

**Declaration by the directors
of a holding company in
relation to assistance for the
acquisition of shares**

155(6)b

Please do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--	--

03430071

Name of company

*Insert full name
of company

* Debenhams Limited

Note
Please read the
notes on page 3
before completing
this form

†/We†

Please see Appendix 1 attached.

†Insert name(s) and
address(es) of all
the directors

§Delete as
appropriate

~~the sole director~~ [all the directors]§ of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

The business of this company is:

‡Delete whichever
is inappropriate

- ~~(a) that of a recognised bank (licensed institution) within the meaning of the Banking Act 1979~~ ‡
~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry
on insurance business in the United Kingdom~~ ‡
(c) something other than the above ‡

This company is ~~the~~ [a] holding company of* Debenhams Properties Limited

which is

proposing to give financial assistance in connection with the acquisition of shares
in [this company]

~~the holding company of this company~~§

Presentor's name address and
reference (if any):
FRESHFIELDS BRUCKHAUS
DERINGER
65 FLEET STREET, LONDON
ENGLAND EC4Y 1HS
DX 23 LONDON/CHANCERY LANE

For official use
General Section

Post room



LD4
COMPANIES HOUSE

LDHYEU13

0264
23/04/04

The assistance is for the purpose of ~~(the acquisition)~~ reducing or discharging a liability incurred for the purpose of that acquisition].* (note 1)

Please do not write in this margin

The number and class of the shares acquired or to be acquired is:

Please see Appendix 2 attached.

Please complete legibly, preferably in black type, or bold block lettering

The assistance is to be given to: (note 2)

Please see Appendix 3 attached.

The assistance will take the form of:

Please see Appendix 4 attached.

The person who ~~(has acquired)~~ ~~(will acquire)~~* the shares is:

Baroness Retail Limited

*Delete as appropriate

The principal terms on which the assistance will be given are:

Please see Appendix 5 attached.

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

The amount of cash to be transferred to the person assisted is £ 0.00

The value of any asset to be transferred to the person assisted is £ 0.00

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

† Delete either (a) or
(b) as appropriate

The date on which the assistance is to be given is on or within 8 weeks of the date hereof

~~1~~/We have formed the opinion, as regards this company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~1~~/We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date] † (note 3)

(b) ~~It is intended to commence the winding up of this company within 12 months of that date, and 1/we have formed the opinion that this company will be able to pay its debts in full within 12 months of the commencement of the winding up.] † (note 3)~~

And ~~1~~/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at

Declarants to sign below

on

Day	Month	Year
20	04	2004

before me

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

Notes

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account see section 156(3) of the Companies Act 1985.
- 4 The auditors' report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Appendix 1 - Directors of the Company

Debenhams Limited
Company Number: 3430071

Name	Address
Robert William TEMPLEMAN	9 Martin Court, Lambsfrith Grove, Hempstead, Kent, ME7 3SD
John David LOVERING	New House Farm, Bodiam, Robertsbridge, East Sussex, TN32 5UP
Christopher Kevin WOODHOUSE	25 Chester Row, London, SW1W 9JF
Michael John SHARP	Brenthall, Waltham Road, Boreham, Essex, CM3 3BA
Nigel Brian PALMER	The Cedars, Bramble Lane, Sevenoaks, Kent, TN13 1SY
Jane Heather Ruth GUILLAME	7 Ferrymans Court, Yarmouth Road, Thorpe St. Andrew, Norwich, Norfolk, NR7 0EF

This is Appendix 1 referred to in the form 155(6)b declared by the Directors of the Company on 20 April 2004.

Form 155(6)b

Appendix 2 – Number and Class of Shares Acquired

Debenhams Limited
Company Number: 3430071

The number and class of shares acquired in the Company is 372,121,109 (three hundred and seventy two million, one hundred and twenty one thousand, one hundred and nine) Ordinary Shares of 10 pence each.

This is Appendix 2 referred to in the form 155(6)b declared by the Directors of the Company on 20 April 2004.

Appendix 3 – Recipients of the Assistance

Debenhams Limited
Company Number: 3430071

The assistance is to be given to:

Name	Address of the registered office	Company number
Baroness Retail Limited	1 Welbeck Street, London, W1G 0AA	04843152
Beachfolder Limited	1 Welbeck Street, London, W1G 0AA	05059093
BF III Limited	1 Welbeck Street, London, W1G 0AA	04891748
BF IV Limited	1 Welbeck Street, London, W1G 0AA	04852499
BF V Limited	1 Welbeck Street, London, W1G 0AA	04852562
Roadstream Limited	1 Welbeck Street, London, W1G 0AA	05073227
Debenhams Finance Holdings Plc	1 Welbeck Street, London, W1G 0AA	04755814
Baroness Holdings UK Limited	1 Welbeck Street, London, W1G 0AA	04828800

This is Appendix 3 referred to in the form 155(6)b declared by the Directors of the Company on 20 April 2004.

Appendix 4 – Form of Financial Assistance

Debenhams Limited
Company Number: 3430071

John M.S. M.P. 6
Debenhams Finance Holdings
plc
etc.

The execution and delivery by Debenhams Properties Limited (**DPL**) and the performance by DPL of its various obligations under:

(a) a deed of novation dated 20 April 2004, between DPL, BF III Limited (**BF III**), BF IV Limited (**BF IV**), BF V Limited (**BF V**), ~~BF VI Plc~~, Baroness Retail Limited (**Baroness Retail**), Baroness Holdings UK Limited, Roadstream Limited (**Primary Propco**) and Beachfolder Limited (**Secondary Propco**) (the **Deed of Novation**);

(b) an agreement for the assignment of beneficial interests between BF III Limited, Roadstream Limited and DPL (the **Roadstream Assignment**);

(c) an agreement for the assignment of beneficial interests between BF III Limited, Beachfolder Limited and DPL (the **Beachfolder Assignment**); and

(d) a transfer agreement between DPL and Roadstream Limited (the **DPL Primary Transfer**); and

(e) a transfer agreement between DPL and Beachfolder Limited (the **DPL Secondary Transfer**).

This is Appendix 4 referred to in the form 155(6)b declared by the Directors of the Company on 20 April 2004.

Kirsty Palmer
KIRSTY PALMER

Appendix 5 – Principal terms upon which the financial assistance is to be given

Debenhams Limited
Company Number: 3430071

The principal terms under the Deed of Novation include:

- (a) the release by BF III and DPL from their further obligations towards one another in respect of the Primary Property Intercompany Debt and the cancellation of their respective rights towards one another in respect of the Primary Property Intercompany Debt (***Primary Property Discharged Rights and Obligations***);
- (b) the novation of the Primary Property Intercompany Debt, pursuant to which Primary Propco and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the Primary Property Discharged Rights and Obligations only insofar as Primary Propco (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of BF III and DPL;
- (c) the release by BF III and DPL from their further obligations towards one another in respect of the Secondary Property Intercompany Debt and the cancellation of their respective rights towards one another in respect of the Secondary Property Intercompany Debt (***Secondary Property Discharged Rights and Obligations***);
- (d) the novation of the Secondary Property Intercompany Debt, pursuant to which Secondary Propco and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the Secondary Property Discharged Rights and Obligations only insofar as Secondary Propco (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of BF III and DPL;
- (e) the partial release by Primary Propco and DPL from their further obligations towards one another in respect of £354,665,881 of the Primary Property Intercompany Debt and the cancellation of their respective rights against one another in respect of £354,665,881 of the Primary Property Intercompany Debt (***DPL/Primary Property Discharged Rights and Obligations***);
- (f) the partial novation of the Primary Property Intercompany Debt pursuant to which Baroness Retail and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the DPL/Primary Property Discharged Rights and Obligations only insofar as Baroness Retail (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of Primary Propco and DPL;
- (g) the release by Primary Propco and DPL from their further obligations towards one another in respect of £64,849,263 of the £87,634,139 owed by Primary Propco to DPL and the cancellation of their respective rights towards one another in respect of such debt (***BF IV/Primary Propco/DPL Discharged Rights and Obligations***);

(h) the novation of the BF IV/Primary Propco Intercompany Debt, pursuant to which BF IV and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the BF IV/Primary Propco/DPL Discharged Rights and Obligations only insofar as BF IV (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of Primary Propco and DPL (***BF IV/DPL Intercompany Debt***);

(i) the release by Primary Propco and DPL from their further obligations towards one another in respect of £22,784,876 of the £87,634,139 owed by Primary Propco to DPL and the cancellation of their respective rights towards one another in respect of such debt (***BF V/Primary Propco/DPL Discharged Rights and Obligations***);

(j) the novation of the BF V/Primary Propco Intercompany Debt, pursuant to which BF V and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the BF V/Primary Propco/DPL Discharged Rights and Obligations only insofar as BF V (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of Primary Propco and DPL (***BF V/DPL Intercompany Debt***);

(k) the release by BF IV and DPL from their further obligations towards one another in respect of the BF IV/DPL Intercompany Debt and the cancellation of their respective rights towards one another in respect of such debt (***BF IV/DPL Discharged Rights and Obligations***);

(l) the novation of the BF IV/DPL Intercompany Debt, pursuant to which Baroness Retail and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the BF IV/DPL Discharged Rights and Obligations only insofar as Baroness Retail (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of BF IV and DPL;

(m) the release by BF V and DPL from their further obligations towards one another in respect of the BF V/DPL Intercompany Debt and the cancellation of their respective rights towards one another in respect of the BF V/DPL Intercompany Debt (***BF V/DPL Discharged Rights and Obligations***); and

(n) the novation of the BF V/DPL Intercompany Debt, pursuant to which Baroness Retail and DPL shall assume obligations towards one another and/or acquire rights against one another which differ from the BF V/DPL Discharged Rights and Obligations only insofar as Baroness Retail (as borrower) and DPL (as lender) have assumed and/or acquired the same in place of BF V and DPL.

2. Pursuant to the Roadstream Assignment DPL will release BF III from its existing obligations to DPL in connection with the assignment of the beneficial interest in the primary property business held by BF III which will be assigned to Roadstream Limited;

3. Pursuant to the Beachfolder Assignment DPL will release BF III from its existing obligations to DPL in connection with the assignment of the beneficial interest in the secondary property business held by BF III which will be assigned to Beachfolder Limited;

4. Pursuant to the DPL Primary Transfer, DPL will transfer to Roadstream Limited its legal interest in the primary properties, excluding the property known as 1/11 Sidewell Street, Exeter (the ***Exeter Property***) and excluding the property known as 334-348 Oxford Street, London (the ***Oxford Property***), as provided for by the DPL Primary Transfer.

5. Pursuant to the DPL Secondary Transfer, DPL will transfer to Beachfolder Limited its legal interest in the secondary properties as provided for by the DPL Secondary Transfer.

Terms not previously defined herein shall have the following meanings:

BF IV/Primary Propco Intercompany Debt means the sum of £64,849,263 owed by BF IV to Primary Propco;

BF V/Primary Propco Intercompany Debt means the sum of £22,784,876 owed by BF V to Primary Propco;

Primary Property Intercompany Debt means the sum of £442,300,000 owed by BF III to DPL; and

Secondary Property Intercompany Debt means the sum of £5,452,000 owed by BF III to DPL.

This is Appendix 5 referred to in the form 155(6)b declared by the Directors of the Company on 20 April 2004.

The Directors
Debenhams Limited
1 Welbeck Street
London
W1G 0AA

20 April 2004

Dear Sirs

Auditors' report to the directors of Debenhams Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Debenhams Limited ("the Company") dated 20 April 2004 in connection with the proposal that the Company's subsidiary undertaking, Debenhams Properties Limited, should give financial assistance for the purchase of 372,121,109 (three hundred and seventy two million, one hundred and twenty one thousand, one hundred and nine) of the ordinary shares of the Company. This report, including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no 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.

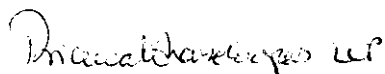
Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors