	(1,233)	(1,571)
Net actuarial loss	40,131	34,943	22,240
Total	**39,236**	**33,710**	**20,669**

In 2013, we estimate that we will amortize CHF 338 of prior service credit and CHF 6,299 of net actuarial loss for the pension plan from shareholder's equity into pension cost.

The estimated future benefit payments are described below:

CHF in thousands	2013	2014	2015	2016	2017	2018-2022
Pension plan	14,206	13,359	13,334	12,339	12,946	54,865

11. Other liabilities

This caption primarily includes accruals for non-current compensation and benefits. These amounts include pension benefits as described in Note 10. Additional deferred compensation is also provided to employees for long-service leave and was TCHF 2,157, TCHF 2,147, and TCHF 2,103 for December 31, 2012, 2011 and 2010, respectively.

12. Income taxes

The provision for income taxes is summarized in the following table below:

For the years ended December 31 (CHF in thousands)	2012	2011	2010
Current tax expense	35,632	35,573	34,814
Deferred tax expense (benefit) from temporary differences	260	9	(701)
Income tax expense	**35,892**	**35,582**	**34,113**

Deferred income tax balances reflect the net tax effects of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the carrying amounts for income tax purposes.

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Under Swiss law, a resident company is subject to income tax at the federal, cantonal, and communal levels. The federal statutory tax rate is 8.5%. The cantonal and communal corporation tax rates vary. The combined, effective corporate tax rate in Switzerland, after taking into account that tax is itself a deductible expense, varied in 2012 between 11.4% and 24.4% depending upon canton and community. The Bank's effective tax rates for each of the three years ended December 31, 2012 was approximately 21%.

Principal components of the Bank's deferred tax assets and liabilities are as follows:

At December 31 (CHF in thousands)	2012	2011	2010
Assets			
Pension plans	8,240	7,079	4,340
Other	606	469	478
Total deferred tax assets	**8,846**	**7,548**	**4,818**
Liabilities			
Deferred loan origination fees and costs	(397)	-	-
Total deferred tax liabilities	**(397)**	-	-
Net deferred tax assets	**8,449**	**7,548**	**4,818**

Management believes that the realization of the recognized deferred tax assets of TCHF 8,846, TCHF 7,548 and TCHF 4,818 at December 31, 2012, 2011 and December 31, 2010, respectively, is more likely than not based on expectations as to future taxable income.

The Bank operates solely in Switzerland and is currently under examination for the tax year 2011. The tax year 2010 was the first for the new Bank and has been finally assessed without amendment. The Bank has no unrecognized tax benefits. Management believes that there are no uncertain tax positions that would require a reserve.

If GE Capital Swiss Funding AG sells shares in the Bank before December 1, 2015, the Bank would be liable for a 1% Swiss issuance stamp tax based on the market value of the net assets contributed to the Bank from GE Capital Swiss Funding AG as of December 1, 2010. The relevant basis will be subject to review and discussion by the Swiss Federal Tax Authorities.

Additionally, in the event of a sale of shares in the Bank, the Bank would be permitted to recognize goodwill for Swiss corporate tax purposes for the previous reorganization of the Bank discussed in Note 1. A Swiss corporate tax benefit would arise from this step-up as the goodwill, based on the difference between book value and fair value of the net assets contributed to the Bank for the reorganization discussed in Note 1, and would be amortized for Swiss corporate tax purposes over a period of five years commencing retroactively on December 1, 2010. This amount would be subject to further discussions with the Swiss corporate tax authorities.

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13. Commitments and guarantees

The Bank's guarantees are provided in the ordinary course of business and are underwritten by considering the economic, liquidity and credit risk of the counterparty.

Swiss banking law and the deposit insurance system require Swiss banks and securities dealers to jointly guarantee an amount of up to CHF 6 billion for privileged client deposits in the event that a Swiss bank or securities dealer becomes insolvent. Upon occurrence of a payout event triggered by a specified restriction of business imposed by the Swiss Financial Market Supervisory Authority (FINMA) or by the compulsory liquidation of another deposit-taking bank, the Bank's contribution will be calculated based on its share of privileged deposits in proportion to total privileged deposits. Based on FINMA's estimate for the Bank, the Bank's share in the deposit insurance guarantee program was TCHF 6,292, TCHF 3,694 and TCHF 2,870 at December 31, 2012, 2011 and 2010, respectively. The deposit insurance is a guarantee and exposes us to additional risk. As of December 31, 2012, we consider the probability of a material loss from our obligation to be remote.

At December 31, 2012, minimum rental commitments under noncancellable operating leases aggregated TCHF 18,838 for the Bank. Amounts payable over the next five years follow below.

CHF in thousands	2013	2014	2015	2016	2017
Minimum rental commitments	5,138	4,836	4,749	3,948	167

14. Financial instruments

The following table provides information about the assets and liabilities not carried at fair value in the Statement of Financial Position. The table excludes finance leases and non-financial assets and liabilities. Substantially all of the assets and liabilities discussed below are considered to be Level 3.

	2012		2011		2010	
At December 31 (CHF in thousands)	Carrying amount (net)	Estimated fair value	Carrying amount (net)	Estimated fair value	Carrying amount (net)	Estimated fair value
Assets						
Loans	2,551,767	2,572,281	2,510,882	2,539,472	2,507,428	2,544,379
Liabilities						
Deposits	(1,280,269)	(1,302,729)	(1,189,531)	(1,210,585)	(674,777)	(680,753)
Borrowings	(400,000)	(408,716)	(300,000)	(306,749)	(100,000)	(102,874)
Due to affiliates	(1,504,000)	(1,504,000)	(1,855,000)	(1,855,000)	(2,662,652)	(2,662,652)

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A description of how fair values are estimated follows.

Loans – Based on a discounted future cash flows methodology, using current market interest rate data adjusted for inherent credit risk or quoted market prices and recent transactions, if available.

Deposits and Borrowings – Based on valuation methodologies using current market interest rate data which are comparable to market quotes adjusted for the Bank's non-performance risk.

Due to affiliates – Based on valuation methodologies using current market interest rate data which are comparable to market quotes adjusted for the Bank's non-performance risk.

Asset and liabilities that are reflected in the accompanying financial statements at fair value are not included in the above disclosures; such items include cash and equivalents, other assets, accrued expense and other liabilities.

Loan commitments

	Notional amounts		
At December 31 (CHF in thousands)	**2012**	**2011**	**2010**
Ordinary course of business lending commitments	21,351	37,864	35,911
Unused revolving loan facilities	129,193	158,756	219,301
Unused credit card facilities	1,765,935	1,544,734	1,255,703

15. Variable interest entities

We use a variable interest entity, created in February 2012, to securitize auto lease financing receivables. The financing receivables are originated by the Bank in the ordinary course of business and transferred to the VIE. The financing receivables in the VIE have similar risks and characteristics to our other financing receivables and were underwritten to the same standard. Accordingly, the performance of these assets has been similar to our other financing receivables; however, the blended performance of the receivables in the VIE reflects the eligibility criteria that we apply to determine which receivables are selected for transfer.

Third-party holders of the debt issued by the VIE only have recourse to the financing receivables owned by the VIE and not to the Bank's general credit. Contractually the cash flows from these financing receivables must first be used to pay third-party debt holders as well as other expenses of the VIE. Excess cash flows are available to the Bank.

We do not have implicit support arrangements with the VIE. We did not provide non-contractual support for previously transferred financing receivables to the VIE in 2012.

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The Bank is the servicer of the VIE and has the power to direct the activities of the VIE that most significantly impact its economic performance. The Bank holds the subordinated interests issued by the VIE. Therefore, the Bank consolidates the VIE.

The table below summarizes the assets and liabilities of the consolidated VIE described above.

At December 31 (CHF in thousands)	**2012**
Assets	
Financing receivables, net	274,617
Other assets	22,810
Total assets	**297,427**
Liabilities	
Accrued expenses and other payables	3,292
Non-recourse borrowings	200,000
Total liabilities	**203,292**

In the ten months since this VIE was created, the consolidated revenues were TCHF 17,155 in 2012. Related expenses consisted primarily of provisions for losses of TCHF 1,569 in 2012, and interest of TCHF 1,532 in 2012. These amounts do not include intercompany revenues and costs, principally fees and interest between the Bank and the VIE, which are eliminated in consolidation.

16. Related party transactions

Transactions with GECC and its subsidiaries relating to borrowings are discussed in Note 9.

Generally, the Bank directly employs the human resources and owns or leases the equipment and facilities required to operate those businesses. However, certain processes of the Bank and its subsidiaries may be undertaken by other GECC businesses or subsidiaries. In such cases the corresponding expense is reflected in the operating expense of the Bank.

GECC provided a variety of products and services to us which included:

- customer service, transaction processing and a variety of functional support services provided by GECC;
- employee benefit processing and payroll administration;
- employee training programs, including access to GECC training courses;
- insurance coverage under the GECC insurance program;
- information systems, network and related services;
- leases for vehicles, equipment and facilities; and
- Other financial advisory services such as tax consulting, capital markets services, and trademark licenses.

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Our total expense for these services was TCHF 17,333, TCHF 8,361 and TCHF 13,750 for the years ended December 31, 2012, 2011 and 2010, respectively.

As of December 31, 2012 we had a net receivable of TCHF 2,364 related to the settlement of these services.

In the event of a change in control of the Bank, the master services agreement with GECC and its subsidiaries will be terminated.

The total commission income recognized for additional payment protection insurance (which covers the customer's monthly loan payment in the event of unemployment, accident or sickness, as well as further insurance products), for which the Bank acts as an intermediary, was TCHF 3,420, TCHF 1,055 and TCHF 427 for the years ended December 31, 2012, 2011 and 2010, respectively.

17. Interest income

The detail of interest income is shown below:

For the years ended December 31 (CHF in thousands)	2012	2011	2010
Personal loans	225,106	234,933	249,595
Auto leases and loans	101,637	115,219	140,499
Credit cards	25,550	18,616	14,863
Cash and equivalents	16	32	21
Total	**352,309**	**368,800**	**404,978**

18. Commission and fee income

The detail of commission and fee income is shown below:

For the years ended December 31 (CHF in thousands)	2012	2011	2010
Insurance	26,433	26,185	23,190
Credit cards	32,054	26,554	18,827
Personal loans and other	14,957	16,988	20,892
Total	**73,444**	**69,727**	**62,909**

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19. General and administrative expenses

The detail of general and administrative expenses is shown below:

For the years ended December 31 (CHF in thousands)	2012	2011	2010
GECC assessments	17,333	8,361	13,750
Professional services	8,852	9,022	12,484
Marketing	7,584	12,318	9,373
Collection fees	7,415	6,920	8,444
Postage and stationary	7,304	5,910	7,245
Rental expense under operating leases	5,535	6,121	6,141
Depreciation and amortization	3,117	6,477	8,088
Other	4,491	3,758	5,300
Total	**61,631**	**58,887**	**70,825**

Marketing includes advertising costs which are expensed as incurred.

20. Supplemental cash flows information

Certain supplemental information related to our cash flows is shown below:

At December 31 (CHF in thousands)	2012	2011	2010
Net decrease (increase) in financing receivables			
Increase in loans to customers	(1,758,182)	(1,793,843)	(1,731,664)
Principal collections from customers - loans	1,794,847	1,855,615	1,980,562
Investment in equipment for financing leases	(815,009)	(851,893)	(785,912)
Principal collections from customers - financing leases	832,768	987,152	1,144,904
Net change in credit card receivables	(92,943)	(80,640)	(54,320)
	(38,519)	116,391	553,570

21. Subsequent events

The Bank has evaluated subsequent events from the financial position date through August 22, 2013, the date at which the financial statements were available to be issued.

In June 2013, we sold a portfolio of loss certificates corresponding to written-off receivables to two third parties. The sale generated a pre-tax gain of TCHF 33,101 in our financial results for the six months ended June 30, 2013.

The Bank completed its second securitization in June 2013 to obtain funding from its auto lease receivables. The securitization, a consolidated VIE, involved the issuance of TCHF 200,000 in senior

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notes with a maturity of three years from the date of issuance, and accrue interest at a rate of 0.576% per annum.

On June 26, 2013, the Bank distributed a dividend of TCHF 269,800 to its parent company GE Capital Swiss Funding AG.

On August 22, 2013, the Bank declared a dividend of TCHF 200,000 to GE Capital Swiss Funding AG which will be paid in August 2013. Shareholder approval was obtained in order to transfer additional paid in capital to retained earnings for the dividend payment.

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