



Boral Limited

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5 November 2015

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

Dear Sir

AGM Addresses

We attach copies of the prepared AGM Addresses by the Chairman, Chairman Elect and CEO & Managing Director, which will be delivered at the Company's Annual General Meeting which commences at 10:30 am today.

Yours faithfully

Dominic Millgate
Company Secretary



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2015 ANNUAL GENERAL MEETING THURSDAY, 5 NOVEMBER 2015

Chairman's Address

by Dr Bob Every AO

Welcome ladies and gentlemen and thank you for attending Boral's 2015 Annual General Meeting.

Shareholders will be aware that in May 2015 it was announced that I will step down from Boral's Board, after eight years as a Director, five of which were as Chairman, and at the conclusion of today's Annual General Meeting, Dr Brian Clark will become Boral's Chairman. I will invite Brian to say a few words at the end of my address.

It's been a privilege to have served on Boral's Board since September 2007. I have seen Boral face some significant challenges and mature into a more resilient and responsive company, delivering substantially improved results.

I am particularly pleased to report that in this past year, Boral's net profit after tax (before significant items) was \$249 million, which represented a 45% increase on the prior year.

In fact, it was highest profit result reported by Boral in the eight years I have been a Director, and it confirms my view that the strategy put in place over the past three years by Mike Kane and his management team, with the support of the Board, is right.

Of course, there is more work to be done to ensure we deliver better returns to you, our shareholders, while ensuring a sustainable future for the Company.

But I am confident that Boral is well positioned to capitalise on improving market conditions in our key markets, both here and elsewhere, and we now have the flexibility to explore growth opportunities where it makes business and strategic good sense.

I am also particularly pleased to report to you major improvements in the past year on safety, which remains a top priority at Boral.

During the 2015 financial year, we recorded a further 11% improvement in Boral's recordable injury frequency rate, and a 5% reduction in lost time injury frequency rate of 1.8. Boral's safety performance continues to stand up well in the industries in which we operate.

We have a particular focus on managing the risks in our heavy vehicle transport operations and we are rolling out the latest behavioural-based safety training programs across the organisation. Our commitment to create an injury-free workplace for employees and contractors alike is unwavering and is shared throughout Boral.

Financial Performance

Financial results for the 2015 financial year included revenue from continuing operations of \$4.3 billion¹, which was in line with the prior year. Reported revenue of \$4.4 billion was 15% below the prior year due to the full year impact of the Gypsum business moving to a 50% equity-accounted interest following the formation of the USG Boral joint venture in March 2014.

Earnings before interest and tax, or EBIT, excluding significant items, increased by 21% to \$357 million, helped appreciably by solid gains in the Building Products and Boral USA divisions, as well as a strong contribution from Property sales.

Construction Materials & Cement contributed a significant \$301 million of EBIT, including \$46 million from Property earnings. Building Products delivered \$30 million of EBIT, providing an impressive \$70 million turnaround from this smaller division over the past two years.

Our 50%-owned USG Boral Gypsum joint venture contributed \$49 million of post-tax equity accounted income. The underlying USG Boral business delivered a strong 38% increase in EBIT to \$141 million reflecting market growth as well as the early benefits of the new Sheetrock technology products and other complementary products that USG contributed to the joint venture.

And last but not least, a key highlight of divisional performance for the year was the return to profitability in the USA. US housing starts increased by around 100,000 starts to 1.05 million in FY2015. Together with US\$20 million of business improvement initiatives, this helped deliver a A\$6 million EBIT, which was a return to profitability for the first time since FY2007 and the Global Financial Crisis.

The 45% lift in the Group's profit after tax to \$249 million was assisted by a 23% lower interest expense as a result of lower debt, despite a slightly higher tax expense due to higher Building Products earnings in Australia and higher US earnings. The effective tax rate of 15% was relatively low as a result of higher equity accounted income and the benefits of carry forward tax losses being applied against property earnings.

Net significant items of \$8 million included the gain on sale of the Landfill business, offset by Building Products write-downs and further restructuring in Construction Materials & Cement.

The Board declared a final dividend of 9.5 cents per share, which resulted in a full year, fully franked dividend of 18 cents per share, a 20% increase on the prior year. This represents a payout ratio of 56%.

For shareholders, the dividend represented an annualised dividend yield of approximately 4% per annum (after franking) on Boral's average share price of \$5.59 for the year to 30 June 2015².

¹ All amounts are in Australian dollars unless stated otherwise.

² Source: Bloomberg

Capital management

Boral's net debt at 30 June 2015 of \$817 million was slightly higher than \$718 million a year ago, due to exchange rate impacts. However, it remains well below the \$1.45 billion of net debt reported two years ago. Boral's gearing³ remains low at 19% as at 30 June 2015.

In March 2015 the Board announced an on-market share buy-back program for up to 5% of issued capital over 12 months. As at 30 June 2015, \$116 million had been spent buying back 2.4% of issued capital. The buy-back was re-initiated following Boral's results announcement on 27 August and was completed on 21 September, at an overall average price of \$5.91 per share.

Return on Funds Employed

At Boral's full year results announcement, we reported EBIT return on *year end* funds employed of 8.2%, up from 7.2% in the prior year. EBIT return on funds employed, or ROFE, tests the efficiency and profitability of the Company's capital investments. We also measure it on an *average* funds employed basis, which was 8.5% for FY2015, up from 6.6% last year. This improvement comes despite unfavourable currency movements impacting overseas asset values and the EBIT contribution from Gypsum now being on an equity-accounted after tax basis.

Later in the meeting, Brian Clark, Chairman of the Remuneration & Nomination Committee, will provide commentary on our remuneration targets and other aspects of Boral's remuneration report. The ROFE performance hurdle introduced in FY2014 as part of Boral's long-term incentive program is intended to reward achievement linked to improving the Company's ROFE performance through the building cycle.

Strategic priorities

There is more work under way to deliver better returns to shareholders through the building cycle, but the progress made during FY2015 in strengthening Boral's financial results and competitive position is encouraging.

Boral's *Fix, Execute, Transform* program has been effective in helping to significantly strengthen the Company's balance sheet and financial position.

The Company's immediate strategic focus continues to be on managing costs, margins, capital and cash, and improving the way we operate across the business. Beyond this, we are developing our strategy to transform Boral in the coming years for performance excellence and sustainable growth against a backdrop of ongoing change in the markets in which we operate.

While Boral has the means to grow by acquisition over the medium to long term time horizon, there are no significant acquisitions currently on the table. The company will consider value-creating, bolt-on investments where they make business and strategic sense, as well as continuing to invest in innovation platforms to deliver growth.

Mike Kane will talk in further detail about the Group's strategic priorities.

³ Net Debt/(Net Debt + Equity)

The Board

As mentioned earlier, Brian Clark has agreed to succeed me as Chairman of Boral following today's AGM. Brian has had an outstanding career as an executive with extensive international experience. He is also a very experienced director and is well positioned to chair the Company through the next phase of its *Fix, Execute, Transform* program.

Succession planning has been an important focus for the Board and I am confident that the Company and the Board will be in very capable hands under Brian's chairmanship.

I am pleased to advise shareholders that earlier today we announced via the ASX that Ms Karen Moses is to join the Board of Boral Limited, effective 1 March 2016 as she transitions from her executive career at Origin Energy. Karen will bring a valuable skillset to the Board including her experience in supply chain management, operations, risk management, finance and major transactions.

Thank you

I would like to conclude by thanking a number of people who have contributed to Boral's improved performance and who have supported me as Chairman.

On behalf of the Board, I thank Boral's shareholders who have supported the Company over the long-term, including through some challenging times.

I thank Mike Kane for his outstanding leadership over the past three years. I also thank Boral's employees and executive team, for their efforts and commitment to delivering positive outcomes for Boral's shareholders, customers and communities.

The Board remains confident that Boral has the right team and the right strategy to continue to transform into a company that is known for its excellent safety performance, innovative product platforms and attractive returns on shareholders' funds.

On a personal note, I thank Boral's employees and shareholders who have supported me as Chairman. I appreciate the support I have received and value the friendships I have made.

I also thank current and past Board members for their support and collective contribution to the strong governance of Boral. I will remain a proud Boral supporter and shareholder.

I wish the Board and all of Boral's employees and shareholders, the very best for the future success of this great Company.

On that note, I welcome Brian Clark to the microphone to say a few words, followed by Mike Kane, who will provide further detail on Boral's strategic priorities, as well as some commentary around the trading conditions experienced in the first quarter of FY2016 and the outlook for the rest of the year.

Thanks Brian.

Dr Bob Every AO



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2015 ANNUAL GENERAL MEETING THURSDAY, 5 NOVEMBER 2015

Chairman Elect Address

by Dr Brian Clark

Thank you Bob.

Ladies and gentlemen.

It is a pleasure to be addressing you as Boral's Chairman elect. I am looking forward to chairing the Company over the next period of its development, working closely with the Board members, Mike Kane and Boral's executive team.

I feel fortunate to be leading a Board that has directors with strong business experience and diversity in tenure, gender, age, industry and geographical experience.

Today, Boral is the largest integrated construction materials supplier in Australia. We have an enviable footprint across Asia through the USG Boral gypsum joint venture, which is an important organic growth platform. And in the USA, Boral continues to be the number 1 or 2 player in bricks, roof tiles, flyash and cultured stone and we are very well positioned to benefit from the recovering market in the USA. We also have made advances in lightweight building materials which will be important for the future.

With our proud history dating back to March 1946 when Bitumen and Oil Refineries (Australia) Limited was incorporated, Boral has come a long way. Over its nearly 70-year history Boral has had eight chairmen and it will be a privilege to be Boral's ninth.

I'd like to pay tribute to Bob Every and the involvement he has had with Boral since 2007, firstly as a Non-Executive Director, and subsequent to that as Chairman of the Company. Bob has made a significant contribution to Boral during a very challenging period of time. The Global Financial Crisis impacted companies worldwide from August 2007 – just one month before Bob became a Director (and three months after I joined the Board).

As shareholders know, Boral's US business was severely impacted by the GFC which saw a rapid and protracted decline in the US housing market. Historically, Boral's US division was a highly profitable operation, and it will be once again. However, this past year was the first time since Bob joined the Board that we have seen a profit delivered from our US business. It has been an unprecedented US downturn which has tested our fortitude. But we have remained focused and committed to maintaining our leadership position and strengthening the business so that it will perform even better when markets return to historic levels of demand.

During Bob's tenure he has overseen significant restructuring and streamlining of the organisation in the USA, and in Australia, as well as strengthening our platforms for growth in the USA and in Asia. Boral is now a more efficient and responsive organisation with significant potential for the future.

On behalf of the Board, Management, Boral's employees and shareholders I thank Bob for the important role he has played in steering the business in the right direction, for ensuring Boral has had the right type of leadership and culture at the right time and for maintaining the highest level of corporate governance standards.

Bob, I wish you good health, happiness and every success for the future, and I thank you personally for your support and mentorship.

As Bob mentioned earlier, this morning we announced that Karen Moses has been appointed as a non-executive Director of Boral, effective 1 March 2016.

The Board welcomes Karen and is looking forward to working with her from March 2016 when she transitions from her executive career at Origin Energy to focus on her work as a Non-executive Director.

Karen's background in overseeing significant financial and strategic transactions, managing operational, financial, safety and environmental risks, and managing supply chains from upstream exploration through to downstream retail marketing aligns well with our business. Her knowledge and experience positions Karen well to make an important contribution to the Board as Boral continues to grow and transform.

I now welcome Mike Kane to the microphone to address shareholders.

Thanks Mike.

Dr Brian Clark



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2015 ANNUAL GENERAL MEETING THURSDAY, 5 NOVEMBER 2015

CEO & Managing Director's Address

by Mike Kane

Thank you, Brian.

Fix, Execute, Transform

Three years ago I shared with you my vision to transform Boral into a global building products and construction materials company recognised for its world-class safety performance and for delivering strong returns for shareholders.

As I said at the time, our plan was divided into three phases – *Fix, Execute and Transform*.

The aim was clear: to see Boral deliver performance excellence and sustainable growth with innovation at its core.

I can report to you today that with a strong and sustained effort, we have been successfully moving through the *Fix* phase of our program into the *Execute* and *Transform* phases.

We have improved Boral's cost base, strengthened the balance sheet and we are building a more responsive and nimble portfolio of businesses. Now, with a more efficient platform, we can take advantage of upturns in demand, respond more quickly to shortfalls in volumes as markets slow and ensure that improvement programs offset inflationary cost pressures.

For example, in the Australian market this year, while we took advantage of the peak demand in housing construction, we experienced lower demand from roads, engineering and major infrastructure projects. However, we were able to respond quickly to minimise the negative impact by taking costs out, realigning our Asphalt operations in Queensland and Victoria, and expediting a number of surplus property sales to take advantage of the strong property market.

Meanwhile in the USA, the rate of recovery in the housing market was slower than originally expected reaching only 1.05 million housing starts in FY2015. We responded by taking further costs out of the business and reducing expenditure. This delivered US\$20 million of benefits in FY2015 and ensured a return to profitability for our US operations despite lower than expected volumes.

As we progress further into the *Execute* and *Transform* phases of our plan, portfolio realignment continues to strengthen Boral's current performance and future potential.

During the year, we sold our Western Landfill business in Melbourne and formed the Boral CSR Bricks joint venture. These initiatives have strengthened the future earnings potential for Boral and in the case of the landfill sale to TPI, in addition to receiving royalty payments that will grow over time, we benefited from a \$165 million cash payment in May 2015.

We are also growing through innovation. We compete in industries in which improving the materials and products we sell can create access to new markets and broaden our offering in existing segments.

The formation of USG Boral in February 2014 provided access to world leading gypsum technologies, which is strengthening our product offering, growing our competitive advantage and improving our growth trajectory in Asia.

Through our Boral Innovation Factory, we are continuing to develop lightweight composite flyash-based products, enabling Boral to be at the forefront and drive new business through the commercialisation of materials technology through new trim and siding products in the USA.

Our priority over the long-term is to grow our businesses and brand presence in Asia and the USA through market growth and innovation. Our strengthened balance sheet provides us with the option to consider value-creating bolt-on acquisitions in the coming years but only where the business case is the right fit for Boral and our strategic roadmap. Capital management remains an option if growth opportunities do not present themselves.

In Australia, our objective is to strengthen the Construction Materials & Cement division by growing margins and continuing to develop Boral's major project capability, as well as maximising returns from our Building Products business.

My obligation to our shareholders, our employees, and our customers is to bring strategic perspective to our business and the markets in which we operate to drive the transformation of Boral for sustainable performance over the long-term.

It will take several years before we complete the transformation we are striving towards but we are well on our way.

Safety performance and sustainability

I remain resolutely focused on creating a culture within Boral of Zero Harm where safety always comes before production.

To deliver on this requires commitment and trust in Boral's people. I need to know they share the same obligation so that we are all fully engaged in ensuring that everyone is safe – always. I expect senior leaders to inspire and require change, and I am pleased to report that I am seeing this throughout the organisation.

Over the past three years Boral's medical treatment injuries have reduced from 17 per million hours worked to 10. We are reducing these incidents on average by around 15% per year every year. Just as significantly the severity of these medical treatment cases has been cut in half.

Boral's lost time injuries of 1.8 per million hours worked by employees and contractors in FY2015 was a 5% improvement on the prior year.

We continue to take pride in the fact that our safety performance is much better than industry averages in the materials manufacturing, mining, road freight transport, forestry and general construction sectors.

As at 30 June 2015, Boral had 8,356 full-time equivalent employees and an estimated 4,400 contractors. In our joint venture operations we have an additional 3,676 employees and around 3,000 contractors. Our commitment to Zero Harm encompasses all 12,000 Boral and joint venture employees and 7,400 contractors, and we manage this responsibility as our top priority.

As a Company with 565 operating sites and more than 170 distribution sites globally, we are committed to minimising our environmental impacts, working with our neighbours and giving back to our communities where we can.

We are also committed to ensuring our people act with mutual respect and integrity, and operate within the spirit and letter of the law – and we support this through appropriate training programs and governance processes.

Our determination to support our customers and stand up to the illegal behaviour within the Construction and General Division of the CFMEU in Melbourne, which saw the CFMEU black-ban Boral for two and a half years, has seen us re-establish the rule of law on Melbourne construction sites through a ground-breaking settlement agreement.

On 18 September we signed the comprehensive settlement with the CFMEU covering damages, injunctions and contempt claims, and ending the union's black ban against Boral. The agreement includes the payment to Boral of between \$7 million and \$9 million in damages and legal expenses that have already been incurred and will protect Boral against illegal interference in serving our customers.

FY2015 Divisional performance and FY2016 outlook

Let me now comment on Boral's divisional performance in FY2015 and the outlook for the remainder of FY2016.

Boral's Construction Materials & Cement division, which accounted for just over 60% of Boral's revenues in FY2015¹, reported a 6% decline in revenues on the prior year to \$3.1 billion, but a 9% increase in EBIT to \$301 million.

The higher margins we achieved in Asphalt, Cement and Concrete Placing due to operational and cost improvements, and \$46 million of Property earnings more than offset the impact of fewer engineering, roads and infrastructure projects.

In Australia, 36% of Boral's revenues in FY2015 were derived from the construction of Australian roads, highways, subdivisions, bridges and other engineering work – including major LNG projects at Curtis Island, Ichthys and Wheatstone. Our expectations for materials demand from these two market segments in FY2016 remain unchanged. A multi-year

¹ Including Boral's 50% share of underlying revenue from USG Boral, which does not appear in Boral's consolidated accounts.

recovery, led by major road projects, is expected to benefit Boral as a materials supplier from late FY2016 and more so from FY2017.

Therefore, we expect FY2016 will be a transition year for Construction Materials & Cement before an expected lift in our largest market segment next year.

Excluding Property earnings, which I will comment on in detail later, we expect to maintain similar high levels of EBIT in Construction Materials & Cement this year as delivered in FY2015.

We expect to deliver benefits from restructuring and productivity improvement initiatives together with continued strength in the Sydney construction market. This is needed in FY2016 to offset the subdued roads and engineering activity as well as reduced earnings from the Western Landfill business as a result of its divestment last year.

Royalty payments that are now coming to Boral from TPI, following the sale of the landfill business, will grow over time, starting around \$15 million per annum. This compares with the \$20- to \$25-million annual EBIT contribution from the landfill business prior to its sale, which saw us receive \$165 million of cash in FY2015.

Boral has strong internal capability and a solid track record of maximising the returns from our property assets, and the landfill business is a perfect example of this.

Property sales more broadly are a normal part of the business lifecycle of Boral's operations. That is, as quarries, concrete, asphalt and other operations come to the end of their economic life they are replaced with alternate plants at alternate sites, and the land, which generally becomes more valuable as a result of urban encroachment, is liberated. With high volumes from our quarries due to both asphalt and concrete outlets, and the movements of growth corridors, which obsolesces batching operations before the end of their useful life, we are continuously moving our network.

Historically, we have averaged \$36 million per year in Property earnings over the past ten years and \$24 million over the past five years following completion of the major, multi-year developments of an old brick site at Moorebank and our old Greystanes Quarry which incorporated the Nelsons Ridge residential development in Sydney.

Property resides in our Construction Materials & Cement division because it has the largest land bank and harvests property on a continual basis.

Examples of land ready for realisation include our 40% interest in the 2,000-hectare Penrith Lakes site, where quarry operations ceased in September 2015, a 92-hectare depleted Quarry operation in Queensland, and eight retired Concrete plant sites throughout New South Wales. Value for these properties varies due to the uniqueness of the property itself and the possible development opportunities, which are site specific. Suffice it to say that our long track record of liberating value from our end-of-life land holdings shows that our business lines in Australia continue to produce profitable opportunities for harvesting property.

So while earnings from Property sales are an ongoing feature of our business, the exact timing and level of contribution is difficult to predict and earnings can be lumpy, ranging between \$8m and \$46m of annual EBIT over the past five years.

Boral's smaller **Building Products division** delivered \$30 million of EBIT in FY2015 – a \$70 million turnaround in only two years. Restructuring and improvement initiatives have positioned the business well to take advantage of higher housing-related volumes.

With Australian brick manufacturing being challenged as a result of a reduction in brick usage and high input costs, the formation of the Boral CSR Bricks joint venture in May 2015 is allowing us to drive efficiencies across the combined network of East Coast operations, creating a more sustainable business.

Boral's Building Products division is expected to improve its underlying earnings in FY2016. However, due to the impact on earnings as a result of the Bricks East business moving from 100% consolidated results to a 40% post-tax equity accounted share of earnings from the Boral CSR Bricks JV, we expect to maintain a similar reported EBIT in FY2016 for Building Products to the reported EBIT for FY2015. This is despite housing activity expected to come of its peak during the year.

Turning now to our **Gypsum division**. Our 50%-owned USG Boral gypsum joint venture delivered a 38% increase in underlying EBIT to \$141 million, resulting in a post-tax profit contribution of \$49 million for Boral in FY2015. The business continued to leverage underlying market growth at the same time as increasing product penetration in maturing markets, including our new world leading Sheetrock® technology products.

Boral Gypsum is expected to deliver further underlying performance improvements. Volumes of new Sheetrock® products should continue to grow and synergies should also strengthen in FY2016. Synergies are expected to exceed the cash costs associated with the expanded product portfolio and technology roll-out this year.

We continue to expect construction activity to grow in FY2016 across most countries in Asia, with some uncertainty in Thailand and Indonesia, and continued subdued activity in the high end market in China.

Perhaps the best news for Boral in FY2015 was that **Boral USA** returned to profitability with a positive A\$6 million of EBIT. This is the first profitable outcome since the global financial crisis impacted in FY2007. The A\$45 million year-on-year turnaround was underpinned by a 10% increase in housing starts to 1.05 million together with a US\$20 million cost saving program.

Market forecasters are expecting total housing starts to lift to ~1.2 million starts² in FY2016, and we think this is about right. In FY2016, EBIT from Boral's USA division is expected to lift in line with this projected increase of around 150,000 housing starts.

The US business is more efficient, with a lower cost manufacturing base than at the peak of the last housing cycle. This means we will be in a very strong position to exceed our previous earnings performance at the next market peak. The US housing market could peak between 1.8-2.2 million housing starts and could take another 5-7 years before it is there.

² Analysts average (Dodge, Wells Fargo, NAR, NAHB, Fannie Mae, Freddie Mac, MBA) between May & July 2015

Divisional performance summary

In summary, in FY2016 we continue to expect ongoing strong results from our businesses in Australia – both Construction Materials & Cement and Building Products. Beyond FY2016, benefits are expected from a multi-year upcycle in major roads and infrastructure, which should more than offset the impacts of any decline in residential activity.

Longer-term, the aim in Australia is to strengthen and protect Boral's leading integrated positions in Construction Materials & Cement, grow margins and build on Boral's major project capability. In the Building Products division, we are continuing to improve the portfolio and business performance.

Boral's USA division and the USG Boral Gypsum JV should continue to deliver improved results in FY2016. Substantial medium- and longer-term earnings growth are expected to come from the continuing major market recovery in the USA and significant long-term market and product penetration growth in Asia.

Trading in the first quarter of FY2016

Before I conclude my address, I would like to provide some comments on the trading conditions in the first quarter of FY2016.

First quarter results from **Construction Materials & Cement** are in line with our expectations.

Pricing is stronger in metro New South Wales and South East Queensland compared to the prior corresponding period, however, prices are broadly steady elsewhere including in Victoria.

Improvement programs that are underway are encouraging and expected to offset the impact of inflationary cost increases.

As is often the case at this point in the year, it is still too early to provide guidance on the expected earnings from Property this year. However, at this stage it is expected to be skewed to the second half of the year.

Looking now at the first quarter results from **Building Products**.

In the September quarter, Building Products delivered an overall improved result on the prior corresponding period, with earnings in line with our expectations for the first quarter. Residential activity continued at strong levels during the first quarter of the year and pricing outcomes continued to deliver benefits.

The underlying Bricks East business, which is now part of the Boral CSR Bricks JV – and now operating under the PGH brand – delivered improved results. However, Boral's reported contribution for the division was impacted by equity accounted earnings from the Bricks JV being on a post-tax basis.

For the first quarter of the year in **USG Boral**, underlying business performance was in line with our expectations, with a solid improvement in first quarter earnings (reported in Australian dollars) compared to the prior year.

Plasterboard volumes were broadly steady overall and non-board volumes were up. While board volumes were higher in Australia, volumes were impacted as a key competitor in Korea has overcome production supply constraints, which delivered a short-term volume benefit in the prior year.

The Sheetrock® technology roll-out continued, with product penetration continuing to lift in the September quarter and price premiums remaining above 5%.

Finally, in the **USA**, total housing starts were running at 1.16 million³ annualised starts in the first quarter of this year on a seasonally adjusted basis, up 13% on the prior corresponding period. Forecasters are expecting the full year outcome to be around 14% up year-on-year, so the market recovery is continuing.

In line with our expectations, US earnings for the quarter were positive and better than last year. Volumes in Cladding and Roofing were higher than the prior corresponding period and small price improvements were delivered in bricks, roofing and composite products.

Thank you

I recognise that any success Boral has is largely attributable to the hard work and dedication of thousands of employees and contractors, some of which I will work closely with, others I will only meet in passing. I thank them all for the results delivered in FY2015.

Before I hand back to the Chairman, I would like to add to Brian's comments acknowledging the legacy that Bob Every will leave us when he steps down from the Board at the conclusion of today's meeting.

On a personal note I have learned a considerable amount from Bob as I moved into the CEO role three years ago. Thank you Bob for your support and mentorship and I look forward to our ongoing friendship.

While your departure from Boral's board will not see you end your working career, it does mean you will have more time to pursue other interests. We wish you and your wife Sheryl all the best for the future and thank you for your service to Boral.

Finally, I am looking forward to a collaboration with Brian Clark – working closely as Chairman and CEO. I am grateful to be a member of Boral's Board and to benefit from the deep experience and skills that all of my fellow Directors bring to the table. I am looking forward to the opportunities and challenges that are ahead of us and to delivering further improvements for our shareholders in the coming years.

Thank you.

³ Seasonally adjusted annualised data from US Census for September 2015 quarter.