RESULTS

For the half year to 31 December 2017

Delivering significant earnings growth and transformation

13 February 2018

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Boral today: Performance, transformation & growth

1. Delivering strong results in Australia and maintaining leading positions
   • Key supplier to Australia’s booming infrastructure and strong residential and non-residential construction markets, with leading capabilities and operations
   • Maintaining valuable quarry resource positions and downstream concrete and asphalt networks through reinvestments
   • Strengthening margins through innovation and operational, customer and commercial excellence programs

2. Earnings growth and innovation-based competitive advantage in USG Boral
   • Organic and innovation-based growth in plasterboard markets in Asia, Australia and the Middle East, including Sheetrock® products, technical board and non-board
   • Positioned well to respond to changes in demand cycles and competitive pressures

3. Transformational growth in North America
   • Headwaters acquisition is delivering transformational growth and substantial synergies
   • Further growth through market recovery and innovation
   • Addressing short-term operational issues in some businesses
   • Benefits from US corporate tax rate cuts

4. Solid balance sheet and growing shareholder returns
   • At 31-Dec-2017, gearing (net debt / net debt + equity) of 30%
   • 17% growth in EPSA1

1. Refer to pages 68-69 for reconciliation and explanation; 1H FY2018 on prior corresponding period
Half year results highlights
Delivering significant earnings growth and transformation

1H FY2018 vs 1H FY2017

<table>
<thead>
<tr>
<th></th>
<th>A$m</th>
<th>%</th>
<th>A$m</th>
<th>%</th>
<th>cents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA1,2</td>
<td>$500m</td>
<td>50%</td>
<td>$237m</td>
<td>58%</td>
<td>20.2c</td>
<td>17%</td>
</tr>
<tr>
<td>EBITA1,2</td>
<td>$350m</td>
<td>66%</td>
<td>$214m</td>
<td>44%</td>
<td>18.2c</td>
<td>6%</td>
</tr>
<tr>
<td>EBIT1,2</td>
<td>$316m</td>
<td>50%</td>
<td>$173m</td>
<td>13%</td>
<td>12.5c</td>
<td>from 12.0</td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. Refer to pages 68-69 for reconciliation and explanation of these items

Safety performance
Company-wide commitment to Zero Harm Today

- Record low LTIFR of 1.1, down from 1.5
- MTIFR increased to 7.2 from 6.9, reflecting new businesses2
  - Base businesses MTIFR improved 4% to 6.6
- RIFR of 8.3 broadly steady
  - Base businesses RIFR improved 7% to 7.8
- Improving performance in Headwaters businesses since completing acquisition
- Determined to learn from two tragic incidents in late 2017

Employee and Contractor RIFR1
(per million hours worked)

<table>
<thead>
<tr>
<th>Year</th>
<th>LTIFR</th>
<th>MTIFR</th>
<th>RIFR</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
</tr>
<tr>
<td>FY14</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
</tr>
<tr>
<td>FY15</td>
<td>1.8</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>FY16</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
</tr>
<tr>
<td>FY17</td>
<td>6.6</td>
<td>6.6</td>
<td>6.6</td>
</tr>
<tr>
<td>FY18</td>
<td>8.3</td>
<td>8.3</td>
<td>8.3</td>
</tr>
</tbody>
</table>

1. Recordable Injury Frequency Rate (RIFR) per million hours worked is made up of Lost Time Injury Frequency Rate (LTIFR) and Medical Treatment Injury Rate (MTIFR)
2. Includes employees and contractors in all businesses, including Headwaters and all joint venture operations regardless of equity interest
Significant increase in earnings
Driven by Headwaters acquisition and Boral Australia

EBITDA\(^1\) variance, A$m
1H FY2018 vs 1H FY2017

1H FY2017
1H FY2018

333
144

30
(5)

EBITDA\(^1\)
Boral Australia
USG Boral\(^2\)
Boral North America
Discontinued Operations
EBITDA\(^1\)

1. Excluding significant items
2. Represents Boral's 50% post-tax equity accounted income from the USG Boral JV
3. Earnings from combined Boral USA and Headwaters businesses and Boral’s 50% post-tax equity accounted income from Meridian Brick JV formed on 1 November 2016

Strong activity in our key markets
Increased exposure to growing US markets post Headwaters acquisition

Revenue by end-market, %

<table>
<thead>
<tr>
<th>Market activity</th>
<th>Boral Australia</th>
<th>USG Boral joint venture</th>
<th>Boral North America</th>
</tr>
</thead>
<tbody>
<tr>
<td>RHS&amp;B(^2)</td>
<td>38</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>Non-residential(^3)</td>
<td>11%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Total housing starts(^4)</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>- Detached</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>- Multi</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Alterations &amp; additions(^1)</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Market activity:

<table>
<thead>
<tr>
<th>Australia</th>
<th>USG Boral joint venture</th>
<th>Boral North America</th>
</tr>
</thead>
<tbody>
<tr>
<td>RHS&amp;B(^2)</td>
<td>38</td>
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<td>4%</td>
</tr>
<tr>
<td>- Multi</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Alterations &amp; additions(^1)</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Revenue by end-market, %

<table>
<thead>
<tr>
<th>Country</th>
<th>Boral Australia</th>
<th>USG Boral joint venture</th>
<th>Boral North America</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>19</td>
<td>38</td>
<td>19</td>
</tr>
<tr>
<td>Thailand</td>
<td>15</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>China</td>
<td>12</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Indonesia</td>
<td>11</td>
<td>20</td>
<td>11</td>
</tr>
<tr>
<td>Other</td>
<td>16</td>
<td>16</td>
<td>16</td>
</tr>
</tbody>
</table>

Market activity:

<table>
<thead>
<tr>
<th>USA</th>
<th>Total housing starts(^6)</th>
<th>Single-family</th>
<th>Multi-family</th>
<th>Repair &amp; Remodel(^7)</th>
<th>Non-residential(^8)</th>
<th>Infrastructure(^9)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total housing starts(^6)</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>10%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>- Single</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>- Multi</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Repair &amp; Remodel(^7)</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Non-residential(^8)</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Infrastructure(^9)</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

1. Based on 1H FY2018 external revenue. USG-Boral represents underlying revenue split. Boral North America revenue includes Boral’s 50% share of revenue from Meridian Brick JV which is not included in reported revenue
2. Non-residential refers to non-residential construction. Value of work done (VWD) is forecast to increase 17% in FY2018 based on an average of Macromonitor and BIS Oxford Economics forecasts
3. RHS&B = roads, highways, subdivisions and bridges. VWD from ABS in 2015/16 constant prices; December 2017 quarter based on average of Macromonitor and BIS Oxford Economics forecasts
4. VWD from ABS in 2015/16 constant prices; December 2017 quarter based on average of Macromonitor and BIS Oxford Economics forecasts
5. Earnings from combined Boral USA and Headwaters businesses and Boral’s 50% post-tax equity accounted income from Meridian Brick JV formed on 1 November 2016
6. ABS original housing starts; December 2017 quarter based on average of HIA, Macromonitor and BIS Oxford Economics forecasts
7. Market activity:
8. RHS&B
9. Non-residential
10. Repair & Remodel
11. Infrastructure
12. Other
13. Detached
14. Multi
15. Alterations & additions
16. Australia
17. South Korea
18. Thailand
19. Indonesia
20. China
21. Other
22. Single-family
23. Multi-family
24. Repair & Remodel
25. Non-residential
26. Infrastructure
27. Other
28. Detached
29. Multi
30. Alterations & additions
31. Asia & Middle East
32. Australia
33. South Korea
34. Thailand
35. Indonesia
36. China
37. Other
38. USA
39. Single-family
40. Multi-family
41. Repair & Remodel
42. Non-residential
43. Infrastructure
44. Other
45. Detached
46. Multi
47. Alterations & additions
48. Boral Australia
49. Boral North America
50. USG Boral
51. Discontinued Operations
Boral Australia

Strong result underpinned by growing infrastructure & non-residential activity

• EBITDA (excluding Property) up 15%, driven by growth in construction materials businesses, particularly NSW and Qld
• Accelerating infrastructure work, strong non-residential demand and only modest softening in residential demand
• Higher average selling prices across all businesses, except WA
• Benefiting from favourable weather on east coast in Q1

USG Boral

Solid revenue growth offset by higher input costs, one-off costs & price pressures

• Revenue underpinned by continued growth in Sheetrock® & technical board, pricing gains and higher non-board revenue
• EBITDA impacted by higher input costs, $8m in one-off costs and competitive pricing pressures in Thailand, Indonesia and Vietnam; excluding one-offs, EBITDA up 5%
• Strong Australia contribution with earnings steady excluding one-off costs
• Significant earnings growth in Korea and China with softer earnings from Thailand, Indonesia and Vietnam
• Substantial lift in revenue to US$884m and EBITDA to US$144m

• Synergies of US$18m achieved; on track to exceed US$35m synergies in FY2018

Compared to 1H FY2017 proforma

• EBITDA growth tempered by severe weather events, plant operational issues & commissioning costs, and lower Meridian Brick earnings

• Construction Materials: Improved result largely driven by higher Fly Ash revenue and earnings

• Building Products: modest earnings growth with revenue lift of 13%, largely offset by US$4m weather impact and US$7m in plant operational issues

• Meridian Brick JV: higher operating costs and lower volumes due to declining brick intensity and smaller rationalised network


Revenue
A$1.1b

EBITDA¹
A$184m

<table>
<thead>
<tr>
<th>A$m</th>
<th>1H FY2018</th>
<th>1H FY2017</th>
<th>1H FY2017 proforma²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,133</td>
<td>477</td>
<td>1,208</td>
</tr>
<tr>
<td>EBITDA¹</td>
<td>184</td>
<td>41</td>
<td>185</td>
</tr>
<tr>
<td>EBITA¹</td>
<td>135</td>
<td>19</td>
<td>130</td>
</tr>
<tr>
<td>EBIT¹</td>
<td>101</td>
<td>18</td>
<td>113</td>
</tr>
<tr>
<td>Net Assets</td>
<td>4,428</td>
<td>949</td>
<td></td>
</tr>
</tbody>
</table>

US$m

| Revenue | 884 | 357 | 904 |
| EBITDA¹ | 144 | 30 | 139 |
| EBITA¹ | 105 | 15 | 98 |
| EBIT¹ | 79 | 14 | 85 |
| ROFE¹,², % | 4.6 | 5.7 |

¹ Excluding significant items
² Moving annual total EBIT on average monthly divisional funds employed (segment assets less segment liabilities)
³ Proforma consolidated Boral and Headwaters businesses for the six months to December 2016, with Headwaters on a comparable basis to previously reported results

Boral North America

Substantial earnings lift through acquisition

Boral North America

US$10m impact from major weather events in 1H FY2018

Boral North America geographic exposure¹,%,

- Southeast: 26%
- Southwest: 22%
- West: 16%
- Midwest: 10%
- Northeast: 8%
- International: 3%

California wildfires, Oct 2017
Napa stone plant disrupted
Building projects in area delayed

Hurricane Harvey, Aug 2017
- Plants impacted: Katy (Roofing), Alleyton (Block) & Elgin plants, and Houston distribution site (Meridian Brick)
- Sales impacted in Block, Roofing & Fly Ash
- Higher transport costs for Meridian Brick & Windows
- Increased input costs for LBP
- Fly Ash availability and transportation impacted

Hurricane Irma, Sep 2017
- Electricity availability impacted in FL, GA, AL, SC, NC & TN
- Roof tile plants in FL all impacted, including Okeechobee and Lake Wales
- Fly Ash availability impacted

1. Based on Boral North America 1H FY2018 external revenue, including Boral’s 50% share of Meridian Brick JV revenue which is not included in reported revenue
Boral North America

Earnings growth impacted by weather, operational issues and costs

EBITDA\(^1\) variance, US$m
1H FY2018 vs 1H FY2017 proforma\(^2\)

Includes $4m benefit from Fly Ash
Includes $5m benefit from Fly Ash
Includes $5m benefit from Fly Ash

Includes: - Plant commissioning costs: Lake Wales Roofing, Greencastle Stone, Kleer LBP - Integration of businesses acquired by Headwaters: Entegra Roofing (FL), Oceanside metal roofing (CA) and Magnolia Windows - Safety interventions: Stonecraft

Includes margin impact of supply constraints associated with intermittent closure of power plants and contract renewals

1. Excluding significant items
2. Proforma consolidated Boral and Headwaters businesses for the six months to 31 December 2016, with Headwaters on a comparable basis to previously reported results
3. Impact of Hurricanes Harvey and Irma, and California wildfires
4. Includes impact of weather events
5. Costs & other includes: US$6m benefit from aligning accounting policy between Boral and Headwaters in relation to Stone molds, US$4m Purchase Price Accounting adjustment reflecting the expensing of fair value inventory uplift, and other cost increases

Boral North America

Overall, integration of Headwaters acquisition has progressed well

Exceeded expectation:

- Cultural alignment and support from employees and customers in both organisations
- Synergy opportunities – confidence in exceeding US$35m in year 1 and US$100m within 4 years
- Fly Ash – attractive medium- and longer-term opportunities around storage and landfill reclamation
- Light Building Products – better performance and growth opportunities
- Block and Windows – offering attractive opportunities

Challenges & responses:

- Safety performance and equipment – requiring increased management time and ¬US$10m of capital
- Operational and integration issues in Roofing & Stone requiring strengthened leadership and a focused improvement program
- Some share loss in Stone, which has been included as a ‘dis-synergy’ in the US$18m of 1H FY2018 synergies
- Clubhouse Decking, Enviroshake\(^\circ\) roofing (in Canada) and the Energy business, all small underperforming businesses which have been divested
- Integration of Magnolia Windows into Krestmark Windows requiring strengthened leadership and a focused improvement program
1. Synergies include cost synergies and estimated cross-selling and distribution revenue synergies, and exclude one-off integration costs estimated at US$90 - US$100m over FY2018 & FY2019

2. Includes Block and Windows

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**1H FY2018 synergies by business**

<table>
<thead>
<tr>
<th>Business</th>
<th>US$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>6.9</td>
</tr>
<tr>
<td>Fly Ash</td>
<td>4.1</td>
</tr>
<tr>
<td>Stone</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Roofing</td>
<td>2.6</td>
</tr>
<tr>
<td>LBP</td>
<td>4.0</td>
</tr>
<tr>
<td>Other</td>
<td>1.8</td>
</tr>
</tbody>
</table>

**FY2018 target** >US$50-55m

**End FY2018 run rate**

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**Year 4 targeted synergies**

>US$100m per annum within four years

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**Positioned to improve ROFE**

Boral Australia and USG Boral exceeding the cost of capital

**Divisional EBIT return on funds employed (ROFE), %**

- **Boral Australia**
  - 1H FY2017: 12.9%
  - 1H FY2018: 15.4%

- **USG Boral**
  - 1H FY2017: 10.7%
  - 1H FY2018: 11.1%

- **Boral North America**
  - 1H FY2017: 5.7%
  - 1H FY2018: 4.6%

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**Group ROFE**, %

- FY2012: 4.1%
- FY2013: 4.7%
- FY2014: 7.2%
- FY2015: 8.2%
- FY2016: 9.0%
- FY2017: 9.2%
- 1H FY2017: 9.2%
- 1H FY2018: 8.5%

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1. EBIT (excluding significant items) return on funds employed (divisional funds employed is segment assets less segment liabilities). ROFE calculated on a moving annual total basis as at 31 December.
2. Based on USG Boral’s underlying moving annual total EBIT (excluding significant items) on funds employed at 31 December.
3. ROFE for 1H FY2018 calculated as moving annual total EBIT (excluding significant items) on average monthly funds employed for the 12 months to December to better reflect the impact of the Headwaters acquisition.
Financial Results
Ros Ng – Chief Financial Officer

Group financial performance
Full period contribution from Headwaters and growth in Boral Australia

A$M | 1H FY2018 | 1H FY2017 | Var %
--- | --- | --- | ---
Revenue | 2,937 | 2,093 | 40
EBITDA\(^1,2\) | 500 | 333 | 50
Depreciation and amortisation\(^2\) | (150) | (122) | 23
EBITA\(^1,2\) | 350 | 211 | 66
Amortisation of acquired intangibles | (34) | (1) | 
EBIT\(^1,2\) | 316 | 211 | 50
Net interest | (50) | (27) | 84
Tax\(^1\) | (52) | (35) | 51
**Net profit after tax\(^1,2\)** | 214 | 149 | 44
Significant items (net) | (41) | 4 | 
**Statutory net profit after tax** | 173 | 153 | 13
**Net profit after tax and before amortisation\(^1,2\)** | 237 | 149 | 58
**Effective tax rate** | 20% | 19% | 

Non-IFRS information: Earnings before significant items is a non-IFRS measure that is reported to provide a greater understanding of underlying business performance of the Group. Further details of non-IFRS information is included in the Results Announcement while details of significant items are provided in Note 6 of the Half Year Financial Report. Non-IFRS information has not been subject to audit or review.

\(^1\) Excluding significant items
\(^2\) Refer to pages 68-69 for reconciliation and explanation of these items

(Figures may not add due to rounding)
Significant items

Net expense of $41m from integration costs and site rehabilitation provision

<table>
<thead>
<tr>
<th>A$m</th>
<th>1H FY2018</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headwaters integration costs</td>
<td>(32)</td>
<td>1</td>
</tr>
<tr>
<td>Waurn Ponds rehabilitation and closure costs</td>
<td>(24)</td>
<td>2</td>
</tr>
<tr>
<td><strong>Expense before interest and tax</strong></td>
<td>(56)</td>
<td></td>
</tr>
<tr>
<td>Reassessment of US tax balances</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Tax benefit</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td><strong>Significant items (net)</strong></td>
<td>(41)</td>
<td></td>
</tr>
</tbody>
</table>

1. Costs primarily relating to redundancies, employee incentives implemented by Headwaters, consultant fees supporting integration, integration of IT systems, brand consolidation, and asset impairments in concrete roofing business.

2. Recognition of provision for rehabilitation of limestone quarry attached to Waurn Ponds cement facility in Victoria.

3. Includes a $6m impact from adjustments to deferred tax assets (including US tax losses and timing differences), offset by a $6m benefit from recognition of previously unrecognised tax losses, resulting in no net impact on profit.

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Cash flow

Strong operating cash flow

<table>
<thead>
<tr>
<th>Cash flow, A$m</th>
<th>1H FY2018</th>
<th>1H FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA</strong>¹</td>
<td>509</td>
<td>333</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(67)</td>
<td>(83)</td>
</tr>
<tr>
<td>Fly ash contract investments</td>
<td>(2)</td>
<td>(6)</td>
</tr>
<tr>
<td>Share acquisition rights vested</td>
<td>(22)</td>
<td>(4)</td>
</tr>
<tr>
<td>Interest and tax</td>
<td>(99)</td>
<td>(53)</td>
</tr>
<tr>
<td>Equity earnings less dividends</td>
<td>(12)</td>
<td>(7)</td>
</tr>
<tr>
<td>Restructuring, acquisition and integration costs paid</td>
<td>(82)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>216</td>
<td>158</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(164)</td>
<td>(144)</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>(9)</td>
</tr>
<tr>
<td>Cash acquired</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds on disposal of assets</td>
<td>18</td>
<td>145</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>71</td>
<td>151</td>
</tr>
<tr>
<td>Capital raisings²</td>
<td>-</td>
<td>2,018</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(141)</td>
<td>(86)</td>
</tr>
<tr>
<td>Other items</td>
<td>(6)</td>
<td>3</td>
</tr>
<tr>
<td><strong>Cash flow</strong></td>
<td>(76)</td>
<td>2,086</td>
</tr>
</tbody>
</table>

- Operating cash flow up 37% to $216m due to:
  - significant lift in earnings from Boral North America and Boral Australia
  - partially offset by higher restructuring and integration costs and higher interest and tax payments

- Free cash flow lower due to:
  - capital expenditure up 14% to $164m
  - lower proceeds on sales of assets

¹. Excluding significant items
². Institutional equity placement and retail entitlement offer completed December 2016
Capital expenditure
Disciplined approach to capital management

- Total capex up 14% to $164m, driven by increased stay in business capex
- Capital spend included:
  - Quarry upgrades at Deer Park (Vic), Orange Grove (WA) and Ormeau (Qld)
  - New concrete plant at Redbank Plains (Qld)
  - Replacement concrete plant (Vic) & asphalt plant
  - SIB\(^1\) and safety equipment in Boral North America

FY2018 capital expenditure, %

- FY2018 capex expected to be at the lower end of ~$425m–$475m range

Balance sheet
Maintaining a robust financial position

- Net debt of $2.4b at 31 Dec 2017, up from $2.3b at 30 June 2017
- Principal debt gearing covenant\(^2\) of 32%, unchanged from 30 June-17 (threshold is less than 60%)
- Weighted average debt facility maturity increased to ~5 years following acquisition loan refinace
- Net interest cover\(^3\) of 6.3 times, down from 7.8 times in 1H FY2017
### Strategic Priorities & Outlook

**Mike Kane – CEO & Managing Director**

Transforming Boral

We are **building a transformative culture** to grow, innovate and be responsive

Across Boral’s **three strong divisions**, we are building a transformative culture to deliver performance excellence, capture growth and respond to a changing world

<table>
<thead>
<tr>
<th>Boral Australia</th>
<th>USG Boral</th>
<th>Boral North America</th>
</tr>
</thead>
</table>
| • Strengthening our leading position in Australia through quarry and plant network reinvestments | • Delivering long-term organic growth through:  
  o Innovation  
  o Asian economic growth  
  o Product penetration for interior linings and related products  
  • Defend and improve high regional market shares through additional capacity and next gen Sheetrock® | • Transformational growth and improved performance through:  
  o Headwaters acquisition  
  o Meridian Brick JV  
  o New product development and innovation  
  o Market recovery / growth  
  • Shift from high fixed cost capital intensive to variable cost model to better respond to cycles |
| • Leveraging diverse markets with multi-year growth in major roads & infrastructure | | |
| • Margin growth through customer, commercial and operational excellence | | |
| • Developing innovation platform | | |

---

Boral employees at Berrima Cement Works, NSW, Australia

Boral employees at the Discovery Center, San Antonio, TX
Earnings growth across all divisions, with significant lift in Boral North America as we deliver on Headwaters acquisition objectives

- **Boral Australia**
  - Expect high-single digit EBITDA growth and low double digit EBIT growth in FY2018, excluding property in both years.
  - Continue to expect Property earnings at lower end of historical range ($8m – $46m).
  - Expect mid-single digit EBITDA growth and high single digit EBIT growth including Property.

- **USG Boral**
  - Profit expected to **grow at mid-single digit rate** in FY2018, with strong year on year growth in 2H.
  - 2H earnings expected to be lower than 1H due to typical seasonality impacts, despite one-off cost impacts in 1H.
  - Growth in China, Korea and Australia expected to offset slower than expected recovery in Thailand and Indonesia, competitive pressures in Vietnam, and higher raw material and energy costs.

- **Boral North America**
  - Expect **significantly higher EBITDA** in FY2018 reflecting Headwaters acquisition, synergy delivery and market growth.
  - EBITDA to be **substantially skewed to 2H** due to: progress in resolving operational issues, a return to normal weather conditions, price growth across all businesses, normal seasonal impacts which typically result in higher activity in Q4, and underlying market growth including ~4% in housing starts (to ~1.25m), ~9% in repair & remodel, ~4% in non-residential and ~5% in infrastructure.
  - **Meridian Brick JV** expected to deliver positive and improved earnings in 2H.

---

1. Housing starts based on average of Dodge, Wells Fargo, NAHB, Fannie Mae, FitchX-Mac and MBA analysts between Dec-17 and Jan-18; Repair & Remodel from Moody’s Retail Sales of Building Products, January 2018; Non-residential from Dodge Data & Analytics, November 2017; and Infrastructure Ready Mix Demand from McGraw Hill Dodge, November 2017.
**FY2018 financial considerations**

### Area | FY2018 implications
--- | ---
**Synergies** | • Headwaters acquisition year 1 synergies to exceed US$35m  
• Meridian Brick JV synergies of US$25m p.a. within 4 years (by Nov 2020)
**Corporate costs** | • FY18 to be slightly higher than FY17 due to additional innovation spend
**Depreciation & Amortisation** | • Headwaters post acquisition PPA adjustments underway, additional D&A likely to be ~US$30-35m p.a.  
• Group D&A ~A$390-410m in FY18, including amortisation of acquired intangibles of ~A$70-80m
**Capex** | • Total Boral capex expected to be at the lower end of ~A$425-475m p.a. range (including incremental Headwaters capex)
**Debt & gearing** | • Cost of debt ~ 4.25% to 4.5% p.a.  
• Gearing of 30% within comfort range – expect to reduce to ~25% in coming years
**HW significant items** | • Implementation costs – expect US$90-100m over two years, FY2018 & FY2019
**Taxation** | • Effective tax rate projected to be ~22-24% in FY2018  
• Cash flow benefits of US tax loss carried forward
**Dividends & franking** | • Franking to align with earnings mix from Australia; FY2018 dividends to be partially franked in range of 50-70%  
• Dividend Policy: payout ratio ~50-70% of earnings before significant items, subject to Company’s financial position

---

**Impacts of US corporate tax rate changes**

### Issue | Implications / considerations
--- | ---
**US corporate tax rate reducing from ~35% to 21% at federal level** | • Boral’s expected tax rate on US earnings reduces from ~38% (35% Federal + state taxes) to:  
  • ~32% (28% federal + state taxes) in FY2018  
  • ~26% (21% federal + state taxes) from FY2019  
• Resulting in overall effective tax rate for Boral at a Group level of:  
  • ~22-24% in FY2018 (including other one-off items recorded in 1H FY2018)  
  • ~21-23% in FY2019  
• Delivers P&L benefits from FY2018 but no immediate cashflow benefits due to carry forward losses in the USA

**US carry forward losses** | • Continuing to recognise Boral’s and Headwaters’ carry forward losses, with cashflow benefits expected to continue for next few years  
• Non-cash balance sheet adjustment to US carry forward losses of A$106m, but offset by adjustment to deferred tax liabilities (A$100m) and recognition of previously unrecognised tax losses (A$6m) – no net impact to profit  
• As at 31 December 2017:

<table>
<thead>
<tr>
<th>Tax losses US$m</th>
<th>Gross value</th>
<th>Tax effected value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognised on balance sheet</td>
<td>674</td>
<td>185</td>
</tr>
<tr>
<td>Unrecognised</td>
<td>178</td>
<td>49</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>852</strong></td>
<td><strong>234</strong></td>
</tr>
</tbody>
</table>
Supplementary information

Corporate Profile
Boral Group: snapshot
Australian based, ASX listed international building & construction materials group

A$8.7b market capitalisation\(^1\)
S&P/ASX 100 company
17 countries
~700 operating sites\(^2\)
~16,600 employees\(^3\)

---

1. As at 12 February 2018
2. As at 30 June 2017. Includes joint ventures
3. Full-time equivalent employees, including in joint ventures, as at 31 December 2017
4. Includes external revenue only. Includes Boral's 50% share of underlying revenue from USG-Boral and Meridian Brick joint ventures, which are not included in Group reported revenue
5. Excluding significant items
6. Includes proforma consolidated Boral and Headwaters businesses for the six months to 31 December 2016, with Headwaters on a comparable basis to previously reported results
7. Roads, highways, subdivisions & bridges

---

Boral 1H FY2018 revenue\(^4\) by end-market, %
- USA single-family
- USA multi-family
- USA repair & remodel
- USA non-residential
- USA roads & engineering
- Other
- Australian RHS&B\(^5\) & other engineering
- Australian non-residential
- Australian detached dwelling
- Australian multi-dwelling
- Australian alterations & additions
- Asia & Middle East

---

Revenue\(^1\) by business\(^2\), %
- Concrete
- Quarries
- Asphalt
- Cement
- Concrete placing
- Bricks & Roofing
- Timber
- Other

---

Revenue\(^1\) by region, %
- NSW / ACT
- VIC / TAS / SA
- QLD
- WA

---

Boral Australia
Diversified geographic exposure across construction materials

---

OPERATING FOOTPRINT (total number of operating sites\(^5\))
- Quaries
  - Bricks WA
  - Roof tiles
- Concrete
- Asphalt
- Timber\(^6\)
- Cement\(^4\)
- Masonry

---

1. Boral Australia external revenue for the six months ended 31 December 2017
2. Bricks & Roofing includes Masonry revenues. Other includes Transport, Landfill and Property revenues
3. As at 30 June 2017
4. Includes cement manufacturing plant, bagging plant and lime plant in NSW, a clinker grinding plant in Victoria and a clinker grinding JV in Queensland
5. Includes 8 Boral Hardwood mills and one JV Softwood operation
Vertically integrated positions in key markets, especially on East Coast

Cement
- ~70% manufactured clinker, ~30% imported
- ~1.5m tonne p.a. clinker kiln capacity
- 3m tonne p.a. cement grinding capacity
- ~50-60% Cement volumes sold internally to Concrete

Quarries
Aggregates & sand
- >30m tonnes p.a.
- Close to 1 billion tonnes reserves
- ~20-50 years reserves in key metro quarries
- ~5-15% Quarry volumes sold internally to Asphalt

Bitumen
BIA JV
- >2m tonnes of asphalt p.a.
- Per tonne asphalt:
  - ~0.055t bitumen
  - ~0.7t aggregates
  - ~0.2t sand
- ~50% of bitumen supplied by JV plants

Concrete
- ~7m m³ p.a.
- Per m³ concrete:
  - ~0.3t cementitious material
  - ~1.3t aggregates
  - ~0.5t sand
- ~25-35% Quarry volumes sold internally to Concrete

Asphalt
- >3m tonnes of asphalt p.a.
- Per tonne asphalt:
  - ~0.055t bitumen
  - ~0.71t aggregates
  - ~0.21t sand
- ~50% of bitumen supplied by JV plants

~50-70% Quarry volumes sold externally

End Customer

Vertically integrated positions in key markets, especially on East Coast

Boral Australia – Property is managed as an integrated and ongoing feature of the business

Development / disposal
New need defined
Site opportunity located
Development approval
Capital approval
Operations planning
Operational life
End use strategy
Rehabilitation

Integrated Property Life Cycle

1. Includes Boral’s share of 1.5m tonnes of grinding capacity in 50% owned Sunraysia Cement JV
2. Based on FY2017 data. Long-term historical averages differ as follows: ~40-50% Quarry volumes sold internally to Concrete, ~35-55% Quarry volumes sold externally & ~35% of bitumen supplied by JV plants
Boral Australia has a large land bank and harvests property on a continual basis

**Purchased land**

- Refreshed land purchases
  - Growth corridors, generally in outer suburbs or regional areas, and securing quarry reserve positions
  - Major landholdings e.g. new quarries typically have 50+ year life cycles
  - Other landholdings e.g. concrete and asphalt sites could have 10-30 year life cycles

**Property end use**

- Major developments
  - Residential
  - Industrial / employment generating
  - Landfill
- Surplus buffer lands
  - e.g., land surrounding brick, cement, and quarry operations that have appreciated in value
- Discrete lower value, replacement sites
  - e.g., older (or redundant) concrete and asphalt sites in low growth areas

**Australian operations**

<table>
<thead>
<tr>
<th></th>
<th>QLD</th>
<th>NSW/ACT</th>
<th>VIC/TAS</th>
<th>SA</th>
<th>WA</th>
<th>NT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarries</td>
<td>78</td>
<td>225</td>
<td>41</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Concrete</td>
<td>12</td>
<td>4</td>
<td>9</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Asphalt</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Cement</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Bricks WA</td>
<td>1</td>
<td>4</td>
<td>9</td>
<td>8</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Roof tiles</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Timber</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Masonry</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

**Property EBIT**, A$m

- 10-year average: Property/QEU earnings: $31m
- 5-year average: Property earnings: $27m

**Boral Property Group**

- Partners with business units as early as possible to maximise value, reduce operational rehabilitation liabilities and create market-based opportunities
- Boral Property Group is an in-house team with extensive property experience internally and externally
  - Rezoning / approvals
  - Remediation / rehabilitation
  - Environmental
  - Construction

1. As at 30 June 2017. Note: Approximately 40% of sites are leased and 60% are company owned

1. Excluding significant items. FY2008 – FY2010 includes earnings from significant multi-year developments at Moorebank and Nelsons Ridge, and initial earnings from the Landfill business
USG Boral
50%-owned joint venture in Australasia, Asia & Middle East

External Revenue\(^1\), %

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<thead>
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</thead>
<tbody>
<tr>
<td>Thailand</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>China</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>11</td>
<td>6</td>
<td>12</td>
<td>6</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
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<tr>
<td>Other</td>
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<td></td>
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</tr>
</tbody>
</table>

1. Based on split of 1H FY2018 underlying revenue for USG Boral. USG Boral’s revenue is not reported in Boral’s income statement as this 50% investment is equity accounted.

MANUFACTURING FOOTPRINT
(total number of operating sites\(^2\))

- **Plasterboard plants**: 617m\(^2\) capacity (23 board lines / 8 ceiling lines)
- **Gypsum mines**: 31
- **Other plants\(^3\)**: mineral fibre ceiling tile, metal ceiling grid, metal products, joint compounds, mineral wool and cornice production

18

New warehouse completed

Plans to add 30m\(^2\) board capacity

Plans to add 17m\(^2\) board capacity

USG Boral plasterboard capacity utilisation and production volume\(^1\)

- Average plant capacity utilisation of \(~82\)% for 1H FY2018, up from \(~76\)% in 1H FY2017
- Since FY2007 plasterboard production volume CAGR\(^3\) of 6\% p.a. (including Aus/NZ) and 7\% p.a. in Asia (excluding Aus/NZ)

1. Includes plasterboard and gypsum ceiling tile volumes
2. Based on total production capacity at financial year end and annualised for 1H FY2018
3. Compound annual growth rate
1. Based on 1H FY2018 external revenue, including Boral’s 50% share of Meridian Brick JV revenue, which is not included in reported revenue.
2. Southeast – AL, FL, GA, KY, MS, NC, SC, TN, VA, WV; Southwest – AR, LA, OK, TX; West – AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY; Midwest – IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI; Northeast – CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT.
3. As at December 2017

Revenue by geography, %

Revenue by business, %

-215 Operating Sites

Our strategic priorities
Making good progress in all divisions

Boral Australia
✓ Ongoing ~$200m of quarry reinvestment projects plus concrete and asphalt plant investments
✓ Restructured Bricks WA in line with market downturn
✓ Finalised plans to build clinker grinding and cement storage facility at Port of Geelong, Victoria
✓ Benefits being delivered from Customer, Operational and Commercial excellence initiatives

USG Boral
✓ Sheetrock® technology roll-out completed in Dec-2017; total capex of ~US$46m (below budget of US$50m)
✓ Sheetrock® adoption on target
✓ Total synergies exceed targeted US$50m p.a. synergies (including technologies, adjacent products, procurement & supply chain)
✓ Next generation Sheetrock® technology being piloted
✓ Adding board production capacity in Vietnam
✓ Building new 30m² board plant in India

Boral USA
✓ Meridian Brick joint venture formed in Nov-16; 8 plants and 14 distribution sites closed
✓ Investment in growth of lightweight Trim & Siding business
✓ Integrating US$2.6b Headwaters acquisition
✓ Improve safety performance of new businesses
✓ Expect Brick JV cost synergies of US$25m within 4 yrs
✓ Expect Headwaters synergies >US$100m p.a. within 4 yrs; currently expect Year 1 synergies to exceed ~US$35m
Headwaters & Meridian Brick update

Boral North America organisational structure

Experienced executives from Boral and Headwaters

President & CEO
David Mariner

Construction Materials Group
Keith Depew

Building Products Group
Chris Fenwick

Windows1 and Innovation
Joel Charlton

Fly Ash
West: Jimmy Lambert
East: Terry Peterson

Fly Ash2
Bill Gehrmann

Stone
Brent Spann

Roofing1
Darren Schulz

Light Building Products
Brian Below

Windows
David Decker

Innovation Factory
Russell Hill

Corporate Staff

CFO
Oren Post

Legal
Ernie McLean

HR
Tommy Balas

Safety
Rich Stevens

Strategy & Integration
Amit Swarup

Legal

Construction

Materials Group

Block
Bob Whisnant

Denver
Ready-Mix
Bob Kepford

1. Note that for external reporting Windows is reported with Building Products Group businesses.
2. Former President of the Fly Ash business Bill Gehrmann has transitioned to support management through a multi-year consulting agreement.
Meridian Brick joint venture update
Forterra and Boral Bricks joint venture formed on 1 November 2016

Underlying result

<table>
<thead>
<tr>
<th>US$m</th>
<th>1H FY2018</th>
<th>1H FY2017</th>
<th>PF1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>202</td>
<td>218</td>
<td></td>
</tr>
<tr>
<td>EBITDA2</td>
<td>11</td>
<td>17</td>
<td></td>
</tr>
</tbody>
</table>

- Achieved US$6m of cost synergies in 1H FY2018
- 8 plants permanently closed and 14 distribution centres closed or sold
- Expecting cost synergies of ~US$25m p.a. by Year 4 through:
  - Plant network optimisation
  - Improved freight & distribution
  - Streamlined selling, marketing and administration costs
  - Procurement cost savings

1. Proforma Meridian Brick joint venture business for the six months to December 2016
2. Excluding significant items

Operating footprint

<table>
<thead>
<tr>
<th>Boral</th>
<th>Forterra</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Clay Bricks</td>
<td>Concrete Bricks</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Building Products</td>
<td>Distribution Centres</td>
</tr>
<tr>
<td>28</td>
<td>3</td>
</tr>
</tbody>
</table>

Manufacturing capacity: ~1,925 million standard brick equivalent (SBE) including ~320m SBE idle capacity

Headwaters acquisition synergies
Significant synergies possible as a result of highly complementary businesses

<table>
<thead>
<tr>
<th>Synergy drivers by business</th>
<th>Delivered in 1H FY2018, US$</th>
<th>Targeted Year 1 run rate, US$ pa</th>
<th>Targeted within 4 years, US$ pa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate – including executive headcount, public company costs, procurement</td>
<td>$6.9m</td>
<td>~$17m</td>
<td>&gt;$17m</td>
</tr>
<tr>
<td>Fly Ash</td>
<td>Sub-total</td>
<td>$4.1m</td>
<td>~$12m</td>
</tr>
<tr>
<td>Ash supply / network optimisation / logistics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales coverage expansion &amp; high value product growth – Boral faces local supply constraints in some locations, HW has ability to supply</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational efficiencies – e.g.: consolidating finance systems and overlapping sales coverage, engineering support and operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other including technology / R&amp;D</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stone</td>
<td>Sub-total</td>
<td>($1.4m)1</td>
<td>~$6m</td>
</tr>
<tr>
<td>Plant network optimisation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales coverage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other including organisational efficiencies</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Recognises the impact of share loss as a result of the acquisition

(Continued over page)
### Synergy drivers by business

<table>
<thead>
<tr>
<th></th>
<th>Delivered in 1H FY2018, US$</th>
<th>Targeted Year 1 run rate, US$ pa</th>
<th>Targeted within 4 years, US$ pa</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roofing</strong></td>
<td>Sub-total $2.6m</td>
<td>~$11m</td>
<td>&gt;$19m</td>
</tr>
<tr>
<td>• Procurement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cross-selling portfolio – <em>e.g.</em> re-sale products account for ~20% of Boral’s Roofing sales, while Headwaters has minimal exposure*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Manufacturing &amp; network optimisation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Manufacturing efficiencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other including organisational efficiencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Light Building Products</strong></td>
<td>Sub-total $4.0m</td>
<td>~$6m</td>
<td>&gt;$11m</td>
</tr>
<tr>
<td>• Procurement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Sales coverage, cross selling, retail presence</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Organisational efficiencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other: including Block &amp; Windows</strong></td>
<td>Sub-total $1.8m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$18m</td>
<td>&gt;$50-55m</td>
<td>&gt;$100m</td>
</tr>
</tbody>
</table>

### Market Data

- Boral TuffExteriors siding on an apartment block in San Francisco, CA.
- Boral Asphalt used on the Bolte Bridge, Victoria.
Australian RHS&B activity is increasing
Growth in all regions

RHS&B¹, by state
FY2018f v FY2017 (value of work done, $b)

<table>
<thead>
<tr>
<th></th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18f</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>7.5</td>
<td>9.1</td>
<td></td>
<td></td>
<td></td>
<td>+21%</td>
</tr>
<tr>
<td>VIC</td>
<td>3.3</td>
<td>3.7</td>
<td></td>
<td></td>
<td></td>
<td>+12%</td>
</tr>
<tr>
<td>QLD</td>
<td>3.9</td>
<td>4.7</td>
<td></td>
<td></td>
<td></td>
<td>+22%</td>
</tr>
<tr>
<td>SA</td>
<td>1.2</td>
<td>1.4</td>
<td></td>
<td></td>
<td></td>
<td>+15%</td>
</tr>
<tr>
<td>WA</td>
<td>2.0</td>
<td>2.2</td>
<td></td>
<td></td>
<td></td>
<td>+11%</td>
</tr>
</tbody>
</table>

1. RHS&B refers to roads, highways, subdivisions and bridges. Source: ABS, average of BIS Oxford Economics and Macromonitor forecasts, 2015/16 constant prices

Non-residential activity improving
Stronger activity forecast in all regions; significant boost expected in Victoria

Non-residential¹, by state¹
1H FY2018f v 1H FY2017 (value of work done, $b)

<table>
<thead>
<tr>
<th></th>
<th>1H FY13</th>
<th>1H FY14</th>
<th>1H FY15</th>
<th>1H FY16</th>
<th>1H FY17</th>
<th>1H FY18f</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>11.3</td>
<td>12.0</td>
<td></td>
<td></td>
<td>12.4</td>
<td>+5%</td>
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<tr>
<td>VIC</td>
<td>9.8</td>
<td>12.4</td>
<td></td>
<td></td>
<td>7.1</td>
<td>+18%</td>
</tr>
<tr>
<td>QLD</td>
<td>7.1</td>
<td>7.5</td>
<td></td>
<td></td>
<td>4.8</td>
<td>+1%</td>
</tr>
<tr>
<td>SA</td>
<td>1.3</td>
<td>2.3</td>
<td></td>
<td></td>
<td>4.8</td>
<td></td>
</tr>
<tr>
<td>WA</td>
<td>4.8</td>
<td>4.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Original series (constant 2015/16 prices) from ABS. Average of BIS Oxford Economics and Macromonitor forecast for December 2017 quarter. Six monthly data annualised
Australian residential activity remains strong
Housing starts remain at historically strong levels

Housing starts\(^1\) ('000)

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>2H FY17</th>
<th>1H FY18f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>124</td>
<td>98</td>
<td>119</td>
</tr>
<tr>
<td>Other</td>
<td>114</td>
<td>106</td>
<td>115</td>
</tr>
</tbody>
</table>

Alterations & additions (A&A)\(^2\)

<table>
<thead>
<tr>
<th></th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>8.0</td>
<td>8.1</td>
<td>8.2</td>
<td>8.5</td>
<td>8.7</td>
<td>9.0</td>
</tr>
<tr>
<td>Other</td>
<td>9.3</td>
<td>8.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Housing starts, by state\(^3\)

<table>
<thead>
<tr>
<th></th>
<th>1H FY2018f vs 1H FY2017 ('000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td></td>
</tr>
<tr>
<td>VIC</td>
<td></td>
</tr>
<tr>
<td>QLD</td>
<td></td>
</tr>
<tr>
<td>SA</td>
<td></td>
</tr>
<tr>
<td>WA</td>
<td></td>
</tr>
</tbody>
</table>

US housing activity continues to recover
Single family growing, affordability high, supply remains challenged

Single and multi family housing starts\(^1\) ('000)

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>2H FY17</th>
<th>1H FY18f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-family</td>
<td>1,999</td>
<td>2,020</td>
<td>2,111</td>
</tr>
<tr>
<td>Single family</td>
<td>1,201</td>
<td>1,386</td>
<td>1,482</td>
</tr>
</tbody>
</table>

Single Family Growth\(^1\) (1H FY2018 % of Total)

-5 percentage points above 1H FY2017; above long-term average of 71%

Affordability Index\(^2\)

5.6% down year-on-year but significantly above historical average of 100

New Housing Stock\(^3\)

14.1% up year-on-year; in line with 0.36m long-term average

Existing Housing Stock\(^2\)

9.7% down year-on-year; below long-term average of 2.2m

---

1. Source: US Census seasonally adjusted annualized housing starts
2. Source: National Association of Realtors (NAR); November 2017
3. Source: National Association of Home Builders (NAHB); November 2017
**US housing starts by region**

Continued growth in Northeast, Southeast and West with Southwest & Midwest softer

**Southeast – 26% of Boral’s US revenue**

<table>
<thead>
<tr>
<th>Region</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing starts (000)</td>
<td>280</td>
<td>284</td>
<td>345</td>
<td>382</td>
<td>407</td>
<td>406</td>
</tr>
<tr>
<td></td>
<td>281</td>
<td>285</td>
<td>346</td>
<td>383</td>
<td>408</td>
<td>407</td>
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<tr>
<td></td>
<td>199</td>
<td>203</td>
<td>234</td>
<td>272</td>
<td>297</td>
<td>295</td>
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<tr>
<td></td>
<td>205</td>
<td>300</td>
<td>317</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

- H: FY17
- 1H: FY18

**West – 22% of Boral’s US revenue**

<table>
<thead>
<tr>
<th>Region</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing starts (000)</td>
<td>127</td>
<td>127</td>
<td>145</td>
<td>172</td>
<td>203</td>
<td>203</td>
</tr>
<tr>
<td></td>
<td>127</td>
<td>127</td>
<td>145</td>
<td>172</td>
<td>203</td>
<td>203</td>
</tr>
<tr>
<td></td>
<td>204</td>
<td>208</td>
<td>230</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- H: FY17
- 1H: FY18

**Northeast – 8% of Boral’s US revenue**

<table>
<thead>
<tr>
<th>Region</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing starts (000)</td>
<td>176</td>
<td>195</td>
<td>205</td>
<td>281</td>
<td>194</td>
<td>127</td>
</tr>
<tr>
<td></td>
<td>127</td>
<td>134</td>
<td>144</td>
<td>150</td>
<td>154</td>
<td>172</td>
</tr>
<tr>
<td></td>
<td>176</td>
<td>180</td>
<td>180</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- H: FY17
- 1H: FY18

1. Source: US Census seasonally adjusted annualised housing starts
2. Based on 1H FY2018 external revenue, including Boral’s 50% share of Meridian Brick JV revenue, which is not included in reported revenue. Southeast – AL, GA, KY, MS, NC, SC, TN, VA, WV; Southwest – AR, LA, OK, TX; West – AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY; Midwest – IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI; Northeast – CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT; international sales comprise the remainder of the revenue split

**Repair and Remodel (R&R)**

Home improvement sales continue to rise as homeowners take advantage of rising equity values

**Building products retail sales**

(Nominal US$b)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (US$b)</td>
<td>325</td>
<td>312</td>
<td>281</td>
<td>257</td>
<td>262</td>
<td>278</td>
<td>291</td>
<td>308</td>
<td>323</td>
<td>343</td>
<td>362</td>
<td>353</td>
</tr>
<tr>
<td></td>
<td>351</td>
<td>352</td>
<td>353</td>
<td>354</td>
<td>355</td>
<td>356</td>
<td>357</td>
<td>358</td>
<td>359</td>
<td>360</td>
<td>361</td>
<td>362</td>
</tr>
</tbody>
</table>

1. Source: Moody’s Retail Sales of Building Products, January 2018

+10%
US non-residential activity
Warehousing, office and education segments driving construction activity

Non-residential construction$^{1,2}$
(million square foot area)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H</td>
<td>1,446</td>
<td>1,023</td>
<td>946</td>
<td>984</td>
<td>1,003</td>
<td>1,038</td>
<td>968</td>
</tr>
<tr>
<td>2H</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,276</td>
</tr>
</tbody>
</table>

1. Source: Dodge Data & Analytics. Non-residential square foot area (millions), November 2017; forecast used for December 2017 quarter
2. Half-year data annualised for comparison
3. Source: Dodge Data & Analytics

1H FY2018 breakdown by non-residential segment$^3$, %

- Warehousing: 33%
- Office: 18%
- Retail: 11%
- Education: 16%
- Healthcare: 10%
- Public & Religious: 3%
- Hotel: 2%
- Other: 9%

1. Source: Dodge Data & Analytics
2. Half-year data annualised for comparison
3. Source: Dodge Data & Analytics

Infrastructure
Highways continue to be the main driver in the infrastructure segment

Infrastructure activity, ready mix demand$^{1,2}$
(cubic yards, millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H</td>
<td>174</td>
<td>167</td>
<td>175</td>
<td>185</td>
<td>177</td>
<td>170</td>
<td>173</td>
</tr>
<tr>
<td>2H</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>167</td>
</tr>
<tr>
<td>FY18</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>178</td>
</tr>
</tbody>
</table>

1. Source: Dodge Data & Analytics, Infrastructure Ready Mix Demand; November 2017; forecast used for December 2017 quarter
2. Half-year data annualised for comparison
3. Source: Portland Cement Association

Infrastructure cement consumption$^3$, %

- Highways: 76%
- Harbors & Dams: 9%
- Public Transit: 4%
- Freight & Rail: 2%
- State Water: 2%
- NextGen Transportation: 1%
- Pedestrian: 1%
- Airports: 1%

1. Source: Dodge Data & Analytics
2. Half-year data annualised for comparison
3. Source: Portland Cement Association
Market Forecasts

Boral Australia
Revenues are derived from various market segments

1. Based on split of 1H FY2018 Boral Australia external revenues
2. Source: ABS, BIS Oxford Economics and Macromonitor forecasts, constant 2015/16 dollars
3. Roads, highways, subdivisions and bridges
4. Source: ABS, Macromonitor forecasts, constant 2015/16 dollars
5. Source: ABS, BIS Oxford Economics, Macromonitor and HIA forecasts

Note charts have been based on 2015/16 dollars unless otherwise noted
Australian major transport infrastructure construction projects1,2

(ASb)

Boral's Australian project pipeline
As at February 2018

Projects committed

<table>
<thead>
<tr>
<th>Projects</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bringelly Road Stage 1, NSW</td>
<td>Est. completion 2018</td>
</tr>
<tr>
<td>Northern Beaches hospital, NSW</td>
<td>Est. completion 2018</td>
</tr>
<tr>
<td>NorthLink stage 1, WA</td>
<td>Est. completion 2018</td>
</tr>
<tr>
<td>Pacific Hwy, NSW</td>
<td>Est. completion 2018</td>
</tr>
<tr>
<td>Toowoomba Second Range, Qld</td>
<td>Est. completion 2018</td>
</tr>
<tr>
<td>Warrego Highway stage 2, Qld</td>
<td>Est. completion 2018</td>
</tr>
<tr>
<td>Amnum Project, Qld</td>
<td>Est. completion 2019</td>
</tr>
<tr>
<td>Forrestfield – Airport Link, WA</td>
<td>Est. completion 2019</td>
</tr>
<tr>
<td>Gateway Upgrade North, Qld</td>
<td>Est. completion 2019</td>
</tr>
<tr>
<td>Kingsford Smith Drive, Qld</td>
<td>Est. completion 2019</td>
</tr>
<tr>
<td>NorthConnex, NSW</td>
<td>Est. completion 2019</td>
</tr>
<tr>
<td>Northern Connector, SA</td>
<td>Est. completion 2020</td>
</tr>
<tr>
<td>Melbourne Metro (Precast), VIC</td>
<td>Est. completion 2020</td>
</tr>
<tr>
<td>Northern Road stage 2, NSW</td>
<td>Est. completion 2019</td>
</tr>
<tr>
<td>Northern Road stage 3, NSW</td>
<td>Est. completion 2020</td>
</tr>
<tr>
<td>Pacific Motorway, Qld</td>
<td>Est. completion 2020</td>
</tr>
<tr>
<td>Sydney Metro (City/SW precinct), NSW</td>
<td>Est. completion 2020</td>
</tr>
<tr>
<td>Warrego Highway stage 3, Qld</td>
<td>Est. completion 2020</td>
</tr>
</tbody>
</table>

Projects under tender

<table>
<thead>
<tr>
<th>Projects</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albion Park Rail Bypass, NSW</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Brisbane Airport Runway, Qld</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Haughton River Bridge, Qld</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Inland Rail, Qld, NSW, Vic</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Logan Motorway, Qld</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Melbourne Airport Runway, Vic</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Melbourne Metro (Precast), Vic</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Newell Hwy Upgrade, NSW</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Outer Suburban Arterial Roads, Vic</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Pacific Hwy W2B, NSW</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Perth Metro Road Maintenance, WA</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Smithfield Transport Corridor, Qld</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Princes Hwy Upgrade, NSW</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Sunshine Coast Airport, Qld</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Sydney Metro (Stable), NSW</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>WestConnex Stage 3, NSW</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>West Gate Tunnel, Vic</td>
<td>Currently tendering</td>
</tr>
<tr>
<td>Badgery's Creek Airport, NSW</td>
<td>Pre-tendering</td>
</tr>
</tbody>
</table>

1. Chart prepared exclusively by Macromonitor based on publicly available data. Boral has not independently verified either the historical data or forecasts. Chart shows financial years and projects with total value >A$500m only.
2. Forecast spending represents Macromonitor’s indicative estimation of likely spending based on currently available information. There can be no assurance that actual results will be as forecasted and such differences can be material. There can be no assurance regarding the proportion of forecast project spending that represents requirements for which Boral is a potential supplier, or that Boral will be successful in generating revenue from any of these projects.
Concrete demand in Australia
Industry demand forecast to remain at high levels

Macromonitor forecast\(^1\) pre mix concrete demand across all Australian construction markets

- Total concrete volumes are forecast to grow in FY2018 before declining back below FY2017 levels in FY2020
- Near-term growth in RHS&B\(^3\) and non-residential building activity forecast to offset decline in multi-residential activity

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,000</td>
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<td>15,000</td>
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</tr>
</tbody>
</table>

1. Source: Macromonitor, Construction Materials forecast, November 2017 estimates
2. Compound annual growth rate
3. Roads, highways, subdivisions & bridges

Asphalt demand in Australia
Industry demand forecast to increase and remain at high levels

Macromonitor forecast\(^1\) asphalt demand across all Australian construction markets

- Total asphalt volumes are forecast to grow in FY2018 and FY2019, before moderating slightly in FY2020 and FY2021
- \(\sim 5.5\%\) CAGR\(^2\) in asphalt volumes forecast from FY2017 to FY2021, with significant uplift in FY2018 and FY2019
- Growth in major roads infrastructure underpinning strong increase in forecast demand
- Forecast growth in demand driven by most states (particularly Qld, Vic and SA) in FY2018, with Qld driving further uplift in FY2019

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,000</td>
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<td>4,000</td>
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<td>6,000</td>
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<td>12,000</td>
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<td>14,000</td>
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</tr>
</tbody>
</table>

1. Source: Macromonitor, Construction Materials forecast, November 2017 estimates
2. Compound annual growth rate
United States New Residential: 46% of BNA revenue

USA Non-residential: 15% of BNA revenue

USA Infrastructure: 19% of BNA revenue

US housing continues to recover in all regions
Forecasters expect 1.25m housing starts in FY2018
## Financial Data

1H FY2018 segment revenue and EBITDA

<table>
<thead>
<tr>
<th>External revenue, A$m</th>
<th>1H FY2018</th>
<th>1H FY2017</th>
<th>Var, %</th>
<th>EBITDA², A$m</th>
<th>1H FY2018</th>
<th>1H FY2017</th>
<th>Var, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boral Australia</td>
<td>1,804</td>
<td>1,616</td>
<td>12</td>
<td>294</td>
<td>264</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>USG Boral¹</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>38</td>
<td>40</td>
<td>(4)</td>
<td></td>
</tr>
<tr>
<td>Boral North America</td>
<td>1,133</td>
<td>477</td>
<td>184</td>
<td>184</td>
<td>41</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unallocated</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(17)</td>
<td>(16)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Discontinued Operations²</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,937</strong></td>
<td><strong>2,093</strong></td>
<td><strong>40</strong></td>
<td><strong>500</strong></td>
<td><strong>333</strong></td>
<td><strong>50</strong></td>
<td></td>
</tr>
</tbody>
</table>

1. Represents Boral’s 50% post-tax equity accounted income from the USG Boral joint venture
2. Discontinued Operations includes Boral’s 40% share of Boral CSR Bricks sold to CSR in October 2016
3. Excluding significant items

(Figures may not add due to rounding)
Earnings and dividends per share

- **EPS\(^1\)** of **18.2 cents**, up 6%
- **EPSA\(^1\)** of **20.2 cents**, up 17%
- Interim dividend of 12.5 cents per share (50% franked), up 4% on 1H FY2017
- Dividend payout ratio of 68%
  - In line with Boral's Dividend Policy of between 50-70% of earnings before significant items, subject to the Company’s financial position

1. Refer to pages 68 – 69 for reconciliation and explanation of these items
2. In accordance with AASB 133, historical EPS has been revised to reflect the bonus element in the equity raising completed December 2016

---

Debt profile

**Gross debt currency exposure, %**

As at 31 December 2017

<table>
<thead>
<tr>
<th>Debt facilities, A$m</th>
<th>1H FY2018</th>
<th>1H FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Private Placement Notes</td>
<td>740</td>
<td>1,154</td>
</tr>
<tr>
<td>Swiss Franc notes(^1)</td>
<td>197</td>
<td>203</td>
</tr>
<tr>
<td>Syndicated bank loan(^2)</td>
<td>360</td>
<td>-</td>
</tr>
<tr>
<td>US 144A Senior Notes</td>
<td>1,204</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>3</td>
</tr>
<tr>
<td><strong>Gross debt</strong></td>
<td><strong>2,514</strong></td>
<td><strong>1,360</strong></td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td><strong>2,366</strong></td>
<td><strong>(1,179)</strong></td>
</tr>
</tbody>
</table>

1. Issued under EMTN program. Swapped to USD
2. AUD and USD drawn bank loans
Boral’s energy and fuel costs
Energy and fuel costs make up ~6% of Boral’s overall cost base

Total energy and fuel costs - 1H FY2018
A$m

• Gas and electricity costs in Australia expected to be ~$20m higher in FY2018

<table>
<thead>
<tr>
<th></th>
<th>Boral Australia</th>
<th>USG Boral ¹</th>
<th>Boral North America ²</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>117</td>
<td>33</td>
<td>31</td>
<td>181</td>
</tr>
</tbody>
</table>

1. Based on 50% of USG Boral’s energy and fuel costs, reflecting Boral’s 50% equity interest in the joint venture
2. Includes 50% of Meridian Brick JV’s energy and fuel costs

Non-IFRS information

Boral Limited’s statutory results are reported under International Financial Reporting Standards. Earnings before significant items is a non-IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. Significant items are detailed in Note 6 of the Half Year Financial Report and relate to amounts of income and expense that are associated with significant business restructuring, business disposals, impairment or individual transactions.

A reconciliation of these non-IFRS measures to reported statutory profit is detailed on the next page.

The USG Boral division commentary also includes a non-IFRS measure of underlying results excluding significant items, representing the 6 months trading results to assist users to better understand the trading results of this division.

The results announcement has not been subject to review or audit, however it contains disclosures which are extracted or derived from the Half Year Financial Report for the half year ended 31 December 2017. This Half Year Financial Report for the half year ended 31 December 2017 is prepared in accordance with the ASX listing rules and should be read in conjunction with any announcements to the market made by the Group during the year.
Non-IFRS information (continued)

A reconciliation of non-IFRS measures to reported statutory profit is detailed below:

<table>
<thead>
<tr>
<th>A$m</th>
<th>Earnings before significant items</th>
<th>Significant items</th>
<th>Reported Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>2,937.0</td>
<td>-</td>
<td>2,937.0</td>
</tr>
<tr>
<td>Profit before depreciation, amortisation, interest &amp; income tax</td>
<td>EBITDA 500.2</td>
<td>(55.9)</td>
<td>444.3</td>
</tr>
<tr>
<td>Depreciation &amp; amortisation, excluding amortisation of acquired intangibles</td>
<td>(150.0)</td>
<td>-</td>
<td>(150.0)</td>
</tr>
<tr>
<td>Profit before amortisation of acquired intangibles, interest &amp; tax</td>
<td>EBITA 350.2</td>
<td>(55.9)</td>
<td>294.3</td>
</tr>
<tr>
<td>Amortisation of acquired intangibles</td>
<td>(33.9)</td>
<td>-</td>
<td>(33.9)</td>
</tr>
<tr>
<td>Profit before interest &amp; income tax</td>
<td>EBIT 316.3</td>
<td>(55.9)</td>
<td>260.4</td>
</tr>
<tr>
<td>Interest</td>
<td>(50.1)</td>
<td>-</td>
<td>(50.1)</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>PBT 266.2</td>
<td>(55.9)</td>
<td>210.3</td>
</tr>
<tr>
<td>Tax benefit / (expense)</td>
<td>(52.3)</td>
<td>15.0</td>
<td>(37.3)</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>NPAT 213.9</td>
<td>(40.9)</td>
<td>173.0</td>
</tr>
<tr>
<td>Add back: Amortisation of acquired intangibles</td>
<td>33.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Tax effect of amortisation of acquired intangibles</td>
<td>(11.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit after tax &amp; before amortisation of acquired intangibles</td>
<td>NPATA 236.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted average number of shares on issue</td>
<td>1,172,331,924</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Basic earnings per share | EPS 18.2 | 14.8 |
Basic earnings per share before amortisation of acquired intangibles | EPSA 20.2 |

Disclaimer

The material contained in this document is a presentation of information about the Group’s activities current at the date of the presentation, 13 February 2018. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group’s periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

To the extent that this document may contain forward-looking statements, such statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release.

This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.