

SHOPREADY LIMITED
REPORT AND FINANCIAL STATEMENTS
DECEMBER 31, 1998
Company Registered Number: 3313976



CONTENTS	PAGE
Directors and Advisors	1
Directors' Report	2-3
Statement of Directors' Responsibilities	4
Report of the Auditors	5
Profit and Loss Account	6
Statement of Total Recognised Gains and Losses	7
Balance Sheet	8
Notes to the Financial Statements	9-11

DIRECTORS AND ADVISORS

Directors

D M Brush
A W Dixon

Company Secretary

G S Clark

Registered Office

Winchester House
1 Great Winchester Street
London
EC2N 2DB

Auditors

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

Company Registration Number: 3313976

DIRECTORS' REPORT

The directors submit their report and financial statements for the year ended December 31, 1998.

Results and dividends

The loss after taxation for the year amounted to £50,107 (1997 - £38,320). No dividends were declared or paid during the year. *The directors do not recommend the payment of any dividends in respect of the year.*

Principal activity and future developments

The Company acts as an investment company. The directors do not anticipate any significant changes in the nature of the Company's activities in the future.

On November 30, 1998 Deutsche Bank AG ("DB") and Bankers Trust Corporation ("BTCorp"), the then ultimate parent company, announced that the Supervisory Board of DB and the Board of Directors of BTCorp had approved a definitive agreement for a transaction under which DB would acquire all outstanding shares of the common stock of BTCorp, at a price of US\$ 93.00 per share in cash.

All outstanding shares of the common stock of BTCorp were acquired by DB on June 4, 1999.

Directors and their interests

The directors of the Company during the year or at the date of this report were:

D M Brush	(Appointed July 16, 1998)
R S Mully	(Resigned July 16, 1998)
A W Dixon	

The Company has received no notification that any of the directors has at any time during the year held any disclosable interest in any shares or debentures of the Company or any other group Company.

Year 2000 readiness disclosure

Deutsche Bank AG, the Company's ultimate holding company, set up a global Year 2000 Project which covers all consolidated Group companies, including Shopready Limited. The Project was successfully implemented and no material problems have arisen following the transition into the new millennium. The Project continues monitoring the Year 2000 conformity of the Group's IT-infrastructure to address any Year 2000 problems that may occur post January 1, 2000 and to provide for a smooth leap-year transition.

The Directors are aware of the continuing potential problem posed to computer systems by the Year 2000 subsequent to the date change, its potential impact on the Company's operations, and have considered the key risks arising.

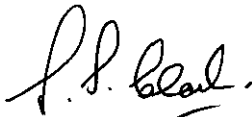
Shopready Limited has not incurred and does not expect to incur material expenses and the directors do not expect a material loss to occur as a result of the Year 2000 issue.

DIRECTORS REPORT (continued)

Auditors

Pursuant to section 379A of the Companies Act 1985 the Company has elected (a) to dispense with the holding of Annual General Meetings; (b) to dispense with the appointment of Auditors annually; and, (c) to dispense with the laying of Report and Financial statements before General Meetings.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'P. S. Beal', is written over the printed name of the Company Secretary.

Company Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES
in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies 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;
- 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 to enable them to ensure that the financial statements comply with the Companies Act. 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.

REPORT OF THE AUDITORS
to the Members of Shopready Limited

We have audited the financial statements on pages 6 to 11.

Respective responsibilities of directors and auditors

As described on page 4 the Company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 as at December 31, 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Registered Auditor
London

Date

31 January 2000

SHOPREADY LIMITED**PROFIT AND LOSS ACCOUNT**
for the year ended December 31, 1998

	Notes	1998 £	Period from February 6, 1997 to December 31, 1997 £
Interest payable	5	(50,107)	(38,320)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(50,107)</u>	<u>(38,320)</u>
Taxation on loss on ordinary activities	4	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(50,107)</u> =====	<u>(38,320)</u> =====

The loss on ordinary activities before taxation has arisen from continuing operations.

The notes on pages 9 to 11 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended December 31, 1998

	1998 £	Period from February 6, 1997 to December 31, 1997 £
Loss for the year	(50,107)	(38,320)
Exchange gains/(losses) on re-translation of investments	72,474	(85,298)
Exchange (losses)/gains on related borrowings	(72,474)	85,298
Total recognised gains and losses relating to the year	<u>(50,107)</u> =====	<u>(38,320)</u> =====

The notes on pages 9 to 11 form part of these financial statements.

SHOPREADY LIMITED

BALANCE SHEET
at December 31, 1998

	Note	1998 £	1997 £
FIXED ASSETS			
Investments	6	1,289,660	1,217,186
CURRENT ASSETS			
Debtors	7	2	2
NET CURRENT ASSETS		<u>2</u>	<u>2</u>
CREDITORS: amounts falling due after one year			
Amount owed to fellow subsidiary	8	(1,378,087)	(1,255,506)
NET LIABILITIES		<u>(88,425)</u> =====	<u>(38,318)</u> =====
CAPITAL AND RESERVES			
Called up share capital	9,10	2	2
Profit and loss account	10	(88,427)	(38,320)
SHAREHOLDERS' FUNDS		<u>(88,425)</u> =====	<u>(38,318)</u> =====

Approved by the board of directors on January 27, 2000

Director



The notes on pages 9 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
at December 31, 1998

1 Accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Valuation of fixed asset investments

The investment is recorded in the balance sheet at cost less amounts provided for any permanent diminution in value. The investment has been restated at the exchange rate ruling at the year end and the exchange loss arising taken to reserves.

Format of financial statements

The Company does not produce a cash flow statement by virtue of an exemption contained in FRS 1 (Revised 1996). The Company's ultimate parent company, Bankers Trust Corporation ("BTCorp"), presents a cash flow statement in its Annual Report.

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties which are part of the BTCorp worldwide group.

Both of the exemptions above also rely on BTCorp's consolidated financial statements being publicly available (see Note 11).

Foreign currency translations

As foreign currency borrowings have been used to finance the Company's foreign equity investments, exchange gains or losses arising on the borrowings are offset as reserve movements against exchange differences arising on the retranslation of the net investments as permitted by Statement of Standard Accounting Practice No. 20.

Income recognition

Interest income receivable and payable is recognised as it is earned or accrued.

2 Directors' emoluments

No directors' emoluments were paid during the year (1997 - £Nil).

3 Auditors' remuneration

The remuneration of the auditors is borne by a group undertaking.

4 Taxation

No provision has been made for corporation tax in 1998 and 1997 due to losses being made during the years.

NOTES TO THE FINANCIAL STATEMENTS
at December 31, 1998 (continued)

5	Interest payable	1998	1997
		£	£
	Interest payable to group companies	50,107	38,320
		=====	=====
6	Investments	1998	1997
		£	£
	Unlisted investments:		
	At January 1	1,217,186	-
	Additions	-	1,302,484
	Exchange difference	72,474	(85,298)
	Balance at December 31	1,289,660	1,217,186
		=====	=====

The investments relate wholly to holdings in Value Retail France SCS, a limited partnership incorporated in France, acquired on March 3, 1997. This holding constitutes the following:

Class of Shares	Holding	Percentage of Class	Voting Rights
Fr 100 A Ord Shares	46,264	12.16%	Yes (12.16%)
Fr 100 B Ord Shares	74,376	100%	Non Voting

7	Debtors	1998	1997
		£	£
	Called up share capital not paid	2	2
		===	===
8	Creditors: amounts falling due after one year	1998	1997
		£	£
	Amounts owed to a group undertaking	1,378,087	1,255,506
		=====	=====

A foreign currency loan was taken out to fund an equity investment in the same currency. During the year, an exchange loss of £72,474 (1997 – exchange gain of £85,298) arose which has been taken to reserves.

The loan agreement between Shopready Limited and B.T.I. Investments plc was renegotiated in the year, so that no repayment is required within three years.

NOTES TO THE FINANCIAL STATEMENTS
at December 31, 1998 (continued)
9 Share capital

	1998	1998	1997	1997
	£	No	£	No
Authorised Ordinary shares of £1 each	2,000,000	2,000,000	2,000,000	2,000,000
	=====	=====	=====	=====
Allotted, called up and nil paid Ordinary shares of £1 each	2	2	2	2
	=====	=====	=====	=====

10 Reconciliation of movements in shareholders' funds

	Share capital £	Profit and loss account £	Total £
Issue of shares on incorporation	2	-	2
Retained loss for the period	-	(38,320)	(38,320)
Balance at December 31, 1997	2	(38,320)	(38,318)
Retained loss for the year	-	(50,107)	(50,107)
Balance at December 31, 1998	2	(88,427)	(88,425)

11 Ultimate parent company

For 1998 the Company's ultimate parent company, and the parent of the largest group for which financial statements are prepared, is Bankers Trust Corporation ("BTCorp"), which is incorporated in the United States of America.

The Company's ultimate parent company within the EU, and the parent of the smallest group for which financial statements are prepared, is Bankers Trust Holdings (U.K.) Limited, which is registered in England and prepares group financial statements.

From June 4, 1999 Deutsche Bank AG, a company registered in Germany, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest such group for which group financial statements are drawn up.

Copies of the financial statements prepared in respect of BTCorp, Bankers Trust Holdings (U.K.) Limited and Deutsche Bank AG may be obtained from Winchester House, 1 Great Winchester Street, London EC2N 2DB.