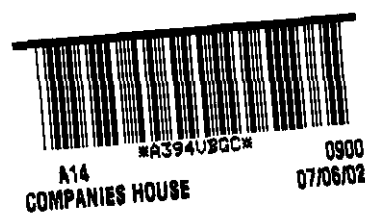


Cementation (Egypt) Limited

Report and Accounts

for the year ended

31 December 2001



Cementation (Egypt) Limited

DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the accounts and auditors' report for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES

The Company's principal activities are to carry out civil engineering, building, mining and other construction related work in Egypt. The company did not trade during the current or prior year.

BUSINESS REVIEW

The company is not seeking any new opportunities.

RESULTS AND DIVIDENDS

The directors do not propose to recommend the payment of any dividend on the issued ordinary share capital of the Company in respect of the year ended 31st December 2001 (2000: £nil).

DIRECTORS

The following persons were directors of the Company during the period:-

GF Clarke
WJ Dale

Since the year end no changes have occurred.

DIRECTORS' INTERESTS

None of the directors at 31st December 2001 had any interests requiring to be disclosed under the Companies Act 1985. There were no changes in the directors' interests between 31st December 2001, and the date of this report. No directors during the year had a material interest in any contract significant to the Company's business.

Cementation (Egypt) Limited

DIRECTORS' REPORT (continued)

AUDITORS

Pursuant to Section 386 of the Companies Act 1985 an elective resolution to dispense with the obligation to appoint auditors annually was passed at the Extraordinary General Meeting of the Company held on 30th August 1991.

By Order of the Board



Miss K M Murray
Secretary

27th May 2002

Registered office:
Maple Cross House
Denham Way
Maple Cross
Rickmansworth
Herts. WD3 9AS

Cementation (Egypt) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, 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 accounts; and,
- prepare the accounts 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 enable them to ensure that the accounts 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.

Cementation (Egypt) Limited

Independent Auditors' Report to the Members of Cementation (Egypt) Limited

We have audited the financial statements on pages 5 to 8.

Respective responsibilities of directors and auditors

The Company's directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

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.

Basis of audit opinion

We conducted our audit in accordance with 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 31st December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
KPMG
Chartered Accountants
Registered Auditors
8 Salisbury Square
London
EC4Y 8BB

29 Aug 2002

Cementation (Egypt) Limited

Profit & Loss Account for the year ended 31st December 2001

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss.

Balance Sheet at 31st December 2001

	Notes	2001 £'000	2000 £'000
CURRENT ASSETS			
Debtors	5	1,310	1,304
Cash at bank and in hand		<u>7</u>	<u>10</u>
		1,317	1,314
Creditors: Amounts falling due within one year	6	<u>(113)</u>	<u>(110)</u>
NET ASSETS		<u>1,204</u>	<u>1,204</u>
CAPITAL AND RESERVES			
Called up share capital	7	1,000	1,000
Profit and loss account	8	204	204
EQUITY SHAREHOLDERS' FUNDS	9	<u>1,204</u>	<u>1,204</u>

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

These accounts were approved by the Board of Directors on 27th May 2002 and signed on its behalf by:

GF Clarke
Director

Cementation (Egypt) Limited

Notes to the Accounts

1. Accounting Policies

A summary of the principal accounting policies, all of which have been applied consistently in the current year is set out below:

(a) Accounting conventions

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, and include the results of activities described in the directors' report all of which are continuing.

(b) Cash flow statement

The Company has taken advantage of the exemption under the rules of FRS 1 (Revised 1996) not to produce a cash flow statement. The appropriate amounts have been included in the consolidated accounts of Skanska AB, a Company registered in Sweden, which produces consolidated accounts which incorporate the results of the Company and are publicly available.

(c) Foreign Currencies

Trading results denominated in foreign currencies are translated into sterling at average rates of exchange. Assets and liabilities are translated into sterling at the rates ruling at the period end except where rates of exchange are fixed under contractual arrangements. Differences on exchange arising from the translation of opening net assets of foreign branches denominated in foreign currencies and any related loans are taken to reserves. Other exchange differences are taken to the profit and loss account when they arise.

(d) Related party transactions

The Company has taken advantage of the exemption under the rules of FRS 8 not to disclose transactions with group entities.

2. Profit on ordinary activities before taxation

Auditors' remuneration for both periods was paid for by another group Company, Skanska Cementation International Limited.

3. Staff numbers and costs

There were no employees in either period.

4. Directors' remuneration

No directors' emoluments, fees or other costs were incurred by the Company during either year. The directors' emoluments were incurred by fellow subsidiary companies of the ultimate parent Company and no part of their remuneration can be specifically attributed to the Company. No director has any entitlement under long term incentive schemes, share options or incentive schemes (2000: £nil).

Cementation (Egypt) Limited

Notes to the Accounts (continued)

5. Debtors: Amounts falling due within one year

	2001 £'000	2000 £'000
Amounts owed by fellow subsidiary undertakings	1,300	1,300
Prepayments and accrued income	10	4
	<u>1,310</u>	<u>1,304</u>

6. Creditors: Amounts falling due within one year

	2001 £'000	2000 £'000
Amounts owed to fellow subsidiary undertakings	<u>113</u>	<u>110</u>

7. Share Capital

	2001 £'000	2000 £'000
<i>Authorised:</i>		
Equity share capital: 1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid:</i>		
Equity share capital: 1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

8. Reserves

	Profit and loss account £'000
As at 31 December 2000	204
Retained profit for the financial year	-
As at 31 December 2001	<u>204</u>

Cementation (Egypt) Limited

Notes to the Accounts (continued)

9. Reconciliation of movements in shareholders' funds

	2001 £'000	2000 £'000
Opening shareholders' funds	1,204	1,204
Profit for the year	-	-
Closing shareholders' funds	<u>1,204</u>	<u>1,204</u>

10. Ultimate Parent Company

Skanska Construction Group Limited heads the smallest group in which the results of the Company are consolidated.

The ultimate parent company is Skanska AB, a company incorporated in Sweden which heads the largest group in which the results of the Company are consolidated.

Copies of the Skanska financial statements can be obtained from Skanska Construction Group Limited at Maple Cross House, Denham Way, Rickmansworth, Herts WD3 9AS.