

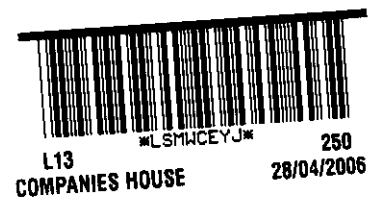
**AEW Global Advisors (Europe) Limited**

**Company No. 05406927**

**Financial Statements**

**For the period ended**

**31 December 2005**



# **AEW Global Advisors (Europe) Limited**

## **Company Information**

### **Directors**

James Finnegan  
Jeffrey Furber  
Richard Lewis  
Robert Oosterkamp  
Louise Staniforth

### **Secretary**

Louise Staniforth

### **Registered Office**

One Curzon Street  
London  
W1J 5HD

### **Bankers**

National Westminster Bank plc  
94 Moorgate  
London  
EC2M 6XT

### **Auditors**

Kingston Smith  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

# AEW Global Advisors (Europe) Limited

## Report of the Directors

The directors have pleasure in presenting their report and financial statements for the period ended 31 December 2005.

### Principal activities and review of the business

The company was incorporated on 30 March 2005 as AEW Global Advisors (Europe) Limited, with its principal activity being the provision of Investment Management Services with respect to publically traded real estate related securities.

The company began trading in October 2005 having been granted FSA approved status under the Financial Services and Markets Act 2000 (FSMA) on 14 October 2005. The directors are cautiously optimistic about the prospects for the future.

### Results and dividends

The results for the period are set out on page 4.

### Directors

The following directors have held office since 30 March 2005:

James Finnegan	(Appointed 30 March 2005)
Jeffrey Furber	(Appointed 19 May 2005)
Richard Lewis	(Appointed 19 May 2005)
Robert Oosterkamp	(Appointed 19 May 2005)
Louise Staniforth	(Appointed 30 March 2005)

### Directors' interests

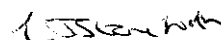
The directors who served the company during the period together with their interests (including family interests) in the shares of the company at the beginning (or subsequent date of appointment) and end of the period, were as follows:

	Ordinary shares of £ 1 each	
	31 December 2005	30 March 2005
James Finnegan	-	-
Jeffrey Furber	-	-
Richard Lewis	-	-
Robert Oosterkamp	-	-
Louise Staniforth	-	-

### Auditors

The directors have appointed Kingston Smith as auditors, and a resolution for their reappointment is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



Louise Staniforth  
Director

One Curzon Street

London  
W1J 5HD

Date: 27 April 2006

# **AEW Global Advisors (Europe) Limited**

## **Directors' Responsibilities & Report of the Auditors**

### **Statement of directors' responsibilities**

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 period.

In preparing those financial statements, the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

### **Independent Auditors' Report to the Shareholders of AEW Global Advisors (Europe) Limited**

We have audited the financial statements of AEW Global Advisors (Europe) Limited for the period ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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 the 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).

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 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.

**AEW Global Advisors (Europe) Limited**  
**Directors' Responsibilities & Report of the Auditors (continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2005 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Date: .....

28<sup>th</sup> April 2006



**Kingston Smith**  
Chartered Accountants  
and Registered Auditors

**AEW Global Advisors (Europe) Limited**  
**Profit and Loss Account**  
**For the period ended 31 December 2005**

**9 Months  
ended  
31 December  
2005  
£**

	Notes	
Turnover	2	66,511
Administrative expenses		(124,313)
<b>Loss on ordinary activities before taxation</b>		<b>(57,802)</b>
Taxation	4	-
<b>Loss on ordinary activities after taxation</b>	<b>8</b>	<b>(57,802)</b>


The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**AEW Global Advisors (Europe) Limited**  
**Balance Sheet**  
**As at 31 December 2005**

	Notes	2005 £	£
<b>Current Assets</b>			
Debtors	5	69,086	
Cash at bank and in hand		200,000	
		<hr/>	
		269,086	
<b>Creditors: Amounts falling due within one year</b>	6	(126,888)	
		<hr/>	
<b>Total Assets Less Current Liabilities</b>			142,198
			<hr/>
<b>Capital and Reserves</b>			
Called up share capital	7		200,000
Profit and loss account	8		(57,802)
			<hr/>
<b>Shareholders' Funds - Equity Interests</b>			142,198
			<hr/>

Approved by the Board on 22 April 2006



Louise Staniforth

**Director**

**AEW Global Advisors (Europe) Limited**  
**Cash Flow Statement**  
**For the period ended 31 December 2005**

	9 Months ended 31 December 2005
	£                      £
<b>Net Cash Outflow from Operating Activities (Note 1)</b>	-
	<hr/>
<b>Net Cash Outflow before Management of Liquid Resources and Financing</b>	-
<b>Financing</b>	
Issue of ordinary share capital	200,000
	<hr/>
<b>Net Cash Inflow/(Outflow) from Financing</b>	200,000
	<hr/>
<b>Increase/(Decrease) in Cash (Note 2)</b>	200,000
	<hr/> <hr/>



**AEW Global Advisors (Europe) Limited**  
**Notes to the Cashflow Statement**  
**For the period ended 31 December 2005**

<b>1</b>	<b>Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities</b>				<b>2005</b>
					<b>£</b>
	Operating loss				(57,802)
	Increase in debtors				(69,086)
	Increase in creditors within one year				126,888
					<hr/>
	<b>Net Cash Outflow from Operating Activities</b>				<b>-</b>
					<hr/>
<b>2</b>	<b>Reconciliation of Net Cash Flow to Movement in Net Funds (Note 3)</b>				<b>2005</b>
					<b>£</b>
	Increase in cash in the period				200,000
					<hr/>
	<b>Movement in net funds in the period</b>				<b>200,000</b>
	Opening net debt				-
					<hr/>
	<b>Closing net funds</b>				<b>200,000</b>
					<hr/>
<b>3</b>	<b>Analysis of Net Funds</b>	<b>30 March 2005</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2005</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash:				
	Cash at bank and in hand	-	200,000	-	200,000
		<hr/>	<hr/>	<hr/>	<hr/>
	<b>Net funds</b>	<b>-</b>	<b>200,000</b>	<b>-</b>	<b>200,000</b>
		<hr/>	<hr/>	<hr/>	<hr/>

# AEW Global Advisors (Europe) Limited

## Notes to the Financial Statements

### For the period ended 31 December 2005

#### 1 Accounting Policies

##### a) Accounting basis and standards

The financial statements have been prepared under the historical cost convention.

##### b) Turnover

Turnover, which arises in the United Kingdom, comprises investment management fees.

##### c) Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

##### d) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All other exchange differences are included in the profit and loss account.

#### 2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

#### 3 Employee Information

The average number of employees (including directors) during the period was:

	2005 Number
Financial and administration	2
The total remuneration was:	
	£
Wages and salaries	63,908
Social security costs	4,693
	68,601

**AEW Global Advisors (Europe) Limited**  
**Notes to the Financial Statements**  
**For the period ended 31 December 2005 (continued)**

<b>4</b>	<b>Taxation</b>	<b>2005</b> <b>£</b>
	<b>Current tax charge</b>	-
	<b>Factors affecting the tax charge for the period</b>	
	Loss on ordinary activities before taxation	(57,802)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00%	(17,341)
	Effects of:	
	Non deductible expenses	13
	Tax losses carried forward	17,328
		17,341
	<b>Current tax charge</b>	-
<b>5</b>	<b>Debtors</b>	<b>2005</b> <b>£</b>
	Prepayments and accrued income	69,086
<b>6</b>	<b>Creditors: Amounts Falling Due Within One Year</b>	<b>2005</b> <b>£</b>
	Trade creditors	8,368
	Amounts owed to group companies	118,520
		126,888
<b>7</b>	<b>Share Capital</b>	<b>2005</b> <b>£</b>
	<b>Authorised</b>	
	200,000 Ordinary shares of £1 each	200,000
	<b>Allotted, called up and fully paid</b>	
	200,000 Ordinary shares of £1 each	200,000

On incorporation 1 ordinary share of £1 was issued at par for cash. A further 199,999 ordinary shares of £1 each were issued at par for cash on 28 June 2005 and which time the company's authorised share capital was increased from 100,000 ordinary shares of £1 each to 200,000 ordinary shares of £1 each.

**AEW Global Advisors (Europe) Limited**  
**Notes to the Financial Statements**  
**For the period ended 31 December 2005 (continued)**

**8 Shareholders' funds**

2005	Share capital	Profit and loss account	Total
	£	£	£
Retained loss for the period	-	(57,802)	(57,802)
Increase in share capital	200,000	-	200,000
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2005	200,000	(57,802)	142,198
	<hr/>	<hr/>	<hr/>

**9 Related Party Transactions**

The company has taken advantage of the exemption by FRS 8 paragraph 3(c) not to disclose transactions with related parties as it is a wholly owned subsidiary of Caisse des Depots et Consignations, the consolidated financial statements for which are publically available.

**10 Controlling Party**

The company's immediate parent entity is AEW Capital Management LP, registered in the United States.

The ultimate parent company and controlling entity is Caisse des Depots et Consignations, a company incorporated and registered in France.

Caisse des Depots et Consignations is the parent undertaking of the largest and smallest group of undertakings of which the company is a member and for which group financial statements are prepared. The group financial statements may be obtained from the Finance Director, AEW Global Advisors (Europe) Limited, One Curzon Street, London, W1J 5HD.