

BALANCE SHEETS

as at 31 December 2006

| | Note | Group 2006 £m | Group 2005 £m | Company 2006 £m | Company 2005 £m |
|---------------------------------------|------|---------------------|---------------------|-----------------------|-----------------------|
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Investment property | 18 | 2,264.4 | 1,936.0 | - | - |
| Investment property under development | 19 | 85.6 | 71.4 | - | - |
| Other property, plant and equipment | 20 | 43.1 | 33.8 | - | - |
| Investments in subsidiaries | 21 | - | - | 1,358.4 | 1,363.9 |
| Investments in joint ventures | 22 | 988.3 | 790.0 | - | - |
| Investment in associates | 23 | 61.8 | 29.4 | - | - |
| Other financial assets | 24 | 50.0 | 71.0 | - | - |
| Intangible assets | 25 | 4.9 | 3.9 | - | - |
| Deferred tax assets | 26 | 65.8 | 95.0 | - | - |
| Total non-current assets | | 3,563.9 | 3,030.5 | 1,358.4 | 1,363.9 |
| Current assets | | | | | |
| Trading properties | 27 | 48.7 | 34.5 | - | - |
| Trade and other receivables | 28 | 133.1 | 75.5 | 110.5 | 15.0 |
| Other financial assets | 24 | 9.4 | - | - | - |
| Income tax receivable | | 30.7 | 12.7 | - | - |
| Cash and cash equivalents | 29 | 455.4 | 385.5 | - | - |
| Total current assets | | 677.3 | 508.2 | 110.5 | 15.0 |
| TOTAL ASSETS | | 4,241.2 | 3,538.7 | 1,468.9 | 1,378.9 |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Interest-bearing loans and borrowings | 30 | (565.6) | (555.1) | - | - |
| Trade and other payables | 32 | (154.6) | (176.0) | - | - |
| Employee benefits | 10 | (15.8) | (27.8) | - | - |
| Deferred tax liabilities | 26 | (555.2) | (450.6) | - | - |
| Total non-current liabilities | | (1,291.2) | (1,209.5) | - | - |
| Current liabilities | | | | | |
| Overdrafts | 29 | (4.6) | (1.2) | - | - |
| Interest-bearing loans and borrowings | 30 | (89.3) | (19.1) | - | - |
| Trade and other payables | 32 | (106.9) | (94.7) | - | - |
| Income tax payable | | (23.6) | (17.7) | - | - |
| Provisions | 33 | (158.8) | (10.0) | - | - |
| Total current liabilities | | (383.2) | (142.7) | - | - |
| TOTAL LIABILITIES | | (1,674.4) | (1,352.2) | - | - |
| NET ASSETS | | 2,566.8 | 2,186.5 | 1,468.9 | 1,378.9 |
| Equity | | | | | |
| Share capital | 37 | 60.8 | 60.8 | 60.8 | 60.8 |
| Share premium | 38 | 173.1 | 173.1 | 28.3 | 28.3 |
| Reserves | 38 | 210.2 | 240.2 | 1,268.7 | 1,268.7 |
| Retained earnings | 38 | 1,973.8 | 1,617.5 | 111.1 | 21.1 |
| Shareholders' funds | 38 | 2,417.9 | 2,091.6 | 1,468.9 | 1,378.9 |
| Minority interests | 38 | 148.9 | 94.9 | - | - |
| TOTAL EQUITY | 38 | 2,566.8 | 2,186.5 | 1,468.9 | 1,378.9 |

Approved by the Board on 15 March 2007 and signed on behalf of the Board

The Duke of Westminster KG OBE TD DL (Chairman)

Nicholas Scarles FCA CPA ATTORNEY AT LAW (Group Finance Director)