



Adelaide Brighton Ltd
ACN 007 596 018

Adelaide Brighton Ltd
Interim Results Summary
Six Months to 30 June 2002

Issued Wednesday, 28 August 2002

KEY FEATURES OF INTERIM RESULT

- Strong increase in net profit after tax - up 56% to \$23.6 million
- Earnings per share 4.9 cents (3.2 cents in pcp)
- Interim dividend increased to 2.5 cents, franked to 20% (vs 2.0 cents in pcp)
- 1-for-7 Rights Issue completed in June raising approximately \$50 million
- Improved gearing¹ - reduced to 36.8%, down from 46.5%
- Interest cover up to 5.3 times on an EBIT basis (2.7 times in pcp)
- Cement volumes increased due to strength of demand from the housing sector
- Lime volumes increased as a result of strong demand from the resource sector
- Price rises across all products
- Acquisition of ready mixed concrete, cement and aggregates group, Premier Resources

FINANCIAL SUMMARY

6 Months ended 30 June

(A\$millions)	2002	2001	% change pcp
Sales Revenue²	232.1	203.2	14.2
Depreciation	(14.9)	(13.2)	12.9
Goodwill Amortisation	(4.2)	(4.1)	2.2
Earnings before Interest and Tax ("EBIT")	38.1	24.1	58.1
Net interest ³	(7.2)	(9.0)	(19.8)
Profit Before Tax	30.9	15.1	104.5
Tax expense	(7.3)	-	-
Net Profit After Tax ("NPAT")	23.6	15.1	56.1
Earnings per share (cents)	4.9	3.2	53.1
Dividends per share (cents)	2.5	2.0	25.0
Franking (%)	20%	13%	7.0
Net Debt (A\$millions)	189.3	208.5	(9.2)
Net Debt/Equity (%)	36.8%	46.5%	(9.7)

¹ Net Debt/Equity

² Sales revenue excludes interest revenue (included in revenue from ordinary activities in Appendix 4B)

³ Interest charge shown gross in Appendix 4B with interest income included in sales revenue

RESULTS ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2002

OVERVIEW

Strong cement and lime markets during the period enabled Adelaide Brighton to record a 16% increase in operating revenues to \$225.1 million (\$193.6 million in pcp).

6 Months to 30 June (A\$millions)	2002	2001	% change
Operating revenue – sale of goods	208.5	170.4	22.4
Operating revenue – services	16.6	23.2	(28.4)
Operating revenue	225.1	193.6	16.3
Revenue arising from swap arrangements ⁴	4.7	7.4	(36.4)
Other revenue	2.3	2.2	4.5
Sales Revenue	232.1	203.2	14.2

⁴ Relates to production swaps. The real underlying transaction is included in sale of goods.

The strong growth in operating revenues and continued focus on operational efficiencies, have resulted in a doubling of pre tax profit to \$30.9 million for the half year ended 30 June 2002 (\$15.1 million in pcp). After recording a tax expense of \$7.3 million for the period (Nil – pcp), Adelaide Brighton reported a net profit after tax (“NPAT”) of \$23.6 million, a 56% increase over the pcp.

This was a good result predicated on strong growth in volumes, the successful implementation of price rises across all products and a very sound operational performance. This result has been achieved in spite of some difficulties caused by industrial relations tension surrounding both shipping and production at our major Birkenhead facility. The transitional shipping and cement milling issues relating to the closure of the Geelong Cement plant have now been overcome.

Adelaide Brighton's strategy continues to be focused on operational improvement and cost reduction, expansion of our lime operations, and selected vertical integration. In March Adelaide Brighton announced the acquisition of Premier Resources Ltd, a ready mixed concrete, cement and aggregates group. The performance of Premier since its acquisition has been very encouraging, and is in line with expectations.

On 29 April 2002, Adelaide Brighton announced a 1 for 7 renounceable Rights Issue to raise approximately \$50 million, to strengthen the balance sheet and reduce gearing.

Adelaide Brighton again demonstrated strong cash generation, and allowing for the effect of the acquisition of Premier Resources Ltd and the Rights Issue, net debt as at 30 June 2002 was reduced by \$17.7 million from the December 2001 level, bringing gearing down to 36.8%.

Net interest charges decreased by \$1.8 million due to the redemption of the 11% convertible notes late last year, together with reduced debt. More expensive debt in Premier Resources Ltd has been retired since acquisition and replaced with inter-company borrowings.

An increased interim dividend of 2.5 cents has been declared (20% franked). This improved dividend payable on an increased number of shares is a reflection of the strength of the result for the period, and confidence in the Company's prospects going forward. As previously highlighted, franking will continue at a reduced level until the Company returns to a tax-paying situation. Based on current forecasts, tax is expected to be payable on 2004 profits.

OPERATIONS REVIEW

Construction and Mining Materials

Cement, lime, ready mixed concrete

Demand for all products has been strong throughout the first half of 2002, and this was reflected in an EBIT for the segment of \$44.3 million compared with \$30.4 million for the six months ended 30 June 2001. This improvement was as a result of increased volumes, price increases that were achieved on all products during the period and operational efficiencies. A large part of the announced \$10/tonne price rise on cement was achieved although the timing of the rise has been staggered across Australia.

Demand for cement and ready mixed concrete was higher than in the six months to June 2001, largely as a result of increased activity in the housing sector. Total cement demand in Australia increased by approximately 14% compared with the first half of 2001, and the increase in volumes of ready mixed concrete was particularly strong in South Australia (up 20%), Queensland (up 20%), Victoria (up 16%) and New South Wales (12%).

Demand from the resources sector has shown further increases, and Cockburn Cement was also called on to supply additional lime into the Kalgoorlie region.

Lime and clinker production at all facilities has again been very solid, reflecting the stability that has been brought to the operations over the last two years. Work is now continuing on maintaining this high level of stability whilst reducing the costs of the business.

The transitional issues arising from the closure of the Geelong plant have now been resolved. Cement milling at Birkenhead has improved significantly since September 2001, and the operational issues relating to shipping from Birkenhead to Melbourne have now been remedied.

Cement supply was maintained to all customers in the first half of 2002 in spite of industrial tensions surrounding our shipping contractors, and our Birkenhead works.

On 3 July 2002, the Minister for Environment in WA gave approval for Cockburn Cement's plan for long-term dredging of shellsand from Owen Anchorage, thereby providing on-going access to this key raw material for the production of cement and lime well beyond the term of the current State Government Agreement Act.

Other Operations

Road construction and maintenance

EBIT for Pavement Technology in the period was \$1.0 million (\$1.5 million pcp). Adelaide Brighton completed a strategic and operational review of its road stabilisation business, late in the half. In light of the expected increase in infrastructure spending, a decision was made to reinvigorate this business.

PREMIER RESOURCES LTD

On 15 March 2002, Adelaide Brighton acquired Premier Resources Ltd, a vertically integrated construction materials company with activities in the important Sydney and Melbourne metro markets.

Premier operates 15 ready mixed concrete plants in Sydney and Melbourne under the Hy-Tec banner. At the time of the acquisition, a further two ready mixed concrete plants were in the pre-construction phase. Construction of the Mascot plant is now well advanced and commissioning is scheduled for October 2002. Construction of the North Melbourne plant will commence shortly and this plant is due for commissioning in early 2003.

Morgan Cement, Premier's cement grinding facility at Port Kembla, continues to supply the Hy-Tec operations in Sydney, as well as a number of external customers. The Hy-Tec operations in Melbourne are now supplied with cement by Adelaide Brighton's joint venture in Melbourne, Independent Cement and Lime.

Premier's performance since its acquisition by Adelaide Brighton has been very encouraging. Sales volumes in both New South Wales and Victoria have been strong, and price rises were achieved in both markets. Premier is on-target to be earnings neutral in 2002, as forecast at the time of the acquisition.

RIGHTS ISSUE

On 29 April 2002, Adelaide Brighton announced a 1 for 7 renounceable Rights Issue at 75c per share to raise approximately \$50 million, net of issue costs. The offer closed on 3 June 2002, with an over-subscription for additional shares, resulting in a scale-back being applied to larger applications. Both of our major shareholders took up their full entitlements.

The proceeds of the Rights Issue have been used to strengthen the balance sheet and reduce gearing.

FINANCIAL REVIEW

Cash Flow

Cash flow from operations for the period amounted to \$40.4 million (\$35.6 million pcp). Increased working capital due to strong sales growth in our businesses restricted growth in cash flow.

Debt was reduced by \$17.7 million from December 2001, and the Company's gearing has fallen to 36.8%. Net interest costs have fallen by \$1.8 million compared with the first half of 2001. The reduced interest costs coupled with the improved operational performance have delivered a significantly enhanced interest cover of 5.3 times, compared with 2.7 times for the first half of 2001.

Capital Expenditure

Capital expenditure including maintenance capex for the period totalled \$15.8 million (\$11.6 in pcp). This was in line with expectations, with management continuing to tightly control spending. Capital expenditure included an amount for Premier for the first time.

Tax

As previously indicated, the result for the first half of 2002 includes a tax expense of \$7.3 million. This is an effective tax rate of 24% and is expected to be approximately the same for the full year. A full tax expense is expected from 2003 onwards.

The tax expense does not represent a cash outflow. The Company is still in the process of using up its brought forward tax losses, and based on latest estimates, expects to commence payment of tax in 2004.

INDUSTRIAL RELATIONS

From 20 July 2002, approximately 80 employees at the Birkenhead plant were involved in industrial action called by the unions and a subsequent lock-out called by the Company. Prior to the industrial action, Adelaide Brighton had been attempting to negotiate a new EBA, since the expiry of the old EBA in June 2001. Agreement in principal on a new EBA has now been reached, and the staff involved have returned to work.

Adelaide Brighton has been working with the unions to achieve essential workplace reforms that are normal work practices in the rest of industry, and which will ensure the long-term viability of the Birkenhead operations and continued employment for its employees.

During the industrial action, supply to customers continued as usual with the plant being operated by staff employees.

During the period of the dispute, the kiln was re-bricked and successfully relit, and other essential maintenance was carried out.

OUTLOOK

It is expected that housing activity will start to ease in the second half of 2002, but demand from the mining and resource sectors is expected to remain strong, and the outlook for engineering and non-residential demand is encouraging. A large number of infrastructure projects are in the pipeline, and BIS Shrapnel have indicated signs of growth in the Melbourne office market.

A large amount of ground has been recovered in pricing of cement and ready mixed concrete relative to the reductions that were experienced in 2000, and there is potentially some scope for further increases in late 2002/early 2003.

A small decline in volumes may occur in the second half of 2002 as housing activity tails off. Outlook for profitability in the second half of 2002 is positive, and barring anything unforeseen, management expects to be able to produce a result similar to the first half.

M Chellew
Managing Director

28 August 2002

For further information contact:

Mark Hoad
Company Secretary
Mobile: 0419 845 511

Appendix 4B (rule 4.13(b))

Half year report

Introduced 30/6/2002.

Name of entity

Adelaide Brighton Ltd

ABN

15 007 596 018

Half yearly
(tick)

✓

Preliminary
final (tick)

Half year ('current period')

30 June 2002

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

A\$'000

Revenues from ordinary activities (<i>item 1.1</i>)	up	13.8%	to	232,620
Profit from ordinary activities after tax attributable to members (<i>item 1.22</i>)	up	56.1%	to	23,607
Profit from extraordinary items after tax attributable to members (<i>item 2.5(d)</i>)	gain (loss) of	-		-
Net profit for the period attributable to members (<i>item 1.11</i>)	up	56.1%	to	23,607
Dividends				
		Amount per security		Franked amount per security
Interim dividend (<i>Half yearly report only - item 15.6</i>)		2.5¢		0.50¢
Previous corresponding period (<i>Half yearly report - item 15.7</i>)		2.0¢		0.26¢

+Record date for determining entitlements to the dividend, (*see item 15.2*)

16 September 2002

Brief explanation of any of the figures reported above (see Note 1) and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

- i) Premier Resources Limited acquired on 15 March 2002 (see item 13.1 – 13.4)
- ii) 1:7 Renounceable Rights Issue allocated on 18 June 2002 raised \$49,737,133 (net) contributed equity (see item 4.34)

This half year report is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial performance

		Current period - 1/1/02 – 30/6/02 A\$'000	Previous corresponding period - 1/1/01 – 30/6/01 A\$'000
1.1	Revenues from ordinary activities <i>(see items 1.23 – 1.25)</i>	232,620	204,325
1.2	Expenses from ordinary activities <i>(see items 1.26 & 1.27)</i>	(198,113)	(181,291)
1.3	Borrowing costs	(7,770)	(10,156)
1.4	Share of net profit of associates and joint venture entities <i>(see item 16.7)</i>	4,169	2,237
1.5	Profit from ordinary activities before tax	30,906	15,115
1.6	Income tax on ordinary activities <i>(see note 4)</i>	(7,289)	-
1.7	Profit from ordinary activities after tax	23,617	15,115
1.8	Profit (loss) from extraordinary items after tax <i>(see item 2.5)</i>	-	-
1.9	Net profit	23,617	15,115
1.10	Net profit (loss) attributable to outside +equity interests	10	(7)
1.11	Net profit for the period attributable to members	23,607	15,122

Non-owner transaction changes in equity

1.12	Increase (decrease) in revaluation reserves	-	-
1.13	Net exchange differences recognised in equity	48	921
1.14	Release of capital reserve on liquidation of subsidiary	(52)	-
1.15	Initial adjustments from UIG transitional provisions.	-	-
1.16	Total transactions and adjustments recognised directly in equity <i>(items 1.12 to 1.15)</i>	(4)	921
1.17	Total changes in equity not resulting from transactions with owners as owners	23,603	16,043

Earnings per security (EPS)

		Current period - 1/1/02 – 30/6/02 A\$'000	Previous corresponding period - 1/1/01 – 30/6/01 A\$'000
1.18	Basic EPS	4.9¢	3.2¢
1.19	Diluted EPS	N/A	N/A

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial performance

Profit from ordinary activities attributable to members

		Current period - A\$'000 1/1/02 – 30/6/02	Previous corresponding period - A\$'000 1/1/01 – 30/6/01
1.20	Profit from ordinary activities after tax (<i>item 1.7</i>)	23,617	15,115
1.21	Less (plus) outside +equity interests	10	(7)
1.22	Profit from ordinary activities after tax, attributable to members	23,607	15,122

Revenue and expenses from ordinary activities

(*see note 15*)

		Current period - A\$'000 1/1/02 – 30/6/02	Previous corresponding period - A\$'000 1/1/01 – 30/6/01
1.23	Revenues from sales or services		
	- sale of goods	208,513	170,413
	- swap arrangements	4,704	7,335
	- services	16,564	23,206
1.24	Interest revenue	558	1,160
1.25	Other relevant revenue	2,281	2,211
		232,620	204,325
1.26	Expenses from ordinary activities (including depreciation – <i>item 1.27</i>)		
	- cost of sales (incl. distribution & freight)	176,503	161,282
	- marketing	3,062	2,774
	- administration	14,192	12,884
	- other	4,356	4,351
		198,113	181,291
1.27	Depreciation and amortisation excluding amortisation of intangibles (<i>see item 2.3</i>)		
	- capitalised cyclical maintenance	7,321	5,756
	- other depreciation and amortisation	14,877	13,199
		22,198	18,955
Capitalised outlays			
1.28	Interest costs capitalised in asset values	-	-
1.29	Outlays capitalised in intangibles (unless arising from an +acquisition of a business)	-	-

+ See chapter 19 for defined terms.

Consolidated retained profits

		Current period - A\$'000 1/1/02 – 30/6/02	Previous corresponding period - A\$'000 1/1/01 – 30/6/01
1.30	Accumulated losses at the beginning of the financial period	(42,201)	(53,846)
1.31	Net profit attributable to members (<i>item 1.11</i>)	23,607	15,122
1.32	Net transfers from (to) reserves (<i>details if material</i>)	-	-
1.33	Net effect of changes in accounting policies	-	-
1.34	Dividends and other equity distributions paid or payable	(13,535)	(9,474)
1.35	Accumulated losses at end of financial period	(32,129)	(48,198)

Intangible and extraordinary items

		Consolidated - current period			
		Before tax 1/1/02 – 30/6/02	Related tax	Related outside +equity interests	Amount (after tax) attributable to members 1/1/02 – 30/6/02
		A\$'000 (a)	A\$'000 (b)	A\$'000 (c)	A\$'000 (d)
2.1	Amortisation of goodwill	4,187	-	-	4,187
2.2	Amortisation of other intangibles	24	-	-	24
2.3	Total amortisation of intangibles	4,211	-	-	4,211
2.4	Extraordinary items (details)	-	-	-	-
2.5	Total extraordinary items	-	-	-	-

Comparison of half year profits

(Preliminary final report only)

		Current year - A\$'000	Previous year - A\$'000
3.1	Consolidated profit from ordinary activities after tax attributable to members reported for the <i>1st</i> half year (item 1.22 in the half yearly report)	N/A	N/A
3.2	Consolidated profit from ordinary activities after tax attributable to members for the <i>2nd</i> half year	N/A	N/A

+ See chapter 19 for defined terms.

**Condensed consolidated statement of
financial position**

		At end of current period A\$'000 30/6/02	As shown in last annual report A\$'000 31/12/01	As in last half yearly report A\$'000 30/6/01
Current assets				
4.1	Cash	22,363	21,562	26,126
4.2	Receivables	74,044	55,912	56,097
4.3	Investments	-	-	-
4.4	Inventories	42,330	39,448	47,778
4.5	Tax assets	-	-	-
4.6	Other (provide details if material)	5,800	2,098	4,812
4.7	Total current assets	144,537	119,020	134,813
Non-current assets				
4.8	Receivables	11,410	11,732	10,617
4.9	Investments (equity accounted)	29,763	27,588	27,824
4.10	Other investments	10	10	10
4.11	Inventories	-	-	-
4.12	Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	-	-	-
4.13	Development properties (+mining entities)	-	-	-
4.14	Other property, plant and equipment (net)	556,414	510,672	499,311
4.15	Intangibles (net)	143,371	147,205	148,460
4.16	Tax assets	31,864	37,013	29,956
4.17	Other (provide details if material)	-	-	323
4.18	Total non-current assets	772,832	734,220	716,501
4.19	Total assets	917,369	853,240	851,314
Current liabilities				
4.20	Payables	63,907	49,914	47,527
4.21	Interest bearing liabilities	559	-	51,710
4.22	Tax liabilities	88	9	-
4.23	Provisions	48,472	43,753	52,497
4.24	Other (provide details if material)	1,002	-	-
4.25	Total current liabilities	114,028	93,676	151,734
Non-current liabilities				
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	211,006	228,432	182,800
4.28	Tax liabilities	61,837	60,409	52,199
4.29	Provisions	16,537	16,577	15,689
4.30	Other (provide details if material)	102	102	102
4.31	Total non-current liabilities	289,482	305,520	250,790
4.32	Total liabilities	403,510	399,196	402,524
4.33	Net assets	513,859	454,044	448,790

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position (cont')

Equity				
4.34	Contributed equity	512,104	462,367	462,245
4.35	Reserves	30,900	30,904	31,780
4.36	Accumulated losses	(32,129)	(42,201)	(48,198)
4.37	Equity attributable to members of the parent entity	510,875	451,070	445,827
4.38	Outside +equity interests in controlled entities	2,984	2,974	2,963
4.39	Total equity	513,859	454,044	448,790
4.40	Preference capital included as part of 4.37	-	-	-

Notes to the condensed consolidated statement of financial position

Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

		Current period - A\$'000	Previous corresponding period - A\$'000
5.1	Opening balance	-	-
5.2	Expenditure incurred during current period	-	-
5.3	Expenditure written off during current period	-	-
5.4	Acquisitions, disposals, revaluation increments, etc.	-	-
5.5	Expenditure transferred to Development Properties	-	-
5.6	Closing balance as shown in the consolidated balance sheet (item 4.12)	-	-

Development properties

(To be completed only by entities with mining interests if amounts are material)

		Current period - A\$'000	Previous corresponding period - A\$'000
6.1	Opening balance	-	-
6.2	Expenditure incurred during current period	-	-
6.3	Expenditure transferred from exploration and evaluation	-	-
6.4	Expenditure written off during current period	-	-
6.5	Acquisitions, disposals, revaluation increments, etc.	-	-
6.6	Expenditure transferred to mine properties	-	-
6.7	Closing balance as shown in the consolidated balance sheet (item 4.13)	-	-

+ See chapter 19 for defined terms.

Condensed consolidated statement of cash flows

		Current period - 1/1/02 – 30/6/02 A\$'000	Previous corresponding period - 1/1/01 – 30/6/01 A\$'000
Cash flows related to operating activities			
7.1	Receipts from customers	235,878	223,345
7.2	Payments to suppliers and employees	(190,089)	(180,256)
7.3	Dividends received from associates	1,994	1,344
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	606	850
7.6	Interest and other costs of finance paid	(7,984)	(9,769)
7.7	Income taxes paid	(210)	(1,804)
7.8	Other (provide details if material)	238	1,930
7.9	Net operating cash flows	40,433	35,640
Cash flows related to investing activities			
7.10	(i) Payment for purchases of property, plant and equipment	(8,953)	(7,982)
	(ii) Payments for capitalised maintenance	(6,811)	(3,588)
7.11	Proceeds from sale of property, plant and equipment	1,803	2,228
7.12	Payment for purchases of equity investments (net of cash acquired)	(11,407)	-
7.13	Proceeds from sale of equity investments	-	-
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material)	-	(98)
7.17	Net investing cash flows	(25,368)	(9,440)
Cash flows related to financing activities			
7.18	Proceeds from issues of +securities (shares, options, etc.)	49,737	-
7.19	Proceeds from borrowings	25,200	12,800
7.20	Repayment of borrowings	(79,774)	(38,067)
7.21	Dividends paid	(9,474)	(7,101)
7.22	Other (provide details if material)	-	-
7.23	Net financing cash flows	(14,311)	(32,368)
7.24	Net decrease in cash held	754	(6,168)
7.25	Cash at beginning of period (see Reconciliation of cash)	21,562	32,180
7.26	Exchange rate adjustments to item 7.25.	47	114
7.27	Cash at end of period (see Reconciliation of cash)	22,363	26,126

+ See chapter 19 for defined terms.

NTA backing <i>(see note 7)</i>	Current period - as at 30/6/02	Previous corresponding period - as at 30/6/01
11.1 Net tangible asset backing per ⁺ ordinary security	0.68	0.63

Discontinuing operations

(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5(g) of AASB 1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: Discontinuing Operations (see note 17).)

12.1	Discontinuing operations	N/A
------	--------------------------	-----

Control gained over entities having material effect

13.1	Name of entity (or group of entities)	Premier Resources Limited
------	---------------------------------------	---------------------------

		A\$'000
13.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was ⁺ acquired	347
13.3	Date from which such profit has been calculated	16 March 2002
13.4	Profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the whole of the previous corresponding period	(3,578)

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	N/A
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	NIL
14.3	Date to which the profit (loss) in item 14.2 has been calculated	N/A
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	NIL
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	NIL

+ See chapter 19 for defined terms.

Dividends

15.1	Date the dividend is payable	14 October 2002
15.2	+Record date to determine entitlements to the dividend (ie, on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by the SCH Business Rules if +securities are +CHESS approved)	16 September 2002
15.3	If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	N/A

Amount per security

		Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
	<i>(Preliminary final report only)</i>			
15.4	Final dividend: Current year	N/A	N/A	N/A
15.5	Previous year	N/A	N/A	N/A
15.6	Interim dividend: Current year	2.5¢	0.50¢	N/A
15.7	Previous year	2.0¢	0.26¢	N/A

Total dividend per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	N/A	N/A
15.9 Preference +securities	N/A	N/A

Half yearly report - interim dividend on all securities

	Current period - 1/1/02 – 30/6/02 A\$'000	Previous corresponding period - 1/1/01 – 30/6/01 A\$'000
15.10 +Ordinary securities <i>(each class separately)</i>	13,535	9,474
15.11 Preference +securities <i>(each class separately)</i>	N/A	N/A
15.12 Other equity instruments <i>(each class separately)</i>	N/A	N/A
15.13 Total	13,535	9,474

The +dividend plans shown below are in operation.

Refer 19.4

The last date(s) for receipt of election notices for the +dividend plans	N/A
--	-----

Any other disclosures in relation to dividends. <i>(For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting).</i>	N/A
--	-----

+ See chapter 19 for defined terms.

Details of aggregate share of profits of associates and joint venture entities

Group's share of associates' and joint venture entities':		Current period - 1/1/02 – 30/6/02 A\$'000	Previous corresponding period – 1/1/01 – 30/6/01 A\$'000
16.1	Profit from ordinary activities before income tax	5,927	2,750
16.2	Income tax on ordinary activities	(1,758)	(513)
16.3	Profit from ordinary activities after income tax	4,169	2,237
16.4	Extraordinary items net of tax	-	-
16.5	Net profit	4,169	2,237
16.6	Adjustments	-	-
16.7	Share of net profit of associates and joint venture entities	4,169	2,237

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. (If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (item 1.9)	
	Current period as at 30/6/02	Previous corresponding period as at 30/6/01	Current period - 1/1/02 – 30/6/02 A\$'000	Previous corresponding period - 1/1/01 – 30/6/01 A\$'000
17.1 Equity accounted associates and joint venture entities				
Independent Cement & Lime Pty Ltd	50%	50%	*1,679	*1,441
Sunstate Cement Ltd	50%	50%	*2,988	*1,294
Less: Amortisation			(498)	(498)
17.2 Total			4,169	2,237
17.3 Other material interests	-	-	-	-
17.4 Total			4,169	2,237

* Adjusted to recognise profits for inventories sourced from Group companies.

Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates.)

Category of +securities	Total number at 30/6/02	Number quoted at 30/6/02	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference +securities (description)	N/A	N/A	-	-
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
18.3 +Ordinary securities	541,386,007	541,386,007	N/A	N/A
18.4 Changes during current period (a) Increases through 1:7 Renounceable Rights Issue (b) Decreases through returns of capital, buybacks	67,677,015	67,677,015	0.75¢	0.75¢
18.5 +Convertible debt securities (description and conversion factor)	N/A	N/A	-	-
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
18.7 Options (description and conversion factor)	N/A	N/A	<i>Exercise price</i>	<i>Expiry date (if any)</i>
18.8 Issued during current period	-	-	-	-
18.9 Exercised during current period	-	-	-	-
18.10 Expired during current period	-	-	-	-
18.11 Debentures (totals only)	N/A	N/A		
18.12 Unsecured notes (totals only)	N/A	N/A		
18.13 Unsecured notes (description)	N/A	N/A		

+ See chapter 19 for defined terms.

18.14	Changes during current period		
	(a) Increases through issues	-	-
	(b) Decreases through securities matured, converted	-	-

Segment reporting

Reports for business and geographical segments

Information on the business and geographical segments of the economic entity must be reported for the current period in accordance with *AASB 1005: Segment Reporting* and for half years *AASB 1029: Interim Financial Reporting*.

Business segments

The consolidated entity is organised into the following divisions by product and service type:

Construction and mining materials

Production and sale of clinker, cement, lime and ready mixed concrete products and supplementary cementitious materials. The major end-use markets for these products are the Australian residential and non-residential construction, engineering construction and mining markets.

Other

The provision of specialised road construction, maintenance and rehabilitation services and other group management activities. None of these activities constitutes a separately reportable segment.

Geographical segments

All of the consolidated entity's divisions operate in Australia. The major end-use markets for these products are the Australian construction and mining markets.

+ See chapter 19 for defined terms.

Segment reporting

Primary reporting – business segments	2002 A\$'000				2001 A\$'000			
	Construction & Mining Materials	Other	Eliminations / Unallocated	Consolidation	Construction & Mining Materials	Other	Eliminations / Unallocated	Consolidation
Sales – External	213,217	16,564	-	229,781	177,748	23,206	-	200,954
Inter-segment sales	666	-	(666)	-	831	-	(831)	-
Sales revenue	213,883	16,564	(666)	229,781	178,579	23,206	(831)	200,954
Other revenue	1,979	302	558	2,839	2,087	124	1,160	3,371
Revenue from ordinary activities	215,862	16,866	(108)	232,620	180,666	23,330	329	204,325
Share of net profits of associates and joint ventures	4,169	-	-	4,169	2,237	-	-	2,237
Total segment revenue	220,031	16,866	(108)	236,789	182,903	23,330	329	206,562
Segment result	44,318	(2,013)	(4,187)	38,118	30,362	(2,153)	(4,098)	24,111
Net interest expense			(7,212)	(7,212)			(8,996)	(8,996)
Operating profit				30,906				15,115
Income tax expense				(7,289)				-
Net profit				23,617				15,115
Segment assets	856,996	1,017,359	(956,986)	917,369	757,596	952,932	(859,214)	851,314
Segment liabilities	653,020	707,851	(957,361)	403,510	582,859	656,339	(836,674)	402,524
Investments in associates and joint ventures	29,763	-	-	29,763	27,824	-	-	27,824
Acquisitions of fixed assets	14,698	1,063	-	15,761	9,811	1,727	-	11,538
Depreciation and amortisation	20,980	1,242	4,187	26,409	17,889	1,318	4,098	23,305

+ See chapter 19 for defined terms.

Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB 1029: *Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

Basis of accounts preparation

19.1 If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: *Interim Financial Reporting*. **It should be read in conjunction with the last +annual report and any announcements to the market made by the entity during the period.** The financial statements in this report are "condensed financial statements" as defined in AASB 1029: *Interim Financial Reporting*. This report does not include all the notes of the type normally included in an annual financial report. [Delete if preliminary final statement.]

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

N/A

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

N/A

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

Dividends will be declared in the future subject to the level of distributable reserves, profits (after goodwill amortisation), operating cash flows, capital expenditure and working capital requirements and other demands on cash flows, taking into account the tax position of the Company, the amount of franking credits available and the general business environment.

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with AASB 1029: *Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with AASB 1001: *Accounting Policies – Disclosure*).

N/A

+ See chapter 19 for defined terms.

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

N/A

19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last +annual report.

N/A

Additional disclosure for trusts

20.1 Number of units held by the management company or responsible entity or their related parties.

N/A

20.2 A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- initial service charges
- management fees
- other fees

N/A

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place

N/A

Date

N/A

Time

N/A

Approximate date the +annual report will be available

N/A

+ See chapter 19 for defined terms.

Compliance statement

- 1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 12).

Identify other standards used

N/A

- 2 This report, and the ⁺accounts upon which the report is based (if separate), use the same accounting policies.

- 3 This report does/does not* (*delete one*) give a true and fair view of the matters disclosed (see note 2).

- 4 This report is based on ⁺accounts to which one of the following applies.
(*Tick one*)

The ⁺accounts have been audited.

The ⁺accounts have been subject to review.

The ⁺accounts are in the process of being audited or subject to review.

The ⁺accounts have *not* yet been audited or reviewed.

- 5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.*)

- 6 The entity has/does not have* (*delete one*) a formally constituted audit committee.

Sign here:

Company Secretary

Date:

Print name: Mark Hoad

⁺ See chapter 19 for defined terms.

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section.

2. **True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

3. **Condensed consolidated statement of financial performance**
 - Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of financial performance*.
 - Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).

4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franked amount per security at % tax" for items 15.4 to 15.7.

5. **Condensed consolidated statement of financial position**

Format The format of the condensed consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Interim Financial Reporting*, and *AASB 1040: Statement of Financial Position*. Also, banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last ⁺annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.

⁺ See chapter 19 for defined terms.

6. **Condensed consolidated statement of cash flows** For definitions of “cash” and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. +Mining exploration entities may use the form of cash flow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the +ordinary securities (ie, all liabilities, preference shares, outside +equity interests etc). +Mining entities are *not* required to state a net tangible asset backing per +ordinary security.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the +accounts. Details must include the contribution for each gain or loss that increased or decreased the entity’s consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.
9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. If an entity reports exact figures, the A\$’000 headings are amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, if the A\$’000 headings are amended.
10. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 1018* or *AASB 1029 Interim Financial Reporting* as appropriate and are the unadjusted figures from the latest annual or half year report as appropriate. However, if an adjustment has been made in accordance with an accounting standard or other reason or if there is a lack of comparability, a note explaining the position should be attached. For the statement of financial performance, *AASB 1029 Interim Financial Reporting* requires information on a year to date basis in addition to the current interim period. Normally an Appendix 4B to which *AASB 1029 Interim Financial Reporting* applies would be for the half year and consequently the information in the current period is also the year to date. If an Appendix 4B Half yearly version is produced for an additional interim period (eg because of a change of reporting period), the entity must provide the year to date information and comparatives required by *AASB 1029 Interim Financial Reporting*. This should be in the form of a multi-column version of the consolidated statement of financial performance as an attachment to the additional Appendix 4B.
11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the +ASIC under the Corporations Act must also be given to ASX. For example, a directors’ report and declaration, if lodged with the +ASIC, must be given to ASX.
12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.

+ See chapter 19 for defined terms.

13. **Corporations Act financial statements** This report may be able to be used by an entity required to comply with the Corporations Act as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Details of expenses** *AASB 1018* requires disclosure of expenses from ordinary activities according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by ASX. *AASB ED 105* clarifies that the disclosures required by *AASB 1018* must be either *all* according to nature or *all* according to function. Entities must disclose details of expenses using the layout (by nature or function) employed in their +accounts.

The information in lines 1.23 to 1.27 may be provided in an attachment to Appendix 4B.

Relevant Items *AASB 1018* requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term “relevance” is defined in *AASB 1018*. There is an equivalent requirement in *AASB 1029: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards normally accepted by ASX.

16. **Dollars** If reporting is not in A\$, all references to A\$ must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to “000” must be changed to the reporting value.
17. **Discontinuing operations**

Half yearly report

All entities must provide the information required in paragraph 12 for half years beginning on or after 1 July 2001.

Preliminary final report

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of *AASB 1029: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their +accounts in accordance with *AASB 1042 Discontinuing Operations*.

In any case the information may be provided as an attachment to this Appendix 4B.

18. **Format**

This form is a Word document but an entity can re-format the document into Excel or similar applications for submission to the Companies Announcements Office in ASX.

+ See chapter 19 for defined terms.