



17 August 2011

Boral Limited

The Manager, Listings
Australian Securities Exchange
Company Announcements Office
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Dear Sir

Results for Year Ended 30 June 2011

We attach the following:-

1. Results Announcement
2. Preliminary Final Report (ASX Appendix 4E).

Yours faithfully

Margaret Taylor
Company Secretary



Results Announcement for the full year ended 30 June 2011

17 August 2011

Highlights

- Full year revenue up 4% to \$4.7 billion
- Underlying profit after tax¹ up 20% to \$173 million
- Net profit after tax increased to \$166 million from \$19 million loss last year
- Strong second half recovery from Construction Materials
- Agreed to acquire Wagners quarry and concrete operations for \$173m
- Agreed to acquire Sunshine Coast Quarries for \$81.5m
- Reported Earnings Per Share¹ up 10% to 24.4 cents (2010: 22.1 cents)
- Increased dividend 14.5 cents (2010: 13.5 cents)
- Post FY2011 agreement to acquire balance of LBGA for \$530 million

(A\$ millions)	FY2011			FY2010		
	Group	Discontinued Operations	Continuing Operations	Group	Discontinued Operations	Continuing Operations
Revenue	4,711	29	4,682	4,599	105	4,494
EBITDA ¹	522	3	519	505	(13)	517
EBIT ¹	277	3	275	252	(19)	271
PAT ¹	175	2	173	132	(13)	145
Significant Items (net)	(8)		(8)	(222)	(59)	(163)
NPAT	168	2	166	(91)	(72)	(19)
EPS (cents) ¹	24.4			22.1		

Commentary refers to continuing operations and before significant items.

The Chief Executive of Boral Limited, Mark Selway, today said "I am pleased to announce results at the top end of previous guidance, especially in light of weather related difficulties and the second half softening of residential building in the United States and Australia."

Full year revenue from continuing operations was up 4% to \$4.7 billion (2010: \$4.5 billion) reflecting a generally strong first half across the Australian Building Products operations which helped offset tougher trading conditions in the United States, the impact of exceptionally wet weather in eastern Australia, including severe flooding in Queensland, and a softening of residential building in Australia in the second half of the financial year.

Earnings before interest and tax¹ for the year increased by 2% to \$275 million (2010: \$271 million) with improvements in Construction Materials, Cement and the USA offsetting declines in Building Products when compared with the prior year.

Profit after tax¹ at \$173 million was 20% above the comparable period last year (2010: \$145 million) and was assisted by lower interest and the year to year benefit from the translation of US losses against the stronger Australian dollar. The full year tax charge, before significant items, was \$12 million higher and earnings per share for the year also increased to 24.4 cents compared with 22.1 cents last year.

¹Excluding significant items

An \$8 million after tax significant expense was recognised in the year, comprising a \$46 million asset write down following a review of the Australian east coast brick, concrete and masonry operations, an \$8 million write down of two brick plants in the United States and \$9 million of acquisition costs. These costs were partly offset by \$20 million of excess insurance proceeds arising from the Queensland flood insurance claims. These items resulted in a tax benefit of \$17 million and in addition, an \$18 million tax benefit following the closure of prior year matters.

Cash flow declined to \$351 million (2010: \$459 million) primarily due to an adverse movement in working capital reflecting increased receivables resulting from a strong final quarter trading in Construction Materials, a reduction in provisions and an increase in clinker inventories necessary to protect the year end maintenance shutdown at Berrima. Second half operating cash flow, however, improved significantly increasing by \$270 million from \$81 million reported at the half year. As planned, full year capital expenditure increased to \$346 million against \$180 million in the prior year and included \$235 million stay-in-business related expenditure which represented 96% of depreciation for the full year.

Net debt reduced to \$505 million against \$1.2 billion a year ago. Gearing decreased to 16% against 45% at 30 June 2010 largely due to the Group's capital raising in August 2010 combined with a 26% appreciation in the Australian dollar when compared to 30 June 2010. At the year end, around 95% of debt was denominated in US dollars.

In line with our strategy of investing in core areas ahead of the recovery, in the first quarter of FY2011 the Group acquired the balance of MonierLifetile and in December a 50% interest in, and management control of, Cultured Stone in the United States. We further announced the pending concrete and quarry acquisitions of Wagners and the Sunshine Coast Quarries in Queensland which are subject to the outcome of ACCC review.

In addition to today's FY2011 full year results announcement, the Group further announced it has agreed to acquire Lafarge's 50% interest in the joint venture Lafarge Boral Gypsum Asia (LBGA) for an equity value consideration of \$530 million. The transaction is expected to be completed by the end of calendar year 2011. These actions are further evidence of the Group's progress in our stated ambitions for the strategic development of the business.

Management focus for FY2012 is to ensure that the operational changes we have initiated are successfully implemented and deliver on their potential. At the same time, we will continue to invest in new products and in growth sectors.

The Board has resolved to pay a fully franked final dividend of 7.0 cents per share bringing the full year dividend to 14.5 cents per share (2010: 13.5 cents per share). This represents a dividend pay-out ratio of 60% of after tax earnings before significant items. In recent years, shares issued under Boral's Dividend Reinvestment Plan (DRP) have been issued at a 2.5% discount to the market price. That discount will also apply to the FY2011 final dividend, which will be paid on 27 September 2011.

Standard and Poor's and Moody's Investors Service currently hold Boral long and short term ratings of BBB/A-2 and Baa2/P2 respectively with stable outlook.

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REVIEW OF RESULTS

Boral Construction Materials

The Group's largest division is Construction Materials, which includes operations involved in the production and supply of concrete, asphalt and quarry materials to the Australian building and construction sectors.

Following a difficult first half to the year in which the division reported flat revenue, Construction Materials recovered strongly in the second half, benefiting from a return to normal trading and increased project work, to report a 7% full year increase in revenue.

Full year revenue of \$2.3 billion was 7% above last year (2010: \$2.1 billion), with increases in demand for concrete, quarries and asphalt resulting from good levels of project work in Victoria and New South Wales in the second half of the year. EBIT at \$204 million was up 1% on the prior year (2010: \$201 million) with increases in quarries, concrete and property sales offsetting a considerable decline in asphalt, where the benefits of exceptional profits featured in the prior corresponding period.

The quarries business benefited from major projects and increased external sales 7% to \$428 million (2010: \$400 million). Underlying infrastructure demand was strong in Western Australia during the first half and major projects in New South Wales, Victoria and Tasmania also contributed to the results.

Full year revenue from the concrete business increased 5% to \$1,003 million (2010: \$952 million) benefitting from several major projects in New South Wales and Victoria and extensive mobile batch plant work in Western Australia during the first half of the year.

Revenue from the asphalt business increased 7% to \$712 million (2010: \$666 million) and reflected strong volume growth due to major project work in New South Wales and South Australia. Profits were lower than the prior year due to the combination of flooding and weather related delays in Queensland, and the exceptional profits which featured in the prior corresponding period.

Boral Property Group is focused at maximising the Group's exit value on end of use properties and in FY2011 concluded a total of 27 property transactions which contributed earnings of \$27.5 million (2010: \$24.9 million).

Our \$30 million investment in a world-class quarry and processing plant near Ballarat was commissioned on time and on budget in June. As expected, this investment has led to reduced processing costs and increased capacity in response to growth in the region.

The Group's plans to secure our leadership position in the Sydney aggregate market and the \$200 million investment in our resource-rich Peppertree quarry was approved by the Board in May. Capital spending is planned to commence in the early part of FY2012 and volume production will occur in the first half of FY2014.

Boral Building Products

The Building Products division includes all operations involved in the manufacture and sale of clay and concrete products, plasterboard and timber to the Australian new housing and new commercial building and refurbishment construction industries, as well as Boral's equity accounted 50%-owned Asian plasterboard joint venture, LBGA.

After a strong start to the year with half year revenue 3% above the comparable period in FY2010, the Building Products division finished the full year 5% below the prior year. The second half decline in residential demand directly impacted all of our product areas and had a marked impact on the second half results of the bricks, tile and masonry businesses.

Full year revenue of \$1,150 million was 5% below last year (2010: \$1,206 million) and EBIT was down 16% to \$84 million (2010: \$101 million). Significant improvements in operational efficiency and strong market conditions were helped by stimulus works in the first half of the year, offset by exceptionally wet conditions and a significant softening in residential housing in the second half of the year.

Plasterboard's Australian revenue increased 1% to \$395 million (2010: \$392 million), with a strong start to the year helped by government-related stimulus work offsetting the effects of severe weather conditions and an underlying slowdown of new dwelling construction, particularly in Queensland, in the second half of the year.

Revenue from Clay & Concrete at \$499 million was down 7% on the prior year (2010: \$537 million) and reflected the considerable decline in residential housing in Western Australia, South Australia and Queensland in the second half of the financial year. Wet weather in New South Wales and severe flooding in Queensland further affected the result. Full year EBIT was significantly down on the prior year reflecting the impact of lower volumes in the second half which offset stronger results in the first half of the year.

The deteriorating housing and commercial construction market environment in New South Wales, and particularly in Queensland, have fully exposed the need to address the high fixed costs and low utilisation of our brick and masonry operations in these states. As a result, the Group has announced plans to close a brick plant in Queensland and New South Wales, and to rationalise masonry operations on the east coast. Improved efficiency within the balance of operations is expected to provide the capacity and geographic cover to service market needs and improve returns.

Timber revenue of \$256 million was down 7% when compared to last year (2010: \$276 million) with lower demand in softwood, particularly in the second half of FY2011, mirroring continued tough conditions in hardwood and distribution. Margins and profits reduced when compared to the prior year due to lower building activity in our core Queensland market and weather related impacts on log supply and mill efficiency.

The impact of the Queensland floods was most severely felt on the Group's Ipswich plywood operation. Following an intense review of the feasibility of rebuilding the plant, the decision was taken to close the plywood manufacturing facility.

The Group's Plasterboard joint venture with Lafarge includes twenty manufacturing operations in eight countries throughout Asia. Volumes were up 11% with solid growth across the region and an equity accounted income of \$17 million, 4% lower than the prior year due entirely to exchange related movements and the impact of lower margin revenue growth as we establish our position in China.

The \$80 million investment to expand the capacity of the Victorian plasterboard operation is proceeding to schedule, supporting our planned start up in the second half of calendar year 2012. We expect this investment to significantly reduce costs and support future growth.

Boral Cement

The Cement Division includes Boral's Australian cement and lime businesses and the Group's Asian construction materials operations in Thailand and Indonesia.

The Cement division reported increased year on year revenue and profit principally due to sustained demand across the New South Wales and Victorian construction markets and increased lime sales to the Australian steel sector.

The division's full year revenue of \$540 million was 5% above last year (2010: \$512 million) reflecting improved construction activity in Australia and stronger market conditions in Thailand and Indonesia. EBIT was up 9% to \$96 million (2010: \$88 million) and reflected a normal cycle of production following inventory reduction in the prior year.

Australian cement revenue at \$312 million (2010: \$284 million) was 10% above FY2010 supported by strong project volumes in New South Wales and solid premixed concrete demand in New South Wales and Victoria. Unit production costs improved in Australia as volumes increased following a stock reduction in the prior year.

In the Australian lime business, volumes and prices improved considerably during the year and current demand indicates an equally strong outlook for the year ahead.

Our business in Indonesia increased revenue by 3% in local currency terms due to continued strong construction activity throughout the region. Margins were adversely impacted by an inability to recover cost increases in a very competitive market environment.

The Thailand construction materials business performed well in the year with revenue increasing 6% to \$77 million (2010: \$72 million) and continued momentum in the turnaround actions which commenced in 2010. Concrete volumes increased and a focus on price and cost improvements delivered a small profit against a \$2.6 million loss in FY2010.

Boral USA

The United States business includes the Group's exterior cladding, roofing and construction materials operations serving the US housing and construction sectors and a first time contribution from our full ownership of MonierLifetile and the 50% ownership of Cultured Stone, which was acquired in December 2010.

Full year revenue of \$431 million was 19% above the same period last year (2010: \$364 million) and losses were lower by 5%. This improvement was despite the monthly annualised comparison for new housing starts being down 3.5% on the prior year at 571,000 against a ten year average of 1.5 million.

EBIT continued to be impacted by historically low volumes and poor utilisation of fixed plant. Losses reduced to \$99 million against \$104 million in the prior year reflecting the benefits of favourable currency translation and operational improvements offset in part by the incremental trading losses associated with the full ownership of MonierLifetile and a first time fully consolidated loss of \$9.8m from Cultured Stone.

The cladding businesses consist of 20 brick-making operations and the Group's extensive sales and distribution network. On a local currency basis, revenues, margins and volumes all declined in proportion with the market. Less than 25% of installed capacity was required to satisfy this demand.

Within the brick plant network, the Macon, Georgia and Phenix City, Alabama, plants have been mothballed since November 2007 and June 2008 respectively. In order to restart these operations the market would have to return to peak conditions. Given that their products can be replicated at more efficient facilities, the decision was taken to close them permanently at a cost of \$8 million, which was included as a significant item in this year's accounts.

The Group's United States roofing operations are the leading suppliers of clay and concrete roof tiles to the residential new build market and consists of 13 plants in the United States, one in Mexico and a small joint venture in Trinidad. Like for like revenue was down 2% on the comparable period last year and largely mirrored the cycle of new build activity. Margins on a combined basis improved and benefitted from the successful delivery of synergies from MonierLifetile and improved operational efficiencies.

Construction Materials includes the quarry and concrete operations in Oklahoma and Colorado and the Group's flyash distribution business, BMTI. Collective revenues were up in local currency by 5%, largely as a result of market share recoveries in Colorado. Despite ongoing pricing pressures, the combined businesses returned considerably improved earnings due to lower take or pay costs in the flyash business and some volume recovery in concrete and quarries.

In December 2010, we announced the acquisition of the controlling stake in Cultured Stone, the leading supplier of synthetic stone veneer to the residential and commercial construction market. The deal was structured to share in the short term market risks while gaining control of a highly attractive and aligned business at the low point in the cycle. Plans are in place to leverage distribution, materials and manufacturing capabilities.

Other Businesses

The other business segment consists of the remaining construction related businesses which now include Dowell Windows and De Martin & Gasparini, the Group's Sydney based concrete placing business.

Full year revenue at \$286 million was 3% below last year (2010: \$294 million) with Windows down 2% to \$155 million (2010: \$158 million) reflecting a strong first quarter offset by slower residential housing activity across many of our Australian markets in the second half of FY2011.

In De Martin & Gasparini, revenue at \$131 million was down 4% (2010: \$136 million) due to weather related delays during the first half and a general slowing in construction activity in New South Wales in the second half of the year. Profit was comparable to the prior period with a slow-down in activity and quote levels in the second half of the year.

Full year profit from these businesses of \$8 million was considerably above the \$6 million delivered in the prior year, and reflects the continued success of improvement initiatives undertaken to grow returns.

STRATEGIC UPDATE

The Group's FY2011 results were impacted by a range of mostly negative conditions during the course of the year. In the second quarter, torrential rain caused flooding down the east coast of Australia, particularly Queensland. A market downturn in residential building was evidenced in the second half in Western Australia, South Australia and Queensland and in the United States residential housing starts declined for the fourth successive year.

Offsetting these negatives, the Group benefited from stronger second half project work, particularly in Construction Materials and Cement, with the impact of pricing and efficiency initiatives outpacing increases in prime costs.

The Group's LEAN programme continues to make good progress with plant efficiency and uptime showing solid improvement throughout the year. We remain delighted with the way our employees have embraced the improvement initiatives, despite being hampered by softness in the market and the inevitable impact of lower volumes in many of our operations. The increased spend on plant maintenance and stay-in-business capital is, however, having a marked positive impact on efficiencies and downtime which is a prerequisite for lowering inventories.

Our sales and marketing excellence programme is also making sound progress. Cross-divisional sales forums have generated significant new orders and together with the Group's sales leadership and sales tracking initiatives, are bringing greater discipline and clarity to pricing across our operations.

Work in the United States to extend the product portfolio and introduce a new range of light-weight, environmentally efficient products is progressing well and the investment in new facilities for the composite trim and retool of the lone tile plant to extend its offerings are due to be completed in the first half of FY2012. The Australian innovation programme now has the necessary structure and is expected to gain significant momentum as the year progresses.

The carbon tax as proposed has a theoretical pre-tax cost, after considering government assistance associated with cement and lime, of \$23 million in its first full year and escalating beyond that. It is the Group's intention to increase prices in line with these costs whilst continuing our drive for operational efficiencies and the development of lower emission products as part of our future operating plans.

In terms of portfolio realignment, in the current year we sold our scaffold and precast operations and the benefits are evident in our like for like comparisons. We secured two acquisitions to strengthen our roofing and cladding businesses in the United States and have announced two Construction Materials acquisitions in Australia which, subject to regulatory approvals, will increase our presence in core, higher growth markets. Our overarching objective is to be largely invested in our core activities at the early point in any recovery.

PROSPECTS - FY2012

Current conditions make it difficult to accurately predict the outcome for FY2012. The residential new build market in Australia weakened considerably in the second half of FY2011 and with the exception of Construction Materials and Cement, where pricing and project work are forecast to deliver first half growth, the Group expects a continuation of slower economic activity in residential housing in Australia. An anticipated stronger second half, based on improving economic conditions, will need to be monitored closely as the year progresses.

In Construction Materials we expect further progress in FY2012 driven by strong order books and a catch up on project work which was weather delayed last year. Pricing is expected to improve as pre-increase commitments work their way through the balance of the order book. Queensland's rebuild programme is expected to have a favourable effect on FY2012 and should offset slowing residential build activity in Western Australia and South Australia.

Building Products is expected to experience lower residential new build activity in Queensland and New South Wales, and is projecting full year housing starts of 140,000 to 145,000 with a larger portion in the second half of the year. Plans are in place to realign capacity in Clay & Concrete Products in the first half of FY2012 with the benefits being delivered progressively throughout the year. Our Asian activities will continue to benefit from growth throughout the region.

In Cement, following the scheduled shut-down of Berrima, we expect improved production volumes in Australia and the continued strong market demands in Indonesia and Thailand to deliver an improved performance in FY2012.

The United States market is expected to remain broadly similar in the first half of FY2012 before improving to an annualised 750,000 residential new build starts in the second half of the year. Some early signs of improved fundamentals in the United States are a positive against the background of disappointing housing starts in FY2011.

Forecasting in the current economic climate is extremely difficult, but on balance, before acquisitions, we expect improving second half conditions in the United States and Australia.

RESULTS AT A GLANCE

(A\$ million unless stated)

Year ended 30 June	2011	2010	% Change
Revenue	4,711	4,599	2
EBITDA ¹	522	505	3
EBIT ¹	277	252	10
Net interest ¹	(64)	(97)	(34)
Profit before tax ¹	213	155	38
Tax ²	(40)	(22)	
Non-controlling interest	2	(1)	
Underlying profit after tax¹	175	132	33
Net significant items	(8)	(222)	
Profit after tax	168	(91)	
Cash flow from operating activities	351	459	(24)
Gross assets	5,668	5,209	9
Funds employed	3,662	3,809	(4)
Liabilities	2,512	2,583	(3)
Net debt	505	1,183	(57)
Stay-in-business capital expenditure	235	119	97
Growth capital expenditure	111	61	82
Acquisition capital expenditure	146	-	-
Depreciation and amortisation	245	253	(3)
Employees	15,277	14,806	3
Revenue per employee, \$ million	0.308	0.311	-
Net tangible asset backing, \$ per share	3.91	3.92	
EBITDA margin on revenue ¹ , %	11.1	11.0	
EBIT margin on revenue ¹ , %	5.9	5.5	
EBIT return on funds employed ¹ , %	7.6	6.6	
Return on equity ¹ , %	5.6	5.0	
Gearing			
Net debt/equity, %	16	45	
Net debt/net debt + equity, %	14	31	
Interest cover ¹ , times	4.4	2.6	
Underlying earnings per share ¹ , ¢	24.4	22.1	
Dividend per share, ¢	14.5	13.5	
Employee Safety ² : (per million hours worked)			
Lost time injury frequency rate	2.0	2.2	
Recordable injury frequency rate	21.4	22.7	

¹ Excludes significant items² Includes employees and contractors combined

APPENDIX 4E

PRELIMINARY FINAL REPORT

17 August 2011

Boral Limited



BORAL LIMITED

ABN 13 008 421 761

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Name of Entity: **Boral Limited**
ABN: **13 008 421 761**
Financial Year ended: **30 June 2011**

Results for announcement to the market

				2011 A'\$ Millions	2010 A'\$ Millions
Revenue from continuing operations	up	4.2%	to	4,681.7	4,493.8
Revenue from discontinued operations				28.8	105.5
Total revenue	up	2.4%	to	4,710.5	4,599.3
Profit from continuing operations before net financing costs, income tax and significant items	up	1.5%	to	274.6	270.5
Discontinued operations profit/(loss) before tax and significant items				2.6	(18.6)
Profit before net financing costs, income tax and significant items	up	10.0%	to	277.2	251.9
Net financing costs before significant items	down	(34.3%)	to	(63.7)	(97.0)
Profit before income tax and significant items	up	37.8%	to	213.5	154.9
Income tax from continuing operations before significant items				(39.7)	(27.8)
Income tax from discontinued operations before significant items				(0.7)	5.7
Non-controlling interest				2.3	(1.2)
Net profit before significant items attributable to members	up	33.3%	to	175.4	131.6
Significant items from continuing operations net of tax				(7.7)	(163.2)
Significant items from discontinuing operations net of tax				-	(58.9)
Net profit/(loss) attributable to members	up	285.3%	to	167.7	(90.5)

Comparative period: Full year ended 30 June 2010

Dividends	Amount per security	Franked amount per security at 30% tax
Current period		
Final - ordinary	7.0 cents	7.0 cents
Interim - ordinary	7.5 cents	7.5 cents
Previous corresponding period		
Final - ordinary	6.5 cents	6.5 cents
Interim - ordinary	7.0 cents	7.0 cents
Record date for determining entitlements to the final dividend		29 August 2011

Commentary on the results for the period

The commentary on the results of the period is contained in the Results Announcement for the year ended 30 June 2011 dated 17 August 2011.

Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
for the year ended 30 June		2011	2010
	Note	\$ millions	\$ millions
Continuing operations			
Revenue	3	4,681.7	4,493.8
Cost of sales		(3,358.2)	(3,153.8)
Selling and distribution expenses		(790.8)	(766.2)
Administrative expenses		(341.1)	(347.3)
		(4,490.1)	(4,267.3)
Other income	4	75.5	25.8
Other expenses	5	(77.3)	(169.6)
Share of net profit/(loss) of associates	6, 12	42.0	(21.5)
Profit before net financing costs and income tax expense		231.8	61.2
Financial income	7	24.0	5.3
Financial expenses	7	(87.7)	(102.3)
Net financing costs		(63.7)	(97.0)
Profit/(loss) before related income tax expense		168.1	(35.8)
Income tax benefit/(expense)		(4.6)	18.3
Profit/(loss) from continuing operations		163.5	(17.5)
Discontinued operations			
Profit/(loss) from discontinued operations (net of income tax)	9	1.9	(71.8)
Net profit/(loss)		165.4	(89.3)
Attributable to:			
Members of the parent entity		167.7	(90.5)
Non-controlling interest		(2.3)	1.2
Net profit/(loss)		165.4	(89.3)
Basic earnings per share	10	23.3c	(15.2c)
Diluted earnings per share	10	23.2c	(15.2c)
Continuing operations			
Basic earnings per share	10	23.1c	(3.1c)
Diluted earnings per share	10	22.9c	(3.1c)

The income statement should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

for the year ended 30 June	CONSOLIDATED	
	2011 \$ millions	2010 \$ millions
Net profit/(loss)	165.4	(89.3)
Other comprehensive income		
Actuarial gain/(loss) on defined benefit plans	2.8	(1.6)
Net exchange differences from translation of foreign operations taken to equity	(28.1)	11.1
Fair value adjustment on cash flow hedges	1.0	10.7
Income tax relating to components of other comprehensive income	(29.7)	(25.8)
Total comprehensive income	111.4	(94.9)
Total comprehensive income is attributable to:		
Members of the parent entity	113.7	(96.1)
Non-controlling interest	(2.3)	1.2
Total comprehensive income	111.4	(94.9)

The statement of comprehensive income should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

as at 30 June	Note	CONSOLIDATED	
		2011 \$ millions	2010 \$ millions
CURRENT ASSETS			
Cash and cash equivalents		561.2	157.0
Receivables		784.1	783.7
Inventories		596.1	548.5
Other		85.6	63.3
Assets classified as held for sale	9	-	59.5
TOTAL CURRENT ASSETS		2,027.0	1,612.0
NON-CURRENT ASSETS			
Receivables		10.3	19.2
Inventories		93.5	85.3
Investments accounted for using the equity method		240.2	294.1
Other financial assets		7.5	26.8
Property, plant and equipment		2,894.9	2,785.1
Intangible assets		255.9	277.6
Deferred tax asset		88.2	43.3
Other		50.5	66.0
TOTAL NON-CURRENT ASSETS		3,641.0	3,597.4
TOTAL ASSETS		5,668.0	5,209.4
CURRENT LIABILITIES			
Payables		702.8	640.9
Loans and borrowings	14	163.4	8.9
Current tax liabilities		123.8	98.9
Provisions		218.6	246.0
Liabilities classified as held for sale	9	-	9.9
TOTAL CURRENT LIABILITIES		1,208.6	1,004.6
NON-CURRENT LIABILITIES			
Payables		12.5	14.1
Loans and borrowings	14	903.2	1,330.7
Other financial liabilities	15	119.7	8.0
Deferred tax liabilities		161.1	118.9
Provisions		106.5	107.0
TOTAL NON-CURRENT LIABILITIES		1,303.0	1,578.7
TOTAL LIABILITIES		2,511.6	2,583.3
NET ASSETS		3,156.4	2,626.1
EQUITY			
Issued capital	16	2,261.3	1,724.0
Reserves	17	(159.5)	(38.9)
Retained earnings		1,007.0	938.4
Total parent entity interest		3,108.8	2,623.5
Non-controlling interest		47.6	2.6
TOTAL EQUITY		3,156.4	2,626.1

The balance sheet should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED					
	Issued capital \$ millions	Reserves \$ millions	Retained earnings \$ millions	Parent entity interest \$ millions	Non-controlling interest \$ millions	Total equity \$ millions
for the year ended 30 June 2011						
Balance at the beginning of the year	1,724.0	(38.9)	938.4	2,623.5	2.6	2,626.1
Net profit/(loss)	-	-	167.7	167.7	(2.3)	165.4
Other comprehensive income						
Translation of assets and liabilities of overseas controlled entities	-	(123.0)	-	(123.0)	-	(123.0)
Translation of long-term borrowings and foreign currency forward contracts	-	94.9	-	94.9	-	94.9
Fair value adjustment on cash flow hedges	-	1.0	-	1.0	-	1.0
Actuarial gain on defined benefit plans	-	-	2.8	2.8	-	2.8
Income tax relating to components of other comprehensive income	-	(28.8)	(0.9)	(29.7)	-	(29.7)
Total comprehensive income	-	(55.9)	169.6	113.7	(2.3)	111.4
Transactions with owners in their capacity as owners						
Shares issued under the dividend reinvestment plan	53.1	-	-	53.1	-	53.1
Shares issued on vesting of rights	0.8	(0.8)	-	-	-	-
Dividends paid	-	-	(101.0)	(101.0)	-	(101.0)
Shares issued under capital raising	479.8	-	-	479.8	-	479.8
Purchase of employee compensation shares	-	(3.4)	-	(3.4)	-	(3.4)
Other - Cultured Stone (Note 17)	-	(66.3)	-	(66.3)	-	(66.3)
Share-based payments	-	5.8	-	5.8	-	5.8
Income tax benefit on capital raising	3.6	-	-	3.6	-	3.6
Non-controlling interest in acquisition	-	-	-	-	44.3	44.3
Contributions by non-controlling interest	-	-	-	-	6.0	6.0
Other changes in non-controlling interest	-	-	-	-	(3.0)	(3.0)
Total Transactions with owners in their capacity as owners	537.3	(64.7)	(101.0)	371.6	47.3	418.9
Balance at the end of the year	2,261.3	(159.5)	1,007.0	3,108.8	47.6	3,156.4
	CONSOLIDATED					
	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions
for the year ended 30 June 2010						
Balance at the beginning of the year	1,691.4	(43.2)	1,104.2	2,752.4	1.2	2,753.6
Net profit/(loss)	-	-	(90.5)	(90.5)	1.2	(89.3)
Other comprehensive income						
Translation of assets and liabilities of overseas controlled entities	-	(66.3)	-	(66.3)	-	(66.3)
Translation of long-term borrowings and foreign currency forward contracts	-	77.4	-	77.4	-	77.4
Fair value adjustment on cash flow hedges	-	10.7	-	10.7	-	10.7
Actuarial loss on defined benefit plans	-	-	(1.6)	(1.6)	-	(1.6)
Income tax relating to components of other comprehensive income	-	(26.4)	0.6	(25.8)	-	(25.8)
Total comprehensive income	-	(4.6)	(91.5)	(96.1)	1.2	(94.9)
Transactions with owners in their capacity as owners						
Shares issued under the dividend reinvestment plan	31.9	-	-	31.9	-	31.9
Shares issued upon the exercise of executive options	0.7	-	-	0.7	-	0.7
Dividends paid	-	-	(74.3)	(74.3)	-	(74.3)
Share-based payments	-	8.9	-	8.9	-	8.9
Other changes in non-controlling interest	-	-	-	-	0.2	0.2
Total Transactions with owners in their capacity as owners	32.6	8.9	(74.3)	(32.8)	0.2	(32.6)
Balance at the end of the year	1,724.0	(38.9)	938.4	2,623.5	2.6	2,626.1

The statement of changes in equity should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Cash Flow Statement

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
for the year ended 30 June		2011	2010
	Note	\$ millions	\$ millions
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,084.3	4,967.9
Payments to suppliers and employees		(4,696.2)	(4,422.2)
		388.1	545.7
Dividends received		27.7	26.6
Interest received		41.1	6.4
Borrowing costs paid		(84.7)	(107.9)
Income taxes paid		(21.5)	(11.7)
NET CASH PROVIDED BY OPERATING ACTIVITIES		350.7	459.1
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(345.0)	(179.9)
Purchase of intangibles		(0.8)	-
Purchase of controlled entities and businesses (net of cash acquired)	19	(146.0)	-
Purchase of other investments		-	(0.1)
Loans to associates		3.2	(1.5)
Insurance proceeds applied to asset disposal		33.4	-
Proceeds on disposal of non-current assets		73.5	44.8
NET CASH USED IN INVESTING ACTIVITIES		(381.7)	(136.7)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	0.7
Proceeds from capital raising		479.8	-
Purchase of employee compensation shares		(3.4)	-
Dividends paid (net of dividends reinvested under the Dividend Reinvestment Plan of \$53.1 million (2010: \$31.9 million))		(47.9)	(42.4)
Contributions by non-controlling interests		6.0	-
Proceeds from borrowings		146.3	8.4
Repayment of borrowings		(136.6)	(232.5)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		444.2	(265.8)
NET CHANGE IN CASH AND CASH EQUIVALENTS			
		413.2	56.6
Cash and cash equivalents at beginning of the year		157.0	100.5
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		(9.0)	(0.1)
Cash and cash equivalents at end of the year	20	561.2	157.0

The cash flow statement should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

1. ACCOUNTING POLICIES

Boral Limited is a company domiciled in Australia. The consolidated full year financial report of the Company as at and for the full year ended 30 June 2011 comprises of Boral Limited and its controlled entities (the "Group").

(a) Basis of Preparation

This report has been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act 2001 for the purpose of fulfilling the Group's obligation under Australian Securities Exchange (ASX) listing rules. The report is presented in Australian dollars.

A full description of the accounting policies adopted by the Group may be found in the Group's full financial statements.

(b) Significant Accounting Policies

The accounting policies have been applied consistently to all periods presented in the consolidated financial report. The financial report has been prepared on the basis of historical cost, except where assets and liabilities are stated at their fair values in accordance with relevant accounting policies.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Changes in Accounting Policies

The Group has adopted all new and amended Australian Accounting Standards and Australian Accounting Standards Board (AASB) interpretations that are mandatory for the current reporting period and relevant to the Group. Adoption of these standards and interpretations has not resulted in any material changes to the Group's financial report.

(d) Comparative Figures

Where necessary to facilitate comparison, comparative figures have been adjusted to conform with changes in presentation in the current financial year.

(e) Rounding of Amounts

The Company is an entity of a kind referred to in ASIC Class Order 98/100 and, in accordance with that Class Order, amounts in the financial report have been rounded to the nearest one hundred thousand dollars unless otherwise stated.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS

Operating segments are based on internal reporting to the Chief Executive Officer in assessing performance and determining the allocation of resources.

The following summary describes the operations of the Group's reportable segments:

Boral Construction Materials	- Quarries, concrete, asphalt, transport and property development.
Cement Division	- Cement, Asian concrete, quarries and pipes.
Boral Building Products	- Australian plasterboard, bricks, timber products, roof tiles, masonry and Asian plasterboard.
United States of America	- Bricks, roof tiles, fly ash, concrete, quarries, masonry and cultured stone.
Other	- Concrete placing and windows.
Discontinued Operations	- Scaffolding and precast panels.
Unallocated	- Non-trading operations and unallocated corporate costs.

The major end use markets for Boral's products include residential and non-residential construction and the engineering and infrastructure markets.

Inter-segment pricing is determined on an arm's-length basis.

Segment results, assets and liabilities includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	CONSOLIDATED	
	2011 \$ millions	2010 \$ millions
Reconciliations of reportable segment revenues and profits		
External revenue	4,710.5	4,599.3
Less revenue from discontinued operations	(28.8)	(105.5)
Revenue from continuing operations	4,681.7	4,493.8
Profit before tax		
Profit/(loss) before net financing costs and income tax expense from reportable segments	234.4	(33.1)
(Profit)/loss from discontinued operations	(2.6)	18.6
Significant items applicable to discontinued operations	-	75.7
Net financing costs	231.8 (63.7)	61.2 (97.0)
Profit/(loss) before tax from continuing operations	168.1	(35.8)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	2011 \$ millions	2010 \$ millions	2011 \$ millions	2010 \$ millions	2011 \$ millions	2010 \$ millions
TOTAL REVENUE			INTERNAL REVENUE		EXTERNAL REVENUE	
Boral Construction Materials	2,420.2	2,266.2	144.8	147.7	2,275.4	2,118.5
Cement Division	732.4	706.3	192.7	194.1	539.7	512.2
Boral Building Products	1,157.4	1,212.6	7.5	7.0	1,149.9	1,205.6
United States of America	431.2	363.7	-	-	431.2	363.7
Other	285.5	293.8	-	-	285.5	293.8
Discontinued Operations	29.7	108.0	0.9	2.5	28.8	105.5
	5,056.4	4,950.6	345.9	351.3	4,710.5	4,599.3
OPERATING PROFIT (EXCLUDING ASSOCIATES)			EQUITY ACCOUNTED RESULTS OF ASSOCIATES		PROFIT BEFORE NET FINANCING COSTS AND INCOME TAX EXPENSE	
Boral Construction Materials	201.0	203.3	2.9	(2.3)	203.9	201.0
Cement Division	82.6	75.3	13.3	12.6	95.9	87.9
Boral Building Products	57.7	72.6	26.8	28.1	84.5	100.7
United States of America	(98.0)	(85.6)	(1.0)	(18.1)	(99.0)	(103.7)
Other	7.6	6.3	-	-	7.6	6.3
Discontinued Operations	2.6	(18.6)	-	-	2.6	(18.6)
Unallocated	(18.3)	(21.7)	-	-	(18.3)	(21.7)
	235.2	231.6	42.0	20.3	277.2	251.9
Significant items (refer note 8)	(42.8)	(243.2)	-	(41.8)	(42.8)	(285.0)
	192.4	(11.6)	42.0	(21.5)	234.4	(33.1)
SEGMENT ASSETS (EXCLUDING INVESTMENTS IN ASSOCIATES)			EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES		TOTAL ASSETS	
Boral Construction Materials	1,800.0	1,634.0	0.8	1.4	1,800.8	1,635.4
Cement Division	785.4	832.2	20.5	18.8	805.9	851.0
Boral Building Products	1,261.9	1,297.8	214.8	232.3	1,476.7	1,530.1
United States of America	828.8	775.1	4.1	41.6	832.9	816.7
Other	78.8	90.8	-	-	78.8	90.8
Discontinued Operations	-	59.5	-	-	-	59.5
Unallocated	23.5	25.6	-	-	23.5	25.6
	4,778.4	4,715.0	240.2	294.1	5,018.6	5,009.1
Cash and cash equivalents	561.2	157.0	-	-	561.2	157.0
Tax assets	88.2	43.3	-	-	88.2	43.3
	5,427.8	4,915.3	240.2	294.1	5,668.0	5,209.4
LIABILITIES			ACQUISITION OF SEGMENT ASSETS		DEPRECIATION AND AMORTISATION	
Boral Construction Materials	416.7	358.1	160.0	80.9	90.4	95.5
Cement Division	129.5	126.3	52.9	25.6	54.3	52.7
Boral Building Products	207.0	216.4	82.7	59.1	54.0	57.4
United States of America	139.4	134.2	43.3	9.4	41.9	36.8
Other	38.0	58.1	5.4	2.5	3.5	3.6
Discontinued Operations	-	9.9	0.6	2.3	-	5.8
Unallocated	229.5	122.9	0.9	0.1	0.9	0.8
	1,160.1	1,025.9	345.8	179.9	245.0	252.6
Loans and borrowings	1,066.6	1,339.6	-	-	-	-
Tax liabilities	284.9	217.8	-	-	-	-
	2,511.6	2,583.3	345.8	179.9	245.0	252.6

Geographical information

For the year ended 30 June 2011, the Group's trading revenue from external customers in Australia amounted to \$4,051.2 million (2010: \$4,007.6 million), with \$228.1 million (2010: \$228.0 million) from the Asian operations and \$431.2 million (2010: \$363.7 million) relating to operations in the USA. The Group's non-current assets (excluding deferred tax assets and other financial assets) in Australia amounted to \$2,624.8 million (2010: \$2,584.3 million), with \$269.3 million (2010: \$310.3 million) in Asia and \$651.2 million (2010: \$632.7 million) in the USA.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
	Note	2011 \$ millions	2010 \$ millions
3. REVENUE FROM CONTINUING OPERATIONS			
Sale of goods		4,618.8	4,448.2
Rendering of services		62.9	45.6
Revenue from continuing operations		4,681.7	4,493.8
4. OTHER INCOME			
Significant item	8	33.4	-
Net profit on sale of assets		25.8	18.5
Other income		16.3	7.3
Other income from continuing operations		75.5	25.8
5. OTHER EXPENSES			
Significant items	8	76.2	167.5
Net foreign exchange loss		1.1	2.1
Other expenses from continuing operations		77.3	169.6
6. SHARE OF NET PROFIT OF ASSOCIATES			
Share of associates' underlying net profit		42.0	20.3
Significant item	8	-	(41.8)
		42.0	(21.5)
7. NET FINANCING COSTS			
Interest income received or receivable from:			
Associated entities		0.9	2.0
Other parties (cash at bank and bank short-term deposits)		23.1	3.3
		24.0	5.3
Interest expense paid or payable to:			
Other parties (bank overdrafts, bank loans and other loans)		83.6	99.4
Unwinding of discount		4.1	2.9
		87.7	102.3
Net financing costs		(63.7)	(97.0)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	2011	2010
Note	\$ millions	\$ millions

8. SIGNIFICANT ITEMS

Net profit/(loss) includes the following items whose disclosure is relevant in explaining the financial performance of the Group:

Continuing operations

Closure of plywood operations

Net insurance proceeds		33.4	-
Impairment of assets		(9.6)	-
Closure costs		(4.2)	-
Excess of insurance proceeds over asset carrying values	(i)	19.6	-

Impairment of assets, businesses and demolition costs

Goodwill		-	(4.3)
Property, plant and equipment		(38.8)	(92.3)
Other intangible assets		-	(3.3)
Investments accounted for using the equity method		-	(41.8)
Inventory		(3.6)	(30.6)
Demolition costs		(3.7)	(22.8)
Closure costs		(7.0)	(0.5)
	(ii)	(53.1)	(195.6)

Acquisition expenditure

Acquisition expenditure		(9.3)	-
		(9.3)	-

Organisational restructure

Corporate and divisional restructure and simplification		-	(13.7)
		-	(13.7)

Total significant items before interest and tax, from continuing operations

		(42.8)	(209.3)
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Summary of significant items from continuing operations

Loss before interest and tax		(42.8)	(209.3)
Income tax benefit		17.1	46.1
Income tax benefit - amended returns	(iii)	18.0	-
Net significant items - continuing operations		(7.7)	(163.2)

Discontinued operations

Impairment of businesses

Property, plant and equipment		-	(70.4)
Other		-	(5.3)
		-	(75.7)

Summary of significant items from discontinued operations

Loss before interest and tax		-	(75.7)
Income tax benefit		-	16.8
Net significant items - discontinued operations		-	(58.9)

Summary of significant items

Loss before interest and tax		(42.8)	(285.0)
Income tax benefit		17.1	62.9
Income tax benefit - amended returns		18.0	-
Net significant items		(7.7)	(222.1)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

8. SIGNIFICANT ITEMS (continued)

2011 Significant Items

(i) Insurance recoveries

During January 2011, significant flooding occurred in Queensland and Northern New South Wales which impacted a number of the Group's businesses, with the most severe impact occurring at the Group's Plywood operation. Following an extensive review of the feasibility of rebuilding the plant, a decision was taken in June 2011 to close the Plywood operation resulting in the write-off of assets and recognition of closure costs.

(ii) Manufacturing capacity rationalisation and impairment of assets

Deterioration in returns from a number of businesses resulted in a reassessment of manufacturing capacity in several of the Group's business. As a result of this review, closure of a number of manufacturing lines was announced relating predominantly to the Clay and Concrete East Coast Bricks and Masonry operations, together with rationalisation of Brick plants in the USA and closure of a number of small Country New South Wales Concrete and Quarry operations.

(iii) Tax benefit

During the year, the Group received amended assessments from the Australian Taxation Office resulting in the recognition of benefits relating predominantly to research and development activity.

2010 Significant Items

Impairment of assets, businesses and demolition costs

During 2010, the Group completed a comprehensive strategic review of Boral's portfolio of businesses, operations and structures. The strategic review identified a number of poorer performing assets and assets which could derive greater value from alternative ownership. As a result the Group has reviewed the carrying value of its underperforming businesses, reviewed slow moving inventories and under-utilised and redundant plant. This resulted in a write-down of \$16.9 million in respect of the Thailand Construction Materials business, \$43.1 million in respect of US mothballed brick and tile plants, closure costs and associated obsolete and slow moving inventory, \$41.8 million in respect of the write-down of the Group's share of urban land development costs of an associate, Penrith Lakes Development Corporation Limited, and \$93.8 million in respect of Australian mothballed and obsolete assets, closure costs and write off of slow moving inventories.

Organisational restructure

As part of the strategic review the Group announced a number of initiatives to simplify the business and improve the operational effectiveness of the Group. As part of this review a simplified reporting structure to the Chief Executive Officer was implemented.

Summary of significant items	CONSOLIDATED	
	2011 \$ millions	2010 \$ millions
Boral Construction Materials	(4.6)	(59.5)
Cement Division	-	(38.7)
Boral Building Products	(20.6)	(67.0)
United States of America	(8.3)	(43.1)
Discontinued Operations	-	(75.7)
Unallocated	(9.3)	(1.0)
	(42.8)	(285.0)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

During the year, the Group sold both its Precast Panels and Scaffolding businesses. The income statement shows the discontinued operations separately from continuing operations.

The carrying value of both businesses were remeasured at 30 June 2010 to fair value less costs to sell.

		CONSOLIDATED	
	Note	2011 \$ millions	2010 \$ millions
Results of discontinued operations			
Revenue		28.8	105.5
Expenses		(26.2)	(124.1)
Profit/(loss) before income tax expense (excluding significant items)		2.6	(18.6)
Income tax (expense)/benefit (excluding significant items)		(0.7)	5.7
Profit/(loss) before significant items		1.9	(12.9)
Net significant items	8	-	(58.9)
Net profit/(loss)		1.9	(71.8)
Basic and diluted earnings/(loss) per share		0.3c	(12.1c)
The profit/(loss) from discontinued operations is attributable entirely to the Group.			
Cash flows from/(used in) discontinued operations			
Net cash from/(used in) operating activities		8.5	0.8
Net cash from/(used in) investing activities		47.5	(2.2)
Net cash from/(used in) discontinued operations		56.0	(1.4)
Assets and liabilities classified as held for sale			
Property, plant and equipment		-	33.1
Intangible assets		-	8.3
Inventories		-	6.8
Trade and other receivables		-	11.0
Other assets		-	0.3
Assets classified as held for sale		-	59.5
Payables		-	4.6
Loans and borrowings		-	0.1
Provisions		-	5.2
Liabilities classified as held for sale		-	9.9
Net assets		-	49.6
Effect of disposal on the financial position of the Group			
Property, plant and equipment		33.6	-
Intangible assets		8.2	-
Inventories		7.6	-
Trade and other receivables		12.5	-
Other assets		0.4	-
Deferred taxes		0.2	-
Payables		(12.4)	-
Provisions		(5.9)	-
Net assets disposed		44.2	-
Consideration received		48.1	-

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. EARNINGS PER SHARE

Classification of securities as ordinary shares

Only ordinary shares have been included in basic earnings per share (EPS).

Classification of securities as potential ordinary shares

Options outstanding under the Executive Share Option Plan and Share Performance Rights have been classified as potential ordinary shares and are included in diluted earnings per share only.

	CONSOLIDATED	
	2011	2010
	\$ millions	\$ millions
Earnings reconciliation		
Net profit before significant items and non-controlling interests	173.1	132.8
Loss/(profit) attributable to non-controlling interests	2.3	(1.2)
Net profit excluding significant items	175.4	131.6
Net significant items	(7.7)	(222.1)
Net profit/(loss) attributable to members of the parent entity	167.7	(90.5)

	CONSOLIDATED	
	2011	2010
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	718,726,833	595,848,789
Effect of potential ordinary shares	4,069,322	3,660,323
Number for diluted earnings per share	722,796,155	599,509,112
Basic earnings per share	23.3c	(15.2c)
Diluted earnings per share	23.2c	(15.2c)
Basic earnings per share (excluding significant items)	24.4c	22.1c
Diluted earnings per share (excluding significant items)	24.3c	22.0c
Basic earnings per share (continuing operations)	23.1c	(3.1c)
Diluted earnings per share (continuing operations)	22.9c	(3.1c)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

11. DIVIDENDS

Dividends recognised by the Group are:

	Amount per share	Total amount \$ millions	Franked amount per share	Date of payment
2011				
2010 final - ordinary	6.5 cents	46.7	6.5 cents	28 September 2010
2011 interim - ordinary	7.5 cents	54.3	7.5 cents	24 March 2011
Total		101.0		
2010				
2009 final - ordinary	5.5 cents	32.6	5.5 cents	28 September 2009
2010 interim - ordinary	7.0 cents	41.7	7.0 cents	23 March 2010
Total		74.3		

Subsequent Event

Since the end of the financial year, the Directors declared the following dividend:

	Amount per share	Total amount \$ millions	Franked amount per share	Date of payment
2011 final - ordinary	7.0 cents	51.1	7.0 cents	27 September 2011

The financial effect of the final dividend for the year ended 30 June 2011 has not been brought to account in the financial statements for the year but will be recognised in subsequent financial reports.

Dividend Reinvestment Plan

The Group's Dividend Reinvestment Plan will operate in respect of the payment of the final dividend and the last date for the receipt of an election notice for participation in the plan is 29 August 2011.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

				OWNERSHIP INTEREST CONSOLIDATED	
Name	Principal activity	Country of incorporation	Balance date	2011 %	2010 %
DETAILS OF INVESTMENTS IN ASSOCIATES ARE AS FOLLOWS					
Bitumen Importers Australia Pty Ltd	Bitumen Importer	Australia	30-Jun	50	50
Caribbean Roof Tile Company Limited	Roof tiles	Trinidad	31-Dec	50	50
Flyash Australia Pty Ltd	Fly ash collection	Australia	31-Dec	50	50
Gypsum Resources Australia Pty Ltd	Gypsum mining	Australia	30-Jun	50	50
Highland Pine Products Pty Ltd	Timber	Australia	30-Jun	50	50
Lafarge Boral Gypsum in Asia Sdn Bhd	Plasterboard	Malaysia	31-Dec	50	50
MonierLifetile LLC *	Roof tiles	USA	31-Dec	-	50
MonierLifetile S.R.L. de C.V. *	Roof tiles	Mexico	31-Dec	-	50
Penrith Lakes Development Corporation Ltd	Quarrying	Australia	30-Jun	40	40
Rondo Building Services Pty Ltd	Rollform systems	Australia	30-Jun	50	50
South East Asphalt Pty Ltd	Asphalt	Australia	30-Jun	50	50
Sunstate Cement Ltd	Cement manufacturer	Australia	30-Jun	50	50
Tile Service Company LLC *	Roof tiles	USA	31-Dec	-	50
US Tile LLC	Roof tiles	USA	31-Dec	50	50

* MonierLifetile LLC, MonierLifetile S.R.L. de C.V. and Tile Service Company LLC became controlled entities during the year.

	CONSOLIDATED	
	2011 \$ millions	2010 \$ millions
RESULTS OF ASSOCIATES		
Share of associates' underlying profit before income tax expense	60.3	42.2
Share of associates' underlying income tax expense	(15.8)	(19.7)
Non-controlling interest	(2.5)	(2.2)
	42.0	20.3
Significant item ¹	-	(41.8)
Share of associates' net profit/(loss) - equity accounted	42.0	(21.5)

¹ Relates to Penrith Lakes Development Corporation Pty Ltd

Results of associates include the following:

Share of associates' net profit/(loss) - equity accounted:

Lafarge Boral Gypsum in Asia Sdn Bhd	16.9	17.6
MonierLifetile LLC * and MonierLifetile S.R.L. de C.V.	-	(16.6)
Rondo Building Services Pty Ltd	10.0	10.5
Sunstate Cement Ltd	11.3	10.4

* Taxed as a partnership in the USA.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED

2011 2010

13. NET TANGIBLE ASSET BACKING

Net tangible asset backing per ordinary security	\$3.91	\$3.92
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CONSOLIDATED

2011 2010
\$ millions \$ millions

14. LOANS AND BORROWINGS

CURRENT

Bank loans - unsecured	16.4	8.4
Other loans - unsecured	146.8	0.4
Finance lease liabilities	0.2	0.1
	163.4	8.9

NON-CURRENT

Bank loans - unsecured	49.2	58.5
Other loans - unsecured	854.0	1,272.2
	903.2	1,330.7

TOTAL	1,066.6	1,339.6
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TERM AND DEBT REPAYMENT SCHEDULE

Terms and conditions of outstanding loans were as follows:

CONSOLIDATED

	Currency	Effective interest rate	Year of maturity	2011 Carrying amount \$ millions	2010 Carrying amount \$ millions
CURRENT					
US senior notes - unsecured	USD	6.91%	2012	146.4	-
Bank loans - unsecured	USD	0.31%	2011	9.3	-
Bank loans - unsecured	THB	4.47%	2012	7.1	8.4
Other loans - unsecured ¹	AUD	-	2012	0.4	0.4
Finance lease liabilities	AUD	9.31%	2012	0.2	0.1
				163.4	8.9
NON-CURRENT					
US senior notes - unsecured	USD	6.36%	2014-2020	853.3	1,271.2
Bank loans - unsecured	THB	4.91%	2012	49.2	58.5
Other loans - unsecured ¹	AUD	-	2014	0.7	1.0
				903.2	1,330.7
TOTAL				1,066.6	1,339.6

¹ Vendor loan covering the purchase of plant and equipment where instalment repayments by the Boral group do not include an interest component.

CONSOLIDATED

2011 2010
\$ millions \$ millions

15. OTHER FINANCIAL LIABILITIES

NON-CURRENT

Derivative financial liabilities	55.8	8.0
Future purchase liability - Cultured Stone	63.9	-
	119.7	8.0

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED

2011 **2010**
\$ millions **\$ millions**

16. ISSUED CAPITAL

ISSUED AND PAID-UP CAPITAL

729,925,990 (2010: 598,952,998) ordinary shares, fully paid	2,261.3	1,724.0
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MOVEMENTS IN ORDINARY SHARE CAPITAL

Balance at the beginning of year	1,724.0	1,691.4
10,899,457 (2010: 5,895,282) shares issued under the Dividend Reinvestment Plan	53.1	31.9
Nil (2010: 167,186) shares issued upon the exercise of executive options	-	0.7
172,916 (2010: Nil) shares issued on vesting of rights	0.8	-
119,900,619 (2010: Nil) shares issued under Capital Raising net of costs	479.8	-
Income tax benefit on capital raising	3.6	-
Balance at the end of the year	2,261.3	1,724.0

During the period the Group undertook a capital raising of \$479.8 million net of transaction costs of \$11.8 million. The capital raising consisted of a 1 for 5 accelerated renounceable entitlement offer at an offer price of \$4.10 per share. The capital raising resulted in the issue of 68,332,173 ordinary shares under the Institutional Entitlement offer and 51,568,446 ordinary shares under the Retail Entitlement offer.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of a winding up of Boral Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

MOVEMENTS IN EMPLOYEE COMPENSATION SHARES

Balance at the beginning of the year	-	-
670,873 (2010: Nil) shares vested and transferred to share-based payments reserve	3.4	-
670,873 (2010: Nil) shares purchased on-market	(3.4)	-
Balance at the end of the year	-	-

The employee equity compensation account represents the balance of Boral shares held by the Group which as at the end of the year have not vested to Group employees and therefore are controlled by the Group. These shares relate to the Boral Senior Executive Performance Share Plan.

17. RESERVES

Foreign currency translation reserve	(131.6)	(75.0)
Hedging reserve - cash flow hedges	(0.4)	(1.1)
Other reserve *	(66.3)	-
Share-based payments reserve	38.8	37.2
	(159.5)	(38.9)

* relates to future consideration on the Cultured Stone acquisition.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

18. CONTINGENT LIABILITIES

The Company has given to its bankers letters of responsibility in respect of accommodation provided from time to time by the banks to controlled entities.

A number of sites within the Group and its associates have been identified as contaminated, generally as a result of prior activities conducted at the sites, and review and appropriate implementation of clean-up requirements for these is ongoing. For sites where the requirements can be assessed, estimated clean-up costs have been expensed or provided for. For some sites, the requirements cannot be reliably assessed at this stage.

Certain entities within the Group are subject to various lawsuits and claims in the ordinary course of business.

Consistent with other companies of the size and diversity of Boral, the Group is the subject of periodic information requests, investigations and audit activity by the Australian Taxation Office (ATO) and taxation authorities in other jurisdictions in which Boral operates.

The Group has considered all of the above claims and, where appropriate, sought independent advice and believes it holds appropriate provisions.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES

The following controlled entities were acquired or disposed of during the financial year ended 30 June 2011:

Entities acquired:

	CONSOLIDATED	
	2011 \$ millions	2010 \$ millions
MonierLifetile	88.3	-
Owens Corning Masonry Products LLC	44.2	-
Wagners Deposit	17.3	-
Miscellaneous acquisitions	2.4	-
Less: Cash acquired	(6.2)	-
Total purchase consideration (net of cash acquired)	146.0	-

Acquisition-related costs in respect of these acquisitions of \$1.9 million are included in other expenses in the income statement for the current year.

i. MonierLifetile

During July 2010, the Group acquired the remaining 50% interest in MonierLifetile LLC, MonierLifetile S.R.L. de C.V. and Tile Service Company LLC ("MonierLifetile").

At 30 June 2010, the Group held an initial 50% interest in MonierLifetile that was recorded as an equity accounted investment. On acquisition of the remaining 50% of MonierLifetile this initial investment was remeasured to fair value in accordance with Australian Accounting Standards.

	\$ millions
Carrying value of equity accounted investment as at acquisition date	36.2
Carrying value of loans to associates as at acquisition date	52.1
	88.3
Fair value of investment as at acquisition date	88.3

The acquisition had the following effect on the Group's assets and liabilities at acquisition date:

	\$ millions
Purchase consideration	
Cash paid - purchase price	88.3
Total purchase consideration	88.3
Fair value of net identifiable assets acquired	88.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES (continued)

i. MonierLifetile (continued)

Assets and liabilities acquired are as follows:

	Acquiree's carrying amount \$ millions	Fair value \$ millions
CURRENT ASSETS		
Cash and cash equivalents	4.2	4.2
Receivables	12.8	12.0
Inventories	20.4	20.0
Other assets	0.6	0.6
NON-CURRENT ASSETS		
Property, plant and equipment	160.3	162.4
Investments	1.9	1.4
Intangible assets	0.1	0.1
Deferred tax assets	-	1.4
Other	0.5	0.1
CURRENT LIABILITIES		
Payables	(17.0)	(18.9)
Provisions	(1.9)	(1.9)
NON-CURRENT LIABILITIES		
Payables	(1.4)	(1.4)
Provisions	(3.6)	(3.4)
Net identifiable assets acquired	176.9	176.6
Equity accounted investment		(36.2)
Loan to Monier		(52.1)
Total purchase consideration		88.3

During the period from July to 30 June 2011, MonierLifetile has contributed revenue of \$76.7 million and a loss before interest and tax of \$21.6 million.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES (continued)

ii. Cultured Stone Acquisition

At the end of December 2010, the Group acquired a 50% controlling interest in Owens Corning Masonry Products LLC ("Cultured Stone"), a stone veneer producer in the United States. Under the terms of the agreement, the acquisition of Owens Corning Masonry Products LLC will occur in two stages:

- an initial acquisition of a 50% controlling interest for US\$45 million in December 2010;
- followed by the acquisition of the remaining 50% membership interest for a payment equal to a multiple of 7.0 times 50% of calendar year 2013 EBITDA, subject to a minimum payment of US\$45 million.

Cultured Stone is the leading stone veneer producer in the United States with plants in California and South Carolina. Its key products, Cultured Stone, ProStone and Versetta Stone are sold through distributors across the United States and Canada. This acquisition enables Boral to expand its range of product offerings in the cladding sector. The transaction provides Boral with Board control and management control of operations.

During the period from acquisition to 30 June 2011, Cultured Stone has contributed revenue of \$36.2 million and a loss before interest and tax of \$9.8 million. The Group considers it impractical to determine the consolidated revenue or profit of the Group had this business acquisition taken place at 1 July 2010 as the entity's accounting policies and reporting period were not consistent with those adopted by the Group.

The acquisition had the following effect on the Group's assets and liabilities at acquisition date:

	\$ millions	
Purchase consideration		
Cash paid - purchase price		44.2
Total purchase consideration		44.2
Fair value of net identifiable assets acquired		44.2
Assets and liabilities acquired are as follows:		
	Acquiree's carrying amount \$ millions	Fair value \$ millions
CURRENT ASSETS		
Cash and cash equivalents	2.0	2.0
Receivables	7.1	6.1
Inventories	37.7	30.0
NON-CURRENT ASSETS		
Property, plant and equipment	53.2	45.7
Intangible assets	-	11.3
CURRENT LIABILITIES		
Payables	(4.2)	(5.7)
Provisions	-	(0.5)
NON-CURRENT LIABILITIES		
Provisions	-	(0.4)
Net identifiable assets acquired	95.8	88.5
Less: Non controlling interest		(44.3)
Total purchase consideration		44.2

The group elected to recognise the non-controlling interests in Cultured Stone at its proportionate share of the acquired net identifiable assets.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES (continued)

iii. Wagners' Construction Materials Assets

During April 2011, an agreement was reached to acquire certain construction materials assets of the Wagners Group for \$173 million subject to the approval of the transaction by the Australian Competition and Consumer Commission. This acquisition will include 5 quarries and 19 concrete plants located throughout the Darling Downs, South East Queensland and Townsville regions and flyash interests in the Darling Downs. The transaction is expected to be completed in the second half of calendar 2011.

The acquisition had the following effect on the Group's assets and liabilities as at 30 June 2011.

			\$ millions
Purchase consideration			
Cash paid - deposit			17.3
Entities disposed:			
Entity	Consideration received \$ millions	Interest disposed %	Date of disposal
Boral Formwork and Scaffolding Pty Ltd	33.9	100	Sep 2010

20. NOTES TO CASH FLOW STATEMENT

(i) Reconciliation of cash and cash equivalents

Cash includes cash on hand, at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash and cash equivalents	561.2	157.0
	561.2	157.0

(ii) The following non-cash financing and investing activities have not been included in the cash flow statement:

Dividends reinvested under the Dividend Reinvestment Plan	53.1	31.9
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21. SUBSEQUENT EVENTS

Sunshine Coast Quarries acquisition

On 19 July 2011, the Group announced it has reached an agreement to acquire the quarry and concrete assets of Sunshine Coast Quarries including a large scale quarry at Moy Pocket, a smaller quarry at Wondai and a concrete plant at Gympie on a cash free, debt free basis for a consideration of \$81.5 million. Completion remains subject to clearance from the Australian Competition and Consumer Commission on terms acceptable to Boral, and the finalisation of certain procedural issues. The transaction is expected to be completed in the second half of calendar 2011.

Lafarge Boral Gypsum in Asia Sdn Bhd acquisition

Subsequent to year end the Group announced that it has reached an agreement with Lafarge to acquire the remaining 50% shareholding in Lafarge Boral Gypsum in Asia Sdn Bhd (LBGA) for consideration of € 429 million (A\$598 million) on an enterprise basis, € 380 million (A\$530 million) after adjusting for net debt and non controlling interests. Existing debt facilities will be used to fund the acquisition. As part of the acquisition the Group will be required to fair value its existing equity investment in LBGA.

Annual General Meeting

The annual general meeting will be held as follows:

Place:

City Recital Hall, Angel Place, Sydney

Date:

Thursday, 3 November 2011

Time:

10.30 am

Approximate date the annual report will be available:

24 September 2011

Compliance Statement

- 1 The financial report is in the process of being audited.
- 2 The entity has a formally constituted audit committee.