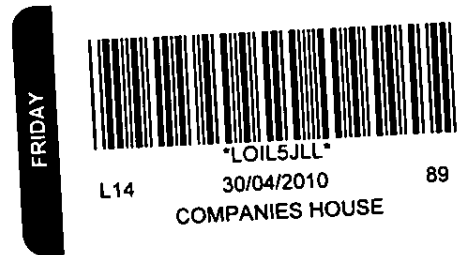


AEW GLOBAL ADVISORS (EUROPE) LIMITED



Directors' Report And Financial Statements

For the year ended 31 December 2009

Company Registration No 05406927 (England And Wales)

AEW GLOBAL ADVISORS (EUROPE) LIMITED

COMPANY INFORMATION

Directors	James Finnegan Jeffrey Furber Robert Oosterkamp Louise Staniforth
Secretary	Louise Staniforth
Company number	05406927
Registered office	33 Jermyn Street London SW1Y 6DN
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	National Westminster Bank plc 94 Moorgate London EC2M 6XT

AEW GLOBAL ADVISORS (EUROPE) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 14

AEW GLOBAL ADVISORS (EUROPE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

Principal activities and review of the business

The company principal activity is the provision of investment management services with respect to publically traded real estate related securities

Since the start of the business, the company has been able to show better investment returns than the market which attracted new clients and the directors expect this to continue in the future

The directors have overall responsibility for identifying, evaluating and managing major business risks. They regularly assess the business risks exposure and control including compliance assessments and determine any appropriate action required.

Principal business risks reviewed include allocation of responsibilities and control environment, financial control, quality and integrity of personnel, compliance controls and IT systems.

The company has experienced increased assets under management (AUM) during the year

AUM £419,600,000 (2008 £250,000,000)

In a more difficult equity market environment AEW Global Advisors has still managed to build a strong track record and shown ability to add value for its clients. Based on that we've strengthened our position in the market place.

Results and dividends

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend

Future developments

The directors are optimistic about the future growth of the business and profitability. The company will continue to explore other investment management opportunities.

Directors

The following directors have held office since 1 January 2009

James Finnegan

Jeffrey Furber

Richard Lewis

(Resigned 1 May 2009)

Robert Oosterkamp

Louise Staniforth

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

AEW GLOBAL ADVISORS (EUROPE) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

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. 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Robert Oosterkamp

Director

29/04/2010

AEW GLOBAL ADVISORS (EUROPE) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEW GLOBAL ADVISORS (EUROPE) LIMITED

We have audited the financial statements of AEW Global Advisors (Europe) Limited for the year ended 31 December 2009 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AEW GLOBAL ADVISORS (EUROPE) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF AEW GLOBAL ADVISORS (EUROPE) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Kingston Smith LLP

Martin Burchmore (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

21st April 2010

Chartered Accountants
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

AEW GLOBAL ADVISORS (EUROPE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
Turnover	2	2,041,430	1,816,157
Administrative expenses		(1,811,732)	(1,055,803)
Operating profit	3	229,698	760,354
Other interest receivable and similar income	4	1,495	64,635
Profit on ordinary activities before taxation		231,193	824,989
Tax on profit on ordinary activities	5	(64,735)	(235,226)
Profit for the year	12	166,458	589,763

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 2009

	Notes	2009 £	£	2008 £	£
Current assets					
Debtors	7	658,922		410,306	
Cash at bank and in hand		597,616		557,972	
		<u>1,256,538</u>		<u>968,278</u>	
Creditors amounts falling due within one year	8	<u>(328,189)</u>		<u>(391,387)</u>	
Total assets less current liabilities			928,349		576,891
Provisions for liabilities	9		<u>(185,000)</u>		<u>-</u>
			<u>743,349</u>		<u>576,891</u>
Capital and reserves					
Called up share capital	11		200,000		200,000
Profit and loss account	12		543,349		376,891
Shareholders' funds	13		<u>743,349</u>		<u>576,891</u>

Approved by the Board and authorised for issue on 20/04/2010



Robert Oosterkamp
Director

Company Registration No 05406927

AEW GLOBAL ADVISORS (EUROPE) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	£	£
Net cash inflow from operating activities	121,926	692,108
Returns on investments and servicing of finance		
Interest received	1,495	64,635
Net cash inflow for returns on investments and servicing of finance	1,495	64,635
Taxation	(83,777)	(265,091)
Equity dividends paid	-	(1,000,000)
Net cash inflow/(outflow) before management of liquid resources and financing	39,644	(508,348)
Increase/(decrease) in cash in the year	39,644	(508,348)

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

1 Reconciliation of operating profit to net cash inflow from operating activities	2009	2008
	£	£
Operating profit	229,698	760,354
Increase in debtors	(196,816)	(118,231)
(Decrease)/Increase in creditors within one year	(95,956)	49,985
Other reserve movement	185,000	-
Net cash inflow from operating activities	121,926	692,108

2 Analysis of net funds	1 January 2009	Cash flow	Other non-cash changes	31 December 2009
	£	£	£	£
Net cash				
Cash at bank and in hand	557,972	39,644	-	597,616
Net funds	557,972	39,644	-	597,616

3 Reconciliation of net cash flow to movement in net funds	2009	2008
	£	£
Increase/(decrease) in cash in the year	39,644	(508,348)
Movement in net funds in the year	39,644	(508,348)
Opening net funds	557,972	1,066,320
Closing net funds	597,616	557,972

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents fees receivable for investment management services provided net of VAT

1.4 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.5 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

2 Turnover

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

3 Operating profit	2009 £	2008 £
Operating profit is stated after charging		
Auditors' remuneration (including expenses and benefits in kind)	4,485	7,500
Non-audit services taxation	-	325
	<u>4,485</u>	<u>7,825</u>

4 Investment income	2009 £	2008 £
Bank interest	1,495	64,635
	<u>1,495</u>	<u>64,635</u>

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

5	Taxation	2009	2008
		£	£
	Domestic current year tax		
	U K corporation tax	116,535	235,226
	Current tax charge	116,535	235,226
	Deferred tax		
	Deferred tax charge credit current year	(51,800)	-
		64,735	235,226
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	231,193	824,989
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 28.50%)	64,734	235,099
	Effects of		
	Non deductible expenses	51,801	127
		51,801	127
	Current tax charge	116,535	235,226
6	Dividends	2009	2008
		£	£
	Ordinary interim paid	-	1,000,000
7	Debtors	2009	2008
		£	£
	Trade debtors	602,996	403,347
	Other debtors	706	4,002
	Prepayments and accrued income	3,420	2,957
	Deferred tax asset (see note 9)	51,800	-
		658,922	410,306

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

8 Creditors: amounts falling due within one year	2009	2008
	£	£
Corporation tax	112,550	79,792
Other taxes and social security costs	178,218	272,962
Other creditors	2,653	2,648
Accruals and deferred income	34,768	35,985
	<u>328,189</u>	<u>391,387</u>

9 Provisions for liabilities	Other
	£
Profit and loss account	185,000
Balance at 31 December 2009	<u>185,000</u>

Provisions for liabilities represents a deferred compensation bonus in respect of director R Oosterkamp which is contingent on his continued employment by the company until at least 31 December 2010

The deferred tax asset (included in debtors, note 7) is made up as follows:

	2009	
	£	
Profit and loss account	<u>(51,800)</u>	
	2009	2008
	£	£
Timing difference in relation to deferred compensation bonus	<u>(51,800)</u>	<u>-</u>

10 Pension and other post-retirement benefit commitments **Defined contribution**

	2009	2008
	£	£
Contributions payable by the company for the year	<u>21,851</u>	<u>21,808</u>

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

11 Share capital	2009	2008
	£	£
Authorised		
200,000 Ordinary shares of £1 each	200,000	200,000
Allotted, called up and fully paid		
200,000 Ordinary shares of £1 each	200,000	200,000
12 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 January 2009		376,891
Profit for the year		166,458
Balance at 31 December 2009		543,349
13 Reconciliation of movements in shareholders' funds	2009	2008
	£	£
Profit for the financial year	166,458	589,763
Dividends	-	(1,000,000)
Net addition to/(depletion in) shareholders' funds	166,458	(410,237)
Opening shareholders' funds	576,891	987,128
Closing shareholders' funds	743,349	576,891

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

14 Directors' emoluments	2009	2008
	£	£
Emoluments for qualifying services	1,147,694	521,734
Company pension contributions to money purchase schemes	12,500	12,500
	<u>1,160,194</u>	<u>534,234</u>

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	1,147,694	521,734
Company pension contributions to money purchase schemes	12,500	12,500
	<u>1,160,194</u>	<u>534,234</u>

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2009	2008
	Number	Number
Financial and administration	<u>3</u>	<u>3</u>

Employment costs

	2009	2008
	£	£
Wages and salaries	1,427,084	769,814
Social security costs	158,686	98,708
Other pension costs	21,851	21,808
	<u>1,607,621</u>	<u>890,330</u>

16 Control

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

The ultimate parent company and controlling entity is Natixis, a company incorporated and registered in France

Natixis 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, 33 Jermyn Street, London, SW1Y 6DN

AEW GLOBAL ADVISORS (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

17 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 Natixis, the consolidated financial statements for which are publically available