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*Adelaide Brighton Ltd
ACN 007 596 018*

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21 August 2008

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

RESULTS FOR HALF YEAR ENDED JUNE 2008

We attach the following documents:

- Media statement covering half year result for 30 June 2008.
- Appendix 4D and management discussion.
- Half year report ended 30 June 2008.

Yours faithfully

MRD Clayton
Company Secretary

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MEDIA STATEMENT

21 August 2008

Adelaide Brighton announces a record half year net profit of \$47.7 million Fully franked dividend of 6.5 cents per share

Adelaide Brighton Ltd reported today a record net profit after tax of \$47.7 million for the half year ended 30 June 2008, a 7.2% increase over the corresponding prior period.

A fully franked interim dividend of 6.5 cents, payable on 21 October 2008, has been declared. This compares to a 6.0 cent interim dividend in 2007. The increase in the 2008 interim dividend reflects the continued improvement in company profitability, increasing the payout ratio within the target range of 70%-75%.

Adelaide Brighton will re-introduce a Dividend Reinvestment Plan for the 2008 interim dividend, at a discount of 2.5%, as part of its ongoing capital management strategy.

Commenting on the result, Mr Mark Chellew, Managing Director of Adelaide Brighton Ltd said, "The Company delivered a good result supported by continued growth in cement demand and improved pricing. This result was achieved despite the \$4.5 million higher maintenance costs incurred in the first half as a result of the earlier completion of the Birkenhead shutdown. In 2007 this was undertaken in the second half."

"In addition Adelaide Brighton incurred \$3.0 million of losses resulting from the Apache gas supply constraints, a large proportion of which will be recovered through our insurance cover."

"Revenue increased by 15.2% to \$476.9 million, reflecting the benefit from our broad geographic and market sector spread and exposure to the growing construction and resource sectors," he added.

"Cement sales grew in all core markets, resulting in a 10% overall increase in cement and clinker volumes, while lime sales improved by 8%."

"The development of the lime business continues to be a fundamental part of Adelaide Brighton's medium term growth strategy. The growth in lime sales is forecast to follow the resources mining activity in Western Australia, South Australia and the Northern Territory," said Mr Chellew.

"The Concrete and Aggregates division returned further profit improvements over 2007 with increased volumes in Victoria based on larger inner city contracts and level demand in New South Wales and Queensland."

"The Austen Quarry also delivered further improvement in operating profit from the increased pull through of aggregate and manufactured sand sales to Hy-Tec concrete and higher third party sales."

“C&M Brick continued to operate in difficult markets with its core New South Wales market continuing to be depressed, while South Australian and Victorian revenues were sustained.”

As announced on 13 August 2008, Mr Chellew highlighted the long term energy supply agreements that Adelaide Brighton has secured to cover future energy requirements for the Company's major production facilities.

- A five year gas supply agreement commencing on January 2010 for the Birkenhead and Angaston plants in South Australia.
- A 10 year contract for gas pipeline capacity on the Moomba Adelaide Pipeline and the Angaston lateral pipeline for the Birkenhead and Angaston plants in South Australia commencing January 2010.
- A 15 year contract for the supply of power to the Cockburn Cement Munster, Kwinana, Dongara and Woodman Point manufacturing and processing plants. The contract is subject to Ministerial approval which is expected to be given after the Western Australian State election.

The Company has continued to execute its strategy of selective downstream integration into concrete, aggregates and concrete products businesses through the purchase of Hanson Building Products (HBP), the Queensland based concrete block, brick and paver business on 1 July 2008 for \$81.0 million. The HBP acquisition provides a sound geographical fit with the existing C&M Brick business and makes Adelaide Brighton the masonry market leader in Australia.

Commenting on the outlook, Mr Chellew went on to say “the company projects a 5% - 8% full year increase in demand for cement in 2008 and steady increases in lime demand.”

“All core cement markets are expected to remain robust over the balance of the 2008 year driven by continued demand from the infrastructure, engineering and resource sectors.

Net profit guidance for 2008 is upgraded to within the range of \$120 - \$126 million (previously \$118 - \$125 million).”

Adelaide Brighton Ltd is a leading integrated construction materials company with operations in all mainland states and territories of Australia and trades under the symbol ABC on the Australian Securities Exchange.

FOR FURTHER INFORMATION CONTACT: LUBA ALEXANDER
GROUP CORPORATE AFFAIRS ADVISER
MOBILE: 0418 535 636



Adelaide Brighton Ltd

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Adelaide Brighton Ltd

Appendix 4D

Half year ended 30 June 2008

Results for announcement to the market

Company Name: Adelaide Brighton Ltd
ABN: 15 007 596 018
Reporting period: Half year ended 30 June 2008
Previous corresponding period: Half year ended 30 June 2007
Release date: 21 August 2008

				A\$m
Revenue from continuing operations	up	15.2%	to	476.9
Earnings before interest and tax	up	9.0%	to	77.5
Net profit for the period attributable to members	up	7.2%	to	47.7

Dividend	Amount per security		Franked amount per security
	Current period	Previous corresponding period	
Interim dividend	6.5¢	6.0¢	100%

Record date for determining entitlements to the interim dividend	10 September 2008
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	30 June 2008	30 June 2007
Net tangible asset backing per ordinary share	\$0.88	\$0.86



Adelaide Brighton Ltd

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Adelaide Brighton Ltd

Interim results summary

Half year ended 30 June 2008

KEY FEATURES OF INTERIM RESULT

- Revenue of \$476.9 million - an increase of 15.2%
- Net profit attributable to members \$47.7 million - an increase of 7.2%
- Interim dividend increased to 6.5 cents, franked to 100% (6.0 cents, 100% franked in pcpc)
- Earnings per share increased 7.3% to 8.8 cents (8.2 cents pcpc)
- Operating cash flow sustained at \$54.0m
- Gearing¹ at 55.3% (46.7% pcpc) due to higher dividend and investment expenditure

FINANCIAL SUMMARY	6 months ended 30 June		
	2008	2007	% change pcpc
(A\$ m)			
Revenue	476.9	413.9	15.2
Depreciation	(28.0)	(25.0)	(12.0)
Earnings before interest and tax ("EBIT")	77.5	71.1	9.0
Net interest ²	(15.8)	(10.1)	(56.4)
Profit before tax	61.7	61.0	1.1
Tax expense	(13.9)	(16.5)	(15.8)
Net profit after tax	47.8	44.5	7.4
Minority interest	(0.1)	-	-
Net profit attributable to members	47.7	44.5	7.2
Earnings per share (cents)	8.8	8.2	7.3
Dividends per share – fully franked (cents)	6.5	6.0	8.3
Net debt (A\$ m)	358.5	294.5	
Net debt/equity (%)	55.3%	46.7%	

¹ Net debt/equity

² Interest shown gross in the Income Statement with interest income included in revenue



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Interim results summary

Half year ended 30 June 2008

REVIEW OF OPERATIONS

Operating revenue increased by 15.2% over the pcp to \$476.9 million as a result of continued growth in cement demand and improved pricing overall. Bulk cement sales grew in all core markets, resulting in a 10.0% overall increase in cement volumes. Lime sales improved by 8.0%, principally due to sales price increases. Lime sales volumes were level due to lower second quarter demand from several key customers who have been impacted by the gas supply constraints following the Varanus Island fire.

Cement price increases were circa 3.0% overall, as the planned South Australian price rises have yet to take effect, being deferred until Q4 2008. Adelaide Brighton announced cement price increases in its core domestic markets in the first quarter of the year, before the recent increases in world clinker prices occurred. As a result, Adelaide Brighton will pursue further price rises in Q4 2008 and Q1 2009.

Clinker sales volume grew by 42.0% (115kt) as Adelaide Brighton supplied all of Sunstate Cement's first half year requirements and an additional one off third party shipment to BGC. The margins on these sales were significantly lower in terms of realised sales price, being sales into the distribution chain, and due to higher cost of sales. This additional demand was met through increased imports.

The growth in sales volumes and sales prices recovered inflationary cost increases and were the key drivers behind the 9.0% increase in EBIT to \$77.5 million (\$71.1 million pcp). EBITDA increased by 9.8% to \$105.5 million though the underlying EBITDA margin at 22.1% fell below the pcp (23.2%) due to increased sales into joint ventures. And the higher proportion of sales supplied using imported product. Net profit attributable to members increased by 7.2% to \$47.7 million as a \$5.7 million increase in interest expense was partly offset by a \$2.6 million reduction in tax expense.

Operating performance was maintained during the first half year despite continued challenges posed by gas and electricity supply in Western Australia. The strategy to reduce the dependency on natural gas fuel for the Munster operations played a major role in delivering the first half result with regard to continuity of operations and energy cost.

Following the commissioning of the new \$19.0 million coal grinding and firing plant investment for kiln six on 1 January 2008, the first half Munster gas consumption was cut by 52.0% over the pcp. This reduction in gas demand, and the switch in gas supplier, placed Adelaide Brighton in the fortunate position of having limited exposure to the gas supply interruptions caused by the Varanus Island fire.

Natural gas prices in WA increased by 51% over the pcp. The impact of this increase was substantially offset by the switch to coal firing at Munster. The net fuel cost increase for Munster was as a result restricted to 13.0%, a \$2 million increase over the pcp.

Overall clinker output was 6.0% below 2007 due to the timing of the Birkenhead shutdown, which was completed in May this year compared to July last year, Munster cement kiln maintenance undertaken in the first quarter and gas constraints arising from the Apache supply interruption. In addition to the impact of reduced clinker output, an additional \$4.5 million of Birkenhead maintenance expense was charged in the first half year compared to the pcp.



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Half year ended 30 June 2008

Lime output increased by 6.6% over the pcp due to increased kiln uptime resulting from shutdown timing and the start of realisation of the operational improvement programme (OIP) benefits which is on track to delivery \$25 million of annual cost and volume benefits by end of 2012. In addition to the benefits being realised from the coal mill investment, the introduction of self cleaning blasters on all stages of kiln five and six cyclones will deliver progressive benefits throughout 2008. The final key OIP deliverable for 2008 is the implementation of the alternate year shortened kiln shutdown planning, the first of which was completed in May and will deliver lower costs and increased output for 2008.

Electricity price increases were managed to around 6.0% over the pcp and substantially less than the increases experienced in previous years. A key factor has been the success in managing peak power pricing in South Australia and our ability to step down demand when higher power prices were forecast. This was particularly important during the record 17 day heat wave experienced in March.

The Concrete and Aggregates division returned further profit improvements over 2007. Concrete volumes increased in Victoria based on a solid foundation of larger inner city contracts and were broadly level in New South Wales and Queensland. Driven by rising raw material costs it was possible to increase concrete prices in all markets and this, together with improved operating efficiency, increased margins and delivered a further record first half result for the Concrete and Aggregates division.

The Austen Quarry also delivered a further improvement in operating profit as the pull through of aggregate and manufactured sand sales to Hy-Tec concrete and third party sales lifted production volumes to budget operating capacity. The 2007 acquisitions of Mawsons, Hurd Haulage, Kancon and Port Minimix, and Hastings Concrete in January this year, all performed at or ahead of expectations. Hurd has also secured an important share of the contract to supply the road infrastructure development in the Port Macquarie region.

C&M Brick continued to operate in difficult markets and broke even at the EBIT level for the first half. Its core New South Wales market continues to be depressed with C&M's revenue 6.0% below pcp. South Australia and Victoria revenues were sustained, though margins continued to be under pressure with higher raw material costs and an additional \$0.4 million of one off costs impacting the first half result. Rising input prices have put upward pressure on the need for second half price increases. The full year forecast exceeds the 2007 result. Further progress has also been made in improving operating efficiencies at Moorebank and Campbellfield following the change in management earlier in the year.



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Interim results summary

Half year ended 30 June 2008

STRATEGIC DEVELOPMENTS

Hanson Building Products

The Company has furthered its strategy of selective downstream integration into concrete, aggregates and concrete products businesses through the purchase of Hanson Building Products (HBP), the Queensland based concrete block, brick and paver business on 1 July 2008 for \$81.0 million. The HBP acquisition provides a sound geographical fit with the existing C&M Brick business and makes Adelaide Brighton the masonry market leader in Australia with over 1.1 million tonnes of annual sales.

The HBP acquisition provides procurement and operating systems benefits, further operational improvement through benchmarking and utilisation of best practice from both businesses. Integration will take place over the next 18 months and will deliver \$3.0 million of synergies through the reduction of central support costs. The HBP purchase was made at an EBITDA multiple of 5.6 after integration synergies.

Lime business development

The development of the lime business continues to be a fundamental part of Adelaide Brighton's medium term growth strategy. The growth in lime sales is forecast to follow the resources mining activity in Western Australia, South Australia and the Northern Territory. A key aspect of this strategy is to ensure Adelaide Brighton has the future capacity and flexibility to provide uninterrupted large scale supplies of consistent quality lime to the resource sector.

The growth projections for lime continue to evolve and current company estimates are consistent with previous guidance, for the Western Australian, South Australian and Northern Territory lime markets to grow by approximately 265k tonnes by the end of 2013.

The company continues to monitor lime pricing in the context of expiring longer term supply contracts and has been successful to date in increasing pricing. Adelaide Brighton will continue to seek to achieve future price increases to recover manufacturing cost inflation and improve margins to the levels required to sustain future long term capital investment in lime manufacture later next decade.



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Interim results summary

Half year ended 30 June 2008

Carbon emissions

Following the recent publication of the Government's green paper on the Carbon Pollution Reduction Scheme, the cement and lime industries were recognised as Energy Intensive, Trade Exposed. The intensity of the carbon emissions as a percentage of revenues will place the cement and lime industry in the higher tier category of trade exposure which proposes a 90% allocation of carbon credits over the early stages of the scheme.

Adelaide Brighton supports the introduction of an Australian Emissions Trading Scheme and continues to monitor the situation. Adelaide Brighton is actively providing feedback to Government on the importance of setting the initial emissions cap and carbon reduction trajectory at a level that will not disadvantage the Australian cement and lime industry versus its regional overseas competitors in the formative years of the scheme.

Long term contracts

Negotiations with Hanson and Rinker with regard to their long term supply arrangements are progressing satisfactorily with outline terms agreed for 2009 and 2010.

Long term energy supply agreements have been secured to cover future energy requirements for the Company's major production facilities.

- A five year gas supply agreement commencing on January 2010 for the Birkenhead and Angaston plants in South Australia.
- A 10 year contract for gas pipeline capacity on the Moomba Adelaide Pipeline and the Angaston lateral pipeline for the Birkenhead and Angaston plants in South Australia commencing January 2010.
- A 15 year contract for the supply of power to the Cockburn Cement Munster, Kwinana, Dongara and Woodman Point manufacturing and processing plants. The contract is subject to Ministerial approval which is expected to be given after the Western Australian State election.



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Interim results summary

Half year ended 30 June 2008

FINANCIAL REVIEW

Cash flow and borrowings

Operating cash flow was level at \$54.0 million (\$53.2 million pcp) as \$4.1 million higher interest payments were offset by \$4.8 million in lower tax payments.

Half year net borrowings increased to \$358.5 million (\$294.5 million pcp), principally due to the high dividend payout ratio. The 2007 final and special dividends of \$67.9 million were paid in April. Working capital increased by \$10.4 million due to higher sales, with debtor days held at 2007 levels.

Bank borrowing facility limits were increased by \$160 million during the first half year, an important move in the current, tight credit markets. In addition, cognisant of broader cross market concerns over short term debt levels, the company's existing three year facilities expiring in 2009 were refinanced nine months early. In June, the increased \$520 million credit facilities were refinanced into two tranches with three leading Australian banks. Of these, \$210 million matures in June 2010 and \$310 million in June 2012, leaving the company with no short term debt on its balance sheet at 30 June 2008.

Capital expenditure

Capital expenditure of \$26.7 million (\$20.4 million pcp) reflects \$12.9 million invested in development and operational improvement projects, specifically the expansion of the Port Hedland cement storage and distribution facilities; the upgrade of the Morgan Cement milling facility; the replacement of the Munster kiln six raw material feed conveyor; the installation of a waste oil storage and combustion plant at Dongara and the construction of the Plumpton concrete plant in south east Sydney.

A further smaller investment was made to complement the Concrete and Aggregates division with the \$1.3 million acquisition in January of Hastings Concrete, a north east New South Wales business. The balance of the capital expenditure was sustaining investment in the Cement and Lime and Concrete and Aggregates divisions.

Dividends

An interim 2008 dividend of 6.5 cents, franked to 100%, payable on 21 October, has been declared (6.0 cents, franked 100% pcp) a 8.3% increase over the pcp. During the period the Directors declared a fully franked final dividend of 9.0 cents (7.5 cents pcp), for the year ended 31 December 2007 and a 3.5 cents fully franked special dividend. This combined final and special dividend of 12.5 cents was paid on 10 April 2008. The increase in the 2008 interim dividend reflects the continued improvement in company profitability, increasing the payout ratio within the target range of 70% – 75%.

Adelaide Brighton will re-introduce a Dividend Reinvestment Plan for the 2008 interim dividend as part of its ongoing capital management strategy. Key Plan criteria will be the reinvestment discount at 2.5% and the ability for the company to terminate the Underwriting Agreement at any time during the pricing period.



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Interim results summary

Half year ended 30 June 2008

Interest and tax

Net finance costs of \$15.8 million were \$5.7 million higher than the pcp, due to a combination increased borrowings and higher interest rates. Tax expense of \$13.9 million decreased by \$2.6 million over pcp as a result of the recovery of further research and development tax credits, and the recognition of the mining rights tax benefits from the Loongana Lime acquisition.

OUTLOOK

The company projects a 5.0% – 8.0% increase in demand for cement in 2008 and following the lifting of Western Australian gas constraints, steady increases in lime demand consistent with prior guidance on the development of the lime market.

All core cement markets are expected to remain robust driven by continued demand from the infrastructure, engineering and resource sectors. There is still no expectation of an improvement in the New South Wales market in 2008.

The continued tightness in world cement supply, rising global energy input costs, and sustained high shipping costs continue to put upward pressure on imported cement costs. These increases, together with higher Australian input costs, are expected to form the basis for future increases in domestic cement prices.

The integration plans for Hanson Building Products are well advanced and the business is forecast to meet its acquisition profit projections. Incorporating the earnings and financing of this acquisition into the 2008 full year result, profit guidance is restated for net profit after tax in the range of \$120 - \$126 million (previously \$118 - \$125 million)

M Chellew

Managing Director

21 August 2008

FOR FURTHER INFORMATION CONTACT:

ANDREW POULTER

CHIEF FINANCIAL OFFICER

MOBILE: 0439 492 392

LUBA ALEXANDER

GROUP CORPORATE AFFAIRS ADVISER

MOBILE: 0418 535 636

The Directors present their report on the consolidated entity (“the Group”) consisting of Adelaide Brighton Ltd (“the Company”) and the entities it controlled at the end of, or during, the half year ended 30 June 2008.

Directors

The Directors of the Company at any time during or since the end of the half year and up to the date of this report are:

MA Kinnaird AO
DB Barro AO (resigned 19 August 2008)
MP Chellev
CL Harris
LV Hosking
JD McNerney
GF Pettigrew
RD Barro (appointed 19 August 2008)

Review of operations

A review of the operations of the Group during the half year ended 30 June 2008 is set out on pages 3 to 8 of this report.

Auditor’s independence declaration

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 19.

Rounding off

The Company is of a kind referred to in Class Order 98/100 issued by ASIC, relating to the “rounding off” of amounts in the Directors’ Report and financial report. Amounts in the Directors’ Report and financial report have been rounded off to the nearest hundred thousand dollars in accordance with that Class Order.

Dated at Sydney this 21st day of August 2008.

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



MP Chellev
Managing Director

Consolidated income statement

For the half year ended 30 June 2008

	Notes	2008 \$m	2007 \$m
Revenue	3	476.9	413.9
Cost of sales		(316.1)	(274.2)
Freight and distribution costs		(67.2)	(55.1)
Gross profit		<u>93.6</u>	<u>84.6</u>
Other income	3	1.8	1.9
Marketing costs		(6.5)	(5.8)
Administration costs		(24.5)	(19.5)
Finance costs		(17.3)	(11.5)
Share of net profits of joint venture entities accounted for using the equity method	7	14.6	11.3
Profit before income tax		<u>61.7</u>	<u>61.0</u>
Income tax expense		(13.9)	(16.5)
Net profit		<u>47.8</u>	<u>44.5</u>
Net profit attributable to:			
Members of Adelaide Brighton Ltd		47.7	44.5
Minority interests		0.1	-
		<u>47.8</u>	<u>44.5</u>
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share		8.8	8.2
Diluted earnings per share		8.8	8.2

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated balance sheet

As at 30 June 2008

	30 June 2008 \$m	31 December 2007 \$m
Current assets		
Cash assets	27.5	19.3
Receivables	147.5	128.8
Inventories	91.7	84.3
Derivative financial instruments	-	0.7
Total current assets	<u>266.7</u>	<u>233.1</u>
Non-current assets		
Receivables	26.4	29.5
Investments accounted for using the equity method	66.2	66.9
Property, plant and equipment	739.9	742.5
Intangible assets	168.2	164.4
Retirement benefit assets	0.3	2.7
Total non-current assets	<u>1,001.0</u>	<u>1,006.0</u>
Total assets	<u>1,267.7</u>	<u>1,239.1</u>
Current liabilities		
Payables	99.8	84.8
Borrowings	0.5	60.7
Current tax liabilities	5.5	9.2
Provisions	22.0	26.8
Other	15.3	13.5
Total current liabilities	<u>143.1</u>	<u>195.0</u>
Non-current liabilities		
Borrowings	385.5	281.9
Deferred tax liabilities	59.0	63.0
Provisions	31.6	31.2
Other	0.1	0.1
Total non-current liabilities	<u>476.2</u>	<u>376.2</u>
Total liabilities	<u>619.3</u>	<u>571.2</u>
Net assets	<u>648.4</u>	<u>667.9</u>
Equity		
Contributed equity	515.4	514.0
Reserves	15.5	14.5
Retained profits	114.6	136.4
Parent entity interest	645.5	664.9
Minority interests	2.9	3.0
Total equity	<u>648.4</u>	<u>667.9</u>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of recognised income and expense

For the half year ended 30 June 2008

	2008 \$m	2007 \$m
Exchange differences on translation of foreign operations, net of tax	0.6	(0.1)
Actuarial gain / (loss) on defined benefit plan, net of tax	(2.0)	1.7
Net income recognised directly in equity	(1.4)	1.6
Net profit for the period	47.8	44.5
Total recognised income and expense for the period	46.4	46.1
Attributable to:		
Members of Adelaide Brighton Ltd	46.3	46.1
Minority interests	0.1	-

The above consolidated statement of recognised income and expense should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the half year ended 30 June 2008

	Notes	2008 \$m	2007 \$m
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		520.0	445.2
Payments to suppliers and employees (inclusive of goods and services tax)		(450.7)	(369.7)
Joint venture distributions received		15.0	8.6
Interest received		1.5	1.3
Other revenue received		1.4	1.7
Interest paid		(13.9)	(9.8)
Income taxes paid		(19.3)	(24.1)
Net cash inflow from operating activities		54.0	53.2
Cash flows from investing activities			
Payments for property, plant and equipment		(26.7)	(20.4)
Payments for controlled entities and operations		(1.3)	(24.5)
Proceeds from sale of property, plant and equipment		3.4	0.7
Loans to joint ventures and other related parties		3.2	0.4
Net cash (outflow) from investing activities		(21.4)	(43.8)
Cash flows from financing activities			
Proceeds from borrowings		75.0	75.0
Repayment of borrowings		(31.5)	(1.6)
Dividends paid to company's shareholders	4	(67.9)	(73.2)
Dividends paid to minority interests in controlled entities		-	(0.2)
Net cash (outflow) from financing activities		(24.4)	-
Net (decrease) increase in cash held		8.2	9.4
Cash at the beginning of the reporting period		19.3	24.2
Cash at the end of the reporting period		27.5	33.6

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the half year ended 30 June 2008

1 Basis of preparation of half year report

This general purpose financial report for the interim half year reporting period ended 30 June 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2007 and any public announcements made by Adelaide Brighton Ltd during the interim reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2 Segment reporting

Half year 2008	Construction and mining materials \$m	Building products \$m	Total continuing operations \$m
External sales revenue	435.5	39.5	475.0
Inter-segment sales	2.8	-	2.8
Interest revenue	0.3	0.1	0.4
Total segment revenue	438.6	39.6	478.2
Inter-segment elimination			(2.8)
Unallocated			1.5
Consolidated revenue			476.9
Segment result	71.2	-	71.2
Share of net profit of joint ventures	14.6	-	14.6
Unallocated			(8.3)
Net interest expense			(15.8)
Profit before income tax			61.7
Half year 2007	Construction and mining materials \$m	Building products \$m	Total continuing operations \$m
External sales revenue	373.3	39.1	412.4
Inter-segment sales	2.3	-	2.3
Interest revenue	0.4	0.2	0.6
Total segment revenue	376.0	39.3	415.3
Inter-segment elimination			(2.3)
Unallocated			0.9
Consolidated revenue			413.9
Segment result	65.3	1.4	66.7
Share of net profit of joint ventures	11.3	-	11.3
Unallocated			(6.9)
Net interest expense			(10.1)
Profit before income tax			61.0

Notes to the financial statements

For the half year ended 30 June 2008

3 Operating profit

	Consolidated	
	2008	2007
	\$m	\$m
Revenue		
Sale of goods	475.0	412.1
Interest revenue	1.5	1.4
Royalties	0.4	0.4
	476.9	413.9
Other income	1.8	1.9
Revenue and other income	478.7	415.8
Finance costs		
Interest and finance charges	14.6	9.3
Unwinding of the discount on restoration provisions and retirement benefit obligation	1.9	1.7
Exchange losses on foreign currency forward contracts	0.8	0.6
Interest capitalised in respect of qualifying assets	-	(0.1)
Total finance costs	17.3	11.5
Less interest revenue	(1.5)	(1.4)
Net finance costs	15.8	10.1

4 Dividends

	2008	2007
	\$m	\$m
Dividends provided or paid during the half year		
2007 final dividend of 9.0 cents (2006 – 7.5 cents) per fully paid ordinary share, franked at 100% (2006 – 100%) paid on 10 April 2008.	48.9	40.7
2007 special dividend of 3.5 cents (2006 – 6.0 cents) per fully paid ordinary share, franked at 100% (2006 – 100%) paid on 10 April 2008.	19.0	32.5
	67.9	73.2

Dividends not recognised at the end of the year

In addition to the above dividends, since the end of the half year the directors have recommended the payment of an interim dividend of 6.5 cents per fully paid ordinary share (June 2007 – 6.00 cents), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 21 October 2008 out of retained profits, but not recognised as a liability at the end of the half year, is

	35.4	32.6
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Notes to the financial statements

For the half year ended 30 June 2008

5 Business combinations

During the period, the accounting for the 2007 acquisitions of Kancon, Port Minimix and Blanchetown Quarry were finalised. The effect in the current period was an increase in goodwill of \$2.8 million and a decrease in property, plant and equipment of \$2.8 million.

On 1 February 2008, Hurd Haulage Pty Ltd purchased the assets of Hastings Concrete for cash. The effect in the current period was an increase to property, plant and equipment of \$0.3 million and increase to goodwill of \$1 million.

6 Equity

Securities issued	Half year June 2008 Shares	Half year June 2007 Shares	Half year June 2008 \$ m	Half year June 2007 \$ m
Issues of ordinary shares during the half year				
Shares issued under the Adelaide Brighton Ltd Executive Performance Share Plan	930,000	845,000	1.4	0.7
	930,000	845,000	1.4	0.7

7 Investments in joint ventures

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting.

Name of joint venture company	Ownership interest	
	2008 %	2007 %
Sunstate Cement Ltd	50	50
Independent Cement & Lime Pty Ltd	50	50
Alternative Fuel Company Pty Ltd	50	50
EB Mawson & Sons Pty Ltd	50	-
Lake Boga Quarries Pty Ltd	50	-
Contribution to net profit	2008 \$m	2007 \$m
Sunstate Cement Ltd	8.1	6.9
Independent Cement & Lime Pty Ltd	6.1	4.5
Other	0.4	-
Unrealised profit in inventory	-	(0.1)
Share of profits equity accounted	14.6	11.3

8 Contingencies

No significant changes occurred in contingent liabilities or contingent assets since the last annual reporting date.

Notes to the financial statements

For the half year ended 30 June 2008

9 Events occurring after reporting date

On 1 July 2008, C&M Brick Pty Ltd purchased 100% of the shares in Hanson Building Products Pty Ltd (HBP) for a total consideration of approximately \$81 million. HBP has a 100% subsidiary, Hanson Mining Products Pty Ltd (HMP) (which has a 50% interest in the Hanson Burrell Mining Services JV (HBMSJV)).

No other matter or circumstance has arisen since 30 June 2008 that has significantly affected, or may significantly affect:

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

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 9 to 17 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2008 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half 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.



MP Chellew
Director

Dated at Sydney on the 21st day of August 2008

Auditor's Independence Declaration

As lead auditor for the review of Adelaide Brighton Limited for the half-year ended 30 June 2008, 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 review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Adelaide Brighton Limited and the entities it controlled during the period.



Andrew Forman
Partner
PricewaterhouseCoopers

Adelaide
21 August 2008

Independent auditor's review report to the members of Adelaide Brighton Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Adelaide Brighton Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of recognised income and expense and cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Adelaide Brighton Limited Group (the consolidated entity). The consolidated entity comprises Adelaide Brighton Limited (the company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year 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.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Adelaide Brighton Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance

**Independent audit's review report to the members of
Adelaide Brighton Limited (continued)**

that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

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

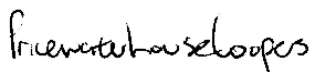
Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Adelaide Brighton Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



PricewaterhouseCoopers



Andrew Forman
Partner

Adelaide
21 August 2008