

BUILDING SOMETHING GREAT

Boral Annual General Meeting 2010



Presented by

Dr Bob Every, Chairman, 4 November 2010



DR BOB EVERY – ANNUAL GENERAL MEETING 2010

Financial Highlights



Revenue

\$4.6bn

Down 6%



Net debt

\$1.2bn

down from \$1.5bn



Profit after tax¹

\$132m

Up marginally



Gearing (D/E)

45%

down from 55%



Cash from operations

\$459m

Up 10%



¹ Before significant items

Capital Raising



- Boral undertook an equity raising of approximately \$490 million through a fully underwritten 1 for 5 accelerated renounceable pro rata entitlement offer:
 - 92% take-up from institutional investors
 - 40% take-up from retail investors
- This positive endorsement of our new strategy will be used for:

USA: MonierLifetile acquisition of the remaining 50%



VIC: Plasterboard



NSW: Quarries

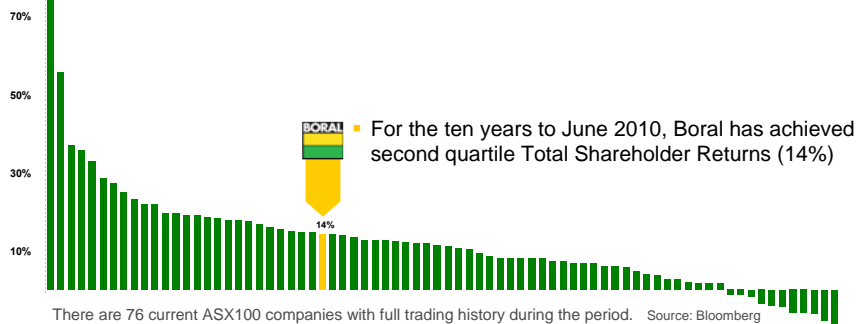


Shareholder Returns



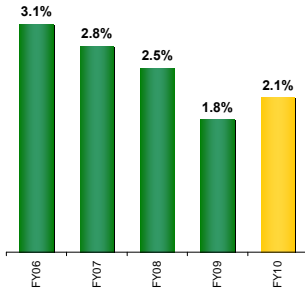
- Dividend pay-out ratio of 67%
 - In line with stated range
- Shares issued under Dividend Reinvestment Plan at 2.5% discount.
 - Take-up of DRP for the year: ~43%

Full Year Dividend
13.5c
Up 4% ▲

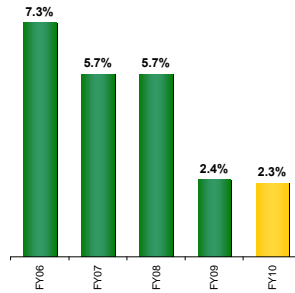




Employee LTIFR*



Contractor LTIFR*



* per one million hours worked



Bob Every
Chairman



Paul Rayner
Chairman of the
Audit Committee



John Marlay



Mark Selway
Chief Executive



Roland Williams



Eileen Doyle



Brian Clark
Chairman of the
Remuneration and
Nomination Committee



Richard Longes



Catherine Brenner

Boral Executive Team



Mark Selway Chief Executive



Murray Read
Divisional MD - Boral
Construction Materials



Ross Batstone
Divisional MD - Boral
Building Products



Mike Beardsell
Divisional MD -
Boral Cement



Mike Kane
President –
Boral USA



Warren Davison
Executive
General Manager



Andrew Poulter
Chief Financial Officer



Margaret Taylor
General Counsel and
Company Secretary



Robin Town
General Manager
Human Resources



Andrew Warburton
General Manager
Corporate Development

Strategic Building Blocks for Growth



1 Laying the foundations

Review & respond,
creating a strong
platform for growth

2 Reinforcing the core

Focus & improve
assets where Boral
can be market
leader

3 Investing for growth

Expand & invest
through
acquisition and
innovation
worldwide

4 Sector best performance

Realise sector best
performance and
market leading
returns



BUILDING SOMETHING GREAT

Boral Annual General Meeting 2010



Presented by

Mark Selway, 4 November 2010

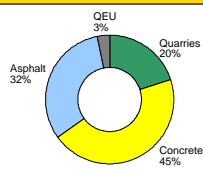


MARK SELWAY – ANNUAL GENERAL MEETING 2010

Boral Construction Materials – FY10 Performance



(A\$m)	2010	2009	% Δ
Revenue	2,119	2,261	(6)
EBITDA	297	331	(10)
EBIT	201	231	(13)
ROFE	15.7%	16.7%	



Revenue breakdown



Concrete

Operating Structure
Realigned to increase focus on operational and customer initiatives



Murray Read
Divisional MD

Regional GM - WA Regional GM -Qld Regional GM -NSW Regional GM -Vic Regional GM -SA National Resource Mgr



Asphalt



Quarry and Processing plant



Concrete plant upgrade

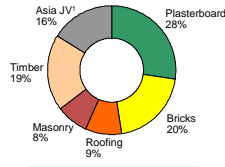


Operational Improvements

Boral Building Products – FY10 Performance



(A\$m)	2010	2009	% Δ
Revenue	1,206	1,137	6
EBITDA	158	110	44
EBIT	101	53	90
ROFE	7.7%	3.9%	

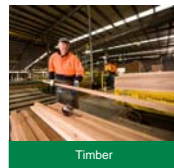
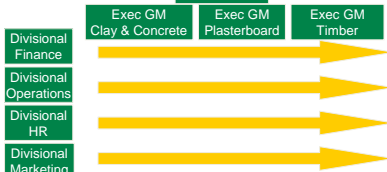


Clay & Concrete Products

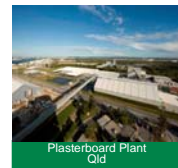
Operating Structure
Realigned to increase focus on operational and customer initiatives and divisional synergies



Ross Batstone
Divisional MD



Timber



Plasterboard Plant Qld



Investment in Masonry Plant in WA



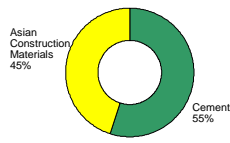
Operational Improvements

*Boral's profits from the Asian plasterboard joint venture, LPGA, are equity accounted. Boral's share of revenue does not appear in the consolidated accounts but is included in the revenue in the pie chart.

Boral Cement – FY10 Performance



(A\$m)	2010	2009	% Δ
Revenue	512	509	1
EBITDA	141	157	(10)
EBIT	88	108	(19)
ROFE	12.1%	13.7%	



Re-branding to Boral Cement

Operating Structure
Realigned to increase focus on operational and customer initiatives



Mike Beardsell
Divisional MD



Galong Lime works



Waurn Ponds Cement works



Asian Construction Materials

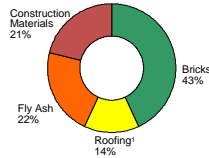


Operational Improvements

MARK SELWAY – ANNUAL GENERAL MEETING 2010
Boral USA – FY10 Performance



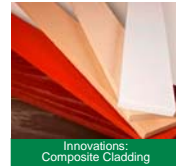
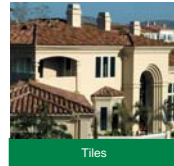
(A\$m)	2010	2009	% Δ
Revenue	364	545	(33)
EBITDA	(67)	(61)	(11)
EBIT	(104)	(109)	5
ROFE	(15.2%)	(13.4%)	



Operating Structure
 Realigned to increase focus on operational and customer initiatives



Mike Kane
 President Boral USA

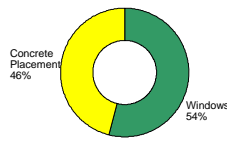


¹ Boral's profits from the MonierLifetile and Trinidad JV are equity accounted. Boral's share of revenue does not appear in the consolidated accounts but is included in the revenue in the pie chart.

MARK SELWAY – ANNUAL GENERAL MEETING 2010
Other Businesses – Dowell Windows / De Martin & Gasparini – FY10 Performance



(A\$m)	2010	2009	% Δ
Revenue	294	260	13
EBITDA	10	5	110
EBIT	6	2	300
ROFE	19.3%	3.2%	

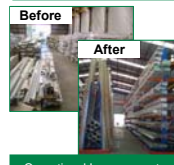
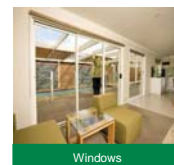
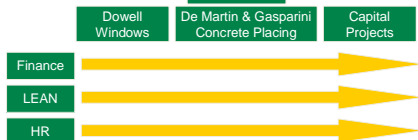


(Excludes discontinued businesses)

Operating Structure
 Realigned to focus on core businesses



Warren Davison
 Executive GM



Strategic Review



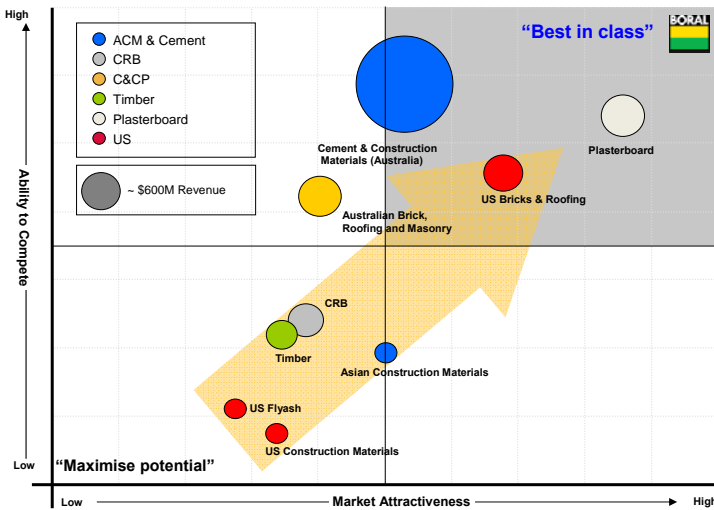
Building Something Great

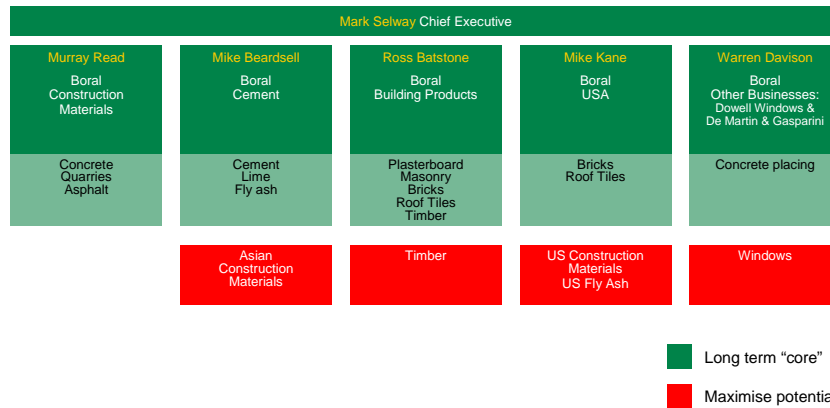


Laying the Foundations – Portfolio Review



Conducted detailed review of the market and Boral's position in it:
Market Attractiveness vs Ability to Compete





Impairment summary

	Impact \$m
Business write-downs	
Australia	(76)
Asia	(17)
Asset write-downs	
Australia	(135)
USA	(43)
Corporate restructure	(14)
Total (EBIT)	(285)
Income tax benefit	63
Net profit after tax	(222)

Cash impact - approximately \$34m



Priorities for FY11 – The Strategic Building Blocks for Growth



Sector best performance

- Realise sector best performance and market leading returns



1. Laying the foundations

- Ensure the operational changes are robustly implemented
- Focus on innovation and development of great new products



2. Reinforcing the core

- LEAN and Sales & Marketing excellence initiatives to drive operational improvements



3. Investing for growth

- Our improved balance sheet provides leverage for business development and acquisitions
- Our objective is to be invested in our core activities at an early stage of the economic recovery

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Laying the Foundations – Scorecard FY10



Revenue \$4.6bn
Down 6%

Profit after Tax¹ \$132m
Up marginally

Cash generation
\$459m



Achieved full year results in tough market conditions



Portfolio review and strategy defined



Reorganised structure to leverage strengths



Operational and sales & marketing excellence initiatives rolled out



Acquisition of MonierLifetile



\$490m capital raising to underpin growth and improve flexibility



Divestment of Scaffold and Precast

¹ Before significant items

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Continued economic uncertainty in the United States and wetter than usual conditions holding back progress in many of our key Australian markets.

- Boral Construction Materials**
- Rain has affected our principal concrete market.
 - Lower profits from asphalt and quarries due to exceptional profits in the first half of FY10.

- Boral Building Products**
- Has achieved further progress in volume, plant utilisation and efficiencies during the first quarter.
 - Further progress in full year is expected.

- Boral Cement**
- Production volumes have remained broadly flat.
 - Expect an improved performance in the year.

- Boral USA**
- We expect the market to remain difficult but incremental losses associated with the acquisition of MonierLifetile are being absorbed.
 - Effect of US losses is expected to be lower, due to the strengthened Australian dollar.

We expect our first half conditions to be broadly similar to the second half of the 2010, followed by a stronger second half to the year. A trading update will be provided at the half year announcement.