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HANSON FACING BRICKS LIMITED

Report and Accounts

31 December 2000



Hanson Facing Bricks Limited

Registered No. 2361476

DIRECTORS

R C Manning
M P Lean
D J Szymanski

SECRETARY

W Trott

REGISTERED OFFICE

Stewartby
Bedford
MK43 9LZ

 ERNST & YOUNG

Hanson Facing Bricks Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2000.

REVIEW OF THE BUSINESS

The company's principal activity during the year continued to be that of an investment holding company. All the subsidiary undertakings were engaged in the manufacture and sale of facing and engineering bricks.

RESULTS AND DIVIDENDS

The company did not trade during the year. The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The current directors of the company are those listed on page 1.

The only declarable interests were in the ordinary share capital of Hanson PLC, the ultimate parent undertaking, as follows:

Options include options under Executive Share option scheme and Sharesave plan and scheme.

The conditional interest in ordinary shares is in respect of the award made under the long term incentive plan.

	<i>Ordinary shares</i>		<i>Options</i>		<i>Conditional interest in ordinary shares</i>	
	<i>At 1 January 2000</i>	<i>At 31 December 2000</i>	<i>at 1 January 2000</i>	<i>At 31 December 2000</i>	<i>at 1 January 2000</i>	<i>At 31 December 2000</i>
	<i>(or date of appointment)</i>	<i>(or date of appointment)</i>	<i>(or date of appointment)</i>	<i>(or date of appointment)</i>	<i>(or date of appointment)</i>	<i>(or date of appointment)</i>
R C Manning	15,000	18,190	-	-	53,252	90,690
M P Lean	-	1,766	38,248	39,447	40,847	48,282
D J Szymanski	437	2,665	1,645	1,645	55,142	57,623

Options

	<i>Options granted (exercised) during year</i>	<i>Exercise price</i>	<i>Market price at date of exercise</i>	<i>Dates exercisable</i>
D J Szymanski	(2,611)	224.0	485.9	01.06.00
M P Lean	1,199	323.0		01.12.03

There were no other notifiable interests.

Options include options under Hanson's executive share option scheme and Sharesave Plan..

The range of the middle market quotations for Hanson ordinary shares during the period was 310 pence to 520.0 pence. The middle market quotation for Hanson ordinary shares at 31 December 2000 was 459 pence.

Hanson Facing Bricks Limited

DIRECTORS' REPORT


ANNUAL GENERAL MEETINGS

Pursuant to the Elective Resolution of the company passed on 18 January 1994, 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 Section 253 of the Companies Act 1985.

SECTION 249 COMPANIES ACT 1985

The company is exempt by reason of Section 249 of the Companies Act 1985 from the requirement to appoint an auditor.

By order of the Board



W Trott
Secretary

09 July 2001

Hanson Facing Bricks Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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 of the company for that period. 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.

Hanson Facing Bricks Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2000

	2000 £000	1999 £000
INCOME FROM SHARES IN SUBSIDIARY UNDERTAKING AND PROFIT ON ORDINARY ACTIVITIES FOR THE YEAR	-	75,000
Dividend paid	-	(75,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains and losses other than those noted above.

Hanson Facing Bricks Limited

BALANCE SHEET

at 31 December 2000

	Notes	2000 £000	1999 £000
FIXED ASSETS			
Investments	2	408,172	408,172
CURRENT ASSETS			
Amounts owed by subsidiary undertakings		111,400	111,400
CREDITORS: amounts falling due within one year	3	111,998	111,998
NET CURRENT LIABILITIES		(598)	(598)
TOTAL ASSETS LESS CURRENT LIABILITIES		407,574	407,574
CAPITAL AND RESERVES			
Equity share capital	4	408	408
Share premium account		407,166	407,166
EQUITY SHAREHOLDERS' FUNDS		407,574	407,574

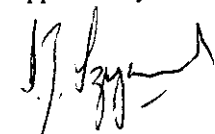
For the year ended 31 December 2000 the company was entitled to exemption under section 249AA (1) of the Companies Act 1985.

Members have not required the company to obtain an audit of its accounts for the year in question in accordance with subsection (2) of 249B.

The directors acknowledge their responsibility for:

- ensuring the company keeps accounting records which comply with section 221; and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Board on



D J Szymanski - Director

Hanson Facing Bricks Limited

BALANCE SHEET

at 31 December 2000

1. ACCOUNTING POLICY

Accounting convention

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

The company has taken advantage of the exemption in FRS8 from disclosing transactions with related parties that are part of the Hanson plc group.

Investments

Investments are included at cost, less any required provision for permanent diminution in value.

2. FIXED ASSET INVESTMENTS

Subsidiary undertakings

	£000	£000
Shares at cost:		
At 31 December 2000 and 31 December 1999	408,172	408,172

The principal subsidiary undertakings at 31 December 2000, all of which were registered in England and Wales and wholly owned, were:-

Hanson Brick Limited
National Star Limited
The National Brick Company Limited
The Claughton Manor Brick Limited
The Milton Hall (Southend) Brick Company Limited

Hanson Brick Limited is engaged in the manufacture of facing and engineering bricks. All the other undertakings are dormant.

In the opinion of the directors, the value of the company's investments is not less than the amount at which they are stated in the balance sheet.

3. CREDITORS

	2000 £000	1999 £000
Amounts owed to parent undertakings	111,998	111,998

4. EQUITY SHARE CAPITAL

	2000 No.	Authorised 1999 No.	Allotted, called up and fully paid 2000 £	1999 £
Ordinary shares of £1 each	1,000	1,000	408	408

Hanson Facing Bricks Limited

BALANCE SHEET

at 31 December 2000

5. CONSOLIDATED ACCOUNTS

The company is a wholly owned subsidiary undertaking of a body incorporated in the European Community and advantage has been taken of Section 228 of the Companies Act 1985 in that consolidated accounts have not been prepared.

6. GROUP ACCOUNTS

The parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is Hanson PLC, registered in England and Wales. Hanson PLC is also the company's ultimate parent company. Copies of Hanson PLC's accounts can be obtained from Hanson PLC, 1 Grosvenor Place, London SW1X 7JH.