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ASX RELEASE

24 November 2016

Boral successfully completes Institutional Placement and Institutional Entitlement Offer

KEY HIGHLIGHTS

- Institutional Placement and Institutional Entitlement Offer successfully completed, raising approximately A\$1.58 billion
- The Placement was multiple times oversubscribed and saw very strong demand from both existing institutional shareholders and new investors
- Institutional Entitlement Offer was strongly supported by existing institutional shareholders, who took up approximately 91%
- Institutional Bookbuild clearing price of A\$5.25, representing an A\$0.45 premium to the Entitlement Offer price of A\$4.80 per new share
- Retail Entitlement Offer opens on Wednesday, 30 November 2016

Boral Limited (ASX: BLD) ("**Boral**") today announced the successful completion of its fully underwritten institutional placement ("**Placement**") and the institutional component of its fully underwritten 1 for 2.22 pro rata accelerated renounceable entitlement offer with retail rights trading ("**Institutional Entitlement Offer**").

On Monday, 21 November 2016, Boral announced a Placement and pro rata accelerated renounceable entitlement offer with retail rights trading ("**Entitlement Offer**" and together with the Placement, the "**Equity Raising**") to raise approximately A\$2.05 billion. Proceeds of the Equity Raising will be used to support the acquisition of Headwaters ("**Acquisition**") for US\$24.25 per share in cash for an aggregate enterprise value of US\$2.6 billion.

The Placement attracted significant demand from new and existing institutional investors, and was multiple times oversubscribed, raising A\$450 million at a price of A\$4.80 per New Share (as defined below) ("**Offer Price**"). The Institutional Entitlement Offer raised approximately A\$1.03 billion from subscriptions for new fully paid ordinary shares in Boral ("**New Shares**") at the Offer Price. The Institutional Entitlement Offer attracted strong support from institutional shareholders with a take-up rate by eligible institutional shareholders of approximately 91%.

A bookbuild for Institutional Entitlement Offer shortfall shares was conducted on Tuesday, 22 November 2016 to Wednesday, 23 November 2016 ("**Institutional Bookbuild**") and attracted strong demand from both new and existing investors. The bookbuild cleared at a price of A\$5.25 per share, which represents a premium of A\$0.45 to the Offer Price of A\$4.80 per share.

Eligible institutional shareholders who elected not to take up their entitlements and certain ineligible institutional shareholders will receive A\$0.45 for each entitlement sold through the Institutional Bookbuild, less any applicable withholding tax.

Mike Kane, Boral's CEO & Managing Director, said:

"We are extremely pleased with the strong support for the Equity Raising from existing institutional shareholders and new investors. We see the success of the Equity Raising as a clear endorsement of Headwaters' compelling strategic fit within the existing Boral business. We are now looking forward to bringing together the two portfolios, driving integration and delivering substantial synergies to create value for shareholders."

New Shares to be issued under the Placement and Institutional Entitlement Offer will rank equally with existing Boral shares in all respects.

Settlement of New Shares issued as part of the Placement and Institutional Entitlement Offer (including as part of the Institutional Bookbuild) is expected to occur on Thursday, 1 December 2016. The issue of those New Shares is expected to occur on Friday, 2 December 2016, with ordinary trading commencing on the same day.

Retail Entitlement Offer

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") is expected to raise approximately A\$483 million. The Retail Entitlement Offer will open at 9.00am (AEDT) on Wednesday, 30 November 2016 and close at 5.00pm (AEDT) on Friday, 9 December 2016.

Eligible retail shareholders with a registered address in Australia or New Zealand will be able to subscribe for 1 New Share for every 2.22 fully paid ordinary shares held in Boral as at 7.00pm (AEDT) on the record date of Thursday, 24 November 2016 ("**Record Date**"), at the same offer price of A\$4.80 per New Share as the Institutional Entitlement Offer. Eligible retail shareholders will be allotted entitlements ("**Retail Entitlements**") which can be traded on ASX (Ticker: BLDR) from Thursday, 24 November 2016 to Wednesday, 30 November 2016 on a deferred settlement basis and from Thursday, 1 December 2016 to Friday, 2 December 2016 on a normal settlement basis. If they choose not to take up all or part of their Retail Entitlements, they can seek to sell all or part of their Retail Entitlements on the ASX or by transferring entitlements directly to another person ahead of the retail shortfall bookbuild.

The New Shares that would have been issued in respect of Retail Entitlements not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer and the entitlements of ineligible retail shareholders (had such eligible retail shareholders taken up their entitlements, and had such ineligible retail shareholders been eligible and taken up their entitlements) ("**Retail Shortfall Shares**") together with the right to subscribe for the Retail Shortfall Shares, will be offered through a retail shortfall bookbuild to be conducted on Wednesday, 14 December 2016 ("**Retail Shortfall Bookbuild**"). Any premium over the A\$4.80 per New Share offer price under the Entitlement Offer which is achieved from the offer of the Retail Shortfall Shares (and the right to subscribe for those Retail Shortfall Shares) through the Retail Shortfall Bookbuild will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any such premium remitted to those retail shareholders as a result of the offer of the Retail Shortfall Shares (and the right to subscribe for those Retail Shortfall Shares) through the Retail Shortfall Bookbuild. Entitlements may only be exercised by eligible retail shareholders or eligible retail assignees, being persons who have a registered address in Australia and New Zealand, and certain categories of institutional investors in other jurisdictions, excluding the United States.

Eligible retail shareholders are encouraged to carefully read the Retail Offer Booklet for further details relating to the Retail Entitlement Offer. Boral expects to lodge the Retail Offer Booklet with ASX and despatch the Retail Offer Booklet and personalised entitlement and acceptance forms to eligible retail shareholders no later than Wednesday, 30 November 2016. Retail Offer Booklets and personalised entitlement and acceptance forms will be sent electronically to those eligible retail shareholders who have elected to receive communications from Boral electronically. Notwithstanding any such election, eligible retail shareholders can also request a physical copy by calling the number below on or after Wednesday, 30 November 2016.

Boral's ordinary shares are expected to resume trading on ASX from market open today Thursday, 24 November 2016 on an ex-entitlement basis.

Key dates of the Entitlement Offer

Event	Date
Announcement of the Entitlement Offer and Placement	Monday, 21 November 2016
Retail Entitlements commence trading on ASX on a deferred settlement basis (ASX Code: BLDR)	Thursday, 24 November 2016
Record Date for eligibility in the Entitlement Offer	7:00pm (AEDT) Thursday, 24 November 2016
Retail Entitlement Offer opens	9:00am (AEDT) Wednesday, 30 November 2016
Retail Offer Booklet despatched and Retail Entitlements allotted	Wednesday, 30 November 2016
Retail Entitlements commence trading on ASX on a normal settlement basis	Thursday, 1 December 2016
Settlement of Placement and institutional Entitlement Offer	Thursday, 1 December 2016
Retail Entitlements trading on ASX ends	Friday, 2 December 2016
Allotment and normal trading of New Shares under the Placement and Institutional Entitlement Offer	Friday, 2 December 2016
Retail Entitlement Offer closes ¹	5:00pm (AEDT) Friday, 9 December 2016
Retail Shortfall Bookbuild	Wednesday, 14 December 2016
Settlement of the Retail Entitlement Offer	Monday, 19 December 2016
Allotment of New Shares under the Retail Entitlement Offer	Tuesday, 20 December 2016
Normal trading of New Shares under the Retail Entitlement Offer commence	Wednesday, 21 December 2016
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Thursday, 22 December 2016

Note: The above dates and times are indicative only and subject to change without notice. All dates and times are Australian Eastern Daylight Time.

Shareholder Enquiries

If you have any questions in relation to the Entitlement Offer, please contact the Boral Limited Offer Information Line on 1300 420 208 (within Australia) or +61 1300 420 208 (outside of Australia) between 8:30am and 5:30pm (AEDT) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

¹ Eligible Retail Shareholders who wish to take up all or a part of their Entitlement must complete and return their personalised Entitlement and Acceptance Form with the requisite accompanying payment (“**Application Monies**”) OR pay their Application Monies via BPAY by following the instructions set out on the personalised Entitlement and Acceptance Form OR apply and pay online at www.boral.com.au in each case by no later than 5.00pm (AEDT) on Friday, 9 December 2016. Eligible Retail Shareholders should refer to Sections 2 and 3.5 of the Retail Offer Booklet for options available to them to deal with their entitlement.

Further Information

Citigroup Global Markets Australia Pty Limited and Macquarie Capital (Australia) Limited are acting as financial advisers. Citigroup Global Markets Australia Pty Limited, J.P. Morgan Australia Limited and Macquarie Capital (Australia) Limited are acting as joint lead managers, joint bookrunners and joint underwriters to the Equity Raising.

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Forward looking statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward looking words such as “believe”, “expect”, “estimate”, “will”, “may”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the Acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Boral and cannot be predicted by Boral and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Boral operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

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