

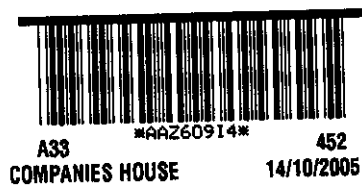
PRAMERICA FINANCIAL LIMITED

(formerly European Property Partners II GP Limited)

REPORT AND FINANCIAL STATEMENTS

31 December 2004

Registered number 4497886



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PRAMERICA FINANCIAL LIMITED

DIRECTORS AND OFFICERS

Directors

Mr. P.M. Barrett
Mr. K.M. Shah

Secretary

J.L. Bagshaw

Registered office

9 Devonshire Square
London
EC2M 4HP

Auditors

PricewaterhouseCoopers LLP
Southwark Towers
32 London Bridge Street
London SE1 9SY

REPORT OF THE DIRECTORS

The directors present their annual report and financial statements for the year ended 31 December 2004.

1. ACTIVITIES

The company acts as a vehicle for holding monetary balances and loans.

2. REVIEW OF DEVELOPMENTS

The financial statements show results for the year as set out below:

	2004 £	2003 £
Revenue	£ <u> </u> -	£ <u> </u> -
Profit on ordinary activities before taxation	-	-
Tax on loss on ordinary activities	<u> </u> -	<u> </u> -
Profit on ordinary activities after taxation for the year	£ <u> </u> -	£ <u> </u> -

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2004 (2003 – £nil).

3. DIRECTORS

The current directors are shown on page 1.

During the period no director had any beneficial interest in the allotted share capital of the company, or of any parent or fellow subsidiary company.

REPORT OF THE DIRECTORS (continued)

4. FUTURE PROSPECTS

The directors expect the company to continue to develop during 2004.

5. DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that 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 period. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgments and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

6. ELECTIVE RESOLUTIONS

In accordance with Section 379A of the Companies Act 1985, the company has passed elective resolutions to dispense with the requirements to lay accounts and reports before General Meetings, and to hold Annual General Meetings.

7. AUDITORS

Pursuant to Section 386 of the Companies Act 1985, the company has passed an elective resolution to dispense with the obligation to appoint auditors annually.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors.

Approved by the board of directors
and signed on behalf of the board



P. M. Barrett
Director
28th April 2005

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PRAMERICA FINANCIAL LIMITED

We have audited the financial statements, which comprise the profit and loss account, the reconciliation of movements in shareholder's funds, the balance sheet, and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any 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.

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 to you 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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

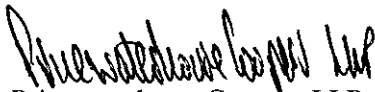
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PRAMERICA FINANCIAL LIMITED (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Southwark Towers
32 London Bridge Street
London
SE1 9SY

28 April 2005

PRAMERICA FINANCIAL LIMITED**PROFIT AND LOSS ACCOUNT for the year ended 31 December 2004**

	Note	2004 £	2003 £
Revenue		-	-
Administration expenses		<u>(322,140)</u>	<u>-</u>
Operating loss	2	(322,140)	-
Other Operating income			
- Foreign exchange gain		57,840	-
Interest receivable		<u>264,300</u>	<u>-</u>
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
Profit for the year transferred to reserves		<u>-</u>	<u>-</u>

There are no other recognised gains or losses other than the profit for the year as stated above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the result for the year as stated above and their historical cost equivalents.

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
for the year ended 31 December 2004**

	Note	2004	2003
Profit for the year		-	-
Issue of share capital		-	1
Capital Contributions	8	17,543,162	-
Opening shareholder's funds		<u>1</u>	<u>-</u>
Closing shareholder's funds		<u>17,543,163</u>	<u>1</u>

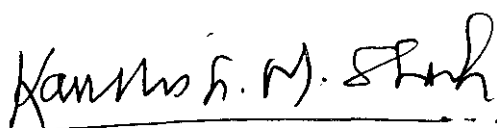
The notes on pages 8 to 11 form part of the financial statements.

PRAMERICA FINANCIAL LIMITED

BALANCE SHEET as at 31 December 2004

	Note	2004 £	2003 £
Current assets			
Debtors	5	17,865,303	1
Creditors: amounts falling due within one year	6	<u>(322,140)</u>	<u>-</u>
Net assets		<u>17,543,163</u>	<u>1</u>
 Capital and reserves			
Called up share capital	7	1	1
Capital contribution reserve	8	17,543,162	-
Profit and loss account		<u>-</u>	<u>-</u>
Total shareholder's funds		<u>17,543,163</u>	<u>1</u>

The financial statements on pages 6 to 11 were signed and approved by the directors on 28th April 2005.



Mr K.M. Shah
Director

NOTES TO THE FINANCIAL STATEMENTS
for the year 31 December 2004

1. ACCOUNTING POLICIES

These financial statements are prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 1985 and conform with applicable United Kingdom accounting standards. The Directors consider that the accounting policies set out below are suitable, have been consistently applied and are supported by reasonable and prudent judgements and estimates.

(a) Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard No.1 (Revised 1996) - Cash Flow Statements, as the cash flows of the company are included in the consolidated cash flow statement of the ultimate parent company, Prudential Financial, Inc.

(b) Related party transactions

In accordance with the exemption afforded by Financial Reporting Standard No. 8 – Related Party Disclosures, certain details of transactions with parent and fellow subsidiary companies are not disclosed, as the company is a wholly owned subsidiary of a group whose consolidated financials statements are publicly available.

(c) Foreign currency

All monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange at the balance sheet date. Foreign currency transactions undertaken by the company are translated into sterling at the rates ruling at the time of the transaction and foreign exchange differences arising are treated as part of the company's profit on ordinary activities. Any resulting gain or loss is recognised in the profit and loss account.

(d) Financial Instruments

The company has a foreign exchange exposure resulting from a loan, denominated in United States Dollars, to an affiliated company. Foreign exchange movements on this loan are hedged using quarterly forward contracts with a further affiliate. Realised and unrealised gains and losses on these contracts are taken to the profit and loss account.

(e) Taxation

Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year 31 December 2004

2. OPERATING PROFIT AND LOSS

	2004 £	2003 £
<i>Operating loss is stated after charging:</i>		
Auditors' remuneration - audit fees	3,760	-

3. DIRECTORS' EMOLUMENTS

The directors received no emoluments for their services in relation to being a director of the company. The directors of the company are paid by the parent company, PIC Holdings Limited.

It is not possible to make an accurate apportionment of their emoluments in respect of each of the companies. Accordingly no recharges for their qualifying services to the company have been incurred and no emoluments are disclosed within this company.

The total emoluments of the directors are included in the remuneration of PIC Holdings Limited.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004	2003
Current Tax:		
UK corporation tax on the results of the period	£ _____	£ _____

The tax assessed for the period is lower (2003: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below.

	2004 £	2003 £
Profit/(loss) for the year before tax	£ _____	£ _____
Tax at 30% (2003 - 30%)	-	-
Current tax charge in the period	£ _____	£ _____

There are no deferred tax assets or liabilities in 2004 (2003-£nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year 31 December 2004

5. DEBTORS

	2004 £	2003 £
Amounts owed by other group companies	<u>17,865,303</u>	<u>1</u>

Amounts owed by other group companies are unsecured, and repayable on demand. Interest is received on £17,865,302 (2003:nil) relating to cash and loans held by a affiliate companies, at the annual monthly LIBID rate.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Amounts owed to other group companies	318,380	-
Accruals	<u>3,760</u>	<u>-</u>
	<u>322,140</u>	<u>-</u>

Amounts owed to parent and fellow subsidiary companies are unsecured, interest free and repayable on demand.

7. FINANCIAL INSTRUMENTS

During the year the company loaned an amount to an affiliated company. At the year end the outstanding balance on this loan was \$14,301,946 (£7,449,319). In order to mitigate the effects of future currency exposures on this loan the company has entered into a three month forward contract with a further affiliated company to purchase dollars equivalent to the balance of the loan, including accrued interest, at the purchase date.

8. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised:		
100 Ordinary shares of £1 each	100	100
Allotted, issued and fully paid:		
1 Ordinary share of £1 each	1	1

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year 31 December 2004

9. CAPITAL CONTRIBUTION RESERVE

	2004 £	2003 £
Capital Contribution reserve	<u>17,543,162</u>	<u>-</u>

The Capital Contribution reserve represents irrevocable gifts to the company, which are distributable at the discretion of the directors.

10. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Prudential Financial Inc., a company incorporated in the United States of America. It is also the parent undertaking of the largest group, which includes the company and for which group financial statements are prepared. The immediate parent undertaking of the smallest group, which includes the company and for which group financial statements are prepared is PIC Holdings Limited, a company registered in England and Wales. Copies of the latter's financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.