Results
For the full year ended 30 June 2012

22 August 2012
Ross Batstone, Chief Executive Officer

FINANCIAL OVERVIEW

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>Cash from operations³</th>
<th>Revenue</th>
<th>Cash from operations³</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$5.01bn</td>
<td>$133m</td>
<td>$5.01bn</td>
<td>$133m</td>
</tr>
<tr>
<td></td>
<td>up 6%</td>
<td>down 62%</td>
<td>up 6%</td>
<td>down 62%</td>
</tr>
<tr>
<td>EBITDA¹</td>
<td>$473m</td>
<td></td>
<td>$473m</td>
<td></td>
</tr>
<tr>
<td></td>
<td>down 9%</td>
<td></td>
<td>down 9%</td>
<td></td>
</tr>
<tr>
<td>EBIT¹</td>
<td>$200m</td>
<td></td>
<td>$200m</td>
<td></td>
</tr>
<tr>
<td></td>
<td>down 28%</td>
<td></td>
<td>down 28%</td>
<td></td>
</tr>
<tr>
<td>Profit after tax¹</td>
<td>$101m</td>
<td></td>
<td>$101m</td>
<td></td>
</tr>
<tr>
<td></td>
<td>down 42%</td>
<td></td>
<td>down 42%</td>
<td></td>
</tr>
<tr>
<td>Net profit after tax²</td>
<td>$177m</td>
<td></td>
<td>$177m</td>
<td></td>
</tr>
<tr>
<td></td>
<td>up 5%</td>
<td></td>
<td>up 5%</td>
<td></td>
</tr>
<tr>
<td>Full year dividend</td>
<td></td>
<td></td>
<td>11.0c</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>down 24%</td>
<td></td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. Including significant items
3. Includes $91m of acquisition and restructuring costs paid
Results for the full year ended 30 June 2012

KEY EARNINGS DRIVERS
Lower volumes across Boral’s Australian businesses had a significant impact on margins

EBIT down $77m or 28% to $200m
- Volume declines in Australia reduced EBIT by ~$120m, with ~$80m from Building Products
- Prices up in most Australian businesses: products up ~2-3% (except cement, softwood & woodchips), concrete up 7%, quarries up 11%
- Net cost escalation includes:
  - operational inefficiencies from sustained rainfall
  - increased input costs
  - cost reductions from Building Products restructuring and closure of Galong lime plant
- Property EBIT contribution reduced by $16m
- Asia EBIT contribution increased by $24m, due to consolidation of earnings post Dec-11 and underlying earnings growth
- USA EBIT losses decreased by $15m
- Discontinued operations had a negative $7m EBIT impact

AUSTRALIAN AND US RESIDENTIAL ACTIVITY
Simultaneous downturns

New housing starts in Australia and USA¹
('000)

¹ Source: For Australia, original series quarterly starts from ABS. HIA estimate of 129k annualised used for 4Q FY2012.
For USA, original housing starts from US Census
AUSTRALIAN RESIDENTIAL MARKET ACTIVITY

Western Australia, South Australia and Victoria were particularly weak

Australian housing starts

1. Source: Original series quarterly starts from ABS. HIA estimate of 129k annualised used for 4Q FY2012

AUSTRALIAN MARKET ACTIVITY & EXTERNAL FACTORS

Non-residential activity declined while RHS&B activity increased

1. Source: Original series (constant 2009/10 prices) quarterly data from ABS. BIS forecast used for 4Q FY2012

Results for the full year ended 30 June 2012

Results for the full year ended 30 June 2012

1. Source: Original series (constant 2009/10 prices) quarterly data from ABS. BIS forecast used for 4Q FY2012
US RESIDENTIAL MARKET ACTIVITY

Housing starts up 20% from low base

In FY2012, total US housing starts up 20% to 685k, well below the long term average of 1.5m

US single dwelling starts up 11% to 475k from 428k in FY2011

US single dwellings starts in Boral’s Bricks States also up 11% compared to last year

OPERATIONAL OVERVIEW

Group EBIT down 28% to $200m

- Increased pricing
- Acquisitions integrated
- Property down $16m
- Loss of volumes in WA & SA
- Sustained rainfall

- BlueScope closure
- High A$ suppressing import parity pricing
- Sustained rainfall
- Shift to lower margin segments

- Significant volume declines
- Restructured business
- Production lower than sales volumes
- One-off plasterboard costs

- Acquisition/ integration complete
- Continued volume growth
- Solid underlying performance

- Market recovering from low base
- Acquisitions integrated
- Continued cost reductions

1. Excluding significant items
Results for the full year ended 30 June 2012
BORAL CONSTRUCTION MATERIALS
- Concrete, Quarries, Asphalt, Transport and Property
A resilient, well-positioned portfolio of businesses

Performance
• Revenue up 9% through part year contribution from acquisitions, enhanced pricing, and shift to major projects and regional flood recovery work in Qld & NSW
• Excluding Property, EBIT down $14m
• Volume decline mitigated by market shifts, although volumes down sharply in WA & SA
• Prices up 11% in quarries, 7% in concrete
• Costs impacted by higher costs of working in regional areas and wet weather

Priorities
• Margin improvement and cost reduction
  - LEAN improvements
  - Reducing fixed costs and working capital
  - Price discipline
  - Exiting underperforming assets
• Building low cost quarry positions

Results for the full year ended 30 June 2012
BORAL CEMENT
- Cement, Lime and Concrete Placing
Impacted by the high A$ and closure of BlueScope Steel’s Port Kembla mill

Performance
• Revenue down 3% on lower lime volumes, and lower concrete placing revenues, with cement pricing and volumes marginally down
• EBIT down 21% to $69m
• Volumes down with $10m impact from loss of lime sales to BlueScope
• Prices in cement constrained due to high A$ and reflects adverse sales mix
• Costs impacted by wet weather in 2HFY2012 and higher input costs
• Cost reduction includes $4m relating to closure of Galong

Priorities
• Leverage LEAN to achieve further improvements in efficiency
• Lower cost of domestic production
• Maximise utilisation of fixed assets
Results for the full year ended 30 June 2012

BORAL BUILDING PRODUCTS
- Australian Bricks, Roofing, Masonry (West), Plasterboard, Timber and Windows

Significantly impacted by the dramatic decline in housing activity in the second half

Performance
- Revenue down 15% driven by decline in residential construction, particularly in 2H
- $62m fall in EBIT with 2HFY12 EBIT loss
- Price increases ~2-3% in all products except softwood and woodchips
- Sales volumes 15% lower on average (25% over two years) with WA, Qld and SA particularly weak; production volumes lower
- Costs lowered through restructuring partially offset by cost increases and distribution costs during Port Melbourne upgrade

Priorities
- Improve operating efficiency from LEAN
- Maximise cost reductions and network improvements in plasterboard & windows
- Crystallise benefits from capacity rationalisations in FY2012 and align overheads with restructured business

### A$m FY2012 FY2011 Var, %

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,012</td>
<td>1,197</td>
<td>(15)</td>
</tr>
<tr>
<td>EBITDA1</td>
<td>71</td>
<td>132</td>
<td>(46)</td>
</tr>
<tr>
<td>EBIT1</td>
<td>20</td>
<td>81</td>
<td>(76)</td>
</tr>
<tr>
<td>EBIT ROS, %</td>
<td>1.6%</td>
<td>6.8%</td>
<td></td>
</tr>
</tbody>
</table>

1. Excluding significant items

### FY11 EBIT1

- Price
- Volume
- Cost escalation
- Cost reduction
- Other costs
- Other

### FY12 EBIT1

1. Excluding significant items

---

Results for the full year ended 30 June 2012

BORAL GYPSUM ASIA (BGA)
- Korea, Thailand, Indonesia, China, Vietnam, Malaysia/Singapore, India

Integrated business performing to expectations

Performance
- Revenue of $304m is consolidated revenue since 9 Dec-11, when acquisition of Lafarge’s 50% interest in LBGA was completed
- Revenue benefited from 9% volume growth across the region
- Integration of business complete
- EBIT increase reflects shift from equity accounting to full ownership contribution and underlying earnings growth

Priorities
- Maximise potential of 100% ownership
- Implement LEAN improvement plan to maximise productivity
- Leverage capacity expansions

### A$m FY2012 FY2011 2 Var, %

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>304</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBITDA1</td>
<td>52</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>EBIT1</td>
<td>41</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>EBIT ROS, %</td>
<td>13.5%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. FY2011 represented as equity accounted after tax result
3. United Arab Emirates not shown on map
Results for the full year ended 30 June 2012

BORAL USA - Bricks, Roof Tiles, Cultured Stone, Fly ash, Construction Materials
Benefiting from volume lifts and restructuring

<table>
<thead>
<tr>
<th>A$m</th>
<th>FY2012</th>
<th>FY2011</th>
<th>Var, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>499</td>
<td>431</td>
<td>16</td>
</tr>
<tr>
<td>EBITDA¹</td>
<td>(41)</td>
<td>(57)</td>
<td>28</td>
</tr>
<tr>
<td>EBIT¹</td>
<td>(94)</td>
<td>(99)</td>
<td>15</td>
</tr>
<tr>
<td>EBIT ROS, %</td>
<td>(16.8%)</td>
<td>(23.0%)</td>
<td></td>
</tr>
</tbody>
</table>

**Performance**
- Revenue up 16%, reflecting increased volumes from an uplift in housing starts and full-year contribution of Cultured Stone
- Volumes in Bricks up 8% and Roofing up 12%
- Prices down partly due to mix shift
- Cost reductions through plant rationalisations, LEAN efficiency improvements and lower head count more than offset inflationary cost increases

**Priorities**
- Prepare for market recovery and growth, including leveraging LEAN processes
- Deliver benefits from ‘One Boral’ strategy for Boral Cladding and Roofing
- Commercialisation of new innovative products

**A$m**

<table>
<thead>
<tr>
<th>-99</th>
<th>-84</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stone acquisition</td>
<td>Fly ash cost reduction</td>
<td>Price escalation</td>
</tr>
</tbody>
</table>

¹ Excluding significant items

Financial and Divisional Results
Andrew Poulter, Chief Financial Officer
Results for the full year ended 30 June 2012

FINANCIAL RESULTS

<table>
<thead>
<tr>
<th>A$m</th>
<th>Group</th>
<th>Discontinued operations¹</th>
<th>Continuing operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>5,010</td>
<td>294</td>
<td>4,716</td>
</tr>
<tr>
<td>EBIT¹</td>
<td>200</td>
<td>(1)</td>
<td>201</td>
</tr>
<tr>
<td>Net interest</td>
<td>(88)</td>
<td>(4)</td>
<td>(85)</td>
</tr>
<tr>
<td>Income tax expense²</td>
<td>(9)</td>
<td>1</td>
<td>(10)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(1)</td>
<td>-</td>
<td>(1)</td>
</tr>
<tr>
<td>Profit after tax¹</td>
<td>101</td>
<td>(4)</td>
<td>106</td>
</tr>
<tr>
<td>Significant items (net)</td>
<td>75</td>
<td>(29)</td>
<td>104</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>177</td>
<td>(33)</td>
<td>210</td>
</tr>
</tbody>
</table>

Year ended 30 June 2012

Year ended 30 June 2011

<table>
<thead>
<tr>
<th>A$m</th>
<th>Group</th>
<th>Discontinued operations¹</th>
<th>Continuing operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>4,711</td>
<td>365</td>
<td>4,346</td>
</tr>
<tr>
<td>EBIT¹</td>
<td>277</td>
<td>5</td>
<td>272</td>
</tr>
<tr>
<td>Net interest</td>
<td>(64)</td>
<td>(4)</td>
<td>(60)</td>
</tr>
<tr>
<td>Income tax expense²</td>
<td>(40)</td>
<td>-</td>
<td>(40)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>2</td>
<td>(1)</td>
<td>3</td>
</tr>
<tr>
<td>Profit after tax¹</td>
<td>175</td>
<td>-</td>
<td>175</td>
</tr>
<tr>
<td>Significant items (net)</td>
<td>(8)</td>
<td>(12)</td>
<td>5</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>168</td>
<td>(12)</td>
<td>180</td>
</tr>
</tbody>
</table>

Non IFRS Information – Earnings before significant items and earnings from continuing operations excluding significant items are Non IFRS measures that are reported to provide a greater understanding of the financial performance of the underlying businesses. Further details of Non IFRS information is included in the Results Announcement while details of significant items are provided in note 7 of the full year financial report.

¹ Excluding significant items
² Discontinued operations include Asian Construction Materials, Masonry East Coast and Roofing Queensland (Figures may not add due to rounding)

CONSOLIDATED INCOME STATEMENT

<table>
<thead>
<tr>
<th>A$m</th>
<th>FY2012</th>
<th>FY2011</th>
<th>Var (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>4,716</td>
<td>4,346</td>
<td>9</td>
</tr>
<tr>
<td>EBIT¹</td>
<td>201</td>
<td>272</td>
<td>(26)</td>
</tr>
<tr>
<td>Net interest¹</td>
<td>(85)</td>
<td>(60)</td>
<td>(42)</td>
</tr>
<tr>
<td>Profit before tax¹</td>
<td>116</td>
<td>212</td>
<td>(45)</td>
</tr>
<tr>
<td>Income tax¹</td>
<td>(10)</td>
<td>(40)</td>
<td>76</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(1)</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Profit from continuing operations after tax²</td>
<td>106</td>
<td>175</td>
<td>(40)</td>
</tr>
<tr>
<td>Loss from discontinued operations after tax¹</td>
<td>(4)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit after tax²</td>
<td>101</td>
<td>175</td>
<td>(42)</td>
</tr>
<tr>
<td>Significant items (net)</td>
<td>75</td>
<td>(8)</td>
<td></td>
</tr>
<tr>
<td>Statutory profit after tax</td>
<td>177</td>
<td>168</td>
<td>5</td>
</tr>
<tr>
<td>Earnings per share (cents)³</td>
<td>13.6</td>
<td>24.4</td>
<td></td>
</tr>
<tr>
<td>Dividend per share (cents)</td>
<td>11.0</td>
<td>14.5</td>
<td></td>
</tr>
</tbody>
</table>

¹ Excluding significant items
² Significant items include Asian Construction Materials, Masonry East Coast and Roofing Queensland
³ Figures may not add due to rounding
SIGNIFICANT ITEMS

Gain on fair value remeasurement of initial shareholding in LBGA
158
Acquisition/Integration costs
(29)
Restructure and reshaping activities

Australia
Impairment of the Galong lime kiln
(37)
Impairment and closure costs of Building Products sites
(89)
Corporate restructure
(7)
USA
Impairment and closure costs of US sites
(38)
Settlement of US Fly ash contractual obligation
6
Reassessment of purchase commitment for the remaining 50% interest in Cultured Stone
26
Asia
Gain on disposal of the Indonesian Construction Materials operations
34
EBIT impact
24
Income tax benefit
52
75

Notes:

- Non IFRS Information - Management has provided an analysis of significant items reported during the period. These items have been considered in relation to their size and nature and have been adjusted from the reported information to assist users to better understand the performance of the underlying business. These items are detailed in Note 7 of the financial report and relate to amounts that are associated with significant business restructuring, impairment or individual transactions. (Figures may not add due to rounding).

AUSTRALIAN RESIDENTIAL ACTIVITY

Australian detached housing starts

18

1 Detached approvals
2 Detached starts

- Stronger first quarter FY2012 start activity confirmed by approvals data
- Second quarter approvals decline but starts exceeded approvals
- Third quarter approvals level with second quarter
- 21% decline in third quarter starts - east coast rain impact conceals underlying demand
- Fourth quarter starts based on HIA estimate

Source: Original series quarterly approvals and starts from ABS. HIA estimate used for 4Q FY2012 starts
### Results for the full year ended 30 June 2012

#### SEGMENT REVENUE AND EBIT

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY2012</th>
<th>FY2011</th>
<th>Var, %</th>
<th>1HFY11</th>
<th>2HFY11</th>
<th>1HFY12</th>
<th>2HFY12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>External revenue, A$m</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Materials</td>
<td>2,472</td>
<td>2,275</td>
<td>9</td>
<td>1,102</td>
<td>1,173</td>
<td>1,211</td>
<td>1,261</td>
</tr>
<tr>
<td>Cement</td>
<td>430</td>
<td>442</td>
<td>(3)</td>
<td>220</td>
<td>222</td>
<td>209</td>
<td>221</td>
</tr>
<tr>
<td>Building Products</td>
<td>1,012</td>
<td>1,197</td>
<td>(15)</td>
<td>646</td>
<td>551</td>
<td>555</td>
<td>458</td>
</tr>
<tr>
<td>Plasterboard Asia</td>
<td>304</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>32</td>
<td>272</td>
</tr>
<tr>
<td>USA</td>
<td>499</td>
<td>431</td>
<td>16</td>
<td>212</td>
<td>219</td>
<td>244</td>
<td>254</td>
</tr>
</tbody>
</table>

#### EBIT1, A$m

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY2012</th>
<th>FY2011</th>
<th>Var, %</th>
<th>1HFY11</th>
<th>2HFY11</th>
<th>1HFY12</th>
<th>2HFY12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Materials</td>
<td>174</td>
<td>204</td>
<td>(15)</td>
<td>93</td>
<td>111</td>
<td>89</td>
<td>85</td>
</tr>
<tr>
<td>Cement</td>
<td>69</td>
<td>87</td>
<td>(21)</td>
<td>51</td>
<td>36</td>
<td>41</td>
<td>28</td>
</tr>
<tr>
<td>Building Products</td>
<td>20</td>
<td>81</td>
<td>(76)</td>
<td>53</td>
<td>28</td>
<td>26</td>
<td>(7)</td>
</tr>
<tr>
<td>Plasterboard Asia</td>
<td>41</td>
<td>17</td>
<td>-</td>
<td>9</td>
<td>8</td>
<td>12</td>
<td>29</td>
</tr>
<tr>
<td>USA</td>
<td>(84)</td>
<td>(99)</td>
<td>15</td>
<td>(47)</td>
<td>(52)</td>
<td>(51)</td>
<td>(33)</td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. Construction Materials segment includes Boral Property Group EBIT of $12m in FY2012 ($28m in FY2011)
3. Comparatives restated for new segment structure
4. Figures may not add due to rounding

#### CASH FLOW AND NET DEBT RECONCILIATION

**Cash flow, A$m**

<table>
<thead>
<tr>
<th>FY2012</th>
<th>FY2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA1</td>
<td>473</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(82)</td>
</tr>
<tr>
<td>Interest &amp; tax</td>
<td>(154)</td>
</tr>
<tr>
<td>Equity earnings less dividends</td>
<td>(9)</td>
</tr>
<tr>
<td>Non cash items</td>
<td>(4)</td>
</tr>
<tr>
<td>Acquisition &amp; restructuring costs paid</td>
<td>(91)</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>133</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>133</td>
</tr>
<tr>
<td>SIB &amp; growth</td>
<td>(414)</td>
</tr>
<tr>
<td>Investments</td>
<td>(701)</td>
</tr>
<tr>
<td>Proceeds on disposal of assets</td>
<td>130</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>(852)</td>
</tr>
<tr>
<td>Capital raising</td>
<td>-</td>
</tr>
<tr>
<td>Dividends paid – Net DRP</td>
<td>-</td>
</tr>
<tr>
<td>Other items</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(849)</td>
</tr>
</tbody>
</table>

**Net debt reconciliation, A$m**

<table>
<thead>
<tr>
<th>FY2012</th>
<th>FY2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>(505)</td>
</tr>
<tr>
<td>Cash flow</td>
<td>(849)</td>
</tr>
<tr>
<td>Debt acquired2</td>
<td>(103)</td>
</tr>
<tr>
<td>Non cash (FX)</td>
<td>(61)</td>
</tr>
<tr>
<td>Closing balance</td>
<td>(1,918)</td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. BGA debt acquired
3. DRP underwritten in respect of dividends paid in FY2012

- Operating cash flow of $133m was down $218m due to higher interest payments, prior year tax refunds and higher acquisition and restructuring costs
- Stay-in-business capex was $192m in FY2012 compared to $236m in FY2011
- FY2012 investments include BGA, Wagners and Sunshine Coast Quarries acquisitions, net of cash acquired of $63m in BGA
Results for the full year ended 30 June 2012

DEBT MATURITY PROFILE & NET INTEREST AND TAX

<table>
<thead>
<tr>
<th>Net interest &amp; tax, A$m</th>
<th>FY2012</th>
<th>FY2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td>(103)</td>
<td>(88)</td>
</tr>
<tr>
<td>Interest income</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Net interest expense</td>
<td>(88)</td>
<td>(64)</td>
</tr>
<tr>
<td>Tax expense¹</td>
<td>(9)</td>
<td>(40)</td>
</tr>
<tr>
<td>Underlying tax rate¹</td>
<td>8.0%</td>
<td>18.9%</td>
</tr>
</tbody>
</table>

Gearing
- Gearing (net debt / net debt + equity) reduced to 30.8% from 31.4% at Dec-11
- Principal “bank gearing” covenant (gross debt/ gross debt + equity – intangibles) reduced to 40.0% vs 41.2% at Dec-11
- Bank gearing covenant threshold is < 60%

Debt profile
- Secured additional $500m 4-year syndicated bank debt facility in November 2011 to maintain headroom post completion of BGA acquisition
- Weighted average debt maturity ~3.8 years
- Weighted average cost of debt ~6.8% per annum
- Standard & Poor’s / Moody’s rating BBB negative outlook / Baa3 stable outlook from June 2012
- No current need for additional equity raising

Debt maturity profile

Strategy and Outlook
Ross Batstone, Chief Executive Officer
Results for the full year ended 30 June 2012

STRATEGY UPDATE

The portfolio has been substantially reshaped

Substantial progress made in delivering Boral’s Strategy outlined in 2010

- Acquired remaining 50% of LBGA, creating a global scale plasterboard position in high growth Asia Pacific region
- Acquired Wagners and Sunshine Coast Quarries strengthening Qld aggregate position
- In the US, integrated acquisitions of MonierLifetile and Cultured Stone and restructured into Boral Roofing and Boral Cladding respectively
- Divested Indonesia Construction Materials
- Restructured and rationalised capacity in Australian Brick, Roofing and Masonry

Good progress made to strengthen the core

- **Operational excellence**: LEAN processes embedded into most Australian and US operating sites
  - LEAN roll out underway in Asia
  - upside potential captured in improvement plans
- **Sales and marketing excellence**: SME processes embedded and benefits being captured in improvement plans
- **Safety**: Good progress towards Zero Harm in all work places with LTFIR1 down to 1.8 in FY2012 from 2.0 in FY2011
- **Existing businesses**:
  - A$200m Peppertree quarry construction well advanced
  - Port Melbourne plasterboard plant upgrade completed, underpinning low cost east coast manufacturing capacity scaled for growth (pictured)

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1. Lost Time Injury Frequency Rate per million hours worked
Results for the full year ended 30 June 2012

LEVERAGING CYCLE UPTURNS – AUSTRALIA

Building Products will benefit from reshaping, cost reductions and plasterboard investment

- Building Products delivered EBIT of $81m in FY2011 with housing starts at 158k, just above long term average levels of 150k – 155k
- Improvements made to Boral’s business in FY2012 should have a positive impact on future earnings
  - modernisation of Vic plasterboard plant
  - closure of higher cost brick capacity
  - exit from loss making Masonry and Qld Roofing businesses
  - associated reductions in overhead costs, combined with benefits of LEAN
- Boral is positioned to earn EBIT levels of at least that achieved in FY2011 as building activity returns to long term average levels

Aus. housing starts vs Building Products EBIT

1. Excluding significant items
2. EBIT for 1H2012 and 2H2012 have been annualised for comparison purposes
Results for the full year ended 30 June 2012

LEVERAGING CYCLE UPTURNS – USA

We are well positioned to increase returns on the USA as markets recover

US housing starts\(^1\) vs Boral USA EBIT\(^2\)

- In FY2009, USA housing starts were 659k, similar to FY2012 starts of 685k, or around 55% below mid-cycle levels
- Comparing EBIT in FY2009 with FY2012, there has been ~US$25m net gain in underlying earnings (excluding one-offs and acquisitions)

Assumptions
- Market share, mix and pricing constant
- Variable unit and fixed production costs constant
- Volumes flex in line with % change in starts
- R&D and Industries Admin held constant at FY12 levels.
- Assumes multi / single family housing mix remains constant

Break-even starts
- Break even starts by business unit varies with:
  - 950 – 975 starts for Bricks
  - 830 – 855 starts for Cultured Stone
  - 1,050 – 1,075 starts for Roofing
Asia is expected to become the world’s largest plasterboard market by 2014

Strong economic growth forecast across BGA’s four key markets

Lightweight, flexible and easy to install characteristics make plasterboard the interior lining product of choice

Boral’s production capacity will have increased 30% since FY2011 once current expansion projects of 75m m² in Indonesia, China and Vietnam are completed

1. Source: IMF

FY2013 OUTLOOK

Conditions in FY2013 will remain challenging particularly in the first half of the year

- In FY2013, buoyant activity in major infrastructure projects in Australia is expected to be dampened by ongoing weak residential and non-residential markets
- Construction Materials to benefit from Queensland LNG projects
- Cement volumes expected to be flat and import parity pressures to continue
- Building Products – impacted by challenging housing market
- In Asia, continued growth and market penetration
- In USA, housing starts expected to increase in FY2013, biased towards the second half, with the US division well positioned to take advantage of any market recovery
- FY2013 focus is on delivering on our business improvement goals and consolidating portfolio changes – lowering our break even points
- Given ongoing market uncertainty in Australia, trading update to be provided at Annual General Meeting in November