Chairman’s Address
Ken Moss
2007 result impacted by declines in US & Australian building products housing related earnings

Sales  
- **3%** to $4.9bn

Net profit  
- **18%** to $298m

Return on equity  
- from **13.2%** to **10.0%**

Return on funds employed  
- from **14.2%** to **11.9%**

Operating cash flow  
- from **$449m** to **$482m**

Gearing (debt / equity)  
- from **57%** to **50%**

Detached dwellings in NSW remain at 30 year low levels and well below underlying demand

1. Source: ABS, August 2007
2. Source: BIS Shrapnel October 2007 FY07-FY12 estimates of underlying demand
NSW dwellings remained particularly weak

Percentage change in dwellings approvals and non-dwellings value of work approved – FY2007 vs FY2006

-10% 1% 14% 2% -4% 1% 4% -9% 15% -2% 31% 11% 13% 12% 7% 8% -7%

Australia NSW Victoria Queensland WA SA

Source: ABS Original data series

The US housing market has experienced a rapid decline

Total US housing permits ('000 building permits)

1. Seasonally adjusted annualised monthly permits from US Census
2. Joint Center for Housing Studies of Harvard University
2007 result impacted by declines in US & Australian building products housing related earnings

<table>
<thead>
<tr>
<th>Metric</th>
<th>Change</th>
<th>2007 Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>↑ 3%</td>
<td>$4.9bn</td>
</tr>
<tr>
<td>Net profit</td>
<td>↓ 18%</td>
<td>$298m</td>
</tr>
<tr>
<td>Return on equity</td>
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<td></td>
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</tr>
<tr>
<td>Gearing (debt / equity)</td>
<td>from 57% to 50%</td>
<td></td>
</tr>
</tbody>
</table>

Continued solid dividend returns with maximum franking benefits

<table>
<thead>
<tr>
<th>Dividend Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final dividend</td>
<td>17 cents</td>
</tr>
<tr>
<td>Interim dividend</td>
<td>17 cents</td>
</tr>
<tr>
<td>Total dividend</td>
<td>34 cents</td>
</tr>
<tr>
<td>Franking level</td>
<td>remains at 100%</td>
</tr>
<tr>
<td>Gross-up dividend</td>
<td>49 cents</td>
</tr>
<tr>
<td>Dividend payout ratio</td>
<td>from 55% to 68%</td>
</tr>
</tbody>
</table>
Boral’s key sustainability priorities are common to all divisions

- HEALTH AND SAFETY
- RESOURCING FOR GROWTH
- WATER CONSERVATION
- ENERGY AND GREENHOUSE GAS EMISSIONS
- WASTE MANAGEMENT
Boral is being recognised as an industry leader

- Member of the FTSE4Good Index
- Carbon Disclosure Project (CDP5) Climate Change Leader
- Gold Star performer in the Corporate Responsibility Index
- Storebrand Investment “Best in Class”
Boral’s safety performance has continued to improve

Lost time injury frequency rate (LTIFR)\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY99</th>
<th>FY00</th>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTIFR</td>
<td>9.0</td>
<td>9.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.1</td>
<td>4.5</td>
<td>4.2</td>
<td>3.1</td>
<td>2.8</td>
</tr>
</tbody>
</table>

% Hours lost

<table>
<thead>
<tr>
<th>Year</th>
<th>FY99</th>
<th>FY00</th>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>0.25</td>
<td>0.24</td>
<td>0.15</td>
<td>0.17</td>
<td>0.16</td>
<td>0.11</td>
<td>0.11</td>
<td>0.09</td>
<td></td>
</tr>
</tbody>
</table>

1. Lost Time Injury Frequency Rate per 1 million hours worked

The Board & Corporate Governance
Leadership & People Management

Managing Director’s Address
Rod Pearse
Sales & EBITDA remain at high levels

Sales revenue
A$m

EBITDA
A$m

FY00 FY01 FY02 FY03 FY04 FY05 FY06 FY07

FY05 result onward has been adjusted for adoption of A-IFRS

Construction Materials Australia
Asia

Brick plants:
- Union City
- Terre Haute
Clay roof tiles plants:
- Trinidad*
- Ione
Concrete roof tiles plants:
- Florida*
- Nevada*

USA

Plasterboard* plants:
- Vietnam
- South Korea
- India
- China

Growth initiatives are well positioned for market recovery and market growth

USA

- GoCrete Precast Plant
- Midland Brick Klin #11

WA

- Waurn Ponds Cement Works Stage 2
- Asphalt Plants (Australia wide)

VIC

- Berrima Cement Mill #7
- Maldon Bagging Plant
- 30% of Girotto Precast
- Herons Creek Timber
- Engineered Flooring

NSW

- Sunstate Cement* Grinding Capacity
- Wacol Wetcast Paving
- Plasterboard Plant

* 50%-owned joint venture
We are strengthening our construction materials position in the USA

Denver Concrete & Quarries
- Acquired two businesses for US$78m in Sep 2004 to create #3 market position
- 8 concrete batching plants
- 2 sand and 2 gravel pits
- 2 masonry plants
- Exceeded US$13m EBITDA target for CY06
- Strong price & margin management

Oklahoma Concrete & Quarries
- Acquired Schwarz & AMI for US$80m in Aug 2007
- #2 market position
- 18 concrete batching plants
- 1 limestone quarry, 5 sand mines
- EBITDA target of US$12m for FY08 (10 months)
- Strong synergistic opportunities

Boral has actively participated in voluntary Energy and Greenhouse Gas Emission schemes for 10 years

1997
- Boral, as part of Cement Industry (CIF) sets Greenhouse Challenge Plus (GCP) targets with Federal Government
- Boral receives SEDA Energy Smart Business gold award
- Boral signs up to GCP Program as stand-alone company
- Boral’s 20 largest sites participating in Federal Government’s Energy Efficiency Opportunities program
- Boral participates in Carbon Disclosure Project and recognised as a Climate Change Leader
- Internal Climate Change Technical Working Group established
- Boral becomes first company to create Large User Abatement Certificates under NSW GHG Reduction Scheme (GGAS)

2007
- Firming up historical base year data, developing abatement cost curve and striving to reduce emissions / unit basis
Outlook FY2008

**Australia**
- September quarter ahead of expectation
- Continued strength in non-dwelling & infrastructure activity
- Concrete, quarry & cement price increases
- Construction materials earnings to increase
- Building products earnings broadly flat

**Asia**
- Continued market growth and competitive market conditions

**USA**
- September quarter building products below expectation
- Lower brick & roof tile volumes & earnings
- Increased construction materials earnings from the Schwarz / Arbuckle acquisitions
- Housing starts could fall to ~1.1 million starts

**If US starts fall to 1.1 million and AUD/US exchange rate remains ~$0.90, Boral’s profit after tax in the first half and the full year will be ~15% below last year**

Ordinary Business
Financial Reports

Resolution 1

Adoption of Remuneration Report
Resolution 1 – Adoption of Remuneration Report

- Boral’s policies relating to remuneration
- Relationship between remuneration policies & the Company’s performance
Resolution 1 – Adoption of Remuneration Report

- Boral's policies relating to remuneration
- Relationship between remuneration policies & the Company’s performance
- Details of performance condition or hurdle for long term incentives

### Worked example of options

<table>
<thead>
<tr>
<th>Share price after 3 yrs</th>
<th>TSR achieved</th>
<th>Performance relative to ASX100</th>
<th>Value of CEO’s options pre-tax</th>
<th>Increase in market capitalisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8.70</td>
<td>12% pa</td>
<td>&lt;50th percentile</td>
<td>Nil</td>
<td>$838m (19%)</td>
</tr>
<tr>
<td>$9.70</td>
<td>16% pa</td>
<td>&lt;50th percentile</td>
<td>Nil</td>
<td>$1,452m (33%)</td>
</tr>
<tr>
<td>$10.80</td>
<td>20% pa</td>
<td>50th percentile</td>
<td>$2.2m</td>
<td>$2,112m (48%)</td>
</tr>
<tr>
<td>$13.30</td>
<td>28% pa</td>
<td>75th percentile</td>
<td>$7.5m</td>
<td>$3,580m (82%)</td>
</tr>
</tbody>
</table>

Based on a nominal grant of 1,250,000 options in 2006/07 year

**Assumptions:** $7.32 share price at grant; 34 cents dividend maintained; options exercised after 3 years; performance relative to ASX 100 is estimated

1. Percentage increase from date of grant on 6 November 2006
Resolution 1 – Adoption of Remuneration Report

- Boral’s policies relating to remuneration
- Relationship between remuneration policies & the Company’s performance
- Details of performance condition or hurdle for long term incentives
- Remuneration details for CEO and key management personnel

Resolution 1 – proxy votes

Adoption of Remuneration Report

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>309,059,149</td>
</tr>
<tr>
<td>Open</td>
<td>10,682,501</td>
</tr>
<tr>
<td>Against</td>
<td>10,392,952</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 96.2%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR
Resolutions 2 to 5

Election of Directors

Richard Longes
## Boral Annual General Meeting 2007

### Resolution 2 – proxy votes

**Re-elect Richard Longes**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>319,468,352</td>
</tr>
<tr>
<td>Open</td>
<td>10,786,926</td>
</tr>
<tr>
<td>Against</td>
<td>763,706</td>
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</tbody>
</table>

% to be cast FOR the resolution* 99.1%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR

---

## Roland Williams, CBE
Resolution 3 – proxy votes

Re-elect Roland Williams, CBE

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>319,126,080</td>
</tr>
<tr>
<td>Open</td>
<td>10,811,225</td>
</tr>
<tr>
<td>Against</td>
<td>1,094,330</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution*  99.0%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR

Brian Clark
Resolution 4 – proxy votes

Re-elect Brian Clark

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>319,671,583</td>
</tr>
<tr>
<td>Open</td>
<td>10,822,701</td>
</tr>
<tr>
<td>Against</td>
<td>479,205</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution*  99.2%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR

Bob Every
Resolution 5 – proxy votes

Re-elect Bob Every

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>319,714,603</td>
</tr>
<tr>
<td>Open</td>
<td>10,834,009</td>
</tr>
<tr>
<td>Against</td>
<td>414,625</td>
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</tbody>
</table>

% to be cast FOR the resolution* 99.2%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR

Special Business
Resolution 6

Retirement of Directors

Resolution 6 – retirement of directors

- Resolution will bring Constitution into line with ASX Listing Rules and require that a Director must not hold office (without re-election) past the longer of the third Annual General Meeting following the Director’s appointment or three years

- Currently one third of Directors (rounded down) must retire each year and as a consequence, Directors are often required to retire only two years after being elected instead of serving the anticipated three years

- At least one Director must still face election each year
Resolution 6 – proxy votes

Amendment to the Constitution – Retirement of Directors

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>315,500,656</td>
</tr>
<tr>
<td>Open</td>
<td>11,561,809</td>
</tr>
<tr>
<td>Against</td>
<td>3,250,191</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution*

98.3%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR