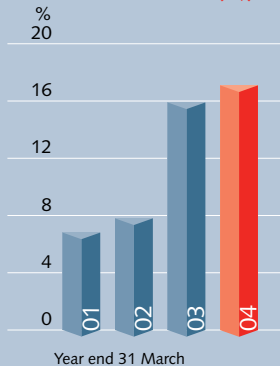


LOCATION: **SURFERS PARADISE, GOLD COAST**
 PROJECT: **Q1 TOWER**
 DATE OF COMPLETION: **FEBRUARY 2005**

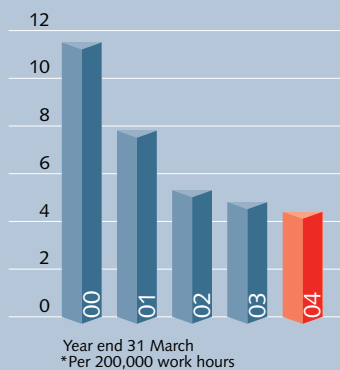
Consisting of 82 storeys and taking up an entire city block, the Q1 Tower will be the world's tallest residential building on completion. Readymix is supplying Sunland Constructions with 62,000m³ (81,000yds³) of concrete, from 118,000 tonnes (130,000 tons) of quarry product. For quality assurance, local aggregates and sand were sent to Germany to ensure the concrete mix designs would meet critical construction requirements.



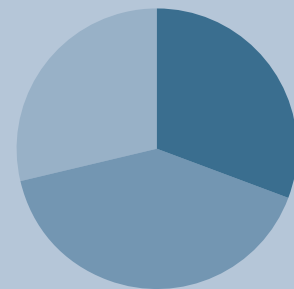
READYMIX RETURN ON FUNDS EMPLOYED (AS)



READYMIX TOTAL RECORDABLE INJURIES FREQUENCY RATE (TRFR)*



READYMIX END MARKETS – % SALES



■ Housing 31%
 ■ Civil 41%
 ■ Commercial 29%
 Year end 31 March 2004



PROFIT GREW STRONGLY AGAIN DURING THE YEAR,
DUE MAINLY TO FURTHER PRICE RECOVERY,
HIGHER VOLUMES
FROM STRONG CONSTRUCTION MARKETS IN
AUSTRALIA AND **ONGOING COST**
REDUCTIONS

Earnings before interest and tax (EBIT) rose 33% to A\$158 million (US\$110 million, up 63%), while sales grew 18% (up 46% in US\$). Earnings before interest, tax, depreciation and amortisation (EBITDA) rose 21% to A\$209 million (US\$146 million, up 48%).

The EBIT/trading revenue margin was 13.2%, up from 11.8% in the previous year and 6.1% two years ago. EBITDA/Trading revenue was 17.4%, up from 17.1% last year and 12.4% two years ago.

Return on funds employed was 17.1%, up from 15.9% the previous year, and 7.7% two years ago. Apart from the Emoleum asphalt joint venture, all Readymix businesses are now earning their cost of capital. Our objective is for returns to remain above our cost of capital throughout the construction cycle.

For the year ended March 2004, Australian construction activity rose an estimated 8.0%. Housing construction was up 9.2%, commercial up 5.2% and engineering up 8.5% (source: ABS, BIS Shrapnel; actual and forecast data).

Concrete prices rose 5% and aggregates 3% during the year. Concrete pipe prices were steady. Despite the recovery, prices remain below what they were in real terms 12 years ago.

Helped by acquisitions, concrete volumes rose 18% and aggregates 15%. Concrete pipe and product volumes rose 5%. In China, volumes were up 42%, including the Qingdao concrete acquisition made in late 2003.

Acquisitions totalled A\$44 million. They included the Excel quarry and concrete business in south-east Queensland, Broadway & Frame in Melbourne, Qingdao in China, and two other small acquisitions in Australia. All acquisitions are delivering returns above their cost of capital, except Qingdao, where a delayed start up of a new concrete plant facility impacted volume targets.

Other development capital expenditure included a new concrete plant at Coomera, in Queensland and the purchase of 30 new concrete trucks to help increase delivery capacity and improve customer service levels.

A concerted bid to implement our Customer FIRST! program helped improve customer service standards, although we have much more to do in this area.

Humes concrete pipes and products have improved significantly over the past two years under new management. Last year Humes earned its cost of capital. Further increases in earnings are anticipated in the coming year on the back of improved pricing and continued cost reductions.

Work is underway to lift profitability within Emoleum, which has faced competitive and cost pressures. A new management team is in place and is committed to executing the high performance culture that is being implemented across the Rinker group.

The Cement Australia joint venture with Holcim and Hanson was established in June. The venture manufactures around three million tonnes of clinker each year in three plants, and has around 40% of the Australian cement market. A\$15 million p.a. in savings and improvements from synergies has been identified, although these will take two years to realise. Cement prices were steady. All plants operated at maximum available capacity through the year to meet strong demand.

Implementation of the merger, plus higher, unscheduled maintenance costs hindered profitability. Cement Australia's earnings contribution was A\$19 million.

BUSINESS STRATEGY

Readymix aims to be the most respected operator within the Australian heavy building materials industry, generating returns ahead of its cost of capital throughout, and specifically at the bottom of, the construction cycle.

The business is working to instill the high performance organisation structure and ethos being implemented across Rinker. Operations have been organised around local geographic markets, into 63 individual 'performance cells'. Quarterly performance reviews, transparent financial reporting and benchmarking – both internal and external – are helping to lift performance.

Work is also underway to increase competencies and professionalism across the business, in aggregate, concrete, transport, concrete pipe and products. Dedicated resources are focused on operational improvement, to reduce costs and improve efficiency.

OUTLOOK

Although housing activity is forecast to flatten during the year, the continuation of strong infrastructure and commercial construction is expected to offset any change in residential activity.

Overall, volumes are expected to increase slightly, while further price recovery is expected.

READYMIX

MILLIONS OF DOLLARS UNLESS STATED YEAR END 31 MARCH	A\$ 2004	A\$ 2003	A\$ 2002	A\$ 2001*	US\$ 2004	US\$ 2003	US\$ 2002	US\$ 2001*
Trading revenue	1,201	1,014	926	923	839	573	473	511
EBITDA	209.0	173.2	114.8.0	70.7	145.6	98.1	56.8	60.8
EBIT	158.3	119.5	56.7	51.2	110.1	67.8	29.0	29.6
Net profit before finance	115.7	92.1	47.2	41.2	80.6	53.0	24.2	23.4
Funds employed at 31 March	926.9	749.7	737.5	762.2	699.9	450.5	389.7	374.3
Capital investment	125.2	66.3	43.1	44.9	89.0	38.2	22.2	24.5
Profit margin (EBIT:trading revenue) [%]	13.2	11.8	6.1	5.6	13.1	11.8	6.1	5.8
Return on funds employed [%]	17.1	15.9	7.7	6.7	15.7	15.0	7.4	7.9
Number of people employed	3,065	2,687	2,687	2,826	3,065	2,687	2,687	2,826
Number of operating plants	389	372	364	350	389	372	364	350

* before significant items during the year ended 31 March 2001

RESERVES PROVED AND PROBABLE	2004 M TONNES	2004 M TONS
Limestone/hard rock/sand and gravel	1,044	1,157