

Medical Waste (Holdings) Limited

Report and Accounts

31 December 2000

Company Registration Number: 2808927



A12 *A01WU3IE* 0820
COMPANIES HOUSE 25/08/01

A04 ----- 0825
COMPANIES HOUSE 09/08/01

Medical Waste (Holdings) Limited

Registered No. [2808927]

DIRECTORS

R F Tapp (Appointed 24 February 2000)
G F Franklin

SECRETARY

P K Follows (Resigned 28 February 2000)
G F Franklin (Appointed 28 February 2000)

AUDITORS

Ernst & Young
Becket House
1 Lambeth Palace Road
London
SE1 7EU

REGISTERED OFFICE

84 Eccleston Square
London
SW1V 1PX

Medical Waste (Holdings) Limited

DIRECTORS' REPORT

The directors present their report for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The company did not trade during the year under review.

On 8 January 2001, it was announced that Blue Circle and Lafarge had agreed the terms on which Lafarge S.A., through its wholly-owned subsidiary Lafarge Minerals Limited, proposes to acquire Blue Circle Industries PLC. Please refer to Note 5 of these accounts for more details.

DIRECTORS AND THEIR INTERESTS

G F Franklin

R F Tapp

The directors had no beneficial interests in the shares of the Company during the year as it is a wholly owned subsidiary undertaking of Blue Circle Industries PLC.

Beneficial interests of the directors, including family interests in the ordinary shares of Blue Circle Industries PLC, were as follows:

	<i>Ordinary shares</i>		<i>Options</i>	
	<i>31 Dec</i>	<i>1 Jan</i>	<i>Ordinary shares</i>	
	<i>2000</i>	<i>2000</i>	<i>31 Dec</i>	<i>1 Jan</i>
			<i>2000</i>	<i>2000</i>
G F Franklin	1,657	4,471	32,823	23,000
R F Tapp	3,094	931	90,096	71,053

Other than as stated or as disclosed in the report and accounts of Blue Circle Industries PLC, no director in office at 31 December 2000 had any interest in the shares or debentures of the company or its ultimate holding company or any subsidiary of Blue Circle Industries PLC.

AUDITORS

As the Company was a dormant company within the meaning of section 250 (3) Companies Acts 1985 throughout the financial year ended 31st December 2000 a resolution will be put to the annual general meeting exempting the company from the requirement to appoint auditors.

By order of the board


G F Franklin
Secretary

Medical Waste (Holdings) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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 and of the profit or loss of the company for that period. 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; 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 to 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.

REPORT OF THE AUDITORS
to the members of Medical Waste (Holdings) Limited

We have audited the accounts on pages 5 to 6 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts 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 accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

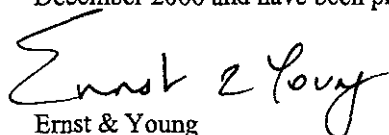
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2000 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
London

26.6.01

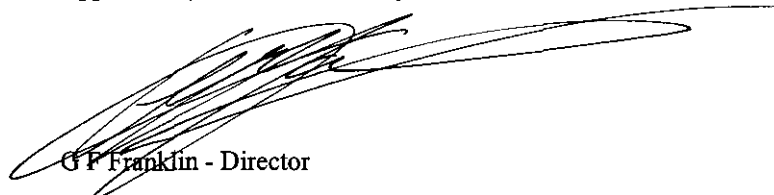
Medical Waste (Holdings) Limited

BALANCE SHEET

At 31 December 2000

	<i>Notes</i>	<i>2000</i> £	<i>1999</i> £
FIXED ASSETS			
Investments	2	2	2
CURRENT ASSETS			
Debtors : Amount due from group undertakings within one year		1,000,000	1,000,000
Creditors : Amounts due to parent undertaking within one year		(2)	(2)
		999,998	999,998
Total assets less current liabilities		1,000,000	1,000,000
CAPITAL AND RESERVES			
Called up share capital	3	1,000,000	1,000,000
		1,000,000	1,000,000

Approved by the board on 26 June 2001


G F Franklin - Director

Medical Waste (Holdings) Limited

NOTES TO THE ACCOUNTS

At 31 December 2000

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention. As the ultimate parent undertaking has published a group cash flow statement in compliance with Financial Reporting Standard No 1, a cash flow statement is not presented in these accounts.

Related Party Transaction

The company has taken advantage of the exemption in paragraph 3(c) of FRS8 from disclosing transactions with related parties that are part of the BCI group or investees of the group.

2. INVESTMENTS

	£
Cost :	
At 1 January and 31 December 2000	2
Net Book Value :	
At 1 January and 31 December 2000	2

3. CALLED UP SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted called up and fully paid</i>	
	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
	<i>No.</i>	<i>No.</i>	<i>£</i>	<i>£</i>
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000	1,000,000	1,000,000

4. ULTIMATE PARENT UNDERTAKING

The company is a subsidiary of Blue Circle Industries PLC, a company incorporated in England and Wales.

A copy of the group accounts can be obtained from 84 Eccleston Square, London SW1V 1PX.

5. POST-BALANCE SHEET EVENTS

On 8 January 2001, it was announced that Blue Circle Industries PLC, the company's ultimate holding company, and Lafarge had agreed terms on which Lafarge S.A., through its wholly-owned subsidiary, Lafarge Minerals Limited, proposes to acquire Blue Circle Industries PLC. A circular setting out details of the proposed acquisition was sent to shareholders on 24 January 2001 and the acquisition was approved at shareholders meetings on 19 February 2001. Shareholders will receive 495 pence for each Blue Circle share. Final regulatory clearance was received from the US on 18 June 2001 and it is expected that the acquisition will complete in July 2001.