

BPB Investments Overseas Limited

Directors' report and financial
statements

Registered number 4380762
9 Months ended 31 December 2007

MONDAY



ATWF162N

A02

29/12/2008

185

COMPANIES HOUSE

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the directors' report and the financial statements	2
Report of the independent auditors to the members of BPB Investments Overseas Limited	3
Income statement	5
Statement of recognised income and expense	5
Balance sheet	6
Cash flow statement	7
Notes	8

Directors' report

The directors present their report and audited financial statements of the company for the 9 months ended 31 December 2007.

Change of accounting date

During the period the company changed its accounting reference date to 31 December to be coterminous with other group companies.

Results and dividends

The company made a profit after tax of £638,798,000 for the 9 months ended 31 December 2007 (year ended 31 March 2007: £nil). The company paid interim dividends of £545,709,317 on 12 June 2007 and £93,089,000 on 14 June 2007. The directors do not recommend the payment of a final dividend for the 9 months ended 31 December 2007 (year ended 31 March 2007: £nil).

An interim dividend of £17,975,000 was declared and paid on 21 May 2008.

Principal activity and review of business

The company acts as an investment holding company. Details of its principal investment are provided in note 7.

Elective regime

The company has passed elective resolutions dispensing with the laying of financial statements and reports before the company in general meeting, the obligation to appoint auditors annually and the holding of annual general meetings.

Financial instruments

All financing balances are intercompany in nature and there were no financial instruments traded during the period.

Disclosure of information to auditors

The directors of the company at the year end confirm that:

- as far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all reasonable steps as directors to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors

The directors who held office during the period and at the date of this report are as follows:

E A M Chartier
R Lazard
A R Oxenham

By order of the board


A R Oxenham
Secretary

Registered office:
Aldwych House
81 Aldwych
London
WC2B 4HQ
18 December 2008

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable laws.

The financial statements are required by law to present fairly the financial position and the performance of the company; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG Audit Plc

St Nicholas House
Park Row
Nottingham
NG1 6FQ

Report of the independent auditors to the members of BPB Investments Overseas Limited

We have audited the financial statements of BPB Investments Overseas Limited for the 9 months ended 31 December 2007 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, Statement of Recognised Income and Expense and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

Report of the independent auditors to the members of BPB Investments Overseas Limited *(continued)*


Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the company's affairs and of its results for the period ended 31 December 2007.
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



KPMG Audit Plc
Chartered Accountants
Registered Auditor

 December 2008

Income statement
for 9 months ended 31 December 2007

	Note	9 months ended 31/12/07 £000	Year ended 31/03/07 £000
Financial income	5	638,798	-
Net financing income		638,798	-
Profit before tax		638,798	-
Taxation		-	-
Profit for the period		638,798	-

All of the company's results are derived from continuing activities.

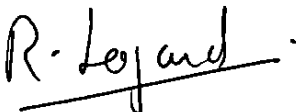
Statement of recognised income and expense
for 9 months ended 31 December 2007

There is no recognised income or expense other than the profit after tax of £638,798,000 (year ended 31 March 2007: £nil).

Balance sheet
at 31 December 2007

	Note	31/12/07 £000	31/03/07 £000
Non-current assets			
Investment in subsidiaries	7	1,221,208	1,221,208
Current assets			
Amounts due from group companies	9	-	42
Total assets		<u>1,221,208</u>	<u>1,221,250</u>
Current liabilities			
Amounts due to group companies	9	(1,096,716)	(1,096,758)
Total liabilities		<u>(1,096,716)</u>	<u>(1,096,758)</u>
Net assets		<u>124,492</u>	<u>124,492</u>
Equity			
Share capital	8	124,309	124,309
Retained earnings	8	183	183
Total equity		<u>124,492</u>	<u>124,492</u>

These financial statements were approved by the board of directors on 18 December 2008 and were signed on its behalf by:


 R Lazard
 Director

Cash flow statement
for 9 months ended 31 December 2007

	Note	9 months ended 31/12/07 £000	Year ended 31/03/07 £000
Cash flows from operating activities			
Profit for the year		638,798	-
Adjustments for:			
Financial income		(638,798)	-
Net cash from operating activities		-	-
Cash flows from investing activities			
Dividends received	5	93,089	-
Net cash from investing activities		93,089	-
Cash flows from financing activities			
Dividends paid	8	(93,089)	-
Decrease in amounts due to group companies		(42)	-
Decrease in amounts due from group companies		42	-
Net cash from financing activities		(93,089)	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at 31 December/ 31 March		-	-
Cash and cash equivalents at 31 December/ 31 March		-	-

Material non-cash items

The company is funded by loan accounts with other group companies, who make cash transactions on its behalf.

The £545,709,000 dividends received and paid on 12 June 2007 were a non-cash transaction.

Notes

(forming part of the financial statements)

1 Accounting policies

The company is incorporated in England and Wales.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statement and estimates with a significant risk of material adjustment in the next year are discussed in note 11.

Measurement convention

The financial statements are prepared on the historical cost basis.

The financial statements have also been prepared on a going concern basis. BPB Investments Overseas Limited (the company) is dependent on continuing finance being made available by its shareholders to enable it to continue trading and meet its liabilities as they fall due. The shareholders have agreed to provide sufficient funds for these purposes. The directors believe that it is therefore appropriate to prepare the financial statements on a going concern basis.

Consolidation

The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare group financial statements as it is a subsidiary undertaking of a parent incorporated in the EC that prepares consolidated financial statements.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Income and expenses

Financing income and expenses

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Impairment

The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company makes an estimate of the asset's recoverable amount. The asset's recoverable amount is the higher of the fair value, less costs to sell, and its value in use. For the assets of BPB Investments Overseas Limited, which consist of investments in subsidiaries and loans to other group companies, these values are determined on a company by company basis. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to that asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

Notes (continued)

1 Accounting policies (continued)

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting or taxable profit except in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Adopted IFRSs not yet applied

The following Adopted IFRSs was available for early application but have not been applied by the company in these financial statements:

- IFRS 8 'Operating Segments' applicable for years commencing on or after 1 January 2009. As the company is not within the scope of IFRS8 it is not required to adopt IFRS8 and so there will be no impact on the financial statements.

2 Auditors' remuneration

Auditors' remuneration has been recorded within the financial statements of BPB Limited, an intermediate parent undertaking.

3 Staff numbers and costs

There were no employees of BPB Investments Overseas Limited in the period (year ended 31 March 2007: nil)

4 Directors' emoluments

None of the directors received any remuneration from the company. They are regarded as group employees and are each paid by one of the company's intermediate parent undertakings.

Notes (continued)

5 Financial income

	9 months ended 31/12/07 £000	Year ended 31/03/07 £000
Dividend income from group company	638,798	-
Financial income	638,798	-

6 Taxation

Recognised in the income statement

	9 months ended 31/12/07 £000	Year ended 31/03/07 £000
Current tax expense	-	-
Total tax in income statement	-	-

Reconciliation of effective tax rate

	9 months ended 31/12/07 £000	Year ended 31/03/07 £000
Profit before tax	638,798	-
Tax using the UK corporation tax rate of 30% (2007: 30%)	191,639	-
Non taxable dividend income	(191,639)	-
Total tax in income statement	-	-

There is no deferred tax in the 9 month period ended 31 December 2007 (year ended 31 March 2007: £nil).

7 Investment in subsidiaries

The company's principal investment in subsidiaries is as follows:

	Country of incorporation	Ownership of shares and voting rights	
		31/12/07	31/03/07
Commatone Limited	England and Wales	100%	100%

Notes (continued)

8 Capital and reserves

Reconciliation of movement in capital and reserves

	Share capital £000	Retained earnings £000	Total parent equity £000
Balance at 1 April 2006	124,309	183	124,492
Total recognised income and expense	-	-	-
Balance at 31 March 2007 and 1 April 2007	124,309	183	124,492
Total recognised income and expense	-	638,798	638,798
Dividends paid	-	(638,798)	(638,798)
Balance at 31 December 2007	124,309	183	124,492

Share capital

	31/12/07 Number	31/03/07 Number
On issue at the start and end of the period	124,309,492	124,309,492
	31/12/07 £000	31/03/07 £000
<i>Authorised</i>		
Ordinary shares of £1 each	130,000	130,000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	124,309	124,309

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Dividends

	31/12/07 £000	31/03/07 £000
Ordinary £1 shares		
Dividends paid on 12 June 2007	545,709	-
Dividends paid on 14 June 2007	93,089	-
	638,798	-

An interim dividend of £17,975,000 was declared and paid on 21 May 2008.

Notes (continued)

9 Related parties

The immediate parent and ultimate controlling party respectively of the company are BPB Group Operations Limited (incorporated in England and Wales) and Compagnie de Saint-Gobain (incorporated in France). Details of transactions between the company and related parties are disclosed below.

	Amounts owed by related parties		Amounts owed to related parties	
	31/12/07 £000	31/03/07 £000	31/12/07 £000	31/03/07 £000
Subsidiaries of Compagnie de Saint-Gobain:				
Intermediate parent company	-	-	234,259	234,259
Subsidiary company	-	42	862,457	862,499
	-	42	1,096,716	1,096,758

Loans to and from group companies are interest free, unsecured and repayable on demand. The company has not provided or benefited from any guarantees for any related party receivables or payables.

On 12 June 2007, the company received £545,709,000 dividends from Commatone Limited, the company's wholly-owned subsidiary. On the same day, the same amounts of dividends were paid to BPB Group Operations Limited, the company's sole share holder. On 14 June 2007, the company received another dividend of £93,089,000 from Commatone Limited. On the same day, the same amounts of dividends were paid to BPB Group Operations Limited.

10 Ultimate parent company and parent company of larger group

The ultimate and controlling party parent company is Compagnie de Saint-Gobain, which is incorporated in France and listed on the Paris, London, Frankfurt and other major European stock exchanges.

The largest group in which the results of the company are consolidated is that headed by Compagnie de Saint-Gobain. No other group financial statements include the results of the company.

Copies of the Compagnie de Saint-Gobain Group financial statements may be obtained from the Company Secretary, Les Miroirs, 18 Avenue d'Alsace, 92096 Paris La Defense, France.

11 Accounting estimates and judgement

The carrying amount of the company's investments is reviewed at each balance sheet date. In testing for impairment, management have considered the net assets and future prospects of the subsidiaries.

The amounts due from other group companies are reviewed at each balance sheet date. In testing for impairment, management have reviewed the underlying credit-worthiness of each company and are satisfied that, if agreed at group level, all balances could be repaid on demand.

12 Financial instruments

The company's exposure to credit risk is explained in note 11.

For future periods, it is expected that the company will continue to hold loans that are not interest-bearing and which are denominated in sterling, so there is no other risk relating to financial instruments.