

Build something great™



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6 May 2013

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

Dear Sir

We attach copies of slides being shown to members of the investment community during the Boral Construction Materials & Cement Investor Strategy Day being held today.

Yours faithfully

A handwritten signature in blue ink that reads "M. K. Taylor". The signature is fluid and cursive, with the first letters of each name being capitalized.

Margaret Taylor
Company Secretary

Boral Construction Materials & Cement Investor Strategy Day and Site Tour

6 – 7 May 2013



AGENDA



Time	Presentation	Speaker
Monday, 6 May 2013		
1.45pm	<i>Registration</i>	
2.00pm	Overview Boral's strategy and priorities	Mike Kane, CEO & Managing Director
2.30pm	Introduction and opening comments	Joe Goss, Divisional Managing Director, Boral Construction Materials and Cement
2.40pm	Boral Cement and Q&A	Ross Harper, EGM Cement
3.05pm	Major Projects and Q&A	Shane Graham, EGM Major Projects
3.30pm	<i>Afternoon tea break</i>	
3.45pm	Boral Construction Materials – Panel Presentations and Q&A	Steve Pyne, EGM Qld/NT Greg Price, EGM NSW/ACT Paul Dalton, EGM Vic/Tas/SA Wayne Manners, EGM WA
5.15pm	Concluding comments and logistics for site visit	Mike Kane & Kylie FitzGerald
5.30 – 6.00pm	<i>Drinks and canapes</i>	
Tuesday, 7 May 2013		
7.00am	Meet at 50 Bridge Street to board buses and depart at 7.15am for Peppertree and Marulan	
4.00pm	Return to 50 Bridge Street	



Trading Update and Commentary

Mike Kane, CEO & Managing Director

6 May 2013

BORAL

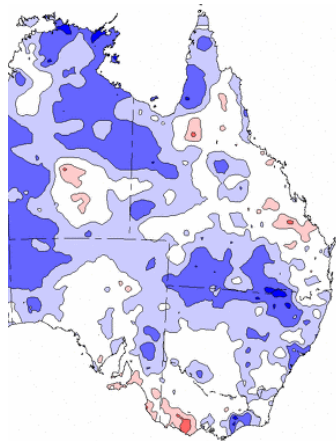
WEATHER IMPACTS IN EASTERN AUSTRALIA

Have impacted performance – benefits of below average rainfall in 1H FY2013 reversed in 3Q FY2013

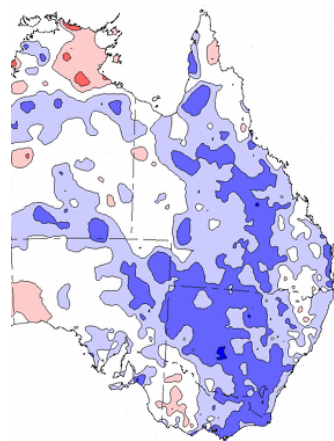


Rainfall in Eastern Australia

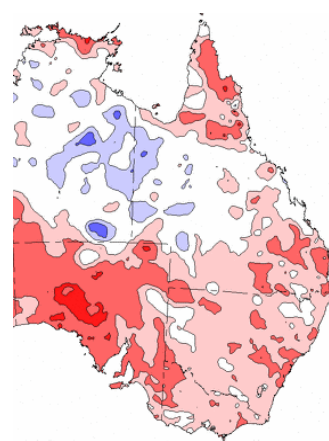
1H FY2012



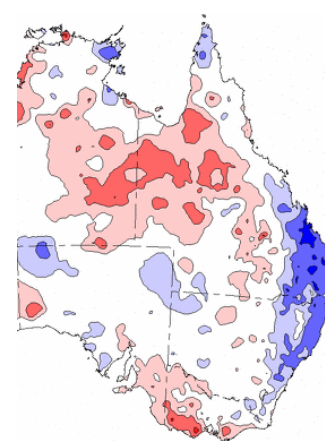
2H FY2012



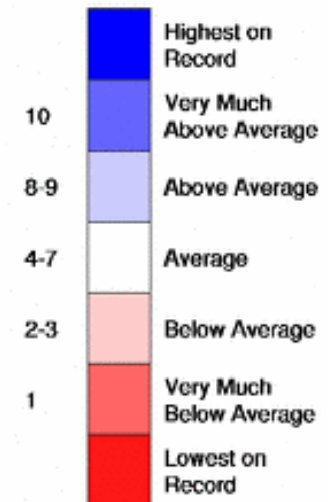
1H FY2013



3Q FY2013



Rainfall Decile Ranges



TRADING UPDATE - FY2013



- Weaker than expected results from **Construction Materials** and **Building Products** in 3Q
- **Construction Materials & Cement** impacted by poor weather in SEQ in 3Q, declining residential activity in Vic and major project delays in both Vic and SA; 3Q earnings \$19m below expectations
- Nevertheless, expect **Construction Materials & Cement** earnings improvement over the prior year due to Qld and WA LNG projects and overhead cost reductions
- **Building Products** benefitting from restructuring and cost reductions but experiencing a further decline in earnings from Timber (high A\$) and in WA (due to lower demand and pricing pressure)
- **FY2013 NPAT** before significant items expected to be in the range of \$90m - \$105m, assuming a further \$10m of property sales
- Focus remains on “Fix, Execute and Transform” strategy to improve performance



Overview of Boral's Strategy and Priorities

Mike Kane, CEO & Managing Director

6 May 2013

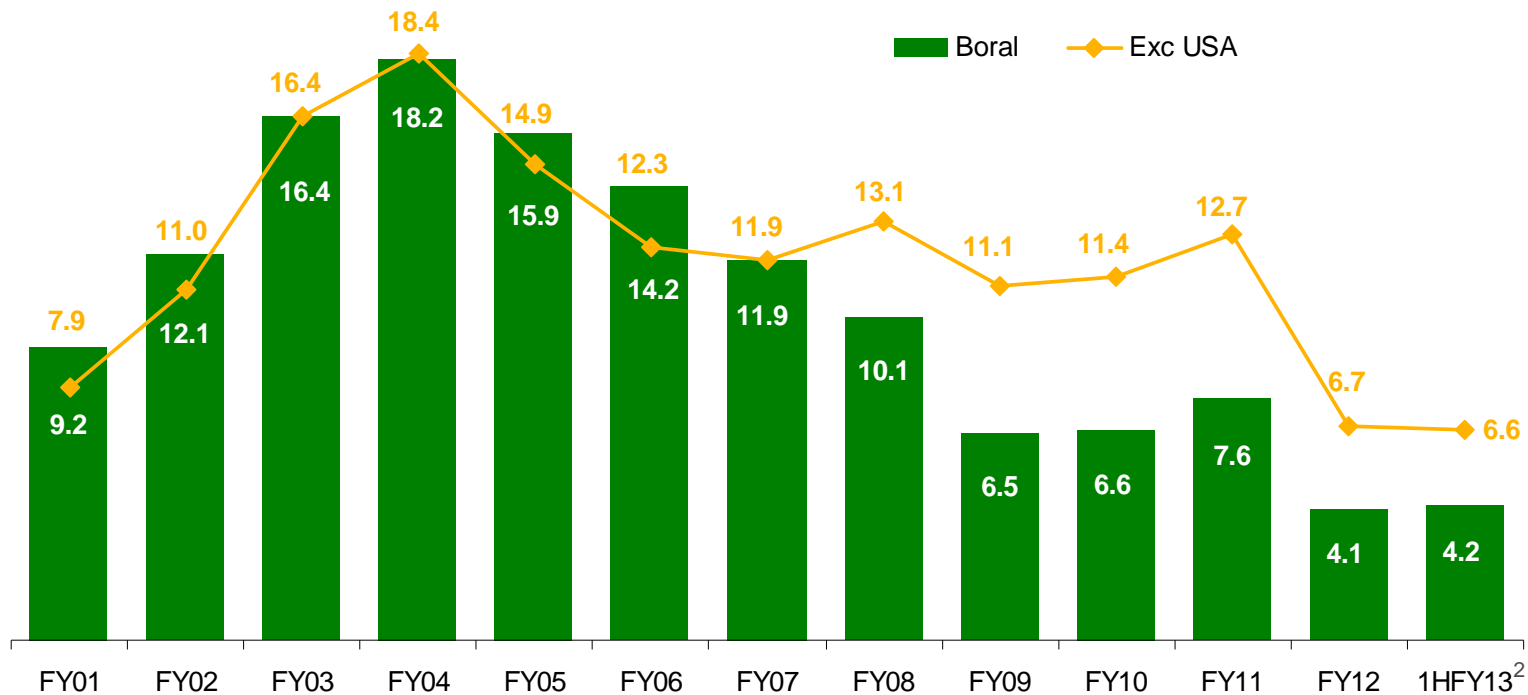
BORAL

RETURN ON INVESTED CAPITAL HAS BEEN TOO LOW

A performance turnaround is imperative to earn the right to attract future capital



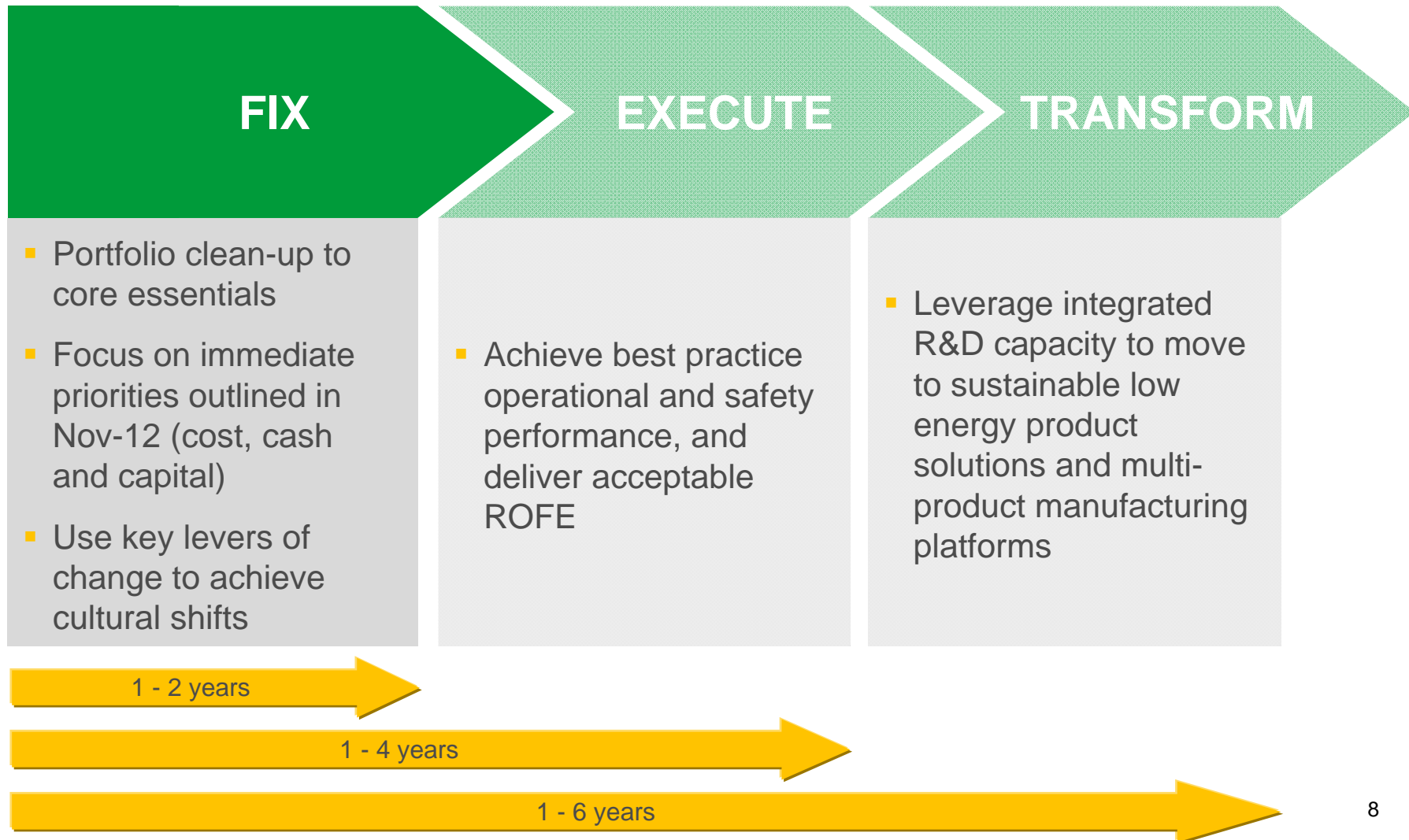
EBIT return on funds employed¹ %



- 1. Excludes significant items
- 2. Moving Annual Total



OUR CURRENT STRATEGIC FOCUS IS ON FIXING THE BUSINESS



STRATEGIC PRIORITIES

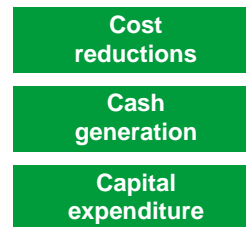


Portfolio Management



- Re-align portfolio to focus on more attractive markets with higher growth potential
- Rationalise capacity to mid-cycle demand

Immediate Priorities



- Deliver on immediate priorities outlined in Nov-12 to improve return on assets

Key Levers of Change



- Use key levers of change to achieve and maintain sector best performance

A FOCUS ON PORTFOLIO MANAGEMENT TO STRENGTHEN THE BUSINESS FOR THE FUTURE




	Divested	Acquired	Invested Capital	Rationalised
Construction Materials & Cement	<ul style="list-style-type: none"> ▪ Precast Panels businesses ▪ Formwork & Scaffolding ▪ Galong lime plant ▪ Construction Materials Indonesia and Thailand 	<ul style="list-style-type: none"> ▪ Wagners Qld quarries & concrete ▪ Sunshine Coast Quarries 	<ul style="list-style-type: none"> ▪ Peppertree Quarry Project 	<ul style="list-style-type: none"> ▪ Combined SA / Vic Construction Materials ▪ Ceased clinker production at Waurn Ponds ▪ Small/redundant sites closed/exited ▪ Closed Emu Plains depot
Building Products	<ul style="list-style-type: none"> ▪ East Coast Masonry 		<ul style="list-style-type: none"> ▪ WA Masonry ▪ Darra Bricks 	<ul style="list-style-type: none"> ▪ Qld roofing closed ▪ Plywood business closed ▪ Brick capacity ↓37% ▪ Clay & Concrete structure removed ▪ Nowra and Newcastle windows and Batemans Bay timber mill closed
Boral Gypsum		<ul style="list-style-type: none"> ▪ LBGA – remaining 50% ▪ Shandong plant, China 	<ul style="list-style-type: none"> ▪ New lines – Cilegon, Chongqing, Ho Chi Minh ▪ Port Melbourne upgrade 	
Boral USA	<ul style="list-style-type: none"> ▪ Masonry plant – Colorado 	<ul style="list-style-type: none"> ▪ MonierLifetile – 50% ▪ Cultured Stone – 50% 	<ul style="list-style-type: none"> ▪ Bessemer – commercial brick 	<ul style="list-style-type: none"> ▪ 11 brick plants closed; 4 mothballed

BORAL'S DIVISIONS HAVE BEEN RE-STRUCTURED & SIMPLIFIED REFLECTING THE PORTFOLIO CHANGES




Mike Kane
CEO & Managing Director



Joseph Goss
Divisional Managing Director

Boral Construction Materials and Cement


- Quarries
- Concrete
- Asphalt
- Property
- Cement
- Concrete Placing



Darren Schulz
Executive General Manager

Boral Building Products


- Bricks
- Roofing
- Masonry (SA & WA)
- Timber
- Windows



Frederic de Rougemont
Divisional Managing Director

Boral Gypsum

- Asia
- Australia



Al Borm
President & CEO

Boral USA

- Cladding (Bricks & Stone)
- Roof Tiles
- Fly Ash
- Construction Materials

BORAL'S PORTFOLIO

Presents opportunities in construction materials & cement in Australia, gypsum in Asia & Australia and cladding in the US



USA:

- Cladding (Bricks, Stone, Trim)
- Roof Tiles
- Fly Ash
- Construction Materials (COL & OKL)

“Emerging from the US downturn with a strengthened leading position in building products”

Gypsum:

- Asia
- Australia

“Arguably the best gypsum position in the world’s highest growth market”

Australia:

- Quarries
- Concrete
- Asphalt
- Cement
- Bricks
- Roofing
- Masonry
- Windows
- Timber

“A well-positioned concrete and asphalt network pulling through valuable quarry resources and cement supply”

SIGNIFICANT PROGRESS MADE IN ACHIEVING IMMEDIATE PRIORITIES



	OBJECTIVES	ACHIEVEMENTS
Cost reduction	<ul style="list-style-type: none">▪ Realign overhead costs & organisation structure to reduce the burden on Boral's businesses and create a more streamlined organisation	<ul style="list-style-type: none">▪ 1,100 reduction in employees from restructuring, rationalisation and outsourcing initiatives including ceasing clinker manufacturing at Waurin Ponds
Cash generation	<ul style="list-style-type: none">▪ Generate \$200-\$300m from divestments and land sales in FY2013/14▪ Reduce inventory levels	<ul style="list-style-type: none">▪ \$90m in cash proceeds received in 1H FY2013 from non-core asset & property sales
Capital expenditure	<ul style="list-style-type: none">▪ Scrutinise, delay, reduce and prioritise capital expenditure▪ Manage capital assets to improve returns	<ul style="list-style-type: none">▪ SIB capex at 36% of depreciation in 1H FY2013▪ Growth capex limited to essential projects▪ Expect ~\$300m total capex in FY2013

CONTINUED FOCUS ON KEY LEVERS OF CHANGE



- Aiming for best practice **safety**, underpinning everything we do
- The Boral Production System is using **LEAN** to reduce waste and physical inventories and to increase output from a reduced footprint
- A 'One Boral' approach to **Sales & Marketing Excellence**
- **Innovation** to leverage Boral's brand and meet unmet customer needs
- **People engagement** at all levels supported by **leaders** who 'own the intent' of Boral's strategy



THE BORAL PRODUCTION SYSTEM

Will help Boral to deliver best practice safety outcomes, increased output, reduced wastage, lower inventory levels and added value to our supply chain

	FEATURES / TOOLKIT	CURRENT EXAMPLES
STEP 1	<ul style="list-style-type: none"> Shift start-up meetings Visual management (5S and 3C boards) Standard work and Gemba Functional support and audits 	<ul style="list-style-type: none"> Quarry, asphalt and concrete plants
STEP 2	<ul style="list-style-type: none"> Problem solving (fishbone diagrams, war rooms) FMEA, SMED, TPM¹ Engagement from the entire workforce 	<ul style="list-style-type: none"> Timber plants Maldon cement works Brick, roofing and masonry plants
STEP 3	<ul style="list-style-type: none"> Move from tools to flow e.g. PULL Need solid foundations in Steps 1 and 2 	<ul style="list-style-type: none"> Cement bagging operations Pinkenba and Camellia plasterboard plants Roofing business and Victorian brick plants
STEP 4	<ul style="list-style-type: none"> Higher order applications, e.g. re-design manufacturing and processes, new product development 	<ul style="list-style-type: none"> Boral Composites Incorporated (BCI), USA

Reduced corporate direction setting/auditing – increased focus on outcomes/performance

1. FMEA: Failure Modes Effects Analysis, SMED: Single Minute Exchange of Dies, TPM: Total Productive Maintenance

Boral Construction Materials & Cement Investor Strategy Day and Site Tour (Part 2)

6 – 7 May 2013



AGENDA



Initial impressions and overview of Boral CM&C

Joe Goss

Cement

Ross Harper

Major Projects

Shane Graham

Queensland / Northern Territory Construction Materials

Steve Pyne

New South Wales Construction Materials

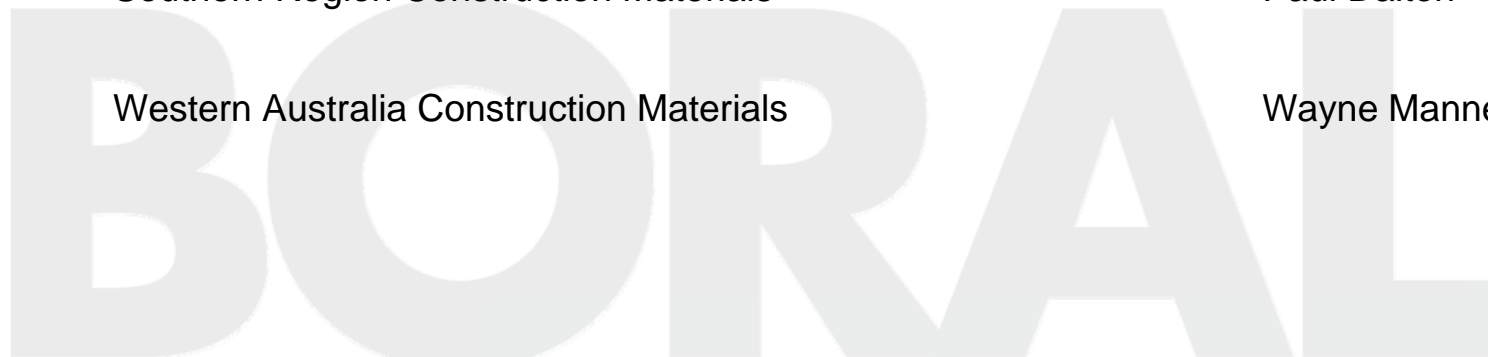
Greg Price

Southern Region Construction Materials

Paul Dalton

Western Australia Construction Materials

Wayne Manners



Boral's new integrated Construction Materials & Cement division



Joe Goss
Divisional Managing Director

Steve Pyne
EGM
BCM QLD/NT

Quarries
Concrete
Asphalt
Logistics



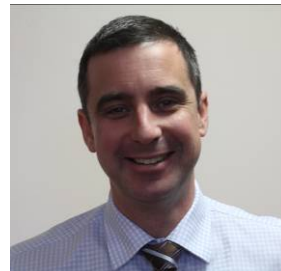
Greg Price
EGM
BCM NSW/ACT

Quarries
Concrete
Asphalt
Logistics



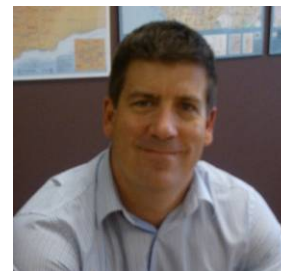
Paul Dalton
EGM
BCM Southern Region

Quarries
Concrete
Asphalt
Logistics
Waste



Wayne Manners
EGM
BCM WA

Quarries
Concrete
Asphalt
Logistics



Shane Graham
EGM
Major Projects

Major Projects



Ross Harper
EGM
Boral Cement

Cement
Lime
DeMartin &
Gasparini

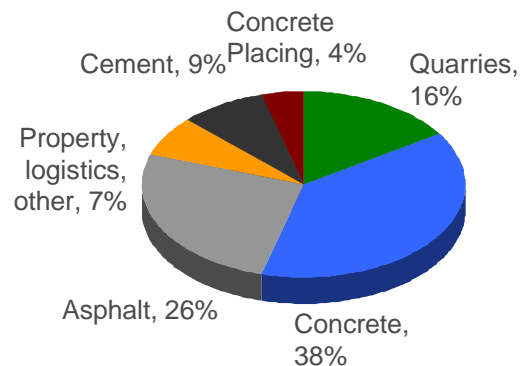


A strong locally based business well positioned for the future

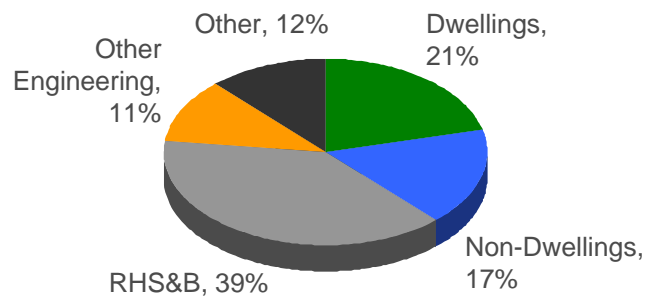


- *The only fully integrated construction materials participant*
- *Diversified revenue base and market exposure*
- *Large footprint concentrated in key east coast markets*

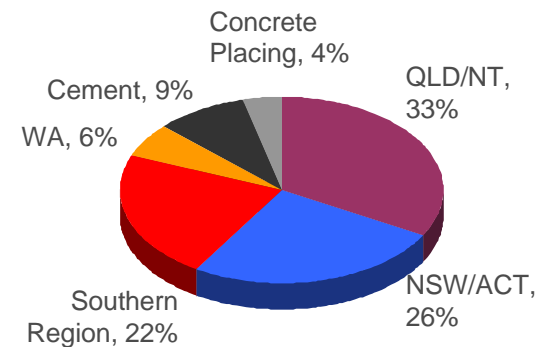
CM&C external revenue by business¹



CM&C external revenue by end market¹



CM&C external revenue by region¹



External Revenue¹ = \$1,659 m



There are some clear priorities for the CM&C division to focus on and fix

FIX

Safety

- Engaging people
- Developing frontline management

Performance

- Variation within and across businesses

Pricing

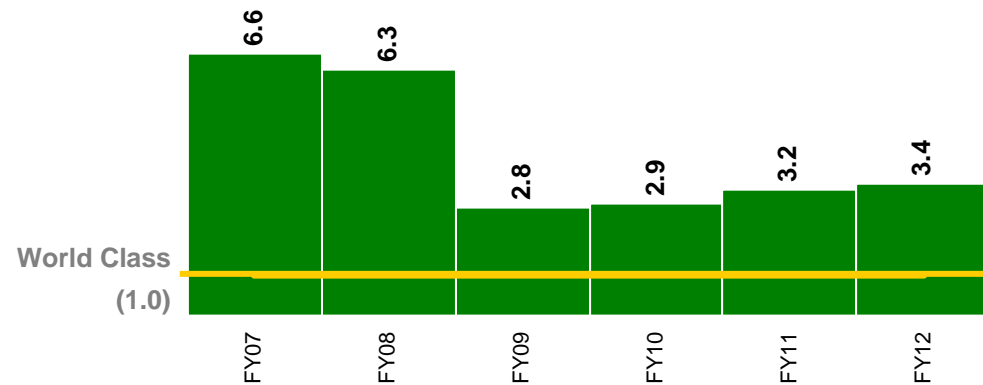
- Cement pricing a priority
- Concrete market challenging

Costs

- Good progress made to date
- More opportunities

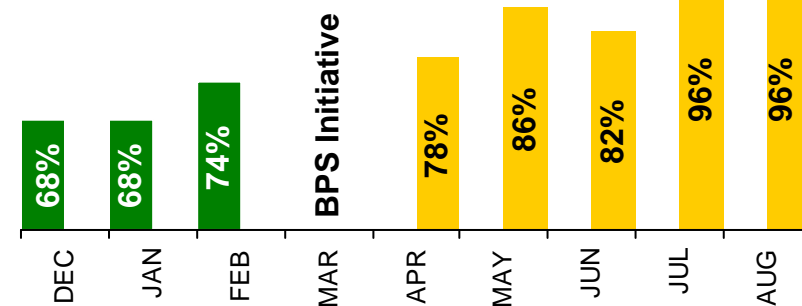
Safety Performance – LTIFR (CM&C)

~18m total hours



Tangible benefits from the Boral Production System

Example of OEE¹ improvement from a site-based BPS initiative



1. Overall equipment effectiveness

AGENDA



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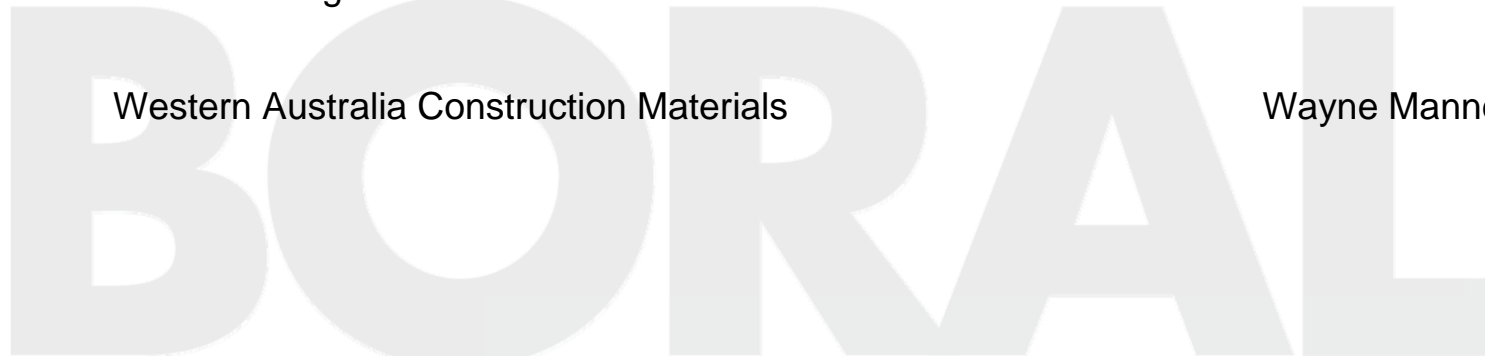
Greg Price

Southern Region Construction Materials

Paul Dalton






Western Australia Construction Materials

Wayne Manners





A full suite of bulk and packaged products within the Cement, Lime and Concrete Placing business

	Cement	Cement	Cement	Limestone & Lime	Concrete Placing
					
	Berrima, NSW	Wauran Ponds, VIC	Maldon, NSW	Marulan, NSW	DeMartin & Gasparini
Assets	<ul style="list-style-type: none"> ▪ Kiln 6: Dry process (1,400kt clinker) ▪ Cement Mill 6: (800kt) ▪ Cement Mill 7: (800kt) 	<ul style="list-style-type: none"> ▪ Kiln (suspended): Dry process (675 kt) ▪ Cement Mills: (750 kt) 	<ul style="list-style-type: none"> ▪ Kiln 3: Wet process (250kt clinker) ▪ Cement Mills (880kt) ▪ Packaging Plant (700kt) ▪ Blending Plant (320kt) 	<ul style="list-style-type: none"> ▪ Limestone Quarry: >40 years reserves ▪ Lime Kiln (130kt) 	<ul style="list-style-type: none"> ▪ 34 Concrete Pumps and Tower Booms
Products	<ul style="list-style-type: none"> ▪ Grey cement: Shrinkage Limited (SL) & High Early Strength (HES) 	<ul style="list-style-type: none"> ▪ Grey cement: General Purpose, HES and SL 	<ul style="list-style-type: none"> ▪ Bulk: Off-White ▪ Bagged: cements & dry-mixes 	<ul style="list-style-type: none"> ▪ Limestone: to Berrima, Maldon, external customers ▪ Lime: Quicklime, Hydrated Lime 	<ul style="list-style-type: none"> ▪ Concrete pumping and placing

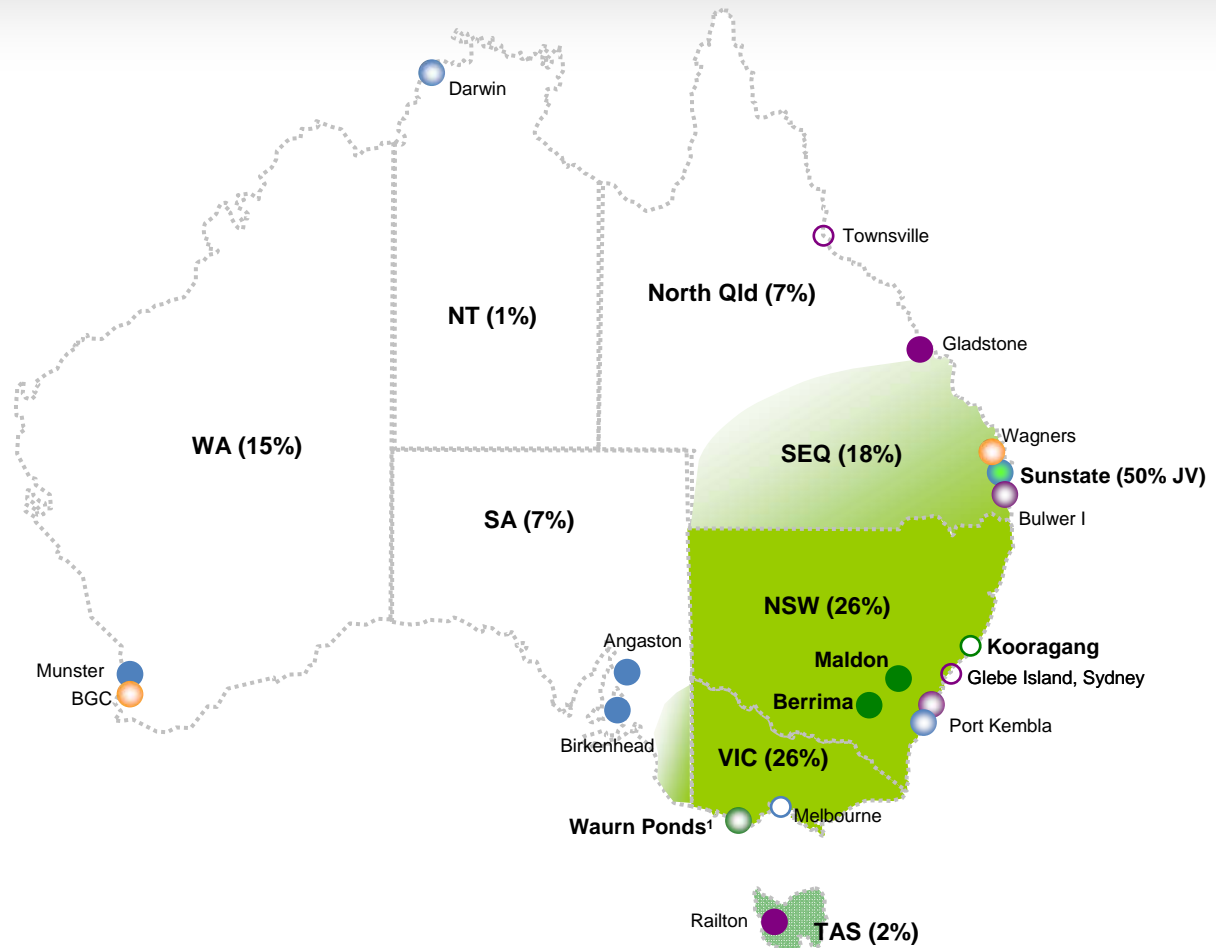
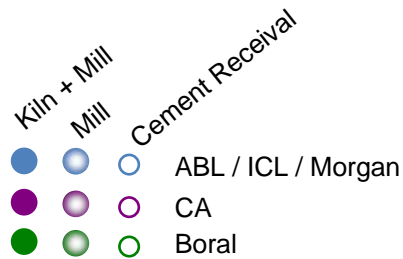


Boral has a direct supply presence in over two-thirds of the Australian cement market

Australian Cement Participation

Boral participation

- 3 kilns (1 suspended)
- 6 mills (1 mothballed)
- 1 clinker receival
- 1 cement receival
- 1 packaging plant



Converting Waurn Ponds to clinker imports will avoid escalating input costs

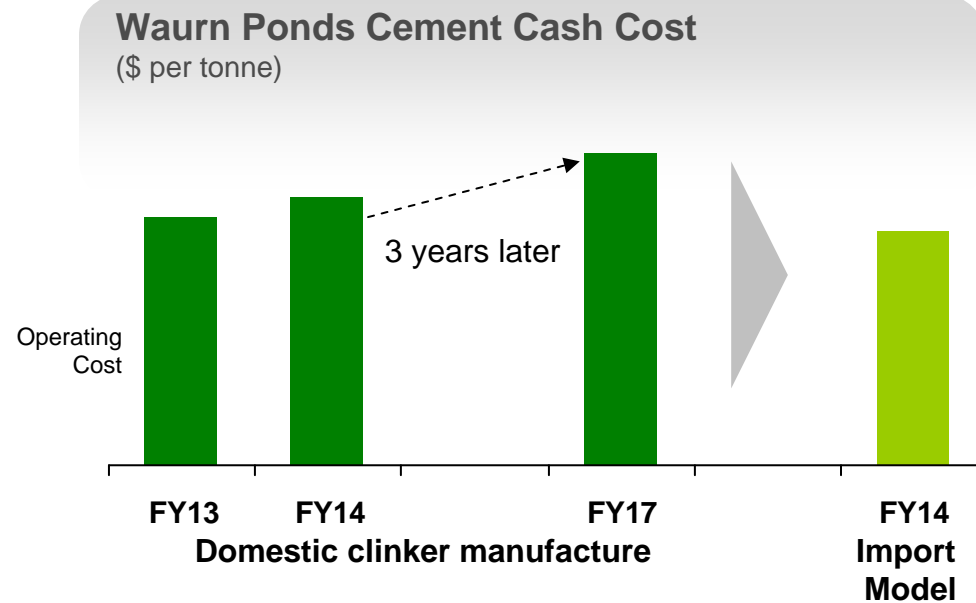
Rationale for clinker suspension:

1. Low clinker import costs

- Strong \$A
- Moderately low clinker costs
- Low shipping costs

2. High domestic production costs

- Increasing limestone costs
- Rising energy costs: gas, electricity, carbon
- Relatively high fixed costs from sub-scale capacity

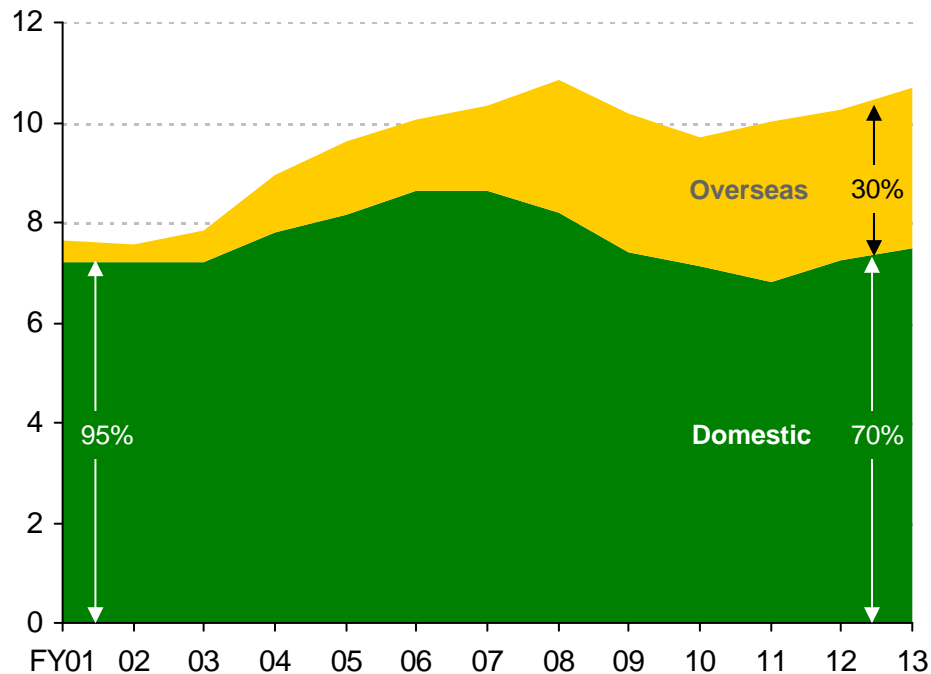


New portside hoppers at Geelong



Boral's transition to imports in Victoria is consistent with structural changes to the Australian cement industry

Cementitious Production Volume by Source¹
(million tonnes per year)



A\$	0.53	0.52	0.59	0.71	0.75	0.75	0.79	0.91	0.74	0.88	1.00	1.03	1.04
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- Imports have grown over the last ten years to reach 30% of Australian supply (Boral Cement's import proportion now at ~30%)
- Asian spare capacity will likely be available at marginal cost over the medium-term
- Relatively high fixed costs are forcing the closure of sub-scale domestic kilns
- Capital costs will likely prevent domestic clinker capacity increase
- Weaker \$A won't necessarily reverse the import trend
- Under-utilisation remains a key risk for large-scale domestic kilns

1. Imports include cement, clinker and GBFS. Domestic includes clinker manufactured in domestic kilns and slag ex-Port Kembla. Assumes 1 t clinker = 1.1 t cement



Case Study: Innovation in cement product development for low carbon, high performance concrete products

Case Study: *New concrete formulations with significantly lower cement content and dramatically improved properties*

Situation: Portland cement production consumes energy and generates CO₂ emissions

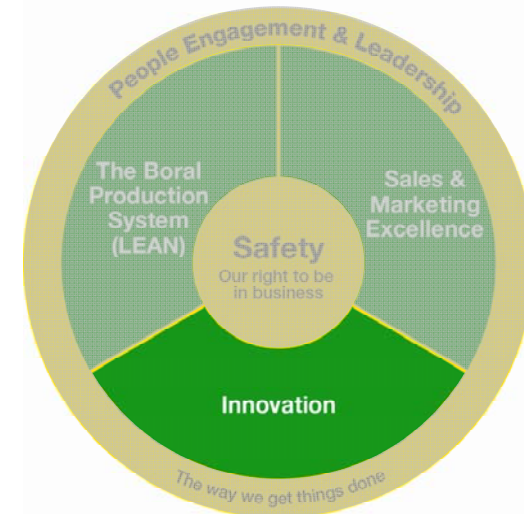
Replacing Portland cement in concrete with ground blast furnace slag reduces CO₂ emissions but results in lower concrete strength at early ages

A unique formulation has been developed to activate slag and enhance early strength in *ENVISIA*[™] concrete

Outcome: Field trials support the product performance targets for *ENVISIA*[™]:

- Half the Portland cement content with no impact on early strength, greatly improving construction cycle times in green building
- Half the drying shrinkage, allowing customers to reduce costs through optimised structural designs
- Significantly more durable than Portland concrete, further enhancing its value to customers

Benefit: Targeting a price premium and improved margins in several key segments



Field trials of *ENVISIA*[™] concrete for the Barangaroo Project

AGENDA



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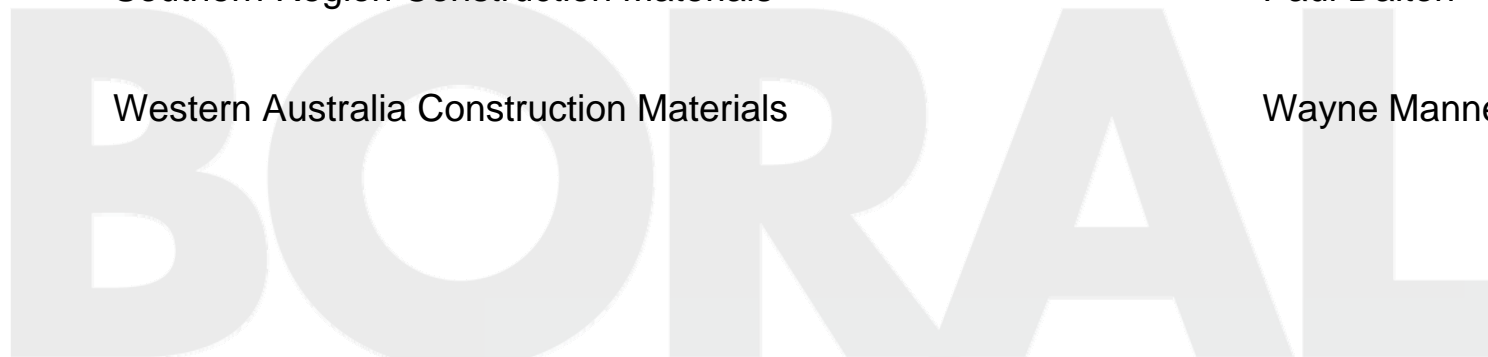
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Major projects provide revenue growth opportunities but need to be well managed

Major Projects can be:

- Higher risk and appropriately higher margins
- Resource intensive
- High volume, high productivity
- Technically more complex
- Revenue growth opportunities
- Distraction to base business



To manage these Boral has:

Supporting organisational structure

- Executive General Manager Major Projects
- National engineering resources
- Regional major project resources

Strict management and risk processes

- Contracting Standard Operating Procedure
- Bid and delivery governance processes
- Stage gates and formal reviews
- Established risk management process



Boral delivers successfully in the major projects segment by leveraging multiple capabilities

Leveraging existing customers

- Hold existing relationships with most customers in the segment
- Recognised as key provider in this space

Strong contracting capability

- Established risk assessment processes
- Strong project management capability

Ability to bundle

- Full range of construction materials can be offered
- Large footprint across Australia and ability to mobilise

Technical superiority

- Ability to provide innovative pavement and mix design alternatives
- R&D capability

Linking safety, lean & innovation

- Shared safety learnings across projects
- Established improvement culture
- Partnering approach to innovation



Boral provides tailored solutions for large scale, often remote, technically complex projects across Australia

■ Wheatstone LNG Facility (WA)

- Existing client relationship with Bechtel
- Leveraged existing sector experience
- Four (4) on-site concrete plants
- Project volumes of 360,000 cubic metres



■ Asia Pacific LNG, Queensland Curtis LNG, and Gladstone LNG (QLD)

- LNG processing facilities, concrete volumes in excess of 500,000 cubic metres
- Mobilised nine (9) on-site concrete plants to strict technical, safety and environmental standards





Boral provides tailored solutions for large scale, often remote, technically complex projects across Australia

- **Peninsula Link (VIC)**
 - 27 kms of freeway, 28 bridges
 - Bundled product solution (quarries & asphalt)
 - Provided on-site asphalt plant to minimise traffic movements
 - Managed peak demand requiring >10 asphalt crews

- **Port Botany (NSW)**
 - Secured critical volume
 - Provided guaranteed capacity with a clever dual concrete batch plant solution

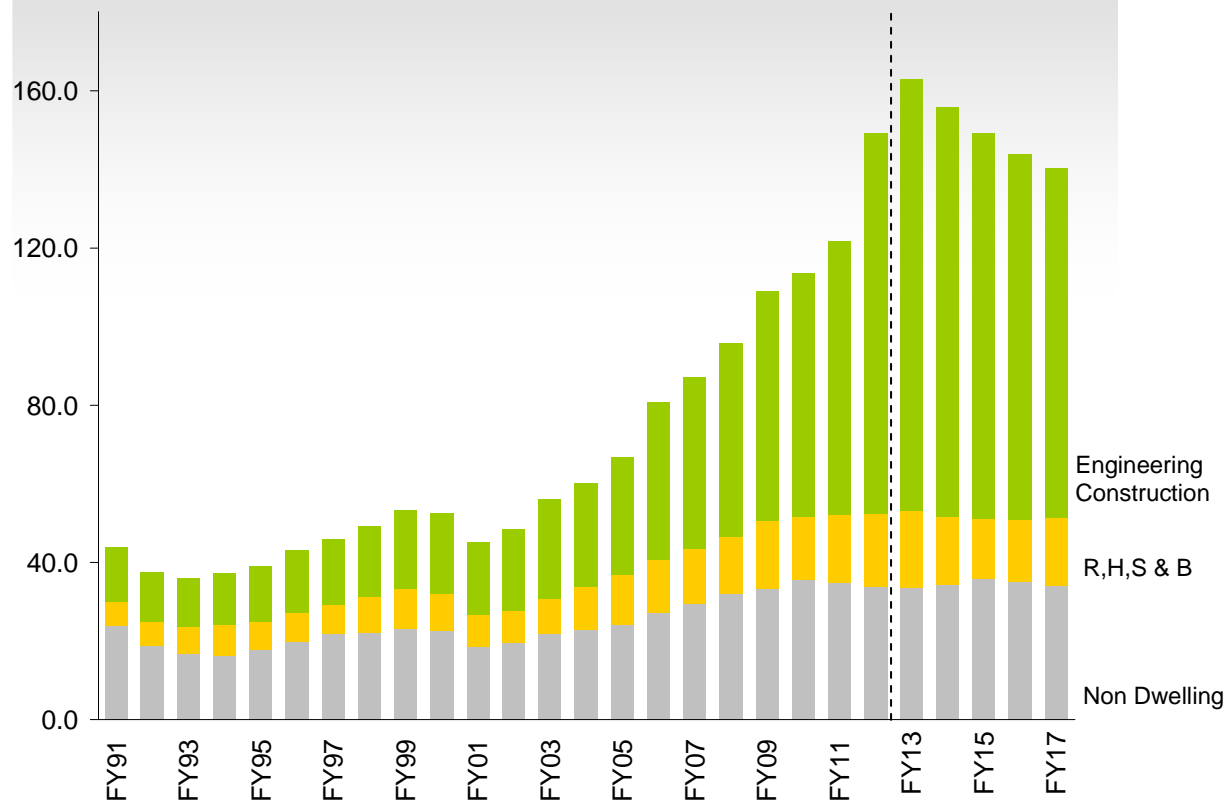
- **Barangaroo (NSW)**
 - Provided a mobile concrete plant solution to reduce traffic movements
 - Boral had the capability to deliver to complex technical requirements





The future pipeline for major projects is coming off the peak, but remains at a relatively high level

Australian Building Activity for Key Major Project Segments
Value of Work Done (VWD)
(\$09/10 billion)



Source: BIS Shrapnel

- Boral's major project capability provides exposure to a strong segment of the economy
- Attractive opportunities still exist despite activity coming off peak levels
- A selective approach to major project participation is critical to risk management

Major project opportunities are in the pipeline, offering the potential to continue the strong contribution post-LNG



Deloitte Access Economics Investment Monitor.

Company	Total cost \$m	State	Project	Start date	End date
Cortona Resources	240	New South Wales	New underground gold mine, Majors Creek, Dargues Reef, near Braidwood	Approvals granted, comm	2015
Newmont Mining Corporation	450	Northern Territory	Callie Deeps gold deposit deep shaft project - expansion of existing Tanami mine	Q4 2012 approved	na
Hancock Prospecting (21%) / GVK (79%)	6,900	Queensland	Alpha Coal Project (Stage 1): thermal coal mining project - includes 490km train line	Approvals granted, constr	2016
Rio Tinto	2,164	Queensland	Nammuldi iron ore mine expansion	Plans approved, end 2012	Q3 2014
Xstrata Coal Australia Pty Ltd	133	Queensland	Black Star open cut mine expansion, Mount Isa	Feasibility still underway,	2016
Woodside (33.34%) / BP (16.67%) / ChevronTexaco (16.67%) /	2,500	Western Australia	Greater Western Flank Project (Phase 1) - Goodwyn GH and Tidepole Fields	FID approved, possible 20	Early 2016
Silver Lake Resources (formerly a Phillips River Mining project)	na	Western Australia	Development of the Phillips River Project (Gold, Silver, Copper, Lead and Zinc), K1	2013	na
Hancock Prospecting	9,500	Western Australia	Roy Hill 1 iron ore project: includes 300km rail line to Port Hedland and new bert	2012	2014
Fortescue Metals Group Ltd	220	Western Australia	Cloudbreak iron ore mine expansion, Chichester Hub	Contract awarded	na
	22,107		TOTAL COMMITTED MINING PROJECTS		
AGL Ltd / First Solar	450	New South Wales	Solar farm at Broken Hill and Nyngan	2014	2015
TRUenergy	280	New South Wales	Marulan Gas Turbine Facility (stage 1), 40 km NE of Goulburn, NSW	Plans approved, Q4 2012 :	2014
Powerlink Queensland	156	Queensland	Columboola to Western Downs Network Augmentation	Late 2012	2014
Powerlink Queensland	34	Queensland	Collinsville Substation replacement	2013	2015
SUDAW Developments	1,300	Queensland	Connors River Dam and Pipelines Project - includes 133km pipeline	Q1 2013	Early 2014
Gladstone Area Water Board	52	Queensland	Upgrades to Awoonga Dam, including an offline storage and repump station and	2013	2015
Suzlon Group	1,300	South Australia	Wind farm development (600 MW), Yorke Peninsula	Funds committed, possibl	End 2015
Investec Bank Limited	900	South Australia	Hornsedale Wind Farm (315 MW), north of Jamestown	Approvals granted for a Er	Early 2015
Meridian Energy	260	Victoria	131 megawatt wind farm in Victoria	Dec-12	Q4 2014
	4,732		TOTAL COMMITTED ENERGY PROJECTS		
Australian Rail Track Corporation Ltd	1,100	New South Wales	Upgrades to the Northern Sydney Freight Line between North Strathfield and Ne	2012 start	2016
QLD Dept of Transport and Main Roads	96	Queensland	Pacific Motorway, Worongary-Mudgeeraba, widen 4 to 6 lanes	Early 2013	Early 2015
QLD Dept of Transport and Main Roads	31	Queensland	Townsville Ring Road	2011	2014
Australian Transport & Energy Corridor	1,000	Queensland	Construction of an inland railway from Surat coal basin to the Port of Gladstone	Construction to commenc	2014
Far North Queensland Ports Corporation Ltd	23	Queensland	Cairns Cityport Foreshore development	2013	na
VicRoads	42	Victoria	Western Highway Duplication - Beaufort to Buangor	2013	2014
Sydney Ports Corporation	32	Victoria	Somerton Intermodal Terminal	Pushed back to 2013	2014
	2,324		TOTAL COMMITTED TRANSPORT INFRASTRUCTURE PROJECTS		

Boral will continue to refine and develop its major projects capability to adapt to the market and increase profitability



Major projects...

- Delivers earnings that supplement the traditional housing cycle
- Maximise value from key assets and resources
- Provide a source of substantial intellectual property
- Reward scale, capability and experience
- Build reputational equity

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Initial impressions and overview of Boral CM&C

Joe Goss

Cement

Ross Harper

Major Projects

Shane Graham

Queensland / Northern Territory Construction Materials

Steve Pyne

New South Wales Construction Materials

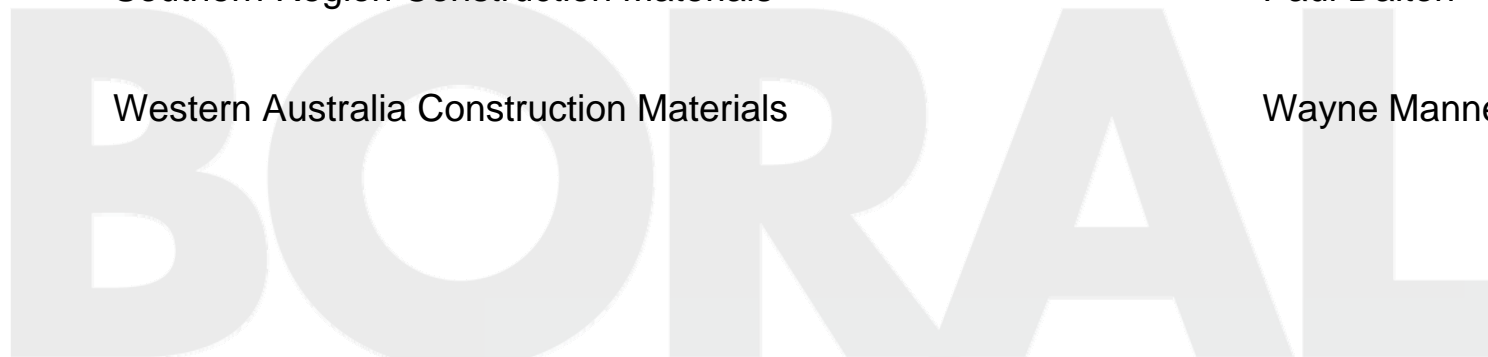
Greg Price

Southern Region Construction Materials

Paul Dalton

Western Australia Construction Materials

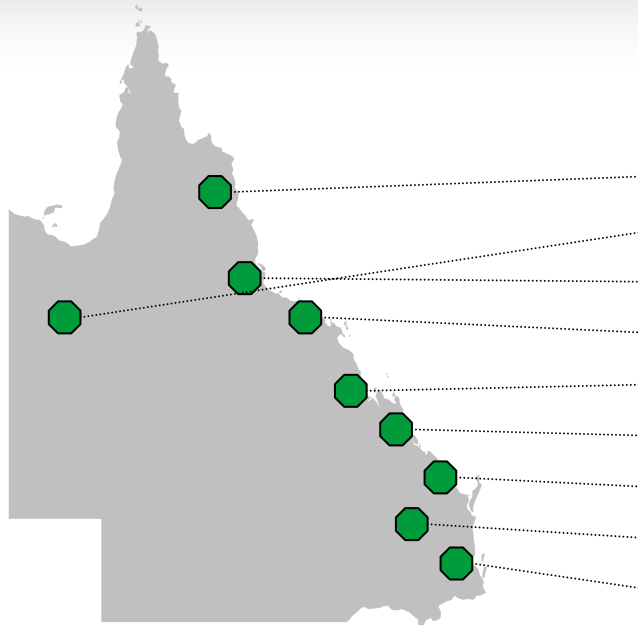
Wayne Manners



Business has integrated exposure in all key QLD/NT markets and segments



Queensland & Northern Territory Construction Materials



Queensland / Northern Territory				
Markets	Characteristic	QUA	CON	ASP
Cairns	Tourism related	✓	✓	✓
Mt. Isa	Mining activity	✓	✓	✓
Townsville	Growing regional centre	✓	✓	✓
Mackay	Mining related growth	✓	✓	✓
Rockhampton	Mining related growth		✓	✓
Gladstone	LNG corridor	✓	✓	✓
Bundaberg	Population growth	✓	✓	✓
Surat Basin	Coal-seam gas corridor	✓	✓	✓
SEQ	Major metro market	✓	✓	✓
Northern Territory (Darwin)	LNG-related activity	✓	✓	

- 32 Quarries operations
- 71 Concrete operations
- 15 Asphalt plants

QUA: Quarries
 CON: Concrete
 ASP: Asphalt

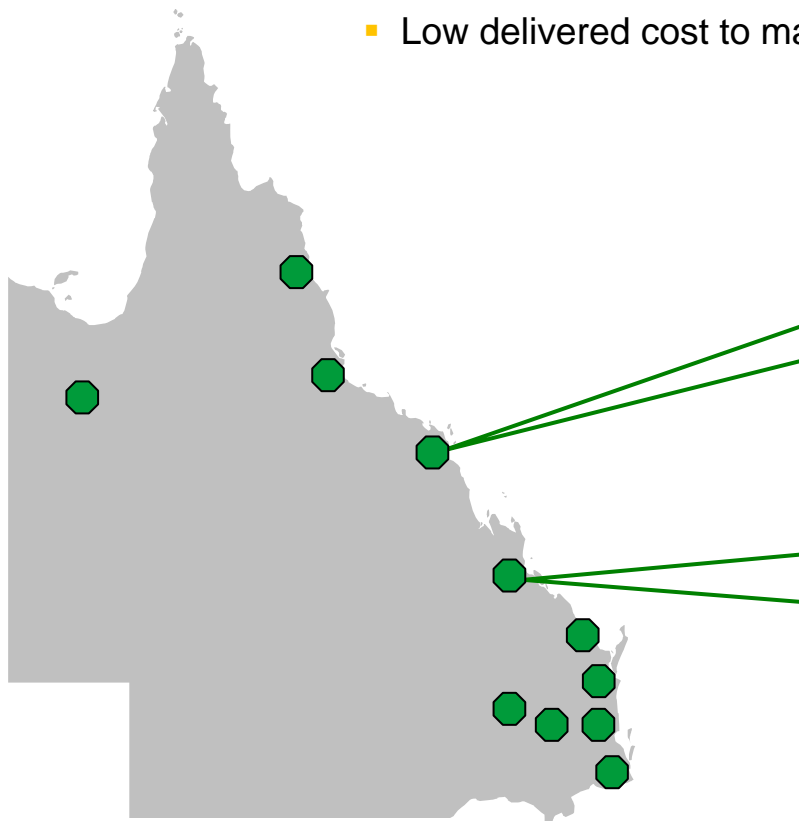
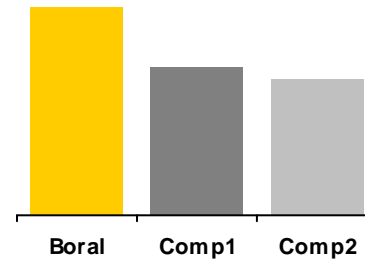


A market leading resource position in the key SEQ market, strong resource positions in regional markets

SEQ Resource Position

- Market leading reserve position
- Recent resource approvals – core expertise for business
- Low delivered cost to market

SEQ Reserves vs. Competitors¹



Mackay Quarry

- Close proximity to market
- Low cost operation with downstream Concrete and Asphalt operations
- High quality reserves



Gladstone Sand

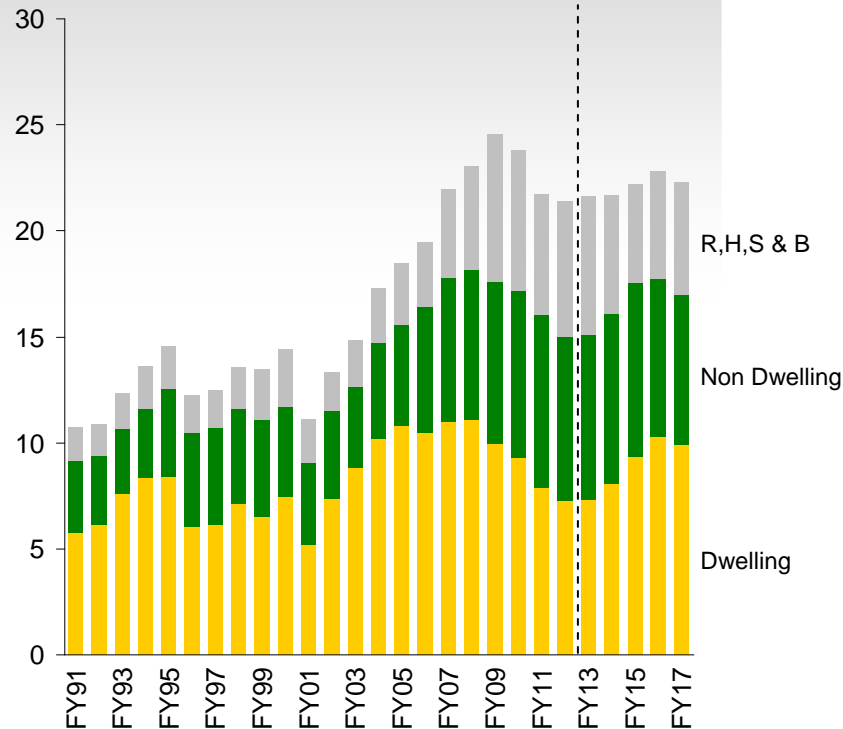
- Unique, high quality resource
- Key supplier to ongoing infrastructure development
- Close proximity to market
- Medium term reserves

¹ Source: Management Estimates



Market conditions in Queensland are flat with weak SEQ activity offset by stronger regional demand

QLD/NT Building Activity
Value of Work Done (VWD)
(\$09/10 billion)



Source: BIS Shrapnel

- SEQ market very challenging, some improvement in residential activity in CY14
- Regional demand positive due to resource development projects
- Flood recovery activity expected to continue to June 2014
- Size of road maintenance market expected to improve
- Broad market coverage positions Boral well for exposure to high activity areas

Case Study: Safety



Case Study: Safety as an enabler of employee engagement

Situation: Employee engagement on safety is essential to align values through the organisation

Boral's safety management system was overly complex and inhibited employee ownership of safety outcomes

Applying disciplines around world class safety and better engagement from top line management is aligning behaviour with expectations

Outcome: Employee ownership of safety outcomes

Engagement around safety is becoming a catalyst for change in other areas of the business

In an environment heavily focused on costs, employees feel empowered to put safety first



Employees at Whinstanes asphalt

The Wagners Construction Materials and Sunshine Coast Quarries acquisitions strengthen our SEQ market position



- Fundamentals remain strong
 - Integrated supply chain
 - Low cost resource positions in long term growth markets
 - Improved market position in SEQ
- Integration successful, synergies larger than anticipated
- Weather and depressed SEQ market have impacted SEQ outcomes
- Project activity providing opportunity in the Western Downs area, leveraging Boral's integrated position
 - Flood recovery spending (incl Warrego Highway Project)
 - Surat Basin opportunities





The Wagners acquisition has facilitated geographic expansion to leverage our integrated value offering

Warrego Highway Project

- Flood recovery project partnering with Seymour Whyte

- ~\$30m construction materials revenue

- Unique integrated construction materials offering enabled by acquisition
 - Quarry materials from Wellcamp Quarry (ex-Wagners)
 - Concrete from ex-Wagners plants
 - Asphalt major project team resourced from Brisbane utilising local asphalt market position

- Project typical of the opportunities in regional areas:
 - Broad network coverage provides exposure to key markets
 - Technical and Major Project capability is highly valued by our customers



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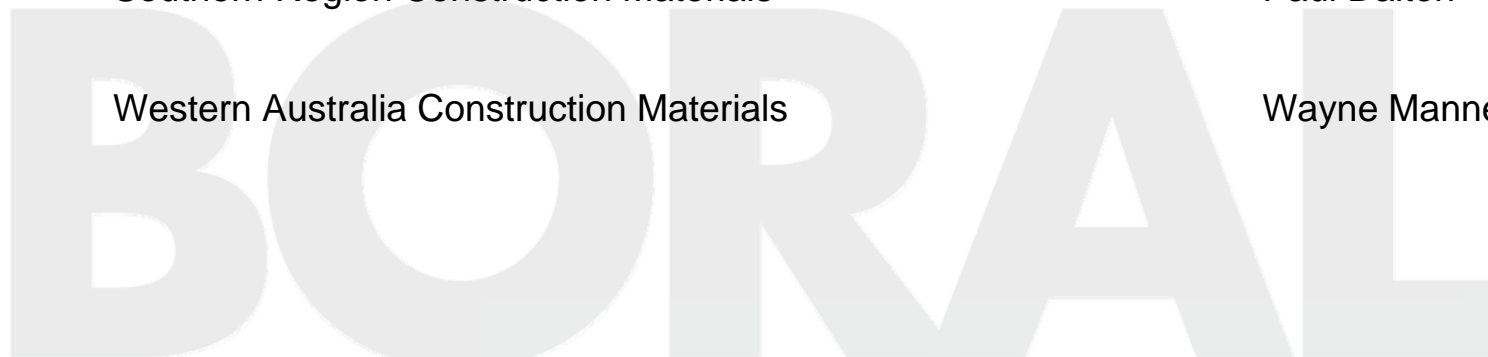
Greg Price

Southern Region Construction Materials

Paul Dalton

Western Australia Construction Materials

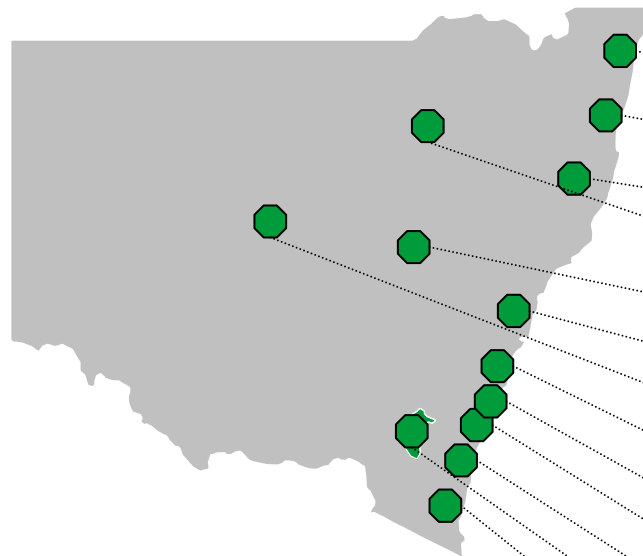
Wayne Manners



A large integrated footprint supplying key markets in NSW and ACT



New South Wales / ACT Construction Materials



New South Wales / ACT				
Markets	Characteristic	QUA	CON	ASP
Extreme Far North	Infrastructure investment / tourism	✓	✓	✓
Far North	Infrastructure investment / tourism	✓	✓	✓
Mid North Coast	Infrastructure investment / tourism	✓	✓	✓
North West	Dispersed market	✓	✓	
Central West	Dispersed market	✓	✓	✓
Hunter	Industrial & population growth	✓	✓	✓
Far West	Mining / agriculture infrastructure	✓	✓	
Central Coast	Long term residential and domestic tourism	✓	✓	✓
Sydney	Major metro market	✓	✓	✓
Illawarra	Long term residential	✓	✓	✓
South Coast	Low growth, residential	✓	✓	
ACT	Metro market	✓	✓	✓
Far South	Long term residential / retirement	✓	✓	

- 35 Quarries operations
- 99 Concrete operations
- 14 Asphalt plants

QUA: Quarries

CON: Concrete

ASP: Asphalt 28

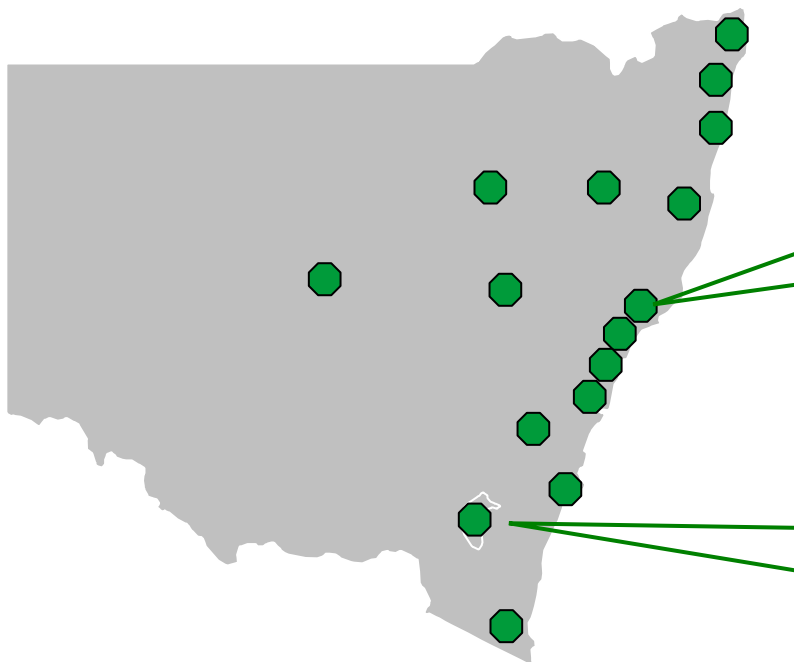
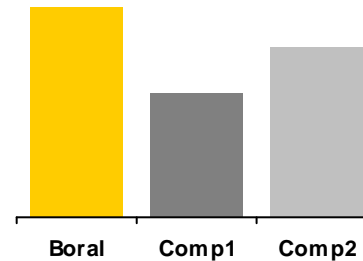
Construction Materials NSW has superior resource positions in key markets



Sydney Metro Reserves Position

- Leading reserve position
- Peppertree replacing PLDC
- Natural and manufactured sand positions

SYD Reserves vs. Competitors¹



Hunter Quarries

- Exposure to Major Infrastructure Projects
 - Coal Support Infrastructure and Public Infrastructure
- Only business with hard rock, natural sand and recycling positions



ACT Quarries

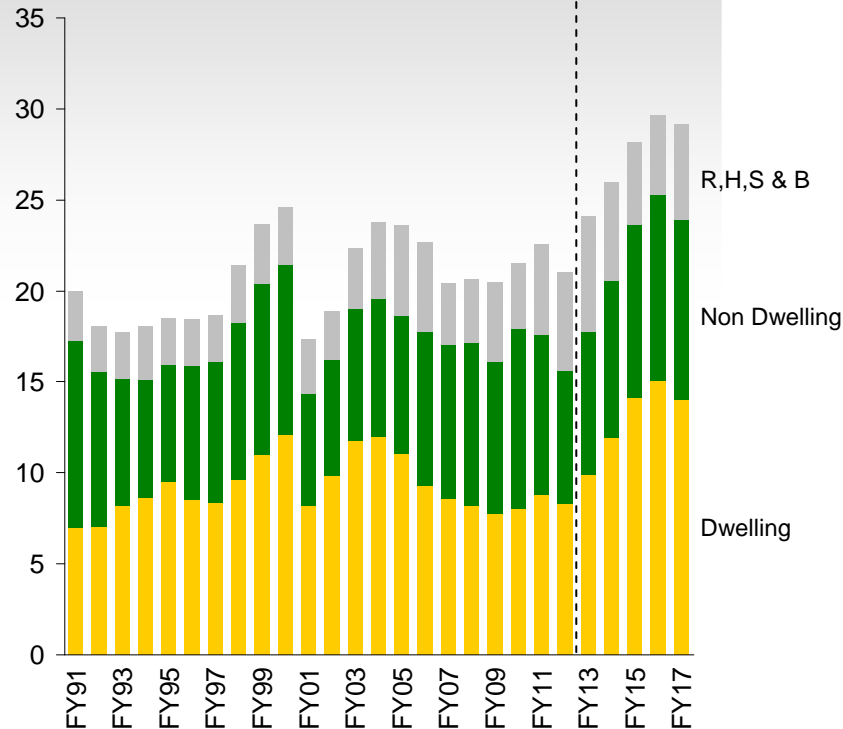
- Geographic advantage (north and south)
- Asphalt, Concrete, Recycling and Quarry co-located
- Counter-cyclical market

¹ Source: Management Estimates



Activity in New South Wales is improving

NSW Building Activity
Value of Work Done (VWD)
 (\$09/10 billion)



Source: BIS Shrapnel

- Sydney market improving through multi-residential housing & infrastructure
- Underlying regional markets remain soft and challenging
- Regional growth opportunities mainly infrastructure and project-related in the near term
- Portfolio is positioned to maximise exposure to attractive markets

Case Study: Sales & Marketing Excellence



Case Study: *Providing a “One Boral” solution for a major home builder*

Situation: A major residential developer was developing 420 homes in Tamworth, NSW

Boral was able to provide a solution across multiple building products for the customer.

Outcome: Boral provided multiple product quotes for the customer including concrete, quarry materials, roofing, bricks, plasterboard and windows.

Stage One of the project has been completed with sales of concrete, quarry materials, roofing, and bricks, from Boral.

Concrete sales helped to maximise the integrated margin due to the pull-through from Boral Cement in NSW.



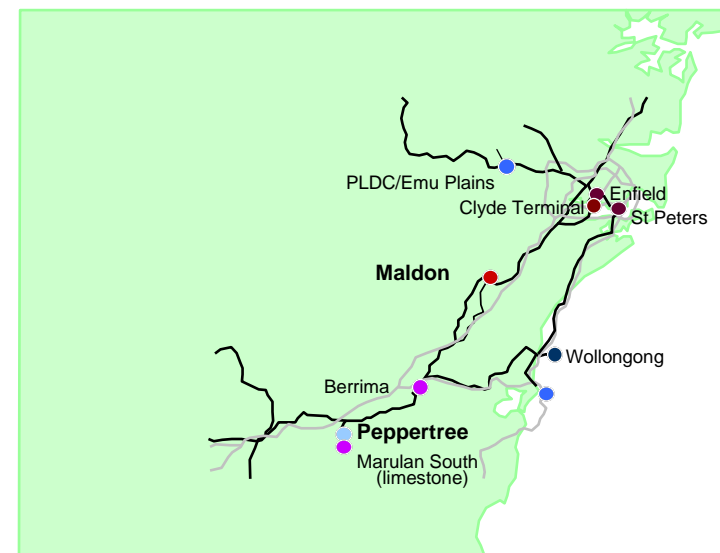
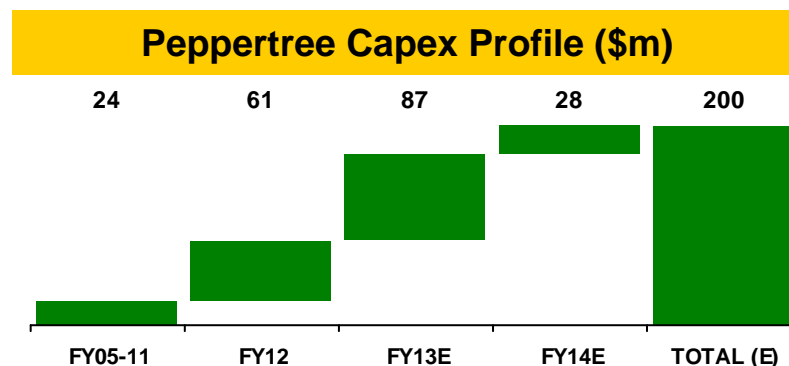
Source: www.itsyourlife.com.au



Investment in Peppertree Quarry is securing Boral's leading position in the Sydney aggregates market

Sydney Aggregates Project

- On track for commissioning by the end of 2013
- Peppertree Quarry
 - 82 million tonnes of proven and approved reserve
 - Plant initial capability of 2.7 million tonnes per annum scalable to 3.5 million tonnes per annum
- Integrated manufactured sand production to replace natural sand from PLDC
- Access to the Sydney market through Boral's well positioned rail terminal network; long term rail services agreement secured with Asciano (Pacific National)
- Leveraging synergies with Marulan South limestone quarry
- PLDC resource depletion scheduled for first half of 2015



Ongoing project activity in underlying markets



■ Sydney Airport

- Boral won the runway resurfacing work for a very demanding client
- Provided a safe solution to a technically complex project
- Completed project in 2012



■ Cadia

- Long term contract relationship with client
- Provided safety solution for underground delivery of concrete
- Fully integrated supply position



■ Barangaroo

- Secured long term volume on high profile project
- Provided a mobile concrete plant solution to reduce traffic movements
- Boral had the capability to deliver to complex technical requirements



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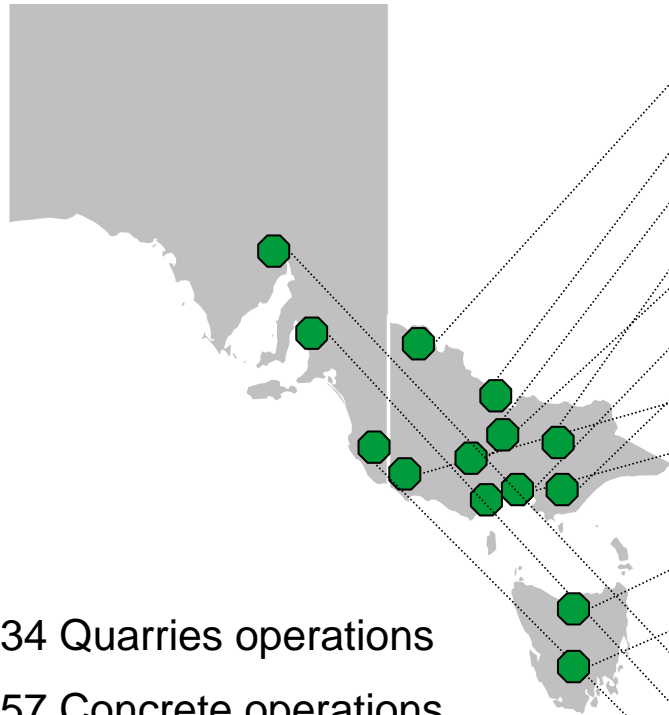
Western Australia Construction Materials

Wayne Manners



The consolidated Southern Region has a market leading, integrated footprint in key markets

Southern Region Construction Materials

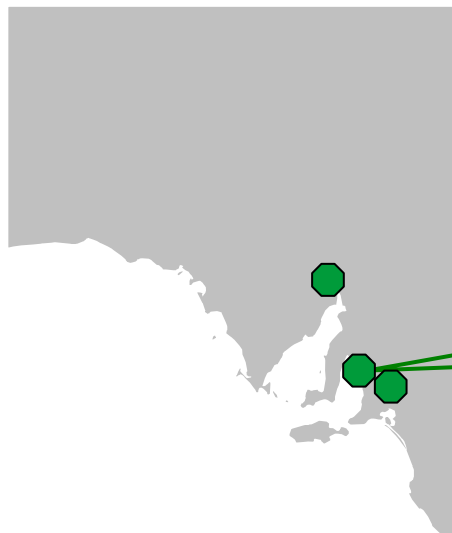


- 34 Quarries operations
- 57 Concrete operations
- 13 Asphalt plants

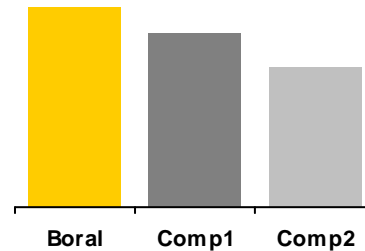
Victoria				
Markets	Characteristic	QUA	CON	ASP
Mildura	Smaller agricultural centre	✓	✓	
Albury-Wodonga	Large regional centre	✓	✓	
Bendigo	Growing regional centre	✓	✓	✓
Murray Goulburn	Medium-sized agricultural region	✓	✓	
Ballarat	Growing regional centre	✓	✓	✓
Melbourne	Major metro market	✓	✓	✓
LaTrobe Valley	Mixed industry, declining market	✓		✓
South West	Flat market, energy projects	✓	✓	
Geelong	Largest regional centre	✓	✓	✓
Tasmania				
Northern Tasmania	Service centre for agricultural activities	✓	✓	
Southern Tasmania	Seaport hub with project opportunities	✓	✓	
South Australia				
Markets	Characteristic	QUA	CON	ASP
Whyalla / Mining Belt	Mining project exposure	✓	✓	
Adelaide & Surrounds	Metro market	✓	✓	✓
Mt Gambier	Medium-sized regional centre	✓	✓	



The region has a leading resource position with long term, low cost quarries in metro markets

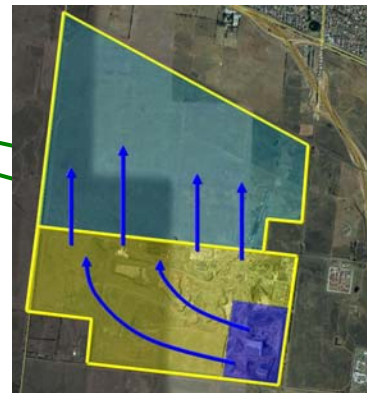


MELB Reserves vs. Competitors¹



Melbourne Metro Quarries

- Leading reserve position
- Strong footprint servicing industry leading integrated position



Deer Park

- Long term hard rock quarry supplying large downstream network
- Low cost, high volume operation
- Well positioned to supply Melbourne and north west growth corridor



Linwood

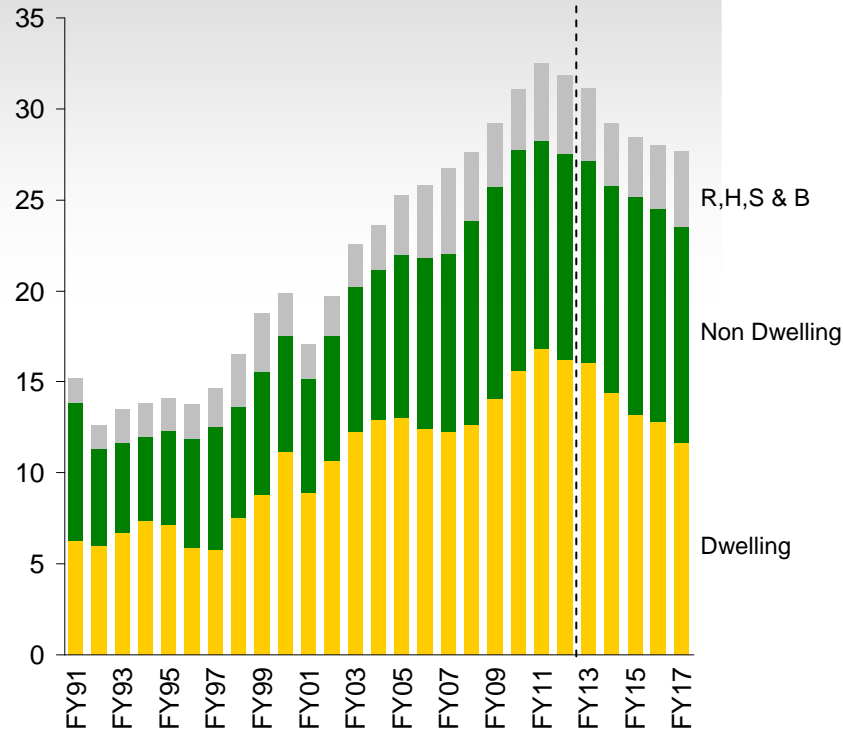
- Adelaide's largest aggregate quarry
- Long term, high quality reserves
- Low cost operation, high value product mix
- Good traction with Lean tool to improve operating efficiencies

¹ Source: Management Estimates



Activity levels in the Southern Region markets have softened from recent historically high levels

Southern Region Building Activity
Value of Work Done (VWD)
 (\$09/10 billion)



Source: BIS Shrapnel

- Consolidated outlook for building activity to soften from recent highs
- Melbourne and key regional markets expected to sustain volumes
- Activity in Adelaide expected to be flat due to slowing government spending and housing starts around long term average
- Tasmania outlook is stable, returning to long term averages after period of government infrastructure investment
- Business has been successful in securing supply to key projects in key markets

Case Study: Boral Production System



Case Study: *Applying the Boral Production System to improve working capital outcomes*

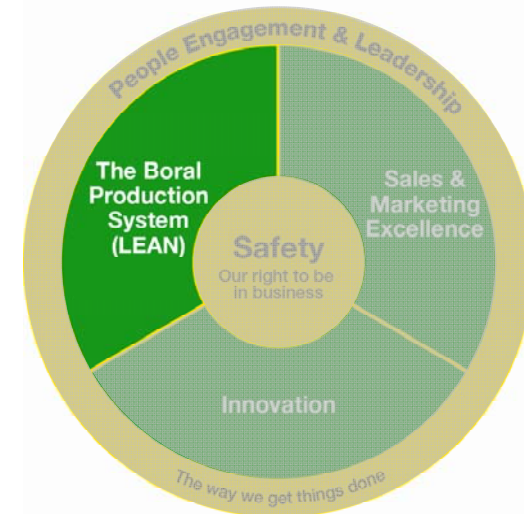
Situation: Quarry yields are driven by geology, the challenge for resource companies is to maximise saleable product

Key principles of balanced production and network optimisation are applied to minimise waste

Mixing of low value by-product further improves saleable yields

Outcome: Applying these principles to the Victorian Quarries business has reduced inventory by ~17%

Blending of low value products provides strong incremental revenue streams



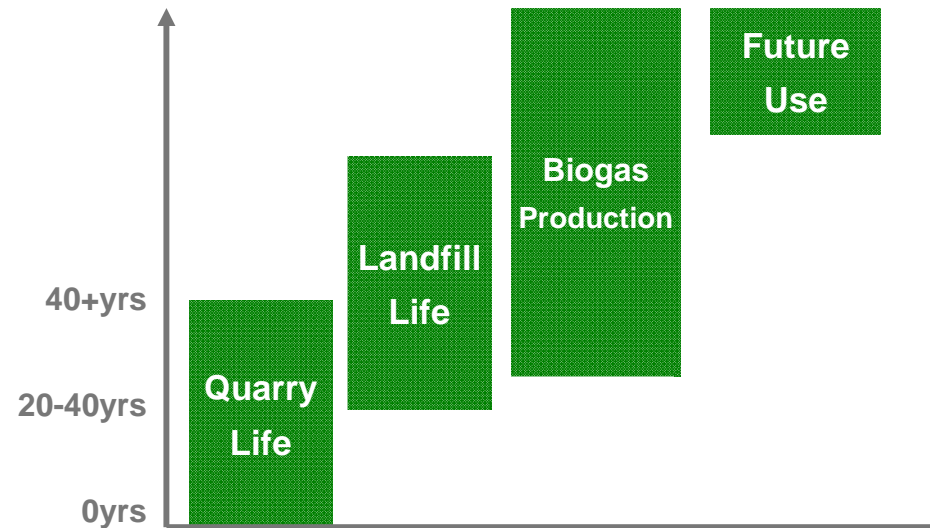


Landfill is a growing business that demonstrates our ability to extract maximum value from whole-of-life quarrying

Landfill

- Deer Park is the largest landfill in Victoria, as well as a renewable energy generator and green waste processor
- Maximising whole-of-life quarry use with extensive land buffers
- Less cyclical than traditional construction markets, providing a counter-balance to Boral's exposure to building cycles
- Low cost operation with excellent proximity to market
- Broad customer base including local government and commercial segments
- Four biogas to energy modules exporting electricity into the national grid. (approx. 4,000 homes 24/7)

Typical Lifecycle of Quarry-Landfill Operation



Deer Park landfill – New composite lined cell



The consolidation of the South Australian business into the Southern Region will reduce our fixed cost base

Southern Region consolidation

- Recent organisational review identified high fixed cost base in South Australia
- More than 30 roles to be removed prior to 30 June, primarily in management, finance and administration
- Regional sales presence been maintained to preserve customer relationships
- Consolidation allows stronger focus on national commercial objectives
- Lean tools essential to achieving smooth transition



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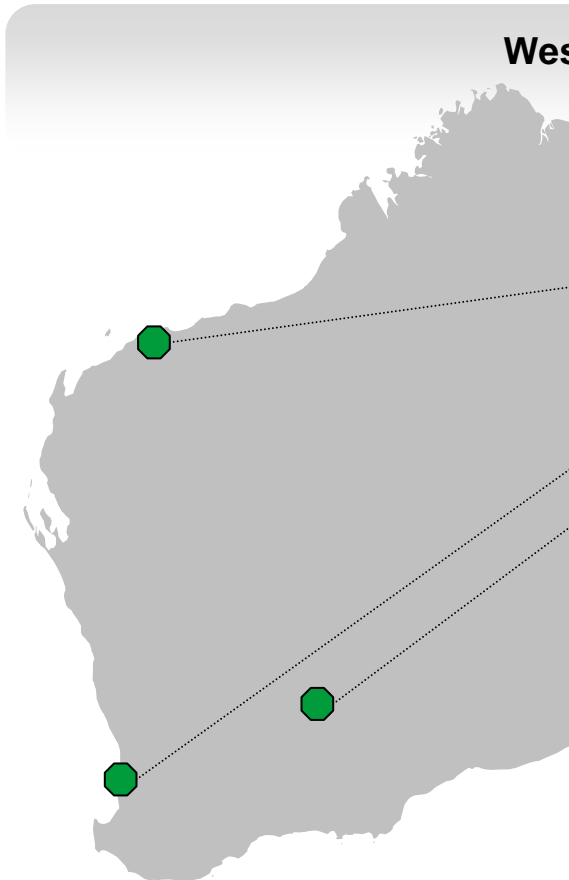
Western Australia Construction Materials

Wayne Manners

The WA business has integrated positions in selected key markets



Western Australia Construction Materials



Western Australia				
Markets	Characteristic	QUA	CON	ASP
North West	Mining region, large project pipeline	✓	✓	
Greater Perth	Major metro market	✓	✓	✓
Kalgoorlie	Established regional centre	✓	✓	✓

- 6 Quarries operations
- 18 Concrete plants
- 2 Asphalt plants

QUA: Quarries
 CON: Concrete
 ASP: Asphalt

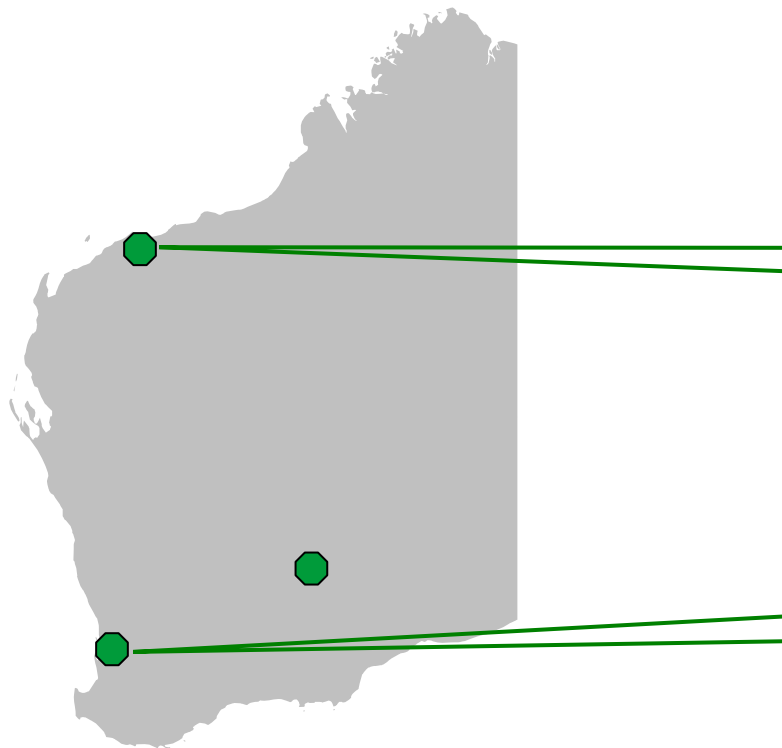
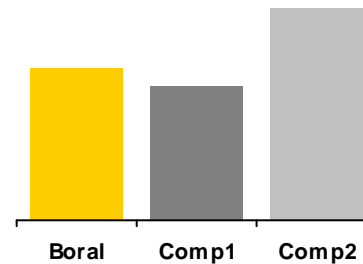


We have a strong quarry position in Perth and are well placed to grow our participation in the North West

Perth Metro Resource Positions

- Downstream network underpinned by Orange Grove Quarry
- Long term sand supply secured through joint venture relationship

Perth Reserves vs. Competitors¹



North West Quarries

- Quarry positions supplying key markets in Karratha and Port Headland
- Medium term reserves, low capital investment
- Internal supply to major projects and downstream operations



Orange Grove

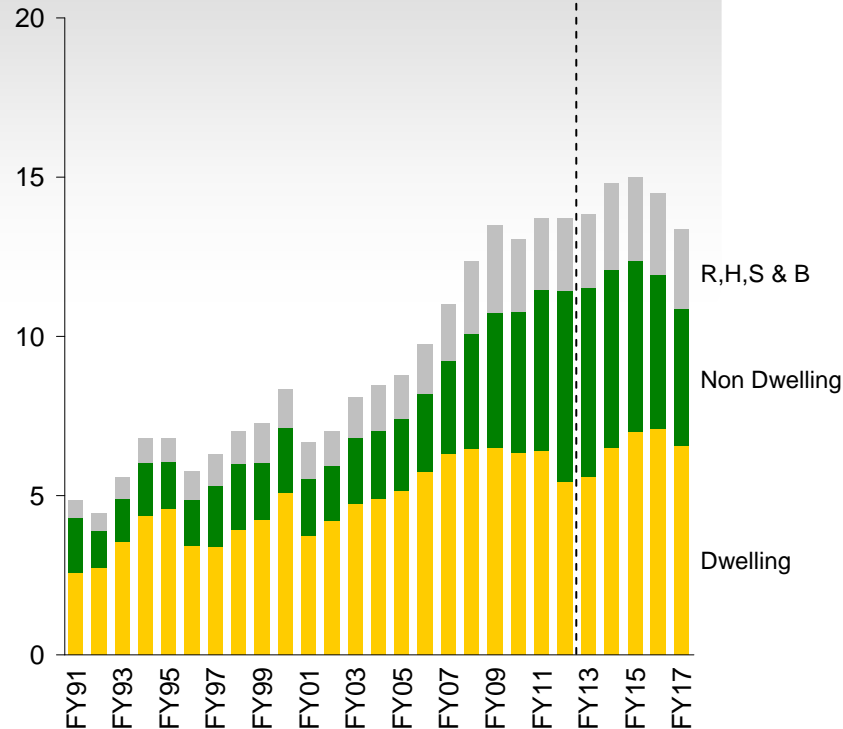
- Leading position close to market
- Long term, high quality reserves
- Supply to downstream Concrete & Asphalt operations

¹ Source: Management Estimates



A downturn in dwelling activity is being partially offset by non-dwelling volumes in Western Australia

Western Australia Building Activity
Value of Work Done (VWD)
(\$09/10 billion)



Source: BIS Shrapnel

- Underlying market has improved with positive residential outlook and continued non-dwelling investment
- Committed projects in the North West will continue in the near term
- Deferment of new projects to reduce longer term opportunities
- State and Federal government spending on key infrastructure projects to continue
- Boral's strong network coverage offers prime exposure to increased activity in and around Perth



Case Study: Leveraging the Key Levers of Change in the market

Case Study: *Applying the key levers of change to maximise strengthen our value proposition*

Situation: The resource sector and major contractors in WA demand high performance in safety and operations in challenging remote environments

Consolidating the key levers of change have provided a platform to transform this operational capability to a highly valued aspect of our value offering to major customers

Outcome: Consolidating the change levers has proven highly successful on a number of projects including:

- Wheatstone LNG
- City East Alliance
- Cape Lambert

Success on these projects greatly improves our value proposition when tendering for projects





The operational portfolio in WA will continue to be refined to maximise exposure to attractive markets

WA Focus

- The underlying business is exposed to an economy heavily driven by mining and resources
- In recent years, major projects have provided incremental profits on top of the underlying metro business
- Our presence in the mobile project segment is underpinned by our full service offering and strong contracting capability
- The value of our capability and success in delivering large projects to resource clients in very challenging environments is reflected in our near term pipeline



Cape Lambert



Wheatstone

Build something great™



BORAL