

ACUITY BRANDS INC  
Form 11-K  
June 30, 2008  
Table of Contents

## FORM 11-K

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

**Annual Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.  
For the fiscal year ended: December 31, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.  
For the transition period from            to

Commission file number 001- 16583

A. Full title of the plans and the address of the plans, if different from that of the Issuer named below:  
Acuity Brands, Inc. 401(k) Plan

Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees

Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees

Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement

Edgar Filing: ACUITY BRANDS INC - Form 11-K

B. Name of issuer of the securities held pursuant to the plans and the address of the Principal executive office:  
Acuity Brands, Inc.

1170 Peachtree Street, NE

Suite 2400

Atlanta, Georgia 30309

**Table of Contents**

REQUIRED INFORMATION

The following documents are filed as part of this report:

1. Audited Financial Statements

Plan financial statements prepared in accordance with the financial reporting requirements of ERISA including the following:

Report of Independent Registered Public Accounting Firm

Statements of Net Assets Available for Benefits as of December 31, 2007 and 2006

Statements of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2007

Notes to Financial Statements

Supplemental Schedule

2. Exhibits

The following exhibit is filed with this report:

Consent of Independent Registered Public Accounting Firm

**Table of Contents**

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

By: Acuity Brands, Inc.

Plan Administrator

Date: June 30, 2008

By: /s/ Vernon J. Nagel

Name: Vernon J. Nagel

Title: Chairman, President and Chief Executive Officer

**Table of Contents**

Acuity Brands, Inc.

Selected 401(k) and Retirement Plans

Audited Financial Statements and Supplemental Schedule

At December 31, 2007 and 2006 and for the year ended December 31, 2007

**Contents**

|   |    |
|---|----|
| <u>Report of Independent Registered Public Accounting Firm</u>    | 1  |
| <b>Audited Financial Statements</b>                               |    |
| <u>Statements of Net Assets Available for Benefits</u>            | 2  |
| <u>Statements of Changes in Net Assets Available for Benefits</u> | 4  |
| <u>Notes to Financial Statements</u>                              | 5  |
| <b>Supplemental Schedule</b>                                      |    |
| <u>Schedule of Assets (Held at End of Year)</u>                   | 13 |
| <u>Exhibit Index</u>  | 14 |

**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

Plan Administrator

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

We have audited the accompanying statements of net assets available for benefits of Acuity Brands, Inc 401(k) Plan, Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees, Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees, and Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement (collectively, the Plans ) as of December 31, 2007 and 2006, and the related statements of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plans internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plans internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plans at December 31, 2007 and 2006, and the changes in its net assets available for benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of assets (held at end of year) as of December 31, 2007 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plans management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Atlanta, GA

June 25, 2008

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Statements of Net Assets Available for Benefits

December 31, 2007

| Plan No. | Plan Name  | Plan Interest                     |                                      |                     |                   |                              | Net Assets Available for Benefits | Plan Interest Percentage in Acuity DC Trust |                |       |
|----------|--|-----------------------------------|--------------------------------------|---------------------|-------------------|------------------------------|-----------------------------------|---|----------------|-------|
|          |  | Employer Contributions Receivable | Participant Contributions Receivable | Trust at Fair Value | Participant Loans | Excess Contributions Payable |                                   |   |                |       |
| 033      | Acuity Brands, Inc. 401(k) Plan  | \$ 227,227                        | \$ 464,760                           | \$ 199,243,805      | \$ 2,595,740      | \$ (3,731)                   | \$ 202,527,801                    | \$ (404,908)                                | \$ 202,122,893 | 85.2% |
| 067      | Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees   | 479                               | 6,144                                | 2,588,217           | 103,679           |                              | 2,698,519                         | (6,966)                                     | 2,691,553      | 1.1%  |
| 069      | Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees   | 6,432                             | 6,953                                | 10,877,528          | 401,553           |                              | 11,292,466                        | (28,016)                                    | 11,264,450     | 4.8%  |
| 070      | Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement<br>See accompanying notes. | 21,091                            | 27,248                               | 20,269,106          | 819,313           |                              | 21,136,758                        | (100,169)                                   | 21,036,589     | 8.9%  |

\* Represents adjustment from fair value to contract value for interest in the Acuity DC Trust relative to fully benefit responsive investment contracts.

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Statements of Net Assets Available for Benefits

December 31, 2006

| Plan No. | Plan Name  | Plan Interest in                  |                                      |                               |                   | Excess Participant Contributions Payable | Net Assets at Fair Value | Valuation Adjustment* | Net Assets Available for Benefits | Plan Interest Percentage in Acuity DC Trust |
|----------|--|-----------------------------------|--------------------------------------|-------------------------------|-------------------|--|--------------------------|-----------------------|-----------------------------------|---|
|          |  | Employer Contributions Receivable | Participant Contributions Receivable | Acuity DC Trust at Fair Value | Participant Loans |  |                          |                       |                                   |   |
| 033      | Acuity Brands, Inc. 401(k) Plan  | \$ 216,641                        | \$ 490,050                           | \$ 186,211,548                | \$ 2,573,682      | \$ (141,706)                             | \$ 189,350,215           | \$ 374,409            | \$ 189,724,624                    | 46.6%                                       |
| 067      | Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees   | 566                               | 4,096                                | 2,325,371                     | 69,804            |  | 2,399,837                | 6,093                 | 2,405,930                         | 0.6%  |
| 069      | Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees   | 5,109                             | 5,267                                | 10,288,440                    | 418,024           |  | 10,716,840               | 31,381                | 10,748,221                        | 2.6%  |
| 070      | Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement<br>See accompanying notes. | 10,339                            | 12,969                               | 18,503,759                    | 793,556           |  | 19,320,623               | 101,734               | 19,422,357                        | 4.6%  |

\* Represents adjustment from fair value to contract value for interest in the Acuity DC Trust relative to fully benefit responsive investment contracts.



**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Statements of Changes in Net Assets Available for Benefits

Year Ended December 31, 2007

| Plan No. | Plan Name   | Net Assets Available for Benefits at December 31, 2006 | Employer Contributions | Participant Contributions | Benefit Payments | Net Investment Gain from Acuity DC Trust | Plan Transfers, net | Net Assets Available for Benefits at December 31, 2007 |
|----------|---|--|------------------------|---------------------------|------------------|--|---------------------|--|
| 033      | Acuity Brands, Inc. 401(k) Plan   | \$ 189,724,624   | \$ 4,282,761           | \$ 12,164,159             | \$ (14,823,631)  | \$ 13,278,932                            | \$ (2,503,952)      | \$ 202,122,893   |
| 067      | Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees  | 2,405,930  | 32,681                 | 335,886                   | (241,399)        | 163,652                                  | (5,197)             | 2,691,553  |
| 069      | Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees  | 10,748,221   | 328,717                | 337,942                   | (887,721)        | 737,291                                  |                     | 11,264,450   |
| 070      | Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement | 19,422,357   | 625,981                | 688,009                   | (893,209)        | 1,193,451                                |                     | 21,036,589   |

*See accompanying notes.*

---

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements

December 31, 2007

**1. Description of the Plans**

**General**

The financial position of selected Acuity Brands, Inc. (the Company, the Employer or Acuity Brands) 401(k) and Retirement Plans (the Plans) included in the accompanying financial statements. The assets of the Plans, with the exception of participant loans, are included in the Acuity Brands, Inc. Defined Contribution Plans Master Trust (the Acuity DC Trust or the Trust). The Plans are subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Employer matching amounts are allocated in accordance with the participant's current investment elections for elective deferrals at the time the match is funded.

Effective October 31, 2007, Acuity Brands completed the spin off of its specialty products business, Zep Inc., by distributing all of the shares of Zep common stock to the Company's stockholders. As a result of the spin off, all amounts related to the Acuity Specialty Products 401(k) Plan have been removed from the Statement of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits for 2006 and 2007. The spin off resulted in the following plan amendments:

The Acuity Specialty Products 401(k) Plan changed the name of the Plan to Zep Inc. 401(k) Plan, added a Zep Inc. common stock fund and transferred the assets and liabilities of certain corporate employees transferring from the Acuity Brands, Inc. 401(k) Plan. Effective October 31, 2007, the Zep Inc. 401(k) Plan is not included in the Acuity DC Trust.

The Acuity Brands, Inc. 401(k) Plan added a Zep Inc. common stock fund effective October 31, 2007 and transferred the assets and liabilities of certain corporate employees transferring to Zep Inc. to the Zep Inc. 401(k) Plan.

The Acuity Lighting Group, Inc. 401(k) Plan, Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees and Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement added a Zep Inc. common stock fund effective October 31, 2007.

Refer to the respective summary plan description or plan agreement for additional information about the Plans' eligibility, funding, allocation, vesting, and benefit provisions.

**Eligibility and Forfeitures**

Each of the Plans is a defined contribution plan. The Plans cover substantially all domestic salaried, commissioned, union and non-union hourly employees of the Company. Employees of certain unions who have elected not to participate in such Plans and foreign employees of the Company are not eligible to participate.

Employees have immediate eligibility upon attaining the age requirement. The Plans further provide that forfeitures of future Employer contributions may be used to pay plan administrative expenses or employer contributions.

In the event of the cessation of operation of a plant, or the discontinuance of a segment of the Company's business, plan participants shall automatically become fully vested in Employer contributions upon full or partial plan termination.

**Loans**

Participants may borrow the lesser of 50% of their vested balance or \$50,000 (reduced by the excess of the participant's highest outstanding loan balance from the twelve months prior to the loan request). Participants agree to loan repayment terms upon endorsement of the borrowed funds. Only one outstanding general-purpose loan and one residence loan, a loan issued for the purchase of a primary residence, are permitted during a calendar year. The Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees and the Holophane Division of Acuity

## Edgar Filing: ACUIITY BRANDS INC - Form 11-K

Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement are the only Plans which allow for residential loans.

Loan repayments must be substantially equal in amount over the term of the loan and must be made by payroll deduction on an after-tax basis. General-purpose loans must be repaid within five years and residential loans must be repaid within ten years.

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements (continued)

**1. Description of the Plans (continued)**

**Loans (continued)**

Loan repayments may be suspended, at the discretion of the Company, for a period of not more than twelve months if a participant is on unpaid leave of absence, disability, or military service. Upon return, the loan will be amortized over the initial loan repayment period.

**Administration**

Administration of the Plans is the responsibility of the Company's investment committee, which is designated by the Chairman, President, and Chief Executive Officer of Acuity Brands. All administrative expenses of the Plans were paid by either the Company or plan forfeitures during the year ended December 31, 2007.

**Plan Termination**

Although the Company intends for the Plans to be permanent, the Plans provide the Company the right to discontinue contributions or to terminate the Plans at any time.

In the event of a plan termination, each respective participant shall be 100% vested in the balance of his/her account and his/her proportionate share of any future adjustments.

**Investment in Parties-In-Interest Common Stock**

As of December 31, 2007 and 2006, the percentage of the Acuity DC Trust's net assets invested in the common stock of Acuity Brands was 3.3% and 5.4% respectively.

**Funding Policy**

The basis for determining participant (pre-tax) and Employer contributions is as follows:

| Plan Name                       | Participant Contributions | Employer Contributions  |
|---------------------------------|---------------------------|---|
| Acuity Brands, Inc. 401(k) Plan | 1% to 25% of compensation | <p>Matching contribution of 60% of the first 6% of participant compensation.</p> <p>Supplemental contributions for employees who on December 31, 2002 were active participants in the Acuity Brands, Inc. Pension Plan, which was frozen on that date, are made at the end of each plan year to eligible participants who are non-highly compensated employees and who are employed on the last day of the plan year.</p> <p>Effective June 1, 2006, automatic enrollment was implemented for all new hires at 3% deferral.</p> |

## Edgar Filing: ACUITY BRANDS INC - Form 11-K

Acuity Lighting Group, Inc. 401(k)  
Plan for Hourly Employees

1% to 25% of  
compensation

Plan provides that the matching contribution for hourly employees of Hydrel and Lithonia will be equal to 25% of the first 15% of an employee's compensation.

Teamsters Local Union 673 Midwest Regional Warehouse employees received an employer contribution equal to \$0.08 for each hour for which they were paid during 2007, regardless of whether they made employee deferrals to the plan.

Employees at all other locations participating in the plan do not receive an employer contribution.

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements (continued)

**1. Description of the Plans (continued)**

**Funding Policy (continued)**

| Plan Name   | Participant<br>Contributions | Employer Contributions   |
|---|------------------------------|--|
| Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees  | 1% to 25% of compensation    | <p>Employees of Holophane at Utica, Ohio hired on or after December 1, 2001 50% of participant contribution up to 6% of compensation.</p> <p>Employees of Metal Optics 50% of participant contribution up to 6% of compensation.</p> <p>All other employees of Holophane 33% of participant contribution up to 6% of compensation, plus a discretionary basic contribution of 5% of annual compensation.</p>   |
| Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement | 1% to 25% of compensation    | <p>IBEW Local 1853 Effective April 1, 2003 the basic additional contribution was increased to 5% of annual compensation. Employees hired prior to December 16, 2001 receive match of 30% of 5%, plus basic 5% of compensation. Employees hired on or after December 16, 2001 will receive a matching contribution of 50% of the first 6% of employee compensation.</p> <p>AFGWU Local Nos. 4, 105 and 525 Effective August 8, 2007, for employees hired prior to August 5, 2002, 30% of the first 6% of compensation. Additional basic contribution of 5% of annual compensation. Employees hired on or after August 5, 2002 receive a matching contribution of 60% of the first 6% of employee deferrals. Prior to August 8, 2007, for employees hired prior to August 5, 2002, 25% of the first 6% of compensation. Additional basic contribution of 5% of annual compensation. Employees hired on or after August 5, 2002 will receive a matching contribution of 50% of the first 6% of employee compensation.</p> <p>UAW Local 1876 25% of the first 6% of compensation. Additional basic contribution of 4.5% of annual compensation. Effective March 10, 2002, the plant that employed the UAW Local 1876 members was closed and all employees were either terminated or transferred to another facility. The plan was amended effective March 10, 2002 to fully vest the accounts of all active UAW Local 1876 participants.</p> |

**2. Significant Accounting Policies**

**Basis of Accounting**

The accounts of the Plans are maintained by the trustee, Merrill Lynch National Trust Company, on the cash basis of accounting. The accompanying financial statements have been prepared using the accrual method of accounting.

**Investments**

The investments in the Acuity DC Trust are subject to certain administrative guidelines and limitations as to the type and amount of securities held. Certain fund assets are allocated to selected independent investment managers to invest under these guidelines. Investments of the Trust, including guaranteed investment contracts ( GICs ), are stated at fair value, as determined by the trustee from quoted market prices in an active market, quoted redemption values, or as determined by the

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements (continued)

**2. Significant Accounting Policies (continued)**

**Investments (continued)**

Investment Manager using generally accepted valuation procedures for GICs. Securities traded on a national exchange are valued at the last reported sales price on the last business day of the plan year; investments traded in the over-the-counter market and listed securities for which no sale was reported on the last day of the plan year are valued at the last reported bid price.

The Acuity DC Trust holds investments in synthetic guaranteed investment contracts ( synthetic GICs or wrap contracts ) as part of the Stable Value Fund. The synthetic GICs each hold a diversified portfolio of investment contracts backed by high-quality bonds including corporate bonds, mortgage-backed securities, asset-backed securities, government securities, or units of collective trust funds holding corporate and government bonds. Bonds or units of collective trust funds are held in the name of the Trust. The synthetic GICs or wrap contracts have features that provide for variable interest crediting rates which are credited to the contract value of the contracts underlying holdings. As required by FSP AAG INV-1 and SOP 94-4-1, the investments in synthetic GICs deemed to be fully benefit responsive are presented at fair value on the Statements of Net Assets Available for Benefits in the column Plan Interest in Acuity DC Trust. An adjustment column has also been included in the Statements of Net Assets Available for Benefits so that ending Net Assets Available for Benefits are recorded at contract value.

Contract value represents contributions made under the contract, plus earnings, less member withdrawals and administrative expenses. Members may ordinarily direct the withdrawal and transfer of all or a portion of their investment at contract value. The crediting interest rate is based on a mutually agreed upon formula that resets on a monthly basis depending on the performance of the bonds being managed. The minimum crediting rate is 0%.

Certain events limit the ability of the plans to transact at contract value with the issuer. These events include, but are not limited to, the following: (1) amendments to the plan documents that materially and adversely affect the risk borne by the contract issuer, unless otherwise approved by the issuer, (2) bankruptcy of the plans sponsor or other plans sponsor events which cause a significant withdrawal from the plans or (3) the failure of the Trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. Acuity Brands does not believe that the occurrence of any event limiting the plans ability to transact at contract value with members is probable.

The synthetic GIC issuers can only terminate the contract under very limited circumstances, such as Acuity Brands or the investment fund managers breaching any of their material obligations under the agreement, or upon completion of specified periods of time following notice periods. Acuity Brands does not believe it is likely that the synthetic GICs will be terminated.

The average yield of the synthetic GICs based on actual earnings was approximately 5.00% and 5.12% at December 31, 2007 and 2006, respectively. The average yield credited to members reflecting all investments in the Stable Value Fund was approximately 4.99% and 5.11% at December 31, 2007 and 2006, respectively. At December 31, 2007 and 2006, the fair values of the underlying assets of the synthetic GICs were \$55,127,633 and \$94,597,152, respectively, and the values of the book valuation adjustments included in the Trust were (\$540,059) and \$966,766.

|   | 12/31/07 | 12/31/06 |
|---|----------|----------|
| Ratio of Year-End Market Value Yield to Investments (at fair value) | 5.404%   | 5.108%   |
| Ratio of Year-End Crediting Rate to Investments (at fair value)     | 4.943%   | 5.166%   |

**Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and the differences could be significant.

**3. Acuity DC Trust**



## Edgar Filing: ACUITY BRANDS INC - Form 11-K

The Acuity DC Trust is a collective investment of the assets of participating employee benefit plans of the Company. Trust assets are allocated among participating plans by assigning to each plan those transactions (primarily contributions and benefit payments) which can be specifically identified and distributed among all plans, in proportion to the fair value of the

**Table of Contents**

## Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements (continued)

**3. Acuity DC Trust (continued)**

assets assigned to each plan, income and expenses resulting from the collective investment of the assets of the Trust. As a result of the spin off discussed in Note 1, *Description of the Plans*, the Acuity DC Trust net assets for 2007 exclude the Acuity Specialty Products 401(k) Plan net assets. The fair value or contract value, which approximates fair value, of net assets of the Acuity DC Trust is presented below as of December 31, 2007 and 2006.

|                                       |                    | Plans Percentage Interest |                 |                 |                 |
|---------------------------------------|--------------------|---------------------------|-----------------|-----------------|-----------------|
|                                       | 2007<br>Value      | Plan<br>No. 033           | Plan<br>No. 067 | Plan<br>No. 069 | Plan<br>No. 070 |
| <b>Mutual Funds</b>                   |                    |                           |                 |                 |                 |
| Vanguard S & P Index                  | \$ 30,780,806      | 89.68%                    | 1.64%           | 3.54%           | 5.14%           |
| American Century Equity Income        | 18,360,054         | 89.42%                    | 0.60%           | 5.10%           | 4.88%           |
| T. Rowe Price Mid Cap Growth          | 17,607,952         | 82.98%                    | 0.65%           | 6.32%           | 10.05%          |
| Templeton Foreign                     | 14,592,732         | 92.51%                    | 0.35%           | 3.40%           | 3.74%           |
| CRM Mid Cap Value                     | 11,969,491         | 92.13%                    | 0.39%           | 3.80%           | 3.68%           |
| Vanguard Explorer                     | 9,585,962          | 85.07%                    | 1.36%           | 5.21%           | 8.35%           |
| T Rowe Price Growth Stock             | 8,631,258          | 85.24%                    | 1.15%           | 5.16%           | 8.45%           |
| Northern Small Cap Value              | 6,675,302          | 90.40%                    | 0.73%           | 5.40%           | 3.48%           |
| IDA Non-cash Securities               | 5,181,944          | 92.47%                    | 0.00%           | 2.45%           | 5.08%           |
| SSGA Money Market                     | 1,858,962          | 95.61%                    | 0.00%           | 0.44%           | 3.95%           |
| Janus Small Cap Value                 |                    |                           |                 |                 |                 |
| Wells Fargo Large Co Growth           |                    |                           |                 |                 |                 |
| <b>Total Mutual Funds</b>             | <b>125,244,463</b> |                           |                 |                 |                 |
| <b>Common Stock</b>                   |                    |                           |                 |                 |                 |
| Zep Stock Fund Frozen                 | 956,656            | 92.30%                    | 1.24%           | 4.18%           | 2.28%           |
| Acuity Brands Stock A                 | 7,695,720          | 93.15%                    | 1.51%           | 3.45%           | 1.89%           |
| <b>Total Common Stock</b>             | <b>8,652,376</b>   |                           |                 |                 |                 |
| <b>Common/Collective Trusts</b>       |                    |                           |                 |                 |                 |
| Dow Jones Target Today Fund           | 4,081,553          | 74.27%                    | 1.86%           | 11.31%          | 12.56%          |
| Dow Jones Target 2025 Fund            | 18,302,162         | 90.84%                    | 1.79%           | 3.01%           | 4.36%           |
| Dow Jones Target 2045 Fund            | 4,122,911          | 86.49%                    | 0.72%           | 7.91%           | 4.87%           |
| Dow Jones Target 2015 Fund            | 3,845,072          | 88.75%                    | 1.86%           | 3.07%           | 6.32%           |
| Dow Jones Target 2035 Fund            | 5,992,723          | 85.79%                    | 1.41%           | 7.81%           | 4.99%           |
| SSGA Bond Index                       | 6,081,570          | 92.58%                    | 0.54%           | 3.00%           | 3.89%           |
| <b>Total Common/Collective Trusts</b> | <b>42,425,991</b>  |                           |                 |                 |                 |
| <b>103-12 Investment Entities</b>     |                    |                           |                 |                 |                 |
| INVESCO Stable Value                  | 55,127,633         | 74.97%                    | 1.29%           | 5.19%           | 18.55%          |
| U.S. Government Securities            |                    |                           |                 |                 |                 |
| Cash equivalents                      | 1,413,032          |                           |                 |                 |                 |
| <b>Total Investments</b>              | <b>232,863,495</b> |                           |                 |                 |                 |
| Accrued Investment Income             | 130,726            |                           |                 |                 |                 |
| Adjustments for pending trades        | 49,786             |                           |                 |                 |                 |
| <b>Total Assets</b>                   | <b>233,044,007</b> |                           |                 |                 |                 |
| Accrued expenses and other            | (65,352)           |                           |                 |                 |                 |

|  |                       |
|--|-----------------------|
| <b>Net Assets at fair value</b>          | <b>232,978,655</b>    |
| Valuation Adjustment                     | (540,059)             |
| <b>Net Assets of the Acuity DC Trust</b> | <b>\$ 232,438,596</b> |

**Table of Contents**

## Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements (continued)

**3. Acuity DC Trust (continued)**

|                                       | 2006<br>Value      | Plans Percentage Interest |                 |                 |                 |
|---------------------------------------|--------------------|---------------------------|-----------------|-----------------|-----------------|
|                                       |                    | Plan<br>No. 033           | Plan<br>No. 067 | Plan<br>No. 069 | Plan<br>No. 070 |
| <b>Mutual Funds</b>                   |                    |                           |                 |                 |                 |
| Vanguard S & P Index                  | \$ 54,361,811      | 53.43%                    | 0.82%           | 1.96%           | 2.71%           |
| American Century Equity Income        | 33,712,213         | 52.09%                    | 0.31%           | 2.52%           | 2.56%           |
| T. Rowe Price Mid Cap Growth          | 22,427,916         | 52.22%                    | 0.39%           | 4.49%           | 6.06%           |
| Templeton Foreign                     | 22,439,207         | 44.63%                    | 0.33%           | 1.61%           | 1.69%           |
| CRM Mid Cap Value                     | 18,625,839         | 54.98%                    | 0.41%           | 1.87%           | 1.98%           |
| Vanguard Explorer                     | 18,369,911         | 48.78%                    | 0.46%           | 2.81%           | 3.88%           |
| T Rowe Price Growth Stock             |                    |                           |                 |                 |                 |
| Northern Small Cap Value              |                    |                           |                 |                 |                 |
| IDA Non-cash Securities               | 12,086,591         | 40.54%                    | 0.00%           | 0.85%           | 2.20%           |
| SSGA Money Market                     | 2,231,700          | 44.49%                    | 0.00%           | 0.35%           | 1.20%           |
| Janus Small Cap Value                 | 15,926,792         | 55.83%                    | 0.41%           | 2.12%           | 1.49%           |
| Wells Fargo Large Co Growth           | 12,911,401         | 45.65%                    | 0.68%           | 3.14%           | 4.51%           |
| <b>Total Mutual Funds</b>             | <b>213,093,381</b> |                           |                 |                 |                 |
| <b>Common Stock</b>                   |                    |                           |                 |                 |                 |
| Zep Stock Fund Frozen                 |                    |                           |                 |                 |                 |
| Acuity Brands Stock A                 | 21,978,053         | 34.58%                    | 0.59%           | 1.70%           | 0.71%           |
| <b>Total Common Stock</b>             | <b>21,978,053</b>  |                           |                 |                 |                 |
| <b>Common/Collective Trusts</b>       |                    |                           |                 |                 |                 |
| Dow Jones Target Today Fund           | 5,554,478          | 52.68%                    | 0.74%           | 7.38%           | 6.76%           |
| Dow Jones Target 2025 Fund            | 34,549,878         | 43.85%                    | 0.94%           | 1.21%           | 2.05%           |
| Dow Jones Target 2045 Fund            | 5,734,642          | 52.26%                    | 0.44%           | 4.74%           | 3.02%           |
| Dow Jones Target 2015 Fund            | 4,738,038          | 48.18%                    | 1.25%           | 2.35%           | 4.39%           |
| Dow Jones Target 2035 Fund            | 7,418,329          | 58.65%                    | 0.95%           | 5.30%           | 3.70%           |
| SSGA Bond Index                       | 9,384,850          | 55.60%                    | 0.42%           | 1.85%           | 2.08%           |
| <b>Total Common/Collective Trusts</b> | <b>67,380,215</b>  |                           |                 |                 |                 |
| <b>103-12 Investment Entities</b>     |                    |                           |                 |                 |                 |
| INVESCO Stable Value                  | 92,572,365         | 38.73%                    | 0.63%           | 3.25%           | 10.52%          |
| U.S. Government Securities            | 1,942,611          |                           |                 |                 |                 |
| Cash equivalents                      | 2,514,832          |                           |                 |                 |                 |
| <b>Total Investments</b>              | <b>399,481,457</b> |                           |                 |                 |                 |
| Accrued Investment Income             | 10,904             |                           |                 |                 |                 |
| Adjustments for pending trades        | (187,621)          |                           |                 |                 |                 |
| <b>Total Assets</b>                   | <b>399,304,740</b> |                           |                 |                 |                 |
| Accrued expenses and other            | (36,767)           |                           |                 |                 |                 |
| <b>Net Assets at fair value</b>       | <b>399,267,973</b> |                           |                 |                 |                 |
| Valuation Adjustment                  | 966,766            |                           |                 |                 |                 |

**Net Assets of the Acuity DC Trust**

**\$ 400,234,739**

**Table of Contents**

Acuity Brands, Inc. Selected 401(k) and Retirement Plans

Notes to Financial Statements (continued)

**3. Acuity DC Trust (continued)**

The following investments are the components of the synthetic GICs:

DC Plans Master Trust Stable Value Fund

| Contract Issuer                    | Security                    | 2007<br>Fair Value | 2007 Valuation<br>Adjustment | 2007<br>Contract<br>Value |
|------------------------------------|-----------------------------|--------------------|------------------------------|---------------------------|
| <b>103-12 Investment Entities:</b> |                             |                    |                              |                           |
| ING Life & Annuity                 | IGT INVESCO Short Term Bond | \$ 7,097,505       | \$ (63,322)                  | \$ 7,034,183              |
| Monumental                         | IGT MxMgr Core              | 8,434,056          | (6,566)                      | 8,427,490                 |
| NATIXIS Capital Markets            | IGT INVESCO Short Term Bond | 13,334,598         | (164,087)                    | 13,170,511                |
| Rabobank Nederland                 | IGT MxMGR Int G/C           | 9,883,703          | (120,757)                    | 9,762,946                 |
| State Street Bank                  | IGT INVESCO Short Term Bond | 6,437,095          | (55,694)                     | 6,381,401                 |
| UBS AG                             | IGT MxMGR Int G/C           | 9,940,676          | (129,633)                    | 9,811,043                 |
| Subtotal                           |                             | \$ 55,127,633      | \$ (540,059)                 | \$ 54,587,574             |
| <b>Cash</b>                        |                             |                    |                              |                           |
| State Street Bank                  | Cash                        | 1,354,905          |                              | 1,354,905                 |
| <b>Total</b>                       |                             | \$ 56,482,538      | \$ (540,059)                 | \$ 55,942,479             |

| Contract Issuer                    | Security                    | 2006<br>Fair Value | 2006 Valuation<br>Adjustment | 2006 Contract<br>Value |
|------------------------------------|-----------------------------|--------------------|------------------------------|------------------------|
| <b>103-12 Investment Entities:</b> |                             |                    |                              |                        |
| ING Life & Annuity                 | IGT INVESCO Short Term Bond | \$ 13,472,828      | \$ 128,819                   | \$ 13,601,647          |
| IXIS Financial                     | IGT INVESCO AAA ABS         | 22,012,495         | 44,711                       | 22,057,206             |
| Monumental                         | IGT MxMgr Core              | 14,752,814         | 125,414                      | 14,878,228             |
| Rabobank Nederland                 | IGT MxMGR Int G/C           | 16,677,887         | 278,600                      | 16,956,487             |
| State Street Bank                  | IGT INVESCO Short Term Bond | 8,287,733          | 98,634                       | 8,386,367              |
| UBS AG                             | IGT MxMGR Int G/C           | 17,368,608         | 260,023                      | 17,628,631             |
| Subtotal                           |                             | 92,572,365         | 936,201                      | 93,508,566             |
| <b>Government Securities:</b>      |                             |                    |                              |                        |
| State Street Bank                  | US Treasury Note            | 1,942,611          | 30,565                       | 1,973,176              |

**Cash**

Edgar Filing: ACUITY BRANDS INC - Form 11-K

|                   |      |               |            |               |
|-------------------|------|---------------|------------|---------------|
| State Street Bank | Cash | 1,998,667     |            | 1,998,667     |
| State Street Bank | Cash | 82,176        |            | 82,176        |
| Subtotal          |      | 2,080,843     |            | 2,080,843     |
| <b>Total</b>      |      | \$ 96,595,819 | \$ 966,766 | \$ 97,562,585 |

Investment results of the Acuity DC Trust for the year ended December 31, 2007 are as follows:

|   |                      |
|---|----------------------|
| Interest income   | \$ 4,146,791         |
| Net depreciation in fair value of common stock (quoted market prices)           | (320,538)            |
| Net realized gain from common/collective trust funds (quoted redemption values) | 6,352,025            |
| Net realized gain from mutual funds (quoted market prices)                      | 22,344,123           |
| <b>Investment Results</b>   | <b>\$ 32,522,401</b> |

**Table of Contents**

## Acuity Brands, Inc. Selected 401(k) and Retirement Plans

## Notes to Financial Statements (continued)

**4. Income Tax Status**

The Plans have received determination letters from the Internal Revenue Service stating that the Plans are qualified under Section 401(a) of the Internal Revenue Code (the Code) and therefore, the related Trust is exempt from taxation. Subsequent to these determinations by the Internal Revenue Service, the Plans were amended and/or restated. Once qualified, the Plans are required to operate in conformity with the Code to maintain their qualification. The plan sponsor indicated that it will take the necessary steps, if any, to bring the Plans operations into compliance with the Code.

**5. Benefits Payable**

The following Plans had benefit payments that were approved for payment prior to December 31, but were not paid until subsequent to December 31:

| Plan No. | Plan Name   | 2007       | 2006      |
|----------|---|------------|-----------|
| 033      | Acuity Brands, Inc. 401(k) Plan   | \$ 111,133 | \$ 57,823 |
| 067      | Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees                        |            | 184       |
| 069      | Holophane Division of Acuity Brands Lighting Group 401(k) Plan for Hourly Employees |            | 20,210    |

These benefit payments represent a reconciling item between the financial statements and Form 5500. An additional reconciling item is related to the difference between the carrying value of synthetic GICs in the financial statement (contract value) and Form 5500 (fair value) in the amount of \$(540,059). The Form 5500 has not yet been finalized. As such, the differences may vary. However, these differences are not expected to be material.

**6. Excess Contributions Payable**

Subsequent to December 31, 2007, certain 2007 participant contributions in the amount of \$8,256 were deemed to be excess contributions under the Code. Contributions totaling \$3,731 were refunded to plan participants on February 26, 2008. The remaining \$4,525 was not refunded to the plan participants by the ascribed deadline and will remain in the plan as required by the Code. For December 31, 2007 and 2006, liabilities for excess contributions were \$3,731 and \$141,706, respectively.

**7. Risks and Uncertainties**

The plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

**8. New Accounting Standards**

In September 2006, the Financial Accounting Standards Board issued Statement on Financial Accounting Standards No. 157 (FAS 157), *Fair Value Measurements*. This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. Plan management is currently evaluating the effect that the provisions of FAS 157 will have on the Plans financial statements.



**Table of Contents**

Acuity Brands, Inc.

Selected 401(k) and Retirement Plans

Schedule H, Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2007

| Plan Name   | Plan No. | EIN #      | Identity of Issue * | Description of Investment Varying Maturity Dates and Interest Rates | Current Value |
|---|----------|------------|---------------------|---|---------------|
|   |          |            |                     | Ranging from:   |               |
| Acuity Brands, Inc. 401(k) Plan   |          |            |                     | 5.00% to 11.75%   |               |
| Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees  | 033      | 58-2632672 | Participant Loans   | (various maturity dates)<br>5.00% to 9.25%                          | \$ 2,595,740  |
| Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees  | 067      | 58-2632672 | Participant Loans   | (various maturity dates)<br>5.00% to 9.50%                          | 103,679       |
| Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement | 069      | 58-2632672 | Participant Loans   | (various maturity dates)<br>5.00% to 9.50%                          | 401,553       |
|   | 070      | 58-2632672 | Participant Loans   | (various maturity dates)  | 819,313       |

\* Represents a party in interest

**Table of Contents**

**EXHIBIT INDEX**

| <b>Exhibit<br/>Number</b> | <b>Description</b>  |
|---------------------------|---|
| 23.1                      | Consent of Independent Registered Public Accounting Firm. |

14