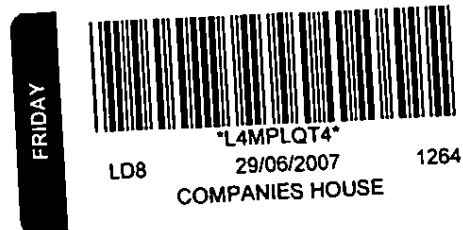


GE Capital Corporation (Property
Management) Limited

Directors' report and financial statements

For the year ended 31 December 2006
Registered number 3406547



GE Capital Corporation (Property Management) Limited

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GE Capital Corporation (Property Management) Limited

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2006

Principal activities

The company's principal activity is the provision of management services relating to commercial real estate. Following a decline in this activity, the directors intend that the company will commence a new activity of the provision of finance to fellow group companies. This activity is due to commence in 2007.

Results and dividends

The profit for the year after taxation, amounted to £21,567 (2005 - £30,474)

The directors do not recommend the payment of a dividend (2005 - ENIL)

Directors and directors interest

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

A M Burger (resigned 4 September 2006)
I J del Beato (resigned 26 March 2007)
C Abramson (resigned 17 October 2006)
S A Casey (resigned 17 January 2006)
S Botha (appointed 17 October 2006 & resigned 19 March 2007)
I W Gatiss (appointed 28 July 2006)
M G Rowan (appointed 4 September 2006)
N J Harris (appointed 19 March 2007)
M Uria Fernandez (appointed 15 March 2007)

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

Post balance sheet events

On 29 March 2007, the company's parent, GE Capital Corporation (Holdings) contributed its entire shareholding in the company to GE Capital Corporation (Property Company Investments) Limited in exchange for an issue of 38 ordinary shares of £1 each by GE Capital Corporation (Property Company Investments) Limited at a total premium of £379,962.

On the same day, the company increased its authorised share capital from 1,000 to 50,000 ordinary £1 shares. GE Capital Corporation (Property Company Investments) Limited, then transferred to the company by novation, rights and obligations under two revolving credit agreements amounting to £256,140,000, in consideration of which the company issued 25,614 ordinary shares of £1.

Provision of information to auditors

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

GE Capital Corporation (Property Management) Limited

Directors' report

Auditors

The auditors, KPMG Audit Plc, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 22 April 1998

This report was approved by the board on **25 MAY 2007** and signed on its behalf

Director



30 Berkeley Square
London
W1J 6EW

GE Capital Corporation (Property Management) Limited

Statement of directors' responsibilities For the year ended 31 December 2006

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GE Capital Corporation (Property Management) Limited

Independent Auditors' report to the members of GE Capital Corporation (Property Management) Limited

We have audited the financial statements of GE Capital Corporation (Property Management) Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

GE Capital Corporation (Property Management) Limited

Independent Auditors' report to the members of GE Capital Corporation (Property Management) Limited

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and
- the information given in the Directors' Report is consistent with the financial statements

KPMG Audit Plc

KPMG Audit Plc

Chartered Accountants
Registered Auditor

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Date 25/5/07

GE Capital Corporation (Property Management) Limited

Profit and loss account For the year ended 31 December 2006

	Note	2006 £	2005 £
Turnover		14,036	80,000
Cost of sales		-	(2)
		<hr/>	<hr/>
Gross profit		14,036	79,998
Administrative expenses		5,783	(51,915)
		<hr/>	<hr/>
Operating profit	2	19,819	28,083
Interest receivable and similar income	5	10,991	15,451
		<hr/>	<hr/>
Profit on ordinary activities before taxation		30,810	43,534
Tax on profit on ordinary activities	6	(9,243)	(13,060)
		<hr/>	<hr/>
Profit on ordinary activities after taxation	10	21,567	30,474
		<hr/>	<hr/>

All amounts relate to continuing operations

There were no recognised gains and losses for 2006 or 2005 other than those included in the profit and loss account.

The notes on pages 8 to 11 form part of these financial statements

GE Capital Corporation (Property Management) Limited

Balance sheet As at 31 December 2006

	Note	£	2006 £	£	2005 £
Current assets					
Debtors	7	405,486		407,230	
Creditors amounts falling due within one year	8	(33,220)		(56,531)	
Net current assets			<u>372,266</u>		<u>350,699</u>
Total assets less current liabilities			<u>372,266</u>		<u>350,699</u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account	10		<u>372,265</u>		<u>350,698</u>
Shareholders' funds - All equity	11		<u>372,266</u>		<u>350,699</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23-5-2007

Director

The notes on pages 8 to 11 form part of these financial statements

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS1

1.3 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

Deferred tax assets and liabilities are not discounted

1.4 Turnover

Turnover represents the value of management services fees invoiced to customers, excluding value added tax. All turnover arose in the United Kingdom

1.5 Transactions with related parties

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

2 Directors' remuneration

During the year, no director received any emoluments (2005 - £NIL)

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

3 Auditors' remuneration

	2006 £	2005 £
Fees payable to the company's auditor for the audit of the company's annual accounts	-	3,359

Remuneration of £5,529 paid to the auditors for their services to the company during the current financial year was borne by a fellow group undertaking

4 Staff costs

The company has no employees other than the directors who did not receive any remuneration (2005 - £NIL)

5 Interest receivable and similar income

	2006 £	2005 £
Interest receivable from group companies	10,991	15,451

6 Taxation

	2006 £	2005 £
UK corporation tax charge on profits for the year	9,243	13,060

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 30% (2005 - 30%)

There are no amounts of provided or unprovided deferred taxation (2005 - £NIL)

Any future tax charges may be impacted by the announced change in the rate of corporation tax from 30% to 28%, effective from 1 April 2008. The impact of this has not been quantified in the financial statements, as the directors do not consider it practicable to do so

7 Debtors

	2006 £	2005 £
Trade debtors	15,000	75,649
Amounts owed by group undertakings	390,486	331,581
	<u>405,486</u>	<u>407,230</u>

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

8 Creditors Amounts falling due within one year

	2006 £	2005 £
Trade creditors	1,200	-
Corporation tax	18,950	26,732
Social security and other taxes	13,070	1,290
Accruals and deferred income	-	28,509
	<u>33,220</u>	<u>56,531</u>

9 Share capital

	2006 £	2005 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

10 Reserves

	Profit and loss account £
At 1 January 2006	350,698
Profit retained for the year	21,567
	<u>372,265</u>
At 31 December 2006	

11 Reconciliation of movement in shareholders' funds

	2006 £	2005 £
Opening shareholders' funds	350,699	320,225
Profit for the year	21,567	30,474
	<u>372,266</u>	<u>350,699</u>
Closing shareholders' funds		

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

12 Post balance sheet events

On 29 March 2007, the company's parent, GE Capital Corporation (Holdings) contributed its entire shareholding in the company to GE Capital Corporation (Property Company Investments) Limited in exchange for an issue of 38 ordinary shares of £1 each by GE Capital Corporation (Property Company Investments) Limited at a total premium of £379,962

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13 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is GE Capital Corporation (Holdings), a company registered in England and Wales

The smallest and largest group in which the results of the company are consolidated is that headed by the company's ultimate parent undertaking, General Electric Company, a company incorporated in the United States of America. The consolidated financial statements of this company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut, 06828, USA or at www.ge.com