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28 August 2019

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

Dear Sir/Madam

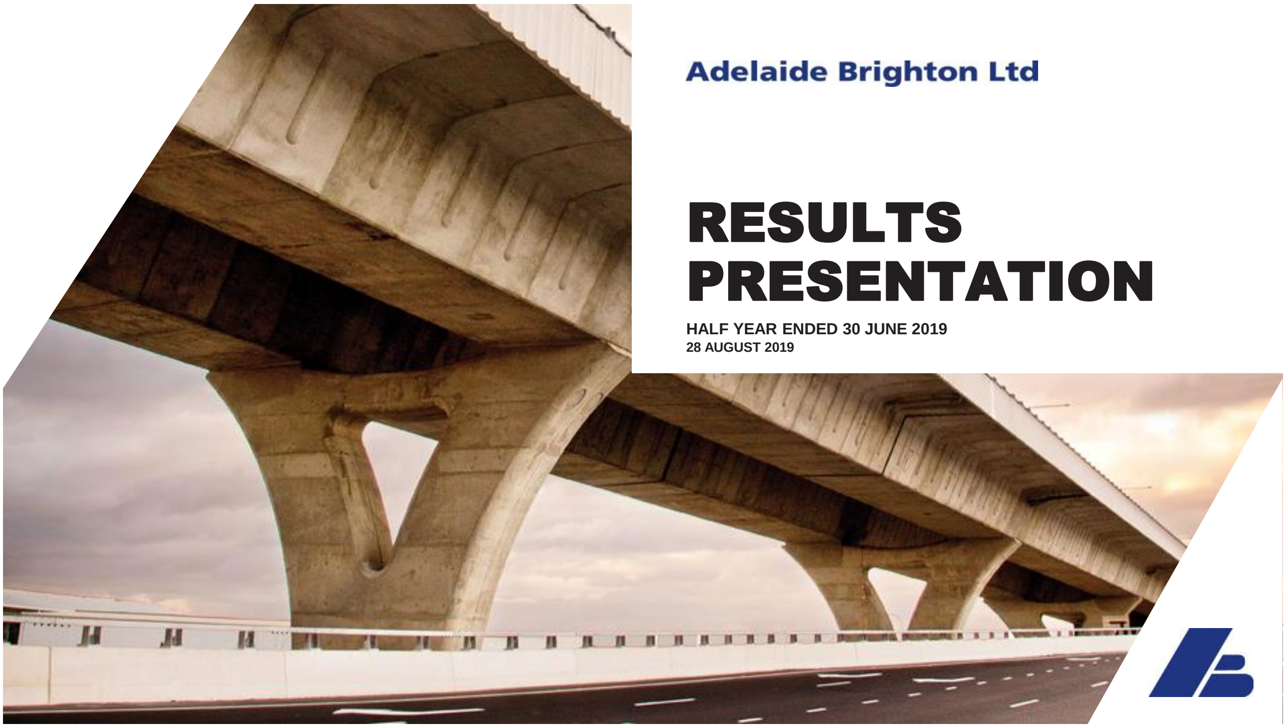
Adelaide Brighton half year report to 30 June 2019 - presentation

We attach copy of slides being shown by Nick Miller, Chief Executive Officer of Adelaide Brighton Ltd, during briefings on the Company's financial result for the half year ended 30 June 2019.

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

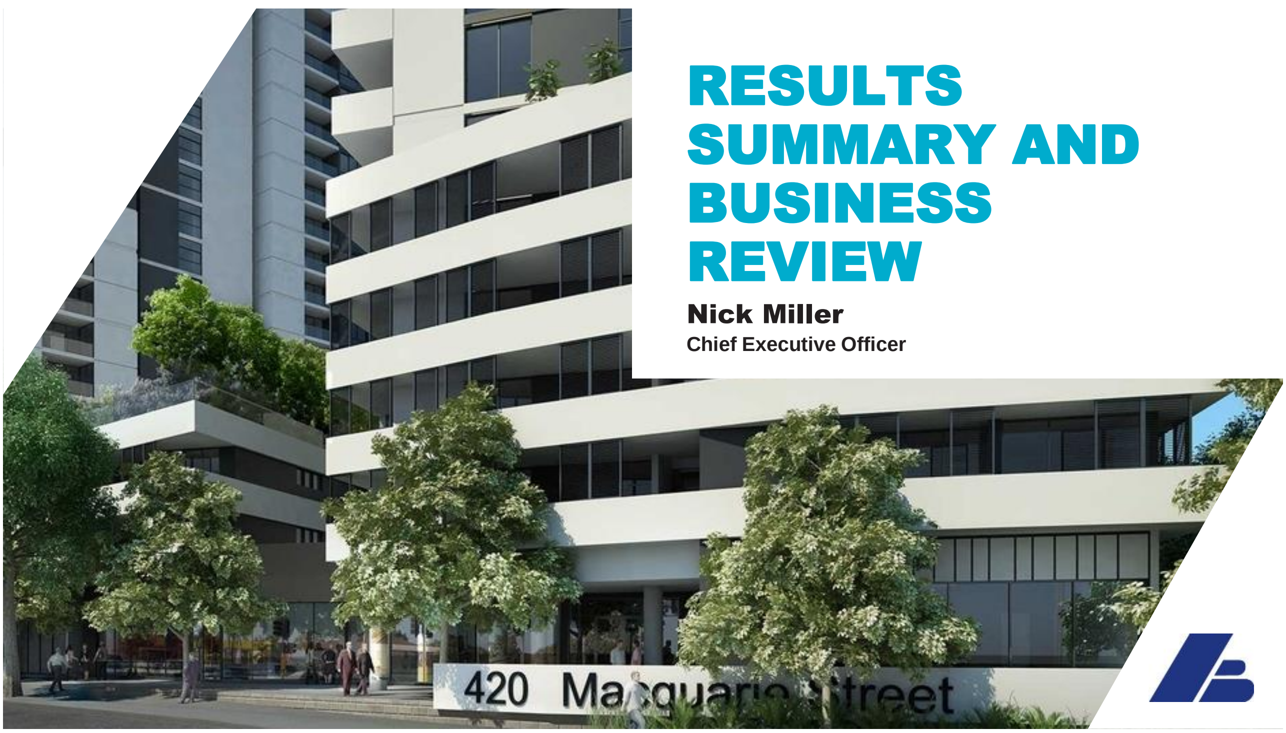


Adelaide Brighton Ltd

RESULTS PRESENTATION

HALF YEAR ENDED 30 JUNE 2019

28 AUGUST 2019



RESULTS SUMMARY AND BUSINESS REVIEW

Nick Miller

Chief Executive Officer

RESULTS SUMMARY AND BUSINESS REVIEW

RESULTS SUMMARY 1H2019

Challenging market conditions for construction materials sector

› Demonstrated leadership in safety, with 23% improvement in TRIFR

› 1H19 revenue of $755.7 million, down 6.3% due to softening conditions in the residential and civil construction market

› Underlying EBIT of $85.2 million, down 31% driven by rising raw material input costs and continued competitive pressures in the SA and Qld markets

› Underlying NPAT of $55.3 million, down 35.1% on the pcp. Underlying EPS of 8.5 cents per share

› Reported net loss after tax of $17.9 million included an after tax non-cash impairment charge of $69.9 million

› Gearing increased from 34.1% to 45.9%, following payment of 2018 final dividend of $97.8 million

› To maintain balance sheet flexibility for reinvestment and growth, no interim dividend has been declared

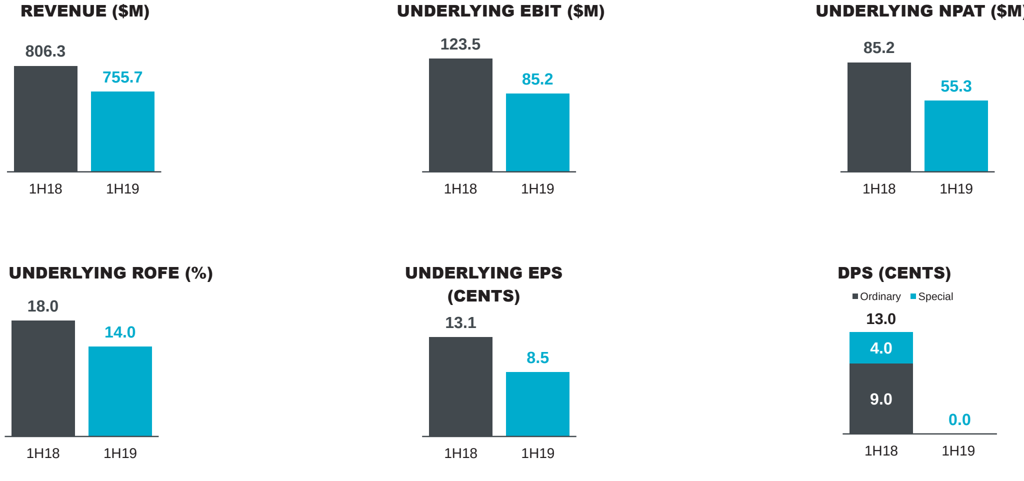
› Return on funds employed remains robust at 14%, demonstrating quality of asset base

› Outlook

- 2019 full year underlying NPAT, excluding property expected to be in the range of $120 – $130 million
- Contain costs and right size the business to improve performance and prudently manage capital spend

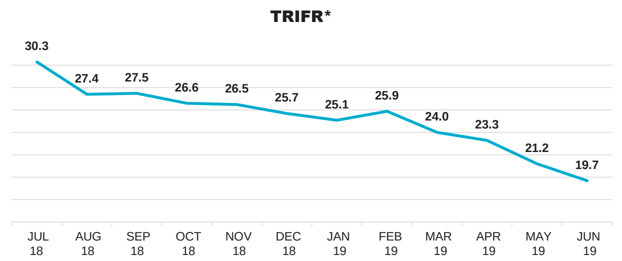
RESULTS SUMMARY AND BUSINESS REVIEW

FINANCIAL SUMMARY



RESULTS SUMMARY AND BUSINESS REVIEW

‘STEP CHANGE’ IN SAFETY



- Sustained focus on safety and injury reduction delivering results
- Total Recordable Injury Frequency Rate (TRIFR) 19.7 at June 2019, 23% improvement during the 6 month reporting period
- “Step Change” – newly staged program to deliver next phase of continuous improvement in health and safety
- Proactive safety reporting up 40% year on year, demonstrating engaged and committed safety culture

*Total Reportable Injury Frequency Rate (TRIFR) is the number of recordable injuries per million man hours worked
Adelaide Brighton’s TRIFR includes employees and contractors.

RESULTS SUMMARY AND BUSINESS REVIEW

LONG TERM FOCUSED, SUSTAINABLE BUSINESS

Quality asset base delivering superior returns to shareholders

- Long history of delivering superior returns to shareholders
- ROFE remains strong, demonstrating quality of asset base
- Top line revenue remains robust despite slowing demand
- Business being right sized to respond to changing market
- Prudent capital management initiatives activated to maintain flexibility for reinvestment and growth

Low cost production and industry leading market position

- Industry leading position – supply chain efficiency in procurement, transport, storage – under long term supply agreements
- Low cost production maintained through ongoing investment in vertical integration and business improvement
  - In-fill opportunities in aggregates to buffer raw material cost increases
  - Portfolio approach to energy supply and procurement and increased use of alternative energy sources
  - Increased use of alternative cementitious materials

Geographic footprint provides countercyclical balance

- Geographic footprint provides countercyclical balance between mining and residential growth and infrastructure

Construction

- Demand for residential construction materials slowing
- Pipeline for infrastructure is very strong

Mining

- Lime and cement demand in WA at an inflection point with a positive outlook
- Capacity expansion in gold, alumina and iron ore will drive long term growth of WA business

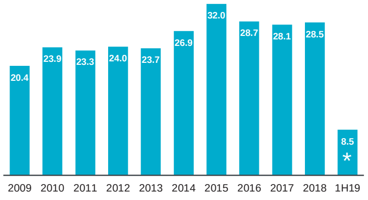
Safe and sustainable business

- 8 years of continuous improvement in safety – TRIFR down 70%
- 10 years of continuous improvement in environment – carbon emissions down by 30%
- Alternative energy usage at 13%
- Alternative cementitious material usage – 1.1 million tonnes
- Electricity contract with renewable energy provider

RESULTS SUMMARY AND BUSINESS REVIEW

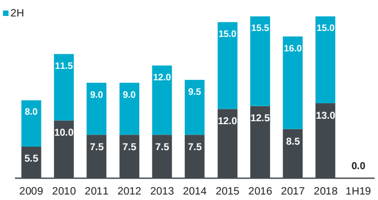
SUSTAINABLE SHAREHOLDER RETURNS

EPS (CENTS)

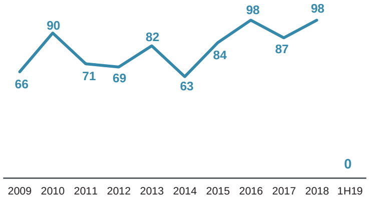


* Underlying earnings per share

DIVIDEND (CENTS)



PAYOUT RATIO (%)



Stable earnings profile

- The quality of the Adelaide Brighton asset base is reflected in its sustainable earnings delivery through the cycle
- Earnings remain robust, despite softening market conditions
- Underlying EPS 8.5 cents per share
- Reported basic EPS decreased to a loss of 2.7 cents per share as a result of an after tax impairment charge of $69.9 million

Source: Adelaide Brighton

Returns to shareholders strong

- Surplus capital routinely returned to shareholders
- Balance sheet leveraged to optimise capital efficiency
- Final and special dividend payment for 2018 made in April 2019 totaled $97.8 million
- To maintain flexibility for near term reinvestment and growth opportunities, no interim dividend for 1H19 has been declared

Source: Adelaide Brighton

Dividend policy

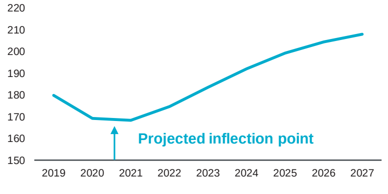
- Payout ratio over past 4 years has exceeded 90%
- Gearing has increased accordingly, now 45.9%
- Flexible dividend policy which delivers surplus capital back to shareholders over the longer term

Source :Adelaide Brighton

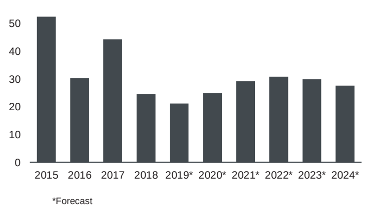
RESULTS SUMMARY AND BUSINESS REVIEW

NEAR TERM OPERATING CONDITIONS CHALLENGING

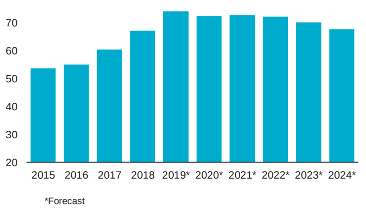
FORECAST RESIDENTIAL COMMENCEMENTS (000'S)



VALUE OF MINING WORK DONE ($B)



VALUE OF NON-MINE ENGINEERING ($B)



Residential market inflection point 2021

- Australian residential construction approvals declined 25.6% on seasonally adjusted terms for the six months to June 2019
- Residential construction is projected to hit a low in 2021 before underlying demand reverts to growth

Source: Macromonitor

Mining investment expected to grow

- Mining related construction activity has reduced following the end of the growth phase that peaked in 2012 – 2013 at $67 billion
- New investment will begin following 2019 driven by iron ore and gold production capacity expansion
- Growth centered in Western Australia and the Northern Territory
- Potential future capacity expansion in alumina

Source: Macromonitor

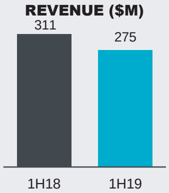
Opportunity in infrastructure

- Infrastructure spending expected to remain at substantially elevated levels for the next five years
- Significant number of projects have either commenced or are in the planning stages, with bipartisan support for investment across all levels of government

Source: Macromonitor

RESULTS SUMMARY AND BUSINESS REVIEW

CEMENT

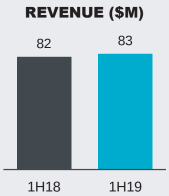


Softening residential market and competition from imports drove volumes during the half. Infrastructure and mining volumes expected to support demand for cement

- Cement sales volumes decreased 8.6% on pcp
- Decline in east coast construction activity across the market
- Pricing pressure from imports
- Mining supporting demand in WA and the NT
- Margin compression due to lower demand and higher costs, particularly raw material and shipping costs
- Infrastructure and expansion of iron ore and gold capacity will increase demand for cement in the short term

RESULTS SUMMARY AND BUSINESS REVIEW

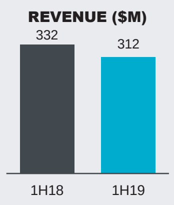
LIME



Lime volumes stable and local production remains cost competitive. Increased gold and nickel production to drive increase in lime demand

- Lime sales volumes were stable compared to pcp
- Munster WA production facility remains cost competitive and offers security of quality and supply
- Marginal pricing improvement as contracts move with a lag to energy costs
- Expansion of gold and nickel capacity will grow demand for lime in the near term
- Potential expansion of alumina capacity will further support long term demand

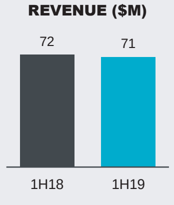
CONCRETE AND AGGREGATES

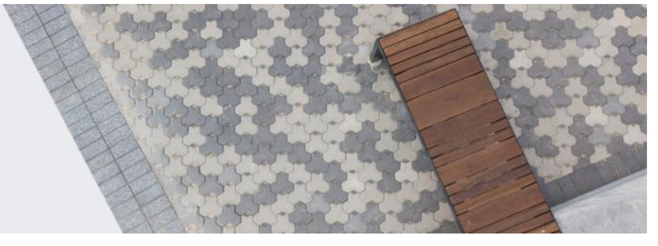


Challenging point in cycle with demand slowing and input costs rising

- Demand slowing across all markets (except the NT) – NSW and Vic hardest hit
- Concrete volumes decreased by 7.8% compared to pcp
- Aggregate sales volumes decreased in line with concrete volumes, partially offset by stronger project volumes
- Concrete price increases were offset by higher raw material input costs
- 2H19 to benefit from commencement of supply at Scotchy Pocket Quarry (Sunshine Coast in Qld)
- Business being rationalised and "right sized" to respond to market demand

CONCRETE PRODUCTS

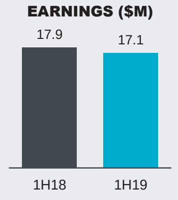




Strong market position and stable revenue despite market challenges

- Weaker demand across Qld and NSW, partially offset by marginal improvement in Vic, SA and Tas where several one off commercial projects have bolstered underlying demand
- Business continues to focus on operational efficiency, investment in lower cost and sustainable curing and energy systems, and cost reduction initiatives

JOINT VENTURES



Strategic joint ventures well placed for long term growth, experiencing competitive pressures consistent with market

- Independent Cement and Lime (ICL) contributed $7.7 million, down 4.5% on pcp
- Sunstate Cement contributed $5.9 million, stable on pcp
- Mawson Group contributed $3.0 million, down 15% on pcp
- Aalborg Portland Malaysia contributed $0.5 million, up 233% as a result of efficiencies and demand from Malaysia, Asia and Australia

FINANCIAL REVIEW

Theresa Mlikota
Chief Financial Officer

FINANCIAL REVIEW

INCOME STATEMENT – UNDERLYING*

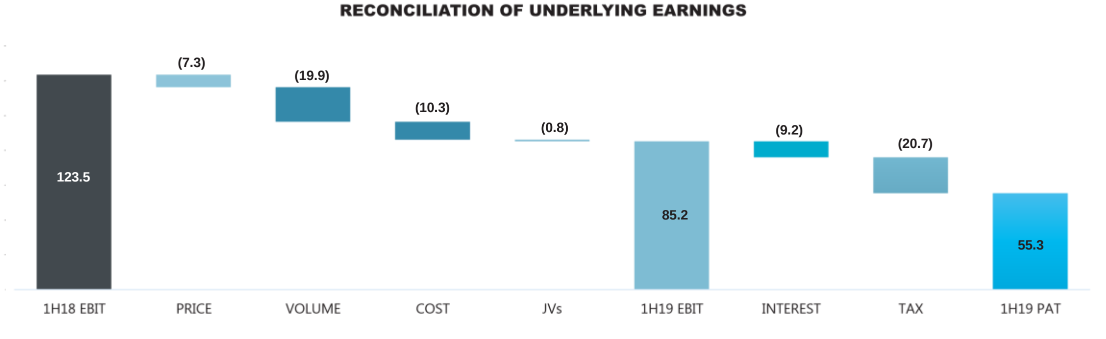
6 MONTHS ENDED 30 JUNE	1H19	1H18	CHANGE PCP %
Revenue	755.7	806.3	(6.3)
Earnings before depreciation, amortisation, interest and tax	133.0	167.2	(20.5)
Depreciation and amortisation	(47.8)	(43.7)	9.4
Earnings before interest and tax	85.2	123.5	(31.0)
Profit before tax	76.0	116.8	(34.9)
Tax (expense)	(20.7)	(31.6)	(34.5)
Net profit attributable to members	55.3	85.2	(35.1)
Basic earnings per share (cents)	8.5	13.1	(35.1)

* Underlying earnings exclude significant items. Refer slide 17 for reconciliation to reported earnings

- Revenue down by 6.3% driven by slowing in demand for construction materials, particularly residential construction and extended Easter/Anzac Day holiday period
- Pricing pressure from cement import competition, particularly in SA, only partially offset by increase in concrete and aggregate pricing
- Underlying EBIT reduced by 31% to $85.2 million
- Raw material input costs increased – clinker and purchased aggregates
- Shipping and material costs also higher due to weaker AUD
- Interest expense higher following adoption of new leasing standard. Higher borrowings, offset partially by lower interest rates
- Underlying effective tax rate of 27.2%
- Underlying net profit after tax of $55.3 million, results in EPS of 8.5 cents per share

FINANCIAL REVIEW

PROFIT DRIVERS



FINANCIAL REVIEW

RECONCILIATION OF UNDERLYING PROFIT

6 MONTHS ENDED 30 JUNE	2019 ($M)			2018 ($M)		
	Profit before tax	Income tax	Profit after tax	Profit before tax	Income tax	Profit after tax
Underlying profit/(loss)	**76.0**	**(20.7)**	**55.3**	**116.8**	**(31.6)**	**85.2**
Impairment	(96.1)	26.2	(69.9)	-	-	-
Doubtful debts	(0.7)	0.2	(0.5)	(1.0)	0.3	(0.7)
Corporate restructuring costs	(3.9)	1.2	(2.7)	-	-	-
Acquisition expenses	(0.1)	-	(0.1)	-	-	-
Statutory profit/(loss)	**(24.8)**	**6.9**	**(17.9)**	**115.8**	**(31.3)**	**84.5**

› Significant items affecting underlying profit
- Impairment write-downs totalling $69.9 million after tax
- Corporate restructuring costs of $2.7 million after tax include redundancy and one-off employment costs
- Doubtful debt charges pertain to costs incurred to recover unpaid amounts in relation to financial discrepancies identified in 2017

FINANCIAL REVIEW

BALANCE SHEET

	JUNE 2019 ($M)	DECEMBER 2018 ($M)
Cash and cash equivalents	59.8	93.9
Receivables	240.7	224.8
Inventories	159.7	176.4
Property, plant and equipment	1,013.0	1,061.7
Joint arrangements and associate	181.6	173.9
Other assets	433.0	347.4
Total assets	2,087.8	2,078.1
Payables	136.0	144.7
Borrowings	579.0	518.7
Lease liability	89.4	-
Provisions	85.2	75.6
Other	66.0	93.5
Total liabilities	955.6	832.5
Shareholders' equity	1,132.2	1,245.6

› Balance sheet remains strong

› Target gearing and leverage ratios are prudent – Company remains well within the investment grade band

› Leverage of 1.6 times, against target range of 1.0 – 2.0 times

› Gearing increased to 45.9% – at the upper end of the Group's target range, following payment of $97.8 million 2018 final dividend

› Over $40 million in receivable collections in early July 2019

› Lease asset and liability recognised following adoption of AASB16

› Pre-tax impairments totalled $96.1 million, including:
- Inventory $24.5 million
- PPE $58.0 million
- Intangibles/other $13.6 million

FINANCIAL REVIEW

OPERATING CASH FLOW

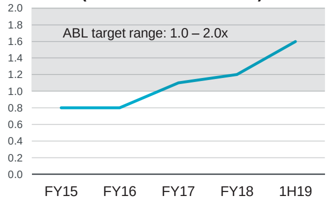
6 MONTHS ENDED 30 JUNE	1H19 ($M)	1H18 ($M)
Net profit / (loss) before tax	**(24.8)**	**115.8**
Depreciation, amortisation and impairment	143.9	43.7
Income tax payments	(31.9)	(42.3)
Change in working capital	(33.7)	(3.8)
Net loss/(gain) on sale of assets	0.2	0.2
Other	(8.9)	(6.0)
Operating cash flow	**44.8**	**107.6**
Stay in business capex	(23.4)	(25.7)
Asset sales	0.6	1.2
Development capex	(21.0)	(24.9)
Dividends	(97.8)	(104.0)
Other	4.6	3.1
Net cash flow before debt funding	**(92.2)**	**(42.7)**

- Operating cash flow impacted by lower earnings and delayed debtor receipts received in July
- Development capital expenditure includes investment in Scotchy Pocket quarry which is now operational, the Pinkenba concrete plant and Birkenhead drymix plant upgrade, which will be complete in late 2019
- Major stay in business capital includes shutdown expenditure for cement and lime operations and mobile fleet replacements
- The 2018 final and special dividends were paid during the period totaling $97.8 million, funded out of debt and cash reserves

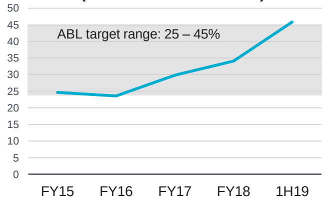
FINANCIAL REVIEW

CAPITAL MANAGEMENT

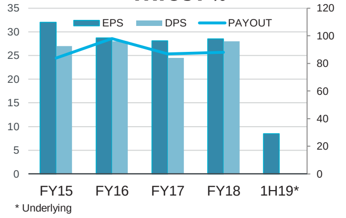
LEVERAGE RATIO (NET DEBT / EBITDA)



GEARING % (NET DEBT / EQUITY)



EPS (CENTS) / DPS (CENTS) / PAYOUT %



* Underlying

Capital management approach

- The Company adopts a conservative approach to capital management
- The Group maintains investment grade metrics while ensuring balance sheet efficiency to optimise the overall cost of capital
- The balance sheet is geared to retain the flexibility to fund capital projects and to make investments which deliver earnings growth
- Surplus capital is distributed to shareholders in an efficient manner

Credit metrics

- The Group's gearing ratio stands at 45.9% – at the upper end of the Group's target range
- The balance sheet has been utilised efficiently to optimize the overall cost of capital
- Leverage remains conservatively within the target bands at 1.6 times
- Debt funding capacity increased to $715 million

Balance sheet flexibility

- The Company operates within a flexible dividend policy, which delivers surplus capital back to shareholders
- Dividend payout ratio has been significantly in excess of Company target of 65 – 75%
- Business requires reinvestment to protect and grow its earnings base
- To maintain balance sheet flexibility, no interim dividend has been declared for 1H19

STRATEGY AND OUTLOOK

Nick Miller

Chief Executive Officer

MARKET DYNAMICS

Demand outlook	Threat from imports	Rising input costs	Increased ESG demands
› Demand for construction materials softening in residential sector – inflection point forecast in 12 – 18 months › Lower interest rates and government policy supporting growth vs slow down in housing approvals › Pipeline for infrastructure is strong – pricing and award of projects delayed › Capacity expansion in gold, alumina and iron ore will drive near and long term growth of WA cement and lime	› Emergence of independent cement competitors › SA cement price under pressure › Qld cement market in oversupply with capacity increasing in 2020 with commissioning of the Southern Cross Cement terminal › Quality and reliability of locally produced product key differentiators	› Rising gas costs in South Australia › Cementitious materials – rising shipping costs, exacerbated by a weak AUD › Aggregates prices increasing - ABL a net buyer of aggregates in key markets of SEQ and Vic › Labour rate increases	› Increased regulation › Increased engagement with government, energy providers and the community › GHG and modern slavery a key focus for governments, customers, and suppliers

STRATEGIC REVIEW

BUSINESS IMPROVEMENT AND GROWTH STRATEGY

Right size, reduce costs and improve **operational efficiency**	Grow the **lime** business	Grow **concrete & aggregates**	Enhance capability in **infrastructure**	Actively manage **land** holdings

Operate in a **safe and sustainable** manner for the **long term benefit** of our **shareholders,** our **customers,** our **team members** and the **community**

STRATEGIC REVIEW

IMPROVE OPERATIONAL EFFICIENCY AND COST

Adelaide Brighton is Australia's largest cement and clinker importer and Australia's second largest producer

Import strategy to maximise asset utilisation

Unmatched cement and clinker distribution network underpins competitive long term position

OPPORTUNITY

- Right size overhead and fleet
- Rationalise operational footprint
- Recycle capital for investment
- Improve supply chain efficiency in procurement, transport, storage and distribution
- Improve utilisation of alternative fuels and cementitious materials
  - Use imported materials where demand exceeds the Company's manufacturing capacity
  - Seek opportunities to use supplementary cementitious materials (e.g. ground granulated blast furnace slag and fly ash) in the production of concrete to enhance durability, reduce natural resource consumption and reduce environmental impacts
  - Manage energy costs and operating risks – targeting use of lower cost alternatives through 30% substitution of 6PJ of fuel supply in South Australia in the medium term and increased use of supplementary cementitious materials

STRATEGIC REVIEW

IMPROVE OPERATIONAL EFFICIENCY AND COST

Import model	Operational efficiency	Transport	Shared service	Procurement
› Increase use of alternative cementitious materials › Optimise distribution network and shipping	› Increase use of alternative fuels – targeting 1% increase for 2020 › Rationalise concrete plant footprint › Right size workforce to meet operational needs in changing demand environment	› Standardise fleet for volume price benefits and reduced repairs and maintenance › Flex ownership model to maximise cost efficiency	› Centralise functional support to standardise and automate processes and to reduce costs › Rationalise corporate office footprint	› Centralise procurement to standardise and automate process and to reduce costs › Partnering / reciprocal trade to maximise cost efficiencies for raw materials such as aggregates and sand › Group buying strategies to deliver cost savings

Targeted gross cost savings $30 million

Market driven cost headwinds $20 million

2020 NET TARGET COST SAVING $10 MILLION

STRATEGIC REVIEW

GROW LIME

The Western Australian alumina sector represents about 70% of Western Australian lime demand and remains among the lowest cost alumina producers in the world

OPPORTUNITY

- Lime business underpinned by low cost mineral resources (secured by a State Agreement Act and long term statutory approvals)
- Munster lime plant currently operating at 80% capacity (low cost operation with two lime kilns, among the largest globally)
- Well positioned for growth in line with mining sector demand
- Gold production expected to increase (strong Australian dollar gold price over a sustained period) and gold exploration in WA remains high
- Newly commissioned gold mines in WA will drive future growth: Gruyere, Karlawinda, Rosemont
- Ravensthorpe nickel mine restarting. Expected to be back in production Q2 2020
- Potential expansion of alumina capacity in WA being considered

STRATEGIC REVIEW

GROW LIME

Alumina

AUSTRALIA'S ALUMINA EXPORTS AND PRODUCTION

- World alumina consumption forecast to increase to 123 million tonnes by 2021
- China is expected to remain the world's largest (and growing) source of alumina demand, accounting for 57 per cent of world alumina consumption
- Australian annual output forecast to remain at 20 million tonnes of alumina through to 2021
- Potential refinery expansion may drive increased long term demand for lime

Gold

AUSTRALIA'S GOLD PRODUCTION

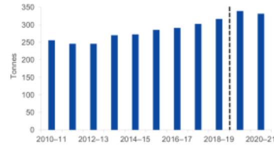


Chart source: ABS (2018) Mineral and Petroleum Exploration (cat. no. 8412.0)

- Australia's gold exploration expenditure rose by 17 per cent year-on-year in the March quarter 2019, to $220 million, driven by higher Australian gold prices
- Western Australia remains the centre of gold exploration activity in Australia, accounting for 71 per cent of total gold exploration expenditure
- Near term growth in gold production is expected to be driven by a number of new mines coming online including Gold Roads' Gruyere gold mine (annual production of 8.4 tonnes) expected to commence in the second half of 2019. Capricorn Metals' Karlawinda gold mine project (annual production of 4.0 tonnes) is expected to be commissioned in 2020. Regis Resources' Rosemont mine (annual production of 3.7 tonnes) is expected to commence production in 2020

STRATEGIC REVIEW

GROW CONCRETE & AGGREGATES

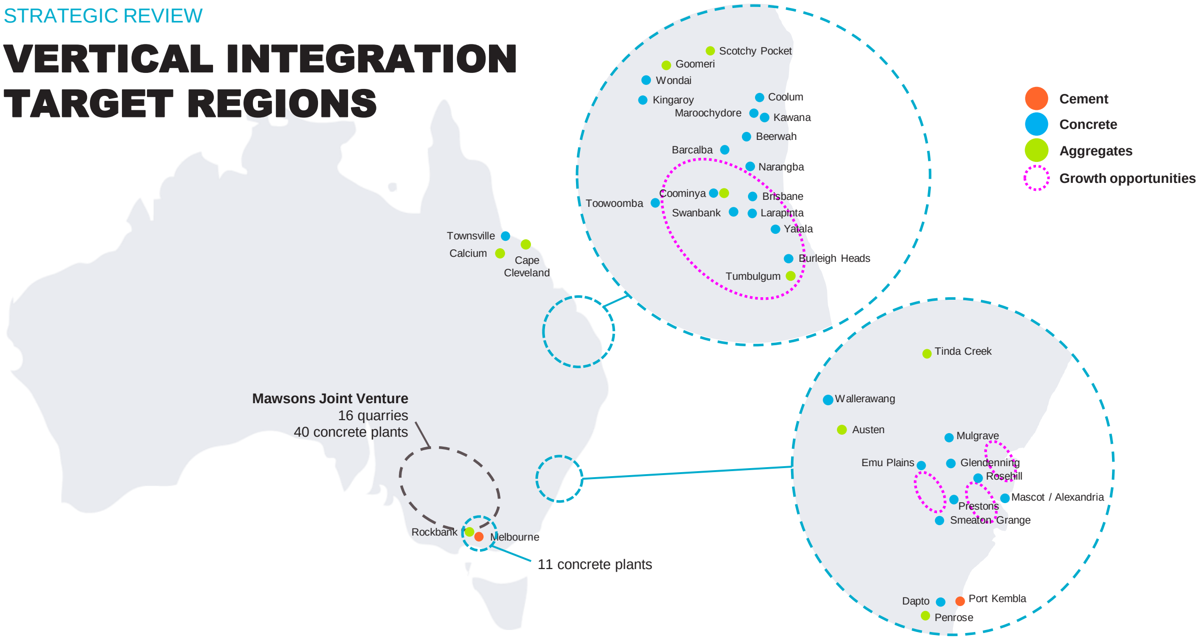
Downstream integration and diversification continues to provide significant strategic revenue and cost benefits via the pull through of cement and aggregate volumes

OPPORTUNITY

- Opportunity to continue acquiring high quality, complementary concrete and aggregate businesses in key growth corridors
- New Swanbank and Larapinta concrete plants, located in south east Queensland, commissioned and operational
- The Pinkenba plant, located on the eastern fringe of the Brisbane central business district, is expected to complete in the last quarter of 2019 and will provide the Company with access to Brisbane city projects
- Scotchy Pocket quarry (Sunshine Coast) commenced sales in July 2019 – well positioned to supply aggregate materials to projects in the area, including the upgrade of the Bruce Highway
- Austen Quarry at Hartley (in Western Sydney growth corridor) benefiting from increase in approved annual sales volume limit to 1.6 million tonnes
- Vertically integrated build-out opportunities being considered in south east Queensland and Greater Western Sydney

STRATEGIC REVIEW

VERTICAL INTEGRATION TARGET REGIONS



STRATEGIC REVIEW

INFRASTRUCTURE DELIVERY CAPABILITY

Adelaide Brighton has demonstrated infrastructure delivery capability in markets where it is fully integrated – cement, aggregates and concrete

OPPORTUNITY

› Our ability to deliver into large scale infrastructure projects is strongest where Adelaide Brighton has a fully integrated offering – cement, aggregates and concrete

› Commitment to invest and expand capability within the business

› Construction of roads, highways, subdivisions and bridges is a key driver of construction materials

› Major infrastructure projects expected to support materials demand over the next five years

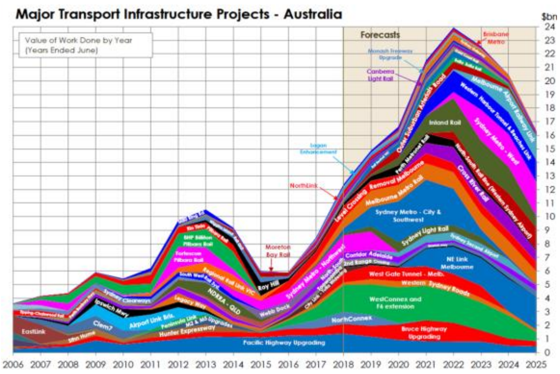
› Adelaide Brighton's focus will be on horizontal infrastructure in the greater western Sydney corridor, Victorian regional and south east Queensland markets

› Continuation of defence infrastructure delivery in SA and NT

STRATEGIC REVIEW

INFRASTRUCTURE DELIVERY CAPABILITY

Demonstrated experience in delivering cement, concrete and aggregates into infrastructure projects



Source: Macromonitor, 'Australian Construction Outlook 2019'

Northern Connector project South Australia

Photo courtesy: Government of South Australia – Department of Planning, Transport and Infrastructure

STRATEGIC REVIEW

ACTIVELY MANAGE LAND HOLDINGS

Adelaide Brighton will accelerate development and sale of its surplus land holdings

OPPORTUNITY

› The Company's land portfolio provides a significant earnings and value creation opportunity over the medium to long term

› The sale of surplus land holdings will be brought forward to recycle capital where possible in the near term

› Scale opportunities including Batesford Quarry (which forms part of the City of Greater Geelong growth strategy) and Geelong Hilltop land will be developed more fully over the coming years

STRATEGIC REVIEW

ACTIVELY MANAGE LAND HOLDINGS

QLD 4 | NSW 2 | VIC 3 | SA 5 | WA 1

● Land sale and development opportunities

Left: Artists impression of proposed lake with housing and infrastructure - Western Geelong Growth Area
Right: Map of proposed Western Geelong Growth Area

Above: Artists impression of future lake at Batesford Quarry

STRATEGIC REVIEW

BUILDING A SUSTAINABLE BUSINESS

NICK MILLER
CHIEF EXECUTIVE OFFICER

BRETT BROWN
EGM CONCRETE & AGGREGATES

MARCUS CLAYTON
GENERAL COUNSEL & COMPANY SECRETARY

ANDREW DELL
EGM CONCRETE PRODUCTS

BRAD LEMMON
EGM CEMENT & LIME

GAVIN MARCHIO
MANAGER STRATEGY & BUSINESS DEVELOPMENT

MICHAEL MILLER
EGM MARKETING & INTERNATIONAL TRADE

THERESA MLIKOTA
CHIEF FINANCIAL OFFICER

TARMO SAAR
EGM STRATEGIC PROJECTS

DIMITY SMITH
EGM HR & HSE

OUTLOOK

2019 OUTLOOK

Robust and sustainable business

- Quality asset base delivering superior returns to shareholders
- Low cost production with market leading position
- Broad geographic footprint across mining and construction
- Safe and sustainable

Demand Outlook

Construction

- Continued softening in residential construction market with expected inflection point in 2021
- Infrastructure pipeline to support east coast demand for construction materials over next five years

Mining

- Iron ore and gold expansion to increase demand for cement and lime in WA in the near term
- Alumina demand for lime to remain stable over the medium term with potential to increase in the long term

Earnings Guidance

- Underlying NPAT estimated to be in the range of $120 – 130 million
- Targeting net cost savings of $10 million for 2020

Balance sheet and dividend policy

- Prudent capital management to maintain balance sheet flexibility for reinvestment in the business and to pursue growth opportunities
- Flexible dividend policy, which delivers surplus capital back to shareholders over the longer term

APPENDICES

APPENDIX 1

FOCUSED CONSTRUCTION MATERIALS AND LIME BUSINESS

#1

- **Cement and clinker importer in Australia** supplying all major markets
- **Cement supplier** in the resource rich states WA, SA and NT
- **Lime producer** in Australia
- **Concrete masonry products** manufacturer

#2

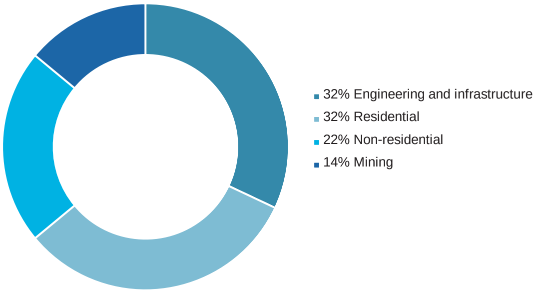
- **Cement and clinker supplier** to the Australian construction industry

#4

- **Concrete and aggregates producer** growing presence in major markets

FY2018

REVENUE BY MARKET*



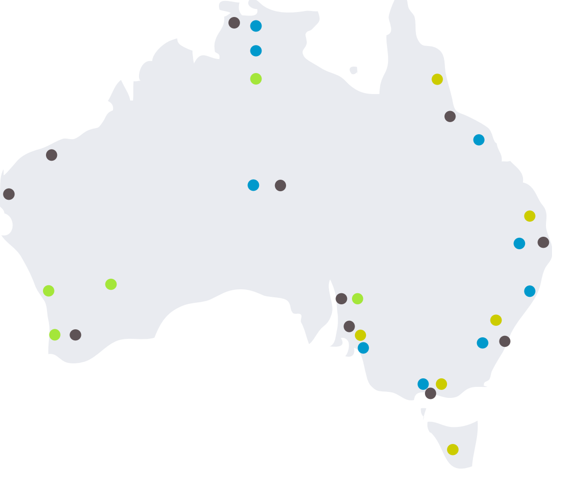
* Estimated share of FY2018 segmental revenue of $1,610m

APPENDIX 2

GEOGRAPHIC DIVERSIFICATION

OPERATIONS

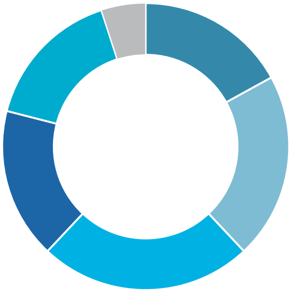
- Cement
- Lime
- Concrete and aggregates
- Concrete products



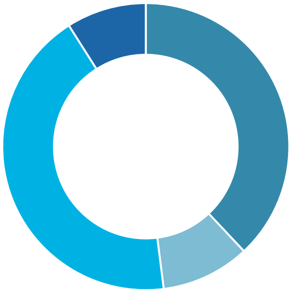
APPENDIX 3

ECONOMIC DIVERSIFICATION

FY2018
REVENUE BY STATE*



FY2018
REVENUE BY PRODUCT GROUP*



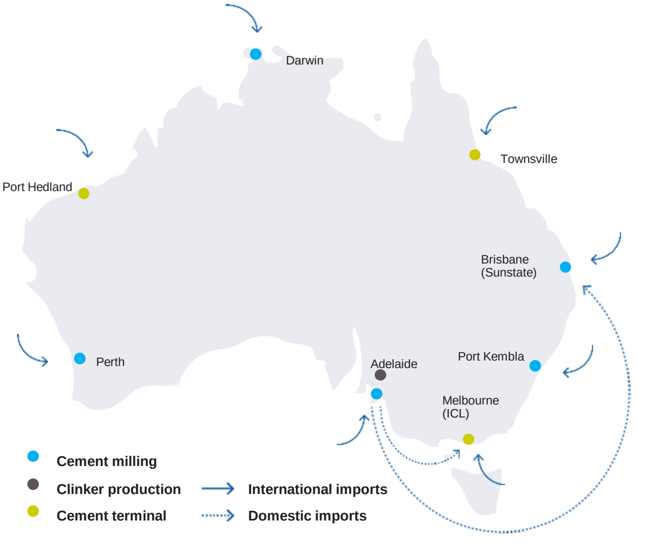
*Percentage of FY18 segment revenue of $1,610m

APPENDIX 4

CEMENT PRODUCTION , IMPORT AND DISTRIBUTION

In 2018 Adelaide Brighton's

- **Imports of cementitious materials totalled 2.7 million tonnes**
- **Sales of cementitious materials totalled 4.0 million tonnes**



APPENDIX 5

REPORTED PROFIT

6 MONTHS ENDED 30 JUNE	2019 ($M)	2018 ($M)	CHANGE PCP (%)
Revenue	755.7	806.3	(6.3)
Earnings before depreciation, amortisation, impairment, interest and tax	128.3	166.2	(22.8)
Depreciation, amortisation and impairment	(143.9)	(43.7)	229.3
Earnings / (loss) before interest and tax	(15.6)	122.5	(112.7)
Profit / (loss) before tax	(24.8)	115.8	(121.4)
Tax (expense) / credit	6.9	(31.3)	(122.0)
Net profit / (loss) attributable to members	(17.9)	84.5	(121.2)
Basic earnings / (loss) per share (cents)	(2.7)	13.0	(120.8)

› Reported net loss after tax of $17.9 million, down 121.2%

› Significant items of $73.2 million, including an impairment charge of $69.9 million after tax

› Underlying NPAT of $55.3 million

APPENDIX 6

FINANCE EXPENSE

6 MONTHS ENDED 30 JUNE	2019 ($M)	2018 ($M)
Interest charges	8.6	7.7
Unwind of discount on leases	1.5	-
Unwinding of the discount on restoration provisions and retirement benefit obligation	0.5	0.5
Interest capitalised in respect of qualifying assets	(0.4)	(0.6)
Total finance expense	10.2	7.6
Interest income	(1.0)	(0.9)
Net finance expense	9.2	6.7
Interest cover (underlying EBIT times)[1]	9.3	18.4

› Net finance expense increased by $2.5 million to $9.2 million

› Interest costs increased due to:

- Higher average net debt
- Interest expense on leases following application of AASB16

1 EBIT for interest cover excludes significant items

APPENDIX 7

WORKING CAPITAL

	JUNE 2019 ($M)	DECEMBER 2018 ($M)	VARIANCE (%)
Trade and other receivables (including JV's)	240.7	224.8	7.1
Inventories: Cement and Lime	101.1	103.2	(2.0)
Concrete and Aggregates	26.7	29.2	(8.6)
Concrete Products	31.9	44.0	(27.5)
Total inventory	159.7	176.4	(9.5)
	JUNE 2019 ($M)	**JUNE 2018 ($M)**	**VARIANCE (%)**
Bad debt expense	0.6	0.6	-

- Trade receivables increase – $40 million of debtors received early July
- Inventory lower due to impairment charge of $24.5 million

APPENDIX 8

ADELAIDE BRIGHTON BRANDS

Concrete and Aggregates	Cement and Lime	Concrete Products
HY-TEC, Central, Penrice Quarry & Mineral, Direct Mix Concrete, Resourceco Concrete, Davalan Concrete, Southern Quarries, Peninsula Quarries	Adelaide Brighton Cement Ltd, Cockburn Cement, MCI, Northern Cement, Swan Cement	adbri MASONRY
Joint ventures	**Joint ventures**	**Joint ventures**
Mawsons, batesford quarry	Sunstate Cement Ltd., aalborgportland, Independent Cement and Lime Pty. Ltd	Burrell Mining Services

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