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Agenda

- | | |
|---------------------------|---------------------|
| ▪ Welcome | Mark Chellew |
| ▪ Safety induction | Phil Calder |
| ▪ Strategy development | Mark Chellew |
| ▪ Performance overview | Mark Chellew |
| ▪ Concrete and Aggregates | George Agriogiannis |
| ▪ Outlook | Mark Chellew |



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Overview

Mark Chellew
Managing Director and CEO



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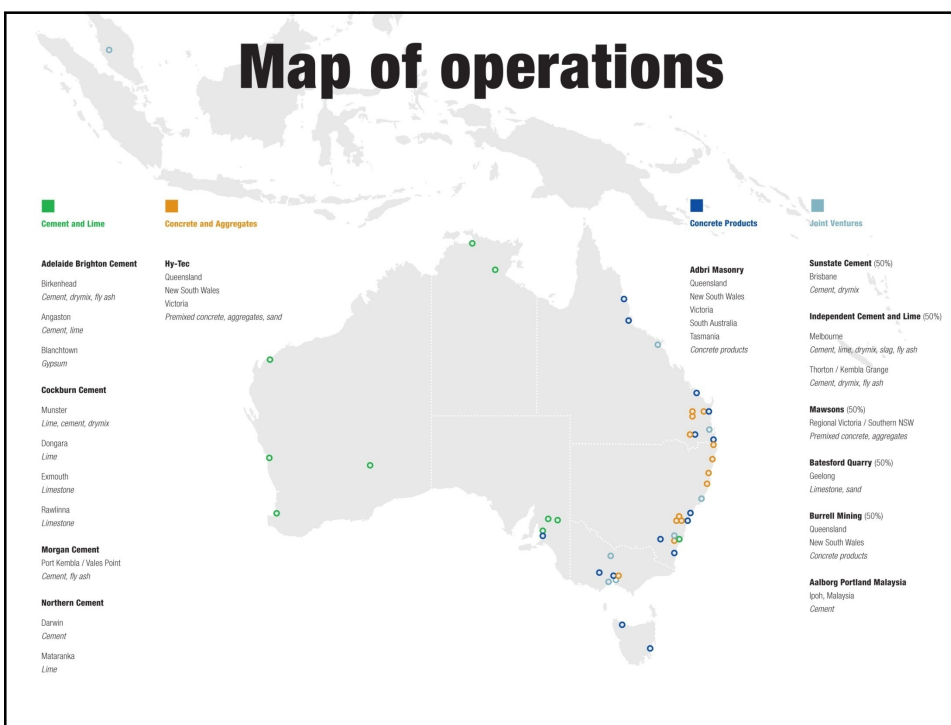
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Our business

- A leading Australian integrated construction materials and lime producing company with balanced exposure across mining and all construction sectors
- An S&P/ASX 100 company with operations in all states and territories; 1,600 employees; approximately AUD2 billion market capitalisation
- Well positioned to supply cement to all mainland states from its domestic manufacturing base, coastal supply and import facilities
- Market leader in lime in Australia, and 9th largest producer on world scale
- The second largest supplier of cement and clinker in Australia
- Market leader in concrete masonry products and an emerging position in aggregates and ready mixed concrete
- Adelaide Brighton is highly cash generative with low gearing and balance sheet capacity for organic and acquisitive growth



Map of operations



Divisional review

Concrete & Aggregates



Joint Ventures



Revenue 22%

Cement & Lime



Joint Ventures



Revenue 68%

Concrete Products



Joint Ventures



Revenue 10%



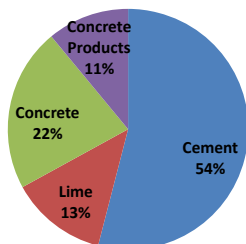
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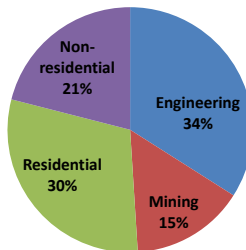
Adelaide Brighton revenue analysis

- 70% of revenue from Cement and Lime operations
- Major exposure to engineering construction and mining sectors
- Cement sales to projects in SA, WA and NT – 6% of group revenue
- WA, SA and NT are key geographic markets

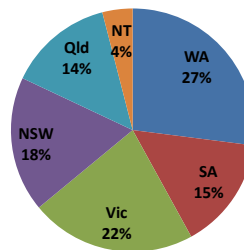
Revenue - by product group



Revenue - by segment



Revenue - by state



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Consistent long term strategy

- Consistent strategy over the last decade has supported shareholder returns:
 - Cost reduction and operational improvement across the business
 - Development of the lime business to supply the resources sector in WA, SA and NT
 - Focused and relevant vertical integration into downstream concrete, masonry and aggregates businesses
- Cement:
 - Investment to expand cement milling capacity at Birkenhead, SA
 - Development of efficient and flexible import supply chain into major markets
- Industrial Lime:
 - Improvements in environmental performance and efficiency
 - Capacity expansion to meet increased resource sector demand



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Performance highlights

\$m	31 Dec 2012	31 Dec 2011	% change
Revenue	1,176.2	1,100.4	6.9
EBIT	225.6	223.4	1.0
PBT	209.2	206.4	1.4
NPAT attributable to members	154.2	148.4	3.9
Cents			
EPS	24.2	23.3	3.9
Final dividend	9.0	9.0	-
Full year dividend	16.5	16.5	-



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Key profit drivers

- Mining, resources and infrastructure projects in SA, WA and NT
- Weakness in residential and non-residential building
- Demand in Vic and Qld remained weak, affecting returns from joint ventures and sales into these markets
- Cement margins constrained by increasing costs and limited price growth
- Energy costs increased 8%, including the \$3 million after tax impact of the carbon tax
- Clinker production issues at Birkenhead cost \$6 million EBIT
- Lime margins helped by increased prices; volumes improved more than 5% from alumina and gold demand
- Cost savings of \$8.5 million partly offset increasing energy and labour costs

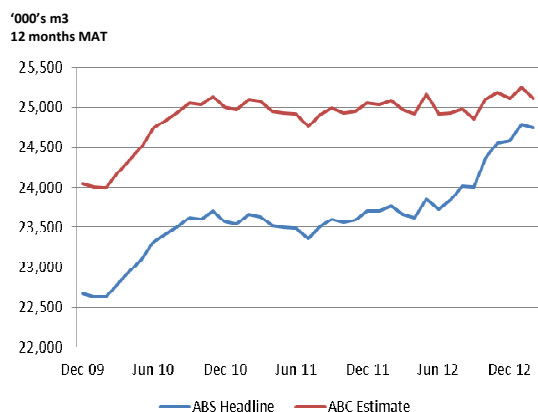


Operational highlights

- Significant progress on capital program in cement and lime to enhance capacity and operational efficiency
- Major customer contract renewals in key cement markets of SA, WA and Vic
- Clinker import supply secured with major Japanese producers for long term requirements at competitive prices
- Acquisition of 30% stake in Malaysian white cement producer secures long term supply of important product

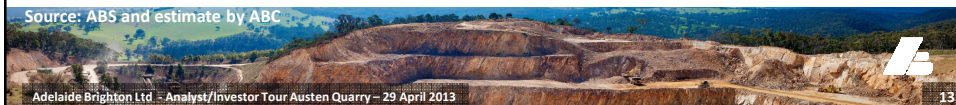


Market demand



- The 2010 recovery plateaued through 2011 and 2012
- Projects and resources offsetting weakness in commercial and residential
- Inclusion of previously unreported concrete producers in headline ABS figures from 1 Jul 2012 overstates improvement in 2H 2012
- National concrete market expected to decline in 2013

Source: ABS and estimate by ABC



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Concrete and Aggregates Overview

George Agriogiannis
Executive General Manager
Concrete and Aggregates



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Concrete and Aggregates Division

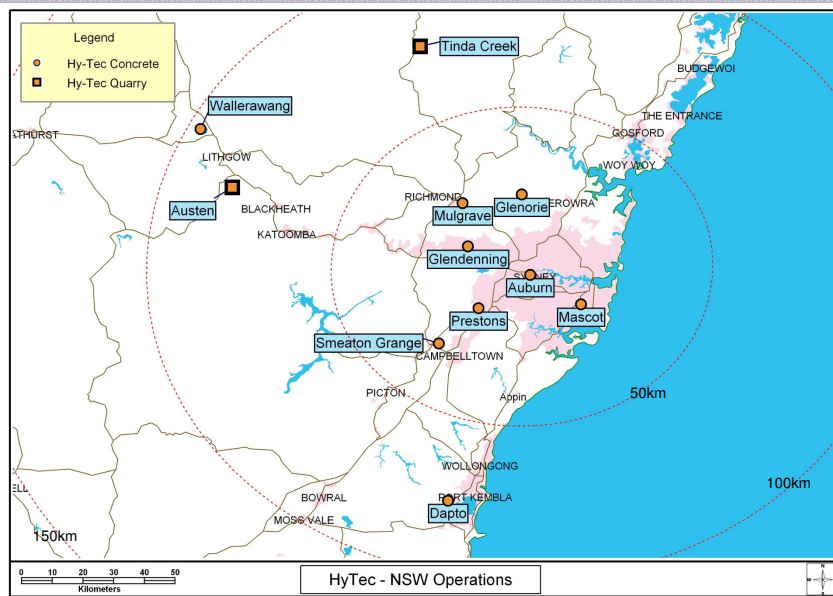
- Annual turnover: greater than \$200 million
- Annual concrete sales volumes: circa 1 million m³
- Annual aggregate sales volumes: circa 2 million tonnes
- Number of employees: 439 (FTEs, incl. 127 LOD's)
- Safety performance: 2.53 LTIFR



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Hy-Tec Sydney operations



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Sydney quarry operations Austen (Hartley) Quarry

- Acquired as part of the acquisition of Hy-Tec from Premier Resources
- Commissioned at a capital cost of approximately \$32 million
- Commenced operation in 2007



Austen Quarry

Reserves

- Aggregate source is commonly known as Rhyolite
- Probable reserves in excess of 35 million tonnes

Consent

- Approval in excess of 1.1 million tonnes per year
- Current extraction volumes circa >500,000 tonnes per year



Austen Quarry

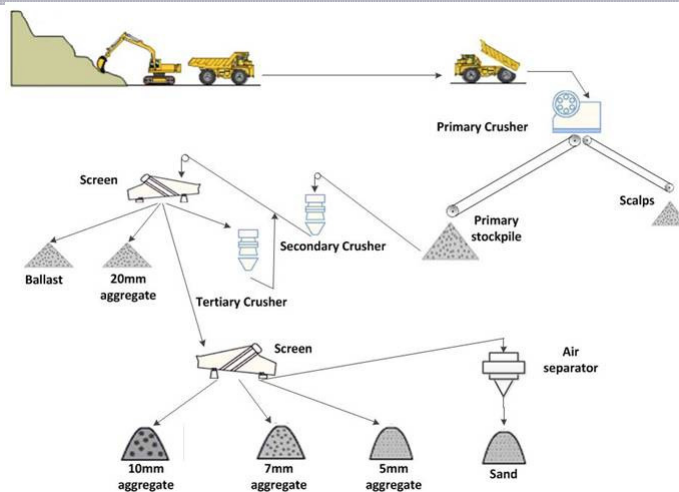
Operations

- All material transported by road haulage to greater Sydney area
- Primary jaw crusher commissioned June 2006, with secondary/tertiary plant commissioned April 2007
- Wide range of high quality quarry products
 - Concrete aggregates
 - Asphalt aggregates
 - RMS specified road base materials
 - Manufactured sand suitable as a substitute for coarse sand in concrete
 - Range of fill products



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Austen Quarry process



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Austen Quarry process



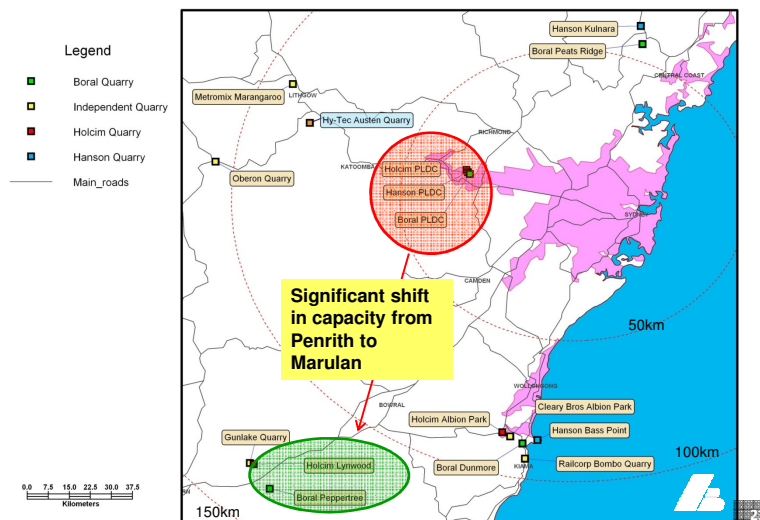
Austen Quarry – air separator

- Prior to the commissioning of the air separator, the manufactured sand contained a significant proportion of very fine sand, limiting its usability in the manufacture of concrete
- The air separator was commissioned in August 2012 at a total capital cost of approximately \$1 million
- Since installation, the quality of manufactured sand has improved markedly, allowing for the volume of this sand used in the manufacture of concrete to more than double
- The improved quality of this manufactured sand has increased the ability to sell into other markets

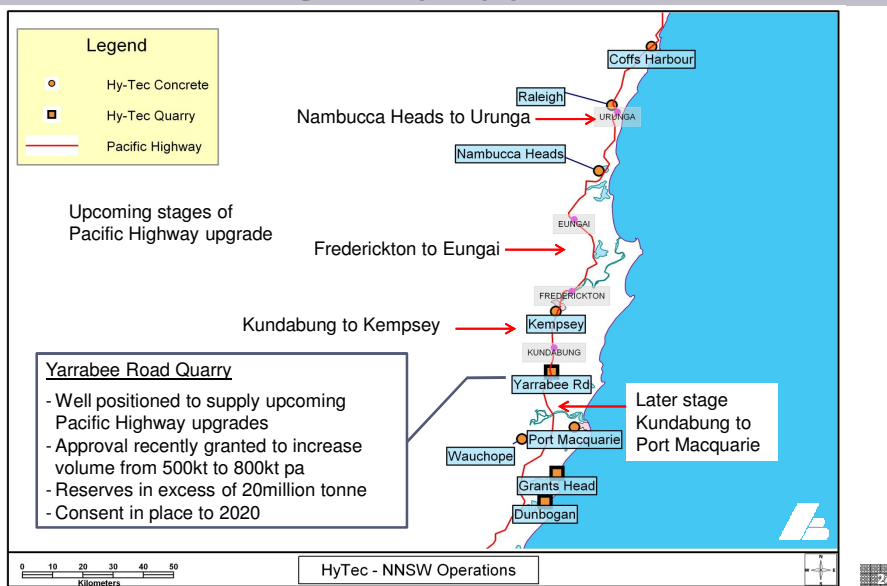


Sydney hard rock market

- Delivered costs (including capital charge) of new capacity, estimated to increase by more than \$10/tonne



Northern New South Wales Pacific Highway opportunities



Concrete and Aggregates Division - Key priorities

Price

- Concrete price increase 1 April 2013 of \$10-\$14/m³

Cost initiatives

- Standardising back and front end processes within division
- Leverage off the smooth implementation of SAP
- Further efficiencies from businesses acquired in last two years



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Concrete and Aggregates Division - Key priorities

Quarry development

- Increase exposure in aggregates
 - Greenfield site sourcing and development
 - Acquisition of existing quarry operations
- Secure development approvals for increases in tenure and reserves at existing aggregate operations

Expansion of concrete footprint

- Acquiring and securing development approval for concrete operations in locations that compliment our current and proposed cement and/or aggregate footprint



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Mark Chellew

Managing Director and CEO

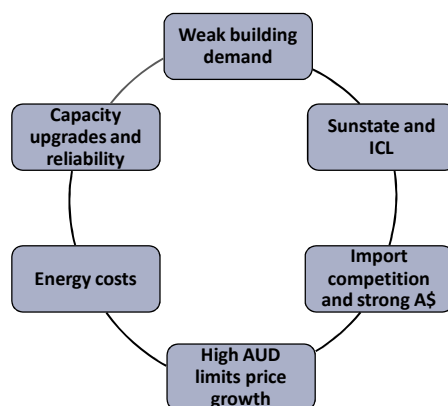


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Key profit and operational challenges

- Industry remains highly competitive while residential and commercial building demand remains weak
- Demand weakness - Sunstate and ICL
- Threat of small-scale imports - lime (WA and NT) and cement (NT and north west WA)
- High AUD limits the scope for cost recovery for any domestic manufacturer
- Estimated \$2m to \$10m increase in gas costs when current SA supply contract expires 31 Dec 14 - concentrating on increased use of alternative fuels to significantly mitigate any impact
- Birkenhead upgrade and reliability focus



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2013 Outlook

- Cement and clinker sales volumes in 2013 expected to be marginally lower than 2012
- Demand from projects in SA, WA and NT likely to partially offset weakness in residential and non-residential building
- Demand in Vic expected to be less than 2012
- Returns from Birkenhead, SA, cement mill 7 lower than previously estimated due to weaker Victorian market demand
- Lime volumes could be marginally higher in 2013 - threat of small scale imports remains
- Completion of Munster, WA, kiln 5 bag house filter expected mid 2013
- Focus on efficiency in masonry, pre-mixed concrete and aggregates, where markets remain subdued
- Concrete and aggregates price rises notified for 1 April 2013 and masonry prices rises 1 June 2013



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2013 Outlook

- Costs pressures continue across the Company, especially from energy, the carbon tax and environmental requirements
- Strong Australian dollar and competitive pressures may limit scope for cement price increases
- Plant and quarry rationalisation may realise circa \$100 million in surplus land over the next 2-10 years
- Adelaide Brighton will pursue growth in shareholder returns through projects that improve efficiency and capitalise on long term demand growth in key markets
- Adelaide Brighton expects 2013 profit to be similar to, or less than 2012, due to:
 - Carbon tax impact on 2013 expected to be circa \$6 million after tax, before mitigation
 - Weakness in Vic residential demand and the south east Qld market
 - A decline in earnings from JVs



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