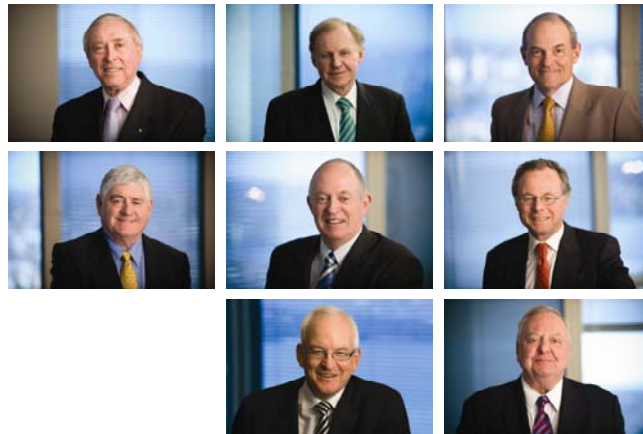


Boral



In response to the market downturn,
we are focused on lifting performance in the short-term
and better positioning Boral for the long-term

Annual General Meeting 2009



Introducing the Board





Chairman's Address

Ken Moss

Boral Annual General Meeting 2009

3



FY2009 financial results

Revenue	↓	6%	to	\$4.9bn
EBITDA ¹	↓	22%	to	\$539m
Underlying profit after tax ¹	↓	47%	to	\$131m
Profit after tax	↓	42%	to	\$142m

1. Excluding significant items

Boral Annual General Meeting 2009

4



Net significant items of \$11m during the period

Reconciliation of underlying result to reported result

A\$m	EBIT	Interest	Tax	Profit after tax
Underlying results	276	(127)	(17)	131
Significant items				
Disposal of investment ¹	38		(11)	27
Impairment of assets* ²	(80)		17	(63)
Onerous contract* ³	(27)		10	(17)
Tax matters* ⁴		29	35	64
Total	(69)	29	51	11
Reported results	206	(98)	34	142

* These write downs and provisions are non cash

1. Disposal of shareholding in Adelaide Brighton Limited

2. Relates to impairment of goodwill (\$48m), idle brick plants in the US and Australia (\$17m), property and project costs in Australia and Asia (\$15m)

3. Contractual obligations around fly ash purchases in Florida

4. Favourable resolution of outstanding matters with Australian and US taxation authorities

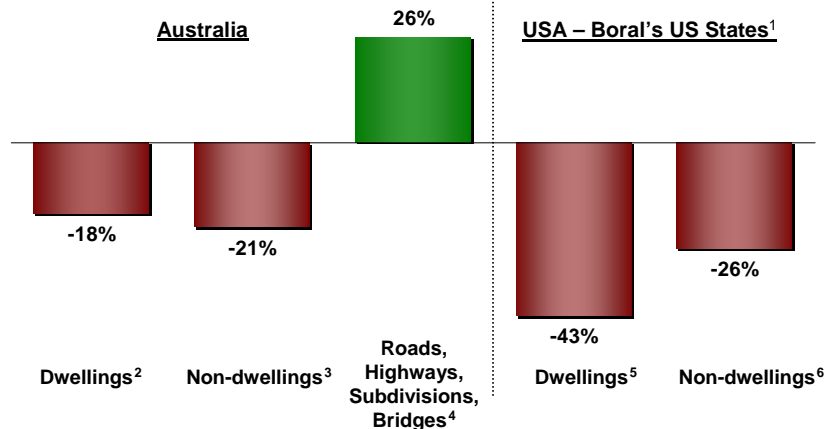
Boral Annual General Meeting 2009

5



Significant deterioration in most of Boral's major markets

Market changes – FY2009 vs FY2008



1. Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Mississippi, Missouri, Nevada, N.Carolina, Ohio, Oklahoma, S.Carolina, Tennessee, Texas, Virginia, Washington

2. Seasonally adjusted dwelling starts. Source: ABS

3. Non-dwelling value of work approved based on constant 06/07 prices. Source: ABS

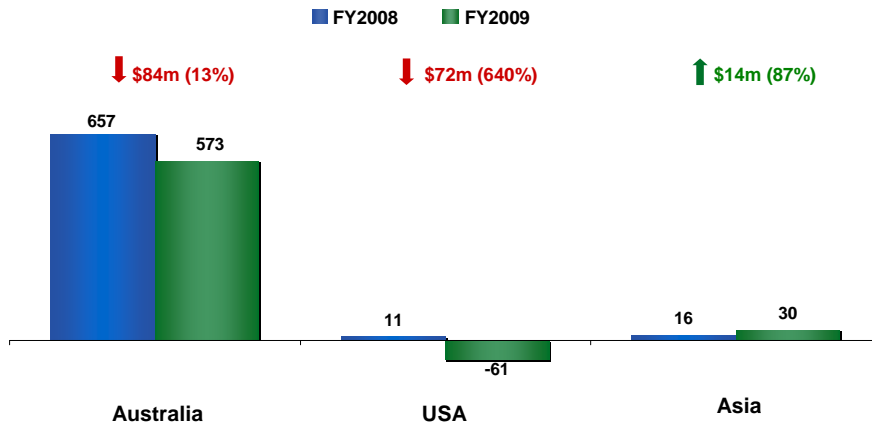
4. Roads, Highways, Subdivisions, Bridges value of work done. Source: ABS

5. Dwelling starts. Source: Dodge

6. Non-dwelling value of work commenced at 1992\$ values. Source: Dodge

Significant decline in Australia (EBITDA ↓\$84m) and in the US (EBITDA ↓\$72m); Asian earnings up

EBITDA (A\$m)



Boral Annual General Meeting 2009

7



Comprehensive response to significant market challenges

- Extensive cost reduction programs
- Disciplined price management
- Capacity rationalisation
- Substantial lowering of capital expenditure
- Strong focus on cash flow to manage gearing

Boral Annual General Meeting 2009

8



Strong balance sheet

As at A\$m	June-09	Dec-08	June-08
Cash flow from operating activities ¹	419	141	582
Net debt	1,514	2,184	1,515
Net debt / equity	55%	79%	52%
EBITDA interest cover ²	4.2 x	4.1 x	6.2 x
EBIT interest cover ²	2.2 x	2.3 x	4.0 x

1. After interest & tax paid, before capex & dividends
 2. Excluding significant items. Moving annual total basis for Dec-08.



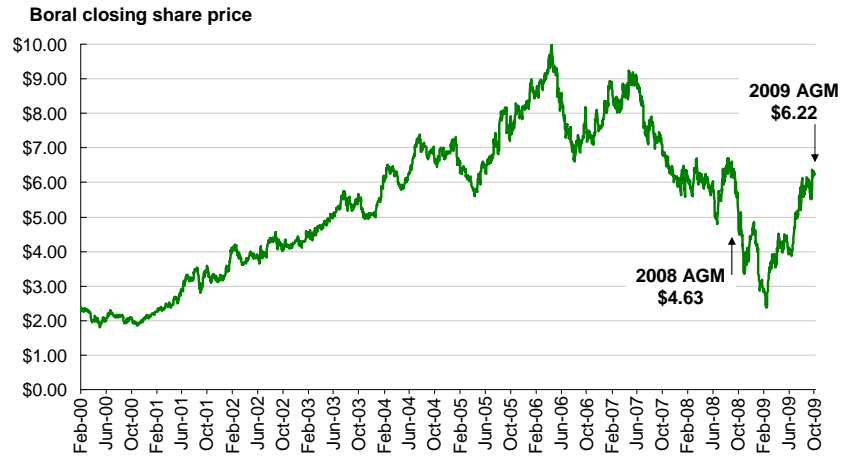
Dividend down in line with cyclical decline in earnings per share

Final dividend	5.5 cents
Interim dividend	7.5 cents
Total dividend	13 cents
Franking level	remains at 100%
Gross-up dividend	19 cents
Dividend payout ratio ¹	from 82% to 58%

1. Excluding significant items



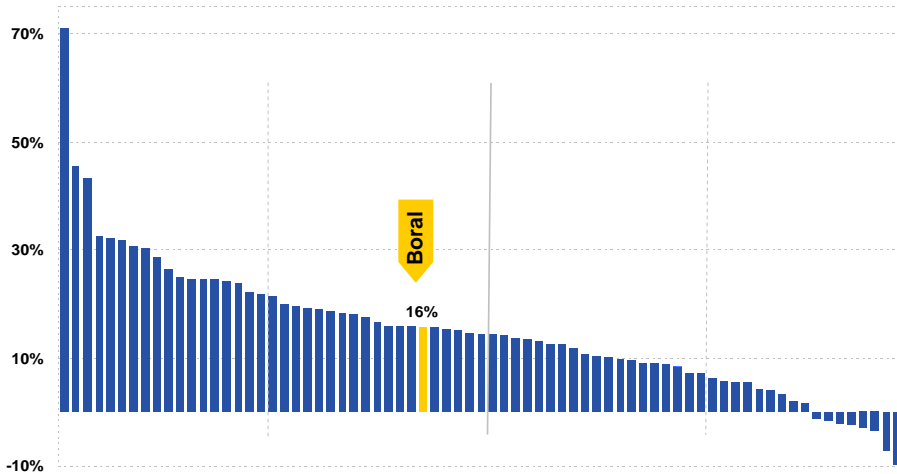
Boral's share price has recovered from recent lows



Source: Bloomberg



From demerger to end of Sep-09, Boral achieved second quartile TSR performance (TSR 16%)



There are 73 current ASX100 companies with full trading history during the period.

Source: Bloomberg

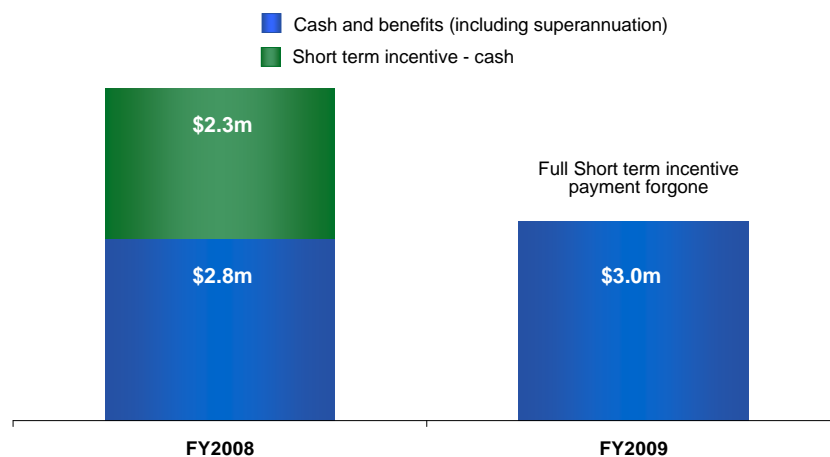


Executive remuneration restraint initiatives in response to substantial economic downturn and shareholder concerns

Changes	Who is affected?	Comment
Freeze fixed remuneration	Current CEO Management Committee Non-executive Directors Other executives (approx 140)	No increase in fees/fixed remuneration from September 2008 to July 2010
Short term incentive (STI) forgone for 2008/09	CEO Management Committee	CEO and Management Committee agreed to forgo STI entitlement for 2008/09



CEO remuneration - cash and benefits payments actually received in 2008/09



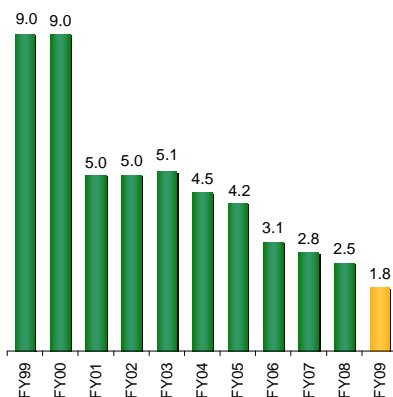
Revised long term incentive (LTI) structure for executives

	Old LTI structure	Revised LTI structure
Performance hurdle	Total shareholder return (TSR) compared with TSR of companies in the S&P/ASX 100	Unchanged
Testing regularity of LTI hurdle	Continuous testing of TSR during the 3-7 year vesting period (subject to a 10 trading day minimum requirement)	TSR between first date of the vesting period and the 3 rd , 5 th and 7 th anniversary of the first date of vesting period ¹

1. Share prices will be determined by reference to the volume weighted average share price during the 60 trading days prior to the relevant test date

Boral's sustainability outcomes have continued to improve including safety performance

Lost time injury frequency rate (LTIFR) (per one million hours worked)



Boral's 2009 Sustainability Report
www.boral.com.au/sustainability

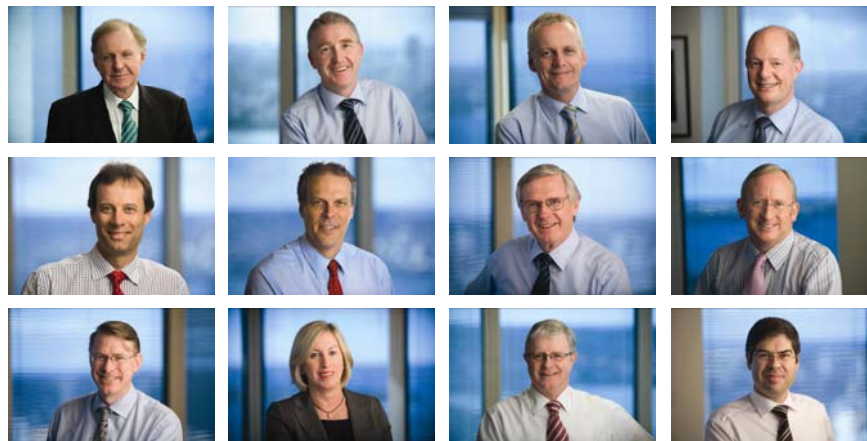




CEO designate Mark Selway

Boral Annual General Meeting 2009

17

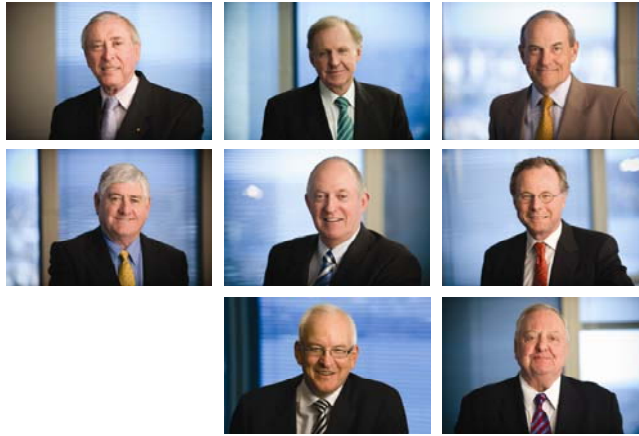


Boral's Management Committee

Boral Annual General Meeting 2009

18





The Board & CEO succession

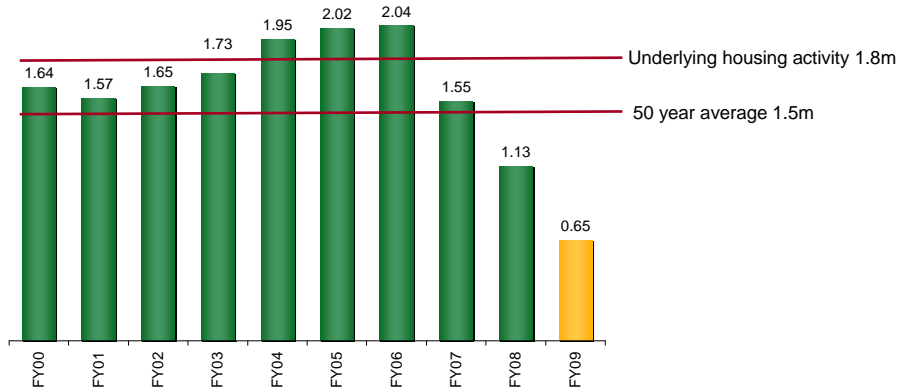


Managing Director's Address Rod Pearse



US housing market experiencing worst downturn since the Great Depression

Total US housing starts (million)¹

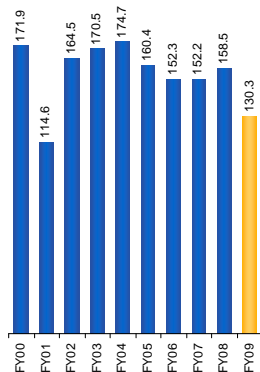


1. Seasonally adjusted annualised monthly starts from US Census

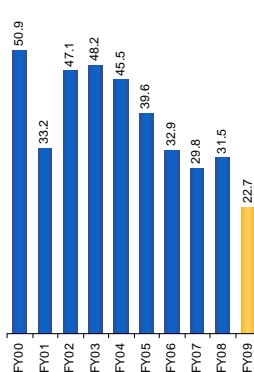


New dwelling construction in Australia is at the bottom of a five year downturn

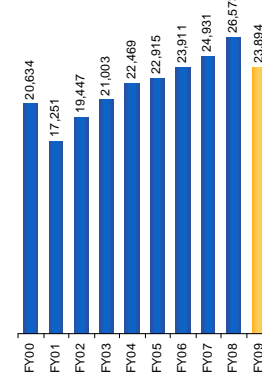
Australian Dwelling Starts ('000)



NSW Dwelling Starts ('000)



Australian Concrete Volumes ('000 m³)

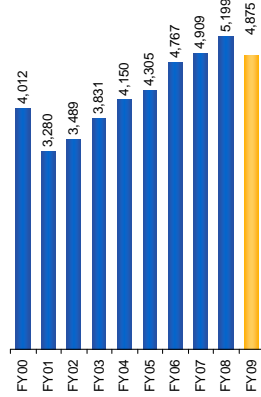


Source: ABS

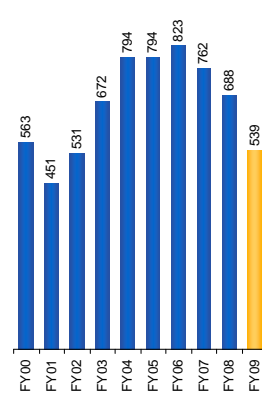


Sales, EBITDA and PAT have held up well despite Australian and US housing market declines

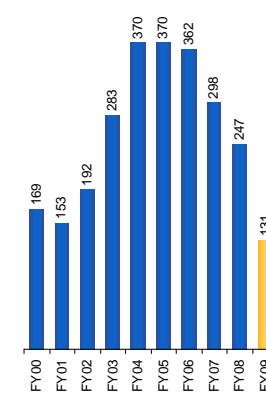
**Sales revenue
A\$m**



**EBITDA¹
A\$m**



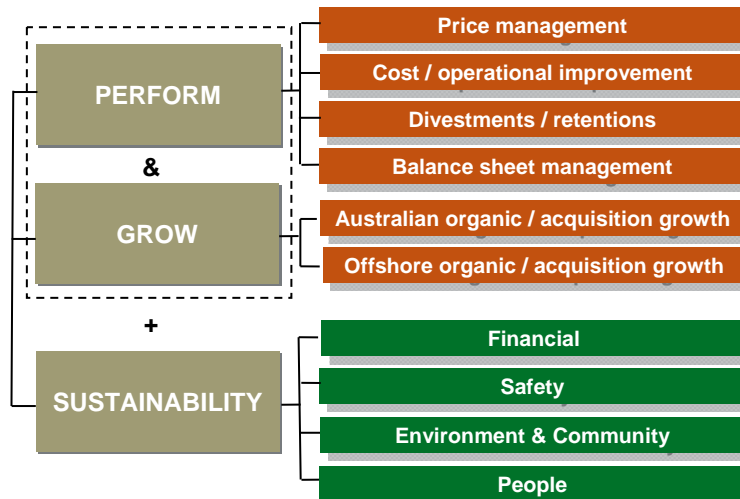
**Profit after tax¹
A\$m**



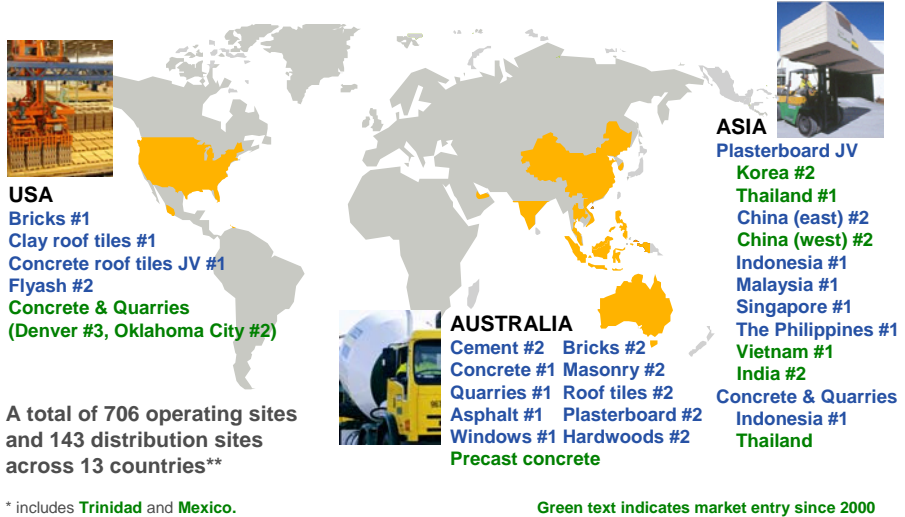
1. Excluding significant items. Note - FY05 result onward has been adjusted for adoption of A-IFRS



From “old Boral” to “new Boral” through a Perform & Grow strategy



Boral is Australia's largest building & construction materials supplier, with leading positions in the USA & Asia



Boral's Strategic Intent & Objectives

“Boral intends to be a value(s) and market driven, focused building and construction materials supplier operating in Australia and increasingly offshore”

Rod Pearse, October 1999

Objectives

- Exceed the weighted average cost of capital (WACC) through the cycle
- Deliver better financial returns than the competition in comparable markets
- Deliver superior total shareholder returns (TSR)
- **Achieve superior returns in a sustainable way**

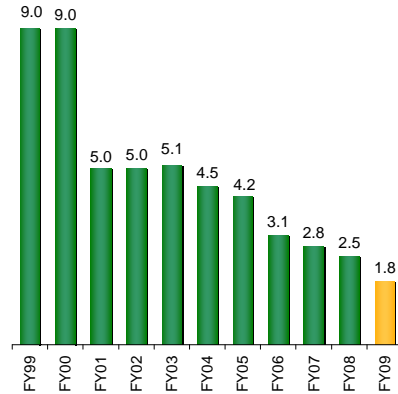


Delivered through a Perform & Grow Strategy



Boral's sustainability outcomes have continued to improve including safety performance

Lost time injury frequency rate (LTIFR)
(per one million hours worked)



Boral's 2009 Sustainability Report
www.boral.com.au/sustainability



Boral has been recognised as an industry leader

CARBON DISCLOSURE PROJECT

- Carbon Disclosure Project (CDP7)
Climate Change Leader

BEST IN CLASS
environmental and
social performance
STOREBRAND SRI



- Corporate Responsibility Index and
Leaders Network member



- 2009 Dow Jones Sustainability Index



- Member of the FTSE4Good Index

- EOWA Employer of Choice for Women

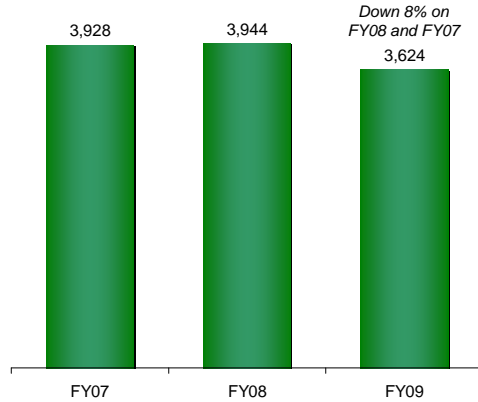
- Storebrand Investment "Best in Class"

- Climate Action Leader (California)



Boral has been preparing for a carbon emissions trading scheme and mandatory reporting of emissions

Boral's historic Greenhouse Gas emissions ('000 tonnes of CO₂)

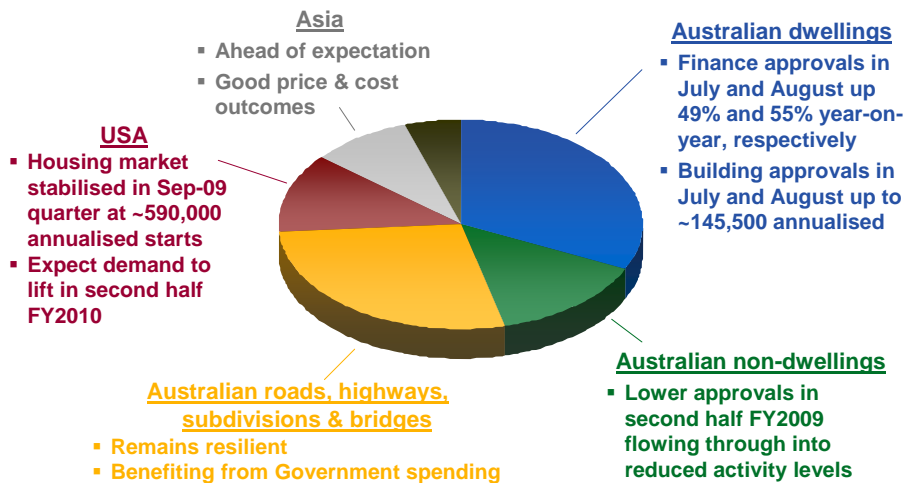


- Boral has been undertaking projects to reduce energy consumption and greenhouse gas emissions
- We have forecast Boral's future emissions and identified further abatement opportunities
- Some concerns remain around the proposed Carbon Pollution Reduction Scheme (CPRS)

Refer to Sustainability Report for more information



Boral's market exposures based on FY2009 external revenues



Note - Includes revenues from Asian Plasterboard and MonierLifetile joint ventures which are equity accounted



Trading update and outlook

September 2009 quarter

- Market conditions experienced in second half FY2009 broadly continued
- No material lift in demand in Boral's businesses
- Concrete volumes down 13% year-on-year
- Positive pricing outcomes across the business; some pressure on cement pricing due to higher exchange rate
- Extensive cost reduction programs continuing

FY2010 Outlook

- Expect calendar year 2009 to be bottom of the cycle in USA and Australia
- Second half FY2009 market conditions to broadly continue in first half FY2010 but second half FY2010 activity levels should be stronger
- Sep-09 quarter earnings above expectation but too early to project earnings for FY2010



Formal Business



Item 1

Financial Reports



Item 2

Adoption of Remuneration Report



Resolution 2 – proxy votes

Adoption of Remuneration Report

For	266,044,018
Open	9,485,933
Against	19,384,978

% to be cast FOR the resolution*

93.4%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR



Item 3

Re-election of Director



Dr Ken Moss



Resolution 3 – proxy votes

Re-election of Dr Ken Moss

For	279,864,668
Open	9,618,446
Against	6,307,195

% to be cast FOR the resolution*

97.9%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR



Item 4

Proportional takeover approval provisions



Resolution 4 – Proxy votes

Proportional takeover approval provisions

For	283,719,480
Open	9,781,212
Against	1,701,525

% to be cast FOR the resolution*

99.4%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR



Item 5

Award of rights to Mark Selway, CEO designate



Initial LTI award to Mark Selway, CEO designate

Overview of grant of rights

Value of grant	Equal to 100% of CEO fixed annual remuneration of \$1.75 million
Award date	January 2010
Vesting period	Three years from November 2009 (in line with 2009 grant to senior executives)
Performance hurdle	Total shareholder return (TSR) compared with TSR of companies in the S&P/ASX 100
Testing period for performance hurdle	TSR between first date of vesting period and third, fifth and seventh anniversary of the first date of vesting period ¹

1. Share prices will be determined by reference to the volume weighted average share price during the 60 trading days prior to the relevant test date



Long term performance hurdle must first be satisfied

If at any time of the three test dates referred to, the TSR of the Company:	The percentage of rights which will vest is:
Does not reach the 50 th percentile of the TSRs of the S&P/ASX 100	0%
Reaches the 50 th percentile of the TSRs of the S&P/ASX 100	50%
Exceeds the 50 th percentile of the TSRs of the S&P/ASX 100 but does not reach the 75 th percentile	50%, plus 2% for every one percentile increase above the 50 th percentile
Reaches or exceeds the 75 th percentile of the TSRs of the S&P/ASX 100	100%



Resolution 5 – Proxy votes

Award of rights to Mark Selway, CEO designate

For	275,369,040
Open	5,387,499
Against	10,654,347

% to be cast FOR the resolution*

96.4%

* On basis open proxies in favour of Chairman of the Meeting are voted FOR



Boral



In response to the market downturn,
we are focused on lifting performance in the short-term
and better positioning Boral for the long-term

Annual General Meeting 2009

