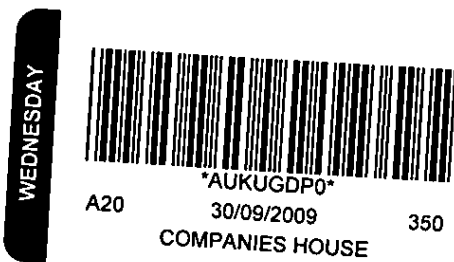


Registered Number 3744372

MARTINEAU (GP) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008



Directors' Report for the year ended 31 December 2008

The directors submit their report with the audited financial statements of the Company for the year ended 31 December 2008.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

RESULTS FOR THE YEAR AND DIVIDEND

The results are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a dividend for the year ended 31 December 2008 (2007: £Nil).

PRINCIPAL ACTIVITY

The Company has continued its business of acting as the General Partner to The Martineau Limited Partnership. The Limited Partners are LS Martineau Limited, Hammerson MLP Limited and Pearl Assurance PLC. No changes to the Company's principal activity are anticipated in the foreseeable future.

DIRECTORS

The directors who held office during the year and at the date of this report unless otherwise stated were:

R J Akers
 M A Ashton (resigned 31 December 2008)
 D J Atkins
 A P Blake (appointed 11 February 2009)
 E M Boogaard
 J Emery (resigned 8 October 2008)
 D L F Holt
 J R Mount
 J S B Smith

This directors' report does not contain a statement as to directors' interests in shares, debentures or options over shares in the Company, the ultimate parent companies of the Company, or any other body corporate in the same group following the repeal of paragraphs 2, 2A and 2B of Schedule 7 to Companies Act 1985 which ceased to be in force on 6 January 2006 in relation to accounts approved following that date by The Companies Act 2006 (Commencement No. 2, Consequential Amendments, Transitional Provisions and Savings) Order 2006 (SI 2006/1093).

INDEMNITY

The Company's ultimate parent companies, Land Securities Group PLC, Pearl Group Limited and Hammerson plc have made qualifying third party indemnity provisions for the benefit of their respective directors of the Company which were made during the year and remain in force at the date of this report.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.



By order of the Board
 P M Dudgeon
 Company Secretary
 29 September 2009

Registered Office
 5 Strand
 London WC2N 5AF

Registered in England and Wales
 Registered number 3744372

Directors' Responsibilities for the year ended 31 December 2008**Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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.

In preparing those 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 UK 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, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

Independent Auditors' Report to the members of Martineau (GP) Limited for the year ended 31 December 2008

We have audited the financial statements of Martineau (GP) Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, and the related notes. 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 auditor's 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

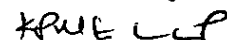
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



KPMG LLP

Chartered Accountants

Registered Auditor

29 September 2009

Profit and loss account for the year ended 31 December 2008			
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	Notes	2008 £'000	2007 £'000
Income from quoted investments		-	1
Management and administrative expenses	2,3	(8)	(7)
Loss on ordinary activities before taxation		(8)	(6)
Taxation	4	-	-
Loss on ordinary activities after taxation		(8)	(6)

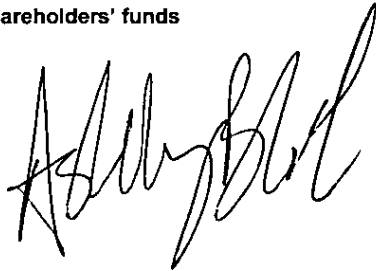
Reconciliation of movements in shareholders' funds for the year ended 31 December 2008			
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	2008 £'000	2007 £'000
Loss on ordinary activities after taxation	(8)	(6)
Net change in shareholders' funds	(8)	(6)
Opening shareholders' funds	76	82
Closing shareholders' funds	68	76

All amounts arise from discontinued operations. There is no difference between reported loss and historical cost loss on ordinary activities before taxation. There are no recognised gains or losses other than those shown in the profit and loss account above.

Balance sheet as at 31 December 2008

	Notes	2008 £'000	2007 £'000
Fixed assets			
Investments – Participating interests			
Quoted investments	6	7	9
Current assets			
Debtors	7	96	99
Cash at bank and in hand		24	8
		<u>120</u>	<u>107</u>
Creditors: amounts falling due within one year	8	(59)	(40)
Net current assets		<u>61</u>	<u>67</u>
Net assets		<u>68</u>	<u>76</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	66	74
Shareholders' funds		<u>68</u>	<u>76</u>



A P Blake, Director

The financial statements on pages 4 to 9 were approved by the directors on 29 September 2009.

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

(a) Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with applicable United Kingdom accounting standards under the historical cost convention

(b) Proportional consolidation

The financial statements include the proportional consolidation of the Company's 0.46% interest in the Martineau Limited Partnership as a joint arrangement in accordance with FRS9 "Associates and joint ventures".

(c) Income from quoted investments

Income from quoted investments is accounted for on a cash received basis.

(d) Taxation

Taxation is charged at the corporation tax rate of 28.5% (2007: 30%).

(e) Quoted investments

The Company's quoted investments are stated at cost less provision for impairment in value.

(f) Impairment of assets

Assets are reviewed annually for impairment. Where impairment exists the asset is written down to its net realisable value.

2. Operating loss

	2008 £'000	2007 £'000
Income from quoted investments	-	1
Management and administrative expenses	(8)	(7)
Operating loss	(8)	(6)

3. Management and administrative expenses

(a) Management services

The Company had no employees during the year (2007: None). Management services were provided to the Company throughout the year by Land Securities Properties Limited, which is a related party.

(b) Directors' emoluments

The directors of the Company received no emoluments for their services to the Company (2007: £Nil).

(c) Auditors' remuneration

The Group's auditors' remuneration is borne by Martineau Limited Partnership. The proportion of the remuneration which relates to the Company amounts to £Nil (2007: £Nil).

4. Taxation

	2008 £'000	2007 £'000
Tax charge for the year	-	-
Factors affecting the tax charge for the year		
The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below:		
Loss on ordinary activities before taxation	(8)	(6)
Loss on ordinary activities multiplied by the standard rate in the UK at 28.5% (2007: 30%)	(2)	(2)
Effect of:		
Expenses not deductible for tax purposes and tax losses not brought to account	2	2
Current tax	-	-

5. Investments in subsidiary undertakings

At 1 January 2008 and 31 December 2008	£ 2
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The directors believe that the carrying value of the investments is supported by their underlying net assets.

The subsidiary undertakings of the Company are:

Name	Class of shares owned	Percentage of share capital owned	Principal country of operation	Nature of business
Martineau No. 1 Limited	£1 Ordinary shares	100%	England	Property investment
Martineau No. 2 Limited	£1 Ordinary shares	100%	England	Property investment

6. Quoted Investments

	£'000
At 1 January 2008	9
Provision following impairment review	(2)
At 31 December 2008	7

The market value of the quoted investments at 31 December 2008 is £6,889 (2007: £19,145).

7. Debtors

	2008 £'000	2007 £'000
Amount due from a related party	21	21
Amounts due from Partners	75	74
Taxation and social security	-	1
Prepayments and accrued income	-	3
	96	99

The interest free unsecured loan due from a related party, Land Securities Properties Limited, is repayable on demand with no fixed repayment date.

The interest free unsecured loans due from the Partners, LS Martineau Limited, Hammerson MLP Limited and Pearl Assurance PLC, are repayable on demand with no fixed repayment date.

8. Creditors: amounts falling due within one year

	2008 £'000	2007 £'000
Amount owed to a related party	28	26
Other creditors	11	11
Accruals and deferred income	20	3
	59	40

The interest free unsecured loan from a related party, Land Securities Properties Limited, is repayable on demand with no fixed repayment date.

9. Called up share capital

	Authorised		Allotted and fully paid	
	2008 No.	2007 No.	2008 £	2007 £
Ordinary shares of £0.01 each	180,000	180,000	1,800	1,800

10. Reserves

	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2008	2	74	76
Loss for the financial year	-	(8)	(8)
At 31 December 2008	2	66	68

11. Cash flow statement exemption

No cash flow statement has been prepared as the Company has elected to make use of the small companies exemption provided in Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements".

12. Related party transactions

Other than the amounts to/from related parties disclosed in the accounts, there are no material undisclosed related party transactions.

13. Ultimate controlling parties

The Company is jointly owned by LS Birmingham Limited, Pearl (Martineau Phase 1) Limited and Hammerson Birmingham Properties Limited whose ultimate parent companies are Land Securities Group PLC, Pearl Group Limited and Hammerson plc, respectively.

Consolidated financial statements for the year ended 31 March 2009 for Land Securities Group PLC can be obtained from the Company Secretary, 5 Strand, London WC2N 5AF. This is the largest and smallest Group to include these accounts in its consolidated financial statements.

Consolidated financial statements for the year ended 31 December 2008 for Pearl Group Limited can be obtained from the Company Secretary, Lynch Wood, Peterborough PE2 6FY. This is the largest and smallest Group to include these accounts in its consolidated financial statements.

Consolidated financial statements for the year ended 31 December 2008 for Hammerson plc can be obtained from the Company Secretary, 10 Grosvenor Street, London W1K 4BJ. This is the largest and smallest Group to include these accounts in its consolidated financial statements.