

*Level 1
157 Grenfell Street
Adelaide SA 5000*

*GPO Box 2155
Adelaide SA 5001*



*Adelaide Brighton Ltd
ACN 007 596 018*

*Telephone (08) 8223 8000
International +618 8223 8000
Facsimile (08) 8215 0030
www.adbri.com.au*

20 August 2009

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

Dear Sir/Madam

RESULTS FOR HALF YEAR JUNE 2009

We attach copies of slides being shown by Mark Chellew, Managing Director of Adelaide Brighton, during briefings for analysts on the company's financial result for the half year ended 30 June 2009.

Yours faithfully

MRD Clayton
Company Secretary

FOR FURTHER INFORMATION: MS LUBA ALEXANDER
GROUP CORPORATE AFFAIRS ADVISER
TELEPHONE 0418 535 636

June 2009 half year result

20 August 2009



Agenda

- **Performance highlights**
- **Strategy development**
- **Divisional review**
- **Financials**
- **Outlook**



Adelaide Brighton Ltd

Overview

Mark Chellew
Managing Director and CEO

Adelaide Brighton Ltd June 2009 half year financial result



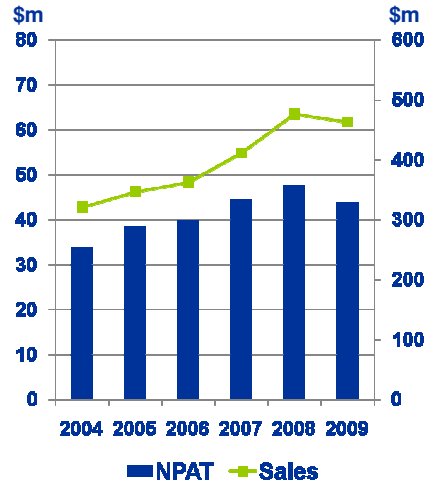
Performance highlights - summary

\$m	30 June 2009	30 June 2008	% change
Revenue	463.2	476.9	(2.9)
EBIT	71.3	77.5	(8.0)
NPAT	43.9	47.7	(8.0)
Cents			
EPS	7.6	8.8	(13.4)
Interim dividend	5.5	6.50	(15.4)

Adelaide Brighton Ltd June 2009 half year financial result



Performance highlights: sales and earnings

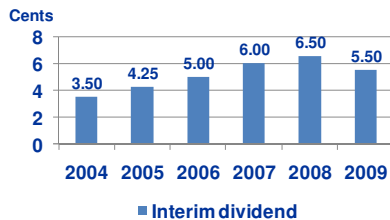


- Operating revenue fell by 2.9% over the pcp
- First time first half contribution from Masonry Qld and Tas
- Net profit after tax down 8.0%
- Decreased demand in core cement markets
- Cement and lime price increases helped recover higher input cost pressures
- Fall in Concrete and Masonry product demand

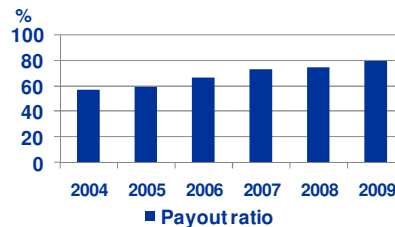
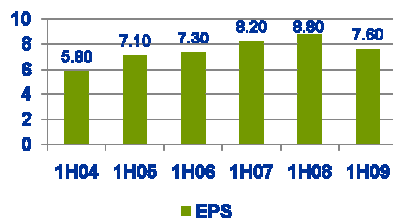
Adelaide Brighton Ltd June 2009 half year financial result



Performance highlights – shareholder returns



- Interim payout ratio increased to 78.8%
- EPS decline by 13.4%
- Increase in number of shares on issue



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Key profit drivers

- **Realised cement price increases of circa 7% and lime price increases of circa 7% over pcp**
- **Cement sales down circa 15% – import based sales reduced**
- **Lime sales volumes level versus pcp**
- **Cross divisional Profit Optimisation Programme target \$15m full year cost reduction over 2008 – direct EBIT benefit**
- **Reduced borrowing and cash rate - \$5m lower interest expense**

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Key profit challenges

- **Masonry Products – acute sales decline in Qld. Continued soft markets in NSW and Vic**
- **Continued weak Concrete markets exacerbated by heavy rainfall in Qld**
- **Fuel and power cost escalation successfully managed over first half**
- **Klein Point, Accolade collision, raw material supply continuity sustained to Birkenhead**

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Divisional reviews

Cement - volumes and pricing

State	Volume	Price
NSW	Continued market weakness impacts Adbri Masonry, Hy-Tec and ICL	Cement prices holding – with some downward pressure
VIC	Weaker commercial demand partly offset by higher residential activity	Cement prices holding, await Q3 2008 pricing outcomes
QLD	Acute volume decline in Sunstate – weaker market demand	Cement pricing – regional differential uptake
SA	Robust residential and engineering. Increased backfill binder shipments to BHP	Price increases implemented Q1
WA	Sustained resources and infrastructure sectors – softening residential	Price increases implemented Q1

Lime – volume and pricing

State	Volume	Price
WA	Level for 2008. Long term resource sector growth projections under review	Ahead of CPI as short term contracts expire. +7% over pcp
SA	Level demand with growth potential	At inflationary levels
NT	Strong resources demand. Secondary supply from South Australia	Above CPI increases to cover additional supply costs

Cement and Lime Operations

- **Birkenhead shutdown completed in February**
 - Electric power peak demand and price risk management
 - Reduction in shutdown to 20 days
- **Accolade – Klein point jetty collision**
 - Operations resumed mid August
 - Alternative limestone supply route via Ardrossan / third party supply
 - No loss in Birkenhead output
 - Jetty damage and additional operational costs insured above excess
 - First half impact offset by WA property income

Cement and Lime - energy

- **Successful demand management at all operations**
 - Power costs held at 2008 levels
 - Load shedding strategies successful
- **Coal and alternate fuels strategy mitigates a further 7% increase in gas prices**
 - Expansion of waste oil use at Dongara in WA
- **Gas pricing and future carbon cost challenges**
 - WA wet process disadvantage
 - Medium term 5 – 10 years operating exposure

Concrete and Aggregates

- **Raw material price increases recovered in concrete selling prices**
- **Continued drive for alternative raw material use to reduce mix costs**
- **Austen Quarry cost base reduced as operational efficiency gains realised**
- **Hurd Haulage volumes lower on delayed Pacific Highway contract**
- **Continued focus on operating cost base**

Masonry Products

- **Acute weakness in core Qld markets - regional area demand down 25% – 45%**
- **Q1 Price increases in core markets**
- **Successful actions taken to mitigate earnings exposure**
 - Toowoomba and Nowra 1 plants mothballed
 - Shift reductions across Division to match supply to demand
 - Inventories closely managed
- **Integration plans completed**
 - Essendon closed and property sold
 - Business integration on SAP systems completed
- **SA performance sustained**
- **Vic operations efficiency improvements**

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15 

2009 half year summary

- **Action plans instigated in Q4 2008 - mitigated earnings exposure in first half year**
- **Profit before tax \$60.5m. 1.9% below pcp**
- **Price increases realised in all core markets recovering input costs and sustaining margins**
- **Circa 15% decline in cement demand managed through reduction in lower margin imported product based sales**
- **Masonry Products Division sized to return to positive earnings in second half**
- **Lower borrowings, cash rate and relative bank margins reduce interest expense by \$5m**

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16 



Adelaide Brighton Ltd

Financial results

Andrew Poulter
Chief Financial Officer

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17

Summary earnings

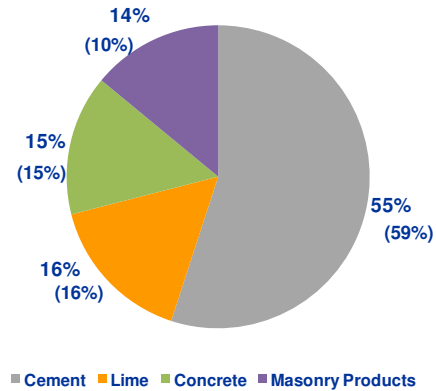
6 months ended 30 June	2009 \$m	2008 \$m	Change %
Revenue	463.2	476.9	(2.9)
EBITDA	100.5	105.5	(4.7)
EBIT	71.3	77.5	(8.0)
Net interest	(10.8)	(15.8)	31.5
Profit before tax	60.5	61.7	(1.9)
Tax expense	(16.7)	(13.9)	(20.1)
Net profit after tax	43.8	47.8	(8.3)
Minority interest	0.1	(0.1)	-
Net profit attributable to members	43.9	47.7	(8.0)

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18

Turnover segmentation to June 2009

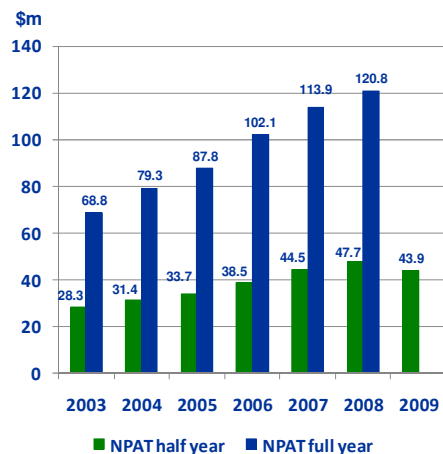
- Masonry Products segment growth due to Hanson Building Products acquisition
- Cement circa 15% volume decline
- Lime static demand
- Concrete increase in 'road base' aggregate sales



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19 

Profit growth – half and full year



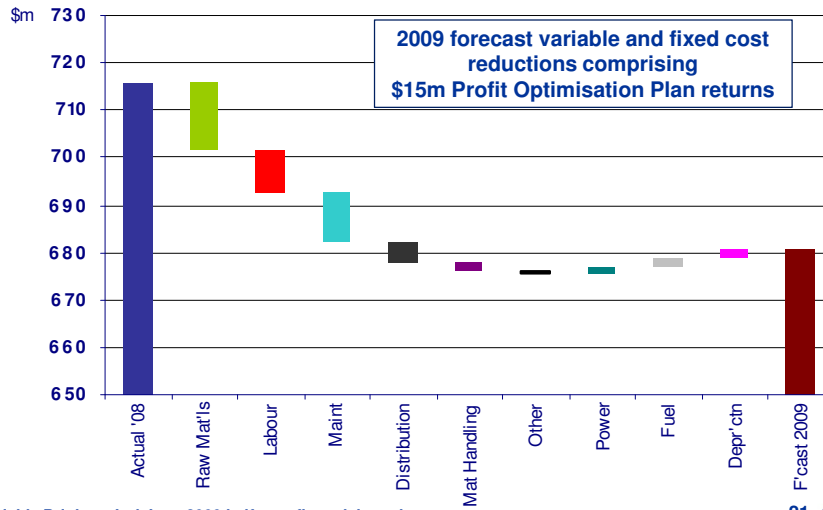
- 8% first half decline normalised to 3.7% after \$2.1m prior year one off tax benefits
- \$1.6m redundancy one offs in 1H
- \$5m lower maintenance forecast in second half v pcp
- Profit Optimisation Programmes second half leverage

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20 

ABL profit optimisation plans

2008 v 2009F key operating costs

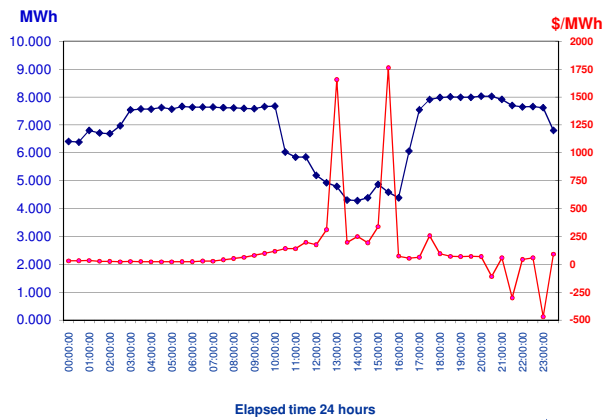


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21

Cement and Lime SA power pricing

Power price risk management – a day in February 2009

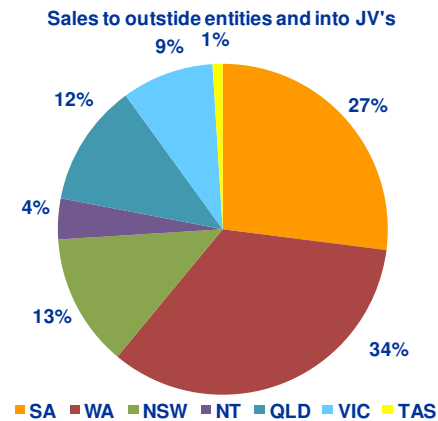


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22

Turnover segmentation to June 2009

- WA relative increase due to stable lime demand
- SA strength from Cement, Lime and Masonry Products
- Qld market decline offset by first time Masonry Products (Hanson Building Products)
- Vic and NSW Cement and Concrete decline



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23 

Masonry Products

	2009 \$m	2008 \$m	Variance %
Sales	63.0	39.5	59.5
EBITDA	3.3	2.2	50.0
EBIT	(0.8)	-	-

- Like for like sales down 25% over 2008 (\$4.1m EBIT loss)
- 2009 H1 includes \$1.3m one off redundancy costs
- Restructuring completed – Essendon closed and sold
- SAP implementation completed
- Second half return to profit – sale pricing, cost reduction and acquisition synergies will recover \$4m EBIT

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24 

Joint ventures: ICL, Sunstate, Mawsons and Burrell Mining

ABL 50% share 6 months ended 30 June	2009 \$m	2008 \$m	Variance %
Sales	128.1	124.0	3.3
EBITDA	18.9	23.5	(19.6)
NPAT	12.2	14.6	(16.4)
Profit margin - %	9.5%	11.8%	

- Qld market weakness - Sunstate sales down circa 20% over pcp
- ICL margin reduction due to higher imported cement costs
- Mawsons sales increase due to water infrastructure demand
- First time inclusion of Burrell Mining

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25 

Cash flow

Six months to 30 June	2009 \$m	2008 \$m
Net profit before tax	60.5	61.7
Depreciation	29.2	28.0
Income Tax	(19.3)	(19.3)
Change in working capital	(4.8)	(10.5)
Other	(6.4)	(5.9)
Operating cash flow	59.2	54.0

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26 

Working capital

	30 June 2009	31 Dec 2008	Variance %
Sales	463.2	545.5	(15.1)
Accounts receivable	132.0	144.2	(8.5)
Days sales outstanding	46.4	45.7	1.5
Bad debt expense	(1.0)	(2.5)	60.0
Inventories: Cement and Lime	70.2	68.7	2.2
Masonry Products	37.3	36.9	1.1
Concrete and Aggregates	12.4	10.5	18.1
Total inventory	119.9	116.1	3.3
Accounts Payable	(89.6)	(98.0)	8.6
Tax: Current	5.6	(5.7)	198.2
Deferred	(64.5)	(57.4)	(12.4)

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27 

Cash flow

Six months to 30 June	2009	2008
	\$m	\$m
Operating cash flow	59.2	54.0
Capital expenditure	(18.7)	(26.7)
Proceeds on sale of fixed assets	2.8	3.4
Free cash flow	43.3	30.7
Investments and Joint Venture loans	1.0	1.9
Dividends paid	(29.1)	(67.9)
Capital increase	111.4	-
Impact on net debt	126.6	(35.3)

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28 

Capital expenditure

- **Capital expenditure** \$18.7m (2008 \$26.7m)
 - Birkenhead major component
 - Glendenning Concrete Plant
 - SAP implementation

- **Depreciation** \$29.2m (2008 \$28.0m)

- **Planned capital H2 2009**
 - Full year forecast \$45.0m (2008 \$56.8m)

Balance sheet: borrowings and gearing

		June 09	June 08
Net debt	(\$m)	261.4	358.5
Interest	(\$m)	(10.8)	(15.8)
Gearing - Net debt / equity	%	31.4%	55.3%
Gearing - Net debt / debt + equity	%	23.7%	35.6%
Net debt / EBITDA		2.6	3.4
Interest cover (EBIT)	(times)	6.6	4.9
Net tangible assets / share	(cents)	1.15	0.88

ABL institutional equity placement and Share Purchase Plan

- **Equity raising for \$113.5m**
 - Institutional placement \$65.4m – completed 9 April 2009
 - Share Purchase Plan \$28.5m – completed 11 June 2009
 - Barro Group placement \$19.6m – completed 30 April 2009
- **Placement and SPP price \$1.78 per share**
- **Prudent, proactive strategy:**
 - Strengthens balance sheet
 - Provides headroom to pursue accretive acquisitive and organic growth opportunities
 - Positions for cyclical upturn

ABL issued shares now 627.4m, market cap circa \$1.6bn

Finance expense

	2009 \$m	2008 \$m
Bank interest charged	9.2	14.6
Joint venture loans interest income	(1.0)	(1.5)
AIFRS interest charge on defined benefit super plan and remediation provisions	1.5	1.9
Net change on foreign currency contracts	1.1	0.8
Total net finance expense	10.8	15.8



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2009 outlook

Mark Chellew
Managing Director and CEO

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33

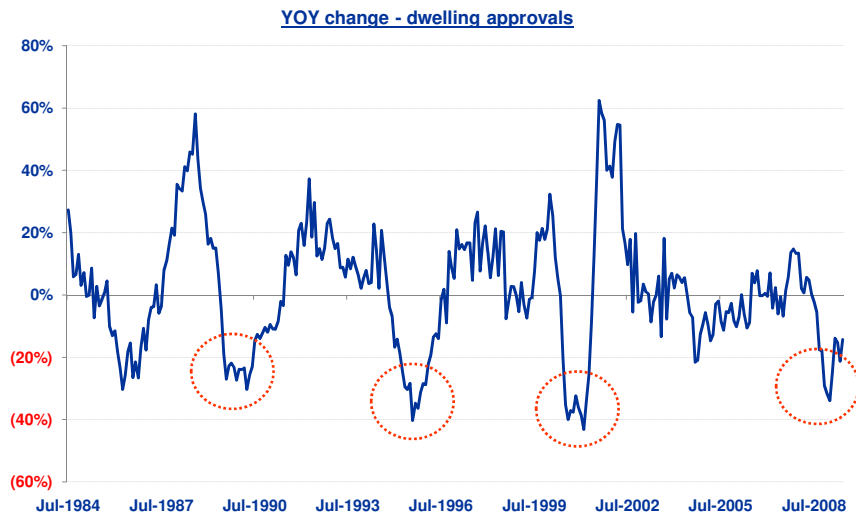
Outlook – market dwellings

- **Residential activity increasing**
 - Government first/new homeowner stimulus
 - Increase in home loans since Sept 2008 32% of which 25% related to new homes
- **Overall dwelling approvals continue to rise**
- **Three month rolling average housing approvals have begun to recover from January lows**
- **Yet to see recovery in twelve month averages**
- **We may have seen the bottom of the residential cycle**

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34

Australian dwelling approvals



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35 

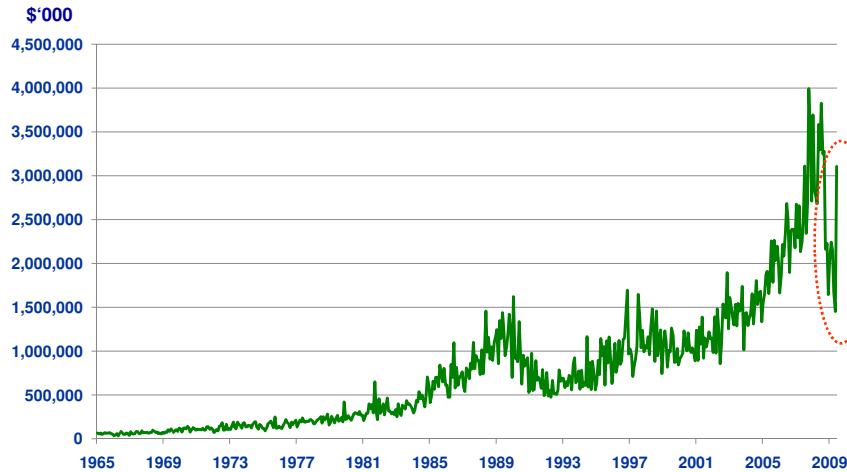
Outlook – market commercial

- Emerging pull through from schools infrastructure projects
- June seasonally adjusted non residential approval values doubled in June
- Roads and infrastructure construction to grow as stimulus investment takes effect in 6 – 9 months
- Private commercial construction still of major concern due to lack of project financing

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36 

Non residential building approvals by value



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37 

Outlook – market and profitability

- Cement sales 10% – 15% below 2008 - weakening commercial mitigated by higher residential demand
- Government stimulus packages working and will grow
- Lime demand level at 2008 levels
- Upside potential on concrete and masonry demand driven by residential activity
- Divisional profit optimisation programmes on track to deliver full year \$15m EBIT benefit
- Interest costs will continue to fall as strong cash flow continues
- NPAT guidance held at \$105m - \$115m

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38 