Appendix 4E – Preliminary Final Report

CSR Limited
ABN 90 000 001 276
For the year ended 31 March 2015

Details of the reporting periods	
Current:	Full year ended 31 March 2015
Previous corresponding:	Full year ended 31 March 2014

Result for announcement to the market [1]

				A$m
Revenue from ordinary activities	up	16%	to	$2,023.4
Net profit after tax from ordinary activities, before significant items, attributable to members[2]	up	82%	to	$146.5
Net profit after tax from ordinary activities, after significant items, attributable to members	up	43%	to	$125.5

Net tangible assets

As at	**31 March 2015**	**31 March 2014**
Net tangible assets per share	$2.17	$2.17

Dividends

Financial year ended	**31 March 2015**	**31 March 2014**	**Franking**
Interim	8.5 cents	5.0 cents	0%
Final	11.5 cents [a]	5.0 cents	0%

a) For Australian tax purposes, 100% of the dividend will be conduit foreign income.

Record date for determining entitlements to final dividend	4 June 2015
Final dividend payment date	7 July 2015

Dividend Reinvestment Plan

The Company's dividend reinvestment plan (DRP) will operate for the final dividend payable on 7 July 2015. The last date for receipt of the election notice for participation in the DRP is 5 June 2015, being the business day after the dividend record date of 4 June 2015. 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 at the arithmetic average of the daily volume weighted average market prices of shares in CSR sold on ASX's trading platform (including the closing single price auction but excluding all off-market trades) ("VWAP") on each day over a period of 10 trading days commencing on 15 June 2015. No discount will apply to shares 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).

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[1] This document represents information provided pursuant to Listing Rule 4.3A of the Australian Securities Exchange.

[2] Net profit after tax before significant items is a non-IFRS measure used internally by management to assess the performance of the business and has been extracted or derived from CSR's financial statements for the year ended 31 March 2015.

Statement of financial performance

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH

($ MILLION)	NOTE	2015	2014
Trading revenue - sale of goods		**2,023.4**	1,746.6
Cost of sales		**(1,368.9)**	(1,235.2)
Gross margin		**654.5**	511.4
Other income	3	**39.2**	55.9
Warehouse and distribution costs		**(191.0)**	(176.5)
Selling, administration and other operating costs		**(278.3)**	(240.8)
Share of net profit of joint venture entities	9	**11.7**	9.4
Other expenses	3	**(25.5)**	(17.5)
Profit before finance and income tax		**210.6**	141.9
Interest income	4	**3.0**	2.5
Finance cost	4	**(20.7)**	(21.1)
Profit before income tax		**192.9**	123.3
Income tax expense	5	**(46.2)**	(24.2)
Net profit		**146.7**	99.1
Net profit attributable to non-controlling interests		**21.2**	11.0
Net profit attributable to shareholders of CSR Limited[a]		**125.5**	88.1
EARNINGS PER SHARE (CENTS)			
Basic earnings per share - based on net profit attributable to shareholders of CSR Limited[b]		**24.9**	17.5
Diluted earnings per share - based on net profit attributable to shareholders of CSR Limited[b]		**24.9**	17.5

[a] Net profit before significant items attributable to shareholders of CSR Limited is $146.5 million (2014: $80.5 million). Refer to Note 2 to the financial statements.

[b] Weighted average number of shares used in the calculation of earnings per share is 504.2 million (2014: 503.9 million). The total number of shares on issue of 506.0 million (2014: 506.0 million) have been reduced by the number of shares purchased on market and held in trust to satisfy incentive plans as these plans vest. During the period 1,800,847 (2014: 2,111,828) weighted average shares were held by the trust.

Notes to the financial statements are annexed.

Statement of comprehensive income

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH

($ MILLION)	2015	2014
Net profit	**146.7**	99.1
Other comprehensive income (expense)		
Items that may be reclassified to profit or loss		
Hedge profit recognised in equity	**2.3**	9.6
Hedge profit transferred to the statement of financial performance	**(10.7)**	(13.3)
Share of gain on changes in fair value of cashflow hedges of joint ventures	**0.3**	-
Exchange differences arising on translation of foreign operations	**1.2**	2.4
Income tax benefit relating to these items	**2.6**	1.1
Items that will not be reclassified to profit or loss		
Actuarial (loss) gain on superannuation defined benefit plans	**(15.4)**	17.1
Income tax benefit (expense) relating to these items	**4.7**	(5.1)
Other comprehensive (expense) income - net of tax	**(15.0)**	11.8
Total comprehensive income	**131.7**	110.9
Total comprehensive income attributable to:		
Shareholders of CSR Limited	**112.5**	100.8
Non-controlling interests	**19.2**	10.1
Total comprehensive income	**131.7**	110.9

Notes to the financial statements are annexed.

Statement of financial position

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
AS AT 31 MARCH

($ MILLION)	NOTE	2015	2014
Current assets			
Cash and cash equivalents		**68.4**	5.9
Receivables		**268.7**	251.1
Inventories		**320.0**	326.4
Other financial assets		**30.4**	12.2
Income tax receivable		**12.3**	30.2
Other current assets		**5.1**	9.7
Total current assets		**704.9**	635.5
Non-current assets			
Receivables		**51.4**	54.0
Inventories		**76.2**	66.1
Investments accounted for using the equity method		**63.3**	59.8
Other financial assets		**11.9**	0.4
Property, plant and equipment		**821.3**	842.3
Goodwill		**66.1**	29.2
Other intangible assets		**42.1**	31.4
Deferred income tax assets		**261.9**	272.8
Other non-current assets		**20.2**	16.8
Total non-current assets		**1,414.4**	1,372.8
Total assets		**2,119.3**	2,008.3
Current liabilities			
Payables		**236.8**	195.0
Borrowings		**-**	34.4
Other financial liabilities		**28.6**	1.4
Tax payable		**20.8**	6.8
Provisions		**180.1**	187.6
Total current liabilities		**466.3**	425.2
Non-current liabilities			
Payables		**16.3**	5.4
Other financial liabilities		**10.4**	-
Provisions		**366.4**	378.6
Deferred income tax liabilities		**18.7**	25.2
Other non-current liabilities		**35.2**	16.7
Total non-current liabilities		**447.0**	425.9
Total liabilities		**913.3**	851.1
Net assets		**1,206.0**	1,157.2
Equity			
Issued capital	6	**1,042.2**	1,042.2
Reserves		**17.1**	19.9
Retained profits		**86.4**	39.9
Equity attributable to shareholders of CSR Limited		**1,145.7**	1,102.0
Non-controlling interests		**60.3**	55.2
Total equity		**1,206.0**	1,157.2

Notes to the financial statements are annexed.

Statement of changes in equity

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH

($ MILLION)	ISSUED CAPITAL	HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	EMPLOYEE SHARE RESERVE	OTHER RESERVES	RETAINED PROFITS	EQUITY ATTRIBUTABLE TO CSR LIMITED SHARE-HOLDERS	NON-CONTROLLING INTERESTS	TOTAL
Balance at 1 April 2014	**1,042.2**	**6.0**	**(4.4)**	**21.6**	**(3.3)**	**39.9**	**1,102.0**	**55.2**	**1,157.2**
Net profit	**-**	**-**	**-**	**-**	**-**	**125.5**	**125.5**	**21.2**	**146.7**
Exchange differences arising on translation of foreign operations	**-**	**-**	**1.2**	**-**	**-**	**-**	**1.2**	**-**	**1.2**
Hedge profit recognised in equity	**-**	**2.0**	**-**	**-**	**-**	**-**	**2.0**	**0.3**	**2.3**
Hedge profit transferred to the statement of financial performance	**-**	**(7.5)**	**-**	**-**	**-**	**-**	**(7.5)**	**(3.2)**	**(10.7)**
Share of gain on changes in fair value of cashflow hedges of joint ventures	**-**	**0.3**	**-**	**-**	**-**	**-**	**0.3**	**-**	**0.3**
Actuarial loss on superannuation defined benefit plans	**-**	**-**	**-**	**-**	**-**	**(15.4)**	**(15.4)**	**-**	**(15.4)**
Income tax benefit relating to components of other comprehensive income	**-**	**1.7**	**-**	**-**	**-**	**4.7**	**6.4**	**0.9**	**7.3**
Total comprehensive income (expense)	**-**	**(3.5)**	**1.2**	**-**	**-**	**114.8**	**112.5**	**19.2**	**131.7**
Payment of ordinary dividends	**-**	**-**	**-**	**-**	**-**	**(68.3)**	**(68.3)**	**(14.1)**	**(82.4)**
Acquisition of treasury shares held by Employee Share Trust	**-**	**-**	**-**	**-**	**(3.4)**	**-**	**(3.4)**	**-**	**(3.4)**
Recogntion of share based payments	**-**	**-**	**-**	**3.2**	**-**	**-**	**3.2**	**-**	**3.2**
Income tax expense relating to share based payments	**-**	**-**	**-**	**(0.3)**	**-**	**-**	**(0.3)**	**-**	**(0.3)**
Balance at 31 March 2015	**1,042.2**	**2.5**	**(3.2)**	**24.5**	**(6.7)**	**86.4**	**1,145.7**	**60.3**	**1,206.0**

Balance at 1 April 2013	1,042.2	7.7	(6.8)	19.4	-	(24.3)	1,038.2	51.8	1,090.0
Net profit	-	-	-	-	-	88.1	88.1	11.0	99.1
Exchange differences arising on translation of foreign operations	-	-	2.4	-	-	-	2.4	-	2.4
Hedge profit recognised in equity	-	6.6	-	-	-	-	6.6	3.0	9.6
Hedge profit transferred to the statement of financial performance	-	(9.0)	-	-	-	-	(9.0)	(4.3)	(13.3)
Actuarial gain on superannuation defined benefit plans	-	-	-	-	-	17.1	17.1	-	17.1
Income tax benefit (expense) relating to components of other comprehensive income	-	0.7	-	-	-	(5.1)	(4.4)	0.4	(4.0)
Total comprehensive income (expense)	-	(1.7)	2.4	-	-	100.1	100.8	10.1	110.9
Payment of ordinary dividends	-	-	-	-	-	(35.9)	(35.9)	(9.1)	(45.0)
Other items recognised directly in equity	-	-	-	-	(3.3)	-	(3.3)	-	(3.3)
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	-	2.4	2.4
Recognition of share based payments	-	-	-	1.8	-	-	1.8	-	1.8
Income tax benefit relating to share based payments	-	-	-	0.4	-	-	0.4	-	0.4
Balance at 31 March 2014	1,042.2	6.0	(4.4)	21.6	(3.3)	39.9	1,102.0	55.2	1,157.2

Notes to the financial statements are annexed.

Statement of cash flows

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH

($ MILLION)	NOTE	2015	2014
Cash flows from operating activities			
Receipts from customers		**2,176.2**	1,894.8
Payments to suppliers and employees		**(1,955.5)**	(1,796.7)
Dividends and distributions received		**9.7**	10.5
Interest received		**3.0**	3.0
Income tax (paid) received		**(2.5)**	0.5
Net cash from operating activities		**230.9**	112.1
Cash flows from investing activities			
Purchase of property, plant and equipment and other non-current assets		**(93.6)**	(102.0)
Proceeds from sale of property, plant and equipment and other non-current assets		**93.5**	53.1
Costs associated with acquisition and disposal of businesses		**(6.7)**	(1.5)
Purchase of controlled entities and businesses, net of cash acquired	12	**(38.1)**	(10.1)
Loans and receivables advanced		**(0.5)**	(3.5)
Net cash used in investing activities		**(45.4)**	(64.0)
Cash flows from financing activities			
Net repayment of borrowings		**(34.4)**	(2.6)
Dividends paid		**(82.4)**	(45.0)
Interest and other finance costs paid		**(6.6)**	(7.2)
Net cash used in financing activities		**(123.4)**	(54.8)
Net increase (decrease) in cash held		**62.1**	(6.7)
Net cash at the beginning of the financial year		**5.9**	11.9
Effects of exchange rate changes		**0.4**	0.7
Net cash at the end of the financial year		**68.4**	5.9

Reconciliation of net profit attributable to shareholders of CSR Limited to net cash from operating activities

Net profit attributable to shareholders of CSR Limited		**125.5**	88.1
Net profit attributable to non-controlling interests		**21.2**	11.0
Depreciation and amortisation		**77.8**	76.8
Movement in product liability provision		**(18.4)**	(54.7)
Net change in other provisions		**5.4**	(12.4)
Finance costs net of product liability discount unwind		**7.6**	9.0
Profit on disposal of assets	3	**(35.4)**	(19.6)
Net change in trade receivables		**(27.2)**	(9.1)
Net change in current inventories		**(3.8)**	2.3
Net change in trade payables		**29.2**	(1.0)
Movement in current and deferred tax balances		**43.7**	24.6
Net change in other assets and liabilities		**5.3**	(2.9)
Net cash from operating activities		**230.9**	112.1

Notes to the financial statements are annexed.

Significant accounting policies

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

ADDITIONAL CASH FLOW INFORMATION

During the financial year ended 31 March 2015, CSR Limited purchased shares for employees of the CSR group under the terms of the Universal Share/Option Plan. These cash flows are classified as operating activities.

During the financial year ended 31 March 2015, $60.7 million was paid in dividends and $7.6 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 within financing activities on the statement of cash flows.

Credit standby facilities

The CSR group has a total of $382.0 million (2014: $535.0 million) committed standby facilities. These facilities have fixed maturity dates as follows: $55.0 million in financial year 2016, $112.0 million in financial year 2017, $105.0 million in financial year 2018, with the balance of $110.0 million in financial year 2019. As at 31 March 2015, $382.0 million of the standby facilities were undrawn.

OTHER NOTES

BASIS OF PREPARATION

This report is prepared in accordance with the ASX listing rule 4.3A, the requirements of the Corporations Act 2001, applicable Accounting Standards and Interpretations, and complies with other requirements of the law and the listing rules of the Australian Securities Exchange Limited.

The financial report is based on historical cost, except for certain assets which are at deemed cost or at their revalued amount. It should be read in conjunction with announcements to the market made by CSR Limited during the year in accordance with CSR Limited's continuous disclosure obligations under the Corporations Act 2001 and ASX Listing Rule 3.1. This report does not include all the notes of the type normally included in an annual financial report.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 March 2015, and are consistent with those of the previous year, unless otherwise stated.

BASIS OF CONSOLIDATION

The consolidated financial statements have been prepared by aggregating the financial statements of all the entities that comprise the CSR group, being CSR Limited and its controlled entities. In these consolidated financial statements:

- results of each controlled entity are included from the date CSR Limited obtains control and until such time as it ceases to control an entity; and
- all inter-entity balances and transactions are eliminated.

Control is achieved where CSR Limited is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power to direct the activities of the entity.

Entities controlled by CSR Limited are under no obligation to accept responsibility for liabilities of other common controlled entities except where such an obligation has been specifically undertaken.

JOINT VENTURE AND ASSOCIATE ENTITIES

Investments in joint venture and associate entities have been accounted for under the equity method in the CSR group financial statements.

JOINT OPERATIONS

Interests in joint operations are recorded in the financial statements by including the entity's share of assets employed, the share of liabilities incurred, and the share of any expenses incurred in relation to joint operations in their respective categories.

CHANGE IN ACCOUNTING POLICIES

(i) New or revised accounting standards

The CSR group has adopted all amendments to Australian Accounting Standards which became applicable from 1 April 2014.

Hedge accounting

The CSR group has elected to apply AASB 9 Financial Instruments from 1 April 2014. The new standard provides a simplified model for classifying and recognising financial instruments. It amends hedge accounting requirements to align more closely with an entity's risk management framework and permits entities to present changes in its own credit risk in respect of liabilities designated at fair value, which at reporting date are unrealised gains or losses, as other comprehensive income (OCI). See changes in accounting policy note for further details on the impact of the change in accounting policy.

(ii) Significant items classification

From 1 April 2014, the discount unwind adjustment has been recognised as a significant item given its non-trading nature within the segment information and significant items notes to allow for better interpretation of the CSR group's financial performance. This amount was and continues to be disclosed as a finance cost. Comparative figures have been adjusted accordingly.

IMPACT OF ACCOUNTING STANDARDS AND INTERPRETATIONS ON ISSUE BUT NOT YET EFFECTIVE

The following Australian Accounting Standards and Interpretations have not yet been adopted by the CSR group:

(i) AASB 9 *Financial Instruments*

The CSR group has adopted AASB 9 Financial Instruments ('AASB 9') as issued in December 2013, which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The CSR group has adopted the two main phases relating to classification and measurement of financial assets and financial liabilities (Phase 1) and hedge accounting (Phase 3). The update to AASB 9 Financial Instruments as issued in December 2013 which includes impairment (Phase 2) has not yet been adopted by the CSR group. Phase 2 of this standard is not expected to have a material impact to the CSR Group.

(ii) AASB 15 *Revenue from Contracts with Customers*

This standard was issued in December 2014 and is expected to be first applicable to CSR Limited no earlier than the year commencing 1 April 2017, with amended comparatives. AASB 15 will replace AASB 118, which covers contracts for goods and services, and AASB 111, which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer, that is the" notion of control" replaces the existing "notion of risks and rewards". The impact of this standard is not expected to be material to the CSR group.

Significant accounting policies (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

CURRENCY
Unless otherwise shown in the financial statements, amounts are in Australian dollars, which is the CSR group's functional currency.

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 disposal 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 31 March 2015, a provision of $350.7 million (2014: $369.1 million) has been made for all known claims and reasonably foreseeable future claims. Refer to Note 11 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 CSR group 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 of these future cash flows. 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 annual discount rate of 10.2% for all segments other than Aluminium which uses 12.2% (2014: 10.2% for all segments other than Aluminium which was 12.2%). 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, which was 2.5% in the year ended 31 March 2015 (2014: 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, Western Australia and the Australian Capital Territory for workers' compensation insurance. As at 31 March 2015, a provision of $29.2 million (2014: $31.3 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.

Non consolidation of entities in which the CSR group holds more than 50%: The directors have determined that they do not control Viridian Glass Limited Partnership even though the CSR group owns a 58% interest in this entity. It is not a controlled entity of CSR Limited because the decisions over the relevant activities of the entity require unanimous consent between the two partners. Refer to Note 9.

Classification of joint arrangements: The agreements in relation to the existing joint arrangements require unanimous consent over the relevant activities between the group and at least one other participant. Where the CSR group is jointly and severally liable for the assets and liabilities incurred by the partnership, it will classify the entity as a joint operation and recognise its direct right to the assets and liabilities. Where the CSR group and the parties to the agreements only have rights to the net assets of each of the partnerships under the arrangements, these entities will be classified as joint ventures of the group and accounted for using the equity method. Refer to Note 9.

SIGNIFICANT ITEMS
Significant items are those which by their size, nature or incidence are relevant in explaining the financial performance of the CSR group, and as such are disclosed separately. Refer to Note 2.

REVENUE RECOGNITION
Trading revenue is measured at the fair value of the consideration receivable, and is recognised when each of the following conditions is met:

- persuasive evidence of an arrangement exists, which is usually in the form of a contractual arrangement;
- the significant risks and rewards of ownership of the goods have transferred from the CSR group to the buyer;
- the seller's price to the buyer is fixed or determinable; and
- collectibility is reasonably assured.

LEASES
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the CSR group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received by the lessor) are charged to the statement of financial performance on a straight-line basis over the period of the lease.

NET FINANCE COST
Interest income and expense are accrued on a time basis, by reference to the principal outstanding and at the applicable effective interest rates.

Funding costs are capitalised and subsequently amortised over the term of the facility. Unwinding of the interest component of discounted assets and liabilities is treated as interest (finance cost).

TAX CONSOLIDATION
Legislation to allow groups, comprising a parent entity and its Australian resident wholly owned entities, to elect to consolidate and be treated as a single entity for income tax purposes, was substantively enacted on 21 October 2002.

The CSR group has elected for those entities within the CSR group that are wholly owned Australian resident entities to be taxed as a single entity from 1 April 2004.

Prior to the adoption of the tax consolidation system, CSR Limited, as the head entity in the tax consolidated group, agreed to compensate or be compensated by its wholly owned controlled entities for the balance of their current tax liability/(asset) and any tax loss related deferred tax asset assumed by CSR Limited. Due to the existence of a tax funding arrangement between the entities in the tax consolidated group, amounts are recognised as payable to or receivable by CSR Limited and each member of the group in relation to the tax contribution amounts paid or payable between CSR Limited and the other members of the tax consolidated group in accordance with the arrangement.

INCOME TAX
Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable income for the financial year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Significant accounting policies (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

Deferred income tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items. In principle, deferred tax assets or liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. A deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the CSR group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and when the CSR group intends to settle the tax assets and liabilities on a net basis.

No provision for withholding tax has been made on undistributed earnings of overseas controlled entities where there is no intention to distribute those earnings.

Current and deferred tax is recognised as an expense in the statement of financial performance except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from an initial accounting for a business acquisition, in which case it is taken into account in the determination of goodwill.

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

FOREIGN CURRENCY

All foreign currency transactions during the financial year have been brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at that date. Exchange differences are brought to account in profit or loss in the period in which they arise except if designated as cash flow hedges.

On consolidation, the results and financial position of foreign operations are translated as follows:

- assets and liabilities are translated using exchange rates prevailing at the end of the reporting period;
- income and expense items are translated at the average exchange rates for the period; and
- exchange differences arising, if any, are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the operation.

CASH AND CASH EQUIVALENTS

Net cash is defined as cash at banks and on hand and cash equivalents, net of bank overdrafts. Cash equivalents include highly liquid investments which are readily convertible to cash, and loans which are not subject to a term facility.

TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. An allowance for doubtful debts is raised based on a review of outstanding balances at balance date. Bad debts are written off against the allowance account and any other change in the allowance account is recognised in the statement of financial performance.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Costs included in inventories consist of materials, labour and manufacturing overheads which are related to the purchase and production of inventories. The value of inventories is derived by the method most appropriate to each particular class of inventories. The major portion is valued on either a first-in-first-out or average cost basis.

ACQUISITION OF ASSETS

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition. In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their value as at the date of acquisition.

DEPRECIATION

Depreciable assets are depreciated at rates based upon their expected economic life using the straight-line method.

INTANGIBLE ASSETS

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets and liabilities acquired. Goodwill is not amortised, but tested annually or whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in the statement of financial performance and is not subsequently reversed. Certain trade names determined as having an indefinite life are not amortised but are assessed annually for impairment. Internal costs relating to acquired intangible assets are expensed.

Other intangible assets, including software and capitalised development costs, are initially recorded at cost and subsequently amortised over the period over which the benefits are expected to arise.

FINANCIAL ASSETS

Financial assets are classified as available for sale financial assets, or loans and receivables (stated at amortised cost less impairment). The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition.

IMPAIRMENT OF ASSETS

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are reviewed for impairment at each reporting date to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. If the recoverable amount of a cash generating unit is estimated to be less than its carrying amount, the carrying amount of the cash generating unit is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Significant accounting policies (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

PUT OPTION LIABILITIES FOR NON-CONTROLLING INTERESTS
Contracts that contain an obligation to pay cash in the future to purchase minority shares held by non-controlling interests, even if the payment is conditional on the option being exercised by the holder, are recorded as a financial liability.

The initial redemption liability is recorded against equity. The financial liability is recognised at the present value of the expected redemption amount. Any adjustments to the liability are recorded through equity.

PAYABLES
Trade and other payables are recognised when the CSR group becomes obliged to make future payments resulting from the purchase of goods and services. Payables are stated at their amortised cost.

BORROWINGS
Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit or loss over the period of the borrowing using the effective interest rate method.

EMPLOYEE BENEFITS
Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and other employee obligations (based on wage rates expected at the time of settling the liability) when it is probable that settlement will be required and they are capable of being reliably measured.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the CSR group.

For superannuation defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full, directly in retained profits, in the period in which they occur, and are presented in the statement of comprehensive income. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The defined benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation, adjusted for unrecognised past service cost, net of the fair value of the plan assets. Any asset resulting from this calculation is limited to past service costs, plus the present value of available refunds and reductions in future contributions to the plan.

Contributions to superannuation defined contribution plans are expensed when incurred and the CSR group's legal or constructive obligation is limited to these contributions.

PROVISIONS
Provisions are recognised when the CSR group has a present obligation (legal or constructive) as a result of a past event, it is probable that settlement will be required and the obligation can be reliably estimated.

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Provision for product liability: The CSR group's provision for product liability is determined using reports provided by independent experts in each of Australia and the United States. The CSR group has included within the provision an appropriate prudential margin. Refer to Note 11 for further information on the basis for determining the product liability provision.

Provision for restoration and environmental rehabilitation: The net present value of estimated costs of environmental rehabilitation of commercial sites which require remediation of existing conditions resulting from present and past operations is taken up as a provision. The liability is immediately recognised when the environmental exposure is identified and the rehabilitation costs can be reliably estimated. The estimate is revised at each reporting period and the provision is adjusted 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. The provision recognises the best estimate of the consideration required to settle the present obligation for anticipated compensation payments and is determined at each reporting date using reports provided by independent experts annually.

SHARE BASED PAYMENTS
The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the CSR group's estimate of shares that will eventually vest.

FINANCIAL INSTRUMENTS
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in income depends on the nature of the hedge relationship. The CSR group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), or hedges of highly probable forecast transactions (cash flow hedges).

Fair value hedges: Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Cash flow hedges: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss.

Embedded derivatives: Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts.

COMPARATIVE INFORMATION
Where applicable, comparative information has been reclassified in order to comply with current period disclosure requirements.

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 Australian Securities and Investments Commission (ASIC) Class Order 98/100 issued 10 July 1998.

Significant accounting policies (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

CHANGES TO ACCOUNTING POLICIES

The CSR group has adopted AASB 9 *Financial Instruments* ('AASB 9') as issued in December 2013, which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The CSR group has adopted the two main phases relating to classification and measurement of financial assets and financial liabilities (Phase 1) and hedge accounting (Phase 3). The update to AASB 9 as issued in July 2014 which includes impairment (Phase 2) has not yet been adopted by the CSR group.

Recognition and measurement of financial instruments

The policies were changed to comply with AASB 9 as issued in December 2013 which replaces the provisions of AASB 139 *Financial Instruments: Recognition and Measurement* that relate to the recognition, classification and measurement of financial assets and financial liabilities and the derecognition of financial instruments. It requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

While AASB 9 does not need to be applied until 1 January 2018, the CSR group decided to adopt it early from 1 April 2014. On that date, CSR Group management has assessed which business models apply to the financial assets held by the group at the date of initial application of AASB 9 (1 April 2014). The main effects resulting from this assessment were immaterial.

There were no changes in the levels of fair value measurement of the financial instruments as a result of the application of AASB 9.

Hedge accounting policy and impact of adopting AASB 9

The CSR group's hedge accounting policies were changed to comply with AASB 9 on a prospective basis. The current year impact primarily relates to the impact of hedge accounting on a component of commodity price risk, which is now permitted under AASB 9. The current year impact on the individual line items in the financial statements as a result of adopting AASB 9 is summarised in the table below. There has been no impact for the year ended 31 March 2014 following the adoption of AASB 9 as issued in December 2013.

	Current year impact		
($ MILLION)	**2015 (under AASB 139)**	**Profit Increase (Decrease)**	**2015 as presented (under AASB 9)**
Statement of financial performance (extract)			
Other income	43.9	(4.7)	39.2
Income tax expense	(47.6)	1.4	(46.2)
Net impact on profit for the period	**(3.7)**	**(3.3)**	**(7.0)**
Statement of comprehensive income (extract)			
Items that may be reclassified to profit or loss			
Hedge (loss) profit recognised in equity	(2.4)	4.7	2.3
Income tax relating to these items	4.0	(1.4)	2.6
Net impact on other comprehensive income (net of tax)	1.6	3.3	4.9
Net impact on total comprehensive income	**(2.1)**	**-**	**(2.1)**
EARNINGS PER SHARE (CENTS)			
Basic earnings per share attributable to shareholders of CSR Limited[a]	25.6	(0.7)	24.9
Diluted earnings per share attributable to shareholders of CSR Limited[a]	25.6	(0.7)	24.9

a Weighted number of shares used in the calculation of earnings per share is 504.2 million (2014: 503.9 million). Refer to the Statement of Financial Performance for details on calculation of weighted number of shares.

There is no impact to the Statement of Financial Position as adoption of AASB 9 did not change classification or measurement of the financial instruments held by the CSR group.

Notes to the financial statements

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

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 autoclaved aerated concrete products, Cemintel fibre cement, Ceilector ceiling solutions, Potter interior systems and Rondo rollformed steel products joint venture), Insulation (Bradford and Martini insulation, Bradford energy solutions and Edmonds ventilation systems) and AFS walling systems. Bricks and Roofing (PGH bricks, Monier roofing and New Zealand Brick Distributors joint venture).
Glass	The Glass business includes the operations of Viridian, Australia's leading architectural glass provider and the only manufacturer of float glass and hard coated performance products in Australia. It manufactures clear float, coated and bulk laminate glass in Victoria and 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% 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 book value.

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 board of directors 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 to the CODM.

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 (including product liability provisions);
- net finance cost; and
- significant items.

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

1. SEGMENT INFORMATION (CONTINUED)

($ MILLION)	Note	PROFIT (LOSS) BEFORE INCOME TAX 2015	PROFIT (LOSS) BEFORE INCOME TAX 2014 (Restated)[a]	INCOME TAX (EXPENSE) BENEFIT 2015	INCOME TAX (EXPENSE) BENEFIT 2014 (Restated)[a]	NON-CONTROLLING INTERESTS 2015	NON-CONTROLLING INTERESTS 2014	NET PROFIT (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF CSR LIMITED 2015	NET PROFIT (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF CSR LIMITED 2014 (Restated)[a]
Business segments									
Building Products		**120.9**	92.6	**(33.8)**	(25.8)	**(0.1)**	(0.1)	**87.0**	66.7
Glass		**3.1**	(14.9)	**(1.1)**	4.9	**-**	-	**2.0**	(10.0)
Aluminium		**104.3**	51.9	**(31.3)**	(12.4)	**(21.1)**	(10.9)	**51.9**	28.6
Property		**30.2**	17.3	**(3.9)**	(3.3)	**-**	-	**26.3**	14.0
Segment total		**258.5**	146.9	**(70.1)**	(36.6)	**(21.2)**	(11.0)	**167.2**	99.3
Corporate[b]		**(18.0)**	(15.7)	**4.3**	5.7	**-**	-	**(13.7)**	(10.0)
Restructuring and provisions[c]		**(5.1)**	(5.5)	**1.3**	1.1	**-**	-	**(3.8)**	(4.4)
Earnings before interest and significant items		**235.4**	125.7	**(64.5)**	(29.8)	**(21.2)**	(11.0)	**149.7**	84.9
Net finance cost	4	**(4.6)**	(6.5)	**1.4**	2.1	**-**	-	**(3.2)**	(4.4)
Total before significant items		**230.8**	119.2	**(63.1)**	(27.7)	**(21.2)**	(11.0)	**146.5**	80.5
Significant items	2	**(37.9)**	4.1	**16.9**	3.5	**-**	-	**(21.0)**	7.6
Total after significant items		**192.9**	123.3	**(46.2)**	(24.2)	**(21.2)**	(11.0)	**125.5**	88.1

($ MILLION)	Note	TOTAL REVENUE[d] 2015	TOTAL REVENUE[d] 2014	SHARE OF NET PROFIT OF JOINT VENTURES 2015	SHARE OF NET PROFIT OF JOINT VENTURES 2014	DEPRECIATION AND AMORTISATION[e] 2015	DEPRECIATION AND AMORTISATION[e] 2014	ADDITIONS TO NON-CURRENT ASSETS[f] 2015	ADDITIONS TO NON-CURRENT ASSETS[f] 2014
Business segments									
Building Products		**1,211.4**	1,029.2	**12.0**	11.3	**40.1**	38.0	**99.0**	45.5
Glass		**280.9**	262.1	**1.0**	(0.7)	**9.7**	10.8	**2.5**	8.8
Aluminium		**536.0**	458.1	**-**	-	**27.2**	26.9	**6.8**	5.2
Property		**34.3**	20.1	**-**	-	**-**	-	**37.0**	34.3
Segment total		**2,062.6**	1,769.5	**13.0**	10.6	**77.0**	75.7	**145.3**	93.8
Corporate[b]		**-**	-	**-**	-	**0.8**	1.1	**-**	1.3
Restructuring and provisions[c]		**-**	-	**(1.3)**	(1.2)	**-**	-	**-**	-
Interest income	4	**3.0**	2.5	**-**	-	**-**	-	**-**	-
Total before significant items		**2,065.6**	1,772.0	**11.7**	9.4	**77.8**	76.8	**145.3**	95.1
Significant items	2	**-**	33.0	**-**	-	**-**	-	**-**	-
Total after significant items		**2,065.6**	1,805.0	**11.7**	9.4	**77.8**	76.8	**145.3**	95.1

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

1. SEGMENT INFORMATION (CONTINUED)

	ASSETS[g]		LIABILITIES		INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	
($ MILLION)	**2015**	2014	**2015**	2014	**2015**	2014
Building Products	**1,060.6**	979.2	**228.4**	188.7	**40.3**	37.9
Glass	**248.5**	250.2	**67.4**	67.3	**23.0**	21.9
Aluminium	**290.2**	276.6	**111.8**	66.3	**-**	-
Property	**139.0**	153.8	**14.8**	18.8	**-**	-
Segment total	**1,738.3**	1,659.8	**422.4**	341.1	**63.3**	59.8
Unallocated[c]	**38.4**	39.6	**451.4**	443.6	**-**	-
	1,776.7	1,699.4	**873.8**	784.7	**63.3**	59.8
Cash/borrowings	**68.4**	5.9	**-**	34.4	**-**	**-**
Tax assets/liabilities	**274.2**	303.0	**39.5**	32.0	**-**	**-**
Group total	**2,119.3**	2,008.3	**913.3**	851.1	**63.3**	59.8

a On 1 April 2014 a change in accounting policy over the classification of the discount unwind for the asbestos liability was adopted by CSR Limited, resulting in a restatement of balances for the financial year ended 31 March 2014. Refer to Significant Accounting Policies.

b Represents unallocated overhead and other revenues.

c Includes legal and managerial costs associated with long term product liabilities and minor product liability claims that arise from time to time, certain defined benefit superannuation liabilities and expenses, other payables, non-operating revenue and other costs (excluding those categorised as significant items).

d 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.

e Depreciation and amortisation includes $4.1 million (2014: $3.5 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.

f Includes additions for property plant and equipment, goodwill and other intangible assets acquired through capital expenditure and business combinations.

g All acquisitions of controlled entities and businesses in 2015 and 2014 were in Building Products.

Geographical information

The CSR group operates principally in Australia. For the year ended 31 March 2015, the CSR group's trading revenue from external customers in Australia amounted to $1,969.9 million (2014: $1,692.4 million), with $53.5 million (2014: $54.2 million) of trading revenue related to other geographical areas. The CSR group's non-current assets excluding investments accounted for using the equity method, deferred tax assets and other financial assets from continuing operations in Australia amounted to $1,028.0 million at 31 March 2015 (2014: $991.8 million), with $49.3 million (2014: $48.0 million) related to other geographical areas.

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ITEMS

($ MILLION)	2015	2014 (Restated)[a]
Discount unwind of product liability provision[a]	**(12.7)**	(12.1)
Reduction in product liability provision[b]	**-**	33.0
Transaction costs[c]	**(4.5)**	(3.5)
Legal disputes, warranties and remediation[d]	**(14.2)**	(13.3)
Other restructuring costs[e]	**(6.5)**	-
Total significant items before income tax	**(37.9)**	4.1
Income tax benefit on significant items	**16.9**	3.5
Significant items after tax	**(21.0)**	7.6
Significant items attributable to non-controlling interests	**-**	-
Significant items attributable to shareholders of CSR Limited	**(21.0)**	7.6
Net profit attributable to shareholders of CSR Limited	**125.5**	88.1
Significant items attributable to shareholders of CSR Limited	**(21.0)**	7.6
Net profit before significant items attributable to shareholders of CSR Limited	**146.5**	80.5
EARNINGS PER SHARE (CENTS)		
Before significant items		
Basic earnings per share - based on net profit attributable to shareholders of CSR Limited[f]	**29.1**	16.0
Diluted earnings per share - based on net profit attributable to shareholders of CSR Limited[f]	**29.1**	16.0

a On 1 April 2014 a change in accounting policy in relation to the classification of the discount unwind for the asbestos liability was adopted by CSR Limited, resulting in a restatement of balances for the financial year ended 31 March 2014. Refer to Significant Accounting Policies.

b For the year ended 31 March 2014, the CSR group recorded income in relation to its product liability provision of $33.0 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).

c During the year ended 31 March 2015, the CSR group incurred costs associated with potential and completed acquisitions of $4.5 million (2014: $3.5 million).

d During the financial year ended 31 March 2015, the CSR group recorded a charge of $14.2 million as a result of the remeasurement of provisions in relation to legal disputes and land remediation obligations as well as sundry asset write offs for some legacy factory sites. For the financial year ended 31 March 2014, the CSR group recorded a charge of $13.3 million in relation to product warranty claims and ongoing legal disputes as these matters advanced towards settlement.

e During the year ended 31 March 2015, a restructuring program took place across Building Products to align the business cost base with current market conditions and secure ongoing efficiencies.

f Weighted number of shares used in the calculation of earnings per share is 504.2 million (2014: 503.9 million). The total number of shares on issue of 506.0 million (2014: 506.0 million) have been reduced by the number of shares purchased on market and held in trust to satisfy incentive plans as these plans vest. During the period 1,800,847 (2014: 2,111,828) weighted average shares were held by the trust.

3. OTHER INCOME AND EXPENSES

($ MILLION)	Note	2015	2014
Income			
Significant items	2	**-**	33.0
Profit on disposal of assets		**35.4**	19.6
Other		**3.8**	3.3
Total other income		**39.2**	55.9
Expenses			
Significant items	2	**(24.8)**	(16.8)
Other		**(0.7)**	(0.7)
Total other expenses		**(25.5)**	(17.5)

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

4. NET FINANCE COST

($ MILLION)	**2015**	2014
Interest expense	**2.6**	2.7
Discount unwind on product liability provision[a]	**12.7**	12.1
Discount unwind on other non-current liabilities	**1.5**	1.9
Funding costs	**3.8**	4.7
Foreign exchange loss (gain)	**0.1**	(0.3)
Finance cost	**20.7**	21.1
Interest income	**(3.0)**	(2.5)
Net finance cost	**17.7**	18.6
Discount unwind on product liability provision and contingent consideration in significant items	**(13.1)**	(12.1)
Net finance cost before significant items[a]	**4.6**	6.5

a On 1 April 2014 a change in accounting policy over the classification of the discount unwind for the asbestos liability was adopted by CSR Limited, resulting in a restatement of significant items for the financial year ended 31 March 2014. Refer to Significant Accounting Policies.

5. INCOME TAXES

($ MILLION)	**2015**	2014
Reconciliation of income tax expense charged to the statement of financial performance		
Profit before income tax	**192.9**	123.3
Income tax expense calculated at 30%	**57.9**	37.0
Tax effect of amounts (not taxable) not deductible		
Tax free component of profit on property sales	**(5.0)**	(1.9)
Research and development relating to current year	**(0.4)**	(1.8)
Share of net profit of associates and rebates on dividend income	**(3.1)**	(2.8)
Income tax under (over) provided in prior years[a]	**0.6**	(1.9)
Other items[b]	**(3.8)**	(4.4)
Total income tax expense on profit	**46.2**	24.2
Total income tax expense comprises		
Current tax expense	**36.3**	18.4
Deferred tax expense relating to movements in deferred tax balances	**9.9**	5.8
Total income tax expense on profit	**46.2**	24.2

a For the year-ended 31 March 2014, this amount mainly related to the finalisation of research and development credits from prior years.

b Includes the impact of permanent differences related to significant items.

6. ISSUED CAPITAL

	2015		2014	
	ORDINARY SHARES FULLY PAID	SHARE CAPTIAL $ MILLION	ORDINARY SHARES FULLY PAID	SHARE CAPTIAL $ MILLION
CSR Limited				
On issue at the beginning of the financial year	**506,000,315**	**1,042.2**	506,000,315	1,042.2
On issue at the end of the financial year	**506,000,315**	**1,042.2**	506,000,315	1,042.2

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

No shares were issued during the years ended 31 March 2015 and 31 March 2014 under the Universal Share/Option Plan as shares in respect of this plan were acquired on market.

During the years ended 31 March 2015 and 31 March 2014, eligible shareholders were able to reinvest all or part of their dividends in fully paid ordinary shares. Shares were acquired on market and did not have any impact on issued capital.

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

7. NET TANGIBLE ASSETS PER SHARE [a]

($ MILLION)	**2015**	2014
	$	$
Net tangible assets per share	**2.17**	2.17

[a] Calculated as net assets attributable to CSR Limited shareholders ($1,206.0 million) less intangible assets ($108.2 million) divided by the number of issued shares (506.0 million).

8. DETAILS RELATING TO DIVIDENDS

	FINANCIAL YEAR ENDING 31 MARCH	FRANKING PERCENTAGE	DATE DIVIDEND PAID/PAYABLE	AMOUNT PER SHARE CENTS	TOTAL AMOUNT $ MILLION
Interim dividend	2014	Nil	17 December 2013	5.0	25.3
Final dividend	2014	Nil	8 July 2014	5.0	25.3
Interim dividend	2015	Nil	16 December 2014	8.5	43.0
Final dividend	2015	Nil	7 July 2015	11.5	58.2

The final dividend in respect of ordinary shares for the financial year ended 31 March 2015 has not been recognised in this financial report because it was resolved to be paid subsequent to 31 March 2015.

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 in 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 share obligations under the DRP and therefore had no effect on the number of shares on issue.

9. EQUITY ACCOUNTING INFORMATION

Share of net profit of joint venture entities

($ MILLION)	**2015**	2014
Profit before income tax	**16.1**	13.5
Income tax expense	**(4.4)**	(4.1)
Total share of net profit	**11.7**	9.4

	OWNERSHIP INTEREST AS AT 31 MARCH		CONTRIBUTION TO NET PROFIT - YEAR ENDED 31 MARCH	
	2015	2014	**2015**	2014
Name of entity	**%**	%	**$ MILLION**	$ MILLION
Rondo Pty Limited	**50**	50	**9.7**	9.2
Gypsum Resources Australia	**50**	50	**-**	-
Viridian Glass New Zealand	**58**	58	**(0.3)**	(1.9)
New Zealand Brick Distributors	**50**	50	**1.7**	1.7
Other non-material joint ventures			**0.6**	0.4
Total share of net profit			**11.7**	9.4

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)

YEAR ENDED 31 MARCH 2015

10. CONTINGENT LIABILITIES

($ MILLION)	**2015**	2014
Contingent liabilities, capable of estimation, arise in respect of the following categories:		
Performance guarantees provided to third parties	**61.2**	65.8
Bank guarantee to Harwood Superannuation Fund	**1.4**	25.7
Total contingent liabilities[a]	**62.6**	91.5

[a] CSR Limited has not directly provided any financial guarantees to third parties outside the CSR group. All financial guarantees disclosed above are related to bank guarantees provided to third parties to guarantee CSR Limited's performance of its liabilities. In addition, CSR Limited 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.

Claims and possible claims (other than product liability which is discussed in Note 11) 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.

Workers' compensation

CSR Limited is a licensed self insurer in New South Wales, Queensland, Victoria, 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 $29.2 million as at 31 March 2015 (2014: $31.3 million).

11. 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, by people who lived near factories operated by former subsidiaries of CSR, as well as residents of and visitors to Wittenoom. As at 31 March 2015, there were 473 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 31 March 2015, there were 541 such claims pending.

CSR has been settling claims since 1989. As at 31 March 2015, CSR had resolved approximately 3,800 claims in Australia and approximately 137,000 claims in the United States.

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

YEAR ENDED 31 MARCH	**2015**	2014	2013	2012	2011
Number of claims received	**258**	339	347	435	412
Number of claims resolved	**257**	804	488	418	634
Amount spent on settlements (A$ million)[a]	**25.0**	29.2	31.0	34.7	32.5
Average cost per resolved claim (A$)	**97,276**	36,411	63,553	83,067	51,300

[a] Excludes external legal costs, net of insurance recoveries.

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.

11. PRODUCT LIABILITY (CONTINUED)

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 Finity Consulting Pty Limited, as the independent expert to estimate the Australian liabilities. CSR has appointed Gnarus Advisors LLC 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.

In Australia the methodology used by Finity Consulting Pty Limited produces the central estimate of future asbestos liabilities which represents the average expectation of the range of possible future outcomes. At 31 March 2015 the central estimate was $157.2 million calculated using a discount rate of 4.25%. On an undiscounted and inflated basis that central estimate would be $229.4 million over the period to 2066, 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 31 March 2015 the base case estimate was US$104.9 million calculated using a discount rate of 3.4%. On an undiscounted and inflated basis that base case estimate would be US$130.8 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 varied 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.

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)

YEAR ENDED 31 MARCH 2015

11. PRODUCT LIABILITY (CONTINUED)

The table below shows CSR's asbestos provision from 2011 to 2015:

YEAR ENDED 31 MARCH ($MILLION)	**2015**	2014	2013	2012	2011
United States base case estimate US$	**104.9**	123.5	194.0	199.2	191.8
United States base case estimate A$	**137.0**	133.5	185.8	191.8	185.9
Australian central estimate A$	**157.2**	161.8	158.3	172.7	180.1
Sub total A$	**294.2**	295.3	344.1	364.5	366.0
Prudential margin A$	**56.5**	73.8	79.7	77.2	82.9
Prudential margin %	***19.2%***	*25.0%*	*23.2%*	*21.2%*	*22.7%*
Total product liability provision A$	**350.7**	369.1	423.8	441.7	448.9

At 31 March 2015, a provision of $350.7 million (2014: $369.1 million) has been made for all known claims and reasonably foreseeable future claims, and includes a prudential margin of $56.5 million (2014: $73.8 million) above the aggregate most likely estimate of the future asbestos liabilities in Australia and the United States as determined by Finity Consulting 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 31 March 2015 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) which was acquired by Perpetual Limited in 2013, 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 2011 and 3 March 2011 respectively.

Notes to the financial statements (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

12. ACQUISITIONS OF CONTROLLED ENTITIES AND BUSINESSES

Acquisition of Architectural Framework Systems
The CSR group acquired 100% of Architectural Framework Systems (AFS) on 2 April 2014 (Building Products segment). AFS is a leader in permanent formwork walling solutions for the construction industry. The primary reason for the acquisition was to continue CSR's growth in the Building Products segment.

The accounting for this acquisition has been finalised at 31 March 2015. Acquisition related costs expensed were $1.8 million.

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

($ MILLION)	NOTE	2015
Purchase consideration:		
Cash paid	(i)	**36.7**
Contingent consideration	(ii)	**12.4**
Total consideration		**49.1**

Fair value of net assets acquired

($ MILLION)	FAIR VALUE 2015
Receivables	**5.2**
Inventories	**2.3**
Property, plant and equipment	**8.3**
Intangible assets	**7.0**
Payables	**(6.8)**
Provisions	**(0.7)**
Deferred tax liabilities	**(1.5)**
Net identifiable assets acquired	**13.8**
Add: Goodwill acquired	**35.3**
Total consideration	**49.1**

The goodwill is attributable to the workforce, profitability and growth potential of the acquired business. It will not be deductible for tax purposes.

(i) Purchase consideration - cash outflow

($ MILLION)	2015
Outflow of cash to acquire subsidiaries, net of cash acquired	
Cash consideration	**36.7**
Less: cash acquired	**-**
Outflow of cash - investing activities	**36.7**

(ii) Contingent earn-out
In the event that certain pre-determined earning measures are achieved by the subsidiary for the year ended 31 March 2015 and 31 March 2017, additional consideration may be payable in cash 60 days after each of the reporting periods. There is no limit to the maximum amount payable. Contingent consideration of $12.4 million was estimated by calculating the present value of the future expected cash flows.

Other acquisitions
During the year-ended 31 March 2015, two trade centres were acquired by the Building Products segment, with total consideration paid of $1.4 million and goodwill of $0.6 million arising in relation to the acquisitions.

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

12. ACQUISITIONS OF CONTROLLED ENTITIES AND BUSINESSES (continued)

Businesses acquired 2014

The CSR group acquired the net assets of the following business during the year ended 31 March 2014:

- 70% of the equity of Martini Investments (Australia) Pty Limited ("Martini Business"), a polyester manufacturer and importer of high performance reflective insulation, effective 1 November 2013 (Building Products segment);
- Alsupply Aluminium Partitions on 1 May 2013 (Building Products segment); and
- Accent Powdercoaters on 1 May 2013 (Building Products segment).

The primary reason for these acquisitions was to continue CSR's growth in the Building Products segment.

The initial accounting for the acquisitions for the year ended 31 March 2014 has now been fully determined resulting in the following adjustments to the acquisition accounting:

($ MILLION)	
Goodwill calculated on initial accounting in 2014	5.2
Adjustments to net identifiable assets acquired recorded in 2015	0.5
Adjusted Goodwill for business acquisitions	**5.7**

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

($ MILLION)	2014
Purchase consideration:	
Cash consideration	11.3
Add: Non-controlling interest	2.4
Less: Fair value of net identifiable assets acquired	(8.0)
Goodwill acquired	**5.7**

Fair value of net assets acquired

($ MILLION)	FAIR VALUE 2014
Net identifiable assets acquired	8.0
Less: Non-controlling interests	(2.4)
Add: Goodwill acquired	5.7
Total consideration	**11.3**

The goodwill is attributable to the workforce, profitability and growth potential of the acquired businesses. It will not be deductible for tax purposes.

(i) Consideration

Total consideration is comprised of payments of $10.9 million. An additional $0.4 million is expected to be payable in future periods and is contingent on achievement of performance targets.

(ii) Contingent earn-out - Martini business

In the event that certain pre-determined earnings targets are achieved by the subsidiary from acquisition date until 30 June 2015, additional payment may be payable in cash at the time of finalisation of the financial statements for that financial year. The earn-out is linked to continued employment and has therefore been classified as compensation. The potential amount payable under the agreement is dependent on the performance of the business.

(iii) Non-controlling interests - Martini business

The CSR group elected to recognise the non-controlling interests in the Martini business at its proportionate share of the acquired net identifiable assets.

(iv) Put and call options over non-controlling interests - Martini business

The CSR group has a call option over the remaining 30% non-controlling interest. The option has three exercise periods, the first one commencing on 31 March 2016 (for three months). The non-controlling shareholders have a put option to sell all of their remaining interest to the group at a discount to the call option price with two exercise windows that match the first and last call option periods. The exercise price of the options is based on the financial results of the business.

Notes to the financial report (continued)

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

12. ACQUISITIONS OF CONTROLLED ENTITIES AND BUSINESSES (continued)

(v) Purchase consideration - cash outflow

($ MILLION)	2014
Outflow of cash to acquire subsidiaries, net of cash acquired	
Cash consideration paid	10.9
Less: cash acquired	(0.8)
Outflow of cash - investing activities	10.1

13. CONTROLLED ENTITIES AND BUSINESSES DISPOSED

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

On 15 April 2013, a joint venture between CSR Limited's subsidiary, CSR Building Products (NZ) Limited and Brickworks Building Products (NZ) Pty Limited was established. This transaction involved the disposal of certain operating assets totalling $3.6 million 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.

(ii) Cash flows from disposal of a business

Consideration for the disposal was 50% of the shares of NZ Brick Distributors GP Limited entitling the CSR group to a 50% share of the profits of the NZ Brick Distributors Limited Partnership.

14. SUBSEQUENT EVENTS

With the exception of the items disclosed below, there has not arisen in the interval between 31 March 2015 and the date of this report, any other matter or circumstance that has significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the CSR group in subsequent financial years.

(i) Formation of the east coast bricks joint venture

On 4 April 2014, CSR and Boral Limited announced an intention to combine each Company’s brick operations on the east coast of Australia. The purpose of the transaction is to drive efficiencies across the combined network of operations.

The Australian Competition and Consumer Commission announced on 18 December 2014 it would not oppose the proposed transaction. Subsequently, on 1 May 2015, CSR and Boral announced the completion of the transaction and formation of the combined venture. The venture is owned 60% by CSR and 40% by Boral, reflecting the valuation of the two businesses. There was no cash consideration as part of the transaction except for typical working capital and closing adjustments.

The structure of the transaction will see CSR group consolidating the newly formed company. The transaction has not had an effect on the financial statements for the year ended 31 March 2015 and operating results and assets and liabilities of the new company will be consolidated from 1 May 2015. Preliminary acquisition accounting for the transaction will be disclosed in the financial report for the half year ending 30 September 2015.

(ii) Dividends

For dividends resolved to be paid after 31 March 2015, refer to Note 8.

Directors' declaration

CSR LIMITED AND ITS CONTROLLED ENTITIES (CSR GROUP)
YEAR ENDED 31 MARCH 2015

DIRECTORS' DECLARATION IN RELATION TO FINANCIAL STATEMENTS AND AUDIT

Deloitte has audited the financial statements contained within the CSR group 2015 Annual Financial Report and has issued an unqualified audit report. This year end results announcement has not been subject to audit. The preceding financial information contained in the Financial Report includes financial information extracted from the audited financial statements. A copy of the audit report will be available with the CSR group 2015 Annual Financial Report when it is released on 12 June 2015 and has not been included within the Financial Report as it does not include all of the information otherwise presented in the Annual Financial Report.

Rob Sindel
Managing Director
12 May 2015