

*Level 1
157 Grenfell Street
Adelaide SA 5000*

*GPO Box 2155
Adelaide SA 5001*



*Adelaide Brighton Ltd
ACN 007 596 018*

*Telephone (08) 8223 8000
International +618 8223 8000
Facsimile (08) 8215 0030
www.adbri.com.au*

29 October 2008

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 by Mr Andrew Poulter, Chief Financial Officer, at the Taylor Collinson Investment Conference on Thursday, 30 October 2008

Yours faithfully

Marcus Clayton
Company Secretary

FOR FURTHER INFORMATION CONTACT:

MS LUBA ALEXANDER
GROUP CORPORATE AFFAIRS ADVISER
0418 535 636



Adelaide Brighton Ltd

**Taylor Collison Investment Conference
30 October 2008**

Presented by: Andrew Poulter, CFO



Adelaide Brighton profile

- **ABL is a leading Australian integrated construction materials and lime producing company, heavily focussed on the resources, engineering and infrastructure sectors**
- **Well positioned to supply all states from its domestic manufacturing base complemented by long term supply contracts for imported clinker and cementitious materials**
- **S&P/ASX 200 company**
- **1,550 employees with operations in all states and territories**
- **Market leader in lime manufacture in Australia, number two position in cement**
- **Market leader in masonry products and an emerging position in aggregates and ready mixed concrete**

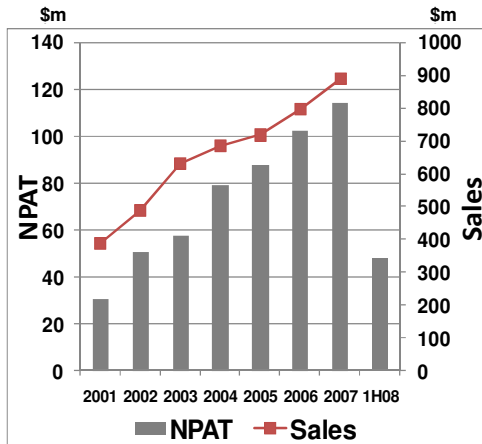


Adelaide Brighton Ltd

Taylor Collison Investment Conference - 30 October 2008

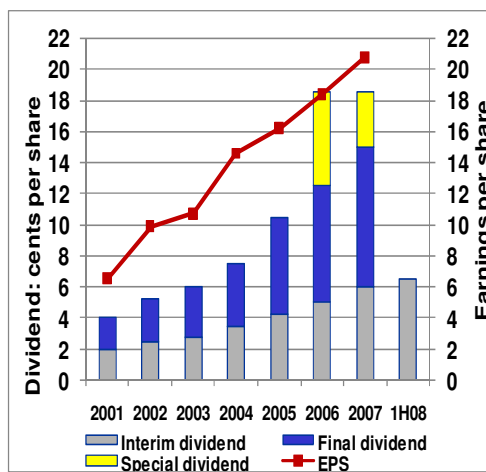
2

ABL financial performance



- Consistent seven year growth in revenue and profit
- Increased demand in core cement markets
- Cement and lime price increases recover higher input cost pressures
- Apache Energy (Varanus) gas constraints impacted H1 2008 by \$3m. Partial recovery likely in H2 2008
- Timing of annual maintenance programme impacted H1 2008 (\$4.5m) compared to H1 2007

ABL earnings and dividend per share



- Continued dividend growth and increase in EPS
- Sustained dividend yield
- Payout ratio increased to 74.1% interim 2008
- 2007 3.5 cents per share special dividend - near 100% payout ratio for 2007
- 2008 interim 6.5 cps
- Underwritten DRP \$27m of total \$35m at \$3.20c

Operating cash flow 2007 – Commentary 2008

Continued strong operating cash flows
Working capital % increases less than % growth in sales revenue,
Further WC increase in 2008 will partially offset PBT improvement

12 months to 31 December \$m	2007	2006
Net profit before tax	149.6	133.6
Depreciation	52.4	51.8
Income Tax	(44.5)	(34.2)
Change in working capital	(13.8)	(1.2)
JV equity profit less dividend received	(5.7)	(2.7)
Other provisions	2.4	(3.0)
Operating cash flow	\$140.4	\$144.3

Free cash flow 2007 – 2008 commentary

Sustained operating cash flow for 2008, lower capital expenditure
(\$60m) and underwritten interim DRP will hold 2008 FYF gearing to
circa 55% after \$84m Hanson Building Products Aquisition

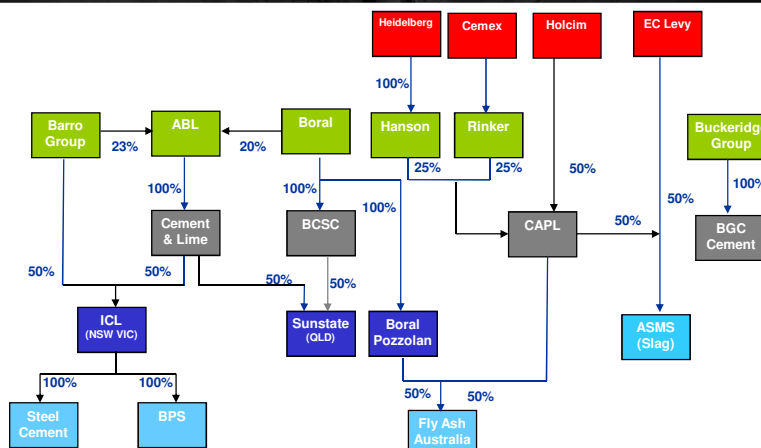
12 months to 31 December \$m	2007	2006
Operating cash flow	140.4	144.3
Capital expenditure	(81.1)	(81.5)
Proceeds on sale of fixed assets	1.8	2.4
Free cash flow	61.1	65.2
Investments and Joint Venture loans	(47.2)	(4.1)
Dividends paid	(106.0)	(61.2)
Debt assumed from acquisitions	(4.3)	
Net debt increase	(96.4)	(0.1)

Dividend Reinvestment Plan

Underwritten Dividend Reinvestment Plan

- 2008 interim dividend 6.5c \$35.3m
- 40% acceptances @ 2.5% discount
- 20 day pricing period
- Price range: max \$3.59 - min \$2.85 - VWAP \$3.20
- Partial underwrite - active on only 12 of 20 days (temporary daily hold due to short selling ban)
- \$8.4m actual dividends paid
- 8.556m new shares
- Issued shares now 552.4m

Australian cement industry ownership



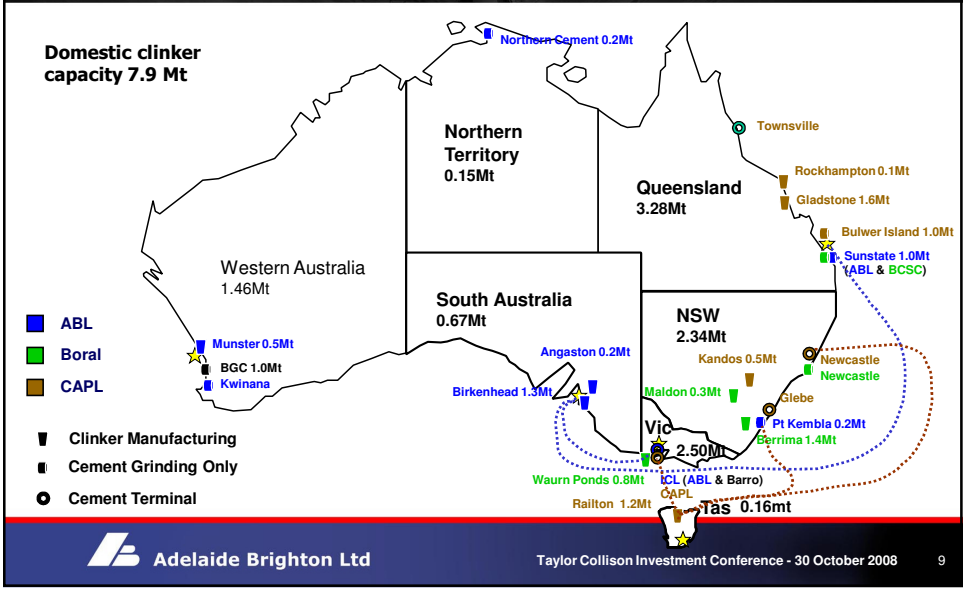
Glossary

ABL: Adelaide Brighton Ltd
BPS: Building Products Supplies

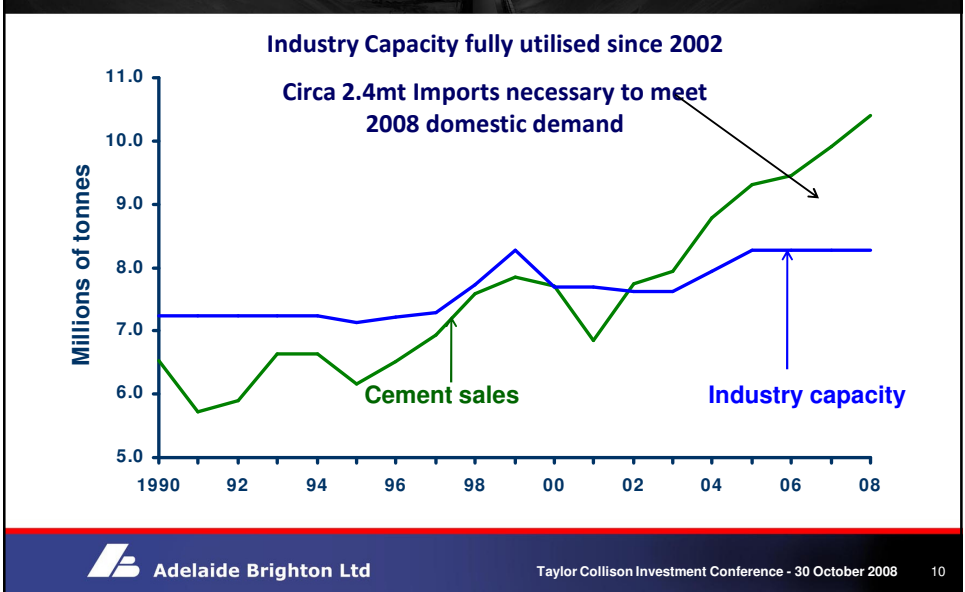
BCSC: Blue Circle Southern Cement
ASMS: Australian Steel Mill Services

ICL: Independent Cement & Lime
CAPL: Cement Australia Pty Ltd

Australian cement industry 2008 F



Australian cement capacity and demand

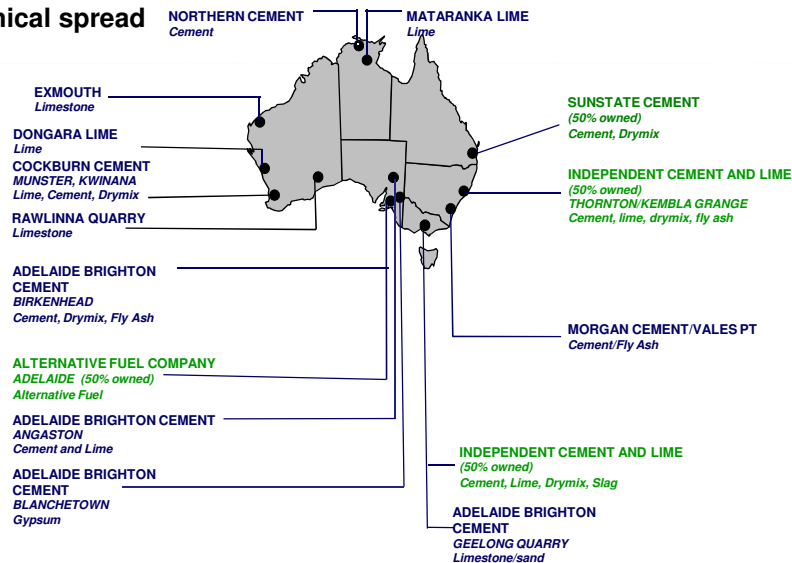


Adelaide Brighton strategic growth

- **Lime Business Development**
 - Circa 300kt by 2015 on 2008 base
 - Phasing of projected volume increases under review
 - Potential for deferral of some key projects e.g Alcoa Wagerup
 - Uncertainty of timing of Ranger expansion NT
 - Some smaller operators ceased operation (Cawse, GBS Gold)
 - Current projections for lime demand at similar levels to 2008
 - Continued potential for WA lime price increases over 2009 - 2013
- **Operational Improvement and cost reduction programme 2009 -13**
 - Lime OIP investments deferred to conserve 2009 capital as consistent with revised phasing of resource project expansions
 - Success of cement shutdown maintenance strategy to extend Birkenhead output (lowers import cement dependence)
 - Extension of WA coal fuel strategy to cover whole plant from 2011
- **Imported cement flexibility to meet fluctuations in demand**



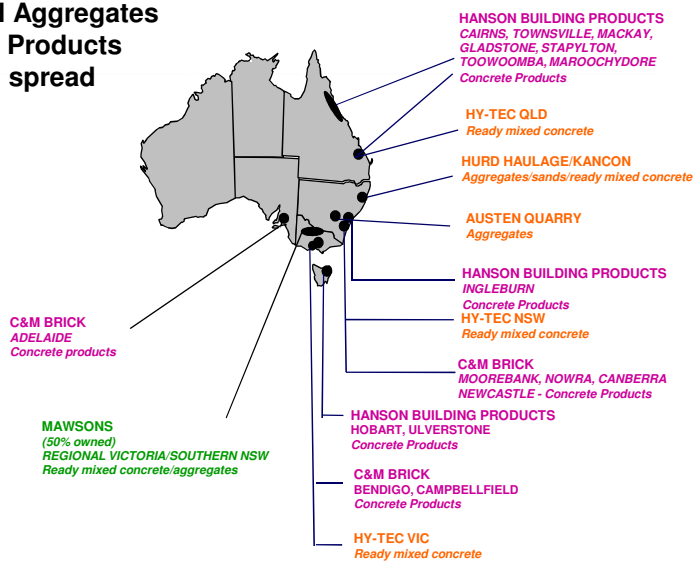
Adelaide Brighton's Cement and Lime geographical spread



Adelaide Brighton strategic growth

- **Focussed and relevant downstream integration**
 - **Aggregates and Concrete – regional positions**
 - **Regional NSW: Hurd Haulage, Kancon Group, Hastings Concrete and Port Mini Mix acquisitions**
 - **NSW: Austen Quarry**
 - **Mawson Group 50% acquisition from Jan 2008**
 - **Masonry Products – market leader**
 - **C&M Brick and Rocla Pavers & Masonry acquisitions in July 2004**
 - **Hanson Building Products acquisition in July 2008**
 - **No presence in WA**

Adelaide Brighton's Concrete and Aggregates and Masonry Products geographical spread



Adelaide Brighton emissions update

- **Emissions trading and climate change**
 - ABL has a higher proportion of carbon emitting operations than other construction materials companies due to intensity of upstream (cement and lime manufacture) in its business
 - Government Green Paper July 2008 recognises Cement and Lime as Energy Intensive, Trade Exposed status
 - Proposed 90% allocated credits in early years
 - ABL is prepared for National Greenhouse Energy Reporting - a requirement from July 2008
 - ABL is progressing strategies to mitigate the future carbon risk
 - Optimising plant efficiency to benchmark standards
 - Substitution of cementitious additives and limestone fillers
 - Securing long term supplies of slag and fly ash
 - Targeting carbon offsets such as increased use of biomass fuels



Concrete and Aggregates

- **Operations in Queensland, New South Wales and Victoria under the Hy-Tec brand**
- **Total annual output 1m cubic metres of ready mixed concrete**
- **New West Sydney Plumpton Plant commissioned Sept 08**
- **Emerging profitable aggregates position in NSW and Victoria**
 - Self sufficient in New South Wales from Austen Quarry
 - Regional NSW strategy: Hurd, Kancon, Hastings and Port Mini Mix
 - Mawson Group in regional NW Victoria
- **Quarry development potential – three to ten year horizon**
 - Exmouth lime JV quarry in WA
 - Potential to serve Chevron's Gorgon field pipeline development
 - Modest (circa \$5m) potential for a three – five year EBIT
 - Creates \$30m deep water shipping access for future limestone sales



Masonry Products

- Market leader in masonry products with operations in Queensland, New South Wales, South Australia, Victoria and Tasmania
- Acquired Hanson Building Products July 2008 – \$3m EBIT benefit from integration with C&M 2009 -10
- Performance and integration plans meeting expectations
- Essendon (C&M head office) closure by mid 2009
- Consolidate on SAP systems base by June 2009



Financial performance overview

- Cement and lime volumes, pricing and operational improvements offset labour, materials, energy and fuel inflationary pressures
- Cement and lime plant output at capacity levels
- Australian dollar directly impacting 2008 Q4 result
- Actions taken to mitigate energy and fuel cost increases
- Full impact of Varanus gas explosion is likely to be around \$5m for 2008, with \$2.7m net insurance recovery
- Accounts receivable focus - \$2m concrete bad debts in H2 2008
- Tight credit markets prompted early refinancing negotiations. Additional facilities secured in constrained debt markets
 - June 2008 credit approval with CBA, NAB and Westpac: \$310m 2 year, \$210m 3 year facilities- expiring June 2010 / 2011
- Sustained shareholder returns maintaining dividend payout ratio at top end of 65% – 75% target range

Australian Dollar & Import Costs

- The performance of the Australian dollar has a material impact upon short term imports costs and long term domestic pricing potential
- Recent movements (YEN 85 \Rightarrow 65c) and (\$US 80 \Rightarrow 65c) would have a circa \$3.5m Q4 adverse EBIT impact
- The reduction in shipping rates will have a favourable impact on 2009 cement imports (reduction flow through into short term annual contracts currently under negotiation)
- However, a weaker AUS\$ increases import parity providing greater potential for the full recovery of cost increases in 2009 sales pricing
- Any reduction in cement market demand has a lesser impact reducing ABL's lower margin imported cement business
- Birkenhead shutdown strategy increases uptime plant and clinker output, lowering import volumes, improving margins and FX exposure

Outlook

- Cement demand to increase by 5 - 8% in 2008.
- Overall September / October cement volumes remain robust
- Further weakness of A\$ likely to impact EBIT by circa \$3.5m in Q4 2008 due to increased cost of imports
- Concrete order books sound through Q1 2009
- 2009 demand: Momentum from short term Federal stimuli (\$10bn) and longer term infrastructure funds (\$20bn) plus falling cash rate cycle clouded by fears of a global recession
- ABL cement pricing - further increases above CPI from Q1 2009 to recover rising manufacturing and import costs
- Demand for lime from the resource sectors will be similar to 2009
- Lime price increases to be realised as longer term contracts expire
- 2008 NPAT will be in the range \$118m - \$123m