

APPENDIX 4D

HALF-YEAR REPORT

10 February 2016

Name of Entity: **Boral Limited**
 ABN: **13 008 421 761**
 For the half year ended: **31 December 2015**

Boral Limited

ABN 13 008 421 761

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Results for announcement to the market

				Dec-2015 A'\$ millions	Dec-2014 A'\$ millions
Revenue from continuing operations	down	(0.9%)	to	2,193.7	2,212.6
Revenue from discontinued operations				-	72.2
Total revenue	down	(4.0%)	to	2,193.7	2,284.8
Profit from continuing operations before net financing costs, income tax and significant items	up	23.1%	to	199.5	162.0
Profit from discontinued operations before net financing costs, income tax and significant items				-	5.3
Profit before net financing costs, income tax and significant items	up	19.2%	to	199.5	167.3
Net financing costs from continuing operations before significant items				(31.4)	(30.5)
Profit before income tax and significant items	up	22.9%	to	168.1	136.8
Income tax from continuing operations before significant items				(31.5)	(23.6)
Income tax from discontinued operations before significant items				-	(1.7)
Net profit before significant items attributable to members	up	22.5%	to	136.6	111.5
Significant items from continuing operations net of tax ¹				-	(7.0)
Net profit attributable to members	up	30.7%	to	136.6	104.5

1. Refer note 6 of the attached half-year financial report.

Profit before significant items is a Non IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. The above disclosures are extracted or derived from the financial report for the period ended 31 December 2015, but have not been subject to audit or review.

Dividends	Amount per security	Franked amount per security at 30% tax
Current period: Interim - ordinary	11.0 cents	11.0 cents
Previous corresponding period: Interim - ordinary	8.5 cents	8.5 cents
Record date for determining entitlements to the dividend	18 February 2016	
Comparative Period: Half Year ended 31 December 2014		

Commentary on the results for the period

The commentary on the results of the period is contained in the "Results Announcement for the half-year ended 31 December 2015 - Management Discussion and Analysis" dated 10 February 2016.



Half-Year Financial Report

31 December 2015

Boral Limited
ABN 13 008 421 761

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, it is recommended that this report be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Boral Limited during the half-year in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange.

Directors' Report

The Directors of Boral Limited ("the Company") report on the consolidated entity, being the Company and its controlled entities, for the half-year ended 31 December 2015 ("the half-year"):

1. Review of Operations

The Directors' review of the operations of the consolidated entity during the half-year and the results of those operations are as set out in the attached Results Announcement for the half-year.

2. Names of Directors

The names of persons who have been Directors of the Company during or since the end of the half-year are:

Brian Clark	- Appointed Chairman, effective 5 November 2015
Bob Every AO	- Ceased as Director and Chairman on 5 November 2015
Mike Kane	- Chief Executive Officer and Managing Director
Catherine Brenner	
Eileen Doyle	
Kathryn Fagg	
John Marlay	
Paul Rayner	

All of those persons, other than Bob Every, have been Directors at all times during and since the end of the half-year.

3. Lead Auditor's Independence Declaration

The lead auditor's independence declaration made under Section 307C of the *Corporations Act 2001* is set out on page 2 and forms part of this Directors' Report.

4. Rounding of Amounts

The Company is an entity of a kind referred to in ASIC Class Order 98/100 and, in accordance with that Class Order, amounts in the financial report and Directors' Report have been rounded to the nearest one hundred thousand dollars unless otherwise stated.

Signed in accordance with a resolution of the Directors.



Dr Brian Clark
Director



Mike Kane
Director

Sydney, 10 February 2016



Lead Auditor's Independence Declaration

under Section 307C of the Corporations Act 2001

To: The Directors of Boral Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'KPMG'.

KPMG

A handwritten signature in black ink, appearing to read 'Kenneth Reid'.

Kenneth Reid
Partner

Sydney, 10 February 2016

Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	CONSOLIDATED	
		Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
Continuing operations			
Revenue	4	2,193.7	2,212.6
Cost of sales		(1,486.2)	(1,574.4)
Selling and distribution expenses		(423.1)	(395.9)
Administrative expenses		(145.4)	(130.6)
		(2,054.7)	(2,100.9)
Other income		13.4	10.3
Other expenses		-	(10.0)
Share of equity accounted income	9	47.1	40.0
Profit before net financing costs and income tax		199.5	152.0
Financial income		5.1	5.6
Financial expenses		(36.5)	(36.1)
Net financing costs		(31.4)	(30.5)
Profit before income tax		168.1	121.5
Income tax expense	5	(31.5)	(20.6)
Profit from continuing operations		136.6	100.9
Discontinued operations			
Profit from discontinued operations (net of income tax)	3	-	3.6
Net profit		136.6	104.5
Attributable to:			
Members of the parent entity		136.6	104.5
Non-controlling interests		-	-
Net profit		136.6	104.5
Basic earnings per share	7	18.2c	13.4c
Diluted earnings per share	7	18.0c	13.2c
Continuing operations			
Basic earnings per share	7	18.2c	12.9c
Diluted earnings per share	7	18.0c	12.8c

The income statement should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
Net profit	136.6	104.5
Other comprehensive income		
Items that may be reclassified subsequently to Income Statement:		
Net exchange differences from translation of foreign operations taken to equity	1.9	71.3
Fair value adjustment on cash flow hedges	(13.4)	(6.9)
Income tax on items that may be reclassified subsequently to Income Statement	21.9	31.2
Total comprehensive income for the half-year	147.0	200.1
Total comprehensive income for the half-year is attributable to:		
Members of the parent entity	147.0	200.1
Non-controlling interests	-	-
Total comprehensive income for the half-year	147.0	200.1

The statement of comprehensive income should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	CONSOLIDATED	
		31 Dec 2015 \$ millions	30 Jun 2015 \$ millions
CURRENT ASSETS			
Cash and cash equivalents		343.6	505.8
Receivables		597.1	659.8
Inventories		559.4	537.8
Financial assets		7.9	9.6
Other assets		37.2	28.3
TOTAL CURRENT ASSETS		1,545.2	1,741.3
NON-CURRENT ASSETS			
Receivables		68.9	75.4
Inventories		13.0	21.6
Investments accounted for using the equity method		1,054.5	1,048.1
Financial assets		40.2	29.7
Property, plant and equipment		2,458.9	2,448.4
Intangible assets		234.0	227.1
Deferred tax assets		267.4	243.6
Other assets		29.6	30.2
TOTAL NON-CURRENT ASSETS		4,166.5	4,124.1
TOTAL ASSETS		5,711.7	5,865.4
CURRENT LIABILITIES			
Trade creditors		515.5	641.5
Loans and borrowings	11	1.2	1.8
Financial liabilities		19.7	5.8
Current tax liabilities		58.6	94.8
Provisions		154.4	179.3
TOTAL CURRENT LIABILITIES		749.4	923.2
NON-CURRENT LIABILITIES			
Deferred income		29.0	15.8
Loans and borrowings	11	1,367.4	1,320.8
Financial liabilities		13.2	0.8
Provisions		76.6	80.7
TOTAL NON-CURRENT LIABILITIES		1,486.2	1,418.1
TOTAL LIABILITIES		2,235.6	2,341.3
NET ASSETS		3,476.1	3,524.1
EQUITY			
Issued capital	12	2,246.2	2,361.6
Reserves	13	169.4	166.2
Retained earnings		1,060.5	996.3
TOTAL EQUITY		3,476.1	3,524.1

The balance sheet should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED

	Issued capital \$ millions	Reserves \$ millions	Retained earnings \$ millions	Total Equity \$ millions
Balance at 1 July 2015	2,361.6	166.2	996.3	3,524.1
Net profit	-	-	136.6	136.6
Other comprehensive income				
Translation of net assets of overseas entities	-	62.0	-	62.0
Translation of long-term borrowings and foreign currency forward contracts	-	(60.1)	-	(60.1)
Fair value adjustment on cash flow hedges	-	(13.4)	-	(13.4)
Income tax relating to other comprehensive income	-	21.9	-	21.9
Total comprehensive income	-	10.4	136.6	147.0
Transactions with owners in their capacity as owners				
On-market share buy-back	(115.4)	-	-	(115.4)
Share acquisition rights vested	-	(14.6)	-	(14.6)
Dividend paid	-	-	(72.4)	(72.4)
Share-based payment	-	7.4	-	7.4
Total transactions with owners in their capacity as owners	(115.4)	(7.2)	(72.4)	(195.0)
Balance at 31 December 2015	2,246.2	169.4	1,060.5	3,476.1
Balance at 1 July 2014	2,477.6	2.1	868.4	3,348.1
Net profit	-	-	104.5	104.5
Other comprehensive income				
Translation of net assets of overseas entities	-	168.5	-	168.5
Translation of long-term borrowings and foreign currency forward contracts	-	(97.2)	-	(97.2)
Fair value adjustment on cash flow hedges	-	(6.9)	-	(6.9)
Income tax relating to other comprehensive income	-	31.2	-	31.2
Total comprehensive income	-	95.6	104.5	200.1
Transactions with owners in their capacity as owners				
Dividend paid	-	-	(62.6)	(62.6)
Share-based payment	-	5.9	-	5.9
Total transactions with owners in their capacity as owners	-	5.9	(62.6)	(56.7)
Balance at 31 December 2014	2,477.6	103.6	910.3	3,491.5

The statement of changes in equity should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Statement of Cash Flows

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	CONSOLIDATED	
		Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,438.9	2,507.4
Payments to suppliers and employees		(2,248.1)	(2,299.1)
		190.8	208.3
Dividends received		37.4	10.3
Interest received		5.1	4.2
Borrowing costs paid		(34.5)	(34.3)
Income taxes paid		(62.0)	(44.2)
Restructure costs paid		(23.7)	(29.5)
NET CASH PROVIDED BY OPERATING ACTIVITIES		113.1	114.8
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(114.8)	(89.2)
Purchase of intangibles		(0.6)	(4.9)
Repayment of loans by associates		8.0	-
Proceeds on disposal of non-current assets		19.4	10.8
NET CASH USED IN INVESTING ACTIVITIES		(88.0)	(83.3)
CASH FLOWS FROM FINANCING ACTIVITIES			
On-market share buy-back		(115.4)	-
Dividends paid		(72.4)	(62.6)
Prepaid borrowing costs		-	(5.6)
Proceeds from borrowings		-	5.5
Repayment of borrowings		(3.5)	(0.4)
NET CASH USED IN FINANCING ACTIVITIES		(191.3)	(63.1)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(166.2)	(31.6)
Cash and cash equivalents at the beginning of the year		505.8	383.2
Effects of exchange rate fluctuations on the balances of cash and cash equivalents held in foreign currencies		4.0	5.2
Cash and cash equivalents at the end of the half-year	15	343.6	356.8

The statement of cash flows should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

1. ACCOUNTING POLICIES

Boral Limited is a company domiciled in Australia. The consolidated half-year financial report of Boral Limited as at and for the half-year ended 31 December 2015 comprises Boral Limited and its controlled entities (the "Group").

(a) Basis of Preparation

The half-year consolidated financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. The financial report also complies with IAS 34 *Interim Financial Reporting*.

The half-year financial report does not include full note disclosures of the type normally included in an annual financial report. As a result the half-year financial report should be read in conjunction with the 30 June 2015 Annual Financial Report and any public announcements by Boral Limited and its controlled entities during the half-year in accordance with continuous disclosure obligations under the Corporations Act 2001.

The half-year financial report was authorised for issue by the Directors on 10 February 2016.

The half-year financial report is presented in Australian dollars.

(b) Significant Accounting Policies

The accounting policies have been consistently applied by each entity in the consolidated entity and are consistent with those applied in the 30 June 2015 Annual Financial Report. The half-year financial report has been prepared on the basis of historical cost, except where assets and liabilities are stated at their fair values in accordance with relevant accounting policies.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Changes in Accounting Policies

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

(d) Comparative Figures

Where necessary to facilitate comparison, comparative figures have been adjusted to conform with changes in presentation in the current financial year.

(e) Rounding of Amounts

Boral Limited is an entity of a kind referred to in ASIC Class Order 98/100 and, in accordance with that Class Order, amounts in the financial report have been rounded to the nearest one hundred thousand dollars unless otherwise stated.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS

Operating segments are based on internal reporting to the Chief Executive Officer in assessing performance and determining the allocation of resources.

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

Construction Materials & Cement	- Quarries, concrete, asphalt, transport, landfill, property, cement and concrete placing.
Building Products *	- Australian bricks (comprising West Coast bricks, East Coast bricks up to 30 April 2015 and Boral CSR bricks joint venture from 1 May 2015), roofing and masonry, and timber products.
Boral Gypsum Joint Venture	- 50/50 joint venture between USG Corporation and Boral Limited responsible for the manufacture and sale of Plasterboard and associated products.
Boral USA	- Bricks, cultured stone, trim, roof tiles, fly ash, concrete and quarries.
Unallocated	- Non-trading operations and unallocated corporate costs.

* The results of the East Coast bricks operations for the comparative period are shown as part of "Discontinued Operations" in the Income Statement.

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

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

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

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

	CONSOLIDATED	
	Half-Year 31 Dec 2015	Half-Year 31 Dec 2014
	\$ millions	\$ millions
Reconciliations of reportable segment revenues and profits		
External revenue	2,193.7	2,284.8
Less revenue from discontinued operations	-	(72.2)
Revenue from continuing operations	2,193.7	2,212.6
Profit before tax		
Profit before net financing costs and income tax expense from reportable segments	199.5	157.3
Profit from discontinued operations *	-	(5.3)
Profit before net financing costs and income tax expense from continuing operations	199.5	152.0
Net financing costs from continuing operations	(31.4)	(30.5)
Profit before tax from continuing operations	168.1	121.5

* Represents prior year comparative period segment earnings from the East Coast bricks operations.

Geographical information

For the half-year ended 31 December 2015, the Group's trading revenue from external customers in Australia amounted to \$1,681.3 million (2014: \$1,889.1 million) and \$512.4 million (2014: \$395.7 million) relating to operations in the USA. The Group's non-current assets (excluding deferred tax assets and other financial assets) in Australia amounted to \$2,477.7 million (30 June 2015: \$2,509.3 million), with \$648.2 million (30 June 2015: \$646.5 million) in Asia and \$733.0 million (30 June 2015: \$695.0 million) in the USA.

In presenting information on a geographical basis, segment revenues are based on the geographical location of customers, while segment assets are based on the geographical location of assets.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
	TOTAL REVENUE		INTERNAL REVENUE		EXTERNAL REVENUE	
Construction Materials & Cement	1,497.1	1,637.6	8.2	11.5	1,488.9	1,626.1
Building Products *	192.4	263.0	-	-	192.4	263.0
Boral USA	512.4	396.5	-	0.8	512.4	395.7
	2,201.9	2,297.1	8.2	12.3	2,193.7	2,284.8

	OPERATING PROFIT (EXC EQUITY ACCOUNTED INCOME)		EQUITY ACCOUNTED INCOME		PROFIT BEFORE NET FINANCING COSTS AND INCOME TAX EXPENSE	
	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions
Construction Materials & Cement	148.9	133.7	9.6	16.0	158.5	149.7
Building Products *	10.8	14.4	5.7	-	16.5	14.4
Boral Gypsum Joint Venture	-	-	31.8	24.2	31.8	24.2
Boral USA	8.2	(7.9)	-	(0.2)	8.2	(8.1)
Unallocated	(15.5)	(12.9)	-	-	(15.5)	(12.9)
	152.4	127.3	47.1	40.0	199.5	167.3
Significant items (refer note 6)	-	(10.0)	-	-	-	(10.0)
	152.4	117.3	47.1	40.0	199.5	157.3

	SEGMENT ASSETS (EXC EQUITY ACCOUNTED INVESTMENTS)		EQUITY ACCOUNTED INVESTMENTS		TOTAL ASSETS	
	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions
Construction Materials & Cement	2,571.6	2,629.9	12.2	13.7	2,583.8	2,643.6
Building Products *	311.6	321.0	87.7	83.9	399.3	404.9
Boral Gypsum Joint Venture	-	-	954.6	950.5	954.6	950.5
Boral USA	1,049.1	1,010.6	-	-	1,049.1	1,010.6
Unallocated	113.9	106.4	-	-	113.9	106.4
	4,046.2	4,067.9	1,054.5	1,048.1	5,100.7	5,116.0
Cash and cash equivalents	343.6	505.8	-	-	343.6	505.8
Deferred tax assets	267.4	243.6	-	-	267.4	243.6
	4,657.2	4,817.3	1,054.5	1,048.1	5,711.7	5,865.4

	LIABILITIES		DEPRECIATION AND AMORTISATION	
	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
Construction Materials & Cement	483.2	557.9	92.3	91.0
Building Products *	65.1	76.7	4.6	10.7
Boral USA	138.1	183.7	25.2	20.5
Unallocated	122.0	105.6	0.3	0.5
	808.4	923.9	122.4	122.7
Loans and borrowings	1,368.6	1,322.6	-	-
Tax liabilities	58.6	94.8	-	-
	2,235.6	2,341.3	122.4	122.7

* The results of the East Coast bricks operations are shown as part of "Discontinued Operations" in the Income Statement for the comparative period.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED

		Half-Year 31 Dec 2015	Half-Year 31 Dec 2014
	Note	\$ millions	\$ millions

3. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

During the period, there were no business operations that required reclassification to "Discontinued Operations" in the Income Statement.

The prior year comparatives include the discontinued operations relating to the East Coast bricks business.

Results of discontinued operations

Revenue		-	72.2
Expenses		-	(66.9)
Share of equity accounted income		-	-
Profit before income tax expense		-	5.3
Income tax expense	5	-	(1.7)
Net profit		-	3.6
Attributable to:			
Members of the parent entity		-	3.6
Non-controlling interest		-	-
Net profit		-	3.6

Cash flows of discontinued operations

Net cash from operating activities		-	7.1
Net cash from investing activities		-	0.2
Net cash used in financing activities		-	-
Net cash from discontinued operations		-	7.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
4. REVENUE		
REVENUE FROM CONTINUING OPERATIONS		
Sale of goods	2,158.5	2,160.9
Rendering of services	35.2	51.7
Revenue from continuing operations	2,193.7	2,212.6
5. INCOME TAX EXPENSE		
Reconciliation of income tax expense to prima facie tax		
Income tax expense on profit at Australian tax rates 30% (2014: 30%)	50.4	38.1
Variation between Australian and overseas tax rates	0.2	(1.4)
Share of associates' net income	(14.1)	(12.0)
Tax benefit arising from share acquisition rights vested	(4.4)	-
Other items	(0.6)	(2.4)
Income tax expense	31.5	22.3
Income tax expense relating to continuing operations	31.5	20.6
Income tax expense relating to discontinued operations	-	1.7
	31.5	22.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

6. SIGNIFICANT ITEMS

December 2015

No significant items were recorded in the current period.

December 2014

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

		Note	Redundancies & Restructure \$ millions	Total \$ millions
Construction Materials and Cement restructure	Continuing	(i)	(10.0)	(10.0)
			(10.0)	(10.0)

	Redundancies & Restructure \$ millions	Total \$ millions
Continuing operations		
Other expenses	(10.0)	(10.0)
	(10.0)	(10.0)

	Redundancies & Restructure \$ millions	Total \$ millions
Summary of significant items from continuing operations		
Loss before tax	(10.0)	(10.0)
Income tax benefit	3.0	3.0
Net significant items from continuing operations	(7.0)	(7.0)

(i) Construction Materials and Cement redundancy and restructure costs

Redundancies and restructuring costs of \$10.0 million were incurred during the half year ended 31 December 2014, to streamline the division and align with current market conditions.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. EARNINGS PER SHARE

Classification of securities as ordinary shares

Only ordinary shares have been included in basic earnings per share.

Classification of securities as potential ordinary shares

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

	CONSOLIDATED	
	Half-Year 31 Dec 2015	Half-Year 31 Dec 2014
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	751,598,815	782,736,249
Effect of potential ordinary shares	9,044,520	8,512,615
Number for diluted earnings per share	760,643,335	791,248,864

	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	Half-Year 31 Dec 2015	Half-Year 31 Dec 2015	Half-Year 31 Dec 2015	Half-Year 31 Dec 2014	Half-Year 31 Dec 2014	Half-Year 31 Dec 2014
	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions
Earnings reconciliation						
Net profit attributable to members of the parent entity excluding significant items	136.6	-	136.6	107.9	3.6	111.5
Net significant items (refer note 6)	-	-	-	(7.0)	-	(7.0)
Net profit attributable to members of the parent entity	136.6	-	136.6	100.9	3.6	104.5
Basic earnings per share *	18.2c	-	18.2c	12.9c	0.5c	13.4c
Diluted earnings per share *	18.0c	-	18.0c	12.8c	0.5c	13.2c
Basic earnings per share (excluding significant items) *	18.2c	-	18.2c	13.8c	0.5c	14.2c
Diluted earnings per share (excluding significant items) *	18.0c	-	18.0c	13.6c	0.5c	14.1c

* Numbers may not add due to rounding

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

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

8. DIVIDENDS

	Amount per share	Total amount \$ millions	Franked amount per share	Date of payment
For the half-year ended 31 December 2015				
2015 final - ordinary	9.5 cents	72.4	9.5 cents	28 September 2015
Total		72.4		

For the half-year ended 31 December 2014

2014 final - ordinary	8.0 cents	62.6	8.0 cents	26 September 2014
Total		62.6		

Subsequent Event

Since the end of the period, the Directors have declared the following dividend:

2016 Interim - ordinary	11.0 cents	81.8	11.0 cents	11 March 2016
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The financial effect of the interim dividend for December 2015 has not been brought to account in the financial report for the period ended 31 December 2015 but will be recognised in subsequent financial reports.

Dividend Reinvestment Plan

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

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name	Principal activity	Balance date	OWNERSHIP INTEREST CONSOLIDATED	
			31 Dec 2015 %	30 Jun 2015 %
DETAILS OF EQUITY ACCOUNTED INVESTMENTS				
Bitumen Importers Australia Pty Ltd	Bitumen importer	30-Jun	50	50
Caribbean Roof Tile Company Limited	Roof tiles	31-Dec	50	50
Boral CSR Bricks Pty Limited *	Bricks	31-Mar	40	40
Flyash Australia Pty Ltd	Fly ash collection	31-Dec	50	50
Highland Pine Products Pty Ltd	Timber	30-Jun	50	50
Penrith Lakes Development Corporation Ltd	Quarrying	30-Jun	40	40
South East Asphalt Pty Ltd	Asphalt	30-Jun	50	50
Sunstate Cement Ltd	Cement manufacturer	30-Jun	50	50
USG Boral Building Products	Plasterboard	30-Jun	50	50
US Tile LLC	Roof tiles	31-Dec	50	50

* The Group has a 40% interest in the Boral CSR Bricks Pty Limited joint venture. The results were equity accounted from 1 May 2015 when the joint venture was formed.

	Gypsum Operations		Total	
	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions	Half-Year 31 Dec 2015 \$ millions	Half-Year 31 Dec 2014 \$ millions
RESULTS OF EQUITY ACCOUNTED INVESTMENTS				
Summarised Income Statement at 100%				
Profit before income tax expense	90.5	70.1	140.5	117.4
Income tax expense	(23.2)	(18.6)	(38.6)	(30.3)
Non-controlling interest	(3.6)	(3.1)	(3.6)	(3.1)
Net profit - equity accounted relating to continuing operations	63.7	48.4	98.3	84.0

The Group's share based on % ownership:

Net profit - equity accounted relating to continuing operations	31.8	24.2	47.1	40.0
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MATERIAL INTERESTS IN EQUITY ACCOUNTED INVESTMENTS

Results include the following equity accounted share of net profit:

Boral CSR Bricks Pty Limited	5.7	-
Sunstate Cement Ltd	4.7	4.5
Penrith Lakes Development Corporation Ltd	2.6	8.1
USG Boral Building Products	31.8	24.2

	CONSOLIDATED		
	Half-Year 31 Dec 2015	Full Year 30 Jun 2015	Half-Year 31 Dec 2014
10. NET TANGIBLE ASSET BACKING			
Net tangible asset backing per ordinary security	\$4.36	\$4.31	\$4.18

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	31 Dec 2015 \$ millions	30 Jun 2015 \$ millions
11. LOANS AND BORROWINGS		
CURRENT		
Other loans - unsecured	0.1	0.4
Finance lease liabilities	1.1	1.4
	1.2	1.8
NON-CURRENT		
Other loans - unsecured	1,365.0	1,317.1
Finance lease liabilities	2.4	3.7
	1,367.4	1,320.8
TOTAL	1,368.6	1,322.6

TERM AND DEBT REPAYMENT SCHEDULE

Terms and conditions of outstanding loans were as follows:

	CONSOLIDATED				
	Currency	Effective interest rate 31 Dec 2015	Calendar year of maturity	31 Dec 2015 Carrying amount \$ millions	30 Jun 2015 Carrying amount \$ millions
CURRENT					
Other loans - unsecured	USD	5.00%	2016	0.1	0.4
Finance lease liabilities	AUD	6.04%	2016	1.1	1.4
				1.2	1.8
NON-CURRENT					
US senior notes - unsecured	USD	6.02%	2017-2030	1,157.4	1,104.9
CHF notes - unsecured	CHF	2.25%	2020	207.5	208.9
Other loans - unsecured	USD	5.00%	2017	0.1	3.3
Finance lease liabilities	AUD	5.92%	2017-2020	2.4	3.7
				1,367.4	1,320.8
TOTAL				1,368.6	1,322.6

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	Consolidated	
	Half-Year 31 Dec 2015 \$ millions	Full Year 30 Jun 2015 \$ millions
12. ISSUED CAPITAL		
743,599,437 (30 Jun 2015: 764,241,387) ordinary shares	2,246.2	2,361.6
MOVEMENTS IN ISSUED CAPITAL		
Balance at the beginning of the period	2,361.6	2,477.6
20,641,950 (30 Jun 2015: 18,494,862) on-market share buy-back	(115.4)	(116.0)
Balance at the end of the period	2,246.2	2,361.6

During the period, the Company completed the buy-back of 20,641,950 shares, at an average price of \$5.59. This is part of the Company's on-market share buy-back program which commenced on 18 March 2015 and completed on 22 September 2015. The total consideration for shares bought back on market is \$231.4 million, at an average price of \$5.91. The consideration paid was allocated to share capital.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

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

13. RESERVES

Foreign currency translation reserve	117.2	97.4
Hedging reserve - cash flow hedges	(7.9)	1.5
Other reserve	(6.9)	(6.9)
Share-based payments reserve	67.0	74.2
Balance at the end of the period	169.4	166.2

14. CONTINGENT LIABILITIES

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

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

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

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

The Group has considered all of the above claims and, where appropriate, sought independent advice and believes it holds appropriate provisions.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED

Half-Year 31 Dec 2015	Half-Year 31 Dec 2014
\$ millions	\$ millions

15. NOTES TO STATEMENT OF CASH FLOWS

(i) Reconciliation of cash and cash equivalents

Cash includes cash on hand, at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash and cash equivalents	343.6	356.8
	343.6	356.8

16. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The fair value measurement principles adopted in this report are consistent with those applied in the Group's Annual Financial Report for the year ended 30 June 2015.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for asset or liability that are not based on observable market data.

The Group does not have financial instruments that have been valued at Level 3.

The following table presents the Group's financial assets and liabilities that are measured at fair value:

	Level 1		Level 2	
	31 Dec 2015 \$ millions	30 June 2015 \$ millions	31 Dec 2015 \$ millions	30 June 2015 \$ millions
Assets				
Equity Securities	15.9	14.1	-	-
Derivatives used for Hedging	-	-	32.2	25.2
Total assets	15.9	14.1	32.2	25.2
Liabilities				
Derivatives used for Hedging	-	-	32.9	6.6
Total liabilities	-	-	32.9	6.6

Statutory Statements

BORAL LIMITED AND CONTROLLED ENTITIES

Directors' Declaration

In the opinion of the Directors of Boral Limited:

1. The financial statements and notes set out on pages 3 to 19, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2015 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 "*Interim Financial Reporting*" and the Corporations Regulations 2001; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Dr Brian Clark
Director



Mike Kane
Director

Sydney, 10 February 2016



Independent Auditor's Review Report to the Members of Boral Limited

Report on the Financial Report

We have reviewed the accompanying half-year financial report of Boral Limited, which comprises the consolidated balance sheet as at 31 December 2015, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 16 comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The Directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Boral Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Boral Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

Kenneth Reid
Partner

Sydney, 10 February 2016