ANNUAL GENERAL MEETING 2016

3 November 2016
Sydney

CHAIRMAN’S ADDRESS
Dr Brian Clark
CELEBRATING 70 YEARS

Boral Australia
Construction Materials & Cement and Building Products

Well positioned, integrated downstream operations

1. As at 3 November 2016. Includes Boral Australia JV operations. Cement includes manufacturing plant, bagging plant and lime plant in NSW, a clinker grinding plant in Vic and a clinker grinding JV in Qld. Timber includes 8 Boral Hardwood mills and 1 JV Softwood operation.
USG Boral
50%-owned joint venture in Australasia, Asia & Middle East

Manufacturing footprint (total number of operations1)
- Plasterboard plants: 19
- Gypsum mines: 3
- Other plants2: 30

19 Plasterboard plants
641 m² capacity (25 board lines / 6 ceiling lines)
3 Gypsum mines
30 Other plants2
- mineral fibre ceiling tile, metal ceiling grid, metal products, joint compounds, mineral wool and cornice production

Beside the map, a pie chart shows the share of revenue by country:
- Australia: 36%
- China: 11%
- South Korea: 14%
- Indonesia: 6%
- Thailand: 13%
- Other: 20%

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

Boral USA
US operations (pre Bricks JV)

Operating footprint (total number of operations)
- Bricks: 12
- Roof tiles: 19
- Cultured Stone: 2
- Building Products Distribution Centres: 41
- Composites: 2
- Concrete & quarries: 9
- Fly ash: 29

Boral’s new Discovery Center in San Antonio, Texas; part of the Boral Innovation Factory

1. SOUTH consists of AL, AR, DE, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA | NORTHEAST consists of CT, MA, ME, NH, NJ, NY, PA, RI, VT | MIDWEST consists of IA, IL, 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.
Community partnerships

Conservation Volunteers Australia

Boral and Habitat for Humanity Australia in Indonesia

Conservation Volunteers Australia

FY2016 financial results

Revenue
- Reported: $4.3b
- Continuing operations: 2%

EBIT\(^1\)
- \$398m
- Up 12%

Profit after tax\(^1\)
- \$268m
- Up 8%

Net profit after tax
- \$256m

Gearing, Net D/(Net D+E)
- 20%
- Up from 19%

Earnings per share\(^1\)
- 35.8 cents
- Up 12%

Full year dividend
- 22.5 cents
- Up 25%

ROFE\(^1,2\)
- 9.0%
- Up from 8.2%

1. Excluding significant items
2. Return on funds employed as at 30 June
Capital management

Net debt, A$ million

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<thead>
<tr>
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<tbody>
<tr>
<td>FY2012</td>
<td>1,518</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2013</td>
<td>1,446</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>FY2014</td>
<td>718</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2015</td>
<td>817</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2016</td>
<td>893</td>
<td></td>
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Gearing, % (net debt / net debt + equity)

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<tbody>
<tr>
<td>FY2012</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2013</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2014</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2015</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2016</td>
<td>20</td>
<td></td>
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Earnings and dividends per share¹

A$ cents

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<tbody>
<tr>
<td>EPS</td>
<td>13.6</td>
<td>13.6</td>
<td>22.0</td>
<td>31.9</td>
<td>35.8</td>
</tr>
<tr>
<td>DPS</td>
<td>11.0</td>
<td>11.0</td>
<td>15.0</td>
<td>18.0</td>
<td>22.5</td>
</tr>
</tbody>
</table>

¹ Earnings per share, excluding significant items

Board of Directors

Dr Brian Clark
Non-executive Chairman

Mike Kane
CEO & Managing Director

Catherine Brenner
Non-executive Director

Dr Eileen Doyle
Non-executive Director

Kathryn Fagg
Non-executive Director

John Marlay
Non-executive Director

Karen Moses
Non-executive Director

Paul Rayner
Non-executive Director
CEO’S ADDRESS
Mike Kane
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**

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

**ZERO HARM TODAY**
A strong safety culture

Employee and Contractor RIFR¹
(per million hours worked)

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</thead>
<tbody>
<tr>
<td>LTIFR</td>
<td>2.0</td>
<td>1.8</td>
<td>1.9</td>
<td>1.9</td>
<td>1.8</td>
<td>1.3</td>
</tr>
<tr>
<td>MTIFR</td>
<td>21.4</td>
<td>19.0</td>
<td>17.4</td>
<td>13.6</td>
<td>12.1</td>
<td>8.8</td>
</tr>
</tbody>
</table>

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.

Boral Australia

Construction Materials & Cement

<table>
<thead>
<tr>
<th></th>
<th>Revenue, A$m</th>
<th>EBIT¹, A$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2015</td>
<td>3,091</td>
<td>2,907</td>
</tr>
<tr>
<td>FY2016</td>
<td>2,907</td>
<td>2,907</td>
</tr>
</tbody>
</table>

Building Products

<table>
<thead>
<tr>
<th></th>
<th>Revenue, A$m</th>
<th>EBIT¹, A$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2015</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>FY2016</td>
<td>33</td>
<td>33</td>
</tr>
</tbody>
</table>

¹. Excluding significant items
Boral Australia revenue derived from various segments

Boral’s Australian revenue by end-market¹, %

<table>
<thead>
<tr>
<th>End-Market</th>
<th>Revenue Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads, highways, subdivisions &amp; bridges</td>
<td>33%</td>
</tr>
<tr>
<td>Multi-dwellings</td>
<td>17%</td>
</tr>
<tr>
<td>Detached dwellings</td>
<td>10%</td>
</tr>
<tr>
<td>Other engineering</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
<tr>
<td>Non-residential</td>
<td>17%</td>
</tr>
</tbody>
</table>

Boral’s Australian revenue by state¹, %

<table>
<thead>
<tr>
<th>State</th>
<th>Revenue Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW / ACT</td>
<td>44%</td>
</tr>
<tr>
<td>QLD</td>
<td>22%</td>
</tr>
<tr>
<td>VIC / TAS / SA</td>
<td>23%</td>
</tr>
<tr>
<td>WA / NT</td>
<td>11%</td>
</tr>
</tbody>
</table>

1. Based on split of FY2016 external revenues from Construction Materials & Cement and Building Products

Boral’s Australian project pipeline
As at October 2016

Projects committed/underway

- Perth Stadium, WA: Oct-16
- Bringelly Road Stage 1, NSW: Jun-17
- Mitchell Freeway, WA: Jun-17
- Pacific Hwy Nambucca, NSW: Jul-17
- Wheatstone, WA: Dec-17
- Torrens to Torrens, SA: Feb-18
- Gateway Upgrade North, QLD: Mar-18
- Amrun Project, QLD: Dec-18
- NorthConnex, NSW: Jun-19

Projects committed

- Airport Link, WA: Apr-17
- Northlink Stage 1, WA: Oct-16

Projects under tender

- Pacific Hwy W2B, NSW
- Toowoomba Bypass, QLD
- Roe 8, Main Roads, WA
- Northern Connector, SA
- Northlink stages 2 & 3, WA
- Darlington Upgrade, SA
- Kingsford Smith Dr, QLD
- Cooroy to Curra Sect.C, QLD
- Sydney Metro City&SW, NSW
- Northern / Bringelly Rds, NSW
- Brisbane Airport Runway, QLD
- Western Distributor, VIC
- Melbourne Metro, VIC
- West. Sydney Stadium, NSW
- Sunshine Coast Airport, QLD
- Westconnex (stage 3), NSW

Status

- Currently tendering
- Pre-tendering

1. Projects recently awarded to Boral are highlighted in grey
Boral Gypsum
Boral's 50% share of the USG Boral joint venture

Reported equity income1, A$m

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>919</td>
<td>49</td>
<td>59</td>
</tr>
</tbody>
</table>

Underlying results

<table>
<thead>
<tr>
<th></th>
<th>Pre JV</th>
<th>USG Boral</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2013</td>
<td>919</td>
<td>83</td>
</tr>
<tr>
<td>FY2014</td>
<td>1,091</td>
<td>102</td>
</tr>
<tr>
<td>FY2015</td>
<td>1,268</td>
<td>141</td>
</tr>
<tr>
<td>FY2016</td>
<td>1,397</td>
<td>179</td>
</tr>
</tbody>
</table>

1. Post-tax equity income from Boral's 50% share of the USG Boral joint venture
2. Excluding significant items

Boral USA

Revenue, A$m  EBIT1, A$m

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>839</td>
<td>1,033</td>
<td>6</td>
<td>44</td>
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</table>

Total US housing starts2, ‘000s

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</thead>
<tbody>
<tr>
<td>646</td>
<td>594</td>
<td>570</td>
<td>687</td>
<td>872</td>
<td>958</td>
<td>1,055</td>
<td>1,150</td>
<td></td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. Seasonally adjusted data from US Census
3. 50 year average to FY2010
North American Bricks joint venture with Forterra

- Combined manufacturing capacity of 2,639 million standard brick equivalent
  - 27 clay brick manufacturing operations (including 4 mothballed)
  - 2 concrete brick manufacturing operations (including 1 mothballed)
  - 41 Building Products Distribution Centers
  - ~1,380 combined employee base

Boral TruExterior® Siding & Trim

Boral's proprietary poly-ash technology is continuing to open new category opportunities
Our strategic priorities
Transforming Boral

<table>
<thead>
<tr>
<th>Boral Australia</th>
<th>USG Boral</th>
<th>Boral USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain and strengthen our leading, integrated construction materials position and optimise returns across all businesses</td>
<td>Organic growth over the medium and long term through:</td>
<td>Growing earnings through cyclical market recovery and new product development</td>
</tr>
<tr>
<td>Benefits from significant pipeline of major roads and infrastructure work</td>
<td></td>
<td>Disciplined approach to assessing strategically aligned M&amp;A opportunities</td>
</tr>
</tbody>
</table>

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

1Q FY2017 Trading Update & Outlook
More wet weather than seasonal averages in 1Q FY2017

Volume of rainfall in 1Q (1 July – 30 Sept)

<table>
<thead>
<tr>
<th>Location</th>
<th>1Q FY2016</th>
<th>1Q FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Melbourne</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Brisbane</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Perth</td>
<td>1</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Meteorology

Rain impacted work days\(^1\) in 1Q

<table>
<thead>
<tr>
<th>Location</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Melbourne</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Brisbane</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Perth</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

\(^1\) An impacted day is defined as any working day with at least 2mm of rain recorded in metropolitan areas and delivered concrete volumes at least 50% less than the average daily volume for the quarter in which the day falls (results adjusted for RDOs, public holidays and weekends)

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Boral Australia

1Q FY2017 trading update

- East Coast housing activity remains strong and commencing a number of large road and highway projects
- 1Q FY2017 below our expectations, primarily due to:
  - WA market weaker than expected in 1Q
  - Significantly more wet weather in 1Q than seasonal averages
- Divested share of East Coast bricks JV, effective 1 November 2016

FY2017 outlook

- Stronger pricing and increasing infrastructure volumes should deliver benefits in 2H
- ~$6.5m lower equity earnings in FY2017 than FY2016 due to divestment of 40% share of Boral CSR Bricks JV
- Taking into account lower earnings from Building Products, Boral Australia expected to deliver slightly higher EBIT in FY2017 compared with FY2016 (excluding Property in both years), assuming a return to more normal weather patterns
- Contribution from property in FY2017 still expected to be lower than FY2016
- Expect FY2017 result to be further skewed to 2H and 1H FY2017 to be lower than 1H FY2016 for Boral Australia due to softer major project and WA activity ahead of the ramp-up in infrastructure work, exacerbated by wet weather in Q1
1Q FY2017 trading update

- Results ahead of our expectations in 1Q FY2017
- Continued penetration of Sheetrock® with strong results in Australia and Korea, as well as in smaller country operations, like Vietnam
- Improved performance in Indonesia

FY2017 outlook

- Maintain expectations that USG Boral will deliver strong full year improvements in Asia and Australia through cost and synergy benefits, as well as volume and price growth in some markets

Boral USA

1Q FY2017 trading update

- 1Q FY2017 below our expectations due to lower than expected housing activity
- Recent housing activity indicates housing starts are more likely to be closer to ~1.25 million for FY2017 (previously ~1.3 million)1
- 1Q FY2017 total US housing starts were 2% lower than 1Q FY20162 and 1Q FY2017 single-family housing starts were only up 2%, which was below expectation
- As a result, only modest volume gains in building products businesses and pricing remains challenged at these levels of demand

FY2017 outlook

- Continue to expect US housing market growth in FY2017, underpinning continued earnings growth from US businesses
- US Bricks and lightweight Trim & Siding businesses both expected to deliver results around break-even

---

1. Average of analysts’ forecasts (Dodge, Wells Fargo, NAR, NAHB, Fannie Mae, Freddie Mac, MBA) between June and July 2016
2. US Census Bureau
Outlook for FY2017

**Boral Australia**
- Stronger pricing and increasing infrastructure volumes should deliver benefits in 2H
- ~$6.5m lower equity earnings in FY2017 than FY2016 due to the divestment of Boral’s share of East Coast bricks JV in 1H FY2017
- Taking into account lower earnings from Building Products, Boral Australia expected to deliver slightly higher EBIT in FY2017 compared with FY2016 (excluding Property in both years), assuming a return to more normal weather patterns
- Contribution from property in FY2017 still expected to be lower than FY2016
- Expect FY2017 result to be further skewed to 2H and 1H FY2017 to be lower than 1H FY2016 for Boral Australia due to softer major project and WA activity ahead of the ramp-up in infrastructure work, exacerbated by wet weather in Q1

**USG Boral**
- Expected to deliver strong performance improvements in Asia and Australia through cost and synergy benefits, as well as volume and price growth in some key markets

**Boral USA**
- Recent housing activity indicates housing starts are more likely to be closer to ~1.25 million for FY2017 (previously ~1.3 million)
- Continue to expect US housing market growth in FY2017, underpinning continued earnings growth from US businesses
- US Bricks and Trim & Siding businesses both expected to deliver results around break-even

---

1. Average of analysts’ forecasts (Dodge, Wells Fargo, NAR, NAHB, Fannie Mae, Freddie Mac, MBA) between June and July 2016
Item 1 – Financial Reports


Item 2 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

“To adopt the Remuneration Report for the year ended 30 June 2016.”
Return on funds employed (ROFE)

EBIT\(^1\) to average funds employed (ROFE), %

- FY2012: 4.7%
- FY2013: 4.7%
- FY2014: 6.6%
- FY2015: 8.5%
- FY2016: 9.1%
- FY2019 LTI hurdle for FY2017 LTI grant\(^2\): 12.5%

1. Excluding significant items
2. Hurdle at which 100% of ROFE LTI component will vest; 0% will vest at ROFE of less than 12.0%; progressive pro rata vesting at ROFE of between 12.0% and 12.5%.
To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

“To adopt the Remuneration Report for the year ended 30 June 2016.”

Item 2 – Remuneration Report

Proxies

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<tbody>
<tr>
<td>For</td>
<td>368,167,352</td>
</tr>
<tr>
<td>Open</td>
<td>7,687,256</td>
</tr>
<tr>
<td>Against</td>
<td>130,942,051</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 73.9%

* On basis open proxies in favour of the Chairman of the Meeting are voted FOR
To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Karen Moses, who retires in accordance with clause 6.3(h) of the Company’s Constitution, being eligible, be elected as a Director of the Company.”

Karen Moses
Item 3.1 – Election of Ms Karen Moses

**Proxies**

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<tbody>
<tr>
<td>For</td>
<td>491,667,328</td>
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<tr>
<td>Open</td>
<td>7,872,390</td>
</tr>
<tr>
<td>Against</td>
<td>7,520,194</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution*  

98.2%

* On basis open proxies in favour of the Chairman of the Meeting are voted FOR

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Item 3 – Election and re-election of Directors

Item 3.2  Re-election of Dr Eileen Doyle

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“*That Eileen Doyle, who retires in accordance with clause 6.3(b) of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.*”
### Item 3.2 – Re-election of Dr Eileen Doyle

#### Proxies

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<tbody>
<tr>
<td>For</td>
<td>496,025,096</td>
</tr>
<tr>
<td>Open</td>
<td>7,991,756</td>
</tr>
<tr>
<td>Against</td>
<td>3,163,812</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution*  

99.1%

* On basis open proxies in favour of the Chairman of the Meeting are voted FOR
Item 4 – Award of Rights to Mike Kane

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That approval is given for the award to Mike Kane, the CEO & Managing Director, of rights to fully paid ordinary shares in the Company on the terms described in the Explanatory Notes to the Notice of Meeting.”

### Proxies

<p>| | |</p>
<table>
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</thead>
<tbody>
<tr>
<td>For</td>
<td>491,909,383</td>
</tr>
<tr>
<td>Open</td>
<td>7,897,234</td>
</tr>
<tr>
<td>Against</td>
<td>7,169,035</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution*  
98.3%

* On basis open proxies in favour of the Chairman of the Meeting are voted FOR
Item 5 – Non-executive Directors’ Fee Pool

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the maximum aggregate amount available for payment by way of remuneration to all non-executive Directors per annum be increased by $250,000 from $1,750,000 to $2,000,000.”

Proxies

<table>
<thead>
<tr>
<th>Proxies</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>493,306,298</td>
</tr>
<tr>
<td>Open</td>
<td>8,042,730</td>
</tr>
<tr>
<td>Against</td>
<td>5,474,873</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 98.6%

* On basis open proxies in favour of the Chairman of the Meeting are voted FOR
Thank you for attending

Boral Limited
Annual General Meeting 2016

Disclaimer

The material contained in this document is a presentation of information about the Group’s activities current at the date of the presentation, 3 November 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.
ANNUAL GENERAL MEETING 2016

3 November 2016
Sydney