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RUGBY ADELAIDE PTY LTD

ACN 109 709 953

FC 026212

FINANCIAL STATEMENTS AND REPORTS

FOR THE YEAR ENDED 31 DECEMBER 2006

SATURDAY



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COMPANIES HOUSE

Rugby Adelaide Pty Ltd

Directors' report

The Directors present their report and financial statements for the year ended 31 December 2006

Directors

The Directors of the Company at any time during the reporting period and up to the date of this report are

| | |
|---------------|------------------------------|
| M C H Burgess | |
| M L Collins | |
| M A Moreno | (appointed 12 June 2007) |
| J F Suarez | (appointed 21 November 2006) |
| R L Flood | (resigned 9 January 2007) |

Principal activities

The principal activity of the Company during the year was as a holding company

Results

Net loss for the financial year attributable to members of the Company was \$3,549 (2005 \$25,889,116 profit)

Review of operations/changes in state of affairs

The Company received bank interest and incurred directors' costs

Dividends paid or declared by the Company

No dividends were paid or declared by the Company during the year

Events subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 2006 that has significantly affected, or may significantly affect

- (a) the Company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Company's state of affairs in future financial years

Likely developments and expected results of operations

Likely developments in the operations of the Company, known at the date of this report, have been covered generally within the report

Further information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company

Environmental regulation

The Company is not subject to any specific environmental regulations

Indemnification and insurance of officers

The Company's Directors, Company Secretary and all other current and former Directors and officers of the Company, including executive officers, are indemnified to the extent permitted by law when acting in those capacities in respect of

- liability to persons (other than entities within the consolidated entity) if the officer has acted in good faith, and
- the cost and expenses of successfully defending legal proceedings

Insurance cover for Directors' and officers' liability is included under a global policy of CEMEX S A B de C V. The premium for this global policy was paid by CEMEX S A B de C V and not recharged to the Company

Rugby Adelaide Pty Ltd

Directors' report (Continued)

Proceedings on behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the period.

Directors' interests

No Director held any shares in the Company in the financial year, and no Director was granted any options over unissued shares in the Company.

Ultimate parent company

CEMEX, S A B de C V, a company registered in Mexico, is the ultimate and controlling parent company, controlling 100% of the issued shares.

Dated 23 May 2008

Signed in accordance with a resolution of the Directors



Director

Rugby Adelaide Pty Ltd

Income statement

For the year ended 31 December 2006

| | Notes | 2006 \$ | 2005 \$ |
|--|-------|----------------|-------------------|
| Dividend revenue | | - | 25,894,541 |
| Interest revenue | 2 | 58 | 52 |
| Administration expenses | 3 | <u>(3,607)</u> | <u>(5,477)</u> |
| Profit/(loss) before income tax | | (3,549) | 25,889,116 |
| Income tax | 4 | <u>-</u> | <u>-</u> |
| Net profit/(loss) | 7 | <u>(3,549)</u> | <u>25,889,116</u> |

The income statements should be read in conjunction with the notes to the financial statements set out on pages 7 to 10

Rugby Adelaide Pty Ltd

Balance sheet

As at 31 December 2006

| | Notes | 2006 \$ | 2005 \$ |
|--|-------|--------------------|--------------------|
| Current assets | | | |
| Cash at bank | | 1,133 | 1,075 |
| Loan to subsidiary entity (non-interest bearing) | | <u>25,894,541</u> | <u>25,894,541</u> |
| Total current assets | | <u>25,895,674</u> | <u>25,895,616</u> |
| Non-current assets | | | |
| Investment in subsidiary entities | 5 | <u>420,070,000</u> | <u>420,070,000</u> |
| Total non-current assets | | <u>420,070,000</u> | <u>420,070,000</u> |
| Total assets | | <u>445,965,674</u> | <u>445,965,616</u> |
| Current liabilities | | | |
| Amount due to group entities | | 11,809 | 7,294 |
| Other creditors | | <u>2,908</u> | <u>3,816</u> |
| Total liabilities | | <u>14,717</u> | <u>11,110</u> |
| Net assets | | <u>445,950,957</u> | <u>445,954,506</u> |
| Equity | | | |
| Parent entity interest | | | |
| Contributed equity | 6 | 420,069,000 | 420,069,000 |
| Retained profits | 7 | <u>25,881,957</u> | <u>25,885,506</u> |
| Total equity | 8 | <u>445,950,957</u> | <u>445,954,506</u> |

The balance sheets should be read in conjunction with the notes to the financial statements set out on pages 7 to 10

Rugby Adelaide Pty Ltd

Statement of changes in equity

As at 31 December 2006

| | Notes | 2006 \$ | 2005 \$ |
|--|----------|---------------------------|---------------------------|
| Total equity at the beginning of the financial year | | 445,954,506 | 420,065,390 |
| Result for the year | | (3,549) | 25,889,116 |
| Total equity at the end of the financial year | 8 | <u>445,950,957</u> | <u>445,954,506</u> |

The statement of changes in equity should be read in conjunction with the accompanying notes

Rugby Adelaide Pty Ltd

Cash flow statement

For the period ended 31 December 2006

| | 2006 \$ | 2005 \$ |
|--|------------|---------------|
| Cash flows from investing activities | | |
| Investment in subsidiary entity | - | (420,067,000) |
| Disposal of investment in subsidiary entity | - | 420,067,000 |
| Interest received | 58 | 52 |
| | <hr/> | <hr/> |
| Net cash inflow from investing activities | 58 | 52 |
| | <hr/> | <hr/> |
| Net increase in cash held | 58 | 52 |
| | <hr/> | <hr/> |
| Cash at the beginning of the financial period | 1,075 | 1,023 |
| | <hr/> | <hr/> |
| Cash at the end of the financial period | 1,133 | 1,075 |
| | <hr/> | <hr/> |

Rugby Adelaide Pty Ltd

Notes to the financial statements

For the year ended 31 December 2006

1 Summary of significant accounting policies

In the Directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial reports

This is a special purpose financial report that has been prepared for the sole purpose of complying with the Corporations Act 2001 requirements to prepare and distribute a financial report to the members and must not be used for any other purpose. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members

The financial report has been prepared in accordance with AASB 101 *Presentation of Financial Statements*, AASB 107 *Cash Flow Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031 *Materiality* and AASB 1048 *Interpretation and Application of Standards* which apply to all entities required to prepare financial reports under the Corporations Act 2001, and other applicable Accounting Standards and Urgent Issues Group Interpretations with the exception of the disclosure requirements in the following

| | | |
|----------|---|--|
| AASB 114 | - | <i>Segment Reporting</i> |
| AASB 124 | - | <i>Related Party Disclosures</i> (some disclosures have been complied with) |
| AASB 132 | - | <i>Financial Instruments: Disclosure and Presentation</i> (the classification standards in AASB 132 have been complied with) |

The financial report is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability

(a) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses

(b) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement

Rugby Adelaide Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 December 2006

1 Summary of significant accounting policies (continued)

(c) Revenue recognition

Interest Income

Interest income is recognised as it accrues

Dividend income

Dividends are recognised as revenue when the right to receive payments is established

(d) Impairment of assets

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units)

(e) Investments

(i) Controlled entities

Investments in controlled entities are carried in the Company's financial statements at cost or Directors' valuation having regard to recoverable amounts. Dividends and distributions are brought to account in the statements of financial performance when they are receivable

(ii) Other companies

Investments in other companies are carried at cost or Directors' valuation having regard to recoverable amounts. Dividends are brought to account as they are received

(f) Receivables

Receivables are measured at amortised cost, less provision for doubtful debts. Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off

(g) New accounting standards and UIG interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 31 December 2006 reporting periods. The company has assessed the potential impact of these new standards and interpretations as immaterial, if not nil

(h) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date

2 Interest revenue

| | 2006 \$ | 2005 \$ |
|---------------|------------|------------|
| Bank interest | <u>58</u> | <u>52</u> |

3 Administration expenses

| | 2006 \$ | 2005 \$ |
|---|--------------|--------------|
| These expenses include Directors' emoluments | <u>2,801</u> | <u>4,202</u> |

Rugby Adelaide Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 December 2006

4 Income tax

| | 2006 \$ | 2005 \$ |
|--|----------------|-------------------|
| Profit/(loss) from continuing operations before income tax | <u>(3,549)</u> | <u>25,889,116</u> |
| Tax at the Australian tax rate of 30% (2005 30%) | 1,065 | (7,766,735) |
| Non-taxable income | - | 7,768,362 |
| Tax losses not recognised | <u>(1,065)</u> | <u>(1,627)</u> |
| Income tax expense | <u>-</u> | <u>-</u> |

There are unbooked tax losses of \$1,817 (2005 \$1,817) carried forward

5 Non-current assets – Investments in subsidiary entities

| | 2006 \$ | 2005 \$ |
|---|--------------------|--------------------|
| Investments in | | |
| RMC Australia - 99,999 Ordinary shares | 1,000 | 1,000 |
| Rugby Perth Pty Ltd - 420,069,000 Ordinary shares | <u>420,069,000</u> | <u>420,069,000</u> |
| | <u>420,070,000</u> | <u>420,070,000</u> |

The above investments represent 100% of each type of share issued by the respective companies RMC Australia is incorporated in Great Britain

6 Contributed equity

| | 2006 \$ | 2005 \$ |
|---|--------------------|--------------------|
| Share capital | | |
| Issued and paid up capital | | |
| 420,069,000 Ordinary shares, fully paid | <u>420,069,000</u> | <u>420,069,000</u> |

7 Retained profits

| | 2006 \$ | 2005 \$ |
|--|-------------------|-------------------|
| Retained profits/(losses) at the beginning of the financial year | 25,885,506 | (3,610) |
| Net profit/(loss) for the period | <u>(3,549)</u> | <u>25,889,116</u> |
| Retained profits at the end of the financial year | <u>25,881,957</u> | <u>25,885,506</u> |

Rugby Adelaide Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 December 2006

8 Equity

| | 2006 \$ | 2005 \$ |
|---|--------------------|--------------------|
| Total equity at the beginning of the financial year | 445,954,506 | 420,065,390 |
| Total changes in equity recognised in the statements of financial performance | <u>(3,549)</u> | <u>25,889,116</u> |
| Total equity at the end of the financial year | <u>445,950,957</u> | <u>445,954,506</u> |

9 Employees

There were no employees during either year

10 Related parties

(a) Directors

The names of each person holding the position of Director of the Company during the year are Messrs M C H Burgess, M L Collins, M A Moreno, J F Suarez and R L Flood

At the reporting date, no Director held shares in the Company

(b) Controlling entity

The direct parent of the Company is Rugby Holdings Ltd, a company registered in Australia

(c) Ultimate parent entity and parent undertaking of larger group of which the Company is a member

The largest group in which the results of the company are consolidated is that headed by CEMEX, S A B de C V , incorporated in Mexico Its address is Av Ricardo Margain Zozaya 325, CP 66265, San Pedro Garza Garcia, N L Mexico

The smallest group in which the results of the Company are consolidated is that headed by CEMEX España S A , incorporated in Spain Its address is Hernandez de Tejada 1, Madrid 28027, Spain

The consolidated financial statements of these groups are available to the public and can be obtained from the above addresses

11 Residence of the Company

On 4 July 2005 management control of the Company was transferred from Australia to the United Kingdom, and the Company is operating in the United Kingdom as a branch at CEMEX House, Coldharbour Lane, Thorpe, Egham, Surrey TW20 8TD The Company's branch residence for tax purposes is the United Kingdom from the same date

Rugby Adelaide Pty Ltd

Directors' declaration

As stated in Note 1 to the financial statements, in the Directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared to meet Corporation Act 2001 requirements.

The financial report has been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in Note 1.

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 3 to 10 are in accordance with the Corporation Act 2001, including
 - (i) complying with Accounting Standards and other mandatory professional reporting requirements as detailed above, and the Corporations Regulations 2001, and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2006 and of its performance, as represented by results of its operations, changes in equity and cash flows for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Director

Dated this

23 May 2008

PricewaterhouseCoopers
ABN 52 780 433 757

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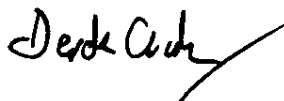
Auditor's Independence Declaration

As lead auditor for the audit of Rugby Adelaide Pty Ltd for the year ended 31 December 2006, I declare that to the best of my knowledge and belief, there have been

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit

This declaration is in respect of Rugby Adelaide Pty Ltd during the period

PricewaterhouseCoopers



Derek Clark
Partner

Adelaide
23 May 2008

PricewaterhouseCoopers
ABN 52 780 433 757

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Independent auditor's report to the members of Rugby Adelaide Pty Ltd

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Rugby Adelaide Pty Ltd (the company), which comprises the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting obligations under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it

**Independent auditor's report to the members of
Rugby Adelaide Pty Ltd (continued)**

relates to any person other than the members, or for any purpose other than that for which they were prepared

Our procedures include reading the Directors Report to determine whether it contains any material inconsistencies with the financial report

For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>

Our audit did not involve an analysis of the prudence of business decisions made by directors or management

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*

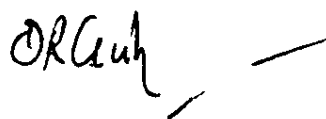
Auditor's opinion

In our opinion

- (a) the financial report of Rugby Adelaide Pty Ltd is in accordance with the *Corporations Act 2001*, including
 - (i) giving a true and fair view of the company's financial position as at 31 December 2006 and of its performance for the year ended on that date, and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*, and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1



PricewaterhouseCoopers



Derek Clark
Partner

Adelaide
23 May 2008

001567/180

RUGBY ADELAIDE PTY LTD
ACN 109 709 953
FC 026212

FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2007

SATURDAY



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21/06/2008

308

COMPANIES HOUSE

Rugby Adelaide Pty Ltd

Directors' report

The Directors present their report and financial statements for the year ended 31 December 2007

Directors

The Directors of the Company at any time during the reporting period and up to the date of this report are

M C H Burgess

M L Collins

M A Moreno (appointed 12 June 2007)

J F Suarez

R L Flood (resigned 9 January 2007)

Principal activities

The principal activity of the Company during the year was as a holding company

Results

Net loss for the financial year attributable to members of the Company was \$3,565 (2006 \$3,549 loss)

Review of operations/changes in state of affairs

The Company received bank interest and incurred directors' costs

Dividends paid or declared by the Company

No dividends were paid or declared by the Company during the year

Events subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 2007 that has significantly affected, or may significantly affect

- (a) the Company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Company's state of affairs in future financial years

Likely developments and expected results of operations

Likely developments in the operations of the Company, known at the date of this report, have been covered generally within the report

Further information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company

Environmental regulation

The Company is not subject to any specific environmental regulations

Indemnification and insurance of officers

The Company's Directors, Company Secretary and all other current and former Directors and officers of the Company, including executive officers, are indemnified to the extent permitted by law when acting in those capacities in respect of

- liability to persons (other than entities within the consolidated entity) if the officer has acted in good faith, and
- the cost and expenses of successfully defending legal proceedings

Insurance cover for Directors' and officers' liability is included under a global policy of CEMEX S A B de C V. The premium for this global policy was paid by CEMEX S A B de C V and not recharged to the Company

Rugby Adelaide Pty Ltd

Directors' report (Continued)

Proceedings on behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the period.

Directors' interests

No Director held any shares in the Company in the financial year, and no Director was granted any options over unissued shares in the Company.

Ultimate parent company

CEMEX, S A B de C V, a company registered in Mexico, is the ultimate and controlling parent company, controlling 100% of the issued shares.

Dated

23 May 2008

Signed in accordance with a resolution of the Directors

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

Director

Rugby Adelaide Pty Ltd

Income statement

For the year ended 31 December 2007

| | Notes | 2007 \$ | 2006 \$ |
|-------------------------------|-------|----------------|----------------|
| Interest revenue | 2 | 69 | 58 |
| Administration expenses | 3 | <u>(3,634)</u> | <u>(3,607)</u> |
| Loss before income tax | | (3,565) | (3,549) |
| Income tax | 4 | <u>-</u> | <u>-</u> |
| Net loss | 7 | <u>(3,565)</u> | <u>(3,549)</u> |

The income statements should be read in conjunction with the notes to the financial statements set out on pages 7 to 10

Rugby Adelaide Pty Ltd

Balance sheet

As at 31 December 2007

| | Notes | 2007 \$ | 2006 \$ |
|--|-------|--------------------|--------------------|
| Current assets | | | |
| Cash at bank | | 1,202 | 1,133 |
| Loan to subsidiary entity (non-interest bearing) | | <u>25,894,541</u> | <u>25,894,541</u> |
| Total current assets | | <u>25,895,743</u> | <u>25,895,674</u> |
| Non-current assets | | | |
| Investment in subsidiary entities | 5 | <u>420,070,000</u> | <u>420,070,000</u> |
| Total non-current assets | | <u>420,070,000</u> | <u>420,070,000</u> |
| Total assets | | <u>445,965,743</u> | <u>445,965,674</u> |
| Current liabilities | | | |
| Amount due to group entities | | 15,442 | 11,809 |
| Other creditors | | <u>2,909</u> | <u>2,908</u> |
| Total liabilities | | <u>18,351</u> | <u>14,717</u> |
| Net assets | | <u>445,947,392</u> | <u>445,950,957</u> |
| Equity | | | |
| Parent entity interest | | | |
| Contributed equity | 6 | 420,069,000 | 420,069,000 |
| Retained profits | 7 | <u>25,878,392</u> | <u>25,881,957</u> |
| Total equity | 8 | <u>445,947,392</u> | <u>445,950,957</u> |

The balance sheets should be read in conjunction with the notes to the financial statements set out on pages 7 to 10

Rugby Adelaide Pty Ltd

Statement of changes in equity

As at 31 December 2007

| | Notes | 2007 \$ | 2006 \$ |
|--|----------|---------------------------|---------------------------|
| Total equity at the beginning of the financial year | | 445,950,957 | 445,954,506 |
| Result for the year | | <u>(3,565)</u> | <u>(3,549)</u> |
| Total equity at the end of the financial year | 8 | <u>445,947,392</u> | <u>445,950,957</u> |

The statement of changes in equity should be read in conjunction with the accompanying notes

Rugby Adelaide Pty Ltd

Cash flow statement

For the period ended 31 December 2007

| | 2007 \$ | 2006 \$ |
|--|--------------|--------------|
| Cash flows from investing activities | | |
| Interest received | <u>69</u> | <u>58</u> |
| Net cash inflow from investing activities | <u>69</u> | <u>58</u> |
| Net increase in cash held | 69 | 58 |
| Cash at the beginning of the financial period | <u>1,133</u> | <u>1,075</u> |
| Cash at the end of the financial period | <u>1,202</u> | <u>1,133</u> |

Rugby Adelaide Pty Ltd

Notes to the financial statements

For the year ended 31 December 2007

1 Summary of significant accounting policies

In the Directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial reports

This is a special purpose financial report that has been prepared for the sole purpose of complying with the Corporations Act 2001 requirements to prepare and distribute a financial report to the members and must not be used for any other purpose. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

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| | | |
|----------|---|--|
| AASB 114 | - | <i>Segment Reporting</i> |
| AASB 124 | - | <i>Related Party Disclosures</i> (some disclosures have been complied with) |
| AASB 132 | - | <i>Financial Instruments: Disclosure and Presentation</i> (the classification standards in AASB 132 have been complied with) |

The financial report is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

(a) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(b) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Rugby Adelaide Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 December 2007

1 Summary of significant accounting policies (continued)

(c) Revenue recognition

Interest Income

Interest income is recognised as it accrues

Dividend income

Dividends are recognised as revenue when the right to receive payments is established

(d) Impairment of assets

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(e) Investments

(i) Controlled entities

Investments in controlled entities are carried in the Company's financial statements at cost or Directors' valuation having regard to recoverable amounts. Dividends and distributions are brought to account in the statements of financial performance when they are receivable.

(ii) Other companies

Investments in other companies are carried at cost or Directors' valuation having regard to recoverable amounts. Dividends are brought to account as they are received.

(f) Receivables

Receivables are measured at amortised cost, less provision for doubtful debts. Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off.

(g) New accounting standards and UIG interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 31 December 2007 reporting periods. The company has assessed the potential impact of these new standards and interpretations as immaterial, if not nil.

(h) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

2 Interest revenue

| | 2007 \$ | 2006 \$ |
|---------------|------------|------------|
| Bank interest | <u>69</u> | <u>58</u> |

3 Administration expenses

| | 2007 \$ | 2006 \$ |
|---|--------------|--------------|
| These expenses include Directors' emoluments | <u>2,940</u> | <u>2,801</u> |

Rugby Adelaide Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 December 2007

4 Income tax

| | 2007 \$ | 2006 \$ |
|---|----------------|----------------|
| Loss from continuing operations before income tax | <u>(3,565)</u> | <u>(3,549)</u> |
| Tax at the Australian tax rate of 30% (2006 30%) | 1,070 | 1,065 |
| Tax losses not recognised | <u>(1,070)</u> | <u>(1,065)</u> |
| Income tax expense | <u>-</u> | <u>-</u> |

There are unbooked tax losses of \$1,817 (2006 \$1,817) carried forward

5 Non-current assets – Investments in subsidiary entities

| | 2007 \$ | 2006 \$ |
|---|--------------------|--------------------|
| Investments in | | |
| RMC Australia - 99,999 Ordinary shares | 1,000 | 1,000 |
| Rugby Perth Pty Ltd - 420,069,000 Ordinary shares | <u>420,069,000</u> | <u>420,069,000</u> |
| | <u>420,070,000</u> | <u>420,070,000</u> |

The above investments represent 100% of each type of share issued by the respective companies RMC Australia is incorporated in Great Britain

6 Contributed equity

| | 2007 \$ | 2006 \$ |
|---|--------------------|--------------------|
| Share capital | | |
| Issued and paid up capital | | |
| 420,069,000 Ordinary shares, fully paid | <u>420,069,000</u> | <u>420,069,000</u> |

7 Retained profits

| | 2007 \$ | 2006 \$ |
|--|-------------------|-------------------|
| Retained profits/(losses) at the beginning of the financial year | 25,881,957 | 25,885,506 |
| Net profit/(loss) for the period | <u>(3,565)</u> | <u>(3,549)</u> |
| Retained profits at the end of the financial year | <u>25,878,392</u> | <u>25,881,957</u> |

Rugby Adelaide Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 December 2007

8 Equity

| | 2007 \$ | 2006 \$ |
|---|--------------------|--------------------|
| Total equity at the beginning of the financial year | 445,950,957 | 445,954,506 |
| Total changes in equity recognised in the statements of financial performance | <u>(3,565)</u> | <u>(3,549)</u> |
| Total equity at the end of the financial year | <u>445,947,392</u> | <u>445,950,957</u> |

9 Employees

There were no employees during either year

10 Related parties

(a) Directors

The names of each person holding the position of Director of the Company during the year are Messrs M C H Burgess, M L Collins, M A Moreno, J F Suarez and R L Flood

At the reporting date, no Director held shares in the Company

(b) Controlling entity

The direct parent of the Company is Rugby Holdings Ltd, a company registered in Australia

(c) Ultimate parent entity and parent undertaking of larger group of which the Company is a member

The largest group in which the results of the company are consolidated is that headed by CEMEX, S A B de C V, incorporated in Mexico. Its address is Av Ricardo Margain Zozaya 325, CP 66265, San Pedro Garza Garcia, N L Mexico

The smallest group in which the results of the Company are consolidated is that headed by CEMEX España S A, incorporated in Spain. Its address is Hernandez de Tejada 1, Madrid 28027, Spain

The consolidated financial statements of these groups are available to the public and can be obtained from the above addresses

11 Residence of the Company

On 4 July 2005 management control of the Company was transferred from Australia to the United Kingdom, and the Company is operating in the United Kingdom as a branch at CEMEX House, Coldharbour Lane, Thorpe, Egham, Surrey TW20 8TD. The Company's branch residence for tax purposes is the United Kingdom from the same date

Rugby Adelaide Pty Ltd

Directors' declaration

As stated in Note 1 to the financial statements, in the Directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared to meet Corporation Act 2001 requirements.

The financial report has been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in Note 1.

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 3 to 10 are in accordance with the Corporation Act 2001, including
 - (i) complying with Accounting Standards and other mandatory professional reporting requirements as detailed above, and the Corporations Regulations 2001, and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2007 and of its performance, as represented by results of its operations, changes in equity and cash flows for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Director

Dated this

23 May 2008

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Auditor's Independence Declaration

As lead auditor for the audit of Rugby Adelaide Pty Ltd for the year ended 31 December 2007, I declare that to the best of my knowledge and belief, there have been

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit

This declaration is in respect of Rugby Adelaide Pty Ltd during the period

PricewaterhouseCoopers



Derek Clark
Partner

Adelaide
23 May 2008

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Independent auditor's report to the members of Rugby Adelaide Pty Ltd

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Rugby Adelaide Pty Ltd (the company), which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting obligations under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it

**Independent auditor's report to the members of
Rugby Adelaide Pty Ltd (continued)**

relates to any person other than the members, or for any purpose other than that for which they were prepared

Our procedures include reading the Directors Report to determine whether it contains any material inconsistencies with the financial report

For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>

Our audit did not involve an analysis of the prudence of business decisions made by directors or management

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*

Auditor's opinion

In our opinion

- (a) the financial report of Rugby Adelaide Pty Ltd is in accordance with the *Corporations Act 2001*, including
 - (i) giving a true and fair view of the company's financial position as at 31 December 2007 and of its performance for the year ended on that date, and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*, and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1

PricewaterhouseCoopers

PricewaterhouseCoopers

OR Clark

Derek Clark
Partner

Adelaide
23 May 2008