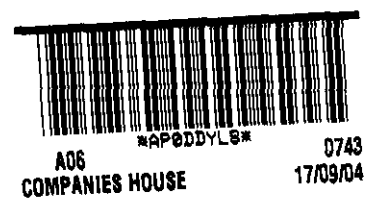


BIRMINGHAM BUSINESS PARK LIMITED
ANNUAL REPORT FOR THE YEAR ENDED
31 DECEMBER 2003



BIRMINGHAM BUSINESS PARK LIMITED

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

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BIRMINGHAM BUSINESS PARK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity is property management and development.

RESULTS AND DIVIDENDS

The company made no profit or loss during the financial year £nil (2002: profit £nil). The directors do not recommend the payment of a dividend £nil (2002: £nil); accordingly no profit and loss account was presented.

DIRECTORS

The following served as directors during the year:

P Deigman
J M Pulsford
B S Chater
D M JDuffield

None of the directors who held office at 31 December 2003 held any beneficial interests in the shares of the company at any time in the year.

The interests of Patrick Deigman in the shares of the ultimate parent company, Arlington Securities Limited (formerly East Flight Limited) are disclosed in the annual report of that company.

The interest of Patrick Deigman and Jeff Pulsford in the shares of Dover Street Nominee Limited, which owns 25% of the issued share capital of the ultimate parent company, Arlington securities Limited, are disclosed in the annual report of the intermediate parent company, Arlington Securities Operations Limited (formerly Arlington Securities plc).

The interests of Beth Chater in the shares of Dover Street Nominee Limited are disclosed in the annual report of Arlington Property Developments (2003) (formerly Arlington Property Developments Limited).

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. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2003 and that applicable accounting standards have been followed.

BIRMINGHAM BUSINESS PARK LIMITED

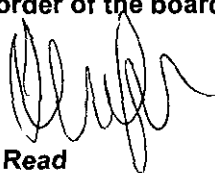
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003 Continued

The directors are responsible for keeping proper accounting records that 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.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and the company has dispensed the requirement to re-appoint the auditors at a general meeting, following an elective resolution, under Companies Act 1985 section 386.

By order of the board



J D Read
Secretary
29 June 2004

BIRMINGHAM BUSINESS PARK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIRMINGHAM BUSINESS PARK LIMITED

We have audited the financial statements which comprise the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board. 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 transactions is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with auditing standards 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Reading

29 June 2004

BIRMINGHAM BUSINESS PARK LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

	Note	2003 £	2002 £
CURRENT ASSETS			
Debtors	4	1,021,419	1,021,419
		<hr/>	<hr/>
NET ASSETS		1,021,419	1,021,419
		<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES			
Called up share capital	5	3,890,323	3,890,323
Profit and loss account	6	(2,868,904)	(2,868,904)
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS	7	1,021,419	1,021,419
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 4 to 6 were approved by the board of Directors on 29 June 2004 and were signed on its behalf by:



B Chater
Director

BIRMINGHAM BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards.

b) Deferred taxation

A full provision has been made for deferred tax assets and liabilities arising between the recognition of gains and losses in the financial statements and their recognition in a tax computation, where the originating transaction or event has occurred by the balance sheet date. Deferred tax assets are not discounted.

c) Interest

Interest is expensed through the profit and loss account as incurred.

2. ADMINISTRATIVE EXPENSES

The directors received no emoluments in respect of services provided to the company (2002: £nil). The company has no employees and administrative expenses, including audit fees are borne by Arlington Securities Limited.

3. TAXATION

Any United Kingdom corporation tax liability which may arise and is not eliminated by the offset of group relief, for which no payment is expected to be made, will be discharged by the intermediate holding company, Arlington Securities Operations Limited. No payment is made to the company in the event of losses being surrendered for group relief.

4. DEBTORS

	2003 £	2002 £
Other debtors	-	5,647
Amount owed by group companies	1,021,419	1,015,772
	<hr/>	<hr/>
	1,021,419	1,021,419
	<hr/>	<hr/>

5. CALLED UP SHARE CAPITAL

	2003 £	2002 £
Authorised:		
Ordinary shares of £1 each	3,891,000	3,891,000
	<hr/>	<hr/>
Allotted, called up and fully paid:		
Ordinary shares of £1	3,890,323	3,890,323
	<hr/>	<hr/>

BIRMINGHAM BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003 (Continued)

6. RESERVES

	Profit and loss £
At 1 January 2003	(2,868,904)
At 31 December 2003	(2,868,904)

7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUND

	2003 £	2002 £
Opening and closing shareholders funds	1,021,419	1,021,419

8. CAPITAL EXPENDITURE

The company had no capital commitments as at the year end (2002: £nil).

9. CASHFLOW STATEMENT

The company is exempt from the requirement of Financial Reporting Standard No. 1 'Cashflow Statements' to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Arlington Securities Limited and its cashflows are incorporated within the consolidated cash flow statement of that company.

10. RELATED PARTY TRANSACTIONS

The company does not have any transactions with Arlington Business Parks Partnership during 2003.

The company is exempt under Financial Reporting Standard No. 8, 'Related Party Disclosures', from disclosing transactions with other group companies.

11. ULTIMATE CONTROLLING PARTY

The immediate parent company is Arlington Property Developments (2003).

The intermediate parent group is Arlington Operations Limited. The ultimate parent and controlling party is Arlington Securities Limited.

Copies of the consolidated accounts of the ultimate parent company are available from Arlington Securities Operations Limited, Arlington House, Arlington Business Park, Theale, RG7 4SA.