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5 July 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

We attach copy of slides on Adelaide Brighton's business being presented to Analysts/Investors in London on 5 and 6 July 2007.

Yours faithfully

Marcus Clayton
Company Secretary



Adelaide Brighton Ltd

London Analyst/Investor meetings

5-6 July 2007



Agenda

- **Adelaide Brighton Ltd**
 - Profile and geographic presence
 - Strategy overview
 - Divisional review and markets
 - Outlook
- **Australian cement industry structure**
 - Ownership structure
 - Cement and clinker flows; cement capacity and demand]
- **Outlook - Adelaide Brighton Ltd**



Adelaide Brighton

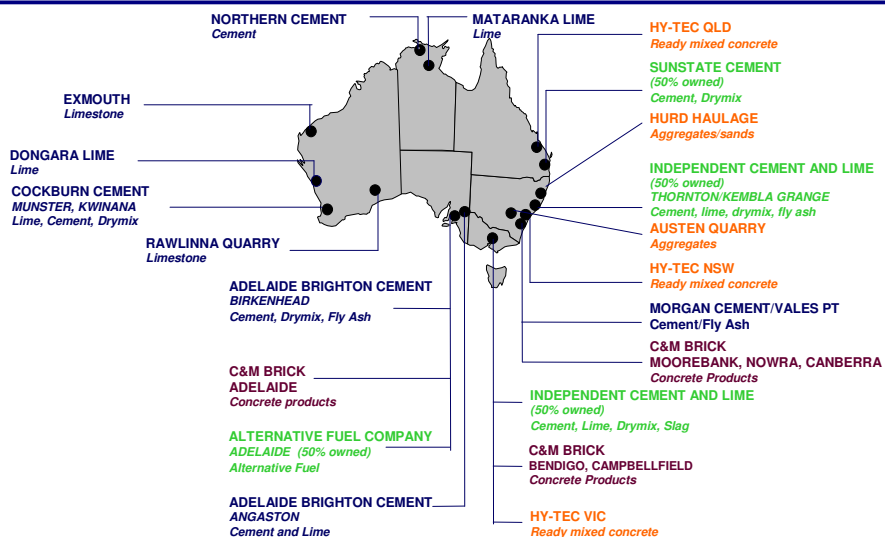
- A leading Australian integrated construction materials and lime producing company, heavily focussed on the growing resources, engineering and infrastructure sectors
- Well positioned to supply all mainland states from its domestic manufacturing base complemented by long term supply contracts for imported clinker and cementitious materials
- S&P/ASX 200 company with market capitalisation around \$2 billion
- 1,300 employees with operations in all mainland states and territories
- Market leader in lime manufacture in Australia, number two position in cement and concrete products and modest position in the ready mixed concrete market



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Adelaide Brighton geographic presence



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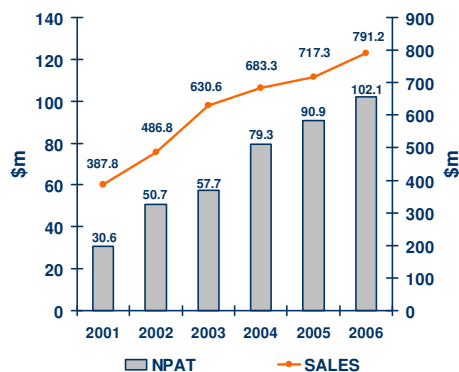
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Strategy overview

- **Focused and relevant vertical integration**
 - Downstream concrete – cement pull through
 - Concrete products – long term growth in higher margin market sectors
 - Upstream into aggregates and sand
- **Lime business development**
 - Alumina, steel, gold and other resources sector growth
- **Operational improvement programme**
 - \$25m EBIT cement and lime improvement over the next four years
 - Lime and cement reliability and process improvement plans



Financial performance - six year trend



- Continued robust demand in core Adelaide Brighton markets
- Growth in cement and lime volume and price
- EBIT margins maintained despite acute energy cost increases in Western Australia
- 2007 includes \$2.1m final tax consolidation credit



Financial performance overview

- Record 2006 result as cement and lime volumes, pricing and operational improvements offset fundamental inflationary pressures
- Increased shareholder returns through both dividend and share price growth
- Cement and lime plant performance excels at near capacity levels
- Successful actions taken to mitigate acute Western Australian gas pricing and supply constraints
- Hy-Tec and C&M Brick operational improvements



Interest and tax

- 2007 interest charge increase over 2006
 - \$2.4m capitalised interest on qualifying assets in 2006 (1H 2006 \$41.3m)
 - impact of three rate rises in 2006; 75 basis points
 - higher borrowings due to increase in 2006 dividend
 - interest charge for 2007 - circa \$18m
- 2007 tax charge within 26 – 27% range
 - 2006 included \$2.1m net tax consolidation credit (1H 2006 \$1.0m)
 - 2007 renewed focus on R&D projects
 - 25% additional tax depreciation



Divisional review

Cement and Lime



Concrete and Aggregates



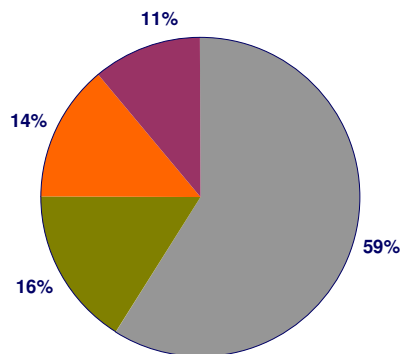
Concrete Products



Product segmentation

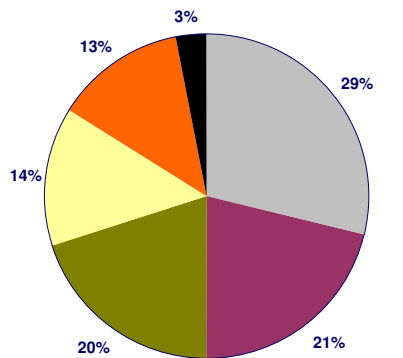
Geographical segmentation

Sales to outside entities and to JV's



■ Cement
■ Concrete
■ Lime
■ Concrete Products

Sales by state including share through JV's



■ WA
■ VIC
■ SA
■ NSW
■ QLD
■ NT



Market overview

- **Cement**
 - South Australia and Western Australia: demand remains robust
 - Further growth in Queensland market
 - Strong demand from Victoria
 - New South Wales: Weaker 1Q demand
- **Lime**
 - Forecast 320kt increase in demand by end 2012
 - Underlying strong demand continues from the mining and resource sectors
 - Expanded customer base in Kalgoorlie, Western Australia
- **Concrete and aggregates**
 - Increasing demand in Queensland
 - Increased CBD work in Melbourne
 - New South Wales weakness continuing
- **Concrete products**
 - Weaker demand in 1Q in New South Wales and Victoria, level demand South Australia



Cement and Lime

- All cement and lime manufacturing plants operating at, or close to capacity. Record production in 2006
- Cement capacity: 2.4 million tonnes per annum
- Lime capacity: 1.1 million tonnes per annum
- Adelaide Brighton has market leading positions in cement and lime in South Australia, Western Australia and Northern Territory and strategic cement positions in New South Wales, Queensland and Victoria
- End use markets:
 - Residential, engineering, infrastructure and resource sectors
 - Resource sector expansion driver in increased lime demand
- Long term flexible clinker and cement import supply contracts



Lime demand – major projects

Incremental volumes over 2006 - timing of projects key

Project	'000t	2007	2008	2009	2010	2011	2012	2013	2014	Total
Hismelt Stage 1		15	20							35
Alcoa Pinjarra Expansion		20								20
Alcoa Wagerup 3rd Train					40	45	20			105
Boddington Gold				10	5	3				18
BHP Ravensthorpe Nickel		8	15	10	5					38
Hismelt Stage 2								50	50	100
Worsley Expansion 1										0
Worsley Expansion 2 (feasibility)					10	20	20			50
Ranger					20	20				40
Loongana Customers		20								20
TOTAL		63	35	20	80	88	40	50	50	426
Incremental totals			98	118	198	286	326			



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Cement and Lime - key developments

- **Cement and lime contract discussions over next eighteen months**
 - Supply of cement to Rinker / Hanson following expiry of existing contracts at end of 2008
 - Supply of lime to major alumina customers as they reach upper volume limits of current contracts
 - Realised lime price increases on some smaller short term contracts - circa 20%
- **ABL is the major importer of cementitious materials in Australia**
 - The strength of the Australian dollar has reduced ABL's purchase costs but has also increased the potential for import competition



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Selected major contracts timing

Product	Expiry	Approx Annual Volume '000t
Quicklime	2009	50
	2011	500
	2014	150
Cement	2008	450
	2011	80
	2012	800



Cement and Lime 2007

- Cement price increases announced in South Australia and Western Australia at circa inflationary levels
- Maintenance programmes predominantly undertaken in first half year, again suppressing first half result
- Emerging energy cost pressures electricity and gas
- Emerging trend in increasing cement intensity (sales mix) toward infrastructure and engineering sectors
- Operational improvement programme commenced in early 2007
 - \$25 million additional EBIT benefit progressively from 2008 to 2012, assuming volume assumptions are realised
 - Core benefits from increased market demand satisfied by increased output versus imports
 - Includes \$6m from 'cost down' programme



Birkenhead

- Limestone, the key raw material for cement production, sourced from ABL's quarry at Klein Point (Yorke Peninsula). 7,500kt transported daily to Birkenhead via purpose built vessel
- Cement grinding capacity of 1.2mtpa
- Seaborne supply capability
 - Clinker to Sunstate in Queensland and Morgan Cement at Pt Kembla, New South Wales
 - Cement to Independent Cement and Lime in Victoria
- Drypack bagged cement blending and packing facility



Birkenhead plant



Munster/Kwinana overview

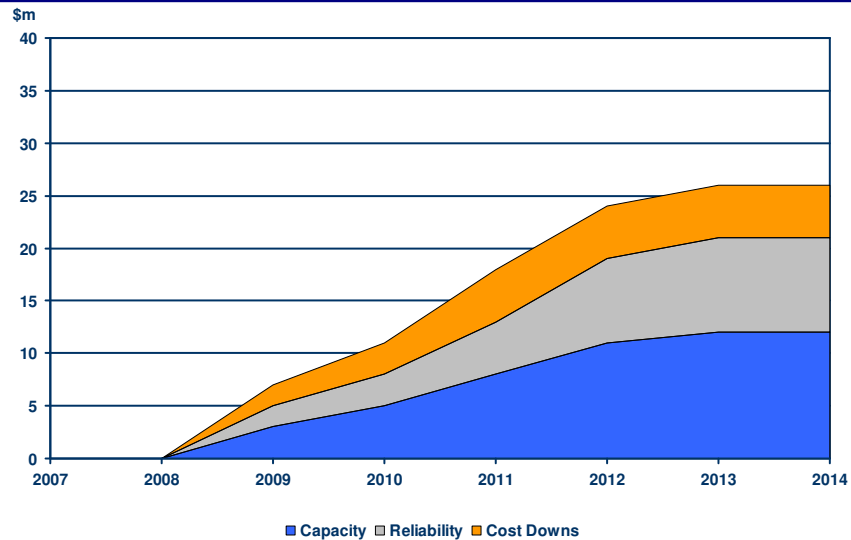
- Shellsand, key raw material for lime manufacture, dredged off Fremantle from 25 year permitted reserves – outsourced dredging
- Washed shellsand pumped 6km from Woodman Point to Munster plant
- Two vertical preheater lime kilns: kiln 5 - 450kt, kiln 6 - 500kt
- Limestone from local land based reserves
- Three clinker kilns: Kiln 2 - 90kt, Kiln 3 and 4 - 250kt each
- Cement mills: Munster (2) and Kwinana (2), Kwinana is adjacent to a deep water port
- Kwinana cement packing facility



Munster plant



OIP savings - timing



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Energy cost pressures

- **Electricity price pressures due to water constraints**
 - coal generator constraints
 - hydro power losses
 - circa \$4.5m 20% increase over 2006
- **Gas price increases in Western Australia**
 - supply / demand pressures
 - 20% increases in Western Australia – circa \$5m, 10% company average
 - reinforces the importance of the Munster coal mill investment (\$18m)
 - on schedule for Dec 2007 commissioning
- **Underpins the rationale for the Munster kiln 6 coal and Birkenhead alternative fuel investments**



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Alternative Fuel Company

- **Joint venture with Resourceco, an Adelaide based waste recycling company**
- **Receives demolition waste from Resourceco for a defined gate fee**
- **Screens waste from metals and minerals and shreds wood content**
- **Birkenhead \$7m investment in fuel storage, handling and firing plant**
- **Fuel blown into calciner as a substitute for natural gas**
- **Environmental benefits saving a biomass waste from landfill and generation of landfill gases**



Alternative Fuel Company

- **Established in June 04**
- **Pilot plant operational June 05**
- **Full scale operations August 06**
- **Target gas substitution 50% Birkenhead calciner fuel**
 - 15 tph, currently achieving 10 tph
 - gas price increase hedge
- **Key challenges**
 - Alternative Fuel Company and firing plant uptime - progressive improvements
 - Demolition waste supply (2007 landfill levy increase)



Concrete and Aggregates

- Operations in Queensland, New South Wales and Victoria under the Hy-Tec brand
- Total output one million cubic metres of ready mixed concrete annually
- Growing reputation - CBD capabilities
- Service precast, civil projects, industrial, commercial, high rise and residential
- Improved margins delivered record EBIT performance in 2006
- Improved mix designs - use of alternate materials
- Experienced management with industry expertise
- Emerging aggregates position in New South Wales
 - Self sufficiency in New South Wales – Austen Quarry
 - Hurd Haulage Pty Ltd acquisition



Austen Quarry



- 200 million tonnes aggregates potential reserves. 120 km west of Sydney
- Important future strategic supply of aggregates to the western Sydney market
- High quality aggregates
- Road base approval from the Roads and Traffic Authority in NSW
- Phase 2 – tertiary crushing and screening plant commissioned April 2007
- Designated capacity between 1 – 1.5mtpa. Potential discussions with other construction materials companies to take equity in quarry



Concrete Products

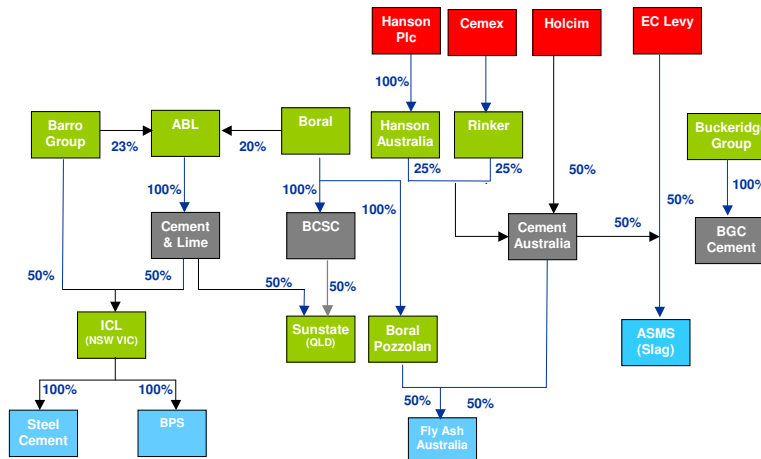
- Number two position nationally in the concrete products market with C&M operations in New South Wales, South Australia and Victoria
- Plant upgrades completed and exceeding target benefits from production yields and manning
- Full product range production capability by state – concrete blocks, pavers, retaining walls, concrete bricks and segmental retaining walls
- Solid improvement in safety – bottom line benefit
- C&M well positioned for future market growth in New South Wales, Victoria and South Australia



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Australian cement industry ownership



Glossary

ABL: Adelaide Brighton Ltd
BPS: Building Products Supplies

BCSC: Blue Circle Southern Cement
ASMS: Australian Steel Mill Services

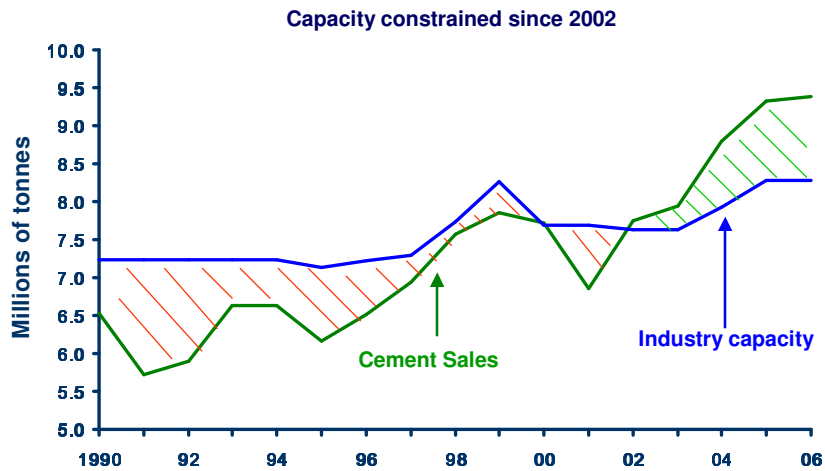
ICL: Independent Cement & Lime
CA: Cement Australia



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Cement capacity and demand



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Adelaide Brighton outlook

- Adelaide Brighton has greater exposure to the growth resource, engineering and infrastructure sectors than its peers
- Forecast for 2007 is level cement demand and continued growth in lime from the resource sector
- 2007 price increases necessary to recover inflationary cost increases, and specifically energy
- Adelaide Brighton has high growth potential in both volume and margins in the lime business over the next five years
- 1H 2007 EBIT will show improvement over 2006 - NPAT will be similar due to the return to the underlying interest and tax expense
- Adelaide Brighton expects further 2007 full year earnings growth
 - EBIT range \$160 – \$168m
 - NPAT range \$104 – \$110m



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