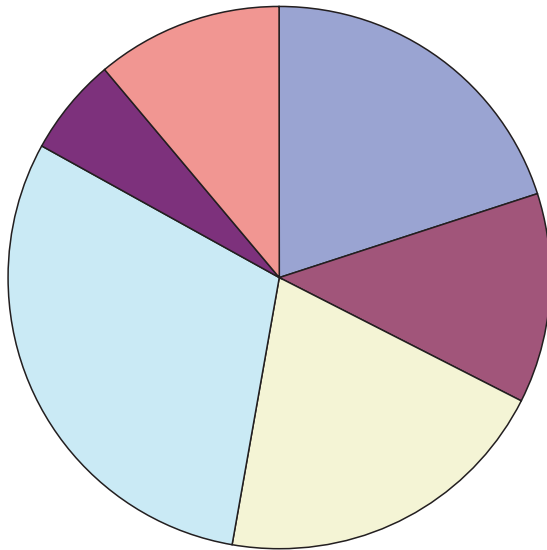
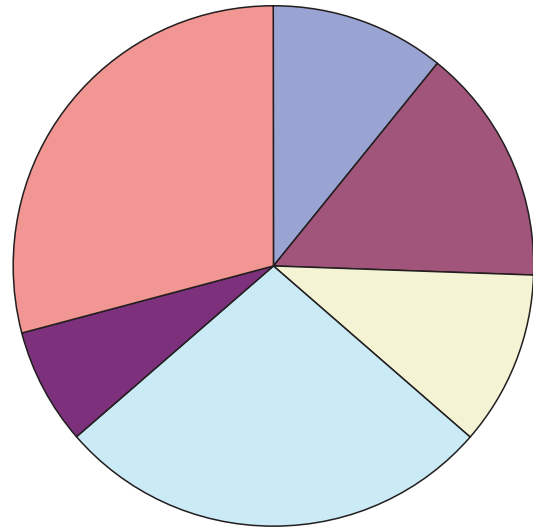


Structure of UK Construction and Building Materials Sector in 2004

Distribution of value: £32.6 billion (+43% yoy)



Distribution by number of companies: 55 (vs 61)



■ Heavy building materials
■ Distribution
■ Contractor/Housebuilders

■ Light building materials
■ Housebuilders
■ Contractors

Total value of the UK Construction and Building Materials Sector is £32.6 billion, the same size as Barclays plc, the UK clearing bank

Sector increased in value by 43% in 2003, despite six less constituents (a mix of takeovers, reclassification and delisting). This compares with +17% for the FTSE All Share Index. Both indices showed only a marginal change in January of this year

13 companies (24% of the total) have a market capitalisation in excess of £1 billion and together account for 70% of the value; this is up from five (8%) and 37% in 2002

20 companies (36%) are valued at less than £100 million each and together account for just 3% of the Sector value; last time there were 28 companies (46%) here worth 5%

By activity, contractors are most numerous with 16 companies (29%) - up from 15 (25%) - but only 11% of the value; this is the same as in 2002

Housebuilders are next with 15 (27%) and 30% of the value. At the end of 2002 these figures were 18 (30%) and 32%. Bett Brothers, Swan Hill and Wilson Connolly were all bid targets

Heavy Building Materials and Distribution have an identical number of constituents: six (11%) and share of the Sector value (20%); in both cases this is in line with 2002

Moral of the story: the larger the market capitalisation, the higher the value; similarly, Heavy Building Materials and Distribution companies are the most highly prized

The UK has the most populous building sector of any stock exchange in the world: 55 companies and a range of values from distributor Wolseley (£4.6 billion) to air conditioning manufacturer, Dunham-Bush Europe (£1.3 million)

Notes:

(i) *Sector is the FTSE Actuaries Share Index for the Construction and Building Materials, priced at 31 December 2003*

(ii) *Excluded are nine non-UK registered companies which have a London Stock Market listing and a total value of £19.1 billion. The first seven are Irish with the other two from France and Japan: Abbey; Barlo; CRH (£6bn); Grafton (£0.8bn); Heiton; Kingspan; and McInerney; plus Compagnie de Saint Gobain (£9.4bn) and Kajima Corp. (£1.9bn)*