

LADBROKE CORPORATE DIRECTOR LIMITED (Company Number 1759311)
DIRECTORS' REPORT - YEAR ENDED 31 DECEMBER 2001

Directors: J Boydell (Appointed 12 October 2001)
M J Noble
B G Barker
M J Way (Resigned 12 October 2001)

Secretary: J Livesey

Registered Office: Maple Court, Central Park, Reeds Crescent, Watford, Herts
WD24 4QQ

The directors have pleasure in presenting their report and the company's accounts for the year ended 31 December 2001.

ACCOUNTS AND DIVIDENDS

The company has not traded during the year and accordingly it has made neither a profit nor a loss. No profit and loss account has therefore been prepared and no dividend is recommended. It is not expected that the company will commence trading in the current year.

DIRECTORS

The current directors and those who served during the year are shown above.

DIRECTORS' INTERESTS

According to the register kept by the company pursuant to section 325 of the Companies Act 1985, the directors at 31 December 2001 and their families:-

(a) had the following interests in shares and debentures of Hilton Group plc:-

	31 December 2001	31 December 2000 (or when appointed)
10p ordinary shares ("shares")		
M J Noble	5,150	5,150
Shares under the terms of the all employee share ownership plan ("OWN share plan")		
M J Noble	258	258
Options to purchase shares under the terms of the 1978 share option scheme ("1978 Scheme")		
B G Barker	10,450	10,450
J Boydell	18,023	18,023
M Noble	13,712	13,712
Options to purchase shares under the terms of the 1983 savings related share option scheme ("1983 Scheme")		
M J Noble	4,781	4,414



LADBROKE CORPORATE DIRECTOR LIMITED (Company No. 733291)
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DIRECTORS' INTERESTS - Continued

	31 December 2001	31 December 2000 (or when appointed)
Options to purchase shares under the terms of the International share option scheme ("ISOS Scheme")		
B G Barker	226,300	166,300
J Boydell	41,977	41,977
M J Noble	211,288	151,288

- (b) were granted or exercised during the year or period since appointment, options for shares of Hilton Group plc under the terms of the:-

	1983 Scheme		ISOS Scheme	
	Granted	Excercisesd	Granted	Exercised
B G Barker			60,000	-
M J Noble	1,063	-	60,000	-

Except as shown above no director at 31 December 2001 held at that date or at 31 December 2000 or on appointment any interest in, or during the year or period since appointment was granted or exercised a right to subscribe for, the shares or debentures of this company or of Hilton Group plc or its subsidiaries.

By Order of the Board


 J Livesey
 Secretary

- 8 OCT 2002

LADBROKE CORPORATE DIRECTOR LIMITED (Company Number 1759311)
BALANCE SHEET AT 31 DECEMBER 2001

	Note	2001 £	2000 £
CREDITORS - amounts falling due within one year	2	<u>(220,629)</u>	<u>(220,629)</u>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account		<u>(220,631)</u>	<u>(220,631)</u>
		<u>(220,629)</u>	<u>(220,629)</u>

For the year ended 31 December 2001 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221;
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.



M J Noble
Director

- 8 OCT 2002

LADBROKE CORPORATE DIRECTOR LIMITED (Company Number 1759311)
NOTES TO THE ACCOUNTS - YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention. They have been drawn up to comply, in all material respects, with applicable UK accounting standards.

2. CREDITORS

	2001 £	2000 £
Amounts falling due within one year:-		
Amounts due to group companies (note 3)	<u>220,629</u>	<u>220,629</u>

3. AMOUNTS DUE TO GROUP COMPANIES

Amounts due to group companies are included under amounts falling due within one year where there are no specified terms as to their repayment. While amounts due to group companies are technically repayable on demand and hence are included in creditors falling due within one year, the directors are of the opinion that, in the ordinary course of business, repayment within such a timescale would not be required.

4. CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

5. ULTIMATE PARENT UNDERTAKING

The company's immediate and ultimate parent undertaking and the only undertaking for which group accounts are prepared, is Hilton Group plc, a company registered in England and Wales. The accounts of Hilton Group plc are available from the registered office at Maple Court, Central Park, Reeds Crescent, Watford, Herts, WD24 4QQ. Hilton Group plc has undertaken to provide financial support to the company, whilst it remains a subsidiary, to enable it to meet its liabilities as they fall due.

The company has taken advantage of provisions in FRS 8 which exempt subsidiary undertakings from disclosing transactions with other entities within the group. The ultimate parent undertaking, Hilton Group plc, has included the required related party disclosures within its group accounts.

6. CONTINGENT LIABILITIES

The company has jointly and severally guaranteed the value added tax liability of certain other Hilton Group companies within the group registration amounting to £13,043,347 at 31st December 2001 (2000 - £12,285,405).