



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

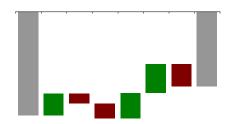
### Performance

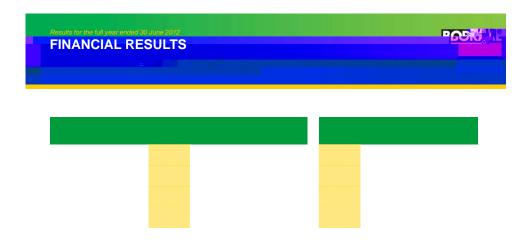
- Revenue down 15% driven by decline in residential construction, particularly in 2H
- \$62m fall in EBIT with 2HFY12 EBIT loss
- Price increases ~2-3% in all products except softwood and woodchips
- Sales volumes 15% lower on average (25% over two years) with WA, Qld and SA particularly weak; production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



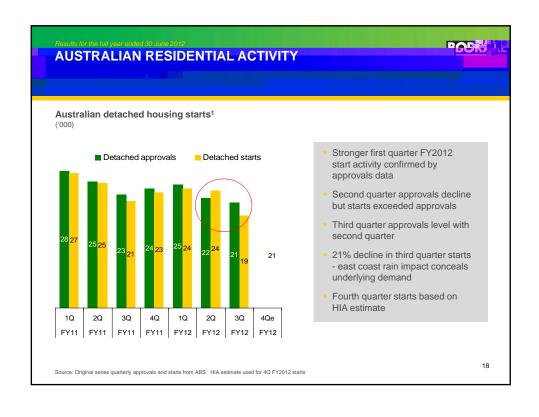
# Performance

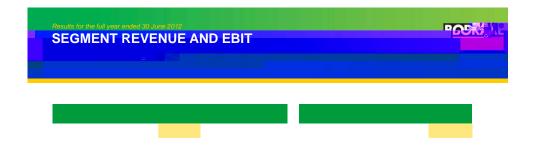
- Revenue up 16%, reflecting increased volumes from an uplift in housing starts and full-year contribution of Cultured Stone
- Volumes in Bricks up 8% and Roofing up 12%
- Prices down partly due to mix shift
- Cost reductions through plant

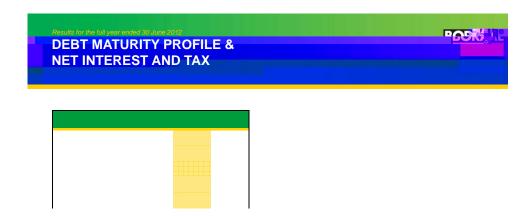




Results for the full year ended 30 June 2012 SIGNIFICANT ITEMS	<u> </u>
	-
	Impact, A\$m
Gain on fair value remeasurement of initial shareholding in LBGA	158
Acquisition/Integration costs	(29)
Restructure and reshaping activities	
Australia	
Impairment of the Galong lime kiln	(37)
Impairment and closure 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
Non IFRS Information – Management has provided an analysis of significant items reported during the period. These items have been considered in size and nature and have been adjusted from the reported information to assist users to better understand the performance of the underlying business and detailed in Note 7 of the financial report and relate to amounts that are associated with significant business restructuring, impairme ransactions.	nesses. These









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

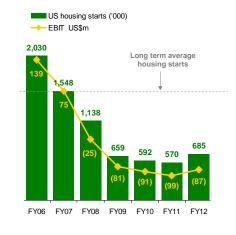
Divested Indonesia Construction Materials

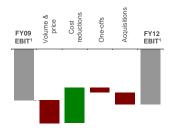
Restructured and rationalised capacity in Australian Brick, Roofing and Masonry

## LEVERAGING CYCLE UPTURNS I USA

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

### US housing starts1 vs Boral USA EBIT2





- 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)

27

Source: Original data US census
 Excluding significant items