ANNUAL GENERAL MEETING 2015

5 November 2015
Sydney

Chairman’s Address
Dr Bob Every AO
Safety performance

Our goal: ZERO HARM for all Boral employees and contractors

Employee and Contractor Recordable Injury Frequency Rate\(^1\)

(per million hours worked)

<table>
<thead>
<tr>
<th>Year</th>
<th>LTIFR</th>
<th>MTIFR</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2010</td>
<td>22.7</td>
<td>20.5</td>
</tr>
<tr>
<td>FY2011</td>
<td>21.4</td>
<td>19.4</td>
</tr>
<tr>
<td>FY2012</td>
<td>19.0</td>
<td>17.2</td>
</tr>
<tr>
<td>FY2013</td>
<td>17.4</td>
<td>15.5</td>
</tr>
<tr>
<td>FY2014</td>
<td>13.6</td>
<td>11.7</td>
</tr>
<tr>
<td>FY2015</td>
<td>12.1</td>
<td>10.3</td>
</tr>
</tbody>
</table>

\(-11\%\)

\(\text{LTIFR} - \text{MTIFR}\)

1. Recordable Injury Frequency Rate (RIFR) 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

FY2015 financial results highlights

Boral delivers significant profit improvements

<table>
<thead>
<tr>
<th>Revenue</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td>$4.4b</td>
<td>$4.3b</td>
<td>-5%</td>
</tr>
<tr>
<td>Continuing operations</td>
<td>$4.3b</td>
<td>$4.3b</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBIT(^1)</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$357m</td>
<td>$357m</td>
<td>$357m</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Earnings per share(^1)</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.9 cents</td>
<td>31.9 cents</td>
<td>46 cents</td>
<td>45%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit after tax(^1)</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$249m</td>
<td>$249m</td>
<td>$249m</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Full year dividend</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.0 cents</td>
<td>18.0 cents</td>
<td>18.0 cents</td>
<td>20%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net profit after tax</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$257m</td>
<td>$257m</td>
<td>$257m</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ROFE(^1,2)</th>
<th>FY2014</th>
<th>FY2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.2%</td>
<td>8.2%</td>
<td>8.2%</td>
<td>0%</td>
</tr>
</tbody>
</table>

1. Excluding significant items
2. Return on funds employed as at 30 June 2015
Capital management
Balance sheet remains strong and full year dividend increased to 18.0c per share

Earnings (EPS)\(^1\) and dividends per share (DPS)
A$ cents

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<tr>
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</thead>
<tbody>
<tr>
<td>DPS</td>
<td>13.5</td>
<td>14.5</td>
<td>11.0</td>
<td>11.0</td>
<td>15.0</td>
<td>18.0</td>
</tr>
<tr>
<td>EPS</td>
<td>22.1</td>
<td>24.4</td>
<td>13.6</td>
<td>13.6</td>
<td>22.0</td>
<td>31.9</td>
</tr>
</tbody>
</table>


Net debt
A$ million

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<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>1,183</td>
<td>505</td>
<td>1,518</td>
<td>1,446</td>
<td>718</td>
<td>817</td>
</tr>
</tbody>
</table>

Gearing (net debt / net debt + equity)

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31%</td>
<td>14%</td>
<td>31%</td>
<td>30%</td>
<td>18%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Return on average funds employed (ROFE)
Aiming for returns to exceed the cost of capital

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

<table>
<thead>
<tr>
<th></th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.7%</td>
<td>4.7%</td>
<td>6.6%</td>
<td>8.5%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

1. Earnings per share, excluding significant items

2. Hurdle at which 100% of ROFE LTI component will vest; 0% will vest at ROFE of less than 11.5%; progressive pro rata vesting at ROFE of between 11.5% and 12.0%.
Fix, Execute, Transform program
How we’re changing Boral

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**
Fixing things that are holding us back

**Execute**
Improving the way we operate to be more efficient, disciplined and profitable

**Transform**
Transforming Boral for performance excellence and sustainable growth through innovation

Board of Directors

- **Dr Bob Every AO**
  Non-executive Chairman
  (to the end of the 2015 AGM)

- **Dr Brian Clark**
  Non-executive Director and Chairman Elect

- **Catherine Brenner**
  Non-executive Director

- **Dr Eileen Doyle**
  Non-executive Director

- **Kathryn Fagg**
  Non-executive Director

- **Mike Kane**
  CEO & Managing Director

- **John Marlay**
  Non-executive Director

- **Paul Rayner**
  Non-executive Director
Chairman Elect
Dr Brian Clark

CEO & MD's Address
Mike Kane
Boral’s Fix, Execute, Transform program

**Fix**
Fixing things that are holding us back
- Streamlined organisation
- Portfolio realignment
- $213m cumulative cost reduction benefits in FY2015
- $251m cash from divestments & land sales in first 2 years
- Net debt of $817m at historically lower levels
- Capital expenditure < $300m

**Execute**
Improving the way we operate to be more efficient, disciplined and profitable
- People engagement and safety first
- Levers of change – LEAN, Sales & Marketing, Innovation
- Responding to external challenges
- Capacity utilisation up

**Transform**
Transforming Boral for performance excellence and sustainable growth through innovation
- Product innovation
- Gypsum technology roll-out commenced
- Lowering fixed cost exposures through the cycle

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Sustainability and Community snapshot
Creating a ZERO HARM culture

**Safety**
- Targeting world-class health & safety and Zero Harm
- Recordable Injury Frequency Rate (RIFR) down 11% in FY2015
  - Lost Time Injury Frequency Rate down 5%
  - Medical Treatment Injury Frequency Rate down 12%

**Environment**
- 7% reduction in total GHG emissions on like-for-like basis
- 5% reduction in energy use on like-for-like basis

**Our People**
- Employees (FTE2):
  - Boral: 8,356
  - JVs: 3,676
- Average tenure:
  - Australia: 9.2 years
  - US: 7.8 years
- Contractors:
  - Boral: ~4,400
  - JVs: ~3,000

**Community**
- 10 key community partnerships
- ~$820,000 contributed in FY2015

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1. Lost Time Injury Frequency Rate, Medical Treatment Injury Frequency Rate and RIFR for employees and contractors in 100%-owned businesses and 50%-owned joint venture operations
2. Full Time Equivalent
Boral Construction Materials & Cement

**FY2016 Outlook**

- Excluding Property earnings, we expect to maintain similar high levels of EBIT as FY2015
- A multi-year recovery in infrastructure demand, led by major roads projects expected to benefit Boral as a materials supplier from late FY2016 and more in FY2017
- Expect benefits from restructuring and improvement initiatives, and continued strength in Sydney construction market

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1. Excluding significant items

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Boral’s Australian revenues are derived from several segments, with the largest being roads & highways

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1. Based on split of FY2015 revenues from Construction Materials & Cement and Building Products
2. Source: BIS Shrapnel

Note all charts are for financial years and have been based on 2012/13 dollars
**FY2016 Outlook**

- Excluding Property earnings, we expect to maintain similar high levels of EBIT as FY2015.
- A multi-year recovery in infrastructure demand, led by major roads projects expected to benefit Boral as a materials supplier from late FY2016 and more in FY2017.
- Expect benefits from restructuring and improvement initiatives, and continued strength in Sydney construction market.

### FY2016 Outlook

<table>
<thead>
<tr>
<th>Revenue A$ million</th>
<th>EBIT$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2014 3,287</td>
<td>FY2014 277</td>
</tr>
<tr>
<td>FY2015 3,091</td>
<td>FY2015 301</td>
</tr>
</tbody>
</table>

1. Excluding significant items

### Property/Quarry End Use earnings over the last decade

- **10-year average Property/QEU earnings:** $36m
- **5-year average Property earnings:** $24m

1. Excluding significant items
2. FY2006 – FY2010 included earnings from significant multi-year developments at Moorebank and Nelson’s Ridge, and initial earnings from the Landfill business.
### Boral Building Products

**Australian Bricks¹, Roofing² and Timber**

<table>
<thead>
<tr>
<th>Revenue</th>
<th>EBIT³</th>
</tr>
</thead>
<tbody>
<tr>
<td>A$ million</td>
<td>A$ million</td>
</tr>
<tr>
<td>FY2014</td>
<td>FY2015</td>
</tr>
<tr>
<td>487</td>
<td>485</td>
</tr>
<tr>
<td>FY2014</td>
<td>FY2015</td>
</tr>
<tr>
<td>8</td>
<td>30</td>
</tr>
</tbody>
</table>

1. Includes 10 months of 100% consolidated earnings from East Coast Bricks and 2 months of 40% post-tax equity accounted income from Boral CSR Bricks JV
2. Remaining Masonry operations are incorporated into Bricks and Roofing businesses
3. Excluding significant items

**FY2016 Outlook**

- Expect **underlying earnings improvement** despite housing activity forecast to soften
- However, expect to maintain **similar reported EBIT to FY2015**, reflecting the impact on earnings of the Bricks East business moving to 40% post-tax equity accounted earnings

### Boral Gypsum

**Boral’s 50% share of USG Boral Joint Venture**

**Australia, Korea, Thailand, China, Indonesia, Vietnam, Malaysia, India, Philippines**

<table>
<thead>
<tr>
<th>Reported earnings¹,²</th>
<th>All A$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2014</td>
<td>FY2015</td>
</tr>
<tr>
<td>77</td>
<td>49</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Underlying Revenue</th>
<th>Underlying EBIT²</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2014</td>
<td>FY2015</td>
</tr>
<tr>
<td>1,091</td>
<td>1,268</td>
</tr>
<tr>
<td>FY2014</td>
<td>FY2015</td>
</tr>
<tr>
<td>102</td>
<td>141</td>
</tr>
</tbody>
</table>

1. Includes consolidated results for the period July 2013 to February 2014 and equity accounted post-tax earnings contribution from March 2014
2. Excluding significant items

**FY2016 Outlook**

- Expected to deliver **further underlying performance improvements**
- **Sheetrock® volumes should grow and synergies strengthen** in FY2016
- **Construction activity in Asia should continue to grow** with some uncertainty in Thailand and Indonesia and subdued activity in China
FY2016 Outlook

- Expect approximately **1.2 million total housing starts in FY2016**, in line with forecasters’ projections.\(^2\)
- EBIT from Boral’s USA division expected to increase in line with projected increase of approximately 150,000 housing starts

1Q FY2016 Trading Update

**Boral Construction Materials & Cement**
- 1Q FY2016 earnings in line with our expectations
- Pricing stronger in metro NSW and SEQ; steady in other regions
- Property earnings remain uncertain but likely to be skewed to 2H FY2016

**Boral Building Products**
- 1Q FY2016 result an improvement on prior year, reflecting strong residential activity and pricing outcomes
- Earnings in line with our 1Q FY2016 expectations
- Improved results from underlying Bricks East business, however, reported earnings impacted by JV contribution being post-tax equity-accounted

**Boral Gypsum**
- Underlying business performance in line with our expectations; solid improvement in earnings (in A$) compared to 1Q FY2015
- While board volumes were higher in Australia, overall board volumes broadly steady and non-board volumes up
- Sheetrock® product penetration continued and price premiums remain above 5%

**Boral USA**
- 1Q FY2016 housing starts\(^1\) at ~1.16m annualised run rate; up 13% on 1Q FY2015
- Positive earnings in 1Q FY2016; better than 1Q FY2015
- Higher Cladding and Roofing volumes
- Small price improvements in Bricks, Roofing and Trim

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1. Excluding significant items
2. Analysts average (Dodge, Wells Fargo, NAR, NAHB, Fannie Mae, Freddie Mac, MBA) between May and July 2015

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1. Seasonally adjusted annualised data from US Census for September 2015 quarter
Item 1 – Financial Reports

To consider the Financial Report, the Directors’ Report and the Auditor’s Report for the year ended 30 June 2015
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 2015.”
Item 2 – Remuneration Report

Proxies

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>498,298,287</td>
</tr>
<tr>
<td>Open</td>
<td>4,611,592</td>
</tr>
<tr>
<td>Against</td>
<td>6,367,515</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 98.4%

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

Item 3 – Re-election of Directors

3.1 To re-elect John Marlay as a Director

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

“That John Marlay, 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 3.1 – To re-elect John Marlay as a Director

Proxies

<p>| | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>504,520,238</td>
</tr>
<tr>
<td>Open</td>
<td>4,777,191</td>
</tr>
<tr>
<td>Against</td>
<td>534,151</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 99.6%

* On basis open proxies in favour of the Chairman of the Meeting are voted FOR
Item 3 – Re-election of Directors

3.2 To re-elect Catherine Brenner as a Director

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

“That Catherine Brenner, 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 – To re-elect Catherine Brenner as a Director

Proxies

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>For</td>
<td>501,879,337</td>
</tr>
<tr>
<td>Open</td>
<td>4,777,167</td>
</tr>
<tr>
<td>Against</td>
<td>3,234,082</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 99.0%

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

Item 4 – Award of LTI and deferred STI 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 this Notice of Meeting.”
Item 4 – Award of LTI and deferred STI Rights to Mike Kane

Proxies

<p>| | |</p>
<table>
<thead>
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</thead>
<tbody>
<tr>
<td>For</td>
<td>494,878,044</td>
</tr>
<tr>
<td>Open</td>
<td>5,035,157</td>
</tr>
<tr>
<td>Against</td>
<td>9,956,145</td>
</tr>
</tbody>
</table>

% to be cast FOR the resolution* 97.7%

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

Item 5 – Proportional Takeover Approval Provisions

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That the proportional takeover approval provisions contained in Schedule 5 of the Constitution of the Company at the date of this Notice of Meeting be included as Schedule 5 in the Constitution of the Company for a further period of three years from the date of the Meeting convened by this Notice of Meeting.”
Item 5 – Proportional Takeover Approval Provisions

**Proxies**

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<tbody>
<tr>
<td>For</td>
<td>501,580,374</td>
</tr>
<tr>
<td>Open</td>
<td>5,556,627</td>
</tr>
<tr>
<td>Against</td>
<td>2,736,781</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