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The Manager
Company Announcement Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

ADELAIDE BRIGHTON ADVISES STRONGER THAN EXPECTED FIRST HALF 2010

Leading construction materials and lime producer, Adelaide Brighton Ltd (ASX:ABC) announced today that based on information to hand, it expects net profit after tax for the six months ended June 2010 to be between \$62 - \$65 million, compared to \$43.9 million for the pcp. It should be noted that these results are based on internal management accounts and may be subject to change on completion of the audit review and further consideration by the Board.

Managing Director, Mark Chellew said, "The increased first half 2010 result has been driven by higher demand for cement and lime, primarily from infrastructure projects and the resources industry, a reduction in interest expense following the 2009 \$111 million capital raising and the higher Australian dollar which positively impacted import margins".

"In addition, continued benefits of cost management programs helped to offset increased energy costs".

Mark Chellew went on to say "If current market conditions continue in the second half of 2010, and barring any unforeseen circumstances, the Company expects a significantly higher net profit after tax for the 12 month period to December 2010".

The attached slides provide an update on company performance for the first half 2010.

Further detail regarding the company's performance for the six months to June 2010 will be provided on 19 August 2010.

**Mark Chellew
Managing Director**

FOR FURTHER INFORMATION:

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Adelaide Brighton at a glance

- Leading Australian construction materials and lime producing group
- Market positions
 - » No. 1 Lime
 - » No. 1 Concrete Products
 - » No. 2 Cement
 - » No. 4 Concrete and Aggregates
- 1,600 employees Australia wide (inc JV'S)
- Market capitalisation \$1.8 billion
- S&P/ASX 150 company
- TSR of 28% per annum over last 10 years
- Strong balance sheet – gearing 19% at end 2009

Sales by geographical segmentation

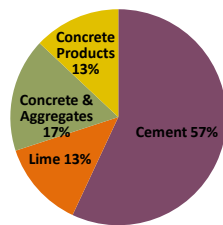
State	Color
WA	Purple
VIC	Green
NSW	Dark Red
QLD	Yellow
SA	Orange
NT	Red

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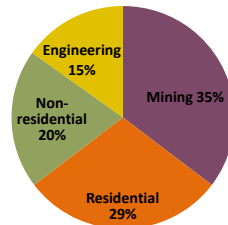
Adelaide Brighton revenue analysis

- Western Australia and South Australia are key geographic markets
- Major exposure to engineering and mining sectors
- 70% of revenue from Cement and Lime operations

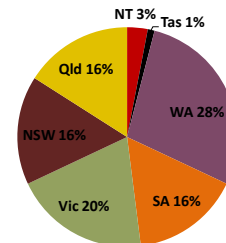
Revenue - product group



Revenue – end user by segment



Revenue - by state



Source: estimated by ABL

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2010 year to date performance

Adelaide Brighton expects 1H 2010 net profit after tax to be in the range of \$62 - \$65 million versus 1H 2009 net profit after tax of \$43.9 million

Key drivers of the improved performance are:

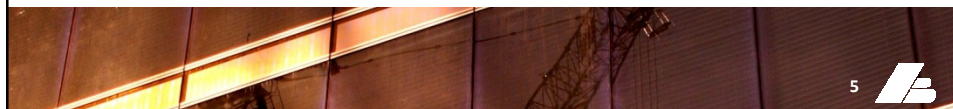
- Cement sales up significantly in 1H 2010. Resource and infrastructure projects providing strong demand in Adelaide Brighton's key cement markets of South Australia and Western Australia
- Stronger A\$ benefits 1H 2010 import margins compared to 1H 2009
- Continued benefits from cost management programs which helped to offset increased energy costs
- Reduction in interest expense due to decreased borrowings resulting from the 2009 capital raising of \$111 million

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Refinancing

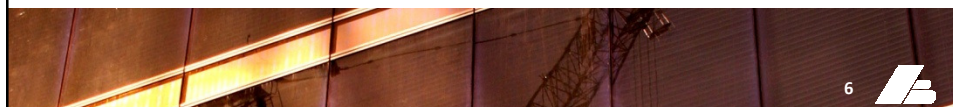
- Refinanced \$150 million of previous \$310 million funding facilities due to expire at end of June 2010
- Due to strong balance sheet, net debt at end of December 2009 of \$175.4 million and future funding requirements, decision made to reduce amount of funding facilities from \$520 million to revised combined total of \$360 million
- Funding facilities secured with three leading Australian banks: Commonwealth Bank, NAB and Westpac
- Facilities continue to provide balance sheet flexibility with sufficient capacity for potential future acquisitions

Debt facility maturity date			
30 June 2011 \$m	30 June 2012 \$m	31 January 2014 \$m	Total \$m
210	80	70	360



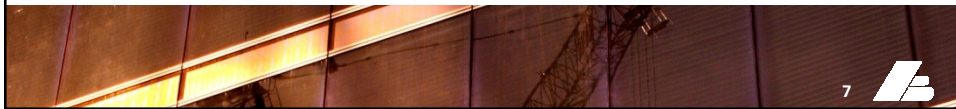
Consistent long term strategy

- Focused and relevant vertical integration
 - » Continued selective expansion of downstream businesses to underpin cement asset utilisation and drive returns through the value chain
 - » Fully vertically integrated position in New South Wales
 - » Assessing expansion of Birkenhead milling capacity
- Evaluating lime capacity expansion to meet resource sector demand
 - » Re-evaluating lime capacity expansion and \$25 million phased investment in Munster assets over next two years – improve plant throughput
 - » Plans for \$40 million expansion Mataranka NT assets – additional 50 kt per annum to service growing resource sector demand
 - » Evaluating environmental capex for Munster approximately \$20 million
- Cost reduction and operational improvement
 - » Continued focus on improved operating efficiency, returns and sustainability



Outlook

- Strong A\$ to have positive impact on import profitability compared to 2009, but may constrain potential future price increases
- Threat of small scale opportunistic lime imports in Western Australia
- Cost pressures continue, particularly in energy
- Continued management of costs
- Focus on energy use efficiency



Outlook

- Adelaide Brighton expects cement sales to be significantly higher in 2010 compared to 2009
- Resource and infrastructure projects are providing strong demand in key cement markets of South Australia and Western Australia
- National concrete market expected to be up circa 4-5% in 2010 compared to 2009. Concrete pricing stable on east coast
- 2010 lime sales expected to be marginally higher than 2009
- Adelaide Brighton expects first half 2010 net profit after tax to be between \$62 - \$65 million
- Full year 2010 net profit after tax expected to be significantly higher than 2009

