



shareholder information

03/04

Reece Australia Limited  
ABN 49 004 313 133



# Half Year Highlights

## Dear Shareholder

The Board has declared a fully franked interim dividend of 9 cents per share following a solid six months to 31 December 2003. Sales revenue increased by 15.1% and net profit after tax was up 18.2% on the previous corresponding half year.

A summary of the financial results is contained in this report.

The result for the half-year reflects the continuing strength of the renovation and housing markets in most parts of Australia. The result is somewhat better than expected with consumer demand still quite strong despite recent interest rate rises. The Board expects this sustained demand to continue into the second half of the year.

During the half year the Company commenced trading from 14 new locations throughout Australia. Further new store openings are planned for the second half of the year and into the 2005 financial year. There were no business acquisitions during the period.

Looking ahead, the Board anticipates moderate but steady growth however is reluctant to forecast growth rates because of the impact further interest rate rises, a slow down in domestic housing starts and a dampening of consumer confidence may have on the markets in which Reece competes.

Finally, the Board would like to acknowledge the contribution made by management and staff to the continuing success of Reece.

**L. Alan Wilson**  
Chairman & C.E.O

# Summary of Financial Results to 31 December 2003

	2003 \$A'000	2002 \$A'000
Total Revenue	<b>428,355</b>	371,559
Profit before tax	<b>39,178</b>	33,334
Less Tax	<b>12,178</b>	10,495
<b>Net profit after tax</b>	<b>27,000</b>	22,839
	2003 \$A'000	2002 \$A'000
<b>Current Assets</b>		
Cash assets	<b>40,731</b>	47,484
Receivables	<b>119,768</b>	107,698
Inventories	<b>128,614</b>	108,211
<b>Total Current Assets</b>	<b>289,113</b>	263,393
<b>Non-Current Assets</b>		
Property, plant and equipment	<b>113,880</b>	97,020
Intangible assets	<b>440</b>	566
Deferred tax asset	<b>7,399</b>	6,180
<b>Total Non-Current Assets</b>	<b>121,719</b>	103,766
<b>Total Assets</b>	<b>410,832</b>	367,159
<b>Current Liabilities</b>		
Payables	<b>129,837</b>	120,656
Current tax liability	<b>6,333</b>	6,418
Provisions	<b>8,584</b>	14,827
Other	<b>2,728</b>	947
<b>Total Current Liabilities</b>	<b>147,482</b>	142,848
<b>Non-Current Liabilities</b>		
Provisions	<b>7,886</b>	6,302
<b>Total Non-Current Liabilities</b>	<b>7,886</b>	6,302
<b>Total Liabilities</b>	<b>155,368</b>	149,150
<b>Net Assets</b>	<b>255,464</b>	218,009
<b>Equity</b>		
Contributed Equity	<b>9,960</b>	9,960
Reserves	<b>2,508</b>	1,743
Retained Profits	<b>242,996</b>	206,306
<b>Total Equity</b>	<b>255,464</b>	218,009

For full half yearly reports and announcements, please see the Investors section of the Reece website: [www.reece.com.au](http://www.reece.com.au)



Plumbing Centres

Shareholder  
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