Build something great™

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10 May 2012

The Manager, Listings
Australian Securities Exchange
ASX Market Announcements
Level 14, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir

Boral Gypsum Asia

We attach a presentation which is being given today in Korea as part of an Analyst and Investor Site Tour in Asia.

Yours faithfully

Margaret Taylor
Company Secretary

BORAL GYPSUM ASIA

Analyst and Investor Site Tour, May 2012

Frederic de Rougemont, Chief Executive Boral Gypsum Asia
10 May 2012










Boral Gypsum Asia

AGENDA

- **BGA introduction**
- Performance and Growth
- Our ambition

Boral Gypsum Asia

HISTORY OF BGA

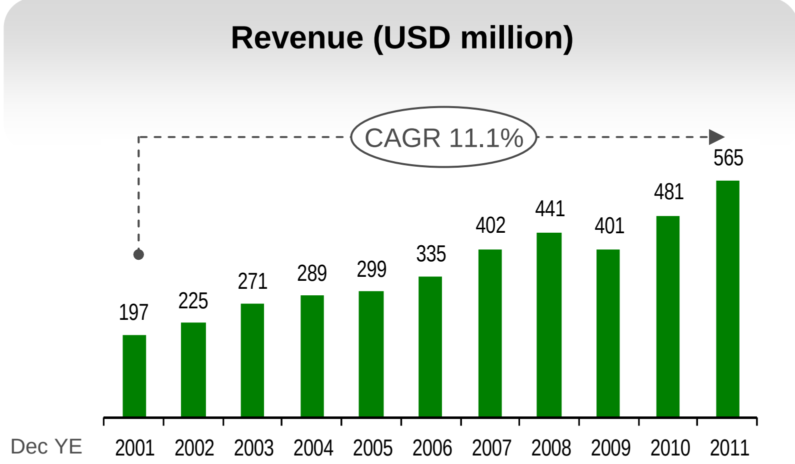
2000	Joint venture formed in June 2000 (Boral initial share 27.3%)
2001	Siam Gypsum Industries acquired (71%) from Siam Cement in Thailand (Boral funded, lifting Boral's share in LBGA to 47%)
2002	Dangjin line 1 (Korea) and Chongqing line 1 (China) opened
2003	Boral increases share to 50%
2005	Chongqing line 2 (China) opened
2006	HCMC line 1 (Vietnam) opened
2007	Dangjin line 2 (Korea) opened
2008	Khushkhera (India) and Chengdu (China) opened
2010	Saraburi line 2 (Thailand) and Baoshan (Shanghai) opened
2011	3 new capacity increase projects approved and under construction in Asia, and a plant acquisition in China (Shandong)
2011	Boral acquires Lafarge's outstanding 50% stake

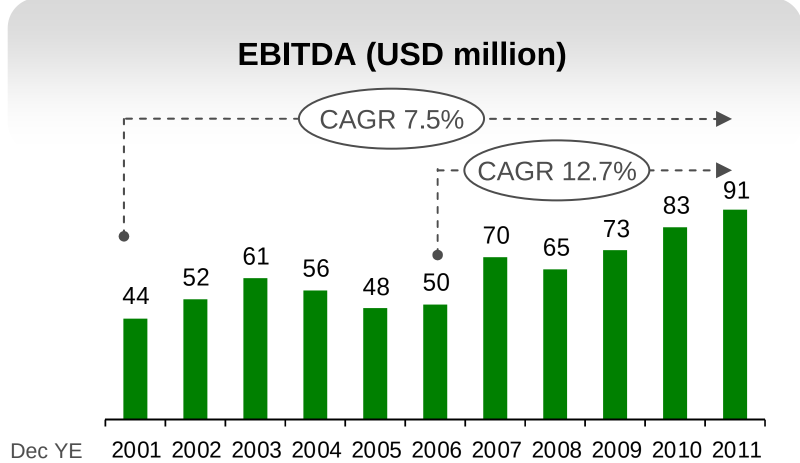
Boral Gypsum Asia

BGA FINANCIALS

USD million	Year end Dec 09	Year end Dec 10	12 mths to June 11	Year end Dec 11
Revenue	401	481	520	565
EBITDA	73	83	85	91
EBITDA Margin (%)	*18.2%*	*17.3%*	*16.3%*	*16.1%*
EBIT	50	56	57	62
Net Assets (excluding minority interests)[1]	383	422	431	425

- LBGA expected to achieve CY2012 EBITDA in the order of USD $108 million





[1] Net assets at 31 December 2011 excludes goodwill arising on the acquisition by Boral

Boral Gypsum Asia

ORGANISATIONAL STRUCTURE

Frederic de Rougemont
Chief Executive BGA

Frederic Billon
Korea Mgr

Ivan Kovarik
Thailand Mgr

Gavin Burton
China Manager

Kil-Joo Lee
Indonesia Mgr

Robert Aaron
Malaysia/ Singapore Mgr

Gregory Lukasik
India Mgr

Peter Edwards
Vietnam Mgr

- Five functional departments support BGA centrally (Kuala Lumpur, Malaysia)
  - Finance
  - Human Resources
  - Industrial (Manufacturing and Engineering)
  - Commercial Performance
  - Specialty Products development/Business development
- Two new functional departments being established
  - Innovation/Research
  - IT Systems
- BGA employs around 2,300 people in 9 countries

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PLASTERBOARD LINING SYSTEMS HAVE UNIQUE BENEFITS WHICH HAVE HELPED DRIVE ADOPTION

Lightweight

- Reduced building mass – reduced foundation costs
- Lower thermal mass

Flexibility and Performance

- Ease of reconfiguration and repair
- Naturally fire resistant
- Various design solutions for specific requirements (E.g. fire, acoustic, wet area, impact)

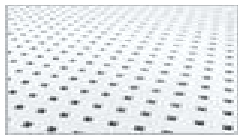
Increased Adoption

Environment

- Low embodied and lifecycle energy
- Recyclable
- Can be manufactured from recycled inputs
- Proven safe to use

Education systems

Enviro board



EchoSTOP ceiling panels

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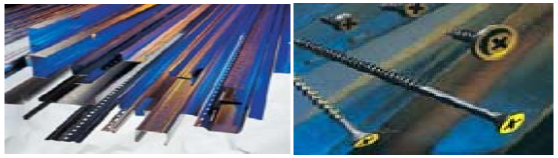
BGA HAS THE FULL PRODUCT RANGE FOR INTERIOR LINING SOLUTIONS

Plasterboard

+



Metal stud and screw

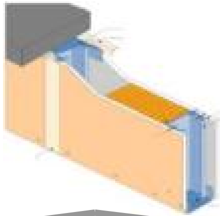
+

Insulation material

+

Compound

System



"The System is composed of associated components delivering specific end use performance"

Residential

Hospitals

Hotels

Industrials

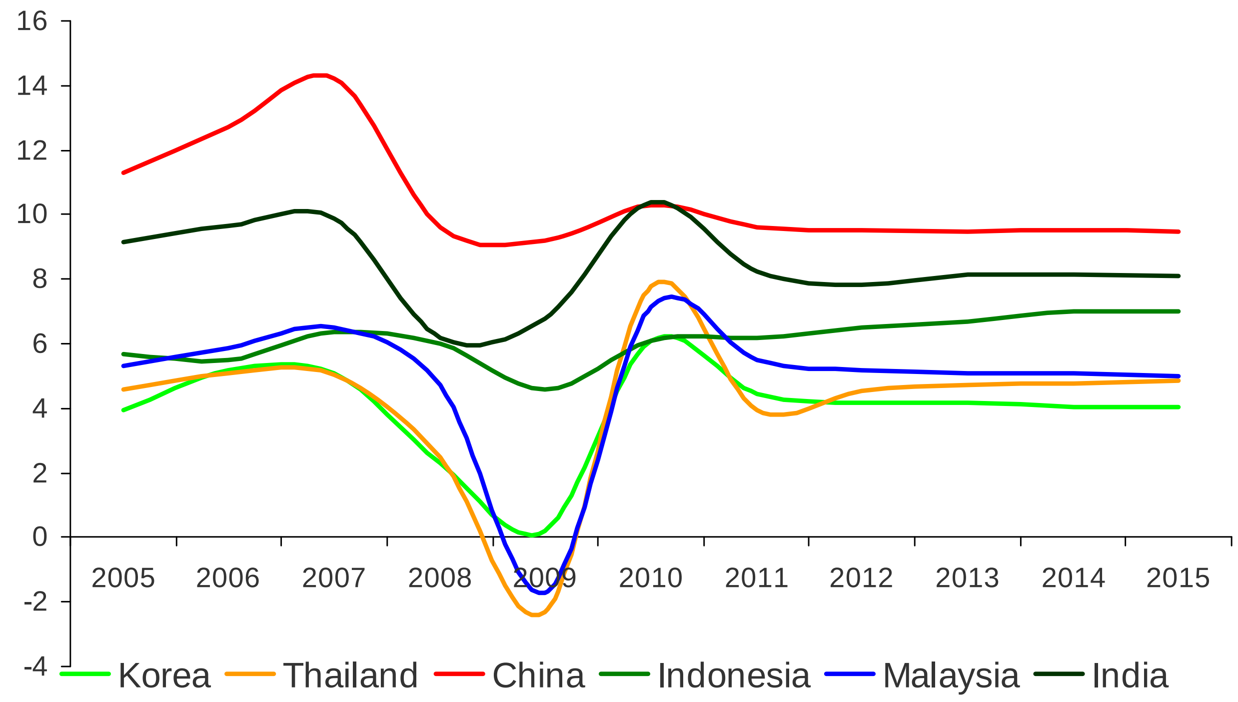
AGENDA

- BGA introduction
- **Performance and Growth**
- Our ambition

GROWTH IS DRIVEN BY ORGANIC GROWTH AND PENETRATION

GDP % Growth by Region

- Strong economic growth forecast across most important markets
- Increase public investment drives growth in non-residential construction
- Increasing urbanisation will drive growth in residential new build



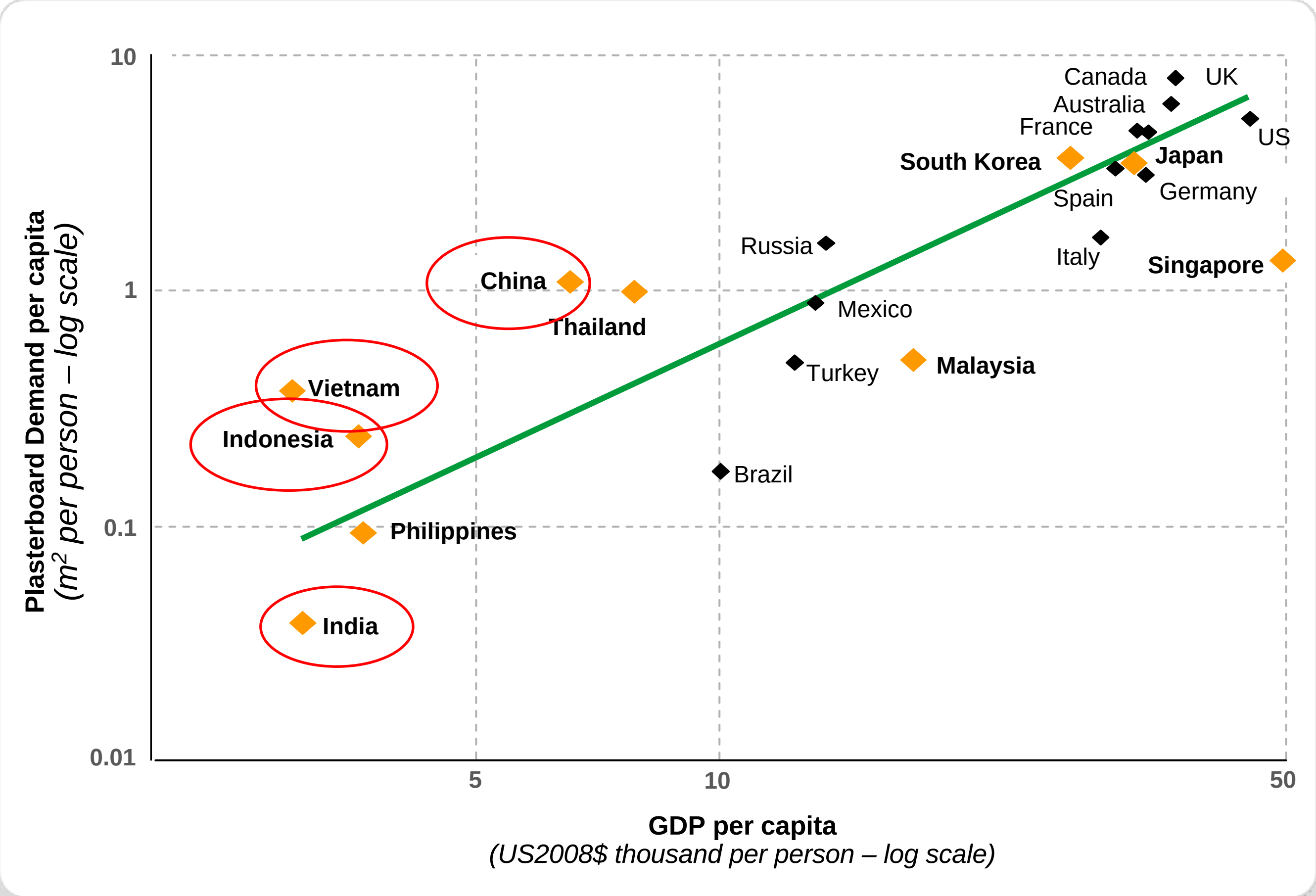
Source: IMF

Boral Gypsum Asia

GROWTH IS DRIVEN BY ORGANIC GROWTH AND PENETRATION

Plasterboard Demand/GDP per Capita

- Historically plasterboard use starts in commercial then moves to housing
- Lightweight, flexible and easy to install characteristics make plasterboard the interior lining product of choice
- Asia is expected to become the world's largest plasterboard market by 2014



Source: Freedonia, Boral estimates

PENETRATION STARTS WITH COMMERCIAL BUILDINGS AND DEVELOPS LATER IN RESIDENTIAL BUILDINGS

Asia Plasterboard Penetration

- Step 1: ceilings in commercial buildings
- Step 2: partitions in commercial buildings, ceiling in residential buildings
- Step 3: partition in residential buildings
- Penetration develops differently from market to market

Key Country Plasterboard End-Market Exposures

- Korea: 40% residential and 60% non-residential
- China: 35% residential and 65% non-residential
- Thailand: 70% residential and 30% non-residential
- Indonesia: 78% residential and 22% non-residential

OUR GROWTH SUCCESS IS BASED ON A POWERFUL PENETRATION MODEL IN ASIA

- Plasterboard solutions provide characteristics meeting immediate needs and future construction trends
- There is a consistent penetration model across all countries in Asia, most of them being still in the “infancy” stage
- Our commercial model allows us to influence the end users when they specify solutions

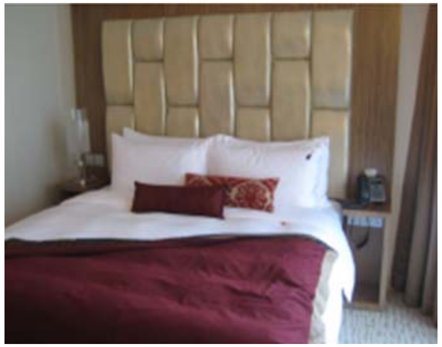


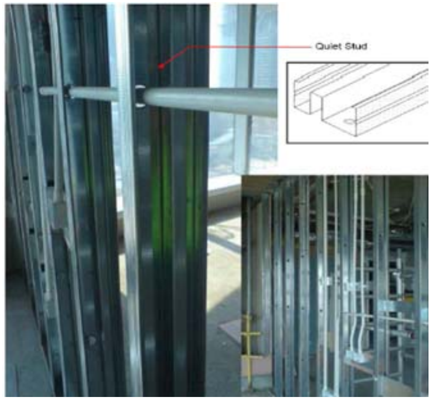


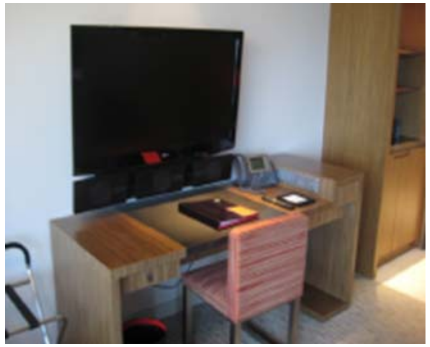
CEILING AND WALLS IN COMMERCIAL BUILDINGS

Hotel and Casino in Macau (City of Dreams)

Hard Rock Hotel - Room To Room Partition







Various Tall Partitions With High Fire, Acoustic and Mechanical Performances

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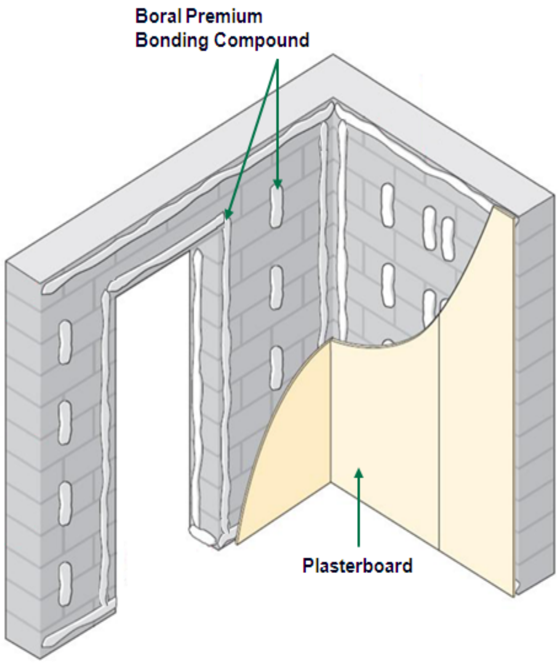
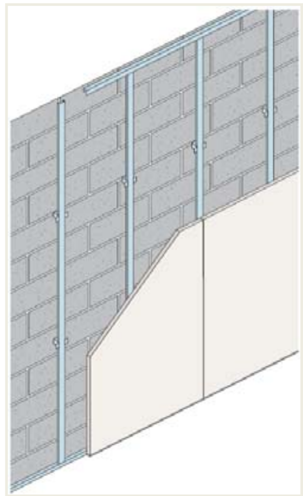
FIRST STEPS OF WALL APPLICATIONS IN RESIDENTIAL

Residential High Rise in India

- Boral developing new market opportunities for Boral plasterboard systems – first high-rise project in India to use the complete plasterboard solution

320,000m² of Boral Wall Lining Systems





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BGA ROUTE TO MARKET

End Use

- Residential - Low Rise
- Residential - High Rise
- Commercial E.g. Hotels, Hospitals, Leisure, Non-Residential High Rise
- Repairs, Maintenance, Upgrades

Installers

- Builders/Developers
- Large Installers
- Small Installers (Repairs + Small/Medium projects)

Distributors

- Sub Distributors
- Plasterboard Distributors

Country Presence	Thailand Malaysia China Vietnam India UAE	China Indonesia UAE Thailand (under construction)	**Thailand / Korea** **Malaysia / China** **Indonesia / Vietnam** **India / Singapore** **UAE / Philippines** **Hong Kong**	China	Single country players only
Manufacturers in Asia	St.Gobain	Knauf	**BGA**	BNBM	Others

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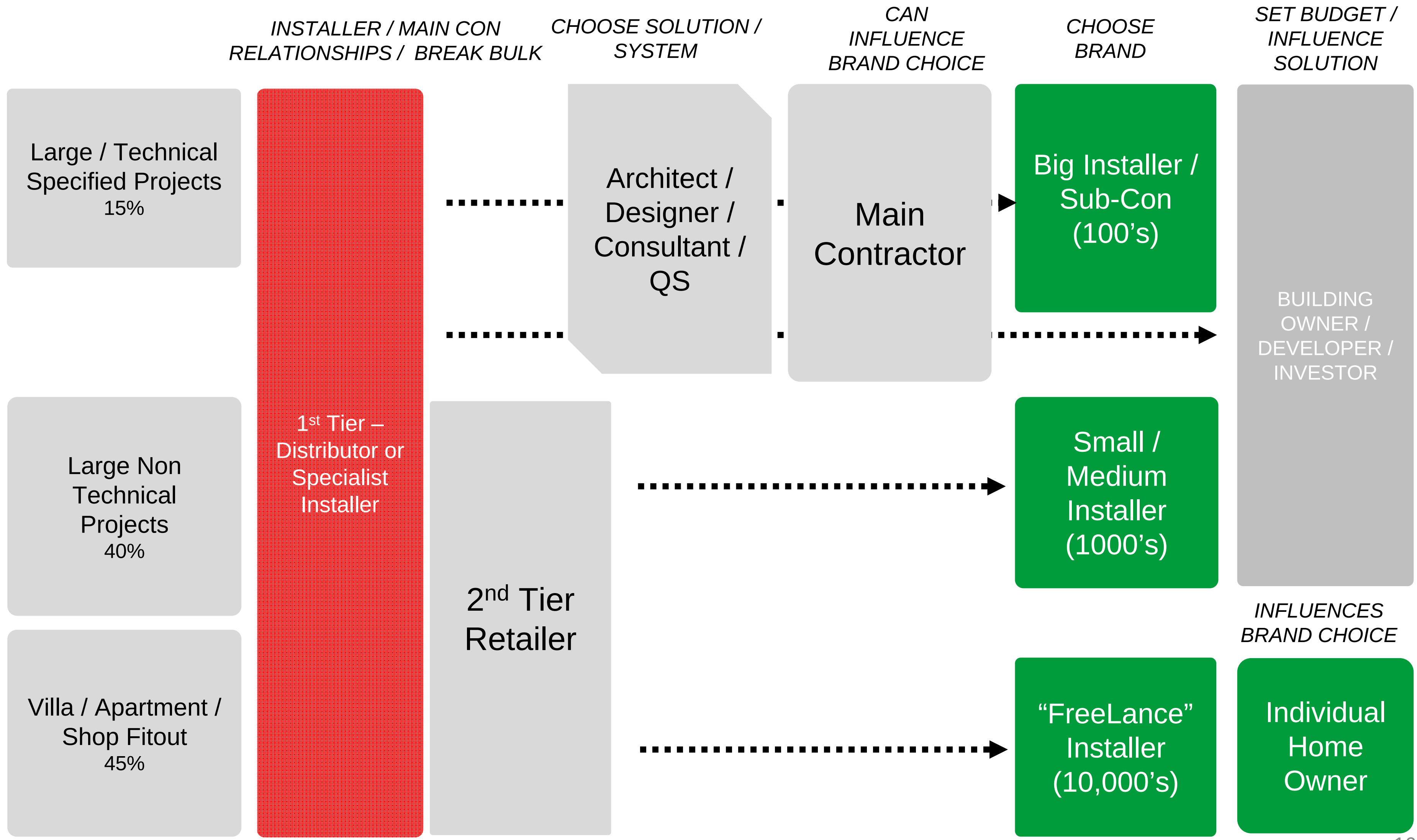
VIETNAM EXAMPLE OF ROUTE TO MARKET



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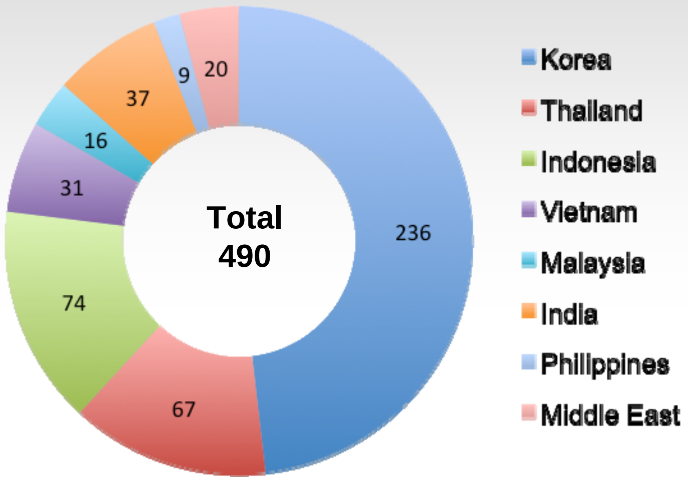
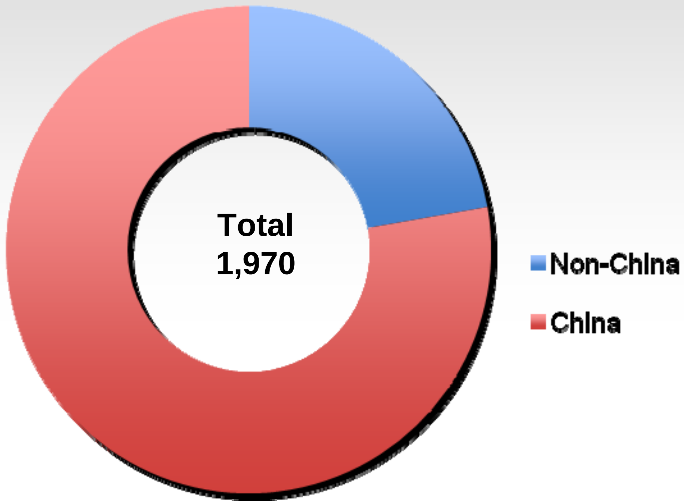
CHINA WILL BECOME THE BIGGEST PLASTERBOARD MARKET ON EARTH BY 2015

2011 Market size in BGA region-except China (million m²)



2011 Market size in BGA region (million m²)



Key themes in chosen markets

- Korea – mature with a strong potential in residential
- Thailand – developing with one major urban market (Bangkok)
- Indonesia – strong growth in the third most populated country in Asia
- China – biggest market with a number of very large cities with significant high end markets

Source: Management estimates

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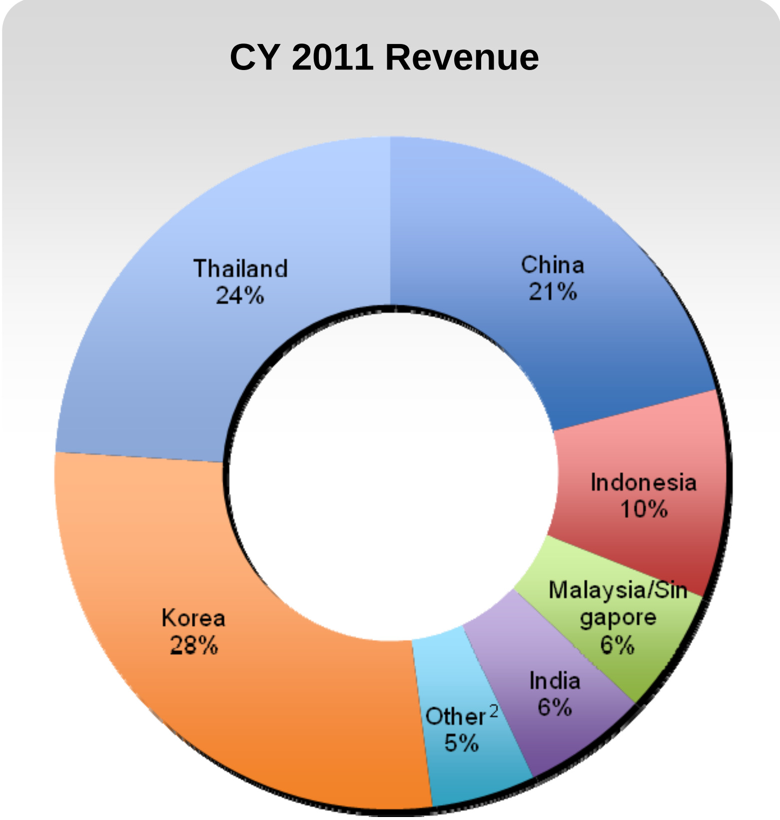
THE CURRENT BGA INFRASTRUCTURE (NETWORK)

Plasterboard	2006[1]	2007	2008	2009	2010	2011
Board sales *(million m²)*	196	219	235	230	265	296
Board plant capacity *(million m²)*	289	289	337	337	413	448

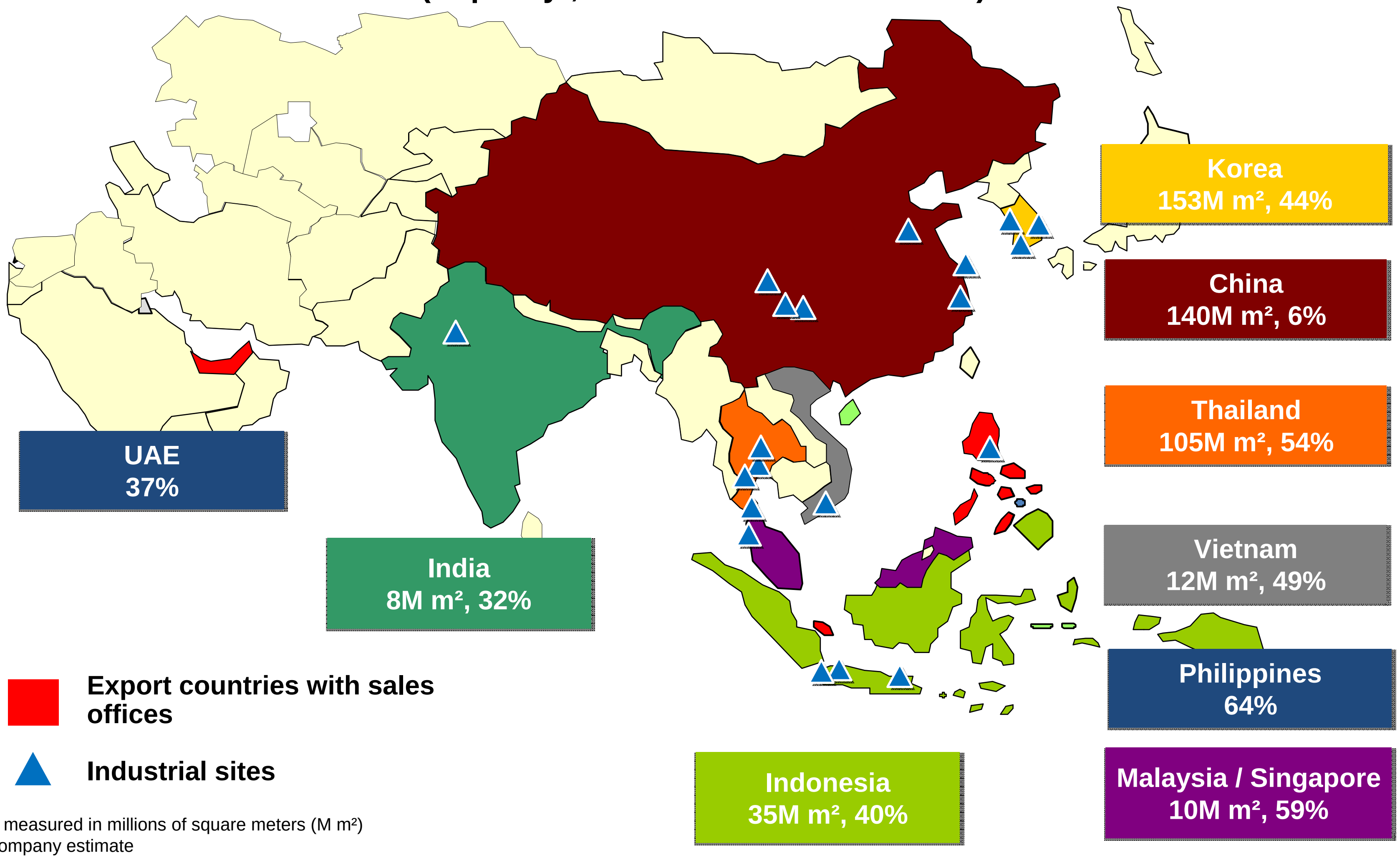
Operations	Plants[3]	Sales Offices	Quarries	Total
Korea	3	5	-	8
Thailand	5	1	1	7
China	6	6	-	12
Indonesia	3	5	-	8
Malaysia/Singapore	1	2	-	3
Vietnam	1	2	-	3
India	1	5	-	6
Other[2]	1	4	-	5
Total	**21**	**30**	**1**	**52**



¹ All figures are December year end
² Other includes export business (UAE, Philippines, and other export countries) and Thai Prestia
³ Plasterboard, metal components and compound plants

BGA HAS THE MOST EXTENSIVE NETWORK IN ASIA

BGA Operations
(Capacity[1], Estimated Market Share %)



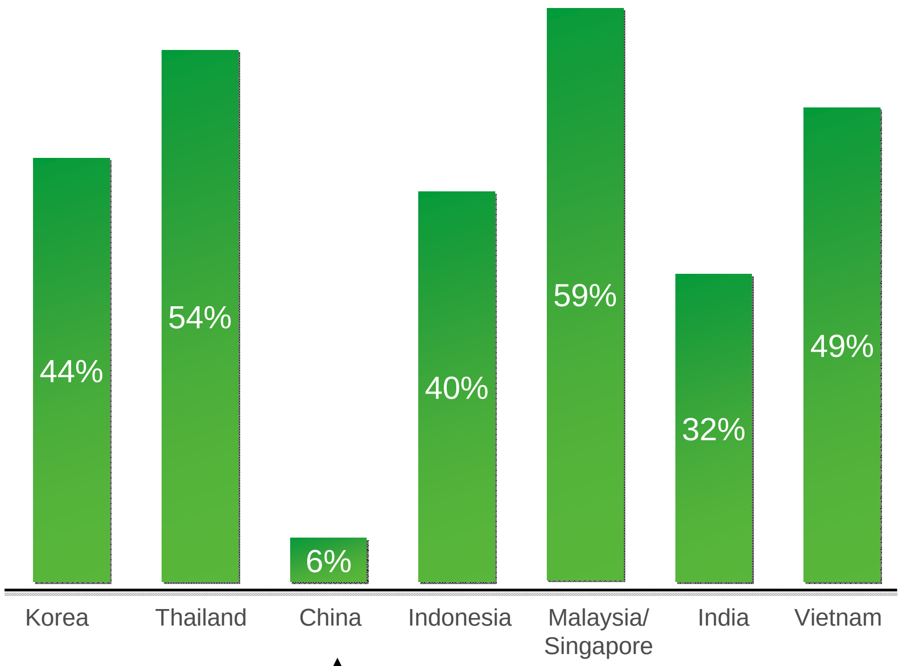
[1] Capacity measured in millions of square meters (M m²)
Source: Company estimate

Boral Gypsum Asia

BGA LOCATIONS AND MARKET POSITIONS

Country	Name	Gypsum Type	Energy Source	Capacity (M m^2 pa)
Korea	Yosu	Synthetic	H.Oil/Steam	35
Korea	Ulsan	Synthetic	Gas	46
Korea	Dangjin 1	Synthetic	Gas	37
Korea	Dangjin 2	Synthetic	Gas	35
Total - Korea				153
Thailand	Saraburi 1	Natural	Gas	50
Thailand	Saraburi 2	Natural	Gas	35
Thailand	Songkhla	Natural	H.oil	20
Total - Thailand				105
China	Pudong (Shanghai)	Synthetic	Gas	30
China	Chengdu	Synthetic	Gas	12
China	Chongqing 2	Synthetic	Gas	13
China	Chongqing 3	Synthetic	Gas	15
China	Baoshan (Shanghai)	Synthetic	Gas	35
China	Shandong	Natural	Steam	35
Total - China				140
Indonesia	Cilegon	Natural	Gas	21
Indonesia	Gresik	Natural	Gas	14
Total - Indonesia				35
Malaysia	Parit Buntar	Natural	Gas	10
India	Khushkhera	Natural	Gas	8
Vietnam	Ho Chi Minh	Natural	Gas	12
Total				**463**

BGA 2011 Estimated Market Shares



Regional positions with >25% share in target segments

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COST STRUCTURE OF PLASTERBOARD

BORAL®

Typical Unit Production Cost Breakdown Index

Materials	50
Energy	27
Total Variable Cost	77
People	9
Other Cash	6
Depreciation	8
Total Fixed Cost	23
Total Cost	100

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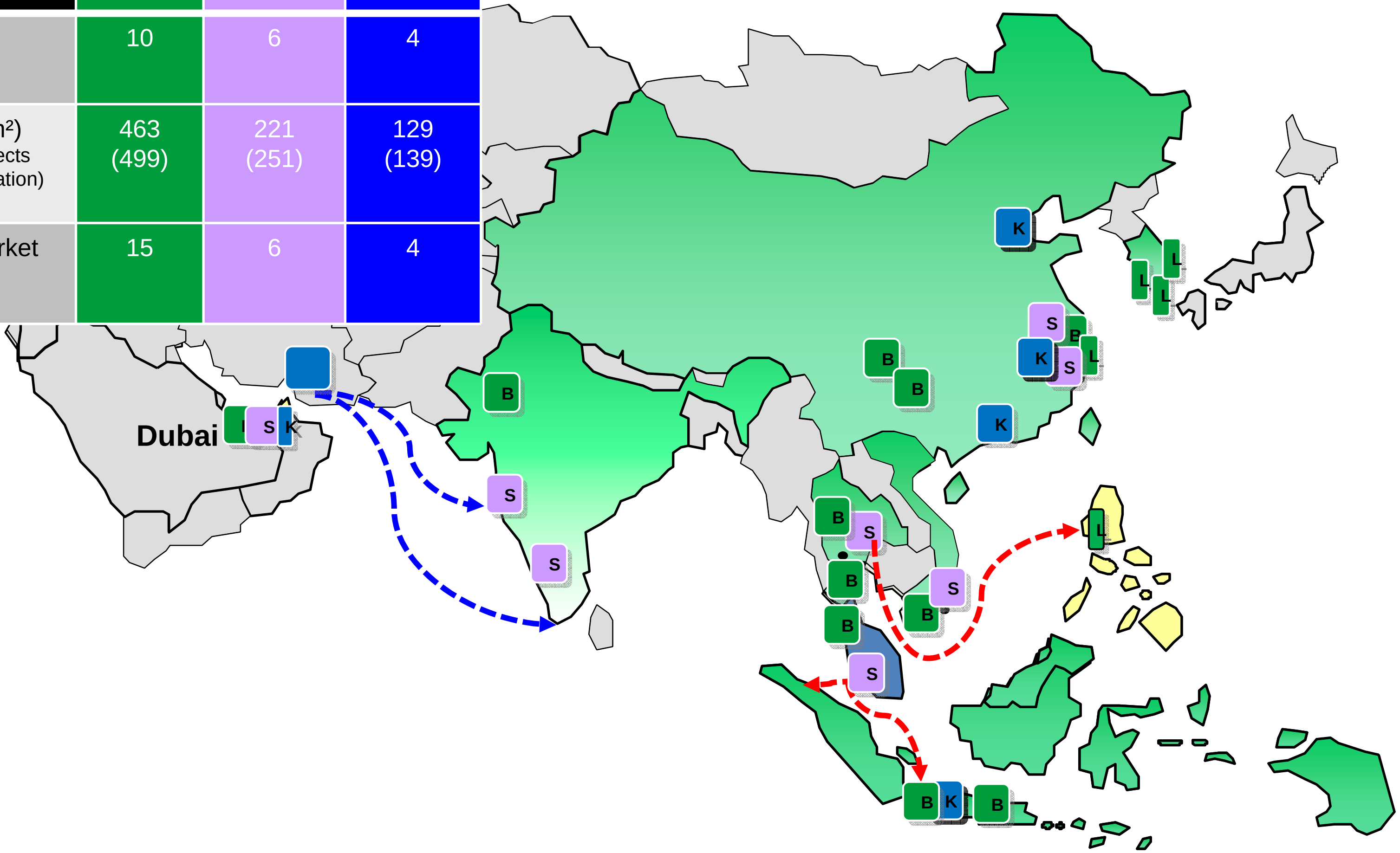
AMONG GLOBAL PLAYERS, BGA HAS THE LEADING MARKET POSITION THROUGHOUT ASIA

TOTAL	BGA	Saint Gobain	KNAUF
Presence (countries)[1]	10	6	4
Capacity (M m^2) (with current projects under implementation)	463 (499)	221 (251)	129 (139)
Estimated Market Share (%) (including China)	15	6	4



[1] Sales office with warehouse considered as presence
Source: Company estimate

SYNERGIES WITH BORAL PLASTERBOARD AUSTRALIA

Best Practices	▪ Boral production system (LEAN) provides Asia Pacific plasterboard benefits ▪ Sales and Marketing Excellence and commercial leverage provides competitive advantage ▪ Asia Pacific innovation and research platform being established at BGA
Procurement	▪ Leveraging increased scale for purchasing raw materials ▪ Proactive review of alternative fuels and energy
Network	▪ Investigating potential to leverage regional manufacturing footprint and to grow innovation and system penetration

AGENDA

- BGA introduction
- Performance and Growth
- **Our ambition**

OUR AMBITION

Fully leverage our existing infrastructure, strengthen our leadership with products and solutions, and accelerate the penetration of plasterboard

Levers of our ambition

- Further develop operational excellence with LEAN
- Maintain country leadership by sustaining capacity share and continuing new country development through exports
  - The specific case of China requires a focused regional approach to strengthen market position and remain a relevant player competing against local competitors (BNBM and Taishan)
- Continue focusing on accelerating penetration:
  - By aiming at Sales and Marketing Excellence
  - By developing further our specification power via project sales
  - By reinforcing our technical sales to support installers in their daily job
  - By developing Asian R&D to strengthen further our innovation capacity

THE FUTURE

- BGA continues to grow through its leadership position and excellent installed physical assets
- Regional growth and increased penetration provides a solid base for future growth
  - Investing in core markets ahead of competitors is crucial
  - Innovation accelerates penetration with localized strong R&D
  - Being mindful of new entrants
- China continues to remain a challenge
  - Industrial performance is progressing fast
  - Short term market growth is being influenced by government measures to curb real estate speculation but the long term trend remains encouraging
- Human resources development is a continuous management focus, to ensure leadership in all markets, and having adequate resources to sustain our growth

Boral Gypsum Asia

WORLD CLASS CAPACITY

Leading Products to High Growth Markets

BORAL®

World Class Capacity

- Boral production system offers Asia Pacific plasterboard benefits
- Sales and marketing excellence and commercial leverage provides competitive advantage
- Asia Pacific innovation platform extended to include BGA

Enhanced capabilities to improve performance

Core Competitive Advantages

- Modern, well-equipped facilities in seven high growth markets
- Excellent management team with capacity to grow
- Comprehensive range of interior lining products with reputation for quality

Boral Building Products Asia

Ambitions for Future Growth

- Potential to leverage low cost manufacturing in Asia Pacific region
- LBGA infrastructure provides solid foundation for Asian growth
- Higher proportion of Boral revenue tied to higher growth markets

Expanded geographic presence to drive revenues

Market Leading Position

- Established brands respected for quality and reliability
- Extensive logistics and distribution networks in 10 countries in Asia
- Export led marketing offers access to 30 high growth countries

Building something great™