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ABN 90 000 001 276

13 November 2013

This document represents information provided pursuant to Listing Rule 4.2A of the Australian Securities Exchange. The information should be read in conjunction with CSR's most recent annual financial report, including the Financial Report for the year ended 31 March 2013.

CSR Limited ABN 90 000 001 276 - Appendix 4D

Results for the six months ended 30 September 2013

Results for announcement to the market

(All comparisons are to the half year ended 30 September 2012)

CSR announces half year net profit (pre significant items)[1] of $36.2 million up 92%
Statutory half year net profit of $46.1 million up 188%

- Trading revenue of $877.1 million up 2% for the six months ended 30 September 2013
- EBIT[1] of $61.3 million up 60%
  - Building Products EBIT of $51.8 million up 19% with volumes largely steady with some improvements in pricing, product mix and lower costs. Result underpinned by strong performance in Gyprock and PGH
  - Viridian EBIT loss of $10.6 million in line with management expectations. Restructuring initiatives on track with benefits weighted to second half
  - Aluminium EBIT of $24.2 million up 32% due to higher realised A$ aluminium prices (including hedging and premiums)
  - Property EBIT of $6.8 million up from $0.1 million
- Net profit[1] after tax of $36.2 million up 92%
- Statutory net profit attributable to shareholders of $46.1 million up 188%
- Earnings per share[1] 7.2 cents up from 3.7 cents
- Interim unfranked dividend of 5.0 cents to be paid on 17 December 2013 represents a dividend payout ratio of 69% of net profit[1]
- Strong financial position maintained with net debt reduced to $17.8 million from $25.1 million as at 31 March 2013
- Modest improvements in national residential construction activity underway led by New South Wales and Western Australia, more than offsetting slowdowns in Victoria
- Increased aluminium hedge book following improvement in A$ aluminium prices with 52% of net aluminium exposure hedged for the second half of the year at A$2,213 per tonne, before premiums
- Property EBIT expected to be stronger in the second half following settlement of a series of transactions

1 EBIT, net profit and earnings per share are all pre 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 six months ended 30 September 2013.

	30 Sep 2013	30 Sep 2012
Net tangible assets per share	$2.02	$2.27

Record date for determining entitlements to interim dividend	25 November 2013
Dividend payment date	17 December 2013

Financial results summary

Half year ended 30 September [A$ million unless stated]	**2013**	2012 (Restated)[2]	Change
Trading revenue	**877.1**	859.8	2%
EBITDA [1]	**100.0**	82.7	21%
EBIT [1]			
Building Products (ex Viridian)	**51.8**	43.4	19%
Viridian	**(10.6)**	(11.7)	9%
Aluminium	**24.2**	18.3	32%
Property	**6.8**	0.1	NM
Corporate costs	**(7.9)**	(7.6)	
Restructuring and provisions	**(3.0)**	(4.3)	
Total EBIT [1]	**61.3**	38.2	60%
Net finance cost	**(10.4)**	(11.1)	
Tax expense	**(9.4)**	(3.9)	
Non-controlling interests	**(5.3)**	(4.3)	
Net profit after tax [1]	**36.2**	18.9	92%
Significant items [3]	**9.9**	(2.9)	
Statutory net profit after tax attributable to shareholders	**46.1**	16.0	188%
Earnings per share[1] [cents]	**7.2**	3.7	
Earnings per share (after significant items) [cents]	**9.1**	3.2	

1. *EBITDA, EBIT, net profit and earnings per share are all pre 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 six months ended 30 September 2013.*
2. *On 1 April 2013, CSR Limited adopted AASB 119 Employee Benefits (revised) resulting in a change of accounting policy and a restatement of balances for the financial half year ended 30 September 2012.*
3. *Details of the significant items can be found on page 20 of the half yearly report.*

Overview

CSR Limited ("CSR") today reported a net profit after tax (pre significant items) of $36.2 million, for the six months ended 30 September 2013, up 92% from the prior corresponding half year. EBITDA of $100.0 million was up 21% reflecting higher earnings across all businesses.

Managing Director Rob Sindel said, "The increase in CSR's earnings is driven by improved pricing and lower operating costs resulting from a number of restructuring initiatives completed over the last few years.

"The result was also boosted by higher realised aluminium prices and an increased contribution from Property.

"While underlying housing data suggests that some markets are recovering, we have yet to see a noticeable lift in sales volumes for our building products and glass businesses due to the recent growth weighted to the multi-residential sector, which has a longer lag time between building approvals and orders for CSR's products.

"Nevertheless, we are optimistic that residential construction markets will continue to improve following steady growth in building approvals combined with the record low interest rates.

"The restructuring of Viridian remains on track with the closure of the Ingleburn float glass plant completed ahead of schedule in July 2013.

"We expect to see improvement in Viridian's performance in the second half of the financial year relative to the same period last year as the benefits of the restructuring initiatives are realised.

"The spot price for aluminium remains subdued, however the fall in the Australian dollar since the start of this financial year has provided opportunities to increase our hedging position with 52% of net sales hedged for the remainder of the year," Mr Sindel said.

Financial review

Net profit after tax (pre significant items) was $36.2 million compared to $18.9 million for the prior corresponding half year, a 92% improvement.

Statutory net profit after tax was $46.1 million, which included income from significant items of $9.9 million after tax ($9.6 million pre-tax and non-controlling interests) largely related to a reduction in the asbestos liability provision in the United States.

This compares to statutory net profit of $16.0 million for the prior corresponding half year which included a significant items charge of $2.9 million ($5.2 million pre-tax and non-controlling interests).

Net finance costs of $10.4 million were down from $11.1 million. This included an ongoing charge of $6.3 million to restate the value of CSR's asbestos provision into present value dollars as required under the accounting standards, and finance costs to maintain banking facilities.

Tax expense of $9.4 million (pre significant items) was up from $3.9 million due to the increase in pre-tax profits year on year. CSR's effective tax rate for the half year was 18.5% and is expected to increase to be in the order of 20% for the full year, reflecting lower R&D tax credits in the second half of the year.

CSR ended the period with net debt of $17.8 million compared to net debt of $25.1 million at 31 March 2013. This improvement reflects increased underlying operating cash flows, as a result of improved earnings, as well as an increase in net Property cash flows. Capital expenditure (excluding Property) was $23.4 million during the period, up from $20.9 million last year. Of this total, $12.6 million was for stay-in-business projects and $10.8 million was development related capital expenditure including investment in automated warehousing systems in Gyprock and completion of Viridian's laminating line at Dandenong in Victoria.

Total capital expenditure (excluding Property) for the full year is expected to be in the order of $60 million compared to $50.9 million in the prior financial year (excluding acquisitions).

CSR continued to invest in its Property business, including development of the Brendale and Chirnside sites resulting in net cash of $27.1 million for the period. This included $41.5 million in proceeds received during the period.

CSR reaffirms its dividend policy to pay out as dividends 60-80% of full year net profit after tax (pre significant items). Accordingly, the Company has resolved to pay an unfranked interim dividend of 5.0 cents per share on 17 December 2013, representing a payout ratio of 69% of net profit after tax (pre significant items). For Australian taxation purposes, 100% of the dividend will be conduit foreign income.

The Company's dividend reinvestment plan (DRP) will operate for the interim dividend payable on 17 December 2013. The last date for receipt of the election notice for participation in the DRP is 26 November 2013, being the business day after the dividend record date of 25 November 2013. For the interim dividend, shares will be acquired on-market and transferred to participants to satisfy any shares to be issued under the DRP. For further details of the DRP, please refer to the DRP Terms and Conditions available on CSR's website (www.csr.com.au).

Product Liability

CSR includes in its financial statements a product liability provision covering all known asbestos-related claims and reasonably foreseeable future claims. This provision is reviewed every six months based on independent expert advice in relation to the future incidence and value of asbestos related claims in the United States and Australia.

As at 30 September 2013, the product liability provision was $397.8 million, a $26.0 million improvement compared to $423.8 million at 31 March 2013, due to a decrease in future estimated claims in the United States. This provision includes a prudential margin of $79.4 million or 25% above the combined estimate of the independent actuaries in Australia and the United States.

For the six months ended 30 September 2013, CSR paid asbestos related claims of $15.3 million (including legal costs) down 15% from $18.0 million in the prior corresponding half year.

Building Products market overview

Half year ended 30 September	2013	2012	Change
Australia			
Detached housing (6 month starts – 000s)[1]	**45.2**	43.7	3%
Other residential (6 month starts – 000s)[1]	**34.1**	25.1	36%
Total dwellings (6 month starts – 000s)[1]	**79.3**	68.7	15%
Non-residential construction activity (A$B)[2]	**17.5**	17.0	3%
Alterations & additions (A$B)[2]	**3.6**	3.6	0%
New Zealand residential consents (6 month – 000s)[3]	**9.0**	7.6	18%

1 Source ABS data – (two quarter lag – six months to March)
2 Source BIS Shrapnel forecast (value of work done – six months to September)
3 Source Statistics New Zealand - (residential consents 2 quarter lag - six months to March)

Residential construction commencements have risen steadily since December 2012 with total dwelling construction up 15% (on a two quarter lag basis), largely in higher density/other residential segments. New South Wales and Western Australia have shown the strongest improvement while the decline in activity in the Victorian detached market appears to have stabilised. New Zealand continues to recover with residential consents (two quarter lag) up 18%, led by the Christchurch re-build.

Building Products results

Half year ended 30 September [A$ million unless stated] Pre significant items	2013	2012	Change
Trading revenue	**518.6**	502.3	3%
EBITDA	**70.5**	61.2	15%
EBIT	**51.8**	43.4	19%
Funds employed[1]	**811.7**	782.1	4%
EBIT/trading revenue	**10.0%**	8.6%	

1 *Excludes cash and tax balances*

Building Products trading revenue was $518.6 million up 3% due to a strong focus on pricing and improving product mix. Sales volumes at a national level were steady despite the increase in underlying residential construction data during the period.

This is largely due to the mix of Building Products' revenue exposure on a state by state basis, delays in the construction pipeline as the market responds to a step-up in demand as well as the high proportion of multi-residential construction. Consequently, recent improvements in residential construction activity should benefit future revenues as it translates to purchases of CSR's products.

EBIT of $51.8 million was up 19% with earnings growth across most businesses. Restructuring initiatives completed over the last few years, combined with improved pricing has resulted in higher margins and a lower cost structure which remains leveraged to a recovery in construction activity.

Lightweight Systems

The **Lightweight Systems** division includes Gyprock™ plasterboard, Cemintel™ fibre cement, Ceilector™ ceilings, Potter™ Interior Systems, Hebel® lightweight concrete products, Bradford™ insulation and the Edmonds™ ventilation systems business.

Lightweight Systems trading revenue for the six months ended 30 September 2013 was $372.6 million up 2% while earnings grew.

Gyprock increased earnings through its focus on customer service, production efficiency and quality, and overhead management. Earnings in **Cemintel** were in line with last year, with weaker demand in Victoria offset by improved production efficiencies and increased contribution from the introduction of new products including cladding and flooring products.

Hebel, CSR's autoclaved aerated concrete business, continued to increase earnings as it benefits from growth in apartment buildings and the 'supply & fix' offer for residential housing.

Bradford also experienced increased revenues and earnings, supported by improved distributor volumes and the benefits of recent restructuring initiatives. The Energy Solutions business continues to gain traction in providing energy efficient advice and solutions to both residential and commercial customers.

Bricks and Roofing

The **Bricks and Roofing** division includes the PGH™ bricks, Monier™, MonierPrime™ and NZ Brick Distributors. Trading revenue for the division increased by 5% to $146.0 million from the prior corresponding half year.

In **PGH Bricks**, revenue and earnings increased on the prior corresponding half year as the business benefited from volume growth in Queensland and South Australia and a continued focus on higher margins through improved pricing, production efficiencies and product mix. The NZ Brick Distributors joint venture is performing well with overhead efficiencies realised in line with expectations and improvements in underlying market activity.

Earnings in **Monier Roofing** were in line with the prior corresponding half year, with higher volumes, particularly in 'supply & fix' in New South Wales and Queensland, offset by lower demand in Victoria.

Viridian results

Half year ended 30 September [A$ million unless stated] **Pre significant items**	**2013**	2012	Change
Trading revenue	137.1	140.7	(3%)
EBITDA	(4.7)	0.6	NM
EBIT	(10.6)	(11.7)	9%
Funds employed[1 2]	180.0	423.4	
EBIT/trading revenue	NM	NM	

1 Excludes cash, tax and fair value of derivative balances.
2 Includes asset write downs, impairments and restructuring provisions.

Viridian trading revenue of $137.1 million was down 3% on the prior corresponding half year while the EBITDA loss of $4.7 million compares to a positive EBITDA of $0.6 million. The EBIT loss of $10.6 million, which includes the benefit of a $6.5 million reduction in depreciation due to the asset impairment recorded at 31 March 2013, compares to a loss of $11.7 million in the prior corresponding half year.

The results were in line with management expectations, largely reflecting a deteriorating run-rate exiting the prior year, a focus on inventory reduction and therefore lower production volumes, and the early stage of implementation of our restructuring initiatives.

A number of restructuring initiatives were completed in the last six months including the closure of the float and laminating operations at Ingleburn in New South Wales, the restructure of our glass processing sites at Clayton in Victoria and the reorganisation of the Viridian team into three market facing units.

The consolidation of the Wetherill Park glass processing site in New South Wales to the Erskine Park site will be completed ahead of schedule by the end of the 2013 calendar year.

As previously noted, the full benefit of the restructuring initiatives will be realised in the financial year ending 31 March 2015.

Aluminium market overview

Half year ended 30 September	**2013**	2012	Change
LME 3 month average price in US$ (per tonne)	**US$1,848**	US$1,983	(7%)
US$/A$ exchange rate	**0.95**	1.02	(7%)
LME 3 month average price in A$ (per tonne)	**A$1,937**	A$1,936	0%
GAF realised price in A$ (including hedging and premiums)	**A$2,308**	A$2,197	5%

Economic uncertainty in global markets continued to weigh heavily on commodity markets. As a result, the US$ LME 3 month aluminium price traded in a wide range during the last six months with an average price of US$1,848 per tonne, down 7%.

This pressure on US$ aluminium prices was offset by a lower Australian dollar falling 7% compared to the prior corresponding half year. As a result, the realised aluminium price in Australian dollars (including hedging and premiums) was up 5% to A$2,308 per tonne.

Ingot premiums, which are the premiums paid to producers above the LME aluminium price, remain at record levels as a result of ongoing short term market tightness in the supply of physical aluminium and the continued financing and warehousing of aluminium inventories.

Ingot premiums are expected to remain at or near current levels for the remainder of this financial year. Changes to the aluminium load rates at LME warehouses where queues are greater than 50 days, which are effective from 1 April 2014, may have some impact on premiums in the future.

Aluminium results

Half year ended 30 September [A$ million unless stated] **Pre significant items**	**2013**	2012	Change
Sales (tonnes)	**95,935**	98,676	(3%)
GAF realised price in A$ (including hedging and premiums)	**$2,308**	$2,197	5%
Trading revenue	**221.4**	216.8	2%
EBITDA	**37.7**	32.2	17%
EBIT	**24.2**	18.3	32%
Funds employed[1]	**216.4**	258.0	
EBIT/trading revenue	**10.9%**	8.4%	

1 Excludes cash, tax and fair value of derivative balances

Gove Aluminium Finance (GAF – 70% CSR) sales volume of 95,935 tonnes was 3% lower than the prior corresponding half year due to the timing of shipments. Trading revenue of $221.4 million was up 2% due to higher ingot premiums.

EBIT of $24.2 million was up 32% with the EBIT margin improving to 10.9% from 8.4% which includes the full benefit of restructuring initiatives from the ongoing Tomago smelter improvement program announced in January 2012 which has delivered $26 million in annualised cost savings.

2017 Tomago electricity contract

In November 2010, Tomago announced the signing of an 11-year base-load power supply contract with Macquarie Generation locking in power supply requirements from November 2017 to 2028.

Tomago is engaging with the NSW Government and Macquarie Generation to renegotiate the November 2017 electricity contract to reflect the fundamental changes in the pricing and structure of the global aluminium market that have occurred since 2010.

Absent a renegotiation of the contract, from November 2017 electricity costs to Tomago will increase by around A$230 per tonne of production (in today's dollars).

Property results

Half year ended 30 September [A$ million unless stated]	**2013**	2012	Change
EBIT	**6.8**	0.1	NM

CSR's Property division recorded EBIT of $6.8 million. The result includes settlement of a number of small transactions including the sale of a 5 hectare site at Erskine Park in Sydney and industrial sites at Brendale in Brisbane.

The major residential development at Chirnside Park, Melbourne continues to progress well with 168 sales contracts exchanged for the 533-lot site under the first two stages of the development.

Earnings on the first stage of development should be recognised by the end of March 2014 following completion of the initial construction and subdivision process.

Other projects include the marketing of the 7 hectares of industrial land at Oxley in Brisbane and further development of the remaining 38.5 hectare industrial site at Brendale.

Group outlook for year ending March 2014

Based on improved housing starts for the first two quarters of the financial year, CSR has increased its estimate for total housing starts in Australia (on a two quarter lag basis) to around 155,000 starts (~91,000 detached and ~64,000 multi-residential) for the full year ending 31 March 2014, a 5% increase from previously forecast. The value of non-residential construction work done in Australia is expected to be down slightly on the previous year.

The outlook for the medium term is encouraging, with residential construction activity likely to continue the steady recovery observed over the last six months.

In Building Products, earnings are typically higher in the first half of the year than the second half, due to a slowdown in construction activity during December and January. This should be partly mitigated by the higher volumes expected from the recent lift in housing commencements. Overall, we expect Building Products full year EBIT to be higher than the previous year.

Viridian's EBITDA should improve in the second half of the year compared to the first half as the financial benefits of recent restructuring initiatives are realised. Viridian is expected to be EBITDA positive on a run-rate basis exiting this financial year.

In Aluminium, GAF has approximately 52% of its net aluminium exposure for the second half of the year hedged at A$2,213 per tonne.

Property EBIT is expected to increase following the settlement of a series of transactions including the contribution of earnings from Chirnside Park, subject to timing of completion. CSR retains a diverse property portfolio, the development of which is progressing on schedule to underpin earnings over the next five years.

CSR notes that the current analysts' forecast range for CSR net profit after tax (pre significant items) is $51 million to $70 million for the year ending 31 March 2014. Assuming no significant deterioration in construction volumes or in Australian dollar aluminium prices, CSR expects that group net profit after tax (pre significant items) will be towards the upper end of this range.

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Half yearly report for the six months ended 30 September 2013

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)

CSR Limited
ABN 90 000 001 276

The half yearly report does not include all the notes of the type normally included in an annual report. Accordingly, it is recommended that this report be read in conjunction with the CSR Annual Report for the year ended 31 March 2013 and any announcements to the market made during the financial half year in accordance with the CSR group's continuous disclosure obligations arising under the Corporations Act 2001 and Listing Rule 3.1.

Directors' report

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)

The directors of CSR Limited present their report on CSR Limited and its controlled entities (CSR group) for the half year ended 30 September 2013.

Directors

The directors of CSR Limited at any time during the half year ended 30 September 2013, or since that date, are as follows:

Jeremy Sutcliffe
Rob Sindel
Kathleen Conlon
Ray Horsburgh (resigned 20 August 2013)
Michael Ihlein
Rebecca McGrath
Matthew Quinn (appointed 20 August 2013)

Review of Operations

A review of operations of the CSR group during the half year ended 30 September 2013 is set out in the attached results announcement to the market and forms part of this directors' report.

Auditor's Independence Declaration

A copy of the auditor's independence declaration made under section 307C of the Corporations Act 2001 is set out on page 11 and forms part of this report.

Rounding off

Amounts included in this directors' report and the financial report are rounded to the nearest tenth of a million dollars unless otherwise indicated. CSR Limited is a company of a kind referred to in ASIC Class Order 98/100 issued 10 July 1998.

The directors' report is signed in accordance with a resolution of directors made pursuant to s.298 (2) of the Corporations Act 2001.

Jeremy Sutcliffe
Chairman

Sydney, 13 November 2013

Rob Sindel
Managing Director

Sydney, 13 November 2013

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The Board of Directors
CSR Limited
Triniti 3
39 Delhi Road
North Ryde NSW 2113

13 November 2013

Dear Board Members

CSR Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of CSR Limited.

As lead audit partner for the review of the financial statements of CSR Limited for the financial half-year ended 30 September 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

J A Leotta
Partner
Chartered Accountants

Statement of financial performance

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

($ MILLION)	NOTE	2013	2012 (Restated)[a]
Trading revenue - sale of goods		**877.1**	859.8
Cost of sales		**(622.2)**	(627.9)
Gross margin		**254.9**	231.9
Other income		**27.2**	7.8
Warehouse and distribution costs		**(89.2)**	(90.9)
Selling, administration and other operating costs		**(119.0)**	(115.8)
Share of net profit of associates	8	**4.4**	5.2
Other expenses		**(7.4)**	(5.2)
Profit before finance and income tax		**70.9**	33.0
Interest income	3	**1.0**	0.9
Finance cost	3	**(11.4)**	(12.0)
Profit before income tax		**60.5**	21.9
Income tax expense	4	**(9.1)**	(2.3)
Net profit		**51.4**	19.6
Net profit attributable to non-controlling interests		**5.3**	3.6
Net profit attributable to shareholders of CSR Limited [b]		**46.1**	16.0
RECONCILIATION OF RETAINED PROFITS			
Retained profits at the beginning of the financial year		**(24.8)**	170.6
Net profit attributable to shareholders of CSR Limited		**46.1**	16.0
Net gain (loss) recognised directly in retained profits		**9.1**	(7.0)
Total available for appropriation		**30.4**	179.6
Dividends provided for or paid	7	**(10.6)**	(35.4)
Retained profits at the end of the financial half year		**19.8**	144.2
EARNINGS PER SHARE (CENTS)			
Basic earnings per share - based on net profit attributable to shareholders of CSR Limited [c]		**9.1**	3.2
Diluted earnings per share - based on net profit attributable to shareholders of CSR Limited [c]		**9.1**	3.2

a On 1 April 2013 CSR Limited adopted AASB 119 Employee Benefits (revised), resulting in a change in accounting policy and a restatement of balances for the financial half year ended 30 September 2012. Refer to Significant Accounting Policies.

b Net profit before significant items attributable to shareholders of CSR Limited is $36.2 million (2012: $18.9 million). Refer to Note 2 to the financial statements.

c Weighted number of ordinary shares used in the calculation of earnings per share is 506.0 million (2012: 506.0 million). Earnings per share based on net profit attributable to shareholders of CSR Limited has been restated for the adoption of AASB 119 Employee Benefits (revised) resulting in a decrease of 0.3 cents per share to 3.2 cents per share for the financial half year ended 30 September 2012.

Notes to the financial statements are annexed.

Statement of comprehensive income

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

($ MILLION)	2013	2012 (Restated)[a]
Net profit	**51.4**	19.6
Other comprehensive income (expense)		
Items that will not be reclassified to profit or loss:		
Actuarial gain (loss) on superannuation defined benefit plans	**13.0**	(9.9)
Income tax on items that will not be reclassified to profit or loss	**(3.9)**	2.9
Total items that will not be reclassified to profit or loss	**9.1**	(7.0)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	**3.3**	0.7
Hedge profit transferred to the statement of financial performance	**(13.3)**	(15.3)
Hedge profit recognised in equity	**8.5**	9.6
Income tax on items that may be reclassified subsequently to profit or loss	**1.5**	1.7
Total items that may be reclassified subsequently to profit or loss	**-**	(3.3)
Other comprehensive income (expense) for the period (net of tax)	**9.1**	(10.3)
Total comprehensive income	**60.5**	9.3
Total comprehensive income attributable to:		
Shareholders of CSR Limited	**56.2**	6.9
Non-controlling interests	**4.3**	2.4
Total comprehensive income	**60.5**	9.3

a On 1 April 2013 CSR Limited adopted AASB 119 Employee Benefits (revised), resulting in a change in accounting policy and a restatement of balances for the financial half year ended 30 September 2012. Refer to Significant Accounting Policies.

Notes to the financial statements are annexed.

Statement of financial position

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)

($ MILLION)	NOTE	**AS AT 30 SEPTEMBER 2013**	AS AT 31 MARCH 2013
Current assets			
Cash and cash equivalents		**9.9**	11.9
Receivables		**241.9**	244.8
Inventories		**314.3**	315.0
Other financial assets		**13.3**	14.4
Income tax assets		**43.8**	43.8
Other current assets		**7.2**	8.1
Total current assets		**630.4**	638.0
Non-current assets			
Receivables		**67.9**	60.6
Inventories		**68.8**	61.4
Investments accounted for using the equity method		**43.0**	37.3
Other financial assets		**1.6**	1.0
Property, plant and equipment		**860.4**	881.3
Goodwill		**25.2**	22.6
Other intangible assets		**31.7**	27.4
Deferred income tax assets		**280.0**	288.5
Other non-current assets		**16.6**	14.6
Total non-current assets		**1,395.2**	1,394.7
Total assets		**2,025.6**	2,032.7
Current liabilities			
Payables		**204.5**	201.7
Borrowings		**2.5**	2.5
Other financial liabilities		**4.4**	0.9
Tax payable		**1.4**	3.4
Provisions		**202.2**	204.7
Total current liabilities		**415.0**	413.2
Non-current liabilities			
Payables		**1.8**	1.7
Borrowings		**25.2**	34.5
Provisions		**396.3**	428.6
Deferred income tax liabilities		**29.2**	31.5
Other non-current liabilities		**20.7**	36.6
Total non-current liabilities		**473.2**	532.9
Total liabilities		**888.2**	946.1
Net assets		**1,137.4**	1,086.6
Equity			
Issued capital	6	**1,042.2**	1,042.2
Reserves		**19.3**	17.4
Retained profits		**19.8**	(24.8)
Equity attributable to shareholders of CSR Limited		**1,081.3**	1,034.8
Non-controlling interests		**56.1**	51.8
Total equity		**1,137.4**	1,086.6

Notes to the financial statements are annexed.

Statement of changes in equity

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

($ MILLION)	ISSUED CAPITAL	HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	EMPLOYEE SHARE RESERVE	RETAINED PROFITS (Restated)[a]	EQUITY ATTRIBUTABLE TO CSR LTD SHAREHOLDERS (Restated)[a]	NON-CONTROLLING INTERESTS	TOTAL EQUITY (Restated)[a]
Balance at 1 April 2013	**1,042.2**	**7.7**	**(9.7)**	**19.4**	**(24.8)**	**1,034.8**	**51.8**	**1,086.6**
Net profit	**-**	**-**	**-**	**-**	**46.1**	**46.1**	**5.3**	**51.4**
Actuarial gain on superannuation defined benefit plans	**-**	**-**	**-**	**-**	**13.0**	**13.0**	**-**	**13.0**
Exchange differences arising on translation of foreign operations	**-**	**-**	**3.3**	**-**	**-**	**3.3**	**-**	**3.3**
Hedge profit transferred to the statement of financial performance	**-**	**(9.0)**	**-**	**-**	**-**	**(9.0)**	**(4.3)**	**(13.3)**
Hedge profit recognised in equity	**-**	**5.7**	**-**	**-**	**-**	**5.7**	**2.8**	**8.5**
Income tax relating to components of other comprehensive income	**-**	**1.0**	**-**	**-**	**(3.9)**	**(2.9)**	**0.5**	**(2.4)**
Total comprehensive income for the financial half year	**-**	**(2.3)**	**3.3**	**-**	**55.2**	**56.2**	**4.3**	**60.5**
Payment of dividends	**-**	**-**	**-**	**-**	**(10.6)**	**(10.6)**	**-**	**(10.6)**
Recognition of share based payments	**-**	**-**	**-**	**0.9**	**-**	**0.9**	**-**	**0.9**
Balance at 30 September 2013	**1,042.2**	**5.4**	**(6.4)**	**20.3**	**19.8**	**1,081.3**	**56.1**	**1,137.4**
Balance at 1 April 2012	1,042.2	9.9	(10.7)	18.4	170.6	1,230.4	48.3	1,278.7
Net profit[a]	-	-	-	-	16.0	16.0	3.6	19.6
Actuarial loss on superannuation defined benefit plans[a]	-	-	-	-	(9.9)	(9.9)	-	(9.9)
Exchange differences arising on translation of foreign operations	-	-	0.7	-	-	0.7	-	0.7
Hedge profit transferred to the statement of financial performance	-	(10.7)	-	-	-	(10.7)	(4.6)	(15.3)
Hedge profit recognised in equity	-	6.7	-	-	-	6.7	2.9	9.6
Income tax relating to components of other comprehensive income	-	1.2	-	-	2.9	4.1	0.5	4.6
Total comprehensive income for the financial half year	-	(2.8)	0.7	-	9.0	6.9	2.4	9.3
Payment of dividends	-	-	-	-	(35.4)	(35.4)	-	(35.4)
Recognition of share based payments	-	-	-	0.9	-	0.9	-	0.9
Balance at 30 September 2012	1,042.2	7.1	(10.0)	19.3	144.2	1,202.8	50.7	1,253.5

[a] On 1 April 2013 CSR Limited adopted AASB 119 Employee Benefits (revised), resulting in a change in accounting policy and a restatement of balances for the financial half year ended 30 September 2012. Refer to Significant Accounting Policies.

Notes to the financial statements are annexed.

Statement of cash flows

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

($ MILLION)	NOTE	**2013**	2012
Cash flows from operating activities			
Receipts from customers		**943.1**	896.0
Payments to suppliers and employees		**(918.5)**	(914.6)
Dividends and distributions received		**5.7**	6.2
Interest received		**1.2**	1.3
Income tax paid		**(6.9)**	(12.4)
Net cash from (used in) operating activities		**24.6**	(23.5)
Cash flows from investing activities			
Purchase of property, plant and equipment and other non-current assets		**(36.0)**	(40.0)
Proceeds from sale of property, plant and equipment and other non-current assets		**41.6**	8.9
Loans advanced		**(6.4)**	(5.8)
Purchase of controlled entities and businesses, net of cash acquired	9	**(1.8)**	-
Costs associated with acquisition and disposal of businesses		**(1.0)**	(1.6)
Net cash used in investing activities		**(3.6)**	(38.5)
Cash flows from financing activities			
Net (repayment) proceeds from borrowings		**(9.3)**	54.0
Dividends paid		**(10.6)**	(35.4)
Interest and other finance costs paid		**(4.0)**	(3.2)
Net cash (used in) from financing activities		**(23.9)**	15.4
Net decrease in cash held		**(2.9)**	(46.6)
Net cash at the beginning of the financial half year		**11.9**	55.8
Effects of exchange rate changes		**0.9**	(0.6)
Net cash at 30 September		**9.9**	8.6

Reconciliation of net cash

Reconciliation of net cash at the end of the financial period (as shown in the statement of cash flows) to the related items in the statement of financial position is as follows:

Cash at banks and on hand [a]	**9.9**	8.6
Net cash at 30 September	**9.9**	8.6

a Cash at banks and on hand, and any bank overdrafts held by CSR Limited are subject to set-off arrangements with other CSR group entities cash balances.

Notes to the financial statements are annexed.

Significant accounting policies

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

ADDITIONAL CASH FLOW INFORMATION

Non-cash financing and investing activities

During the financial half year ended 30 September 2013, $8.5 million was paid in dividends and $2.1 million was expended to purchase shares on market to satisfy obligations under the Dividend Reinvestment Plan (DRP) which collectively have been disclosed as dividends paid on the statement of cash flows.

Credit standby facilities

The CSR group has a total of $535 million (31 March 2013: $535 million) committed standby facilities. These facilities have fixed maturity dates as follows: $155 million in the second half of financial year 2015, $165 million in financial year 2016, $150 million financial year 2017, with the balance of $65 million in financial year 2018. As at 30 September 2013, $509.8 million of the standby facilities were undrawn.

OTHER NOTES

BASIS OF PREPARATION

This half yearly report for CSR Limited and its controlled entities (CSR group) is a general purpose financial report prepared in accordance with the accounting standard AASB 134 “Interim Financial Reporting”, the requirements of the Corporations Act 2001, other applicable accounting standards and interpretations, and complies with other requirements of the law and the Listing Rules of the Australian Securities Exchange Limited. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”. The financial report is based on historical cost, except for certain assets which are at deemed cost and the revalued amount of certain assets. In preparing this financial report, the CSR group is required to make estimates and assumptions about carrying values of assets and liabilities. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The half yearly report does not include all the notes of the type normally included in an annual report. Accordingly, it is recommended that this report be read in conjunction with the CSR Annual Report for the year ended 31 March 2013 and any announcements to the market made during the financial half year in accordance with the CSR group's continuous disclosure obligations arising under the Corporations Act 2001 and Listing Rule 3.1.

SIGNIFICANT ACCOUNTING POLICIES

With the exception of matters disclosed as a change in accounting policy, the accounting policies, estimation methods and measurement bases adopted in this report are consistent with those applied in the CSR Annual Report for the year ended 31 March 2013.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are critical judgements and key assumptions that management has made in the process of applying the CSR group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Product liability: CSR Limited and/or certain subsidiaries (CSR) were involved in mining asbestos and manufacturing and marketing products containing asbestos in Australia, and exporting asbestos to the United States. CSR’s involvement in asbestos ceased with the disposition of the Wunderlich asbestos cement business in 1977. As a result of these activities, CSR has been named as a defendant in litigation in Australia and the United States. At 30 September 2013, a provision of $397.8 million (31 March 2013: $423.8 million) has been made for all known claims and reasonably foreseeable future claims. Refer to Note 13 for further details of the key assumptions and uncertainties in estimating this liability.

Asset impairment: Assets are reviewed for impairment at each reporting date in accordance with the accounting policy. Where a valuation is required, the valuation is determined using discounted cash flows. Management judgement is required in these valuations to forecast future cash flows and a suitable discount rate in order to calculate the present value. Future cash flows take into consideration forecast changes in the building cycle, aluminium prices and exchange rates where appropriate.

Cash flows are reforecast annually, covering the next ten years and a valuation calculated using a post-tax discount rate (31 March 2013: 10.2%). Discounted cash flow projections over a ten year period are used and deemed appropriate given the cyclical nature of the markets in which the CSR group operates. The first five years represent financial plans forecast by management, based on the CSR group's view of the respective cycle, with years six to ten applying averaging assumptions to ensure cash flows in year ten are sufficiently stable to apply the terminal value. A terminal value is used from year eleven onwards including an annual growth rate (31 March 2013: 2.5%).

Measurement of provisions for restoration and environmental rehabilitation and legal claims: The CSR group is in the process of remediating land in relation to legacy factory sites and is involved in a number of ongoing legal disputes. Judgement is required in arriving at an estimate of future costs required to extinguish these obligations. Expert advice is relied upon (where available) and known facts at the date of this report are considered to arrive at the best estimate for future liabilities that the CSR group will incur. Given the nature of these issues, circumstances may change and estimates and provisions will be updated accordingly.

Provision for uninsured losses and future claims: The provision for uninsured losses and future claims relates to the CSR group's self insurance for workers' compensation program. CSR Limited is a licensed self insurer in New South Wales, Queensland, Victoria, South Australia (to 10 April 2003), Western Australia and the Australian Capital Territory for workers' compensation insurance. As at 30 September 2013, a provision of $32.1 million (31 March 2013: $32.4 million) has been made for all known claims and reasonably foreseeable future claims. Management assesses the provision at each reporting date and obtains reports from independent experts annually.

CHANGE IN ACCOUNTING POLICIES: NEW OR REVISED ACCOUNTING STANDARDS

The CSR group has adopted all amendments to Australian Accounting Standards which became applicable from 1 April 2013. The CSR group applies, for the first time, certain standards and amendments that apply retrospectively and require restatement of previous financial statements.

Employee benefits

The CSR group adopted AASB 119 Employee benefits (revised) from 1 April 2013. The revised standard includes changes to the recognition of income and expenses associated with the superannuation defined benefit plans in which the CSR group participates. Under the revised standard, return on plan assets has been calculated based on the rate used to discount the obligations rather than the expected rate of return on these assets. The CSR group has obtained actuarial assessments and applied amendments retrospectively resulting in a $1.5 million decrease in profit after tax ($2.2 million before tax) for the financial half year ended 30 September 2012 and a corresponding increase in other comprehensive income. Earnings per share based on net profit attributable to shareholders of CSR Limited has been restated for the finanical half year ended 30 September 2012 resulting in a decrease of 0.3 cents per share to 3.2 cents per share.

In addition, the revised standard requires discounting of annual leave provisions for balances which are not expected to be utilised within 12 months. This change has not had a significant impact on the CSR group for the current or comparative financial half year.

Fair value measurement

AASB 13 Fair value measurement requires inclusion of a measure for credit risk in the calculations of assets and liabilities recorded at fair value. This change in accounting policy is applied prospectively and has not had a significant impact of the fair value of the CSR group’s assets and liabilities for the financial half year ended 30 September 2013.

Control and joint arrangements

The following standards have been adopted by the CSR group for the first time for the financial half year ended 30 September 2013:

- AASB 10 Consolidated Financial Statements;
- AASB 11 Joint Arrangements; and
- AASB 12 Disclosure of Interests in Other Entities.

AASB 10 Consolidated Financial Statements provides a single consolidation model for all entities, based on control, and irrespective of the nature of the investee. The definition of control is focused on power over the investee and the ability to use this power to affect returns from the entity, whether obtained through voting rights or some other contractual arrangement.

AASB 11 Joint Arrangements provides a new definition of joint venture and joint operation and removes optionality around accounting for joint arrangements. Joint ventures are defined by a right to net profit and net assets of the joint arrangement and are required to be equity accounted. Joint operations are defined by a right to assets and obligation for liabilities of the joint arrangements. Share of assets, liabilities, revenues and expenses of joint operations are proportionately consolidated.

There has been no change in accounting for existing arrangements for the financial half year ended 30 September 2013 as a result of applying these standards. However, should any arrangements take place which change existing interests or create new interests in controlled entities, the accounting for such transactions may be different to that applied to transactions in the past.

CURRENCY

Unless otherwise shown in the financial statements, amounts are in Australian currency.

ROUNDING

Unless otherwise shown in the financial statements, amounts have been rounded to the nearest tenth of a million dollars and are shown by $ million. CSR Limited is a company of the kind referred to in the ASIC Class Order 98/100 issued 10 July 1998.

Notes to the financial report

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

1. SEGMENT INFORMATION

Operating and reportable segments
The CSR group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in their role as the chief operating decision makers (CODM) in assessing performance and in determining the allocation of resources. Operating segments are identified by management and the board of directors based on the nature of the product sold and production processes involved. Reportable segments are based on aggregated operating segments determined by the similarity of the products produced and sold as these are the sources of the CSR group's major risks and have the most effect on the rates of return. Each of the business units disclosed below has been determined as both an operating segment and reportable segment.

Building Products	Lightweight Systems (Gyprock plasterboard, Hebel aerated autoclaved concrete products, Cemintel fibre cement, Ceilector ceilings and Potter Interior Systems, and Rondo rollformed steel products) and Insulation (Bradford insulation and Edmonds ventilation systems). Bricks and Roofing (PGH bricks, Monier and Wunderlich roofing, MySteel roofing solutions and Topcat safety rail).
Glass	The Glass business includes the operations of Viridian, Australia's leading glass provider and the only manufacturer of float glass and hardcoated performance products in Australia. It operates two main businesses - manufacturing clear float, coated and bulk laminate glass in Victoria and downstream value-added processing of glass from a number of facilities across Australia. It also participates in a glass processing joint venture in New Zealand.
Aluminium	The Aluminium business unit relates to the CSR group's 70% interest in Gove Aluminium Finance Limited, which in turn holds a 36.05% joint venture interest in the Tomago aluminium smelter (i.e. an effective interest of 25.24%). Gove Aluminium Finance Limited sources alumina, has it toll manufactured by Tomago and then sells aluminium into predominantly the Asian market. Products from the aluminium business include aluminium ingots, billets and slabs.
Property	The Property business unit generates returns typically from the sale of former operating sites by advancing the sites through various stages of the development cycle. In addition, this business is currently involved in a small number of large-scale developments in New South Wales, Queensland and Victoria. These projects, in most cases, are in-fill developments (currently vacant land or discontinued operating sites within otherwise built up areas) located in metropolitan regions.

Accounting policies and inter-segment transactions
The accounting policies used by the CSR group in reporting segments internally are the same as those disclosed in the significant accounting policies included within these financial statements, with the exception that significant items (i.e. those items which by their size, nature or incidence are relevant in explaining financial performance) are excluded from trading profits. This approach is consistent with the manner in which results are reported to the CODM.

Transfers of assets between segments are recognised at cost.

It is the CSR group's policy that if items of revenue and expense are not allocated to operating segments, then any associated assets and liabilities are also not allocated to segments. This is to avoid asymmetrical allocations within segments which management believes would be inconsistent. Reporting provided to the CODM in respect of earnings is primarily measured based on earnings before interest and tax (EBIT), excluding significant items with significant items reviewed and reported separately.

The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core trading operations of any segment:

- corporate overheads;
- restructuring and provisions;
- net finance cost; and
- significant items.

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

1. Segment information (continued)

	PROFIT BEFORE INCOME TAX		INCOME TAX		NON-CONTROLLING INTERESTS		NET PROFIT	
($ MILLION)	**2013**	2012 (Restated)[a]	**2013**	2012 (Restated)[a]	**2013**	2012	**2013**	2012 (Restated)[a]
Business segments								
Building Products	**51.8**	43.4	**13.8**	12.1	**-**	-	**38.0**	31.3
Glass	**(10.6)**	(11.7)	**(3.3)**	(4.0)	**-**	-	**(7.3)**	(7.7)
Aluminium	**24.2**	18.3	**4.7**	2.6	**5.3**	4.3	**14.2**	11.4
Property	**6.8**	0.1	**0.1**	-	**-**	-	**6.7**	0.1
Segment total	**72.2**	50.1	**15.3**	10.7	**5.3**	4.3	**51.6**	35.1
Corporate[b]	**(7.9)**	(7.6)	**(2.3)**	(2.2)	**-**	-	**(5.6)**	(5.4)
Restructuring and provisions[c]	**(3.0)**	(4.3)	**(0.6)**	(1.5)	**-**	-	**(2.4)**	(2.8)
Earnings before interest and significant items	**61.3**	38.2	**12.4**	7.0	**5.3**	4.3	**43.6**	26.9
Net finance cost	**(10.4)**	(11.1)	**(3.0)**	(3.1)	**-**	-	**(7.4)**	(8.0)
Total before significant items	**50.9**	27.1	**9.4**	3.9	**5.3**	4.3	**36.2**	18.9
Significant items (Note 2)	**9.6**	(5.2)	**(0.3)**	(1.6)	**-**	(0.7)	**9.9**	(2.9)
Total after significant items	**60.5**	21.9	**9.1**	2.3	**5.3**	3.6	**46.1**	16.0

	TOTAL REVENUE[e]		SHARE OF NET PROFIT OF ASSOCIATES		DEPRECIATION AND AMORTISATION[f]	
($ MILLION)	**2013**	2012	**2013**	2012	**2013**	2012
Business segments						
Building Products	**519.1**	502.9	**6.1**	5.2	**18.7**	17.8
Glass	**137.1**	141.1	**(0.9)**	-	**5.9**	12.3
Aluminium	**223.0**	222.9	**-**	-	**13.5**	13.9
Property	**8.1**	0.7	**-**	-	**-**	-
Segment total	**887.3**	867.6	**5.2**	5.2	**38.1**	44.0
Corporate[b]	-	-	-	-	**0.6**	0.5
Restructuring and provisions[c d]	**17.0**	-	**(0.8)**	-	**-**	-
Interest income	**1.0**	0.9	**-**	-	**-**	-
Total	**905.3**	868.5	**4.4**	5.2	**38.7**	44.5

a On 1 April 2013 CSR Limited adopted AASB 119 Employee Benefits (revised), resulting in a change in accounting policy and a restatement of balances for the financial half year ended 30 September 2012. Refer to Significant Accounting Policies.

b Represents unallocated overhead and other revenues.

c Includes product liability, certain defined benefit superannuation liabilities and expenses, other payables, non-operating revenue and other costs (excluding those categorised as significant items).

d Restructuring and provisions revenues for the financial half year ended 30 September 2013 include $17.0 million of significant items related to a reduction in the product liability provision. Refer to Note 2.

e Inter-segment sales are negligible. Total revenue includes trading revenue, other income, interest income and dividend income from other entities and excludes share of net profit of associates.

f Depreciation and amortisation includes $1.6 million (2012: $1.7 million) amortisation of intangible assets. Other significant non-cash expenses such as movements in provisions and other rationalisation expenses which are significant items are disclosed in Note 2. Other non-cash expenses are immaterial.

There has not been a material change in the value of assets in each reportable segment during the financial half year ended 30 September 2013. The CSR Annual Report 2013 provides details of segment assets as at 31 March 2013.

Notes to the financial report (continued)
CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

($ MILLION)	**2013**	2012

2. Significant items

Reduction in product liability provision [a]	**17.0**	-
Legal disputes and warranties [b]	**(7.4)**	-
Redundancy costs [c]	**-**	(5.2)
Total significant items	**9.6**	(5.2)
Total significant items		
Significant items before income tax	**9.6**	(5.2)
Income tax benefit on significant items	**0.3**	1.6
Significant items after tax	**9.9**	(3.6)
Significant items attributable to non-controlling interests	**-**	0.7
Significant items attributable to shareholders of CSR Limited	**9.9**	(2.9)
Net profit attributable to shareholders of CSR Limited[d]	**46.1**	16.0
Significant items attributable to shareholders of CSR Limited	**(9.9)**	2.9
Net profit before significant items attributable to shareholders of CSR Limited[d]	**36.2**	18.9
EARNINGS PER SHARE (CENTS)		
Before significant items		
Basic earnings per share - based on net profit attributable to shareholders of CSR Limited[e]	**7.2**	3.7
Diluted earnings per share - based on net profit attributable to shareholders of CSR Limited[e]	**7.2**	3.7

a For the financial half year ended 30 September 2013, the CSR group recorded income in relation to its product liability provision of $17 million, reflecting a decrease in the routine estimate of future asbestos related claims in the United States (after cash payments and adjustments for the present value of future claims).

b For the finanicial half year ended 30 September 2013, the CSR group recorded a charge of $7.4 million in relation to product warranty claims and ongoing legal disputes as these matters have advanced towards settlement.

c For the financial half year ended 30 September 2012, the CSR group recorded redundancy costs of $5.2 million associated with the restructuring across the Building Products, Viridian and Aluminium businesses to secure ongoing efficiencies and align these businesses with the current market conditions.

d On 1 April 2013 CSR Limited adopted AASB 119 Employee Benefits (revised), resulting in a change in accounting policy and a restatement of balances for the financial half year ended 30 September 2012. Refer to Significant Accounting Policies.

e Weighted number of ordinary shares used in the calculation of earnings per share is 506.0 million (2012: 506.0 million). Earnings per share based on net profit attributable to shareholders of CSR Limited before significant items has been restated for the adoption of AASB 119 Employee Benefits (revised) resulting in a decrease of 0.3 cents per share to 3.7 cents per share for the financial half year ended 30 September 2012.

3. Net finance cost

Interest expense	**1.5**	1.3
Unwinding of discount on non-current provisions	**7.4**	9.5
Funding costs	**2.3**	2.3
Foreign exchange gain (loss)	**0.2**	(1.1)
Finance cost	**11.4**	12.0
Interest income	**(1.0)**	(0.9)
Net finance cost	**10.4**	11.1

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

4. Income taxes

Reconciliation of income tax expense (credited) charged to the statement of financial performance with income tax calculated on profit before income tax:

($ MILLION)	**2013**	2012
Profit before income tax[a]	**60.5**	21.9
Income tax expense calculated at 30%	**18.2**	6.6
(Decrease) increase in income tax expense due to:		
Share of net profit of associates and rebates on dividend income	**(1.3)**	(1.4)
Research and development offsets and other	**(7.8)**	(2.9)
Total income tax expense on profit	**9.1**	2.3

a On 1 April 2013 CSR Limited adopted AASB 119 Employee Benefits (revised), resulting in a change in accounting policy and a restatement of balances for the financial half year ended 30 September 2012. Refer to Significant Accounting Policies.

5. Net tangible assets per share [a]

	30 SEPTEMBER 2013 $	30 SEPTEMBER 2012 $
Net tangible assets per share	**2.02**	2.27

a Calculated as net assets attributable to CSR Limited shareholders ($1,081.3 million) less intangible assets ($56.9 million) divided by the number of shares (506.0 million).

6. Issued capital

	ORDINARY SHARES FULLY PAID [a]	ISSUED CAPITAL ($ MILLION)
On issue 31 March 2013	506,000,315	1,042.2
On issue 30 September 2013	**506,000,315**	**1,042.2**

a The shares are fully paid ordinary shares listed on the Australian Securities Exchange and carry one vote per share and the right to dividends.

7. Dividends

	FINANCIAL YEAR ENDING 31 MARCH	FRANKING PERCENTAGE	DATE PAID / PAYABLE	AMOUNT PER SHARE (CENTS)	TOTAL AMOUNT ($MILLION)
Final dividend	2012	100	9 July 2012	7.0	35.4
Interim dividend	2013	Nil	18 December 2012	3.0	15.2
Final dividend	2013	Nil	9 July 2013	2.1	10.6
Interim dividend	2014	Nil	17 December 2013	5.0	25.3

The interim dividend in respect of ordinary shares for the half year ended 30 September 2013 has not been recognised in this financial report because the interim dividend was resolved to be paid subsequent to 30 September 2013.

Dividend reinvestment plan

CSR Limited has an established dividend reinvestment plan (DRP) under which the holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of ordinary shares rather than be paid in cash. The company's DRP operated for all dividends paid during the period. Shares were acquired on-market and transferred to participants to satisfy any shares issued under the DRP and therefore had no effect on the number of shares on issue.

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

8. Equity accounting information

Share of net profit of associates

($ MILLION)	**2013**	2012
Profit before income tax	**6.8**	7.4
Income tax expense	**(2.4)**	(2.2)
Total share of net profit	**4.4**	5.2

	OWNERSHIP INTEREST AS AT 30 SEPTEMBER		CONTRIBUTION TO NET PROFIT - HALF YEAR ENDED 30 SEPTEMBER	
Name of entity	**2013 %**	2012 %	**2013 $ MILLION**	2012 $ MILLION
Associate companies and joint venture entities				
Rondo Pty Limited	**50**	50	**5.2**	4.8
Viridian Glass GP Limited	**58**	58	**(1.7)**	-
Other non-material associates [a]			**0.9**	0.4
Total share of net profit			**4.4**	5.2

a Included in other non-material associates is a 50% share of profit from the NZ Brick Distributors Limited Partnership, a joint venture with Brickworks Building Products (NZ) Pty Limited. The CSR group acquired 50% of the shares of NZ Brick Distributors GP Limited on 15 April 2013.

9. Acquisitions of businesses

The CSR group acquired the assets of the following businesses during the financial half year ended 30 September 2013:

- Alsupply Aluminium Partitions on 1 May 2013 (Building Products segment)
- Accent Powdercoaters on 1 May 2013 (Building Products segment)

The primary reason for the acquisitions was to continue CSR's growth in building products.

The initial accounting for these acquisitions has only been provisionally determined at 30 September 2013. At the date of finalisation of this report, the necessary market valuation and other calculations had not been finalised and the fair value of goodwill noted below has therefore only been provisionally determined based on the directors' best estimates. Acquisition related costs expensed were $0.2 million.

Details of the purchase consideration and the fair value of assets and liabilities acquired are given below.

($ MILLION)	**2013**
Purchase consideration	**2.2**
Fair value of net identifiable assets acquired (refer to below)	**0.5**
Goodwill acquired (refer to below)	**1.7**

Value of net assets of controlled entities and businesses acquired

($ MILLION)	**FAIR VALUE 2013**
Inventories	**0.7**
Property, plant and equipment	**0.1**
Intangible assets	**0.2**
Payables	**(0.4)**
Provisions	**(0.1)**
Net identifiable assets acquired	**0.5**
Goodwill acquired	**1.7**
Total consideration	**2.2**

Total consideration is comprised of payments during the financial half year ended 30 September 2013 of $1.8 million. An additional $0.4 million is expected to be payable in future periods and is contingent on achievement of performance targets.

Notes to the financial report (continued)
CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

10. Disposal of a business

10.1 Establishment of joint venture - Bricks New Zealand (disposal of a business)

On 15 April 2013, CSR established a joint venture between its New Zealand subsidiary CSR Building Products (NZ) Limited and Brickworks Building Products (NZ) Pty Limited. This transaction involved the disposal of operating assets of the Bricks New Zealand business from CSR Building Products (NZ) Limited into the joint venture vehicle "NZ Brick Distributors Limited Partnership." A gain of $1.0 million was recorded on the transaction.

10.2 Carrying value of net assets of business disposed

($ MILLION)	**2013**
Inventories	**3.5**
Property, plant and equipment	**0.1**
Net assets disposed	**3.6**

10.3 Cashflows from disposal of a business

Consideration for the disposal was 50% of the shares of NZ Brick Distributors GP Limited entitling CSR group to a 50% share of profits of the NZ Brick Distributors Limited Partnership, a joint venture with Brickworks Building Products (NZ) Pty Limited.

Costs associated with the establishment of the joint venture were $0.1 million and paid in the financial half year ended 30 September 2013.

11. Subsequent events

Dividends
For dividends resolved to be paid after 30 September 2013, refer to Note 7.

12. Contingent liabilities

Contingent liabilities/assets

Claims and possible claims (other than product liability which is discussed in Note 13) have arisen in the course of business against entities in the CSR group and made by entities in the CSR group. Based on legal advice obtained, the directors believe that any resultant liability or asset will not materially affect the financial position of the CSR group.

The parent entity has undertaken to provide financial support, as and when required, to certain wholly-owned controlled entities so as to enable those entities to pay their debts as and when such debts become due and payable.

Workers' compensation

CSR Limited is a licensed self insurer in New South Wales, Queensland, Victoria, South Australia (to 10 April 2003), Western Australia and the Australian Capital Territory for workers' compensation insurance. Adequate provision has been made for all known claims and reasonably foreseeable future claims with a provision of $32.1 million as at 30 September 2013 (31 March 2013: $32.4 million).

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

13. Product liability

CSR Limited and/or certain subsidiaries (CSR) were involved in mining asbestos and manufacturing and marketing products containing asbestos in Australia, and exporting asbestos to the United States. CSR's involvement in asbestos mining, and the manufacture of products containing asbestos, began in the early 1940s and ceased with the disposition of the Wunderlich asbestos cement business in 1977. As a result of these activities, CSR has been named as a defendant in litigation in Australia and the United States.

In Australia, asbestos related personal injury claims have been made by employees and ex-employees of CSR, by others such as contractors and transporters and by users of products containing asbestos, as well as residents of and visitors to Wittenoom. As at 30 September 2013, there were 479 such claims pending.

In the United States, claims are made by people who allege exposure to asbestos fibre used in the manufacture of products containing asbestos or in the installation or use of those products. As at 30 September 2013, there were 690 such claims pending.

CSR has been settling claims since 1989. As at 30 September 2013, CSR had resolved approximately 3,571 claims in Australia and approximately 136,421 claims in the United States.

CSR's recent claims experience can be summarised as follows:

	HALF YEAR ENDED 30 SEPTEMBER	YEAR ENDED 31 MARCH			
	2013	**2013**	**2012**	**2011**	**2010**
Number of claims received	160	347	435	412	514
Number of claims resolved	478	488	418	634	986
Amount spent on settlements (A$ million) [a]	13.9	31.0	34.7	32.5	33.4
Average cost per resolved claim (A$)	29,040	63,553	83,067	51,300	33,916

[a] Excludes external legal costs

The annual amounts paid by CSR in respect of asbestos related claims vary year on year depending on the number and types of claims received and resolved during each year, the litigation or other determination of particular claims or issues and any determination by management to resolve claims that may have been received in earlier years.

Basis of provision

CSR includes in its financial statements a product liability provision covering all known claims and reasonably foreseeable future asbestos related claims. This provision is reviewed every six months. The provision recognises the best estimate of the consideration required to settle the present obligation for anticipated compensation payments and legal costs as at the reporting date. The provision is net of anticipated workers' compensation payments from available workers' compensation insurers. CSR does not believe there is any other significant source of insurance available to meet its asbestos liabilities. CSR no longer has general insurance coverage in relation to its ongoing asbestos liabilities.

In determining the product liability provision, CSR has obtained independent expert advice in relation to the future incidence and value of asbestos related claims in each of the United States and Australia. CSR has appointed Taylor Fry Pty Limited, consulting actuaries, as the independent expert to estimate the Australian liabilities. CSR has appointed Gnarus Advisors LLC, Inc as the independent expert to estimate the United States liabilities. The independent experts make their own determination of the methodology most appropriate for estimating CSR's future liabilities. The assessments of those independent experts project CSR's claims experience into the future using modelling techniques that take into account a range of possible outcomes. The present value of the liabilities is estimated by discounting the estimated cash flows using the pre-tax rate that reflects the current market assessment of the time value of money and risks specific to those liabilities.

Many factors are relevant to the independent experts' estimates of future asbestos liabilities, including:

- numbers of claims received by disease and claimant type and expected future claims numbers, including expectations as to when claims experience will peak;
- expected value of claims;
- the presence of other defendants in litigation or claims involving CSR;
- the impact of and developments in the litigation and settlement environment in each of Australia and the United States;
- estimations of legal costs;
- expected claims inflation; and
- the discount rate applied to future payments.

There are a number of assumptions and limitations that impact on the assessments made by CSR's experts, including the following:

- assumptions used in the modelling are based on the various considerations referred to above;
- the future cost of asbestos related liabilities are inherently uncertain for the reasons discussed in this note;
- uncertainties as to future interest rates and inflation;
- the analysis is supplemented by various academic material on the epidemiology of asbestos related diseases that is considered by the experts to be authoritative;
- the analysis is limited to liability in the respective jurisdictions of Australia and the United States that are the subject of the analysis of that expert and to the asbestos related diseases that are currently compensated in those jurisdictions; and
- the effect of possible events that have not yet occurred which are currently impossible to quantify, such as medical and epidemiological developments in the future in treating asbestos diseases, future court and jury decisions on asbestos liabilities, and legislative changes affecting liability for asbestos diseases.

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

13. Product liability (continued)

In Australia the methodology used by Taylor Fry Pty Limited produces a range of potential outcomes, including a central estimate, or most likely outcome. At 30 September 2013 the central estimate was A$160.3 million calculated using a discount rate of 4.6%. On an undiscounted and inflated basis that central estimate would be A$266.3 million over the period to 2064, being the period that the Australian independent expert advises CSR is relevant for the estimation of CSR's future Australian asbestos liabilities.

In the United States the methodology used by Gnarus Advisors LLC produces a base case estimate or most likely outcome. At 30 September 2013 the base case estimate was US$147.0 million calculated using a discount rate of 3.0%. On an undiscounted and inflated basis that base case estimate would be US$182.2 million over the anticipated further life of the United States liability (40 years).

The product liability provision is determined every six months by aggregating the Australian and United States estimates noted above, translating the United States base case estimate to Australian dollars using the exchange rate prevailing at the balance date and adding a prudential margin. The prudential margin is determined by the CSR directors at the balance date, having regard to the prevailing litigation environment, any material uncertainties that may affect future liabilities and the applicable long term Australian dollar to United States dollar exchange rate. As evidenced by the analysis below, due, in particular, to the fluctuations in exchange rate, the prudential margin has been variable over the past five years. The directors anticipate that the prudential margin will continue to fluctuate within a range approximating 10% to 30% depending on the prevailing circumstances at each balance date.

The table below shows CSR's asbestos provision from 2010 to the half year ended 30 September 2013:

	HALF YEAR ENDED 30 SEPTEMBER	YEAR ENDED 31 MARCH			
($ MILLION)	**2013**	2013	2012	2011	2010
United States base case estimate US$	**147.0**	194.0	199.2	191.8	159.5
United States base case estimate A$	**158.1**	185.8	191.8	185.9	173.7
Australian central estimate A$	**160.3**	158.3	172.7	180.1	184.8
Sub total A$	**318.4**	344.1	364.5	366.0	358.5
Prudential Margin A$	**79.4**	79.7	77.2	82.9	96.8
Prudential Margin %	***25.0%***	*23.2%*	*21.2%*	*22.7%*	*27.0%*
Total product liability provision A$	**397.8**	423.8	441.7	448.9	455.3

At 30 September 2013, a provision of $397.8 million (31 March 2013: $423.8 million) has been made for all known claims and reasonably foreseeable future claims, and includes a prudential margin of $79.4 million above the aggregate most likely estimate of the future asbestos liabilities in Australia and the United States as determined by Taylor Fry Pty Limited and Gnarus Advisors LLC respectively.

Having regard to the extremely long tailed nature of the liabilities and the long latency period of disease manifestation from exposure, the estimation of future asbestos liabilities is subject to significant complexity. As such, there can be no certainty that the product liability provision as at 30 September 2013 will definitively estimate CSR's future asbestos liabilities. If the assumptions adopted by CSR's experts prove to be incorrect, the current provision may be shown to materially under or over state CSR's asbestos liability.

However, taking into account the provision already included in CSR's financial statements and current claims management experience, CSR is of the opinion that asbestos litigation in the United States and Australia will not have a material adverse impact on the CSR group's financial condition.

Process agreed with the Foreign Investment Review Board (FIRB)
On 22 December 2010, CSR sold its Sucrogen business, to Wilmar International Limited (Wilmar). The sale of Sucrogen to Wilmar required approval from the Commonwealth Treasurer (via the FIRB).

As part of the approval process, and as further evidence of CSR's commitment to responsibly managing its asbestos related liabilities, CSR has put in place a process for the external oversight of any repatriation of capital by CSR to its shareholders during the period of seven years following the sale of Sucrogen (subject to limited earlier termination provisions).

As part of this process, CSR has entered into an agreement with an independent body, The Trust Company (TTC), pursuant to which CSR must demonstrate that CSR has fulfilled certain requirements prior to any repatriation of funds to its shareholders other than half yearly or annual dividends paid by CSR in accordance with its usual practice and its dividend policy in force from time to time.

These requirements include that:
- CSR's asbestos liabilities have been reviewed by an additional independent expert;
- CSR intends to retain its 'investment grade' credit rating following any repatriation; and
- an approved accounting firm has expressed an opinion that the decision of CSR's directors that a particular repatriation of capital would not materially prejudice creditors, including current and reasonably foreseeable future asbestos claimants, was formed on a reasonable basis.

In accordance with the agreement with TTC, documentation was provided by CSR to TTC to demonstrate that the above requirements were fulfilled in relation to the special dividend and the capital return which were paid to CSR shareholders on 2 February and 3 March 2011 respectively.

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

14. Fair value measurement of financial instruments

The fair value measurement principles adopted in this report are consistent with those applied in the CSR Annual Report for the year ended 31 March 2013.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition of fair value, grouped into Level(s) 1 to 3 based on the degree to which the fair value is observable:

- **Level 1** quoted prices (unadjusted) in active markets from identical assets or liabilities;
- **Level 2** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable for the asset or liability.

($ MILLION)	**AS AT 30 SEPTEMBER 2013**			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Derivative financial instruments				
Commodity swaps	-	**10.6**	-	**10.6**
Forward exchange rate agreements	-	**4.3**	-	**4.3**
Total	-	**14.9**	-	**14.9**

($ MILLION)	**AS AT 30 SEPTEMBER 2013**			
	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value				
Derivative financial instruments				
Commodity swaps	-	**0.1**	-	**0.1**
Forward exchange rate agreements	-	**4.3**	-	**4.3**
Total	-	**4.4**	-	**4.4**

($ MILLION)	AS AT 31 MARCH 2013			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Derivative financial instruments				
Commodity swaps	-	12.6	-	12.6
Forward exchange rate agreements	-	2.8	-	2.8
Total	-	15.4	-	15.4

($ MILLION)	AS AT 31 MARCH 2013			
	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value				
Derivative financial instruments				
Commodity swaps	-	0.3	-	0.3
Forward exchange rate agreements	-	0.6	-	0.6
Total	-	0.9	-	0.9

Directors' declaration

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
HALF YEAR ENDED 30 SEPTEMBER

CSR LIMITED

ABN 90 000 001 276

Directors' declaration

In the directors' opinion:

(a) the financial statements and notes, set out on pages 12 to 26 are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 September 2013, and of its performance as represented by the results of its operations and its cash flows, for the financial half year ended on that date;

(b) there are reasonable grounds to believe that CSR Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors pursuant to section 303(5) of the Corporations Act 2001.

Jeremy Sutcliffe
Chairman

Sydney, 13 November 2013

Rob Sindel
Managing Director

Sydney, 13 November 2013

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Independent Auditor's Review Report to the Members of CSR Limited

We have reviewed the accompanying half-year financial report of CSR Limited, which comprises the statement of financial position as at 30 September 2013, and the statement of financial performance, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 12 to 27.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of CSR Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of CSR Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of CSR Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 September 2013 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

J A Leotta
Partner
Chartered Accountants
Sydney, 13 November 2013