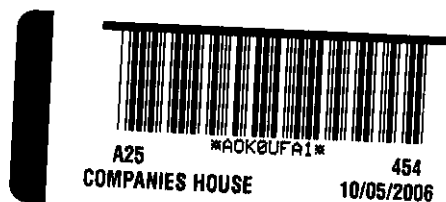


GROSVENOR EUROPEAN ASSET MANAGEMENT
LIMITED

COMPANY REGISTRATION NUMBER 3219877

ANNUAL REPORT AND
FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005



GROSVENOR EUROPEAN ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT

The directors present their annual report together with the financial statements for the year ended 31 December 2005. The company was dormant throughout the year.

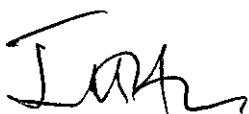
THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company throughout the year, except as noted, were as follows:

S R H Beevor
J O Hagger
J H M Newsum

Except as disclosed in the financial statements of the ultimate parent company, none of the directors in office at 31 December 2005 had any interests in the securities of the company, Grosvenor Group Limited, its ultimate parent undertaking, or any of its fellow subsidiary undertakings which are required to be disclosed under the Companies Act 1985.

Signed by order of the Board

A handwritten signature in black ink, appearing to read 'J O Hagger', with a stylized flourish at the end.

J O Hagger
Company Secretary

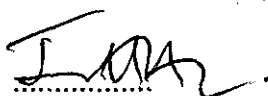
GROSVENOR EUROPEAN ASSET MANAGEMENT LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2005**

	Note	2005 £	2004 £ Restated
Current assets			
Debtors	4	<u>100</u>	<u>100</u>
Total assets		<u>100</u>	<u>100</u>
Capital and reserves			
Called up equity share capital	5	<u>100</u>	<u>100</u>
Equity shareholders' funds		<u>100</u>	<u>100</u>

Statements:

- (a) For the year ended 31 December 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
- (i) ensuring the company keeps accounting records in accordance with section 221; and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board on the **- 4 MAY 2006** and are signed on its behalf by:



 Director

GROSVENOR EUROPEAN ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The accounting policies have been applied consistently throughout the current and prior years.

2. DORMANT STATUS

The company was dormant (within the meaning of section 249AA of the Companies Act 1985) throughout the year ended 31 December 2005. The company did not trade during the year or during the preceding financial year. During these periods, the company received no income and incurred no expenditure and therefore made neither profit nor loss.

3. PARTICULARS OF EMPLOYEES

The expenses of the Company are met by Grosvenor Estate Holdings, a fellow subsidiary undertaking.

4. DEBTORS

	2005	2004
	£	£
Amounts owed by group undertakings	<u>100</u>	<u>100</u>

5. CALLED UP SHARE CAPITAL

Authorised share capital:

	2005	2004
	£	£
100 ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2005	2004
	£	£
100 ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

6. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is Grosvenor Group Limited, a company incorporated in Great Britain and registered in England and Wales which is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster.

The ultimate parent undertaking heads the largest and smallest group of undertakings of which the company is a member and for which group accounts are prepared. Grosvenor Estate Holdings is the immediate holding company.

Copies of the consolidated financial statements of Grosvenor Group Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.