

GALILEO BRICK LIMITED

REGISTERED NO. 4358273

DIRECTORS' REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

TUESDAY



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COMPANIES HOUSE

GALILEO BRICK LIMITED

DIRECTORS

**H SCHEUCH
H A SCHWARZMAYR
B J KOEKOEK
P STEVENSON**

SECRETARY

K S FEW

REGISTERED NO 4358273

REGISTERED OFFICE

**WIENERBERGER HOUSE
BROOKS DRIVE
CHEADLE ROYAL BUSINESS PARK
CHEADLE
CHESHIRE
SK8 3SA**

AUDITORS

KPMG LLP

GALILEO BRICK LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

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GALILEO BRICK LIMITED

DIRECTORS' REPORT

The directors present their Directors' Report and the financial statements for the year ended 31 December 2009

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company has been dormant during the period. During the year the company received the en specie distribution regarding its investment in Galileo Block limited and Galileo Block 2 Limited. This resulted in a loss on the investment of £553,000.

RESULTS AND DIVIDENDS

The company's profit after taxation on ordinary activities for the year was £293,000 (2008 profit £380,000)

Dividends of £nil (2008 £nil) were paid in the year

DIRECTORS DURING THE YEAR

H Scheuch
B J Koekoek
H Schwarzmayer
P Stevenson

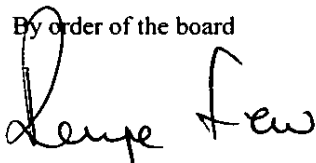
DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware there is no relevant audit information of which the company's auditors are unaware and each director has taken steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



K S FEW
SECRETARY

12 August 2010

Company Number 4358273

Wienerberger House
Brooks Drive
Cheadle Royal Business Park
Cheadle
Cheshire
SK8 3SA

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTOR'S REPORT
AND 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards 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 adequate 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions



St James' Square
Manchester M2 6DS
United Kingdom

Independent auditors' report to the members of Galileo Brick Limited

We have audited the financial statements of Galileo Brick Limited for the year ended 31 December 2009 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, 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.

Independent auditors' report to the members of Galileo Brick Limited (continued)

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



**Stuart Burdass (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

20 August 2010

Chartered Accountants
St James' Square
Manchester M2 6DS
United Kingdom

GALILEO BRICK LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	<i>NOTE</i>	Year Ended 31 December 2009 £000	Year Ended 31 December 2008 £000
Other Income		-	257
Loss on liquidation of investment		(554)	-
Interest receivable	4	970	209
Interest payable and similar charges	5	(123)	(210)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2-5	293	256
Taxation	6	-	124
PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS		293	380

There are no other gains and losses other than those presented above and therefore no Statement of Total Recognised Gains and Losses has been presented

The notes from pages 7 to 11 form part of the financial statements

GALILEO BRICK LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2009

	<i>NOTE</i>	2009 £000	2008 £000
FIXED ASSETS			
Investments	7	18,508	37,570
CURRENT ASSETS			
Debtors due in less than one year	8	581	175
NET CURRENT LIABILITIES		581	175
TOTAL ASSETS LESS CURRENT LIABILITIES		19,089	37,745
CREDITORS: Amounts falling due after more than one year	9	(19,427)	(38,376)
NET LIABILITIES		(338)	(631)
CAPITAL AND RESERVES			
Called-up share capital	10	2,000	2,000
Profit and loss account	11	(2,338)	(2,631)
EQUITY SHAREHOLDERS' DEFICIT FUNDS	12	(338)	(631)

The notes from pages 7 to 11 form part of the financial statements

These financial statements were approved by the board on 12 August 2010 and were signed on its behalf by



(P STEVENSON) DIRECTOR

Company Number 4358273

GALILEO BRICK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements,

Basis of preparation

The financial statements are prepared on the historical cost basis of accounting in accordance with applicable accounting standards. The financial statements have been prepared on a going concern basis.

Investments in subsidiary companies

Investments in subsidiary companies are stated at cost less provision for any impairment in value.

Deferred taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not yet reversed by the balance sheet date, except as otherwise required by FRS 17.

Cashflow

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Consolidation

As permitted by section 400 of the Companies Act 2006, no group financial statements have been prepared as the company is a wholly owned subsidiary undertaking of Wienerberger AG, which has drawn up group financial statements.

Related Party Transactions

The directors have taken advantage of the exemptions from the disclosures of related party transactions with the other group companies as permitted by paragraph 3 of Financial Reporting Standards 8 - "Related Party Disclosures".

Dividends

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Going Concern

Gahleo Brick Limited is part of the Wienerberger group of companies. The UK Group is exempt from preparing consolidated accounts in the UK, as the UK entities are consolidated by Wienerberger AG. The company is dependant upon the UK trading business, Wienerberger Limited, and ultimately Wienerberger AG, for its continued support to allow it to continue as a going concern. In the year to 31 December 2009 Wienerberger Limited reported losses of £9,460,000 for the year.

During 2008 the trading business undertook a restructuring in order to manage its cost base and allow the UK business to continue as a going concern. The finance facilities available to Wienerberger Limited is part of the global facility for the Wienerberger AG Group. The Directors of Wienerberger Limited have also received a letter of group support from Wienerberger AG, the ultimate parent undertaking.

The Directors of Gahleo Brick Limited have received a letter of group support from the Directors of Wienerberger Limited the trading entity of the UK group, pledging to continue to support the company for the period of no less than 12 months from the date of signing these financial statements and to ensure it can settle its debts as they fall due and pledging not to require the repayment of any intercompany creditors in the same period.

The Directors of Gahleo Brick Limited have considered this letter, the facilities available to Wienerberger Limited and the letter of group support received by Wienerberger Limited from Wienerberger AG and believe it is appropriate to prepare these accounts on a going concern basis as they will not be required to repay the intercompany indebtedness within 12 months from the date of signing these financial statements.

GALILEO BRICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS - Continued

1 ACCOUNTING POLICIES Continued

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds

2 DIRECTORS' EMOLUMENTS AND EMPLOYEES

No amounts were paid for the services of directors during the year (2008: £nil). The company had no employees in the year (2008: none)

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

Auditors' remuneration in respect of the audit of these financial statements of £1,500 (2008: £1,500) has been borne by another group company and no recharge has been made

4 INTEREST RECEIVABLE

	Year ended 31 December 2009 £000	Year ended 31 December 2008 £000
Preference dividends received	175	175
Interest receivable from group undertakings	<u>795</u>	<u>34</u>
	<u>970</u>	<u>209</u>

5 INTEREST PAYABLE

	Year ended 31 December 2009 £000	Year ended 31 December 2008 £000
Interest payable to group undertakings	<u>123</u>	<u>210</u>

GALILEO BRICK LIMITED
NOTES TO THE FINANCIAL STATEMENTS - Continued

6 TAXATION CHARGE

	Year ended 31 December 2009 £000	Year ended 31 December 2008 £000
<i>Current tax</i>		
Current period tax charge	-	-
Adjustment in respect of prior periods		(124)
Total current tax		(124)
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Change in tax rates or laws	-	-
Total deferred tax	-	-
Taxation (credit) / charge	-	(124)

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2008 higher) than the standard rate of corporation tax in the UK 28% (2008 28.5%)
The difference is explained below

Current tax reconciliation

Loss on ordinary activities before tax	293	256
Current tax at 28% (2008 28.5%)	82	73
<i>Effects of</i>		
Income not taxable and expenses not deductible	106	(50)
Group relief	(188)	(23)
Adjustment in respect of prior periods	-	124
Total current tax credit	-	124

7 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	Galileo Block 2 Limited	Galileo Block Limited	Chelwood Group Unlimited	Investment in group undertakings £000
<i>Cost</i>				
At 31 December 2008	-	24,148	18,508	42,656
<i>Disposals/ repayments</i>				
At 31 December 2008	-	(5,086)	-	(5,086)
Disposal	-	(18,508)	-	(18,508)
Impairment	-	(554)	-	(554)
At 31 December 2009	-	(24,148)	-	(24,148)
<i>Net book value at:</i>				
At 31 December 2009	-	-	18,508	18,508
At 31 December 2008	-	19,062	18,508	37,570

The Company received an en specie distribution of £18,508,000 after the liquidation of Galileo Block Limited and Galileo Block 2 Limited

The company owns the entire share capital of the following subsidiaries

<i>Company</i>	<i>Business</i>	<i>Ordinary share capital owned by the company</i>
Galileo Trustee Limited	Non-trading	100.0%
Chelwood Group Unlimited	Non-trading	99.9%

All subsidiary undertakings are registered in England and Wales

GALILEO BRICK LIMITED
NOTES TO THE FINANCIAL STATEMENTS - Continued

8 DEBTORS

31 December 2009 £000	31 December 2008 £000
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Amounts falling due within one year

Amounts due from fellow group companies	581	175
	<u>581</u>	<u>175</u>

The amounts shown above include unpaid preference share dividends of £350,000 (2008 175,000) plus its associated interest
This is accrued at the rate of Libor plus 2%

9 CREDITORS - Amounts falling due after more than one year:

31 December 2009 £000	31 December 2008 £000
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Amounts due > 5 years:

Amounts owed to fellow group companies	<u>19,427</u>	<u>38,376</u>
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Amounts owed to parent and subsidiary companies bear interest at Libor plus 2% All amounts are repayable on demand

10 CALLED-UP SHARE CAPITAL

31 December 2009 £000	31 December 2008 £000
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Authorised.

9,560,000 "A" Ordinary shares of 10p each	956	956
440,000 "B" Ordinary shares of 10p each	44	44
10,000,000 Deferred shares of 10p each	<u>1,000</u>	<u>1,000</u>
	<u>2,000</u>	<u>2,000</u>

Allotted, called-up and fully paid:

9,560,000 "A" Ordinary shares of 10p each	956	956
440,000 "B" Ordinary shares of 10p each	44	44
10,000,000 Deferred shares of 10p each	<u>1,000</u>	<u>1,000</u>
	<u>2,000</u>	<u>2,000</u>

The shares of the company have the following rights -

"A" ORDINARY SHARES

Dividends

"A" ordinary share holders are entitled to receive 91 4% of dividends declared from distributable profits

Voting

Each "A" ordinary shareholder is entitled to one vote for every share held

Conversion

Conversion on a one to one basis into ordinary shares is to take place in the event of -

- 1) Admission of the company to the London Stock Exchange, or
- 2) The whole of the issued ordinary shares and "A" ordinary shares are sold to a single purchaser, or
- 3) A members' voluntary winding up

Winding Up

In the event of a winding up the "A" ordinary shares rank alongside the ordinary shares in any distribution of company assets to the total value of subscription price

Further, in the event of surplus assets remaining after repayment of all subscription capital, dividend arrears and interest thereon "A" ordinary shares shall receive a proportion of such surplus pari passu with ordinary shares

GALILEO BRICK LIMITED
NOTES TO THE FINANCIAL STATEMENTS - Continued

CALLED-UP SHARE CAPITAL

"B"ORDINARY SHARES

Dividends

Ordinary shareholders are entitled to receive 8 6% of dividends declared from distributable profits

Voting

Each ordinary shareholder is entitled to one vote for every share held

Winding Up

In the event of a winding up the Ordinary shares rank alongside the "A" ordinary shares in any distribution of company assets to the total value of subscription price

Further, in the event of surplus assets remaining after repayment of all subscription capital, dividend arrears and interest thereon ordinary shares shall receive a proportion of such surplus pari passu with "A" ordinary shares

11 RESERVES

**Profit and
Loss
account
£000**

At 31 December 2008	(2,631)
Profit for the financial year	293
At 31 December 2009	<u>(2,338)</u>

12 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS? (DEFECIT)

	31 December 2009 £000	31 December 2008 £000
Profit for the financial year	<u>293</u>	<u>380</u>
Net increase in shareholders' funds	293	380
Opening shareholders' deficit	(631)	(1,011)
Closing shareholders' deficit	<u>(338)</u>	<u>(631)</u>

13 ULTIMATE PARENT UNDERTAKING

The directors' consider the ultimate parent company to be Wienerberger AG, which is the only undertaking that prepares group accounts including the financial statements of the company
The consolidated group accounts are available from Wienerberger AG, Wienerbergerstrasse 11, A-1100 Wien, Wienerberg City, Austria