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6 May 2010

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

Dear Sir/Madam

We attach copy of presentation being delivered to the Macquarie Securities Australia Conference on Thursday 6 May 2010 by Mr Mark Chellew, Managing Director.

Yours faithfully

**Marcus Clayton**  
Company Secretary

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



## Adelaide Brighton at a glance

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

Sales by geographical segmentation

- WA
- VIC
- NSW
- QLD
- SA
- NT
- TAS

# Major construction materials producer

Concrete & Aggregates	Cement & Lime	Concrete Products
 	    	
Joint Ventures	Joint Ventures	Joint Ventures
 	  	
Revenue 16%	Revenue 72%	Revenue 12%



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# Leading market positions

- A leading construction materials and lime producer for the construction and minerals processing industries
- Number 1 lime manufacturer positioned in key resources markets
- A leading cement supplier with access to major construction markets; healthy regional presence
- Number 1 cement importer with unmatched supply network
- Strategic aggregates and premixed business
- Number 1 national market share in concrete products

#1

• No. 1 lime producer for the mineral processing industry

#2

• No. 2 cement and clinker supplier to the Australian construction industry

#1

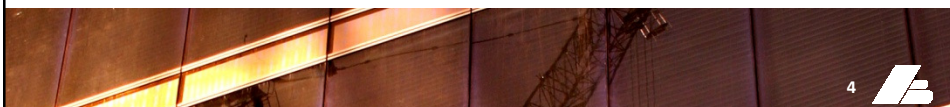
• No. 1 cement and clinker importer with unmatched route to market


#4

• No. 4 market share in concrete and aggregates

#1

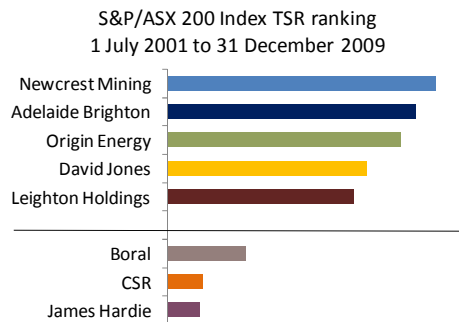
• No. 1 national market share in concrete products



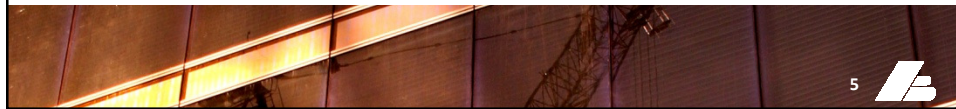
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## Total shareholder returns

- A decade long transformation into national construction materials supplier and the leading supplier of lime to the resources sector
- Returns underpinned by the rationalisation of capacity, reinvestment in cement and lime manufacturing and measured downstream growth
- Improved cost structure and competitive position have supported consistent growth in shareholder returns

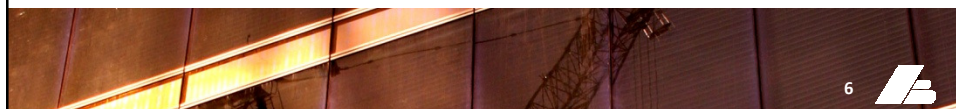


Source: eQuant. Includes ASX top 5 & industry peers



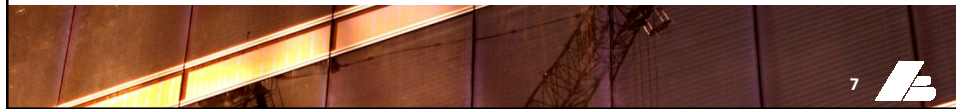
## Consistent long term strategy

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



## Performance

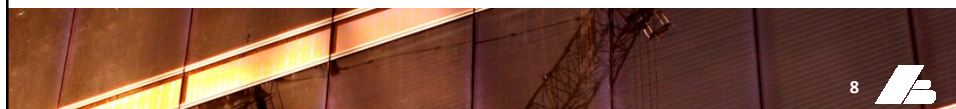
Year ended 31 December	200 \$m	2008 \$m	Change %
Revenue	987.2	1,022.4	(3.4)
EBIT	185.3	189.1	(2.0)
PBT	168.6	155.3	8.6
NPAT attributable to members	123.1	120.8	2.0
	Cents	Cents	
EPS	20.4	22.2	(8.2)
Final dividend	8.0	8.5	
Full year dividend	13.5	15.0	



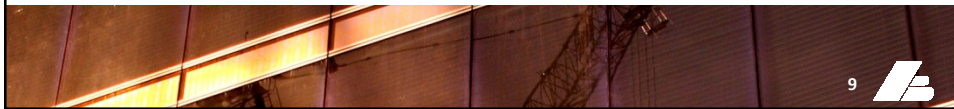
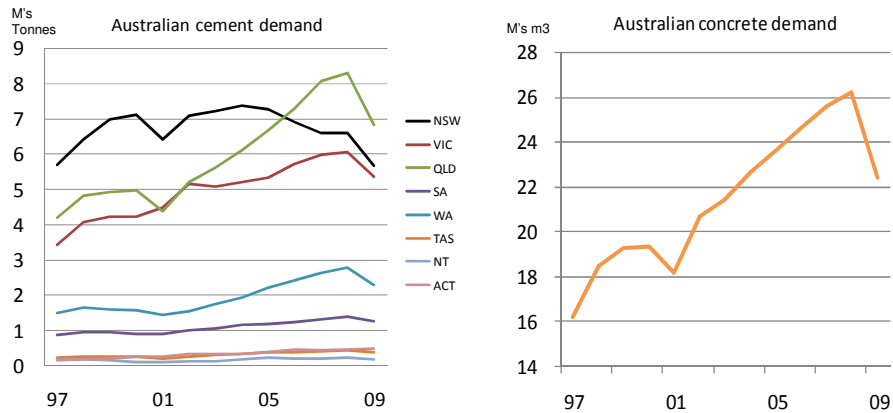
## Strong balance sheet

Year end 31 December	2009	2008
Net debt	\$175.4m	\$387.8m
Gearing – net debt/equity	19.6%	55.3%
Net debt/EBITDA	0.7 times	1.6 times

- Balance sheet strength and flexibility for further value enhancing organic acquisitive growth
- Gearing at low levels following equity raising in 2009 and positive earnings and cash flow outcomes
- Year end net debt 0.7x FY2009 EBITDA
- Debt facilities total \$520 million – \$310 million matures 30 June 2010 and \$210 million matures 30 June 2011
- Debt refinancing well progressed



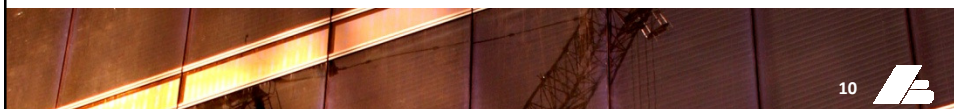
## Market conditions



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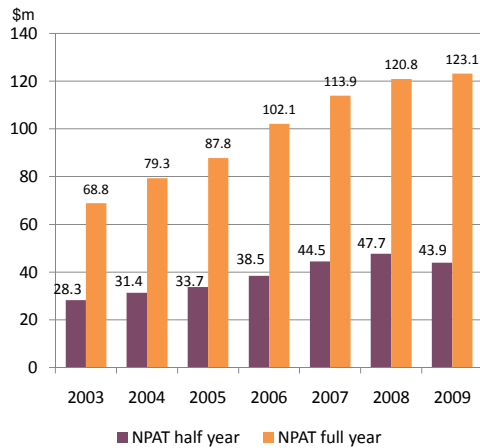
## Key 2009 profit drivers

- Geographic and industry spread in the construction and resource sectors
- Sustained lime sales volumes to gold and alumina sectors
- 11% decline in cement sales
- Cement and lime price increases recover inflationary cost pressures
- Achieved target EBIT delivery from Profit Optimisation Plans. Concrete Products integration benefits delivered second half earnings recovery
- EBIT margin increased from 18.5% to 18.8%
- \$17.1 million reduction in net interest
- \$8 million unfavorable impact Australian dollar weakness versus 2008



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## Profit – half and full year

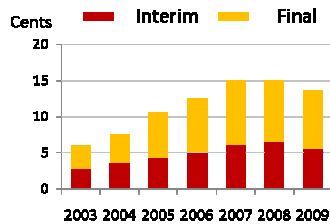


- Earnings spread between first and second half
- H2 has full impact of sales price increases
- Additional H2 delivery from Profit Optimisation Plans
- Concrete Products H2 profitability recovery
- Benefit from high Australian dollar in Q4
- Lower interest expense due to equity raising and cash rate reduction

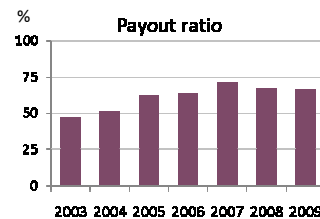
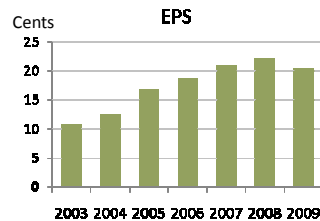
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## Shareholder returns



- Payout ratio consistent with prior guidance
- EPS decline due to equity raising



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## Cashflow

12 months ended 31 December	2009 \$m	2008 \$m
Net profit before tax	168.6	155.3
Free cash flow	149.1	98.2
Net debt (increase)/decrease in net debt	212.4	(64.5)

Decrease in net debt as a result of:

- Tight working capital management
- \$7 million income tax refund
- Control of capital expenditure
- Reduction in dividends paid due to partially taken up DRP
- \$111 million (net) equity raising completed June 2009

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## Volumes and pricing

- 2009 Australian cement and concrete market declined 15%
- ABL cement sales down 11%
- Increased demand from mining and resources expected to offset decline in stimulus funding
- Import Parity Pricing – constrains potential for price increases
- Negotiations ongoing for cement supply contracts expiring in 2010 and 2011

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## Cement and Lime

- 2010 production expected to continue at capacity
- Management of increased energy costs
- Focus on maintaining benefits of Profit Optimisation Plans
- Cement and Lime pricing stable



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## Concrete and Aggregates

- Concrete prices are stable
- Continued growth in aggregates volumes
- Ongoing management of mix costs and asset utilisation

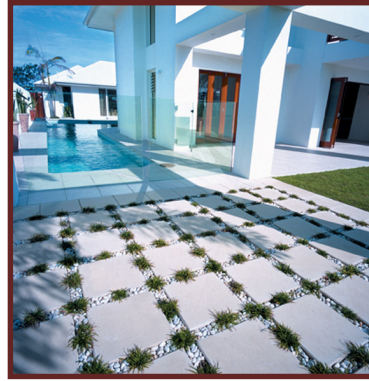


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## Concrete Products

- Strength in Victoria, Tasmania and South Australia markets
- Weakness in New South Wales and Queensland
- Continued roll out of light weight products
- Focus on costs - rationalising shifts to match market demand

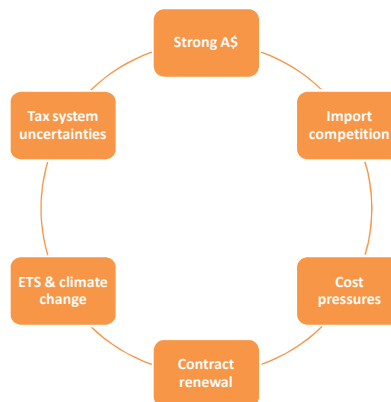


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## Challenges

- Strong A\$ pressures import parity
- Threat of small scale opportunistic lime imports in Western Australia
- Cost pressures continue, particularly in energy – estimated impact \$8-\$10 million
- Cement contract renewal in Victoria, South Australia and Western Australia for supply from 2011
- Emission Trading Scheme and climate change – Government deferred implementation until after 2013
- Tax system uncertainties



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## Outlook

- Adelaide Brighton continues to pursue investment opportunities in line with the strategy of focused and relevant integration
- Strong A\$ positive impact on import profitability, but may constrain price increases
- Threat of small scale opportunistic lime imports in Western Australia
- Cost pressures continue, particularly in energy
- Cement demand stronger compared to 2009
- Anticipate concrete demand to be similar to 2009
- 2010 lime volume demand is predicted to be level to marginally to be higher than 2009
- On this basis Adelaide Brighton expects 2010 net profit after tax to be higher than 2009

