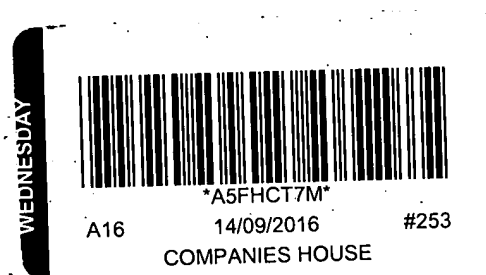


Registered number: 00933387

BEAZER LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015



BEAZER LIMITED

COMPANY INFORMATION

DIRECTORS

D J Clarke
E A Gretton
N Benning-Prince
R C Dowley

COMPANY SECRETARY

W F Rogers

REGISTERED NUMBER

00933387

REGISTERED OFFICE

Hanson House
14 Castle Hill
Maidenhead
SL6 4JJ

INDEPENDENT AUDITOR

Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

BEAZER LIMITED

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BEAZER LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

BUSINESS REVIEW

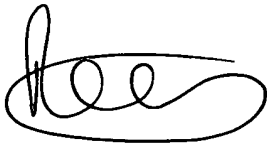
The Company is a group investment holding company.

During the year the Company adopted FRS 101 'Reduced Disclosure Framework' and has taken advantage of the disclosure exemptions allowed under this standard. The Company's ultimate parent undertaking, HeidelbergCement AG, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions. The policies applied under FRS 101 are not materially different to those under the entity's previous accounting framework and as such the adoption of FRS 101 has not impacted equity or the profit of the Company.

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 uncertainties, however, by the very nature of its activities the Company is indirectly exposed to similar risks and uncertainties to those faced by other group undertakings. Details of the principal 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 31 August 2016 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'R C Dowley', enclosed within a large, loopy oval shape.

R C Dowley
Director

BEAZER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their report and the financial statements for the year ended 31 December 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £43,000 (2014 - loss £50,000).

The Directors do not recommend the payment of a final dividend (2014 - £nil).

FUTURE DEVELOPMENTS

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

GOING CONCERN

The Company has limited activity and has limited cash flows outside of the HeidelbergCement AG ("HCAG") group. The recoverability of its assets is dependent on the financial position of the HCAG group.

The Directors, having assessed the responses of the management of HCAG to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the HCAG group to continue as a going concern.

On the basis of their assessment of the Company's financial position and relevant enquiries, the 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
R C Dowley

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. 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.

The articles of association also provide for the Directors to be indemnified by the Company subject to the provisions of the Companies Act.

BEAZER LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

DISCLOSURE OF INFORMATION TO AUDITOR

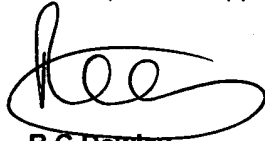
Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- 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 auditors of the company.

This report was approved by the board on 31 August 2016 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'R C Dowley', enclosed within a large, loopy oval shape.

R C Dowley
Director

BEAZER LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the financial statements unless 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 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 AUDITORS' REPORT TO THE MEMBERS OF BEAZER LIMITED

We have audited the financial statements of Beazer Limited for the year ended 31 December 2015, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; 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 AUDITORS' REPORT TO THE MEMBERS OF BEAZER 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

31 August 2016

BEAZER LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Administrative expenses		43	(50)
Operating profit/(loss)		<u>43</u>	<u>(50)</u>
Profit/(loss) on ordinary activities before taxation		43	(50)
Taxation on profit/(loss) on ordinary activities	5	-	-
Profit/(loss) for the financial year		<u>43</u>	<u>(50)</u>
 Total comprehensive income for the financial year		<u>43</u>	<u>(50)</u>

All amounts relate to continuing operations.

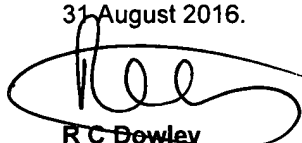
The notes on pages 10 to 18 form part of these financial statements.

BEAZER LIMITED
REGISTERED NUMBER:00933387

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
Fixed assets			
Investments	6	401,741	401,741
Current assets			
Debtors: amounts falling due within one year	7	214,563	214,601
Creditors: amounts falling due within one year	8	(610,049)	(610,130)
Net current liabilities		<u>(395,486)</u>	<u>(395,529)</u>
Net assets		<u>6,255</u>	<u>6,212</u>
Capital and reserves			
Called up share capital	9	78,500	78,500
Share premium account		249,750	249,750
Other reserves		70,098	70,098
Profit and loss account		<u>(392,093)</u>	<u>(392,136)</u>
Shareholders' funds		<u>6,255</u>	<u>6,212</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 August 2016.


R C Dowley
 Director

The notes on pages 10 to 18 form part of these financial statements.

BEAZER LIMITED**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015**

	Share capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
At 1 January 2015	78,500	249,750	70,098	(392,136)	6,212
Comprehensive income for the year					
Profit for the year	-	-	-	43	43
Total comprehensive income for the year	-	-	-	43	43
At 31 December 2015	78,500	249,750	70,098	(392,093)	6,255

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014**

	Share capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
At 1 January 2014	78,500	249,750	70,098	(392,086)	6,262
Comprehensive income for the year					
Loss for the year	-	-	-	(50)	(50)
Total comprehensive income for the year	-	-	-	(50)	(50)
At 31 December 2014	78,500	249,750	70,098	(392,136)	6,212

The notes on pages 10 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

1.1 Statement of compliance with FRS 101

Beazer Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed in the Company Information.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have, unless otherwise stated, been consistently applied to all periods presented and in preparing an opening FRS 101 balance sheet at 1 January 2014 for the purposes of transition to FRS 101.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS101) 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. There were no changes to the previously stated equity as at 1 January 2014 and 31 December 2014 or in the loss for the year ended 31 December 2014 as a result of the transition to FRS 101.

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.

1.3 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

1.4 Going concern

The financial statements have been prepared on a going concern basis as the Company's ultimate parent undertaking, which indirectly owns the Company's entire share capital, has committed to continue to support the Company for the foreseeable future, in order that it can meet its liabilities as they fall due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.5 Financial instruments

i) Financial assets other than derivatives

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus directly attributable transaction costs. The Company's financial assets include other receivables.

Subsequent measurement

The Company reviews indicators of impairment on an ongoing basis and where such indicators exist, the Company makes an estimate of the asset's recoverable amount.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. On initial recognition, loans and receivables are measured at fair value plus directly attributable transaction costs. Subsequently, such assets are measured at amortised cost, using the effective interest rate (EIR) method, less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest receivable in the Statement of comprehensive income.

Losses arising from impairment are recognised in the Statement of comprehensive income in other operating expenses.

ii) Financial liabilities other than derivatives

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings or as derivatives designated as hedging instruments in an effective hedge as appropriate. The Company determines the classification of financial liabilities at initial recognition.

Subsequent measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in interest receivable and interest payable.

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.7 Current and deferred taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exception:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

However, for taxable temporary differences associated with investment in subsidiaries, branches and associates, and interests in joint ventures, a deferred tax liability shall be recognised in accordance with IAS 12.39

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.8 Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

(i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and

(ii) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the Company exchanging a fixed amount of cash or other assets for a fixed number of the Company's own equity instruments.

The proceeds of an issue are allocated to shareholders' equity, net of transaction costs. The carrying amount of equity is not re-measured in subsequent years.

When shares are issued that create a financial liability of the Company they are presented as a liability in the Balance sheet; measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss.

The Company's cumulative redeemable preference shares and deferred shares have been accounted for as equity (see note 9).

**2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Impairment of investment

The Company reviews investments in subsidiaries and other investments for impairment if there are any indications that the carrying values may not be recoverable. The carrying value of the investment is compared to the recoverable amount and where a deficiency exists, an impairment charge is considered by management.

The recoverable amount represents the net assets of the investment at the time of the review or where applicable is represented by an estimate of future cash flows expected to arise from the investment. A suitable discount rate is applied to the future cash flows in order to calculate the present value.

Reversals of impairments are recognised where there is a favourable change in the economic assumptions in the period since the provision was made.

Recoverability of amounts owed by group undertakings

The Company reviews the recoverability of amounts owed by group undertakings by reviewing the net assets of the counterparty. If the counterparty has net liabilities a provision is made by management for the amount considered irrecoverable.

3. AUDITORS' REMUNERATION

Fees for audit and non-audit services provided to the Company have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relates to the Company.

BEAZER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

4. STAFF COSTS

The directors of the company are also directors of a number of the group's fellow subsidiaries. The directors received total remuneration of £1,002,837, which was paid by various fellow subsidiaries. The directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and their services as directors of fellow subsidiary companies.

5. TAXATION

	2015 £000	2014 £000
Current income tax		
Current UK corporation tax on profit/(loss) for the year	-	-
Total current tax	-	-

RECONCILIATION OF THE TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014 -higher than) the standard rate of corporation tax in the UK of 20.25% (2014 -21.5%)%. The differences are explained below:

	2015 £000	2014 £000
Profit/(loss) on ordinary activities before tax	43	(50)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -21.5%)%	9	(11)
Effects of:		
Group relief	(69)	(52)
Transfer pricing adjustments	60	63
Total tax charge for the year	-	-

CHANGE IN CORPORATION TAX RATE

The UK corporation tax rate was reduced from 21% to 20% effective 1 April 2015. During the year, reductions in the main corporation tax rates were enacted that will have an effect on future tax charges of the Company. The main rate reduces from 20% to 19% on 1 April 2017 and to 18% on 1 April 2020. In addition, an announcement was made after the balance sheet date amending the reduction in the main rate of corporation tax on 1 April 2020 from 18% to 17%.

BEAZER LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015****6. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2015 and 31 December 2015	<u>403,417</u>
Impairment	
At 1 January 2015 and 31 December 2015	<u>1,676</u>
Net book value	
At 31 December 2015	<u>401,741</u>
At 31 December 2014	<u>401,741</u>

SUBSIDIARY UNDERTAKINGS

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

Name	Country of incorporation	Class of shares	Holding	Principal activity
Beazer Services Limited	Isle of Man	Ordinary	100 %	Finance company
CHB Exeter Limited	England and Wales	Ordinary	100 %	Dormant
HPL Investments Limited	England and Wales	Ordinary £	100 %	Dormant
		Ordinary US\$	100 %	Dormant

BEAZER LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015****7. DEBTORS**

	2015 £000	2014 £000
Due within one year		
Amounts owed by group undertakings	<u>214,563</u>	<u>214,601</u>

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

8. CREDITORS: Amounts falling due within one year

	2015 £000	2014 £000
Amounts owed to group undertakings	610,039	610,077
Accruals and deferred income	<u>10</u>	<u>53</u>
	<u>610,049</u>	<u>610,130</u>

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

9. SHARE CAPITAL

	2015 £000	2014 £000
Authorised		
390,000,000 ordinary shares of £0.10 each	39,000	39,000
50,000,000 8.67% cumulative redeemable preference shares of £1 each	50,000	50,000
18,758,297 8.5% unsecured convertible loan stock shares of £1 each	18,758	18,758
	<u>107,758</u>	<u>107,758</u>
Allotted, called up and fully paid		
285,004,380 ordinary shares of £0.10 each	28,500	28,500
50,000,000 8.67% cumulative redeemable preference shares of £1 each	50,000	50,000
	<u>78,500</u>	<u>78,500</u>

BEAZER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. SHARE CAPITAL (continued)

The 8.67% cumulative redeemable preference shares:

(i) entitle holders to a fixed cumulative preferential dividend at a rate of 8.67% per annum per share, payable if, so far as in the opinion of the directors, the profits of the Company justify such payments, half yearly on 2 January and 2 July.

(ii) are redeemable from 2 July 2007 at the option of the Company at any time (subject to statutes)

(iii) will on a return of capital on a winding up, or otherwise, carry the right to repayment of capital plus a premium not exceeding three times the nominal value plus any accruals and arrears of the fixed dividends.

(iv) carry the right to attend and vote on a resolution at a general meeting of the Company, only if, at the date of the notice convening the meeting, payment of a dividend to which they are entitled is six months or more in arrears, or the shares have not been redeemed on the date of redemption, or if a resolution to be considered at the meeting is for the winding up of the Company, reducing its share capital, altering the limit on borrowings of the Company or varying or abrogating any special rights attaching to the shares.

The Directors have considered the accounting treatment of the 8.67% cumulative redeemable preference shares in relation to FRS 101: Financial Instruments: Disclosure and Presentation, and are of the opinion that these shares are in substance an equity instrument and are accordingly disclosed as equity in the balance sheet.

No preference share dividends have been paid in the current or prior year as the Company has insufficient distributable reserves.

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Hanson Overseas Holdings 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.

BEAZER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

11. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG. Balances outstanding at 31 December with related parties, are as follows:

	2015	2014
	£000	£000
Amounts owed by fellow subsidiary undertakings	214,563	214,601
Amounts owed to subsidiary undertakings	(404,011)	(404,011)
Amounts owed to fellow subsidiary undertakings	(206,028)	(206,066)
	<u>(395,476)</u>	<u>(395,476)</u>