



22 August 2012

The Manager, Listings
Australian Securities Exchange
ASX Market Announcements
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Boral Limited
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Dear Sir

Results for Year Ended 30 June 2012

We attach the following:

1. Preliminary Final Report (ASX Appendix 4E)
2. Results Announcement for the year ended 30 June 2012 - Media Release
3. Results Announcement for the year ended 30 June 2012 - Management Discussion & Analysis
4. Investor Presentation.

Yours faithfully

Margaret Taylor
Company Secretary

APPENDIX 4E

PRELIMINARY FINAL REPORT

22 August 2012

Name of Entity: **Boral Limited**
 ABN: **13 008 421 761**
 Financial Year ended: **30 June 2012**

Boral Limited

ABN 13 008 421 761

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Results for announcement to the market

				2012 A'\$ Millions	2011 A'\$ Millions
Revenue from continuing operations	up	8.5%	to	4,716.2	4,345.7
Revenue from discontinued operations				294.1	364.8
Total revenue	up	6.4%	to	5,010.3	4,710.5
Profit from continuing operations before net financing costs, income tax and significant items	down	(26.1%)	to	200.9	271.8
Profit/(loss) from discontinued operations before net financing costs, income tax and significant items				(1.3)	5.4
Profit before net financing costs, income tax and significant items	down	(28.0%)	to	199.6	277.2
Net financing costs from continuing operations before significant items				(84.9)	(59.7)
Net financing costs from discontinued operations before significant items				(3.5)	(4.0)
Profit before income tax and significant items	down	(47.9%)	to	111.2	213.5
Income tax from continuing operations before significant items				(9.6)	(40.0)
Income tax from discontinued operations before significant items				0.7	(0.4)
Non-controlling interests from continuing operations				(0.8)	2.9
Non-controlling interest from discontinued operations				(0.3)	(0.6)
Net profit before significant items attributable to members	down	(42.3%)	to	101.2	175.4
Significant items from continuing operations net of tax ¹				104.1	4.7
Significant items from discontinued operations net of tax ¹				(28.7)	(12.4)
Net profit attributable to members	up	5.3%	to	176.6	167.7

1. Refer note 7 of the attached financial report.

Dividends	Amount per security	Franked amount per security at 30% tax
Current period		
Final - ordinary	3.5 cents	3.5 cents
Interim - ordinary	7.5 cents	7.5 cents
Previous corresponding period		
Final - ordinary	7.0 cents	7.0 cents
Interim - ordinary	7.5 cents	7.5 cents
Record date for determining entitlements to the final dividend		3 September 2012

Comparative figures: Full year ended 30 June 2011

Profit before significant items is a Non IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. The disclosures are extracted or derived from the financial report for the year ended 30 June 2012.

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 2012 - Management Discussion and Analysis dated 22 August 2012.

Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
For the year ended 30 June		2012	2011
	Note	\$ millions	\$ millions
Continuing operations			
Revenue	3	4,716.2	4,345.7
Cost of sales		(3,425.4)	(3,063.8)
Selling and distribution expenses		(812.6)	(770.6)
Administrative expenses		(331.0)	(322.5)
		(4,569.0)	(4,156.9)
Other income	4	207.5	75.5
Other expenses	5	(119.3)	(60.6)
Share of net profit of associates	12	30.8	42.0
Profit before net financing costs and income tax expense		266.2	245.7
Financial income	6	14.6	23.6
Financial expenses	6	(99.5)	(83.3)
Net financing costs		(84.9)	(59.7)
Profit before income tax expense		181.3	186.0
Income tax benefit/(expense)	8	29.2	(9.2)
Profit from continuing operations		210.5	176.8
Discontinued operations			
Loss from discontinued operations (net of income tax)	9	(32.8)	(11.4)
Net profit		177.7	165.4
Attributable to:			
Members of the parent entity		176.6	167.7
Non-controlling interests		1.1	(2.3)
Net profit		177.7	165.4
Basic earnings per share	10	23.8c	23.3c
Diluted earnings per share	10	23.6c	23.2c
Continuing operations			
Basic earnings per share	10	28.2c	25.0c
Diluted earnings per share	10	28.0c	24.9c

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

CONSOLIDATED

For the year ended 30 June

2012	2011
\$ millions	\$ millions

Net profit	177.7	165.4
Other comprehensive income		
Actuarial gain/(loss) on defined benefit plans	(9.8)	2.8
Net exchange differences from translation of foreign operations taken to equity	(4.4)	(31.1)
Foreign currency translation reserve transferred to net profit on recognition of LBGA as a subsidiary	30.5	-
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	18.6	-
Fair value adjustment on cash flow hedges	(4.2)	1.0
Income tax relating to other comprehensive income	5.5	(29.7)
Total comprehensive income	213.9	108.4
Total comprehensive income is attributable to:		
Members of the parent entity	210.7	113.7
Non-controlling interests	3.2	(5.3)
Total comprehensive income	213.9	108.4

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	
		2012 \$ millions	2011 \$ millions
CURRENT ASSETS			
Cash and cash equivalents		205.7	561.2
Receivables		809.6	784.1
Inventories		656.1	596.1
Other financial assets		0.2	7.5
Other		69.0	85.6
Assets classified as held for sale	9	62.9	-
TOTAL CURRENT ASSETS		1,803.5	2,034.5
NON-CURRENT ASSETS			
Receivables		17.8	10.3
Inventories		104.9	93.5
Investments accounted for using the equity method		36.6	240.2
Property, plant and equipment		3,566.7	2,894.9
Intangible assets		820.1	255.9
Deferred tax assets		101.2	88.2
Other		48.3	50.5
TOTAL NON-CURRENT ASSETS		4,695.6	3,633.5
TOTAL ASSETS		6,499.1	5,668.0
CURRENT LIABILITIES			
Payables		732.2	702.8
Loans and borrowings	14	148.3	163.4
Other financial liabilities	15	7.1	7.5
Current tax liabilities		22.8	123.8
Provisions		187.8	218.6
Liabilities classified as held for sale	9	44.6	-
TOTAL CURRENT LIABILITIES		1,142.8	1,216.1
NON-CURRENT LIABILITIES			
Payables		10.9	12.5
Loans and borrowings	14	1,575.1	903.2
Other financial liabilities	15	72.4	112.2
Deferred tax liabilities		182.5	161.1
Provisions		112.0	106.5
TOTAL NON-CURRENT LIABILITIES		1,952.9	1,295.5
TOTAL LIABILITIES		3,095.7	2,511.6
NET ASSETS		3,403.4	3,156.4
EQUITY			
Issued capital	16	2,368.4	2,261.3
Reserves	17	(109.2)	(159.5)
Retained earnings		1,069.9	1,007.0
Total parent entity interest		3,329.1	3,108.8
Non-controlling interests		74.3	47.6
TOTAL EQUITY		3,403.4	3,156.4

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	Total parent entity interest \$ millions	Non-controlling interests \$ millions	Total equity \$ millions
For the year ended 30 June 2012						
Balance at 1 July 2011	2,261.3	(159.5)	1,007.0	3,108.8	47.6	3,156.4
Net profit	-	-	176.6	176.6	1.1	177.7
Other comprehensive income						
Translation of net assets of overseas controlled entities	-	(1.5)	-	(1.5)	2.1	0.6
Translation of long-term borrowings and foreign currency forward contracts	-	(5.0)	-	(5.0)	-	(5.0)
Foreign currency translation reserve transferred to net profit on recognition of LBGA as a subsidiary	-	30.5	-	30.5	-	30.5
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	18.6	-	18.6	-	18.6
Fair value adjustment on cash flow hedges	-	(4.2)	-	(4.2)	-	(4.2)
Actuarial gain/(loss) on defined benefit plans	-	-	(9.8)	(9.8)	-	(9.8)
Income tax relating to other comprehensive income	-	2.5	3.0	5.5	-	5.5
Total comprehensive income	-	40.9	169.8	210.7	3.2	213.9
Transactions with owners in their capacity as owners						
Shares issued under the Dividend Reinvestment Plan	106.9	-	-	106.9	-	106.9
Shares issued on vesting of rights	0.2	(0.2)	-	-	-	-
Dividends paid	-	-	(106.9)	(106.9)	(1.0)	(107.9)
Purchase of employee compensation shares	-	(1.0)	-	(1.0)	-	(1.0)
Share-based payments	-	10.6	-	10.6	-	10.6
Non-controlling interest acquired	-	-	-	-	22.8	22.8
Purchase of non-controlling interest	-	-	-	-	(0.8)	(0.8)
Non-controlling interest disposed	-	-	-	-	(2.9)	(2.9)
Contributions by non-controlling interests	-	-	-	-	5.4	5.4
Total Transactions with owners in their capacity as owners	107.1	9.4	(106.9)	9.6	23.5	33.1
Balance at 30 June 2012	2,368.4	(109.2)	1,069.9	3,329.1	74.3	3,403.4
For the year ended 30 June 2011						
Balance at 1 July 2010	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 net assets of overseas controlled entities	-	(123.0)	-	(123.0)	(3.0)	(126.0)
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/(loss) on defined benefit plans	-	-	2.8	2.8	-	2.8
Income tax relating to other comprehensive income	-	(28.8)	(0.9)	(29.7)	-	(29.7)
Total comprehensive income	-	(55.9)	169.6	113.7	(5.3)	108.4
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 net of costs	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 acquired	-	-	-	-	44.3	44.3
Other changes in non-controlling interest	-	-	-	-	6.0	6.0
Total Transactions with owners in their capacity as owners	537.3	(64.7)	(101.0)	371.6	50.3	421.9
Balance at 30 June 2011	2,261.3	(159.5)	1,007.0	3,108.8	47.6	3,156.4

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		2012	2011
	Note	\$ millions	\$ millions
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,426.0	5,084.3
Payments to suppliers and employees		(5,069.4)	(4,669.6)
		356.6	414.7
Dividends received		22.1	27.7
Interest received		15.1	41.1
Borrowing costs paid		(99.7)	(84.7)
Income taxes paid		(69.7)	(21.5)
Acquisition costs, restructure costs and legal settlements paid	20	(91.1)	(26.6)
NET CASH PROVIDED BY OPERATING ACTIVITIES		133.3	350.7
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(408.8)	(345.0)
Purchase of intangibles		(5.6)	(0.8)
Purchase of controlled entities and businesses (net of cash acquired)	19	(700.5)	(146.0)
Purchase of non-controlling interest		(0.8)	-
Loans to associates		0.4	3.2
Insurance proceeds applied to asset disposal		-	33.4
Proceeds on disposal of non-current assets		64.3	25.4
Proceeds on disposals of controlled entities and businesses		65.3	48.1
NET CASH USED IN INVESTING ACTIVITIES		(985.7)	(381.7)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		52.1	-
Proceeds from capital raising		-	479.8
Purchase of employee compensation shares		(1.0)	(3.4)
Dividends paid (net of dividends reinvested under the Dividend Reinvestment Plan of \$54.8 million (2011: \$53.1 million))		(52.1)	(47.9)
Dividends paid to non-controlling interests		(1.0)	-
Contributions by non-controlling interests		5.4	6.0
Proceeds from borrowings		630.9	146.3
Repayment of borrowings		(162.2)	(136.6)
NET CASH PROVIDED BY FINANCING ACTIVITIES		472.1	444.2
NET CHANGE IN CASH AND CASH EQUIVALENTS			
		(380.3)	413.2
Cash and cash equivalents at beginning of the year		561.2	157.0
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		0.6	(9.0)
Cash and cash equivalents at end of the year	20	181.5	561.2

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 2012 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 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	-	Australian cement operations and concrete placing.
Boral Building Products	-	Australian plasterboard, bricks, timber products, roof tiles, masonry and windows.
Plasterboard Asia*	-	Asian plasterboard (Boral Gypsum Asia)
United States of America	-	Bricks, roof tiles, fly ash, concrete, quarries, masonry and cultured stone.
Discontinued Operations	-	Asian construction materials, east coast masonry and roofing Queensland. (2011: includes scaffolding and precast panels)
Unallocated	-	Non-trading operations and unallocated corporate costs.

* The results from Boral Gypsum Asia were equity accounted until 9 December 2011.

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.

The Group has a large number of customers to which it provides products, with no single customer responsible for more than 10% of the Group's revenue.

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	
	2012 \$ millions	2011 \$ millions
Reconciliations of reportable segment revenues and profits		
External revenue	5,010.3	4,710.5
Less revenue from discontinued operations	(294.1)	(364.8)
Revenue from continuing operations	4,716.2	4,345.7
Profit before tax		
Profit before net financing costs and income tax expense from reportable segments	223.2	234.4
Adjusted for:		
(Profit)/loss from discontinued operations	1.3	(5.4)
Significant items applicable to discontinued operations	41.7	16.7
Profit before net financing costs and income tax expense from continuing operations	266.2	245.7
Net financing costs - continuing operations	(84.9)	(59.7)
Profit before tax from continuing operations	181.3	186.0

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	2012 \$ millions	2011 \$ millions	2012 \$ millions	2011 \$ millions	2012 \$ millions	2011 \$ millions
TOTAL REVENUE			INTERNAL REVENUE		EXTERNAL REVENUE	
Boral Construction Materials	2,620.2	2,420.2	148.3	144.8	2,471.9	2,275.4
Cement Division	628.4	634.9	198.6	192.7	429.8	442.2
Boral Building Products	1,015.0	1,200.9	2.8	4.0	1,012.2	1,196.9
Plasterboard Asia	303.6	-	-	-	303.6	-
United States of America	499.4	431.2	0.7	-	498.7	431.2
Discontinued Operations	295.7	369.2	1.6	4.4	294.1	364.8
	5,362.3	5,056.4	352.0	345.9	5,010.3	4,710.5
OPERATING PROFIT (EXCLUDING ASSOCIATES)			EQUITY ACCOUNTED RESULTS OF ASSOCIATES		PROFIT BEFORE NET FINANCING COSTS AND INCOME TAX EXPENSE	
Boral Construction Materials	172.6	201.0	1.3	2.9	173.9	203.9
Cement Division	57.5	73.6	11.4	13.3	68.9	86.9
Boral Building Products	11.0	71.5	8.7	9.9	19.7	81.4
Plasterboard Asia	30.8	-	10.1	16.9	40.9	16.9
United States of America	(83.0)	(98.0)	(0.7)	(1.0)	(83.7)	(99.0)
Discontinued Operations	(1.3)	5.4	-	-	(1.3)	5.4
Unallocated	(18.8)	(18.3)	-	-	(18.8)	(18.3)
	168.8	235.2	30.8	42.0	199.6	277.2
Significant items (refer to note 7)	23.6	(42.8)	-	-	23.6	(42.8)
	192.4	192.4	30.8	42.0	223.2	234.4
SEGMENT ASSETS (EXCLUDING INVESTMENTS IN ASSOCIATES)			EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES		TOTAL ASSETS	
Boral Construction Materials	2,170.1	1,800.0	0.8	0.8	2,170.9	1,800.8
Cement Division	643.2	716.0	19.4	20.5	662.6	736.5
Boral Building Products	1,264.9	1,220.8	12.7	13.0	1,277.6	1,233.8
Plasterboard Asia	1,147.3	-	-	201.8	1,147.3	201.8
United States of America	829.1	828.8	3.7	4.1	832.8	832.9
Discontinued Operations	62.9	189.3	-	-	62.9	189.3
Unallocated	38.1	23.5	-	-	38.1	23.5
	6,155.6	4,778.4	36.6	240.2	6,192.2	5,018.6
Cash and cash equivalents	205.7	561.2	-	-	205.7	561.2
Tax assets	101.2	88.2	-	-	101.2	88.2
	6,462.5	5,427.8	36.6	240.2	6,499.1	5,668.0
LIABILITIES			ACQUISITION OF SEGMENT ASSETS*		DEPRECIATION AND AMORTISATION	
Boral Construction Materials	414.4	416.7	194.9	160.0	105.0	90.4
Cement Division	92.4	103.4	46.6	44.3	49.0	47.3
Boral Building Products	202.7	212.5	105.3	73.5	51.7	50.5
Plasterboard Asia	109.1	-	19.9	-	11.3	-
United States of America	117.4	139.4	30.8	43.3	42.4	41.9
Discontinued Operations	44.6	58.6	11.0	23.8	13.3	14.0
Unallocated	186.4	229.5	5.9	0.9	0.7	0.9
	1,167.0	1,160.1	414.4	345.8	273.4	245.0
Loans and borrowings	1,723.4	1,066.6	-	-	-	-
Tax liabilities	205.3	284.9	-	-	-	-
	3,095.7	2,511.6	414.4	345.8	273.4	245.0

* Excludes amounts attributable to the acquisition of controlled entities and businesses as detailed in Note 19.

Geographical information

For the year ended 30 June 2012, the Group's trading revenue from external customers in Australia amounted to \$3,913.9 million (2011: \$3,914.5 million), with \$303.6 million (2011: Nil) from the Plasterboard Asia operations, \$498.7 million (2011: \$431.2 million) relating to operations in the USA and \$294.1 million (2011: \$364.8 million) relating to discontinued operations. The Group's non-current assets (excluding deferred tax assets and other financial assets) in Australia amounted to \$3,467.4 million (2011: \$2,624.8 million), with \$499.2 million (2011: \$269.3 million) in Asia and \$627.8 million (2011: \$651.2 million) in the USA.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
	Note	2012 \$ millions	2011 \$ millions
3. REVENUE FROM CONTINUING OPERATIONS			
Sale of goods		4,627.6	4,282.8
Rendering of services		88.6	62.9
Revenue from continuing operations		4,716.2	4,345.7
4. OTHER INCOME FROM CONTINUING OPERATIONS			
Significant items	7	184.5	33.4
Net profit on sale of assets		15.0	25.8
Other income		8.0	16.3
Other income from continuing operations		207.5	75.5
5. OTHER EXPENSES FROM CONTINUING OPERATIONS			
Significant items	7	119.2	59.5
Net foreign exchange loss		0.1	1.1
Other expenses from continuing operations		119.3	60.6
6. NET FINANCING COSTS FROM CONTINUING OPERATIONS			
Interest income received or receivable from:			
Associated entities		0.6	0.9
Other parties (cash at bank and bank short-term deposits)		14.0	22.7
		14.6	23.6
Interest expense paid or payable to:			
Other parties (bank overdrafts, bank loans and other loans) *		95.9	79.2
Unwinding of discount		3.6	4.1
		99.5	83.3
Net financing costs from continuing operations		(84.9)	(59.7)

* In addition, interest of \$4.1 million (2011: \$0.4 million) was paid to other parties and capitalised in respect of qualifying assets. The capitalisation rate used was 6.0% (2011: 6.0%).

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
		2012	2011
	Note	\$ millions	\$ millions

7. SIGNIFICANT ITEMS

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

Continuing operations

Gain on fair value remeasurement of initial LBGA shareholding	(i)	158.1	-
Gain on fair value of purchase price commitment for Cultured Stone	(ii)	26.4	-
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		-	19.6
Acquisition and integration costs	(iii)	(28.8)	(9.3)
Impairment of assets, businesses and restructuring costs			
Goodwill		(20.0)	-
Property, plant and equipment		(38.7)	(28.9)
Inventory		(11.6)	(1.2)
Restructure and closure costs		(23.8)	(6.3)
	(iv)	(94.1)	(36.4)
Loss on sale of Best Block business - USA		(2.3)	-
Resolution of onerous flyash contract - USA		6.0	-
Summary of significant items from continuing operations			
Profit/(loss) before tax		65.3	(26.1)
Income tax benefit		38.8	12.8
Income tax benefit - amended returns		-	18.0
Net significant items from continuing operations		104.1	4.7
Discontinued operations			
Gain on disposal of Indonesian Construction Materials businesses		34.2	-
Profit on sale of Masonry North QLD business		3.4	-
Impairment of assets, businesses and restructuring costs			
Property, plant and equipment		(37.2)	(9.9)
Inventory		(15.0)	(2.4)
Restructure and closure costs		(27.1)	(4.4)
	(v)	(79.3)	(16.7)
Summary of significant items from discontinued operations			
Loss before tax		(41.7)	(16.7)
Income tax benefit		13.0	4.3
Net significant items from discontinued operations		(28.7)	(12.4)
Summary of significant items			
Profit/(loss) before tax		23.6	(42.8)
Income tax benefit		51.8	17.1
Income tax benefit - amended returns		-	18.0
Net significant items		75.4	(7.7)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

2012 Significant items

(i) Gain on fair value remeasurement of initial LBGA shareholding

On 9 December 2011, the Group acquired the remaining 50% shareholding in Lafarge Boral Gypsum in Asia Sdn Bhd ("LBGA"). On acquisition of the remaining 50% interest in LBGA, this initial investment was remeasured to fair value in accordance with Australian Accounting Standard AASB 3 "Business Combinations", which resulted in a gain to the Group. The gain is net of the derecognition of the foreign currency reserve of \$30.5 million associated with this initial investment.

(ii) Fair value of future purchase price commitment for Cultured Stone

The present value of the future purchase price commitment in respect of the remaining 50% interest in the USA Cultured Stone business has been remeasured to fair value as at 30 June 2012, based on current and expected operating results, resulting in a gain of \$26.4 million.

(iii) Acquisition and integration costs

During the year, the Group incurred costs (including stamp duty), associated with the acquisition and integration of the Asian Plasterboard operations, Wagners' Construction Material concrete and quarry assets, and Sunshine Coast Quarries' concrete assets and quarries (refer note 19). The acquisition costs are included in other expenses in the Income Statement for the period.

(iv) Impairment of assets, businesses and restructuring costs - continuing operations

Deterioration in returns from a number of businesses resulted in a reassessment of long term manufacturing capacity requirements in both Australia and the USA.

In the USA, this resulted in a charge of \$15.9 million in respect of two USA brick plants and in light of ongoing depressed trading conditions in the US construction materials markets in Oklahoma and Denver, the goodwill associated with the USA construction materials businesses was reassessed resulting in a \$20.0 million impairment charge reflecting lower margins and increased competition.

In Australia, this resulted in a charge of \$37.0 million in respect of the Galong lime plant that was closed and subsequently sold during the year and \$21.2 million of restructure costs, predominantly redundancies associated with closing manufacturing capacity in the Australian Building Products businesses of \$13.8 million, together with Corporate restructure costs of \$7.4 million.

(v) Impairment of assets, businesses and restructuring costs - discontinued operations

On 28 February 2012, the Group announced the closure of its Roofing manufacturing and distribution operations in Queensland following a review of the long term financial performance and low industry capacity utilisation. In addition, the Group announced that it proposed to divest of its East Coast Masonry business and focus the Australian Building Products division on those areas with market leadership positions in high growth markets. This resulted in impairment of assets of \$52.2 million together with closure and restructure costs of \$27.1 million.

2011 Significant items

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.

Manufacturing capacity rationalisation and impairment of assets

In 2011, deterioration in returns from a number of businesses resulted in a reassessment of manufacturing capacity in several of the Group's businesses. 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.

Tax benefit

In 2011, the Group received amended assessments from the Australian Taxation Office, resulting in the recognition of benefits relating predominantly to research and development activity.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

	CONSOLIDATED	
	2012 \$ millions	2011 \$ millions
Summary of significant items before interest and tax		
Boral Construction Materials	-	(4.6)
Cement Division	(37.0)	-
Boral Building Products	(13.8)	(3.9)
Plasterboard Asia	158.1	-
United States of America	(5.8)	(8.3)
Discontinued Operations	(41.7)	(16.7)
Unallocated	(36.2)	(9.3)
	23.6	(42.8)

8. INCOME TAX EXPENSE

Reconciliation of income tax expense/(benefit) to prima facie tax payable

Income tax expense on profit at Australian tax rates 30% (2011: 30%)	40.4	51.2
Variation between Australian and overseas tax rates	(9.3)	(11.7)
Share of associates' net income and franked dividend income	(9.2)	(12.7)
Non assessable fair value gains	(56.6)	-
Other items	(8.2)	(21.5)
	(42.9)	5.3
Tax expense/(benefit) relating to continuing operations	(29.2)	9.2
Tax expense/(benefit) relating to discontinued operations	(13.7)	(3.9)
	(42.9)	5.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

During the year, the Group sold its Indonesian Construction Materials business and its North Queensland masonry business. The Group also undertook an active program to divest its Thailand Construction Materials and East Coast Masonry businesses and closed its Roofing Queensland business, resulting in the businesses being classified as "Held for Sale" at 30 June 2012. The results for the current and comparative periods have been reclassified to "Discontinued".

The comparatives include the discontinued operations relating to the Scaffolding and Panels businesses.

		CONSOLIDATED	
		2012	2011
	Note	\$ millions	\$ millions
Results of discontinued operations			
Revenue		294.1	364.8
Expenses		(295.4)	(363.3)
		(1.3)	1.5
Impairment of assets, businesses and restructuring costs	7	(79.3)	(16.7)
Gain on sale of discontinued operations	7	37.6	3.9
Profit/(loss) before net financing costs and income tax expense		(43.0)	(11.3)
Net financing costs		(3.5)	(4.0)
Profit/(loss) before income tax expense		(46.5)	(15.3)
Income tax (expense)/benefit		13.7	3.9
Net profit/(loss)		(32.8)	(11.4)
Attributable to:			
Members of the parent entity		(33.1)	(12.0)
Non-controlling interest		0.3	0.6
Net profit/(loss)		(32.8)	(11.4)
Basic and diluted earnings/(loss) per share		(4.4c)	(1.6c)
Cash flows from/(used in) discontinued operations			
Net cash from/(used in) operating activities		12.5	16.4
Net cash from/(used in) investing activities		54.1	24.8
Net cash from/(used in) discontinued operations		66.6	41.2
Assets and liabilities classified as held for sale			
Property, plant and equipment		15.1	-
Intangible assets		0.9	-
Inventories		11.2	-
Trade and other receivables		32.3	-
Other assets		3.4	-
Assets classified as held for sale		62.9	-
Payables		18.8	-
Provisions		25.8	-
Liabilities classified as held for sale		44.6	-
Net assets		18.3	-

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE (continued)

	CONSOLIDATED	
	2012 \$ millions	2011 \$ millions
Effect of disposal on the financial position of the Group		
Consideration	97.2	48.1
Property, plant and equipment	(35.3)	(33.6)
Intangible assets	-	(8.2)
Inventories	(7.6)	(7.6)
Trade and other receivables	(20.2)	(12.5)
Other assets	(10.8)	(0.4)
Deferred taxes	(0.9)	(0.2)
Payables	17.5	12.4
Provisions	13.4	5.9
Net assets disposed	(43.9)	(44.2)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	(18.6)	-
Non-controlling interest	2.9	-
Gain on disposal of discontinued operations before income tax expense	37.6	3.9
Consideration	97.2	48.1
Less: Deferred consideration to be received	(31.9)	-
Consideration (net of disposal costs)	65.3	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	
	2012	2011
	\$ millions	\$ millions
Earnings reconciliation		
Net profit before significant items and non-controlling interests	102.3	173.1
Loss/(profit) attributable to non-controlling interests	(1.1)	2.3
Net profit excluding significant items	101.2	175.4
Net significant items	75.4	(7.7)
Net profit attributable to members of the parent entity	176.6	167.7
Earnings reconciliation - continuing operations		
Net profit before significant items and non-controlling interests	106.4	172.1
Loss/(profit) attributable to non-controlling interests	(0.8)	2.9
Net profit excluding significant items	105.6	175.0
Net significant items	104.1	4.7
Net profit attributable to members of the parent entity - continuing operations	209.7	179.7
	CONSOLIDATED	
	2012	2011
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	743,487,487	718,726,833
Effect of potential ordinary shares	6,101,791	4,069,322
Number for diluted earnings per share	749,589,278	722,796,155
Basic earnings per share	23.8c	23.3c
Diluted earnings per share	23.6c	23.2c
Basic earnings per share (excluding significant items)	13.6c	24.4c
Diluted earnings per share (excluding significant items)	13.5c	24.3c
Basic earnings per share (continuing operations)	28.2c	25.0c
Diluted earnings per share (continuing operations)	28.0c	24.9c

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
2012				
2011 final - ordinary	7.0 cents	51.1	7.0 cents	27 September 2011
2012 interim - ordinary	7.5 cents	55.8	7.5 cents	5 April 2012
Total		106.9		
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		

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
2012 final - ordinary	3.5 cents	26.6	3.5 cents	28 September 2012

The financial effect of the final dividend for the year ended 30 June 2012 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 3 September 2012.

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	2012 %	2011 %
Details of investments in associates					
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
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
US Tile LLC	Roof tiles	USA	31-Dec	50	50

* Lafarge Boral Gypsum in Asia Sdn Bhd became a controlled entity during the year.

	CONSOLIDATED	
	2012 \$ millions	2011 \$ millions
RESULTS OF ASSOCIATES		
Share of associates' profit before income tax expense	44.1	60.3
Share of associates' income tax expense	(12.4)	(15.8)
Non-controlling interest	(0.9)	(2.5)
Share of associates' net profit - equity accounted	30.8	42.0

Results of associates include the following:

Share of associates' net profit - equity accounted:

Lafarge Boral Gypsum in Asia Sdn Bhd*	10.1	16.9
Rondo Building Services Pty Ltd	8.7	10.0
Sunstate Cement Ltd	9.2	11.3

* Results from Lafarge Boral Gypsum in Asia Sdn Bhd were equity accounted until 9 December 2011 when the entity became a controlled entity.

	CONSOLIDATED	
	2012	2011
13. NET TANGIBLE ASSET BACKING		
Net tangible asset backing per ordinary security	\$3.31	\$3.91

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	2012	2011
	\$ millions	\$ millions
14. LOANS AND BORROWINGS		
Current		
Bank overdrafts - unsecured	24.2	-
Bank loans - unsecured	120.6	16.4
Other loans - unsecured	3.2	146.8
Finance lease liabilities	0.3	0.2
	148.3	163.4
Non-current		
Bank loans - unsecured	668.5	49.2
Other loans - unsecured	906.0	854.0
Finance lease liabilities	0.6	-
	1,575.1	903.2
Total	1,723.4	1,066.6

TERM AND DEBT REPAYMENT SCHEDULE

Terms and conditions of outstanding loans were as follows:

	CONSOLIDATED				
	Currency	Effective interest rate	Year of maturity	2012 Carrying amount	2011 Carrying amount
				\$ millions	\$ millions
Current					
Bank overdrafts - BGA* - unsecured	Multi	6.13%	2012-2013	24.2	-
US senior notes - unsecured	USD	6.35%	2012	2.8	146.4
Bank loans - unsecured	USD	1.44%	2012	9.8	9.3
Bank loans - unsecured	THB	5.25%	2012	50.1	7.1
Bank loans - BGA* - unsecured	Multi	3.94%	2012-2013	60.7	-
Other loans - unsecured ¹	AUD	-	2013	0.4	0.4
Finance lease liabilities	Multi	8.75%	2012-2013	0.3	0.2
				148.3	163.4
Non-current					
US senior notes - unsecured	USD	6.35%	2014-2020	905.7	853.3
Syndicated term credit facility - unsecured	USD	2.39%	2015	150.0	-
Syndicated loan facility - unsecured	AUD	5.51%	2015	461.3	-
Bank loans - unsecured	THB	-	-	-	49.2
Bank loans - BGA* - unsecured	Multi	6.24%	2013-2016	57.2	-
Other loans - unsecured ¹	AUD	-	2014	0.3	0.7
Finance lease liabilities	Multi	9.04%	2013-2017	0.6	-
				1,575.1	903.2
Total				1,723.4	1,066.6

* BGA - Boral Gypsum Asia

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

	CONSOLIDATED	
	2012	2011
	\$ millions	\$ millions
15. OTHER FINANCIAL LIABILITIES		
Current		
Derivative financial liabilities	7.1	7.5
Non-current		
Derivative financial liabilities	29.6	48.3
Future purchase liability - Cultured Stone	42.8	63.9
	72.4	112.2

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED

2012	2011
\$ millions	\$ millions

16. ISSUED CAPITAL

Issued and paid up capital

758,572,140 (2011: 729,925,990) ordinary shares, fully paid	2,368.4	2,261.3
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Movements in ordinary issued capital

Balance at the beginning of year	2,261.3	1,724.0
14,626,401 (2011: 10,899,457) shares issued under the Dividend Reinvestment Plan	54.8	53.1
13,971,102 (2011: Nil) shares issued under the Dividend Reinvestment Plan underwriting agreement	52.1	-
48,647 (2011: 172,916) shares issued on vesting of rights	0.2	0.8
Nil (2011: 119,900,619) 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	2,368.4	2,261.3

During the prior year, 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	-	-
228,625 (2011: 670,873) shares vested and transferred from share-based payments reserve	1.0	3.4
228,625 (2011: 670,873) shares purchased on-market	(1.0)	(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	(87.5)	(131.6)
Hedging reserve - cash flow hedges	(3.6)	(0.4)
Other reserve	(66.3)	(66.3)
Share-based payments reserve	48.2	38.8
	(109.2)	(159.5)

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 2012:

Entities acquired:

	2012 \$ millions
Lafarge Boral Gypsum in Asia Sdn Bhd	531.4
Wagners - concrete and quarry	166.2
Sunshine Coast quarries	83.0
Less: Net cash acquired	(62.8)
Less: Cash paid - deposit in prior year	(17.3)
Total purchase consideration	700.5

Acquisition-related costs in respect of these acquisitions of \$28.8 million are included in other expenses in the Income Statement for the current year.

i. Lafarge Boral Gypsum in Asia Sdn Bhd acquisition

During August 2011, the Group announced that it had reached an agreement with Lafarge to acquire the remaining 50% shareholding in Lafarge Boral Gypsum in Asia Sdn Bhd ("LBGA"). The acquisition was completed on 9 December 2011 and the results have been consolidated into the Group's financial report from that date. The acquisition positions Boral as the pre-eminent producer of plasterboard and related internal lining solutions products in the Asia Pacific Region. The business has subsequently been renamed Boral Gypsum Asia ("BGA").

For the period from 1 July 2011 to 9 December 2011 and throughout the prior year, the Group held an initial 50% shareholding in LBGA that was recorded as an equity accounted investment. On acquisition of the remaining 50% interest in LBGA, this initial investment was remeasured to fair value in accordance with Australian Accounting Standards.

	\$ millions
Fair value of equity accounted investment as at acquisition date	398.6
Less:	
Carrying value of equity accounted investment as at acquisition date	(210.0)
Translation reserve on equity accounted investment as at acquisition date	(30.5)
Gain on remeasurement to fair value	158.1

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

	\$ millions
Purchase consideration	
Cash paid - purchase price	531.4
Equity accounted investment at fair value	398.6
Non-controlling interest	22.8
Less: Fair value of net identifiable assets acquired	(380.5)
Goodwill on acquisition	572.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES (continued)

i. Lafarge Boral Gypsum in Asia Sdn Bhd acquisition (continued)

Assets and liabilities acquired are as follows:

	Acquiree's carrying amount \$ millions	Fair Value \$ millions
CURRENT ASSETS		
Cash and cash equivalents	93.6	93.6
Receivables	67.9	67.9
Inventories	42.4	42.4
Other assets	2.2	2.2
NON-CURRENT ASSETS		
Receivables	4.4	4.4
Property, plant and equipment	387.1	436.2
Intangible assets	1.3	6.6
Deferred tax assets	2.1	2.1
Other	0.4	0.4
CURRENT LIABILITIES		
Bank overdraft	(30.8)	(30.8)
Payables	(96.5)	(96.4)
Loans and borrowings	(15.5)	(15.5)
Current tax liabilities	(5.0)	(5.0)
Provisions	(6.0)	(6.0)
NON-CURRENT LIABILITIES		
Loans and borrowings	(86.9)	(86.9)
Deferred tax liabilities	(10.4)	(26.7)
Provisions	(7.1)	(7.1)
Other	(0.9)	(0.9)
Net identifiable assets acquired	342.3	380.5

The amounts recognised on acquisition above represent provisional assessment of the fair values of assets and liabilities acquired.

During the period from acquisition to 30 June 2012, BGA has contributed to the Group, revenue of \$303.6 million and earnings before interest and tax of \$30.8 million. Had the investment taken place on 1 July 2011, the Group would have consolidated 100% of the revenue and results of BGA resulting in revenues of \$559.2 million and earnings before interest and tax of \$62.6 million, and not recognised equity income of \$10.1 million.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES (continued)

ii. Wagners' Construction Material Concrete and Quarry Assets

On 8 December 2011, the Group acquired certain construction materials assets of the Wagners Group. This acquisition includes 5 quarries and 19 concrete plants located throughout the Darling Downs, South East Queensland and Townsville regions and enables the Group to expand its construction materials activities in the Queensland market.

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

	\$ millions
Purchase consideration	
Cash paid - deposit in prior year	17.3
Cash paid - in current period	148.9
Total purchase consideration	166.2
Fair value of net identifiable assets acquired	
Inventories	4.1
Property, plant and equipment	162.5
Other assets	0.3
Provisions	(0.7)
Total fair value of net identifiable assets acquired	166.2

During the period from acquisition to 30 June 2012, the Wagners business contributed revenue of \$46.2 million and earnings before interest and tax of \$1.0 million. The Group considers it impractical to determine the impact on the Group's revenues or results had this business acquisition taken place at 1 July 2011, as the entity's accounting policies were not consistent with those adopted by the Group.

iii. Sunshine Coast Quarries acquisition

On 31 October 2011, the Group acquired 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. This acquisition enhances the Group's construction materials position in Queensland by securing long term high quality quarry reserves.

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

	\$ millions
Purchase consideration	
Cash paid - purchase price	83.0
Total purchase consideration	83.0
Fair value of net identifiable assets acquired	
Inventories	1.4
Property, plant and equipment	81.8
Other liabilities	(0.1)
Provisions	(0.1)
Total fair value of net identifiable assets acquired	83.0

The acquisition contributed revenue of \$18.3 million and earnings before interest and tax of \$1.4 million. The Group considers it impractical to determine the impact on the Group's revenues or results had this business acquisition taken place at 1 July 2011, as the entity's accounting policies were not consistent with those adopted by the Group.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

19. ACQUISITION / DISPOSAL OF CONTROLLED ENTITIES (continued)

Entities disposed:

	Date of disposal
Indonesian Construction Materials	Mar 2012
Pt Jaya Readymix	
PT Boral Pipe and Precast Indonesia	
PT Boral Indonesia	

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

Entities acquired:

	2011 \$ 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	146.0

Entities disposed:

	Date of disposal
Boral Formwork and Scaffolding Pty Ltd	Sep 2010

CONSOLIDATED

	2012 \$ millions	2011 \$ millions
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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	205.7	561.2
Bank overdrafts	(24.2)	-
	181.5	561.2

(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	54.8	53.1
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(iii) Acquisition costs, restructure costs and legal settlements paid

During the year, the Group incurred costs associated with:

Acquisition and integration costs	(35.3)	(4.8)
Restructure and business closure costs	(36.9)	(21.8)
Legal settlements and associated costs	(18.9)	-
	(91.1)	(26.6)

Annual General Meeting

The annual general meeting will be held as follows:

Place:

City Recital Hall, Angel Place, Sydney

Date:

Thursday, 1 November 2012

Time:

10.30 am

Approximate date the annual report will be available:

20 September 2012

Compliance Statement

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



Results Announcement for the year ended 30 June 2012

22 August 2012

Media Release

Boral Limited has reported a profit after tax (PAT)¹ of \$101 million for the year ended 30 June 2012. This is at the lower end of the guidance range given by Boral in June due to one of the property sales referred to in Boral's June trading update not taking place. Boral's statutory net profit after tax (NPAT) of \$177 million, including significant items of \$75 million, was 5% higher than last year.

Boral's sales revenue of \$5.0 billion was 6% ahead of the prior year but excluding the impact of the acquisition of Lafarge's 50% of the Asian Plasterboard business, Boral's revenues of \$4.7 billion were broadly steady. Price gains together with improved volumes in the USA, offset volume declines across most businesses in Australia.

Boral's Chief Executive Officer, Ross Batstone said, "Total revenue from the ongoing Australian businesses of \$3.91 billion for the year was flat compared to the prior year while EBIT of \$263 million was \$110 million or 29% lower. The EBIT contribution from our Asian and US operations was in line with expectations."

"Earnings from our Australian business in the six months to June were hit by very weak housing and non-residential building activity, combined with delays and disruption from sustained rainfall across the east coast. The positive impact of price increases was more than offset by much weaker sales volumes into these markets and by higher costs, including from the wet weather." Mr Batstone added.

Of the \$110 million Australian EBIT decline, Building Products, with the highest exposure to new housing construction, represented \$62 million (56%) while property sales contributed a further \$16 million of the decline (15%), with one of the two property sales referred to in Boral's June trading update not occurring. The remaining \$32 million or 29% of the decline was split between Construction Materials and Cement, where the impact of weaker building markets and the loss of lime sales was partially offset by increased demand from infrastructure and LNG projects and stronger sales in regional Queensland markets.

EBIT losses in the USA reduced by A\$15 million to A\$84 million even though housing activity continued at near historically low levels, assisted by restructuring to reduce costs. In Asia, Boral Gypsum Asia performed well, contributing A\$41 million of EBIT².

Commenting on Boral's actions, Mr Batstone said: "We have responded quickly to weak building demand in Australia with permanent and temporary capacity closures in our brick and roof tile businesses and with overhead reductions. We have divested the Galong Lime business following the closure of BlueScope's Port Kembla steel operation, which cut demand for lime.

"Boral's underlying strategy remains sound and we will continue to focus on the reduction of borrowings through operating cost savings, the divestment of non-core operations and tight management of capital expenditure and working capital, leveraging the principles of LEAN manufacturing.

"Our improvement goals, together with Boral's reshaped global portfolio, position the business well to profitably leverage market recovery in Australia and the USA. Our now wholly-owned plasterboard position in Asia provides an exciting growth opportunity," said Mr Batstone.

1. Excluding significant items. Profit before significant items is a Non-IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. Full details of significant items are contained in Note 7 of the Financial Report.

2. Includes 50% equity accounted share of LBGA post tax earnings to 9 Dec-11 and 100% consolidated EBIT earnings since 9 Dec-11

Boral's net debt at 30 June 2012 was \$1,518m. Based on Boral's gearing covenant under its bank facilities (debt to debt plus equity less intangibles), Boral's 40% level as at 30 June 2012 remains well within the requirement under the bank facilities of less than 60%. Based on Boral's current strategy and plans, the Group does not anticipate any need for additional equity raising in the short to medium term.

"Given ongoing market uncertainty in Australia, a trading update will be provided at Boral's Annual General Meeting in November," Mr Batstone said.

A fully franked final dividend of 3.5 cents will be paid on 28 September 2012, bringing the full year dividend to 11.0 cents per share.

For more information:		
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Results Announcement for the year ended 30 June 2012

22 August 2012

Management Discussion & Analysis

KEY POINTS

- Full year revenue up by 6% to \$5.01 billion, reflecting Boral's acquisition of Lafarge's 50% of LBGA
- Full year EBITDA¹ down 9% to \$473 million
- Full year EBIT¹ down 28% to \$200 million
- Group profit after tax¹ down 42% to \$101 million
- Reported net profit after tax up 5% to \$177 million
- Net debt \$1.52 billion up from \$505 million last year
- Full year dividend of 11.0 cents per share, fully franked
- External market factors in Australia, including a significant second half housing decline, weaker non-residential demand and wet weather had a major impact on earnings, offsetting price increases
- Boral has responded to the changed environment in Australia:
 - 37% reduction in installed brick capacity and 20% reduction in roof tile capacity
 - closure and subsequent divestment of the Galong Lime operations for \$25 million
- EBIT contribution from Asian and US operations was in line with expectations
- Boral remains committed to its strategy announced in 2010, demonstrated by:
 - gaining management control of one of the world's leading plasterboard businesses, following acquisition of Lafarge's 50% interest in LBGA for \$530 million²
 - acquisition of Wagners Concrete & Quarries and Sunshine Coast Quarries for \$163 million² and \$81.5 million² to strengthen Boral's leading southern Queensland materials position
 - divestment of the non-core Indonesian Construction Materials operations for an enterprise value of US\$135 million² and the north Queensland and Colorado (USA) masonry assets
- Business improvement plans are focused on maximising cash flow and reducing costs including by leveraging Boral's LEAN strategy across all operations
- Improvement goals and reshaped portfolio position Boral well to profitably leverage recoveries in Australia and the US, while Boral's Asian plasterboard position provides an exciting growth platform.

(A\$ millions)	FY2012			FY2011		
	Group ³	Discontinued Operations	Continuing Operations	Group ³	Discontinued Operations	Continuing Operations
Revenue	5,010	294	4,716	4,711	365	4,346
EBITDA ¹	473	12	461	522	19	503
EBIT ¹	200	(1)	201	277	5	272
PAT ¹	101	(4)	106	175	-	175
Significant items (net)	75	(29)	104	(8)	(12)	5
NPAT	177	(33)	210	168	(12)	180
EPS (cents) ¹	13.6			24.4		
Gearing (D/D+E)	31%			14%		
Full year dividend	11.0 cents			14.5 cents		

¹ Excluding significant items

² Before completion adjustments

³ Commentary in this document refers to Group operations before significant items

FINANCIAL OVERVIEW

Boral's **sales revenue** of \$5.0b was 6% ahead of the prior year, reflecting Boral's acquisition of Lafarge's 50% interest in the Asian Plasterboard business (BGA). From 9 December 2011, there was a change from equity accounting of Boral's 50% share of BGA to full consolidation of revenues and earnings. Excluding this impact, revenues of \$4.7b were broadly steady. Price gains across Australian businesses, contribution from acquisitions and increased volumes in the USA, offset Australian volume declines.

Boral's earnings before interest and tax (**EBIT**)¹ declined by 28% or \$77m to \$200m, with the key drivers of the earnings decline being:

- Approximately \$120m decline in EBIT due to **lower volumes in Australia**. The severe decline in the residential market impacted Building Products by around \$80m, while market declines in WA and SA particularly impacted Construction Materials and the closure of BlueScope Steel's Port Kembla operation had a \$6m net impact on lime volumes impacting Boral Cement.
- Net **cost escalations** of approximately \$125m in Australia largely due to significant wet weather impacts on operational efficiencies, higher costs of working in regional markets, underlying inflationary cost increases, and an extra \$7m of distribution costs during the commissioning of the Port Melbourne Plasterboard plant, which were only partially offset by cost savings including restructuring.
- A decline in **property earnings** of \$16m compared to the prior year.

These adverse impacts were partially offset by:

- Approximately \$140m increase in EBIT due to **stronger prices** across most Australian businesses, except cement and softwood prices which were constrained by the high Australian dollar.
- A \$24m lift in EBIT from **Asia** due to the part year consolidation of earnings from Boral Gypsum Asia and increased underlying earnings.
- A \$15m reduction in EBIT losses from the **USA** reflecting a 20% lift in housing starts and the reduction in plant and overhead costs following further restructuring.

Profit after tax (PAT)¹ of \$101m decreased by 42% on the prior year's PAT of \$175m. Boral's net profit after tax (NPAT), after significant items, of \$177m was 5% higher than last year.

Net **significant items** of \$75m consisted of positive contributions from: a gain on fair value on acquisition of BGA, profit on sale of Indonesian Construction Materials operations, and a favourable variance on the acquisition price of US Cultured Stone and the settlement of US flyash contracts. Partially offsetting these gains were: impairment costs associated with Building Products sites in Australia, the closure of Galong, and capacity in the USA, together with acquisition/integration and corporate restructure costs.

Depreciation and amortisation increased by \$28m to \$273m and net **interest** expense increased by \$25m to \$88m, reflecting increased borrowings used to fund acquisitions and growth capital expenditure.

As a result of reduced NPAT¹, **earnings per share** of 13.6 cents declined from 24.4 cents in FY2011, return on funds employed reduced to 4.1% from 7.6%, and return on equity reduced to 3.0% from 5.6%.

Despite the decline in EBIT, EBITDA of \$473m was just 9% below last year, reflecting continued strong underlying trading cash flows. **Operating cash flow** of \$133m was however, \$218m below last year due to higher interest payments, prior year tax refunds and higher acquisition and restructuring costs. Capital expenditure was \$1.1b (\$192m of stay-in-business and \$923m of growth and acquisition expenditure).

Boral's net debt at 30 June 2012 was \$1,518m, which is \$26m lower than at 31 December 2011. Based on Boral's gearing covenant under its bank facilities (debt to debt plus equity less intangibles), Boral's 40% level as at 30 June 2012 remains well within the threshold under its bank facilities of less than 60%. Based on Boral's current strategy and plans, the Group does not anticipate any need for additional equity raising in the short to medium term.

A fully franked final **dividend** of 3.5 cents will be paid on 28 September 2012, bringing the full year dividend to 11.0 cents per share, fully franked. Boral's Dividend Reinvestment Plan (DRP) will be underwritten in respect of the final dividend, with the shares issued under the DRP to be issued at a 2.5% discount to the market price.

¹ Excluding significant items

EXTERNAL IMPACTS AND BORAL'S RESPONSE

External market conditions and economic factors in Australia impacted returns in FY2012

In the second half of FY2012, Boral's Australian operations were confronted by a combination of unexpectedly weak dwelling starts (which in the March 2012 quarter fell to an annualised 112,000 starts compared to 165,500 in FY2010 and 157,500 in FY2011), weaker non-residential activity (estimated to be down 8% year-on-year), and sustained rain in the eastern states.

This weaker construction activity, in combination with the delays and disruption caused by the wet weather, severely suppressed demand for building products and construction materials in Australia. The sustained wet weather in the second half also impacted operational efficiencies leading to higher costs in quarries, concrete, asphalt, cement, bricks and timber businesses.

Infrastructure work for roads, highways, subdivisions and bridges was up 7% year-on-year with volumes underpinned by additional resource sector and LNG projects demand, although rain impacted both the timing and cost of deliveries.

The permanent closure of BlueScope Steel's blast furnace at Port Kembla cut lime and limestone sales.

The stronger Australian dollar made imports more competitive suppressing pricing and reducing margins as a result of the inability to recover energy, fuel and labour inflationary costs in Cement and Softwood. Woodchip export volumes also reduced as a result of the high Australian dollar.

Boral has responded to the changed environment in Australia

Boral's challenge in FY2012 has been to deal with the "cycle low" sales volumes without compromising supply capabilities when demand returns to more normal levels.

Action has been taken in Building Products, with 230m standard brick equivalents (SBE) or 37% of Boral's national brick capacity taken out of service (with 60m SBE of capacity being permanently closed), closing Boral's roof tile manufacturing operation in Queensland, and streamlining overheads. Implemented progressively through the year, the benefits of these changes were not fully realised in FY2012 but associated costs were incurred during the year.

In Construction Materials, the impact of a cyclically low residential market, particularly in SEQ, was mitigated by increasing exposure to regional asphalt, concrete and aggregate markets and resource projects.

Following the loss of BlueScope Steel volumes, Boral closed and subsequently sold the lime plant at Galong in NSW, aligning the remaining Maldon lime plant capacity to future sales volumes.

Tight management of working capital and stay-in-business capital expenditure and proceeds from the sale of non-core businesses optimised cash flow from operations in the second half of the year, containing year-end net debt and gearing.

While an adverse sales mix diluted margins, planned price increases were generally secured in an environment of rising input costs.

The trading environment in Asian markets and the USA was generally stronger

Continued market growth was experienced in Indonesia, Malaysia and Thailand with Thailand benefiting from considerable post flood reconstruction. Conditions in South Korea remain positive with plasterboard continuing to penetrate the residential sector but planned price increases were constrained by highly competitive market conditions. In China, increased sales volumes from BGA's new plant in Shandong offset weaker than expected housing construction as a result of central government intervention.

In the United States, there are positive signs of increasing activity, with FY2012 housing starts 20% above the prior year. In Boral's US Brick states¹, housing starts were up 17% and in US Tile states² they were up 26% year-on-year. Housing activity however, remained at historically low levels at 685,000 starts in FY2012, well below the 50-year annual average of 1.5m starts and 1.55m starts in FY2007.

¹ Brick States include: Georgia, North Carolina, South Carolina, Alabama, Kentucky, Mississippi, Tennessee, Arkansas, Louisiana, Oklahoma, Texas

² Tile States include: California, Arizona, Nevada, Florida, Colorado, Kansas, Missouri, Washington, Oregon

SEGMENT RESULTS

Boral Construction Materials

Concrete, Quarries, Asphalt, Transport and Property

(A\$ millions)	FY2012	FY2011	Var %
Revenue	2,472	2,275	9
EBITDA	279	294	(5)
EBIT	174	204	(15)

External Revenue	FY2012	FY2011	Var %
Concrete	1,084	1,003	8
Quarries	468	428	9
Asphalt	783	712	10

Construction Materials achieved revenues of \$2.47b, up \$197m or 9% on FY2011, reflecting contributions from Wagners and Sunshine Coast Quarries as well as increased pricing and participation in major projects and flood recovery work in Queensland and NSW. Underlying national quarry and concrete volumes were both down by 2% on the prior year, while quarry prices increased by an average 11% and concrete prices were up 7%.

EBIT of \$162m before property sales was down \$14m or 8%, due to lower volumes in key markets and

operational inefficiencies resulting from protracted wet weather across the east coast in the second half.

A combined \$14m EBIT fall in WA and SA reflected the marked decline in residential demand and the reduction in major metro projects and regional mobile plant work in WA. Earnings from SEQ fell as higher margin sales volumes, down because of weaker housing and non-residential markets, were replaced by lower margin SEQ infrastructure projects. Supply to LNG projects at Gladstone grew progressively during the year, although at lower rates than expected, with benefits to be more pronounced from FY2013.

Revenue from the Asphalt business improved year-on-year although wet weather impacted productivity and project timing. Demand increased in regional Queensland due to road reconstruction, in Melbourne due to the Peninsula Link and the Calder and M80 interchanges, and in regional NSW because of the Ballina Bypass project. These volume gains offset a large decline in SEQ roads and highways work.

The acquisitions of Wagners and Sunshine Coast Quarries completed mid-FY2012, and successfully integrated, were forecast to contribute \$80m of revenue and \$9m of EBIT in FY2012. Revenue was in line with forecast but EBIT was down due to wet weather impacting operating efficiency in the second half of the year.

Property contributed \$12m of EBIT in FY2012, which was below expectation and \$16m below the prior year. The result largely reflects sale of surplus land at Donnybrook in Victoria but anticipated sales elsewhere did not occur prior to 30 June.

Improvement programs continue across Construction Materials operations with LEAN processes increasing efficiencies. Improved price disciplines and processes to reduce margin leakage will continue to impact positively on pricing outcomes. A major program of rationalising under-performing sites is underway to lower costs and enhance returns. The business is focused on cash generation, margin growth, improving return on assets and building low cost quarry resource positions in high growth markets.

Boral Cement

Cement, Lime and Concrete Placing

(A\$ millions)	FY2012	FY2011	Var %
Revenue	430	442	(3)
EBITDA	118	134	(12)
EBIT	69	87	(21)

External Revenue	FY2012	FY2011	Var %
Cement & Lime	312	312	-
Concrete Placing	118	130	(10)

Cement revenues of \$430m, \$12m or 3% below the prior year, reflect a 40% reduction in NSW lime volumes, marginally lower cement volumes, and broadly flat cement prices. Revenue from De Martin & Gasparini was down despite flat volumes, reflecting a reduction in the proportion of concrete and placing package work.

EBIT of \$69m was \$18m or 21% below last year partly due to the loss of lime and limestone sales volumes to BlueScope Steel which impacted EBIT by net \$6m. Increases in input costs, particularly electricity and

fuel, and a shift to lower margin cement segments further impacted earnings. Other cost impacts were contained through improved operating effectiveness as well as from cost reduction projects.

The Cement division effectively leveraged LEAN principles to deliver kiln efficiency improvements during the year and is working to deliver further improvements in efficiency and safety outcomes. Lowering the cost of domestic supply to help offset the impact of constrained pricing due to the high Australian dollar and maximising the utilisation of fixed assets are strategic priorities for the Cement division.

Boral Building Products

Australia Plasterboard, Bricks, Roofing, Masonry (West), Timber and Windows

(A\$ millions)	FY2012	FY2011	Var %
Revenue	1,012	1,197	(15)
EBITDA	71	132	(46)
EBIT	20	81	(76)

External Revenue	FY2012	FY2011	Var %
Plasterboard	352	395	(11)
Clay & Concrete	333	391	(15)
Timber	192	256	(25)
Windows	135	155	(13)

Building Products revenue of \$1.01b was \$185m or 15% below the prior year. The decline was primarily driven by the fall in Australian housing which began in FY2011 but fell rapidly again in the second half of the year, when wet weather also impacted. Price increases, which averaged around 2-3%, except for softwood and woodchips, were insufficient to offset the significant impact of lower volumes across all products.

Sales volumes declined year-on-year by 16% in Bricks, 14% in Roofing, 15% in Masonry and 14% in Plasterboard, with falls most pronounced in Queensland, SA and WA. Hardwood and Softwood volumes declined 14-15% and Woodchip volumes

were 26% lower due to weaker exports. Sales volumes in most product groups have fallen by 25% or more since December 2010.

EBIT of \$20m was \$62m or 76% lower than the prior year, of which approximately \$80m reflected the acute market related decline in sales volumes across all product groups. This mainly arose from the associated fall in contribution margins incurred before the impact of mitigation actions to lower fixed costs of production, distribution and overheads. Inventory reductions to lift cash flow also reduced earnings by \$11m, which will also impact in FY2013. A "one-off" cost of \$7m from extra distribution costs to support commissioning of the upgraded Port Melbourne Plasterboard plant also impacted EBIT. These factors were partially offset by higher prices and cost savings.

The businesses responded to changed market conditions, by undertaking significant closures in the Brick and Roof Tile businesses and inventory reductions to optimise cash flow. Not all of the savings from these actions were captured in the year but the costs of restructuring were. After the current program of plant and business closures, divestments in Masonry and restructuring of the division to lower overhead costs is completed, employee numbers in Building Products will reduce by around 800 or 23%. There will also be substantial reductions in labour hire and contractor numbers.

Further initiatives to lift performance include improvement of operating efficiency from LEAN initiatives, maximising cost reductions and network improvements in Plasterboard following the Port Melbourne plant upgrade, which is now operating as expected, and in Windows following site closures.

Plasterboard Asia

100% of Boral Gypsum Asia (BGA) - from 9 December 2011

(A\$ millions)	FY2012	FY2011	Var %
Revenue	304	-	N/A
EBITDA	52	17	N/A
EBIT	41	17	N/A

Note: FY2011 represents an equity accounted after tax result

BGA's revenue of \$304m incorporates 100% of revenue since 9 December 2011. Revenues in Indonesia grew strongly on the prior year due to strong economic conditions. Thailand also delivered further revenue growth reflecting organic growth and volumes associated with post-flood reconstruction work in Bangkok. Revenues from China grew less than

expected due to slow-down in construction activity, while in Korea revenues lifted on plasterboard penetration in the residential sector, despite some share loss following price competition in the last six months.

EBIT of \$41m includes a part year post-tax equity contribution and 100% fully consolidated EBIT since December 2011. Underlying EBIT and EBITDA increased due to improved volumes and sustained margins. Earnings were impacted by the market factors outlined above in China and Korea and "one-off" costs of integrating the Shandong (China) acquisition. These factors are not expected to have a sustained impact on earnings growth.

Plasterboard capacity lifted in the year both through acquisition and organic expansion. In December 2011, BGA acquired a new 35m m² capacity plant in Shandong (China) which provides increased capability to service key markets in Beijing and Tianjing. Plant capacity in Chongqing (China) was increased in March 2012 as the first step towards expanding its capacity from 13 to 43m m² by October 2012. In Indonesia, an additional 30m m² of capacity currently under construction at the Cilegon (West Java) plant is expected to be in operation by early 2013, enabling Boral to increase supply to the key Jakarta market. In Vietnam, an additional 30m m² of capacity currently under construction at the Ho Chi Minh City plant is progressing in line with expectations. The capital investment for these projects of around \$100m was taken into account in the BGA acquisition planning.

The introduction of LEAN will facilitate further capacity increases at all plants with minimal investment and will provide efficiency improvements and cost reductions more broadly across BGA in FY2013.

Boral USA

Bricks & Cultured Stone, Roof Tiles, Fly Ash, Construction Materials

(A\$ millions)	FY2012	FY2011	Var %
Revenue	499	431	16
EBITDA	(41)	(57)	28
EBIT	(84)	(99)	15

The USA operations reported revenue of A\$499m, 16% above last year, reflecting the full year inclusion of the Cultured Stone joint venture and the increase in market volumes.

(US\$ millions)	FY2012	FY2011	Var %
Revenue	516	431	20
EBITDA	(42)	(57)	25
EBIT	(87)	(99)	13

At the EBIT level, the USA reported a loss of A\$84m compared to a A\$99m loss in the prior year. US dollar losses decreased to US\$87m compared with US\$99m in FY2011. The year-on-year improvement was due to the modest growth in the housing market, continued head count reductions, LEAN benefits, further plant rationalisations and other cost containments.

External Revenue (US\$m)	FY2012	FY2011	Var %
Cladding ¹	239	178	34
Roofing	101	89	14
Construction materials & flyash	176	164	7

Revenue from Cladding (Bricks, Cultured Stone & Trim) was up 34% to US\$239m due to full year Cultured Stone revenues as well as volume increases in Bricks and Cultured Stone. Underlying performance improved, but results continued to be impacted by low plant utilisation of 26% in FY2012.

1. Includes consolidation of Cultured Stone revenues from Jan-11

Roofing revenues of US\$101m increased by 14%, due to a 12% volume increase. EBIT from Roofing improved on the prior year but the improvement was partially offset by lone clay tile plant commissioning costs.

Flyash and Construction Materials revenues increased by 7% to US\$176m reflecting a 16% increase in concrete volumes, flat aggregate volumes and lower prices. The termination and settlement of the Crystal River flyash contract also contributed to improved results.

Boral's US division will continue to prepare for the market recovery and growth, including leveraging LEAN processes. Benefits will be delivered from the One Boral strategy in the Cladding and Roofing businesses, and commercialisation of new, innovative products remains a focus.

Discontinuing Businesses

Asian Construction Materials, Masonry East Coast and Roofing Queensland

Discontinued Businesses reported \$294m of revenue and a \$1m EBIT loss in FY2012.

The divestment of the Asian Construction Materials businesses is part of Boral's strategic re-focus on its core product portfolio. As a result, an agreement to sell the Indonesian operations was announced in February 2012, and the intention to divest the Thailand Construction Materials business was announced.

The first stage of the Indonesian Construction Materials divestment was completed on 31 March 2012, and the second stage is expected to complete on 30 August 2012.

The Indonesia Construction Materials business performed well prior to its sale in March 2012. Thailand Construction Materials returned to solid profitability during the year, continuing its improvement in performance over the past three years and better positioning the business for sale.

Following the disposal of Boral's small Masonry operations at Cairns and Mackay in February 2012, the announced sale of the remaining non-core east coast Masonry assets is progressing.

STRATEGY

The portfolio has been reshaped during the year

Acquisitions and projects over the past two years have created an industry leading, global scale plasterboard position for Boral in the high growth Asia Pacific region; strengthened Boral's now wholly-owned exterior cladding business in the US; and enhanced the consented aggregate and sand reserves in NSW and Queensland and Boral's concrete network in Queensland.

During FY2012 the following key steps were taken:

- Gained management control of Lafarge Boral Gypsum Asia (now BGA) following the purchase of the remaining 50% share held by Lafarge for \$530m¹
- In SEQ, acquired the assets of Wagners for \$163m¹ and Sunshine Coast Quarries for \$81.5m¹
- Divested the north Queensland and Colorado (US) Masonry assets for a total of \$15m
- Sold the Galong lime plant in NSW for \$25m
- Following Boral's move to 100% ownership of MonierLifetile in FY2011, the previously separate US concrete and clay roof tile operations were restructured and integrated under the banner of Boral Roofing, reducing structural overheads and improving channels to market
- Integrated Boral's 50% interest in the market leading Cultured Stone operations, acquired from Owens Corning in the prior year, into the exterior cladding product offer in the USA. Boral will move to 100% ownership of Cultured Stone in FY2014
- In August 2012, expect to complete the divestment of Construction Materials assets in Indonesia for an enterprise value of US\$135m¹.

The sale of identified **non-core businesses** remains a focus for Boral's management.

Good progress made to strengthen the core

Boral's target is Zero Harm in all work places and to achieve this goal new behaviour based programs have been implemented in Australia and the USA, with Asia now underway. A single **safety** management system is currently being rolled out in Australia, initially in NSW and SA. In FY2012, Lost Time Injury Frequency Rate (LTIFR) of 1.8 hours per million hours worked was lower than 2.0 in the prior year and is the lowest LTIFR that Boral has reported.

LEAN processes have been embedded into most Australian and US based operating sites with upside potential captured in improvement plans now being implemented and in measures such as audits and Overall Equipment Effectiveness (OEE). The full benefits of LEAN should be delivered when market volumes return. Roll out of LEAN in Asia is underway.

¹ Before completion adjustments

Boral's \$200m Sydney aggregates project near **Marulan** in NSW (Peppertree Quarry) is well advanced having gained key statutory approvals in the year which allowed finalisation of major supply contracts and site construction to commence in FY2012. The project, to be completed in CY2013, will provide long-term aggregate and manufactured sand supply to service the greater Sydney basin once the existing quarry at Emu Plains ceases in CY2014.

The well located but ageing **plasterboard manufacturing** and distribution site at **Port Melbourne** (Victoria) was upgraded during the year. This completes the modernisation of Boral's east coast plasterboard production infrastructure in Australia, providing it with appropriately scaled and lower cash cost capacity. Boral's plasterboard plant at Camellia (NSW) was upgraded in 1994 and was followed by the green-field site development at Pinkenba (Queensland) in 2009.

IMPROVEMENT PLANS AND OUTLOOK

Improvement goals focus on maximising cash flow from existing assets

Divestments made over the past two years have returned approximately \$170m of cash. Over the next two years, further non-core divestments and property sales targeting \$200m-300m will be actively pursued, to be applied to debt reduction. However, assets will not be sold below fair value.

Capital expenditure levels will be tightly controlled in FY2013 and will be lower than FY2012, even allowing for the balance of capital required to complete the Sydney aggregates project at Peppertree Quarry.

A Group wide performance improvement plan is continuing, leveraging LEAN tools to improve profit, operating cash flow and enhance return on assets, which will further strengthen Boral's strategic business positions by:

- Better aligning overhead costs in Australia with Boral's adjusted portfolio
- Cutting physical inventories by leveraging LEAN
- Exiting remaining underperforming or marginal positions in low growth markets.

Effective pricing, which includes full recovery of carbon scheme costs in Australia, remains a key priority, given the escalating cost of energy and other inputs such as raw materials and labour.

Growth will leverage the reshaped portfolio during expected building cycle upturns

In FY2012, Boral was significantly impacted by the combination of unexpectedly weak new dwelling and non-residential building activity in Australia and substantial wet weather in the eastern states, at a time when US residential construction remained at close to a post "great depression" low.

While in **Australia**, housing starts in the June 2012 quarter are expected to have increased marginally over the 112,000 annualised level recorded in the March 2012 quarter, they are projected to remain well below long term average annual levels of 150,000 to 155,000. In the USA, FY2012 housing starts of 685,000 remain well below the 50-year average annual level of 1.5m.

The historical level of annual housing starts is a measure of future demand and Boral is well positioned to leverage a return to such normal "mid-cycle" levels of housing activity in both the USA and Australia. Boral is also well placed to grow through its new wholly-owned plasterboard position in Asia.

In the **USA**, Boral generated US\$75m of EBIT in FY2007 when housing starts of 1.55m were close to the 50-year average, compared to the EBIT loss of US\$87m in FY2012 at 685,000 starts. Comparing Boral's like-for-like¹ brick and roof tile businesses in FY2009 and FY2012, when housing starts were running at similarly low levels of around 55% below mid-cycle levels, EBIT losses have reduced by US\$25m demonstrating the considerable uplift in the underlying business.

Looking forward, the US business has significantly better leverage in exterior claddings than it did in FY2007. In Bricks, sales volumes at 1.5m starts can be supplied from fewer manufacturing plants operating at higher output than was the case in FY2007, reflecting significant capacity rationalisation. Implementation of LEAN has also yielded structural fixed cost reductions, lower inventories and lower stay-in-business capital requirement. Boral will also benefit from 100% ownership of a fully integrated

¹ Based on Boral's ownership of 50% of MonierLifetile on 2009 and excluding the Cultured Stone business

concrete and clay roof tile business and the addition of Cultured Stone. Boral will see strong future earnings leverage from a lift in new house construction in the USA.

Boral's **Building Products** business in Australia delivered EBIT of \$81m in FY2011 when housing were just above long term annual average levels of 150,000-155,000 starts. The modernisation of plasterboard plants, the closure of higher cost brick capacity, the exit from loss making Masonry and Queensland Roofing businesses and the associated reductions in overhead costs, together with the benefits of LEAN, will have a positive impact on future earnings. On balance, management believes that Boral is positioned to earn EBIT levels of at least that achieved in FY2011 as building activity returns to long term average mid-cycle levels.

Boral's **Construction Materials** business in Australia has leading, consented aggregate positions in metro markets and in high growth regional markets exposed to the resource sector, now strengthened in SEQ post acquisitions and in NSW through the Sydney aggregates project near Marulan. These positions are well integrated with extensive concrete batching and delivery networks and asphalt operations. Management believes that the return to long term average mid-cycle building and infrastructure activity should result in the business earning the EBIT levels achieved in FY2011, before taking into account the impact of recent acquisitions and benefits from improvement plans, including from LEAN.

Boral's **Cement** business in Australia faces continued EBIT pressure from flat prices due to the strong Australian dollar and imports while manufacturing costs in Australia rise, including from the impact of the price on carbon. The return to long term building activity levels combined with stronger infrastructure activity alone will likely not see earnings return to historical levels, without a significant reduction in costs through more flexible cement supply, options for which are under review.

In **Asia**, Boral is focused on and is well positioned to drive further penetration of plasterboard internal wall partition and ceiling solutions. Growth in existing plasterboard capacity which will be achieved through LEAN, as well as the 75m m² of capacity expansion underway and delivered through existing distribution infrastructure, will service future sales volume growth. In the medium term, management believes that this should result in revenue and earnings growth at levels that compare with the annual average growth achieved by the business over the last 10 years.

Continuing challenging conditions are expected in FY2013

In FY2013, continued buoyant activity in major infrastructure work including LNG projects in **Australia** is expected but this will be dampened by ongoing weak residential and non-residential markets. Construction Materials will benefit from Queensland LNG projects for the full year, but significant volumes from the Western Australian LNG project will not occur until FY2014.

Boral's Cement volumes are expected to be flat, with residential demand improvements in NSW offset by weakness in Victoria and continued low volumes in SEQ. The pricing environment will remain challenging due to the high Australian dollar and low sea freight prices.

Continued weak housing demand, particularly for the first half of FY2013, will prove challenging for Building Products. Further interest rate reductions and/or improved consumer sentiment are required for demand to lift in the six months ending June 2013.

In **Asia**, continued growth in construction activity is expected together with more penetration by plasterboard. While the residential market remains subdued in China, Boral's plant in Shandong will see growth of sales volumes in new high-end markets in Beijing, Tianjing and Shandong.

In the **USA**, housing starts are expected to increase in FY2013, biased towards the second half year. The business is well positioned to take advantage of market recovery through LEAN and Sales and Marketing Excellence and from its restructured Roof Tile and Cultured Stone business positions.

Overall, FY2013 will be a year of consolidating recent portfolio changes while driving forward with Boral's improvement goals which focus on maximising cash flow from existing assets and further strengthening the core business. Given ongoing market uncertainty in Australia, a trading update will be provided at Boral's Annual General Meeting in November 2012.

RESULTS AT A GLANCE

(A\$ million unless stated)

Year ended 30 June	FY2012	FY2011	% Change
Revenue	5,010	4,711	6
EBITDA ¹	473	522	(9)
EBIT ¹	200	277	(28)
Net interest ¹	(88)	(64)	(39)
Profit before tax ¹	111	213	(48)
Tax ¹	(9)	(40)	
Non-controlling interests	(1)	2	
Profit after tax¹	101	175	(42)
Net significant items	75	(8)	
Net profit after tax	177	168	5
Cash flow from operating activities	133	351	
Gross assets	6,500	5,668	
Funds employed	4,921	3,662	
Liabilities	3,096	2,512	
Net debt	1,518	505	
Stay-in-business capital expenditure	192	235	
Growth capital expenditure	222	111	
Acquisition capital expenditure ²	701	146	
Depreciation and amortisation	273	245	
Employees ³	14,740	15,277	(4)
Revenue per employee, \$ million	0.340	0.308	10
Net tangible asset backing, \$ per share	3.31	3.91	
EBITDA margin on revenue ¹ , %	9.4	11.1	
EBIT margin on revenue ¹ , %	4.0	5.9	
EBIT return on funds employed ¹ , %	4.1	7.6	
Return on equity ¹ , %	3.0	5.6	
Gearing			
Net debt/equity, %	45	16	
Net debt/net debt + equity, %	31	14	
Interest cover ¹ , times	2.3	4.4	
Earnings per share ¹ , ¢	13.6	24.4	
Dividend per share, ¢	11.0	14.5	
Employee safety ⁴ : (per million hours worked)			
Lost time injury frequency rate	1.8	2.0	
Recordable injury frequency rate	19.0	21.4	

Figures relate to the total Group including continuing and discontinued operations

¹ Excludes significant items² Net of \$63 million cash acquired in BGA³ Includes 2,645 employees from acquisitions during the year⁴ Includes employees and contractors combined

Non-IFRS Information

Boral Limited's statutory results are reported under International Financial Reporting Standards.

Earnings before significant items is a non statutory measure reported to provide a greater understanding of the underlying business performance of the Group.

Significant items are detailed in the Note 7 of the financial report and relate to amounts of income and expense that are associated with significant business restructuring, impairment or individual transactions.

A reconciliation of earnings from continuing operations before significant items to reported profit is detailed below:

Year Ended 30 June 2012

	Continuing Operations	Significant Items	Total
	\$m	\$m	\$m
EBIT	200.9	65.3	266.2
Net financing costs	(84.9)		(84.9)
Income tax (expense) / benefit	(9.6)	38.8	29.2
	106.4	104.1	210.5
Non-controlling interests	(0.8)		(0.8)
NPAT from continuing operations attributable to members of the Boral Group	105.6	104.1	209.7
NPAT from discontinued operations attributable to members of the Boral Group	(4.4)	(28.7)	(33.1)
NPAT attributable to members of the Boral Group	101.2	75.4	176.6

The results announcement has not been subject to review or audit.

For more information:

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Boral Limited ABN 13 008 421 761 - GPO Box 910 Sydney NSW 2001 - www.boral.com.au



Results

For the full year ended 30 June 2012

22 August 2012
Ross Batstone, Chief Executive Officer



Results for the full year ended 30 June 2012

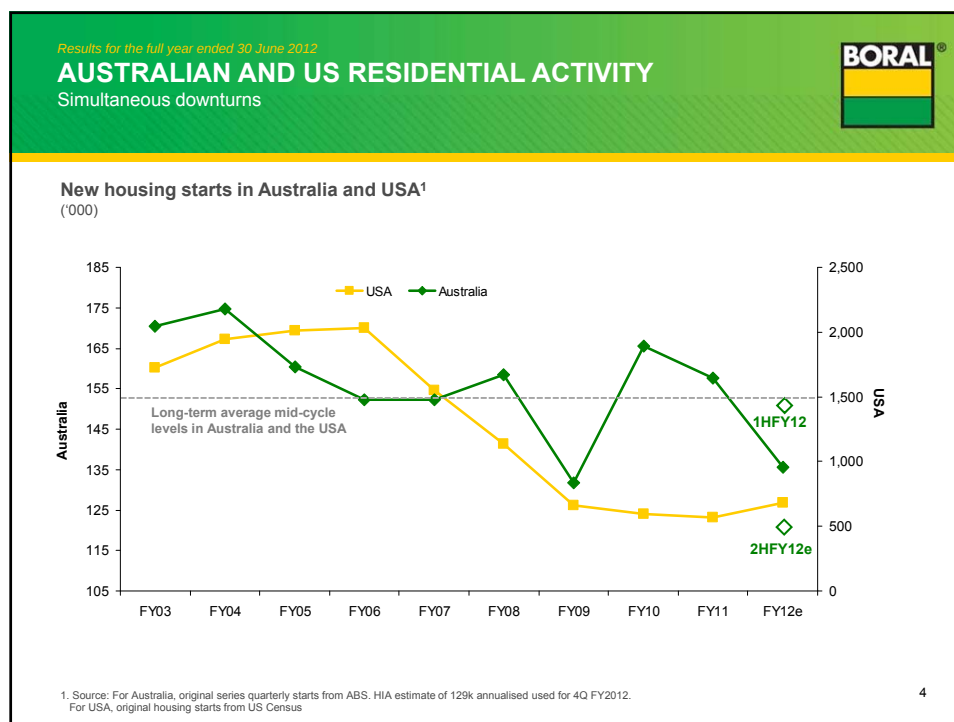
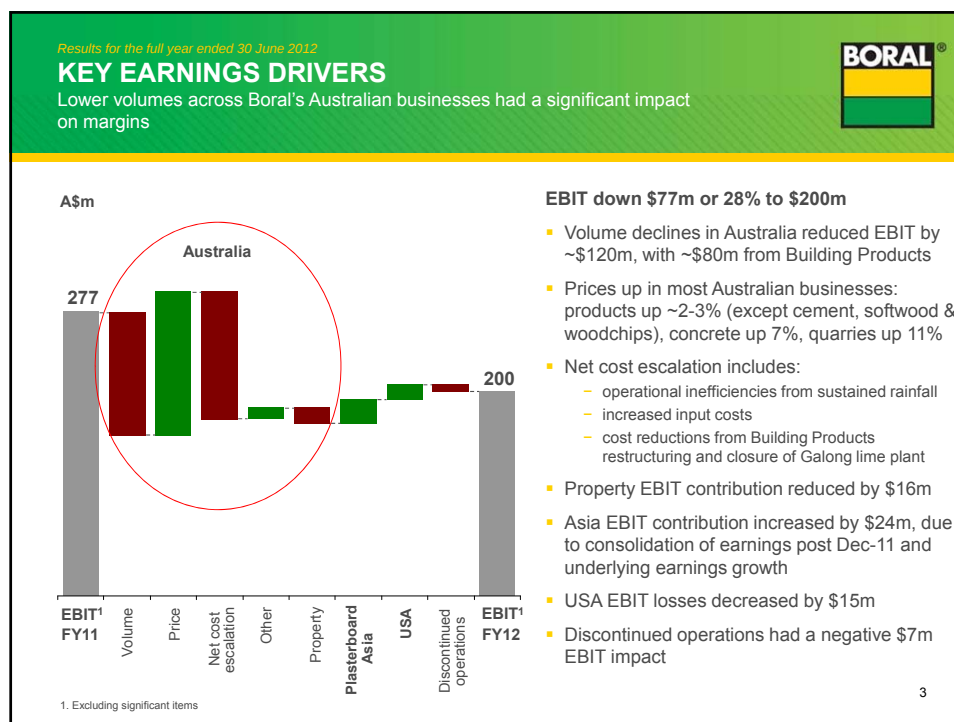


FINANCIAL OVERVIEW

Revenue \$5.01bn ▲ up 6%	Cash from operations³ \$133m ▼ down 62%
EBITDA¹ \$473m ▼ down 9%	Net debt \$1.5bn ▲ up from \$0.5bn
EBIT¹ \$200m ▼ down 28%	Gearing, D/(D+E) 31% ▲ up from 14%
Profit after tax¹ \$101m ▼ down 42%	Earnings per share¹ 13.6c ▼ down 44%
Net profit after tax² \$177m ▲ up 5%	Full year dividend 11.0c ▼ down 24%

1. Excluding significant items
 2. Including significant items
 3. Includes \$91m of acquisition and restructuring costs paid

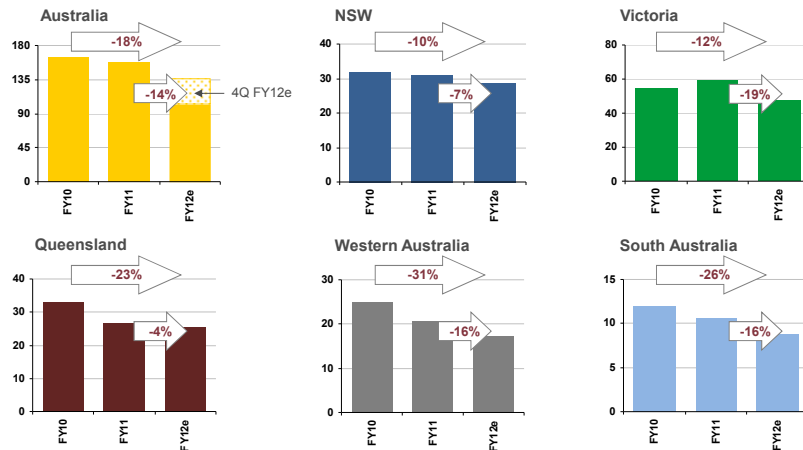
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Results for the full year ended 30 June 2012

AUSTRALIAN RESIDENTIAL MARKET ACTIVITY

Western Australia, South Australia and Victoria were particularly weak

**Australian housing starts¹**
('000)

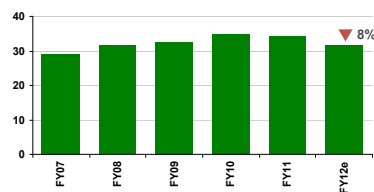
1. Source: Original series quarterly starts from ABS. HIA estimate of 129k annualised used for 4Q FY2012

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Results for the full year ended 30 June 2012

AUSTRALIAN MARKET ACTIVITY & EXTERNAL FACTORS

Non-residential activity declined while RHS&B activity increased

**Australia non-residential¹**
(Value of work done, \$b)

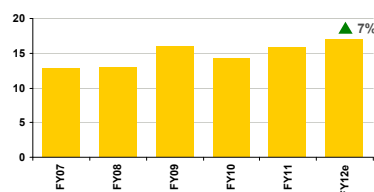
- Non-dwelling activity fell by 8% in FY2012, and was particularly weak in NSW, down 21%, with Qld down 11%

- Roads, highways, subdivisions & bridges (RHS&B) activity continued to grow, up 7%

— activity was up in all states, except WA

- Wet weather on the east coast reduced productivity and affected the timing of deliveries

- High A\$ which suppressed pricing in cement and softwood, and reduced woodchip volumes

Australia roads, highways, subdivisions & bridges¹
(Value of work done, \$b)

1. Source: Original series (constant 2009/10 prices) quarterly data from ABS. BIS forecast used for 4Q FY2012

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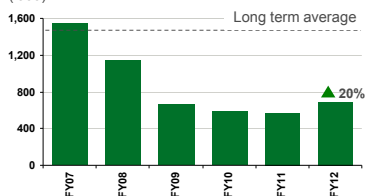
Results for the full year ended 30 June 2012

US RESIDENTIAL MARKET ACTIVITY

Housing starts up 20% from low base

**US total housing starts¹**

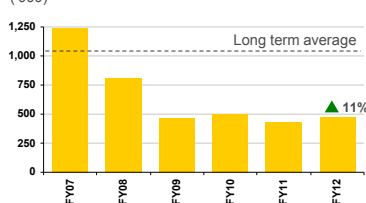
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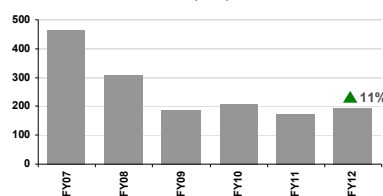
- In FY2012, total US housing starts up 20% to 685k, well below the long term average of 1.5m
- US single dwelling starts up 11% to 475k from 428k in FY2011
- US single dwellings starts in Boral's Bricks States also up 11% compared to last year

US single family housing starts¹

('000)

**US single family housing starts, Boral Bricks States²**

('000)



1. Original data from US Census

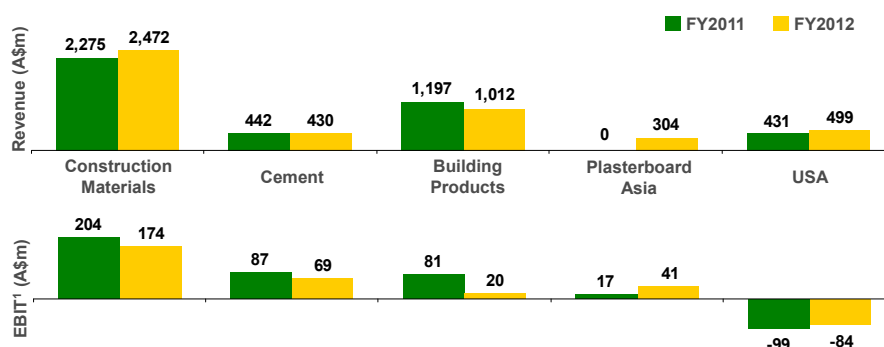
2. Data from McGraw Hill/ Dodge. Boral's Bricks States include: Georgia, North Carolina, South Carolina, Alabama, Kentucky, Mississippi, Tennessee, Arkansas, Louisiana, Oklahoma, Texas

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Results for the full year ended 30 June 2012

OPERATIONAL OVERVIEW

Group EBIT down 28% to \$200m



- Increased pricing
- Acquisitions integrated
- Property down \$16m
- Loss of volumes in WA & SA
- Sustained rainfall
- BlueScope closure
- High A\$ suppressing import parity pricing
- Sustained rainfall
- Shift to lower margin segments
- Significant volume declines
- Restructured business
- Production lower than sales volumes
- One-off plasterboard costs
- Acquisition/integration complete
- Continued volume growth
- Solid underlying performance
- Market recovering from low base
- Acquisitions integrated
- Continued cost reductions

1. Excluding significant items

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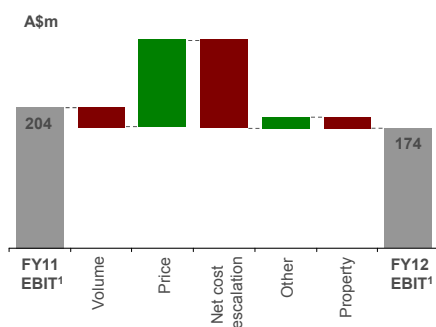
Results for the full year ended 30 June 2012

BORAL CONSTRUCTION MATERIALS

- Concrete, Quarries, Asphalt, Transport and Property
A resilient, well-positioned portfolio of businesses



A\$m	FY2012	FY2011	Var, %
Revenue	2,472	2,275	9
EBITDA ¹	279	294	(5)
EBIT ¹	174	204	(15)
EBIT ROS, %	7.0%	9.0%	



1. Excluding significant items

Performance

- Revenue up 9% through part year contribution from acquisitions, enhanced pricing, and shift to major projects and regional flood recovery work in Qld & NSW
- Excluding Property, EBIT down \$14m
- Volume decline mitigated by market shifts, although volumes down sharply in WA & SA
- Prices up 11% in quarries, 7% in concrete
- Costs impacted by higher costs of working in regional areas and wet weather

Priorities

- Margin improvement and cost reduction
 - LEAN improvements
 - Reducing fixed costs and working capital
 - Price discipline
 - Exiting underperforming assets
- Building low cost quarry positions

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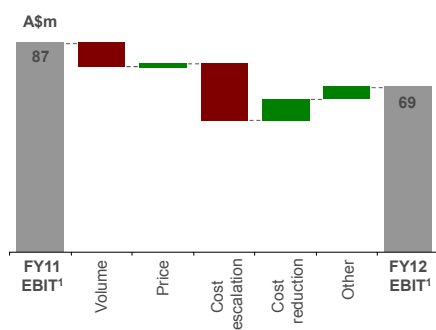
Results for the full year ended 30 June 2012

BORAL CEMENT

- Cement, Lime and Concrete Placing
Impacted by the high A\$ and closure of BlueScope Steel's Port Kembla mill



A\$m	FY2012	FY2011	Var, %
Revenue	430	442	(3)
EBITDA ¹	118	134	(12)
EBIT ¹	69	87	(21)
EBIT ROS, %	16.0%	19.7%	



1. Excluding significant items

Performance

- Revenue down 3% on lower lime volumes, and lower concrete placing revenues, with cement pricing and volumes marginally down
- EBIT down 21% to \$69m
- Volumes down with \$10m impact from loss of lime sales to BlueScope
- Prices in cement constrained due to high A\$ and reflects adverse sales mix
- Costs impacted by wet weather in 2HFY2012 and higher input costs
- Cost reduction includes \$4m relating to closure of Galong

Priorities

- Leverage LEAN to achieve further improvements in efficiency
- Lower cost of domestic production
- Maximise utilisation of fixed assets

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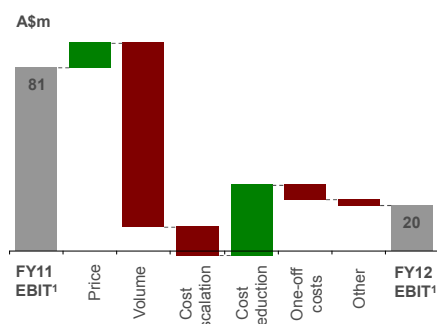
Results for the full year ended 30 June 2012

BORAL BUILDING PRODUCTS

- Australian Bricks, Roofing, Masonry (West), Plasterboard, Timber and Windows
Significantly impacted by the dramatic decline in housing activity in the second half



A\$m	FY2012	FY2011	Var, %
Revenue	1,012	1,197	(15)
EBITDA ¹	71	132	(46)
EBIT ¹	20	81	(76)
EBIT ROS, %	1.9%	6.8%	



¹. Excluding significant items
(Figures may not add due to rounding)

Performance

- Revenue down 15% driven by decline in residential construction, particularly in 2H
- \$62m fall in EBIT with 2HFY12 EBIT loss
- Price increases ~2-3% in all products except softwood and woodchips
- Sales volumes 15% lower on average (25% over two years) with WA, Qld and SA particularly weak; production volumes lower
- Costs lowered through restructuring partially offset by cost increases and distribution costs during Port Melbourne upgrade

Priorities

- Improve operating efficiency from LEAN
- Maximise cost reductions and network improvements in plasterboard & windows
- Crystallise benefits from capacity rationalisations in FY2012 and align overheads with restructured business

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Results for the full year ended 30 June 2012

BORAL GYPSUM ASIA (BGA)

- Korea, Thailand, Indonesia, China, Vietnam, Malaysia/Singapore, India
Integrated business performing to expectations



A\$m	FY2012	FY2011 ²	Var, %
Revenue	304	-	-
EBITDA ¹	52	17	-
EBIT ¹	41	17	-
EBIT ROS, %	13.5%	-	-



¹. Excluding significant items
². FY2011 represented an equity accounted after tax result
³. United Arab Emirates not shown on map

Performance

- Revenue of \$304m is consolidated revenue since 9 Dec-11, when acquisition of Lafarge's 50% interest in LBGA was completed
- Revenue benefited from 9% volume growth across the region
- Integration of business complete
- EBIT increase reflects shift from equity accounting to full ownership contribution and underlying earnings growth

Priorities

- Maximise potential of 100% ownership
- Implement LEAN improvement plan to maximise productivity
- Leverage capacity expansions

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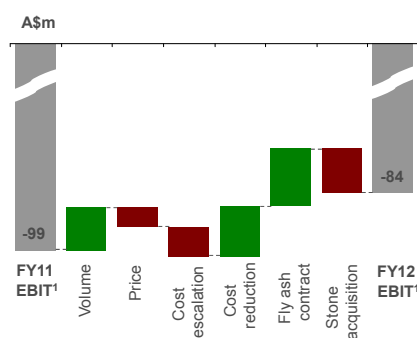
Results for the full year ended 30 June 2012

BORAL USA

- Bricks, Roof Tiles, Cultured Stone, Fly ash, Construction Materials
Benefiting from volume lifts and restructuring



A\$m	FY2012	FY2011	Var, %
Revenue	499	431	16
EBITDA ¹	(41)	(57)	28
EBIT ¹	(84)	(99)	15
EBIT ROS, %	(16.8%)	(23.0%)	



1. Excluding significant items

Performance

- Revenue up 16%, reflecting increased volumes from an uplift in housing starts and full-year contribution of Cultured Stone
- Volumes in Bricks up 8% and Roofing up 12%
- Prices down partly due to mix shift
- Cost reductions through plant rationalisations, LEAN efficiency improvements and lower head count more than offset inflationary cost increases

Priorities

- Prepare for market recovery and growth, including leveraging LEAN processes
- Deliver benefits from 'One Boral' strategy for Boral Cladding and Roofing
- Commercialisation of new innovative products

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Financial and Divisional Results

Andrew Poulter, Chief Financial Officer

Results for the full year ended 30 June 2012

FINANCIAL RESULTS

Year ended 30 June 2012				Year ended 30 June 2011		
A\$m	Group	Discontinued operations ²	Continuing operations	Group	Discontinued operations ²	Continuing operations
Revenue	5,010	294	4,716	4,711	365	4,346
EBIT ¹	200	(1)	201	277	5	272
Net interest	(88)	(4)	(85)	(64)	(4)	(60)
Income tax expense ¹	(9)	1	(10)	(40)	-	(40)
Non-controlling interests	(1)	-	(1)	2	(1)	3
Profit after tax¹	101	(4)	106	175	-	175
Significant items (net)	75	(29)	104	(8)	(12)	5
Net profit after tax	177	(33)	210	168	(12)	180

Non IFRS Information – Earnings before significant items and earnings from continuing operations excluding significant items are Non IFRS measures that are reported to provide a greater understanding of the financial performance of the underlying businesses. Further details of Non IFRS information is included in the Results Announcement while details of significant items are provided in Note 7 of the full year financial report.

1. Excluding significant items

2. Discontinued operations include Asian Construction Materials, Masonry East Coast and Roofing Queensland (Figures may not add due to rounding)

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Results for the full year ended 30 June 2012

CONSOLIDATED INCOME STATEMENT**Continuing operations**

A\$m	FY2012	FY2011	Var (%)
Revenue	4,716	4,346	9
EBIT ¹	201	272	(26)
Net interest ¹	(85)	(60)	(42)
Profit before tax ¹	116	212	(45)
Income tax ¹	(10)	(40)	76
Non-controlling interests	(1)	3	
Profit from continuing operations after tax¹	106	175	(40)
Loss from discontinued operations after tax ¹	(4)	-	
Profit after tax¹	101	175	(42)
Significant items (net)	75	(8)	
Statutory profit after tax	177	168	5
Earnings per share (cents)¹	13.6	24.4	
Dividend per share (cents)	11.0	14.5	

1. Excluding significant items
(Figures may not add due to rounding)

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Results for the full year ended 30 June 2012

SIGNIFICANT ITEMS

	Impact, A\$m
Gain on fair value remeasurement of initial shareholding in LBGA	158
Acquisition/Integration costs	(29)
Restructure and reshaping activities	
Australia	
Impairment of the Galong lime kiln	(37)
Impairment and closure costs of Building Products sites	(89)
Corporate restructure	(7)
USA	
Impairment and closure costs of US sites	(38)
Settlement of US Fly ash contractual obligation	6
Reassessment of purchase commitment for the remaining 50% interest in Cultured Stone	26
Asia	
Gain on disposal of the Indonesian Construction Materials operations	34
EBIT impact	24
Income tax benefit	52
	75

Non IFRS Information – Management has provided an analysis of significant items reported during the period. These items have been considered in relation to their size and nature and have been adjusted from the reported information to assist users to better understand the performance of the underlying businesses. These items are detailed in Note 7 of the financial report and relate to amounts that are associated with significant business restructuring, impairment or individual transactions.

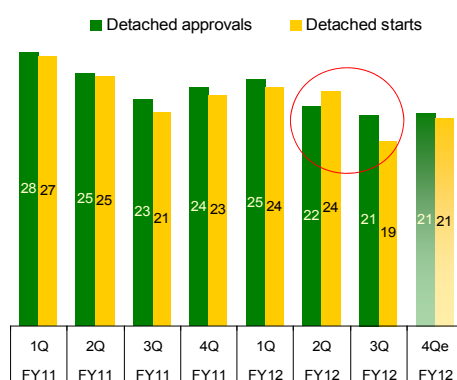
(Figures may not add due to rounding)

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Results for the full year ended 30 June 2012

AUSTRALIAN RESIDENTIAL ACTIVITY**Australian detached housing starts¹**

('000)



- Stronger first quarter FY2012 start activity confirmed by approvals data
- Second quarter approvals decline but starts exceeded approvals
- Third quarter approvals level with second quarter
- 21% decline in third quarter starts - east coast rain impact conceals underlying demand
- Fourth quarter starts based on HIA estimate

Source: Original series quarterly approvals and starts from ABS. HIA estimate used for 4Q FY2012 starts

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Results for the full year ended 30 June 2012

SEGMENT REVENUE AND EBIT



External revenue, A\$m	FY2012	FY2011	Var, %	1HFY11	2HFY11	1HFY12	2HFY12
Construction Materials	2,472	2,275	9	1,102	1,173	1,211	1,261
Cement	430	442	(3)	220	222	209	221
Building Products	1,012	1,197	(15)	646	551	555	458
Plasterboard Asia	304	-	-	-	-	32	272
USA	499	431	16	212	219	244	254

EBIT ¹ , A\$m	FY2012	FY2011	Var, %	1HFY11	2HFY11	1HFY12	2HFY12
Construction Materials	174	204	(15)	93	111	89	85
Cement	69	87	(21)	51	36	41	28
Building Products	20	81	(76)	53	28	26	(7)
Plasterboard Asia	41	17	-	9	8	12	29
USA	(84)	(99)	15	(47)	(52)	(51)	(33)

1. Excluding significant items
2. Construction Materials segment includes Boral Property Group EBIT of \$12m in FY2012 (\$28m in FY2011)
Comparatives restated for new segment structure
(Figures may not add due to rounding)

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Results for the full year ended 30 June 2012

CASH FLOW AND NET DEBT RECONCILIATION



Cash flow, A\$m	FY2012	FY2011	Net debt reconciliation, A\$m	FY2012	FY2011
EBITDA ¹	473	522	Opening balance	(505)	(1,183)
Change in working capital	(82)	(70)	Cash flow	(849)	404
Interest & tax	(154)	(65)	Debt acquired ²	(103)	-
Equity earnings less dividends	(9)	(14)	Non cash (FX)	(61)	274
Non cash items	(4)	5	Closing balance	(1,518)	(505)
Acquisition & restructuring costs paid	(91)	(27)			
Operating cash flow	133	351			
Capital expenditure					
SIB & growth	(414)	(346)			
Investments	(701)	(146)			
Proceeds on disposal of assets	130	107			
Free cash flow	(852)	(34)			
Capital raising	-	480			
Dividends paid – Net DRP ³	-	(48)			
Other items	3	6			
	(849)	404			

1. Excluding significant items
2. BGA debt acquired
3. DRP underwritten in respect of dividends paid in FY2012

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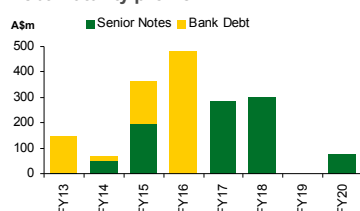
Results for the full year ended 30 June 2012

DEBT MATURITY PROFILE & NET INTEREST AND TAX



Net interest & tax, A\$m	FY2012	FY2011
Interest expense	(103)	(88)
Interest income	15	24
Net interest expense	(88)	(64)
Tax expense ¹	(9)	(40)
Underlying tax rate ¹	8.0%	18.9%

Debt maturity profile



1. Excluding significant items

Gearing

- Gearing (net debt / net debt + equity) reduced to 30.8% from 31.4% at Dec-11
- Principal "bank gearing" covenant (gross debt/ gross debt + equity – intangibles) reduced to 40.0% vs 41.2% at Dec-11
- Bank gearing covenant threshold is < 60%

Debt profile

- Secured additional \$500m 4-year syndicated bank debt facility in November 2011 to maintain headroom post completion of BGA acquisition
- Weighted average debt maturity ~3.8 years
- Weighted average cost of debt ~6.8% per annum
- Standard & Poor's / Moody's rating BBB negative outlook / Baa3 stable outlook from June 2012
- No current need for additional equity raising

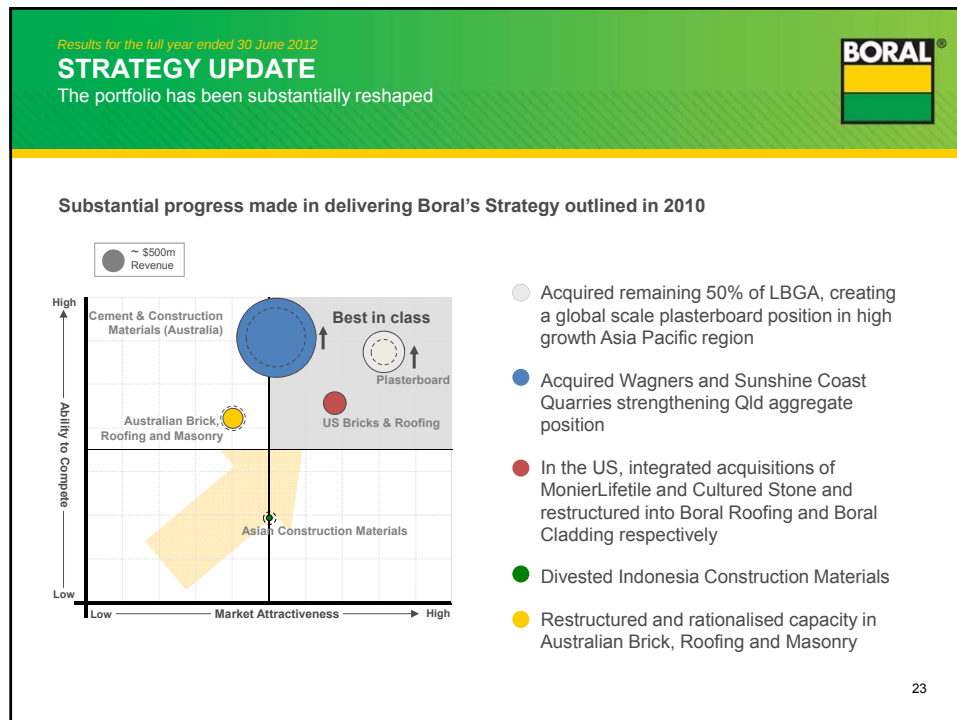
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Strategy and Outlook

Ross Batstone, Chief Executive Officer

BORAL



Results for the full year ended 30 June 2012

IMPROVEMENT PLAN – LEVERAGING LEAN

Improvement plan underway focusing on maximising cash flow and reducing costs

**Short term plan to reduce costs and improve cash flow**

- Leverage LEAN tools to:
 - improve asset utilisation and efficiency
 - reduce physical inventories
 - improve cost position
- Better align overheads in Australia with adjusted portfolio
- Deliver benefits from acquisitions and expansions

Non-core divestments and property sales

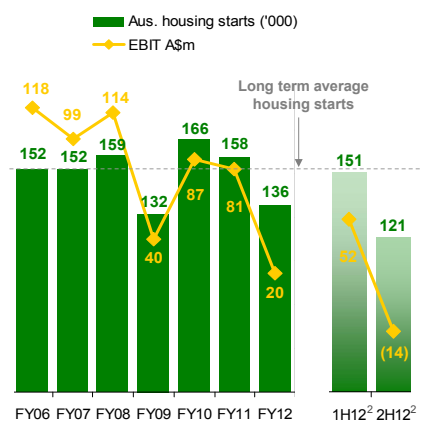
- Continue to pursue non-core divestments and property sales
- Targeting \$200 - \$300m, to be applied to reducing debt

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Results for the full year ended 30 June 2012

LEVERAGING CYCLE UPTURNS – AUSTRALIA

Building Products will benefit from reshaping, cost reductions and plasterboard investment

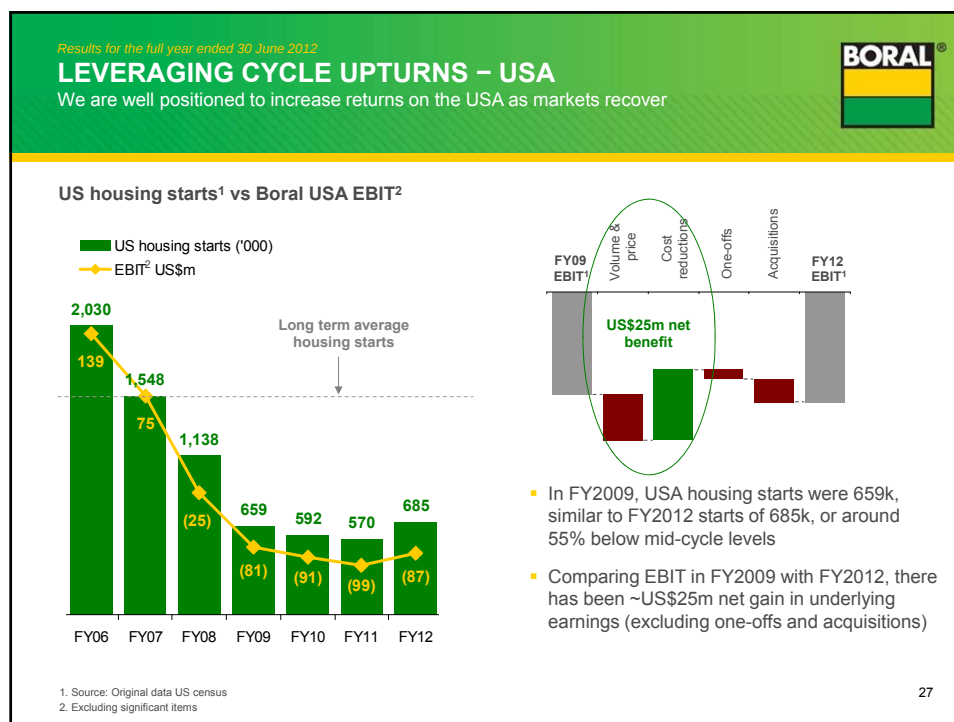
**Aus. housing starts vs Building Products EBIT¹**

- Building Products delivered EBIT of \$81m in FY2011 with housing starts at 158k, just above long term average levels of 150k – 155k
- Improvements made to Boral's business in FY2012 should have a positive impact on future earnings
 - modernisation of Vic plasterboard plant
 - closure of higher cost brick capacity
 - exit from loss making Masonry and Qld Roofing businesses
 - associated reductions in overhead costs, combined with benefits of LEAN
- Boral is positioned to earn EBIT levels of at least that achieved in FY2011 as building activity returns to long term average levels

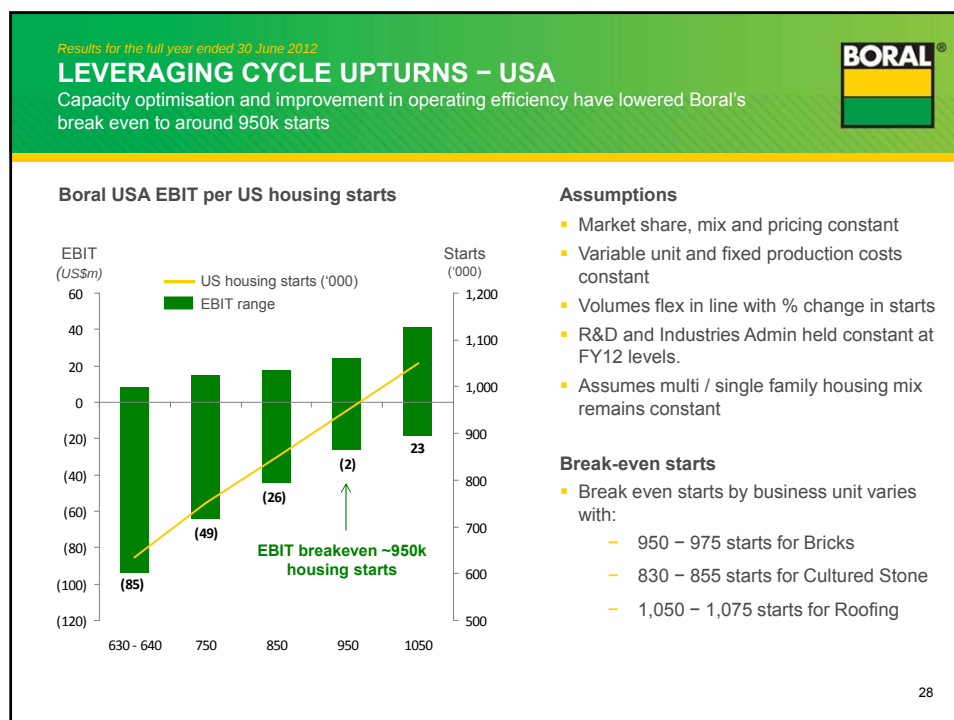
1. Excluding significant items

2. EBIT for 1H2012 and 2H2012 have been annualised for comparison purposes

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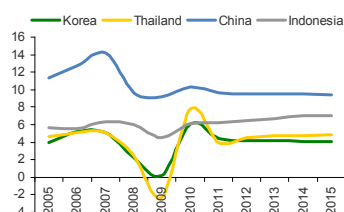
- In FY2009, USA housing starts were 659k, similar to FY2012 starts of 685k, or around 55% below mid-cycle levels
- Comparing EBIT in FY2009 with FY2012, there has been ~US\$25m net gain in underlying earnings (excluding one-offs and acquisitions)



Results for the full year ended 30 June 2012

ASIAN GROWTH PLATFORM (FULLY OWNED)

Boral's Asian plasterboard investment provides a high growth platform

**GDP % growth by country¹****Capacity expansion supporting growth**

Capacity (m m ² pa)	FY2011	FY2012	After expansion
Korea	153	153	153
Thailand	105	105	105
China	90	140	155
Indonesia	35	35	65
Other	30	30	60
Total	413	463	538

- **Asia is expected to become the world's largest plasterboard market by 2014**
- Strong economic growth forecast across BGA's four key markets
- Lightweight, flexible and easy to install characteristics make plasterboard the interior lining product of choice
- Boral's production capacity will have increased 30% since FY2011 once current expansion projects of 75m m² in Indonesia, China and Vietnam are completed

1. Source: IMF

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Results for the full year ended 30 June 2012

FY2013 OUTLOOK

Conditions in FY2013 will remain challenging particularly in the first half of the year



- In FY2013, buoyant activity in major infrastructure projects in **Australia** is expected to be dampened by ongoing weak residential and non-residential markets
- Construction Materials to benefit from Queensland LNG projects
- Cement volumes expected to be flat and import parity pressures to continue
- Building Products – impacted by challenging housing market
- In **Asia**, continued growth and market penetration
- In **USA**, housing starts expected to increase in FY2013, biased towards the second half, with the US division well positioned to take advantage of any market recovery
- FY2013 focus is on delivering on our business improvement goals and consolidating portfolio changes – lowering our break even points
- Given ongoing market uncertainty in Australia, trading update to be provided at Annual General Meeting in November

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Results for the full year ended 30 June 2012

FY2012 RESULTS



QUESTIONS