### APPENDIX 4E PRELIMINARY FINAL REPORT

15 August 2007

| Name of Entity:       | Boral Limited  |
|-----------------------|----------------|
| ABN:                  | 13 008 421 761 |
| Financial Year ended: | 30 June 2007   |

#### Results for announcement to the market

|   |      |         |    | A'\$ Millions |
|---|------|---------|----|---------------|
| Revenue from ordinary activities                                  | up   | 3.0%    | to | 4,909.0       |
| Profit from ordinary activities after tax attributable to members | down | (17.7%) | to | 298.1         |
| Net profit for the period attributable to members                 | down | (17.7%) | to | 298.1         |

| Dividends                                   | Amount per security | Franked amount per security<br>at 30% tax |
|---|---------------------|---|
| Current period                              |                     |   |
| Final - ordinary                            | 17 cents            | 17 cents                                  |
| Interim - ordinary                          | 17 cents            | 17 cents                                  |
| Previous corresponding period               |                     |   |
| Final - ordinary                            | 17 cents            | 17 cents                                  |
| Interim - ordinary                          | 17 cents            | 17 cents                                  |
|   |                     |   |
| Record date for determining entitlements to | the final dividend  | 29 August 2007                            |

Boral Limited

#### BORAL LIMITED

ABN 13 008 421 761

Level 39, AMP Centre 50 Bridge Street, Sydney GPO Box 910, Sydney NSW 2001 Telephone (02) 9220 6300 Facsimile (02) 9233 6605

# **Balance Sheet**

BORAL LIMITED AND CONTROLLED ENTITIES

| as at 30 June             | Note | 2007        | 2006        |
|---------------------------|------|-------------|-------------|
|                           |      | \$ millions | \$ millions |
| CURRENT ASSETS            |      |             |             |
| Cash and cash equivalents |      | 35.7        | 76.2        |
|                           |      |             |             |

# Statement of Recognised Income and Expense BORAL LIMITED AND CONTROLLED ENTITIES

|  | CONSOLIDATED        |                     |  |
|--|---------------------|---------------------|--|
| for the year ended 30 June   | 2007<br>\$ millions | 2006<br>\$ millions |  |
| Actuarial gain on defined benefit plans, net of tax                            | 3.5                 | 3.6                 |  |
| Translation of foreign operations  |                     |                     |  |
| Net exchange differences taken to equity, net of tax                           | (22.4)              | 37.5                |  |
| Fair value adjustment on cash flow hedges, net of tax                          | (0.1)               | 1.2                 |  |
| Fair value adjustment on available for sale financial assets, net of tax       | 83.8                | 52.1                |  |
| Net income recognised directly in equity                                       | 64.8                | 94.4                |  |
| Net profit   | 298.1               | 362.7               |  |
| Total recognised income and expense for the financial year                     | 362.9               | 457.1               |  |
| Total recognised income and expense for the financial year is attributable to: |                     |                     |  |
| Members of the parent entity   | 362.9               | 456.8               |  |
| Minority interests   | -                   | 0.3                 |  |
| Total recognised income and expense for the financial year                     | 362.9               | 457.1               |  |
|  |                     |                     |  |
| Adjustment on adoption of AASB 132 and AASB 139, net of tax                    | -                   | 20.5                |  |

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   | Note                    | 2007<br>\$ millions | 2006<br>\$ millions | -    |        |
|-----|--|-------------------------|---------------------|---------------------|------|--------|
|     | CASH FLOWS FROM OPERATING ACTIVITIES                               |                         |                     |                     |      |        |
|     | Receipts from customers  |                         | 5,277.4             | 5,084.4             |      |        |
|     | Payments to suppliers and employees                                |                         | (4,642.5)           | (4,409.1)           |      |        |
|     | Dividends received   |                         | 49.3                | 64.9                |      |        |
|     | Interest received  |                         | 6.3                 | 4.1                 |      |        |
| 193 | 4. (#partosvin)g costs paid  |                         | (114.9)             | (95.5)              |      |        |
|     | Income taxes paid  |                         | (93.7)              | (199.3)             |      |        |
|     | NET CASH PROVIDED BY OPERATING ACTIVITIES                          |                         | 481.9               | 449.5               |      |        |
|     | CASH FLOWS FROM INVESTING ACTIVITIES                               |                         |                     |                     |      |        |
|     | Payments for purchase of property, plant and equipment             |                         | (403.0)             | (479.0)             |      |        |
|     | Payments for intangibles   |                         | (0.6)               | (4.7)               |      |        |
|     | /F1 9 Tf 0.0247 Tc 0 Tw ((4,642.5)) Tj -24.96 0 TD 0 Tc 0.018 Tw ( | ) Tj 25.2 0 TD ( ) Tj 4 | 0 TD /F0 9          | Tf 0.0247           | Tc 0 | Tw ((4 |

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.

BORAL LIMITED AND CONTROLLED ENTITIES

#### 2. SEGMENTS (CONTINUED)

| GEOGRAPHICAL SEGMENTS     | 2007<br>\$ millions | 2006<br>\$ millions | 2007<br>\$ millions | 2006<br>\$ millions | 2007<br>\$ millions | 2006<br>\$ millions |
|---------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                           | Revenue             | )*                  | 0322.1-9.24 pren    | nix co91ax          |                     |                     |
| Australia                 | 3,824.1             | 3,623.0             | 284.6               | 365.1               |                     |                     |
| United States of America  | 882.5               | 956.5               | 96.2                | 96.7                |                     |                     |
| Asia                      | 182.5               | 176.6               | 22.1                | 20.0                |                     |                     |
| Other                     | 19.9                | 11.3                | -                   | -                   |                     |                     |
|                           | 4,909.0             | 4,767.4             | 402.9               | 481.8               |                     |                     |
| Corporate                 | -                   | -                   | 0.7                 | 1.9                 |                     |                     |
|                           | 4,909.0             | 4,767.4             | 403.6               | 483.7               |                     |                     |
|                           |                     |                     |                     |                     |                     |                     |
| • · · · ·                 |                     |                     |                     |                     | Operating profit I  |                     |
| Australia                 | 391.2               | 375.2               | 26.0                | 28.4                | 417.2               | 403.6               |
| United States of America  | 101.5               | 148.0               | (7.0)               | 37.7                | 94.5                | 185.7               |
| Asia                      | (4.0)               | 2.9                 | 16.1                | 19.7                | 12.1                | 22.6                |
| Other                     | 19.4                | 10.5                | -                   | -                   | 19.4                | 10.5                |
|                           | 508.1               | 536.6               | 35.1                | 85.8                | 543.2               | 622.4               |
| Corporate                 | (12.3)              | (8.4)               | -                   | -                   | (12.3)              | (8.4)               |
|                           | 495.8               | 528.2               | 35.1                | 85.8                | 530.9               | 614.0               |
| Net financing expense     | (110.5)             | (98.2)              | -                   | -                   | (110.5)             | (98.2)              |
|                           | 385.3               | 430.0               | 35.1                | 85.8                | 420.4               | 515.8               |
|                           |                     |                     |                     |                     |                     |                     |
| Australia                 | 4,015.3             | 3,799.6             | 27.5                | 35.9                | 4,042.8             | 3,835.5             |
| United States of America  | 807.4               | 841.9               | 110.9               | 130.7               | 918.3               | 972.6               |
| Asia                      | 154.2               | 151.5               | 250.4               | 251.8               | 404.6               | 403.3               |
| Other                     | 398.4               | 279.7               | -                   | -                   | 398.4               | 279.7               |
|                           | 5,375.3             | 5,072.7             | 388.8               | 418.4               | 5,764.1             | 5,491.1             |
| Corporate                 | 16.8                | 19.7                | -                   | -                   | 16.8                | 19.7                |
|                           | 5,392.1             | 5,092.4             | 388.8               | 418.4               | 5,780.9             | 5,510.8             |
| Cash and cash equivalents | 35.7                | 76.2                | -                   | -                   | 35.7                | 76.2                |
|                           | 5,427.8             | 5,168.6             | 388.8               | 418.4               | 5,816.6             | 5,587.0             |

\* 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

United States of America Asia Other Bricks, roof tiles, flyash, premix concrete, quarries and masonry. Plasterboard, premix concrete and quarries.

BORAL LIMITED AND CONTROLLED ENTITIES

| 3. OPERATING PROFIT                               | 2007<br>\$ millions        | 2006<br>\$ millions         |
|---|----------------------------|-----------------------------|
| REVENUE<br>Sale of goods<br>Rendering of services | 4,808.8<br>80.3<br>4,889.1 | 4,647.6<br>108.5<br>4,756.1 |
| OTHER REVENUES<br>Dividends from other parties    | 19.9                       | 11.3                        |

BORAL LIMITED AND CONTROLLED ENTITIES

|  | CONSOLIDATED |             |
|--|--------------|-------------|
|  | 2007         | 2006        |
|  | \$ millions  | \$ millions |
| 8. OTHER FINANCIAL ASSETS  |              |             |
| NON-CURRENT  |              |             |
| Listed shares - at fair value  | 395.7        | 276.0       |
| Financial instruments  | 3.6          | 13.1        |
|  | 399.3        | 289.1       |
|  |              |             |
| 9. ISSUED CAPITAL  |              |             |
| ISSUED AND PAID-UP CAPITAL   |              |             |
| 599,407,033 (2006: 589,814,236) ordinary shares, fully paid                      | 1,688.1      | 1,622.7     |
| MOVEMENTS IN ORDINARY SHARE CAPITAL  |              |             |
| Balance at the beginning of year   | 1,622.7      | 1,556.0     |
| Nil (2006: 658,600) shares issued under the employee share plan                  | -            | 5.3         |
| 7,316,365 (2006: 8,233,548) shares issued under the dividend reinvestment plan   | 53.7         | 61.9        |
| 2,276,432 (2006: 4,045,500) shares issued upon the exercise of executive options | 11.7         | 15.8        |
| Nil (2006: 1,892,364) shares bought back   | -            | (16.3)      |
| Balance at the end of year   | 1,688.1      | 1,622.7     |

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**

| Retained earnings at the beginning of year 1,048.5            | 881.3   |
|---|---------|
| Net profit attributable to members of the parent entity 298.1 | 362.4   |
| Dividend recognised during the year (201.9)                   | (198.8) |
| Actuarial gain on defined benefit plans, net of tax 3.5       | 3.6     |
| Retained earnings at the end of year1,148.2                   | 1,048.5 |

BORAL LIMITED AND CONTROLLED ENTITIES

| IDATED        |
|---------------|
| 7 2006        |
| s \$ millions |
|               |
|               |
|               |
|               |
| 8.3           |
| 1.2           |
| 9.5           |
| 1             |

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.

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 from** 

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:

|                         |          | Consideration<br>paid<br>\$ millions | Interest acquired<br>% |  |
|-------------------------|----------|--------------------------------------|------------------------|--|
| Entity acquired:        | h l 0000 | 0.0                                  | 000/                   |  |
| Girotto Precast Pty Ltd | Jul 2006 | 8.8                                  | 30%                    |  |

8.8

2007

Preliminary Final Report