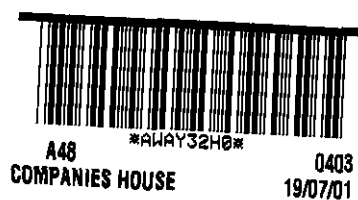


Steetley Building Products Limited
(Registered Number 177607)

Directors' Report And Accounts

For The Year Ended 31 December 2000



Steetley Building Products Limited

Directors' Report

For The Year Ended 31 December 2000

The directors present their report and audited accounts of the Company for the year ended 31 December 2000.

Directors' Statement Of Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year 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; 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 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 of fraud and other irregularities.

Principal Activity And Future Prospects

The Company has not traded in the year and has only incurred minor expenditure. The directors do not anticipate that the company will commence trading in the foreseeable future.

Results And Dividends

The Company's profit for the year was £ Nil (1999: profit of £77,000). The directors do not recommend the payment of a dividend for the year ended 31 December 2000 (1999: £nil).

Directors

The directors who held office throughout the year were as follows:

Mr P A Chitty
Mr R A Elliott
Mr S Hutwohl

Steetley Building Products Limited

Directors' Report (Continued)

For The Year Ended 31 December 2000

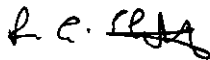
Directors' Interests

No director had any interest in the shares of the company or any other UK group company during the year.

Auditors

A resolution regarding the reappointment of Deloitte & Touche as auditors to the company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board
For Redland Secretaries Limited



R A Elliott
Secretary

4 JULY 2001

Bradgate House
Groby
Leicester
LE6 0FA

Company Registration Number 177607

Auditors' Report To The Members Of Steetley Building Products Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 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 the company's affairs as at 31 December 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
Global House
High Street
Crawley
West Sussex RH10 1DL

Chartered Accountants
and Registered Auditors

12 July 2001

Steetley Building Products Limited

Profit And Loss Account For The Year Ended 31 December 2000

	<i>Note</i>	2000 £'000	1999 £'000
Other operating income		-	77
Profit On Ordinary Activities Before Taxation	2	-	77
Tax on profit on ordinary activities	3	-	-
Retained Profit For The Financial Year	8	-	77

There are no recognised gains or losses other than the profit for the previous year shown above.
The movement on shareholders' funds is as follows:

	£'000	£'000
At 1 January	20,868	20,791
Retained profit for the year	-	77
At 31 December	20,868	20,868

The notes on pages 6 to 8 form part of these accounts

Steetley Building Products Limited

Balance Sheet As At 31 December 2000

	Note	2000 £'000	1999 £'000
Fixed Assets			
Investments	4	207	207
Current Assets			
Debtors	5	20,868	20,868
Creditors: Amounts Falling Due Within One Year	6	(207)	(207)
Net Current Assets		20,661	20,661
Total Assets Less Current Liabilities		20,868	20,868
Capital And Reserves			
Called up share capital	7	26,089	26,089
Profit and loss account - deficit	8	(5,221)	(5,221)
Total Equity Shareholders' Funds		20,868	20,868

Approved By The Board On

4 July 2001



P A Chitty
Director

The notes on pages 6 to 8 form part of these accounts

Steetley Building Products Limited

Notes To The Accounts For The Year Ended 31 December 2000

1 Accounting Policies

(1) Accounting Convention

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

(2) Group accounts

The Company is included in the consolidated accounts of Lafarge SA, a company registered in France. Accordingly the Company has taken advantage of the exemption given in S228 of the Companies Act 1985 from preparing and delivering group accounts.

(3) Cash flow statement

The Company is a subsidiary undertaking of Lafarge SA and is consolidated within its published financial statements. Consequently the Company has taken advantage of the exemption given in Financial Reporting Standard 1 (revised) from preparing a cash flow statement.

(4) Related party transactions

The Company has taken advantage of the exemption granted in paragraph 3(c) of FRS8 'Related Party Disclosures' not to disclose transactions with fellow group undertakings.

(5) Deferred taxation

Provision for deferred taxation is made only where there is a reasonable probability that a liability will crystallise within the foreseeable future. Any provision required will be dealt with in the accounts of Redland Finance PLC.

(6) Investments

Investments in group companies are stated at cost, less amounts provided in respect of an impairment in value.

2 Profit On Ordinary Activities Before Taxation

	2000 £'000	1999 £'000
This is stated after charging:		
Directors' emoluments	Nil	Nil

The auditors' remuneration for both 1999 and 2000 is borne by Redland PLC. Other than the directors the company had no employees in either financial year.

Steetley Building Products Limited

Notes To The Accounts For The Year Ended 31 December 2000

3 Tax On Profit On Ordinary Activities

No taxation charge is borne by the Company as any liability will be settled by Redland Finance PLC, a fellow group undertaking.

4 Investments Held As Fixed Assets

	2000 £'000	1999 £'000
Shares in group undertaking at cost	207	207

Details of the subsidiary undertaking are shown in note 9.

5 Debtors

	2000 £'000	1999 £'000
Amounts owed by parent company	20,868	20,868

6 Creditors: Amounts Falling Due Within One Year

	2000 £'000	1999 £'000
Amounts owed to group undertakings	207	207

7 Called Up Share Capital

	2000 £'000	1999 £'000
Authorised, allotted and fully paid: 104,356,324 ordinary shares of 25p each:	26,089	26,089

Steetley Building Products Limited

Notes To The Accounts For The Year Ended 31 December 2000

8 Profit And Loss Account - deficit

	£'000
At 1 January 2000	(5,221)
Retained profit for the financial year	-
At 31 December 2000	(5,221)

9 Subsidiary Undertaking

	Nature of business	Country of incorporation	Share of equity held beneficially by the Company
Lumley Brickworks Limited	Dormant	England	100%

10 Ultimate Parent Company And Controlling Entity

Lafarge S.A., a company registered in France, is the largest parent undertaking to consolidate the accounts of the Company. Lafarge S.A. is regarded by the directors as being the Company's ultimate parent company and controlling entity.

Copies of the Group accounts of Lafarge S.A. may be obtained from the Stockholder Relations Department, 61, rue des Belles Feuilles, 75116 Paris, France.

Redland PLC, a company registered in England and Wales, and incorporated in Great Britain, is the smallest parent undertaking to consolidate the accounts of the Company.

Copies of the Group accounts of Redland PLC may be obtained from the Company Secretary, Redland PLC, Regent House, Dorking, Surrey, RH4 1TH.