



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

For full half yearly reports and announcements, please see the Investors section of the Reece website: www.reece.com.au



Plumbing Centres

Shareholder
Inquiries

Computershare Investor Services Pty Limited

GPO Box 2975EE

Melbourne 3001

Telephone 03 9415 5000

Facsimile 03 9473 2500

Reece Australia Limited

ABN 49 004 313 133

Head Office: 118 Burwood Highway

Burwood Victoria 3125

Telephone 03 9274 0000

Facsimile 03 9274 0199

Postal P.O. Private Bag 109

Burwood Victoria 3125