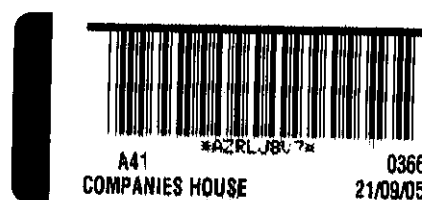


HANSON AMERICA HOLDINGS (4) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

IN RESPECT OF THE YEAR ENDED

31 DECEMBER 2004



HANSON AMERICA HOLDINGS (4) LIMITED

DIRECTORS' REPORT

Directors: G Dransfield
A C Bolter
N Swift

Secretary: P D Tunnacliffe

Registered Office: 1 Grosvenor Place, London SW1X 7JH

The Directors present their report and the audited accounts of the Company for the year ended 31 December 2004.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of an investment holding company.

RESULTS AND DIVIDENDS

The Company did not trade during the year. 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 and served throughout the year.

DIRECTORS' INTERESTS

None of the Directors had any 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 2004. Those of A C Bolter and N Swift are disclosed in the accounts of Houserate Limited.

ANNUAL GENERAL MEETING

Pursuant to the Elective Resolution passed on 31 July 1996 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.

DIRECTORS' REPORT (continued)

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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

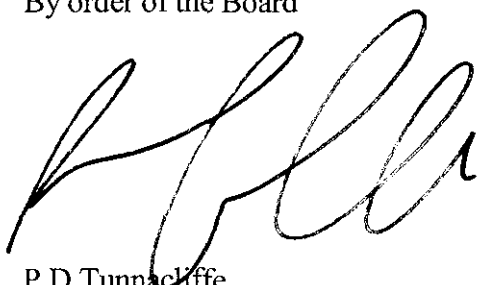
Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that year. In preparing those accounts, the Directors are required to:

- 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

A handwritten signature in black ink, appearing to read 'P D Tunnackiffe', is written over the printed name.

P D Tunnackiffe
Secretary
20 September 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON AMERICA HOLDINGS (4) LIMITED

We have audited the Company's accounts for the year ended 31 December 2004 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 S235 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.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 United Kingdom Auditing Standards 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HANSON AMERICA HOLDINGS (4) LIMITED (continued)**

OPINION

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP.

Ernst & Young LLP
Registered Auditor
London
20 September 2005

HANSON AMERICA HOLDINGS (4) LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004**

	<u>Note</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Bank charges		-	(51)
Exchange movements		-	204
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	153
Taxation	3	-	-
PROFIT FOR THE YEAR		-	153

Movements on reserves are set out in note 8.

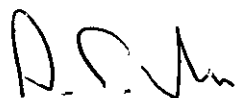
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Profit for the year	-	153
Exchange differences on foreign currency investments	494,932	2,766,713
Exchange differences on foreign currency loans	(729,495)	(2,766,713)
Total recognised gains and losses for the year	(234,563)	153

HANSON AMERICA HOLDINGS (4) LIMITED**BALANCE SHEET AT 31 DECEMBER 2004**

	<u>Note</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
FIXED ASSETS			
Investments	4	53,080,653	52,585,721
CURRENT ASSETS			
Debtors	5	16,953,492	16,953,492
CREDITORS: Amounts falling due within one year	6	<u>(27,997,961)</u>	<u>(27,268,466)</u>
NET CURRENT LIABILITIES		<u>(11,044,469)</u>	<u>(10,314,974)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>42,036,184</u>	<u>42,270,747</u>
CAPITAL AND RESERVES			
Called up equity share capital	7	102	102
Share premium account		33,778,929	33,778,929
Capital reserve		8,490,766	8,490,766
Profit and loss account	8	<u>(233,613)</u>	<u>950</u>
Equity shareholders' funds	9	<u>42,036,184</u>	<u>42,270,747</u>

Approved by the Board of Directors
20 September 2005



A C Bolter
Director

NOTES TO THE ACCOUNTS – 31 DECEMBER 2004**1 ACCOUNTING POLICIES****a) Accounting convention**

The accounts are 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.

b) Fixed asset investments

Fixed asset investments are stated at cost, except where it is required to reflect a provision for a permanent diminution in value. Certain fixed asset investments were revalued in prior years. The Company has retained these revalued amounts in the balance sheet.

c) Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. In accordance with SSAP 20 “Foreign Currency Translation” differences arising on investments in overseas subsidiary undertakings in foreign currencies, and differences on relevant foreign currency borrowing are taken to reserves, to the extent of the exchange differences arising on investments. All other exchange differences are taken to the profit and loss account.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Directors’ remuneration	-	-
Auditors’ remuneration	-	-

Fees for audit and non audit services provided by Ernst & 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 undertaking.

HANSON AMERICA HOLDINGS (4) LIMITED

NOTES TO THE ACCOUNTS – 31 DECEMBER 2004

3 TAXATION

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

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
(Loss)/profit on ordinary activities before taxation	-	153
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003: 30%)	-	46
Effects of:		
Permanent differences	(126,986)	-
Group relief not paid for	-	(46)
Losses not recognised	126,986	-
Current tax charge for the year	-	-

Tax losses with a value of £126,986 have not been recognised as their use is uncertain or not currently anticipated.

4 FIXED ASSET INVESTMENTS

	<u>Subsidiary</u> <u>companies</u> <u>£</u>
At cost:	
As at 31 December 2003	52,585,721
Exchange fluctuation	494,932
As at 31 December 2004	53,080,653

In the opinion of the Directors the value of the Company's investments in its subsidiary undertakings is not less than the amount at which they are stated in the balance sheet. The principle subsidiary undertakings at 31 December 2004 are:

	<u>Country of</u> <u>registration</u> <u>and operation</u>	<u>Holding</u>	<u>Nature of</u> <u>business</u>	<u>Proportion of</u> <u>voting rights</u> <u>and shares</u> <u>held</u>
Hanson Brick Limited	Canada	Ordinary	Brick Manufacturer	100%
Hanson Pipe & Products Canada, Inc.	Canada	Ordinary	Concrete and pipe products	100%

The Company is a wholly-owned subsidiary of a body incorporated in the European Union and advantage has been taken of S228 of the Companies Act 1985 in that consolidated accounts have not been prepared. The accounts present information about the Company as an individual undertaking.

HANSON AMERICA HOLDINGS (4) LIMITED**NOTES TO THE ACCOUNTS – 31 DECEMBER 2004****5 DEBTORS**

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Amounts due from group undertakings	16,953,492	16,953,492

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

6 CREDITORS: Amount falling due within one year

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Amount due to group undertaking	27,997,961	27,268,466

7 SHARE CAPITAL

	<u>Authorised</u> <u>£</u>	<u>Allotted, called up and fully paid</u> <u>£</u>
£1 ordinary shares		
As at 31 December 2003 and 2004	1,000	102

8 PROFIT AND LOSS ACCOUNT

	<u>£</u>
As at 31 December 2003	950
Exchange differences on foreign currency investments	494,932
Exchange differences on foreign currency loans	(729,495)
As at 31 December 2004	(233,613)

9 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Profit for the year	-	153
Exchange differences on foreign currency investments	494,932	-
Exchange differences on foreign currency loans	(729,495)	-
Opening equity shareholders' funds	42,270,747	42,270,594
Closing equity shareholders' funds	42,036,184	42,270,747

HANSON AMERICA HOLDINGS (4) LIMITED

NOTES TO THE ACCOUNTS – 31 DECEMBER 2004

10 GROUP ACCOUNTS

The immediate parent undertaking of Hanson America Holdings (4) Limited is Hanson Overseas Holdings Limited, 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 America Holdings (4) Limited is Hanson PLC.

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.