

HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013



HANSON HOLDINGS (2) LIMITED

COMPANY INFORMATION

DIRECTORS

D J Clarke
E A Gretton
N Benning-Prince (appointed 15 October 2013)
R C Dowley (appointed 9 December 2013)
S Pirinccioglu (resigned 31 August 2013)

COMPANY SECRETARY

R T V Tyson

COMPANY NUMBER

03247530

REGISTERED OFFICE

Hanson House
14 Castle Hill
Maidenhead
SL6 4JJ

AUDITOR

Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

HANSON HOLDINGS (2) LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 6
Balance sheet	7
Notes to the financial statements	8 - 11

HANSON HOLDINGS (2) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

BUSINESS REVIEW

The Company is a group investment holding company. It had no transactions that affected the profit and loss account during the current or prior year and, therefore, the financial statements comprise the balance sheet and related notes only.

During the year the Company received amounts from intercompany debtors and repaid part of an intercompany creditor balance.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's results arise from transactions with fellow group undertakings in the group headed by HeidelbergCement AG. The Directors are therefore of the opinion that the Company is not directly exposed to significant risks and uncertainty; however, by the very nature of its activities, the Company is indirectly exposed to similar risks and uncertainties to those faced by other group companies. Details of the proposed risks and uncertainties facing the group headed by HeidelbergCement AG are disclosed in the financial statements of that Company.

This report was approved by the board on 22 September 2014 and signed on its behalf.



**R T V Tyson
Secretary**

HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors present their report and the financial statements for the year ended 31 December 2013.

RESULTS AND DIVIDENDS

The result for the year, after taxation, amounted to £nil (2012: £nil). The Directors do not recommend the payment of a final dividend (2012: £nil).

FUTURE DEVELOPMENTS

The Directors anticipate the Company will continue as a group investment holding company for the foreseeable future.

GOING CONCERN

The Company is a group investment holding company and its assets comprise investments in group undertakings and amounts receivable from group undertakings. In addition, the carrying value of the Company's investments in group undertakings is also supported by amounts receivable from group undertakings held by those entities. The recoverability of these assets is dependent on the financial position of the HeidelbergCement AG group, of which the Company is an indirect subsidiary.

The Directors, having assessed the responses of the management of the Company's ultimate parent HeidelbergCement AG to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the HeidelbergCement AG group to continue as a going concern.

On the basis of their assessment of the Company's financial position and of the enquiries made of the management of HeidelbergCement AG, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The Directors who served during the year were:

D J Clarke
E A Gretton
N Benning-Prince (appointed 15 October 2013)
R C Dowley (appointed 9 December 2013)
S Pirinccioglu (resigned 31 August 2013)

DIRECTORS' INDEMNITY

A fellow group undertaking has indemnified, by means of directors and officers' liability insurance, one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of 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.

HANSON HOLDINGS (2) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

Ernst & Young LLP, having confirmed their willingness to act, will continue in office as auditor of the Company.

This report was approved by the board on 22 September 2014 and signed on its behalf.



R T V Tyson
Company secretary

HANSON HOLDINGS (2) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors are responsible for preparing the Strategic report, 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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;
- 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 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 AUDITOR'S REPORT TO THE MEMBERS OF HANSON HOLDINGS (2) LIMITED

We have audited the financial statements of Hanson Holdings (2) Limited for the year ended 31 December 2013, which comprise the Balance sheet and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 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 AUDITOR

As explained more fully in the Directors' responsibilities statement, 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 Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom 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

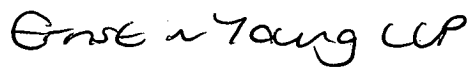
In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HANSON HOLDINGS (2) LIMITED

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.



Jane Barwell (Senior statutory auditor)

for and on behalf of
Ernst & Young LLP, Statutory Auditor

The Paragon
Counterslip
Bristol
BS1 6BX

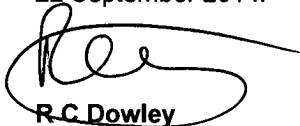
23 September 2014

HANSON HOLDINGS (2) LIMITED
REGISTERED NUMBER: 03247530

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£000	2013 £000	£000	2012 £000
FIXED ASSETS					
Investments	2		871,052		871,052
CURRENT ASSETS					
Debtors	3	758,030		2,714,690	
CREDITORS: amounts falling due within one year	4	(579,117)		(2,535,777)	
NET CURRENT ASSETS			178,913		178,913
NET ASSETS			1,049,965		1,049,965
CAPITAL AND RESERVES					
Called up share capital	5		268		268
Share premium account	6		662,783		662,783
Profit and loss account	6		386,914		386,914
SHAREHOLDERS' FUNDS	7		1,049,965		1,049,965

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 September 2014.


R.C. Dowley
 Director

The notes on pages 8 to 11 form part of these financial statements.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.2 Going concern

The accounts have been prepared on a going concern basis as the Company is in a position to meet its obligations as they fall due.

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Investments

Fixed asset investments are stated at cost less provision for impairment.

1.5 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation of fixed assets (and similar fair value adjustments), or gains on disposal of fixed assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made when, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled into replacement assets and charged to tax only when the replacement assets are sold.

- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.6 Dividends

Income is recognised after the Company's right to receive payment is established.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2013 and 31 December 2013	1,289,029
Impairment	
At 1 January 2013 and 31 December 2013	417,977
Net book value	
At 31 December 2013	871,052
At 31 December 2012	871,052

Subsidiary undertakings

The investments in which the Company directly held any class of share capital are as follows:

<u>Name</u>	<u>Class of share</u>	<u>Holding</u>	<u>Business</u>	<u>Registered office</u>
Visionfocus Limited	Ordinary	100 %	Investment holding company	England and Wales
Hanson (MR) Limited	Ordinary	0.04 %	Dormant	England and Wales
CGF Pty Limited	Ordinary	100 %	Investment holding company	Australia
	Preference	100 %		

The Directors of the Company are of the opinion that the number of indirectly owned subsidiary undertakings in respect of which the Company is required to disclose information under section 409 of the Companies Act 2006 is such that it would result in information of excessive length. Advantage has been taken of section 410 of the Companies Act 2006 in that the information is only given relating to directly held investments.

3. DEBTORS

	2013 £000	2012 £000
Due within one year		
Amounts owed by group undertakings	758,030	2,714,690

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

4. CREDITORS:

Amounts falling due within one year

	2013 £000	2012 £000
Amounts owed to group undertakings	579,117	2,535,777

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

5. SHARE CAPITAL

	2013 £000	2012 £000
Allotted, called up and fully paid		
66,305 'A' ordinary shares of £1 each	66	66
201,800 'B' ordinary shares of £1 each	202	202
	<u>268</u>	<u>268</u>

The voting, dividend and distribution rights are in the proportion 9,999.97332:1 for each 'A' and 'B' share respectively.

6. RESERVES

	Share premium account £000	Profit and loss account £000
At 1 January and 31 December	662,783	386,914

7. MOVEMENT ON RESERVES AND RECONCILIATION OF SHAREHOLDERS' FUNDS

	2013 £000	2012 £000
Shareholders' funds at 1 January and 31 December	1,049,965	1,049,965

8. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS8: Related Party Transactions, not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

9. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Beforebeam Limited, a company registered in England and Wales. The Company's ultimate parent undertaking is HeidelbergCement AG, a company registered in Germany. The largest and smallest group in which the results of the Company are consolidated is that headed by HeidelbergCement AG. Copies of the consolidated financial statements of HeidelbergCement AG may be obtained from Berliner Strasse 6, D-69120 Heidelberg, Germany.