

*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*

16 August 2012

The Manager
Market Announcements
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Adelaide Brighton half year report June 2012 – media statement

We attach a media statement covering Adelaide Brighton's half year report to June 2012 for release to the market.

Yours faithfully

MRD Clayton
Company Secretary

FOR INFORMATION:

MS LUBA ALEXANDER
GROUP CORPORATE AFFAIRS ADVISER
TELEPHONE 0418 535 636

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MEDIA STATEMENT

16 August 2012

Adelaide Brighton records a 9.8% increase in June 2012 half year net profit Interim ordinary dividend 7.5 cents per share

- REVENUE OF \$550.3 MILLION – AN INCREASE OF 8.3% OVER THE PCP
- EARNINGS BEFORE INTEREST AND TAX OF \$98.5 MILLION – AN INCREASE OF 6.6% OVER THE PCP. INCLUDES A GAIN OF \$7.6 MILLION RELATING TO THE FINALISATION OF FAIR VALUE ACCOUNTING FOR A 2011 ACQUISITION AND REDUNDANCY COSTS OF \$2.3 MILLION
- PROFIT BEFORE TAX OF \$90.2 MILLION – AN INCREASE OF 6.7% OVER PCP
- NET PROFIT ATTRIBUTABLE TO MEMBERS OF \$67.5 MILLION – AN INCREASE OF 9.8% ON PCP
- BASIC EARNINGS PER SHARE OF 10.6 CENTS – AN INCREASE OF 9.3% OVER PCP (9.7 CENTS PCP)
- OPERATING CASH FLOW WAS \$80.2 MILLION – AN INCREASE OF 60.4% OVER THE PCP
- NET DEBT OF \$287.6 MILLION (\$220.6 MILLION IN PCP)
- GEARING AT 29.7% (23.9% PCP)

Leading Australian construction materials and lime producing Group Adelaide Brighton Ltd, announced today a net profit after tax of \$67.5 million for the half year ended 30 June 2012, an increase of 9.8% over the previous corresponding period (pcp).

Earnings before interest and tax increased 6.6% to \$98.5 million. This includes a gain of \$7.6 million recognised as other income relating to the finalisation of fair value accounting for a 2011 acquisition and redundancy costs of \$2.3 million.

A fully franked interim dividend of 7.5 cents, payable on 8 October 2012, has been declared. This is in line with the pcp and represents a payout ratio of 70.8%.

Earnings per share for the half year to 30 June 2012 were 10.6 cents compared with 9.7 cents for the previous corresponding period.

Commenting on the result, Mr Mark Chellew, Managing Director of Adelaide Brighton said “This is a solid result considering the difficult market conditions experienced in the first half of 2012.”

“Revenue of \$550.3 million was 8.3% higher as improved demand from the mining sector exceeded the combined impact of weak residential and commercial activity and wet weather across the eastern seaboard.”

“Price increases in most products were in line with expectations,” said Mr Chellew.

Cement sales increased marginally as a result of strong demand from resources and mining in Western Australia and the Northern Territory and infrastructure projects in South Australia.

Lime sales volumes were higher due to strong demand from the resources sector and a recovery in sales to a major customer in Northern Territory.

The Concrete and Aggregates division was impacted by weak market demand and wet weather in the eastern States. Aggregates volumes were similarly impacted, although demand from the Pacific Highway upgrade resulted in strong volumes from the northern New South Wales quarries.

The benefit of price increases in the Concrete Products division contributed to a 2.3% increase in sales revenue despite difficult trading conditions with softening demand from residential construction and generally slow reseller activity.

“Net debt at the half year was \$287.6 million bringing net debt to equity gearing to 29.7% which is at the lower end of the Board’s targeted range of 25% to 45%”, said Mr Chellew.

Strategic developments

Adelaide Brighton continues its successful long term strategy to grow shareholder returns through investment in operational improvement, growth in the lime business and vertical integration into downstream markets. The Company has now spent approximately \$58 million over 2011 and 2012 of the \$94 million investment program which will improve efficiency, sustainability and environmental performance in the Cement and Lime Division.

The Company will continue to pursue both organic and acquisitive growth in a measured and low risk manner in order to maximise shareholder value.

Carbon Tax

Adelaide Brighton is committed to reducing its carbon emissions and has significantly reduced its carbon footprint in Australia through the use of supplementary cementitious materials such as fly ash and slag, the use of alternative fuels, has closed inefficient clinker plants and has consistently developed its capability to import cementitious materials.

While not directly impacting first half earnings in 2012, the carbon tax became effective on 1 July 2012. It is estimated that in the second half of 2012 the negative impact on net profit after tax will be approximately \$2.7 million, before mitigation.

Outlook

Adelaide Brighton anticipates:

- 2012 total cement and clinker sales volumes to be similar to 2011.
- Lime sales volumes in 2012 are expected to be marginally higher than 2011.
- Lime prices will improve in 2012 due largely to improved lime pricing to a major alumina customer in Western Australia, effective from 1 July 2011.
- The Australian concrete market is expected to remain subdued through the remainder of 2012.
- Weakness in the concrete masonry market is expected to continue in 2012 due to difficult conditions in the east coast commercial and multi-residential segments.
- Ongoing focus on cost management across the Group, with particular emphasis on production costs, including energy efficiency and carbon footprint.

Commenting on the outlook, Mr Chellew said, “Subject to the timing of cement sales to major projects and if market conditions are sustained during the second half of 2012, Adelaide Brighton expects a net profit after tax in the range of \$145 to \$155 million for the full 12 month period to 31 December 2012.”

FOR FURTHER INFORMATION CONTACT:

LUBA ALEXANDER, GROUP CORPORATE AFFAIRS ADVISER - TELEPHONE 0418 535 636

ADELAIDE BRIGHTON IS A LEADING INTEGRATED SUPPLIER OF CEMENT AND LIME TO THE CONSTRUCTION, ENGINEERING, AND INFRASTRUCTURE INDUSTRY SECTORS IN AUSTRALIA AND TRADES UNDER THE SYMBOL ABC ON THE AUSTRALIAN SECURITIES EXCHANGE.