



REECE AUSTRALIA LIMITED

ACN 004 313 133

1998-1999



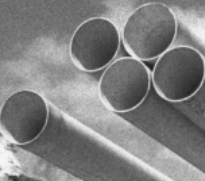
HALF YEARLY REPORT

Shareholder Information



REECE





Half-year highlights

Dear Shareholder

The Board is very pleased to report an increase in sales and earnings for the six months to 31 December 1998 and has declared an interim dividend of 17.5 cents per share. A summary of the financial results is contained in this Report.

The group is increasing its presence in each state in which it operates. At the end of the reporting period the group was operating from 138 outlets nationally.

The group continues to benefit from buoyant building and renovation activity and an increased profile in the markets in which it operates.

The Board is particularly pleased with the groups increased earnings and the contribution from all divisions and states. Further the Board wishes to acknowledge the efforts of Reece management and staff and their continuing contribution to the group's performance.

L. Alan Wilson
Managing Director



Summary of Financial Results

to 31 December 1998

Profit and loss for six months to 31 December 1998

	1998 \$A'000	1997 \$A'000
Total Revenue	237,817	209,537
Operating profit before tax	18,880	11,406
Less Tax	7,130	4,437
Operating profit after tax	11,750	6,969

Balance Sheet as at 31 December 1998

	1998 \$A'000	1997 \$A'000
Current Assets		
Cash	23,114	3,885
Receivables	67,551	62,789
Investments	10,034	10,000
Inventories	57,646	51,252
Total Current Assets	158,345	127,926
Non-Current Assets		
Property, plant and equipment	59,754	58,327
Intangibles	1,617	1,555
Other	4,672	4,114
Total Non-Current Assets	66,043	63,996
Total Assets	224,388	191,922
Current Liabilities		
Accounts payable	65,561	52,236
Borrowings	1,427	780
Provisions	15,211	8,758
Total Current Liabilities	82,199	61,774
Non-Current Liabilities		
Provisions	4,045	3,601
Total Non-Current Liabilities	4,045	3,601
Total Liabilities	86,244	65,375
Net Assets	138,144	126,547
Shareholders Equity		
Share capital	9,960	9,960
Reserves	1,336	1,267
Retained profits	126,848	115,320
Total Shareholders' Equity	138,144	126,547



Shareholder Inquiries

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