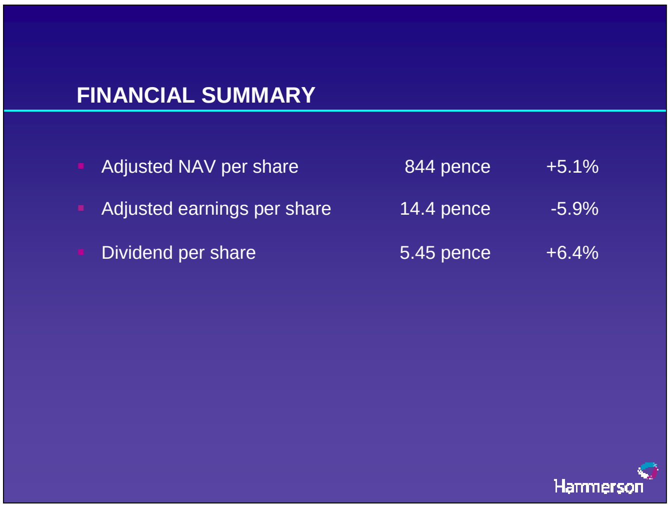
John Richards, Chief Executive, Hammerson plc

I am encouraged by the performance of the group in what has been a very active first six months of the year. We have further improved the growth potential of the portfolio, by some appropriate asset switching, added to a very good pipeline of development opportunities for the future and enhanced our balance sheet to ensure we are able to take advantage of them.



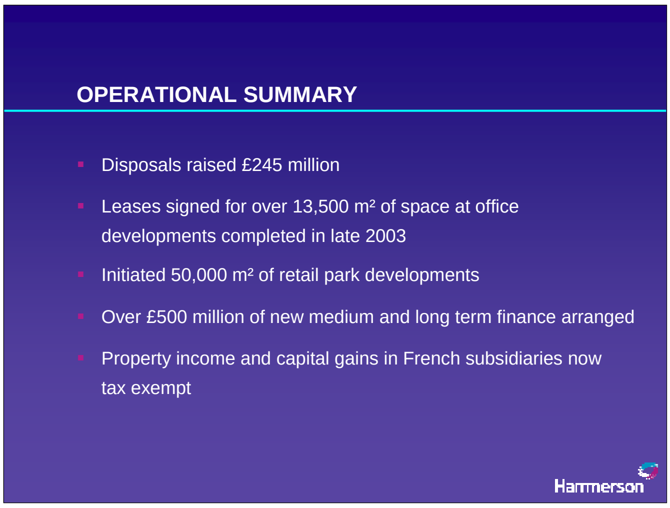
Adjusted NAV is up by just over 5% to 844 pence. This increase is after making a provision equivalent to 25 pence per share for entry into the new tax exempt regime in France. Ignoring this, NAV would have been 869 pence, an increase of 8.2%.

We generated good growth from the portfolio, with a like-for-like increase in rental income of 5.5%.

Adjusted earnings per share reduced by 5.9%, principally due to our switching out of high yielding assets into those offering better growth prospects, and void and financing costs associated with the three office developments completed towards the end of 2003.

Reflecting our continuing confidence in the future, we have increased the interim dividend by 6.4%.

Now some of the key points on our operations for the first six months of the year.



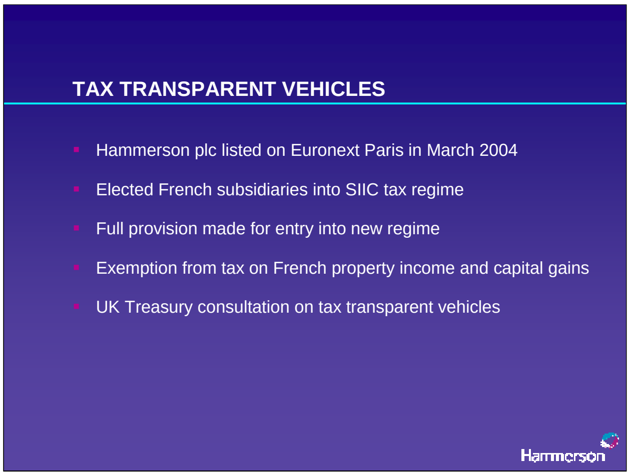
We took advantage of the continued buoyant conditions in the UK property investment markets in the first six months of 2004 by raising over £245 million from disposals. That was the principal reason for the exceptional profit of £22 million. A further £119 million of sales have been contracted since 30 June. These included Fforestfach retail park in Swansea which we purchased two years for £58 million and which we have just sold for £88 million, on a yield of less than 4%.

We made some progress in letting the three office developments that completed towards the end of last year. During the first half of 2004, leases were signed for a total of 13,500 m² of space at these schemes. I will give more details on this later.

We continued to make excellent progress with our retail parks business and have over 50,000 m² of developments in this sector underway.

The group has strengthened its financing structure with the issue in January of £300 million 6% unsecured bonds maturing in 2026 and through a new £230 million five year revolving credit facility which was signed in June. Gearing was reduced to 61%, giving us the flexibility to take advantage of new opportunities.

Finally, the group took advantage of recent legislation in France to secure tax exempt status for our French subsidiaries.



In March, we obtained a secondary listing on Euronext Paris. That enabled us to elect our French subsidiaries into the SIIC regime.

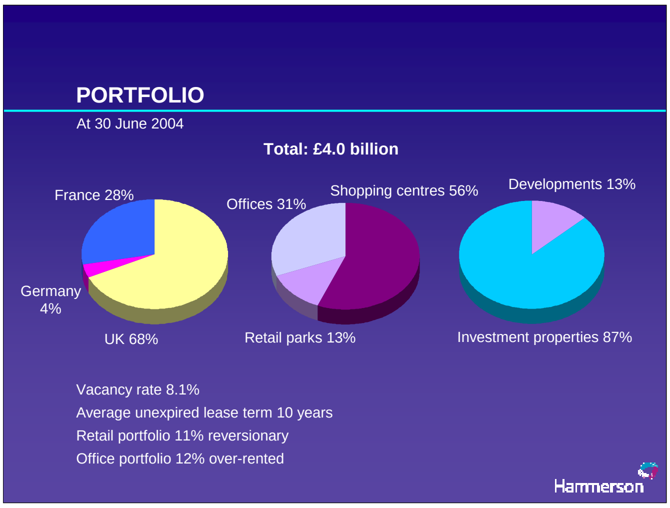
Property income and capital gains in the group's French subsidiaries are now tax exempt. In deciding whether or not to elect, we treated it as if the exit tax were a new investment and calculated that it would give us an internal rate of return of over 15%.

I should add that we have used up most of our tax losses in France. So, the introduction of SIICs has come at a particularly appropriate time for Hammerson.

Here in the UK, we welcome the Government's proposed introduction of tax transparent vehicles. We have submitted our formal response to the Treasury's consultation document.

Whatever the outcome of the Treasury's proposals, which are anticipated in the pre-Budget report in November, Hammerson is already benefiting from tax exempt status in France and a very low overall tax rate going forward.

I'd like to conclude my introductory remarks with a brief look at the portfolio.



The group's property portfolio was valued at £4.0 billion at 30 June. There was little change in the overall distribution, either by country or sector, in the first six months of the year and I don't anticipate a substantial change in this distribution during the remainder of the year.

I think our performance has demonstrated the benefits of running a two sector strategy coupled with an active development programme.

The portfolio continues to generate a high quality income stream with an average unexpired lease term of 10 years and it offers good potential for growth over the next few years.

NET RENTAL INCOME

	30 June 2004 £m	30 June 2003 £m
Properties owned throughout	79.0	74.9
Acquisitions	1.4	-
Developments	4.8	1.3
Properties sold	6.4	20.4
Exchange translation and other	2.5	0.9
	94.1	97.5

Hammerson

<u>Simon Melliss, Group Finance Director, Hammerson plc</u>

I would like to start by looking at the changes in rental income. In the last eighteen months we have realised over £800 million from asset disposals, reinvesting into assets where we believe there are better growth prospects. In the first six months these sales reduced net rental income by £14.0 million compared with the first half of 2004.

Like-for-like income is shown on the first line of this chart. The increase to £79 million reflected a 5.5% rate of growth, with good contributions from both UK and French retail and from the UK office portfolio.

Turning now to the profit position.

INCOME STATEMENT

		30 June 2004 £m		30 June 2003 £m
Net rental income		94.1		97.5
Operating profit		81.2		85.4
Net interest payable	(47.6)		(54.8)	
Interest capitalised	8.6		13.1	
Net cost of finance		(39.0)		(41.7)
Adjusted profit before tax		42.2		43.7
Exceptional items		22.4		3.7
Profit before tax		64.6		47.4
Adjusted earnings per share		14.4p		15.3p
Dividend per share		5.45p		5.12p

Hammerson

Adjusted profit before tax was £1.5 million lower than in the equivalent period last year at £42.2 million. Profit for the first six months of 2004 was adversely affected by two factors. Firstly, a number of properties have been sold over the last eighteen months, such as Luisen Center, Darmstadt and 21 Moorfields, which showed an income yield significantly higher than the financing cost. This reduced profits by £5 million. Secondly, finance and void costs at the three office developments completed at the end of 2003 reduced profits by nearly £7 million. Largely offsetting these negative factors were a number of positives. Leasing of vacant space increased profits by £5 million, whilst rent reviews in the UK and indexation in France added a further £2 million. Finally we benefited from lower interest rates and other finance costs.

You will see that exceptional profits in the half year were £22 million and these arose on asset disposals.

TAXATION

		Profit & loss £m	STRGL £m	Total £m
SIIC effects				
Current tax		43.4	27.2	70.6
Deferred tax		(44.8)	-	(44.8)
		(1.4)	27.2	25.8
Other tax charges				
Current tax charge	- ordinary	1.3	-	1.3
	- exceptional	5.0	3.7	8.7
Deferred tax charge		3.7	-	3.7
		10.0	3.7	13.7
Contingent tax				
Decrease in France				(120.0)
Increase in UK				25.0
				(95.0)

Hammerson

Set out here, are the tax movements in the first six months of 2004, bringing together those movements in the profit and loss account with those in the Statement of Recognised Gains and Losses.

In the first half of the year, we have fully provided for the exit tax payable in France following our election into the SIIC regime. This totals £70.6 million and is payable in four equal instalments commencing in December this year. Deferred tax provisions in France totalling £44.8 million are no longer required.

Excluding exceptional items, our current effective tax rate is very low at 3%, benefiting from the SIIC regime, from capital allowances in the UK and from brought forward losses in the UK. Looking ahead we can expect the company's election into the SIIC regime to substantially reduce French tax on asset disposals. Furthermore we are now expecting the group's effective current tax rate to be no more than 5% for at least the next three years.

CASH FLOW

	30 June 2004 £m	30 June 2003 £m
Operating cash flow after interest	14	50
Taxation	(2)	-
Dividends	(32)	(30)
	(20)	20
Property disposals	245	303
Acquisitions	(8)	(74)
Capital expenditure	(110)	(120)
Net cash flow	107	129

Hammerson

The first line of this schedule shows a significant reduction in operating cash flow. However, this was almost entirely due to working capital movements rather than any underlying change in the operational cash flow of the business.

In the first half of the year there was a cash inflow of £107 million as the proceeds from disposals exceeded capital investment.

BALANCE SHEET

	30 June 2004 £m	31 Dec 2003 £m
Property assets	4,009	3,956
Net debt	(1,424)	(1,585)
Other net liabilities	(247)	(148)
Sub-total	2,338	2,223
Deferred tax provision	(14)	(55)
Shareholders' funds	2,324	2,168

Adjusted NAV per share	844p	803p
Gearing	61%	73%

Hammerson

Reflecting the cash inflow and the increase in shareholders' funds due to property revaluations, gearing reduced to 61% at the end of June. Adjusted net asset value per share, which excludes deferred tax, increased to 844 pence a share. The reasons for this are explained on the next slide.

ADJUSTED NAV ANALYSIS

Before deferred tax

	£ million	Pence per share
31 Dec 2003	2,223	803
Revaluation surplus	155	55
Retained profit	40	14
SIIC provision	(71)	(25)
Exchange translation and other	(9)	(3)
30 June 2004	2,338	844

Hammerson

The revaluation surplus contributed 55 pence per share and retained profits 14 pence per share, whilst the provision for SIIC exit tax reduced adjusted NAV per share by 25 pence. Excluding this one-off item, adjusted NAV would have increased by 8.2% in the six month period.

Looking in more detail at valuation movements.

VALUATION MOVEMENTS

Six months to 30 June 2004

	Shopping Centres		Retail Parks		Offices		Group	
	Value £m	% change	Value £m	% change	Value £m	% change	Value £m	% change
UK	1,462	5.7	509	10.7	772	5.4	2,743	6.5
France	653	2.5	-	-	456	1.0	1,109	1.9
Germany	157	(18.7)	-	-	-	-	157	(18.7)
Total	2,272	2.7	509	10.7	1,228	3.8	4,009	4.0

Hammerson

We saw a particularly strong performance in the UK where values increased by 6.5% as yields applied by the valuers reduced. There was rental growth in the UK retail business, with three of our shopping centres benefiting from small increases in prime rents of between 1– 3%.

Hammerson's French shopping centres have increased in value, primarily due to reductions in valuation yields of between 10 and 15 basis points. Finally, the declines in Germany reflect both increased equivalent yields and lower rental values.

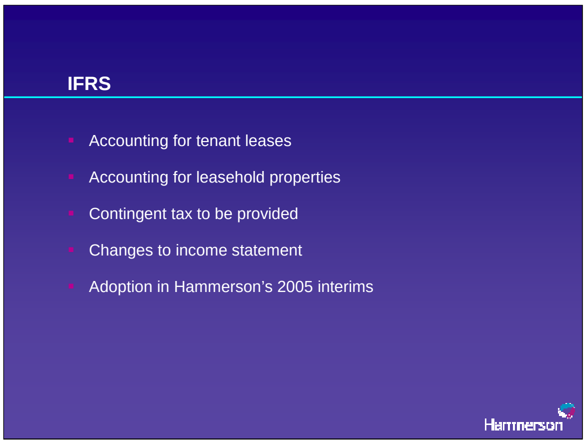
TRIPLE NET NAV

	30 June 2004 pence per share	31 Dec 2003 pence per share	
Adjusted NAV	844	803	+5.1%
Debt mark to market, after tax	(29)	(42)	
Deferred tax	(5)	(20)	
Contingent tax	(46)	(80)	
Triple net NAV	764	661	+15.6%

Hammerson

On a triple net basis, NAV increased from 661 pence to 764 pence per share. The contingent tax liability more than halved and the mark to market on debt reduced, so we saw a 15.6% increase in the triple net NAV.

Before finishing may I say a few words about International Accounting Standards.



For property companies one of the most complex changes under IFRS is the requirement to analyse tenant leases to see whether they should be classified as operating leases, in which case income and value would be recorded as now, or, finance leases, in which case a debtor would be created and part of the rent accounted for as interest receivable and part of the rent as a repayment of the debtor. We have done a lot of work on this and my initial feeling is that the vast majority of tenant leases are likely to be operating leases.

In terms of leasehold properties the lessee, in this case Hammerson, will have to include the value of future payments to the head lessor as an asset, with an equivalent liability included in creditors. This should not change the net asset value of the company significantly and importantly the calculation is to be effected at the beginning of the lease term.

Contingent tax will be required to be provided in the balance sheet rather than included as a note. There will be a number of changes to the income statement with revaluation movements being included in the profit and loss account.

There are a number of other changes which for Hammerson will be less onerous or significant.

This time next year we will be reporting our interim results under International Accounting Standards and will seek to ensure that changes are clearly understood by investors.

John Richards, Chief Executive, Hammerson plc

I'd like to make a few general observations now about property markets and what has been happening over the last couple of years.

During that time, demand from investors for property in the UK and France has been strong. It was initially led by debt financed investors but the baton has now been picked up by institutional investors. The result has been an increase in values across the market, particularly for offices and retail.

But this has taken place against a background of much more variable demand from occupiers for accommodation. Whilst retail rents have generally been robust, office rents have weakened.

I think the strong investment demand reflects the attractions of property, which offers a secure income stream and the potential for growth over the longer term. It is also a consequence of uncertainties over the outlook for equities and bonds.

So if that's been the pattern over the last two years, perhaps I can share with you what has happened in the first six months of this year and the future outlook.

RETAIL MARKETS

	Occupational	Investment
UK	Strong retail sales growth led to good demand for space in dominant centres and retail parks. Continued rental growth anticipated.	Investor sentiment remained positive leading to a further increase in values. Investment demand remains good.
France	Improvement in retail sales growth in H1. Increased enquiries from retailers supporting current rental levels. Outlook favourable.	Investment demand strong but few transactions.
Germany	Retail sales continued to decline. Rents still weakening. Likely to remain difficult.	Property investment market weak.

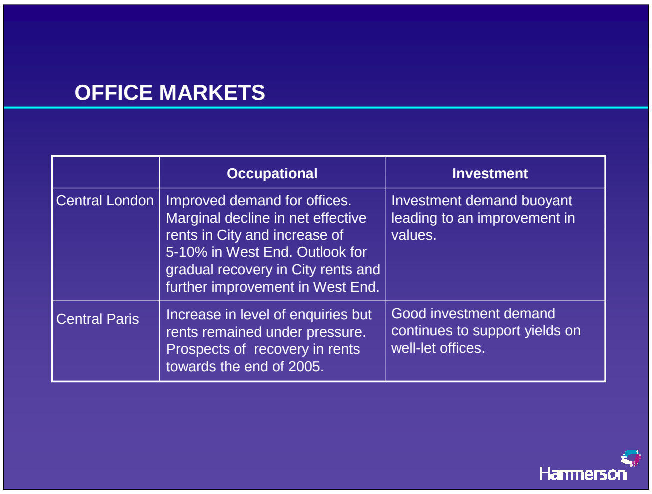
Hammerson

In the UK, retail sales growth in the first half of the year was strong. Although some slowdown in the rate of retail sales growth may occur in the second half of 2004 and in 2005, our experience shows that retailers remain committed to being in the right place, in the right space…that means the dominant regional centres and retail parks. And at these prime retail assets, rental values are expected to show continuing growth. Investor sentiment towards the retail sector remained positive in the first half, leading to a further increase in values. Investment demand remains good.

In France, retail sales growth improved in the first half of the year. This has led to an increase in enquiries from retailers for space in the group's centres and is supporting current rental levels. Investment demand remains strong. However, there have been few transactions, with existing investors reluctant to dispose of major shopping centres. I believe that if a high quality shopping centre in France came on the market it would attract a very good price.

In Germany, retail sales have continued to decline, unemployment remains high and confidence is low. As a result, rents and values for retail properties have weakened. And, although there are signs of economic recovery, this has not yet fed through to retail sales. I don't think a sale our German assets at the present time would be in the best interests of shareholders.

Now the office markets….



	Occupational	Investment
Central London	Improved demand for offices. Marginal decline in net effective rents in City and increase of 5-10% in West End. Outlook for gradual recovery in City rents and further improvement in West End.	Investment demand buoyant leading to an improvement in values.
Central Paris	Increase in level of enquiries but rents remained under pressure. Prospects of recovery in rents towards the end of 2005.	Good investment demand continues to support yields on well-let offices.

Sentiment in the central London office market showed a marked improvement in the first half of the year. Although this resulted in an increase in demand for office space, rental values in the City of London declined a little due to the amount of space available.

In the West End, good demand for office space, coupled with limited supply, has led to an increase in rents of between 5% and 10% since the end of 2003.

In both the City and West End, investment demand remained buoyant, leading to an improvement in values. Going forward, sustained occupational demand and a reduction in development completions should lead to a gradual recovery in net effective rents in the City and further increases in the West End.

In central Paris, although there was an increase in the level of enquires from potential occupiers in the first six months of 2004, the overall vacancy rate rose slightly and prime rents softened. Nevertheless, the vacancy rate is still relatively low at around 6%, offering the prospect of a recovery in rents towards the end of 2005. Good investment demand continues to support yields on well-let offices.

So, how is that market backdrop affecting the three office buildings we completed towards the end of last year?

OFFICE LETTING UPDATE

Scheme	Size	Amount let by area	Income commencing	Average ERV of building at 30 June 04
One London Wall, London EC2 (50%)	18,600 m²	40%	Q3 2006	£42 / ft²
10 Grosvenor Street, London W1 (50%)	5,900 m²	24%	Q2 2006	£68 / ft²
Néo, 14 boulevard Haussmann, Paris 9ème	26,600 m²	17%	Q4 2004	€584 / m²

Hammerson

Since the beginning of the year, we have let space in all three of them.

We have signed leases in respect of 7,500 m² of space at One London Wall. And this building is now some 40% let.

At 10 Grosvenor Street in Mayfair, 1,400 m² of space has been let to Associated British Foods.

At 14 boulevard Haussmann in Paris, we have signed leases in respect of over 4,600 m² of space.

We've good interest from potential occupiers for some of the remaining space in all three buildings and, of course, our team is working extremely hard to secure additional deals.

A word or two now on our current developments.

CURRENT DEVELOPMENTS

Current Projects	Ownership interest	Size m²	Cost at 30/06/04 £m	Estimated total cost £m	Amount let or under offer by area	Anticipated completion date
Retail Parks						
Brent Cross, London NW2	40.6%	8,600	20*	31*	76%	Dec 2004
Cyfarthfa, Merthyr Tydfil	100%	23,600	21	35	69%	Jan 2005
St Oswald's, Gloucester (Phase I)	100%	20,500	15	44	70%	Sept 2005
Offices						
Moorhouse, London EC2	33.3%	30,500	58*	67*	0%	Nov 2004
Bishops Square, London E1	75%	75,000	140*	280*	95%	Jun 2005
9 place Vendôme, Paris 1er	50%	27,700	56*	90*	0%	Apr 2006

* Hammerson's share of costs shown for joint ventures

Six major developments are underway and our costs to date amount to £310 million. The total cost of this programme is £547 million.

Of this latter figure, almost three quarters is accounted for by projects where a significant amount of space is either let or under offer. Bishops Square alone accounts for just over 50% of the total cost of the current programme. Here the letting risk has been largely eliminated by the lease to Allen & Overy.

Taking a closer look at the three retail park developments…

We purchased the Brent Cross Retail Park in joint venture with Standard Life Investments in December of last year. The scheme complements our existing interests in this area of North London, which include Brent Cross shopping centre itself and our 50% holding in Cricklewood Redevelopment Limited.

There is substantial interest from retailers in the 8,600 m^2 scheme, with 76% of the park either let or under offer. Contracts have been exchanged with Borders, DFS and Next. Hammerson's share of the estimated rental income from the retail park on full letting is £1.7 million. Once completed, Brent Cross Retail Park, will be the largest open A1 retail park in North London.

We started work on Cyfarthfa Retail Park in Merthyr Tydfil in February of this year. Completion is expected in January 2005. The development is 69% let or under offer. On full letting the estimated rental value is £3.6 million.

St Oswald's in Gloucester is a mixed use scheme, involving a retail park, leisure facilities, business units and 450 residential units. The first phase of this scheme, the retail and some of the leisure, will start in the next few days. This part of the scheme is 70% let or under offer and on full letting is expected to generate a rental income of £4.2 million.

We currently have three office schemes underway. I have already mentioned Bishops Square, a 75,000 m² scheme in the City of London. Work here is progressing well and a handover to Allen & Overy for fitting out works is scheduled for June 2005.

We have a one third interest in Moor House Limited Partnership, which is carrying out the major office development at Moorhouse in London EC2. Completion is scheduled for November of this year and our estimated total development cost is £67 million. Together with our partners, Greycoat and Henderson Global Investors, we have adopted a multi-letting strategy and full marketing of the office accommodation will begin early in 2005.

In central Paris, work started earlier this year on 9 place Vendôme, where we are in joint venture with AXA, to create 22,200 m² of high quality office accommodation and 5,500 m² of prime retail space on the prestigious rue Saint-Honoré. There is already encouraging interest for the retail accommodation.

GROSS RENTAL INCOME SECURED

Incremental income from signed leases which has not yet started		2004 £m	2005 £m	2006 £m	2007 £m
Completed offices	- cash flow	0.1	1.6	2.5	3.9
	- UITF28 basis	1.5	2.8	2.8	2.8
Bishops Square	- cash flow	-	-	-	17.7
	- UITF28 basis[1]	-	-	4.9	20.9
Retail parks	- cash flow	-	2.0	5.3	5.8
	- UITF28 basis	0.1	4.0	5.2	5.2
Total	- cash flow	0.1	3.6	7.8	27.4
	- UITF28 basis	1.6	6.8	12.9	28.9

[1] The period over which interest will be capitalised and GRI recognised may vary according to the timing of the tenant's fit-out programme

This chart shows the gross rental income where leases have been signed in respect of the three office buildings completed at the end of 2003 and the current developments.

We have shown both the anticipated cash flow from leases in place as well as the gross rental income that is anticipated to be included in the accounts, after spreading rents over the appropriate rent free periods for these leases.

Please note no account is taken on this schedule for the potential rents from Moorhouse and 9 place Vendôme or from additional lettings at the three offices completed at the end of last year.

You will see that we are going to deliver significant additional income. In fact, in 2007 cash flow from Bishops Square is only included for eight and a half months, so there is still more to come in 2008.

POTENTIAL 2005 DEVELOPMENTS

Potential projects	Scheme outline	Indicative total costs £m*	Planning status
Retail schemes			
Shires West, Leicester (60%)	Major extension of 60,000 m² to existing 47,800 m² centre.	171*	Confirmation of resolution to grant planning consent.
Broadmead, Bristol (50%)	139,000 m² city centre retail-led mixed-use scheme.	210*	Planning consent secured.
Union Square, Aberdeen (50%)	50,000 m² 'hybrid' retail scheme.	75*	Planning consent secured.
Westwood & East Kent Retail Parks, Thanet	7,500 m² extension to existing 16,600 m² retail park.	15	Planning consent secured.
Offices			
Former London Stock Exchange buildings (Phase I)	28,800 m² tower building.	142	Planning consent secured.
Opéra Capucines, Paris 2e (50%)	5,800 m² offices and 4,600 m² retail scheme.	39	Applying for planning consent in Q3 2004.

* Hammerson's share of costs shown for joint ventures

Hammerson

One of Hammerson's successes in recent years has been to position the group as the 'developer of choice' for major towns and cities considering regeneration schemes. The schemes that could potentially start in 2005 are shown on this chart.

I want to reiterate that we have an excellent pipeline of development projects not listed here that can be progressed over the next few years in the light of market conditions. We are working with local authorities and councils in Leeds, London, Peterborough, Sheffield and Southampton to advance major mixed-use retail schemes. We are also working on the schemes in Bishopsgate at Norton Folgate, Shoreditch High Street and the Bishopsgate Goodsyard itself. Our work on design, planning, and discussions with adjoining owners, can all add value to our existing investments, whilst we have the flexibility of deciding how best to maximise returns from these interests.

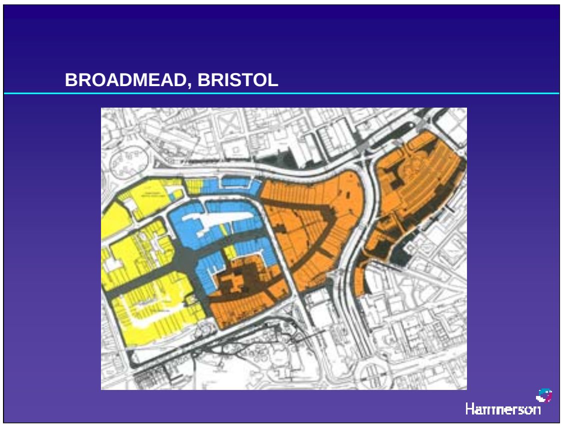
In France we are also evaluating extensions to a number of our shopping centres and exploring opportunities to enter the retail parks sector.

Now a few words on some of the schemes shown on the chart.

In Leicester, Hammerson and Hermes are involved in a joint venture for Shires West, a major expansion of our existing shopping centre, The Shires.

The plans include 60,000 m^2 of additional retail space, leisure facilities, and a residential component, increasing the overall size of The Shires to nearly 110,000 m^2. John Lewis has agreed terms to anchor the extension.

It is anticipated that construction of Shires West will begin during 2005, with completion in 2008. The total cost of Shires West is estimated at £285 million, of which Hammerson's 60% share is £171 million.



Broadmead is a mixed-use scheme totalling 140,000 m², 70% of which will be new retail space.

The Bristol Alliance is now a 50:50 joint venture between Hammerson and Land Securities, following the acquisition by the partners of the interests previously owned by Henderson Global Investors and Morley Fund Management.

We have obtained planning consent, settled the Development Agreement and completed the CPO enquiry. We are now working on the retail leasing, including the department store and MSU's and, if all of that falls into place we could make a start in the second half of 2005. Hammerson's total development cost for the Broadmead redevelopment is estimated at £210 million.

In addition to this redevelopment, the Bristol Alliance owns 72 retail units in Broadmead, (shown in blue on the plan) outside the development area (shown in orange). These have a current value of approximately £107 million and it is anticipated that they will be retained as investments.

In April 2004, we exchanged contracts to purchase these properties for £68 million. We have paid the first instalment of 50% since 30 June, but the balance is not due until the end of next year.

At the moment we have planning consent for 45,500 m² of office and retail accommodation. However, later this year, we intend to submit a revised planning application to refine and enhance the scheme.

Depending on market conditions, it is anticipated that a start on the first phase, the tower building, will be made during 2005. With a very keen investment market there have been few opportunities, which offer value, to secure exposure to the London office market at a low point in the cycle. This was one of the best and I believe it will turn out to be a very well timed and attractively priced purchase.

We have a clear strategy…to maintain our focus on prime retail and office assets in a small number of key markets. We remain a total return business, looking to drive both income and capital growth.

As we have demonstrated in recent years, and again in the first six months of this year, we continue our policy of asset switching to enhance the overall quality of the portfolio.

We have an immediate task to secure tenants for the remainder of the space in the three office buildings completed towards the end of last year. In addition, we need to capture the reversionary potential where there are rent reviews.

We are making good progress in closing down the risk and capitalising on the potential associated with the current development programme.

We intend to exploit what I believe to be the most exciting development pipeline and landbank of any company in our sector.

Going forward I am optimistic about property markets and I believe our pipeline will deliver excellent returns over the medium term.

We shall maintain our strong financial condition because I believe it is a strong financial condition that will enable us to capitalise on the opportunities available to the group.

I have every confidence in Hammerson’s future prospects.

Q. Could you please flesh out, in a little more detail, the West End office valuation uplift?

A. Hammerson owns only three buildings in the West End: 83/85 Pall Mall; 10 Grosvenor Street and 18/19 Hanover Square, so I don't think that you can take what happened in Hammerson's West End portfolio as representative. In my view 10 Grosvenor Street was valued pretty conservatively at 31 December 2003 because it was entirely vacant. For Grosvenor Street, the valuers have now reduced the valuation yield quite sharply on let space, and, in the case of Grosvenor Street, have increased the rental values that they have applied.

Q. On the 5-10% rental growth that you are reporting in the West End, is that generally, due to 10 Grosvenor Street?

A. Any quoted numbers in the West End have to be viewed with some caution as there really is little homogeneous stock in the West End. The 5-10% rental growth is based on Grade A accommodation. In our view with 10 Grosvenor Street, which offers some of the best accommodation in the market, we have seen a 5-10% increase in rents during the first half of the year. There is no doubt that it is driven by both the shortage of supply and a continuing demand for some of the best space.

Q. Could you tell us what rent ABF paid for 10 Grosvenor Street?

A. No, I'm afraid I can't due to a confidentiality provision in the lease.

Q. You stated that Moorhouse will be marketed for letting next year. If you were to start marketing that building today, what sort of rent would you be looking for?

A. Moorhouse is some of the best space coming to the City market in the next nine months. I think is it entirely realistic to look for rents somewhere between £48-52 per ft^2. Clearly, that will depend on demand at the start of the letting programme.

Q. And will that be with a two year rent free period?

A. Of that order. Today rent frees are perhaps a little longer than that, probably in the region of 27 months. But of course, the length of rent frees depends on the length of the lease.

Q. Can you tell us a bit more about the ambitions in France in retail parks and how you are going about that?

A. The retail parks market in France is much less developed than that in the UK. The majority of retail warehouses are in individual ownership, in ribbon developments outside of major conurbations. We believe there are opportunities for retail park developments of a similar style to those that are extremely successful in the UK, but in terms of site assembly and planning, it is a long haul. Certainly from our knowledge of the retailers in France, they have an ambition to trade in that format and we are working hard to find opportunities to fulfil their requirements and deliver returns for our shareholders. We have got a team working in our French office and I would hope that we would see results within the next 18 months.

Q. Is there anything to say on Cricklewood?

A. I think the planning climate we are dealing with in Brent Cross is changing in our favour as a result of our ownership and involvement in Cricklewood and the ability to bring forward a masterplan as part of the regeneration of that part of north London and the opportunity for large scale high quality housing. But it remains pretty complex and a long haul.

Q. In regards to the shopping centre pipeline you talk about three schemes: Leicester; Bristol; and Aberdeen. Will they all open around 2007-2008?

A. None of them are going to start before the second half of 2005 at the earliest. That would mean completion in 2007 in the case of Aberdeen and the end of 2008 in respect of the other two.

Q. Hammerson has a plethora of additional schemes and has become the shopping centre developer of choice. Is there a danger that you are being spread too thinly?

A. History shows us that for one reason or another, despite our very best efforts and us having extremely talented and hardworking people, schemes are often delayed. So, there is no doubt in my mind that, whilst on a most optimistic time frame there would be a bit of a log jam in terms of that pipeline, in reality (for reasons nobody can guess) some of those will be delayed. Of course, they are all subject to our view that they are viable and will make money for our shareholders. But there is no doubt that Hammerson's track record, its relationship with key retailers, its understanding of what makes a shopping centre a dynamic successful environment, is a relatively scarce commodity, and is sought after both by towns and by key retailers. I think that it is a rare skill and one that I am keen to exploit for the benefit of our shareholders.