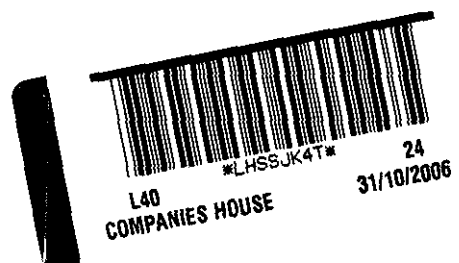

REIB INTERNATIONAL HOLDINGS LIMITED

Company Number: 3834064

REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 December 2005



REPORT OF THE DIRECTORS

For the year ended 31 December 2005

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

ACTIVITIES AND REVIEW OF BUSINESS

The principal business of the Company is that of an investment company.

The company has ceased making any new investments and is selling down its existing investments over time. The position at the end of the year is reflected in the audited balance sheet as set out on page 6.

RESULTS AND DIVIDENDS

The results of the Company for the year ended 31 December 2005, after providing for taxation, show a profit of £39,029,775 (2004 - profit of £16,111,755). No dividends were declared or paid during the year (2004 - £nil).

On 4 August 2006, the Company sold all its holding in Arrow Property Investments Limited for cash proceeds of £49,816,532 and contingent future proceeds depending upon realisation of certain investments.

DIRECTORS

The directors of the Company during the year or at the date of this report were as follows:

P L DaSilva
A W Dixon
K D Jones
K W Roeloffs
E L Simmons

Mr A P Rutherford acted as Secretary throughout the year.

As at the date of approval, and during the year, the company had in force a third party qualifying indemnity provision for the benefit of its directors.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year which 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 year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

In preparing these financial statements, the directors are required to:

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONT'D)

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law.

DIRECTORS' INTERESTS


None of the Directors had an interest in the share capital of the Company during the year.

None of the Directors had any disclosable interest in the shares or debentures of any UK group undertaking at the end of the year, or were granted or exercised any right to subscribe for any disclosable interest in shares, or debentures of, any UK group undertaking during the year.

AUDITORS

Pursuant to section 379A of the Companies Act 1985 the Company has elected to dispense with the annual appointment of Auditors and KPMG Audit Plc will, therefore, continue in office.

By order of the Board of Directors this 31st day of October 2006.



A P Rutherford
Secretary

Winchester House
1 Great Winchester Street
London EC2N 2DB

REPORT OF THE INDEPENDENT AUDITORS TO THE
MEMBERS OF REIB INTERNATIONAL HOLDINGS LIMITED
For the year ended 31 December 2005

We have audited the financial statements of REIB International Holdings Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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

As described in the Statement of Directors' Responsibilities on page 1, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company 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 judgements 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE
MEMBERS OF REIB INTERNATIONAL HOLDINGS LIMITED (CONT'D)
For the year ended 31 December 2005

Opinion

In our opinion:

- The financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- The financial statements have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London EC4Y 8BB

Dated: *31 October 2006*

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2005

| | Note | <u>2005</u> £ | <u>2004</u> £ |
|--|------|------------------|------------------|
| Administrative expenses | | (3,519,093) | (6,955,757) |
| Operating loss | | (3,519,093) | (6,955,757) |
| Interest receivable from group undertakings | | 1,815,783 | 1,411,234 |
| Interest receivable from subsidiary undertakings | | 438,158 | 473,441 |
| Interest payable to group undertakings | 3 | (2,365,235) | (3,847,352) |
| Profit from sale of investments | | 37,630,935 | 31,713,452 |
| Income from investments | 8 | 7,517,427 | 187,586 |
| Foreign exchange gain | | 39,203 | 228,814 |
| Profit on ordinary activities before taxation | | 41,557,178 | 23,211,418 |
| Tax charge on loss on ordinary activities | 4 | (2,527,403) | (7,099,663) |
| Profit after tax for the year | | 39,029,775 | 16,111,755 |

The notes on pages 8 to 14 form part of these accounts.

Turnover and operating profit in the above statement wholly derive from continuing operations. No operations were acquired or discontinued in the period.

BALANCE SHEET

As at 31 December 2005

| | Note | <u>2005</u> £ | <u>2004</u> £ |
|--|------|-------------------|---------------------|
| FIXED ASSETS | | | |
| Investments | 7 | 8,074,471 | 41,469,342 |
| CURRENT ASSETS | | | |
| Debtors | 9 | 34,891,307 | 26,435,441 |
| Cash held with group undertakings | | 63,452,417 | 40,175,325 |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 10 | (75,675,771) | (116,256,079) |
| NET CURRENT ASSETS / (LIABILITIES) | | 22,667,953 | (49,645,313) |
| NET ASSETS / (LIABILITIES) | | 30,742,424 | (8,175,971) |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 1 | 1 |
| Profit and loss account | | 30,742,423 | (8,175,972) |
| SHAREHOLDERS' FUNDS - EQUITY | | 30,742,424 | (8,175,971) |

The notes on pages 8 to 14 form part of these financial statements.

These financial statements were approved by the Board of Directors on the 31st day of October 2006

Signed by K JONES
for and on behalf of the Board of Directors

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2005

| | Note | <u>2005</u> £ | <u>2004</u> £ |
|---|------|------------------|------------------|
| Profit for the year | | 39,029,775 | 16,111,755 |
| Exchange loss on translation of investments | 1h | (178,446) | (1,292,510) |
| Exchange gain on related borrowings | 1h | 67,067 | 1,087,731 |
| Total recognised gains related to the year | | 38,918,396 | 15,906,976 |

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
For the year ended 31 December 2005

| | Note | <u>2005</u> £ | <u>2004</u> £ |
|--|------|------------------|------------------|
| Balance at 1 January | | (8,175,972) | (24,082,947) |
| Total recognised gains related to the year | | 38,918,396 | 15,906,976 |
| Balance at 31 December | | 30,742,424 | (8,175,971) |

The notes on pages 8 to 14 form part of these financial statements.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

1. ACCOUNTING POLICIES

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

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

- FRS 21 'Events after the Balance Sheet date'
- The presentation requirements of FRS25 'Financial Instruments: presentation and disclosure'; and
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards have had no material effect in their adoption. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Companies Act 1985, UK applicable accounting standards and applicable Statements of Recommended Practice. The particular accounting policies are described below:

(a) Convention

These financial statements are prepared in accordance with applicable UK accounting standards and under the historical cost convention.

(b) Going Concern

The financial statements have been prepared on a going concern basis which the directors believe to be appropriate assumes the Company will continue in operational existence for the foreseeable future. This assumption is based on a letter of support from DB Investments (GB) Ltd.

(c) Group Accounts

As the Company is a wholly owned subsidiary of Deutsche Bank AG, which is incorporated in the E.U. and which publishes consolidated financial statements, and as its immediate parent undertaking is also incorporated in the E.U., it is exempt under section 228 of the Companies Act 1985 from the requirement to prepare group financial statements. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

(d) Cash Flow Statement

The Company is exempt from the requirement to prepare a Cash Flow Statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available.

(e) Interest income/expense

Interest income/expense is accounted for on an accruals basis.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

1. ACCOUNTING POLICIES (CONT'D)

(f) Dividend Income

Dividends receivable on equity shares where no ex dividend date is quoted are brought into account when the company's right to receive payment is established.

(g) Fixed Asset Investment

Investments are held at cost less amounts provided for any permanent diminution in value. Any such provision is charged to the profit and loss account in the period in which it arises.

(h) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at market rates of exchange ruling at the Balance Sheet date. Exchange differences are dealt with through the face of the Profit and Loss account except for those arising on foreign currency borrowings which have been used to finance the Company's foreign equity investments. Exchange gains or losses arising on the borrowings are offset as reserve movements against exchange differences arising on the translation of the net investments as permitted by Statement of Standard Accounting Practice No.20.

(i) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

2. AUDITORS' REMUNERATION

Auditors' remuneration for the current period has been borne by a Deutsche Bank AG Group company without re-charge (2004 - £nil).

3. INTEREST PAYABLE TO GROUP UNDERTAKING

Interest is payable on loans extended to the company by Deutsche Bank AG London on the initial purchase of the investments. The loans have variable rates of interest and are repayable over various terms.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

4. TAXATION

| | <u>2005</u> £ | <u>2004</u> £ |
|--|--------------------|--------------------|
| <i>(Charge)/credit</i> | | |
| Current taxation | | |
| Group relief (charge) for the year | (13,565,337) | (6,963,425) |
| Double tax relief | 3,994,263 | - |
| | <u>(9,571,074)</u> | - |
| Group relief after double tax relief | | |
| Prior year adjustments | | |
| Group relief credit | 7,792,258 | - |
| Total current taxation | <u>(1,778,816)</u> | <u>(6,963,425)</u> |
| Overseas taxation | | |
| Withholding tax suffered | (748,587) | - |
| Deferred taxation | | |
| Deferred tax (charge)/credit on net income from partnerships | - | (136,238) |
| Tax (charge) on loss on ordinary activities | <u>(2,527,403)</u> | <u>(7,099,663)</u> |
| Net tax charge | <u>(2,527,403)</u> | <u>(7,099,663)</u> |

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax charge for the previous year is lower than the standard rate for the reasons set out in the following reconciliation.

| | <u>2005</u> £ | <u>2004</u> £ |
|---|--------------------|--------------------|
| Profit on ordinary activities before tax | 41,557,178 | 23,211,418 |
| Tax on profit on ordinary activities at standard rate (30%) | (12,467,153) | (6,963,425) |
| <i>Factors affecting charge for the period</i> | | |
| Non deductible expenses | (17,700) | - |
| Not taxable income | 655,982 | - |
| Overseas taxation - relief for underlying tax | 2,257,797 | - |
| Unrelieved withholding tax | (748,587) | - |
| Adjustments to tax charge in respect of prior periods | 7,792,258 | - |
| Total current tax | <u>(2,527,403)</u> | <u>(6,963,425)</u> |

5. REMUNERATION OF DIRECTORS

The aggregate emoluments of persons who were Directors of the Company during the year ended 31 December 2005, including pension contributions, were £nil (2004 - £nil).

6. STAFF NUMBERS AND COSTS

The company has no full time employees. The staff involved in the company's operations are all employees of Deutsche Bank Group.

The total staff costs have been borne by a Deutsche Bank Group Company without recharge, no staff costs have therefore been included in the financial statements (2004: NIL).

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

7. FIXED ASSET INVESTMENTS

| | Shares in group undertakings | Participating interests | Loans to undertakings in which the Company has participating interests | Other investments other than loans | Total |
|-------------------------------|------------------------------------|----------------------------|--|---|--------------|
| Cost / valuation | | | | | |
| 1 January 2005 | 1,104,492 | 6,371,241 | 26,031,409 | 28,648,853 | 62,155,995 |
| Additions | 17 | - | - | - | 17 |
| Disposals | - | - | (26,021,284) | (26,475,807) | (52,497,091) |
| Foreign exchange losses | (75,411) | (51,133) | - | (478,216) | (604,760) |
| 31 December 2005 | 1,029,098 | 6,320,108 | 10,125 | 1,694,830 | 9,054,161 |
| Provisions | | | | | |
| 1 January 2005 | (1,053,978) | - | - | (19,632,675) | (20,686,653) |
| Disposals | - | - | - | 19,357,895 | 19,357,895 |
| Foreign exchange gains | 74,288 | - | - | 274,780 | 349,068 |
| 31 December 2005 | (979,690) | - | - | - | (979,690) |
| Net book value | | | | | |
| 31 December 2005 | 49,408 | 6,320,108 | 10,125 | 1,694,830 | 8,074,471 |
| 31 December 2004 | 50,514 | 6,371,241 | 26,031,409 | 9,016,178 | 41,469,342 |

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

7. FIXED ASSET INVESTMENTS (CONTINUED)

Details of the investment undertakings of the Company at year end are as follows:

| | Country of incorporation | Principal Activity | Class and Percentage of shares held |
|---|-----------------------------|-------------------------------------|--|
| <i>Subsidiary undertakings</i> | | | |
| Pyramid Acquisitions B.V. Amsterdam | The Netherlands | Financing and Holding Company | Ordinary share capital - 100% |
| REIB Europe Investments Limited | England and Wales | Investment Company | Ordinary share capital - 100% |
| Tokyo Commercial 92, Inc | Japan | Investment Company | Ordinary share capital - 100% |
| <i>Participating interests</i> | | | |
| Arrow Property Investments Limited | England and Wales | Property Investment Company | Ordinary share capital - 46.18% Shareholder loan stock - 46.18% |
| VR Maasmechelen Tourist Outlets Comm. Va | Belgium | Property Investment Company | Ordinary share capital - 26.1% Unsecured bonds - 26.1% |
| <i>Other investments</i> | | | |
| IP Powerhouse Holdings Limited | England and Wales | Property Investment Company | Ordinary share capital - 0.08% |
| New (LTCB) B.V. | The Netherlands | Investment Company | Class A share capital - 1.66% |
| New Partners Cayman I L.P. | Cayman Islands | Investment Company | Partnership capital - 2.93% |
| New Partners Cayman II L.P. | Cayman Islands | Investment Company | Partnership capital - 2.88% |
| Shinsei Bank Limited | Japan | Investment Company | Ordinary share capital - 0.1% |

On 17 February 2005 the New Partners Cayman I LP and New Cayman II LP (the Limited Partnership) distributed to REIB International Holdings Limited its proportional share of their remaining holding in the stock in Shinsei Bank Limited. 60% of these shares were sold simultaneously into a public offering for proceeds of JPY 5,209,912,637.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

7. FIXED ASSET INVESTMENTS (CONTINUED)

During 2005 the company sold 5,676,861 shares of its interest in Shinsei Bank Limited for JPY 3,767,668,291. As at 31 December 2005, the carrying value of the company's investment in New Partners Cayman I L.P., New Partners Cayman II L.P. and New (LTCB) B.V. and in Shinsei Bank was GBP 1,694,830.

8. INCOME FROM INVESTMENTS

| | <u>2005</u> £ | <u>2004</u> £ |
|--------------------------|------------------|------------------|
| New (LTCB) B.V. | - | 187,586 |
| Shinsei Bank | 31,545 | - |
| Tokyo Commercial 92, Inc | <u>7,485,882</u> | <u>-</u> |
| | <u>7,517,427</u> | <u>187,586</u> |

9. DEBTORS

| | <u>2005</u> £ | <u>2004</u> £ |
|-------------------------------------|-------------------|-------------------|
| Amounts due from group undertakings | 34,891,307 | 26,435,441 |
| | <u>34,891,307</u> | <u>26,435,441</u> |

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>2005</u> £ | <u>2004</u> £ |
|------------------------------------|-------------------|--------------------|
| Amounts owed to group undertakings | 59,585,223 | 105,587,530 |
| Group relief payable | <u>16,090,548</u> | <u>10,668,549</u> |
| | <u>75,675,771</u> | <u>116,256,079</u> |

11. SHARE CAPITAL

| | <u>2005</u> No. | <u>2004</u> No. |
|---|--------------------|--------------------|
| Authorised Ordinary Shares of £1 each | 1,000 | 1,000 |
| Allotted, called up and fully paid Ordinary Share of £1 each | 1 | 1 |

There were no changes in the authorised and allotted share capital in the year.

12. ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS

DB UK Holdings Limited, a company registered in England and Wales, is the Company's immediate controlling entity.

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, is the Company's ultimate controlling entity also being the ultimate parent company and the parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up.

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

13. RELATED PARTY TRANSACTIONS

As permitted by paragraph 3(c) of Financial Reporting Standard 8, no disclosure is made of transactions with members or associates of the Deutsche Bank AG group.

14. POST BALANCE SHEET EVENTS

On 4 August 2006, the Company sold all its holding in Arrow Property Investments Limited for cash proceeds of £49,816,532 and contingent future proceeds depending upon realisation of certain investments.
