

Company Number: 3360110

HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2001



HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

Board of Directors

Mr. R.J.G. Richards
Mr. J.A. Bywater
Mr. P.W.B. Cole
Mr. S.R. Melliss

Secretary and Registered Office

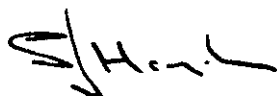
Mr. S.J. Haydon
100 Park Lane
London W1K 7AR

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 100 Park Lane, London W1K 7AR on 31 May 2002 for the following purposes:

1. To receive the report of the directors and financial statements for the year ended 31 December 2001.
2. To re-appoint Deloitte & Touche as auditors of the Company.
3. To determine the auditors' remuneration.

By order of the Board



S.J. Haydon
Secretary
31 May 2002

Registered Office:
100 Park Lane
London W1K 7AR
Registered in England Number 3360110

Notes:

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. That proxy need not also be a member of the Company. Any instrument appointing a proxy must be deposited at the Company's registered office not later than 48 hours before the time fixed for the meeting.

HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

REPORT OF THE DIRECTORS

Year ended 31 December 2001

1. PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS

The principal activity of the Company is to act as a trustee company. The directors do not envisage any significant changes to this activity in the foreseeable future.

2. RESULTS AND DIVIDEND

The Company has not traded during the current or preceding years and consequently has made neither a profit nor a loss. No dividend was paid or proposed during the year (2000: £nil).

3. DIRECTORS

- (a) Mr. R.J.G. Richards, Mr. J.A. Bywater, Mr. P.W.B. Cole and Mr. S.R. Melliss were directors of the Company throughout the year.
- (b) In accordance with the Articles of Association of the Company, the directors are not required to retire by rotation.
- (c) At 31 December 2001, none of the directors have any interests in the shares of the Company. All the directors are directors of the Company's ultimate parent company, Hammerson plc, in whose financial statements their interests in the shares of that company are given.
- (d) No director has any interests in contracts entered into by the Company.

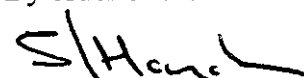
4. SECRETARY

Mr S.J. Haydon was Secretary of the Company throughout the year.

5. AUDITORS

Deloitte & Touche have indicated their willingness to continue in office in accordance with the provisions of the Companies Act 1985 and a resolution proposing their re-appointment will be put to the members at the Annual General Meeting.

By order of the Board



S.J. Haydon
Secretary
31 May 2002

Registered Office:
100 Park Lane
London W1K 7AR
Registered in England and Wales No. 3360110

HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS

The directors are required by United Kingdom company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for the financial year.

The directors ensure that in preparing the financial statements, suitable accounting policies have been applied consistently, reasonable and prudent judgements and estimates made, applicable accounting standards have been followed, and that it is appropriate to use the going concern basis.

The directors are responsible for maintaining proper accounting records so as to enable them to comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE SOLE MEMBER OF HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

We have audited the financial statements of Hammerson Share Option Scheme Trustees Limited for the year ended 31 December 2001 which comprise the balance sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policy set out therein.

Respective responsibilities of 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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 if, in our opinion, the Report of the Directors 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 with the company is not disclosed.

We read the Report of the Directors for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 31 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
Chartered Accountants and Registered Auditors
Hill House, 1 Little New Street
London. EC4A 3TR

~~31 May~~ 2002

13 June

HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2001

The Company has not traded during the current or preceding years and has made neither profit nor loss. There are no other recognised gains and losses and therefore no separate statement of total recognised gains and losses has been presented.

BALANCE SHEET

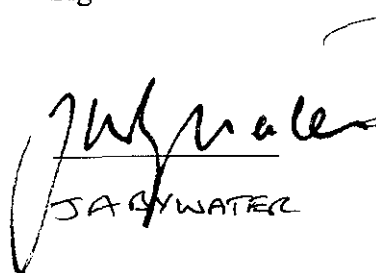
As at 31 December 2001


	Note	2001 £	2000 £
CURRENT ASSETS			
Debtors due after more than one year	3	2	2
TOTAL ASSETS		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Equity shareholder's funds		<u>2</u>	<u>2</u>

There have been no movements in shareholder's funds during the current or preceding years, therefore no separate statement of the movement in shareholder's funds has been presented.

The financial statements were approved by the Board of Directors on 31 May 2002.

Signed on behalf of the Board of Directors


J A G WATER


P W B COLE

HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2001

1. ACCOUNTING POLICY

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements are in compliance with the Companies Act 1985.

2. ADMINISTRATION EXPENSES

The Company has not paid any director emoluments during the current or preceding years. As the Company is non-trading the services of the directors are of a non-executive nature, and their emoluments are deemed wholly attributable to their services to other group companies. Accordingly, no director emoluments are disclosed.

The Company did not pay any remuneration, including expenses, to the Company's auditors during the current or preceding years. All audit fees are paid by another group company.

The Company has not had any employees during the current or preceding years.

3. DEBTORS

	2001 £	2000 £
Amounts owed by parent company	<u>2</u>	<u>2</u>

The above amount relates to called up share capital not paid and is due after more than one year.

4. CALLED UP EQUITY SHARE CAPITAL

	2001 £	2000 £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, allotted and unpaid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

HAMMERSON SHARE OPTION SCHEME TRUSTEES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2001

5. CASH FLOW AND RELATED PARTY DISCLOSURE

As the Company has not traded during the current or preceding years there is no cash flow information to disclose.

The Company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Hammerson plc group.

In the opinion of the directors there are no other related party transactions to be disclosed.

6. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent undertaking and ultimate controlling party is Hammerson plc, which is incorporated in Great Britain and is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of Hammerson plc consolidated financial statements can be obtained from:

Company Secretary
100 Park Lane
London
W1K 7AR