

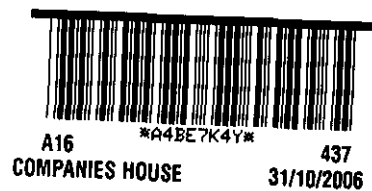
HeidelbergCement Holdings Limited

(Formerly HeidelbergCement UK Limited)

Report and Financial Statements

31 December 2005

Registered Number: 4968889



HeidelbergCement Holdings Limited (formerly HeidelbergCement UK Limited)

Registered No. 4968889

DIRECTORS

P W Weller

I L Flavell

SECRETARY

I M Mander

AUDITORS

Ernst & Young LLP

No. 1 Colmore Square

Birmingham

B4 6HQ

REGISTERED OFFICE

Park Square

3160 Solihull Parkway

Birmingham Business Park

Birmingham

B37 7YN

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2005.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company was incorporated on 19 November 2003 as Hamsard 2689 Limited with 1 ordinary share of £1. On 30 January 2004 the Company changed its name to HeidelbergCement UK Limited and issued a further 1,949,999 ordinary shares of £1. On 30 June 2006 the Company changed its name to HeidelbergCement Holdings Ltd.

The principal activity of the Company is that of a holding company. The Company will continue as a holding company for the foreseeable future.

RESULTS AND DIVIDENDS

The profit and loss account for the period shows a profit on ordinary activities after tax of £498 (2004: £346). The directors do not recommend the payment of a dividend (2004: nil).

DIRECTORS AND DIRECTORS' INTERESTS

The present directors of the Company and those who served during the year are listed below:

I L Flavell
P W Weller

There are no interests in the share capital of the ultimate parent company requiring disclosure under the Companies Act.

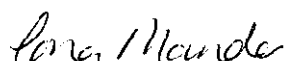
INDEMNITY PROVISIONS FOR DIRECTORS

During 2005, the ultimate parent undertaking defined in note 20 carried insurance under the title "Executive Protection Program" from which HeidelbergCement Holdings Ltd and its Directors derive potential benefit. The cover includes Directors and Officers Liability Insurance, Pension Liability cover, Employment Practices Liability cover and Crime cover. The details of this Policy have been disclosed to the Auditors and Shareholders.

AUDITORS

Under an elective resolution passed on 7 May 2004, the Company elected to dispose with the obligation to appoint auditors annually. Accordingly Ernst & Young LLP will be reappointed as auditors.

By order of the board



I M Mander
Secretary

Dated 30 October 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial period 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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HEIDELBERGCEMENT UK LIMITED

We have audited the Company's financial statements for the period ended 31 December 2004 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 10. These financial statements 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 Section 235 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

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice) as set out in the statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements 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 financial statements, 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 International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31 December 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP

Registered Auditor

Birmingham

Dated 30/10/06

HeidelbergCement Holdings Limited (formerly HeidelbergCement UK Limited)

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2005

		<i>Year ended</i>	<i>13 months</i>
		<i>2005</i>	<i>ended</i>
	<i>Note</i>	<i>£</i>	<i>2004</i>
			<i>£</i>
Interest receivable and similar income	2	712	494
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>712</u>	<u>494</u>
Tax on profit on ordinary activities	4	(214)	(148)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	9	<u>498</u>	<u>346</u>

There were no recognised gains or losses other than the retained profit for the period ended 31 December 2005.

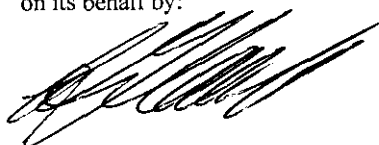
All activities relate to continuing operations.

HeidelbergCement Holdings Limited (formerly HeidelbergCement UK Limited)

BALANCE SHEET at 31 December 2005

	<i>Note</i>	<i>2005</i> £	<i>2004</i> £
FIXED ASSETS			
Investments	5	1,935,000	1,935,000
CURRENT ASSETS			
Debtors	6	16,207	15,494
CREDITORS: amounts falling due within one year	7	(363)	(148)
NET CURRENT ASSETS		15,844	15,346
TOTAL ASSETS LESS CURRENT LIABILITIES		1,950,844	1,950,346
CAPITAL AND RESERVES			
Called up share capital	8	1,950,000	1,950,000
Profit and loss account		844	346
EQUITY SHAREHOLDERS' FUNDS	9	1,950,844	1,950,346

These financial statements were approved by the board of directors on 30 October 2006 and were signed on its behalf by:



I L Flavell
Director

NOTES TO THE FINANCIAL STATEMENTS
at 31 December 2005

1. ACCOUNTING POLICIES

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

Basis of preparation

The financial statements have been prepared in accordance with applicable UK Accounting Standards and under the historical cost convention.

The Company is exempt by virtue of S228 of the Companies Act 1985 from the requirement to prepare group financial statements (see note 13). These financial statements present information about the Company as an individual undertaking and not about its Group.

Cash flow statement

The Company is a wholly owned subsidiary of HeidelbergCement AG, a company incorporated in Germany. HeidelbergCement AG publishes a consolidated cash flow statement for the Group including the Company. Therefore the Company is not required under FRS1 to publish its own cash flow statement.

Related party transactions

As the Company is a wholly owned subsidiary of HeidelbergCement AG, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties).

2. INTEREST RECEIVABLE AND SIMILAR INCOME

	2005	2004
	£	£
Interest receivable from parent and fellow subsidiary undertakings	712	494

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The directors were not remunerated during the period for their services in connection with HeidelbergCement UK Limited.

The audit fee has been borne by Scancem Group Limited for the period.

The Company had no employees during the period.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge in the period:

	2005	2004
	£	£
UK Corporation tax (note 4(b))	214	148

(b) Factors affecting the current tax charge for the period:

	2005	2004
	£	£
Profit on ordinary activities before tax	712	494

HeidelbergCement Holdings Limited (formerly HeidelbergCement UK Limited)

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2005

Profit on ordinary activities at the standard rate
of tax of 30% (note 4(a))

214

148

5. INVESTMENTS

Subsidiary
Undertakings
£

Cost and net book value:

As at 1 January 2005 and 31 December 2005

1,935,000

The principal subsidiary undertakings of the Company at 31 December 2005 are shown below.

UK subsidiary undertakings
Company

Country of registration

Activity

Scancem Supply Limited (1)

England and Wales

Non-trading

(1) Wholly owned by HeidelbergCement Holdings Limited.

6. DEBTORS

2005
£

2004
£

Amounts owed by fellow subsidiary undertakings

16,207

15,494

7. CREDITORS: amounts falling due within one year

2005
£

2004
£

UK Corporation tax

363

148

8. SHARE CAPITAL

2005
£

2004
£

Authorised:
1,950,000 ordinary shares of £1 each

1,950,000

1,950,000

Allotted, called up and fully paid:
1,950,000 ordinary shares of £1 each

1,950,000

1,950,000

HeidelbergCement Holdings Limited (formerly HeidelbergCement UK Limited)

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2005

9. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2004 £
Opening Shareholder fee	1,950,346
Profit for the financial period	844
	<hr/>
Closing shareholders' funds	1,950,844
	<hr/>

10. PARENT UNDERTAKINGS

The Company's immediate parent undertaking is HeidelbergCement AG, a Company incorporated in Germany. HeidelbergCement AG is also the ultimate parent undertaking and controlling party. This is the largest and smallest company, which prepares consolidated financial statements that include the Company. Copies of the consolidated financial statements of HeidelbergCement AG may be obtained from Berliner Strasse 6, D-69120 Heidelberg, Germany.