

Registered number
1352158

HANSON (MR) LIMITED
DIRECTORS' REPORT AND ACCOUNTS
in respect of the year ended
31 December 2005



HANSON (MR) LIMITED

Directors' Report

Directors: G Dransfield
N Swift
E J Laurie

Secretary: P D Tunnacliffe

Registered office: 1 Grosvenor Place, London SW1X 7JH

The Directors present their report and accounts for the year ended 31 December 2005.

Principal activities and review of the business

The principal activity of the Company is that of a group financing company.

Results and dividends

The profit for the year amounted to £633 and is dealt with as shown in the profit and loss account. The Directors do not recommend the payment of a dividend for the year.

Directors

The Directors shown at the head of this report are currently in office. R Coulson was appointed as a Director on December 1, 2005 and resigned on April 24 2006. A C Bolter resigned on December 1, 2005. E J Laurie served throughout the year. G Dransfield and N Swift were appointed as Directors on 20 March 2006.

Directors' Interests

The Directors have no declarable interest in the share capital of the Company during the year under review.

The shareholding and related interest in Hanson PLC of G Dransfield is disclosed in the Hanson PLC accounts for the year ended 31 December 2005.

Those of R Coulson and N Swift are disclosed in the accounts of Hanson Holdings (1) Limited for the year ended December 31, 2005.

The interests of E J Laurie are as follows:

Ordinary shares

	Balance at 31 December 2004	Balance at 31 December 2005
E J Laurie	-	1,557

Sharesave scheme – options to subscribe for ordinary shares

	Balance at 31 December 2004	Granted during year	Exercised/ lapsed during	Balance at 31 December 2005
E J Laurie	1,262	836	-	2,098

HANSON (MR) LIMITED

Directors' Report

Long term incentive plan

The table below shows the conditional interests in shares of the Directors relating to awards made under the long term incentive plan in 2002, 2003, 2004 and 2005.

	Balance at 31 December 2004	Awarded during year	Vested during year	Lapsed during year	Balance at 31 December 2005
E J Laurie	43,576	12,176	(2,639)	(7,919)	45,194

Notes:

1. The range of the market quotations for Hanson ordinary shares, as derived from the London Stock Exchange Daily Official List, during the period 1 January to 31 December 2005 was 451.5p to 640p per ordinary share.
2. The market price for Hanson ordinary shares on 31 December 2005 was 639p per ordinary share.
3. Options granted during the year under the Sharesave Scheme were at an exercise price of 395p per share.
4. The Company's Register of Directors' Interests (which is open to inspection at the Company's registered office) contains full details of Directors' ordinary share and share option interests.
5. No Director had a material interest in any contract of significance with the Company or any subsidiary or associate during the year.

Annual General Meeting

Pursuant to an Elective Resolution of the Company passed on 19 July 1991 the Company has dispensed with the need to hold Annual General Meetings.

Any member of the Company is entitled to require the laying of the accounts before a general meeting on giving due notice to that effect in accordance with S253 of the Companies Act 1985.

Auditors

Ernst & Young LLP will be re appointed as the Company's auditor in accordance with the elective resolution passed by the Company under S386 of the Companies Act 1985.

HANSON (MR) LIMITED
Directors' Report

Directors' responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that year. In preparing those accounts, the Directors are required to:

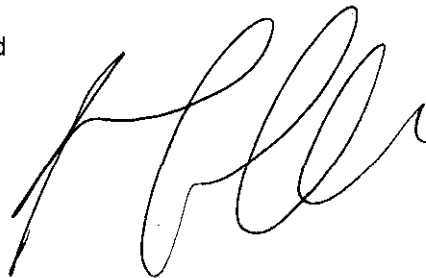
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that the accounts comply with the above requirements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the accounts 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.

By order of the Board

P D Tunnacliffe
Secretary
28 July 2006

A handwritten signature in black ink, appearing to be 'P D Tunnacliffe', written over a light blue horizontal line.

HANSON (MR) LIMITED

Independent auditors' report to the members of HANSON (MR) LIMITED

We have audited the Company's accounts for the year ended 31 December 2005 which comprise the profit and loss account, statement of total recognised gains and losses, balance sheet and the related notes 1 to 10. These accounts have been prepared on the basis of 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 accounts in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts 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 accounts 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 accounts, 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 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London
28 July 2006

HANSON (MR) LIMITED
Profit and Loss Account
for the year ended 31 December 2005

	Notes	2005 £	2004 £
Operating profit	2	-	-
Interest receivable	3	633	-
Profit on ordinary activities before taxation		633	-
Taxation	4	-	-
Retained profit for the financial year		633	-

Movements in reserves are set out in note 8.

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £633 for the year ended 31 December 2005 (result of £nil for the year ended 31 December 2004).

HANSON (MR) LIMITED
Balance Sheet
at 31 December 2005

	Notes	2005 £	2004 £
Current assets			
Debtors	5	468,306,197	468,221,197
Cash at bank and in hand		596	84,963
Net assets		<u>468,306,793</u>	<u>468,306,160</u>
Capital and reserves			
Called up share capital	6	468,306,201	468,306,201
Share premium	7	1	1
Profit and loss account	8	591	(42)
Equity shareholders' funds	9	<u>468,306,793</u>	<u>468,306,160</u>

Approved by the Board of Directors
28 July 2006



R Coulson
Director

HANSON (MR) LIMITED
Notes to the Accounts
for the year ended 31 December 2005

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards.

The Company has taken advantage of the exemption available to it under FRS 1 "Cash Flow Statements" not to prepare a statement of cash flows.

2 Operating profit

	2005 £	2004 £
This is stated after charging:		
Auditors' remuneration	-	-
Directors' remuneration	-	-
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Fees for audit and non-audit services provided by Ernst and Young LLP to the Company have been borne by a group undertaking. It is not practicable to ascertain what proportion of such fees relates to the Company.

The Directors are also directors of, and were paid by, the ultimate parent undertaking and/or other group undertakings. The Directors do not believe that it is practicable to apportion these emoluments between their services as Directors of the Company and their services as directors of the ultimate parent undertaking and /or other group undertakings.

3 Interest receivable

	2005 £	2004 £
Bank and other interest	633	-
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4 Taxation

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

	2005 £	2004 £
Profit on ordinary activities before taxation	633	-
Standard rate of corporation tax in the UK	30%	30%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004: 30%)	190	-
Effects of:		
Imputed interest	7,024,433	5,482,274
Group relief claimed for nil charge	(7,024,623)	(5,482,274)
Current tax charge for the year	<hr/>	<hr/>

HANSON (MR) LIMITED
Notes to the Accounts
for the year ended 31 December 2005

5 Debtors	2005	2004
	£	£
Amounts owed by group undertakings	<u>468,306,197</u>	<u>468,221,197</u>

There are no formal agreements for the repayment of amounts due to or from group undertakings.

6 Share capital	2005	2004	2005	2004
	No	No	£	£
Authorised:				
Ordinary shares of £1 each	1,000,000,000	1,000,000,000	<u>1,000,000,000</u>	<u>1,000,000,000</u>
	2005	2004	2005	2004
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	468,306,201	468,306,201	<u>468,306,201</u>	<u>468,306,201</u>

On 7 April 2006, the Company increased its authorised share capital by £2,500,000,000 to £3,500,000,000.

On 25 April 2006, the Company increased its issued share capital by £1,727,096,670 to £2,195,402,871 by way of a share issue to St Yvette Sarl, its parent company. The proceeds of this share issue were used to lend Hanson Finance PLC the sum of £1,727,096,670, such loan to be interest free and repayable on demand.

7 Share premium	2005	2004
	£	£
At 1 January	1	-
Shares issued	-	1
At 31 December	<u>1</u>	<u>1</u>

8 Profit and loss account	2005	2004
	£	£
At 1 January	(42)	(42)
Profit for the financial year	633	-
At 31 December	<u>591</u>	<u>(42)</u>

9 Reconciliation of movement in shareholders' funds	2005	2004
	£	£
At 1 January	468,306,160	392,493,873
Profit for the financial year	633	-
Shares issued	-	75,812,287
At 31 December	<u>468,306,793</u>	<u>468,306,160</u>

HANSON (MR) LIMITED
Notes to the Accounts
for the year ended 31 December 2005

10 Group accounts

The immediate parent undertaking of Hanson (MR) Limited is St Yvette Sarl, a company registered in England and Wales and the ultimate parent undertaking is Hanson PLC, a company registered in England and Wales. The largest and smallest group preparing consolidated group accounts which include Hanson (MR) Limited is Hanson PLC for the year ended 31 December 2005.

Copies of the accounts of Hanson PLC can be obtained from 1 Grosvenor Place, London, SW1X 7JH.

The Company has taken advantage of the exemption available to it in FRS 8 "Related Party Disclosures" from disclosing transactions with related parties that are part of the Hanson PLC group.