CSR Limited Annual Full Year Results
16 May 2007

Jerry Maycock
Managing Director

BE SURE WITH CSR

Presentation outline

• Introduction and Overview	Jerry Maycock
• Sugar	Ian Glasson
• Building Products	Greg Rough
• Aluminium, Property and Financials	Anne Brennan
• Looking forward	Jerry Maycock

Group financial performance – year ended 31 March 2007 (YEM07)

- Net profit before significant items $240.5 million *(down 3.7%)*
- Net profit after significant items $273.3 million *(down 10.4%)*
- EPS before significant items 27.4 cents per share *(unchanged)*
- Total dividend 15 cents per share *(unchanged)*
- Trading revenue of $3.1 billion *(up 8.5%)*
- Strong operating cash flow $380.1 million *(up 20%, excludes insurance settlement $196m)*
- Return on shareholders' funds 20.1% *(down from 21.8%)*

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Challenging markets impacted returns

Year ended 31 March [$ million unless stated]	**2007**	2006	change
Sugar [1]	**130.1**	123.7	5.2%
Building Products	**84.5**	101.5	-16.7%
Less one-off plant closure costs		-20.6	
	84.5	80.9	4.4%
Aluminium	**141.9**	156.1	-9.1%
Property	**69.7**	75.6	-7.8%
Business segment total	**426.2**	**436.3**	-2.3%
Corporate costs	**-20.3**	-18.9	
Restructure and provisions [2]	**0.2**	-0.6	
Total EBIT	**406.1**	416.8	-2.6%

1. The 2006 amount includes $10 million which is the CSR group's allocation of a "sustainability grant" provided by the federal government
2. Includes product liability, certain defined benefit superannuation expense and other non-operating costs

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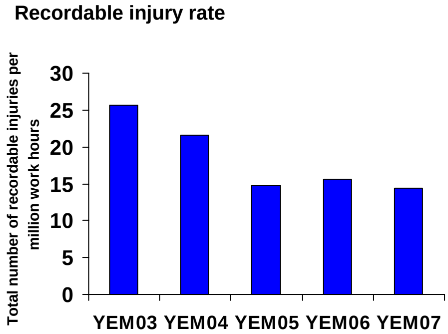
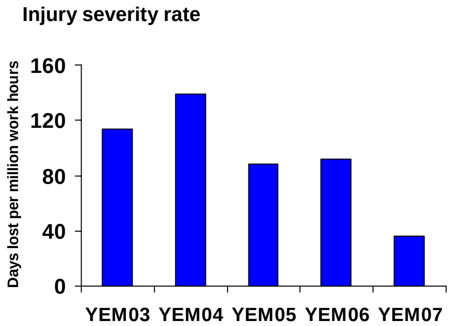
Safety - a continuing focus for our business leaders





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Sugar

Ian Glasson

CEO CSR Sugar

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Stronger raw sugar prices largely offset by lower crop and higher costs

- **Raw Sugar EBIT up 4.6% to $96.8m**
  - Higher sugar prices
  - Unseasonable wet weather reduced production
- **Refined Sugar EBIT down 2.5% to $31.5m**
  - Gains in retail market and cost focus offset volume impact of high sugar prices
- **Ethanol EBIT up 45.1% to $7.4m**
  - Improved volumes and prices

Year ended 31 March [$ million unless stated]	**2007**	2006	change
Trading revenue	**1,544.7**	1,367.8	12.9%
EBIT	**130.1**	123.7 (1)	5.2%
EBIT Margin	**8.4%**	**9.0%**	
EBIT by business			
Raw Sugar	**96.8**	92.5 (1)	4.6%
Refined Sugar	**31.5**	32.3	-2.5%
Ethanol	**7.4**	5.1	45.1%

1. The 2006 amount includes $10 million which is the CSR group's allocation of a "sustainability grant" provided by the federal government

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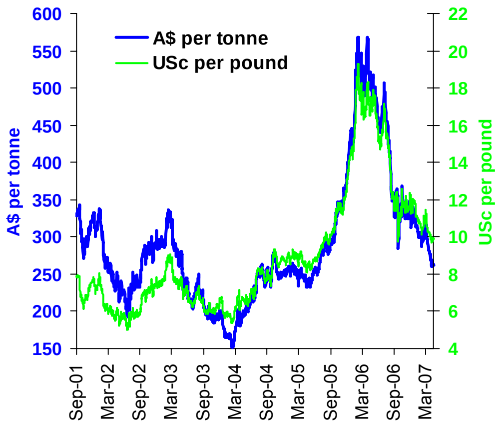
Achieved raw sugar price of A$354 up from A$316 per tonne

CSR achieved price A$ per tonne	**2007**	**2006**	**2005**
Final full year price	**354**	316	255

- **Higher than normal world sugar price volatility during the last 12 months**
- **Higher A$ also lowered returns**
  - Start year ~US18.0c per pound (~A$500 per tonne)
  - Ended ~US10c per pound (~A$270 per tonne)

New York Nº 11



Source Bloomberg, NY11 sugar price

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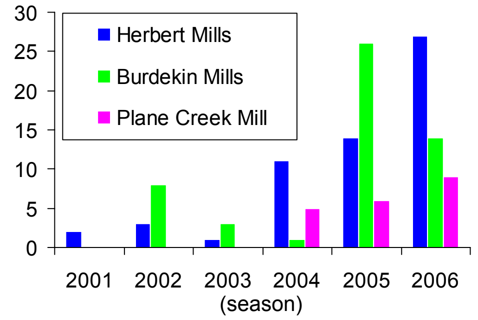
Substantially higher costs due to weather and operational issues

Year ended 31 March		2007	2006	2005
Cane crushed	[million tonnes]	**14.3**	15.4	15.0
Raw sugar produced	[million tonnes]	**2.1**	2.2	2.2
CCS	[sugar content]	**14.1%**	14.0%	14.5%

Days of crushing lost to wet weather



- **Unseasonable wet weather extended the milling season**
  - 26 days in the Herbert; 14 in the Burdekin and 9 in Plane Creek
  - Higher costs due to wet weather and operational issues at several mills

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Mills capital upgrade program

- Last year's difficult conditions highlighted shortcomings of older equipment in several mills
- Launching a three year program to upgrade critical equipment, improve cost position and increase sugar recovery
- Scope and timing reviewed each year taking into account crop size, profit levels and medium-term outlook for sugar prices
- Program will ensure CSR maintains its competitive position in the global raw sugar market

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Refined sugar profits improving

- Recovery in market activity with lower sugar prices
- Investing $56 million for major upgrade of the Yarraville refinery in Melbourne
  - Replaces very old equipment
  - Improves sustainability of operations
- Retail market share continues to grow with specialised products and new packaging
- Expanded into sweetening solutions following distribution deal to market Equal® in retail and food service markets in Australia/NZ

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Ethanol continues to grow strongly

- $15m Sarina expansion of fuel ethanol plant installed on time and within budget
- Sales volumes and prices increased – especially in fuel market
- Fertiliser by-product sales also improved
- Further options to expand capacity under review
  - Increases in feedstock prices are impacting viability of potential grain based projects
  - Additional molasses production

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Substantial renewable electricity potential

- CSR currently has approximately 100 megawatt (MW) cogeneration capacity available to the power grid in North Queensland
- Production from sugarcane waste (bagasse) provides a constant base load supply of electricity, unlike most other forms of renewable power generation
- CSR has capacity to add another 300MW through additional cogeneration facilities at its sugar mills – about 50% of North Queensland's power requirements

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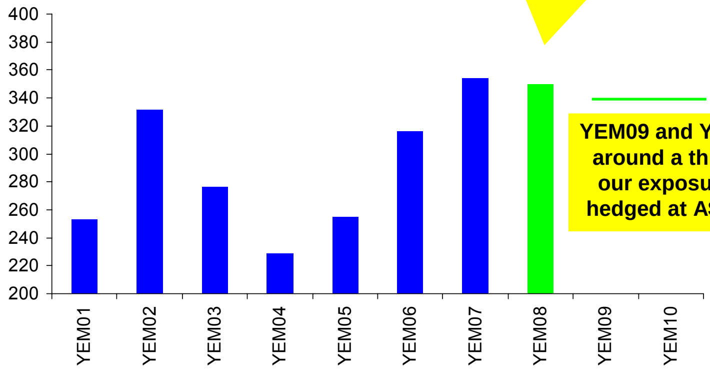
YEM08 raw sugar— around 60% priced at A$350/t

Raw sugar price
A$ per tonne

YEM08 CSR has hedged around 60% at A$350/t



YEM09 and YEM10, around a third of our exposure is hedged at A$340/t

Source CSR

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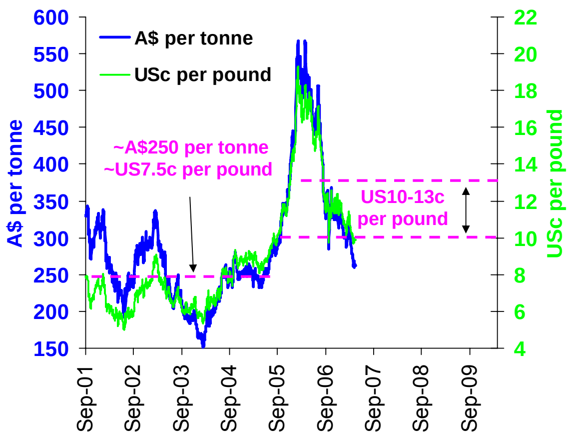
Fundamentals should underpin a better medium to longer term sugar price

New York Nº 11



Outlook — fundamentals

- Short-term pressure due to production increases following spike in prices
- Global ethanol demand dynamic
- Brazilian cost of expansion between US10-13c per pound

Source Bloomberg, NY11 sugar price

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Sugar strategy

- **Operational efficiency –** maintaining our competitive cost position in the global market
  - Short term price/fx volatility
  - Sugar mills are capital intensive - need adequate re-investment, monitored carefully to ensure value creation
- **Growth and innovation -** substantial global and regional opportunities:
  - CSR optimistic about upstream and downstream opportunities
  - Early stage biotech has considerable potential to improve sugar yields, but still early days
  - Product innovation in the sugar and sweeteners markets
  - Substantial opportunities in renewable fuel and electricity
  - Industry deregulation continuing throughout YEM08/09

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Sugar outlook

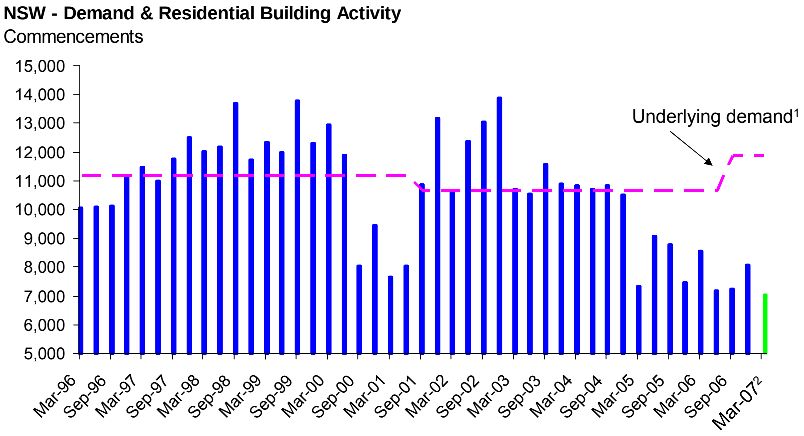
- Crop down - wet weather last year delayed planting
- Sugar recovery should be higher – raw sugar volume similar to YEM07
- 60% of net exposure in YEM08 hedged for commodity and currency at $350 per tonne
- Current sugar price and exchange rate indicates final outcome $300 - $330 per tonne.
- Mills renewal program will incur $10 million of additional operating costs plus depreciation from higher capex
- Net result for YEM08 will be materially lower than YEM07 on current sugar price/fx forecasts

Building Products well positioned for the rebound in the cycle

Greg Rough

EGM, Gyprock™ and Cemintel™

YEM07 NSW residential market at 60 year lows - build up of latent demand



Source ABS, BIS Shrapnel

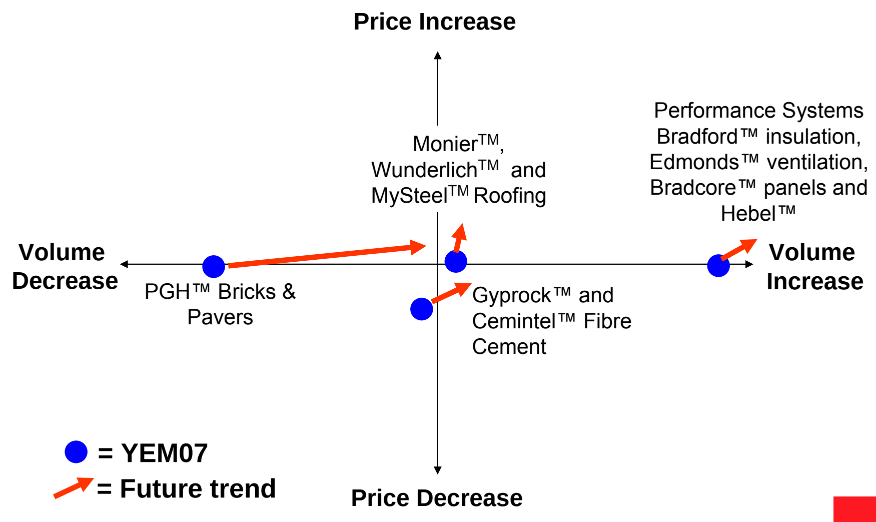
1. Underlying demand (source: BIS Shrapnel) is based on population growth and household formation
2. Mar-07 is a forecasted number (source: BIS Shrapnel)

Low building activity impacted earnings

- **Revenue up 3% to $1 billion**
  - Growth in Performance Systems and from new products and services
- **EBIT of $84.5 million**
  - Lower factory utilisation due to slow residential building
  - Increasing fuel and energy costs
  - 16.7% below last year excluding one-off write-down

Year ended 31 March [$ million unless stated]	2007	2006	change
Performance Systems (includes Bradford Insulation)	**279.9**	247.1	13.3%
Gyprock and Cemintel	**395.0**	393.7	0.3%
PGH Bricks and Monier Roofing	**317.9**	318.4	-0.2%
Other	**11.2**	15.0	-25.3%
Total trading revenue	**1,004.0**	974.2	3.1%
EBIT	**84.5**	101.5	-16.7%
Less write-off of plant		-20.6	
EBIT	**84.5**	80.9	4.4%
EBIT Margin	**8.4%**	8.3%	

YEM08 volumes likely to increase slowly with modest price gains



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Building Products strategy

- **Below median delivered costs –** re-investment and operational programs improving manufacturing and supply chain management
- **Systems and solutions –** development of innovative systems, particularly around existing portfolio of energy efficient solutions
- **Brand –** ensure CSR brands are #1 or #2 in their segment, leveraging off CSR master brand. Improve margins through differentiated product offerings.
- **Growth from Australasian/Asian network** — progressively increase geographic markets (Asia/Middle East) supplied from our five Asian plants
- **Broaden portfolio** — Exploring growth opportunities in adjacent segments to broaden portfolio offering to existing customer base

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Investment to improve cost position and augment supply

Performance Systems (includes Bradford™ insulation, Edmonds™ ventilation systems, Bradcore™ panels and Hebel™)	• Completed $27m expansion of Bradford™ plant at Ingleburn (NSW), with new packaging equipment • $44m Guangzhou rockwool plant under construction – 45,000 tonnes • Acquired Phoenix Insulation in southern China
Gyprock™ and Cemintel™ Fibre Cement	• $140m investment to replace and expand Yarraville, Melbourne plant into a world class operation • Rationalising warehouse and distribution facilities • Maintains lowest through-the-cycle delivered cost for Gyprock™ plasterboard in our major markets
PGH™ Bricks and Monier™ Wunderlich™ Roofing	• Completed $30m upgrade of brick plant at Oxley (Qld) • Network restructuring and rationalisation to produce cost savings approaching $20 million per year • Restructuring charge detailed later

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Building Products outlook

- Residential:
  - NSW key to significant East Coast upturn – no sign of imminent upturn
  - QLD likely to improve slightly
  - VIC and NZ stable
  - WA lower, but still at high levels
- Commercial
  - Strong demand continuing
- Drive to optimise production and distribution network continues
- Building Products YEM08 EBIT expected to be higher than YEM07
- Medium term growth expected to be substantial due to cyclical upturn in Australia, organic growth from new systems and solutions, progressive Asia/Middle East network expansion and acquisitions

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Aluminium, Property, Finance

Anne Brennan
CFO CSR Limited

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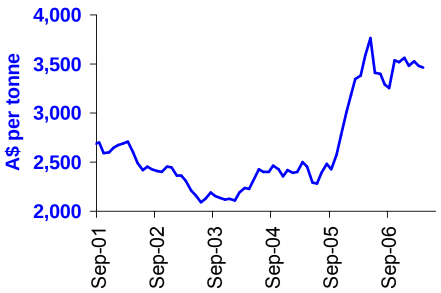
Aluminium — Profit down from previous year

Year ended 31 March [$ million unless stated]	2007	2006	change
Sales ('000 tonnes)	**185.4**	185.7	-0.1%
Trading revenue	**561.4**	523.5	7.2%
EBIT	**141.9**	156.1	-9.1%
EBIT Margin	**25.3%**	29.8%	
Net profit after minority interests	**70.0**	76.9	-9.0%

Market data	2007	2006	2005
LME US$/tonne	**2,670**	2,039	1,776
US$/A$ average rate	**0.765**	0.753	0.740
LME A$/tonne	**3,490**	2,708	2,400

- EBIT down 9.1% due to lower prices for aluminium hedged in previous years and higher production costs

Aluminium price - LME



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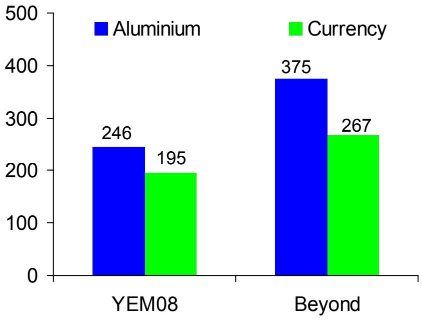
Increased forward hedging levels following higher prices

Aluminium Hedge Book
US$ millions



- Significant hedging undertaken for YEM08 and beyond
  - Around 87% of net aluminium exposure[1] now hedged for YEM08
- YEM08 earnings are expected to rise as a result of higher hedged prices

0.711	0.726	Average currency rate in US cents
US$2,103	US$2,211	Average hedged aluminium price US$ per tonne
A$2,958	A$3,045	Average hedged aluminium price A$ per tonne

1. CSR hedges net aluminium exposure which takes into account the natural hedge involved in alumina purchases. Net aluminium exposure equates to around three quarters of metal production.

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Property continues to make significant returns

Year ended 31 March [$ million]	**2007**	2006	change
EBIT	**69.7**	75.6	-7.8%
Capital investment	**59.1**	54.2	9.0%

- Property's earnings are based on a small number of large transactions - potential for sizeable swings from year to year
- The major driver YEM07 was sale of two major sites at the Erskine Park industrial development in Sydney's west

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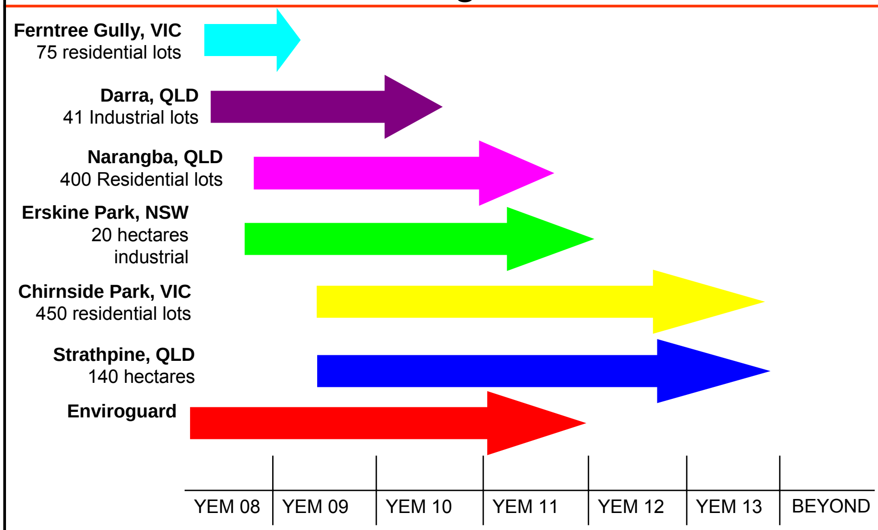
Property returns sustainable over long term



Financial overview

Financial results

Year ended 31 March 2007 [$ million unless stated]	2007	2006	change
Trading revenue	**3,111.0**	**2,866.9**	8.5%
EBITDA	**531.9**	**533.1**	-0.2%
EBIT	**406.1**	**416.8**	-2.6%
Net finance expense	**-56.9**	**-50.8**	12.0%
Tax expense	**-74.0**	**-78.1**	-5.2%
Outside equity interest	**-34.7**	**-38.1**	-8.9%
Net profit before sig items	**240.5**	**249.8**	-3.7%
Effective tax rate	**21.2%**	**21.3%**	
Earnings per share (cents) [(1)]	**27.4**	**27.4**	
Total dividends per share (cents)	**15.0**	**15.0**	
Dividend payout ratio	**54.7%**	**54.7%**	

1. Excluding significant items. Based on the number of shares outstanding at 31 March.

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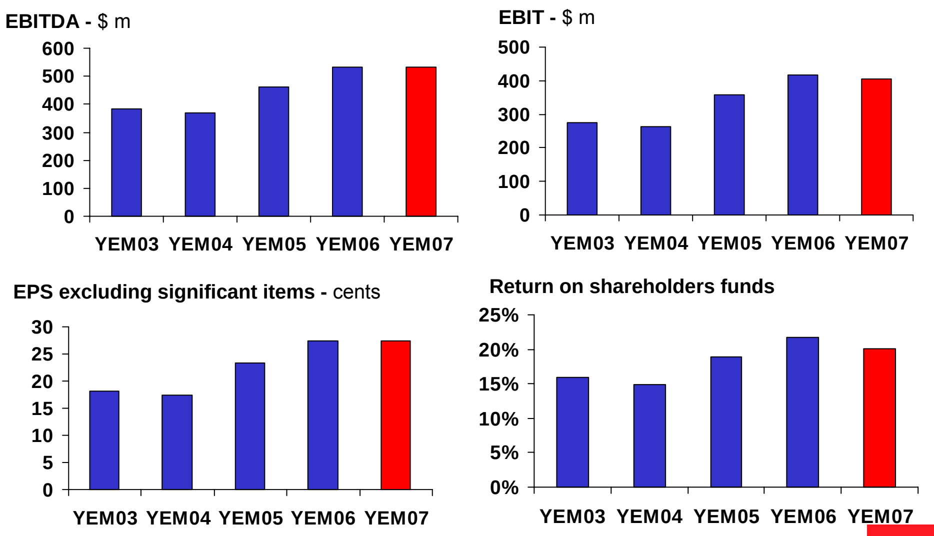
Five year performance



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Balance sheet remains flexible for future growth

- **5% share buyback announced in July 2006**
  $114.5 million spent to date to purchase 4% of shares. Average price of $3.06 per share
- **Gearing of 25%** reduced from last year
- **Strong cash flow** provides flexibility for future growth
- **Further capital management opportunities under review**

Year ended 31 March [$ million unless stated]	**2007**	2006
Gearing – net debt / net debt + equity [1]	**25.3%**	30.5%
Net debt	**448.6**	558.5
Interest cover	**15.4**	17.2
EBITDA	**531.9**	533.1

1. Excludes fair value adjustments for hedges from equity and product liability provision.

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Significant items

Year ended 31 March [$ million unless stated]	**2007**	2006	change
Net profit before significant items	**240.5**	249.8	-3.7%
Significant items	**32.8**	55.2	-40.6%
Net profit after tax	**273.3**	305.0	-10.4%
Significant items (after tax)			
Settlement of insurance litigation	**102.9**	93.0	
Increase in product liability provision	**-21.0**	-37.8	
Building Products plant closure and rationalisation costs	**-49.1**		
Total	**32.8**	55.2	

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Restructure of Bricks and Roofing

- PGH Bricks & Pavers and Monier Roofing merged in late 2006. New developments include:
  - Closure of Strathpine, near Brisbane releasing 140 hectare site for development
  - Paver production transferred to Cooroy (QLD)
  - Closure of Bathurst
  - Simplification of product range, inventory write downs
  - Reduction in support costs
- Provision of $49.1 million after-tax, significant item for YEM07
- 6 out of 14 kilns now mothballed, modest additional capex in Cooroy and Springvale to position CSR well for supply through the cycle
- Potential cost savings of up to $20 million in a full year

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Looking forward

Jerry Maycock
Managing Director

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Some observations on CSR's businesses

- Cost positions below benchmarks, or credible plans to get there
- #1 or #2 product brand positions, (or price premiums achieved in commodity markets)
- Corporate brand very strong in Australia
- Critical mass to be regionally relevant, some businesses with international prospects
- Generally, structurally attractive markets
- Upgrades to most key assets completed or in progress
- Substantial renewable energy, energy efficient products, and carbon opportunities
- Real growth options – organic and acquisitive

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Strategy needs a medium to longer term view

- Capital intensive
- Cyclical Building Products markets
- Sugar and Aluminium subject to global supply and demand cycles
- Foreign exchange fluctuations impact most businesses
- The CSR brand is a substantial intangible asset in Australia, with considerable opportunity to build on over time
- However - execution also needs a shorter term, more nimble and opportunistic edge

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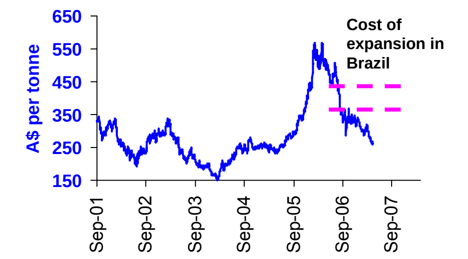
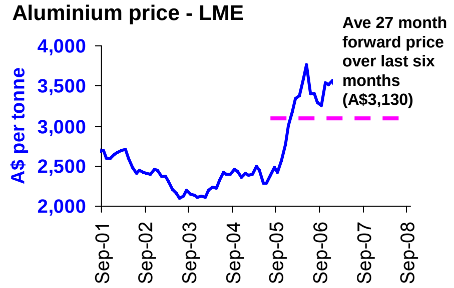
Fundamentals should underpin the medium term demand outlook for all CSR's businesses

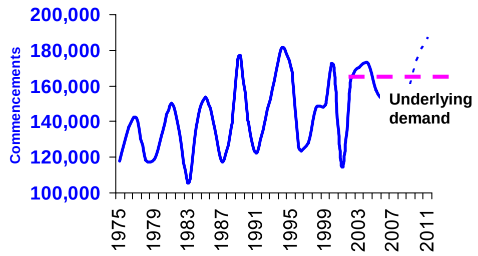
Sugar price – NY#11



Aluminium price - LME

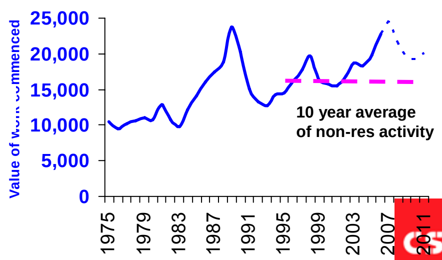


New dwelling construction



Source: BIS Shrapnel

Non-residential construction



Source: BIS Shrapnel

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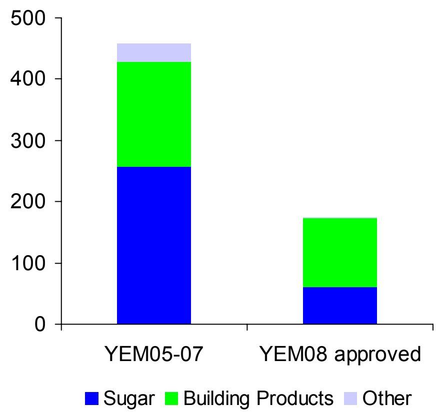
Investments to yield results over next 2 – 3 years

- Development capex of $450 million between YEM05-07 (excl Property)
- Key projects for YEM08 include
  - Replacement/expansion of Gyprock factory in Melbourne ($140m)
  - New rockwool plant in Guangzhou, China ($43m)
  - Upgrade to Yarraville sugar refinery($56m)

Development capital expenditure
A$ millions



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Summary and outlook

- In YEM08:
  - Aluminium and Building Products results will improve
  - FX and sugar price will pull down raw sugar earnings
  - Property earnings will reduce to ‘sustainable’ levels
  - Consolidated numbers unlikely to reach YEM07

- Sugar – potential to build on position as the 5th largest global raw sugar producer
- Building Products – well positioned for upturn in the residential market and continued strength in commercial construction
- Strategic review to consider options for growth within the businesses, as well as the broader portfolio

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