

Ash Grove Cement Company

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www.ashgrovecement.com

Company Description

Ash Grove Cement operates eight cement manufacturing plants and two lime manufacturing plants throughout the midstates and northwest United States. It also has numerous sales offices and cement terminals. Products include ready-mixed concrete, aggregates and package materials which are sold to customers in over twenty states and parts of Canada. Ash Grove Cement is ranked as the fourth largest cement manufacturer in the United States and is also involved in real estate development. The Company was formed in 1882.

	12/31/99	12/31/98	12/31/97	12/31/96		
Per Share Information						
Stock Price	99.00	91.50	69.25	56.75		
Earnings Per Share	13.57	11.42	10.09	7.44		
Price / Earnings Ratio	7.30	8.01	6.86	7.63		
Book Value Per Share	79.66	67.77	58.22	49.09		
Price / Book Value %	124.28	135.02	118.95	115.60		
Dividends Per Share	1.50	1.25	1.00	0.85		
Annual Financial Data						
Operating Results (000's)						
Total Revenues	538,701.0	503,717.3	471,319.2	417,526.6		
Costs & Expenses	-376,055.9	-365,694.1	-346,503.2	-322,070.4		
Income Before Taxes and Other	162,645.1	138,023.2	124,311.7	90,612.1		
Other Items	0.0	0.0	-375.3	-361.4		
Income Tax	-57,990.0	-48,486.0	-44,365.0	-31,333.9		
Net Income	104,655.1	89,537.2	79,571.3	58,916.8		
Cash Flow From Operations	109,824.0	91,459.2	96,461.8	80,635.9		
Balance Sheet (000's)						
Cash & Equivalents	13,991.5	9,711.0	8,818.0	2,470.0		
Total Current Assets	293,409.9	212,665.3	165,531.3	168,319.4		
Fixed Assets, Net	409,898.4	385,023.7	378,372.6	325,320.4		
Total Assets	796,958.3	710,133.2	651,587.9	584,553.8		
Total Current Liabilities	46,041.1	44,335.1	46,597.9	47,055.1		
Long-Term Debt	47,833.4	54,696.6	61,542.5	68,371.2		
Stockholders' Equity	610,953.9	524,658.3	458,360.2	387,641.3		
Performance & Financial Condition						
Return on Total Revenues %	19.43	17.78	16.88	14.11		
Return on Avg Stockholders' Equity %	18.43	18.22	18.81	16.23		
Return on Average Assets %	13.89	13.15	12.87	10.54		
Current Ratio	6.37	4.80	3.55	3.58		
Debt / Equity %	7.83	10.43	13.43	17.64		
Compound Growth %'s	EPS %	22.18	Net Income %	21.11	Total Revenues %	8.86

Comments

The Company declared a 2 for 1 stock split in 1996. All per share amounts have been adjusted for consistency. The Company, which had been operating at capacity levels, completed its expansion of the Leamington, Utah facility during 1996 and the Durkee, Oregon plant in April 1998. 1999 was the sixth consecutive year of record levels for sales and profits. In October 1999, the Company broke ground for its modernization and expansion at its Chanute, Kansas cement plant. This facility, to be completed in 2001, will initially double the capacity and improve the efficiency in a market where demand has exceeded production. While the Company has enjoyed substantial success over the past few years because of the strong construction market, other opportunities exist for the expansion of the business including the recently passed Transportation Equity Act for the 21st Century which assures and increases the level of government funding on major highway projects. Liquidity is excellent with \$145 million invested in short term securities. Investment Classification: Value & Growth

Officers	Position	Ownership Information	
George M. Wells	President	Number of Shares Outstanding	7,669,297
John H. Ross III	Senior VP	Market Capitalization	\$ 759,260,403
Charles T. Wiedenhoft	Senior VP	Frequency of Dividends	Quarterly
John F. Woodfill	VP - Finance	Number of Shareholders	Under 500

Other Information

Transfer Agent	Company Office	Overland Park, KS	Where Listed	OTC-PS
Auditor	KPMG LLP		Symbol	ASHG
Market Maker	George K. Baum & Company	(800)821-7570	SIC Code	3240
	Howe Barnes Investments, Inc.	(800)621-2364	Employees	1,800
Broker Dealer	Regular Stock Broker			