CSR LIMITED FULL YEAR ENDED 31 MARCH 2012

RESULTS PRESENTATION

Agenda

1. Overview	Rob Sindel, Managing Director, CSR Ltd
2. Group Financial Results	Greg Barnes, CFO, CSR Ltd
3. Results by business	Rob Sindel
4. Strategy update and outlook	Rob Sindel
5. Appendix	

1. Overview

Results at a glance – YEM12

Safety improvement[1]	↑ 12%	
Trading revenue[2] $1,801.9m	↓ 6%	
EBIT[2] $156.7m	↓ 26%	
Net profit[2] $90.7m	↑ 1%	
EPS[2] 17.9c	↑ 1%	
Statutory net profit[3] $76.3m	↑ 198%	

EBITDA[2]
$246.3m

Final dividend
7.0c (fully-franked)

Dividend pay-out ratio
73 per cent

Net cash position at 31 March
$55.7m

Long term credit rating
BBB+ outlook stable (*Standard & Poor's)*

1 *Lost Time Injury Frequency Rate (LTIFR) – from YEM11*
2 *Pre significant items for continuing operations. Net profit (pre significant items) is a non-IFRS measure and is used internally by management to assess the performance of the business and has been extracted or derived from CSR's audited financial statements for the year ended 31 March 2012.*
3 *After significant items for continuing operations*

Results summary

Net profit after tax[1] slightly ahead of prior year despite very challenging markets

Net Profit[1] up slightly despite weak markets	■ Net Profit of $90.7m - up slightly on previous year[1] despite high A$, lower aluminium price and deteriorating construction markets: – Increased total earnings in Gyprock™, Cemintel™ and Hebel® businesses and Property – Lower tax expense – Significantly lower net finance costs from strengthened balance sheet post Sucrogen sale
Strong financial position maintained	■ Strongly capitalised to meet current market challenges with operating leverage and capacity to strengthen core business ■ Net cash at year-end $55.7m ■ Standard & Poor's long term credit rating BBB+ outlook stable
Disciplined strategy focused on medium to longer term	■ Small scale, accretive acquisitions/joint ventures completed in key markets (plasterboard, glass) ■ Continued new product and systems development through CSR innovation centre ■ Further rationalised manufacturing capacity and operational efficiency to address challenging markets ■ Maintain strong operating leverage and financial flexibility to deliver improved medium term earnings performance

1 Pre significant items for continuing operations. Net profit (pre significant items) is a non-IFRS measure and is used internally by management to assess the performance of the business and has been extracted or derived from CSR's audited financial statements for the year ended 31 March 2012.

2. Full year results – 31 March 2012

Financial results summary

Continuing operations A$m	2012	2011	%∆
Trading Revenue	**1,801.9**	1,913.6	(6%)
EBITDA	**246.3**	308.0	(20%)
EBIT	**156.7**	212.0	(26%)
Net Finance Costs	**(23.2)**	(57.0)	(59%)
Tax Expense	**(23.2)**	(41.8)	(44%)
Non-controlling Interests	**(19.6)**	(23.0)	(15%)
Net Profit after tax (pre significant items)	**90.7**	90.2	1%
Net Profit/(loss) after tax (after significant items)	**76.3**	(78.0)	198%

- Net profit after tax (pre significant items) slightly ahead of last year despite challenging markets
- Total earnings improved in Gyprock, Cemintel and Hebel through store expansion, bolt-on M&A and new product introduction
- High A$ impacts earnings in trade exposed businesses (glass, aluminium, insulation)
- Net finance costs 59% lower from strengthened balance sheet post Sucrogen sale
  - finance costs include asbestos unwind and costs to maintain bank facilities
- Lower effective tax rate due to higher research and development credits
- After-tax significant items of $14.4m include restructure costs, charge to maintain product liability provision at half year, partially off-set by asset disposals

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Financial results by division

Continuing operations A$m EBIT	2012	2011	%∆
Building Products	**86.9**	103.8	(16%)
Viridian	**(19.3)**	3.6	n/m
Aluminium	**80.5**	111.9	(28%)
Property	**24.4**	14.6	67%
Corporate	**(15.3)**	(19.0)	(19%)
Restructure and Provisions	**(0.5)**	(2.9)	(83%)
Total EBIT (pre sig. items)	**156.7**	212.0	(26%)

- Building Products EBIT down 16% on significantly weaker construction markets
- Viridian impacted by volume decline in commercial and residential construction and continuing high A$
- Aluminium earnings impacted by lower realised A$ aluminium price and higher smelter input costs
- Property earnings up 67% on sale of Brendale residential and industrial developments
- Lower corporate cost reflects streamlined corporate function post Sucrogen sale

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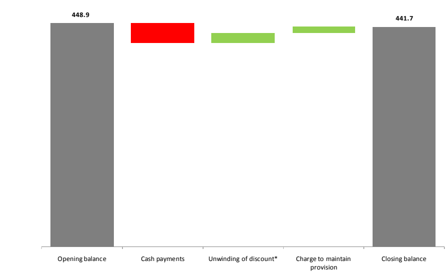
Product liability - continued responsible approach

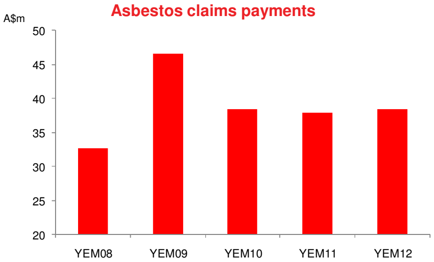
A$m

Asbestos reconciliation



*Unwinding of discount refers to re-statement of the discounted provision to nominal dollars

Asbestos claims payments



- Continued responsible approach to managing asbestos related claims
- Cash payments A$38.4m, in line with prior year and guidance
- Product liability provision based on semi-annual advice from US and Australian experts - A$441.7m slightly lower than 30 Sept. 2011 (A$448.9m)
- Provision also includes prudential margin at discretion of Board (above central estimate of liabilities) to account for current environment, material uncertainties and exchange rate fluctuations
- Prudential margin at year end – A$77.2m; 21% above aggregate of central estimate of US and Australian liabilities

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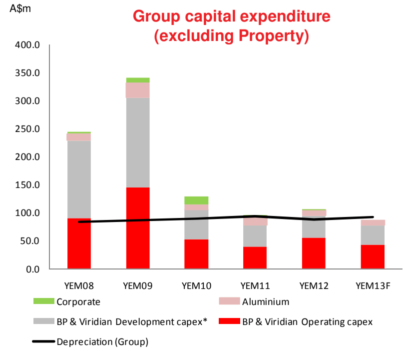
Operating cashflow from continuing operations

Cashflow from operations A$m	2012	2011
EBITDA	246.3	308.0
Net movement in working capital	3.5	10.9
(Profit)/loss on asset disposals	(27.5)	(16.4)
Asbestos payments	(38.4)	(37.9)
Movement in provisions/other	(12.6)	(33.8)
Operating cashflow (pre tax & sig. items)	**171.3**	**230.8**
Tax paid	(37.1)	(40.5)
Significant items	(30.9)	(18.7)
Operating cashflow	**103.3**	**171.6**

- Stay in business capital expenditure (ex Property) of $66m, represents 73% of depreciation
- Development capital spend of $39m includes $17m in acquisitions
  - Burnbridge glass (NSW)
  - trade distribution expansion in plasterboard (SA and WA)
- Lower capital spend expected in YEM13 reflecting completion of major projects

A$m

Group capital expenditure (excluding Property)



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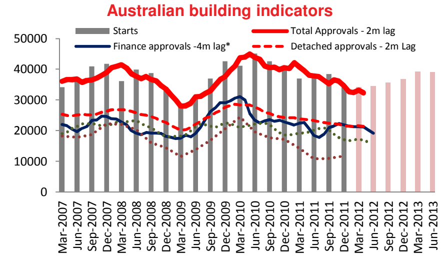
3. Results by business – Building Products

Decisive management response to challenging markets

- Construction markets significantly weaker from YEM11:
  - Australian residential starts down 12%[1]
    - Private detached housing down 13% - lowest level since 2001[1]
  - Australian commercial activity down 12%[2]
  - NZ residential consents down 17%[3]
- Decisive management response:
  - restructure in Viridian Primary Products
  - establish JV in NZ for Viridian Glass Processing & Services
  - further rationalise manufacturing capacity
    - close Bradford Insulation rockwool facility (Clayton); PGH bricks factory one (Cecil Park)
  - further cost removal and overhead savings
  - disciplined approach to pricing
- Maintain medium term growth agenda:
  - continued product innovation (Viridian SmartGlass™ , Cemintel Designer Series™, Bradford Solar, CSR House)
  - expansion of trade distribution (Gyprock) accretive growth acquisitions

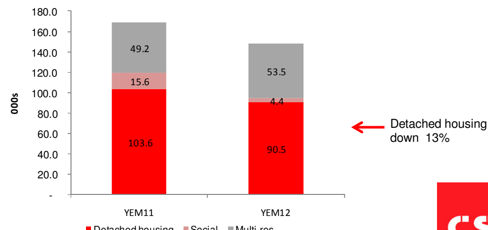
1 – source ABS (1/4 lag)
2 – source ABS
3 – source Statistics New Zealand

Australian building indicators



*Source ABS *Owner-occupier construction finance approvals (forecast source is average of forecasts of HIA and BIS)*

Australian residential housing starts by segment



Source ABS

Building Products revenue summary

Trading Revenue A$m	2012	2011	%Δ
Lightweight Systems (Gyprock, Cemintel, Bradford, Hebel, Edmonds, Ceilector)	735.8	762.7	(4%)
Glass (Viridian)	306.1	348.8	(12%)
Bricks and Roofing (Monier, Wunderlich, PGH Bricks & Pavers, mySteel)	255.7	286.6	(11%)
TOTAL	1,297.5	1,398.1	(7%)

- Increase in Gyprock™, Cemintel™ and Hebel® revenue despite ongoing weak construction markets
  - acquisitions and new store openings enhance trade retail capabilities and distribution in Gyprock™
- Insulation impacted by high A$, continued overhang of sudden termination of rebate scheme. Prior year included earnings from safety inspection program
- Viridian impacted by further construction market downturn and higher A$
- Revenue in Bricks and Roofing declined less than market due to pricing
- Price increases to recover cost inflation generally implemented across the portfolio
- Ongoing new product development targeting higher margin products

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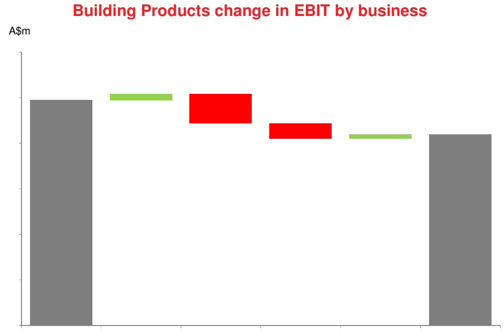
Building Products earnings

A$m	2012	2011	%Δ
Trading Revenue	**991.4**	1,049.3	(6%)
EBITDA	**123.2**	145.5	(15%)
EBIT	**86.9**	103.8	(16%)
EBIT Margin	**8.8%**	9.9%	

Building Products change in EBIT by business



Excludes Malaysian AAC business sold on 15 December 2011

- Strong performance in **Lightweight Systems**:
  - Gyprock™ – acquisitions to enhance network and distribution, new trade facilities, strong service offer
  - Cemintel™ – new product (Designer Series™) and manufacturing efficiencies
  - Hebel® – growth in supply and fix offer, M2 contract
  - Ceilector™ – improved pricing, enhanced capability
- **Insulation** impacted by external factors:
  - high A$, continued impact of terminated rebate scheme
  - prior year includes earnings from inspection program
- **Bricks and Roofing** - impacted by declining volumes
  - weak detached housing markets in QLD, SA, NSW
  - 20% price increase in QLD plus 4-6% in other markets

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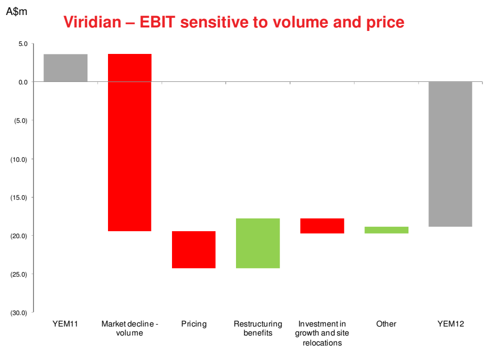
Viridian— earnings impacted by volume and price

A$m	2012	2011	%∆
Trading Revenue	**306.1**	348.8	(12%)
EBITDA	**5.3**	29.7	(82%)
EBIT	**(19.3)**	3.6	n/m

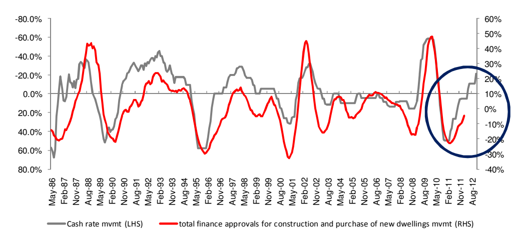


- Significant decline in construction markets impacts volume
- High A$ impacts:
  - pricing in Primary Products
  - increase in imports of finished windows
- Continued volume decline and margin pressure in glass processing markets (Aust & NZ)
- Management response:
  - restructure in Primary Products on track - expect to deliver ongoing annualised cost savings of ~$10m
  - establish Joint Venture in NZ in glass processing
  - further cost efficiency and site rationalisation
  - product mix targeting higher margin coated glass
- Operational review regarding future manufacturing and processing footprint

Construction activity outlook

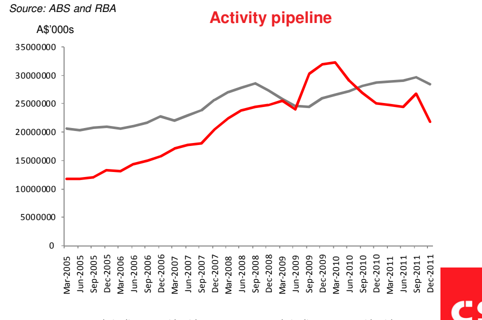
- Expect Australian housing starts of ~140,000 for YEM13 (one qtr lag)
  - private detached housing to remain broadly steady
  - multi-residential segment to decline by ~10%
  - improvement in NZ from low base
  - non-residential market reasonably steady
- Medium term key drivers support increased construction levels:
  - declining interest rates to improve affordability and activity levels
  - solid population growth
  - underlying housing demand remains strong
  - continued growth in alterations and additions market
  - improved sentiment leads to market rebound
- Commercial market to replace social spend for non-residential building:
  - higher demand for value- add, higher specified product (energy efficiency, acoustic, thermal performance)

Reduction in interest rates leads finance approvals



Source: ABS and RBA

Activity pipeline



Source: ABS and RBA

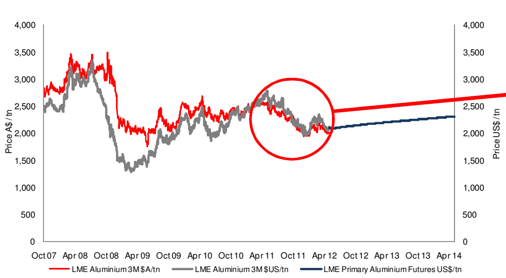
3.2 Aluminium

Earnings impacted by lower pricing and higher input costs

- Revenue lower than prior year - higher sales volumes offset by lower A$ realised price
- Earnings and EBIT margin impacted by higher input costs:
  - significant increase in petroleum coke costs
  - moderate increase in contracted alumina costs

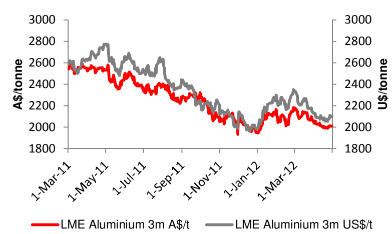
A$m (unless stated)	2012	2011	%∆
Sales (tonnes)	**193,808**	188,246	3%
Ave A$ realised price per tonne	**2,603**	2,738	(5%)
Trading Revenue	**504.4**	515.5	(2%)
EBITDA	**108.1**	139.4	(22%)
EBIT	**80.5**	111.9	(28%)
EBIT Margin (%)	**16.0%**	21.7%	

Aluminium 3 month price per tonne (USD/AUD)
1 April 2007- 30 April 2012/forward price



Source: Bloomberg

Aluminium 3 month price per tonne (USD/AUD)
1 April 2011 – 30 April 2012



Source: Bloomberg

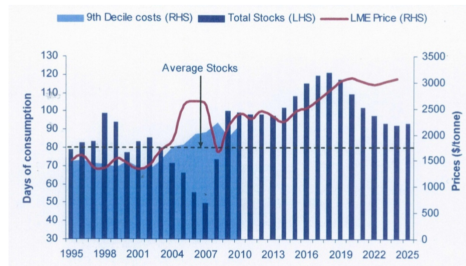
Net hedged position unchanged from half-year

Aluminium hedge book (as at 30 April 2012)

	YEM13	YEM14
Average currency rate in US cents	0.8884	0.9440
Average hedged aluminium price US$ per tonne	US$2,734	US$2,868
Average hedged aluminium price A$ per tonne	A$3,077	A$3,038
% of net aluminium exposure hedged[1]	14%	2%

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.

Medium term outlook for aluminium



Source: LME; Brook Hunt - A Wood Mackenzie Company

- Prolonged weakness in aluminium price has resulted in minimal increase in YEM13 hedge book
- Current hedging significantly below historical position at the start of the financial year
- Earnings will be more exposed to movements in spot currency and metal price from YEM13

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3.3 Property

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Progress medium term pipeline

A$m	2012	2011	%∆
EBIT	**24.4**	14.6	67

- Principal contribution to EBIT – sale of 535 lot residential development at Brendale to Defence Housing Australia for $35 million
  - cash to be received in stages concluding by August 2013
- Further sale of 7.5 hectares of Brendale industrial land completed in YEM12
- Sale proceeds of $27 million from Alexandria sale received in first half
- Continued marketing at Erskine Park (Sydney) and Darra (Brisbane) YEM13
- Commence stage one construction at Chirnside Park residential development in YEM13
- Progressing development opportunities to add to medium term pipeline

Update on medium-term development pipeline

Darra, Brisbane	■ 16 hectare light industrial sub-division which is fully developed with 5 out of 40 lots remaining for sale ■ Estimated remaining estimated gross revenue—$4.5m
Erskine Park, Sydney	■ Marketing of remaining 9 hectare, DA approved, industrial sub-division ■ Estimated remaining gross revenue—$18m
Brendale, Brisbane	■ 38.5 hectare industrial development. Site remediation works commenced ■ Estimated remaining gross revenue—$95m
Chirnside Park, Melbourne	■ 536 lot residential development. Forecast to commence stage 1 construction in YEM13 ■ Estimated gross revenue—$155m

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4. Strategy update and outlook

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Update on strategy

	What we said (YEM11)	What we've done (YEM12)
Improve manufacturing efficiencies	Invest in manufacturing to reduce costs and lower energy intensity	▪ Comprehensive energy use audit across all facilities – energy efficiency program launched at specific sites
	Rationalise manufacturing operations	▪ Closed brick factory 1 at Cecil Park, NSW ▪ Closed rockwool insulation factory at Clayton, Vic
	Cost containment and price increases	▪ Price increases despite challenging market conditions
Product and systems innovation	New product and systems development targeting: ▪ speed and cost of construction ▪ multi-residential ▪ energy efficiency	New products/systems launched: ▪ Designer Series™ in fibre cement ▪ Viridian SmartGlass™ ▪ Hebel supply and fix offer in Victoria ▪ Bradford Solar and Energy Efficiency Services
	Reinvest in building innovation	▪ CSR Innovation Centre launched ▪ CSR 8 star energy efficient house built in Sydney
Acquisition opportunities	Initial focus on close to core acquisitions	▪ Acquisition of Burnbridge glass, NSW ▪ Joint venture in glass processing in NZ
	Enhance trade retail distribution	▪ Acquired plasterboard supplier, Luna & Valk in SA ▪ Acquired trade distribution outlet in Karratha, WA ▪ Opened new LWS trade facilities (Gladstone QLD, Beresfield, NSW)
	Assess further opportunities	▪ Strong financial position provides flexibility ▪ Maximise value of any proposed change to Tomago ownership structure

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Divisional outlook – YEM13

Building Products & Viridian

- Expect Australian housing starts of ~140,000 (1/4 lag) for YEM13
  - Private detached starts ~90,000
  - Multi-residential to decline by around 10% to ~50,000
- Continued strong focus on overhead cost reduction, rationalise manufacturing capacity and pricing to address market challenges
- Primary Products restructure and NZ joint venture to assist in Viridian earnings improvement
- Operational review regarding future manufacturing and processing footprint

Aluminium

- GAF has contracts in place for 95% of its share of production in YEM13
- GAF net hedged position lower than previous years ~14% @ A$3,077/tonne
- Incremental hedging as market permits but not at current prices
- Spot A$ price would need to increase substantially to achieve earnings similar to YEM12

Property

- EBIT subject to timing of further specific transactions
- Pipeline strengthened with Chirnside Park development

Group

- CSR continues to benefit from strong balance sheet and low finance costs
- Strong operating leverage to improving conditions in construction markets
- Financial flexibility to maximise disciplined acquisitions and new business development opportunities

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5. Appendix

Significant items breakdown

A$m	31 March 2012
Net profit after tax (pre significant items) [1]	**90.7**
Restructuring costs	(27.6)
Increased provision for land remediation and legal disputes	(9.5)
Charge to maintain product liability provision at half year	(12.1)
Acquisition costs and disposal of businesses	19.8
Total significant items before tax	**(29.4)**
Income tax benefit	15.0
Total significant items after tax	**(14.4)**
Net profit after tax (after significant items)	**76.3**

1 *Pre significant items for continuing operations. Net profit (pre significant items) is a non-IFRS measure and is used internally by management to assess the performance of the business and has been extracted or derived from CSR's audited financial statements for the year ended 31 March 2012.*

Dividends and dividend policy

- CSR tax consolidated group currently in a position where it is not paying corporate income tax
  - result of timing differences between accounting expenses and tax deductibility of these expenses and access to carried forward tax losses
- As a consequence, CSR is not generating sufficient franking credits to frank dividends
  - expect this situation to continue for some time
- As a result, CSR advises that it intends to suspend franking of its dividends until such time as sufficient credits are available
  - will take effect from the interim dividend payable in respect of the half year ending 30 September 2012
- In terms of dividend policy, CSR intends to pay out as dividends 60-80 per cent of net profit after tax (before significant items).

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Dividend reinvestment plan (DRP)

- The Dividend Reinvestment Plan ("DRP") will be in operation for the final dividend payable on 9 July 2012
- Shareholders can reinvest all or part of their dividend entitlements in more shares rather than being paid in cash
- For the final dividend, shares will be acquired on-market and transferred to participants to satisfy any shares to be issued under the DRP
- DRP shares will be allocated to participants at the arithmetic average of the daily VWAP of shares sold on ASX's trading platform (including the closing single price auction but excluding all off-market trades) on each day over a period of 10 trading days commencing on the second trading day after the dividend record date (14 June 2012)
- No discount will apply to shares issued under the DRP

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