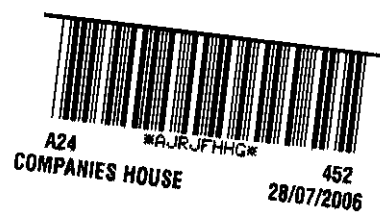


CANARY WHARF HOLDINGS LIMITED
Registered Number: 2798284

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR FROM 1 JANUARY 2005 TO 31 DECEMBER 2005



CANARY WHARF HOLDINGS LIMITED

FINANCIAL STATEMENTS

CONTENTS

	PAGE
The Directors' Report	1
Statement of the Directors' Responsibilities in Respect of the Financial Statements	4
Independent Auditors' Report	5
Profit and Loss Account	7
Statement of Total Recognised Gains and Losses	8
Balance Sheet	9
Notes to the Financial Statements	10

CANARY WHARF HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report with the audited financial statements for the year ended 31 December 2005.

ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Canary Wharf Estate Limited and its ultimate parent undertaking is Songbird Estates plc ('Songbird'), both companies are registered in England and Wales.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company is to act as a holding company for the Canary Wharf Holdings Limited Group (the 'CWHL Group') which is involved in property development, investment and management.

FUTURE DEVELOPMENTS

On 19 July 2006 a Special Resolution was passed by the sole member of the Company to the extent that the 405,000,000 Redeemable Preferred Ordinary Shares of the Company then in issue were reclassified as £1.00 Ordinary Shares each carrying the rights of, and ranking pari passu with, the Ordinary Shares then in issue. Such reclassification has resulted in the authorised share capital of the Company now comprising 405,115,000 Ordinary Shares of £1.00 each and 95,000,000 £1.00 Redeemable Preferred Ordinary Shares and the issued share capital comprising 405,105,001 £1.00 Ordinary Shares. No change to the nominal issued share capital of the Company has occurred as a result of such reclassification.

The Redeemable Preferred Ordinary Shares are shown as liabilities due after more than one year as at 31 December 2005. Following their reclassification as Ordinary Shares, the entire share capital will be shown as equity at subsequent balance sheet dates.

DIVIDENDS AND RESERVES

The profit and loss account for the year ended 31 December 2005 is set out on page 7. Dividends of £206,060 (2004: £86,364) have been paid to the ordinary shareholders during the year and the retained loss of £507,051,625 (2004: profit of £521,251,485) has been transferred to reserves.

DIRECTORS

The directors of the company throughout the year ended 31 December 2005 were:

A P Anderson II
G Iacobescu
R Lyons

The group has in place liability insurance covering the directors and other officers of group companies.

CANARY WHARF HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

DIRECTORS' INTERESTS

The directors have been granted options to subscribe for ordinary class B shares in Songbird. Details of interests and options to subscribe for shares in Songbird are disclosed in the financial statements of either of the intermediate parent companies, Canary Wharf Estate Limited or Canary Wharf Group plc, as appropriate.

Other than the above, no director had any beneficial interest in the shares of the company, its parent undertakings or other group undertakings at 31 December 2005 or at any time throughout the year then ended.

FINANCIAL INSTRUMENTS

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with these due from other group companies who are able to repay these if required.

POLICY ON THE PAYMENT OF CREDITORS

In respect of the company's suppliers it is the company's policy to settle the terms of payment with those suppliers when agreeing the terms of each transaction, ensure that those suppliers are made aware of the terms of payment and abide by the terms of payment.

The company had no outstanding trade creditors at 31 December 2005 or 31 December 2004.

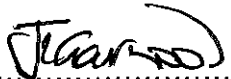
AUDITORS

Elective resolutions to dispense with holding annual general meetings, the laying of financial statements before the company in general meeting and the appointment of auditors annually are currently in force. The auditors, Deloitte & Touche LLP, will therefore be deemed to have been reappointed at the end of the period of 28 days, beginning the day on which copies of this report and financial statements are sent to members unless a resolution is passed under section 393 of the Companies Act 1985 to the effect that their appointment be brought to an end.

CANARY WHARF HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

BY ORDER OF THE BOARD


.....Company Secretary 24 July 2006
J R Garwood

Registered office:
30th Floor
One Canada Square
Canary Wharf
London
E14 5AB

CANARY WHARF HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are required by the Companies Act 1985 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 year and of the results for the year then ended. In preparing these financial statements, the directors are required to:

- select suitable accounting policies, as described on page 10, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which 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 1985. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

CANARY WHARF HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF HOLDINGS LIMITED

We have audited the financial statements of Canary Wharf Holdings Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we may 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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We also report 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 other transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 circumstances of the company, consistently applied and adequately disclosed.

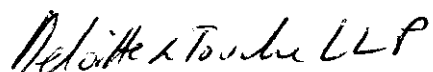
CANARY WHARF HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF HOLDINGS LIMITED

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the company's affairs as at 31 December 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

24 July 2006

CANARY WHARF HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

		Year ended 31 December 2005	Six months ended 31 December 2004 As restated
	Note	£	£
Income from fixed asset investments		293,462,204	856,700,000
GROSS PROFIT		293,462,204	856,700,000
Administrative expenses		(2,122,807)	(12,851)
OPERATING PROFIT	3	291,339,397	856,687,149
Interest receivable and similar income	5	1,483,713	379,498
Interest payable and similar charges	6	(799,668,675)	(335,728,798)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(506,845,565)	521,337,849
Tax on (loss)/profit on ordinary activities	7	—	—
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(506,845,565)	521,337,849
Dividends	8	(206,060)	(86,364)
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR TRANSFERRED TO RESERVES	14	(507,051,625)	521,251,485

Movements in reserves are shown in Note 14 of these financial statements.

All amounts relate to continuing activities in the United Kingdom.

The notes on pages 10 to 18 form an integral part of these financial statements.

CANARY WHARF HOLDINGS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2005

	Year ended 31 December 2005	Six months ended 31 December 2004 As restated
	£	£
(Loss)/profit for the financial year	(506,845,565)	521,337,849
Unrealised (deficit)/surplus on revaluation of: Fixed asset investments	<u>(99,757,367)</u>	<u>21,731,579</u>
Total recognised gains and losses recognised since the last financial statements	<u>(606,602,932)</u>	<u>543,069,428</u>

The notes on pages 10 to 18 form an integral part of these financial statements.

CANARY WHARF HOLDINGS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

		31 December 2005	31 December 2004 As restated
	Note	£	£
FIXED ASSETS			
Investments	9	940,372,981	1,040,130,348
CURRENT ASSETS			
Debtors	10	209,194,908	1,390,455,490
Cash at bank and in hand		2,661	2,619
		209,197,569	1,390,458,109
CREDITORS: Amounts falling due within one year	11	(126,706,266)	(800,915,181)
NET CURRENT ASSETS		82,491,303	589,542,928
TOTAL ASSETS LESS CURRENT LIABILITIES		1,022,864,284	1,629,673,276
CREDITORS: Amounts falling due after more than one year	12	(405,000,000)	(405,000,000)
NET ASSETS		617,864,284	1,224,673,276
CAPITAL AND RESERVES			
Called-up equity share capital	13	105,001	105,001
Reserves:			
Revaluation reserve	14	496,709,510	596,466,877
Profit and loss account	14	121,049,773	628,101,398
SHAREHOLDERS' FUNDS - EQUITY	15	617,864,284	1,224,673,276

The notes on pages 10 to 18 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 24 JULY 2006 AND SIGNED ON ITS BEHALF BY:



R LYONS
DIRECTOR

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1. PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies of the company is set out below. With the exception of Financial Reporting Standard 25 (Financial Instruments: Disclosure and Presentation), all accounting policies have been applied consistently throughout the year and the preceding period. The comparatives for the period ended 31 December 2004 have been restated to comply with FRS25 (note 2).

Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with applicable United Kingdom accounting standards.

In accordance with the provisions of FRS 1 (Revised) the company is exempt from the requirements to prepare a cash flow statement, as it is a wholly-owned subsidiary of Canary Wharf Group plc, which has prepared a consolidated cash flow statement.

Interest receivable and interest payable

Interest receivable and payable are recognised in the period in which they fall due.

Accounting for share capital classified as non-equity

In accordance with FRS25, the company has changed the classification of its preferred redeemable ordinary shares from equity shares to liabilities payable in more than one year.

Under FRS25, any amount payable to the holder of the preferred redeemable ordinary shares is included in interest payable as it falls due. Prior to the adoption of FRS25, amounts payable would have been included in dividends.

The effects of the adoption of FRS25 are shown in note 2.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated in the company's balance sheet at the net asset value of the subsidiaries before provision for deferred tax. Increases or decreases in the net asset value of the subsidiaries are taken to the revaluation reserve other than any provision for impairment which is charged to the profit and loss account. The directors consider that this policy presents fairly the company's investment in its subsidiaries.

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

2. RESTATEMENT

The effects of adopting FRS25 for the current and prior years are as follows:

	Interest payable	Dividends payable	Shareholders' funds
	£	£	£
As at 31 December 2004			
As previously reported	2,615,162	333,200,000	1,629,673,276
Effect of adopting FRS25	333,113,636	(333,113,636)	(405,000,000)
As restated	<u>335,728,798</u>	<u>86,364</u>	<u>1,224,673,276</u>
As at 31 December 2005			
Without adopting FRS25	4,872,591	795,002,144	1,022,864,284
Effect of adopting FRS25	794,796,084	(794,796,084)	(405,000,000)
As reported	<u>799,668,675</u>	<u>206,060</u>	<u>617,864,284</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	Year ended 31 December 2005	Six months ended 31 December 2004 As restated
	£	£
Remuneration of the auditors:		
Audit fees	3,000	3,000

No staff were employed by the company during the year or the prior period.

4. DIRECTORS EMOLUMENTS

Remuneration

No part of the directors' remuneration is specifically attributable to their services to the company. With the exception of R Lyons, whose details are disclosed in the accounts of Canary Wharf Limited, details of directors remuneration are disclosed in the accounts of Canary Wharf Group plc.

Share options

Details of the options granted to directors of the company who were also directors of a parent company during the year are disclosed in the consolidated accounts of Canary Wharf Group plc.

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2005	Six months ended 31 December 2004 As restated
	£	£
Bank interest receivable	39	45
Interest receivable from group undertakings	1,483,674	379,453
	<u>1,483,713</u>	<u>379,498</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 2005	Six months ended 31 December 2004 As restated
	£	£
Interest payable to group undertakings	4,872,591	2,615,162
Finance costs of non-equity shares	794,796,084	333,113,636
	<u>799,668,675</u>	<u>335,728,798</u>

7. TAXATION

	Year ended 31 December 2005	Six months ended 31 December 2004 As restated
	£	£
Current tax:		
UK Corporation tax (see below)	<u>—</u>	<u>—</u>
Tax reconciliation:		
(Loss)/profit on ordinary activities before tax	<u>(506,845,565)</u>	<u>521,337,849</u>
Tax on profit on ordinary activities at UK corporation tax rate of 30%	(152,053,670)	156,401,355
Effects of:		
Items not chargeable to tax	(88,038,662)	(257,010,000)
Expenses not deductible for tax purposes	238,438,825	99,934,091
Tax losses and other timing differences	<u>1,653,507</u>	<u>674,554</u>
Current tax charge for the year	<u>—</u>	<u>—</u>

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

7. TAXATION

No provision for taxation has been made in view of the tax loss for the year. It is anticipated that tax losses will impact on future tax charges. There is no unprovided deferred taxation.

8. DIVIDENDS

	Year ended 31 December 2005 £	Six months ended 31 December 2004 As restated £
Dividends paid during the year (196 pence per share) (2004: 82 pence per share)	206,060	86,364

9. INVESTMENTS

	Shares in Group Undertakings £
COST OR VALUATION	
At 1 January 2005	1,040,130,348
Revaluations	(99,757,367)
At 31 December 2005	940,372,981
NET BOOK VALUE	
At 31 December 2005	940,372,981
At 31 December 2004	1,040,130,348

On a historical cost basis, investments would have been included as follows:

At 31 December 2005	443,663,471
At 31 December 2004	443,663,471

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

9. INVESTMENTS

At 31 December 2005 the company's subsidiary undertakings were as follows:

Name	Description of shares held	Principal activities
Canary Wharf Limited	Ordinary £1 shares and redeemable preferred ordinary £1 shares	Property development
Canary Wharf Contractors Limited	Ordinary £1 shares	Property contractors
Heron Quays Properties Limited	Ordinary £1 shares	Property development
Canary Wharf Investments Limited	Ordinary £1 shares and deferred £1 shares	Property investment
South Quay Properties Limited	Ordinary £1 shares	Property investment
CWE SPVi Limited	Ordinary £1 shares	Investment holding
CWC SPVe Limited	Ordinary £1 shares	Property investment
Canary Wharf (B4) T2 Limited	Ordinary £1 shares	Dormant
Canary Wharf Trustees Limited	Ordinary £1 shares	Dormant
CW Properties DS7B Limited	Ordinary £1 shares	Property investment
CW Properties DS7F Limited	Ordinary £1 shares	Property investment
CW Properties FC3 Limited	Ordinary £1 shares	Property investment
CW Properties B2 Limited	Ordinary £1 shares	Property investment
CWCB Holdings Ltd	Ordinary £1 shares	Investment holding
CWCB Finance II Limited	Ordinary £1 shares	Finance company
CW Finance Holdings II Limited	Ordinary £1 shares	Finance company
Canary Wharf Solutions Limited	Ordinary £1 shares	Dormant
Norquil Limited	Ordinary £1 shares	Property investment
Armoric Holdings Limited	Ordinary £1 shares	Investment holding
Canary Wharf Telecoms Limited	Ordinary £1 shares	Telecommunication services
Canary Wharf (ROC)	Ordinary £1 shares	Dormant
CWG (Wood Wharf) Holdings Limited	Ordinary £1 shares	Investment holding
Heron Quays West Properties Limited	Ordinary £1 shares	Dormant
Blaxmill (Two) Limited	Ordinary £1 shares	Dormant
CWBC Finance (BP1) Limited	Ordinary £1 shares	Finance company
Canary Wharf (St Brides) Limited	Ordinary £1 shares	Dormant

The above are wholly owned subsidiaries registered in England and Wales.

Dividends totalling £293,462,204 (2004: £856,700,000) were declared by the company's subsidiaries during the year ended 31 December 2005.

As a result of these dividends, the net asset value of the subsidiaries concerned has reduced and the carrying value of the company's investment in subsidiaries has been reduced accordingly.

Financial information is only presented in these financial statements about the company as an individual undertaking and not about its group because the company and its subsidiary undertakings are included in the consolidated financial statements of a larger group (Note 18).

The directors are of the opinion that the value of the company's investments at 31 December 2005 was not less than the amount shown in the company's balance sheet.

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

10. DEBTORS

	31 December 2005	31 December 2004 As restated
	£	£
Amounts owed by subsidiary undertakings	68,236,719	1,264,173,461
Loans to subsidiary undertakings	140,958,189	126,282,026
Prepayments and accrued income	—	3
	<u>209,194,908</u>	<u>1,390,455,490</u>

Loans to subsidiary undertakings include a loan of £35 million which is interest free. The remainder bears interest at rates linked to LIBOR and all of the loans to subsidiaries are repayable on demand.

11. CREDITORS: Amounts falling due within one year

	31 December 2005	31 December 2004 As restated
	£	£
Loan from parent undertaking	64,809	61,884
Loan from subsidiary undertaking	109,661,573	104,791,908
Amount owed to parent undertaking	2,114,182	681,984,721
Amounts owed to subsidiary undertakings	14,859,702	14,070,998
Accruals and deferred income	6,000	5,670
	<u>126,706,266</u>	<u>800,915,181</u>

Loans from group undertakings bear interest at rates linked to LIBOR and are repayable on demand.

12. CREDITORS: Amounts falling due after more than one year

	31 December 2005	31 December 2004 As restated
	£	£
Preferred redeemable ordinary shares (note 13)	<u>405,000,000</u>	<u>405,000,000</u>

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

13. CALLED-UP SHARE CAPITAL

	Year ended 31 December 2005 £	Six months ended 31 December 2004 As restated £
Equity shares: ordinary shares of £1 each 115,000 authorised	115,000	115,000
105,001 allotted, called-up and fully paid	105,001	105,001
Non-equity shares: preferred redeemable ordinary shares of £1 each 500,000,000 authorised:	500,000,000	500,000,000
405,000,000 allotted, called-up and fully paid	405,000,000	405,000,000

The redeemable preferred ordinary shares are redeemable at par on 21 December 2010 but the company may, at any time before that date, redeem all or 100,000 multiples of the shares by serving notice to the holders. On a return of capital, the assets of the company available for distribution to the shareholders are applied in paying to the holders of the redeemable preferred ordinary shares in priority to any payment to the holders of any other class of shares the nominal amount paid up.

Subject to the above, the redeemable preferred ordinary shares rank pari passu with the ordinary shares.

In accordance with FRS25, the redeemable preferred ordinary shares have been included within creditors due after more than one year.

14. RESERVES

	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2005	596,466,877	628,101,398	1,224,568,275
Loss for the year	—	(506,845,565)	(506,845,565)
Dividends	—	(206,060)	(206,060)
Revaluation of fixed assets	(99,757,367)	—	(99,757,367)
At 31 December 2005	496,709,510	121,049,773	617,759,283

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2005 £	31 December 2004 As restated £
Opening shareholders' funds - equity		
As previously stated	1,629,673,276	
Prior year adjustment	(405,000,000)	
As restated	1,224,673,276	681,690,212
(Loss)/profit for the year	(506,845,565)	521,337,849
Dividends	(206,060)	(86,364)
Revaluation	(99,757,367)	21,731,579
Closing shareholders' funds - equity	617,864,284	1,224,673,276

16. POST BALANCE SHEET EVENTS

On 19 July 2006 a Special Resolution was passed by the sole member of the Company to the extent that the 405,000,000 Redeemable Preferred Ordinary Shares of the Company then in issue were reclassified as £1.00 Ordinary Shares each carrying the rights of, and ranking pari passu with, the Ordinary Shares then in issue. Such reclassification has resulted in the authorised share capital of the Company now comprising 405,115,000 Ordinary Shares of £1.00 each and 95,000,000 £1.00 Redeemable Preferred Ordinary Shares and the issued share capital comprising 405,105,001 £1.00 Ordinary Shares. No change to the nominal issued share capital of the Company has occurred as a result of such reclassification.

The Redeemable Preferred Ordinary Shares are shown as liabilities due after more than one year as at 31 December 2005. Following their reclassification as Ordinary Shares, the entire share capital will be shown as equity at subsequent balance sheet dates.

17. CAPITAL COMMITMENTS

As at 31 December 2005 the company had given fixed and floating charges in connection with the loan facility of a subsidiary undertaking. This loan facility was repaid subsequent to the year end and the charge satisfied.

Subsequent to the year end the company granted a charge over certain bank accounts holding cash collateral totalling £2.75 million.

CANARY WHARF HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

18. RELATED PARTIES

The company's immediate parent undertaking is Canary Wharf Estate Limited and its ultimate parent undertaking is Songbird Estates plc, both companies are registered in England and Wales.

As at 31 December 2005, Songbird Estates plc was the parent company of the largest group of which the company is a member and Canary Wharf Group plc was the parent undertaking of the smallest group of which the company is a member. Copies of the financial statements of Songbird Estates plc and Canary Wharf Group plc may be obtained from the Company Secretary, 30th Floor, One Canada Square, Canary Wharf, London E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS8 allowing the company not to disclose related party transactions with respect to other group companies.