Level 1
157 Grenfell Street
Adelaide SA 5000

GPO Box 2155
Adelaide SA 5001

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

Adelaide Brighton Ltd
ACN 007 596 018

17 February 2011

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

Dear Sir/Madam

Adelaide Brighton full year result for 2010

We attach the following documents:

- Media Release
- Preliminary Final Report – Appendix 4E
- Results announcement for the year ended 31 December 2010

Yours faithfully

MRD Clayton
Company Secretary

Level 1
157 Grenfell Street
Adelaide SA 5000

GPO Box 2155
Adelaide SA 5001

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

Adelaide Brighton Ltd
ACN 007 596 018

MEDIA STATEMENT

17 February 2011

Adelaide Brighton announces record profit of $151.5 million

HIGHLIGHTS

- REVENUE OF $1,072.9 MILLION, AN INCREASE OF 8.7% OVER PCP
- NET PROFIT ATTRIBUTABLE TO MEMBERS OF $151.5, UP 23.1%
- EARNINGS PER SHARE OF 23.9 CENTS
- CASH FLOW FROM OPERATIONS INCREASED TO $188.5 MILLION
- GEARING REDUCED TO 15.9%, A DECREASE FROM 19.6%
- INTEREST COVER AT 15.4 TIMES, AN INCREASE FROM 11.1 TIMES
- FINAL ORDINARY DIVIDEND OF 9.0 CENTS AND SPECIAL DIVIDEND OF 2.5 CENTS, MAKING A TOTAL DIVIDEND FOR 2010 OF 21.5 CENTS FULLY FRANKED

Leading Australian construction materials and lime producing Group Adelaide Brighton Ltd announced today a 23.1% increase in net profit after tax of $151.5 million for the full year ended 31 December 2010. Earnings per share for the full year were 23.9 cents compared with 20.4 cents for the previous corresponding period.

A fully franked final ordinary dividend of 9.0 cents per share, and a fully franked special dividend of 2.5 cents per share have been declared, bringing the total final divided to 11.5 cents per share payable on 11 April 2011. This takes the total full year 2010 distribution to 21.5 cents per share an increase of 59.3% on the pcp.

Non-executive Chairman, Mr Chris Harris, said “The Directors were pleased to announce the increased ordinary and special dividend. This reflects both improved profitability and continuing strong operating cash flows delivered as a result of the Company’s successful long term strategy to grow shareholder returns”.

“Net debt decreased by 15.4% to $148.4 million. As a result, year end gearing fell to 15.9% compared with 19.6% at the end of 2009” Mr Harris said.

Commenting on Adelaide Brighton Ltd’s 2010 result, Managing Director, Mark Chellew, said “This is a good result which is the outcome of growth in cement sales and improved prices, together with cost management initiatives and improved operating efficiency.”

“Revenue was up 8.7% to $1,072.9 million primarily as a result of stronger demand from infrastructure and mining projects in South Australia, the resources industry in Western Australia and the continued strength of construction activity in Victoria. As a result, Adelaide Brighton’s increase in 2010 sales volume versus 2009 was greater than the estimated 4% increase in the national cement market.”

“Adelaide Brighton’s clinker kiln capacity was fully utilised during the year with the Company meeting sales volumes in excess of domestic production through our successful long term import strategy.”

“Lime volumes increased due to strong demand from the West Australian non-alumina sector with margins improving as price increases and efficiency improvements more than covered input cost increases”, said Mr Chellew.

"Premixed concrete volumes increased together with aggregate sales into the northern New South Wales region for the Pacific Highway upgrade. Aggregate volumes from Austen Quarry (west of Sydney) also improved. Concrete and aggregate pricing improved marginally in 2010."

Mr Chellew went on to say "due to soft housing and commercial activity, trading conditions remain difficult in the concrete masonry market with volume down by 3% for the year. Continued weakness in the Queensland market was exacerbated by very wet weather along the east coast of Australia in the second half."

Strategic developments

In line with Adelaide Brighton's continuing successful long term strategy to grow shareholder returns, the Company confirms it intends to invest $94 million over the next two years to improve efficiency and sustainability in the Cement and Lime operations.

- $60 million expansion of cement milling capacity at the Birkenhead plant (South Australia) to provide an additional 750,000 tonnes per annum cement capacity. The new cement mill will use the best available environmental and process technology and will reduce the Group's reliance on imported cement. The expansion also includes an upgrade to the ship loading facilities at Birkenhead which will incorporate the best available dust collection technology to deliver improved environmental performance.

  The expenditure is subject to the Company achieving necessary planning approvals and reaching agreement for long term supply of cement to Independent Cement and Lime. The new cement mill is expected to be completed in early 2013.

- $34 million for two projects that will bring environmental benefits and an increase in lime production capacity of 100,000 tonnes per annum at the Munster (Western Australia) kiln 6. The construction of a $24 million bag filter and $10 million cooler bag house has commenced and are on target to be commissioned in 2012.

A further $40-$50 million investment in lime capacity is being considered in the Northern Territory to provide 50,000 tonnes per annum additional capacity to address resource sector demand growth.

In addition, the downstream strategy continues in Concrete and Aggregates with several bolt on investments.

Outlook

Adelaide Brighton anticipates demand for cement and lime in 2011 to be around the same levels as those in 2010.

Weakness in the concrete masonry market is expected to continue in 2011 due to difficult conditions in the commercial and multi-residential segments.

We continue to assess the impact of the recent natural disasters across Australia on our business, but at this stage we do not expect a material impact.

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.

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

Adelaide Brighton Ltd

ACN 007 596 018

Adelaide Brighton Ltd

Preliminary final report

Appendix 4E

Year ended 31 December 2010

Results for announcement to the market

Company Name:	Adelaide Brighton Ltd
ABN:	15 007 596 018
Reporting period:	Financial year ended 31 December 2010
Previous corresponding period:	Financial year ended 31 December 2009
Release date:	17 February 2011

				A$m
Revenue from continuing operations	**up**	8.7%	**to**	1,072.9
Earnings before interest and tax	**up**	16.7%	**to**	216.2
Net profit for the period attributable to members	**up**	23.1%	**to**	151.5

Dividends	Amount per security		Franked amount per security
	Current period	Previous corresponding period	
Final ordinary dividend	9.0¢	8.0¢	100%
Final special dividend	2.5¢	-	100%
Interim ordinary dividend	7.5¢	5.5¢	100%
Interim special dividend	2.5¢	-	100%

Record date for determining entitlements to the final dividend	1 March 2011

Annual General Meeting

Pursuant to listing rule 3.13.1 notice is hereby given that the 2010 Annual General Meeting of Adelaide Brighton Ltd will be held on Wednesday 18 May 2011 at the InterContinental Adelaide, North Terrace, Adelaide, SA, commencing at 11.00 am.

	31 Dec 2010	31 Dec 2009
Net tangible asset backing per ordinary share	$1.19	$1.15

Adelaide Brighton Ltd

Preliminary final report summary

Year ended 31 December 2010

KEY FEATURES OF FULL YEAR RESULT

- Revenue of $1,072.9 million – an increase of 8.7% over pcp
- Earnings before interest and tax of $216.2 million – a 16.7% increase over pcp
- Earnings before interest, tax, depreciation and amortisation of $269.0 million – an 11.1% increase over pcp
- Profit before tax of $202.2 million – a 19.9% increase over pcp
- Net profit attributable to members of $151.5 million – an increase of 23.1% over pcp
- Earnings per share increased by 17.2% to 23.9 cents (20.4 cents pcp)
- Final total dividend of 11.5 cents, franked to 100%, in addition to the total interim dividend of 10.0 cents, franked to 100%
- Cash flow from operations increased to $188.5 million
- Gearing[1] reduced to 15.9% (19.6% pcp) due to reduced debt levels
- Interest cover increased to 15.4 times (11.1 times pcp)

FINANCIAL SUMMARY	**12 months ended 31 December**		
($ millions)	**2010**	**2009**	**% change pcp**
Revenue	**1,072.9**	**987.2**	**8.7**
Depreciation and Amortisation	(52.8)	(56.8)	7.0
Earnings before interest and tax ("EBIT")	**216.2**	**185.3**	**16.7**
Net interest [2]	(14.0)	(16.7)	16.2
Profit before tax	**202.2**	**168.6**	**19.9**
Tax expense	(50.8)	(45.4)	(11.9)
Net profit after tax	**151.4**	**123.2**	**22.9**
Non-controlling interests	0.1	(0.1)	
Net profit attributable to members	**151.5**	**123.1**	**23.1**
Earnings per share (cents)	23.9	20.4	17.2
Total dividends per share – fully franked (cents) [3]	21.5	13.5	59.3
Net debt (A$ millions)	148.4	175.4	(15.4)
Net debt/equity (%)	15.9%	19.6%	

[1] *Net debt/equity*
[2] *Interest shown gross in the Income Statement with interest income included in revenue*
[3] *Includes special dividends of 5.0 cents in 2010*

Summary

Adelaide Brighton reported record sales and profit for the year ended 31 December 2010. Net profit after tax attributable to members increased to $151.5 million, up 23.1% over the previous corresponding period (pcp).

Revenue of $1,072.9 million was up 8.7%, primarily due to stronger demand for cement from projects in South Australia and Western Australia.

Earnings before interest and tax (EBIT) increased 16.7% to $216.2 million. Margins improved due to increased selling prices, effective management of costs despite increased energy prices and improved import margins supported by the strong Australian dollar. Cost management programs delivered benefits of $10 million. This helped to offset rising energy prices, which increased $10 million in 2010 versus 2009.

Profit before tax increased 19.9% to $202.2 million. Net interest reduced by 16.2% to $14.0 million on lower levels of debt, offset partially by increased interest rates.

The strong 2010 performance has resulted in a 17.2% increase in earnings per share from 20.4 cents to 23.9 cents.

A final dividend for 2010 of 9.0 cents, franked to 100% (8.0 cents, 100% franked in pcp), has been declared. The Board has also declared a fully franked special dividend of 2.5 cents per share, bringing the total final dividend to 11.5 cents per share fully franked, payable on 11 April 2011. The special dividend takes into consideration Adelaide Brighton's strong cash flows, growth capital plans, the availability of franking credits and low gearing of 15.9% as at 31 December 2010.

Cement

- ***Sales – Strong demand in SA, WA and Victoria***
  Sales of cement were significantly up versus pcp as a result of increased demand from infrastructure and mining projects in South Australia, the resources industry in Western Australia and the continued strength of construction activity in Victoria.

  Sales of cement in Western Australia were adversely impacted in December 2010 as a major customer switched supply to a competitor three weeks earlier than expected. Despite this, the increase in sales volume versus 2009 was greater than the estimated 4% increase in the national cement market.

  Cement net selling prices increased marginally more than CPI.

- ***Operations - Cement margins improved***
  Cement margins improved as price increases and the benefits from cost management helped offset input cost pressures, particularly in energy. Adelaide Brighton actively manages energy costs through electricity demand management, direct participation in the gas Short Term Trading Market and the use of alternative fuels.

  Clinker kiln capacity at Munster (Western Australia), Angaston and Birkenhead (South Australia) was fully utilised during the year.

The timing and cost of shutdown maintenance was in line with 2009. However, non shutdown maintenance costs were $5 million higher than 2009, primarily in the second half.

In the second half of 2010, EBIT of $3 million was realised from the sale of land. This also had a positive tax benefit.

- ***Logistics and imports – Leading import position assisted by strong A$***
  Adelaide Brighton's successful import strategy saw sales volumes in excess of domestic production being met through imports of clinker and cement, addressing increased market demand and achieving optimal asset utilisation. The higher Australian dollar improved import margins by about $10 million in the first half and around $3 million in the second half of 2010 versus pcp.

Lime

- ***Sales – Growth in lime demand supported by the resources sector***
  Lime volumes increased over pcp due to strong demand from the Western Australian non-alumina sector. Margins improved as price increases and efficiency improvements more than covered input cost increases.

- ***Operations – Consistent production performance***
  Continued growth in lime demand sustained production at full capacity in the key operations of Munster (Western Australia), Angaston (South Australia) and Mataranka (Northern Territory). The smaller Dongara (Western Australia) plant provides flexibility to supply peak market demand as required. The threat of small scale lime imports in Western Australia remains. However, we are cautiously confident of our competitive position given our cost structure.

Concrete and Aggregates

- ***Sales – Downstream growth continues***
  Premixed concrete volumes improved generally in line with the east coast market. Sales of aggregate increased in northern New South Wales with quarry operations supplying the Pacific Highway upgrade. Austen Quarry (west of Sydney) volumes continued to improve. The 2010 results included the first full 12 months of operations for the Tinda Park (New South Wales) sand operation, acquired in December 2009. This operation exceeded forecast volumes and profitability.

  Concrete pricing was marginally up in 2010 versus pcp. Increases in prices of aggregate products were achieved.

- ***Operations – Efficiency improvements ongoing***
  Continued progress was made during the year on control of concrete production costs, through the use of alternative raw materials, management of mix designs and mixer truck utilisation. Concrete gross margins increased marginally in 2010.

  In the aggregates operations, higher plant throughput was achieved during the year, contributing to an increase in profitability.

Concrete Masonry Products

- ***Sales – Difficult market conditions continue***
  Due to soft housing and commercial activity, trading conditions remain difficult in all masonry markets. Adbri Masonry total product volume was down by 3% for the year. Continued weakness in the Queensland market was exacerbated by very wet weather along the east coast of Australia in the second half of the year.

- ***Operations – Cost focus supporting returns***
  Savings in overheads and production costs, as well as adjustments to output volumes have helped offset the decline in sales volumes, maintaining gross margins in the face of increased competition.

Joint Ventures (ABL 50% owned)

- ***Independent Cement and Lime Pty Ltd (ICL)***
  Independent Cement and Lime reported improved earnings due to increased construction activity in Victoria driven by major projects. Margins improved as a result of increased pricing and cost control.

- ***Sunstate Cement Limited***
  Sunstate Cement reported increased earnings despite weakness in the south east Queensland market in 2010 versus pcp. Lower volumes for the year were offset by a decrease in clinker transfer (input) prices.

  Pricing pressures remain evident in south east Queensland due to the impact of a new market entrant. The second half of 2010 saw a modest improvement in construction activity in south east Queensland, despite extremely wet weather during the half.

- ***Mawson Group***
  The Mawsons concrete and aggregates joint venture in northern Victoria and southern regional New South Wales again had a strong year with on-going demand from the mining sector and water infrastructure projects.

Strategic developments

Adelaide Brighton continues its successful long term strategy to grow shareholder returns through investment in three key areas:

1. Operational improvement program
2. Growth in the lime business
3. Vertical integration into downstream markets

The Company intends to invest $94 million over the next two years to improve efficiency and sustainability in the Cement and Lime operations. A further $40–$50 million investment in lime capacity is being considered in the Northern Territory. In addition, the downstream strategy continues in Concrete and Aggregates with several bolt on investments.

Improving Cement efficiency and supply contract renewal
As part of the $94 million noted above, the Board has approved expenditure of $60 million for the expansion of its Birkenhead (South Australia) cement milling capacity by 750,000 tonnes per annum which will reduce the Group's reliance on imported cement. This expansion includes expenditure to upgrade the ship loading facilities at Birkenhead which will bring environmental benefits through improved dust collection. Depending on exchange rates and the landed cost for cement and clinker, this project is expected to improve EBIT by $10–$12 million per annum when completed in early 2013. The expenditure is subject to the Company achieving necessary planning approvals and reaching agreement for long term supply of cement to the ICL joint venture.

Contract terms for supply to a major cement customer in South Australia and Western Australia have been agreed in principle. In accordance with these principles, supply has been secured from 1 January 2011, in South Australia for two years with a further one year option exercisable by the customer and in Western Australia for one year with a one year option exercisable by the customer. The agreements are expected to be formalised shortly.

Supply negotiations with ICL have been agreed in principle subject to ICL unit-holder approval. We are cautiously confident that the agreements which expire at the end of 2011 will be renewed on not materially different terms.

Lime efficiency improvement and capacity growth underpinned by contract renewal
The other component of the $94 million investment which was approved by the Board in late 2010 is $34 million for two projects that will bring environmental benefits and an increase in lime production capacity of 100,000 tonnes per annum at the Munster (Western Australia) kiln 6. The expenditure, which will occur during 2011 and 2012, includes $24 million to replace the electrostatic precipitator with a heat exchanger and bag filter, and $10 million for a new cooler bag house.

In December 2010, Adelaide Brighton executed a Heads of Agreement with a major alumina producer for the continued supply of their lime requirements in Western Australia, subject to finalisation of formal agreement and any appropriate approvals. Once finalised, the new agreement will replace the current agreement which expires on 30 June 2011. The Heads of Agreement covers supply for periods ranging between five and ten years and will be effective from 1 July 2011.

To address resource sector demand growth in the Northern Territory, a $40–50 million expansion of the Mataranka lime assets is being considered to provide 50,000 tonnes per annum additional production capacity.

Concrete and Aggregates – vertical integration
During 2010 Adelaide Brighton acquired the Masta-Mix Concrete operations at Lithgow (west of Sydney) which has provided security over aggregates sales from the Company's expanding Austen Quarry (west of Sydney).

In January 2011, Adelaide Brighton acquired the concrete and aggregate business KMM based in the Kingaroy region of Queensland. This business is well positioned to benefit from infrastructure and mining projects in the region.

Adelaide Brighton continues to evaluate potential acquisition opportunities to advance its strategy of selected downstream vertical integration. The expansion of Adelaide Brighton's position in aggregates will continue to be a key factor in future strategic growth.

Financial review

Cash flow and borrowings
Strong trading and continued working capital management facilitated a lift in operating cash flow to $188.5 million during 2010. Inventory levels increased by $10.0 million to $117.8 million due to the timing of shipments.

Trade receivables decreased by $1.8 million to $144.2 million and outstanding debtor days improved from the prior year, decreasing by 2.6 days. This result was further complemented by a reduction in 2010 bad debt expense with no material customer failures occurring during the year.

Capital expenditure totalled $51.7 million for 2010, an increase from the prior year and in line with "stay in business" levels.

Net debt decreased by $27.0 million to $148.4 million due to strong free cash flows. As a result, year end gearing fell to 15.9% compared with 19.6% at the end of 2009.

The Company's strong cash flow and balance sheet position provides capacity for Adelaide Brighton to fund acquisitions and planned organic growth opportunities.

Dividends
A fully franked final ordinary dividend of 9.0 cents per share has been declared. Taking account of the strength of the Group's operating cash flows and balance sheet position, and the availability of franking credits, the Board has declared a fully franked, special dividend of 2.5 cents per share. The total fully franked final dividend payable on 11 April 2011 is 11.5 cents per share.

The resulting full year (ordinary and special) dividend of 21.5 cents per share fully franked is a 59.3% increase over the 2009 dividend of 13.5 cents, fully franked. Including ordinary and special dividends the full year payout ratio is 90.1%.

The record date for determining eligibility to the final and special dividends is 1 March 2011 and the payment date is 11 April 2011.

Interest and tax
Net finance costs of $14.0 million were $2.7 million lower than 2009 due principally to lower levels of debt offset partially by higher interest rates.

Tax expense of $50.8 million increased by $5.4 million over 2009 principally as a result of increased profits. However, the effective tax rate dropped to 25.1% (2009 - 26.9%) primarily due to a one off tax benefit resulting from the sale of a parcel of land. As part of this settlement, previously unused capital losses were recognised and a payment was made to a developer partner giving Adelaide Brighton a $4 million net tax benefit.

Outlook

Adelaide Brighton anticipates demand for cement in 2011 to be similar to 2010 levels.

Demand remains robust in South Australia due to infrastructure projects and in Western Australia as a result of mining projects. Due to the expected timing of projects, volumes are expected to be higher in the second half of 2011 than the first half.

In 2011 lime sales volumes are expected to be approximately the same as 2010 levels. The threat of small scale lime imports in Western Australia remains.

Weakness in the concrete masonry market is expected to continue in 2011 due to difficult conditions in the commercial and the multi-residential segments.

We are concerned for the people and businesses impacted by the recent natural disasters across Australia. We continue to assess the impact of these natural disasters on our business, but at this stage we do not expect this to be material.

Adelaide Brighton has an ongoing focus on cost management across the Group, with particular emphasis on energy efficiency. The Company will continue to focus on operating costs to maintain margins. The Australian dollar is expected to continue to have a positive impact on import margins. In 2011 shutdown costs are expected to increase by $5 million mostly in the first half.

M Chellew
Managing Director

17 February 2011

FOR FURTHER INFORMATION CONTACT:

LUBA ALEXANDER
GROUP CORPORATE AFFAIRS ADVISER
MOBILE: 0418 535 636

Consolidated income statement

For the year ended 31 December 2010

	Notes	**2010 $m**	2009 $m
Revenue from continuing operations	3	**1,072.9**	987.2
Cost of sales		**(667.4)**	(635.0)
Freight and distribution costs		**(143.7)**	(136.9)
Gross profit		**261.8**	215.3
Other income	3	**8.5**	24.1
Marketing costs		**(25.4)**	(25.1)
Administration costs		**(58.5)**	(55.0)
Finance costs		**(16.3)**	(18.3)
Share of net profits of joint venture entities accounted for using the equity method	9	**32.1**	27.6
Profit before income tax		**202.2**	168.6
Income tax expense		**(50.8)**	(45.4)
Net profit		**151.4**	123.2
Net profit attributable to:			
Equity holders of the Company		**151.5**	123.1
Non-controlling interests		**(0.1)**	0.1
		151.4	123.2
		Cents	Cents
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	6	**23.9**	20.4
Diluted earnings per share	6	**23.7**	20.3

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

Consolidated statement of comprehensive income
For the year ended 31 December 2010

	2010 $m	2009 $m
Net Profit	**151.4**	123.2
Other comprehensive income		
Actuarial (losses)/gains on retirement benefit obligation	**(2.7)**	5.8
Exchange differences on translation of foreign operations	**-**	(0.1)
Income tax relating to components of other comprehensive income	**0.8**	(1.8)
Other comprehensive income, net of tax	**(1.9)**	3.9
Total comprehensive income	**149.5**	127.1
Total comprehensive income is attributable to:		
Equity holders of the Company	**149.6**	127.0
Non-controlling interests	**(0.1)**	0.1
Total comprehensive income	**149.5**	127.1

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

Consolidated balance sheet
As at 31 December 2010

	Notes	2010 $m	2009 $m
Current assets			
Cash and cash equivalents	4	**2.8**	25.5
Trade and other receivables		**153.3**	162.8
Inventories		**117.8**	107.8
		273.9	296.1
Assets classified as held for sale		**0.2**	12.7
Total current assets		**274.1**	308.8
Non-current assets			
Receivables		**30.4**	30.4
Investments accounted for using the equity method		**87.7**	72.5
Property, plant and equipment		**760.6**	774.3
Intangible assets		**179.1**	169.0
Total non-current assets		**1,057.8**	1,046.2
Total assets		**1,331.9**	1,355.0
Current liabilities			
Trade and other payables		**105.4**	106.1
Borrowings		**1.0**	0.4
Current tax liabilities		**27.1**	16.7
Provisions		**21.6**	24.4
Other liabilities		**3.9**	14.3
Total current liabilities		**159.0**	161.9
Non-current liabilities			
Borrowings		**150.2**	200.5
Deferred tax liabilities		**51.5**	59.8
Provisions		**32.6**	29.9
Retirement benefit obligations		**4.2**	5.8
Other non-current liabilities		**0.1**	0.1
Total non-current liabilities		**238.6**	296.1
Total liabilities		**397.6**	458.0
Net assets		**934.3**	897.0
Equity			
Contributed equity		**692.7**	690.4
Reserves		**2.6**	2.9
Retained profits	7	**236.0**	200.6
Total equity attributable to equity holders of the Company		**931.3**	893.9
Non-controlling interests		**3.0**	3.1
Total equity		**934.3**	897.0

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

Consolidated statement of changes in equity

As at 31 December 2010

	Attributable to owners of Adelaide Brighton Ltd					
	Contributed equity	**Reserves**	**Retained earnings**	**Total**	**Non-con-trolling interests**	**Total equity**
	$m	**$m**	**$m**	**$m**	**$m**	**$m**
Balance at 1 January 2010	**690.4**	**2.9**	**200.6**	**893.9**	**3.1**	**897.0**
Total comprehensive income for the year	**-**	**-**	**149.6**	**149.6**	**(0.1)**	**149.5**
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	**-**	**-**	**(114.2)**	**(114.2)**	**-**	**(114.2)**
Executive performance share plan	**2.3**	**(0.3)**	**-**	**2.0**	**-**	**2.0**
	2.3	**(0.3)**	**(114.2)**	**(112.2)**	**-**	**(112.2)**
Balance at 31 December 2010	**692.7**	**2.6**	**236.0**	**931.3**	**3.0**	**934.3**
Balance at 1 January 2009	540.4	3.5	155.0	698.9	3.0	701.9
Total comprehensive income for the year	-	(0.1)	127.1	127.0	0.1	127.1
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	111.0	-	-	111.0	-	111.0
Dividends provided for or paid	-	-	(81.5)	(81.5)	-	(81.5)
Dividend reinvestment plan	35.9	-	-	35.9	-	35.9
Executive performance share plan	3.1	(0.5)	-	2.6	-	2.6
	150.0	(0.5)	(81.5)	68.0	-	68.0
Balance at 31 December 2009	690.4	2.9	200.6	893.9	3.1	897.0

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 31 December 2010

	Notes	2010 $m	2009 $m
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**1,187.7**	1,074.0
Payments to suppliers and employees (inclusive of goods and services tax)		**(964.4)**	(877.3)
Joint venture distributions received		**16.9**	22.7
Interest received		**2.2**	1.6
Other revenue received		**7.0**	13.8
Interest paid		**(13.4)**	(15.8)
Income taxes paid		**(47.5)**	(30.9)
Net cash inflow from operating activities		**188.5**	188.1
Cash flows from investing activities			
Payments for property, plant and equipment		**(51.7)**	(43.1)
Proceeds from sale of property, plant and equipment		**4.5**	4.1
Loans to joint ventures and other related parties		**(0.1)**	(2.1)
Net cash (outflow) from investing activities		**(47.3)**	(41.1)
Cash flows from financing activities			
Proceeds from issue of shares		**-**	113.5
Share issue transaction costs		**-**	(2.5)
Repayment of borrowings		**(50.5)**	(210.0)
Dividends paid to Company's shareholders	5	**(114.2)**	(45.6)
Net cash (outflow) from financing activities		**(164.7)**	(144.6)
Net (decrease) increase in cash held		**(23.5)**	2.4
Cash at the beginning of the reporting period		**25.5**	23.1
Cash at the end of the reporting period	4	**2.0**	25.5

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

Notes to the financial statements
For the year ended 31 December 2010

1 Accounting policies

This report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*. It has been prepared under the historical cost convention, except for derivative financial instruments that have been measured at fair value through profit or loss.

The accounting policies adopted are consistent with those of the previous financial year, except as set out below.

Changes in accounting policy
Adelaide Brighton Ltd had to change some of its accounting policies as the result of new or revised accounting standards which became operative for the annual reporting period commencing 1 January 2010.

The affected policies and standards are:

- AASB 3 *Business combinations*

2 Segment reporting

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Managing Director. These reports are evaluated regularly in deciding how to allocate resources and in assessing performance.

The two reportable segments have been identified as follows;

- Cement, Lime and Concrete
- Concrete Products

The operating segments, Cement, Lime and Concrete, all individually meet the quantitative thresholds required by AASB 8 as well as meeting the aggregation criteria allowing them to be reported as one segment. Concrete Products meets the quantitative threshold therefore is reported as a separate segment. The Cement, Lime and Concrete Products Joint Ventures form part of the above two reportable segments as they meet the aggregation criteria.

The major end-use markets of Adelaide Brighton's products include residential and non-residential construction, engineering construction, alumina and steel production and mining.

Notes to the financial statements

For the year ended 31 December 2010

2 Segment reporting (continued)

(b) Segment information provided to the Managing Director

The segment information provided to the Managing Director for the reportable segments for the year ended 31 December 2010 is as follows:

2010	Cement, Lime and Concrete	Concrete Products	All other segments	Total
	$m	$m	$m	$m
Total segment operating revenue	1,084.4	131.5	61.6	1,277.5
Inter-segment revenue	(35.3)	-	-	(35.3)
Revenue from external customers	**1,049.1**	**131.5**	**61.6**	**1,242.2**
Depreciation and amortisation	39.1	7.9	5.8	52.8
EBIT	**223.7**	**3.8**	**(11.3)**	**216.2**
2009				
Total segment operating revenue	1,007.2	132.8	54.2	1,194.2
Inter-segment revenue	(31.2)	-	-	(31.2)
Revenue from external customers	976.0	132.8	54.2	1,163.0
Depreciation and amortisation	44.6	8.1	4.1	56.8
EBIT	185.1	4.4	(4.2)	185.3

The operating revenue assessed by the Managing Director includes revenue from external customers and the 50% share of revenue from the Joint Ventures and excludes freight revenue, interest revenue and royalties. A reconciliation of segment operating revenue to revenue from continuing operations is provided as follows:

	Consolidated	
	2010	2009
	$m	$m
Total segment operating revenue	**1,277.5**	1,194.2
Inter-segment revenue elimination	**(35.3)**	(31.2)
Freight revenue	**93.9**	86.5
Interest revenue	**2.3**	1.6
Royalties	**1.2**	0.6
Elimination of joint venture revenue	**(266.7)**	(264.5)
Revenue from continuing operations	**1,072.9**	987.2

The Managing Director assesses the performance of the operating segments based on a measure of EBIT. This measurement basis excludes the effect of net interest. A reconciliation of the EBIT to operating profit before income tax is provided as follows:

	Consolidated	
	2010	2009
	$m	$m
EBIT	**216.2**	185.3
Net interest	**(14.0)**	(16.7)
Profit before income tax from continuing operations	**202.2**	168.6

Notes to the financial statements
For the year ended 31 December 2010

3 Operating profit

	Consolidated	
	2010	2009
	$m	$m
Revenue		
Sale of goods	**1,069.4**	985.0
Interest revenue	**2.3**	1.6
Royalties	**1.2**	0.6
	1,072.9	987.2
Other Income		
Insurance proceeds	**0.9**	13.4
Other income	**7.6**	10.7
Revenue and other income	**1,081.4**	1,011.3

Net gains and expenses
Profit before income tax includes the following expenses:

	2010	2009
Depreciation		
Buildings	**3.1**	3.1
Plant and equipment	**46.9**	52.4
Mineral reserves	**2.0**	1.3
Total depreciation	**52.0**	56.8
Amortisation of intangibles	**0.8**	-
Finance costs		
Interest and finance charges paid / payable	**13.4**	15.7
Unwinding of the discount on restoration provisions and retirement benefit obligation	**2.9**	2.6
Total finance costs	**16.3**	18.3
Less interest income	**(2.3)**	(1.6)
Net finance expense	**14.0**	16.7

4 Current assets – cash and cash equivalents

	2010	2009
Cash at bank and in hand	**-**	23.1
Deposits at call	**2.8**	2.4
Cash and cash equivalents	**2.8**	25.5

(a) Reconciliation to cash at the end of the year
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

	2010	2009
Balances as per above	**2.8**	25.5
Bank overdrafts	**(0.8)**	-
Cash and cash equivalents in the statement of cash flows	**2.0**	25.5

Notes to the financial statements
For the year ended 31 December 2010

5 Dividends

	2010 $m	2009 $m
Dividends provided or paid during the year		
2009 final dividend of 8.0 cents (2008 – 8.5 cents) per fully paid ordinary share, franked at 100% (2008 – 100%) paid on 12 April 2010	**50.7**	47.0
2010 interim dividend of 7.5 cents (2009 – 5.5 cents) per fully paid ordinary share, franked at 100% (2009 – 100%) paid on 11 October 2010	**47.6**	34.5
2010 special dividend of 2.5 cents per fully paid ordinary share, franked at 100% paid on 11 October 2010	**15.9**	-
Total dividends	**114.2**	81.5
Paid in cash	**114.2**	45.6
Satisfied by issue of shares under the Dividend Reinvestment Plan	**-**	35.9

	2010 $m	2009 $m
Dividends not recognised at the end of the year		
Since the end of the year the Directors have recommended the payment of a final dividend of 9.0 cents (2009 – 8.0 cents) per fully paid ordinary share, franked at 100% (2009 – 100%). The aggregate amount of the proposed final dividend expected to be paid on 11 April 2011, not recognised as a liability at the end of the reporting period, is	**57.2**	50.7
In addition, a special dividend of 2.5 cents (2009 – nil) franked at 100% was declared payable coincident with the final dividend. The aggregate amount of the proposed special dividend expected to be paid on 11 April 2011, not recognised as a liability at the end of the reporting period, is	**15.9**	-

6 Earnings per share

	2010 Cents	2009 Cents
Basic earnings per share	**23.9**	20.4
Diluted earnings per share	**23.7**	20.3

	2010 Number	2009 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**634,851,343**	603,750,770
Adjustments for calculation of diluted earnings per share:		
Awards	**5,315,000**	2,460,000
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**640,166,343**	606,210,770

7 Retained profits

	2010 $m	2009 $m
Retained profits at the beginning of the financial year	**200.6**	155.0
Net profit attributable to members of Adelaide Brighton Ltd	**151.5**	123.1
Actuarial (loss)/gain on defined benefit plan, net of tax	**(1.9)**	4.0
Dividends paid (note 5)	**(114.2)**	(81.5)
Retained profits at the end of the financial year	**236.0**	200.6

Notes to the financial statements

For the year ended 31 December 2010

8 Contingencies

Details and estimates of maximum amounts of contingent liabilities are as follows:

Guarantees	2010 $m	2009 $m
Bank guarantees	**15.3**	12.3

No material losses are anticipated in respect of the above contingent liabilities.

9 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 2010 %	2009 %
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**	50
Lake Boga Quarries Pty Ltd	**50**	50
Burrell Mining Services	**50**	50
Batesford Quarry	**50**	50

Contribution to net profit	2010 $m	2009 $m
Sunstate Cement Ltd	**12.2**	10.5
Independent Cement & Lime Pty Ltd	**15.4**	13.0
Other	**4.5**	4.1
Share of profits equity accounted	**32.1**	27.6

10 Events occurring after reporting date

No matter or circumstance has arisen since 31 December 2010 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.

Audit statement

This report is based on accounts to which one of the following applies.

☐	The accounts have been audited.	☐	The accounts have been subject to review.
☑	The accounts are in the process of being audited or subject to review.	☐	The accounts have not yet been audited or reviewed.