

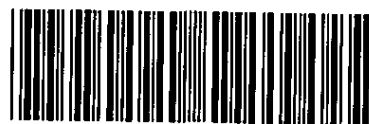
Registered number  
3247530

**HANSON HOLDINGS (2) LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**

**in respect of the year ended**

**31 December 2006**

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## **HANSON HOLDINGS (2) LIMITED**

### **Directors' Report**

Directors	G Dransfield R Coulson D J Egan
Secretary	P D Tunnaclyffe
Registered office	1 Grosvenor Place, London SW1X 7JH

The Directors present their report and accounts for the year ended 31 December 2006

#### **Principal activities and review of the business**

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

#### **Results and dividends**

The Company did not trade during the year. The Directors do not recommend the payment of a final dividend

#### **Directors**

The Directors shown at the head of this report are currently in office. N Swift resigned June 1, 2007 and D J Egan was appointed on the same day. G Dransfield and R Coulson served throughout the year.

#### **Annual General Meeting**

Pursuant to an Elective Resolution of the Company passed on 18 December 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

#### **Auditors**

The Company is entitled to dispense with the need to appoint auditors as allowed by the provisions of S249AA of the Companies Act 1985

**HANSON HOLDINGS (2) 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

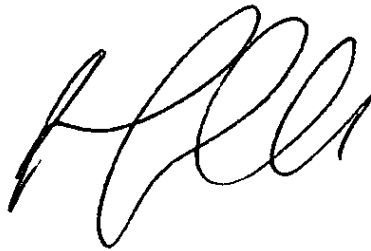
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts 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  
12 September 2007

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

**HANSON HOLDINGS (2) LIMITED**  
**Balance Sheet**  
**at 31 December 2006**

	Notes	2006 £	2005 £
<b>Fixed assets</b>			
Investments	4	1,348,082,756	1,348,082,756
<b>Current assets</b>			
Debtors	5	2,240,215,826	2,240,215,826
<b>Creditors amounts falling due within one year</b>	6	(2,727,075,324)	(2,727,075,324)
<b>Net current liabilities</b>		<u>(486,859,498)</u>	<u>(486,859,498)</u>
<b>Net assets</b>		<u>861,223,258</u>	<u>861,223,258</u>
<b>Capital and reserves</b>			
Called up share capital	7	265,307	265,307
Share premium	8	662,782,924	662,782,924
Profit and loss account	9	198,175,027	198,175,027
<b>Equity shareholders' funds</b>	10	<u>861,223,258</u>	<u>861,223,258</u>

For the year ended 31 December 2006 the Company was entitled to exemption under S249AA (1) of the Companies Act 1985,


No members have required the Company to obtain an audit of its accounts for the year in question in accordance with S249B (2) of the Companies Act 1985

The Directors acknowledge their responsibility for -

a) ensuring the Company keeps accounting records which comply with S221 of the Companies Act 1985, and

b) 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 profits and loss account for the financial year in accordance with S226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far applicable to the Company

Approved by the Board of Directors  
12 September 2007

  
D J Egan  
Director

**HANSON HOLDINGS (2) LIMITED**  
**Profit and Loss Account**  
**for the year ended 31 December 2006**

	Notes	2006 £	2005 £
<b>Operating profit</b>	2	-	-
Release of provision for diminution in value of fixed asset investments		-	14,435,779
<b>Profit on ordinary activities before taxation</b>		-	14,435,779
Taxation	3	-	-
<b>Retained profit for the financial year</b>		-	14,435,779

Movements in reserves are set out in note 9

**Statement of total recognised gains and losses**

There are no recognised gains or losses for the year ended 31 December 2006 (profit of £14,435,779 for the year ended 31 December 2005)

**HANSON HOLDINGS (2) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2006**

**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

***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

**2 Operating profit**

	2006 £	2005 £
This is stated after charging		
Auditors' remuneration	-	-
Directors' remuneration	-	-
	<hr/>	<hr/>

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

**HANSON HOLDINGS (2) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2006**

**3 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

	2006 £	2005 £
Profit on ordinary activities before taxation	-	14,435,779
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% (2005 30%)	-	4,330,734
Effects of		
Release of provision for diminution in value of subsidiary undertaking not taxable	-	(4,330,734)
Imputed interest	-	(7,301,140)
Group relief surrendered for nil charge	-	7,301,140
Current tax charge for the year	-	-

**HANSON HOLDINGS (2) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2006**

**4 Investments**

	<b>Cost</b>	<b>Provision</b>	<b>Net</b>
<b>Investments in subsidiary undertakings</b>	<b>£</b>	<b>£</b>	<b>Book Value</b>
			<b>£</b>
At 1 January 2006	1,506,878,098	(158,795,342)	1,348,082,756
At 31 December 2006	<u>1,506,878,098</u>	<u>(158,795,342)</u>	<u>1,348,082,756</u>

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 principal subsidiary undertakings are as follows:

<b>Company</b>	<b>Country of registration and operation</b>	<b>Shares held</b>	<b>Principal activity</b>	<b>Proportion of voting rights and shares held</b>
		<b>Class</b>		<b>%</b>
CGF Netherlands BV	Netherlands	Ordinary	Investment company	100
CGF Pty Limited	Australia	Ordinary	Investment company	100
Visionfocus Limited	England and Wales	Ordinary	Investment company	100

The Company is a wholly-owned subsidiary undertaking 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.

**5 Debtors**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<u>2,240,215,826</u>	<u>2,240,215,826</u>

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



**HANSON HOLDINGS (2) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2006**

**6 Creditors, amounts falling due within one year**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>

Amounts owed to group undertakings	<u>2,727,075,324</u>	<u>2,727,075,324</u>
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**7 Share capital**

	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>

Authorised				
'A' Ordinary shares of £1 each	75,000	75,000	75,000	75,000
'B' Ordinary shares of £1 each	225,000	225,000	<u>225,000</u>	<u>225,000</u>
			<u>300,000</u>	<u>300,000</u>

	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid				
'A' Ordinary shares of £1 each	66,305	66,305	66,305	66,305
'B' Ordinary shares of £1 each	199,002	199,002	<u>199,002</u>	<u>199,002</u>
			<u>265,307</u>	<u>265,307</u>

The voting dividend and distribution rights are in the proportion 9,999 97332 1 for each 'A' and 'B' share respectively

**8 Share premium**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>

At 1 January	662,782,924	662,782,924
At 31 December	<u>662,782,924</u>	<u>662,782,924</u>

**9 Profit and loss account**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>

At 1 January	198,175,027	183,739,248
Profit for the financial year	-	14,435,779
At 31 December	<u>198,175,027</u>	<u>198,175,027</u>

**10 Reconciliation of movement in shareholders' funds**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>

At 1 January	861,223,258	846,787,479
Profit for the financial year	-	14,435,779
At 31 December	<u>861,223,258</u>	<u>861,223,258</u>

**HANSON HOLDINGS (2) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2006**

**11 Group accounts**

The immediate parent undertaking of Hanson Holdings (2) Limited is Beforebeam Limited, a company registered in England and Wales and the ultimate parent undertaking at 31 December 2006 was Hanson PLC, a company registered in England and Wales. The largest and smallest group preparing consolidated group accounts which include Hanson Holdings (2) Limited is Hanson PLC for the year ended 31 December 2006.

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.

On 23 August 2007, Lehigh UK Limited ("Lehigh") became the owner of the entire share capital of Hanson PLC. Lehigh's immediate and ultimate parent company is HeidelbergCement AG, a company incorporated in Germany. HeidelbergCement AG is the largest and smallest company preparing consolidated accounts including Lehigh, and consequently, from 23 August 2007, HeidelbergCement AG will be the largest and smallest company preparing consolidated accounts including Hanson Holdings (2) Limited.