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6 June 2018

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

Dear Sir/Madam

We attach copy of presentation being delivered to analysts and investors at the Company's WA site visits today.

Yours faithfully

Marcus Clayton
Company Secretary



Adelaide Brighton Limited

WA site visits and management presentations

6 June 2018

Martin Brydon
Chief Executive Officer and
Managing Director

Agenda

Introduction and overview

Management presentations:

- Cement and Lime
- Marketing and International Trade
- Concrete and Aggregates
- Concrete Products
- Shareholder returns

Conclusion

Q&A

Site visits:

- Woodman Point
- Kwinana
- Munster

Martin Brydon

Brad Lemmon
Michael Miller
George Agriogiannis
Andrew Dell
Michael Kelly
Martin Brydon

Adelaide Brighton's highly focused strategy



Consistent long term strategy delivering returns

- | | | |
|---|--|---|
| 1 | Cost reduction and operational improvement across the business | <ul style="list-style-type: none">• Best practice operational performance• Import strategy to maximise asset utilisation• Focus on energy usage and procurement |
| 2 | Grow the lime business to supply the resources sector | <ul style="list-style-type: none">• Unique resource and cost position• Long term customer contracts and growth• Continuous improvement to maintain cost leadership |
| 3 | Focused and relevant vertical integration | <ul style="list-style-type: none">• Operational performance to realise long term value• Targeting strategic aggregates positions• Strong emphasis on shareholder value creation |



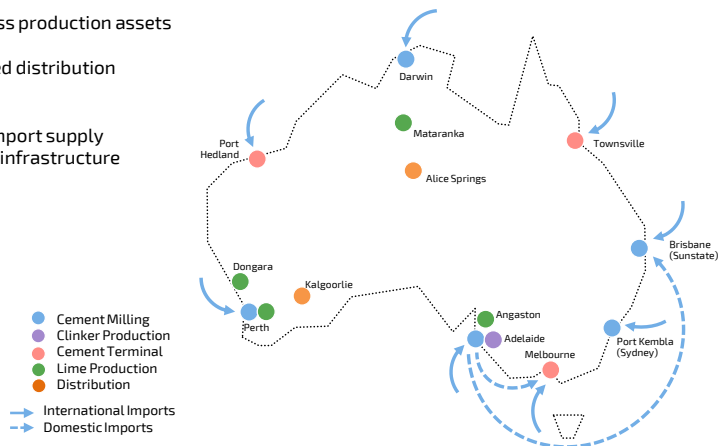
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Cement & Lime

Brad Lemmon
Executive General Manager
Cement and Lime

Cement & Lime – business overview

- World class production assets
- Unmatched distribution network
- Leading import supply chain and infrastructure



2017 key metrics

Revenue

Cement	\$640m
Lime	\$172m

Annual Sales

Cementitious	>4mt*
Lime	>1mt

Imports

Clinker	1.5mt*
Cement	0.4mt
GBFS	0.7mt

* Includes 50% of Sunstate volumes

Cement & Lime – Munster operations

- 1.25mt pa quicklime production
- 0.55mt pa cement capacity



Cement & Lime – Shellsand dredging



- Long term reserves and approvals in place
- Highly competitive raw material position



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WA site visits and management presentations - June 2018

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Cement & Lime – Kwinana operations



- 0.45mt pa cement capacity
- 0.25mt pa packing plant
- Hydrated lime production



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Cement & Lime – Dongara lime plant

- 0.15mt pa lime capacity
- Regional location service:
Murchison and Northern
goldfields



Cement & Lime – Kalgoorlie and Port Hedland

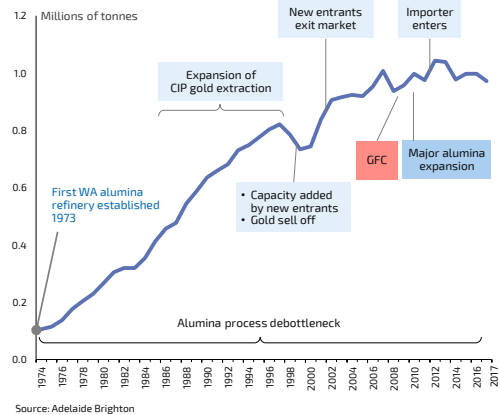


Business overview – lime

- Alumina demand robust on improved alumina pricing
- Gold sector continues to be buoyant

- Total lime capacity 1.5m tonnes per annum
- Munster plant is one of the largest & lowest cost operations globally
- Shellsand dredged in Cockburn Sound and pumped 6km to Munster
- Only WA producer – key supplier to minerals processing sector
- Munster has capacity for demand growth
- Leading distribution network; access into Kalgoorlie goldfields
- Further capacity and resource at Dongara
- Long term lime supply contracts with alumina customers

Adelaide Brighton WA lime sales



Cement and Lime – Operational improvement: key priorities

Efficiency and growth projects

- Packing plant upgrade – Kwinana
- Angaston restructure
- Laboratory restructure
- Increased storage Port Kembla

Product development

- Supplementary cementitious materials
- Packaging and product innovation

Cost management

- Operational improvement projects
- Focused procurement and cost down initiatives
- Market leading energy management capability



Energy management

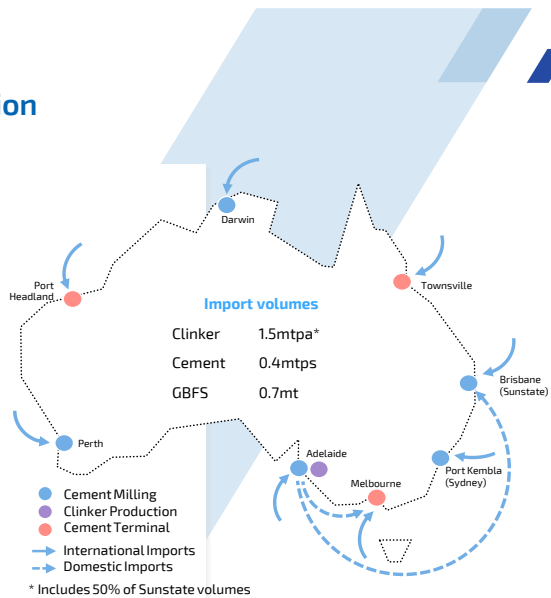
Proactive energy strategy

- Portfolio approach to energy supply
- Reduced consumption – operational improvement
- Utilisation of alternative cementitious materials
- Utilisation of alternative fuels – targeting 30% of 6PJ consumption in SA. Approval to increase plastics content in process engineered fuel
- Proactive approach to cost recovery in the market
- New energy agreements provide continued certainty of supply at competitive prices
- In South Australia, savings are expected in electricity, gas costs are high but competitive relative to the spot market
- In Western Australia, coal costs have increased, gas prices are improving – multi fuel strategy



International operations - Australia's largest import operation

- 10 year supply agreements for clinker and slag from Japan
- White clinker from Alborg Portland Malaysia
- Cement from long term Taiwanese supplier
- Circa 100 inbound shipments plus hundreds of containers each year
- Approximately one ship per week for domestic freight
- Cost competitive and capital efficient import and domestic production model, with market leading logistics capabilities
- Virtual capacity – variable import cost structure ensures full loading of domestic capacity through the cycle
- Unmatched cement and clinker distribution network underpins competitive long term position
- Leading position in alternative cementitious materials including slag and fly ash



Import and logistic – cost management

- 2018 import costs expected to be marginally higher (\$3m) due to rising freight market and regional tightening of cementitious markets
- Long term supply contracts and shipping arrangements are limiting these pressures. Hedging of some contracts limits currency exposure
- New long term contract with domestic shipping provider in 2017 following competitive process – and advantage of downturn in global vessel prices
- New vessel commissioned for Adelaide to Melbourne cement deliveries – net benefit to ABL of circa \$2.5m over a 10 year agreement
- Additional specialist vessels secured to supply record East Coast volumes
- Opportunistic sales to third parties arising from market leading supply chain flexibility



Group Marketing

Major customer strategy	<ul style="list-style-type: none"> • Ensure aligned approach to maximise value through group wide leverage • Strategic approach to key relationships
Pricing strategy	<ul style="list-style-type: none"> • Development of Divisional pricing strategies • Monitoring of import parity • Development and review of pricing across our business
Branding	<ul style="list-style-type: none"> • Develop coordinated branding and messaging across the Group • Consistency of image across various mediums
Innovation and Development	<ul style="list-style-type: none"> • Low carbon concrete • Geopolymers • Supplementary cementitious materials • New construction techniques and materials

Joint Ventures – Sunstate

Business Overview

Sunstate Cement is a manufacturer and supplier of cement products to the commercial sector in Queensland and northern New South Wales.

Located Port of Brisbane, the plant has a capacity to produce over 1.5 million tonnes of cement per year

Ownership

- Sunstate is 50% owned by Boral and 50% owned by Adelaide Brighton

Supply Chain

- Input materials supplied predominantly via imports from Asia
- Supplemented by specialist clinker from Adelaide Brighton's South Australian operations



Joint Ventures – ICL

Business overview

ICL is a specialist supplier of cement and cement-blended products supplying to a variety of industries throughout Victoria and NSW including:

- Concrete manufacturing
- Concrete product and precast concrete manufacturers
- The mining sector
- Road construction and rehabilitation
- Cementitious building products
- Packaged cement products

Ownership

ICL is 50% owned by the Barro Group and 50% owned by Adelaide Brighton

Supply chain

ICL is the exclusive distributor of Adelaide Brighton cement in NSW and Victoria



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Concrete and Aggregates

George Agriogiannis
Executive General Manager
Concrete and Aggregates



Concrete and Aggregates – business overview



2017 key metrics

Revenue	\$600m
Concrete volume	> 2m ³
Quarry volume	> 6.0mt

	Concrete plants	Quarries
Northern Territory	4	2
Queensland	16	5
New South Wales	14	6
Victoria	11	1
South Australia	17	4

Concrete and Aggregates – operating performance

Demand

- Strong east coast exposure where demand outlook remains robust
- Improved conditions in South Australia and the Northern Territory

Prices

- Above CPI increases in last three years
- Demand growth and price rises, particularly in aggregates, assisting price increases

Cost management

- Margins improved significantly on higher volumes, strong pricing and cost control

- Vertical integration strategy – share of Group revenue more than doubled to >40% in 5 years
- 2017 acquisitions performing to expectations

Concrete and aggregates – 2017 acquisitions

- Concrete and aggregates strategic acquisitions – \$85.2m investment
- 6.8x EBITDA excluding transaction costs
- Revenue and EBIT enhanced in 1H17 by March acquisition of Central Pre-Mix :
 - 5 concrete plants and 1 quarry serving Melbourne metro market
- Davalan, late June, strengthens leading SA position:
 - 4 concrete plants in Adelaide
 - Highly complementary; adds scale and synergies in overhead, logistics and raw materials
- NT concrete and aggregates acquired July:
 - 4 concrete plants and 2 quarries
 - Strong integrated business near bottom of cycle
- Businesses performing to expectations



Concrete and aggregates – Austen Quarry

- Long term reserve position
- Operating at capacity given current strong market conditions
- Changes to the market, with competitors having to move much further away from Sydney and make significant investments in new quarries
- Extraction approval secured to 2050
- Planning application well advanced to increase current output 1.6mt pa



Concrete and Aggregates – Alexandria Plant

- World class, inner city premixed concrete plant – purpose built and retro fitted into existing building
- Adjacent to WestConnex entrance
- Leading environmental plant design:
 - Fully enclosed batch plant
 - Below ground storage of raw materials
 - Building roof rainwater captured and stored in 300k litre tanks and used in premixed concrete production



Concrete and Aggregates – priorities

Safe and Sustainable Growth

- Expand concrete footprint by acquisition or the development of new greenfield plants to complement aggregate position
- Acquisition of quarries or development of greenfield reserves
- Investment criteria – long term quarry reserves, strong synergy benefits, disciplined approach to investment hurdle rates

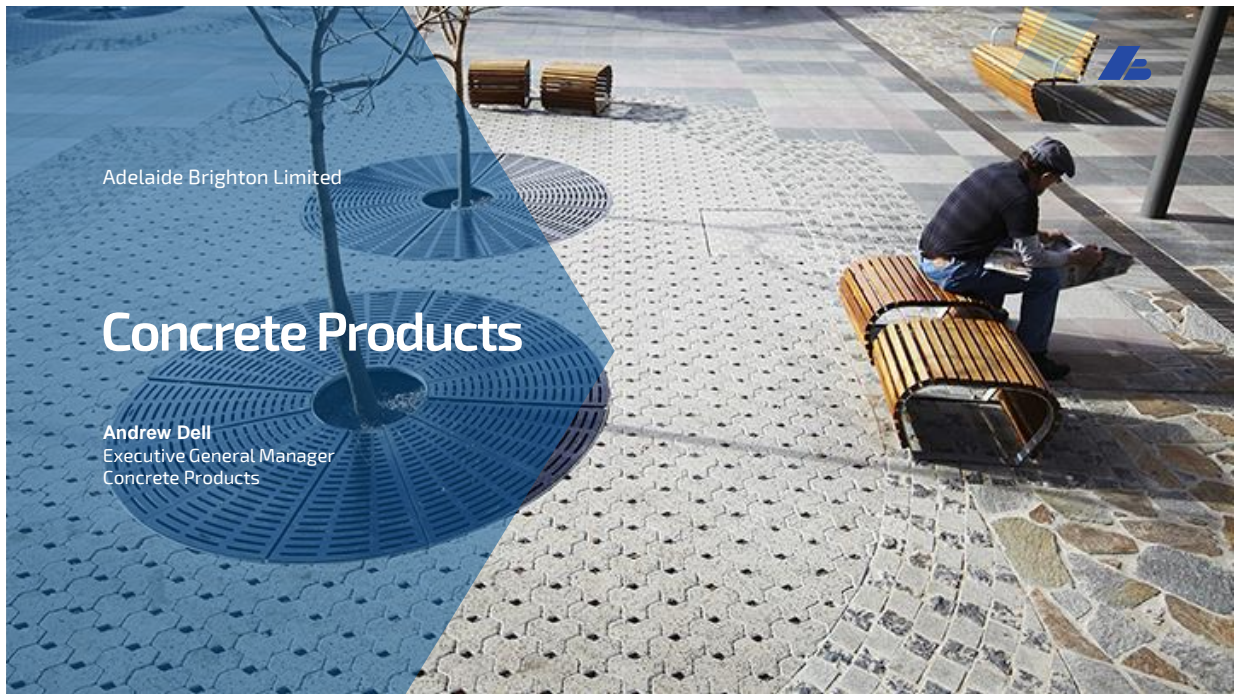
Margin management

- Price and margin management

Efficiency and costs

- Realise efficiency and synergy benefits from acquisitions
- Extend tenure of existing quarry operations
- Fleet management / LOD ratio optimisation





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Concrete Products

Andrew Dell
Executive General Manager
Concrete Products

Concrete Products – business overview

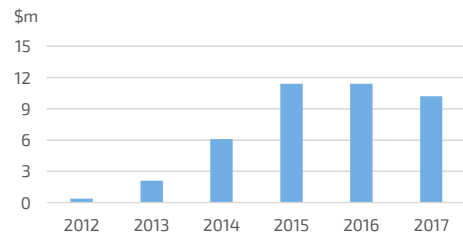
- Adbri Masonry the No.1 market position in the Australian concrete masonry market
 - Sales volumes circa 650kt pa
 - Production capacity in excess of 1mt pa
- Strong national manufacturing capability
 - Key manufacturing facilities at Stapleton (Qld), Morebank (NSW) and Campbellfield (Vic)
- Supports internal pull through strategy for cement and aggregates
 - 225kt - cement, aggregates and sand
- Long term tolling agreements compliment in house manufacturing
- Burrell JV (Queensland and New South Wales) supplies products to the mining sector



Concrete Products – EBIT

- 9% of revenue ABL group revenue in 2017
- Significant EBIT contribution since 2012
 - Plant upgrades
 - Market improvements
 - Operational improvements
 - Improved margins
- Tolling arrangement has increased plant utilisation and delivered efficiency gains

Adbri Masonry EBIT



Concrete Products – leading brand

Digital marketing

- Social media strategy
- Video marketing content

Media engagement and Brand Ambassador

- Media events with key print and television outlets
- Adbri Masonry brand ambassador Jason Hodges (*Better Homes and Gardens and Bunnings*) - insight to latest landscaping and outdoor trends

Product specification

- Engages with designers and architects
- Strategy to manage projects from specification to construction



Concrete Products – projects

2015 Winner of Think Brick Kevin Borland Masonry Award

ACT for Kids Townsville, Queensland

The ACT for Kids centre provides support to help thousands of children who have experienced abuse and neglect.

The visually striking building utilised Bullnose Besser® Blocks to create a sense of permanence and stability, reflecting the physical context and children in need at this facility.



Concrete Products – projects

2015 Winner of Think Brick Bruce McKenzie Landscaping Award

Langtree Mall Mildura, Victoria

Mildura City Council revitalisation of the city's central shopping mall. This project showcases a subtle collage of materials, that are woven together to create a highly functional and engaging urban space for the local community.



Concrete Products – projects

2016 Winner of Think Brick
Kevin Borland Masonry Award

Hoddle House Melbourne, Victoria

The redevelopment of an existing 1930's home in Elsternwick, Melbourne is a great example of how minimalist building materials such as Adbri Masonry's Architectural brick can be utilised to achieve stunning aesthetics.



Concrete Products – projects

2017 Winner of Think Brick
Kevin Borland Masonry Award

Perimeter House Melbourne, Victoria

Adbri Masonry's Architectural brick in Ebony was used to create walls with stunning detail - a 'hit and miss' pattern to open space between the bricks. This was complemented by delicately placed recessed bricks to create additional detailing and depth.



Concrete Products – priorities

Supply and install

- Commercial paving and retaining wall products
- Direct access to infrastructure and commercial projects

High value products

- Alliance program with retail partners
- Growth in architectural paving, block and brick products

Product development

- Introduction of sleeper walling – key growth area with small lot land development being driven by strong detached housing market

Efficiency and costs

- Ongoing cost reduction and manufacturing efficiency focus
- Balanced footprint combined with tolling arrangements



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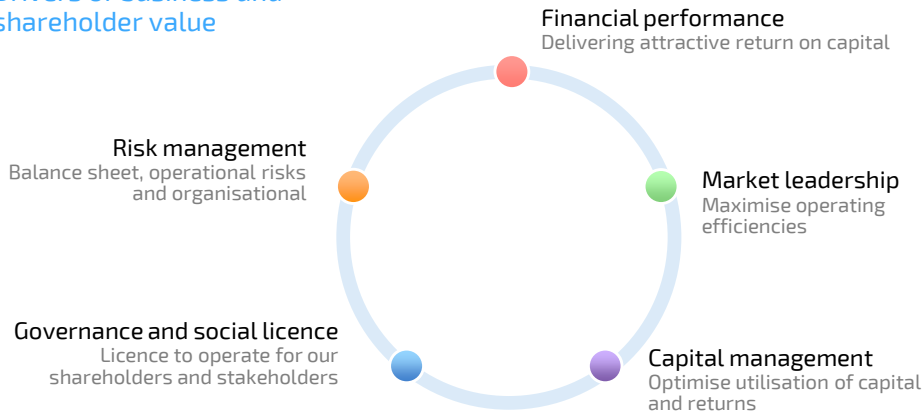
Shareholder returns

Michael Kelly
Chief Executive Officer



Building shareholder value – clear process

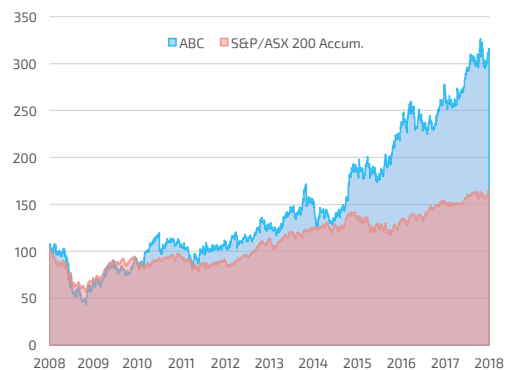
Drivers of business and shareholder value



Consistent strategy – strong returns

- Successful long term strategy has delivered strong shareholder returns
- Vertical integration into premixed concrete, concrete products and quarries has benefited returns:
 - Geographic diversification gives exposure to east coast markets
 - Product diversification
 - Business now more resilient to cyclical demand
- Operational improvement remains key driver: cost management, efficiency, product development, transport, energy
- Lime business development – low cost and scale position, with long term reserves
- Balance sheet efficiently utilised while retaining flexibility to fund growth. Where Board identifies surplus capital, shareholder returns remain a priority

Total shareholder return accumulation – dividend reinvestment



Creating value through disciplined approach to investments and release of surplus property

Acquisitions

- \$260m investment in acquisitions over last 5 years
- Development of premixed concrete footprint and long term aggregate reserves: South Australia, Northern Territory, Melbourne, south east Queensland and north Queensland
- These investments represent an average 6.7 times current year EBITDA
- Synergy benefits from back office savings, transport and materials pull through
- While acquisitions have met targets, they have also diversified earnings and provided integration benefits

Organic growth

- Invested >\$90m in organic growth projects in last 5 years
- These projects are attractive as they are generally lower risk and higher returns

Property

- Operational improvement program has released almost \$100m of surplus land over 5 years
- It is expected that greater than \$100m in proceeds expected over next decade

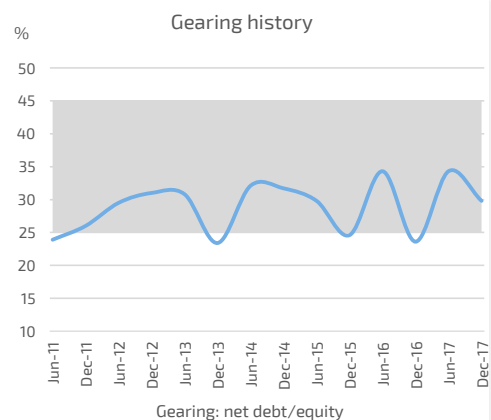
Capital management

Capital management goals

- An efficient balance sheet to optimise shareholder returns
- A prudent level of debt
- Flexibility to fund capital development projects and acquisitions
- Be viewed as investment grade by our lenders to optimise funding cost

Proactive approach to capital management

- Target gearing (Net Debt / Equity) ratio of 25% - 45%
- When debt levels are near the top of the range – Dividend Reinvestment Plan
- When gearing approaches the bottom of the range – capital return (special dividends)
- Other capital management options regularly considered



Demand environment supportive



NSW

Demand strong

- Residential robust
- Non-residential up
- Infrastructure improving

Outlook: Strong

VIC

Demand strong

- Residential robust
- Non-residential improving
- Infrastructure in pipeline

Outlook: Strong

WA

Stable

- Construction materials demand bottomed in 2017
- Lime volumes to be stable

Outlook: Stable

South east QLD

Demand up

- Gold Coast and Sunshine Coast markets better
- Infrastructure projects

Outlook: Strong

SA

Demand up

- Major infrastructure projects have commenced
- Solid infrastructure pipeline

Outlook: Strengthening

NT

Stable

- Cement volumes stable
- Regional demand for concrete and aggregates products stronger due to projects

Outlook: Stable



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Conclusion

Martin Brydon
Chief Executive Officer and
Managing Director

Outlook

Sales

- Sales volumes of cement and clinker are anticipated to be higher in 2018
- Stronger demand in SA and the east coast and stable demand in WA and NT
- Lime sales volumes expected to be similar to 2017
- Concrete and aggregates sales volumes expected higher on east coast and SA infrastructure
- Acquisitions made in 2017 to add further sales and earnings in 2018
- Prices expected to increase in cement, lime, concrete and aggregates

Earnings

- Joint venture operations in Australia to continue to benefit from strong demand and price increases
- Angaston to reduce costs by further \$1m and further rolling improvements across Company
- Import costs to increase by \$3m in 2018 on higher materials costs
- Energy costs anticipated to increase \$6m in 2018 but much of this passed on to customers under long term arrangements
- No significant land sales expected in 2018
- Aim to maintain balance sheet flexibility and maximise returns to shareholders

Disclaimer

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