

APPENDIX 4E

PRELIMINARY FINAL REPORT

29 August 2018

Name of Entity: **Boral Limited**
 ABN: **13 008 421 761**
 Financial Year ended: **30 June 2018**

Boral Limited



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Results for announcement to the market

				2018 \$m	2017 \$m
Revenue from continuing operations	up	38.8%	to	5,731.1	4,128.0
Revenue from discontinued operations				137.9	260.3
Total revenue	up	33.7%	to	5,869.0	4,388.3
Profit from continuing operations before net interest expense, income tax and significant items	up	49.8%	to	672.9	449.1
Profit from discontinued operations before net interest expense, income tax and significant items				15.5	10.8
Profit before net interest expense, income tax and significant items	up	49.7%	to	688.4	459.9
Net interest expense from continuing operations before significant items				(103.8)	(50.7)
Profit before income tax and significant items	up	42.9%	to	584.6	409.2
Income tax from continuing operations before significant items				(106.4)	(64.3)
Income tax from discontinued operations before significant items				(5.0)	(2.2)
Net profit before significant items	up	38.1%	to	473.2	342.7
Significant items from continuing operations net of tax ¹				(27.6)	(80.0)
Significant items from discontinued operations net of tax ¹				-	42.6
Significant items from equity accounted results ¹				(4.6)	(8.4)
Net profit	up	48.5%	to	441.0	296.9

1. Refer note 7 of the attached financial report.

Profit before significant items is a Non IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. The disclosures are extracted or derived from the financial report for the year ended 30 June 2018, but have not been subject to audit or review.

Dividends	Amount per security	Franked amount per security at 30% tax
Current period		
Final - ordinary	14.0 cents	7.0 cents
Interim - ordinary	12.5 cents	6.25 cents
Previous corresponding period		
Final - ordinary	12.0 cents	6.0 cents
Interim - ordinary	12.0 cents	12.0 cents
Record date for determining entitlements to the final dividend	5 September 2018	
Comparative figures: Full year ended 30 June 2017		

Commentary on the results for the period

The commentary on the results of the period is contained in the Results Announcement for the year ended 30 June 2018 - Management Discussion and Analysis dated 29 August 2018.

Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June

	Note	2018 \$m	2017 \$m
Continuing operations			
Revenue	3	5,731.1	4,128.0
Cost of sales		(3,828.7)	(2,759.2)
Selling and distribution expenses		(947.6)	(743.8)
Administrative expenses		(436.9)	(296.5)
		(5,213.2)	(3,799.5)
Other income	4	65.5	25.8
Other expenses	5	(97.7)	(95.3)
Results of equity accounted investments	13	85.6	86.4
Profit before net interest expense and income tax		571.3	345.4
Interest income	6	1.8	24.4
Interest expense	6	(105.6)	(75.1)
Net interest expense		(103.8)	(50.7)
Profit before income tax		467.5	294.7
Income tax expense	8	(37.0)	(49.0)
Profit from continuing operations		430.5	245.7
Discontinued operations			
Profit from discontinued operations (net of income tax)	9	10.5	51.2
Net profit		441.0	296.9
Basic earnings per share	11	37.6c	29.2c
Diluted earnings per share	11	37.4c	29.0c
Continuing operations			
Basic earnings per share	11	36.7c	24.1c
Diluted earnings per share	11	36.6c	24.0c

The Income Statement should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	2018 \$m	2017 \$m
Net profit	441.0	296.9
Other comprehensive income		
Items that may be reclassified subsequently to Income Statement:		
Net exchange differences from translation of foreign operations taken to equity	115.5	(99.4)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	(24.5)
Fair value adjustment on cash flow hedges	10.5	2.6
Income tax on items that may be reclassified subsequently to Income Statement	22.5	(1.3)
Total comprehensive income	589.5	174.3

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

As at 30 June			Restated*
	Note	2018 \$m	2017 \$m
CURRENT ASSETS			
Cash and cash equivalents	19	74.3	237.8
Receivables		879.7	880.9
Inventories		613.8	594.1
Financial assets		11.2	3.8
Other assets		38.1	34.1
Assets classified as held for sale	9	121.2	19.2
TOTAL CURRENT ASSETS		1,738.3	1,769.9
NON-CURRENT ASSETS			
Receivables		35.1	38.6
Inventories		11.4	13.1
Investments accounted for using the equity method		1,411.3	1,353.7
Financial assets		32.8	31.8
Property, plant and equipment		2,782.1	2,723.8
Intangible assets		3,395.1	3,345.0
Deferred tax assets		69.6	76.5
Other assets		34.6	28.2
TOTAL NON-CURRENT ASSETS		7,772.0	7,610.7
TOTAL ASSETS		9,510.3	9,380.6
CURRENT LIABILITIES			
Trade creditors		752.0	825.9
Loans and borrowings	15	19.2	407.4
Financial liabilities		8.6	15.4
Current tax liabilities		20.0	62.0
Employee benefit liabilities		129.6	115.5
Provisions		55.1	46.9
Liabilities classified as held for sale	9	10.7	-
TOTAL CURRENT LIABILITIES		995.2	1,473.1
NON-CURRENT LIABILITIES			
Loans and borrowings	15	2,507.6	2,163.7
Financial liabilities		26.9	10.9
Deferred tax liabilities		39.5	73.9
Employee benefit liabilities		40.6	44.4
Provisions		147.9	145.8
Other liabilities		21.8	28.3
TOTAL NON-CURRENT LIABILITIES		2,784.3	2,467.0
TOTAL LIABILITIES		3,779.5	3,940.1
NET ASSETS		5,730.8	5,440.5
EQUITY			
Issued capital	16	4,265.1	4,265.1
Reserves	17	155.8	19.3
Retained earnings		1,309.9	1,156.1
TOTAL EQUITY		5,730.8	5,440.5

The Balance Sheet should be read in conjunction with the accompanying notes which form an integral part of the financial report.

* Refer note 21 for further details.

Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

	Issued capital \$m	Reserves \$m	Retained earnings \$m	Total equity \$m
For the year ended 30 June 2018				
Balance at 1 July 2017	4,265.1	19.3	1,156.1	5,440.5
Net profit	-	-	441.0	441.0
Other comprehensive income				
Translation of net assets of overseas entities	-	201.2	-	201.2
Translation of long-term borrowings and foreign currency forward contracts	-	(85.7)	-	(85.7)
Fair value adjustment on cash flow hedges	-	10.5	-	10.5
Income tax relating to other comprehensive income	-	22.5	-	22.5
Total comprehensive income	-	148.5	441.0	589.5
Transactions with owners in their capacity as owners				
Share acquisition rights vested	-	(22.4)	-	(22.4)
Dividends paid	-	-	(287.2)	(287.2)
Share-based payments	-	10.4	-	10.4
Total transactions with owners in their capacity as owners	-	(12.0)	(287.2)	(299.2)
Balance at 30 June 2018	4,265.1	155.8	1,309.9	5,730.8
For the year ended 30 June 2017				
	Issued capital \$m	Reserves \$m	Retained earnings \$m	Total equity \$m
Balance at 1 July 2016	2,246.2	162.0	1,098.1	3,506.3
Net profit	-	-	296.9	296.9
Other comprehensive income				
Translation of net assets of overseas entities	-	(101.3)	-	(101.3)
Translation of long-term borrowings and foreign currency forward contracts	-	1.9	-	1.9
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	(24.5)	-	(24.5)
Fair value adjustment on cash flow hedges	-	2.6	-	2.6
Income tax relating to other comprehensive income	-	(1.3)	-	(1.3)
Total comprehensive income	-	(122.6)	296.9	174.3
Transactions with owners in their capacity as owners				
Share acquisition rights vested	-	(38.3)	-	(38.3)
Dividends paid	-	-	(226.2)	(226.2)
Shares issued under capital raising net of costs	2,018.9	-	-	2,018.9
Share-based payments	-	11.3	-	11.3
Acquisition of non-controlling interest by associate	-	(5.8)	-	(5.8)
Transfer other reserves to retained earnings	-	12.7	(12.7)	-
Total transactions with owners in their capacity as owners	2,018.9	(20.1)	(238.9)	1,759.9
Balance at 30 June 2017	4,265.1	19.3	1,156.1	5,440.5

The Statement of Changes in Equity should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Cash Flows

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June

	Note	2018 \$m	2017 \$m
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		6,209.0	4,583.3
Payments to suppliers and employees		(5,399.1)	(4,049.2)
		809.9	534.1
Dividends received		68.4	87.9
Interest received		1.8	24.4
Borrowing costs paid		(97.7)	(74.4)
Income taxes paid		(86.0)	(41.8)
Restructure, acquisition and integration costs paid	19	(118.4)	(116.9)
Net Cash Provided by Operating Activities		578.0	413.3
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(421.5)	(336.4)
Purchase of intangibles		(3.8)	(3.7)
Purchase of controlled entities and businesses		-	(3,636.5)
Cash acquired relating to acquisition of controlled entities		-	74.8
Repayment of loans (to)/by associates		(1.6)	8.8
Proceeds on disposal of non-current assets		74.7	39.2
Proceeds on disposal of controlled entities and associates (net of transaction costs)		7.6	122.5
Net Cash Used in Investing Activities		(344.6)	(3,731.3)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital raising net of transaction costs		-	2,018.9
Dividends paid		(287.2)	(226.2)
Proceeds from borrowings		1,664.2	1,803.6
Repayment of borrowings		(1,775.2)	(489.3)
Net Cash (Used in)/Provided by Financing Activities		(398.2)	3,107.0
NET CHANGE IN CASH AND CASH EQUIVALENTS		(164.8)	(211.0)
Cash and cash equivalents at beginning of the year		237.8	452.1
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		1.3	(3.3)
Cash and cash equivalents at the end of the year	19	74.3	237.8

The Statement of Cash Flows should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

1. ABOUT THIS REPORT

Statement of compliance

This financial report represents the consolidated results of Boral Limited (ABN 13 008 421 761), a for profit company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The financial report comprises Boral Limited and its controlled entities (the "Group"). The financial report has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 for the purposes of fulfilling the Group's obligation under Australian Securities Exchange (ASX) listing rules.

Basis of preparation

The financial report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

A full description of the accounting policies adopted by the Group may be found in the Group's full financial statements.

Accounting estimates and judgements

Preparation of the financial report requires management to make judgements, estimates and assumptions about future events. Information on material estimates and judgements considered when applying the accounting policies can be found in the Group's full financial statements.

Changes in accounting policies

Adoption of new and revised accounting standards

The Group has adopted all new and amended Australian Accounting Standards and Australian Accounting Standards Board (AASB) interpretations that are mandatory for the current reporting period and relevant to the Group. Adoption of these standards and interpretations has not resulted in any material changes to the Group's full year financial report.

The Group has early adopted from 1 July 2017 AASB 9 *Financial Instruments* as issued in December 2014. The new standard provides greater flexibility going forward with respect to the Group's hedging arrangements, compared with the requirements of the previous Accounting Standard AASB 139 *Financial Investments: Recognition and Measurement*.

The adoption of this standard has no material impact on the measurement of the Group's financial assets. The Group has elected to apply the standard retrospectively, however there is no restatement of prior period comparatives as there has been no material impact. Under the adoption of AASB 9, cash and cash equivalents, trade receivables and other receivables continue to be measured at amortised cost.

With the adoption of AASB 9, the Group assesses on a forward looking basis the expected credit losses associated with assets carried at amortised cost and fair value through other comprehensive income. For trade receivables only, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The change in policy did not result in any material impact to the carrying value of the Group's assets.

On adoption of AASB 9, the Group adopted the AASB 9 hedge accounting model. The adoption of AASB 9 has changed the Group's accounting policies by simplifying and improving hedge accounting for the Group and means that the accounting results will better align with its risk management practices. The adoption of AASB 9 does not impact the original carrying amount of the Group's financial assets and liabilities, previously measured under AASB 139.

Rounding of amounts

Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with ASIC Corporations Instrument 2016/191, dated 24 March 2016. Amounts shown as "-" represent zero amounts and amounts less than \$50,000 which have been rounded down.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker in order to effectively allocate Group resources and assess performance.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director and CEO in assessing performance and in determining the allocation of resources. The operating segments are identified by the Group based on consideration of the nature of the services provided as well as the geographical region. Discrete financial information about each of these operating businesses is reported to the Managing Director and CEO on a recurring basis.

The following summary describes the operations of the Group's reportable segments:

Boral Australia	- Construction Materials & Cement (comprising quarries, concrete, asphalt, transport, landfill, property, cement and concrete placing) and Building Products (comprising West Coast bricks, roofing and masonry, and timber products).
USG Boral	- 50/50 joint venture between USG Corporation and Boral Limited responsible for the manufacture and sale of Plasterboard and associated products.
Boral North America*	- Construction Materials (comprising fly ash and block), Building Products (comprising stone, roofing, light building products and windows), and Bricks (comprising US bricks up to 31 October 2016, and 50% share of Meridian Brick joint venture from 1 November 2016).
Discontinued Operations	- Denver construction materials. Prior year comparatives include Boral CSR bricks joint venture.
Unallocated	- Non-trading operations and unallocated corporate costs.

* The results of the US bricks operations for the prior year comparative period is shown as part of "Boral North America" in the Segment note and "Discontinued Operations" in the Income Statement.

The major end use markets for Boral's products include residential and non-residential construction and the engineering and infrastructure markets.

Inter-segment pricing is determined on an arm's-length basis.

The Group has a large number of customers to which it provides products, with no single customer responsible for more than 10% of the Group's revenue.

Segment results, assets and liabilities includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	Note	2018 \$m	2017 \$m
Reconciliations of reportable segment revenues and profits			
External revenue		5,869.0	4,388.3
Less: revenue from discontinued operations	9	(137.9)	(260.3)
Revenue from continuing operations		5,731.1	4,128.0
Profit before tax			
Profit before net interest expense and income tax from reportable segments		586.8	394.7
Less: Profit before net interest expense and income tax from discontinued operations	9	(15.5)	(49.3)
Profit before net interest expense and income tax from continuing operations		571.3	345.4
Net interest expense from continuing operations	6	(103.8)	(50.7)
Profit before tax from continuing operations		467.5	294.7

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	Boral Australia		USG Boral		Boral North America*		Discontinued Operations		Unallocated		Total	
	2018 \$m	2017 \$m	2018 \$m	2017 \$m	2018 \$m	2017 \$m	2018 \$m	2017 \$m	2018 \$m	2017 \$m	2018 \$m	2017 \$m
External Revenue	3,589.8	3,295.6	-	-	2,141.3	962.9	137.9	129.8	-	-	5,869.0	4,388.3
Profit/(loss) before depreciation, amortisation, interest, income tax expense and significant items (EBITDA)	633.6	551.2	63.1	69.5	367.5	111.3	22.9	16.8	(31.1)	(28.9)	1,056.0	719.9
Depreciation and amortisation, excluding amortisation of acquired intangibles	(200.2)	(202.5)	-	-	(99.2)	(39.6)	(7.4)	(5.5)	(0.6)	(0.7)	(307.4)	(248.3)
Profit/(loss) before amortisation of acquired intangibles, interest, income tax expense and significant items (EBITA)	433.4	348.7	63.1	69.5	268.3	71.7	15.5	11.3	(31.7)	(29.6)	748.6	471.6
Amortisation of acquired intangibles	-	-	-	-	(60.2)	(11.7)	-	-	-	-	(60.2)	(11.7)
Profit/(loss) before interest, income tax and significant items (EBIT)	433.4	348.7	63.1	69.5	208.1	60.0	15.5	11.3	(31.7)	(29.6)	688.4	459.9
Significant items before income tax expense	(23.8)	(20.4)	(1.0)	-	(76.8)	(83.3)	-	38.5	-	-	(101.6)	(65.2)
Profit/(loss) before interest and income tax expense	409.6	328.3	62.1	69.5	131.3	(23.3)	15.5	49.8	(31.7)	(29.6)	586.8	394.7
Equity accounted income before significant items	28.8	26.2	63.1	69.5	(1.7)	(0.9)	-	5.0	-	-	90.2	99.8
Significant items	-	-	(1.0)	-	(3.6)	(8.4)	-	-	-	-	(4.6)	(8.4)
Equity accounted income after significant items	28.8	26.2	62.1	69.5	(5.3)	(9.3)	-	5.0	-	-	85.6	91.4

* The results of the US bricks operations for the prior year comparative period is shown as part of "Boral North America" in the Segment note and "Discontinued Operations" in the Income Statement.

Effective 1 July 2017, Boral elected to record the depreciation of molds as depreciation expense in order to align with Headwaters' treatment of the depreciation of molds. If this policy was applied effective 1 July 2016, depreciation and amortisation excluding amortisation of acquired intangibles for Boral North America would have increased from \$39.6 million to \$57.9 million, and profit/(loss) before depreciation, amortisation, interest, income tax expense and significant items (EBITDA) would have increased from \$111.3 million to \$129.6 million for the period ended 30 June 2017. There would have been no change to profit/(loss) before interest, income tax and significant items (EBIT).

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	Boral Australia		USG Boral		Boral North America*		Discontinued Operations		Unallocated		Total	
	2018 \$m	2017 \$m	2018 \$m	2017 \$m	2018 \$m	Restated*** 2017 \$m	2018 \$m	2017 \$m	2018 \$m	2017 \$m	2018 \$m	Restated*** 2017 \$m
Segment assets (excluding equity accounted investments)	3,159.6	3,050.2	-	-	4,654.1	4,530.7	121.2	115.1	20.2	16.6	7,955.1	7,712.6
Equity accounted investments	23.0	19.8	977.7	931.1	410.6	402.8	-	-	-	-	1,411.3	1,353.7
	3,182.6	3,070.0	977.7	931.1	5,064.7	4,933.5	121.2	115.1	20.2	16.6	9,366.4	9,066.3
Cash and cash equivalents											74.3	237.8
Deferred tax assets											69.6	76.5
Total assets	3,182.6	3,070.0	977.7	931.1	5,064.7	4,933.5	121.2	115.1	20.2	16.6	9,510.3	9,380.6
Segment liabilities	700.8	681.3	-	-	387.0	409.8	10.7	14.0	94.7	128.0	1,193.2	1,233.1
Loans and borrowings											2,526.8	2,571.1
Tax liabilities											59.5	135.9
Total liabilities	700.8	681.3	-	-	387.0	409.8	10.7	14.0	94.7	128.0	3,779.5	3,940.1
											-	-
Acquisition of segment assets**	283.7	288.5	-	-	136.3	43.2	4.8	8.2	0.5	0.2	425.3	340.1

* The results of the US bricks operations for the prior year comparative period is shown as part of "Boral North America" in the Segment note and "Discontinued Operations" in the Income Statement.

** Excludes amounts attributable to the acquisition of controlled entities and businesses.

*** Refer note 21 for further details.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

Geographic location

In presenting information on a geographical basis, assets are based on the geographical location of the assets.

NON-CURRENT ASSETS

	2018	Restated* 2017
	\$m	\$m
Australia	2,531.0	2,449.7
Asia	670.0	625.0
North America	4,323.6	4,288.7
Other	145.0	139.0
	7,669.6	7,502.4
Tax assets	69.6	76.5
Financial assets	32.8	31.8
	7,772.0	7,610.7

Product

EXTERNAL REVENUE BY PRODUCT

	2018	2017
	\$m	\$m
Concrete	1,596.0	1,494.9
Asphalt	801.5	691.2
Fly ash	675.6	209.4
Roofing	505.7	363.2
Quarry products	452.0	433.6
Light building products	356.5	100.8
Stone	346.4	190.9
Cement	301.9	302.5
Windows	193.3	31.9
Bricks	70.8	212.7
Other	569.3	357.2
	5,869.0	4,388.3

* Refer note 21 for further details.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	2018 \$m	2017 \$m
3. REVENUE FROM CONTINUING OPERATIONS			
Sale of goods		5,464.3	4,043.2
Rendering of services		266.8	84.8
Revenue from continuing operations		5,731.1	4,128.0

4. OTHER INCOME FROM CONTINUING OPERATIONS

Net profit on sale of assets		58.1	13.7
Net foreign exchange gain		-	1.3
Other income		7.4	10.8
Other income from continuing operations		65.5	25.8

5. OTHER EXPENSES FROM CONTINUING OPERATIONS

Significant items	7	(97.0)	(95.3)
Net foreign exchange loss		(0.7)	-
Other expenses from continuing operations		(97.7)	(95.3)

6. NET INTEREST EXPENSE FROM CONTINUING OPERATIONS

Interest income received or receivable from:

Associated entities		-	0.1
Other parties (cash at bank and bank short-term deposits)		1.5	24.3
Unwinding of discount		0.3	-
		1.8	24.4

Interest expense paid or payable to:

Other parties (bank overdrafts, bank loans and other loans)*		(101.7)	(72.4)
Finance charges on capitalised leases		(0.5)	(0.2)
Unwinding of discount		(3.4)	(2.5)
		(105.6)	(75.1)
Net interest expense from continuing operations		(103.8)	(50.7)

* In 2018, interest of \$6.5 million (2017: \$4.4 million) was paid to other parties and capitalised in respect of qualifying assets. The capitalisation rate used was 5.4% (2017: 5.4%).

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS

Net profit includes the following significant items, which relate to material transactions that are disclosed separately in order to better explain financial performance. Management considers significant items when assessing performance of the Group, and in order to provide a meaningful and consistent representation of the underlying performance of each operating segment and the Boral Group.

Significant items is not a defined performance measure in IFRS. The Company's definition of significant items may not be comparable with similarly titled performance measures and disclosures by other entities.

2018 Significant items

	Headwaters integration costs (i)	Waurin Ponds rehabilitation and closure costs (ii)	Reassessment of US tax balances (iii)	Joint venture matters (iv)	Total
	\$m	\$m	\$m	\$m	\$m
Summary of significant items from continuing operations					
Loss before interest and tax	(73.2)	(23.8)	-	(4.6)	(101.6)
Income tax benefit	19.0	7.0	42.5	0.9	69.4
Net significant items from continuing operations	(54.2)	(16.8)	42.5	(3.7)	(32.2)

	Note	Headwaters integration costs (i)	Waurin Ponds rehabilitation and closure costs (ii)	Reassessment of US tax balances (iii)	Joint venture matters (iv)	Total
		\$m	\$m	\$m	\$m	\$m
Continuing operations						
Other expenses	5	(73.2)	(23.8)	-	-	(97.0)
Share of equity accounted income	13	-	-	-	(4.6)	(4.6)
		(73.2)	(23.8)	-	(4.6)	(101.6)

(i) Headwaters integration costs

During the period, \$73.2 million of costs have been incurred on the integration of the Headwaters business into the Boral North America business, which forms part of the implementation costs of US\$90 million - \$100 million expected over financial years 2018 and 2019. The costs during the period predominantly relate to redundancies, employee incentives implemented by Headwaters, consultant fees supporting the integration, integration of IT systems, brand consolidation, rationalisation of products in metal roofing, safety implementation costs and asset impairments upon consolidation of the Boral and Headwaters concrete roofing business.

(ii) Waurin Ponds rehabilitation and closure costs

During the period, the organisation has continued to develop plans to improve our cement position in Victoria. This has led to a reassessment of the expected end use of the Waurin Ponds cement facility, resulting in the recognition of a provision of \$23.8 million with respect to rehabilitation of the limestone quarry attached to the facility.

(iii) Reassessment of US tax balances

On 22 December 2017, a tax bill, H.R. 1, was enacted into US law. This triggered a revaluation of the carrying value of tax balances associated with the Boral North America division, primarily as a result of a reduction in the federal tax rate from 35% to 21%.

The reduction in tax rate has resulted in a net tax benefit of A\$33.7 million, reflecting a net reduction in deferred tax liabilities. This has improved from the \$6.4m tax expense reported in December 2017, as a result of the finalisation of the acquisition accounting for Headwaters Incorporated, which increased the value of deferred tax liabilities acquired on the acquisition date of 8 May 2017.

In addition, the Group has reassessed its US tax losses which have not been recognised on the Balance Sheet, given improved earnings following the acquisition of Headwaters Incorporated in May 2017. This has led to a benefit of A\$8.8 million being recorded during the period.

The total impact of the above adjustments on income tax expense is a benefit of \$42.5 million.

(iv) Joint venture matters

Includes \$3.6m of integration and restructuring costs incurred in Meridian Brick, and a \$1.0m loss associated with asset impairments in USG Boral.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS

Net profit includes the following items whose disclosure is relevant in explaining the financial performance of the Group:

2017 Significant items

		Note	Sale of business \$m	Acquisition costs \$m	Integration costs \$m	Asset impairment \$m	Total \$m
Gain on disposal of Boral CSR bricks joint venture	Discontinued	(i)	35.8	-	-	-	35.8
Gain on disposal of US bricks	Discontinued	(ii)	13.2	-	-	-	13.2
Meridian Brick joint venture integration costs	Continuing	(iii)	-	-	(8.4)	-	(8.4)
Headwaters acquisition and integration costs	Continuing	(iv)	-	(63.2)	(11.7)	-	(74.9)
Impairment of West Coast bricks	Continuing	(v)	-	-	-	(20.4)	(20.4)
Adjustment to disposal of Thailand Construction Materials	Discontinued	(vi)	(10.5)	-	-	-	(10.5)
			38.5	(63.2)	(20.1)	(20.4)	(65.2)

	Note	Sale of business \$m	Acquisition costs \$m	Integration costs \$m	Asset impairment \$m	Total \$m
Continuing operations						
Other expenses	5	-	(63.2)	(11.7)	(20.4)	(95.3)
Share of equity accounted income	13	-	-	(8.4)	-	(8.4)
Discontinued operations	9	38.5	-	-	-	38.5
		38.5	(63.2)	(20.1)	(20.4)	(65.2)

	Sale of business \$m	Acquisition costs \$m	Integration costs \$m	Asset impairment \$m	Total \$m
Summary of significant items from continuing operations					
Loss before interest and tax	-	(63.2)	(20.1)	(20.4)	(103.7)
Income tax benefit	-	10.4	4.9	-	15.3
Net significant items from continuing operations	-	(52.8)	(15.2)	(20.4)	(88.4)
Summary of significant items from discontinued operations					
Profit before interest and tax	38.5	-	-	-	38.5
Income tax benefit	4.1	-	-	-	4.1
Net significant items from discontinued operations	42.6	-	-	-	42.6
Summary of significant items					
Profit/(loss) before interest and tax	38.5	(63.2)	(20.1)	(20.4)	(65.2)
Income tax benefit	4.1	10.4	4.9	-	19.4
Net significant items	42.6	(52.8)	(15.2)	(20.4)	(45.8)

(i) Gain on disposal of Boral CSR bricks joint venture

On 31 October 2016, the Group disposed of its 40% interest in the Boral CSR bricks joint venture. This resulted in a net gain of \$35.8 million.

(ii) Gain on disposal of US bricks

In the prior year, the Group entered into an agreement with an affiliate of Forterra Inc. ("Forterra"), to combine its US bricks business, and Forterra's US and Canadian businesses into two 50/50 owned joint ventures. On disposal of its interest, Boral deconsolidated its existing US bricks business, and recognised an equity accounted investment in respect of its 50% shareholding in each of the US and Canadian entities, that operate as the Meridian Brick joint venture. This resulted in a net gain of \$13.2 million.

(iii) Meridian Brick joint venture integration costs

Following formation of the Meridian Brick joint venture, restructuring and integration costs of \$8.4 million were incurred, reflecting plant rationalisation, integration of back office functions and an organisational restructure, in order to achieve targeted synergies and streamline the organisation for optimal performance.

(iv) Headwaters acquisition and integration costs

Costs of \$63.2 million were incurred in relation to the acquisition of Headwaters Incorporated, related to various due diligence costs, success fees paid to advisers, and certain change in control payments to Headwaters executives.

Following the acquisition of Headwaters, \$11.7 million of costs have been incurred on the initial integration of the business. The costs to date predominantly relate to redundancies, employee incentives implemented by Headwaters and consultant fees supporting the integration. Additional costs are anticipated in 2018 and 2019.

(v) Impairment of West Coast bricks

Deteriorating market conditions in Western Australia and our ongoing review of the West Coast bricks business has resulted in an impairment of assets during the period. A fair value less costs to sell methodology was used to determine the recoverable amount of the West Coast bricks business, leading to an impairment of \$20.4 million.

(vi) Adjustment to disposal of Thailand Construction Materials

This relates to additional costs attributable to the finalisation of working capital adjustments from the sale of the Thailand Construction Materials' business in December 2012.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

	Note	2018 \$m	2017 \$m
Asset Impairment			
Property, plant and equipment		(4.8)	(20.4)
Summary of significant items before interest and tax by segment			
Boral Australia		(23.8)	(20.4)
USG Boral		(1.0)	-
Boral North America		(76.8)	(83.3)
Discontinued Operations		-	38.5
		(101.6)	(65.2)

8. INCOME TAX EXPENSE

Reconciliation of income tax expense to prima facie tax

Income tax expense on profit at Australian tax rates 30% (2017: 30%)		144.9	103.2
Variation between Australian and overseas tax rates		2.1	(3.4)
Share of associates' net income		(25.6)	(28.5)
Capital and income tax losses realised		(27.6)	(20.4)
Non-deductible asset impairments and write-downs		-	6.1
Tax benefit arising from share acquisition rights vested		(6.3)	(11.5)
Change in US federal tax rate	7	(33.7)	-
Changes in estimate from prior years		(9.6)	(2.5)
Non deductible significant items and other items		(2.2)	4.1
		42.0	47.1
Tax expense relating to continuing operations		37.0	49.0
Tax expense/(benefit) relating to discontinued operations		5.0	(1.9)
		42.0	47.1

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS, AND ASSETS AND LIABILITIES HELD FOR SALE

On 10 May 2018, the Group agreed to sell its Concrete and Quarries business in Denver, Colorado to Brannan Sand and Gravel Company, LLC for US\$127.0 million. Proceeds from the sale will be used to reduce debt. The transaction completed on 2 July 2018.

As a result, the earnings in the current and comparative periods for Denver construction materials have been reclassified to "Discontinued Operations" in the Income Statement and Assets and Liabilities Held for Sale in the Balance Sheet.

The prior year comparatives also include the discontinued operations relating to the Boral CSR bricks joint venture and US bricks operations, as well as various significant items in relation to discontinued operations.

In addition, we have classified the Energy and Clubhouse decking businesses as held for sale in 2017 following finalisation of the acquisition accounting of Headwaters. The earnings of these businesses have not been recorded as a discontinued operation as they are not considered material businesses to the Group.

	Note	2018 \$m	Restated* 2017 \$m
Results of discontinued operations			
Revenue		137.9	260.3
Expenses		(122.4)	(254.5)
Share of equity accounted income		-	5.0
Trading profit before significant items, net interest expense and income tax			
		15.5	10.8
Net profit on sale of discontinued operations	7	-	38.5
Profit before net interest expense and income tax			
		15.5	49.3
Net interest expense		-	-
Profit before income tax			
		15.5	49.3
Income tax (expense)/benefit		(5.0)	1.9
Net profit			
		10.5	51.2
Cash flows from discontinued operations			
Net cash provided by/(used in) operating activities		15.2	(3.9)
Net cash (used in)/ provided by investing activities		(4.0)	113.6
Net cash provided by discontinued operations			
		11.2	109.7
Assets and liabilities classified as held for sale			
Receivables		21.1	1.6
Inventories		2.9	6.1
Property, plant and equipment		78.1	5.2
Intangible assets		16.6	4.6
Other assets		2.5	1.7
Assets classified as held for sale			
		121.2	19.2
Payables		(10.2)	-
Employee benefit liabilities		(0.2)	-
Provisions		(0.3)	-
Liabilities classified as held for sale			
		(10.7)	-
Net assets			
		110.5	19.2

* Refer note 21 for further details.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. BUSINESS DISPOSALS

Disposal of Headwaters Energy business

During October 2017, the Group disposed the Headwaters Energy business for net proceeds of \$16.8 million, including \$7.6 million received on settlement and \$9.2 million to be received in annual instalments from October 2018 to October 2021. No gain or loss was generated on the sale of this business.

The earnings of the Headwaters Energy business has not been recorded as a discontinued operation as it is not considered a material business of the Group.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

11. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit, by the weighted average number of ordinary shares of Boral Limited, adjusted for any bonus issue.

Diluted earnings per share

Diluted EPS is calculated by dividing the net profit, by the weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares and bonus issue.

Options outstanding under the Executive Share Option Plan and Share Performance Rights have been classified as potential ordinary shares and are included in diluted earnings per share only.

Calculation of weighted average number of ordinary shares

The calculation for the comparative periods have been adjusted to reflect the bonus element in the renounceable entitlement offer which occurred during November and December 2016.

	2018	2017
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	1,172,331,924	1,018,195,892
Effect of potential ordinary shares	5,462,105	7,315,555
Number for diluted earnings per share	1,177,794,029	1,025,511,447

	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	2018	2018	2018	2017	2017	2017
	\$m	\$m	\$m	\$m	\$m	\$m
Earnings reconciliation						
Net profit excluding significant items	462.7	10.5	473.2	334.1	8.6	342.7
Net significant items (refer note 7)	(32.2)	-	(32.2)	(88.4)	42.6	(45.8)
Net profit	430.5	10.5	441.0	245.7	51.2	296.9
Basic earnings per share*	36.7c	0.9c	37.6c	24.1c	5.0c	29.2c
Diluted earnings per share*	36.6c	0.9c	37.4c	24.0c	5.0c	29.0c
Basic earnings per share (excluding significant items)*	39.5c	0.9c	40.4c	32.8c	0.8c	33.7c
Diluted earnings per share (excluding significant items)	39.3c	0.9c	40.2c	32.6c	0.8c	33.4c

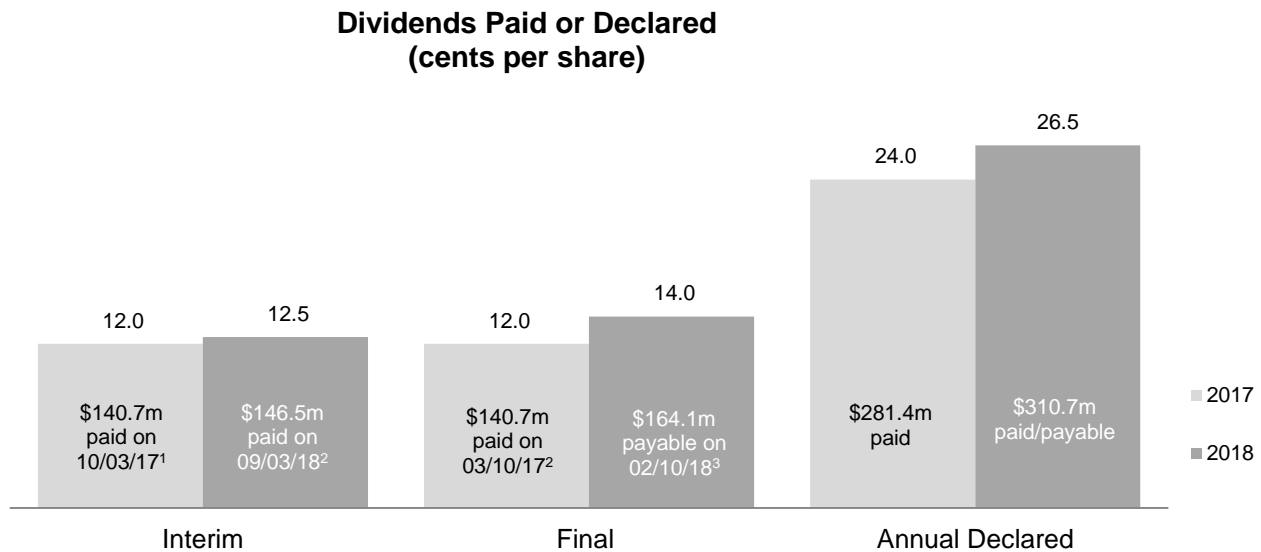
* Numbers may not add due to rounding.

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options and performance rights was based on quoted market prices for the period that the options were outstanding.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

12. DIVIDENDS



1. Declared, paid and fully franked.
2. Declared, paid and 50% franked.
3. Estimated final dividend payable, 50% franked, subject to variations in number of shares up to record date. The financial effect of the final dividend for the year ended 30 June 2018 has not been brought to account in the financial statements for the year but will be recognised in subsequent financial reports.

Dividend Reinvestment Plan

The Group's Dividend Reinvestment Plan, which was suspended following the interim dividend paid on 24 March 2014, will remain suspended until further notice.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name	Principal activity	Country of incorporation	Balance date	OWNERSHIP INTEREST	
				2018 %	2017 %
Details of equity accounted investments					
Bitumen Importers Australia Pty Ltd	Bitumen importer	Australia	30-Jun	50	50
Caribbean Roof Tile Company Limited	Roof tiles	Trinidad	31-Dec	50	50
Flyash Australia Pty Ltd	Fly ash collection	Australia	31-Dec	50	50
Highland Pine Products Pty Ltd	Timber	Australia	30-Jun	50	50
Meridian Brick*	Bricks	USA/ Canada	30-Jun	50	50
Penrith Lakes Development Corporation Ltd	Property development	Australia	30-Jun	40	40
South East Asphalt Pty Ltd	Asphalt	Australia	30-Jun	50	50
Sunstate Cement Ltd	Cement manufacturer	Australia	30-Jun	50	50
USG Boral Building Products**	Plasterboard	Australia/ Singapore	30-Jun	50	50
US Tile LLC	Roof tiles	USA	31-Dec	50	50

* The Group has a 50% interest in the joint ventures in the USA (Meridian Brick LLC) and Canada (Meridian Brick Canada Ltd). The results were equity accounted from 1 November 2016 when the joint venture was formed.

** The Group has a 50% interest in the Gypsum joint ventures in Australia (USG Boral Building Products Pty Ltd) and Asia (USG Boral Building Products Pte Ltd).

SIGNIFICANT EQUITY ACCOUNTED INVESTMENTS

RESULTS OF EQUITY ACCOUNTED INVESTMENTS	Note	USG Boral Building Products		Meridian Brick		Total	
		2018	2017	2018	2017	2018	2017
		\$m	\$m	\$m	\$m	\$m	\$m
Summarised Income Statement at 100%							
Profit/(loss) before income tax		193.1	216.9	(0.6)	(1.4)	274.4	289.7
Income tax expense		(61.2)	(72.2)	(2.6)	(0.3)	(86.4)	(91.8)
Non-controlling interest		(5.7)	(5.8)	-	-	(5.7)	(5.8)
Net profit/(loss) before significant items		126.2	138.9	(3.2)	(1.7)	182.3	192.1
Significant items net of tax		(2.0)	-	(7.2)	(16.8)	(9.2)	(16.8)
Net profit/(loss) - equity accounted relating to continuing operations		124.2	138.9	(10.4)	(18.5)	173.1	175.3
The Group's share based on % ownership:							
Net profit/(loss) before significant items		63.1	69.5	(1.6)	(0.9)	90.2	94.8
Significant items net of tax	7	(1.0)	-	(3.6)	(8.4)	(4.6)	(8.4)
Net profit/(loss) - equity accounted relating to continuing operations		62.1	69.5	(5.2)	(9.3)	85.6	86.4

Results include the following equity accounted share of net profit:

Sunstate Cement Ltd	12.6	11.2
Penrith Lakes Development Corporation Ltd	3.3	5.1

	2018	2017
Restated*		
14. NET TANGIBLE ASSET BACKING		
Net tangible asset backing per ordinary security	\$1.99	\$1.79

* Refer note 21 for further details.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	2018 \$m	2017 \$m
15. LOANS AND BORROWINGS		
Current		
Other loans - unsecured	13.0	398.3
Finance lease liabilities	6.2	9.1
	19.2	407.4
Non-current		
Other loans - unsecured	2,497.0	2,157.2
Finance lease liabilities	10.6	6.5
	2,507.6	2,163.7
Total	2,526.8	2,571.1

TERM AND DEBT REPAYMENT SCHEDULE

Terms and conditions of outstanding loans were as follows:

		Effective interest rate 2018	Calendar year of maturity	2018 Carrying amount \$m	2017 Carrying amount \$m
Current					
US senior notes - private placement - unsecured	USD	-	2018	-	398.3
Other loans - unsecured	GBP	3.45%	2018 - 2019	13.0	-
Finance lease liabilities	AUD/USD	3.29%	2018 - 2019	6.2	9.1
				19.2	407.4
Non-current					
US senior notes - private placement - unsecured	USD	4.43%	2020 - 2030	771.5	355.4
CHF notes - unsecured	CHF	2.25%	2020	204.3	203.2
US senior notes - 144A/Reg S - unsecured	USD	3.39%	2022 - 2028	1,261.2	-
Acquisition loan facility - unsecured	USD	-	2018	-	1,237.0
Term credit facility - unsecured	Multi	3.38%	2021	260.0	361.6
Finance lease liabilities	AUD/USD	3.28%	2018 - 2022	10.6	6.5
				2,507.6	2,163.7
Total				2,526.8	2,571.1

CHANGES TO BANK FACILITIES

US Senior notes - 144A/Reg S

The Group issued US\$950 million of senior notes pursuant to Rule 144A and Regulation S under the US Securities Act of 1933, as amended, which were drawn down on 1 November 2017. US\$450 million notes are due in 2022 and US\$500 million senior notes are due in 2028.

Acquisition loan facility

The Group utilised the proceeds from the US\$950 million draw down of the US senior notes – 144A/Reg S to repay the acquisition loan facility on 1 November 2017. This facility is no longer available to the Group.

US Senior notes - private placement

The Group issued US\$300 million (US\$225 million fixed rate and US\$75 million floating rate) private placement senior notes in April 2018, which are due in 2026. The proceeds were used, in addition to existing cash, to refinance US\$306 million of senior, unsecured notes which matured in April 2018.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	2018 \$m	2017 \$m
16. ISSUED CAPITAL		
Issued and paid up capital		
1,172,331,924 (2017: 1,172,331,924) ordinary shares, fully paid	4,265.1	4,265.1
Movements in ordinary issued capital		
Balance at the beginning of year	4,265.1	2,246.2
Nil (30 Jun 2017: 428,732,487) shares issued under capital raising net of costs	-	2,018.9
Balance at the end of the year	4,265.1	4,265.1

In the prior year, the Group undertook an equity raising of \$2,018.9 million net of transaction costs of \$38.9 million. The equity raising consisted of a 1 for 2.22 pro rata accelerated renounceable entitlement offer at an offer price of \$4.80 per share. The capital raising resulted in the issue of 93,750,000 ordinary shares under the Institutional Placement, 233,648,069 ordinary shares under the Institutional Entitlement Offer and 101,334,418 ordinary shares under the Retail Entitlement Offer.

Ordinary shares issued are classified as equity and are fully paid, have no par value and carry one vote per share and the right to dividends. Incremental costs directly attributable to the issue of new shares or the exercise of options are recognised as a deduction from equity, net of any related income tax effects.

In the event of a winding up of Boral Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

17. RESERVES

Foreign currency translation reserve	115.2	(25.9)
Hedging reserve	5.3	(2.1)
Share-based payments reserve	35.3	47.3
	155.8	19.3

18. CONTINGENT LIABILITIES

The Company has given to its bankers letters of responsibility in respect of accommodation provided from time to time by the banks to controlled entities.

A number of sites within the Group and its associates have been identified as contaminated, generally as a result of prior activities conducted at the sites, and review and appropriate implementation of clean-up requirements for these is ongoing. For sites where the requirements can be assessed, estimated clean-up costs have been expensed or provided for. For some sites, the requirements cannot be reliably assessed at this stage.

Certain entities within the Group are from time to time, subject to various lawsuits, claims, regulatory investigations, and, on occasion, prosecution.

Consistent with other companies of the size and diversity of Boral, the Group is the subject of periodic information requests, investigations and audit activity by the Australian Taxation Office (ATO) and taxation authorities in other jurisdictions in which Boral operates.

Where the liability is estimable and probable the Group hold appropriate provisions based on consideration of available information and, where appropriate, independent advice.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	2018 \$m	2017 \$m
19. NOTES TO STATEMENT OF CASH FLOWS		
Reconciliation of cash and cash equivalents:		
Cash includes cash on hand, at bank and short term deposits, net of outstanding bank overdrafts. Cash as at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at bank and on hand	57.1	155.2
Bank short-term deposits	17.2	82.6
	74.3	237.8
During the year, the Group incurred costs associated with:		
Acquisition costs	(54.9)	(82.0)
Integration costs	(49.8)	(11.7)
Restructure and business closure costs	(13.7)	(23.2)
	(118.4)	(116.9)

20. SUBSEQUENT EVENTS

The sale of our Concrete and Quarries business in Denver, Colorado to Brannan Sand and Gravel Company, LLC completed on 2 July 2018. Refer note 9.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	Final - 8 May 2017 \$m	Preliminary - 8 May 2017 \$m
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21. ACQUISITIONS

Headwaters Incorporated acquisition

Boral acquired 100% of the shares of Headwaters Incorporated on 8 May 2017.

Since the initial purchase price accounting performed around the time of the acquisition, further adjustments have been performed to the opening balance sheet, including the finalisation of an independent valuation of the identifiable assets acquired and liabilities assumed in the Headwaters acquisition. These adjustments have determined the net identifiable assets/(liabilities) as being \$185.0 million higher than previously reported. As a consequence, the goodwill acquired as part of the Headwaters acquisition has decreased by this amount, resulting in the previously reported Headwaters goodwill of \$2,257.4 million reducing to \$2,072.4 million. The comparative information shown in the financial statements has been restated to include the adjusted fair values. There has been no material impact to the comparative profit or loss so as to require restatement.

Details of the identified adjustments are as follows:

Fair value of net identifiable assets acquired

CURRENT ASSETS

Cash and cash equivalents	74.8	74.8
Receivables	197.8	190.2
Inventories	126.4	139.4
Other assets	13.5	23.8
Assets held for sale	19.9	-

NON-CURRENT ASSETS

Receivables	22.4	13.9
Financial assets	11.2	11.2
Property, plant and equipment	404.7	437.8
Intangible assets	1,285.7	959.3
Other assets	18.3	18.1

CURRENT LIABILITIES

Trade creditors	(220.2)	(209.3)
Loans and borrowings	(8.2)	(8.3)
Provisions	(9.4)	(16.4)

NON-CURRENT LIABILITIES

Payables	(6.6)	(6.8)
Loans and borrowings	(5.3)	(5.5)
Deferred tax liabilities	(267.7)	(137.8)
Employee benefit liabilities	(15.1)	(11.2)
Provisions	(78.0)	(94.0)

Net identifiable assets acquired	1,564.2	1,379.2
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Goodwill on acquisition	2,072.4	2,257.4
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The goodwill on acquisition of \$2,072.4 million represents the difference in consideration paid and identifiable fair value of the net assets acquired, and reflects the synergies and economics of scale expected from combining the operations of Boral and Headwaters, benefits from the diversification of market exposures in North America, and transforming the North America business to a more flexible, variable cost structure with lower capital intensity. The goodwill is not tax deductible.

Annual General Meeting

The Annual General Meeting will be held as follows:

Place:

The Concourse, Chatswood

Date:

Tuesday, 30 October 2018

Time:

10.30 am

Approximate date the annual report will be available:

Monday, 17 September 2018

Compliance Statement

- 1 This preliminary final report for the year ended 30 June 2018 has been prepared in accordance with the ASX listing rules. It should be read in conjunction with any announcements to the market made by the Group during the year.

This report is based on accounts which have been audited. The audit report, which is unmodified, will be made available with the Boral Limited Annual Report on 17 September 2018. The Annual Report is currently being finalised in publishable form.

- 2 The entity has a formally constituted audit committee.