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25 February 2016

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

Dear Sir/Madam

Adelaide Brighton full year report to December 2015 - presentation

We attach copy of slides being shown by Martin Brydon, Managing Director and Chief Executive Officer of Adelaide Brighton Ltd, during briefings for analysis on the Company's financial result for the full year ended December 2015.

Yours faithfully

MRD Clayton
Company Secretary

For further information please contact:
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Group Corporate Affairs Adviser
Telephone 0418 535 636
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Adelaide Brighton Limited

Results Presentation

For the full year ended 31 December 2015

25 February 2016

Adelaide Brighton Limited

Agenda

Results overview: Martin Brydon, Managing Director and CEO

Financial results: Michael Kelly, CFO

Strategy and outlook: Martin Brydon, Managing Director and CEO

Full year 2015 performance highlights

Revenue	Underlying EBIT[1]	Underlying NPAT[1] attributable to members
$1,413.1m ▲ 5.6%	$300.3m ▲ 22.5%	$209.2m ▲ 25.6%
2014: $1,337.8m	2014: $245.2m	2014: $166.5m

Basic EPS	Final ordinary dividend	Final special dividend
32.0c ▲ 19.0%	11.0c ▲ 15.8%	4.0c ▲
2014: 26.9c	2014: 9.5c	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 27

2015 full year result

- Healthy residential construction activity and acquisitions lifted revenue
- Excluding property, EBIT supported by acquisitions, volume growth, price increases and cost reduction
- Our core businesses are all performing well with operational improvement a driver
- Acquisitions delivering in line with expectations
- Strong cash flow and reduced gearing to 24.6%
- Fully franked dividends 27.0 cents for the year
- Positive outlook supported by market demand, cost initiatives and further property sales
- Continue to assess opportunities for implementing the strategy
- Financial stability, flexibility and prudent capital management remain key

Demand overview – 2015

NSW
Demand strong
- Strength in residential
- Infrastructure projects

VIC
Improved demand
- Led by multi-residential

WA
Stable market
- Residential subdued
- Project volumes declined
- Lime sales increased

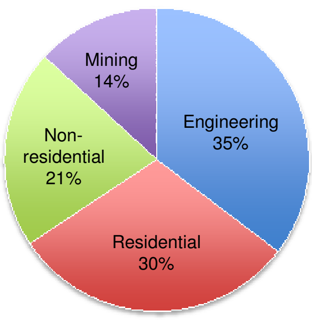
South East QLD
Improving market
- Supported by residential
- Favourable geographic mix; Gold Coast and Sunshine Coast

SA
Stable – bottom of cycle
- Residential stable
- Decline in sales to mining operations
- Infrastructure projects commenced early 2016

NT
Demand weaker
- Declining cement sales to resource projects
- Lime sales recovered to large customer

Diversified business

2015 Revenue by market



Australian industry position

#1
- Lime producer in the minerals processing industry
- Concrete products producer
- Cement and clinker importer with unmatched channels to market

#2
- Cement and clinker supplier to the Australian construction industry

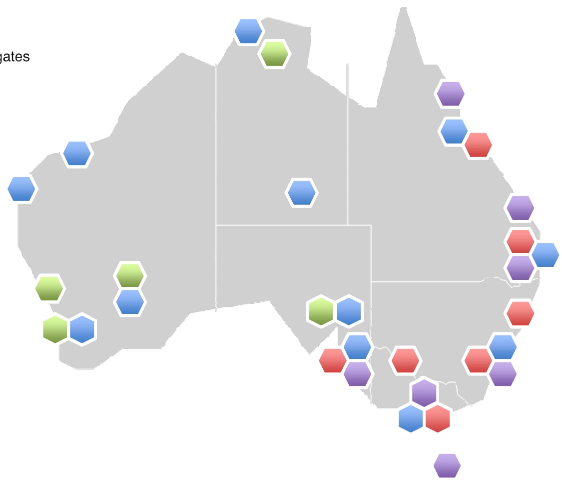
#4
- Concrete and aggregates producer

Adelaide Brighton Limited

Divisional review

Adelaide Brighton operations

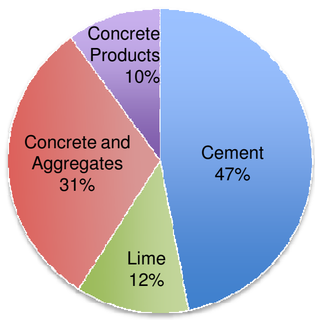
- Cement
- Lime
- Concrete and Aggregates
- Concrete Products



2015 Revenue by state

WA	25%
NSW	18%
VIC	19%
SA	15%
QLD	17%
Other	6%

2015 Revenue by product group[1]



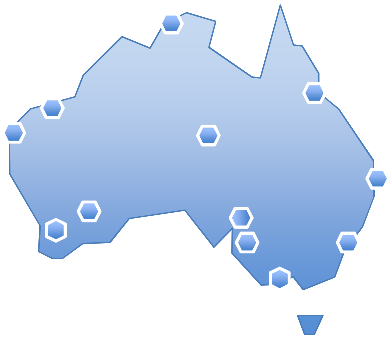
1 Percentage of 2015 revenue of $1,413.1 million

Cement

- Cement and clinker volumes increased on strong demand across NSW, Victoria and Queensland
- Price increases in majority of markets but changing sales mix constrained revenue and margin
- Excluding property, margins increased slightly helped by sales volumes; improved Birkenhead production; Munster clinker rationalisation and other cost initiatives
- Imports exceeded 2.1 million tonnes in 2015
- Munster rationalisation met 2015 target of a further $5 million pre-tax savings, taking overall saving to $10 million

2015 Revenue

47%



Lime

- Lime profit supported by resumption of sales to major customer in NT and improved demand from gold sector
- Lime sales volumes grew 2.3% in 2015
- Average selling prices increased at CPI
- Small scale lime imports continue, but softening currency increases cost of imports
- Short term energy cost rise of $3.5 million from coal but otherwise operations performed well

2015 Revenue

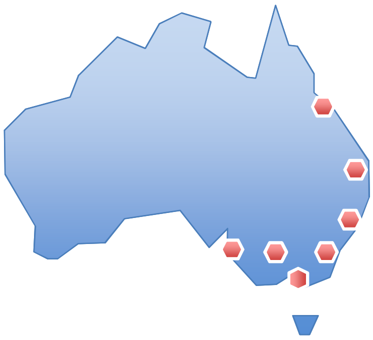
12%

Concrete and Aggregates

- Improved demand across all markets supported by residential construction and commercial projects
- Average selling prices for concrete up by more than CPI while aggregate selling prices improved significantly more than CPI
- Earnings from 2014 acquisitions in SA and north QLD are in line with expectations
- SA concrete volumes have been slightly lower than anticipated, however aggregates prices are better
- Acquisition synergies delivered on an accelerated program with $4.4 million achieved in 2015, in line with plan
- Synergies in overheads, systems, logistics, procurement and marketing

2015 Revenue

31%



Concrete Products

- Adbri Masonry revenue up 7.6% and full year EBIT up 75% to $11.4 million
- Second half EBIT $8.2 million
- Strong demand from residential and commercial construction
- Prices increased ahead of CPI
- Business improvement program – rationalisation of production facilities and restructuring assisted earnings as demand improved

2015 Revenue

10%

Joint arrangements

ICL (50%)

Cement distribution

- Lower contribution due to higher input costs
- Better second half performance with volumes and prices rising and costs down
- Victorian demand improved and high level of demand maintained in New South Wales

Sunstate Cement (50%)

Cement milling and distribution

- Stronger demand, however reduced sales to shareholders
- Price increases assisted but markets remain competitive

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 marginally from strong 2014 levels due to a slowdown in major projects, weaker residential and competitive pressures across markets

Safety performance

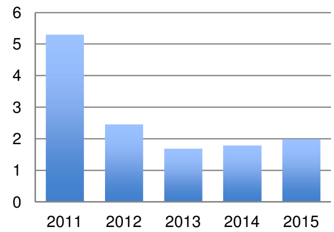
'Safety Leaders – Everyone, Everyday'

"We choose the safe option all the time and through this, will inspire others to do the same. It is through actions that we can influence others.

"It is both what you do, and what you don't do on site that shows others what you think is acceptable."
Martin Brydon, Managing Director and CEO

- We are striving to be an industry leader in safety performance, indicated by our LTIFR of 2.0 in 2015
- More than 98%[2] of our workforce agree everyone is responsible for safety
- More than 88%[2] of our workforce feel free to discuss work hazards and safety issues freely

LTIFR[1]



1 Lost time injury frequency rate (per million hours worked). Figures are total ABL numbers and cover employees and contractors.

2 2015 Employee Survey

Adelaide Brighton Limited

Financial results

Michael Kelly
Chief Financial Officer

Financial summary – underlying basis[1]

12 months ended 31 December	2015 $m	2014 $m	Change pcp %
Revenue	**1,413.1**	**1,337.8**	**5.6**
Underlying depreciation and amortisation	(77.8)	(73.0)	6.6
Underlying earnings before interest and tax	**300.3**	**245.2**	**22.5**
Net finance cost	(13.0)	(15.0)	(13.3)
Underlying profit before tax	**287.3**	**230.2**	**24.8**
Underlying tax expense	(78.2)	(63.8)	22.6
Underlying net profit after tax	**209.1**	**166.4**	**25.7**
Non-controlling interests	0.1	0.1	–
Underlying net profit attributable to members	**209.2**	**166.5**	**25.6**
Underlying basic earnings per share (cents)	32.3	26.0	24.2

- Underlying NPAT up 25.7% to $209.1 million
- 5.6% growth in revenue; underlying EBIT and NPAT up strongly
- Finance costs down on lower rates and reduced debt
- Excluding property, underlying EBIT up 4.5% to $255.3 million on 18.1% margin
- Effective underlying tax rate 27.2%, down from 27.7%
- Lower tax rate on property profits

1 Underlying results have been adjusted for significant items.
An explanation of the adjustments and EBIT reconciliation to statutory results is provided on slide 27

Underlying EBIT margins

Key drivers	Impact on EBIT margin %
Property $45.0 million PBT; 3.2 ppts improvement in EBIT margin	↑
Cement and clinker volumes increased	↑
Cement and clinker costs – Operational performance offset by forex	↑
Average cement sales price – due to geographical sales mix	↓
Lime – temporary impact of higher coal costs	↓
JV's equity accounted contribution down $1.8 million	↓
Concrete and Aggregates - volume and selling prices increased	↑
Concrete Products – volume, prices, improved efficiency	↑

- Underlying EBIT margin improved to 21.3% (18.3% 2014)
- Excluding property, underlying EBIT margin 18.1% (18.3% 2014)
- EBIT margins remain healthy despite the impact of a number of negatives in the year
- Diversified revenue and earnings base has supported shareholder returns

Cash flow

12 months ended 31 December	2015 $m	2014 $m
Net profit before tax	285.6	232.5
Depreciation, amortisation & impairment	77.8	75.0
Income tax	(54.3)	(72.9)
Change in working capital	(29.2)	(12.8)
Gain on fair value accounting	(0.2)	(17.8)
Net gain on sale of assets	(45.9)	(1.2)
Other	(3.9)	(8.8)
Operating cash flow	229.9	194.0
Stay in business capex	(46.3)	(41.6)
Asset sales	50.8	13.6
Development capex	(34.5)	(174.3)
Dividends	(139.5)	(100.1)
Other	2.5	6.8
Net cash flow	62.9	(101.6)

- Strong cash flow:
  - Lower tax payments
  - Increased working capital
  - Property sale proceeds
  - Stay in business capex at 60% of depreciation
  - Reduced development capex
  - Increased dividends

Borrowings and gearing

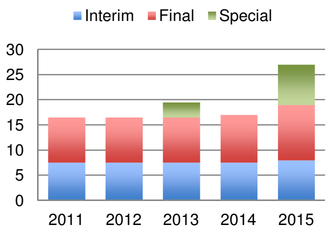
12 months ended 31 December		2015 $m	2014 $m
Net debt	$m	297.2	359.7
Net finance expense	$m	13.0	15.0
Gearing – net debt/equity	%	24.6	31.6
Net debt/EBITDA[1]	Multiple	0.8	1.1
Net tangible assets/share	Cents	144	134
Return on funds employed[2]	%	19.9	17.5

- Net debt decreased on strong cash flows
- Lower average debt and benefit from low market interest rates reduced interest $2.0 million to $13.0 million
- Gearing declined to 24.6%, which is below the lower end of the target range of 25%–45%
- Net debt / EBITDA declined to 0.8 times
- Balance sheet strength and flexibility and healthy shareholder returns

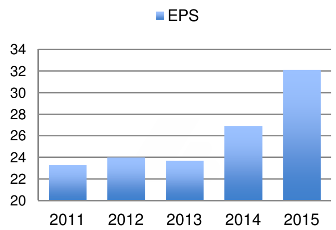
1 Net debt at 31 December 2015/EBITDA for 12 months to 31 December 2015
2 Return on funds employed = underlying EBIT/average monthly funds employed

Shareholder returns

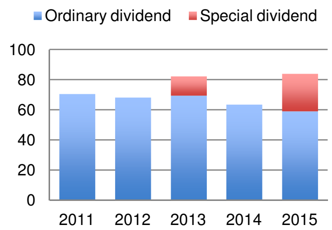
Dividend (cents)



EPS (cents)



Payout ratio %



- Final ordinary dividend up 1.5 cents to 11.0 cents (fully franked)
- Final special of 4.0 cents
- Total dividends 27.0 cents (fully franked)

- Basic EPS 32.0 cents, underlying EPS 32.3 cents

- Target payout remains 65% - 75% of basic EPS

Adelaide Brighton Limited

Strategy and outlook

Martin Brydon
Managing Director and CEO

Consistent long term strategy

Strategy has delivered strong shareholder returns

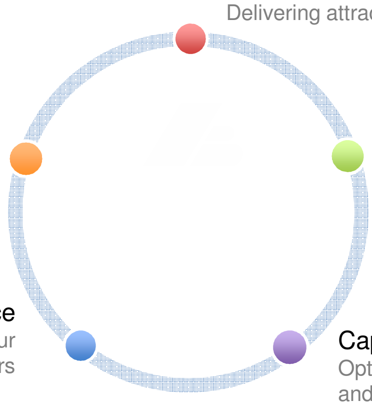
1	Cost reduction and improvement across the business	• Corporate restructure • Rationalisation of inefficient production • Import strategy
2	Grow the lime business to supply the resources sector	• Environmental and capacity upgrades • Lowest cost producer • Long term customer contracts
3	Focused and relevant vertical integration	• Acquisition synergies achieved • Aggregates focus to underpin returns

Building shareholder value

Drivers of business and shareholder value

Financial performance
Delivering attractive return on capital

Risk management
Balance sheet and operational risks



Market leadership
Maximise operating efficiencies

Governance and social licence
Licence to operate for our shareholders and stakeholders

Capital management
Optimise utilisation of capital and returns

Outlook

- Sales volume of cement, clinker and lime expected to be slightly higher in 2016
- Price increases anticipated in cement, clinker, aggregates, concrete, concrete products and lime
- Price increases supported by improving industry utilisation and weaker A$
- Import costs are expected to increase by approximately $8 million; hedged to November 2016
- Gas costs are expected to decrease overall
- Efficiency improvements remain a priority
- Property proceeds of $30 million to $40 million anticipated over the next two years and in excess of $140 million over next decade
- As always, we will look to participate in industry consolidation where it adds value
- We seek to ensure the balance sheet is efficiently utilised while retaining the flexibility to fund long term growth
- Prudent capital management remains an important part of this approach

Adelaide Brighton Limited

Supplementary information

Financial summary – statutory basis

12 months ended 31 December	2015 $m	2014 $m	Change pcp %
Revenue	**1,413.1**	**1,337.8**	**5.6**
Depreciation, amortisation and impairments	(77.8)	(75.0)	3.7
Earnings before interest and tax (EBIT)	**298.6**	**247.5**	**20.6**
Net finance cost	(13.0)	(15.0)	(13.3)
Profit before tax	**285.6**	**232.5**	**22.8**
Tax expense	(77.8)	(59.9)	29.9
Net profit after tax	**207.8**	**172.6**	**20.4**
Non-controlling interests	0.1	0.1	–
Net profit attributable to members	**207.9**	**172.7**	**20.4**
Basic earnings per share (cents)	32.0	26.9	19.0
Final ordinary dividend – fully franked (cents)	11.0	9.5	15.8
Final special dividend – fully franked (cents)	4.0	–	
Net debt ($ millions)	297.2	359.7	
Gearing (%)	24.6%	31.6%	

- Statutory NPAT up 20.4% to $207.9 million
- Statutory EBIT up 20.6% supported by property profits
- Tax expense up strongly due to significant items last year
- Final ordinary dividend 11.0 cents and final special dividend 4.0 cents
- Total dividends for year 27.0 cents per share, 84% payout
- Net debt $297.2 million and gearing of 24.6%

Underlying earnings reconciliation

12 months ended 31 December	2015 $m	2014 $m
Statutory EBIT	**298.6**	**247.5**
Munster rationalisation of clinker production	–	7.6
Corporate restructuring	1.3	5.4
Acquisition expenses	0.6	6.2
Fair value gain on acquisition	(0.2)	(17.8)
Claim settlement	–	(3.7)
Underlying EBIT	**300.3**	**245.2**

Measure of profit that excludes significant items to highlight underlying performance

- Fewer significant items in 2015
- Property profits are considered part of normal activities and therefore excluded from significant items

Working capital

			December 2015	December 2014	Variance %
Trade and other receivables (including JV's)		$m	208.3	199.7	4.3
Days sales outstanding		Days	45.6	44.3	2.9
Inventories:	Cement and Lime	$m	97.9	89.5	9.4
	Concrete and Aggregates	$m	21.0	21.9	(4.1)
	Concrete Products	$m	42.5	43.0	1.2
Total inventory		$m	161.5	154.4	4.6

		2015	2014	Variance %
Bad debt expense	$m	0.7	2.2	(68.2)

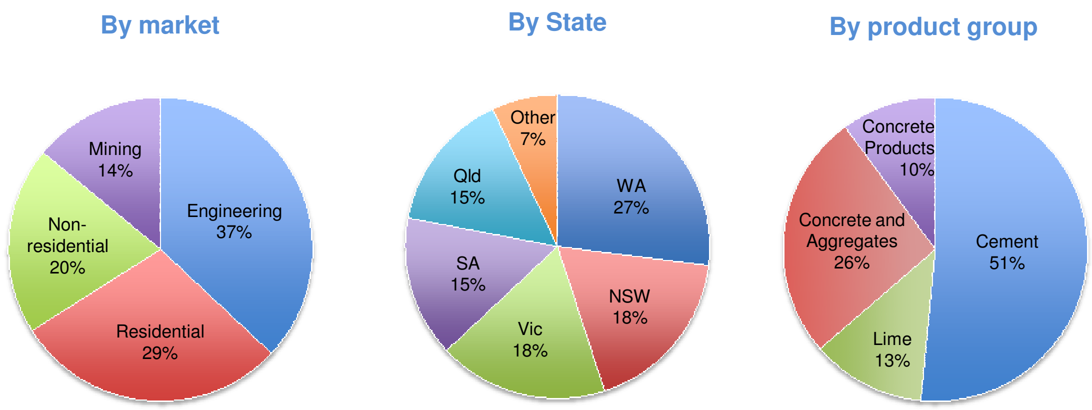
Free cash flow and net cash flow

12 months ended 31 December	2015 $m	2014 $m
Operating cash flow	229.9	194.0
Capital expenditure – stay in business	(46.3)	(41.6)
Proceeds of sale of assets	50.8	13.6
Free cash flow	234.4	166.0
Capital expenditure – acquisitions and investments	(6.5)	(155.5)
Capital expenditure – development	(28.0)	(18.8)
Joint Venture and other loans	(0.3)	(1.3)
Dividends paid – Company's shareholders	(139.5)	(100.1)
Proceeds on issue of shares	2.8	8.1
Net cash flow	62.9	(101.6)

Finance expense

12 months ended 31 December	2015 $m	2014 $m
Interest charged	14.5	16.2
Exchange (gains)/loss on foreign currency forward contracts	(0.2)	–
Unwinding of the discount on restoration provisions and retirement benefit obligation	0.9	1.2
Interest capitalised in respect of qualifying assets	(0.5)	(0.6)
Total finance expense	14.7	16.8
Interest income	(1.7)	(1.8)
Net finance expense	13.0	15.0
Interest cover (EBIT times)	23.0	16.5

Revenue segments - 2014



NB: estimate of the end market

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