



Boral Limited

Level 3, 40 Mount Street
North Sydney NSW 2060
PO Box 1228
North Sydney NSW 2059

T: +61 (02) 9220 6300
F: +61 (02) 9233 6605

www.boral.com.au

24 August 2016

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

Dear Sir

Results for full year ended 30 June 2016 – Investor Presentation

We attach a copy of the investor presentation in respect of Boral's full year results.

This presentation will be webcast on Boral's website at www.boral.com.au from 11.00am (Sydney time) today.

Yours faithfully

Dominic Millgate
Company Secretary

RESULTS

For the full year to
30 June 2016

24 August 2016



Agenda



- **Results Overview**

Mike Kane

- **Financial Results**

Ros Ng

- **Strategic Priorities & Outlook**

Mike Kane



Boral delivering concrete to a Sydney commercial building project

Boral today – well positioned for growth



1. Strengthened position in Australia

- Strong East Coast position including in NSW where conditions are very strong

2. Demonstrated margin expansion ability, including price and cost benefits

- Cost reductions, efficiency improvements and better pricing
- A focus on operational excellence and commercial excellence

3. Growth in key markets and across all geographies

- **Australia:** 5-6 year growth trajectory for major roads and infrastructure
- **Asia:** product penetration and economies with long-term growth
- **USA:** returned to profitability; ongoing market recovery

4. Bringing innovative products to market

- **Australia / Asia:** Sheetrock® brand gypsum technologies
- **USA:** Boral composite technologies in trim and cladding

5. Strong balance sheet and efficient capital management

3

Full year results highlights

Continuing to strengthen profitability



Revenue

Reported

\$4.3_b



2%

Continuing operations



EBIT¹

\$398_m



12%

Profit after tax¹

\$268_m



8%

Net profit after tax

\$256_m



Gearing, Net D/(Net D+E)

20%

up from 19%

Earnings per share¹

35.8_{cents}



12%

Full year dividend

22.5_{cents}



25%

ROFE^{1,2}

9.0%



from 8.2%

1. Excluding significant items

2. Return on funds employed as at 30 June

4

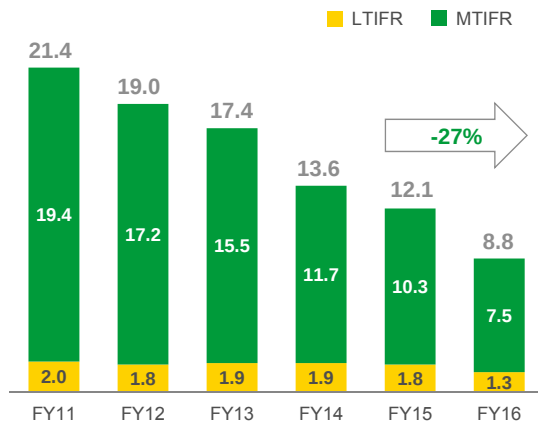


Safety performance

We are aiming for Zero Harm Today



Employee and Contractor RIFR¹ (per million hours worked)



- Continuing to reduce injuries with a **27% decrease in RIFR¹ to 8.8**
 - LTIFR reduced 28% to 1.3
 - MTIFR reduced 27% to 7.5
- Fatality free since December 2013; the longest fatality-free period since 2002
- Increased engagement with senior line management teams to improve safety in broader workforce

**ZERO HARM
TODAY**

1. Recordable Injury Frequency Rate, which comprises Medical Treatment Injury Frequency Rate (MTIFR) and Lost Time Injury Frequency Rate (LTIFR). Includes employees and contractors in 100%-owned businesses and 50%-owned joint venture operations

5

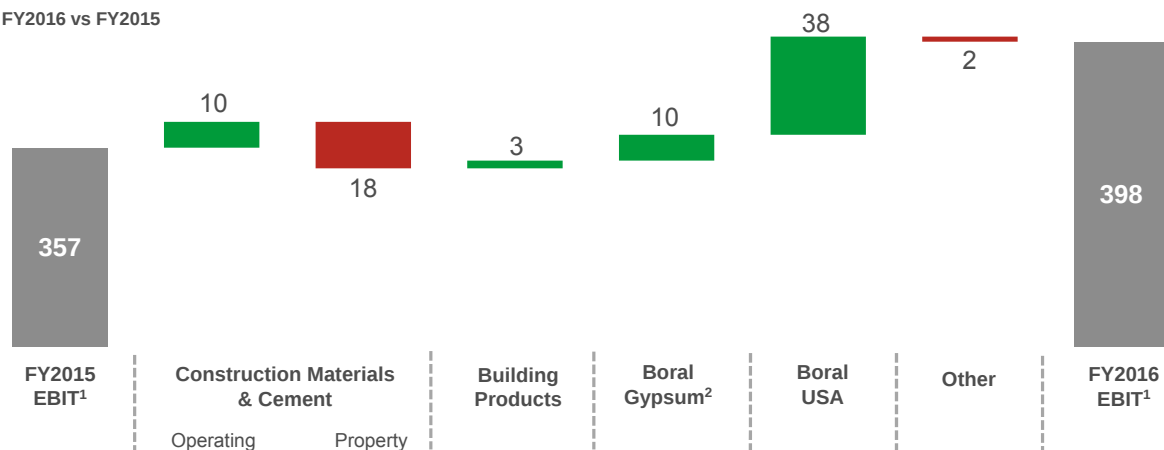
Stronger earnings performance

Driven by operational cost improvements, lower fuel costs & pricing gains



EBIT¹ variance, A\$m

FY2016 vs FY2015



1. Excluding significant items

2. Boral Gypsum EBIT represents Boral's 50% post-tax equity accounted income from the USG Boral joint venture

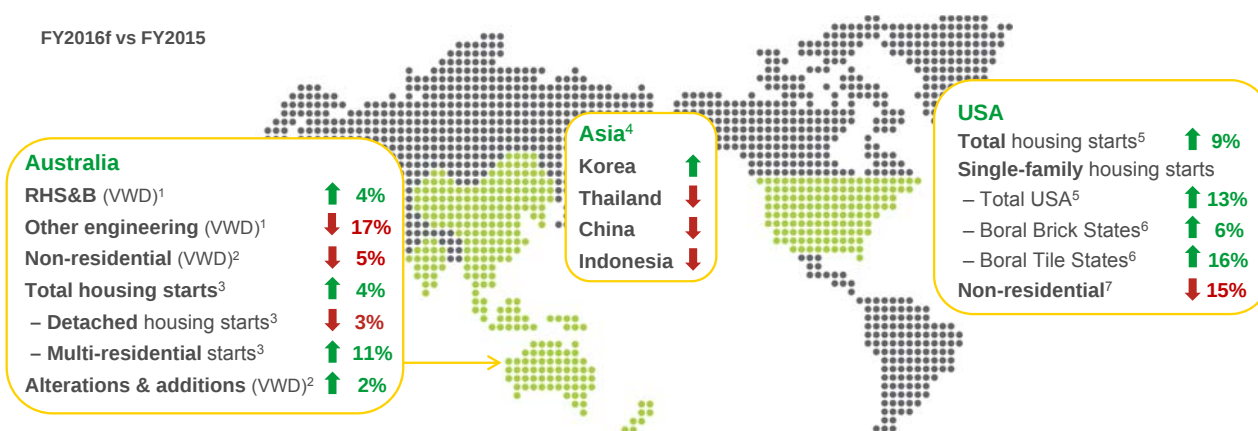
6

Mixed movements in market activity

Strong Australian residential, improving US markets & slower Asian growth



FY2016f vs FY2015



1. Roads, highways, subdivisions and bridges. RHS&B value of work done (VWD) based on an average of BIS Shrapnel and Macromonitor forecasts. Other engineering VWD based on BIS Shrapnel forecasts
2. VWD from ABS in 2013/14 constant prices. Average of BIS Shrapnel and Macromonitor forecast used for Jun-16 quarter
3. ABS original data. Average of HIA, BIS Shrapnel and Macromonitor forecasts used for Jun-16 quarter
4. 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 USG Boral operates
5. US Census Bureau seasonally adjusted data
6. Data from McGraw Hill / Dodge. Boral Brick States include: Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas. Boral Tile States include: Arizona, California, Florida, Nevada
7. McGraw Hill / Dodge value of work completed. Forecast used for Jun-16 quarter

7

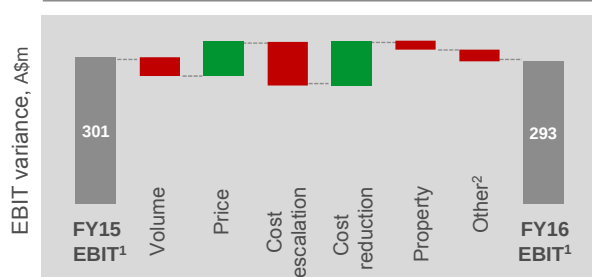


Construction Materials & Cement

Strong returns and margin expansion despite lower project activity



A\$m	FY2016	FY2015	Var, %
Revenue	2,907	3,091	(6)
EBITDA ¹	480	485	(1)
EBIT¹	293	301	(3)
EBIT ROS ¹ , %	10.1	9.8	
Net Assets	2,065	2,086	
ROFE ¹ , %	14.2	14.5	



1. Excluding significant items
2. Includes restructuring costs and absence of Landfill in FY2016
3. LNG projects and Barangaroo, NSW

8

Revenue

\$2.9b ↓ 6%

EBIT

\$293m ↓ 3%

- Excluding Landfill and reduced revenues from major projects³, **revenue at similar strong levels to FY2015**
- **Excluding Property, EBIT up 4%** reflecting pricing gains, operational cost improvements & falling fuel costs
 - **Property:** \$28m EBIT in FY2016, down from \$46m in FY2015
- **Concrete:** stronger earnings; volumes down 2% on LNG projects; prices up 2%, strength in SEQ & metro NSW
- **Quarries:** stronger earnings despite lower volumes due to weaker activity in regional Qld, WA & NT
- **Asphalt:** steady earnings despite weaker volumes from WA & Qld project activity
- **Cement:** revenue & earnings up on strong NSW activity, 2% higher average prices and cost improvements

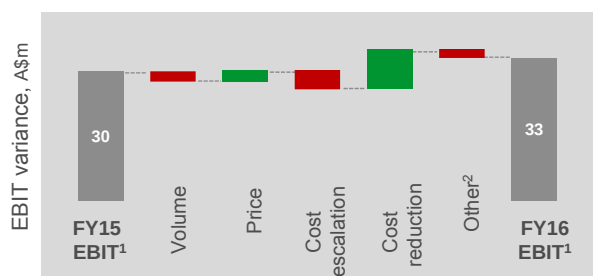


Building Products

Continued strength in housing market, cost savings & efficiency gains



A\$m	FY2016	FY2015	Var, %
Revenue	372	485	(23)
EBITDA ¹	42	50	(15)
EBIT¹	33	30	11
EBIT ROS ¹ , %	8.8	6.1	
Net Assets	347	328	
ROFE ¹ , %	9.4	9.0	



Revenue

\$372m ↓ 23%

EBIT

\$33m ↑ 11%

- Excluding impact of equity accounting for Boral CSR Bricks JV, **underlying revenue increased by 1%**
- EBIT up 11%** with pricing gains in most products, cost savings, including energy & depreciation
- Boral CSR Bricks:** Strong growth in underlying earnings with \$11.7m earnings contribution³, and \$5m synergies realised to date
- Bricks & Roofing:** stronger earnings due to 1-4% price increases, lower energy and depreciation costs
- Timber:** revenue up; 4% price increase in Hardwood, price pressure in Softwood due to import competition

1. Excluding significant items

2. Other includes redundancy costs and impact of equity accounting of Boral CSR Bricks JV

3. Equity-accounted post-tax earnings from Boral's 40% interest in Boral CSR Bricks JV

9

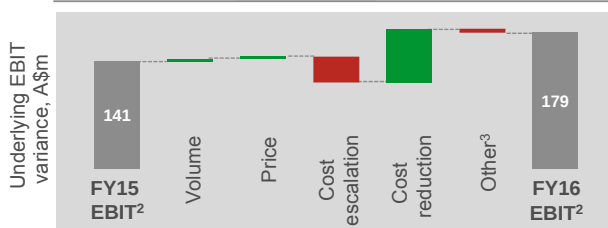


Boral Gypsum

Profit growth through new product penetration & strong cost management



A\$m	FY2016	FY2015	Var, %
Reported result			
Equity income ^{1,2}	59	49	21
Underlying result			
Revenue	1,397	1,268	10
EBITDA ²	251	201	25
EBIT²	179	141	27
EBIT ROS ² , %	12.8	11.1	
Net Assets	1,902	1,901	
ROFE ² , %	9.4	7.4	



Underlying revenue

\$1.4b ↑ 10%

Underlying EBIT

\$179m ↑ 27%

- Equity-accounted income¹ of \$59m**, up 21%
- Earnings growth** reflects continued Sheetrock® and adjacent product penetration, greater volumes in Australia and strong cost management
- Australia/NZ:** board volumes up 13%, prices up 4%, non-board sales up; higher activity in all regions but SA
- Asia:** earnings growth in **Korea** with stronger volumes offset by price competition; earnings growth in **Thailand** despite contracting domestic activity; decline in **Indonesia** on weaker market and lower margins; stronger earnings in **China** despite softer market activity

1. Post-tax equity income from Boral's 50% share of the USG Boral JV

2. Excluding significant items

3. Other includes net foreign exchange impact

10

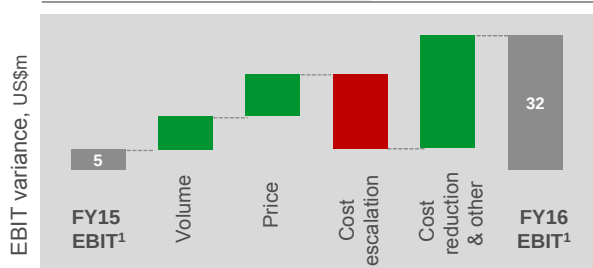


Boral USA

Strong profit growth; continuing to benefit from market recovery



A\$m	FY2016	FY2015	Var, %
Revenue	1,033	839	23
EBITDA ¹	93	50	85
EBIT ¹	44	6	
EBIT ROS ¹ , %	4.3	0.7	
Net Assets	886	827	
ROFE ¹ , %	5.0	0.7	



1. Excluding significant items

2. Cost reduction & other includes production volume leverage and one-off land sale

Revenue

A\$1.0b ↑ 23%

EBIT

A\$44m ↑ from A\$6m

- **US\$ revenue up 8% to US\$751m**; continuing to benefit from increased housing construction
- **EBIT of US\$32m**, up US\$27m, due to volume and price growth and one-off land sale of US\$7m
- **Cladding** revenue up 8% to US\$405m
 - **Bricks**: revenue up supported by re-sale product revenue growth; volumes up 4%, average prices up 1%
 - **Cultured Stone**: volumes up 7%, average prices up 2%
 - **Trim & Siding**: volume and price growth; manufacturing & marketing accelerated; targeting break-even in FY2017
- **Roofing**: volumes up 11% with higher growth in traditional Tile States; average prices steady
- **Fly Ash & Construction Materials**: strong pricing gains and strength in Denver construction market

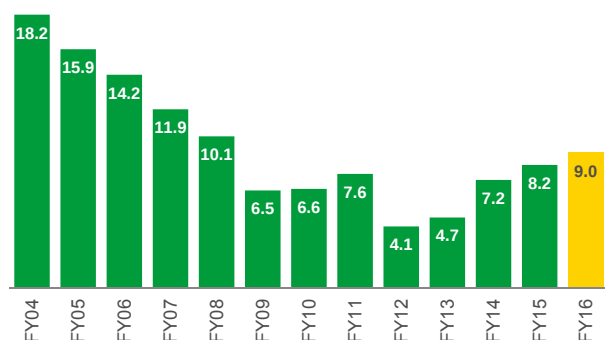
11

Focus on improving ROFE

Aiming to achieve returns that exceed the cost of capital



Group EBIT to funds employed (ROFE¹), %

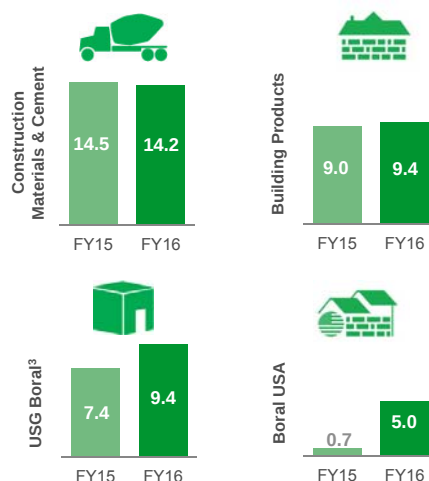


1. Excludes significant items, calculated on funds employed as at 30 June

2. Divisional EBIT return on 30 June divisional funds employed (segment assets less segment liabilities). EBIT excludes significant items

3. Based on USG Boral's underlying EBIT return on funds employed at 30 June

Divisional ROFE², %



12

Financial Results

Ros Ng – Chief Financial Officer



Group financial performance

Focus on operational excellence, costs & productivity drive profit growth



A\$m	FY2016	FY2015	Var %
Revenue	4,311	4,415	(2)
EBITDA ¹	645	605	6
Depreciation and amortisation	(247)	(249)	
EBIT¹	398	357	12
Net interest ¹	(63)	(64)	
Tax ¹	(67)	(44)	52
Profit after tax¹	268	249	8
Significant items (net)	(12)	8	
Net profit after tax	256	257	-
<i>Effective tax rate</i>	20%	15%	

Non-IFRS Information – Earnings before significant items is a non-IFRS measure that is reported to provide a greater understanding of the financial performance of the underlying businesses. Further details of non-IFRS information is included in the Results Announcement while details of significant items are provided in Note 7 of the preliminary full year financial report. Non-IFRS information has not been subject to audit or review.

1. Excluding significant items

(Figures may not add due to rounding) 14

Significant items

Tax benefit offset by impairment of earnout receivable



A\$m	Earnings	Tax	PAT ¹
Impairment of USG Boral earnout receivable ²	(51)	6	(45)
Finalisation of tax matters ³		29	29
Other ⁴	4		4
Significant items (net)	(47)	35	(12)

1. Profit after tax
2. Impairment of the three- and five-year earnout receivables recorded on commencement of the USG Boral JV. Despite underlying performance being in line with expectations on a constant currency basis, the strengthening USD resulted in the USD denominated earnout no longer being probable
3. Finalisation of a number of outstanding tax matters during FY2016 led to a benefit of \$29m being recorded
4. Additional proceeds from final working capital adjustments from sale on Indonesia Construction Materials in 2012

Non-IFRS Information – Management has provided an analysis of significant items reported during the period. These items have been considered in relation to their size and nature and have been adjusted from the reported information to assist users to better understand the performance of the underlying businesses. These items are detailed in Note 7 of the preliminary full year financial report and relate to amounts that are associated with significant business restructuring, business disposals, impairment or individual transactions. (Figures may not add due to rounding)

15

Cash flow

Improved earnings drive strong operating cash flow



Cash flow, A\$m	FY2016	FY2015
EBITDA¹	645	605
Change in working capital	40	37
Share acquisition rights vested	(15)	-
Interest and tax	(130)	(109)
Equity earnings less dividends	(15)	(34)
Other non-cash items	(13)	(38)
Restructuring costs paid	(35)	(44)
Operating cash flow	478	418
Capital expenditure	(324)	(250)
Proceeds on disposal of assets	56	194
Free cash flow	210	363
Share buy-back ²	(115)	(116)
Dividends paid	(154)	(129)
Other items	7	-
Cash flow	(52)	118

- **Operating cash flow of \$478m, up 14%, reflecting:**
 - improved earnings; and
 - higher dividends received from equity-accounted joint ventures;
 - offset by higher tax payments primarily from capital gains from Landfill sale
- **Total capex up 30% to \$324m**
- **\$56m in proceeds on disposal of assets, mostly relating to property sales**
- **Free cash flow of \$210m**
- **\$154m paid out as dividends and \$115m used for share buy-back program**

1. Excluding significant items
2. On-market share buy-back program to buy back up to 5% of issued share capital over 12 months; completed September 2015

(Figures may not add due to rounding)

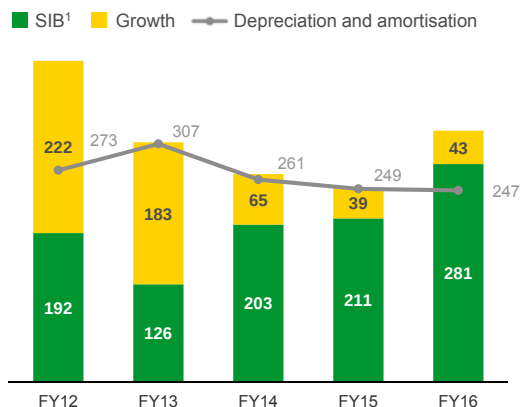
16

Capital expenditure

Ongoing disciplined capital allocation



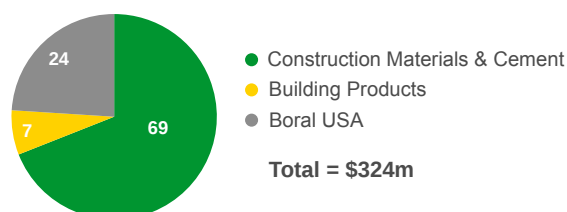
Total capital expenditure A\$m



1. Stay in business capital expenditure

- Total capex up 30% to \$324m, driven by increased SIB capex
- Growth capex constrained to essential projects
- Capital spend included:
 - Quarry upgrades at Deer Park (VIC), Orange Grove (WA) and Holton Morton (Denver, CO)
 - New and upgraded concrete plants

FY2016 capital expenditure, %



- FY2017 capex to be maintained ~\$300-\$350m

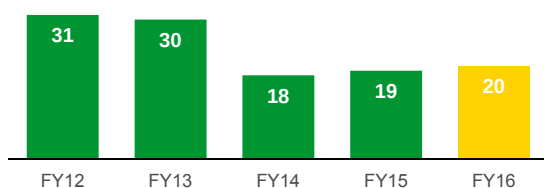
17

Balance sheet

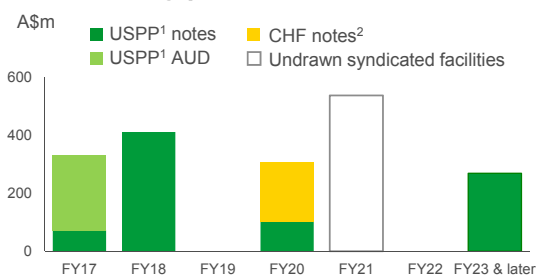
Maintaining a robust financial position



Gearing (net debt / net debt + equity), %



Debt maturity profile



1. US Private Placement notes

2. Swiss franc notes issued under EMTN program

3. Gross debt / (gross debt + equity - intangibles)

- Net debt of \$893m at 30 June 2016, up from \$817m at 30 June 2015, due to completion of the share buy-back and foreign exchange impact
- Principal debt gearing covenant³ of 30%, up from 29% at 30 June 2015 (threshold is less than 60%)
- Weighted average debt maturity of ~3.6 years
- Net interest cover of 6.3 times, up from 5.6 times

Net debt reconciliation, A\$m	FY2016
Opening balance	(817)
Cash flow	(52)
Non cash (FX)	(24)
Closing balance	(893)

18

Strategic Priorities & Outlook



Mike Kane – CEO & Managing Director



Our strategic priorities

Transforming Boral



Our vision is to transform Boral for performance excellence and sustainable growth



Our goals are to deliver:

- **World class health & safety outcomes based on Zero Harm**
- **Returns that exceed the cost of capital through the cycle**
- **More sustainable growth**

Boral Australia ¹	USG Boral	Boral USA
• Protect and strengthen our leading, integrated construction materials position and optimise returns across all businesses • Benefits from significant pipeline of major roads and infrastructure work	• Organic growth over the medium and long term through: ○ innovation ○ Asian economic growth ○ product penetration for interior linings and related products	• Growing earnings through cyclical market recovery and new product development • Disciplined approach to assessing strategically aligned M&A opportunities

1. From 1 July 2016 Boral Australia comprises the Construction Materials & Cement and Building Products divisions

Our strategic priorities

Making progress in all divisions



Boral Australia¹



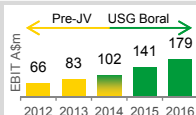
- ✓ ~\$130m of quarry reinvestment projects over next 2-3 years plus concrete plant investments
- Plans to improve Boral's cement position in Victoria
- **Operational excellence** program: includes procurement initiatives, fleet optimisation, plant efficiency projects and alternative fuels project in Cement
- **Commercial excellence** initiative: strengthening approach to revenue and margin management

1. From 1 July 2016 Boral Australia comprises the Construction Materials & Cement and Building Products divisions

USG Boral



- ✓ Strong underlying EBIT growth
- ✓ **Sheetrock® technology** roll-out ahead of schedule and capital program below budget
- ✓ **Sheetrock® adoption on target**
- ✓ ~32% of targeted US\$50m pa synergies realised as at Jun-16
- On track to deliver US\$50m pa synergies within three years of technology roll-out
- Adding 30m m² capacity to Dangjin board plant, Korea



Boral USA



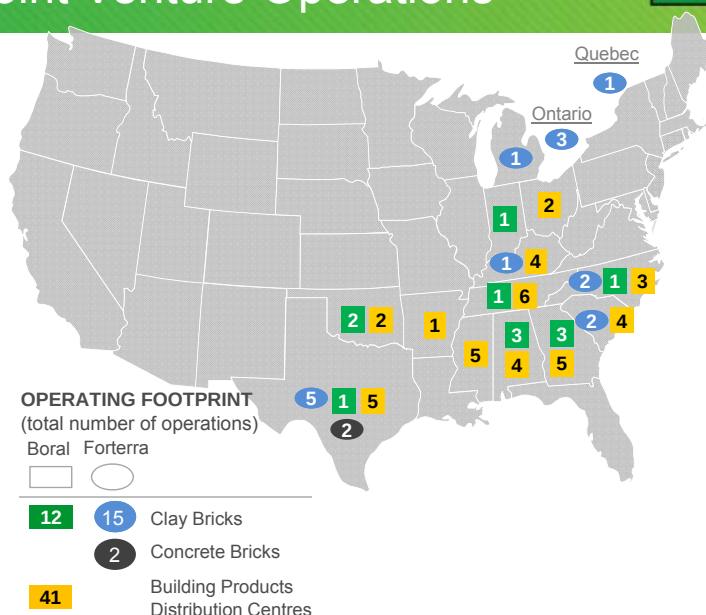
- ✓ Opened new US\$4m Innovation Factory in San Antonio, Texas
- ✓ Added manufacturing line for Boral Versetta Stone® in Napa, California
- ✓ US\$6.2m acquisition of roof tile making equipment and distribution yard in Texas
- Increase manufacturing capacity at Boral TruExterior® Siding & Trim facility in Salisbury, North Carolina
- Continuing to assess strategic M&A opportunities, with a disciplined approach

21

North American Bricks JV – Joint Venture Operations



- **Combined FY2017 annual proforma EBITDA** of ~US\$25-\$30 million
- **2,639 million SBE** (standard brick equivalent) **manufacturing capacity**
 - 2,291m SBE in current operation
 - 348m SBE mothballed
- **27 clay brick manufacturing operations** (including 4 mothballed operations)
- **2 concrete brick manufacturing operations** (including 1 mothballed operation)
- **41 Building Products Distribution Centres**
- ~1,380 combined employee base



22

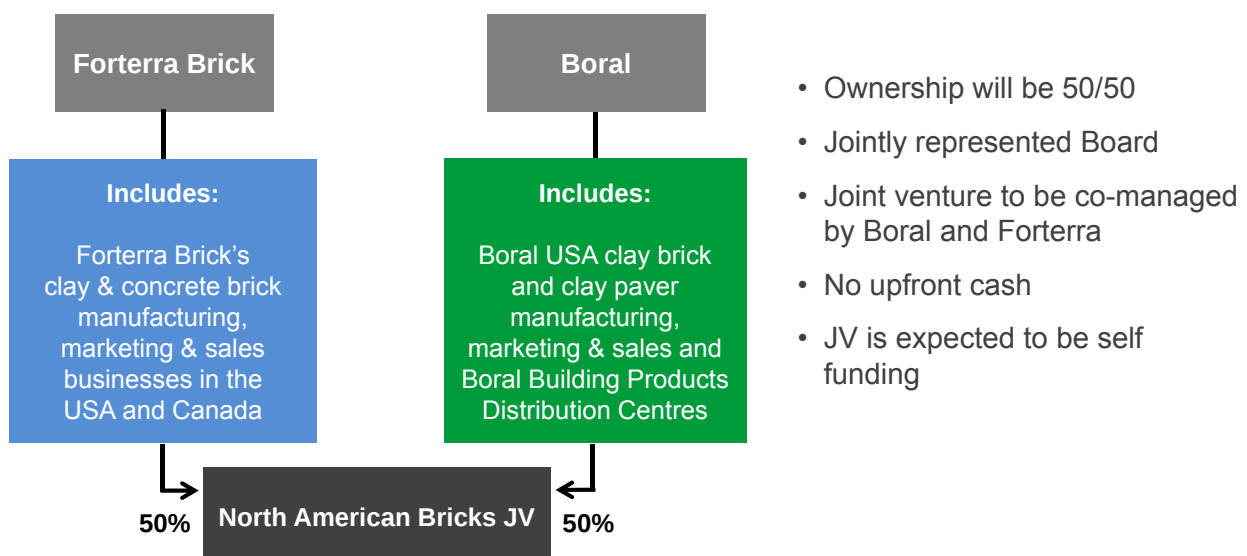
North American Bricks JV – Strategy and Rationale



- **Create a more efficient and better positioned business** to compete in the broader cladding market through the cycle
- **Optimise combined manufacturing capacity and leverage distribution network to better serve customers**
- **Deliver cost synergies**, which are expected to be ~US\$25 million+ p.a. by year 4 through:
 - Plant network optimisation
 - Improved utilisation of freight and distribution
 - Streamlined selling, marketing and administration costs
 - Procurement cost savings

23

North American Bricks JV – Transaction structure



24

North American Bricks JV – Summary



1

JV will help deliver efficiency improvements and create a more competitive bricks business within a broader cladding market

2

Opportunity to deliver more efficient manufacturing, freight and distribution networks to improve service and lower costs

3

Additional benefits through procurement and streamlined selling, marketing and administration

4

Expect to close by end of CY2016, subject to regulatory approval and standard closing conditions

25

Outlook for FY2017

Continuing solid performance expected



Boral Australia¹

- **CM&C businesses expected to deliver slightly higher EBIT in FY2017** than FY2016 (including property earnings in both years); **continued strength in Sydney markets and stronger infrastructure volumes** expected to offset weaker WA market; QLD and VIC conditions expected to remain broadly steady
- **Earnings expected to be broadly balanced between 1H and 2H** due to softer major project and WA activity ahead of **expected ramp-up of materials demand for infrastructure projects** and **timing of announced price increases**
- Contribution from property in FY2017 expected to be lower than FY2016

USG Boral

- **Building Products businesses expected to continue benefiting from strong pipeline in East Coast residential markets** and improvement initiatives in Timber; however slightly softer earnings expected due to impacts of weaker WA and SA housing conditions

Boral USA

- Expected to deliver **further performance improvements on continued penetration of Sheetrock® products, strong cost and price discipline, and synergy realisation**
- **Continued strong volumes expected in Australia**; some volume improvements expected in key Asian markets
- Expected to report **further earnings growth on increased housing activity**
- On average, external forecasters² are **projecting housing starts to increase to ~1.3 million starts in FY2017**

1. From 1 July 2016 Boral Australia comprises the Construction Materials & Cement (CM&C) and Building Products divisions

2. Average of analysts' forecasts (Dodge, Wells Fargo, NAR, NAHB, Fannie Mae, Freddie Mac, MBA) between June and July 2016

26



Questions



Supplementary slides

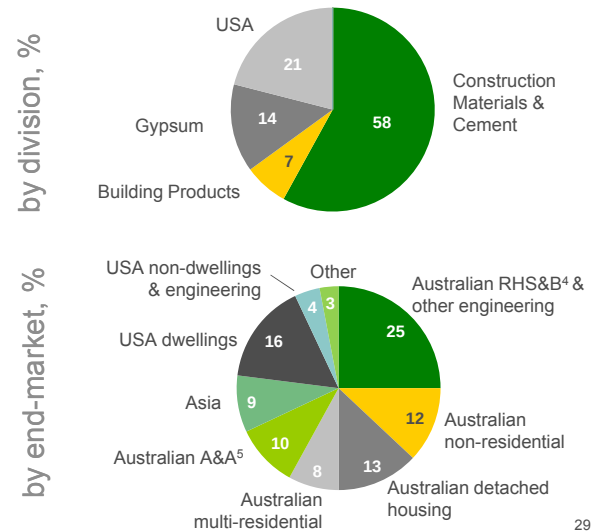
Boral Limited overview



- Boral is an international building and construction materials group with operations in Australia, the USA and Asia
- ~A\$5.28b market capitalisation¹
- S&P/ASX 100 company
- Operations across 13 countries²
- ~12,000 employees²

1. As at 22 August 2016
2. Includes USG Boral joint venture operations. As at 30 June 2016
3. Gypsum revenue represents Boral's 50% share of underlying revenue from the USG Boral JV, which is not included in Group reported revenue
4. Roads, highways, subdivisions and bridges
5. Alterations & additions

FY2016 external revenue³



29

Boral's *Fix Execute Transform* program



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.**



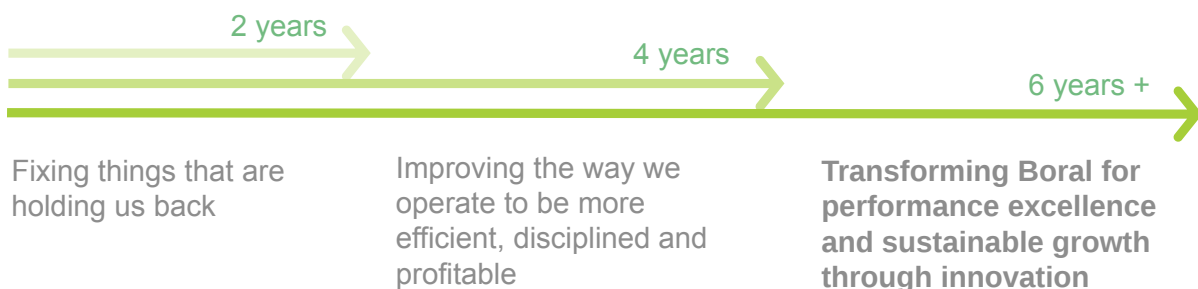
FIX



EXECUTE



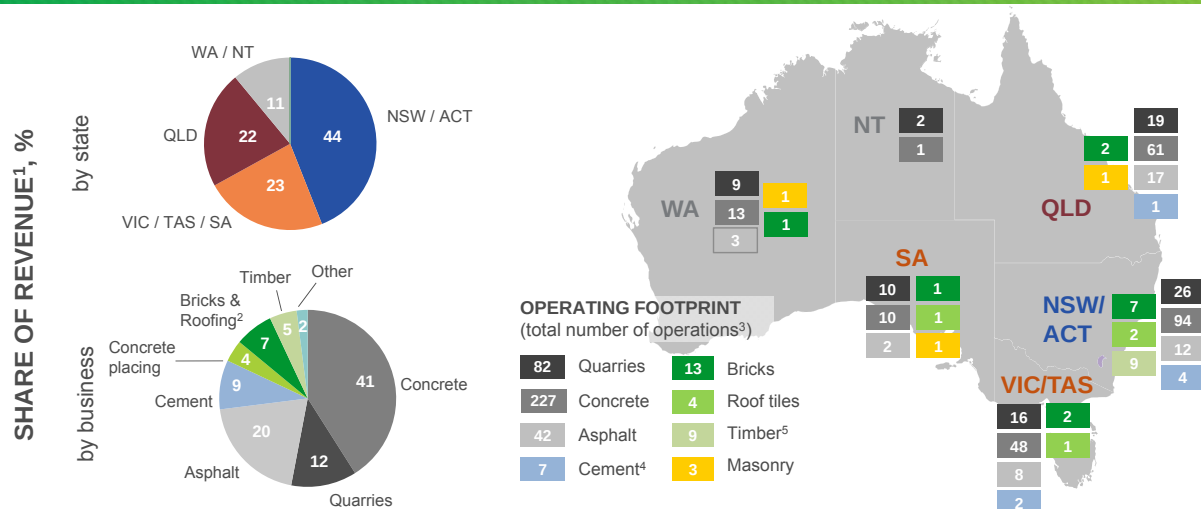
TRANSFORM



30



Boral Australia Construction Materials & Cement and Building Products

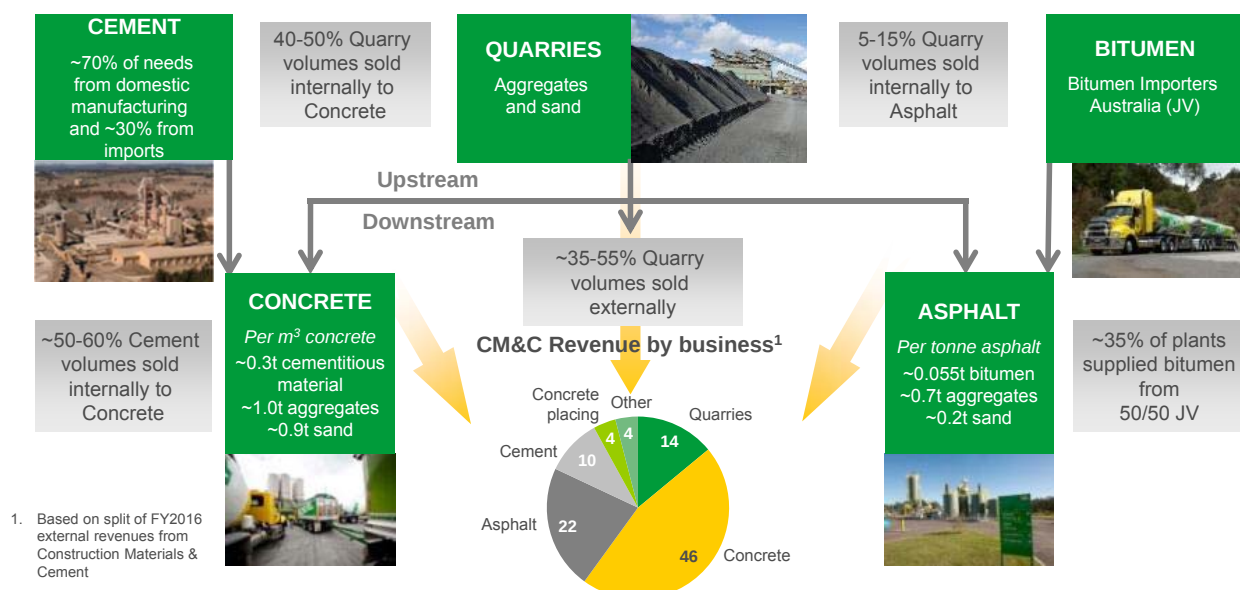


1. Based on FY2016 split of external revenue across Construction Materials & Cement and Building Products
2. Bricks & Roofing includes Masonry revenues

3. Includes Boral Australia JV operations, including all Boral CSR JV brick plants on the East Coast
4. Includes cement manufacturing plant, bagging plant and lime plant in NSW, a clinker grinding plant in Vic and a clinker grinding JV in Qld
5. Includes 8 Boral Hardwood mills and 1 JV Softwood operation

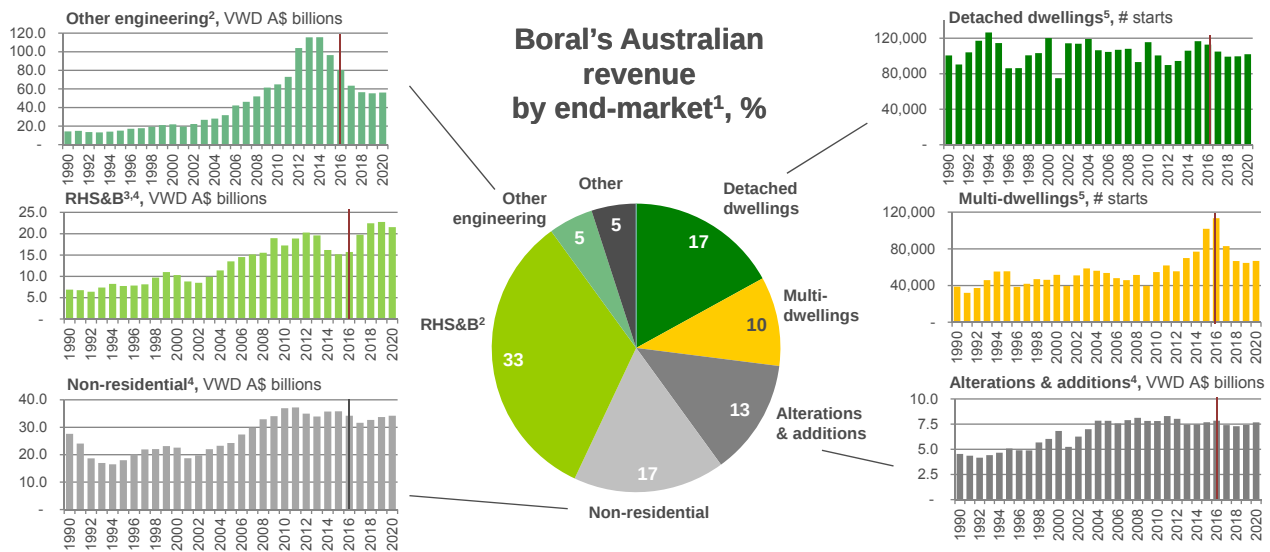
31

In CM&C, Boral is well positioned with strategic reserves and integrated downstream operations



32

Boral Australia revenues are derived from various segments



1. Based on split of FY2016 external revenues from Construction Materials & Cement and Building Products
 2. Source: BIS Shrapnel forecast
 Note all charts are for financial years and have been based on 2013/14 dollars

3. Roads, highways, subdivisions and bridges
 4. Source: BIS Shrapnel and Macromonitor forecasts
 5. Source: BIS Shrapnel, Macromonitor and HIA

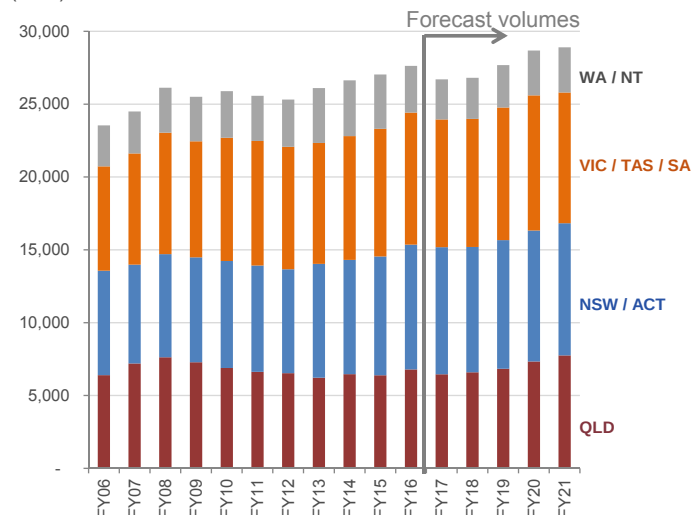
33

Concrete demand in Australia

Industry demand forecast to remain at high levels



Macromonitor forecast¹ pre mix concrete demand across all Australian construction markets ('000) m³



- ~0.9% CAGR² in concrete volumes forecast from FY2016 to FY2021
- Decline in FY2017 forecast volumes largely driven by WA / NT and regional markets
- Growth in RHS&B³ activity forecast to offset the decline in resources sector engineering work and anticipated softening in multi-dwellings

1. Source: Macromonitor, Construction Materials provisional forecast, July 2016
 2. Compound annual growth rate
 3. Roads, highways, subdivisions & bridges

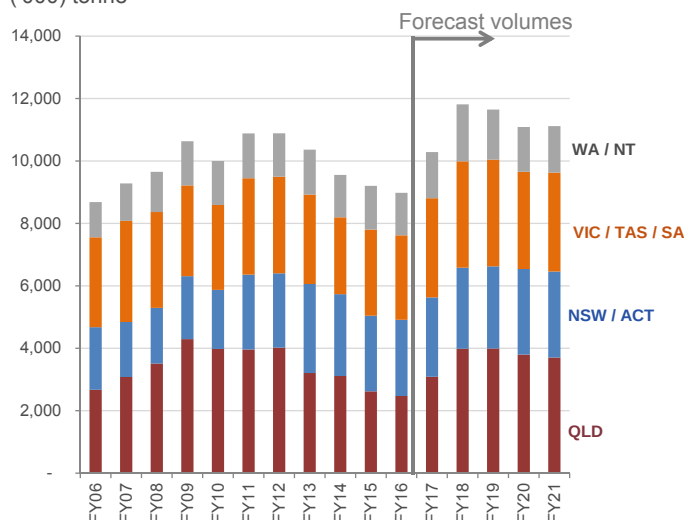
34

Asphalt demand in Australia

Industry demand forecast to increase and remain at high levels



Macromonitor forecast¹ asphalt demand across all Australian construction markets ('000) tonne³



- ~4.4% CAGR² in asphalt volumes forecast from FY2016 to FY2021, with significant increases forecast in FY2017 and FY2018
- Growth in major roads infrastructure underpins increase in forecast demand
- Forecast growth in demand driven by Qld and Vic in FY2017, and Qld and WA in FY2018

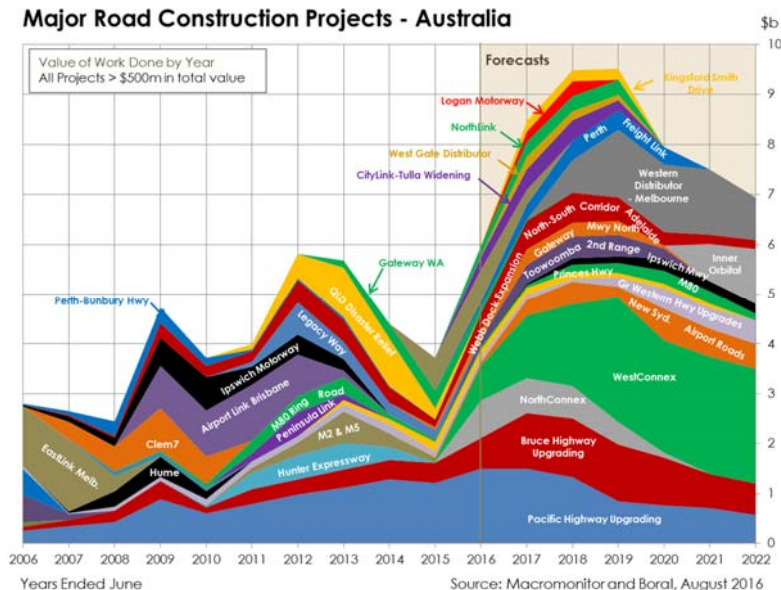
1. Source: Macromonitor, Construction Materials provisional forecast, July 2016
2. Compound annual growth rate

Australian major road projects pipeline

Expected to translate into stronger materials demand from FY2017



Major Road Construction Projects - Australia



Boral's Australian project pipeline

As at August 2016

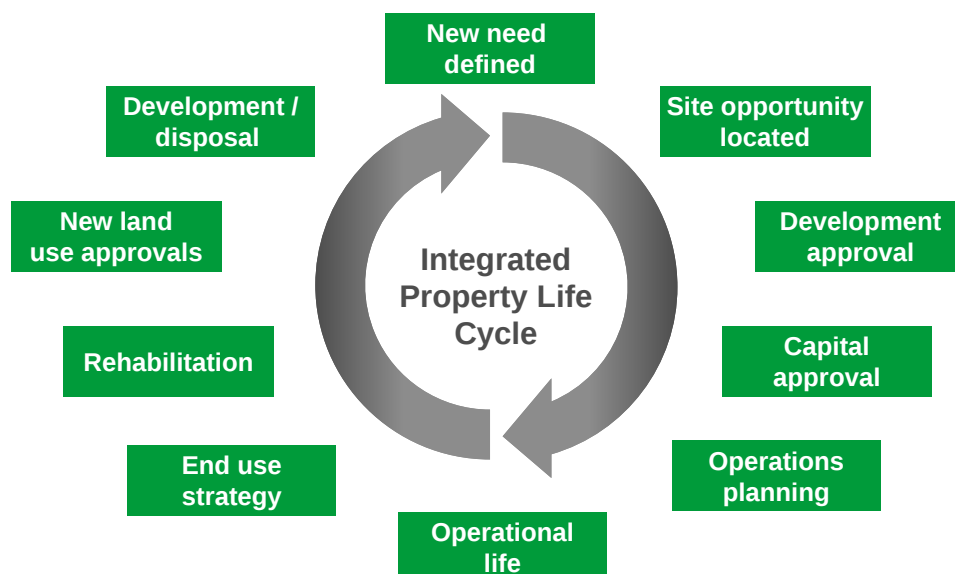


Projects committed	Timing	Projects under tender	Status
Perth Stadium, WA	Est. completion Oct-16	Pacific Hwy W2B, NSW	Currently tendering
Bringelly Road Stage 1, NSW	Est. completion Jun-17	Toowoomba Bypass, QLD	Currently tendering
Mitchell Freeway, WA	Est. completion Jun-17	Roe 8, Main Roads, WA	Currently tendering
Pacific Hwy Nambucca, NSW	Est. completion Jul-17	Northern Connector, SA	Currently tendering
Wheatstone, WA	Est. completion Dec-17	Northlink stages 1, 2 & 3, WA	Currently tendering
Torrens to Torrens, SA	Est. completion Feb-18	Darlington Upgrade, SA	Currently tendering
Gateway Upgrade North, QLD	Est. completion Mar-18	Kingsford Smith Dr, QLD	Currently tendering
NorthConnex, NSW	Est. completion Jun-19	Cooroy to Curra Sect.C, QLD	Currently tendering
Airport Link, WA	Commencing Apr-17	Sydney Metro City&SW, NSW	Currently tendering
Amrun Project, QLD	Commencing Jul-16	Northern / Bringelly Rds, NSW	Currently tendering
		Brisbane Airport Runway, QLD	Currently tendering
		Western Distributor, VIC	Pre-tendering
		Melbourne Metro, VIC	Pre-tendering
		West. Sydney Stadium, NSW	Pre-tendering
		Sunshine Coast Airport, QLD	Pre-tendering
		Westconnex (stage 3), NSW	Pre-tendering

1. Projects recently awarded to Boral are highlighted in grey

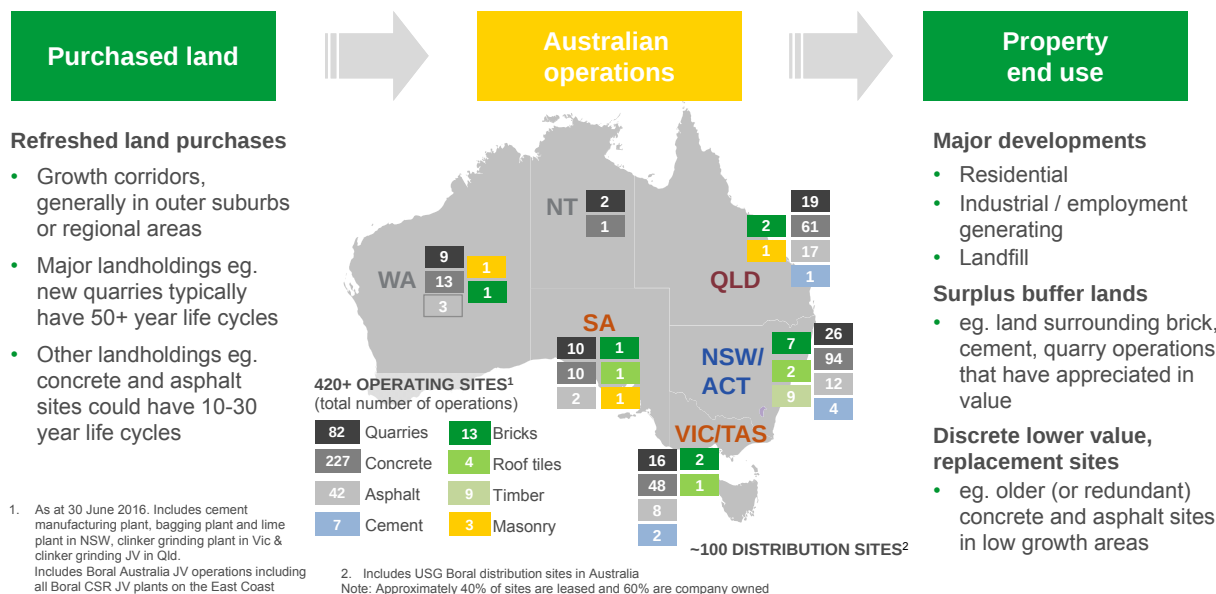
37

In CM&C, Property is managed as an integrated and ongoing feature of the business



38

Boral Australia has a large land bank and harvests property on a continual basis

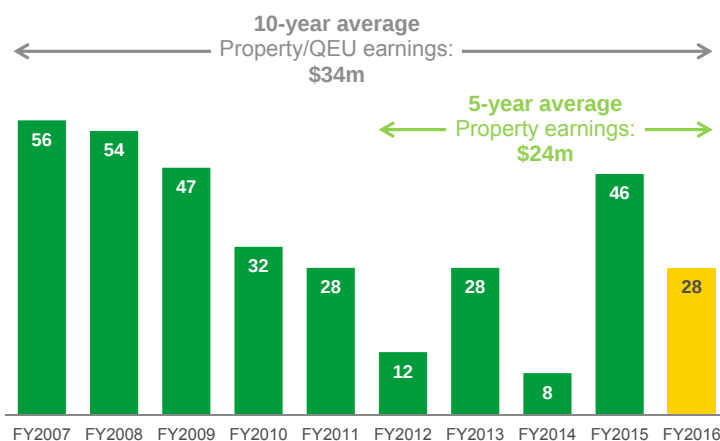


39

Boral has a solid track record of maximising returns from property assets



Property EBIT¹, A\$m



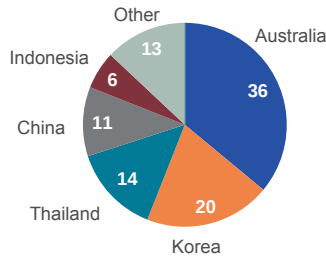
Boral Property Group

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

1. Excludes significant items. FY2007 – FY2010 includes earnings from significant multi-year developments at Moorebank and Nelsons Ridge, and initial earnings from the Landfill business

40

SHARE OF REVENUE¹, %



- Based on split of FY2016 underlying revenue for USG Boral
- Certain manufacturing facilities and gypsum mines held in JV with third parties
- Production of plasterboard and other products may be at the same physical location

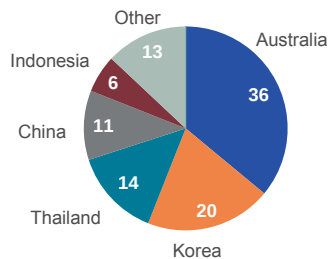
MANUFACTURING FOOTPRINT (total number of operations²)

19	Plasterboard plants 641m m ² capacity (25 board lines / 6 ceiling lines)
3	Gypsum mines
31	Other plants³ mineral fibre ceiling tile, metal ceiling grid, metal products, joint compounds, mineral wool and cornice production



41

SHARE OF REVENUE¹, %



- Based on split of FY2016 underlying revenue for USG Boral
- Certain manufacturing facilities and gypsum mines held in JV with third parties
- Production of plasterboard and other products may be at the same physical location

Note: GDP growth is real GDP growth rate 2015 | Population figures as at December 2014 | Population growth based on 2014 estimates | Urban population as a percentage of total population for 2014 | Rate of urbanisation based on annual rate of change between 2010 and 2015E
Source: CIA World Factbook

MANUFACTURING FOOTPRINT (total number of operations²)

19	Plasterboard plants
3	Gypsum mines
31	Other plants³

India	
GDP growth	7.3%
Population	1.25 bn
Population growth	1.2%
Urban population	32.7%
Rate of urbanisation	2.4%

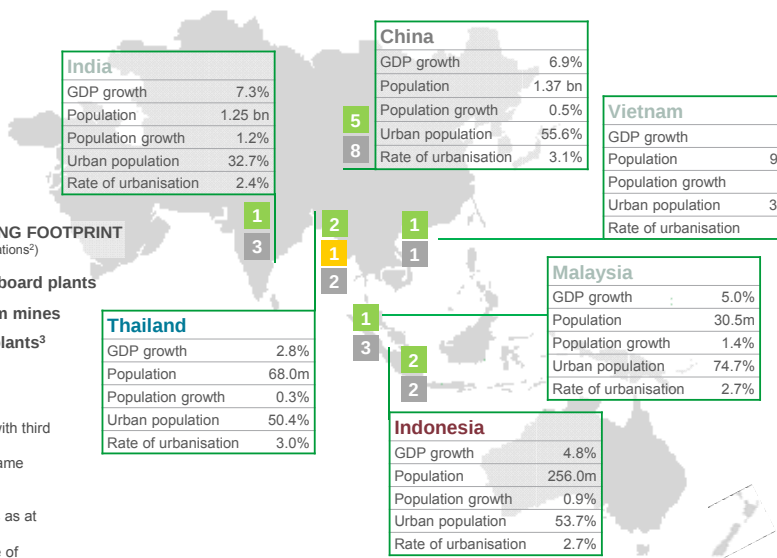
Thailand	
GDP growth	2.8%
Population	68.0m
Population growth	0.3%
Urban population	50.4%
Rate of urbanisation	3.0%

China	
GDP growth	6.9%
Population	1.37 bn
Population growth	0.5%
Urban population	55.6%
Rate of urbanisation	3.1%

Vietnam	
GDP growth	6.7%
Population	94.3m
Population growth	1.4%
Urban population	33.6%
Rate of urbanisation	3.0%

Malaysia	
GDP growth	5.0%
Population	30.5m
Population growth	1.4%
Urban population	74.7%
Rate of urbanisation	2.7%

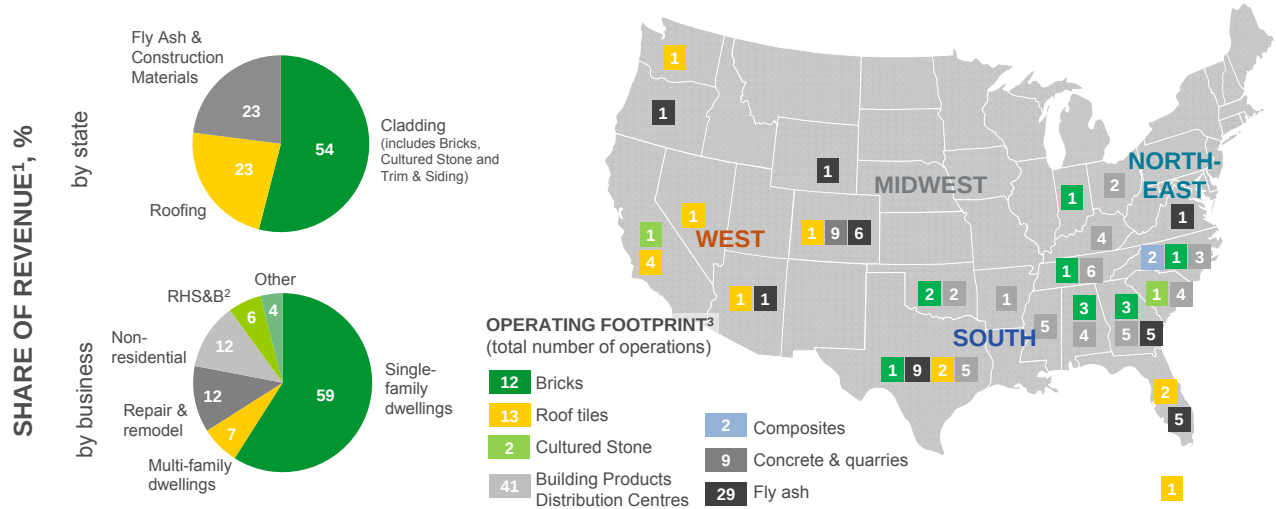
Indonesia	
GDP growth	4.8%
Population	256.0m
Population growth	0.9%
Urban population	53.7%
Rate of urbanisation	2.7%





Boral USA

A strong national footprint



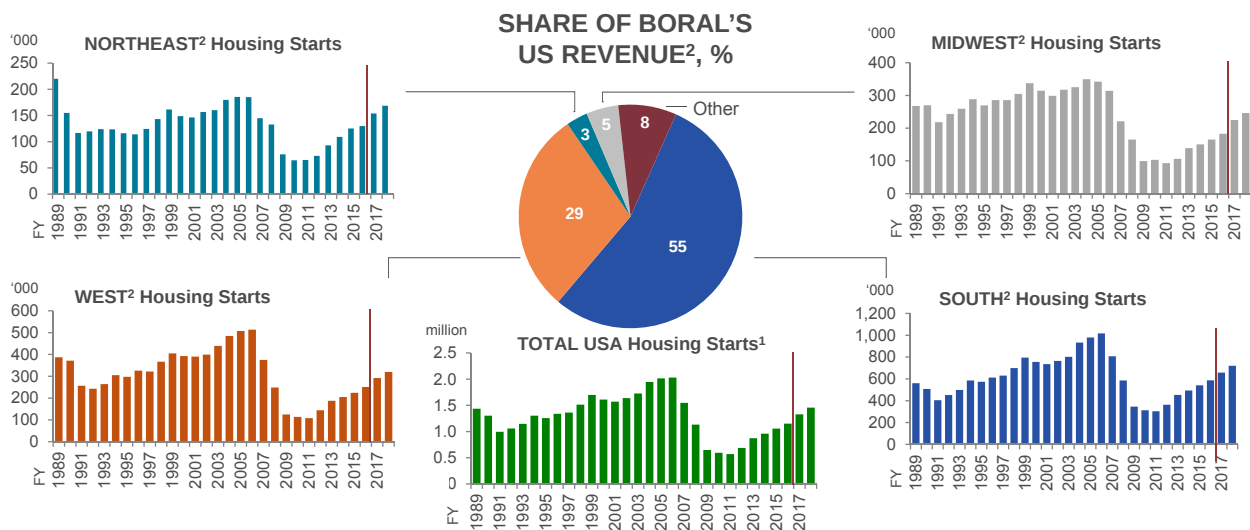
1. Based on split of FY2016 external revenue for Boral USA
2. Roads, highways, subdivisions and bridges

4. SOUTH consists of *AL, AR, DE, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, WV, VA* | NORTHEAST consists of CT, MA, ME, NH, NJ, NY, PA, RI, VT | MIDWEST consists of IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI | WEST consists of AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY. States italicised in green are the states in which Boral operates and are included in Boral's US Revenue chart.

43

US residential construction continues to recover in all regions

Forecasters¹ expect ~1.3m housing starts in FY2017 and ~1.5m by FY2018



1. Housing starts forecasts based on the average of Dodge, Wells Fargo, NAR, NAHB, Fannie Mae, Freddie Mac and MBA analysts between June and July 2016. Historical data – US Census Bureau
2. SOUTH consists of *AL, AR, DE, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, WV, VA* | NORTHEAST consists of CT, MA, ME, NH, NJ, NY, PA, RI, VT | MIDWEST consists of IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI | WEST consists of AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY. States italicised in green are the states in which Boral operates. Revenue split is based on FY2016 external revenues with 'Other' including sales outside of the USA

44

FY2016 segment revenue and EBIT



	External revenue A\$m			EBIT ¹ A\$m		
	FY2016	FY2015	Var, %	FY2016	FY2015	Var, %
Construction Materials & Cement	2,907	3,091	(6)	293	301	(3)
Building Products	372	485	(23)	33	30	11
Boral Gypsum ²	–	–		59	49	21
Boral USA	1,033	839	23	44	6	
Unallocated	–	–		(31)	(29)	7
TOTAL	4,311	4,415	(2)	398	357	12

1. Excluding significant items

2. Boral Gypsum EBIT represents Boral's 50% post-tax equity accounted income from USG Boral

(Figures may not add due to rounding)

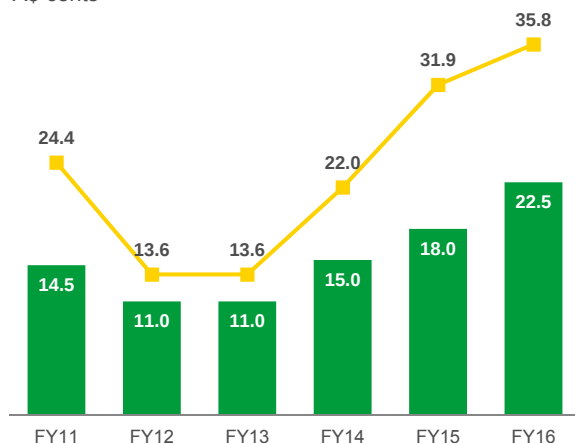
45

Earnings and dividends per share



Earnings and dividends per share¹

A\$ cents



1. Earnings per share, excluding significant items

- Fully franked full year dividend of 22.5 cents, up 25% on FY2015
 - fully franked final dividend of 11.5 cents
- Full-year dividend payout ratio of 62%
 - in line with Boral's Dividend Policy of between 50-70% of earnings before significant items, subject to the Company's financial position

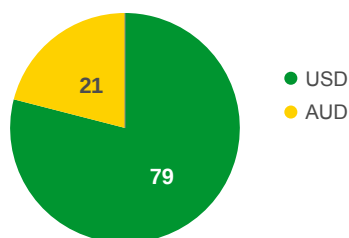
46

Debt profile



Gross debt currency exposure, %

As at 30 June 2016



Total = A\$1,345m

Debt facilities	FY2016 A\$m	FY2015 A\$m
US PP ¹	1,136	1,105
CHF notes ²	205	209
Other loans/ finance leases	4	9
Gross debt	1,345	1,323
Net debt	893	817

1. US Private Placement notes 2. Swiss notes issued via EMTN program. Swapped to USD

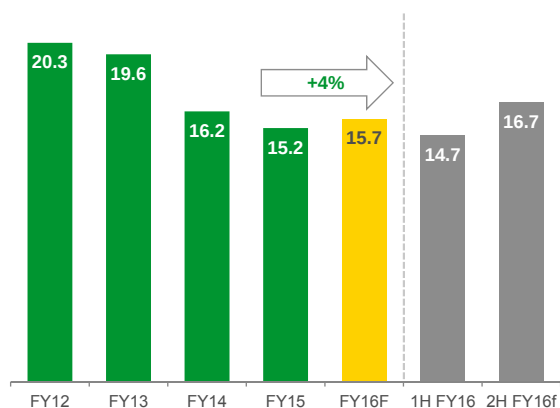
47

RHS&B activity is increasing Driven by growth in NSW-based activity



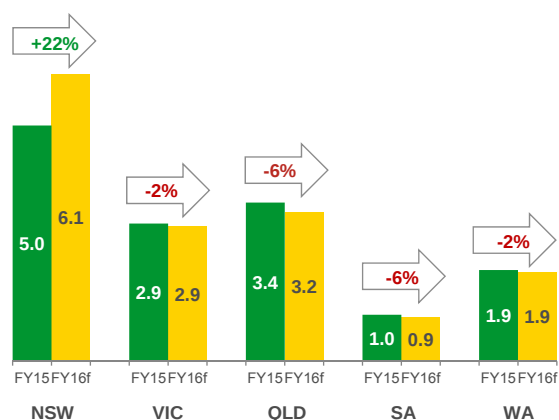
RHS&B¹ – Australia

(value of work done, \$b)



RHS&B¹ – by state

FY2016f v FY2015 (value of work done, \$b)



1. RHS&B refers to roads, highways, subdivisions and bridges. Original series data from ABS. FY12 to FY16f figures are an average of BIS Shrapnel and Macromonitor data. Six monthly data annualised and based on BIS forecast

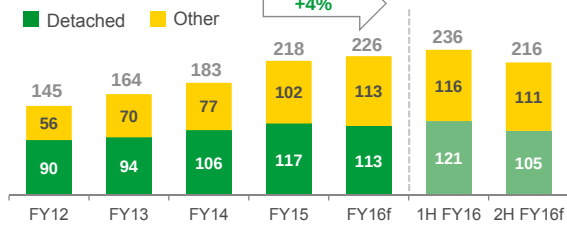
48

Australian residential activity remains strong

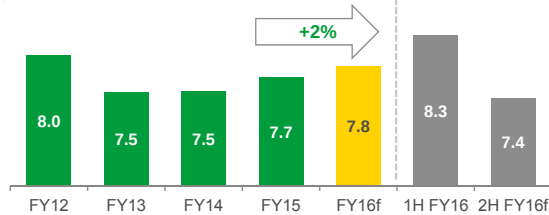
Housing starts growth driven by NSW, Qld & Vic



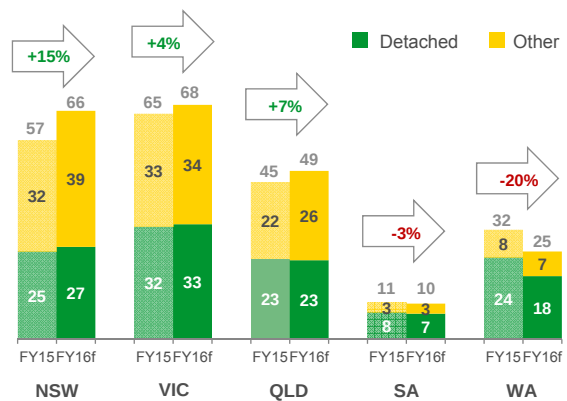
Total housing starts¹
('000)



Alterations & additions (A&A)²
(value of work, \$b)



Housing starts – by state¹
FY2016f vs FY2015



1. Original series housing starts from ABS to Mar-16 quarter, average of BIS Shrapnel, Macromonitor and HIA forecasts for Jun-16 quarter. Six monthly data annualised
2. Original series (constant 2013/14 prices) from ABS. Average of BIS Shrapnel and Macromonitor forecast for Jun-16 quarter. Six monthly data annualised

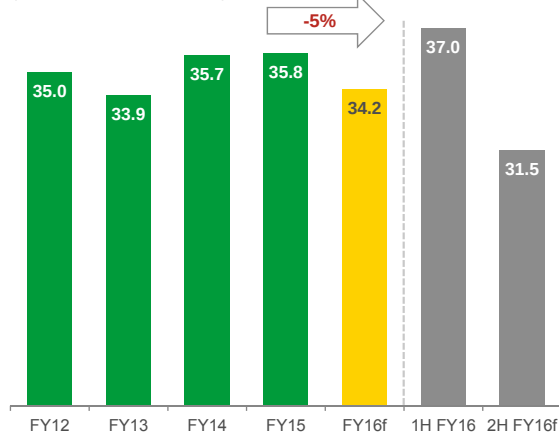
49

Australian non-residential activity moderated

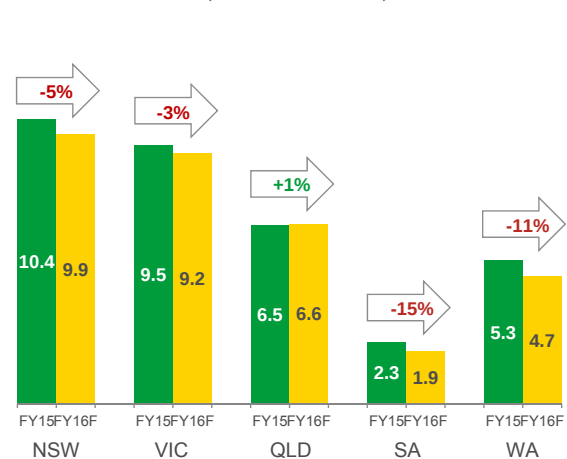
Non-residential activity estimated to decline modestly



Non-residential¹
(value of work done, \$b)



Non-residential – by state¹
FY2015f v FY2014 (value of work done)



1. Original series (constant 2013/14 prices) from ABS. Average of BIS Shrapnel and Macromonitor forecast for Jun-16 quarter. Six monthly data annualised

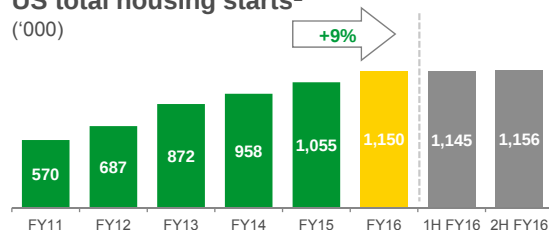
50

US housing activity continues to recover

Total US housing starts remain below long-term average

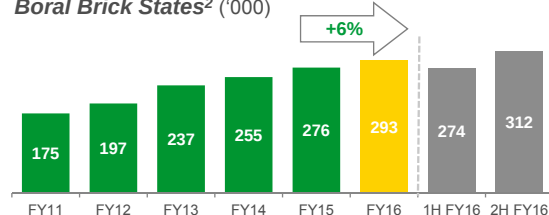


US total housing starts¹
(‘000)

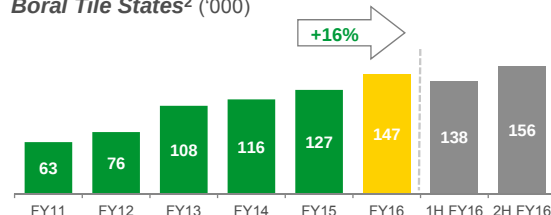


- Total US housing starts of 1,150k¹ in FY2016, up 9%, with single-family starts up 13%¹
 - Total starts remain ~23% below long-term average of 1.5m housing starts
- US single-family starts in Boral Brick States² and Boral Tiles States² up 6% and 16% respectively

US single-family housing starts
Boral Brick States² (‘000)



US single-family housing starts,
Boral Tile States² (‘000)



1. Seasonally adjusted annualised data from US Census. Six monthly data annualised

2. Data from McGraw Hill/ Dodge. Boral's Brick States include: Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas. Boral's Tile States include: Arizona, California, Florida, Nevada

51

Non IFRS information



Boral Limited's statutory results are reported under International Financial Reporting Standards. Earnings before significant items is a non-IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. Significant items are detailed in Note 7 of the preliminary Financial Report and relate to amounts of income and expense that are associated with significant business restructuring, business disposals, impairment or individual transactions.

A reconciliation of earnings before significant items to reported statutory profit is detailed below:

(A\$ millions)	Earnings before significant items	Significant Items	Total	Continuing Operations	Discontinued Operations	Total
Sales revenue	4,311.2	-	4,311.2	4,311.2	-	4,311.2
EBIT	397.9	(46.5)	351.4	347.4	4.0	351.4
Finance costs	(63.2)	-	(63.2)	(63.2)	-	(63.2)
Earnings before tax	334.7	(46.5)	288.2	284.2	4.0	288.2
Tax (expense) / benefit	(66.7)	34.5	(32.2)	(32.2)	-	(32.2)
Net profit after tax	268.0	(12.0)	256.0	252.0	4.0	256.0

Boral Gypsum division commentary also includes a non-IFRS measure of underlying results excluding significant items, representing the 12 months trading results to assist users to better understand the trading results of this division.

The results announcement has not been subject to review or audit, however it contains disclosures which are extracted or derived from the Preliminary Financial Report for the year ended 30 June 2016. This Preliminary Financial Report for the year ended 30 June 2016 is prepared in accordance with the ASX listing rules and should be read in conjunction with any announcements to the market made by the Group during the year. 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 around 15 September 2016. The Annual Report is currently being finalised in publishable form.

52

Disclaimer



The material contained in this document is a presentation of information about the Group's activities current at the date of the presentation, 24 August 2016. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

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

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

