

Registered number  
02882059

**AI Overseas Investments Limited**

**Financial statements**  
**for the year ended 31 December 2010**

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**AI Overseas Investments Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2010**

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**AI Overseas Investments Limited**  
**Directors and advisors**

**Directors**

John Bowater  
James Retallack

**Secretary**

M Ford

**Independent Auditors**

Ernst & Young LLP  
No 1 Colmore Square  
Birmingham  
B4 6HQ

**Registered office**

Bardon Hall  
Copt Oak Road  
Markfield  
Leicestershire  
LE67 9PJ

**Registered number**

02882059

**AI Overseas Investments Limited**  
**Directors' report**  
**for the year ended 31 December 2010**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2010

**Principal activities and future developments**

AI Overseas Limited is an investment company

**Results and dividends**

For the year ended 31 December 2010, the Company has prepared its first financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRS)

The Company's profit after taxation for the year was £ Nil (2009 profit £2,467k)

The Statement of Comprehensive Income and Statement of Financial Position appear on pages 5 and 6

**Directors**

The following directors held office during the year and subsequently

George Bolsover	(resigned 31 March 2010)
Alain Bourguignon	(appointed 1 April 2010, resigned 1 March 2011)
John Bowater	(appointed 1 March 2011)
James Retallack	

Information on the directors' remuneration is shown in note 5

**Directors' qualifying third party indemnity provisions**

The Company has indemnified the directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' report.

**Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

**Preparation of directors' report**

The directors' report has been prepared in accordance with the special provisions in section 415A of the Companies Act 2006 in regards to small companies.

**Auditors**

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for re-appointment of Ernst & Young LLP as auditor of the company.

**AI Overseas Investments Limited**

**Directors' report**

**for the year ended 31 December 2010 (continued)**

**Statement of directors' responsibilities in relation to the financial statements**

The directors are responsible for preparing the Directors' 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 law and International Financial Reporting Standards as adopted by the European Union.

The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year.

In preparing these 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 International Financial Reporting Standards as adopted by the European Union 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.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

This report was approved by order of the board



M Ford

On behalf of AI Overseas Investments Limited  
Company Secretary

**30** June 2011

**Independent auditors' report  
to the members of AI Overseas Investments Limited**

We have audited the financial statements of AI Overseas Investments Limited for the year ended 31 December 2010 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its result for the year then ended
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Bruce Morton (Senior statutory auditor)**  
for and on behalf of Ernst & Young LLP, Statutory Auditors  
Birmingham  
June 2011



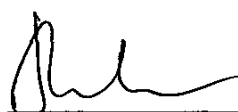
**AI Overseas Investments Limited**  
**Statement of Comprehensive Income**  
**for the year ended 31 December 2010**

	<b>Note</b>	<b>2010 £'000</b>	<b>2009 £'000</b>
Finance income	6		3,427
<b>Profit before taxation</b>		-	3,427
Tax charge on profit	7		(960)
<b>Profit after taxation</b>		-	2,467
Other comprehensive income		-	-
<b>Total comprehensive income</b>		-	2,467

**AI Overseas Investments Limited**  
**Company Registration No 02882059**  
**Statement of Financial Position**  
**as at 31 December 2010**

	Note	2010 £'000	2009 £'000	1 January 2009 £'000
<b>Assets</b>				
<b>Current assets</b>				
Other current financial assets	8	21,293	21,293	216,626
<b>Total assets</b>		<b>21,293</b>	<b>21,293</b>	<b>216,626</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Issued capital	9	14,208	14,208	14,208
Share premium	10	7,085	7,085	7,085
Retained earnings		-	-	195,333
<b>Equity attributable to equity holders</b>		<b>21,293</b>	<b>21,293</b>	<b>216,626</b>
<b>Total equity and liabilities</b>		<b>21,293</b>	<b>21,293</b>	<b>216,626</b>

The financial statements were approved by the board of directors on 30 June 2011 and were signed on its behalf by



James Retallack  
Director



**AI Overseas Investments Limited**  
**Statement of Changes in Equity**  
**for the year ended 31 December 2010**

	Attributable to the equity shareholders			
	Issued share capital	Share premium	Retained earnings	Total
	£'000	£'000	£'000	£'000
As at 1 January 2009	14,208	7,085	195,333	216,626
Profit for the year	-	-	2,467	2,467
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	2,467	2,467
Dividends paid	-	-	(197,800)	(197,800)
As at 31 December 2009	14,208	7,085	-	21,293
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-
Dividends paid	-	-	-	-
As at 31 December 2010	14,208	7,085	-	21,293

**AI Overseas Investments Limited**  
**Statement of Cash Flows**  
**for the year ended 31 December 2010**

	Note	2010 £'000	2009 £'000
<b>Operating activities</b>			
Profit before taxation		-	3,427
<i>Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows from operations</i>			
Finance income		-	(3,427)
Interest received from group company		-	3,427
Income tax paid		-	(960)
<b>Net cash inflows from operating activities</b>		-	2,467
<b>Investing activities</b>			
Repayment of borrowings by related parties		-	203,119
<b>Net cash inflows from investing activities</b>		-	203,119
<b>Financing activities</b>			
Dividends paid to equity holders	11	-	(197,800)
Loans to related parties		-	(7,786)
Repayment of borrowings to related parties		9,995	-
Proceeds from borrowings - third parties		(9,995)	-
<b>Net cash outflows from financing activities</b>		-	(205,586)
<b>Net increase/(decrease) in cash and cash equivalents</b>		-	-
Cash and cash equivalents at 1 January		-	-
<b>Cash and cash equivalents at 31 December</b>		-	-

**AI Overseas Investments Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2010**

**1 Corporate information**

The financial statements of the Company for the year ended 31 December 2010 were authorised for issue in accordance with a resolution of the directors on 30 June 2011. The company is a private limited company incorporated and domiciled in England & Wales.

**2.1 Basis of preparation**

The financial statements for prior years were prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the impact of the transition to International Financial Reporting Standards as adopted by the EU has been disclosed in note 13.

The financial statements have been prepared using the historical cost convention in accordance with International Financial Reporting Standards as adopted by the EU for the year ended 31 December 2010 applied in accordance with the provisions of the Companies Act 2006.

**Statement of compliance**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union for the year ended 31 December 2010.

**Going Concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

As a result the directors have a reasonable expectation that the Company has adequate resources to continue to adopt the going concern basis in preparing the annual report and accounts.

**2.2 Summary of significant accounting policies**

**a Finance income**

Interest income is recognised as the interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

**b Current taxation**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

**c Financial instruments - initial recognition and subsequent measurement**

**i Financial assets**

*Initial recognition and measurement*

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company classifies its financial assets at initial recognition.

All financial assets are recognised initially at fair value.

The Company's financial assets include loans and other receivables.

*Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Comprehensive Income. The losses arising from impairment are recognised in the Statement of Comprehensive Income in finance costs.

*Derecognition*

A financial asset (or, where applicable a part of a financial asset) is derecognised when:

- The rights to receive cash flows from the assets have expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**AI Overseas Investments Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2010**

**2.2 Summary of significant accounting policies (continued)**

**ii Impairment of financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal repayments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with

**Financial assets carried at amortised cost**

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The directors have considered the difference between the fair value and book value of financial assets as immaterial. Details are disclosed in note 8.

**iii Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**3 Significant judgements, key assumptions and estimates**  
**Estimates and assumptions**

There are no assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

**4 Standards issued but not yet effective**

The IASB and IFRIC issued additional standards and interpretations which are effective for periods starting after the date of these financial statements. These are as follows:

- IAS 24 (revised 2009) - Related Party Disclosures
- IFRIC 14 (Amended) - Prepayment of a Minimum Funding Requirement
- IFRS 9 - Financial Instruments Classification and Measurement (effective 2013)

The Company has decided not to early adopt these standards and interpretations.

The Directors do not consider it likely that the standards will have a material impact on the financial performance in future years.

**5 Directors and employees**

The directors' services to the Company do not occupy a significant amount of their time. As such the directors have not received any remuneration for their incidental services to the company for the years ended 31 December 2010 and 31 December 2009. No staff were employed by the company during the year.

Certain directors of the company are remunerated by Aggregate Industries UK Limited. The directors consider that the amount of time spent on the entity is inconsequential, and therefore no remuneration is disclosed. No recharge of directors remuneration has been made by Aggregate Industries UK Limited.

<b>6 Finance income</b>	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Interest receivable from group company	-	3,427
<b>Total finance income</b>	<b>-</b>	<b>3,427</b>

<b>7 Taxation</b>	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
UK corporation tax	-	960
<b>Total tax charge</b>	<b>-</b>	<b>960</b>

The standard rate of UK corporation tax for the year is 28% (2009: 28%). The actual tax charge calculated for both the current and prior year is in line with the standard rate of UK corporation tax.

**AI Overseas Investments Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2010**

**8 Other financial assets and financial liabilities**  
*Other financial assets*

	Effective interest rate	Maturity	2010	2009	2008
	%		£'000	£'000	£'000
Current					
Loan to group companies		On demand	21,293	21,293	13,507
Current			21,293	21,293	13,507
Non-current					
Loan to group companies	Libor + 0.5%	Dec 2009	-	-	203,119
Non-current			-	-	203,119
<b>Total other financial assets</b>			<b>21,293</b>	<b>21,293</b>	<b>216,626</b>

The book values and estimated fair values of the Company's financial assets and liabilities as at 31 December 2010 are set out below

	Book value			Fair value		
	2010	2009	2008	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000	£'000
Current						
Loan to group companies	21,293	21,293	13,507	21,293	21,293	13,507
Non-current						
Loan to group companies	-	-	203,119	-	-	203,119
<b>Total</b>	<b>21,293</b>	<b>21,293</b>	<b>216,626</b>	<b>21,293</b>	<b>21,293</b>	<b>216,626</b>

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values

- Cash and short-term deposits approximate their carrying amounts largely due to the short-term maturities of these instruments
- Long-term fixed-rate receivables are evaluated by the company based on parameters such as interest rates and creditworthiness. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at 31 December 2010, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values
- Long-term fixed-rate and variable rate borrowings are evaluated by the Company based on parameters such as interest rates and specific country factors
- Fair value of quoted notes and bonds is based on pricing quotations at the reporting date

**Fair value hierarchy**

As at 31 December 2010, the Company did not have financial instruments measured at fair value

**9 Share capital**

	Number of shares (millions)	£'000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £0.25 each		
At 31 December 2010	56.8	14,208
At 31 December 2009	56.8	14,208
At 31 December 2008	56.8	14,208

**AI Overseas Investments Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2010**

**10 Reserves**

*Share capital and share premium accounts*

Equity share capital comprises the net proceeds up to par value on issue of the Company's equity share capital, of 56.8m ordinary shares of £0.25 each. The excess proceeds above the par value are recognised within the share premium account.

**11 Dividends**

	2010 £'000	2009 £'000
Dividends paid to equity shareholders at £3.48p per share	-	197,800

**12 Related party disclosures**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

	Amounts owed by related parties £'000	Interest received from related parties £'000
<b>2010</b>		
Aggregate Industries UK Limited	20,877	-
Aggregate Industries Management Limited	416	-
	<b>21,293</b>	<b>-</b>
<b>2009</b>		
Holcim Participations (UK) Limited	-	3,427
Bardon Investments Limited	9,995	-
Aggregate Industries UK Limited	10,882	-
Aggregate Industries Management Limited	416	-
	<b>21,293</b>	<b>3,427</b>
<b>2008</b>		
Holcim Participations (UK) Limited	203,119	12,557
Bardon Investments Limited	9,995	-
Aggregate Industries UK Limited	3,096	-
Aggregate Industries Management Limited	416	-
	<b>216,626</b>	<b>12,557</b>

**13 Transition to IFRS**

For all periods up to and including the year ended 31 December 2009, the Company prepared its financial statements in accordance with UK Generally Accepted Accounting Practice (UK GAAP). This financial information, for the year ended 31 December 2010, is the first the Company has prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS).

Accordingly, the Company has prepared financial information which complies with IFRS applicable as at 31 December 2010, as described in the accounting policies. In preparing this financial information, the Company's opening Statement of Financial Position was prepared as at 1 January 2009, the Company's date of transition to IFRS.

There were no principal adjustments made by the Company in restating its UK GAAP Statement of Financial Position as at 1 January 2009 and its previously published UK GAAP financial statements for the year ended 31 December 2009 hence there was no impact on the results for the year ended 31 December 2010.

**14 Parent and ultimate parent company**

The Company's immediate parent company is Camas Holdings Limited, which is incorporated in Great Britain.

The ultimate parent company is Holcim Ltd which is incorporated in Switzerland. This is the smallest and largest group in which results are consolidated.

Copies of the accounts of Holcim Ltd are available on [www.holcim.com](http://www.holcim.com) or from Holcim Ltd Corporate Communications, Zurcherstrasse 156, CH-8645 Jona, Switzerland.