

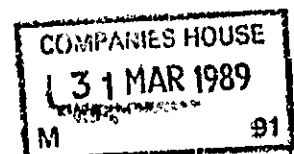
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THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
BAGGERIDGE BRICK plc

RESOLUTIONS PASSED 14th FEBRUARY 1989

At an Annual General Meeting of the Company duly convened and held at the Plough and Harrow Hotel, Hagley Road, Birmingham on Tuesday 14th February, 1989, the following Resolutions were duly proposed and passed as to Resolutions numbered 1, 2, 3 and 5 below as Ordinary Resolutions and as to Resolution numbered 4 below as a Special Resolution.

1. That the authorised share capital of the Company be increased from £6,000,000 to £12,000,000 by the creation of 24,000,000 new ordinary shares of 25 pence each.
2. That: it is desirable to capitalise the sum of £4,925,000 being the whole of the amount for the time being standing to the credit of the Company's capital redemption reserve and the balance being part of the amount for the time being standing to the credit of the Company's revaluation reserve and accordingly that such sum be set free for distribution amongst the ordinary shareholders registered at the close of business on 23rd February, 1989 who would be entitled to such sum if distributed by way of dividend and in the same proportions on the footing that the same be not paid in cash but be applied in payment up in full of 19,700,000 of the unissued ordinary shares of 25 pence each in the capital of the Company to be allotted and distributed credited as fully paid amongst such members in the proportion of one new ordinary share of 25 pence each for every one ordinary share of 25 pence each then held and the Board shall give effect to such Resolution. The new ordinary shares of 25 pence each shall not rank for the final dividend in respect of the year ended 30th September, 1988 but shall in all other respects rank pari passu with the existing issued ordinary shares of 25 pence each.
3. That: the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities within the meaning of Section 80 of the Companies Act 1985 ("the Act") up to an aggregate nominal amount of £2,150,000 during the period from the passing of this Resolution up to and including 13th February 1994 on which date such authority will expire save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
4. That: the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94 of the Act) as if sub-section (1) of Section 89 of the Act did not apply to any such allotment provided that this power shall be limited:



- (A) To the allotment of equity securities in connection with or pursuant to a rights issue in favour of ordinary shareholders and other persons entitled to participate therein in the proportions (as nearly as may be) to such shareholders or to such other persons' holdings of such shares or (as appropriate) to the number of such shares which such other persons are for these purposes deemed to hold subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with legal and practical problems under the laws or requirements of any recognised regulatory body in any territory.
- (B) To the allotment of equity securities pursuant to the rules of the Baggeridge Brick plc 1985 Executive Share Option Scheme or pursuant to the rules of the Baggeridge Brick plc Savings Related Share Option Scheme in force from time to time,
- (C) To the allotment (other than pursuant to sub-paragraphs (A) or (B) above) of equity securities up to an aggregate nominal value of £246,250

and shall expire at the conclusion of the next annual general meeting of the Company save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

- 5. That: the Company be and is hereby authorised to purchase up to an aggregate of 1,970,000 shares of 25p each at a price which shall not be greater than 5% above the average of the middle market quotations for the ten business days prior to such purchase and not less than 25p per share (in each case exclusive of expenses) provided that the authority conferred by this resolution shall expire at the conclusion of the next annual general meeting of the Company (except in relation to the purchase of shares the contract for which was concluded before such date and which might be executed wholly or partly after such date).

J. M. Southall,

J. M. Southall
Company Secretary