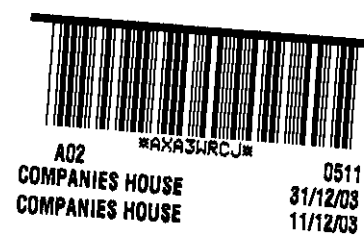


CANARY WHARF (BP1) T2 LIMITED
Registered Number: 4370718

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION TO 30 JUNE 2003



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DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2003

The directors present their report with the audited financial statements for the period ended 30 June 2003.

ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Canary Wharf (BP1) Limited, a company registered in England and Wales. The company's ultimate parent undertaking is Canary Wharf Group plc ('CWG').

INCORPORATION

The company was incorporated on 11 February 2002 with authorised share capital of 100 ordinary £1 shares of which 1 share was issued.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company acts as joint bare trustee of certain land at Canary Wharf, the legal (but not beneficial) title to which was transferred to the company by a fellow subsidiary.

DIVIDENDS AND RESERVES

The company did not record any profits or losses during the period and hence the directors do not recommend the payment of a dividend.

DIRECTORS

The directors of the company throughout the period from incorporation to 30 June 2003, except as noted, were:

A P Anderson II (appointed 14 February 2002)

G Iacobescu (appointed 14 February 2002)

R Lyons (appointed 9 April 2002)

G Rothman (appointed 14 February 2002 and resigned 8 April 2002)

Mawlaw Corporate Services Limited (appointed 11 February 2002 and resigned 14 February 2002)

DIRECTORS' INTERESTS

The directors have been granted options to subscribe for ordinary shares in CWG. Details of interests and options to subscribe for shares in CWG are disclosed as appropriate in the financial statements of either the intermediate parent company, Canary Wharf Estate Limited, or CWG, the ultimate parent company.

Other than the above, no director had any beneficial interest in the shares of the company, its parent undertaking or any of its subsidiaries at 30 June 2003 or at any time throughout the period then ended.

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2003

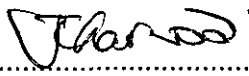
AUDITORS

On 11 February 2002 Deloitte & Touche were appointed by the directors as the first auditors of the company.

On 1 August 2003 Deloitte & Touche, the company's auditors, transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP under the provisions of s26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP as the company's auditor will be proposed at the forthcoming annual general meeting.

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.

BY ORDER OF THE BOARD


..... Company Secretary
J R Garwood

11 December 2003

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

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

The directors are required by the Companies Act 1985 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the results of the company for the period then ended. In preparing these 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; 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF (BP1) T2 LIMITED

We have audited the financial statements of Canary Wharf (BP1) T2 Limited for the period ended 30 June 2003 which comprise the balance sheet, and the related notes 1 to 9. 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 might 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

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 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 transactions with the company is not disclosed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CANARY WHARF (BP1) T2 LIMITED**

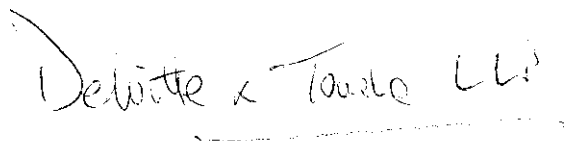
Basis of audit opinion

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 30 June 2003 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read "Deloitte & Touche LLP", is written over a faint horizontal line.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

11 December 2003

CANARY WHARF (BP1) T2 LIMITED**BALANCE SHEET AS AT 30 JUNE 2003**

	Notes	30 June 2003
		£
CURRENT ASSETS		
Debtors	4	1
Cash at bank and in hand		140
		141
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	5	(140)
NET CURRENT ASSETS		1
TOTAL ASSETS LESS CURRENT LIABILITIES		1
NET ASSETS		1
CAPITAL AND RESERVES		
Called-up share capital	6	1
Profit and loss account		-
SHAREHOLDERS' FUNDS - EQUITY	7	1

The company recorded neither a profit nor a loss during the period ended 30 June 2003.

There were no other recognised gains or losses for the period ended 30 June 2003.

The notes on pages 7 to 9 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 11 DECEMBER 2003 AND SIGNED ON ITS BEHALF BY:


R LYONS
DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

1 PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout the period, is set out below.

Accounting convention

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

In accordance with the provisions of FRS 1 (Revised), a cash flow statement has not been prepared as the company is a wholly-owned subsidiary of a body incorporated in the European Union. A consolidated cash flow statement is included in the financial statements of CWG.

2 ADMINISTRATIVE EXPENSES

None of the directors received any emoluments in respect of their services to the company during the period.

No staff were employed by the company other than the directors.

Auditors' remuneration has been borne by another group undertaking.

3 TAXATION

No charge for taxation has been made since the company recorded neither a profit nor loss for the period. It is anticipated that group relief and other tax reliefs will impact on any future tax charges. There is no unprovided deferred taxation.

4 DEBTORS

	30 June 2003
	£
Amount owed by parent undertaking	1
	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003**5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30 June 2003
	£
Amounts owed to fellow subsidiary undertaking	140
	<u>140</u>

The amounts owed to a fellow subsidiary undertaking relate to the company's cash at bank. The company holds this cash on trust for a fellow subsidiary undertaking.

6 CALLED-UP SHARE CAPITAL

	30 June 2003
	£
Equity Shares	
Authorised, 100 ordinary shares of £1 each	100
Allotted, called-up and fully paid, 1 ordinary share of £1	<u>1</u>

7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£
Issue of share capital	1
Shareholders' funds as at 30 June 2003	<u>1</u>

8 CAPITAL COMMITMENTS

As at 30 June 2003 the company had given fixed and floating charges over substantially all its assets to secure the commitments of certain other group undertakings.

9 RELATED PARTIES

The company's immediate parent undertaking is Canary Wharf (BP1) Limited, a company registered in England and Wales. The company's ultimate parent is Canary Wharf Group plc, a company registered in England and Wales.

Canary Wharf Group plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up.

Copies of the consolidated financial statements of Canary Wharf Group plc may be obtained from the Company Secretary, 30th Floor, One Canada Square, Canary Wharf, London, E14 5AB.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

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.