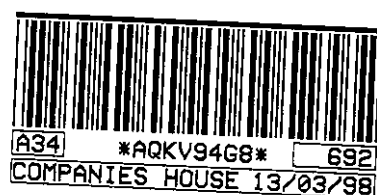


Company Number:3335600

HAMMERSON ORACLE PROPERTIES LIMITED
(Formerly Shelfco (No. 1349) Limited)

REPORT AND FINANCIAL STATEMENTS

Period ended 31 December 1997



HAMMERSON ORACLE PROPERTIES LIMITED

Board of Directors

Mr R.J.G. Richards
Mr P.W.B. Cole
Mr G.H. Wright

Secretary and Registered Office

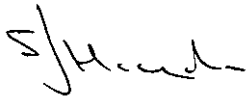
Mr S.J. Haydon
100 Park Lane
London W1Y 4AR

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 100 Park Lane, London W1Y 4AR on 5 March 1998 for the following purposes:

1. To receive the report of the directors and financial statements for the period ended 31 December 1997.
2. To reappoint Deloitte & Touche as auditors of the Company.
3. To authorise the directors to fix the remuneration of the auditors.

By order of the Board



S.J. Haydon
Secretary
5 March 1998

Registered Office:
100 Park Lane
London W1Y 4AR
Registered in England and Wales No. 3335600

Notes:

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his 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 by not later than 48 hours before the time fixed for the meeting.

HAMMERSON ORACLE PROPERTIES LIMITED

REPORT OF THE DIRECTORS

Period ended 31 December 1997

1. INCORPORATION AND CHANGE OF NAME

The Company was incorporated on 18 March 1997 as Shelfco (No. 1349) Limited. On 24 June 1997 the name of the Company was changed to Hammerson Oracle Properties Limited.

2. SHARE CAPITAL

The Company was incorporated with authorised share capital of £1000 represented by 1000 ordinary shares of £1 of which one was issued fully paid on 5 June 1997. On 9 July 1997 a further 499 ordinary shares were issued fully paid.

3. PRINCIPAL ACTIVITIES

The principal activity of the Company is property development and investment in the United Kingdom.

4. DIVIDEND

No dividend was paid or proposed during the period.

5. REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

During the period, the Company acquired 50% of The Oracle Shopping Centre Limited which is the general partner of The Oracle Limited Partnership, the principal business of which is to develop and hold for investment The Oracle Shopping Centre in Reading. The Company has not traded during the period and consequently has made neither a profit nor loss.

6. DIRECTORS

- (a) Mikjon Limited was appointed the sole director on 18 March 1997 and resigned on 5 June 1997.
- (b) Mr. R.J.G. Richards, Mr. P.W.B. Cole and Mr. G.H. Wright were appointed directors of the Company on 5 June 1997.
- (c) In accordance with the Articles of Association of the Company, the directors are not required to retire at the first Annual General Meeting or retire by rotation.

HAMMERSON ORACLE PROPERTIES LIMITED

REPORT OF THE DIRECTORS

Period ended 31 December 1997

- (d) Mr. R.J.G. Richards is a director of the Company's ultimate parent company, Hammerson plc, in whose financial statements his interests in the shares of that company are given. Mr. P.W.B. Cole and Mr. G.H. Wright are directors of the Company's immediate parent company, Hammerson UK Properties plc, in whose financial statements their interests in the shares of the Company's ultimate parent company, Hammerson plc, are given. None of the directors have any interests in the shares of the Company.
- (e) No director has any interest in contracts entered into by the Company.

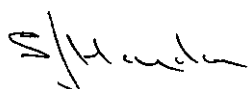
7. SECRETARY

EPS Secretaries Limited was appointed as Secretary on 18 March 1997 and resigned on 5 June 1997. Mr. S.J. Haydon was appointed Secretary on 5 June 1997.

8. AUDITORS

Deloitte & Touche, who were appointed by the directors as auditors to the Company on 5 June 1997, have indicated their willingness to continue in office in accordance with the provisions of the Companies Act 1985 and a resolution proposing their reappointment will be put to the members at the Annual General Meeting.

By order of the Board



S.J. Haydon
Secretary
5 March 1998

Registered Office:
100 Park Lane
London W1Y 4AR
Registered in England and Wales No. 3335600

HAMMERSON ORACLE PROPERTIES LIMITED

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

The directors are required by 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 adequate accounting records so as to enable them to comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

HAMMERSON ORACLE PROPERTIES LIMITED

(Formerly Shelfco (No. 1349) Limited)

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 6 to 8 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 4 the Company's directors are responsible for the preparation of 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 31 December 1997 and of its result for the period from 18 March 1997 to 31 December 1997 and have been properly prepared in accordance with the Companies Act 1985.

D White & Touche

Hill House
1 Little New Street
London
EC4A 3TR

Chartered Accountants
and Registered Auditors
6 March 1998

HAMMERSON ORACLE PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

Period ended 31 December 1997

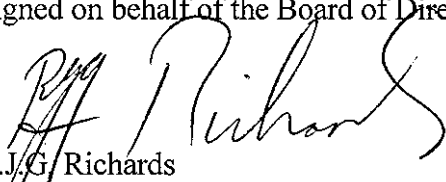
The Company made neither profit nor loss during the period. There are no recognised gains or losses or movements in shareholders' funds for the current financial period other than as stated in the balance sheet.

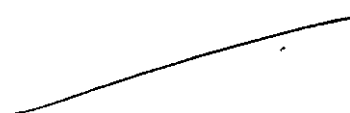
BALANCE SHEET as at 31 December 1997

| | Note | 1997 £ |
|----------------------------|------|-----------|
| Fixed assets | | |
| Investments | 3 | 500 |
| | | ----- |
| | | 500 |
| | | ===== |
| Capital and reserves | | |
| Called up share capital | 4 | 500 |
| | | ----- |
| Equity shareholders' funds | | 500 |
| | | ===== |

The financial statements were approved by the Board of Directors on 5 March 1998.

Signed on behalf of the Board of Directors


R.J.G. Richards
Director



HAMMERSON ORACLE PROPERTIES LIMITED

NOTES TO THE ACCOUNTS Period ended 31 December 1997

1. ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Consolidation

The Company is exempt from the requirement to prepare group accounts. The Company's results are included in the group accounts of Hammerson plc, a company registered in England and Wales.

(c) Investments

Investments are stated at cost less provision for permanent diminution in value.

2. ADMINISTRATION EXPENSES

The directors did not receive any remuneration for services to the Company in the period.

The Company has no employees.

The auditors' remuneration is paid by another group company.

3. INVESTMENTS

| | 1997 £ |
|--|-----------|
| Investments at cost: | |
| At 18 March | - |
| Acquisition of shares in joint arrangement company at cost | 500 |
| | ----- |
| At 31 December | 500 |
| | ===== |

The investment is in Oracle Shopping Centre Limited, which is 50% owned and incorporated in England and Wales, and the principal activity of which is property development and investment in the United Kingdom. In the opinion of the directors, the aggregate value of investments is not less than their carrying value in the balance sheet.

HAMMERSON ORACLE PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

Period ended 31 December 1997

4. CALLED UP SHARE CAPITAL

| | |
|-------------------------------------|-------------|
| | 1997 |
| | £ |
| Authorised: | |
| 1000 ordinary shares of £1 each | 1,000 |
| | ===== |
| Called up, allotted and fully paid: | |
| 500 ordinary shares of £1 each | 500 |
| | ===== |

5. RELATED PARTIES

The Company has taken advantage of the exemption permitted by section 3 of Financial Reporting Standard 8: Related Party Disclosures in not disclosing transactions with other group companies.

6. ULTIMATE PARENT COMPANY

The ultimate parent company and ultimate controlling party is Hammerson plc, which is incorporated in England and Wales. Copies of its financial statements are available from that company's registered office, 100 Park Lane, London, W1Y 4AR.