Results for announcement to the market

<table>
<thead>
<tr>
<th>Description</th>
<th>A$ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from ordinary activities</td>
<td>up 3.0% to 4,909.0</td>
</tr>
<tr>
<td>Profit from ordinary activities after tax attributable to members</td>
<td>down (17.7%) to 298.1</td>
</tr>
<tr>
<td>Net profit for the period attributable to members</td>
<td>down (17.7%) to 298.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dividends</th>
<th>Amount per security</th>
<th>Franked amount per security at 30% tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final - ordinary</td>
<td>17 cents</td>
<td>17 cents</td>
</tr>
<tr>
<td>Interim - ordinary</td>
<td>17 cents</td>
<td>17 cents</td>
</tr>
<tr>
<td>Previous corresponding period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final - ordinary</td>
<td>17 cents</td>
<td>17 cents</td>
</tr>
<tr>
<td>Interim - ordinary</td>
<td>17 cents</td>
<td>17 cents</td>
</tr>
</tbody>
</table>

Record date for determining entitlements to the final dividend: 29 August 2007
## Income Statement
### BORAL LIMITED AND CONTROLLED ENTITIES

**for the year ended 30 June**

<table>
<thead>
<tr>
<th>Note</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td>4,909.0</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(3,056.5)</td>
<td>(2,963.0)</td>
</tr>
<tr>
<td><strong>Distribution expenses</strong></td>
<td>(804.0)</td>
<td>(755.4)</td>
</tr>
<tr>
<td><strong>Selling and marketing expenses</strong></td>
<td>(217.0)</td>
<td>(209.5)</td>
</tr>
<tr>
<td><strong>Administrative and general expenses</strong></td>
<td>(342.5)</td>
<td>(325.1)</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>(4,420.0)</td>
<td>(4,253.0)</td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>9.6</td>
<td>14.2</td>
</tr>
<tr>
<td><strong>Other expenses</strong></td>
<td>(2.8)</td>
<td>(0.4)</td>
</tr>
<tr>
<td><strong>Share of net profit of associates and joint ventures attributable to members</strong></td>
<td>35.1</td>
<td>85.8</td>
</tr>
<tr>
<td><strong>Profit before net financing expense and income tax</strong></td>
<td>530.9</td>
<td>614.0</td>
</tr>
<tr>
<td><strong>Financial income</strong></td>
<td>6.3</td>
<td>4.2</td>
</tr>
<tr>
<td><strong>Financial expenses</strong></td>
<td>(116.8)</td>
<td>(102.4)</td>
</tr>
<tr>
<td><strong>Net financing expense</strong></td>
<td>(110.5)</td>
<td>(98.2)</td>
</tr>
<tr>
<td><strong>Profit before related income tax expense</strong></td>
<td>420.4</td>
<td>515.8</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>(122.3)</td>
<td>(153.1)</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>298.1</td>
<td>362.7</td>
</tr>
</tbody>
</table>

**Attributable to:**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Members of the parent entity</strong></td>
<td>298.1</td>
<td>362.4</td>
</tr>
<tr>
<td><strong>Minority interests</strong></td>
<td>-</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>298.1</td>
<td>362.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic earnings per share - ordinary shares</strong></td>
<td>50.0c</td>
<td>61.7c</td>
</tr>
<tr>
<td><strong>Diluted earnings per share - ordinary shares</strong></td>
<td>49.9c</td>
<td>61.5c</td>
</tr>
</tbody>
</table>

The income statement should be read in conjunction with the accompanying notes which form an integral part of the financial report.
# Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

## CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>35.7</td>
<td>76.2</td>
</tr>
<tr>
<td>Receivables</td>
<td>799.9</td>
<td>759.7</td>
</tr>
<tr>
<td>Inventories</td>
<td>584.0</td>
<td>528.5</td>
</tr>
<tr>
<td>Other</td>
<td>31.4</td>
<td>36.4</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td><strong>1,451.0</strong></td>
<td><strong>1,400.8</strong></td>
</tr>
</tbody>
</table>

## NON-CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td>37.5</td>
<td>28.2</td>
</tr>
<tr>
<td>Inventories</td>
<td>126.4</td>
<td>120.7</td>
</tr>
<tr>
<td>Investments accounted for using the equity method</td>
<td>388.8</td>
<td>418.4</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>8</td>
<td>399.3</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>2,989.6</td>
<td>2,908.1</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>340.3</td>
<td>352.9</td>
</tr>
<tr>
<td>Other</td>
<td>83.7</td>
<td>68.8</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td><strong>4,365.6</strong></td>
<td><strong>4,186.2</strong></td>
</tr>
</tbody>
</table>

## TOTAL ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>5,816.6</strong></td>
<td><strong>5,587.0</strong></td>
</tr>
</tbody>
</table>

## CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>619.3</td>
<td>608.8</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>25.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Current tax liabilities</td>
<td>81.3</td>
<td>63.5</td>
</tr>
<tr>
<td>Provisions</td>
<td>195.6</td>
<td>189.9</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td><strong>921.8</strong></td>
<td><strong>863.2</strong></td>
</tr>
</tbody>
</table>

## NON-CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>67.8</td>
<td>39.0</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>1,492.4</td>
<td>1,653.4</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>299.3</td>
<td>227.6</td>
</tr>
<tr>
<td>Provisions</td>
<td>48.0</td>
<td>48.8</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td><strong>1,907.5</strong></td>
<td><strong>1,968.8</strong></td>
</tr>
</tbody>
</table>

## TOTAL LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>2,829.3</strong></td>
<td><strong>2,832.0</strong></td>
</tr>
</tbody>
</table>

## NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET ASSETS</strong></td>
<td><strong>2,987.3</strong></td>
<td><strong>2,755.0</strong></td>
</tr>
</tbody>
</table>

## EQUITY

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>1,688.1</td>
<td>1,622.7</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>148.1</td>
<td>81.9</td>
</tr>
<tr>
<td><strong>Total parent entity interest</strong></td>
<td><strong>2,844.4</strong></td>
<td><strong>2,753.1</strong></td>
</tr>
<tr>
<td>Minority interests</td>
<td>2.9</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td><strong>2,987.3</strong></td>
<td><strong>2,755.0</strong></td>
</tr>
</tbody>
</table>

The balance sheet should be read in conjunction with the accompanying notes which form an integral part of the financial report.
# Statement of Recognised Income and Expense

**BORAL LIMITED AND CONTROLLED ENTITIES**

for the year ended 30 June

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ millions</td>
<td>$ millions</td>
</tr>
<tr>
<td>Actuarial gain on defined benefit plans, net of tax</td>
<td>3.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Translation of foreign operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net exchange differences taken to equity, net of tax</td>
<td>(22.4)</td>
<td>37.5</td>
</tr>
<tr>
<td>Fair value adjustment on cash flow hedges, net of tax</td>
<td>(0.1)</td>
<td>1.2</td>
</tr>
<tr>
<td>Fair value adjustment on available for sale financial assets, net of tax</td>
<td>83.8</td>
<td>52.1</td>
</tr>
<tr>
<td>Net income recognised directly in equity</td>
<td>64.8</td>
<td>94.4</td>
</tr>
<tr>
<td>Net profit</td>
<td>298.1</td>
<td>362.7</td>
</tr>
<tr>
<td><strong>Total recognised income and expense for the financial year</strong></td>
<td>362.9</td>
<td>457.1</td>
</tr>
</tbody>
</table>

**Total recognised income and expense for the financial year is attributable to:**

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members of the parent entity</td>
<td>362.9</td>
<td>456.8</td>
</tr>
<tr>
<td>Minority interests</td>
<td>-</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total recognised income and expense for the financial year</strong></td>
<td>362.9</td>
<td>457.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustment on adoption of AASB 132 and AASB 139, net of tax</td>
<td>-</td>
<td>20.5</td>
</tr>
</tbody>
</table>

The statement of recognised income and expense should be read in conjunction with the accompanying notes which form an integral part of the financial report.
# Cash Flow Statement

BORAL LIMITED AND CONTROLLED ENTITIES

for the year ended 30 June

<table>
<thead>
<tr>
<th>Note</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
</table>

## CASH FLOWS FROM OPERATING ACTIVITIES

- Receipts from customers: 5,277.4
- Payments to suppliers and employees: (4,642.5)
- Dividends received: 49.3
- Interest received: 6.3
- Borrowing costs paid: (114.9)
- Income taxes paid: (93.7)

**NET CASH PROVIDED BY OPERATING ACTIVITIES:** 481.9

## CASH FLOWS FROM INVESTING ACTIVITIES

- Payments for purchase of property, plant and equipment: (403.0)
- Payments for intangibles: (0.6)
- Payments for purchase of controlled entities and businesses (net of cash acquired): (11.2)
- Payments for purchase of other investments: (3.3)
- Loans to associates: (13.8)
- Proceeds on disposal of businesses and non-current assets: 19.5

**NET CASH USED IN INVESTING ACTIVITIES:** (412.4)

## CASH FLOWS FROM FINANCING ACTIVITIES

- Proceeds from issue of shares: 11.7
- Share buy-back (on market): -
- Dividends paid (net of dividends reinvested under the Dividend Reinvestment Plan of $53.7 million (2006: $61.9 million)): (148.2)
- Proceeds from borrowings: 149.5
- Repayment of borrowings: (139.6)

**NET CASH PROVIDED BY/(USED) IN FINANCING ACTIVITIES:** (126.6)

## NET CHANGE IN CASH AND CASH EQUIVALENTS

- Cash and cash equivalents at beginning of the year: 76.2
- Effects of exchange rate fluctuations on the balances of cash held in foreign currencies: (7.7)
- Cash and cash equivalents at end of the year: 13

The cash flow statement should be read in conjunction with the accompanying notes which form an integral part of the financial report.
Notes to the Financial Report
BORAL LIMITED AND CONTROLLED ENTITIES

1. BASIS OF PREPARATION OF PRELIMINARY FINAL REPORT

This report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (A-IFRS) and other mandatory professional reporting requirements for the purpose of fulfilling the Group's obligation under Australian Stock Exchange (ASX) listing rules. The report is presented in Australian dollars.

The accounting policies have been applied consistently to all periods presented in the consolidated financial report. The financial report has been prepared on the basis of historical cost, except for derivative financial instruments and financial instruments classified as available for sale which have been measured at fair value. The carrying value of recognised assets and liabilities that are hedged with fair value hedges are adjusted to record changes in the fair value attributable to the risks that are being hedged.

A full description of the accounting policies adopted by the Group may be found in the consolidated entity's full financial report.
## 2. SEGMENTS

### BUSINESS SEGMENTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ millions</td>
<td>$ millions</td>
<td>$ millions</td>
<td>$ millions</td>
<td>$ millions</td>
<td>$ millions</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>4,909.0</td>
<td>4,767.4</td>
<td>4,909.0</td>
<td>4,767.4</td>
<td>4,909.0</td>
<td>4,767.4</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(excluding associates)</td>
<td>90.1</td>
<td>107.4</td>
<td>9.1</td>
<td>10.2</td>
<td>99.2</td>
<td>117.6</td>
</tr>
<tr>
<td><strong>Equity accounted results of associates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>351.1</td>
<td>356.6</td>
<td>35.1</td>
<td>85.8</td>
<td>543.2</td>
<td>622.4</td>
</tr>
<tr>
<td><strong>Operating profit before tax</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate</td>
<td>495.8</td>
<td>528.2</td>
<td>35.1</td>
<td>85.8</td>
<td>530.9</td>
<td>614.0</td>
</tr>
<tr>
<td></td>
<td>(110.5)</td>
<td>(98.2)</td>
<td>(110.5)</td>
<td>(98.2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net financing expense</strong></td>
<td>385.3</td>
<td>430.0</td>
<td>35.1</td>
<td>85.8</td>
<td>420.4</td>
<td>515.8</td>
</tr>
<tr>
<td><strong>Segment assets (excluding investments in associates)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building products - Australia</td>
<td>1,335.0</td>
<td>1,211.1</td>
<td>10.1</td>
<td>12.1</td>
<td>1,345.1</td>
<td>1,223.2</td>
</tr>
<tr>
<td>Construction materials - Australia</td>
<td>2,680.3</td>
<td>2,588.5</td>
<td>17.4</td>
<td>23.8</td>
<td>2,697.7</td>
<td>2,612.3</td>
</tr>
<tr>
<td>United States of America</td>
<td>807.4</td>
<td>841.9</td>
<td>110.9</td>
<td>130.7</td>
<td>918.3</td>
<td>972.6</td>
</tr>
<tr>
<td>Asia</td>
<td>154.2</td>
<td>151.5</td>
<td>250.4</td>
<td>251.8</td>
<td>404.6</td>
<td>403.3</td>
</tr>
<tr>
<td>Other</td>
<td>398.4</td>
<td>279.7</td>
<td>-</td>
<td>-</td>
<td>398.4</td>
<td>279.7</td>
</tr>
<tr>
<td>Corporate</td>
<td>5,375.3</td>
<td>5,072.7</td>
<td>388.8</td>
<td>418.4</td>
<td>5,764.1</td>
<td>5,491.1</td>
</tr>
<tr>
<td></td>
<td>16.8</td>
<td>19.7</td>
<td>-</td>
<td>-</td>
<td>16.8</td>
<td>19.7</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5,392.1</td>
<td>5,092.4</td>
<td>388.8</td>
<td>418.4</td>
<td>5,780.9</td>
<td>5,510.8</td>
</tr>
<tr>
<td></td>
<td>35.7</td>
<td>76.2</td>
<td>-</td>
<td>-</td>
<td>35.7</td>
<td>76.2</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>5,427.8</td>
<td>5,168.6</td>
<td>388.8</td>
<td>418.4</td>
<td>5,816.6</td>
<td>5,587.0</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>Acquisition of segment assets **</th>
<th>Depreciation and amortisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building products - Australia</td>
<td>231.3</td>
<td>51.9</td>
</tr>
<tr>
<td>Construction materials - Australia</td>
<td>426.8</td>
<td>135.9</td>
</tr>
<tr>
<td>United States of America</td>
<td>105.4</td>
<td>34.7</td>
</tr>
<tr>
<td>Asia</td>
<td>28.6</td>
<td>8.4</td>
</tr>
<tr>
<td>Other</td>
<td>1.0</td>
<td>7.0</td>
</tr>
<tr>
<td>Corporate</td>
<td>793.1</td>
<td>230.9</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>930.7</td>
<td>231.4</td>
</tr>
<tr>
<td>Tax liabilities</td>
<td>1,518.0</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>380.6</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>2,829.3</td>
<td>231.4</td>
</tr>
</tbody>
</table>

* Revenue represents external sales from operating activities. It excludes intersegment sales as they are considered not material.

** Acquisition of segment assets excludes purchases of controlled entities, businesses and other investments.

No significant non-cash expenses other than depreciation and amortisation.

### Primary segments

- **Building products - Australia**: Bricks, plasterboard, timber products, roof tiles, aluminium products and concrete products.
- **Construction materials - Australia**: Quarries, road surfacing, premix concrete, precast concrete, flyash, cement, quarry end use, transport, concrete placing and scaffolding.
- **United States of America**: Bricks, roof tiles, flyash, premix concrete, quarries and masonry.
- **Asia**: Plasterboard, premix concrete and quarries.
- **Other**: Investments in listed shares and non-trading operations.
### Notes to the Financial Report

**BORAL LIMITED AND CONTROLLED ENTITIES**

#### 2. SEGMENTS (CONTINUED)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>3,824.1</td>
<td>3,623.0</td>
<td>284.6</td>
<td>365.1</td>
<td>284.6</td>
<td>365.1</td>
</tr>
<tr>
<td>United States of America</td>
<td>882.5</td>
<td>956.5</td>
<td>96.2</td>
<td>96.7</td>
<td>96.2</td>
<td>96.7</td>
</tr>
<tr>
<td>Asia</td>
<td>182.5</td>
<td>176.6</td>
<td>22.1</td>
<td>20.0</td>
<td>22.1</td>
<td>20.0</td>
</tr>
<tr>
<td>Other</td>
<td>19.9</td>
<td>11.3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,909.0</td>
<td>4,767.4</td>
<td>402.9</td>
<td>481.8</td>
<td>403.6</td>
<td>483.7</td>
</tr>
</tbody>
</table>

**Revenue**

- **Australia**
  - 2007: 3,824.1
  - 2006: 3,623.0
- **United States of America**
  - 2007: 882.5
  - 2006: 956.5
- **Asia**
  - 2007: 182.5
  - 2006: 176.6
- **Other**
  - 2007: 19.9
  - 2006: 11.3

**Operating profit before tax**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>391.2</td>
<td>375.2</td>
<td>26.0</td>
<td>28.4</td>
<td>417.2</td>
<td>403.6</td>
</tr>
<tr>
<td>United States of America</td>
<td>101.5</td>
<td>148.0</td>
<td>(7.0)</td>
<td>37.7</td>
<td>94.5</td>
<td>185.7</td>
</tr>
<tr>
<td>Asia</td>
<td>(4.0)</td>
<td>2.9</td>
<td>16.1</td>
<td>19.7</td>
<td>12.1</td>
<td>22.6</td>
</tr>
<tr>
<td>Other</td>
<td>19.4</td>
<td>10.5</td>
<td>-</td>
<td>-</td>
<td>19.4</td>
<td>10.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>508.1</td>
<td>536.6</td>
<td>35.1</td>
<td>85.8</td>
<td>543.2</td>
<td>622.4</td>
</tr>
</tbody>
</table>

**Net financing expense**

- 2007: 508.1
- 2006: 536.6

**Total assets**

- 2007: 5,375.3
- 2006: 5,072.7

*Revenue represents external sales from operating activities. It excludes intersegment sales as they are considered not material.*

**Acquisition of segment assets excludes purchases of controlled entities, businesses and other investments.**

### Geographic segments

**Australia**
- Bricks, plasterboard, timber products, roof tiles, aluminium products, concrete products, quarries, road surfacing, premix concrete, precast concrete, flyash, cement, quarry end use, transport, concrete placing and scaffolding.

**United States of America**
- Bricks, roof tiles, flyash, premix concrete, quarries and masonry.

**Asia**
- Plasterboard, premix concrete and quarries.

**Other**
- Investments in listed shares and non-trading operations.
### 3. OPERATING PROFIT

#### REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of goods</td>
<td>4,808.8</td>
<td>4,647.6</td>
</tr>
<tr>
<td>Rendering of services</td>
<td>80.3</td>
<td>108.5</td>
</tr>
<tr>
<td></td>
<td><strong>4,889.1</strong></td>
<td><strong>4,756.1</strong></td>
</tr>
</tbody>
</table>

#### OTHER REVENUES

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends from other parties</td>
<td>19.9</td>
<td>11.3</td>
</tr>
<tr>
<td></td>
<td><strong>4,909.0</strong></td>
<td><strong>4,767.4</strong></td>
</tr>
</tbody>
</table>

#### DEPRECIATION AND AMORTISATION EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>9.2</td>
<td>8.4</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>211.9</td>
<td>197.8</td>
</tr>
<tr>
<td>Timber licences, plantation costs and mineral reserves</td>
<td>1.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Leased assets capitalised</td>
<td>0.3</td>
<td>0.4</td>
</tr>
<tr>
<td>Other intangibles</td>
<td>8.8</td>
<td>0.6</td>
</tr>
<tr>
<td></td>
<td><strong>231.4</strong></td>
<td><strong>208.6</strong></td>
</tr>
</tbody>
</table>

### 4. EARNINGS PER SHARE

#### Classification of securities as ordinary shares

Only ordinary shares have been included in basic earnings per share ("EPS").

#### Classification of securities as potential ordinary shares

Options outstanding under the Executive Share Option Plan and Share Performance Rights have been classified as potential ordinary shares and are included in diluted earnings per share only.

#### Earnings reconciliation

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit attributable to members of the parent entity</td>
<td><strong>298.1</strong></td>
<td><strong>362.4</strong></td>
</tr>
</tbody>
</table>

#### Weighted average number of ordinary shares used as the denominator

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number for basic earnings per share</td>
<td><strong>595,749,107</strong></td>
<td><strong>587,114,891</strong></td>
</tr>
<tr>
<td>Effect of potential ordinary shares</td>
<td><strong>1,961,823</strong></td>
<td><strong>1,995,183</strong></td>
</tr>
<tr>
<td><strong>Number for diluted earnings per share</strong></td>
<td><strong>597,710,930</strong></td>
<td><strong>589,110,074</strong></td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings per share - ordinary shares</td>
<td><strong>50.0c</strong></td>
<td><strong>61.7c</strong></td>
</tr>
<tr>
<td>Diluted earnings per share - ordinary shares</td>
<td><strong>49.9c</strong></td>
<td><strong>61.5c</strong></td>
</tr>
</tbody>
</table>
Notes to the Financial Report
BORAL LIMITED AND CONTROLLED ENTITIES

5. DIVIDENDS

Dividends recognised by Boral Limited and the consolidated entity are:

<table>
<thead>
<tr>
<th></th>
<th>Amount per share</th>
<th>Total amount $ millions</th>
<th>Franked amount per share</th>
<th>Date of payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006 final - ordinary</td>
<td>17.0 cents</td>
<td>100.4</td>
<td>17.0 cents</td>
<td>18 September 2006</td>
</tr>
<tr>
<td>2007 interim - ordinary</td>
<td>17.0 cents</td>
<td>101.5</td>
<td>17.0 cents</td>
<td>21 March 2007</td>
</tr>
<tr>
<td>Total amount</td>
<td></td>
<td>201.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005 final - ordinary</td>
<td>17.0 cents</td>
<td>98.6</td>
<td>17.0 cents</td>
<td>16 September 2005</td>
</tr>
<tr>
<td>2006 interim - ordinary</td>
<td>17.0 cents</td>
<td>100.2</td>
<td>17.0 cents</td>
<td>20 March 2006</td>
</tr>
<tr>
<td>Total amount</td>
<td></td>
<td>198.8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Subsequent Event
Since the end of the financial year, the Directors declared the following dividend:

| 2007 final - ordinary | 17.0 cents | 101.9 | 17.0 cents | 18 September 2007 |

The financial effect of the final dividend for June 2007 has not been brought to account in the financial report for the year ended 30 June 2007 but will be recognised in subsequent financial reports.

Dividend Franking Account
The balance of the franking account of Boral Limited as at 30 June 2007 is $67.5 million (2006: $108.2 million) after adjusting for franking credits/(debits) that will arise from:
- the payment/refund of the amount of the current tax liability;
- the receipt of dividends recognised as receivables at year end;
and before taking into account the franking credits associated with payment of the final dividend declared subsequent to year end.

The impact on the franking account of the dividend recommended by the Directors since year end, but not recognised as a liability at year end, will be a reduction in the franking account of $43.7 million (2006: $43.0 million).

Dividend Reinvestment Plan
The Company's dividend reinvestment plan will operate in respect of the payment of the final dividend and the last date for the receipt of an election notice for participation in the plan is 29 August 2007.
Notes to the Financial Report
BORAL LIMITED AND CONTROLLED ENTITIES

6. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

<table>
<thead>
<tr>
<th>Name</th>
<th>Principal Activity</th>
<th>Country of Incorporation</th>
<th>Balance Date</th>
<th>Percentage 2007</th>
<th>Percentage 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caribbean Roof Tile Company Limited</td>
<td>Roof tiles</td>
<td>Trinidad</td>
<td>31-Dec</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Flyash Australia Pty Ltd</td>
<td>Flyash collection</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Girotto Precast Pty Ltd *</td>
<td>Precast concrete</td>
<td>Australia</td>
<td>30-Jun</td>
<td>-</td>
<td>50</td>
</tr>
<tr>
<td>Gypsum Resources Australia Pty Ltd</td>
<td>Gypsum mining</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Highland Pine Products Pty Ltd</td>
<td>Timber</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Lafarge Boral Gypsum in Asia Ltd</td>
<td>Plasterboard</td>
<td>Malaysia</td>
<td>31-Dec</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>MonierLifetile LLC</td>
<td>Roof tiles</td>
<td>USA</td>
<td>31-Dec</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>MonierLifetile S.R.L. de C.V.</td>
<td>Roof tiles</td>
<td>Mexico</td>
<td>31-Dec</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Penrith Lakes Development Corporation Pty Ltd</td>
<td>Quarrying</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Rondo Building Services Pty Ltd</td>
<td>Rollform system</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>South East Asphalt Pty Ltd</td>
<td>Asphalt</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Sunstate Cement Ltd</td>
<td>Cement manufacturer</td>
<td>Australia</td>
<td>30-Jun</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Tile Service Company LLC</td>
<td>Roof tiles</td>
<td>USA</td>
<td>31-Dec</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>US Tile LLC</td>
<td>Roof tiles</td>
<td>USA</td>
<td>31-Dec</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

* Girotto Precast Pty Ltd became a controlled entity during the period

RESULTS OF ASSOCIATES:

<table>
<thead>
<tr>
<th></th>
<th>Share of associates' profit before income tax expense</th>
<th>Share of associates' income tax expense</th>
<th>Share of associates' net profit - equity accounted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50.2</td>
<td>(15.1)</td>
<td>35.1</td>
</tr>
<tr>
<td></td>
<td>99.7</td>
<td>(13.9)</td>
<td>85.8</td>
</tr>
</tbody>
</table>

Results of associates include the following:

<table>
<thead>
<tr>
<th></th>
<th>Share of associates' net profit (/loss) - equity accounted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafarge Boral Gypsum in Asia Ltd</td>
<td>16.1</td>
</tr>
<tr>
<td>MonierLifetile LLC * and MonierLifetile S.R.L. de C.V.</td>
<td>(4.8)</td>
</tr>
</tbody>
</table>

* Taxed as a partnership in the USA

7. NTA BACKING

Net tangible asset backing per ordinary security

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$4.41</td>
<td>$4.07</td>
</tr>
</tbody>
</table>
Notes to the Financial Report
BORAL LIMITED AND CONTROLLED ENTITIES

8. OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>NON-CURRENT</th>
<th>2007 $ millions</th>
<th>2006 $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed shares - at fair value</td>
<td>395.7</td>
<td>276.0</td>
</tr>
<tr>
<td>Financial instruments</td>
<td>3.6</td>
<td>13.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>399.3</strong></td>
<td><strong>289.1</strong></td>
</tr>
</tbody>
</table>

9. ISSUED CAPITAL

ISSUED AND PAID-UP CAPITAL
599,407,033 (2006: 589,814,236) ordinary shares, fully paid

<table>
<thead>
<tr>
<th>MOVEMENTS IN ORDINARY SHARE CAPITAL</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of year</td>
<td>1,622.7</td>
<td>1,556.0</td>
</tr>
<tr>
<td>Nil (2006: 658,600) shares issued under the employee share plan</td>
<td>-</td>
<td>5.3</td>
</tr>
<tr>
<td>7,316,365 (2006: 8,233,548) shares issued under the dividend reinvestment plan</td>
<td>53.7</td>
<td>61.9</td>
</tr>
<tr>
<td>2,276,432 (2006: 4,045,500) shares issued upon the exercise of executive options</td>
<td>11.7</td>
<td>15.8</td>
</tr>
<tr>
<td>Nil (2006: 1,892,364) shares bought back</td>
<td>-</td>
<td>(16.3)</td>
</tr>
<tr>
<td><strong>Balance at the end of year</strong></td>
<td><strong>1,688.1</strong></td>
<td><strong>1,622.7</strong></td>
</tr>
</tbody>
</table>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders’ meetings.

In the event of a winding up of Boral Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

10. RETAINED EARNINGS

<table>
<thead>
<tr>
<th>Retained earnings at the beginning of year</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained earnings attributable to members of the parent entity</td>
<td>1,048.5</td>
<td>881.3</td>
</tr>
<tr>
<td>Net profit attributable to members of the parent entity</td>
<td>298.1</td>
<td>362.4</td>
</tr>
<tr>
<td>Dividend recognised during the year</td>
<td>(201.9)</td>
<td>(198.6)</td>
</tr>
<tr>
<td>Actuarial gain on defined benefit plans, net of tax</td>
<td>3.5</td>
<td>3.6</td>
</tr>
<tr>
<td><strong>Retained earnings at the end of year</strong></td>
<td><strong>1,148.2</strong></td>
<td><strong>1,048.5</strong></td>
</tr>
</tbody>
</table>
Notes to the Financial Report
BORAL LIMITED AND CONTROLLED ENTITIES

11. CONTINGENT LIABILITIES

Details of contingent liabilities and contingent assets where the probability of future payments/receipts is not considered remote are set out below.

Unsecured contingent liabilities:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank guarantees</td>
<td>16.6</td>
<td>8.3</td>
</tr>
<tr>
<td>Other items</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17.8</strong></td>
<td><strong>9.5</strong></td>
</tr>
</tbody>
</table>

Boral Limited has given to its bankers letters of responsibility in respect of accommodation provided from time to time by the banks to controlled entities.

A number of sites within the Boral Group have been identified as contaminated, generally as a result of prior activities conducted at the sites, and review and appropriate implementation of clean-up requirements for these is ongoing. For sites where the requirements can be assessed, estimated clean-up costs have been expensed or provided for. For some sites, the requirements cannot be reliably assessed at this stage.

Certain entities within the consolidated entity are subject to various lawsuits and claims in the ordinary course of business.

Consistent with other companies of the size and diversity of Boral, the Group is the subject of periodic information requests, investigations and audit activity by the Australian Taxation Office (ATO) and tax authorities in other jurisdictions in which Boral operates.

In the period February to March 2006 Australian subsidiaries of the Group received assessments and amended assessments from the ATO relating to the utilisation of tax losses and capital gains arising from the demerger in 2000. The amounts assessed include primary tax of $56.5 million, general interest charge of $37.4 million and penalties of $6.9 million. All assessments have been objected to and, to date, there has been no response from the ATO to those objections.

During the year, further enquiries were made by the ATO relating to a number of transactions occurring at the time of the demerger. In the US, the Internal Revenue Service is reviewing two transactions which it believes may result in additional assessable income to the Group. No assessments have been issued in relation to these matters and in both jurisdictions the Group is in continuing dialogue with the appropriate revenue authority.

A deed was entered into at the time of the demerger which contained certain indemnities and other agreements between the Group and Origin Energy Limited and their respective controlled entities covering the transfer of the businesses, investments, tax, other liabilities, debt and assets of the Group and some temporary shared arrangements. A wholly owned subsidiary of Origin has received an amended assessment from the ATO for the year ended 30 June 1999. The amounts assessed consist of $27.5 million of primary tax and a general interest charge of $15.8 million. This assessment has been objected to by Origin. If the ATO’s claims against Origin are ultimately successful it is likely to rely on indemnities contained in the demerger deed. Similarly, should claims against the Group be successful, this is likely to give rise to a claim by the Group against Origin.

The Group has considered these claims and, where appropriate, sought independent advice, and believes it holds appropriate provisions.
Notes to the Financial Report
BORAL LIMITED AND CONTROLLED ENTITIES

12. ACQUISITION/DISPOSAL OF CONTROLLED ENTITIES

The following controlled entity was acquired during the financial year ended 30 June 2007:

<table>
<thead>
<tr>
<th>Entity acquired:</th>
<th>Date acquired</th>
<th>Consideration paid $ millions</th>
<th>Interest acquired %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Girotto Precast Pty Ltd</td>
<td>Jul 2006</td>
<td>8.8</td>
<td>30%</td>
</tr>
</tbody>
</table>

13. NOTES TO CASH FLOW STATEMENT

(i) Reconciliation of cash and cash equivalents

Cash includes cash on hand, at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

- Cash and cash equivalents:
  - 35.7 $ millions
  - 76.2

- Bank overdrafts:
  - (24.3) $ millions
  - -

Consolidated:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ millions</td>
<td>$ millions</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>35.7</td>
<td>76.2</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>(24.3)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>11.4</td>
<td>76.2</td>
</tr>
</tbody>
</table>

(ii) The following non cash financing and investing activities have not been included in the cash flow statement:

- Dividends reinvested under the dividend reinvestment plan: 53.7 $ millions
  - 61.9

14. SUBSEQUENT EVENT

During August, the Group announced that it has acquired the assets of two construction materials businesses in Oklahoma City, Schwarz Readymix, a ready-mixed concrete and sand business and the Davis Arbuckle Materials quarry. The total acquisition price was US$80 million (around $95 million).
Commentary on the results for the period

The commentary on the results of the period is contained in the "Results Announcement for the year ended 30 June 2007 - Management Discussion and Analysis" dated 15 August 2007.

Annual General Meeting

The annual general meeting will be held as follows:

<table>
<thead>
<tr>
<th></th>
<th>City Recital Hall, Angel Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Place:</td>
<td></td>
</tr>
<tr>
<td>Date:</td>
<td>29 October 2007</td>
</tr>
<tr>
<td>Time:</td>
<td>10.30 am</td>
</tr>
<tr>
<td>Approximate date the annual report will be available:</td>
<td>28 September 2007</td>
</tr>
</tbody>
</table>

Compliance statement

1  The financial report is in the process of being audited.

2  The entity has a formally constituted audit committee.