



CSR LIMITED

ANNUAL GENERAL MEETING

14 JULY 2015



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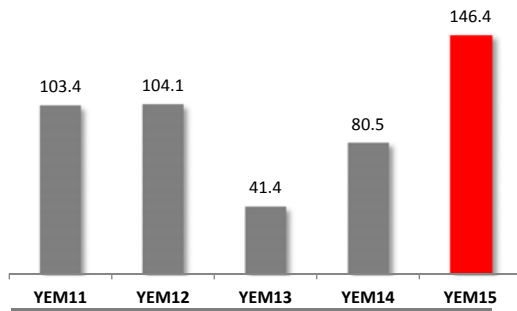
CSR LIMITED PRESENTATION 2015

CHAIRMAN'S ADDRESS

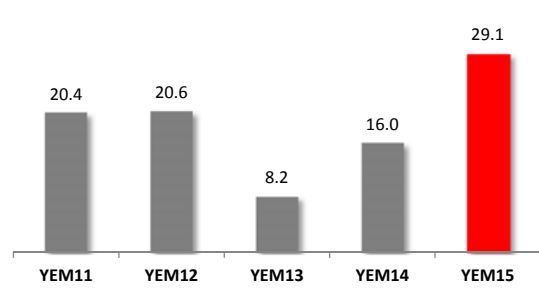


Improving returns

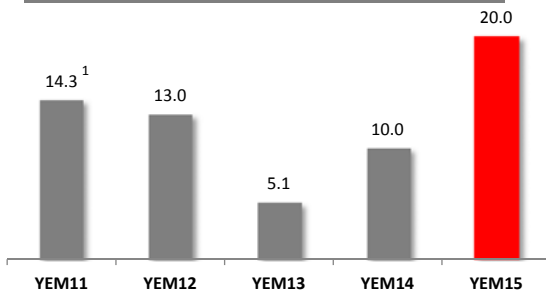
Net profit before sig items (A\$m)



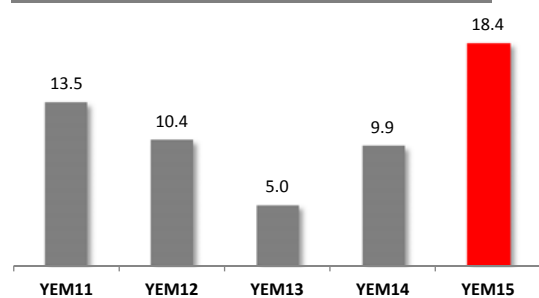
EPS before sig items (cents)



Dividends (cents)



Return on funds employed (%)²



1. YEM11 interim dividend restated for the 3:1 share consolidation completed on 3 March 2011 and excludes special dividend of 9.1 cents.
2. ROFE is calculated as EBIT before significant items for the 12 months to 31 March divided by average funds employed which excludes cash, tax balances and certain other non-trading assets and liabilities as at 31 March.

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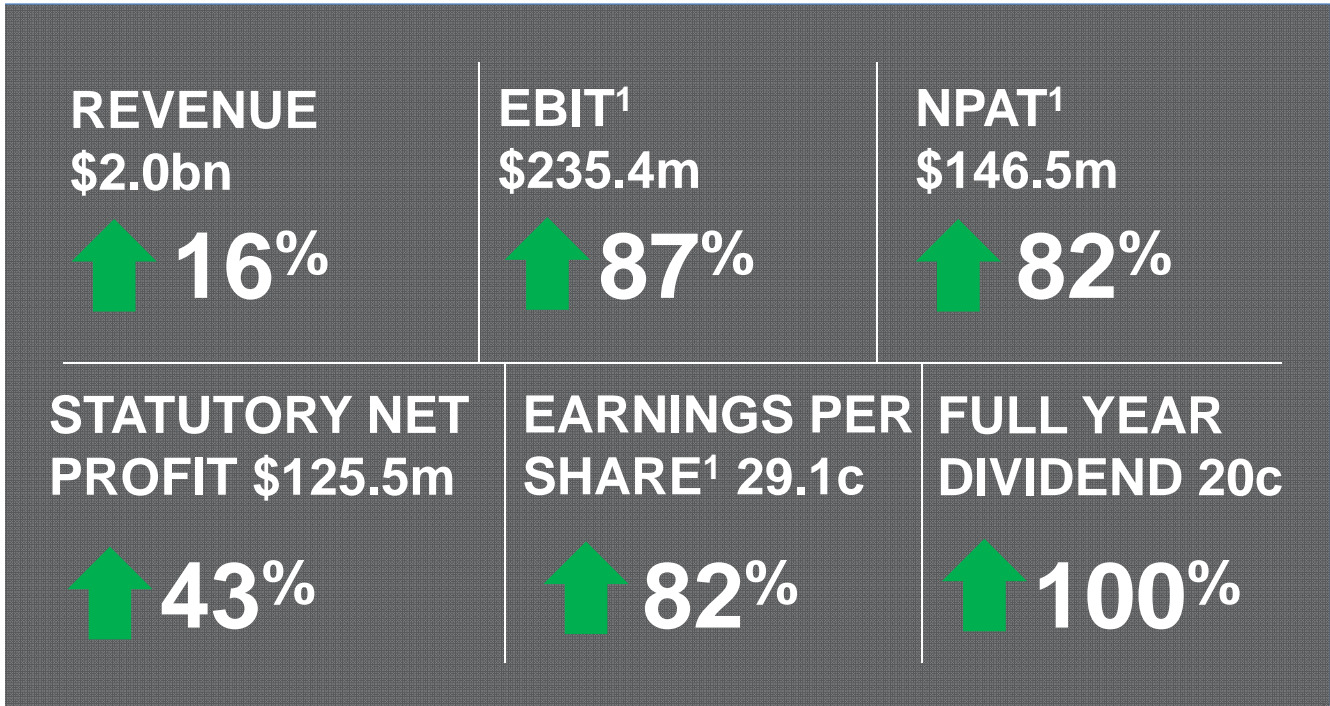


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CSR LIMITED PRESENTATION 2015

MANAGING DIRECTOR'S REPORT

Strong performance across the group

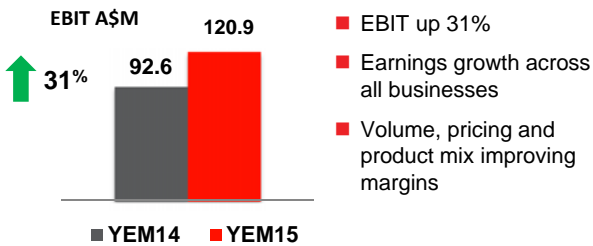


¹ EBIT, net profit and earnings per share are all before significant items. They are non-IFRS measures and are used internally by management to assess the performance of the business and have been extracted or derived from CSR's financial statements for the year ended 31 March 2015. All comparisons are to the year ended 31 March 2014 unless otherwise stated.

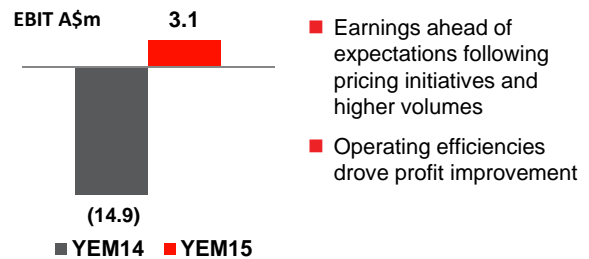


EBIT¹ improved across all divisions

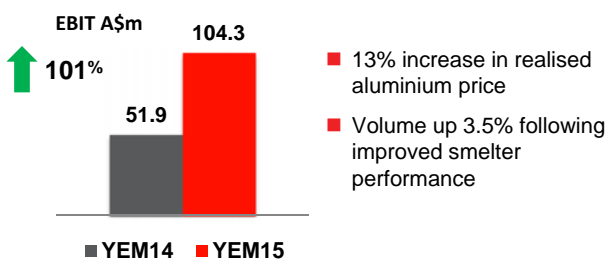
Building Products



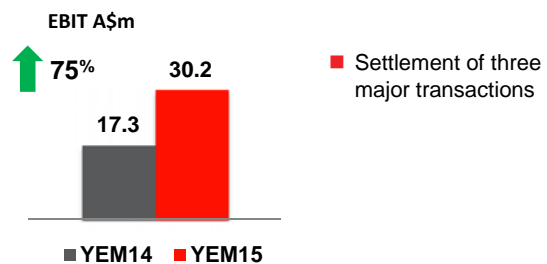
Viridian



Aluminium



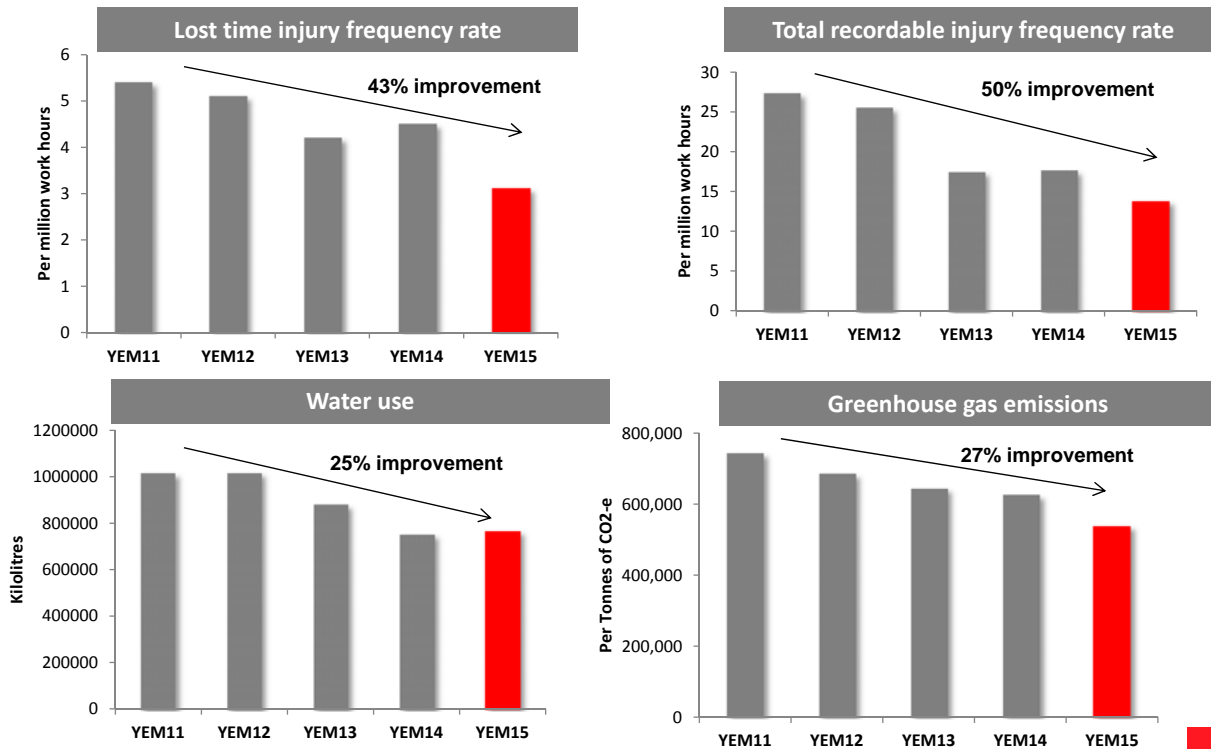
Property



¹ EBIT before significant items.



Improving safety and environmental performance



Environmental data reported for the period of 1 July to 30 June for the respective years to be consistent with the National Greenhouse and Energy Reporting Scheme.

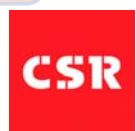
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Delivering on our strategy

- Strengthen and invest**
 - Expanded leadership development programs
 - Viridian returned to profitability
 - Launched Boral CSR Bricks JV
- Smarter, faster, easier**
 - Launched Gyprock Optimised Core
 - Production facility for CSR Velocity pre-fabricated walling system underway
- Adapting to changing lifestyles**
 - Expanding AFS Rediwall production capacity
 - Hebel product development to increase use in walls, flooring and other structural elements
- Comfort and energy efficiency**
 - Expansion of Bradford offering (Martini polyester, acoustic, ventilation, PIR foams and construction fabric)
- Customers**
 - CSR Connect online portal upgrade
 - Accelerated investment in digital services for customers

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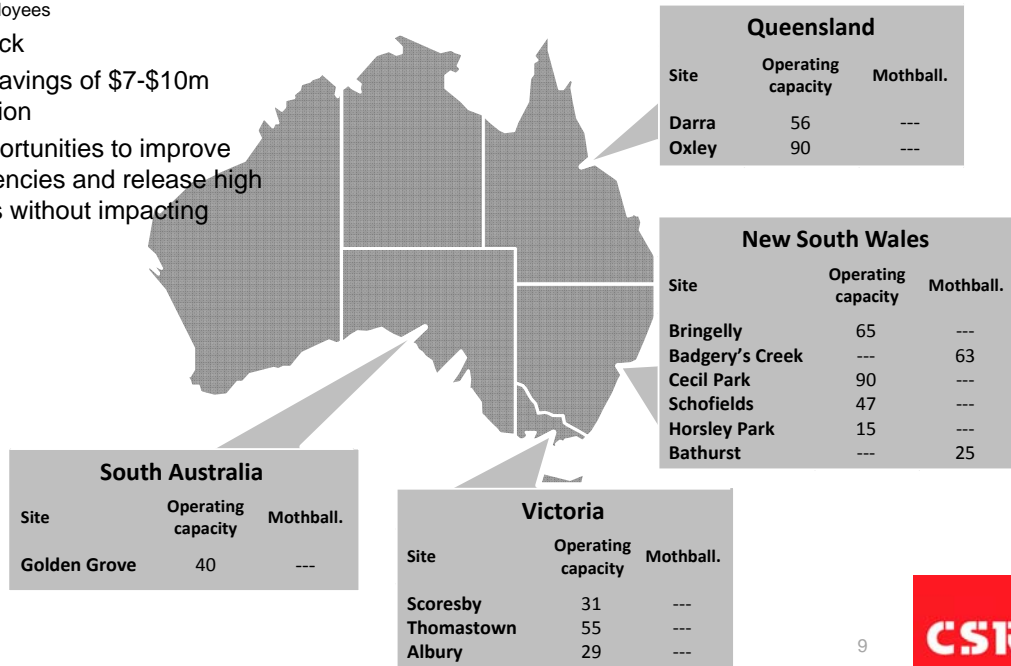


Launched Boral CSR Bricks JV



- Combined annual revenue of ~\$270 m (as of December 2014)
 - 12 manufacturing operations (including mothballed sites)
 - Around 570 employees
- Integration on track
- Initial overhead savings of \$7-\$10m following integration
- Longer term, opportunities to improve operational efficiencies and release high value land assets without impacting product range

JV Sites – capacity by state (million SBE)



Gyprock Optimised Core Product Innovation

- **Stronger** - more robust with better breaking strength for improved handling and installed performance
- **Lighter**- easier to lift for better sheet manoeuvrability and improved flex
- **Improved face appearance** - for a more uniform and professional finish
- **Improved overall workability** – crisper score and snap
- **Designed with glass fibre reinforcement** – to span 600mm centres





AFS walling systems capturing growing demand

- A leader in load bearing permanent formwork walling solutions
- Faster and less complex building solutions
 - Increased speed of construction
 - Lower labour costs and crane requirements

LOGICWALL®
STRUCTURAL SOLUTION

REDIWALL®
WALLING SYSTEM

- Logicwall® fibre cement based permanent formwork system:
 - Scalable production facility at Goulburn, NSW to meet growing demand in multi-residential market
 - Over 1,500 projects completed to date
 - CSR Cemintel current supplier of fibre cement products
- Rediwall® polymer-based (PVC) permanent formwork system
 - Concrete walling system that is water resistant
 - Used in basement and retaining walls in multi-residential and commercial applications



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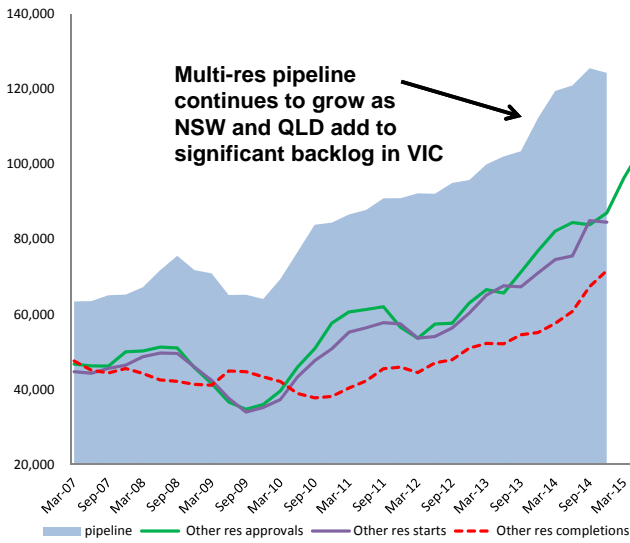
OUTLOOK



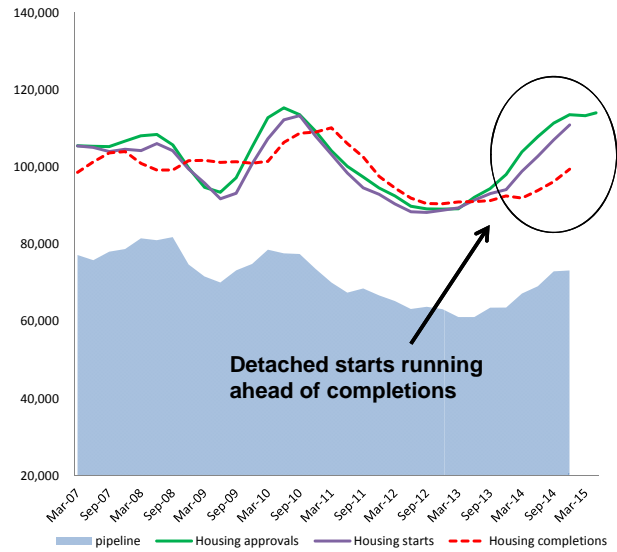
CSR

Pipeline remains strong in residential construction

Multi-residential (MAT)



Detached (MAT)



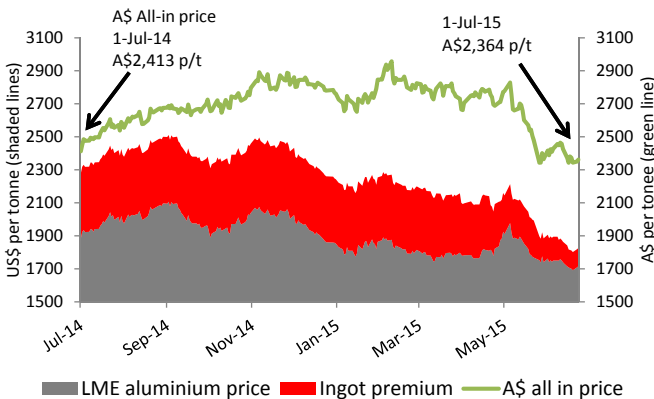
Source: ABS - Pipeline includes dwellings approved and under construction, but not yet completed (ABS cat 8752)

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Aluminium market – decline in ingot premiums

Aluminium (all in) price under pressure



GAF aluminium hedge book (as of 30 June 2015)

YEM16	
Average hedged aluminium price A\$ per tonne (excludes premiums)	A\$2,311
% of net aluminium exposure hedged	59%
YEM17	
Average hedged aluminium price A\$ per tonne (excludes premiums)	A\$2,499
% of net aluminium exposure hedged	21%

Source: Bloomberg

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Outlook for year ending 31 March 2016 (YEM16)

Building Products

- Building approvals for both detached and multi-residential housing remain strong
- Expected to lead to increased demand for CSR products
- From 1 May 2015, results will include the consolidated earnings from Bricks JV

Viridian

- Targeting new opportunities for revenue growth – particularly in residential performance and commercial and architectural design markets
- Modest levels of capital and customer service initiatives should be more than offset by improved market activity and growth in higher margin products.

Aluminium

- 59% of net sales for YEM16 currently hedged at an average price of A\$2,311 per tonne (before premiums).
- Q2 YEM16 Platts Main Japanese Port premiums down to ~US\$100 per tonne

Property

- Earnings are always subject to timing of transactions
- Boral CSR Bricks JV provides additional development opportunities of selected high value land assets over the next 5-10 years.

Group

- Progressing strategy to invest in growth opportunities that accelerate the construction process while improving the comfort and performance of homes and buildings

