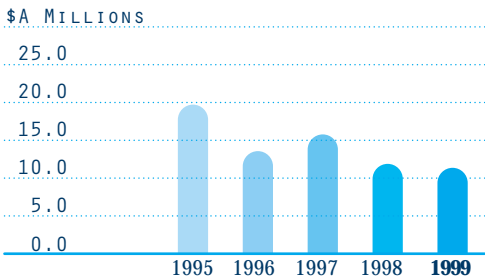


PROFIT

The loss after tax and abnormal items of \$37.9 million compares to the prior year profit of \$12.3 million. However, before taking abnormal items into account, profit declined from \$12.0 million last year to \$11.5 million, a reduction of 4%. Profit for the year was also reduced \$2.5 million by the impact of two changes in accounting policies effected at year end. Adjusted for these changes, profit for the year at \$14 million was some 17% better than the prior year and reflected a stronger performing second half.

NET PROFIT

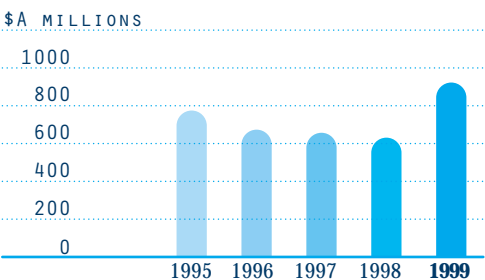


Net profit after tax and outside equity interests before abnormal and extraordinary items.

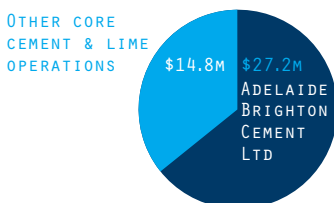
SALES

Sales revenue declined by 1% from \$318.2 million to \$313.6 million, a result of reduced prices for export sales and pricing pressure in some import affected states.

TOTAL ASSETS



CONTRIBUTION TO GROUP EBIT



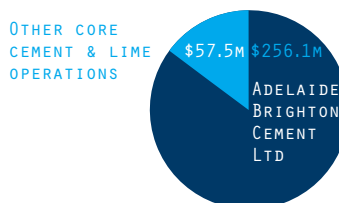
FINANCIAL SUMMARY

ADELAIDE BRIGHTON LTD

	1999 \$ million	1998 \$ million	Change
Sales	313.6	318.2	(1%)
Depreciation	(25.7)	(23.0)	
Earnings before interest and tax	35.1	39.1	
Net interest paid	(14.6)	(14.8)	
Net profit before tax, abnormal and extraordinary items	20.5	24.3	(16%)
Income tax expense	(4.0)	(6.3)	
Outside equity interest	(5.0)	(6.0)	
Net profit after tax and outside equity interests before abnormal and extraordinary items	11.5	12.0	(4%)
Abnormal items after tax and outside equity interests	(49.4)	0.3	
Net profit/(loss) after tax, abnormal and extraordinary items	(37.9)	12.3	
Dividends per share (cents)	0.0	5.0	
Franking - interim (%)	0.0	75.0	
Franking - final (%)	0.0	20.0	
Earnings per share - before abnormal & extraordinary items	7.3	7.6	
Net financial debt to equity (%) *	67.0	61.0	

* (11% unsecured convertible notes are treated as debt)

SALES REVENUE



ABNORMAL ITEMS

Abnormal items arose primarily from the merger transaction with The Rugby Group PLC, the acquisition of the minority interest in Adelaide Brighton Cement Ltd and the consequent review of other businesses. Full details of the abnormal items arising from the merger and associated transactions were set out in the Explanatory Memorandum distributed to shareholders in April 1999.

Abnormal items for the year amounted to \$49.4 million after tax and minority interests as follows:

RESTRUCTURING AND RATIONALISATION COSTS:

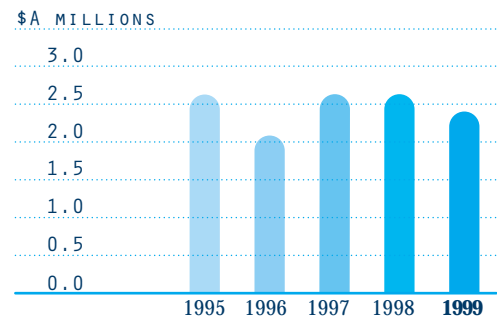
	\$m	\$m
Adelaide Brighton Cement Ltd:		
Closure of Geelong works	27.2	
Closure of Kwinana lime kiln and associated assets	6.3	
Birkenhead and Angaston restructuring	3.1	36.6
Other Adelaide Brighton Ltd Group companies:		
Fuel & Combustion Technology Group	5.4	
Other	2.6	8.0
Impact of Victorian gas outage		0.3
Settlement of Humes Steelpipe Ltd claim		3.5
Workers compensation - ABC Inc		1.0
		49.4

INTEREST EXPENSE

Interest expense remained the same as the prior year although borrowings at year end increased by \$117 million as a result of the merger transaction with The Rugby Group PLC being completed on 30 June.

Interest cover reduced to 2.4 times from 2.7 times although there is no change if adjusted for the change in accounting policies effected at year end.

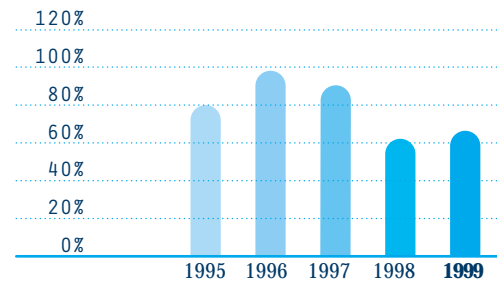
NET INTEREST COVER



GEARING

The balance sheet includes the net assets relating to the acquisition of Cockburn Cement Ltd and the 49% of ABCL not previously owned, completed on 30 June, and the associated increase in borrowings. A gearing level of 67% compares to 61% the prior year despite incorporating the asset writedowns, the provisioning for restructure and rationalisation costs and the consolidation of the Cockburn debt.

NET DEBT TO EQUITY



In accordance with AASB 1033 "Presentation and Disclosure of Financial Instruments" Convertible Notes of \$58.2 million have been reclassified from share capital to non-current borrowings as at 1 July 1997. Net debt to equity for the previous years has been recalculated on a consistent basis.

TREASURY

Bank borrowings are the main source of long term debt. Adelaide Brighton's policy is to maintain a level of hedging which limits the potential for financial loss arising from unfavourable movements in interest rates.

HEDGING PROFILE

	1999	1998
	\$'000	\$'000
Net external debt as at 30 June 1999	319 274	209 853
Less: convertible notes*	58 189	58 191
Less: parent entity borrowings**	107 890	–
	153 195	151 662
Total debt hedged	130 000	140 000
Percentage of debt hedged	85%	92%

* Interest on convertible notes is fixed at 11%

** Parent entity borrowings acquired on 30 June 1999

DIVIDENDS

The Board has not declared a dividend in respect of the year ended 30 June 1999.

FINANCIAL SUMMARY

ADELAIDE BRIGHTON CEMENT LTD

	1999	1998
	\$ million	\$ million
Sales *	256.1	262.8
Earnings before interest and tax	27.2	29.5
Interest expense	(11.2)	(10.5)
Net profit before tax and abnormal items	16.0	19.0
Income tax expense	(5.6)	(6.3)
Net profit after tax before abnormal items	10.4	12.7
Outside equity interest	(5.0)	(6.2)
Net profit after tax and outside equity interests before abnormal items	5.4	6.5
Abnormal items (after tax and outside equity interests)	(36.9)	5.5
Net profit after tax and abnormal items attributable to members of Adelaide Brighton Ltd	(31.5)	12.0
Funds employed (100%)	343.0	409.2

* Sales only include transactions with parties external to ABL Group.

FINANCIAL SUMMARY

INDEPENDENT CEMENT AND LIME, NORTHERN CEMENT, SUNSTATE CEMENT, PAVEMENT TECHNOLOGY AND FUEL & COMBUSTION TECHNOLOGY.

	1999	1998
	\$ million	\$ million
Sales *	57.5	55.5
EBIT (pre-distributions)	6.7	6.8
Partnership distributions	6.9	6.9
Dividends received (franked)	2.6	2.4
Amortisation of goodwill	(1.4)	0.0
EBIT (post-distributions received)	14.8	16.1
Funds employed	67.4	122.3

* Sales only include transactions with parties external to ABL Group.