

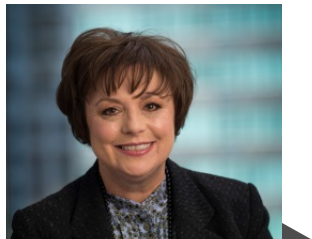
Annual General Meeting

Sydney
6 November 2019



Working together to
build something great

Board of Directors



Kathryn Fagg
Non-executive
Chairman



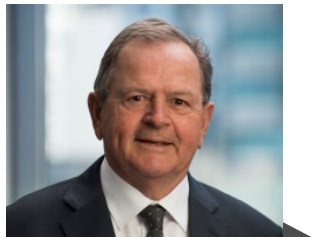
Mike Kane
CEO & Managing
Director



Peter Alexander
Non-executive Director



Dr Eileen Doyle
Non-executive Director



John Marlay
Non-executive Director



Karen Moses
Non-executive Director



Paul Rayner
Non-executive Director

Executive Committee



Mike Kane
CEO & Managing
Director



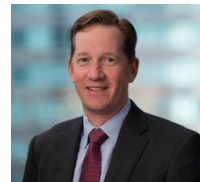
Rosaline Ng
Group President
Ventures & CFO



Ross Harper
Group President
Operations



Wayne Manners
President & CEO,
Boral Australia



David Mariner
President & CEO,
Boral North America



**Frederic de
Rougemont**
CEO, USG Boral



Linda Coates
Group Human
Resources Director



Kylie Fitzgerald
Group
Communications &
Investor Relations
Director



Dominic Millgate
Company Secretary



Damien Sullivan
Group General
Counsel

Chairman's address

Kathryn Fagg

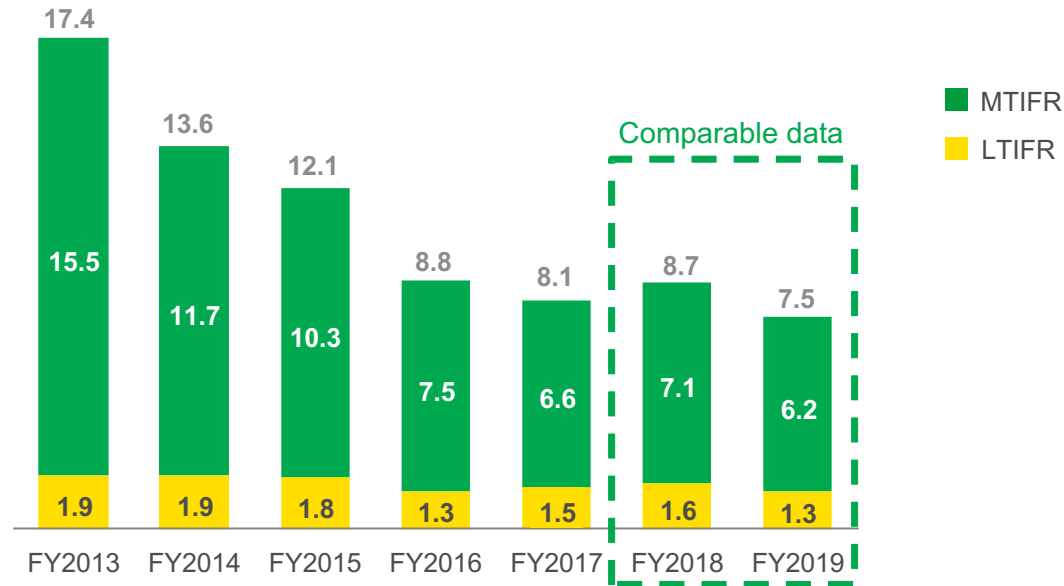


Safety performance

Employee and contractor recordable injury frequency rate¹ of 7.5, a 14% improvement on the prior year

Employee and contractor RIFR¹

(per million hours worked)



1. Recordable injury frequency rate (RIFR) is the combined lost time injury frequency rate (LTIFR) and medical treatment injury frequency rate (MTIFR). Per million hours worked for employees and contractors in 100% owned businesses including Headwaters, and all joint ventures businesses regardless of equity interest from FY2018 onwards. Data for prior years only includes 50% owned joint ventures and excludes Headwaters

FY2019 financial results

Delivering improved earnings from continuing operations

FY2019 vs FY2018

REVENUE ^{1,2}

\$5,801m



4%

EBITDA ^{1,2}

\$1,033m



2%

Net profit after tax²

\$440m



7%

ROFE³

8.2%



from

8.4%

Year-four synergy target

US\$115m

On track

Full year dividend

26.5 cents

steady

1. Excluding discontinued operations

2. Excluding significant items

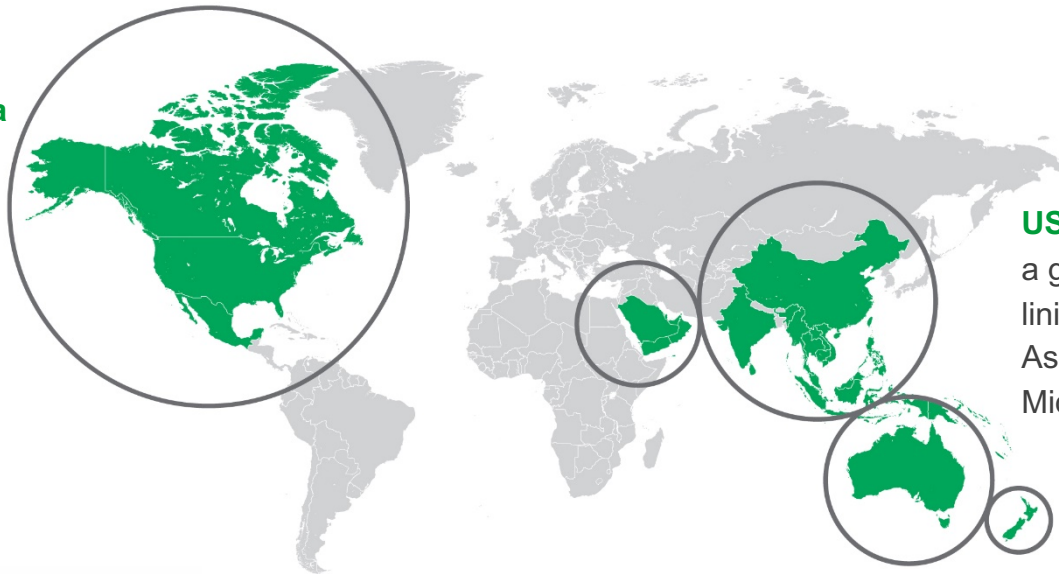
3. Return on funds employed (ROFE) is based on EBIT before significant items on funds employed at period end

Boral's purpose is to help our customers *build something great*

Our key strategic objective is to deliver shareholder returns that exceed the cost of capital through the cycle

Boral North America

a leading supplier of building products and largest fly ash marketer in the USA



USG Boral

a gypsum-based, interior linings product leader in Asia, Australasia and the Middle East



17
countries



672
operating sites



154
distribution sites



17,104
total employees
(including JVs)



~9,400
contractors
(including JVs)

Boral Australia

a leading, vertically integrated construction materials player supplying residential, non-residential and infrastructure construction markets

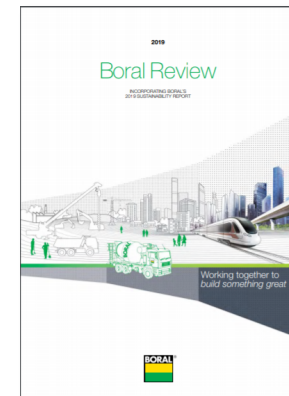
2019 Sustainability reporting and performance

Reporting and disclosures

- Updated materiality review undertaken
- Reporting UN Sustainable Development Goals we can most significantly impact
- Climate-related impacts more comprehensively addressed in line with TCFD
- Enhanced approach to assessing modern slavery risk

FY2019 highlights

- ✓ 14% improvement in RIFR
- ✓ A further 7% reduction in Scope 1 & 2 emissions and emissions intensity
- ✓ Since 2012 energy use and CO₂-e emissions reduced by 27% and 32% respectively
- ✓ 10% of revenue from lower carbon, high-recycled-content products
- ✓ Increased representation of women
- ✓ Pay equity 1:1 in Boral Australia



MEMBER OF
**Dow Jones
Sustainability Indices**
In collaboration with  a RobecoSAM brand

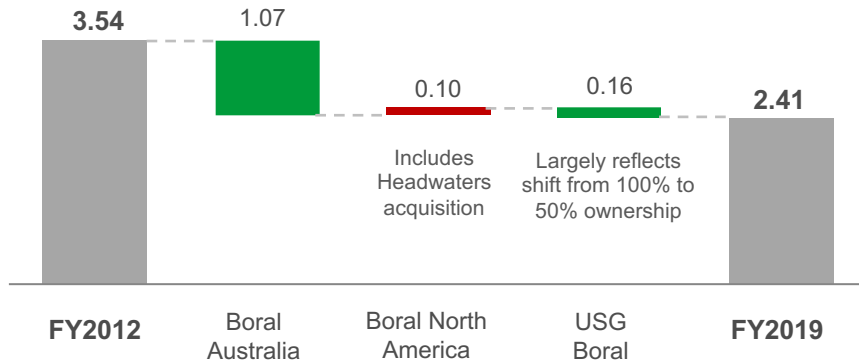


FTSE4Good

Building a sustainable business

Our environmental sustainability is embedded in Boral's business strategy

Boral's Scope 1 & 2 GHG emissions, million tonnes CO₂-e

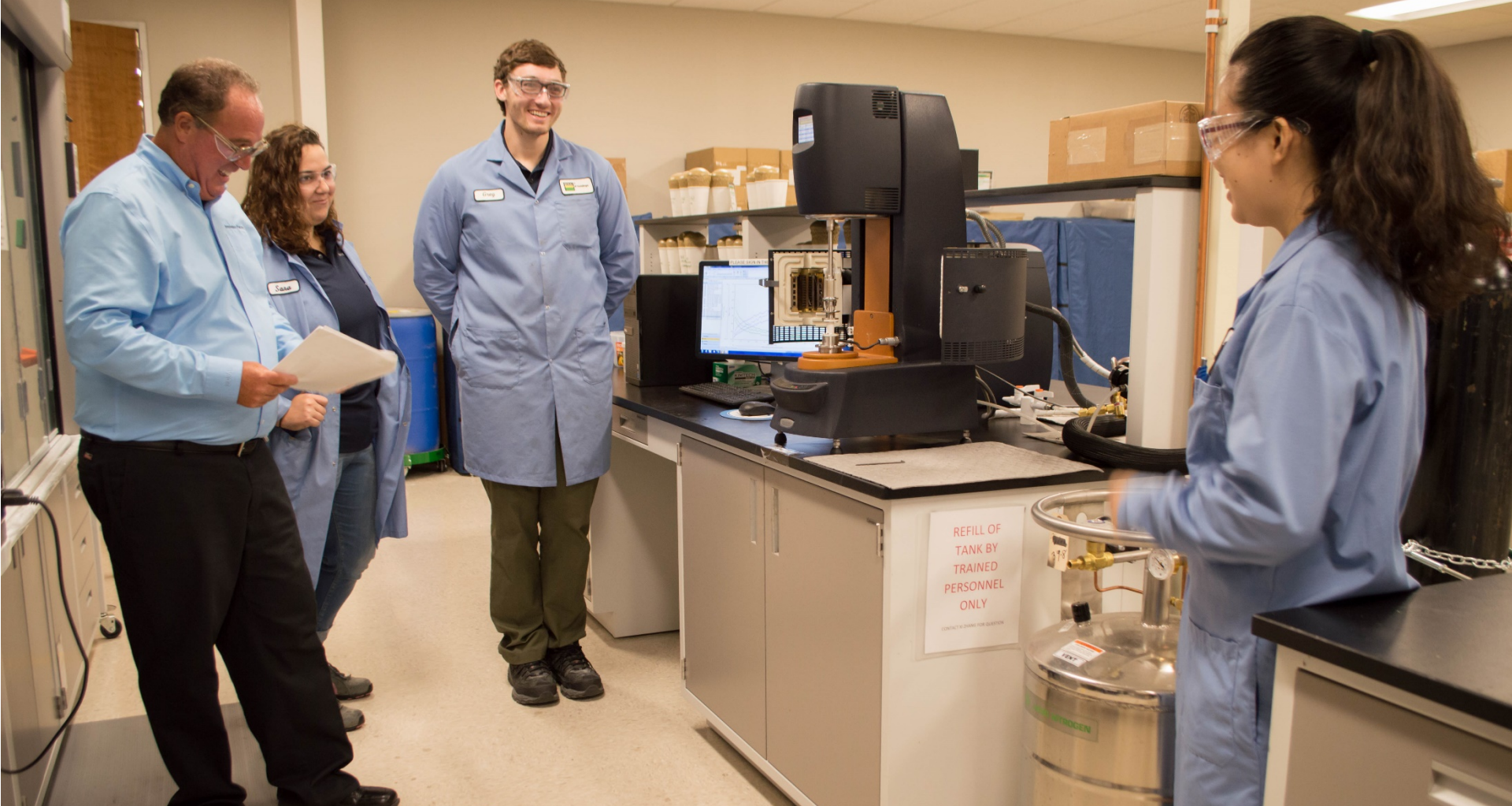


- Absolute GHG emissions of 2.4 million tonnes CO₂-e have reduced 32% since FY2012¹



Boral's clinker grinding and storage capacity includes flexibility to increase the amount of substitute cementitious materials, expected under various climate scenarios

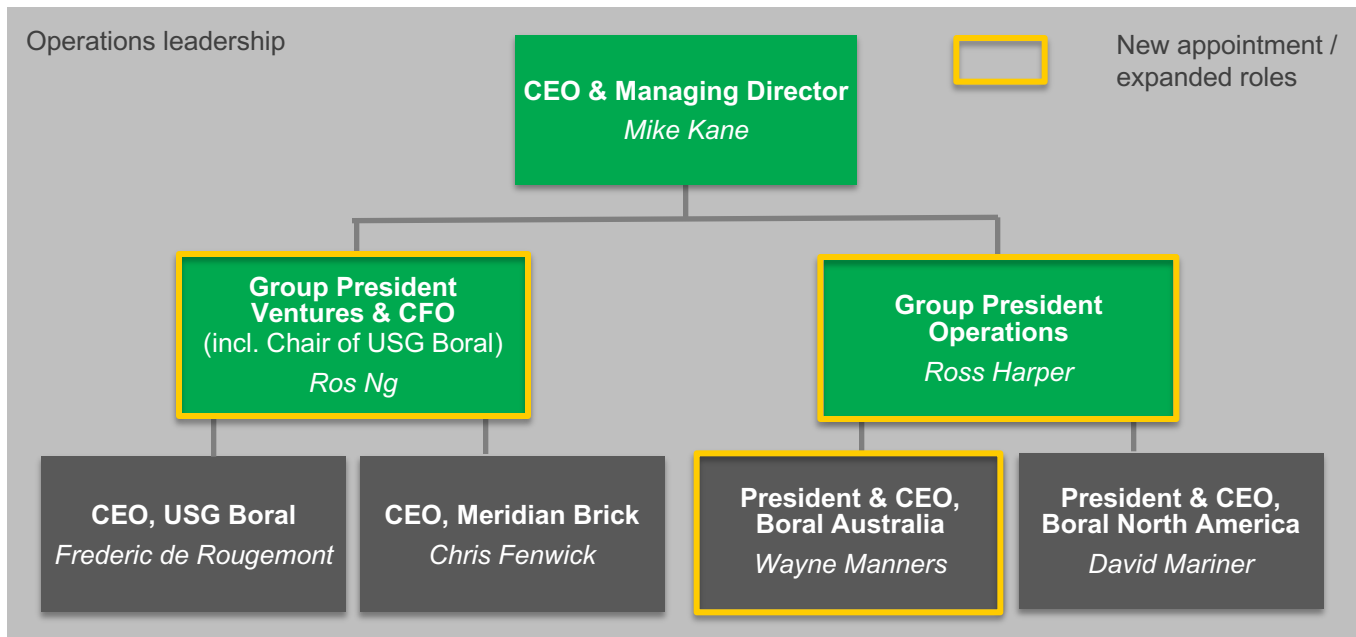
1. For 100% owned operations and Boral's share of 50%-owned JVs. It excludes some JVs which in aggregate are deemed not to have material emissions. For the purpose of this analysis, emissions associated with Boral's Australian plasterboard business in FY2012, which was part of Boral Building Products have been reclassified as USG Boral GHG emissions.



Boral North America, Innovation Factory, San Antonio, Texas

Senior leadership changes announced in Feb-2019

Well positioned around executive capability today and in the future



CEO & Managing Director's address

Mike Kane





Boral's Peppertree Quarry, New South Wales



USG Boral Ensemble® Monolithic Acoustical Ceiling, Chancery House, Western Australia



Boral North America's rail cars serving as mobile fly ash storage capacity

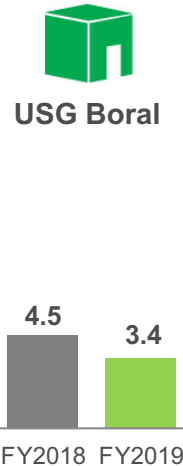
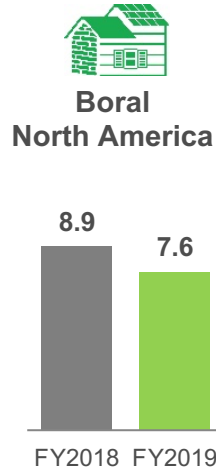
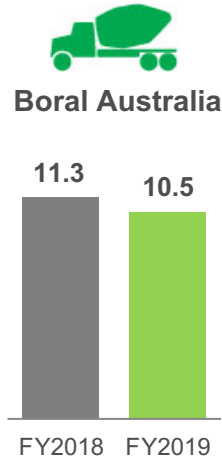


Boral North America's landfill reclaim operation at Montour, Pennsylvania

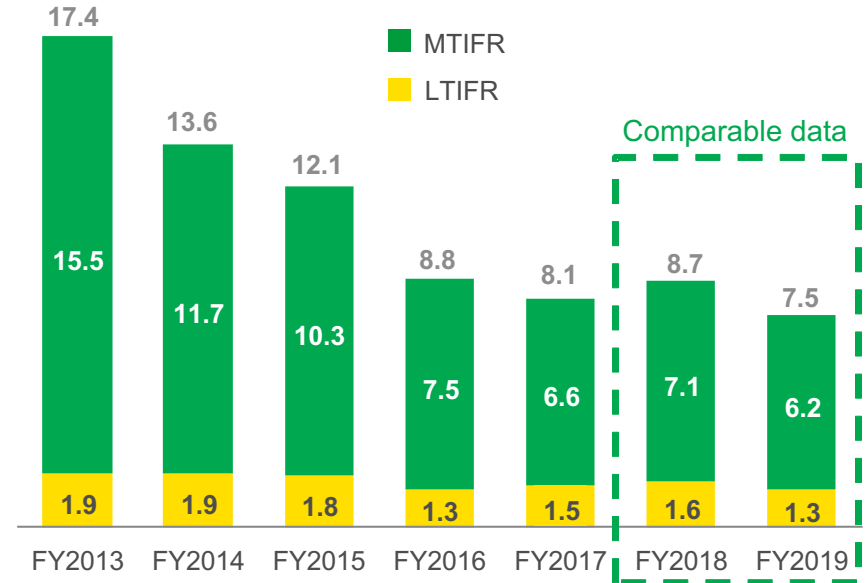
Safety performance improving in all divisions

Employee and contractor recordable injury frequency rate (RIFR)¹ per million hours worked

Divisional






Boral Group



1. Recordable injury frequency rate (RIFR) is the combined lost time injury frequency rate (LTIFR) and medical treatment injury frequency rate (MTIFR). Per million hours worked for employees and contractors in 100% owned businesses including Headwaters, and all joint ventures businesses regardless of equity interest from FY2018 onwards. Data for prior years only includes 50% owned joint ventures and excludes Headwaters

FY2019 divisional performance

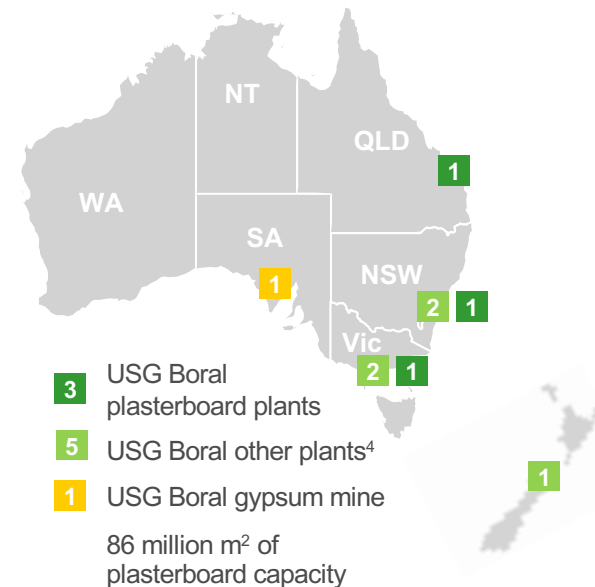
Three focused and well-positioned divisions, delivering substantial benefits through improvement initiatives

Boral Australia 	Boral North America 	USG Boral 
<ul style="list-style-type: none"> › \$593 million EBITDA › EBITDA margins 16.6% › ROFE¹ of 15.1%, well above cost of capital › \$28 million savings from supply chain optimisation, Organisational Effectiveness and rightsizing programs; expect a further \$40-\$50 million in FY2020 	<ul style="list-style-type: none"> › \$415 million (US\$297 million) EBITDA › EBITDA margins 18.6% › ROFE¹ of 5.6% › Synergies of US\$32 million, slightly ahead of plan; on track to deliver year-four synergy target of US\$115 million 	<ul style="list-style-type: none"> › \$252 million underlying EBITDA (100% of JV) › \$57 million of post-tax earnings to Boral (50% share) › EBITDA margins 15.7% › ROFE¹ of 8.1% › Cost savings of \$4.5 million realised through project Horizon; expect to deliver ~\$21 million of annualised savings by FY2021

1. Return on funds employed (ROFE) is based on EBIT before significant items on funds employed at period end

Owning 100% of USG Boral Australia & NZ will be value-creating for Boral's shareholders

- **US\$200 million investment**, FY2019 EBITDA multiple ~5.7 times¹
- Additional **A\$576 million of reported revenue for Boral**, based on FY2019, and with **EBITDA margins >16%**, significant **EBITDA uplift**
- USG Boral Australia & NZ is a **high-performing business**, generating **strong cash flows**, underpinned by leading **Sheetrock® technology**
- Continued access to **USG's intellectual property²** and support from USG and USG Boral
- **Continue to trade as USG Boral and sell the successful Sheetrock®** in Australia and New Zealand – we expect a **seamless transition**
- **Boral has agreed to grant Knauf a call option³** to purchase 50% of the business within five years, subject to regulatory approval
- **Boral retains entire free cash flow** under Boral's 100% ownership



1. Based on USD/AUD exchange rate of \$0.7145 on 30 June 2019

2. A single, low percentage royalty-based fee (of <0.5% of relevant revenues) has been agreed. This fee includes Boral retaining exclusive access in Australia and NZ to USG's Sheetrock® technology currently employed in USG Boral until 2024 and non-exclusive access beyond 2024; and exclusive access to USG's mark II Sheetrock® technology (EcoSmart) until 2024 and non-exclusive access beyond 2024, and other R&D and breakthrough technologies.

3. Boral has agreed to grant Knauf a call option to buy 50% share for US\$200 million (with potential adjustments primarily in relation to Knauf paying 50% of growth capital expenditure invested into the business under Boral's ownership) within five years. The grant and exercise of the call option will be subject to Australian and NZ regulatory approvals.

4. Other plants include metal products, cornice production and joint compounds.

A new expanded USG Boral Asia joint venture

Once completed, the expanded USG Boral Asia JV will deliver a stronger growth platform in Asia

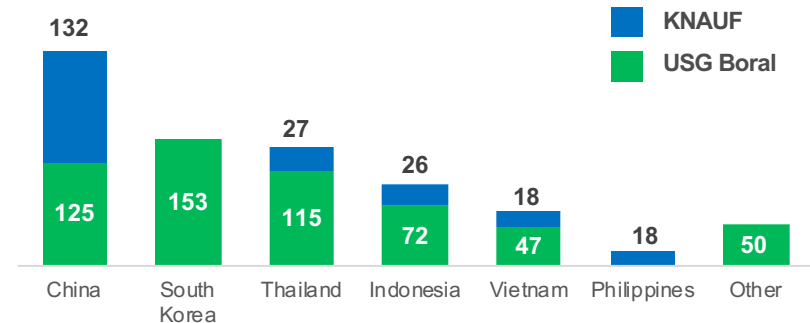
Operating footprint¹

Number of operating sites

- 15 USG Boral plasterboard plants
- 20 USG Boral other plants
- 1 USG Boral gypsum mines
- 9 KNAUF plasterboard plants
- 16 KNAUF other plants
- 1 KNAUF gypsum mines



Plasterboard manufacturing capacity², million m²

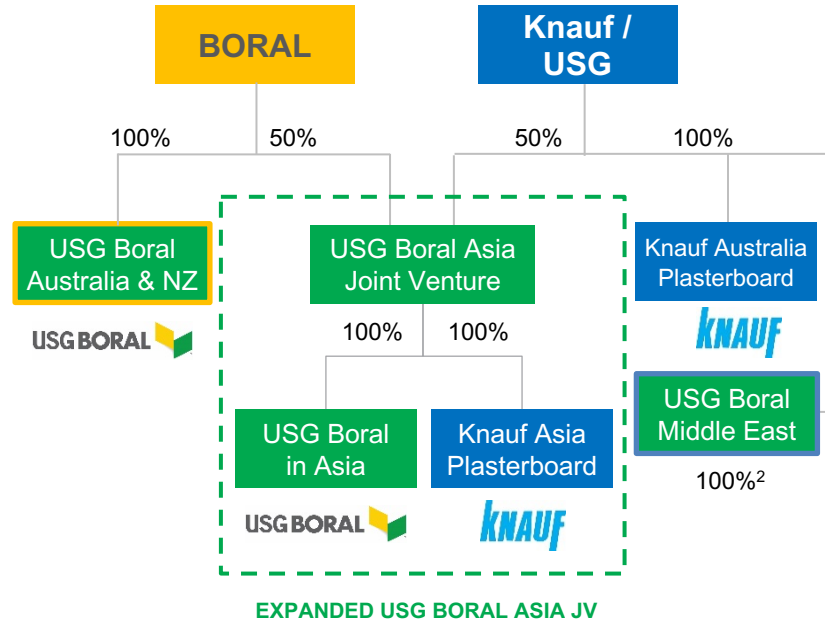


- USG Boral's 562 million m² combined with Knauf's 220 million m² of capacity creates a 782 million m² network of manufacturing plants

1. Other plants include USB Boral JV owned mineral fibre ceiling tile, metal ceiling grid, metal products, joint compounds, mineral wool and cornice production
 2. Includes new capacity coming on line in USG Boral Vietnam and India, and Knauf's new capacity in the Philippines

USG Boral transaction summary

- **Boral's direct funding requirement of US\$335 million** (after the USG Boral JV self-funds a proportion of the investment¹) to be through debt and proceeds from divestments
- **~3-5% EPS accretion** on pro-forma FY2019 basis, before synergies
- **Synergies of ~US\$30 million p.a.** expected in year 4



1. The USG Boral JV will self-fund US\$262 million of the \$532.5 million investment (using US\$50 million proceeds from Middle East sale, up to US\$200 million of debt, plus cash). The balance of US\$270 million will be equally funded by Knauf and Boral – being US\$135 million each. Boral's direct total funding of US\$335 million is US\$200 million to buy 50% of USG Boral Australia & NZ plus Boral's US\$135 million share of funding for the USG Boral JV to acquire Knauf Asia Plasterboard
2. Represents 100% ownership of USG Boral's current ownership of the Middle East / Oman entities

1Q FY2020 trading

Boral Group

- › As expected, volume pressures in several businesses reflecting softer activity
- › In addition to improvement initiatives already underway, we have considerably increased efforts to reduce costs and improve earnings
- › More extensive business improvement initiatives will benefit results in 2H

Boral Australia



- › 1Q earnings lower due to softer housing market and delays in infrastructure projects
 - 8% lower concrete volumes and flat asphalt volumes
- › Disruptions at Berrima & Peppertree resulted in adverse earnings impact of ~\$10 million
- › Secured supply to Westgate Tunnel, Norfolk Island airport and Queens Wharf

Boral North America



- › 1Q earnings slightly lower than prior year
- › Early signs of US housing market improving yet to flow through, but should benefit 2H
- › As expected in Fly Ash, lower earnings from site services
- › Signed MOU for significant fly ash project

USG Boral



- › 1Q earnings slightly lower than last year
- › Slowdown in residential construction in Australia, and continued downturn in South Korea
 - partially offset by improvements in Thailand and China

Reaffirming FY2020 NPAT outlook guidance

FY2020

- Boral's full year FY2020 earnings outlook remains unchanged
- We continue to expect NPAT¹ to be ~5-15% lower in FY2020 relative to FY2019, reflecting lower earnings and higher depreciation charges
- Expect FY2020 **Property earnings** to be ~\$55-\$65 million

FY2020 guidance excludes additional earnings expected when USG Boral Knauf transaction closes, anticipated in early 2020, and implications of new IFRS Leasing Standard on FY2020 reported earnings

1H FY2020

- Expect Boral's **EBITDA in 1H** to be ~5% lower than prior year
- Expect **1H Property earnings of ~\$30 million** to only partially offset impact of lower volumes and higher costs, including one-off Peppertree and Berrima costs

2H FY2020

- Expect **EBITDA** to be broadly similar to 2H EBITDA reported last year, before additional earnings expected from USG Boral transaction with Knauf

Expected 2H FY2020 earnings skew

Underpinned by

Boral Australia

- › Expected ramp up of several major projects, including Queens Wharf and Westgate Tunnel
- › Already planned improvement initiatives expected to deliver savings of ~\$40-50 million in FY2020
- › Further cost savings initiatives that aggressively address spend control, improve operational efficiencies and accelerate procurement savings

Boral North America

- › Both volume growth and price increases expected to contribute to 2H earnings growth, particularly in fourth quarter – which is seasonally the strongest quarter for the year
- › Additional comprehensive improvement program of more than 50 initiatives expected to deliver benefits, primarily from January
- › Initiatives are in addition to ~US\$20 million of synergies expected in FY2020

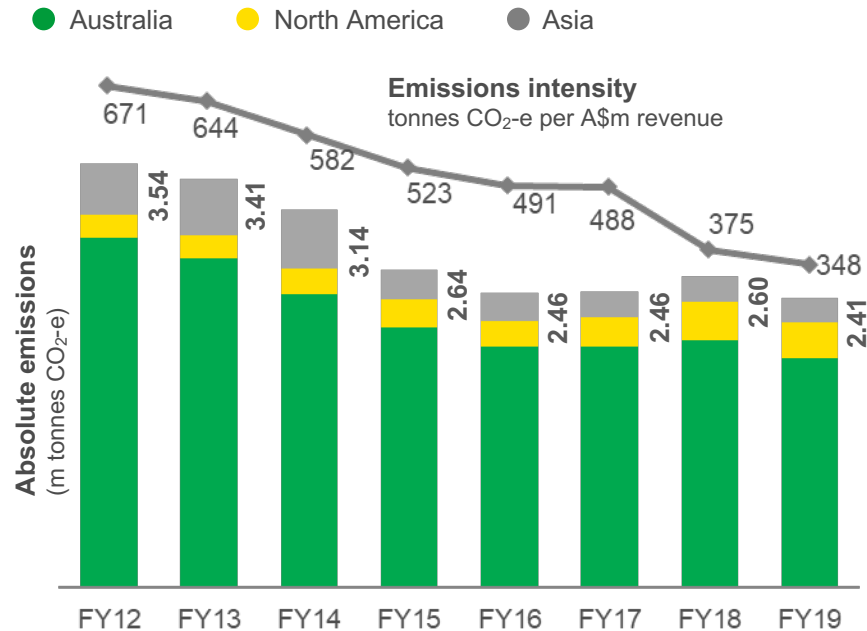
USG Boral

- › Expect a broadly balanced first half and second half of underlying earnings from USG Boral – prior to impact of increased earnings that we will receive following closure of the transaction with Knauf

A lower carbon footprint

32% reduction in Scope 1 & 2 GHG emissions since FY2012

GHG emissions from operations¹



- **Absolute GHG emissions** of 2.4m tonnes CO₂-e pa (Scope 1 & 2)

↓ 7% in FY2019

↓ 32% since FY2012

- **Emissions intensity²** of 348 tonnes CO₂-e/A\$m revenue

↓ 7% in FY2019

↓ 48% since FY2012

Target: 10-20% reduction in intensity by FY2023 from FY2018

- **Boral's fly ash in the supply chain:**

~5.1m tonnes pa of avoided CO₂-e emissions

Target: avoid a further 1.1–1.5m tonnes CO₂-e pa in supply chain on FY2018 through increased fly ash supply by FY2022³

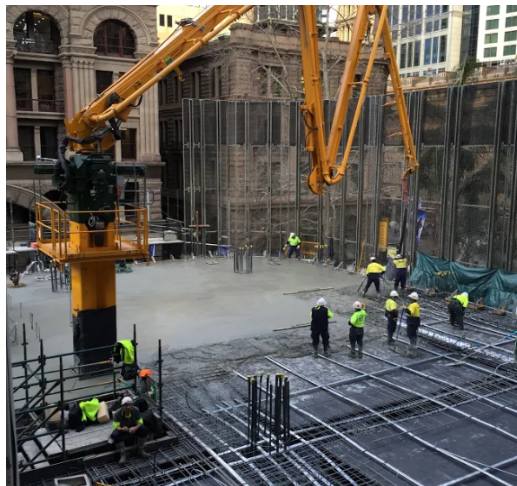
1. For 100% owned operations and Boral's share of 50%-owned JVs. It excludes some JVs which in aggregate are deemed not to have material emissions
 2. Based on Group-reported revenue adjusted to include a 50% share of underlying revenues from USG Boral and meridian Brick JVs, which are equity accounted
 3. Based on target to increase net supply of fly ash by 1.5–2.0m tons pa by FY2022

Innovation in response to customers' needs and for a more sustainable future

Investment in innovation benefits customers with development of more **sustainable products**; currently ~10% of revenues from lower carbon and high-recycled products



Boral North America, sourcing fly ash from a utility, Georgia



ENVISIA® concrete pour



Boral TruExterior® – composite siding & trim

Boral's multi-year transformation journey

We have delivered significant gains and we are focused on delivering continued improvements

FY2019 vs FY2012

Recordable injury frequency rate

7.5



from 19.0

EBITDA¹

\$1,037m



from \$473m

Net profit after tax¹

\$440m



from \$101m

ROFE²

8.2%



from 4.1%

Earnings per ordinary share³

37.5 cents



from 12.7 cents

Full year dividend

26.5 cents



from 11.0 cents

1. Excluding significant items

2. Return on funds employed (ROFE) is based on EBIT before significant items on funds employed at period end

3. Adjusted to reflect the bonus element in the renounceable entitlement offer that occurred during November and December 2016

Annual General Meeting

Formal business



Working together to
build something great

Item 1 – Financial reports

To consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2019.

Item 2 – Re-election of directors

Item 2.1 To re-elect Eileen Doyle as a Director

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

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

Eileen Doyle

Non-executive Director

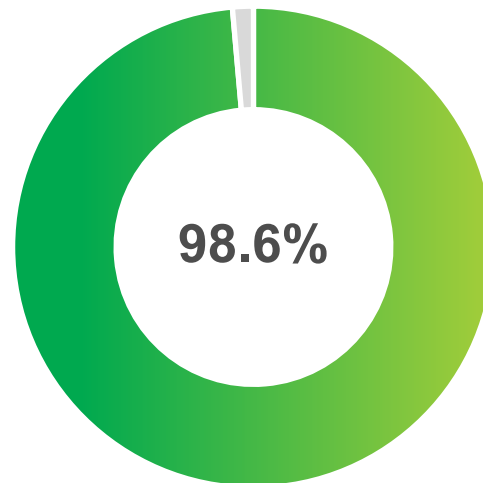


Item 2.1

To re-elect Eileen Doyle as a Director

Proxies	
For	721,073,347
Open	7,799,369
Against	8,346,612

% to be cast FOR the resolution*



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

Item 2 – Re-election of directors

Item 2.2 To re-elect Karen Moses as a Director

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

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

Karen Moses

Non-executive Director

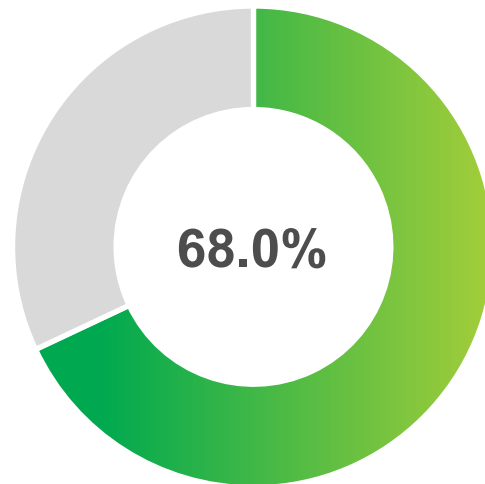


Item 2.2

To re-elect Karen Moses as a Director

Proxies	
For	498,097,659
Open	5,449,010
Against	233,687,613

% to be cast FOR the resolution*



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

Chairman of Remuneration & Nomination Committee

John Marlay

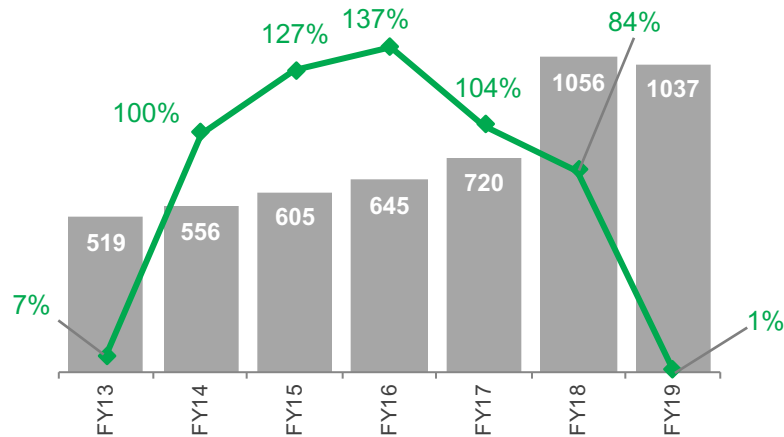


2019 Remuneration outcomes

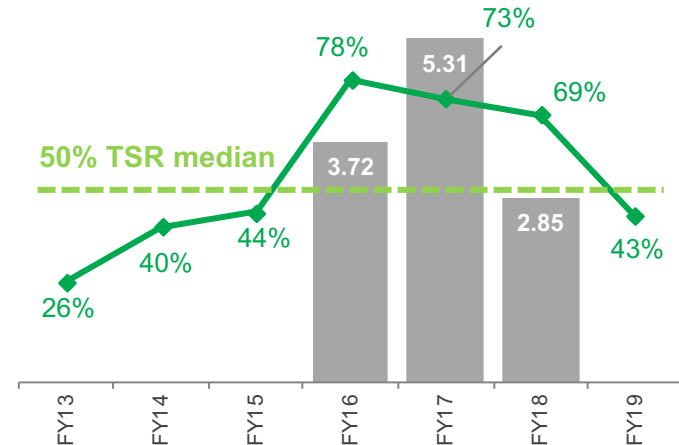
Remuneration structured to focus executives on strategy delivery and align with shareholder value creation

Zero STIs were paid in FY2019 for the CEO and most KMP and their teams and **Zero LTI awards** vested in FY2019

**Boral EBIT (\$A million) and
Senior executive STI paid (% of target)**



**Vested CEO LTI grants (\$A million) and
TSR percentile outcome (%)**



Item 3

Remuneration Report

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

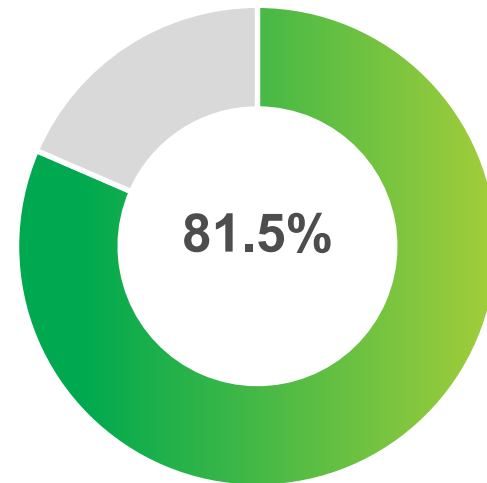
**“To adopt the Remuneration Report for the year ended
30 June 2019.”**

Item 3

Remuneration Report

Proxies	
For	585,762,019
Open	7,725,543
Against	136,399,194

% to be cast FOR the resolution*



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

Item 4

Award of LTI Rights to Mike Kane, CEO & Managing Director

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

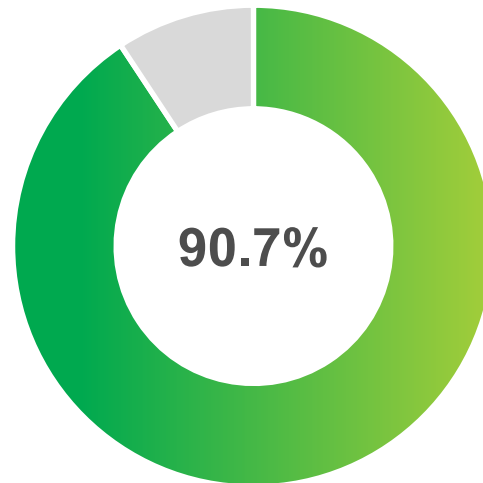
“That approval is given for the award to Mike Kane, the CEO & Managing Director, of rights to fully paid ordinary shares in the Company on the terms described in the Explanatory Notes to the Notice of Meeting.”

Item 4

Award of LTI Rights to Mike Kane, CEO & Managing Director

Proxies	
For	660,514,630
Open	7,616,309
Against	66,267,032

% to be cast FOR the resolution*



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



Annual General Meeting

Sydney
6 November 2019



Disclaimer

The material contained in this document is a presentation of information about the Group's activities current at the date of the presentation, 6 November 2019. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

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

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

Annual General Meeting

Sydney
6 November 2019



Working together to
build something great