Build something great™

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6 November 2014

The Manager, Listings
Australian Securities Exchange
ASX Market Announcements
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir

AGM Slides

We attach copies of slides being shown during the Addresses by the Chairman and the Chief Executive at the Company's Annual General Meeting which commences at 10:30 am today.

Yours faithfully

Dominic Millgate
Company Secretary

ANNUAL GENERAL MEETING 2014

6 November 2014
Sydney

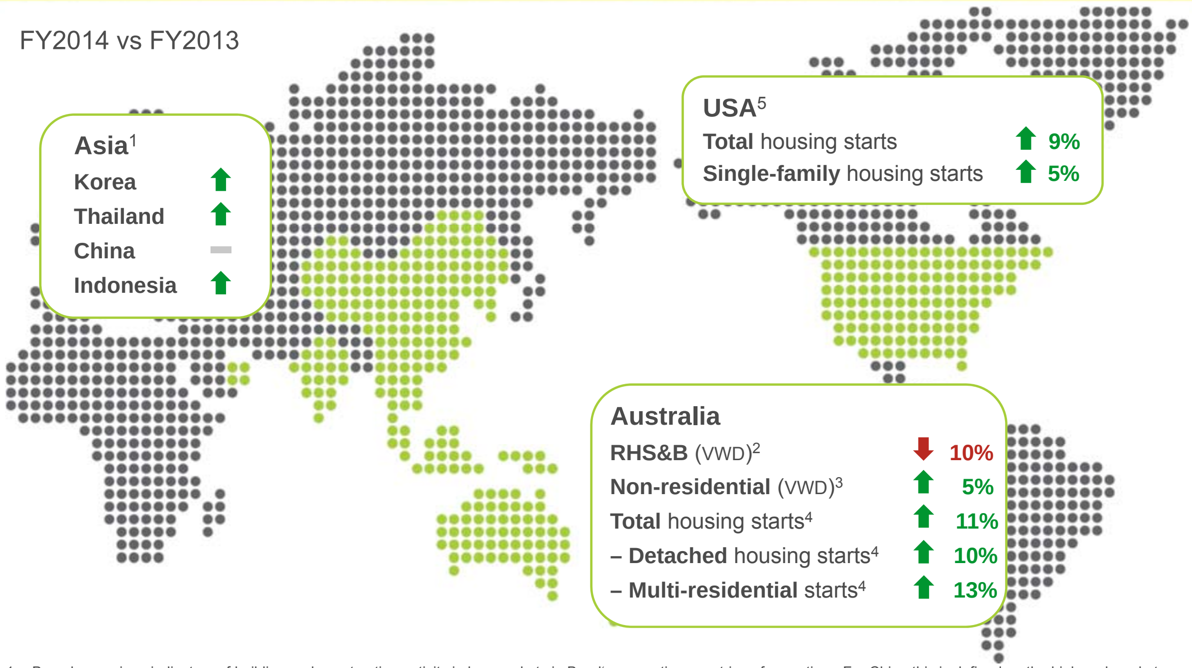
Chairman’s Address

Dr Bob Every AO

Improving market conditions across all regions

Positive movements across most markets except roads and highways in Australia

FY2014 vs FY2013



Asia[1]

Korea	↑
Thailand	↑
China	–
Indonesia	↑

USA[5]

Total housing starts	↑	9%
Single-family housing starts	↑	5%

Australia

RHS&B (VWD)[2]	↓	10%
Non-residential (VWD)[3]	↑	5%
Total housing starts[4]	↑	11%
– **Detached** housing starts[4]	↑	10%
– **Multi-residential** starts[4]	↑	13%

1. Based on various indicators of building and construction activity in key markets in Boral's respective countries of operation. For China this is defined as the high-end market in regions in which Boral operates
2. RHS&B refers to roads, highways, subdivisions and bridges and is forecast to be down by 10% in FY2014F based on average of BIS and Macromonitor
3. Value of work done (VWD) from ABS in 2011/12 constant prices. BIS forecast used for Jun-14 quarter
4. ABS original data.
5. US Census seasonally adjusted data

FY2014 full year financial highlights

Improved results with strong uplift in earnings and net profit

Revenue
Reported
$5.2billion ↓ 2%

Profit after tax[1]
$171million ↑ 64%

Revenue
Continuing operations
$4.5billion ↑ 7%

Net profit after tax
$173million ↑ from ($212m)

EBIT[1]
$294million ↑ 29%

Full year dividend
15.0cents ↑ 36%

1. Excluding significant items

A positive turnaround in FY2014

Stronger result reflects restructuring & improvement initiatives and better market conditions

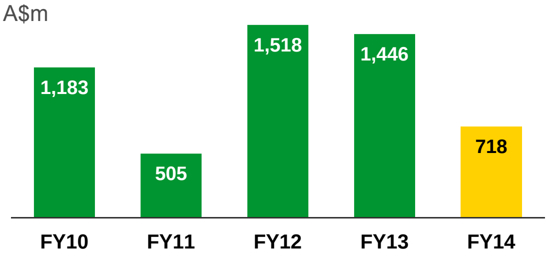
- ✓ **$1.6b USG Boral joint venture** – securing world-leading NextGen plasterboard technology
- ✓ $48m EBIT **turnaround to profitability** for Building Products division
- ✓ **Significant reduction of losses** in Boral USA – breaking through to profitability in 4Q FY2014
- ✓ **Continued strength** in Boral's largest division, Construction Materials & Cement
- ✓ **Strengthened financial position**

Barangaroo South Tower 2 under construction
Source: Lend Lease

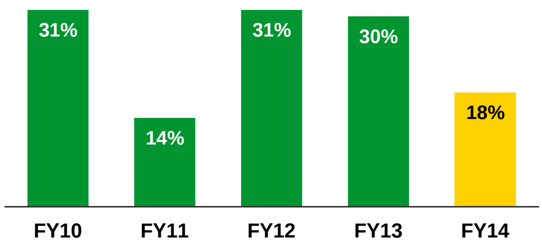
Capital management

Strengthened balance sheet – full year dividend of 15.0c per share

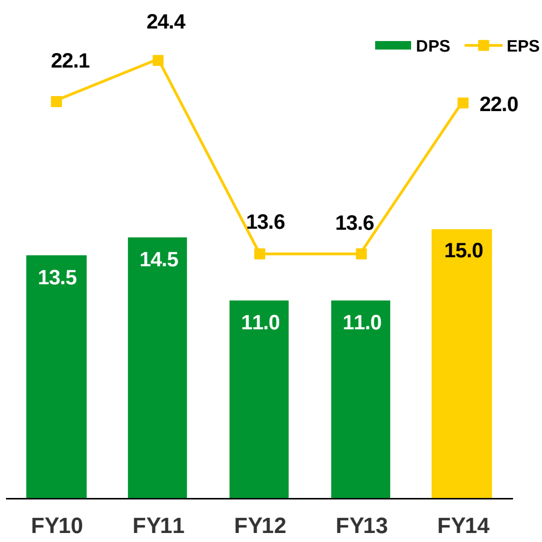
Net debt
A$m



Gearing (net debt / net debt + equity)



Earnings and dividends per share[1]
A$ cents

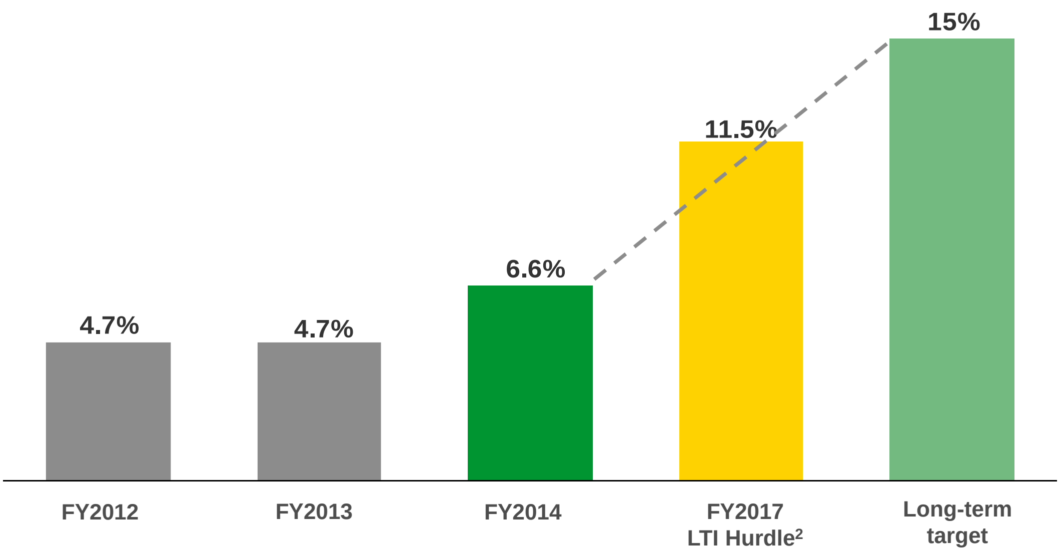


1. Earnings per share, excluding significant items

Return on average funds employed (ROFE)

Year-on-year improvement but still considerable work to do

EBIT[1] to average funds employed (ROFE), %



1. Excluding significant items
2. Hurdle at which 100% of ROFE LTI component will vest; 0% will vest at ROFE of less than 11%; progressive pro rata vesting at ROFE of between 11.0% and 11.5%.

Fix, Execute, Transform program

How we're changing Boral

Our goal is to transform Boral into a global building and construction materials company that is known for its **world-leading safety performance**, **innovative product platform** and **superior returns on shareholders' funds**

FIX | EXECUTE | TRANSFORM

Fixing things that are holding us back

Improving the way we operate to be more efficient, disciplined and profitable

Transforming Boral for performance excellence and sustainable growth through innovation

Board of Directors

Dr Bob Every AO
Non-executive Chairman

Dr Eileen Doyle
Non-executive Director

Paul Rayner
Non-executive Director

Richard Longes
Non-executive Director
(retiring at end of 2014 AGM)

Mike Kane
CEO & Managing Director

Dr Brian Clark
Non-executive Director

John Marlay
Non-executive Director

Catherine Brenner
Non-executive Director

Kathryn Fagg
Non-executive Director
(appointed 15 September 2014)

CEO & MD’s Address

Mike Kane

Boral's *Fix, Execute, Transform* program

Fix phase well advanced and delivering improved performance

FIX | EXECUTE | TRANSFORM

FY2013

2 years

4 years

6 years +

FIX

Fixing things that are holding us back

- ✓ **Portfolio** realignment
- ✓ $150m **costs out** by FY2015
- ✓ **$251m cash** from divestments & land sales
- ✓ **Net debt** from $1.45b to $718m

EXECUTE

Improving the way we operate to be more efficient, disciplined and profitable

- ✓ People **engagement** and **safety** first
- ✓ **Levers of change** – LEAN, Sales & Marketing, Innovation
- ✓ Capacity **utilisation** up

TRANSFORM

Transforming Boral for performance excellence and sustainable growth through innovation

- ✓ Product **innovation**
- ✓ **Gypsum technology** platform secured
- ✓ **Lowering fixed cost** exposures through the cycle (global bricks review underway)

Delivering on Boral's strategic priorities

A relentless focus on managing costs, capital and cash

FIX	ACHIEVEMENTS
Manage costs down	✓ **$130 million** of annualised benefits realised in FY2014 through overhead, rationalisation and contract spend cost reduction programs ✓ **Additional structured cost reduction programs** implemented in 2H FY2014 in USG Boral, Boral USA and Construction Materials & Cement
Maximise cash generation	✓ **$251 million** in cash proceeds from divestments and sales of surplus land over the last two years ✓ **$562 million** cash received on formation of USG Boral joint venture
Reduce debt	✓ **Debt reduced to $718m** from $1.45 billion at 30 June 2013 ✓ **Gearing reduced to 18%** from 30% at 30 June 2013

Reshaping the portfolio

Streamlining through restructuring and improvement initiatives

Construction Materials & Cement	Building Products	Boral Gypsum	Boral USA
✓ ***Cement**: Strengthened import capability after closing Waurn Ponds clinker production ✓ ***Cement**: Ceased production at Berrima Colliery and announced intended closure ✓ ***Cement**: Announced closure of Maldon cement kiln by Dec-14 ✓ ***Asphalt***: restructuring in QLD and VIC	✓ ***Windows*** business divested ✓ ***Timber**: Woodchip exports exited; ceased manufacturing engineered flooring and Qld softwood distribution; new supply agreement with NSW Forestry Corp ❑ ***Bricks**: Australian east coast bricks JV with CSR pending ACCC clearance ❑ ***Timber**: Strategic review commenced	✓ Completed the $1.6b **USG Boral** plasterboard and ceiling tiles JV ✓ Introduced USG **adjacent products** to product portfolio ✓ Roll-out of technology upgrades underway – **NextGen products** available in key markets by end of CY2014	✓ ***Roofing**: further capacity consolidation – closed Ione & Pompano plants ✓ ***Bricks**: permanently closed Augusta paver plant in Georgia ✓ ***Trim***: niche composite siding product launched ✓ Restructured regional sales & operational organisations ❑ ***R&D***: Building US$4m 'composite sheet line' ❑ Portfolio refinement as cycle strengthens; **Bricks review** underway

Sustainability and Community snapshot

Looking out for our employees, the environment and community

Employees

- **Full-time equivalent employees**:
  - Boral: 8,953
  - JVs: 3,498
- **Average tenure**:
  - Australia: 9.1 years
  - US: 7.5 years
- **14% women in Boral**

Safety

- **LTIFR steady; RIFR down 22% in FY2014[1]**
- **Targeting world-class health & safety**
  - 20 programs form Group Strategy for Health, Safety & Environment

Environment

- **6% reduction in total GHG emissions**
  - Driven by closure of Waurn Ponds clinker kiln
- **4% reduction in energy use on like-for-like basis**

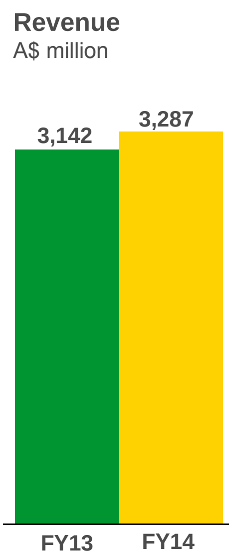
Community

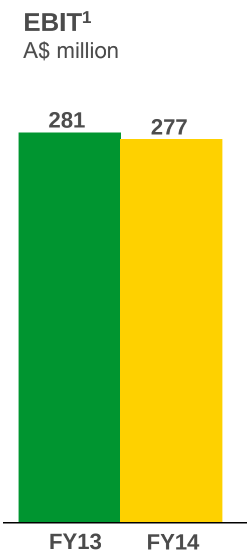
- **8 key community partnerships**
  - New partnership with Habitat for Humanity
- **~$550,000 contributed in FY2014**

1. Lost Time Injury Frequency Rate and Recordable Injury Frequency Rate

Boral Construction Materials & Cement

Concrete, Quarries, Cement, Asphalt, Transport and Property





1Q FY2015 Trading Update

- Demand levels broadly steady
  - Strong residential activity in NSW
  - Weaker roads & engineering volumes
  - Weaker than expected activity in Qld
- Pricing remains under pressure
- Heavy rainfall impacted earnings

FY2015 Outlook

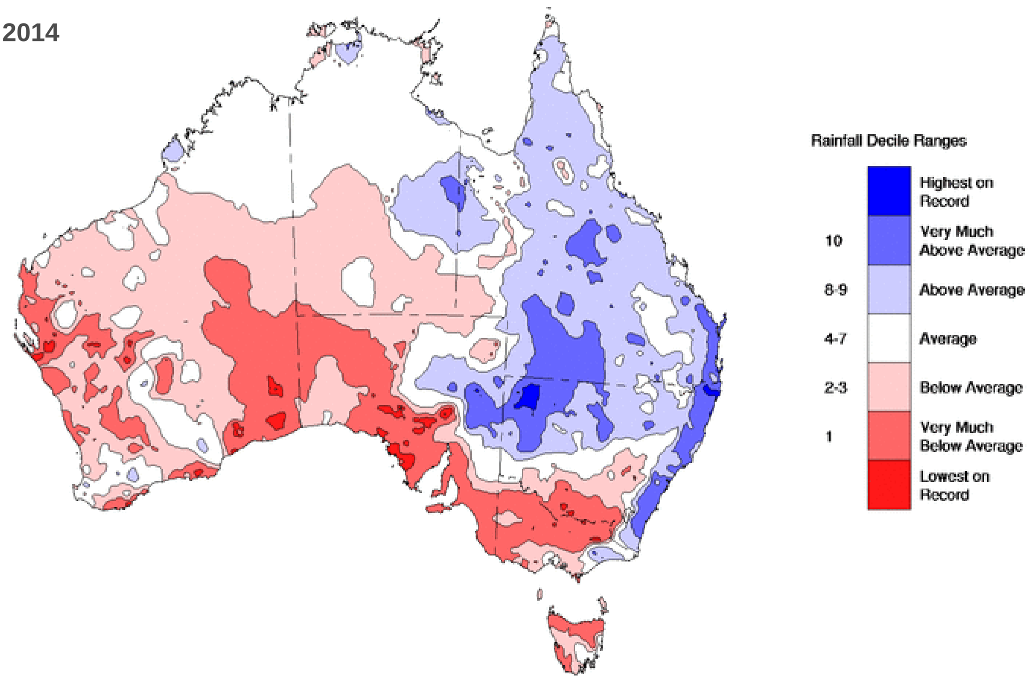
- 1Q FY2015 earnings below our expectation but targeting catch up via:
  - Readjustment of cost base
  - Delivery of additional property sales
  - Select price increases in stronger markets
- Expectations dampened if unable to realise potential property sales & some price increases

1. Excluding significant items

Extreme levels of East Coast rainfall in August

Heavy rainfall in August in key Australian markets impacted 1Q FY2015

August 2014

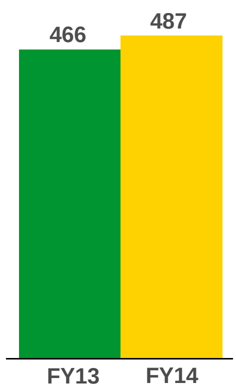


Source: Australian Bureau of Meteorology, October 2014

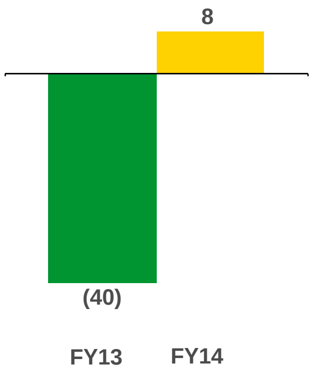
Boral Building Products

Australian Bricks, Roofing[1] and Timber

Revenue
A$ million



EBIT[2]
A$ million



1Q FY2015 Trading Update

- Continued performance improvement due to:
  - Higher residential activity in NSW & WA
  - Overhead cost reduction program
- Responding to ACCC's Statement of Issues on proposed east coast Bricks JV with CSR

FY2015 Outlook

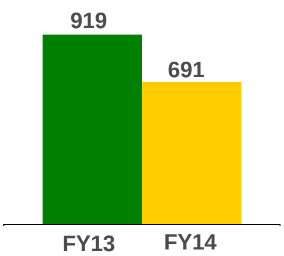
- Continued improvements across business but further restructuring required
- Full year result expected to more than double FY2014 EBIT of $8m

1. Remaining Masonry operations are incorporated into Bricks and Roofing businesses
2. Excluding significant items

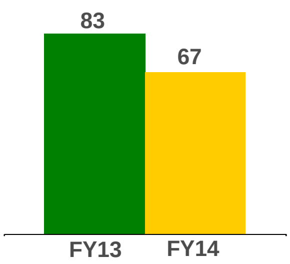
Boral Gypsum – comprising 50% share of USG Boral Joint Venture

Australia, Korea, Thailand, China, Indonesia, Vietnam, Malaysia, India, Philippines

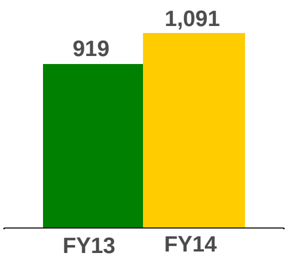
Reported Revenue[1]
All A$ million



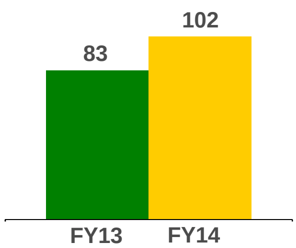
Reported EBIT[1,2]



Underlying Revenue



Underlying EBIT[2]



1Q FY2015 Trading Update

- JV operations fully integrated; delivering in line with expectations
- New NextGen plasterboard launched in Australia, Korea, Thailand and Indonesia
- Positive response from customers and trade contractors

FY2015 Outlook

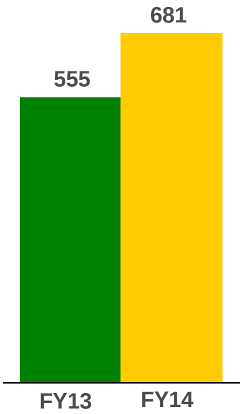
- Underlying earnings growth from increasing demand and restructuring benefits
- Lower reported earnings due to full year of 50% equity accounted contribution from USG Boral JV
- Synergies from JV expected to ramp up from 2H FY2015

1. Consolidated results for the period Jul-13 to Feb-14
2. Excluding significant items

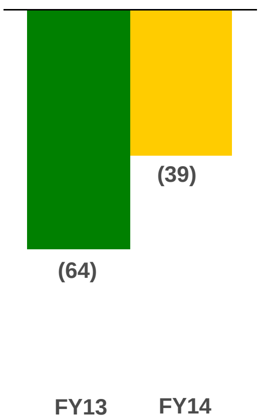
Boral USA

Bricks, Roof Tiles, Cultured Stone, Fly Ash, Construction Materials

Revenue
A$ million



EBIT[1]
A$ million



1Q FY2015 Trading Update

- Performance broadly in line with our expectations
  - Total housing starts for 1Q FY2015 at 1.024 million annualised starts
  - Improved Cladding & Roofing volumes
  - Additional cost reductions offsetting slower recovery

FY2015 Outlook

- Expect significantly improved earnings as market recovery continues
- Expect a broadly break-even EBIT result, assuming:
  - Continued growth in US housing starts to around 1.1-1.2 million

1. Excluding significant items

Concluding Comments

- In summary, in FY2015 expect :
  - **Ongoing strong results from Construction Materials & Cement**, pending ability to realise price increases and potential property sales
  - **Building Products' EBIT to more than double FY2014 earnings**; further portfolio realignment anticipated
  - **Improved underlying performance from USG Boral** but lower reported contribution due to full year of 50%-owned JV
  - **Broadly break-even EBIT result from Boral USA**, assuming 1.1–1.2m housing starts
  - Anticipate **improved ROFE**[1], despite shift to equity accounting of Gypsum

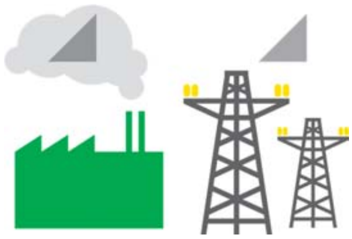
1. EBIT to average funds employed

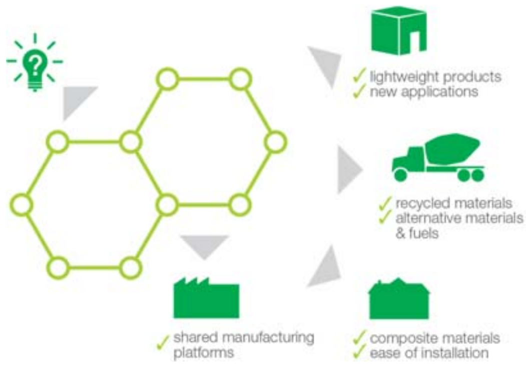
How we're transforming Boral

For performance excellence and sustainable growth through innovation

A high performing, aligned and participative culture

Lowering our fixed costs and environmental impacts





Investing in product innovation and creating new opportunities

Annual General Meeting 2014

Formal Business