Boral Limited

ABN 13 008 421 761

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APPENDIX 4E

PRELIMINARY FINAL REPORT

27 August 2015

Name of Entity: **Boral Limited**

ABN: **13 008 421 761**

Financial Year ended: **30 June 2015**

Results for announcement to the market

				2015 A'$ Millions	2014 A'$ Millions
Revenue from continuing operations	down	(0.6%)	to	**4,297.6**	4,325.7
Revenue from discontinued operations				**117.1**	878.2
Total revenue	**down**	**(15.2%)**	**to**	**4,414.7**	5,203.9
Profit from continuing operations before net financing costs, income tax and significant items	up	55.2%	to	**345.4**	222.5
Profit from discontinued operations before net financing costs, income tax and significant items				**11.3**	71.7
Profit before net financing costs, income tax and significant items	up	21.2%	to	**356.7**	294.2
Net financing costs from continuing operations before significant items				**(63.7)**	(80.7)
Net financing costs from discontinued operations before significant items				**-**	(2.4)
Profit before income tax and significant items	up	38.8%	to	**293.0**	211.1
Income tax from continuing operations before significant items				**(39.7)**	(13.1)
Income tax from discontinued operations before significant items				**(4.1)**	(23.7)
Non-controlling interest from continuing operations				**-**	2.9
Non-controlling interest from discontinued operations				**-**	(5.8)
Net profit before significant items attributable to members	up	45.4%	to	**249.2**	171.4
Significant items from continuing operations net of tax [1]				**7.8**	(45.2)
Significant items from discontinued operations net of tax [1]				**6.4**	24.5
Significant items from equity accounted results [1]				**(6.4)**	22.6
Net profit attributable to members	**up**	**48.3%**	**to**	**257.0**	173.3

1. Refer note 7 of the attached 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 disclosures are extracted or derived from the financial report for the year ended 30 June 2015, but have not been subject to audit or review.

Dividends	Amount per security	Franked amount per security at 30% tax
Current period		
Final - ordinary	9.5 cents	9.5 cents
Interim - ordinary	8.5 cents	8.5 cents
Previous corresponding period		
Final - ordinary	8.0 cents	8.0 cents
Interim - ordinary	7.0 cents	7.0 cents

Record date for determining entitlements to the final dividend: 4 September 2015

Comparative figures: Full year ended 30 June 2014

Commentary on the results for the period

The commentary on the results of the period is contained in the Results Announcement for the year ended 30 June 2015 - Management Discussion and Analysis dated 27 August 2015.

Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	Note	CONSOLIDATED 2015 $ millions	CONSOLIDATED 2014 $ millions
Continuing operations			
Revenue	3	**4,297.6**	4,325.7
Cost of sales		**(3,039.2)**	(3,141.5)
Selling and distribution expenses		**(767.6)**	(753.7)
Administrative expenses		**(270.1)**	(267.6)
		(4,076.9)	(4,162.8)
Other income	4	**166.3**	21.4
Other expenses	5	**(103.5)**	(62.7)
Share of equity accounted income	12	**68.7**	37.3
Profit before net financing costs and income tax expense		**352.2**	158.9
Financial income	6	**12.8**	20.3
Financial expenses	6	**(76.5)**	(84.7)
Net financing costs		**(63.7)**	(64.4)
Profit before income tax expense		**288.5**	94.5
Income tax benefit/(expense)	8	**(45.1)**	11.6
Profit from continuing operations		**243.4**	106.1
Discontinued operations			
Profit from discontinued operations (net of income tax)	9	**13.6**	70.1
Net profit		**257.0**	176.2
Attributable to:			
Members of the parent entity		**257.0**	173.3
Non-controlling interests		**-**	2.9
Net profit		**257.0**	176.2
Basic earnings per share	10	**32.9c**	22.2c
Diluted earnings per share	10	**32.6c**	22.0c
Continuing operations			
Basic earnings per share	10	**31.2c**	14.0c
Diluted earnings per share	10	**30.9c**	13.9c

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

Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	CONSOLIDATED 2015 $ millions	CONSOLIDATED 2014 $ millions
Net profit	**257.0**	176.2
Other comprehensive income		
Items that may be reclassified subsequently to Income Statement:		
Net exchange differences from translation of foreign operations taken to equity	**99.7**	10.6
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	**-**	(146.5)
Fair value adjustment on cash flow hedges	**8.7**	(10.1)
Income tax on items that may be reclassified subsequently to Income Statement	**45.1**	7.3
Total comprehensive income	**410.5**	37.5
Total comprehensive income is attributable to:		
Members of the parent entity	**410.5**	34.4
Non-controlling interests	**-**	3.1
Total comprehensive income	**410.5**	37.5

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

Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

As at 30 June	Note	CONSOLIDATED 2015 $ millions	CONSOLIDATED 2014 $ millions
CURRENT ASSETS			
Cash and cash equivalents	18	**505.8**	383.2
Receivables		**659.8**	708.8
Inventories		**537.8**	528.1
Financial assets		**9.6**	8.3
Other assets		**28.3**	36.1
TOTAL CURRENT ASSETS		**1,741.3**	1,664.5
NON-CURRENT ASSETS			
Receivables		**75.4**	54.5
Inventories		**21.6**	21.1
Investments accounted for using the equity method		**1,048.1**	851.8
Financial assets		**29.7**	22.4
Property, plant and equipment		**2,448.4**	2,561.9
Intangible assets		**227.1**	196.1
Deferred tax assets		**243.6**	154.1
Other assets		**30.2**	32.7
TOTAL NON-CURRENT ASSETS		**4,124.1**	3,894.6
TOTAL ASSETS		**5,865.4**	5,559.1
CURRENT LIABILITIES			
Trade creditors		**641.5**	648.5
Loans and borrowings	14	**1.8**	215.4
Financial liabilities		**5.8**	12.1
Current tax liabilities		**94.8**	89.8
Provisions		**179.3**	204.4
TOTAL CURRENT LIABILITIES		**923.2**	1,170.2
NON-CURRENT LIABILITIES			
Deferred income		**15.8**	18.1
Loans and borrowings	14	**1,320.8**	886.1
Financial liabilities		**0.8**	38.8
Provisions		**80.7**	97.8
TOTAL NON-CURRENT LIABILITIES		**1,418.1**	1,040.8
TOTAL LIABILITIES		**2,341.3**	2,211.0
NET ASSETS		**3,524.1**	3,348.1
EQUITY			
Issued capital	15	**2,361.6**	2,477.6
Reserves	16	**166.2**	2.1
Retained earnings		**996.3**	868.4
TOTAL EQUITY		**3,524.1**	3,348.1

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

Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June 2015	CONSOLIDATED					
	Issued capital $ millions	**Reserves $ millions**	**Retained earnings $ millions**	**Total parent entity interest $ millions**	**Non-controlling interests $ millions**	**Total equity $ millions**
Balance at 1 July 2014	**2,477.6**	**2.1**	**868.4**	**3,348.1**	**-**	**3,348.1**
Net profit	**-**	**-**	**257.0**	**257.0**	**-**	**257.0**
Other comprehensive income						
Translation of net assets of overseas entities	**-**	**259.5**	**-**	**259.5**	**-**	**259.5**
Translation of long-term borrowings and foreign currency forward contracts	**-**	**(159.8)**	**-**	**(159.8)**	**-**	**(159.8)**
Fair value adjustment on cash flow hedges	**-**	**8.7**	**-**	**8.7**	**-**	**8.7**
Income tax relating to other comprehensive income	**-**	**45.1**	**-**	**45.1**	**-**	**45.1**
Total comprehensive income	**-**	**153.5**	**257.0**	**410.5**	**-**	**410.5**
Transactions with owners in their capacity as owners						
On-market share buy-back	**(116.0)**	**-**	**-**	**(116.0)**	**-**	**(116.0)**
Dividends paid	**-**	**-**	**(129.1)**	**(129.1)**	**-**	**(129.1)**
Share-based payments	**-**	**10.6**	**-**	**10.6**	**-**	**10.6**
Total transactions with owners in their capacity as owners	**(116.0)**	**10.6**	**(129.1)**	**(234.5)**	**-**	**(234.5)**
Balance at 30 June 2015	**2,361.6**	**166.2**	**996.3**	**3,524.1**	**-**	**3,524.1**

For the year ended 30 June 2014	CONSOLIDATED					
	Issued capital $ millions	Reserves $ millions	Retained earnings $ millions	Total parent entity interest $ millions	Non-controlling interests $ millions	Total equity $ millions
Balance at 1 July 2013	2,433.8	74.4	796.0	3,304.2	89.3	3,393.5
Net profit	-	-	173.3	173.3	2.9	176.2
Other comprehensive income						
Translation of net assets of overseas entities	-	24.4	-	24.4	0.2	24.6
Translation of long-term borrowings and foreign currency forward contracts	-	(14.0)	-	(14.0)	-	(14.0)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	(146.5)	-	(146.5)	-	(146.5)
Fair value adjustment on cash flow hedges	-	(10.1)	-	(10.1)	-	(10.1)
Income tax relating to other comprehensive income	-	7.3	-	7.3	-	7.3
Total comprehensive income/(loss)	-	(138.9)	173.3	34.4	3.1	37.5
Transactions with owners in their capacity as owners						
Shares issued under the Dividend Reinvestment Plan	43.8	-	-	43.8	-	43.8
Dividends paid	-	-	(100.9)	(100.9)	(6.9)	(107.8)
Other - Cultured Stone	-	59.4	-	59.4	(59.4)	-
Share-based payments	-	7.2	-	7.2	-	7.2
Non-controlling interests disposed	-	-	-	-	(28.2)	(28.2)
Contributions by non-controlling interests	-	-	-	-	2.1	2.1
Total transactions with owners in their capacity as owners	43.8	66.6	(100.9)	9.5	(92.4)	(82.9)
Balance at 30 June 2014	2,477.6	2.1	868.4	3,348.1	-	3,348.1

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

Statement of Cash Flows

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	Note	CONSOLIDATED 2015 $ millions	2014 $ millions
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**4,847.4**	5,579.8
Payments to suppliers and employees		**(4,317.5)**	(4,992.2)
		529.9	587.6
Dividends received		**41.2**	18.6
Interest received		**8.8**	7.1
Borrowing costs paid		**(72.1)**	(86.5)
Income taxes (paid)/received		**(45.4)**	14.0
Restructure costs paid		**(44.1)**	(33.5)
Net Cash Provided by Operating Activities		**418.3**	507.3
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(243.6)**	(267.1)
Purchase of intangibles		**(6.3)**	(1.1)
Purchase of non-controlling interest	18	**-**	(48.4)
Loans to associates		**-**	(0.5)
Decrease in cash on deposit		**-**	69.9
Proceeds on disposal of non-current assets		**45.0**	37.3
Proceeds on disposal of controlled entities (net of transaction costs)	9	**149.2**	556.2
Cash disposed relating to disposals of controlled entities	9	**-**	(79.1)
Net Cash Provided by/(Used in) Investing Activities		**(55.7)**	267.2
CASH FLOWS FROM FINANCING ACTIVITIES			
On-market share buy-back		**(116.0)**	-
Dividends paid	18	**(129.1)**	(57.1)
Dividends paid to non-controlling interests		**-**	(6.9)
Contributions by non-controlling interests		**-**	2.1
Proceeds from settlement of financial instruments		**-**	32.7
Proceeds from borrowings		**245.2**	73.1
Repayment of borrowings		**(251.7)**	(568.5)
Net Cash Used in Financing Activities		**(251.6)**	(524.6)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**111.0**	249.9
Cash and cash equivalents at beginning of the year		**383.2**	135.7
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		**11.6**	(2.4)
Cash and cash equivalents at end of the year	18	**505.8**	383.2

The statement of cash flows should be read in conjunction with the accompanying notes which form an integral part of the 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 full year financial report of the Company as at and for the full year ended 30 June 2015 comprise Boral Limited and its controlled entities (the "Group").

(a) Basis of Preparation

This report has been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act 2001 for the purpose of fulfilling the Group's obligation under Australian Securities Exchange (ASX) listing rules. The report is presented in Australian dollars.

A full description of the accounting policies adopted by the Group may be found in the Group's full financial statements.

(b) Significant Accounting Policies

The accounting policies have been applied consistently to all periods presented in the consolidated financial report. The 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 full 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

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 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 and 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 *	-	Australian and Asian plasterboard (100% interest).
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.
Discontinued Operations	-	None (2014: Windows).
Unallocated	-	Non-trading operations and unallocated corporate costs.

* The results of the East Coast bricks operations for the current and prior year comparative periods and the Boral Gypsum operations for the prior year comparative period are shown as part of "Discontinued Operations" in the Income Statement.

During financial year ended 2014, the Group entered into an agreement with USG Corporation to combine its Australian and Asian Gypsum entities with USG Corporation's Asian and Middle East entities and technology into two 50/50 owned joint ventures.

For the period 1 July 2013 to 28 February 2014, the Group held 100% interest in Boral Gypsum, and the results were consolidated into the Group's financial report and have been shown in the Boral Gypsum segment.

From 1 March 2014, the Group deconsolidated its existing Australian and Asian subsidiaries, and recognised an equity accounted investment in respect of its 50% shareholding in the newly formed joint ventures. The newly formed joint ventures consist of Boral's Gypsum division and USG's Asian and Middle Eastern businesses and technology. The results from this date have been equity accounted and have been shown in the Boral Gypsum Joint Venture segment. Refer to note 12 of the financial report.

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 includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

		CONSOLIDATED	
		2015	2014
Reconciliations of reportable segment revenues and profits	Note	**$ millions**	$ millions
External revenue		**4,414.7**	5,203.9
Less revenue from discontinued operations	9	**(117.1)**	(878.2)
Revenue from continuing operations		**4,297.6**	4,325.7
Profit before tax			
Profit before net financing costs and income tax expense from reportable segments		**358.6**	251.3
Profit before net financing costs and income tax expense from discontinued operations	9	**(6.4)**	(92.4)
Profit before net financing costs and income tax expense from continuing operations		**352.2**	158.9
Net financing costs from continuing operations		**(63.7)**	(64.4)
Profit before tax from continuing operations		**288.5**	94.5

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	2015 $ millions	2014 $ millions	**2015 $ millions**	2014 $ millions	**2015 $ millions**	2014 $ millions
	TOTAL REVENUE		**INTERNAL REVENUE**		**EXTERNAL REVENUE**	
Construction Materials and Cement	**3,110.9**	3,310.4	**20.2**	23.3	**3,090.7**	3,287.1
Building Products *	**485.4**	488.0	**-**	0.9	**485.4**	487.1
Boral Gypsum *	**-**	691.3	**-**	-	**-**	691.3
Boral USA	**840.1**	681.7	**1.5**	0.8	**838.6**	680.9
Discontinued Operations	**-**	57.5	**-**	-	**-**	57.5
	4,436.4	5,228.9	**21.7**	25.0	**4,414.7**	5,203.9

	OPERATING PROFIT (EXC EQUITY ACCOUNTED INCOME)		**EQUITY ACCOUNTED INCOME**		**PROFIT BEFORE NET FINANCING COSTS AND INCOME TAX EXPENSE**	
Construction Materials and Cement	**276.2**	245.3	**25.2**	31.3	**301.4**	276.6
Building Products *	**28.0**	8.2	**1.5**	-	**29.5**	8.2
Boral Gypsum *	**-**	61.5	**-**	5.9	**-**	67.4
Boral Gypsum Joint Venture	**-**	-	**48.7**	10.1	**48.7**	10.1
Boral USA	**6.2**	(38.3)	**(0.3)**	(0.3)	**5.9**	(38.6)
Discontinued Operations	**-**	(0.5)	**-**	-	**-**	(0.5)
Unallocated	**(28.8)**	(29.0)	**-**	-	**(28.8)**	(29.0)
	281.6	247.2	**75.1**	47.0	**356.7**	294.2
Significant items (refer to note 7)	**8.3**	(39.1)	**(6.4)**	(3.8)	**1.9**	(42.9)
	289.9	208.1	**68.7**	43.2	**358.6**	251.3

	SEGMENT ASSETS (EXC EQUITY ACCOUNTED INVESTMENTS)		**EQUITY ACCOUNTED INVESTMENTS**		**TOTAL ASSETS**	
Construction Materials and Cement	**2,629.9**	2,762.6	**13.7**	19.0	**2,643.6**	2,781.6
Building Products *	**321.0**	515.1	**83.9**	-	**404.9**	515.1
Boral Gypsum Joint Venture	**-**	-	**950.5**	832.8	**950.5**	832.8
Boral USA	**1,010.6**	813.3	**-**	-	**1,010.6**	813.3
Unallocated	**106.4**	79.0	**-**	-	**106.4**	79.0
	4,067.9	4,170.0	**1,048.1**	851.8	**5,116.0**	5,021.8
Cash and cash equivalents and cash on deposit	**505.8**	383.2	**-**	-	**505.8**	383.2
Tax assets	**243.6**	154.1	**-**	-	**243.6**	154.1
	4,817.3	4,707.3	**1,048.1**	851.8	**5,865.4**	5,559.1

* The results of the East Coast bricks operations for the current and prior year comparative periods and the Boral Gypsum operations for the prior year comparative period are shown as part of "Discontinued Operations" in the Income Statement.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	2015 $ millions	2014 $ millions	**2015 $ millions**	2014 $ millions	**2015 $ millions**	2014 $ millions
	LIABILITIES		**ACQUISITION OF SEGMENT ASSETS ****		**DEPRECIATION AND AMORTISATION**	
Construction Materials and Cement	**557.9**	610.0	**189.1**	211.9	**183.9**	168.2
Building Products *	**76.7**	106.2	**13.9**	13.9	**20.2**	21.1
Boral Gypsum *	**-**	-	**-**	10.2	**-**	29.1
Boral USA	**183.7**	149.0	**45.9**	29.5	**44.3**	41.7
Discontinued Operations	**-**	-	**-**	0.5	**-**	0.6
Unallocated	**105.6**	154.5	**1.0**	2.2	**0.4**	0.7
	923.9	1,019.7	**249.9**	268.2	**248.8**	261.4
Loans and borrowings	**1,322.6**	1,101.5	**-**	-	**-**	-
Tax liabilities	**94.8**	89.8	**-**	-	**-**	-
	2,341.3	2,211.0	**249.9**	268.2	**248.8**	261.4

* The results of the East Coast bricks operations for the current and prior year comparative periods and the Boral Gypsum operations for the prior year comparative period are shown as part of "Discontinued Operations" in the Income Statement.

** Excludes amounts attributable to the acquisition of controlled entities and businesses.

Geographical information

For the year ended 30 June 2015, the Group's trading revenue from external customers in Australia amounted to $3,576.1 million (2014: $4,010.5 million), with nil (2014: $455.0 million) from the Plasterboard Asia operations, $838.6 million (2014: $680.9 million) relating to operations in the USA and nil (2014: $57.5 million) relating to other operations. The Group's non-current assets (excluding deferred tax assets and other financial assets) in Australia amounted to $2,509.3 million (2014: $2,602.3 million), with $646.5 million (2014: $537.9 million) in Asia and $695.0 million (2014: $577.9 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

	Note	CONSOLIDATED 2015 $ millions	2014 $ millions
3. REVENUE FROM CONTINUING OPERATIONS			
Sale of goods		**4,217.0**	4,237.4
Rendering of services		**80.6**	88.3
Revenue from continuing operations		**4,297.6**	4,325.7
4. OTHER INCOME FROM CONTINUING OPERATIONS			
Significant items	7	**116.7**	-
Net profit on sale of assets		**41.0**	14.5
Net foreign exchange gain		**5.7**	-
Other income		**2.9**	6.9
Other income from continuing operations		**166.3**	21.4
5. OTHER EXPENSES FROM CONTINUING OPERATIONS			
Significant items	7	**103.5**	59.8
Net foreign exchange loss		**-**	2.9
Other expenses from continuing operations		**103.5**	62.7
6. NET FINANCING COSTS FROM CONTINUING OPERATIONS			
Interest income received or receivable from:			
Associated entities		**0.1**	-
Other parties (cash at bank and bank short-term deposits)		**9.6**	3.1
Unwinding of discount		**3.1**	0.9
Significant item - interest recoveries	7	**-**	16.3
		12.8	20.3
Interest expense paid or payable to:			
Other parties (bank overdrafts, bank loans and other loans) *		**72.7**	80.6
Finance charges on capitalised leases		**0.7**	0.8
Unwinding of discount		**3.1**	3.3
		76.5	84.7
Net financing costs from continuing operations		**(63.7)**	(64.4)

* In addition, in FY2014, interest of $4.7 million was paid to other parties and capitalised in respect of qualifying assets. The capitalisation rate used was 6.0%.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS

2015 Significant items

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

		Note	Asset impairment $ millions	Redundancies & Restructure $ millions	Sale of Business $ millions	Total $ millions
Gain on disposal of Western Landfill	Continuing	(i)	-	-	115.0	115.0
Impairment of Building Products businesses	Continuing	(ii)	(70.1)	(2.5)	-	(72.6)
Construction Materials and Cement restructure	Continuing	(iii)	(13.3)	(17.6)	-	(30.9)
Loss on disposal of East Coast Bricks	Discontinued	(iv)	-	-	(1.7)	(1.7)
Boral CSR Bricks Joint Venture restructure	Continuing	(v)	-	(6.4)	-	(6.4)
Other	Continuing	(vi)	-	-	1.7	1.7
Other	Discontinued	(vi)	-	-	(3.2)	(3.2)
						-
			(83.4)	(26.5)	111.8	1.9

	Note	Asset impairment $ millions	Redundancies & Restructure $ millions	Sale of Business $ millions	Total $ millions
Continuing operations					
Other income	4	-	-	116.7	116.7
Other expenses	5	(83.4)	(20.1)	-	(103.5)
Share of equity accounted income	12	-	(6.4)	-	(6.4)
Discontinued operations	9	-	-	(4.9)	(4.9)
		(83.4)	(26.5)	111.8	1.9

	Asset impairment $ millions	Redundancies & Restructure $ millions	Sale of Business $ millions	Total $ millions
Summary of significant items from continuing operations				
Profit/(loss) before interest and tax	(83.4)	(26.5)	116.7	6.8
Income tax benefit/(expense)	25.0	6.0	(36.4)	(5.4)
Net significant items from continuing operations	(58.4)	(20.5)	80.3	1.4
Summary of significant items from discontinued operations				
Loss before interest and tax	-	-	(4.9)	(4.9)
Income tax benefit *	-	-	11.3	11.3
Net significant items from discontinued operations	-	-	6.4	6.4
Summary of significant items				
Profit/(loss) before interest and tax	(83.4)	(26.5)	111.8	1.9
Income tax benefit/(expense)	25.0	6.0	(25.1)	5.9
Net significant items	(58.4)	(20.5)	86.7	7.8

* Includes tax benefits attributable to tax losses recovered from previous sale transactions.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

2015 Significant items (continued)

(i) ***Gain on disposal of Western Landfill***

In February 2015, the Group sold its Western Landfill business for net cash proceeds of $139.0 million, and generated a profit before tax of $115.0 million.

(ii) ***Impairment of Building Products businesses***

Our ongoing review of the Building Products segment has resulted in impairments of Building Products assets reflecting current results and forecasts. A value in use methodology was used to determine the recoverable amount of the West Coast Bricks and Roofing and Masonry businesses, leading to an impairment of $31.3 million for West Coast Bricks and $29.9 million for Roofing and Masonry. A pre-tax discount rate of 15% was used in the value in use model.

In the Hardwood business, a structural improvement program has been implemented to improve operational efficiency and restructure its warehousing and distribution network, which has led to an asset impairment of $8.9 million and restructuring costs of $2.5 million being incurred.

(iii) ***Construction Materials and Cement restructure***

In response to current market conditions, a review of the asset portfolio of Construction Materials has been performed resulting in impairment costs of $13.3 million and restructuring costs of $7.6 million being incurred in the second half of the year. This related to the mothballing and closure of a number of operating sites, predominantly in Queensland, as well as make safe demolition costs at the Waurn Ponds clinker manufacturing facility. In addition, restructuring costs in the first half of $10.0 million were incurred to streamline the division and align with current market conditions.

(iv) ***Loss on disposal of East Coast Bricks***

During the period, the Group received clearance by the Australian Competition and Consumer Commission for the East Coast Bricks business to enter into a joint venture with CSR Limited. On disposal of its interest, Boral deconsolidated its existing East Coast Bricks business and recognised an equity accounted investment in respect of its 40% shareholding in the Boral CSR Bricks Joint Venture. This resulted in a net loss of $1.7 million.

(v) ***Boral CSR Bricks Joint Venture restructure***

Following formation of the Boral CSR Bricks Joint Venture, the joint venture incurred restructuring and stamp duty costs of $6.4 million (Boral's share) in order to realise overhead savings from consolidation of management structures and efficiency gains in sales and administration functions.

(vi) ***Other***

Other items include the gain on disposal of the Oklahoma Quarries business of $1.7 million, and a loss of $3.2 million as a result of finalisation of completion adjustments associated with the disposal of the Gypsum shareholding.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

2014 Significant items

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

		Note	Asset impairment $ millions	Redundancies & Restructure $ millions	Sale of Business $ millions	Other $ millions	Total $ millions
Construction Materials and Cement restructure	Continuing	(i)	(9.1)	(21.8)	-	-	(30.9)
USA restructure	Continuing	(ii)	(22.0)	(8.2)	-	-	(30.2)
Gain on disposal of Gypsum shareholding	Discontinued	(iii)	-	-	26.4	-	26.4
Boral Gypsum Joint Venture restructure	Continuing	(iv)	-	(3.8)	-	-	(3.8)
Proposed East Coast Bricks Joint Venture costs	Discontinued	(v)	-	(2.0)	-	-	(2.0)
Interest recoveries	Continuing	(vi)	-	-	-	16.3	16.3
Impact of change in fair valuation of financial instruments	Continuing		-	-	-	1.3	1.3
Loss on disposal of Windows business	Discontinued		-	-	(3.7)	-	(3.7)
			(31.1)	(35.8)	22.7	17.6	(26.6)

	Note	Asset impairment $ millions	Redundancies & Restructure $ millions	Sale of Business $ millions	Other $ millions	Total $ millions
Continuing operations						
Other expenses	5	(31.1)	(30.0)	-	1.3	(59.8)
Share of equity accounted income	12	-	(3.8)	-	-	(3.8)
Interest income	6	-	-	-	16.3	16.3
Discontinued operations	9	-	(2.0)	22.7	-	20.7
		(31.1)	(35.8)	22.7	17.6	(26.6)

	Asset impairment $ millions	Redundancies & Restructure $ millions	Sale of Business $ millions	Other $ millions	Total $ millions
Summary of significant items from continuing operations					
Profit/(loss) before interest and tax	(31.1)	(33.8)	-	1.3	(63.6)
Interest recoveries	-	-	-	16.3	16.3
Profit/(loss) before tax	(31.1)	(33.8)	-	17.6	(47.3)
Income tax benefit	11.7	9.9	-	3.1	24.7
Net significant items from continuing operations	(19.4)	(23.9)	-	20.7	(22.6)
Summary of significant items from discontinued operations					
Profit/(loss) before interest and tax	-	(2.0)	22.7	-	20.7
Income tax benefit	-	-	3.8	-	3.8
Net significant items from discontinued operations	-	(2.0)	26.5	-	24.5
Summary of significant items					
Profit/(loss) before interest and tax	(31.1)	(35.8)	22.7	1.3	(42.9)
Interest recoveries	-	-	-	16.3	16.3
Profit/(loss) before tax	(31.1)	(35.8)	22.7	17.6	(26.6)
Income tax benefit	11.7	9.9	3.8	3.1	28.5
Net significant items	(19.4)	(25.9)	26.5	20.7	1.9

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

2014 Significant items (continued)

(i) ***Construction Materials and Cement restructure***

In June 2014, the Group announced the closure of its Maldon Cement manufacturing operations, which resulted in recognition of impairment charges of $6.9 million and redundancy and restructure costs of $6.9 million.

As part of the overall reshaping of the Group, further redundancy and restructure activities were undertaken in the Australian Construction Materials businesses in Queensland and in Asphalt Victoria. In addition, due to the significant portfolio changes within the Group over the last few years, the Group has reviewed the level of centralised services required to support the more streamlined organisation which resulted in redundancies and restructure charges of $14.9 million and an asset impairment charge of $2.2 million.

(ii) ***USA restructure***

In the USA, a reassessment of the manufacturing footprint was undertaken, resulting in the impairment of assets of $22.0 million associated with the Ione rooftile plant in California and Augusta paver plant. In addition, redundancies of $8.2 million were made to further reshape the business.

(iii) ***Gain on disposal of Gypsum shareholding***

During the period, the Group entered into an agreement with USG Corporation to combine its Australian and Asian Gypsum entities with USG Corporation's Asian and Middle East entities and technology into two 50/50 owned joint ventures. On disposal of its interest, Boral deconsolidated its existing Australian and Asia subsidiaries; and recognised an equity accounted investment in respect of its remaining 50% shareholding in each of the Australian and Asian entities. This resulted in a net gain of $26.4 million.

(iv) ***Boral Gypsum Joint Venture restructure***

Following formation of the Boral Gypsum Joint Venture, the joint venture incurred restructuring and redundancy costs of $3.8 million to strengthen its low cost position and ensure a focused organisation that is well placed to deliver long-term performance.

(v) ***Proposed East Coast Bricks Joint Venture costs***

These relate to costs associated with the potential joint venture of the Group's East Coast Bricks operations with CSR, which at the time was subject to clearance by the Australian Competition and Consumer Commission.

(vi) ***Interest recoveries***

Interest received on resolution of outstanding taxation matters.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

7. SIGNIFICANT ITEMS (continued)

	CONSOLIDATED	
	2015 $ millions	2014 $ millions
Asset Impairment		
Property, plant and equipment	**(74.2)**	(21.3)
Other assets	**-**	(0.9)
Inventory	**(9.2)**	(8.9)
	(83.4)	(31.1)

	CONSOLIDATED	
	2015 $ millions	2014 $ millions
Segment summary of significant items before interest and tax		
Construction Materials and Cement	**84.1**	(30.9)
Building Products	**(79.0)**	-
Boral Gypsum	**-**	26.4
Boral Gypsum Joint Venture	**-**	(3.8)
Boral USA	**1.7**	(30.2)
Discontinued Operations	**(4.9)**	(3.7)
Unallocated	**-**	(0.7)
	1.9	(42.9)

8. INCOME TAX EXPENSE

Reconciliation of income tax expense to prima facie tax payable		
Income tax expense on profit at Australian tax rates 30% (2014: 30%)	**88.5**	55.3
Variation between Australian and overseas tax rates	**(0.4)**	(10.6)
Share of associates' net income and franked dividend income	**(20.7)**	(13.3)
Capital losses from prior year's brought to account	**(27.0)**	(2.2)
Non assessable gains relating to significant items	**-**	(13.9)
Other items	**(2.5)**	(7.0)
	37.9	8.3
Tax expense/(benefit) relating to continuing operations	**45.1**	(11.6)
Tax expense/(benefit) relating to discontinued operations	**(7.2)**	19.9
	37.9	8.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS

During the year, the Group completed the divestment of a 60% interest in its East Coast bricks business as at 30 April 2015. As this is a separate major line of business, the earnings for the current and comparative period have been reclassified to “Discontinued Operations” in the Income Statement.

The Group also recorded various significant items in relation to discontinued operations. (Refer to note 7).

Prior year comparatives also include the discontinued operations relating to the former Boral Gypsum and Windows businesses, which were disposed of during financial year ended 30 June 2014.

		CONSOLIDATED	
		2015	2014
	Note	**$ millions**	$ millions
Results of discontinued operations			
Revenue		**117.1**	878.2
Expenses		**(105.8)**	(812.4)
Share of equity accounted income		**-**	5.9
Trading profit before significant items, net financing costs and income tax expense		**11.3**	71.7
Impairment of assets, businesses and restructuring costs	7	**-**	(2.0)
Net (loss)/gain on sale of discontinued operations	7	**(4.9)**	22.7
Profit before net financing costs and income tax expense		**6.4**	92.4
Net financing costs		**-**	(2.4)
Profit before income tax expense		**6.4**	90.0
Income tax (expense)/benefit		**7.2**	(19.9)
Net profit		**13.6**	70.1
Attributable to:			
Members of the parent entity		**13.6**	64.3
Non-controlling interest		**-**	5.8
Net profit		**13.6**	70.1
Cash flows from discontinued operations			
Net cash from operating activities		**10.4**	54.1
Net cash (used in)/from investing activities		**(3.3)**	465.3
Net cash used in financing activities		**-**	(6.9)
Net cash from discontinued operations		**7.1**	512.5

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS (continued)

Effect of disposal on the financial position of the Group

(i) Disposal of discontinued businesses

During the period, the Group received clearance by the Australian Competition and Consumer Commission for the East Coast bricks business to enter into a joint venture with CSR Limited. This transaction was completed on 30 April 2015. This joint venture is responsible for the manufacture and sale of bricks and associated products throughout the East Coast of Australia and South Australia.

For the period 1 July 2014 to 30 April 2015, the Group held 100% interest in the East Coast bricks business, and the results were consolidated into the Group's financial report. On disposal Boral:

• deconsolidated its existing East Coast bricks business; and

• recognised an equity accounted investment in respect of its 40% shareholding in the Boral CSR Bricks Joint Venture.

The transaction completed on 30 April 2015, resulting in the following disposal entries.

Prior year comparatives also include the disposal entries relating to the former Boral Gypsum and Windows businesses.

	CONSOLIDATED	
	2015 $ millions	2014 $ millions
Fair value of interest in new Joint Venture	**100.8**	846.7
Cash consideration	**-**	581.1
Contingent consideration	**-**	43.5
Less: Transaction costs	**(2.2)**	(24.9)
Total consideration	**98.6**	1,446.4
Cash	**-**	(79.1)
Receivables	**(20.4)**	(213.0)
Inventories	**(30.3)**	(91.4)
Investments accounted for using the equity method	**-**	(14.7)
Property, plant and equipment	**(65.6)**	(792.5)
Intangible assets	**-**	(668.8)
Other assets	**(0.3)**	(4.4)
Payables	**11.3**	144.0
Loans and borrowings	**-**	55.0
Current tax liabilities	**-**	2.6
Deferred taxes	**-**	23.0
Provisions	**5.0**	40.9
Net assets disposed	**(100.3)**	(1,598.4)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	**-**	146.5
Non-controlling interest disposed	**-**	28.2
Gain/(loss) on disposal of discontinued operations before income tax expense	**(1.7)**	22.7
Cash consideration	**-**	581.1
Less: Transaction costs	**(2.2)**	(24.9)
Cash consideration net of transaction costs	**(2.2)**	556.2
Less: Cash and cash equivalents disposed	**-**	(79.1)
Consideration (net of transaction costs and cash and cash equivalents disposed)	**(2.2)**	477.1

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

9. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS (continued)

Effect of disposal on the financial position of the Group (continued)

(ii) Disposal of other businesses

In January 2015, the Group sold its Oklahoma Quarries business for net cash proceeds of $12.4 million and generated a profit before tax of $1.7 million.

In February 2015, the Group sold its Western Landfill business for net cash proceeds of $139.0 million, and generated a profit before tax of $115.0 million.

The disposal of the Western Landfill and Oklahoma Quarries businesses were not recorded as a discontinued operation as they were not a separate major line of business of the Group.

	CONSOLIDATED	
	2015 $ millions	2014 $ millions
Summary of cash consideration (after transaction costs)		
Boral Limited and CSR Limited Joint Venture	**(2.2)**	-
Western Landfill	**139.0**	-
Oklahoma Quarries	**12.4**	-
Boral Limited and USG Corporation Gypsum Joint Venture	**-**	539.7
Windows	**-**	16.5
	149.2	556.2
Less: Cash and cash equivalents disposed	**-**	(79.1)
Total	**149.2**	477.1

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. EARNINGS PER SHARE

Classification of securities as ordinary shares
Only ordinary shares have been included in basic earnings per share (EPS).

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	
	2015	2014
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	**780,336,204**	778,940,970
Effect of potential ordinary shares	**8,327,214**	7,225,673
Number for diluted earnings per share	**788,663,418**	786,166,643

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to members of the parent entity, by the weighted average number of ordinary shares of Boral Limited, adjusted for any bonus issue.

Diluted earnings per share

Diluted EPS is calculated by dividing the net profit attributable to members of the parent entity, by the weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares and bonus issue.

	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
	2015	**2015**	**2015**	2014	2014	2014
	$ millions	**$ millions**	**$ millions**	$ millions	$ millions	$ millions
Earnings reconciliation						
Net profit before significant items	**242.0**	**7.2**	**249.2**	128.7	45.6	174.3
Loss/(profit) attributable to non-controlling interests	**-**	**-**	**-**	2.9	(5.8)	(2.9)
Net profit attributable to members of the parent entity excluding significant items	**242.0**	**7.2**	**249.2**	131.6	39.8	171.4
Net significant items (refer note 7)	**1.4**	**6.4**	**7.8**	(22.6)	24.5	1.9
Net profit attributable to members of the parent entity	**243.4**	**13.6**	**257.0**	109.0	64.3	173.3
Basic earnings per share *	**31.2c**	**1.7c**	**32.9c**	14.0c	8.3c	22.2c
Diluted earnings per share *	**30.9c**	**1.7c**	**32.6c**	13.9c	8.2c	22.0c
Basic earnings per share (excluding significant items) *	**31.0c**	**0.9c**	**31.9c**	16.9c	5.1c	22.0c
Diluted earnings per share (excluding significant items) *	**30.7c**	**0.9c**	**31.6c**	16.7c	5.1c	21.8c

* 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 and performance rights was based on quoted market prices for the period that the options were outstanding.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

11. DIVIDENDS

Dividends recognised by the Group are:

	Amount per share	Total amount $ millions	Franked amount per share	Date of payment
2015				
2014 final - ordinary	**8.0 cents**	**62.6**	**8.0 cents**	**26 September 2014**
2015 interim - ordinary	**8.5 cents**	**66.5**	**8.5 cents**	**13 March 2015**
Total		**129.1**		
2014				
2013 final - ordinary	6.0 cents	46.4	6.0 cents	27 September 2013
2014 interim - ordinary	7.0 cents	54.5	7.0 cents	24 March 2014
Total		100.9		

Subsequent event

Since the end of the financial year, the Directors declared the following dividend:

	Amount per share	Total amount $ millions	Franked amount per share	Date of payment
2015 final - ordinary	**9.5 cents**	**72.6**	**9.5 cents**	**28 September 2015**

The financial effect of the final dividend for the year ended 30 June 2015 has not been brought to account in the financial statements for the year but will be recognised in subsequent financial reports.

Dividend Reinvestment Plan

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

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BORAL LIMITED AND CONTROLLED ENTITIES

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name	Principal activity	Country of incorporation	Balance date	OWNERSHIP INTEREST CONSOLIDATED 2015 %	2014 %
Details of equity accounted investments					
Bitumen Importers Australia Pty Ltd	Bitumen importer	Australia	30-Jun	**50**	50
Caribbean Roof Tile Company Limited	Roof tiles	Trinidad	31-Dec	**50**	50
Boral CSR Bricks Pty Limited *	Bricks	Australia	31-Mar	**40**	-
Flyash Australia Pty Ltd	Fly ash collection	Australia	31-Dec	**50**	50
Highland Pine Products Pty Ltd	Timber	Australia	30-Jun	**50**	50
Penrith Lakes Development Corporation Ltd	Quarrying	Australia	30-Jun	**40**	40
South East Asphalt Pty Ltd	Asphalt	Australia	30-Jun	**50**	50
Sunstate Cement Ltd	Cement manufacturer	Australia	30-Jun	**50**	50
USG Boral Building Products **	Plasterboard	Australia/ Singapore	30-Jun	**50**	50
US Tile LLC	Roof tiles	USA	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.

** The Group has a 50% interest in the Gypsum joint ventures in Australia (USG Boral Building Products Pty Ltd) and Asia (USG Boral Building Products Pte Ltd). The results were equity accounted from 1 March 2014 when the joint ventures were formed.

	Note	USG Boral Building Products 2015 $ millions	USG Boral Building Products 2014 $ millions	Total 2015 $ millions	Total 2014 $ millions
RESULTS OF EQUITY ACCOUNTED INVESTMENTS					
Profit before income tax expense		**140.7**	33.7	**194.5**	136.1
Income tax expense		**(36.0)**	(11.5)	**(46.5)**	(42.2)
Non-controlling interest		**(7.3)**	(2.0)	**(7.3)**	(2.0)
Net profit before significant items		**97.4**	20.2	**140.7**	91.9
Restructure costs disclosed as significant item net of tax		**-**	(7.6)	**(16.0)**	(7.6)
Net profit - equity accounted relating to continuing operations		**97.4**	12.6	**124.7**	84.3
The Group's share based on % ownership:					
Net profit before significant items		**48.7**	10.1	**75.1**	41.1
Restructure costs disclosed as significant item	7	**-**	(3.8)	**(6.4)**	(3.8)
Net profit - equity accounted relating to continuing operations		**48.7**	6.3	**68.7**	37.3

Results include the following equity accounted share of net profit:

	CONSOLIDATED 2015	2014
Sunstate Cement Ltd	**8.8**	8.2
Penrith Lakes Development Corporation Ltd	**11.6**	19.4
USG Boral Building Products	**48.7**	10.1

13. NET TANGIBLE ASSET BACKING

	CONSOLIDATED 2015	2014
Net tangible asset backing per ordinary security	**$4.31**	$4.03

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	2015 $ millions	2014 $ millions
14. LOANS AND BORROWINGS		
Current		
Other loans - unsecured	**0.4**	214.1
Finance lease liabilities	**1.4**	1.3
	1.8	215.4
Non-current		
Other loans - unsecured	**1,317.1**	881.3
Finance lease liabilities	**3.7**	4.8
	1,320.8	886.1
Total	**1,322.6**	1,101.5

TERM AND DEBT REPAYMENT SCHEDULE

Terms and conditions of outstanding loans were as follows:

		CONSOLIDATED			
	Currency	Effective interest rate	Year of maturity	**2015 Carrying amount $ millions**	2014 Carrying amount $ millions
Current					
US senior notes - unsecured	USD	-	-	**-**	213.7
Other loans - unsecured	Multi	8.29%	2015 - 2016	**0.4**	0.4
Finance lease liabilities	AUD	6.07%	2015 - 2016	**1.4**	1.3
				1.8	215.4
Non-current					
US senior notes - unsecured	USD	6.02%	2017 - 2030	**1,104.9**	699.7
CHF notes - unsecured	CHF	2.25%	2020	**208.9**	178.1
Other loans - unsecured	Multi	8.86%	2016 - 2022	**3.3**	3.5
Finance lease liabilities	AUD	6.01%	2016 - 2020	**3.7**	4.8
				1,320.8	886.1
Total				**1,322.6**	1,101.5

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	2015 $ millions	2014 $ millions

15. ISSUED CAPITAL

Issued and paid up capital

764,241,387 (2014: 782,736,249) ordinary shares, fully paid	**2,361.6**	2,477.6

Movements in ordinary issued capital

Balance at the beginning of year	**2,477.6**	2,433.8
Nil (2014: 8,735,608) shares issued under the Dividend Reinvestment Plan	**-**	43.8
18,494,862 (2014: Nil) on-market share buy-back	**(116.0)**	-
Balance at the end of the year	**2,361.6**	2,477.6

During the year, the Company completed the buy-back of 18,494,862 shares. This is part of the Company's on-market share buy-back program for up to 5 per cent of the Company's issued capital or approximately 39 million ordinary shares from 18 March 2015 to 17 March 2016. As at 30 June 2015, the total consideration for shares bought back on market was $116.0 million and at an average price of $6.27. The consideration paid was allocated to share capital.

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Transaction costs directly attributable to the issue of ordinary shares are recognised directly to equity, as a reduction of the share proceeds received, net of any tax effects.

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.

16. RESERVES

Foreign currency translation reserve	**97.4**	(50.0)
Hedging reserve - cash flow hedges	**1.5**	(4.6)
Other reserve	**(6.9)**	(6.9)
Share-based payments reserve	**74.2**	63.6
	166.2	2.1

17. 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	
	2015	2014
	$ millions	$ millions

18. NOTES TO STATEMENT OF CASH FLOWS

(i) Reconciliation of cash and cash equivalents:
Cash includes cash on hand, at bank and short term deposits, net of outstanding bank overdrafts. Cash as at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank and on hand	**87.9**	95.6
Bank short-term deposits	**417.9**	287.6
	505.8	383.2

(ii) In June 2014, the Group paid $48.4 million in respect of the outstanding liability relating to the acquisition of the Cultured Stone business in the USA.

(iii) Dividends paid are net of dividends reinvested under the Dividend Reinvestment Plan as follows:

	-	43.8

Annual General Meeting

The Annual General Meeting will be held as follows:

Place:	The Civic Pavilion, The Concourse, Chatswood
Date:	Thursday, 5 November 2015
Time:	10.30 am
Approximate date the annual report will be available:	17 September 2015

Compliance Statement

1 This preliminary final report for the year ended 30 June 2015 has been prepared in accordance with the ASX listing rules. It 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 on 17 September 2015. The Annual Report is currently being finalised in publishable form.

2 The entity has a formally constituted audit committee.