



Media Release

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Boral announces a half year profit of \$75 million

Boral Limited has announced a net profit after tax (PAT) of \$75 million for the half year ended 31 December 2008, 44% below the \$132 million PAT for the half year to December 2007. Earnings per share for the half year were 12.8 cents.

December half sales revenue of \$2.6 billion was in line with last year's revenue reflecting steady Australian revenues of \$2.15 billion, an 18% decline in US revenues to \$313 million (or 27% decline in USD), and a 26% increase in revenues from Asian operations to \$123 million.

Boral's EBITDA of \$285 million was \$75 million or 21% lower than the prior year first half. Australian EBITDA of \$289 million was \$37 million or 11% lower reflecting lower volumes, higher costs and lower Quarry End Use earnings. The further significant decline in the US housing market together with a 12% devaluation in the average of the Australian dollar resulted in an EBITDA loss of A\$13 million from the USA compared with a A\$29 million profit in the prior first half. EBITDA from Asian operations of \$12 million was \$3 million above the last year.

A fully franked interim dividend of 7.5 cents per share has been declared, compared to 17.0 cents per share for the prior year. This represents a 7% grossed up annualised dividend yield (including franking) on Boral's closing share price on 10 February of \$3.08 (which is 44% below Boral's average share price over the nine years since demerger). The interim dividend will be paid on 3 April 2009. A discount of 2.5% to the market price will be introduced under the Dividend Reinvestment Plan (DRP) with effect from the 2008/09 interim dividend.

Commenting on the Company's interim result, Boral's CEO & Managing Director, Rod Pearse, said: "Market conditions in the USA are extraordinarily difficult with housing starts in the half year 65% below peak levels in 2006. The housing market in Australia is also well down, with housing approvals in the half year salia b(lo)5F(c