



Adelaide Brighton Ltd
ACN 007 596 018

Adelaide Brighton Ltd
Half Year Profit Report
June 2001 Summary
Issued Adelaide Wednesday, 29 August 2001

Media Release

ADELAIDE BRIGHTON MAINTAINS IMPROVED OUTLOOK

Adelaide Brighton Ltd today reported a net profit after tax for the six months ended 30 June 2001 of \$15.1 million compared with \$16.7 million for the six months to 30 June 2000.

An interim dividend of 2 cents per share, franked to 13%, has been declared. This compares with last year's interim dividend of 1.5 cents per share, fully franked.

Free cash flow at \$26.3 million remained strong and net debt has reduced by a further \$19.2 million improving gearing to 46.5%.

Sales revenue was down \$15.2 million or 7.0% and EBIT by 10.1%. Operating revenue from sale of goods fell by 5.6% from \$180.6 million to \$170.4 million.

The reduction in sales and EBIT had been expected in view of the sharp falls in construction forecast post the GST introduction and the Olympics. What had not been expected was a significant improvement in lime sales in Western Australia and it was the strength of this that prompted a trading update to the market in June.

During the period, progress has been made in reducing imports and, including action post-June, imports have now been eliminated for the time being from South Australia and Victoria. This however has come at a cost and the effect of dumped imports during the half year is estimated to have cost the Company \$19 million, a level similar to the last two half year periods.

Commenting on the result, Mr Phil Wright, Managing Director of Adelaide Brighton Ltd, said, "The result for the six months is better than we originally expected owing to a combination of stronger lime sales, improved cement prices, improved cost performance and lower borrowings.

"Trading conditions have been difficult with housing approvals in the 12 months to 30 June 2001 at their lowest level for 20 years.

"However, we are starting to see signs of a pick-up as a result of the first home buyers grant and in some areas, in particular Victoria, demand has been running strongly in the last few months.

"We maintain a cautious stance and reiterate that, barring anything unforeseen, our results this year should be close to the level reported last year.

"This is a significant improvement on what we originally anticipated," Mr Wright said.

The Company had previously indicated a profit expectation of around \$23 million to \$24 million for the current year compared with the result for the previous year of \$29.1 million profit after tax.

Earnings per share for the current period are 3.2 cents, an improvement on the half year to December 2000 which was 2.6 cents but a reduction on the 3.5 cents for the half year to June 2000.

Adelaide Brighton Ltd is Australia's largest cement and lime company and has operations in all mainland States and trades under the symbol ABC on the Australian Stock Exchange.

For further information please consult our web-site at www.adbri.com.au or contact:

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