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Boral In The News
Issue 1. 2011

EXCITING TIMES FOR THE BORAL BRAND

One of our Company's
most valuable assets

P11



LEAN

Transforming
Boral businesses
P6



INNOVATION

On the agenda in
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MESSAGE FROM THE CHIEF EXECUTIVE

INCREASING THE PACE OF CHANGE

In my New Year message, I talked about a mixed bag of performance against our Self Help programs that make up the Boral Way. Since then, we have completed a series of conferences across the Australian businesses and have gathered some insights into progress across the Group.

I have received a lot of comments about the pace of change and the volume of new activities. Yes, there is a lot to do, but it's not easy to see where we could slow down or stop:

- Could we lessen our commitment to making our workplaces safer and jeopardise our aim of not hurting any of our people or those on our sites?
- Should we stop eliminating waste in our processes and operations and compromise our goal of being the most competitive in the market?
- Might we stop creating reliable standard systems and processes and hamper our control of our businesses and our avoidance of time consuming work arounds?
- Or perhaps we can stop the development of new and improved offers to customers and handicap our aim to stay close and meet their changing needs?
- Or stop our attempts to harness our combined strength and therefore avoid being picked off by smaller competitors?

The Boral Way is all about meeting these challenges and put like this I am sure you will agree that nothing can be stopped or slowed down.

You may be aware of our efforts to track down areas of waste and recent examples include:

- Credit cards where we have nearly 2000 cards in issue in Australia alone and on which we spend nearly \$40 million per year and for which controls need to be more immediate and effective;
- Company cars where we need to be tighter on their use and on follow through on damage incidents;
- Purchasing where we have identified inconsistent requisition, purchase and goods receiving procedures;
- Suppliers, over 26,000 of them! Surely we can streamline our purchasing to be more efficient and drive better deals with fewer suppliers.

Eliminating waste will mean more funds for investment in priority areas for our development and so if you see an area of waste, let me know about it!

Over the coming weeks and months, I am expecting that many of you will become more involved in change projects, whether through Lean, Sales and Marketing Excellence, implementing our Safety System, Innovation or one of the other components that make up the Boral Way.

You should expect to be kept informed of developments through three channels:

- Through your normal operating line. This will remain the prime channel for communication;
- Through a newly constructed 'change network' designed to ensure that changes in each function (for example, manufacturing, or sales and marketing, or finance and so on) are communicated consistently across the whole of the business;
- Through occasional bulletins and articles from my office.

Keep an eye on the Intranet, which is developing day by day to be the single source of information on developments in the Group.

The latest update is on the intranet, under Chief Executive's Comment. Please take time out of your busy schedules to see what I've got to say and share it widely with your colleagues.



Mark Selway, Chief Executive

Market conditions are not working in our favour, but I am determined that our 'Self Help' programs will continue. Yes, we will have to be careful about our costs and yes I want to make sure that we spend every dollar wisely, but this is about our future and making sure that Boral is built to last.

The Boral Way will help us to achieve our purpose of "Creating sustainable solutions for a worldwide building and construction industry". And our values will guide our behaviours for success: Excellence, Integrity, Collaboration and Endurance, all underpin our way of operating and will progressively help us deliver a waste free, safe, disciplined and responsive business.

Working together there is nothing we can't achieve; we're on our way to Building Something Great at Boral.

ADVANCING THE BORAL WAY

Boral employees around the world are excited and energised by the positive changes happening across the Group. Much of this change is underpinned by The Boral Way which has become the operating model for how we do business at Boral.

The Boral Way currently consists of 11 business practices or building blocks that over time will form a distinctive way for Boral's people to operate and remain aligned to the Group's Purpose and Values. These building blocks will shape the roles and responsibilities for every employee.

Everyone has a role to play in advancing the Boral Way and stepping up to the challenges it offers. The effort applied to this will help us reach our Purpose "to create sustainable solutions for a worldwide building and construction industry."

The Boral Way:

▪ Living our values

Our Values provide the first of the building blocks in the Boral Way and describe the essential and timeless principles that guide our decision making and actions. They are the beliefs which we all sign up to and which we refuse to compromise on. They define how we do business.

▪ Leading safety

Safety is our number one priority and this requires an immediate zero tolerance to poor safety practices by all of us. We are cleaning up the operations, getting on with maintenance and investing in our facilities. We are now consolidating best practice across the Group into a single "Boral" approach to leading safety. This will help us to compare performance, transfer best practice and demonstrate that we apply consistently high standards across the Group.

▪ Financial discipline

Our embedded financial discipline is now being enhanced with measured and transparent reporting of our forecasting accuracy.

▪ One Boral branding

Whilst the Boral logo remains unchanged its application is being refreshed, most noticeably on vehicles, signage, brochures and stationery. In Australia, Blue Circle Southern Cement and Midland Brick have been re-branded as Boral and over time we will aim to leverage our famous brand through a "One Boral" approach.

▪ The Boral Production System

The Boral Production System, based on the principles of Lean, is a structured program focused on eliminating manufacturing waste and improving efficiency. By cleaning up processes and streamlining operations we are making our workplaces more efficient and more satisfying for employees. This Group-wide initiative is already changing the way our production sites manufacture products. The outcome will be best practice operations releasing working capital in support of market growth.

▪ Sales and Marketing Excellence

Sales and Marketing Excellence is a critical component for the improvement of Boral's commercial performance. There will be a focus on increasing the effectiveness of sales and marketing within all of our businesses and geographic regions, building interdivisional collaboration and best leveraging of our scale. It will create a new competitive advantage for Boral. The Program's effectiveness is underpinned by strengthening seven core capabilities.

▪ Leading and managing people

We have redefined the behaviours expected of a Boral leader in line with our Values. The Personal Development Process has been simplified to improve the efficiency and effectiveness of our appraisal, development interviews and assessments. Additionally, a new leadership development program has been commissioned from the Australian Graduate School of Management.

▪ Boral innovation

Whilst we have made some good progress in the USA we need to do more to get innovation on the agenda across the Group. We will be providing additional resources to improve our capacity to innovate and deliver great new products to the market.

▪ Doing it Right

"Doing it Right" is a way of dealing with ethical dilemmas. There will be well-designed and executed processes to ensure we have the highest standards of business propriety.

▪ Major capital projects

Boral's emerging approach to major project selection, development and management, will ensure that projects are managed locally but monitored centrally. It will be a significant step up in project discipline.

▪ Managing risk

Our new risk management process will be implemented and owned by each individual operating site. It will ensure that the effectiveness of our controls is monitored and that actions are put in place and tracked, to eliminate or reduce the likelihood and/or consequence of the identified risks.



LBGA CLOCKS UP ANOTHER YEAR OF STRONG GROWTH

Boral's Asian plasterboard joint venture, LBGA, experienced a 15% increase in plasterboard sales volumes in 2010 over the prior year. Most of this growth came out of China and Thailand. This coincides with a number of new production facilities commissioned early in the year.

By Rick Ogden, Chief Financial Officer, Lafarge Boral Gypsum in Asia.

China – Baoshan Shanghai

This new greenfields site located in East China was commissioned in February 2010. With capacity of 35 million square metres, this new plant enabled the China business unit to double production capacity in Shanghai. With strong markets in East China and burgeoning demand in the Central West, this factory was operating 24 hours a day, seven days a week by October allowing total LBGA plasterboard sales volume in China to increase by 50% over the prior year.

Work is underway to upgrade a metal roll forming factory at the original Shanghai Pudong site which will allow LBGA to provide its customers with a more comprehensive product and system offer. With continued growth in the demand for plasterboard, other capacity investments are being considered throughout China.

Thailand – Saraburi Bangkok

LBGA's site at Saraburi, north of Bangkok, was upgraded with the commissioning of a second plasterboard line. This new 35 million square metres factory was completed in March 2010. On a nearby greenfields site in the same industrial estate, LBGA built a new factory to expand its value added products businesses, ceiling tiles and metal products, which were relocated from a site 50 kilometres south of Saraburi.

Over 2009, total plasterboard sales volume increased by 17% from LBGA's Thailand operations. This included supply to export markets such as Vietnam and India where plasterboard is becoming a more popular interior lining product.

South Korea – Ulsan

LBGA operates from three sites in South Korea with the Ulsan operation housing both a plasterboard line and ceiling tiles business. Under the brand name of Gyptex, the ceiling tile line uses a plasterboard motherboard with paint coating and embossed pattern.

LBGA Korea took advantage of a change in a competitor's supply strategy and commissioned the second Gyptex line in early 2010. After its first full year of operation, the second line contributed to an increase in ceiling tile sales volume of 46% over the prior year.

Yves Bonaime, LBGA's VP Industrial, commented that in the last quarter of 2010, each of the new sites operated at efficiency and waste levels close to LBGA's other more established facilities. Successfully commissioning the three new facilities in one year was a real credit to LBGA's engineering and industrial teams.

"It gives us confidence to further grow in the future which will involve building and commissioning multiple operations at the same time," he said.

The decisions to invest in these three projects totalling around \$100 million were made prior to the start of the global financial crisis. To reduce the risk of the GFC, construction and cash flows were phased over longer periods. Each factory came on line in 2010 enjoying favourable markets which contributed to another record year for the joint venture.



From top: At the new "value added products" facility in Thailand, flat sheet metal is roll formed into stud supports and other components in the construction of walls and ceilings.

The plasterboard line and the dryer at Shanghai Baoshan.

The Gyptex ceiling tile is a high end product using plasterboard with a paint coating and embossed pattern.

MONIERLIFETILE INTEGRATION A SUCCESS

After purchasing the remaining 50% of its joint venture interest, MonierLifetile, in July 2010, it was time to integrate the business with Boral's existing wholly owned US Tile Co. to form Boral Roofing.

By Mike Kane, President and CEO, Boral USA.

MonierLifetile is the largest manufacturer of concrete roofing tiles in the United States and US Tile is a premium clay roof tile manufacturer, both businesses are based in California approximately 30 miles apart.

In developing appropriate integration plans for the two businesses the needs of the customers came first, closely followed by the need for cost efficiencies that Boral shareholders would expect. The go live date for the most critical merger items was October 1, 2010.

The first step was to choose a common business platform across Boral Roofing. After considering

the impact on customers and the cost of adopting single platforms, SAP was chosen as the most suitable for the immediate and long term needs of the business.

Next was to integrate the sales force. Boral not only needed to limit redundant territories but find the right mix of clay and concrete roofing staff to maintain customer relationships, market and product knowledge. The result was a flatter organisation reflecting market activity and subsequent training on products, processes and systems.

Customer service departments were assessed to ensure people and systems were fully utilised and it was decided that the US Tile customer service duties would be moved into the former MonierLifetile Northern California facility.

The Finance and Accounting groups were also challenged with adding new customers into SAP, reviewing existing credit lines, changing financial documents and establishing common terms for the new integrated business.



Mike Kane, President and CEO, Boral USA

Although it wasn't easy, it's pleasing to report that all key initiatives in the integration of US Tile and MonierLifetile to form the new Boral Roofing Division in the USA, were implemented on time or earlier against an aggressive integration plan. Boral Roofing was on a single system with an integrated finance, IT, customer service, sales and manufacturing, and administration groups by the October 1 goal.

This success is a wonderful example of the ability of Boral people to work together across the Company and functional lines to achieve a great outcome for the whole organisation.

BORAL ROOFING'S IONE PLANT TO BE RE-TOOLED FOR NEW PRODUCT

In the lead up to the acquisition of the other half of MonierLifetile a strategic review of the clay tile business was also conducted.

By Al Borm, President Boral Roofing in USA and Mexico.

USA Tile had experienced sold out market conditions from FY2002 to FY2006; and in FY2006 capital was approved to build a state-of-the-art clay roof tile plant in Ione, California. The plant would add capacity with a view to supporting unmet demand as well as growth into underserved markets in the Southwest United States.

The plant project was delivered in late FY2008, but in the intervening 20-24 months the core markets for USA Tile saw unprecedented collapse in demand with housing starts down >70% with worse to come. In mid-2008, a decision was made to shut the Ione plant and maintain a single line in operation at USA Tile's facility in Corona, California, in order to weather the economic headwinds.

The outcome of the strategic review in 2010 was to seek capital to retrofit the Ione facility to produce a flat pressed clay roof tile instead of the

traditional USA Tile curved and barrel Spanish style products.

This project will allow Boral Roofing to introduce to current and new regional markets a flat, lightweight, Grade 1 (freeze/thaw resistant) tile that supports the strategy for Boral Roofing in North America to be the leader in high end pitched roofing products. This product will allow Boral Roofing to enter new markets and make appropriate returns on the total investment.

The US \$7.1 million capital was approved in September 2010, and a team was put in place led by Jeff Bobolts, Boral Roofing's Director of Manufacturing/Project Management, to execute the plan to install the new equipment, re-commission the existing plant and go to market with a new product within 12 months.

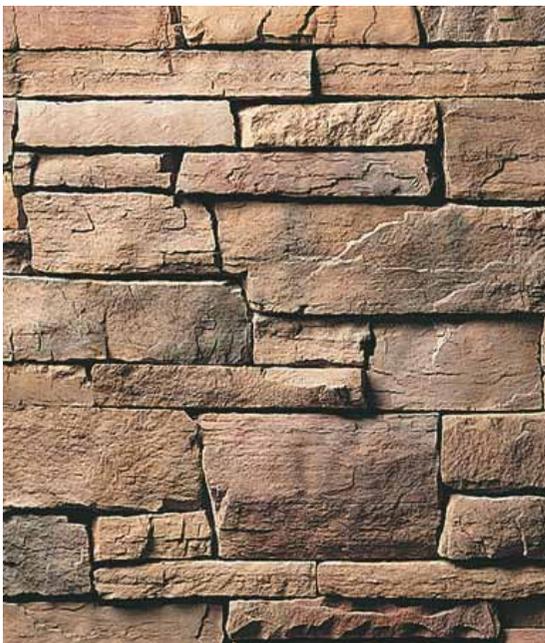
The project is on track with all major equipment specified and ordered on time. The new product



has been designed in consultation with sales and marketing teams, and early strength testing of the design is underway using world class simulation software. In the next few months prototype products will be tested in the Corona production environment.

In December 2010, Shawn Kirk relocated from Muskogee, Oklahoma, where he managed Boral Brick's clay brick plant, to assume the role of Plant Manager, Ione. Shawn has quickly reached out to the local community and is beginning to hire employees critical to re-commissioning the plant.

With the plant project progressing on time, and the sales and marketing teams well into detailed planning for product launch and new market entry, the project is poised to be another step in "Building Something Great" at Boral Roofing in the USA.



USA CULTURED STONE BUSINESS ACQUIRED

Boral has reached an agreement to acquire the Owens Corning Masonry Products LLC (“Cultured Stone®”) from Owens Corning, the leading stone veneer company in North America. The acquisition will be made in two steps with a joint venture structure for a period of three years between steps.



Boral’s Chief Executive, Mark Selway, said the purchase of Cultured Stone® represents a further step in the Group’s strategy to extend our already strong position in the United States cladding market, across both product and geographic dimensions.

The newly branded Boral Stone Products LLC has two factories, in Napa, California and in Chester, South Carolina and a customer base encompassing all of the USA and Canada. The Cultured Stone® product line has a very realistic appearance and because of its premium quality and brand equity it is a great fit with Boral’s portfolio of bricks and trim products.

This acquisition followed on from a portfolio review of the USA businesses after the arrival of Mike Kane as Boral USA President and CEO. The review sought to refocus the USA strategy and develop options that would enable the business to leverage its market positions more effectively.

Once this was completed the USA team considered strategic options including acquisitions. Two key aspects of the strategy were expansion into the USA cladding market beyond bricks and enlarging Boral’s operational footprint into all of North America. Owens Corning’s Cultured Stone® business was a key fit with this priority list.

With the initial transaction complete, local management are now working on full implementation of Lean and integration of the business into Boral’s USA operations, and delivering world class manufacturing and customer performance.

LEAN – MUCH MORE THAN A CLEAN UP!

Those of you in the manufacturing sectors of Boral are probably well versed on Lean principles, but what about those of us who spend their working life behind a desk or driving around – what does Lean mean to us and why is it important?

By Andy Rylance, Group Lean Manager.

Lean is not just about tidying your desk, removing clutter and waste. It is also about streamlining ideas and processes to make life easier at work.

The following may sound familiar: This is the way it's always been done; It would be so much easier if I did it that way; I don't know who's responsible for that, ask so and so; What's the point in saying anything, it won't make a difference; and this is just another fad.

Many Boral people all over the world are discovering the benefits of Lean.

5S is the set of principles used in the Lean Visual Management and Housekeeping Tool, namely Sort, Set in order, Shine, Standardise and Sustain. In the USA, Dana Wilson, VP Supply Chain Manager at Boral Bricks in Augusta held a "5S" event for distribution staff.

"Staff were asked to do some pre reading and then come to the event with the expectation to

contribute. It was a forum to vent frustration and put forward improvement ideas to remove roadblocks in their working environment," said Dana.

Staff were actively involved in visually reproducing their daily tasks and identifying any areas where improvements could be made. Feedback received during the event included:

- Some processes were not written and others were complicated. This led to constant interruptions for some staff, whilst also causing new employees to take a long time to get up to speed.
- Delays were caused by out of date equipment.
- Employees were disengaged not believing it would get any better.

Robert Gates, VP Lean Manufacturing Atlanta and Lean event facilitator, said, *"Having support from senior management and IT made instant wins possible. Unnecessary steps in processes were*

removed. Standard Operating Procedures were designed, agreed and written during the event. Processes were made visual and easy to find, particularly helpful for new employees or when staff were on leave. Open communication was valued and every one contributed."

Bill Kay, Director of Customer Service at Boral Bricks, Augusta, explained that through regular staff engagement the momentum to continuously improve would be sustained. Additionally, each employee's level of satisfaction should increase on seeing their contribution make a difference.

In Australia, 5S events have been held recently at the Boral Building Products – Clay and Concrete Products site at Thomastown, Victoria and the new combined Boral site at Port Melbourne.

PROBLEM SOLVING IN ACTION AT WYEE ROOFING

A previously unidentified defect that had been responsible for down time issues at the Wyee Roofing plant has been fixed after a plant employee attended an off-site Lean event.



Peter Lang, Electrician and Rob Hadden, Plant Operator.

Mark Starkey was able to transfer the skills learned to operator, Robert Hadden, who was then able to identify and eliminate the excessive misalignment of one of the trays at the tray turn-over-device that had been a problem for many years.

A cross functional project team was established consisting of Wyee plant employees: Jarrod Ducat (Plant Manager), Mark Starkey (Plant Improvement Manager), Robert Hadden (Operator Production) and Peter Lang (Electrical Technician, Maintenance).

"We have had down time issues for years and just lived with it, until Mark went on a Lean event where they used video equipment to analyse problem areas and find improvements," said Robert.

After the defect source was located, "Measles charts" were used to assist in solving this intermittent problem. It was identified that the source of the issue was not obvious to the naked eye.

A video camera was set up to capture the process until the fault reoccurred. The video footage was then watched together by the project team.

Further data gathering and analysis then took place to come up with theories of what was causing the problem. The project team decided to alter one of the conveyer settings to prevent the conveyers from ramping down while the trays are transferring from one conveyer to another. This countermeasure was proven to be a success and up to 30 minutes per day was gained in plant availability.

Jarrod commented, *"This was a great result obtained due to the enthusiasm and persistence of the project team. By reducing tray handling down time, this extra 30 minutes a day in plant up time has improved our Overall Equipment Effectiveness (OEE) particularly in the Press Area. The process has helped develop the confidence for and interest in using problem solving techniques with the workforce."*

THE TRANSFORMATION OF BORAL QUARRIES

There is significant change happening at Boral quarries around the country as they embrace the Boral Production System.

By Andrea Pidcock, Divisional Manager, Operational Improvement and Innovation, Boral Construction Materials.

Quarry managers and their operational staff have been working hard disposing of decades of obsolete equipment, making their workshops safer and more efficient, reducing material spillage through improved maintenance and housekeeping, systematically attacking the drivers of poor Overall Equipment Effectiveness (OEE). Daily toolbox talks have moved beyond just discussing operational requirements to now include discussion on key performance indicators and improvement initiatives. Employees from the shop floor can raise their concerns and come up with ideas to resolve them.

At Boral's Orange Grove Quarry in Western Australia, Metro Quarry Manager, Brian McGinnity has been driving this change since their "Kaizen kick-off" event last August. As a result of both Lean and restructuring initiatives, Orange Grove has gone from being one of the highest cost quarries in Australia to one of the lowest cost and production has increased by 24%. The quarry is also a much better place to work, which is critical for retaining staff, an important issue in a state that has been adversely affected by the mining boom poaching staff. Brian believes that this is only the start of the journey.

"The cultural change and shift in operating processes will enhance performance and assist us to achieve continuous improvement," he said.

Returning visitors to Boral's largest quarry at Deer Park in Victoria, will notice a marked difference straight away. Improvements in traffic management at this busy site mean that visitors' cars no longer have to cross paths with the large tippers that are constantly driving in and out. Clearly defined and chained walkways show where it is safe to walk. A number of Total Productive Maintenance (TPM) events have been held which identified maintenance issues and created inspection routines for key parts of the plant, improving reliability and OEE. The team at Deer Park has also been working to eliminate their top defects through targeted problem solving and Kaizen events.

Deer Park Quarry Manager Jason Parr explained that Lean has given supervisors and operators a greater focus on performance, professionalism and a sense of pride in creating a clean, well maintained workplace.

"As soon as a visitor arrives on site they can see that this is what the site is about," said Jason.

Linwood Quarry, Boral's largest quarry in South Australia, has been busy keeping up with demand for aggregates in Adelaide. Rodney Kazem, the new quarry manager, has been systematically addressing causes of recurring breakdown, such as electrical faults. In addition, a team of expert quarry managers set up through the Manufacturing Excellence Council also visited Linwood and did a diagnostic on their whole process and came up with recommendations to improve maintenance processes.

Following a detailed study on the load and haul fleet to eliminate the waiting time of haul trucks, the quarry has reduced its haul truck fleet from three vehicles to two and increased its production rate by 25%.

"As well as improving plant productivity, we have improved OEE from the low 50's to 70%, and are now providing consistent quality aggregates for our asphalt and concrete customers," said Rodney.

ORANGE GROVE QUARRY UPDATE

Plant Workshop Roller Store

Before

The outside roller store was very dusty, untidy and had a build up inventory of spares over the years that were no longer used. The racking was old and rusty and the overhanging racking was unstable.



After

The roller store has been sorted and cleaned out. Only items that are needed were kept in dedicated areas. High durability racking was installed and provided storage for heavy parts on pallets.



Plant Maintenance Workshop – Aerial View

Before

This aerial view is from Nearmaps which shows the extent of clutter in the graveyard on day one.



After

The above photograph was from December 2010, three months after the extensive sort and set in order projects started in the graveyard.



BORAL CEMENT LEANS UP ITS POWER COSTS

Boral Cement's Berrima plant changed the way it paid for electricity to power its operations.

By Martin Guenzi, Production System Manager, Boral Cement.

Instead of paying for power at a fixed price, a sizeable portion of the power used would be charged at the current price set in the open marketplace, called the 'spot price'. This 'spot price' goes up and down based on market forces. The theory was that operations could be scheduled to maximise power usage when the price was low, and minimise when the price went high, Berrima would save money over the year.

January 2010 was the first month of operation using the new pricing. It was a real challenge as summer prices for power peaked at more than 80 times the usual price. One slip-up and Berrima could be hit with a \$100,000 bill for a single day. Avoiding these price 'spikes' was proving difficult.

It was also around this time that Lean was introduced to Boral. Soon after, Berrima began to apply Lean principles to help improve their power-hungry milling operations. They used:

- Visual management to bring the information together for the operators on the one computer screen;
- Standardisation of procedures to define exactly when to turn their milling operations on and when to switch them off;
- Error-proofing to immediately detect and shutdown milling if an unexpected price spike occurred, and most importantly;
- Cross-functional teams to continuously solve problems and improve performance.

Eventually, the team at Berrima were able to successfully 'pull' electricity as simply as turning a tap on and off. A balance was struck between running the mills only during cheaper periods and serving customers, without running out of cement stocks.

The result was a massive \$2.4 million saving for the year, compared to the old fixed price contract.

Phil Watts, from Boral Procurement, worked with the team to introduce the initiative.

"Much of the success came from giving the operators the information they needed and empowering them to make the right decisions," said Phil.

A wonderful example of the power of Lean to lean power costs.

BCM QUEENSLAND WINS MAJOR GLADSTONE LNG PROJECT

Boral Construction Materials (BCM) in Queensland has won the tender to supply 162,000 cubic metres of concrete to the Queensland Curtis Liquefied Natural Gas (QCLNG) project, the first of the liquefied natural gas (LNG) plants planned for Curtis Island located off the Gladstone Coast.

The British Gas (BG) Group has committed \$15 billion to the QCLNG project and awarded the major responsibility of engineering, procurement and construction to Houston-based Bechtel, Oil, Gas and Chemicals. BCM's relationship with Bechtel, particularly on the Yarwun Alumina Refinery along with a detailed capabilities review presented by the BCM team at a recent meeting in the United States were key to Bechtel's decision to continue the relationship with Boral.

Bechtel has previously worked with Boral Gladstone on Stage 1 and 2 of the Yarwun Alumina Refinery where a total of 175,000 cubic metres of concrete was supplied. The projects were an outstanding success and exceeded all expectations.

Gladstone based Anne Woolley, Sales Manager Queensland /Northern Territory Country and her husband Graham Woolley, who was Project Manager on the Yarwun site were instrumental in the bid process.

"We are very excited about securing the QCLNG supply project and look forward to working closely with Bechtel to provide them with the superior Boral service they have come to expect. This success has been supported by a large team of Boral people working in the background," said Anne.

The QCLNG project will commence in April 2011 with concrete supply starting in June 2011.

BCM Queensland is also bidding for an additional two large-scale LNG projects also located on Curtis Island. Gladstone Liquefied Natural Gas Project, a consortium between Santos, Petronas, Total and Kogas is expected to reach concrete supply approval status within the coming months.

Meanwhile Australian Pacific Liquefied Natural Gas, jointly owned by Origin Energy and ConocoPhillips, will be decided later in 2011.



Concept design of the QCLNG plant.

EARLY SUCCESS WITH SAFETY INTERVENTIONS IN USA PLANTS

A safety Intervention program in Boral's USA plants which is improving workplace safety and engaging employees.

By Darren Schulz, Vice President, Market Development, Boral Roofing.

All Boral employees are aware that safety is the highest priority, however the Safety Intervention program is encouraging a whole new emphasis from all plant employees on the goal of zero accidents and injuries. The process was piloted by Boral's USA President and CEO, Mike Kane, at the Bessemer, Alabama brick plant in late 2010 and has since been rolled out into the Roofing and Bricks business units across the USA and Mexico.

Through a series of group and one-on-one meetings with frontline employees, Company Presidents canvas suggestions on how they can help make their workplace a safer environment.

President Boral Roofing in USA and Mexico, Al Borm, said while there was some initial apprehension from employees about these meetings, the first three plants; Pompano and Lake Wales in Florida and Rialto in California, I visited since beginning the program in January have all been very engaging, as the purpose of the discussion centres around the most critical question of each employee: "How can I help create a safer working environment for you?".

Steve Saldade, Plant Manager at Lake Wales Roofing, believes everyone at the plant understands that compliance with the Company's safety rules and procedures is for their own safety and is a basic condition of employment. Employees at Lake Wales have continued to bring forward new safety concerns since the intervention meetings and there has been increased attention to 'near misses'.

"At the end of the day Al Borm and I met to review the top five priorities identified. A full report was then prepared and the team adopted the Lean tools we already use. The "Lean Tracker" and "Lean Action Plan" were used to document and follow up all of the 100 plus issues identified. Everyone understands that they are individually and collectively responsible for addressing all the safety concerns and ideas that came out of the intervention meetings. The Lean reporting tools mean that everyone in the plant can check progress on any item on the 'punch list'.

"It was pleasing that the employees came up with a wide-ranging set of ideas that not only help improve safety in their workplace but also make sense for a

Lean manufacturing organisation," said Steve.

Bob Kepford, President Boral Cladding Division USA, believes that safety begins with the individual as a personal responsibility.

"At the end of each intervention meeting I obtained a personal commitment from each employee to their own safety and to the safety of fellow employees. I felt this was one of the most important outcomes from the meetings," said Bob.

During the first two months of 2011, Al Borm completed safety interventions at all 12 Boral Roofing manufacturing sites in the United States and Mexico and met with each plant employee. All reports have been issued and reviewed with respective plant managers.

At Boral Bricks, Bob Kepford has visited all the plants in production at this time and will continue the process as more plants come back on line in the United States spring.



Glyn Jackson, Chairman NSW Environmental Subcommittee presents the award to Michael Holz of Boral Construction Materials.

BORAL RECOGNISED IN THE NSW ENVIRONMENT HEALTH & SAFETY AWARDS

For the past 30 years, the NSW Environment Health & Safety (EHS) Awards have represented the highest accolade for best practice in the heavy construction materials industry. A record number of entries were received in 2010.

A new Innovation award was introduced in both the Environment and Health & Safety divisions. These awards highlight exceptional performance and the role of leadership, innovation and advocacy.

Boral Dunmore, Sand & Soil won the Extractive Environmental Best Performance award for its community consultation in the rehabilitation process at the Swamp Rd Quarry. This involved consultation with the Quarry's closest neighbours to incorporate their feedback into aspects such as what plants to grow on the site. Michael Holz, Quarry Manager at Dunmore accepted the award on behalf of the team.

Boral Concrete, Artarmon won the Concrete OH&S Best Performance award for hazard identification

at the new plant. Richard Bugeja, Production Area Manager and Geoff McDonnell, Operations Manager for Metro Concrete accepted the award.

Two Boral operations shared the Highly Commended recognition in the Extractive OH&S Best Performance category. They were the Boral Emu Plains Quarry for its management of grinding risks. The team developed a risk-based training package in response to a site accident that has now become part of the site induction program. Boral Logistics was recognised for its "Chain of Responsibility Program" (SmartTrack). Matt Wright, Quarries Supervisor and Jason Williams, Transport and Logistics Engineer accepted the awards.

Richard Bolton, Chairman NSW OHS Subcommittee presents the award to Richard Bugeja and Geoff McDonnell of Boral Construction Materials.





EXCITING TIMES FOR THE BORAL BRAND

Boral's brand is one of the most recognisable in Australia and one of the Company's most valuable assets. It is also a tool in Boral's strategy to achieve sector best performance, not only in sales and marketing but for the business overall.

By Glenn Simpkin, Group Brand and Marketing Manager.

A company's brand is more than a logo. It is making sure we deliver high quality products in full and on time. It is making sure our invoicing is correct. It is having friendly and professional sales staff. It is having marketing material that consistently communicates the Boral Values. Everything every employee does has the ability to add to, or detract from, the brand.

The objective of Boral's re-branding exercise is to create a more contemporary look which will resonate with the market and bring together the "One Boral" approach. It is also an opportunity to look at ways Boral can become an easier organisation with which to do business. Boral's Chief Executive, Mark Selway, believes the new branding is a key component of the new corporate strategy and Boral's journey to 'Building Something Great'.

Maintaining brand consistency is essential and requires a set of defined standards to avoid misuse while also ensuring a uniform approach is adopted across the Group. To deliver this new brand and marketing approach, Group Brand and Marketing Manager, Glenn Simpkin, has taken on the responsibility for coordination of the brand and the roll out of marketing strategies across the Divisions.

"Great progress has been made over the last few months. Boral's vision and strategy for repositioning the Boral brand has been defined, the new Boral Brand Guidelines in Australia and the USA have been launched, and a streamlined supplier base has been established.

"We have also started delivering on further "tactical" initiatives. We have launched the new Boral website, audited all marketing collateral, started the roll-out of our new site signage, piloted the new livery for our concrete agitators and tipper fleet, and all but finalised the new visual design of our manufacturing and retail facilities.

"Over the coming months we aim to achieve even more. All marketing collateral will be re-branded with fresh, modern designs. We will launch our corporate advertising campaign and begin implementing a fully integrated marketing and promotions calendar to ensure we get the most leverage from for our marketing spend," said Glenn.

The Boral Communications Centre (BCC, formerly the eBusiness Centre), will continue to focus on the delivery of consistent communications and ensure compliance to the new branding guidelines. The BCC will take on a greater role in managing Boral's print and web marketing material and will coordinate all other marketing activities with external agencies.

At the divisional level Brand Champions have been appointed with responsibility for the adherence to the new guidelines and the development of marketing plans. Each division should utilise the expertise of these people for all brand related questions.

A Sales and Marketing intranet portal, http://intranet.boral.com.au/Sales_and_Marketing/index.asp, has been created to house the latest version of Boral's Brand Guidelines together with PowerPoint and Word templates so they are easily accessible.



Glenn Simpkin, Group Brand and Marketing Manager



BLUE CIRCLE SOUTHERN CEMENT IS OFFICIALLY RE-BRANDED BORAL CEMENT

Blue Circle Southern Cement, a company Boral acquired in 1987, has now officially become Boral Cement. The change presented the challenges of retaining brand equity in the packaged cement business, managing the perceived sensitivity of bulk cement customers who compete with Boral in the concrete market and respecting the pride that many employees have had in the Blue Circle business.

By Jim Young, National Sales Manager, Boral Cement.

This change represented both an important moment in Boral's history and recognised Blue Circle's significant contribution to Boral's success.

We wanted to bring the business under the Boral banner in line with the One Boral philosophy as Boral is one of the most recognised brands in Australia. At the same time, Blue Circle through its reputation for quality products, product range and customer service adds strength to the Boral brand. Our customers benefit too, as this change means they are able to access a broader range of products and services more easily under the One Boral approach.

While the company name and branding changed to Boral Cement, the Blue Circle® name has been retained for the packaged cement product range. This acknowledged feedback from customers which indicated the strong brand value associated with Blue Circle® for these products, particularly in NSW where it is the leading and most recognised brand. Clever redesign of the packaging maintains the same look and feel of the previous bags. New bags feature both the Blue Circle® name and Boral logo.

Bulk cement products will also trade under the Boral Cement branding. Boral Cement sales staff reaffirmed to their independent premix concrete and masonry customers that the confidentiality of their trading information would be kept from other Boral businesses with whom they compete in the concrete market.

Managing the transition

Launch day celebrations occurred on 1 August 2010 at major sites to commemorate the history of Blue Circle Southern Cement and welcome the beginning of a new era as Boral Cement. Prospect office staff attended a lunch and a presentation from Divisional Managing Director, Mike Beardsell. At our Waurn Ponds Works, the longest serving employee took down the Blue Circle® flag and the newest employee raised the Boral flag. Works Manager, Peter Richardson also gave a short address to all staff.

Given the need for economic restraint, the new identity of Boral Cement is being phased in. The first phase involved informing customers, employees and stakeholders of the name change and making essential changes to Company



stationery and brochures. A Brand Bulletin was introduced and distributed to all staff. Product Guides, Handy Hints Booklets, Product Data Sheets and Material Safety Data Sheets were updated to assist the sales teams and customers.

The second phase of re-branding will be completed by 30 June 2011 and will cover trucks, tankers, uniforms and signage at Company sites, depot and packaged cement resellers. From then onwards, the Blue Circle® name will only be retained on packaged cement products.

Overall, the re-branding exercise has been very successful. The detailed planning, extensive communication with all our stakeholders – our customers and employees – and the commitment of our sales staff paid off. There was minimal disruption to our business and we retained all our customers. We maintain our strengths, honour our past and are looking forward to the future. With a new name, we are now more visibly part of the Boral range of products and can provide greater opportunities for our customers and employees to 'Build Something Great'.

Above from left: Adrian Rosani and Peter Scott.



INNOVATION IS ON THE AGENDA IN BUILDING PRODUCTS

Boral Building Products has taken on the challenge of getting innovation on the agenda and has appointed its first Innovation Manager and will soon establish an Innovation Council.

By Robert Harriss, Innovation Manager, Boral Building Products.

Boral's Chief Executive, Mark Selway, stressed the importance of innovation in a recent communication to employees where he said our capacity to deliver great new products to the market must improve. While we have made some good progress in the USA we need to do more to get innovation on the agenda across the Group.

Building Products began its innovation journey last September by developing an initial innovation strategy. Subsequently more than a dozen Innovation Leaders met to discuss the current situation and the many challenges facing the businesses. To address the lack of resourcing, approval was given to appoint an Innovation manager and Innovation Champions within each business.

In December, Innovation Leaders met to discuss their current projects and to share their ideas with Jamie Durie, Boral's brand ambassador and a landscape designer who is passionate about developing innovative sustainable solutions. All Boral staff present were inspired by Jamie's wide knowledge on the subject, and equally Jamie was impressed by the innovative work currently underway at Boral.

Overall there are 60 new products in the pipeline across Building Products ranging from incremental product improvements to ground-breaking new solutions. The work being done in Boral Timber really caught the attention of the Innovation Leaders. Plywood put forward many ideas, from commercial bridges to green roof solutions, however two products stood out for their ability to take an existing product and expand it into a new market.

PremierWood is a laser-cut product with origins in commercial ceiling ventilation and sound attenuation. Laser has the advantage of being able to contour cut in any direction and eliminates rough, torn-out, and fuzzy edges. The plywood team have spotted an opportunity and are looking to apply the same technology to outdoor privacy screens.

EzyShield is an engineered plywood system used as both a noise barrier and a visual screen. A finish is applied to produce a look and feel that matches the surrounding eucalypt environment. This product began its life as a commercial product used for

motorways and railway lines and has since been expanded to residential applications, where it is now commonly used as fencing in sub-divisions.

The commercial bridge product, BridgeWood, also deserves recognition for its ability to apply new thinking to an old problem. Designed in collaboration with university partners, the BridgeWood product is made entirely from plywood yet is able to provide some superior engineering qualities to traditional concrete and steel structures. The main benefit of this unique product is its ability to dramatically reduce installation time and cost whilst still providing a customised solution. The materials used in construction are sourced from sustainable plantations with all the inherent environmental benefits of sustainable timber.

Timber identified many truly innovative ideas to make the best use of what has traditionally been seen as lower quality timber. The division also presented one new product that will see its recovery increase by 100% at the same time as filling a gap in the budget-conscious, quick installation market. The new 10mm solid overlay flooring employs a unique cutting technique that allows Boral to produce a straighter and higher quality board at half the thickness. This solution has great environmental credentials by making better use of a high value sensitive resource.

Building Products has the opportunity to become a leader in innovation by being creative, doing things differently and leveraging its diversity to develop great ideas.



Overall there are
60
new products
in the pipeline
across Building
Products

Right: BridgeWood an engineered plywood product specifically designed for the construction of timber rail bridges.



BORAL USA PIONEERS THE “COOL ROOF”

With the increasing demand for environmentally sensitive and energy saving products, Boral Roofing is staying ahead of the trend by anticipating the needs of the customer, developing new products, roofing systems and quantifying the sustainability of its offerings.

By John Renowden, Vice President, Product Development, Boral Roofing USA.

Selling roofing products is no longer just about the basics of style, colour, price and availability. It is now necessary to understand how the products will impact the environment and how they will contribute to the energy efficiency of the building.

In recent years there has been an exponential growth in the need for builders and consumers to employ green products mainly due to government and state legislation and independent and government sponsored rating systems. These include the California State Energy code Title 24, ENERGY STAR® rating of products and homes and LEED® (Leadership in Energy and Environmental Design) rating of commercial and residential buildings.

One of the major trends affecting roofing products is reducing heat buildup in urban areas to counteract the heat island effect and to improve energy efficiency in the sun-belt by reflecting more of the sun's energy away from the building. The customer preference in the USA is for light bright colours in

Florida but generally darker colours elsewhere.

The challenge was to develop a range of colours for the regions, outside of Florida, that would meet the reflective requirements but still retain a rich colour.

As part of an Innovation Roadshow conducted by Boral Roofing, customers were asked for their preferences in meeting this requirement and results favoured through-coloured tiles, as opposed to slurry or top coated products. This presented a challenge for the process technologists, as the available sands outside Florida are much darker, making the light, bright colours hard to achieve.

From a range of Florida tiles, three basic colours were chosen for colour matching in the west by using the locally harvested raw materials from each target plant. An investment of \$40,000 was made in instruments to measure the tile's reflective properties. The process technicians attended a training course run by the manufacturer for the colour measurement instrument X-Rite.

Training was aimed at predicting the resulting colour from the formulation of the individual colour pigments and ingredients. This was followed by an intensive program of colour development at seven plants which resulted in a new range of full body, tile colours that met all the current reflectivity requirements and was able to be introduced in eight sales territories.

Mike Kane, Boral USA President and CEO, said sales results for these specially developed reflective products are pleasing with additional sales of 12,000 square metres in 2010. An additional boost to the market is the requirement now for government and military buildings to have roofing products that meet the LEED requirement for reflectivity.

“This product development required only a small capital investment. The key ingredients were a combination of the teamwork between Marketing, Development, Engineering and Operations, together with commitment and hard work,” Mike said.



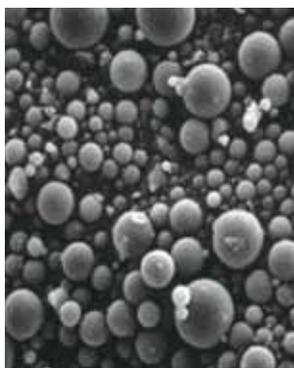
One of the major trends affecting roofing products is reducing heat build up in urban areas.

Environmental Data:

California Title 24 has a prescriptive requirement for tiles to have a reflectivity of greater than 15%. (Reflectivity is the ability of a product to reflect heat from the sun and is 1 - absorbance)

Energy Star has a credit for tiles having a reflectivity of greater than 25%.

LEED (Leadership in Energy and Environmental Design) points are credited for tiles having a Solar Reflective Index (SRI) of greater than 29. SRI is a combination of reflectivity and emissivity, where emissivity is the ability of the material to give up heat.



Ultra fine Fly Ash

BORAL CELCERAM® ADVANCES SUSTAINABILITY FOR CARPET PRODUCERS

Boral's USA based Celceram products target uses for fly ash in non-concrete markets. When Boral Material Technologies Inc (BMTI) began looking at carpet backing as a possible new market for fly ash, they realised that raw ash used in concrete applications could not be easily processed in these types of systems. The team worked closely with several carpet producers to determine the attributes necessary in a filler material and subsequently developed two new products suited to the market's needs.

By Kim Crane, Sales Manager Engineered Products, BMTI.

Boral's Research & Development team and BMTI's operations teams identified two sources of ash that contained the necessary "parent" material to make the particle distributions required, Plant Monticello in Texas and Plant Scherer in Georgia. Since that time, Celceram has been successfully used as a functional filler in polyolefin, PVC, EVA, asphalt, reactive polyurethane and other latex-based chemistries.

Celceram offers customers several benefits. Its unique particle size gives it an improved packing factor enabling it to be loaded to higher levels than traditional fillers while maintaining or improving the physical properties of the finished polymer system.

It has faster production rates, improved dimensional stability and lower product weight. One great benefit for customers is that it replaces more costly resins and additives with increased loadings of filler material. Reduction of resin content can also reduce volatile organic compounds (VOC's).

Boral Celceram products also contribute toward NSF140 gold and platinum levels of sustainability. As pre-consumers of recycled material, the manufacturers using Celceram can boost the points their products contribute to the certification of a building under the U.S. Green Building Council

LEED system – an internationally recognised green building certification system.

Currently, Boral supplies Celceram products to most of the major carpet manufacturers in the United States and Canada. Long term Celceram products have the potential to be used in other markets such as rubber goods, polyolefin and PVC compounds, kitchen and bath, automotive carpet and moulded parts. With most manufacturers today interested in modifying their products and processing methods to make them as sustainable as possible, Celceram can certainly be a part of the solution.

BORAL ROOFING USA'S ENERGY CALCULATOR: "DOING THE MATH" ON SAVINGS

Issues such as climate change, sustainability and energy efficiency have become increasingly important in the USA building industry to the point where they are now central to the specification, design, code approval and performance rating of buildings. This has meant a significant shift in the design and marketing of roofing systems.

By John Renowden, Vice President, Product Development, Boral Roofing USA.

Technical emphasis was once focused only on installation techniques, durability and mechanical performance in the different climatic zones, but now the technical scope has extended to cover all issues of energy efficiency, including: surface reflectance, thermal emittance, thermal mass and ventilation.

With building codes now including the thermal performance of the roof in the whole building envelope, builders are using Energy Consultants to calculate the building's energy budget and to advise on the economic trade-offs between the elements of the structure. The roof design now has to compete with the thermal performance of doors, windows and walls.

It is essential for Boral Roofing to ensure that its roof tile is recognised for its superior energy performance. One way this has been addressed is through development of Boral Roofing's Energy Efficient Roof Calculator which is available on its website: www.monierlifetile.com/technicaltools/calculator.html

This easy to use calculator demonstrates to a homeowner the financial benefit of tile over the major competing product, asphalt shingle.

Boral Roofing had been working for some time on the theoretical thermal performance of the roof

in partnership with Oakridge National Laboratory and the Tile Roofing Institute to provide information to government and regulatory bodies such as the California Energy Commission.

Although concrete and clay roof tiles are the standard roofing materials for quality homes in Sunbelt States such as California and Florida, they are practically unknown in many other regions.

Customer focus groups were held to gain reaction to the use of tile versus alternative roofing materials. A common theme from these groups was "show me the savings." Since producing the Calculator the results have been favourably received by builders, roofers and consumers. The Calculator is helping to direct traffic to the Boral Roofing website and has proved popular at trade shows.

Boral Roofing is far ahead of the competition in providing the instantaneous type of information that is generated by the Energy Calculator, including major asphalt shingle and other tile manufacturers.

BORAL PLAYS KEY ROLE IN OAKLANDS HILL WIND FARM



Boral is making a contribution to sustainable energy through its supply of concrete to a green energy project underway in Victoria for its customer Abigroup on behalf of AGL Energy.

By Leon Gouletsas, Sales Analyst, Boral Construction Materials.

The Oaklands Hill Wind Farm is made up of 32 wind-turbines that will provide renewable energy to the National Electricity Market for at least 25 years and contribute to the Australian Government's expanded Renewable Energy Target (RET). The RET is designed to ensure that the equivalent of 20% of Australia's electricity supply is generated from renewable sources by 2020.

Boral poured 12,000 cubic metres of concrete to meet the demanding needs of the project from a nearby purpose-built mobile plant, supplied by Boral Quarries in Dundas and Boral Cement. Delivering to the project required careful navigation between the many towers anywhere from 500 metres to 8 kilometres apart, each requiring 300 cubic metres of concrete per tower.

Once completed in late 2011 the wind farm, located 230 kilometres west of Melbourne in Glenthompson, will provide enough energy to power approximately 35,000 average Australian households per year, with a greenhouse gas emission saving of over 185,000 tonnes per annum. Boral is proud to be involved in this great initiative which will contribute to powering Victoria while also helping the environment.



THE BORAL SALES AND MARKETING EXCELLENCE PLATFORM IS IN PLACE



Boral is well down the road on a journey towards Sales and Marketing Excellence and already some solid achievements are evident. Sales and marketing professionals across the Group are focused on collaboration, as well as the major competency drivers of sales and marketing excellence. Most importantly, a structure has been put in place to support key initiatives.

By John Stewart, Group Sales and Marketing Excellence Manager.

"This is a unique program in the Australian business landscape. There is significant momentum and the whole organisation is determined to support our sales and marketing professionals in the pursuit of value-driven, cross business collaboration, as well as their focus on core capabilities," said John.

State Co-ordination Council meetings are attended by senior managers in each state, and there are also structured meetings for sales managers and sales professionals to discuss opportunities to provide superior value to customers. An opportunity sharing tool is now in place to facilitate more seamless coordination across products and businesses.

With the platform now in place for delivering the Sales and Marketing Excellence program, the next focus will be delivering sales planning and execution tools, processes such as the Sales Review Framework and targeted training in order to support Boral's sales and marketing professionals in achieving their individual as well as business-wide goals.

BORAL COMES THROUGH WITH GREEN STAR CONCRETE FOR NO.1 BLIGH STREET PROJECT

No.1 Bligh Street (the “Space”) is a 29 storey commercial building under construction in the heart of Sydney combining stunning architecture with best practice sustainability.

By Julie Adamo, Regional Sales Manager, Boral Construction Materials and Louie Mazzarolo, General Manager, De Martin & Gasparini.

The building will be 6 Star Green Star and 5 Star NABERS Energy.

Green Star is a voluntary environmental rating system that evaluates the environmental design and construction of buildings. A 6 Star Green Star rating signifies world leadership in environmentally sustainable design.

The National Australian Built Environmental Ratings Scheme (NABERS) provides a rating of a building’s energy efficiency from zero to five stars.

Boral’s wholly-owned Concrete business was approached by Grocon to meet the strict sustainability challenges of supplying concrete to this project. It proved to be a test in terms of supply, pumping and placing as Green Star 3 mixes are much stickier than normal concrete and exert much more pressure on concrete delivery lines and pumps.

Concrete partnered with Boral’s De Martin & Gasparini (DMG), the leading concrete structures company in NSW. The working relationship between Grocon, Concrete and DMG is built on mutual respect for each others’ abilities with all the challenges of the project being discussed and agreed to ensure the right outcomes.

Concrete needed to supply concrete with 40% cement and 20% aggregate replacement and to achieve these replacement targets for the total project, where the concrete volume was predominantly comprised of post-tensioned floors (50%) and very high strength 65, 80 and 100MPa products (15%) yet still achieve the Green Star 3 compliance.

The builder needed a fast four day cycle time on the job which meant that Concrete had to achieve 22MPa in four days for the stressing cables to be tensioned in that time period. This was a specific challenge for Green Star concrete, which typically has lower early strength than standard cement concrete, especially during the cold winter period.

Engineering implications associated with installation of a double skin glass façade and its interaction with the reinforced concrete structure meant significant research, development and testing of concrete properties associated with Green Star mixes was required in order to assess long term performance.

The ability to predict the movement in the columns and adjacent core walls was a tougher challenge, as this required reliable information on concrete creep, modulus of elasticity and shrinkage. Concrete creep tests take 12 months to complete and long term (30 year) creep values were required for structural design calculations at the outset of the project.

Boral’s Chief Engineer, Tony Thomas, assisted with extensive technical input drawn from Boral’s Laboratory database to provide the necessary engineering data for the proposed mix designs. A comparison of creep versus shrinkage was carried out by the engineers for Grocon, and the mixes were then determined to be in the target range which solved a major engineering challenge.

Concrete met the Green Star, early-age and high strength requirements, by using Boral’s quality cements and combining Boral aggregates with blast furnace slag aggregates. The final replacement values expected to be achieved for the project are 42% for cement and 35% for aggregates. To do this, constant monitoring of recycled aggregate materials was needed.

In order to meet Grocon’s programming requirements, two vertical lines were progressively installed in the tower to service concrete placement to low and high rise lift cores. This was done via two 21 metre stationary booms fixed to structural steel portals. These were then mounted on a formwork jump form system and to the slabs and columns, via one self climbing 24 metre tower boom. Once the loading dock area had been constructed, pumping was done from inside the site via a Putzmeister 14000 trailer pump.



Artist’s impression of completed project and concrete being poured on the ground level.

The podium to Level 1 structure was 18 metres in height and required some re-engineering of the tower boom set up. This needed to be erected from base footing to Level 5 with over 50 metres of tower section prior to self climbing in order to clear Level 1’s atrium and avoid costly back-propping of the structure. The core structure was very complex with some large penetrations throughout creating difficulties in placing and compacting the concrete. To overcome this, DMG sourced and installed form vibrators at targeted locations to ensure the desired Class 2 finish was achieved without the need for rectification work.

Manuel Ortiz, Operations Manager for Concrete, said in order to create good mix design, good quality control and really understand the client’s expectations, you need good people.

“You have to work together to get a great outcome like this project. It didn’t come without its challenges and hardships but we are proud of our involvement with this iconic building with Grocon,” Manuel said.

BORALSTONE BARGED IN TO HELP A CUSTOMER



Boral was able to offer a clever logistics solution for a customer by delivering its Boralstone product via barge to a waterfront residential project.

By Daniel Grosser, Housing Sector Accounts Manager, Boral Metro Concrete.

Boral customer, Mirage Projects specialise in high end new residential dwellings, as well as alterations and additions in the Sydney region.

Many of Mirage's developments are located on steep and difficult to access building sites. A recent project at Cabarita Road, Avalon on Sydney's Northern Beaches was no exception.

The client requested polished concrete floors in the kitchen, bathroom and lower bedroom. The only solution to access the steep waterfront building site was to transport and pump the concrete from a barge.

Once the client had viewed samples and selected a colour, Boral Concrete visited the building site and the jetty which would be used for the barge. The Concrete team also consulted directly with

the barge operator regarding transport times, determined by the tidal movement, insurances and the job safety plan. This enabled them to correctly determine the exact quantities for the concrete mix to be workable once delivered to the site.

The day of the pour went smoothly with the concrete delivered to schedule and the customer completely satisfied.



DIXON HOMES MELBOURNE WARMS TO THE "ONE BORAL" APPROACH

Dixon Homes Melbourne, an established builder of award-winning homes, recently approached Boral for a quote to supply concrete.

Leigh Street, Sales Manager for Quarries in Victoria Metro, had "One Boral" front of mind, when he arranged for the Sales Managers of all Boral businesses to meet with Dixon Homes Melbourne. This proved to the client that we could facilitate the cross-selling of the full range of Boral products.

Left to right: Leigh Street, Sales Manager Quarries; Fiona Johnson, Sales Manager Plasterboard Residential; Kevin Schulz, Managing Director Dixon Homes Melbourne; Chris Hatzis, Account Manager Boral Concrete.

"As a new customer, I was very impressed with the One Boral approach. It made dealing with Boral very easy. I consider Boral to be a very important partner as we develop our business in Melbourne," said Kevin Schulz, Managing Director, Dixon Homes Melbourne.

Boral has been able to supply concrete, quarry products, windows and plasterboard to Dixon Homes Melbourne and they are very pleased with the ease with which they could deal with Boral.

EMPLOYEES RALLY TO HELP IN QUEENSLAND FLOOD CLEANUP

Sadly a number of Boral employees were directly affected by the devastating floods in Queensland earlier this year. They were the worst floods in the state's history with around 20,000 homes inundated with river and storm water.

The flood levels were higher than the roof level of many residences resulting in the loss and destruction of property and personal possessions.

Boral Construction Materials (BCM) employees immediately stepped up to help their affected colleagues clean and clear debris from their homes as flood waters receded. As well as people-power they put Company trucks, plant and equipment to good use to clean up and remove damaged items.

Employees at Boral subsidiary, Allens Asphalt rallied together and worked as a team to assist in the cleanup of the local Caboolture region and many other employees and sub-contractors banded together to restore local communities to a liveable standard.

BCM Communications Advisor, Elke Stapf, was one of the most severely affected employees with both her brother's and her own home completely inundated with flood water. This is an excerpt from a letter she sent to all who helped from Boral.

"The help and generosity of friends, volunteers from all over Queensland, and that of Boral employees was nothing short of amazing and humbling. While it was a heartbreaking experience, physically and mentally draining, we will remember this as an amazing story of people with enormous generosity, stepping up and helping their neighbours, friends, colleagues, and strangers."

The floods will have a lasting impact with many property owners unable to return to their homes in the near future, however, Boral will continue to support these people during this time. A register has been established to identify people who need support and those who are willing to donate goods and cash to assist.

Boral has made a \$50,000 corporate donation to the Premier's Disaster Relief Appeal and is continuing to review opportunities to support local communities and employees. The Company will also assist in rebuilding community infrastructure in the near future.

Thankfully, all BCM assets in affected areas are now fully operational. Boral Timber's Plywood factory at Ipswich was seriously damaged as a result of the flood water and at the time of writing primary production is expected to re-commence in about one months time.



Evan Boone, General Manager, led the Allens Asphalt flood recovery team.

Boral has made a
\$50,000
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Premier's Disaster
Relief Appeal

BRICKS EMPLOYEES PITCH IN TO HELP A COLLEAGUE

By Danny O'Driscoll, Regional Manufacturing Manager, Boral Building Products.

The Queensland flood story became personal for Boral's Clay & Concrete Products division with several employees losing property and having their homes inundated with flood water. One of those was Clinton Newmarch, a maintenance electrician working at the Darra Bricks plant. Clinton's house in the suburb of Graceville was hit particularly hard and he had to leave work to try and salvage what he could as flood waters rose. At the same time, Clinton's wife was released from hospital following an illness. Help came in the form of his Team Leader, John Hammer, who provided accommodation for Clinton while he found a hotel where his recuperating wife could stay.

After the floods subsided, Cameron Robinson, a young Plant Engineer at the Darra site took the initiative to organise a working bee among Clinton's colleagues which resulted in Cameron Robinson, Greg Dyer, Peter Death, Albert Dyer, Craig Bloomfield, Rick Brooking and Danny O'Driscoll all spending a weekend at the Newmarch's house cleaning and removing rubbish. Clinton and his wife Brigitte sent this note to their friends at Boral.

"Brigitte and I extend our gratitude for all your help with the removal and clean-up of the damaged walls in our home on Saturday 22nd Jan. Thanks for showing us the true meaning of "Aussie mateship" when we were down on our luck. Our home is slowly getting rebuilt, plasterer started today and we hope to move back in on Friday as there is still a bit to do but we can work around it."



Clinton Newmarch in front of his flooded house.

BORAL PARTNERS WITH A VALUED CUSTOMER TO ASSIST IN BRISBANE FLOOD RECOVERY

Boral Construction Materials (BCM) in Queensland supported the Brisbane and Ipswich City Councils flood recovery efforts by providing people, trucks, plant and equipment. The local councils greatly appreciated the efforts of the two companies which resulted in significant improvements to the affected areas.

In Brisbane, BCM partnered with its major customer BMD Constructions to assist in the rectification of key areas in the Brisbane River and Indooroopilly.

Boral and its staff received a Certificate of Appreciation from the Office of the Lord

Mayor in Brisbane. Lord Mayor, Campbell Newman, wrote to Boral Chief Executive, Mark Selway:

"On behalf of the City of Brisbane, may I extend my thanks to you and the dedicated staff at Boral for your generous offer of support with the clean-up effort following Brisbane's January flood.

"I understand that Boral worked with BMD Constructions to provide equipment for the clean-up and recovery process, which helped Brisbane City Council to restore neighbourhoods across Brisbane.

"The City of Brisbane is very fortunate to have the support and commitment of a large and well-resourced contractor such as Boral. While it will take a long time for those who suffered as a result of this natural disaster to recover, their plight has been made much easier by your generous support."

FIFTY YEARS SERVICE ACKNOWLEDGED

Bob Strode, Human Resources Manager at Berrima Cement Works, recently celebrated 50 years' service with Boral.



A special morning tea was held on site where Acting Operations Manager, Girish Yadwad presented Bob with an engraved crystal tablet and a commemorative book containing photographs and newsletter articles of his many achievements over the years.

Bob commenced as an electrical apprentice with Southern Portland Cement in January 1961 and then progressed his career to an electrical engineer, electrical engineering manager and on to his current role as Human Resources Manager.

Over this extensive period, Bob has contributed significantly to the success and well-being of Berrima Works and all its employees. His work colleagues will join him for a Service Award Dinner in his honour.

CHANGES TO THE BORAL BOARD OF DIRECTORS

At the 2010 Boral Annual General Meeting, Dr Roland Williams, who had been a non-executive director of the Company since 1999 announced his retirement from the Board.

Boral's Chairman, Dr Bob Every, thanked Roland for his wise and helpful counsel during his time in office which has been of immense value to the Group.

Dr Every also welcomed Ms Catherine Brenner to the Board. Ms Brenner, who is a lawyer by training, has an MBA, a bachelor of laws and a bachelor of economics. She spent 10 years with ABN AMRO Australia, her most recent executive role there being as Managing Director, Investment Banking.

Ms Brenner is a Board member of AMP Limited and Coca-Cola Amatil Limited. She is also a member of the Takeovers panel, a Director of the Australian Brandenburg Orchestra and a Trustee of the Sydney Opera House Trust.



MATT COREN JOINS BORAL

Matt Coren joined Boral in December 2010 to lead the Group's strategy, mergers and acquisition efforts.

This follows the departure of Andrew Warburton, General Manager Corporate Development, who left Boral after 10 years with the Group.

On announcing Matt's appointment, Boral's Chief Executive, Mark Selway said that after a handover from Andrew, Matt will have an early focus on acquisitions and business development.

For the last 15 years, Matt has worked in investment banking and funds management with global investment banks. In his banking career, Matt had a particular focus on clients in the building materials industry. Matt has been involved in major transactions in construction materials, cement, bricks and tiles, insulation, fibre cement, wood products, and aluminium.

Matt holds law and commerce honours degrees from The University of Queensland.

Matt is involved in a number of charity organisations and his interests include walking, rugby union, learning guitar, photography and Australian art.

Matt is married with three young children.



BORAL'S PURPOSE AND VALUES

Following a consultative process involving around 630 of Boral's most senior leaders' views, a re-expression of Boral's Purpose and Values has evolved.

Boral's Purpose is the deep lasting reason for Boral's existence. Beyond making money for shareholders, our Purpose guides and inspires everything Boral does to endure for the long term.

Boral's Values are the essential and timeless principles that guide our decision making and actions to promote and work toward in support of Boral's current and future direction. They are the beliefs which we will sign up to and refuse to compromise on. They define how we do business.

Boral's re-expressed Purpose is "To create sustainable solutions for a worldwide building and construction industry."

- For **our customers** this means high performing, sustainable product and service solutions
- For **our shareholders** this means sector best returns.
- For **Boral people** this means a safe, challenging and rewarding workplace
- For **our communities** this means a socially responsible approach to all our activities.

Boral's Values are now categorised under four elements:

- **Excellence** – ambitious and disciplined in pursuit of the highest standards of performance
- **Integrity** – open, honest, respectful and authentic in all our dealings
- **Collaboration** – working across businesses and developing partnerships
- **Endurance** – operating for the long term rather than the quick fix, ever improving.

Our purpose
The deep lasting reason for our existence



To create sustainable solutions for a worldwide building and construction industry

Building something great

- > For **customers** this means high performing, sustainable product and service solutions
- > For **shareholders** this means sector best returns
- > For **Boral people** this means a safe, challenging and rewarding workplace
- > For **communities** this means a socially responsible approach to all our activities



Our values
Essential principles to guide our decision making and actions



Excellence	Integrity	Collaboration	Endurance
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<i>Ambitious and disciplined in pursuit of the highest standards of performance</i>	<i>Open, honest, respectful and authentic in all our dealings</i>	<i>Working across businesses and developing partnerships</i>	<i>Operating for the long term rather than the quick fix, ever improving</i>
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