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20 August 2015

The Manager
Market Announcements
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Adelaide Brighton half year report to 30 June 2015 - presentation

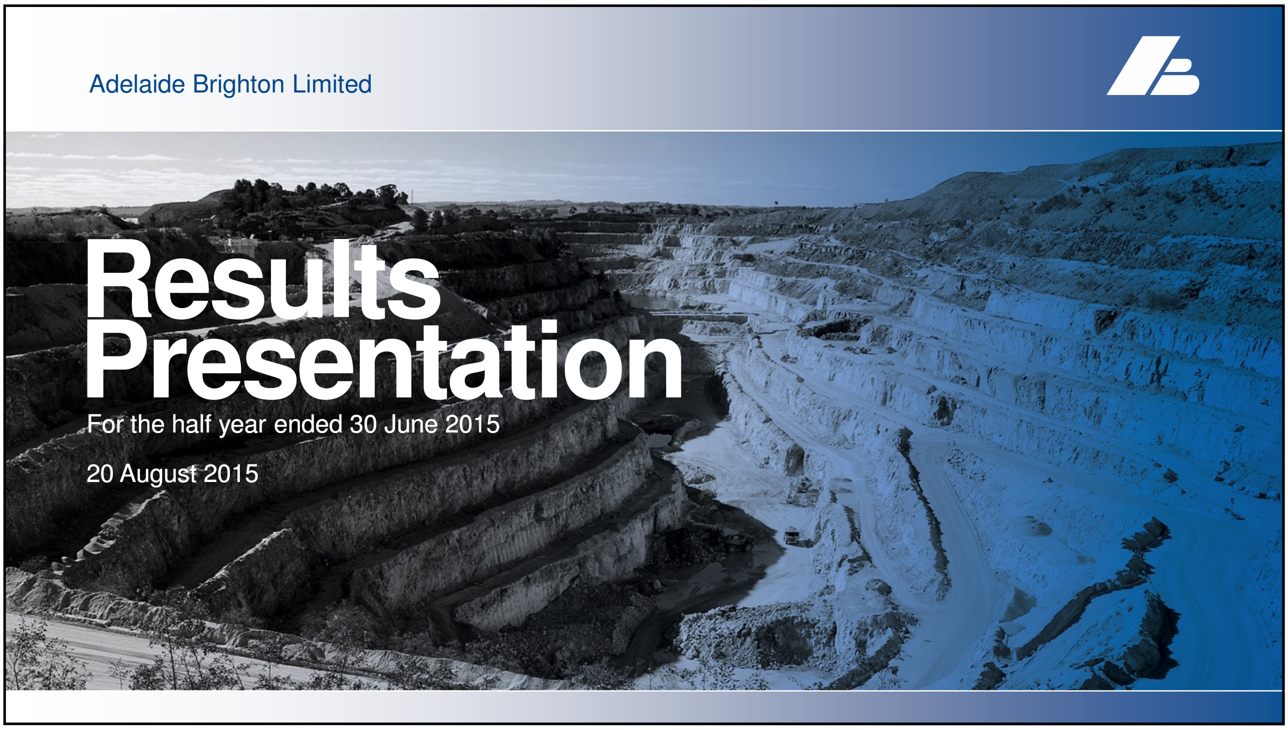
We attach copy of slides being shown by Martin Brydon, Chief Executive Officer of Adelaide Brighton Ltd, during briefings for analysts on the Company's financial result for the half year ended 30 June 2015.

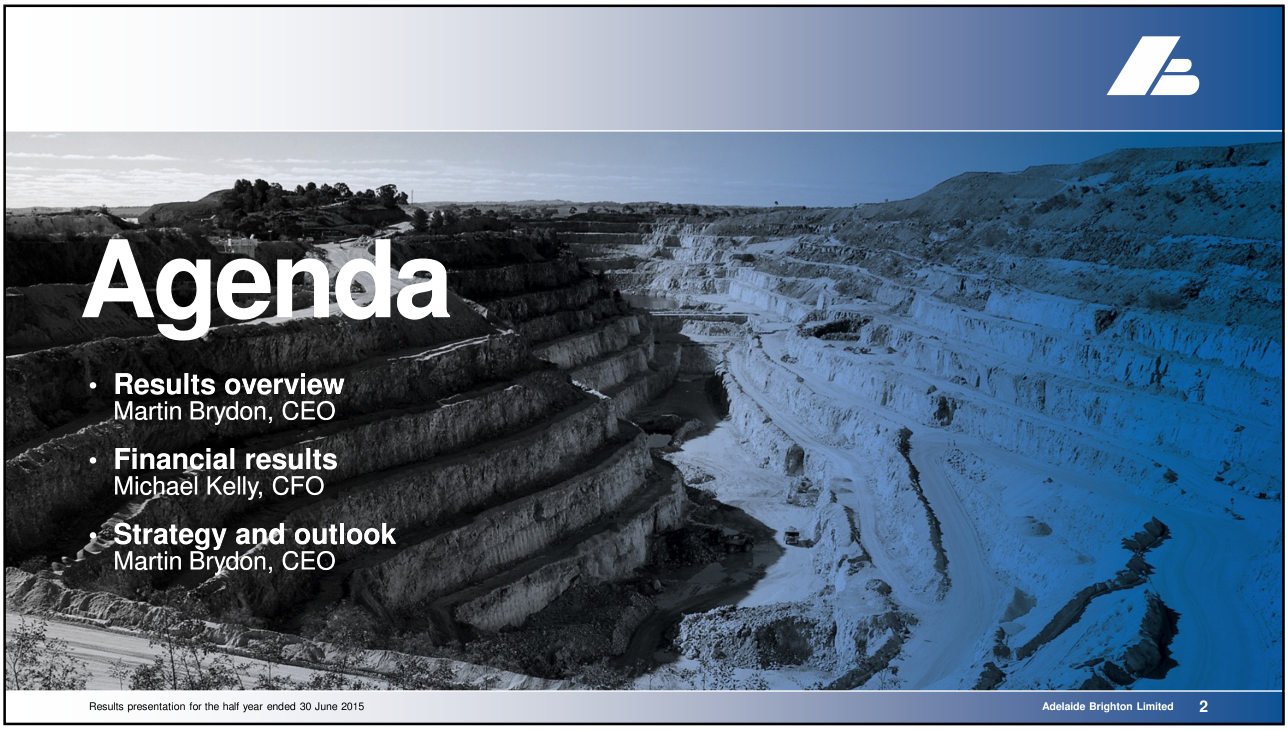
Yours faithfully

MRD Clayton
Company Secretary

For further information please contact:

Luba Alexander
Group Corporate Affairs Adviser
Telephone 0418 535 636
Email luba.alexander@adbri.com.au


Adelaide Brighton Limited
Results Presentation
For the half year ended 30 June 2015
20 August 2015


Agenda
• Results overview
Martin Brydon, CEO
• Financial results
Michael Kelly, CFO
• Strategy and outlook
Martin Brydon, CEO
Results presentation for the half year ended 30 June 2015
Adelaide Brighton Limited
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Performance highlights

Revenue		Underlying EBIT[1]		Underlying NPAT[1] attributable to members	
$678.1m	↑	$117.3m	↑	$83.0m	↑
2014: $602.0m	12.6%	2014 $92.5m	26.8%	2014: $61.2m	35.6%

Basic EPS		Interim ordinary dividend		Interim special dividend	
12.8c	↑	8.0c	↑	4.0c	↑
2014: 8.0c	58.8%	2014: 7.5c	6.7%	2014: Nil	

1 Underlying results have been adjusted for significant items.
An explanation of the adjustments and EBIT reconciliation to statutory results is provided on slide 25

2015 half year result

- Revenue $671.8 million up 12.6% due to higher cement and lime volumes, improved prices, property revenue and 2014 acquisitions
- Underlying EBIT $117.3 million up 27% assisted by $13 million pre-tax profit from property transactions
- Underlying EBIT, excluding property transactions, up 14%
- Excluding property, modest margin expansion assisted by volumes and cost reduction
- Operational improvement on track to deliver $7 million pre tax benefits in 2015
- Operating cash flow grew strongly
- Acquisitions in concrete and aggregates in 2014 delivering in line with expectations
- Increased interim dividend of 8.0 cents and special dividend of 4.0 cents, fully franked
- Positive outlook for remainder of 2015 supported by market demand, cost initiatives and property sales

Demand overview

NSW
- Demand driven by strength in the residential sector
- Infrastructure activity to improve in 2016 and beyond

VIC
- Demand recovering
- Increased demand from residential and non-residential sectors
- Strength in central Melbourne

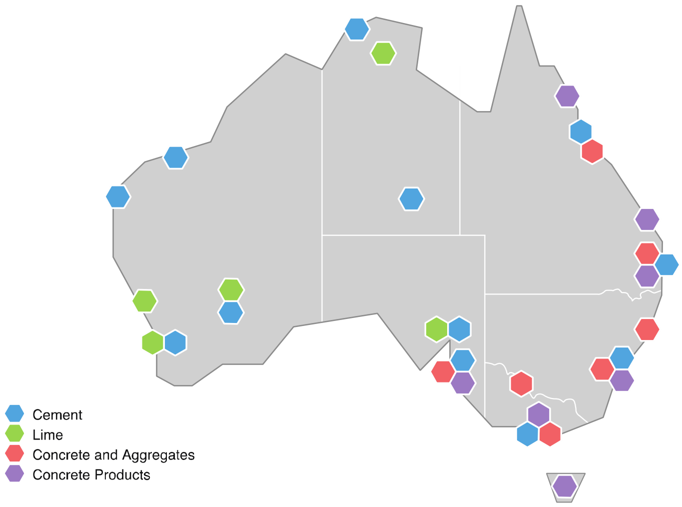
WA
- Supported by residential recovery
- Stable project volumes
- Increased lime sales to non-alumina and gold sectors

QLD
- ABL business mainly south east Queensland
- Demand up, due to strength in the residential sector

SA
- Stable residential demand, non-residential down
- Sales to mining operations down
- Infrastructure projects to commence in 2016

NT
- Stable project volumes
- Sales recovered to large lime customer

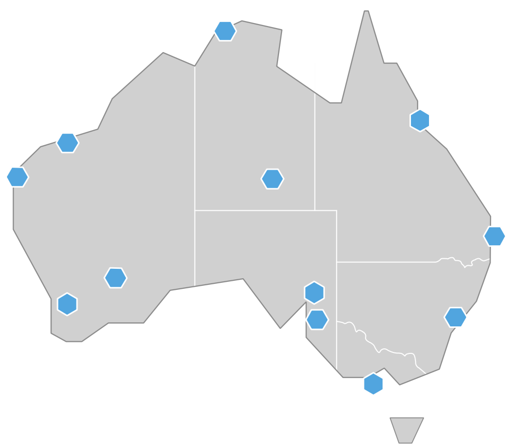
Adelaide Brighton operations



- Cementitious sales in excess of 3.7 million tonnes per annum
- Cementitious imports to exceed 2.1 million tonnes in 2015
- Lime sales 1 million tonnes per annum
- More than 1.5 million cubic metres of concrete and more than 6 million tonnes of aggregates per annum
- Leading producer of concrete masonry products

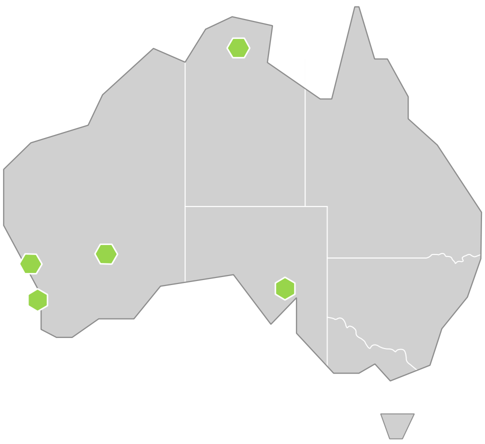
Cement

- Cement and clinker volumes increased on pcp
- Price increases achieved in majority of markets
- Average realised cement and clinker prices softer due to change in sales mix towards lower priced markets
- Import volumes continued to grow with 2015 imported cementitious material to exceed 2.1 million tonnes
- Excluding property, underlying cement margins increased on pcp
- Margins supported by sales volumes; improved Birkenhead production; WA clinker rationalisation, lower energy costs and other cost initiatives
- WA clinker rationalisation on track to meet 2015 target of $5 million pre-tax savings



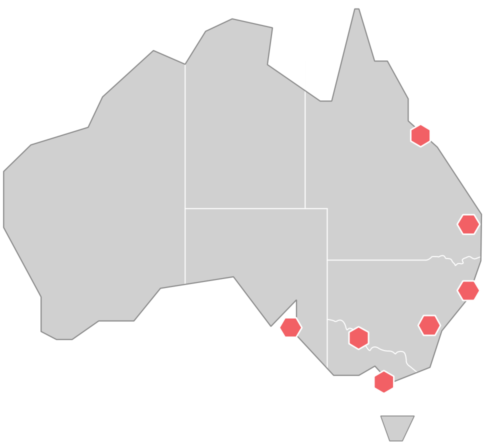
Lime

- Lime profit improved versus pcp supported by resumption of sales to major customer in NT
- Lime sales volumes increased approximately 5% on pcp
- Improved demand from non-alumina sector
- Average selling prices increased
- Small scale lime imports continue, but softening currency increases cost of imports
- Business continues to benefit from investment in environmental performance, which also benefits cost and capacity



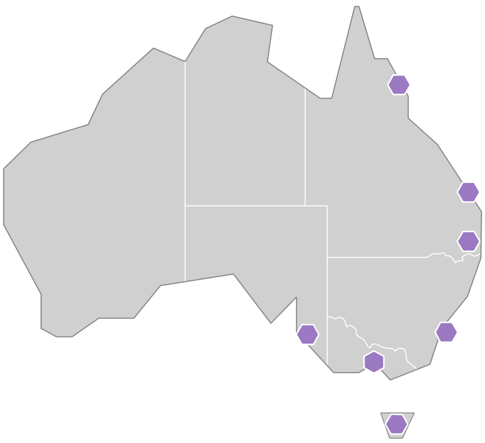
Concrete and Aggregates

- Improved demand across all markets supported by residential construction and commercial projects
- Average selling prices for concrete improved by more than CPI on pcp while aggregate selling prices improved significantly more than CPI
- Acquisitions completed in 2014 in SA and north QLD added approximately 9% to Group revenue versus pcp. Earnings from these acquisitions were in line with expectations
- Acquisition synergies have been delivered on an accelerated program, on target for $4.4 million in 2015, in line with prior guidance



Concrete Products

- Adbri Masonry revenue increased 8.2% and increased EBIT by $1.2 compared to the pcp
- Demand improvement from residential and commercial construction segments
- Prices increased in line with CPI
- Business improvement program – rationalisation of production facilities and restructuring – assisted earnings as market demand improved



Joint arrangements

ICL (50%)

Cement and lime distribution

- Lower contribution due to higher input costs impacting margins
- Victorian demand improved and high level of demand maintained in New South Wales

Sunstate Cement (50%)

Cement milling and distribution

- Although the south east Queensland market remains competitive, improved demand in the region supported improved volumes
- Price increases assisted earnings

Aalborg Portland Malaysia (APM) (30%)

Specialty cement manufacturer

- Earnings declined due to slower than anticipated commissioning of capacity expansion

Mawsons (50%)

Concrete and aggregates

- Earnings declined slightly from strong levels due to a slowdown in major projects, weaker residential and competitive pressures across markets

Financial results

Michael Kelly
Chief Financial Officer

Financial summary – underlying basis[1]

6 months ended 30 June	2015 $m	2014 $m	Change pcp %
Revenue	**678.1**	**602.0**	**12.6**
Underlying depreciation and amortisation	(37.9)	(34.7)	9.2
Underlying earnings before interest and tax	**117.3**	**92.5**	**26.8**
Net finance cost	(6.5)	(7.2)	(9.7)
Underlying profit before tax	**110.8**	**85.3**	**29.9**
Underlying tax expense	(27.8)	(24.1)	15.4
Underlying net profit after tax	**83.0**	**61.2**	**35.6**
Non-controlling interests	–	–	–
Underlying net profit attributable to members	**83.0**	**61.2**	**35.6**
Underlying basic earnings per share (cents)	12.8	9.6	33.3

- Underlying NPAT up 35.6% to $83.0 million
- 12.6% growth in revenue; EBIT and NPAT up strongly
- Excluding property, underlying EBIT up 14% in line with revenue growth
- Effective tax rate 25.1%, down from 28.0% due to recognition of $3.2 million capital losses

1 Underlying results have been adjusted for significant items.
An explanation of the adjustments and EBIT reconciliation to statutory results is provided on slide 25

Financial summary – statutory basis

6 months ended 30 June	2015 $m	2014 $m	Change pcp %
Revenue	**678.1**	**602.0**	**12.6**
Depreciation, amortisation and impairments	(37.9)	(36.7)	3.3
Earnings before interest and tax (EBIT)	**116.8**	**78.3**	**49.2**
Net finance cost	(6.5)	(7.2)	(9.7)
Profit before tax	**110.3**	**71.1**	**55.1**
Tax expense	(27.7)	(19.9)	39.2
Net profit after tax	**82.6**	**51.2**	**61.3**
Non-controlling interests	–	–	–
Net profit attributable to members	**82.6**	**51.2**	**61.3**
Basic earnings per share (cents)	12.8	8.0	58.8
Interim ordinary dividend – fully franked (cents)	8.0	7.5	
Interim special dividend – fully franked (cents)	4.0	–	
Net debt ($ millions)	346.1	333.0	
Gearing (%)	29.8%	32.1%	

- Statutory NPAT up 61.3% to $82.6 million
- Statutory NPAT and underlying NPAT are similar in first half 2015 due to lower significant items
- Statutory NPAT in 1H2014 constrained by restructuring and transaction costs of $14.2 million

Underlying EBIT margins

Key drivers of underlying margin	Impact on EBIT margin %
Property $13 million PBT – resulted in 1.9 ppts improvement in EBIT margin	↑
Cement and clinker volumes increased	↑
Cement and clinker costs – OIP, fuel, operational performance offset by forex	↑
Average cement and clinker sales price – due to change in geographic mix	↓
Lime - volumes and price improvement	↑
Equity accounted contribution down $1.7 million	↓
Concrete and Aggregates - volume and selling prices increased	↑
Concrete Products – volume, prices, costs	↑

- Underlying EBIT margin improved to 17.3% (prior year 15.4%)
- Excluding property, underlying EBIT margin improved to 15.4% (15.2% pcp)
- EBIT margins remain healthy on growing revenue base

Cash flow

6 months ended 30 June	2015 $m	2014 $m
Net profit before tax	110.3	71.1
Depreciation, amortisation & impairment	37.9	36.7
Income tax	(29.9)	(40.3)
Change in working capital	(19.6)	(30.2)
Other	(14.9)	(11.5)
Operating cash flow	83.8	25.8
Stay in business capex	(21.5)	(21.4)
Asset sales	17.6	9.1
Development capex	(7.4)	(30.1)
Dividends	(61.6)	(76.6)
Other	3.0	8.4
Net cash flow	13.9	(84.8)

- Strong operating cash flow:
  - Significant improvement in operational result
  - Decline in tax payments – pcp included change to monthly tax installments
  - Working capital increase below revenue growth
- Positive net cash flow:
  - Stay in business capex less than 60% of depreciation
  - Decline in development capex to $7.4 million
  - Increase in proceeds from asset sales to $17.6 million

Borrowings and gearing

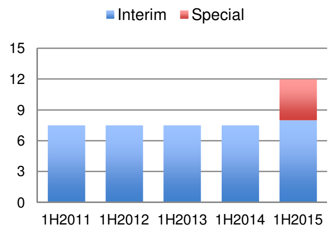
6 months ended 30 June		2015	2014
Net debt	$m	346.1	333.0
Net finance expense	$m	6.5	7.2
Gearing – net debt/equity	%	29.8	32.1
Net debt/EBITDA[1]	Multiple	1.0	1.2
Net tangible assets/share	Cents	139	133

- Net debt increased slightly versus pcp
- Very good result given 2014 acquisitions
- While debt levels are slightly higher, lower interest rates, lending margins and FX gain, reduced net finance expense to $6.5 million
- Gearing declined to 29.8%, lower end of the target range of 25%-45%
- Net debt/EBITDA declined to 1.0 times

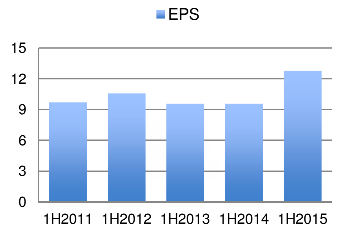
1 Net debt at 30 June 2015/EBITDA for 12 months to 30 June 2015

Shareholder returns

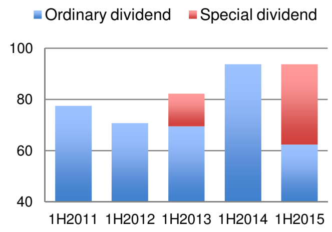
Dividend (cents)



EPS (cents)



Payout ratio %



- Interim ordinary dividend up 0.5 cents to 8.0 cents (fully franked)
- Interim special dividend of 4.0 cents (fully franked) (2014: Nil)

- Basic and underlying EPS 12.8 cents

- Target payout for ordinary dividend remains 65% - 75% of basic EPS

Consistent long term strategy

Strategy has delivered strong shareholder returns

1	Cost reduction and improvement across the business	• Corporate restructure • Rationalisation of inefficient production • Import strategy
2	Grow the lime business to supply the resources sector	• Environmental and capacity upgrades • Lowest cost producer • Long term customer contracts
3	Focused and relevant vertical integration	• Acquisitions in Queensland and South Australia • Sydney aggregates investment driving returns

2015 outlook

- Sales volume of cement and clinker in 2015 to be slightly higher than 2014
- Reduced cement sales in SA are expected to be more than offset by increased volumes in other markets; new contracts and demand
- Lime sales volume anticipated to be slightly higher in 2015; average prices expected to increase
- On a like-for like basis, construction materials prices are expected to rise
- Average realised cement prices are expected to be lower due to an increased portion of sales into lower priced markets
- Earnings in Concrete and Aggregates and Concrete Products expected to improve – acquisitions, improved demand and pricing
- Full year import costs estimated to increase by approximately $7 million versus the prior year; full year position hedged
- A number of items are anticipated to support full year 2015 EBIT versus pcp:
  – Potential transport cost savings in excess of $4 million from lower fuel costs
  – Further Munster rationalisation savings of $5 million; and
  – Further corporate rationalisation savings of $2 million

2015 outlook

In addition to first half land NPAT of $12 million, subject to necessary approvals there is potential for two further land transactions in 2015, which would deliver additional:

- Cash proceeds of circa $32 million
- Earnings before tax of $28 million
- NPAT of circa $20 million

Including anticipated NPAT from land transactions of $32 million, full year statutory NPAT is expected to be in the range of $200 million - $215 million

Supplementary information

Underlying earnings reconciliation

6 months ended 30 June	2015 $m	2014 $m
Statutory EBIT	**116.8**	**78.3**
Munster rationalisation of clinker production	–	7.4
Corporate restructuring	0.5	4.8
Acquisition expenses	–	2.0
Underlying EBIT	**117.3**	**92.5**

Measure of profit that excludes significant items to highlight underlying performance

- Corporate restructure $0.5 million in 1H2015, compared to $4.8 million in pcp

Underlying earnings adjustments

Rationalisation of clinker production - $ Nil

- Costs associated with rationalisation of clinker production at the Munster site were recognised in 2014: employee redundancy costs totalled $5.4 million and asset impairment charges were $2.0 million

Staff restructuring - $0.5 million

- Corporate restructuring costs were $0.5 million (2014: $4.8 million)

Acquisition expenses - $ Nil

- Costs associated with acquisitions, including stamp duty, legal and other consulting costs: no acquisition costs were incurred during the half (2014: $2.0 million)

Working capital

			June 2015	December 2014	Variance %
Trade and other receivables (including JV's)		$m	202.9	199.3	1.8
Days sales outstanding		Days	45.4	44.3	2.5
Inventories:	Cement and Lime	$m	98.2	89.5	9.7
	Concrete and Aggregates	$m	22.0	22.2	(0.9)
	Concrete Products	$m	44.7	43.0	4.0
Total inventory		$m	164.9	154.7	6.6
			June 2015	June 2014	Variance %
Bad debt expense		$m	0.3	1.9	(84.2)

Free cash flow and net cash flow

6 months ended 30 June	2015 $m	2014 $m
Operating cash flow	83.8	25.8
Capital expenditure – stay in business	(21.5)	(21.4)
Proceeds of sale of fixed assets	17.6	9.1
Free cash flow	79.9	13.5
Capital expenditure – acquisitions and investments	-	(21.7)
Capital expenditure – development	(7.4)	(8.4)
Joint Venture and other loans	0.2	0.3
Dividends paid – Company's shareholders	(61.6)	(76.6)
Proceeds on issue of shares	2.8	8.1
Net cash flow	13.9	(84.8)

Finance expense

6 months ended 30 June	2015 $m	2014 $m
Interest charged	7.5	7.0
Exchange (gains)/loss on foreign currency forward contracts	(0.3)	0.5
Unwinding of the discount on restoration provisions and retirement benefit obligation	0.4	0.6
Interest capitalised in respect of qualifying assets	(0.3)	(0.1)
Total finance expense	7.3	8.0
Interest income	(0.8)	(0.8)
Net finance expense	6.5	7.2
Interest cover (EBIT times)	18.0	10.9

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