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Adelaide Brighton Ltd
ACN 007 596 018

21 October 2009

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

Dear Sir/Madam

We attach copy of slides being presented by Mr Mark Chellew, Managing Director and CEO, at the UBS Small Caps Conference in Sydney on 21 October 2009.

Yours faithfully

Marcus Clayton
Company Secretary

Agenda

- ABL profile and history
- ABL financial performance
- Australian cement markets & industry structure
- ABL market position and geographical spread
- ABL strategic drivers
- ABL borrowings and cash flow
- 2009 market and outlook

Adelaide Brighton profile

- A leading Australian integrated construction materials and lime producing company with high exposure to the engineering, infrastructure and resource sectors
- An S&P/ASX 200 company with operations in all states and territories, 1,500 employees - $1.7bn Aus market capitalisation
- Well positioned to supply cement to all mainland states from its domestic manufacturing base, coastal supply & import facilities
- Market leader in lime manufacture in Australia, and the second largest supplier of cement
- Ninth largest lime producer on world scale
- Market leader in concrete masonry products and an emerging position in aggregates and ready mixed concrete
- ABL is highly cash generative with low gearing and balance sheet capacity for future organic and acquisitive growth
- ABL TSR performance July 2001 to October 2009 - number three in the ASX200

Adelaide Brighton history

ABL origins go back to 1882 with the first manufacture of cement in South Australia

Over the last decade:

1999 - Merger of ABL with Rugby plc's Australian subsidiary Cockburn Cement through share issue making Rugby a 55% shareholder

2000 - RMC Group plc acquire Rugby plc

- Geelong cement factory closes bringing Australian cement capacity inline with market demand

2002 - Acquisition of Premier Resources Limited and Neil Mansell concrete establishing an eastern state downstream concrete business, NSW clinker import facility and substantial aggregate reserves at Hartley in NSW

2003 - ABL acquires Westlime lime assets in WA

- ABL secures 25 year extension of shellsand resources in WA
- ABL enters the masonry products market with the acquisition of 55% of C&M Brick and 100% of Rocla Pavers and Masonry
- Unsolicited takeover offer by Boral Limited through acquisition of 19.9% of ABL's shares from RMC Group plc
- RMC Group plc disposes of further 20% of ABL shares including 10% to Barro Group increasing their shareholding to 19.9%

Adelaide Brighton history

2004 - Boral Limited withdraws takeover offer for ABL following ACCC refusal for approval of the takeover

2005 - Clinker import strategy established, long term clinker supply contract signed with Mitsubishi of Japan

2006 - Acquisition of Rawlinna limestone quarry assets in WA from Loongana Lime Pty Ltd

- Austen Quarry (Hartley) commissioned

2007 - Acquisition of 50% share of Mawson Group Victorian quarry and concrete

- Operational Improvement Programme implemented

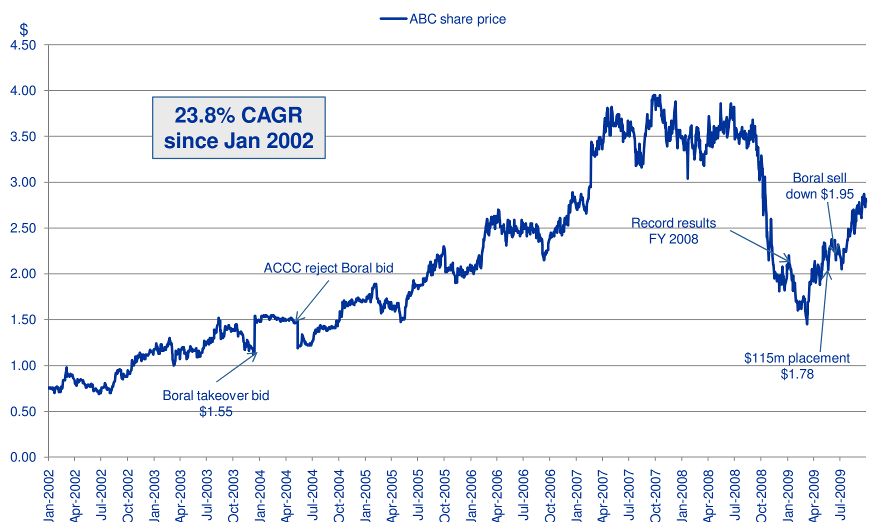
2008 - Acquisition of Queensland based Hanson Building Products Pty Ltd masonry products

- Dividend Reinvestment Plan re-introduced

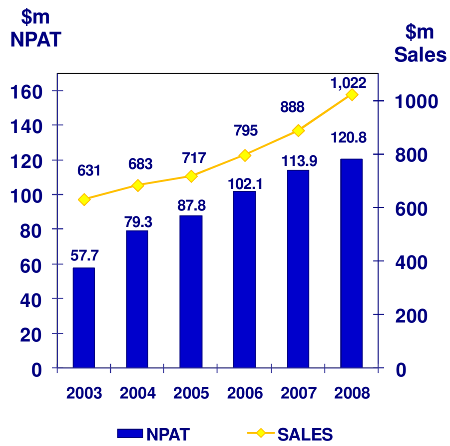
2009 - Institutional equity placement and Share Purchase Plan raised $113.5m

- Boral Limited disposes of shareholding to long term investors

Share price performance 2002 - 2009

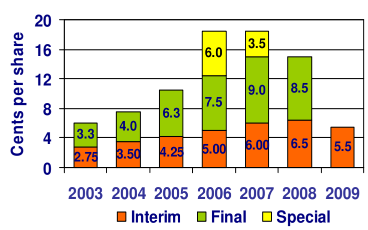


Historical sales and earnings

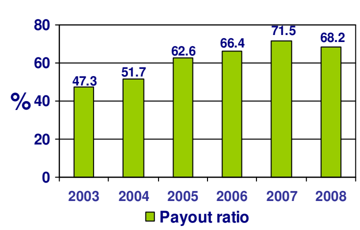


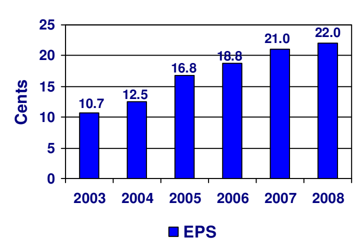
- Seventh year sales and earnings cycle peaked mid 2008
- 2009 cement demand down circa 15% ytd
- 2009 earnings impact mitigated by reducing lower margin imports
- Cement and lime operations running at capacity
- Lime demand level due to alumina and gold demand

Historical shareholders returns

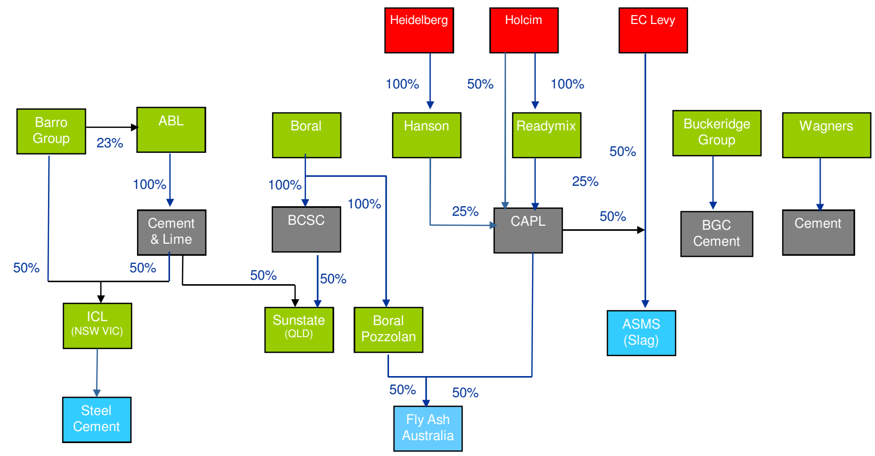


- Capital management strategy from 2006:
  - use of special dividends fully franked
  - payout ratio range 65 – 75%
- DRP introduced for 2008 interim
  - 38% uptake rising to 52% on 2009 interim
- EPS on 2009 full year earnings guidance 16.7 - 18.3 cents per share





Australian cement industry ownership

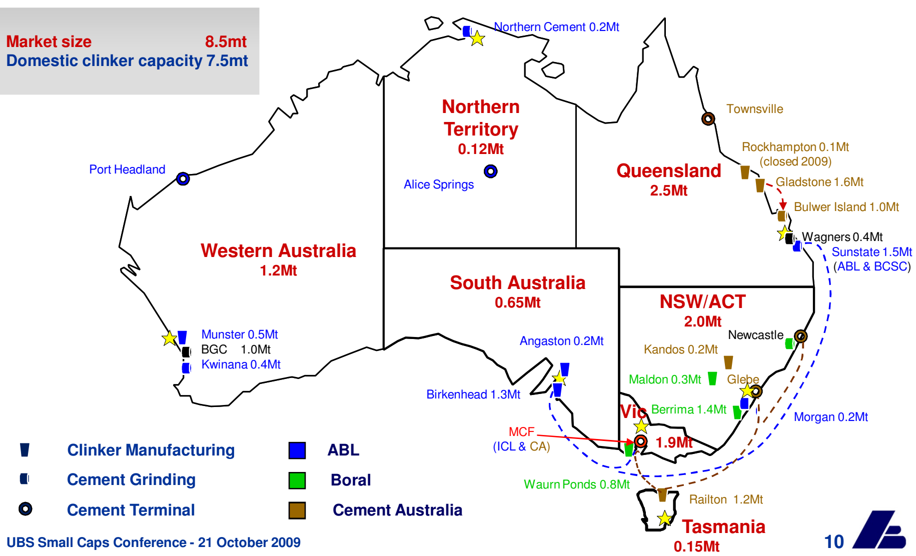


Glossary

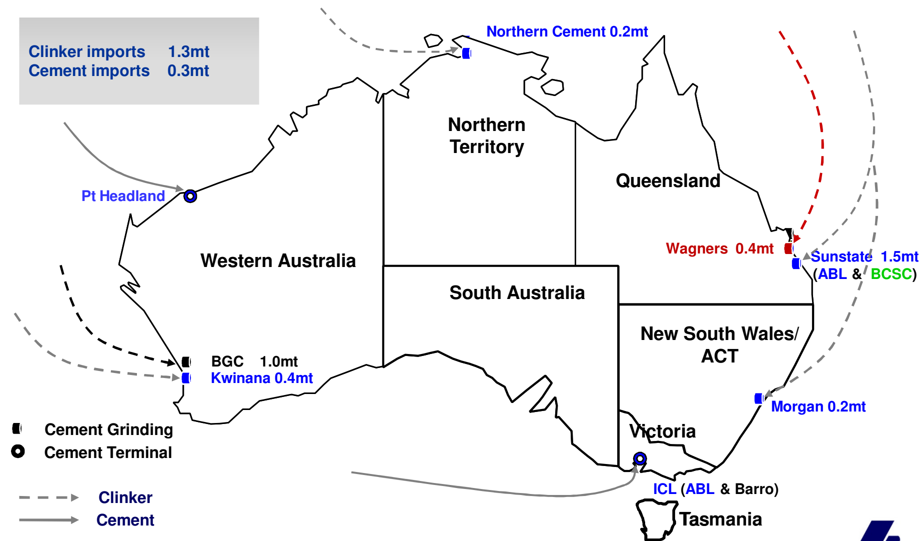
ABL: Adelaide Brighton Ltd
BPS: Building Products Supplies
BCSC: Blue Circle Southern Cement
ASMS: Australian Steel Mill Services
ICL: Independent Cement & Lime
CAPL: Cement Australia Pty Ltd

Australian cement industry 2009

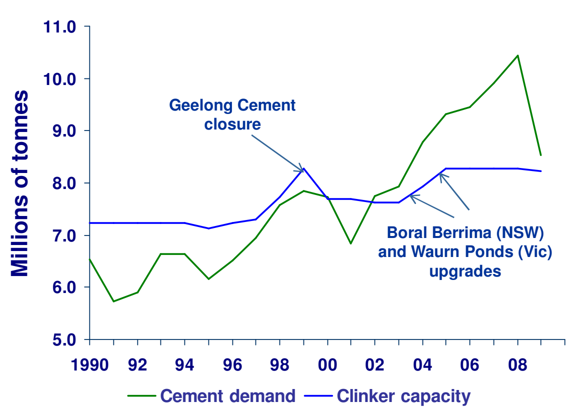
Market size 8.5mt
Domestic clinker capacity 7.5mt



Imported cement / clinker flows 2009

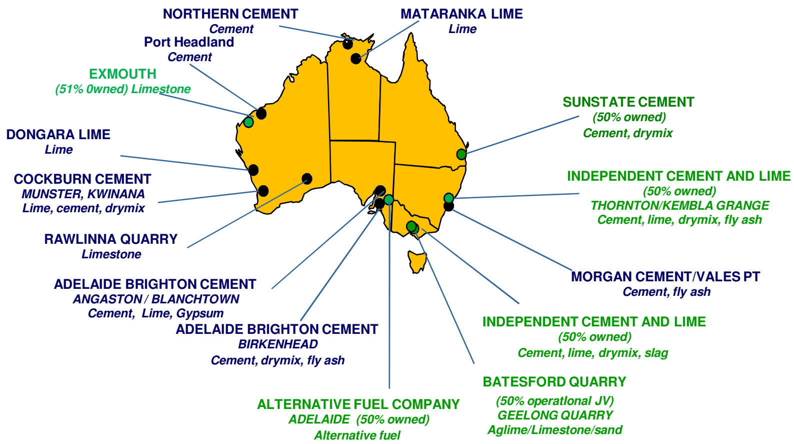


Australian capacity and demand



- Industry has been at full capacity until 2009
- Qld and NSW market declines have created under utilisation in these states
- Wagners mill has also taken volume in Qld
- In 2009 Cement Australia have closed Rockhampton (100kt) and mothballed one Kandos kiln (250kt)
- ABL buying volume from majors displacing imports

Adelaide Brighton's cement and lime geographical spread



Key Adelaide Brighton market position

- Market leader in cement and lime in SA, WA and NT
- Eastern states competitors, Boral and Cement Australia (Holcim - Heidelberg) are key cement customers in WA and SA
- Strategic cement positions in NSW (Morgan) and in Qld and Vic through the Sunstate (Boral) and ICL (Barro) JV's
- Resource sector exposure to cement and lime demand:
  - Mining sector in WA, SA and NT circa 8% national cement sales
  - Increasing lime demand from alumina and gold resource sectors
  - Uranium mining potential in SA (Olympic Dam) and NT (ERA Ranger expansion)
  - LNG expansions e.g. Gorgon

Adelaide Brighton strategy

- Focused and relevant vertical integration – aggregates and concrete
- Lime development
- Cost reduction and operational improvement

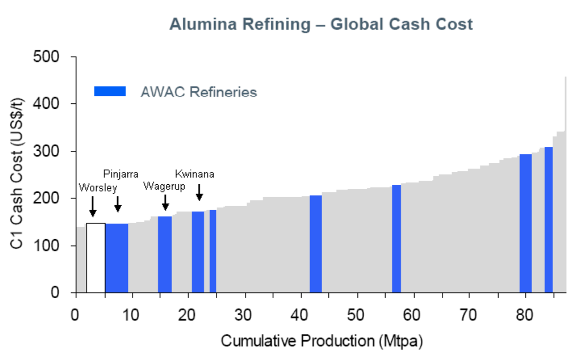
Strategy overview – vertical integration

- Aggregates and Concrete
  - Fully vertically integrated position in NSW in combination with Morgan mill and Austen Quarry
  - Northern NSW growth: Hurd - aggregates, Hy-Tec - concrete
  - West Sydney aggregates: Austen Quarry
  - Regional Vic: Mawson Group 50%
  - NSW resource constraints post Penrith Lakes closure
- Masonry Products – Australian market leader
  - Central and eastern states. No presence in WA
- Concrete as a driver for cement and aggregates pull through and eastern states leverage

Strategy overview - lime development

- World lime demand (non captive) 160mt
- Highly fragmented industry
  - Top 5 make up 22% market
  - Top 10 - 26%
  - Top 200 - 50%
  - Only 35 producers exceed 450kt pa
- Market leader Lhoist (10%) and Carmeuse (7%)
- Key Australian resource sector uses:
  - Steel: as a flux to remove impurities as slag
  - Alumina: Sinter process, limestone + lime, Bayer process, ++lime
  - Gold and silver: essential for cyanide leaching process
  - Ore concentration: copper zinc nickel and lead flotation
- Other sector uses: building, water treatment, paper, glass and agriculture

Australian alumina scale and resilience



- BHP and AWAC are in the lowest quartile of alumina refining cost worldwide
- This capacity has been maintained through the current cycle
- AWAC is owned by Alumina Ltd (40%) and Alcoa (60%)
- AWAC produces circa 8.6m tonnes of alumina from its three Australian refineries
- AWAC alumina is refined into aluminium both in Australia and overseas
- BHP produces in excess of 3.1m tonnes of alumina from its Worsely refinery
- Together AWAC and BHP produce 15% of the world's alumina

Strategy overview - lime development

- Key resource sector exposure in WA, SA and NT
  - Alumina 70% (BHP-Alcoa and Alumina)
  - Gold 15%
  - Uranium and copper
- 1.27mt total lime capacity
  - Munster WA — 900kt + 210kt 'switch' from cement clinker kiln
  - Dongara WA — 80kt peak demand provider to SE markets
  - Mataranka NT — 30kt + potential for second vertical shaft kiln
  - Angaston SA — 50kt currently shipping to SA and NT
- ABL production scale provides customer security of supply
- Lime is a low input cost compound essential for base metal manufacture
- ABL has extremely strong position in WA with excellent resource dominance and security

Munster lime development

- Highly efficient calciner and rotary kiln configuration
- Among the largest of their type worldwide
- Unique shellsand raw material - high quality
- $22m invested to switch to coal from gas (supply constraints and cost)
- OIP plans to increase output by 275kt for $25m investment
- Flexibility to meet key customer variable demand

Strategy overview - operational improvement

- WA – strategic switch to coal in 2008 to displace higher cost gas
  - $7.0m cost increase avoided in 2008
  - $3.5m cost saved lower coal price
- Increased use of alternative fuels to supplement natural gas
  - Annual increases in waste wood combustion – Sita-Resourceco JV
  - NT, SA and WA increasing waste oil fuel use
- Phases II and III of lime capacity development plans deferred until resource sector demand curve resumes
- Increased cement output - Birkenhead shutdown strategy
  - 2009 annual shutdown reduced to 20 days v 28+ days
  - Re-scheduled in February 2009
  - Electric power price risk management benefits

ABL's 2009 key profit influences

- Geographic and sector spread in the construction and resource sector industries
- Circa 15% decline in cement sales met through lower margin import reductions
- All cement and lime plants operating at capacity
- Cement price increases circa 5% in core markets
- Lime price increases circa 7% over pcp
- Lime demand level - alumina and gold sector resilience
- Continued focus on lime pricing as long term contracts expire
- Concrete and Masonry products weakness in Qld and NSW
- Profit optimisation programmes to deliver $15m EBIT benefit
- Reduced interest expense - lower borrowings and cash rate
- Australian dollar strength moving toward 2008 Q2 highs v US$

Outlook Australian ETS update

ABL supports the implementation of an Australian emissions trading scheme, the Carbon Pollution Reduction Scheme

- ABL has a high carbon intensity on a revenue basis due to the emissions from cement and lime manufacture – 3MtCO_2-e pa
- Government Energy Intensive Trade Exposed (EITE) Guidance paper Feb 2009 recognises the need for cement and lime industries to receive EITE assistance
- CPRS Bill was defeated in Senate. Revised Bill will be voted on in Nov 09
- Opposition and Government are negotiating amendments
- Free carbon allocations EITE industries – to cover 94.5% in year 1
- July 2011 start date with first year $10/t carbon price cap
- ABL is progressing strategies to mitigate future carbon risk
  - Optimising plant efficiency
  - Substitution of clinker with cementitious additives and mineral fillers
  - Increased use of biomass fuels

Outlook – market

- There is growing concensus that the current Australian economic downturn has bottomed out and was milder than predicted
- ABL cement sales volume projections down circa 15% over 2008 with favourable geographic mix
- ABL lime demand projected level
  - weakness in non alumina, (nickel and steel) offset by alumina and gold sector strength (circa 85% of demand)
- Aggregates demand level. Supported by larger road contracts and Mawsons in regional Victoria
- Concrete masonry products showing some seasonal recovery from a low base
- Key recovery drivers will come from the residential and infrastructure sectors

Outlook – residential

- Residential construction activity increasing
  - Government first/new homeowner stimulus will drive construction activity from Q4 2009
  - Increase in home loans since Sept 2008 +32% of which +25% related to new homes
  - Housing affordability index lowest since 2002
- Population growth +2.1% driving housing inventory shortages
- Average house prices down 1.4% year to June, up 4.2% in June quarter (first increase since March 08)
- Three month rolling average housing approvals have begun to recover from January lows
- Consumer confidence at 10 year highs
- Cash (bank) rate was at 49 year low - 3%

Outlook – commercial and infrastructure

- $28.8bn government infrastructure stimulus package
  - Construction ($14.1bn) and repair ($2.1bn) of primary and secondary school infrastructure
  - Social housing construction and repair ($1.0bn)
  - 14 road and 17 rail projects ($2.3bn)
  - Additional state investment added to attract federal expenditure
- Schools infrastructure - funding allocated for 10,701 projects. Construction now underway
- Four road projects including the $451m SA Northern Expressway and the $900m Western ring road in Melbourne have commenced
- Seasonally adjusted non residential building approval values doubled in June – driven by Government education spending
- However, private commercial construction activity continues to decline due to lack of project financing

Outlook ABL profit optimisation plans

- The eight year Australian construction sector growth cycle peaked mid 2008
- ABL implemented Divisional profit optimisation plans in Q4 2008
- Rigorous review of all input costs undertaken with focus on:
  - Cement and Lime - $10m target:
    - Reduced contractor utilisation
    - Key materials and services contract pricing and sourcing
    - Maintenance planning expenditure and control
  - Concrete and Aggregates - $3.0m target
    - Increased use of alternative cementitious materials
    - Matching operating capacity to meet market demand
  - Concrete Masonry Products - $2.0m above Hanson consolidation synergies
    - Reduced operating capacity to meet market demand
    - Three plants mothballed/closed
    - Circa $1.4m redundancy costs in 2009

Outlook 2009 cash flow optimisation

- Working capital management tightening through strict adherence to customer trading terms
- Resistance to suppliers seeking to tighten trading terms
- Debtor days outstanding improvement over 2008 - no material bad debts YTD 2009
- Inventory management focus on cement spare parts and masonry products finished goods
- Capital expenditure constrained to essential, sustaining and short term payback only FYF $45m
- Continuation of Dividend Reinvestment Plan with 52% acceptances for 2009 interim dividend
- 2009 year end gearing guidance - debt to equity below 25%

Outlook ABL debt profile

ABL has $510m of debt facilities with its three principal Australian banks CBA, NAB and Westpac. ABL refinanced its debt nine months early in June 2008:

$310m expires on 30 June 2010

$210m expires on 30 June 2011

Year end 31 December 2009 debt projection $225m

Each bank will participate in refinancing of 2010 facilities in Q1 2010

Common banking covenants:

Ratio	Measure
Liquidity	EBIT / interest
Leverage	Debt/ (debt + equity)
Net tangible assets	

ABL operates well within all three ratios

2009 Outlook – ABL cash flow and profit

- Focused profit optimisation plans engaged in Q4 2008 by all Divisions - secure $15m EBIT benefit v 2008
- Benefits from lower cash rate and $113.5m share placement – finance expense will be circa $15m below 2008
- Increase in 2009 free cash flow through effective working capital management and capital expenditure constraint
- Rising A$ beneficial for second half import cost – however, may limit potential for future upside in domestic prices
- Year end gearing will be below 25%
- ABL's 2009 dividend will be fully franked, toward the lower end of the Board's preferred 65% – 75% payout ratio range
- ABL's net profit after tax guidance for 2009 $105m - $115m