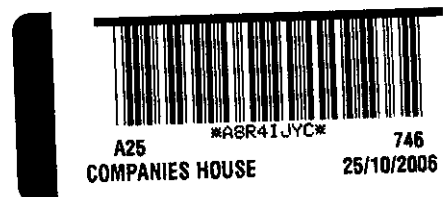


GEORGE WIMPEY EAST LONDON LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31 DECEMBER 2005



GEORGE WIMPEY EAST LONDON LIMITED

DIRECTORS' REPORT

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

Principal Activities

The company had no trading activity during the period other than acting as an undisclosed agent for George Wimpey UK Limited, a fellow subsidiary of the George Wimpey Plc group, and as a result no profit or loss account is shown.

Dividends

The directors do not recommend the payment of a final dividend (2004 – £nil).

Directors and their Interests

The directors who held office during the year are given below. I Gelley was appointed as a director on 1 February 2006. I Sutcliffe was appointed as a director on 31 March 2006. M Miller was appointed as a director on 15 May 2006.

None of the directors had a beneficial interest in the shares of the company.

The interests of the directors in the shares and share options of the ultimate parent company, George Wimpey Plc, as at 31 December 2005 and 1 January 2005, were as follows:

	Ordinary Shares	
	31/12/2005 ⁽²⁾	01/01/2005 ⁽¹⁾
K E Belsham	4,367	1,945
T G Brunning (resigned 31/01/2006)	-	-
P D Diffley (resigned 30/01/2005)	7,031	7,031
S A Jenkins (appointed 01/02/2005)	⁽³⁾	⁽³⁾
P V Lyons (resigned 26/03/2006)	8,266	7,106
I A Matthews	6,112	5,696
N C Moore	-	-
P T Redfern (resigned 31/03/2006)	⁽⁴⁾	⁽⁴⁾
G J Skinner (appointed 14/03/2005)	827	-

(1) Or on appointment

(2) Or on resignation

(3) The interests of S A Jenkins, who is a director of George Wimpey UK Limited, are shown in the financial statements of that company.

(4) The interests of P T Redfern, who is a director of George Wimpey UK Plc, are shown in the financial statements of that company.

Directors' interests in Options over Ordinary Shares

	Options at 31/12/2005 ⁽²⁾	Granted 2005	Exercised 2005	Lapsed 2005	Options at 01/01/2005 ⁽¹⁾
K E Belsham	28,053	8,067	10,391	-	30,377
T G Brunning	7,267	7,267	-	-	-
P D Diffley	34,130	-	-	-	34,130
S A Jenkins	5,393	-	-	-	5,393
P V Lyons	50,052	13,555	-	-	36,497
I A Matthews	32,266	8,103	11,234	-	35,397
N C Moore	25,711	7,952	-	-	17,759
G J Skinner	7,338	6,114	827	-	2,051

GEORGE WIMPEY EAST LONDON LIMITED

DIRECTORS' REPORT (continued)

Details of share options exercised by the directors during the year are:

	Share Options Exercised	Option Scheme	Date of Exercise	Exercise Price	Market Price at Date of Exercise
K E Belsham	4,816	2002 ESOS	25/05/2005	296p	414.25p
	4,748	2002 ESOS	16/09/2005	300p	416.00p
	827	2002 SAYE	01/12/2005	228p	427.75p
I A Matthews	4,816	2002 ESOS	22/06/2005	296p	437.00p
	4,748	2002 ESOS	16/09/2005	300p	416.00p
	1,670	1993 SAYE	01/12/2005	101p	427.75p
G J Skinner	827	2002 SAYE	21/12/2005	228p	460.50p

All the interests were held beneficially.

All the options were granted under the terms of the ultimate parent company's savings related and executive share option schemes.

No director was materially interested during the year in any contract which was significant in relation to the business of the company.

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

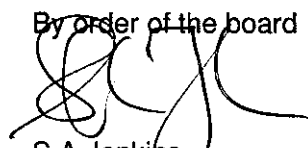
The directors confirm that suitable accounting policies have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the year as explained on page 5 under "Accounting Policies". They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2005 and that applicable accounting standards have been followed.

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.

Registered Auditors

The company has previously passed an elective resolution under Section 386 of the Companies Act 1985 to dispense with the obligation to re-appoint the auditors, PricewaterhouseCoopers LLP, annually.

By order of the board



S A Jenkins
Director

14th July 2006

GEORGE WIMPEY EAST LONDON LIMITED

Independent auditors' report to the members of George Wimpey East London Limited

We have audited the financial statements of George Wimpey East London Limited for the year ended 31 December 2005 which comprise the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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.

Opinion

In our opinion the financial statements:

- (a) 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 2005; and
- (b) have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

16 Oct 2006 2006

GEORGE WIMPEY EAST LONDON LIMITED

BALANCE SHEET

at 31 December 2005

	Notes	2005 £	2004 £
Current Assets			
Cash at bank and in hand	3	<u>2</u>	<u>2</u>
Net assets		<u>2</u>	<u>2</u>
Capital and Reserves			
Called up share capital	4	<u>2</u>	<u>2</u>
Equity Shareholder's Funds		<u>2</u>	<u>2</u>

The financial statements appearing on pages 4 to 5 were approved by the board of directors on 14th July 2006 and signed on its behalf by:



S A Jenkins
Director

GEORGE WIMPEY EAST LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2005

1. Accounting Policies

Basis of Preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below

Cash Flow Statement and Related Party Transactions

The company is a wholly owned subsidiary of George Wimpey Plc and is included in the consolidated financial statements of George Wimpey Plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996). The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the George Wimpey Plc group or investees of the George Wimpey Plc group.

2. Parent Company

Auditors' remuneration has been borne by the group company George Wimpey UK Limited.

Directors' remuneration paid by the company in the year amounted to Nil. All Directors' remuneration is borne by the group company George Wimpey UK Limited.

The company is a wholly owned subsidiary of George Wimpey UK Limited, a company registered in England.

The ultimate parent company and controlling party is George Wimpey Plc, a company registered in England. A copy of the group financial statements may be obtained from the Group Company Secretary, George Wimpey Plc, Manning House, 22 Carlisle Place, London SW1P 1JA.

3. Cash

	2005 £	2004 £
Cash at bank and in hand	<u>2</u>	<u>2</u>

4. Share Capital

	2005 £	2004 £
Authorised:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

5. Indemnity

The company had no activity in the year other than acting as an undisclosed agent for George Wimpey UK Limited, a fellow subsidiary of the George Wimpey Plc group. As a result, George Wimpey UK Limited has given an indemnity to the company under which it will meet all past, present and future liabilities that may arise.