BORAL REVIEW

2015

An annual publication for Boral's shareholders, employees and other stakeholders

- How we're responding to risks and challenges
- In conversation with Mike Kane
- **Boral in Australia:** Safety performance stacks up well
- **Boral USA:** Positioning the business to maximise market recovery
- **USG Boral:** Roll-out of Sheetrock® Technology

MAKING GOOD PROGRESS

Fix, Execute, Transform program delivers results

BORAL LIMITED
ABN 13 008 421 761

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YEAR AT A GLANCE

Boral delivered a full year profit after tax and significant items of $257m and a 45% improved profit after tax[1] of $249m.

A strong $301m EBIT from Construction Materials & Cement included $46m of Property earnings, helping to offset the impact of lower levels of roads, infrastructure and engineering activity in Australia. Building Products delivered an EBIT of $30m, up $22m, reflecting stronger housing markets, and focus on managing costs and pricing. In the USA, Boral's business returned to profitability with an EBIT of A$6m, reflecting the ongoing recovery in US housing activity as well as benefits from improvement initiatives. While in Boral Gypsum lower reported earnings of $49m reflects a full year of post-tax equity accounted earnings from the 50%-owned JV, the underlying EBIT of the USG Boral JV of $141m was up 38%.

Reported revenue[2]
$4.4b
↓ 15%

Profit after tax[1]
$249m
↑ 45%

Above: Travis Potts, General Manager of Boral Construction Materials in the Northern Territory at Boral's Howard Springs Quarry.
Top right: Jude Hartnett, Driver based at Boral Construction Materials' concrete plant at St Peters, NSW.
Top: USG Boral manufacturing managers sharing their knowledge at the Pinkenba plant in Queensland.
Centre right: Blaine Bates, Area Sales Manager for Boral USA showcasing Versetta Stone®.
Right: Wayne Manners, Executive General Manager for Construction Materials in WA & NT and Chair of Boral's Diversity Council, leads a discussion about diversity in Boral.

*Cover: Gordon Kelly, Operator at Boral's Howard Springs Quarry in the Northern Territory.

Boral Limited's statutory results are reported under International Financial Reporting Standards. Earnings before significant items is a non-IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. Significant items are detailed in Note 4 of the financial statements and relate to amounts of income and expense that are associated with significant business restructuring, business disposals, impairment or individual transactions.

The Boral Review has not been subject to review or audit; however, it contains disclosures which are extracted or derived from the financial statements for the year ended 30 June 2015.

Net debt

$817m

↑ 14%

Capital expenditure

$250m

↓ 7%

EBIT[1]

$357m

↑ 21%

Operating cash flow

$418m

↓ 18%

Earnings per share[1]

31.9c

↑ 45%

Dividend (full year)

18.0

↑ 20%

27 August 2014

Boral reported a **64% increase in net profit after tax of $171m** (before significant items) for the full year ended 30 June 2014

15 September 2014

Kathryn Fagg joined the Boral Board as a Non-executive Director

25 November 2014

Boral agreed terms for a **US$200m US Private Placement** senior, unsecured note issue

17 December 2014

Boral entered into an agreement to **sell its Western Landfill business** in Melbourne to Transpacific Industries (TPI)

19 December 2014

The **Interim Report of the Royal Commission** into Trade Union Governance and Corruption was published and included 114 pages dedicated to the secondary boycotts against Boral

11 February 2015

Boral reported a **23% increase in net profit after tax of $112m** (before significant items) for the half year ended 31 December 2014

2 March 2015

Boral **completed the sale of Western Landfill business** to TPI

18 March 2015

Boral announced the **on-market share buy-back program** of approximately 39 million ordinary shares over 12 months

1 May 2015

Boral and CSR announced the **formation of the Boral CSR Bricks joint venture**, combining their Australian east coast brick operations

20 May 2015

Boral announced **Dr Brian Clark will become Chairman of the Board** when Dr Bob Every steps down at the end of the 2015 Annual General Meeting

22 July 2015

Boral announced a **trading update for FY2015**, expecting net profit after tax of $240–250m (before significant items)

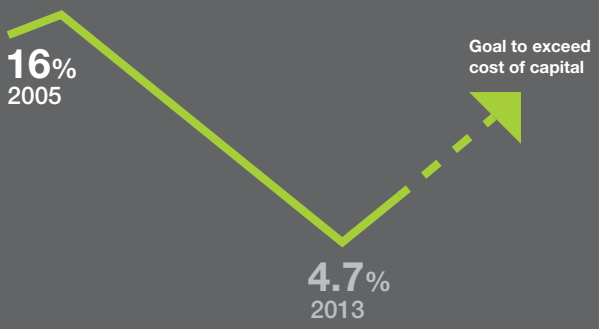
1. Excluding significant items
2. This reflects a shift to a full year of equity accounted earnings from USG Boral. Revenue from continuing operations of $4.3b was steady

WHAT WE WANT TO DELIVER

World class health & safety

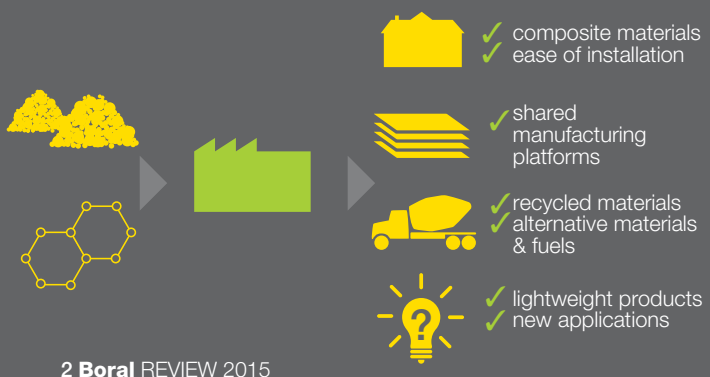
ZERO HARM

Return on funds employed exceeding cost of capital through the cycle



More geographically balanced portfolio

A more flexible cost structure with a balance of traditional and innovative products



HOW WE'RE DOING IT

FIX

Fixing things that are holding us back

Improving health & safety

Disciplined management of costs, cash & capital

EXECUTE

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

Consistently applying best practice

TRANSFORM

Transforming Boral for performance excellence and sustainable growth through innovation

A high performing, aligned, participative culture

Lowering our fixed costs and environmental impacts

Investing in product innovation

STARTED FY2013

FIX (2 years)

EXECUTE (4 years)

TRANSFORM (6+ years)

WHERE WE'RE AT

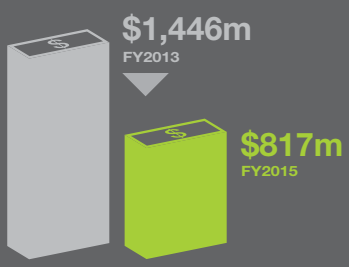
Boral is an international building and construction materials group with operations in Australia, New Zealand, Asia, the Middle East and North America

Reducing **costs** through restructuring and procurement activities

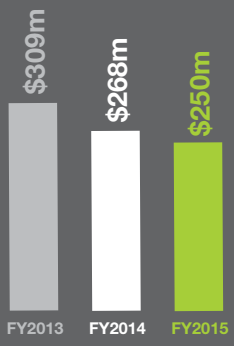
Cumulative savings from corporate programs

Reducing **debt** through cash generation

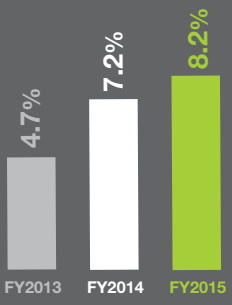
Net debt



Disciplined **capital expenditure**



Improving **return** on funds employed[1]



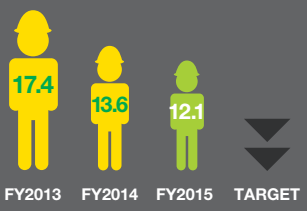
Four **focused** divisions

- Construction Materials & Cement
- Building Products
- Gypsum
- USA

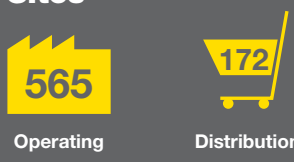
Revenue

EBIT[1]

Reduced recordable **Injury Frequency Rate**



Sites

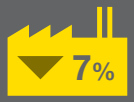


People[3]

12,032 Employees

~7,400 Contractors

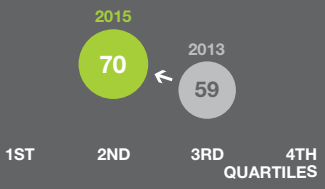
Emissions



2.6m tonnes CO_2-e

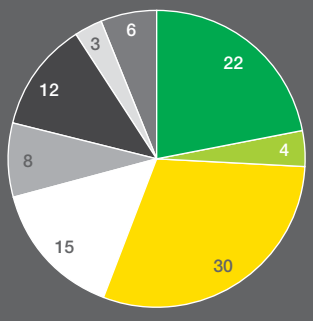
Higher **employee engagement**

McKinsey Organisational Health Survey Index[4]



Increased **utilisation**

External revenue by market[2] %



1. Before significant items
2. Includes Boral's share of USG Boral revenue
3. Includes 3,676 joint venture employees
4. For Boral Construction Materials & Cement division
5. Roads, highways, subdivisions & bridges

HOW WE'RE RESPONDING TO

RISKS AND CHALLENGES

OUR DIVISIONS	PRODUCTS	STRATEGIC DIRECTION
BORAL CONSTRUCTION MATERIALS & CEMENT	**CONCRETE QUARRIES CEMENT ASPHALT PLACING PROPERTY**	**PROTECT** AND **STRENGTHEN** LEADING INTEGRATED POSITIONS. **GROW MAJOR PROJECT CAPABILITY** FOR LONG-TERM VALUE
BORAL BUILDING PRODUCTS	**BRICKS ROOFING MASONRY TIMBER**	OPTIMISE ASSETS TO **MAXIMISE RETURNS. FURTHER WORK** REQUIRED TO DELIVER ACCEPTABLE RETURNS
BORAL GYPSUM	**PLASTERBOARD CEILINGS & ADJACENT PRODUCTS VIA 50%–OWNED USG BORAL**	**DELIVER** USG BORAL **SYNERGIES**. LONG-TERM **GROWTH PLATFORM** LEVERAGING MARKET GROWTH, INCREASING PRODUCT PENETRATION, INNOVATION AND ADJACENT PRODUCTS
BORAL USA	**CLADDING ROOFING FLY ASH**	SIGNIFICANT GROWTH THROUGH **MARKET RECOVERY**. PORTFOLIO REFINEMENT AS CYCLE STRENGTHENS

GENERAL RISKS

Health, Safety & Environment (HSE) Risks

- Licence to operate
- Injury and accident risks
- Environmental damage risk

Industry & Market Risks

- High costs of doing business
- Structural changes in demand
- Cyclical changes in demand
- Political cycles and impact on infrastructure spend

Competition Risks

- New market entrants
- Import competition
- Technology developments / R&D

Business Interruption Risks

- Plant failure
- Weather impacts
- Geopolitical impacts
- Industrial action

Foreign Exchange Risks

- Cost of inputs
- Translation of Boral USA and Boral Gypsum earnings
- Capital equipment transactions

RESPONSES

- Formal, bottom-up risk management process undertaken twice yearly
- HSE operating standards, policies, procedures and training with Board committee to review and monitor HSE matters
- People strategy to attract, retain and develop talent with deep industry experience
- Business continuity planning
- US net assets matched with USD debt to hedge against USD fluctuations
- *Fix, Execute, Transform* to deliver strong earnings, balance sheet and growth

SPECIFIC CHALLENGES	RESPONSES
→ High costs of manufacturing in Australia, e.g. cement versus lower cost imports → Managing lag between major resource projects slowing and new major road projects → Excess capacity in softer markets e.g. asphalt in regional Qld → Difficult pricing environment in some markets → Unlawful secondary boycotts by CFMEU in Melbourne continuing → Safely managing 1,500 company-owned heavy vehicles and 1,000 contracted fleet vehicles → Maintaining community support for operations → Risk of new entrants in critical markets → Increasingly complex contracting environments	→ Increased imports and reduced cement manufacturing by ceasing clinker production at Waurn Ponds (from April 2013) and closing Maldon kiln (Dec 2014) → Strengthening contracting and major projects capability → Strengthening Boral's leading resource positions, including the new Peppertree Quarry supplying the greater Sydney market → Ongoing cost reduction programs, regionally focused price strategies and integrated business structures to drive competitive advantage → Legal action against CFMEU conduct in Melbourne and lobbying for change → Heavy vehicle and technology improvements, driver behaviour training e.g. Imarda i360 to monitor speed & fatigue, and rollover limitation technologies → Enhanced community consultation programs, including new Marulan limestone community awareness campaign, and in-house community liaison officers → Sold Landfill business to TPI while retaining ongoing earnings stream → Regional environmental management experts employed
→ High input costs and fixed cost assets → Division not delivering acceptable returns at peak of the cycle → Structural decline in brick demand due to alternative materials and shift to multi-dwelling construction → Reduced Hardwood demand due to imports and low high-end detached housing and alteration activity → Changes in consumer demand with pressure from imported, composite and substitute products → Reliance on NSW and Victoria housing activity	→ Restructured to reduce costs and return to profitability → Completed East Coast Bricks joint venture with CSR to strengthen viability of Bricks business (March 2015) → Renegotiated hardwood timber supply from Forestry Corporation of NSW to better align with demand (2014), exited woodchip business and engineered flooring production at Murwillumbah (2014) → Improving Hardwood operations and working with NSW Government to manage harvesting costs → Reviewing opportunities for WA Bricks → Development of new and expanded product lines
→ Completing roll-out of new technologies and associated high-performance Sheetrock® products → Delivering joint venture synergies including price premiums for Sheetrock® products → Ongoing market challenges in China → Exchange rate impacts on costs and earnings → Pricing pressure through increased competition and new market entrants in key regional markets → Long-term regional resource and reserve access	→ Roll-out of Sheetrock® technologies ahead of original plan – introduced into Australia, Korea, Indonesia and Thailand with good acceptance → Regional sales and marketing excellence plans centred on new technology roll-out in regional markets → US$50m p.a. of synergies within 3 years of technology roll-out remains on track → In China, maintain focus on high-end construction market → US$24m cost reductions delivered in FY2015 to offset higher costs, including costs to support new technologies and new product portfolio → Regionally focused gypsum resource strategies
→ Slower than expected USA housing recovery → Overcapacity in brick, stone and roofing markets → Strengthening regional and national production builders → Brick and stone intensity and share of wall → Severe winter conditions between Feb–Mar 2015 → Less favourable housing mix remains, with lower proportion of single-family housing relative to past → High fixed cost base of US portfolio needs shift to more variable cost model	→ Development of new lightweight products continues and growth in trim and composite siding products → New products introduced through existing channels → New Versetta line completed in Napa → Focused price strategies and targeted customer incentive programs → US$20m cost reductions and restructuring in FY2015 → Working closely with custom builders who are returning to the market as well as production builders, who represent a high proportion of early stages activity → Diversifying Boral's US markets including exposure to commercial construction through bricks and stone → Continuing review of bricks business → Strategic deployment of capital and risk-based maintenance scheduling

FROM THE CHAIRMAN

Boral is making good progress against our strategic priorities and delivered significantly improved results in FY2015. It gives me great satisfaction, in this my final year as Boral's Chairman, to be able to leave Boral in a much stronger position.

Dr Bob Every AO, Chairman

Profit after tax[1]
$249m
↑ 45%

EBIT return on funds employed[2]
8.2%
↑ from 7.2%

Gearing (Net D/D+E)
19%
↑ from 18%

Dividend (full year)
18.0
↑ 20%

MAKING GOOD PROGRESS

In May 2015 it was announced that I will step down from Boral's Board, after eight years as a Director and five years as Chairman, and at the conclusion of the Annual General Meeting on 5 November 2015, Dr Brian Clark will become Boral's Chairman.

It's been a privilege to have served on Boral's Board. Over the past eight years, I have seen Boral face some significant challenges and mature into a more resilient company delivering improved results.

Significantly improved financial outcomes delivered in FY2015

Profit after tax (PAT) (before significant items) of $249 million was up 45% on last year. Net significant items of $8 million included the gain on sale of the Landfill business, offset by Building Products write-downs and further restructuring in Construction Materials & Cement.

Earnings before interest and tax (EBIT)[1] of $357 million was 21% ahead of the prior year. Construction Materials & Cement contributed a significant $301 million of EBIT, including $46 million from Property earnings. Building Products delivered $30 million of EBIT, and $49 million of post-tax equity accounted income came from our 50%-owned USG Boral joint venture. And Boral USA contributed A$6 million of EBIT – a A$45 million turnaround – and a return to profitability for our US business.

Boral's EBIT return on funds employed (ROFE)[2] improved from 7.2% to 8.2% in FY2015 despite the EBIT contribution from Gypsum being on an equity accounted after tax basis since 1 March 2014 and despite unfavourable currency movements impacting overseas asset values.

Boral's net debt at 30 June 2015 of $817 million was slightly higher than $718 million a year ago, due to exchange rate impacts. However, it remains well below the $1.45 billion of net debt reported two years ago. Boral's gearing[3] remains low at 19%.

Boral's improved performance, which resulted in a 45% increase in underlying earnings per share to 31.9 cents per share, provided the confidence for the Board to declare a final dividend of 9.5 cents per share for a full year fully franked dividend of 18.0 cents per share, representing a payout ratio of 56%.

In March 2015, the Board announced an on-market share buy-back program for up to 5% of issued capital over 12 months. As at 30 June 2015, $116 million had been spent buying back 2.4% of issued capital.

Safety remains a priority

None of Boral's business objectives should take priority over health and safety. With this in mind, it's pleasing to see safety performance across the Group continue to improve.

Boral delivered an 11% reduction in the recordable injury frequency rate (RIFR) in FY2015 down to 12.1 and a 5% reduction in the lost time injury frequency rate to 1.8. All divisions delivered improved RIFR outcomes with the exception of the USA, which at 6.1 remains well below Boral's average.

Stronger housing activity

In FY2015, Boral benefited from increased activity in US and Australian housing markets and strength in Asian construction markets. Non-residential construction in Australia was strong, especially in New South Wales, but overall it was slightly softer in FY2015 than in the prior year. Similarly, Australian roads, highways and engineering activity slowed during the year, which was in line with market expectations.

THESE ROBUST DEMAND LEVELS, COMBINED WITH BENEFITS FROM IMPROVEMENT INITIATIVES AND PROPERTY SALES, UNDERPINNED A SIGNIFICANTLY IMPROVED PROFIT RESULT IN FY2015.

In the USA, housing starts increased from around 950,000 starts in FY2014 to 1.05 million in FY2015. When taken together with US$20 million of business improvement initiatives, this helped return Boral USA to profitability for the first time since FY2007.

Fix, Execute, Transform program is delivering results

Boral's *Fix, Execute, Transform* program continues to be an effective framework for business improvement, with efforts continuing to manage costs down and maintain a strong balance sheet.

During FY2015, rationalisation and portfolio reshaping initiatives also continued. In December 2014, the specialty cement kiln at Maldon was closed, continuing Boral's transition away from sub-scale cement manufacturing to lower cost imports. In February 2015, the divestment of Boral's Landfill business in Melbourne to Transpacific Industries (TPI) was completed, delivering significant benefits. Boral received an upfront payment of approximately $165 million from TPI and will continue to receive a long-term earnings stream in the form of fixed payments and volume-based royalties. In May 2015, the Australian East Coast Bricks joint venture between CSR and Boral commenced, and is expected to deliver synergies of between $7 million and $10 million per annum following integration.

The Board

As announced in May 2015, Brian Clark has agreed to succeed me as Chairman of Boral following this year's AGM. Brian has had an outstanding career as an executive with extensive international experience. He is also a very experienced director and is well positioned to chair the Company through the next phase of its *Fix, Execute, Transform* program.

Succession planning has been an important focus for the Board, and I am confident that the Company and the Board will be in very capable hands under Brian's Chairmanship as it continues to drive the Company's strategy to create sustainable value for shareholders.

Thank you

On behalf of the Board, I thank Mike Kane for his excellent leadership over the past three years. I also thank Boral's employees and executive team, for their skill and commitment to delivering positive outcomes for Boral's shareholders, customers and communities.

We remain confident that Boral has the right team and the right strategy to continue to transform into a company that is known for its excellent safety performance, innovative product platforms and attractive returns on shareholders' funds.

On a personal note, it gives me great satisfaction, in this my final year as Boral's Chairman, to be able to leave Boral in a much stronger position and well positioned for the future.

My time as Chairman has seen difficult market conditions in the USA and much restructuring. It has not been a very rewarding time for shareholders, and I thank them all for their ongoing support.

I also thank current and past Board members and all of Boral's people who have supported me as Chairman. I thank them for the job they have done and for the friendships I have made.

BOARD OF DIRECTORS

DR BOB EVERY (AO)

MIKE KANE

CATHERINE BRENNER

DR BRIAN CLARK

DR EILEEN DOYLE

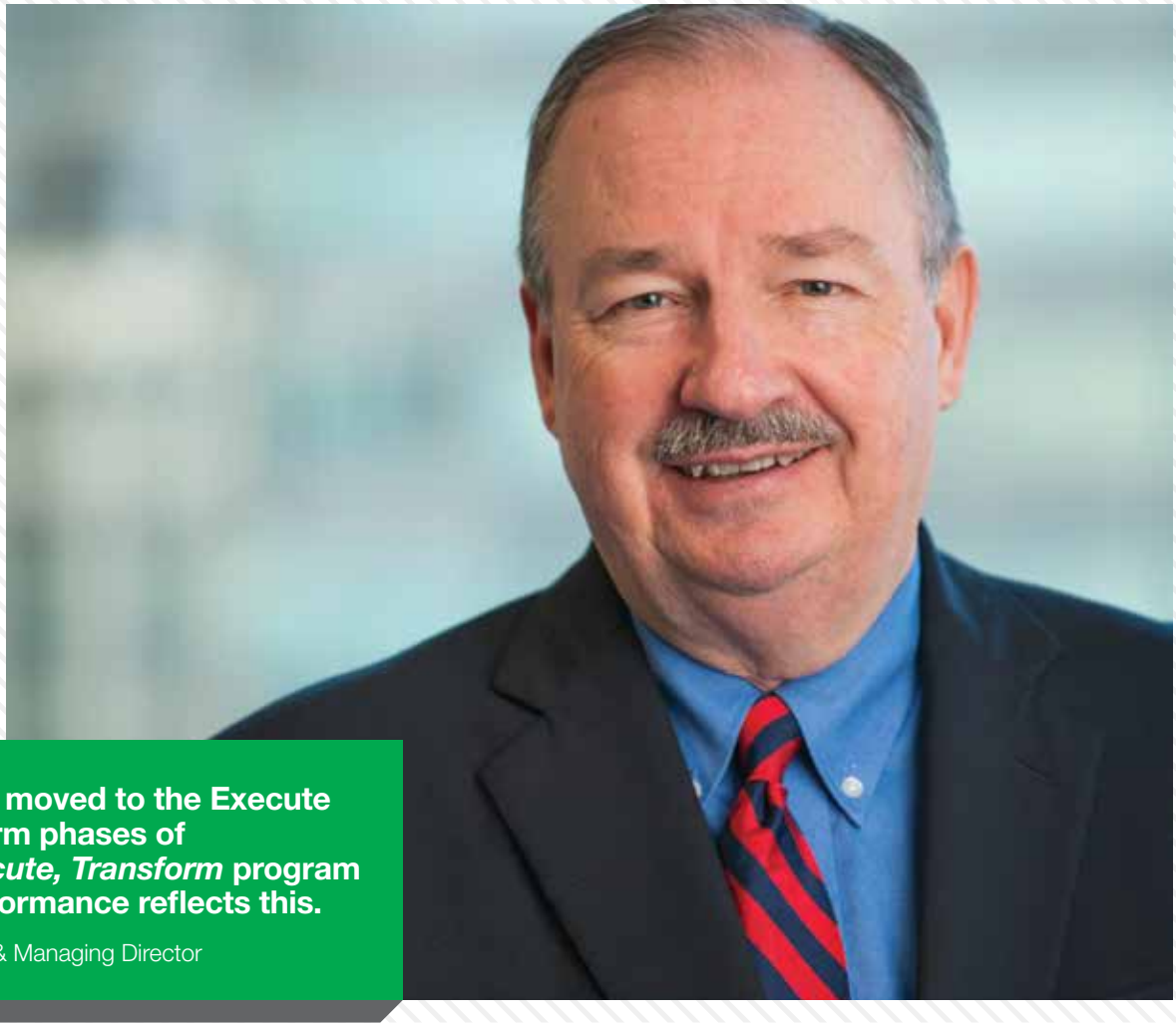
KATHRYN FAGG

JOHN MARLAY

PAUL RAYNER

1. Before significant items
2. EBIT (before significant items) return on funds employed at 30 June 2015
3. Net debt / (net debt + equity)

In **Conversation** with Mike Kane



We've firmly moved to the Execute and Transform phases of our *Fix, Execute, Transform* program and our performance reflects this.

Mike Kane, CEO & Managing Director

Boral Review: Which businesses performed well in FY2015?

Mike Kane: I'm pleased to say that there are good stories to tell from all of Boral's divisions.

Boral's largest division – Construction Materials & Cement – delivered a significant $301 million of earnings before interest and tax (EBIT), 9% higher than the previous year. Higher margins in Asphalt, Cement and Concrete Placing due to operational and cost improvements, and $46 million of Property earnings, more than offset the impact of fewer engineering, roads and infrastructure projects.

Boral's smaller Building Products division delivered $30 million of EBIT in FY2015 – a $70 million turnaround in only two years. Restructuring and improvement initiatives have positioned the business well to take advantage of higher housing-related volumes.

Our 50%-owned USG Boral gypsum joint venture delivered a 38% increase in underlying EBIT to $141 million, resulting in a post-tax profit contribution of $49 million for Boral. The business continued to leverage underlying market growth at the same time as increasing product penetration in maturing markets, including our new world leading Sheetrock® technology products.

Perhaps the best news for Boral, however, is that our US division returned to profitability in FY2015, with a positive A$6 million of EBIT. This is the first profitable outcome since the global financial crisis impacted in FY2007. The A$45 million year-on-year turnaround was underpinned by a 10% increase in housing starts to 1.05 million.

BR: What's driving the improvement in underlying business performance?

MK: We've been improving Boral's cost base and managing our portfolio of businesses more efficiently to take advantage of upturns in demand, to respond more quickly to shortfalls in volumes as markets slow and to ensure that improvement programs offset inflationary cost pressures.

For example, while we took advantage of the peak demand in Australian housing construction during the year, in Construction Materials & Cement we experienced lower demand from roads, engineering and major infrastructure projects in Australia. In response, we took costs out, realigned our Asphalt operations in Queensland and Victoria, and we expedited a number of surplus property sales to take advantage of the strong property market.

Meanwhile in the USA, the rate of recovery in the housing market was lower than originally expected, so we took further action to take more costs out of the business and reduce expenditure, delivering US$20 million of benefits in FY2015. This ensured a return to profitability despite lower than expected volumes.

BR: How is health and safety performance tracking in Boral?

MK: Over the past three years, Boral's medical treatment injuries have reduced from 17 per million hours worked to 10. We are reducing these incidents on average by around 15% per year every year. More significantly, the severity of these medical treatment cases has been cut in half.

Boral's lost time injuries of 1.8 per million hours worked by employees and contractors in FY2015 was a 5% improvement on the prior year.

The last work-related fatality in Boral was in 2013 when a contracted driver was tragically killed in a heavy vehicle road accident while transporting Boral materials.

As Boral's CEO, my most important obligation is to do everything within my control to foster a safe and healthy work environment where no one is hurt. I remain resolutely focused on creating a culture of Zero Harm. To deliver on this requires commitment and trust in the people who work for me and the broader Boral team. I need to know they share the same obligation so that we are all fully engaged in ensuring that everyone is safe – always. I expect senior leaders to inspire and require change, and I am pleased to report that I am seeing this throughout the organisation.

BR: After almost three years as CEO, how do you see Boral's strategy progressing?

MK: My vision is to transform Boral into a global building products and construction materials company recognised for its world-class safety performance and for delivering strong returns. I want Boral to deliver performance excellence and sustainable growth with innovation at its core.

We are moving in the right direction. We've firmly moved to the Execute and Transform phases of our *Fix, Execute, Transform* program and our performance reflects this.

We've improved Boral's cost base, strengthened the balance sheet and we're managing our portfolio of businesses more efficiently. Portfolio realignment continues to strengthen Boral. This includes the sale of our Western Landfill business in Melbourne and the formation of the Boral CSR Bricks joint venture during the year.

We are also growing through innovation. The formation of USG Boral, providing access to world leading technologies, and our Innovation Factory, which is developing lightweight composite products, are helping to achieve this.

BR: What is the outlook for Boral?

MK: Boral's medium- and longer-term earnings growth will come from the continuing market recovery in the USA, and long-term market growth and product penetration in Asia.

In Australia, the aim is to strengthen and protect Boral's leading integrated positions in Construction Materials & Cement, and continue to improve Building Products.

I see encouraging signs for Boral over the next five years. Boral is well positioned to take full advantage of strong conditions expected in most key markets.

Looking at the near term, in FY2016 we expect:

Construction Materials & Cement will be focused on maintaining earnings, excluding property, broadly in line with FY2015. Benefits from restructuring and improvement initiatives, together with continued strength in the Sydney construction market, will be needed to offset a depressed Queensland construction market, subdued activity in roads, infrastructure and engineering, and further tapering off of LNG major project volumes. Property is expected to contribute to earnings in FY2016 but the timing and quantum is uncertain.

Earnings from **Building Products** should be maintained, with improvement initiatives offsetting the impact of housing activity coming off its peak and the impact of earnings from Bricks East moving to a 40% post-tax equity accounted share of earnings from Boral CSR Bricks.

USG Boral is expected to deliver further underlying performance improvements. Volumes of new Sheetrock® products should continue to grow and synergies should also strengthen in FY2016. Synergies are expected to exceed the cash costs associated with the expanded product portfolio and technology roll-out this year.

Boral USA should report a further increase in earnings in FY2016 on the back of increased housing activity. While the cost-out program undertaken in FY2015 will not be repeated, EBIT is expected to lift as a result of forecasters' projected increase in housing activity to approximately 1.2 million starts in FY2016.

EXECUTIVE COMMITTEE

ROSALINE NG
Chief Financial Officer

DAVID MARINER
Executive General Manager, Boral Building Products

ROSS HARPER
Executive General Manager, Cement

DOMINIC MILLGATE
Company Secretary

MATT COREN
Group Strategy and M&A Director

LINDA COATES
Group Human Resources Director

JOE GOSS
Divisional Managing Director, Boral Construction Materials & Cement

AL BORM
President and CEO, Boral Industries Inc.

FREDERIC DE ROUGEMONT
CEO, USG Boral

DAMIEN SULLIVAN
Group General Counsel

KYLIE FITZGERALD
Group Communications & Investor Relations Director

MICHAEL WILSON
Group Health, Safety and Environment Director

BORAL IN AUSTRALIA

Wheatstone LNG project
Boral is continuing to supply more than 400,000m³ of concrete under its subcontract with Bechtel on the Chevron-operated Wheatstone Project.

Boral is Australia's largest integrated construction materials and building products supplier, supplying customers across the full range of building and construction markets – major infrastructure projects including roads, rail and bridges through to commercial and multi-residential building construction, detached housing, and alterations & additions.

Construction Materials & Cement is Boral's largest operating division while Building Products in Australia is the smallest.

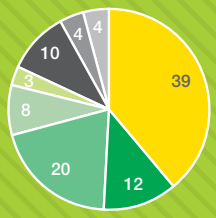
NT
2 quarries
1 concrete

WA
8 quarries
13 concrete
3 asphalt
1 bricks
1 masonry

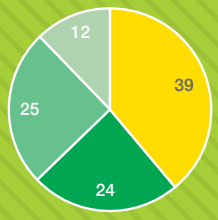
QLD
11 quarries
10 concrete
2 asphalt
1 bricks
1 roofing
1 masonry

SA

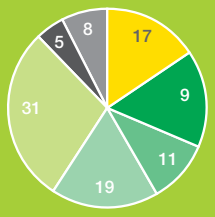
Boral's Australian Revenue[1] (%)



by business
- Concrete
- Quarries
- Asphalt
- Cement
- Placing
- Bricks & Roofing
- Timber
- Other



by state
- NSW/ACT
- VIC/TAS/SA
- QLD
- WA/NT



by market
- Detached dwellings
- Multi-dwellings
- Alterations & additions
- Non-residential
- Roads, highways & bridges
- Other engineering
- Other

Residential construction
Midland Brick's Restoration Red face brick and Boral Cultured Stone were used by Dale Alcock Homes to create a contemporary feel to this traditional country homestead.

Edinburgh air base
Over 500,000 Boral pavers were laid in 800 tonnes of bedding sand as part of the extensive rebuilding of the RAAF Base at Edinburgh, 25km outside of Adelaide.

People[2]

6,797 Employees

4,291 Contractors

Sites[3]

432 Operating

51 Distribution

Recordable injury frequency rate[4]

18.3 ↓11%

Greenhouse gas emissions

2.2m tonnes CO_2-e ↓10%

1. Based on FY2015 revenues from Construction Materials & Cement and Building Products
2. Includes Construction Materials & Cement, Building Products, Corporate and joint venture employees
3. Includes JV sites. USG Boral sites in Australia shown on page 19
4. Per million hours worked

Ichthys LNG Project
Boral is continuing to supply quarry raw materials to Ichthys – the Northern Territory's largest ever infrastructure project.

QLD

20 quarries
61 concrete
17 asphalt
1 cement
2 bricks
1 masonry

Machans Beach seawall
Boral's large Armour Rock protecting the esplanade at Machans Beach north of Cairns through the reconstruction of 1.3km of seawall.

Meriton Sundale apartments
Boral's concrete is underpinning Meriton's 55-storey Sundale residential tower in Southport.

Legacy Way tunnel
Boral asphalt, quarry materials and concrete road pavement for the 4.6km tunnel linking Brisbane's Western Freeway to the Inner City Bypass.

NSW ACT

30 quarries
93 concrete
13 asphalt
4 cement
7 bricks
2 roofing
9 timber

Pacific Highway upgrade
Boral's cement is in the structures and road pavement on the 22km four-lane divided road upgrade from Nambucca Heads to Urunga. Boral has also supplied some of the structural and piling concrete.

Bendigo Hospital
Boral supplied 35,000m^3 of concrete to Bendigo Hospital – the largest regional hospital development in Victoria.

VIC

17 quarries
50 concrete
8 asphalt
2 cement
3 bricks
1 roofing

One Central Park
De Martin & Gasparini placed Boral concrete for One Central Park, the *2014 Best Tallest Building Worldwide** and the centrepiece of Sydney's new Central Park precinct.

Photo supplied by developers Frasers Property Australia and Sekisui House

* Awarded by the Council for Tall Buildings and Urban Habitat in Chicago

Essendon Airport
Boral Asphalt completed the overlay works in three stages on Essendon Airport's East-West runway in March 2015.

TAS

BORAL IN AUSTRALIA

FIX

In Boral's Australian Building Products and Construction Materials & Cement divisions we have been fixing things that have been holding us back from delivering improved safety outcomes and better returns for shareholders.

In Building Products we divested non-core businesses, exited underperforming operations and simplified the organisation in FY2014. In FY2015, we formed the East Coast Bricks joint venture with CSR to create a more sustainable and profitable business, and we continued to vigilantly manage costs, cash and capital. By doing this we have delivered a $70 million, two-year turnaround in EBIT.

In Construction Materials & Cement, we have continued to take costs out, reduced sub-scale cement manufacturing in favour of lower cost imported clinker, closed unprofitable operations and significantly reduced administrative support operations. With more flexible and responsive businesses than in the past, we have downsized Asphalt operations in regional Queensland while increasing capacity in metropolitan New South Wales.

EXECUTE

Boral's Levers of Change have been providing the tools, processes and support to create and sustain performance-driven cultures across our Australian operations.

The Boral Production System is proving effective in building more efficient, disciplined and profitable operations. From reduced costs and accuracy improvements in payroll activities through to repair & maintenance cost savings in Cement, our well-established LEAN-based production tools are delivering real benefits across the business.

Tailored training programs are helping our leaders and employees to 'own the intent' of what we are trying to do and to develop a 'bias for action' to deliver what needs to be done.

In Construction Materials & Cement, operational leaders developed Zero|One|Ten, a simple way for employees to understand what we were trying to do – deliver zero harm, be number one for customers and employees, and deliver 10% year-on-year improvement.

TURNING AROUND BUILDING PRODUCTS

Building Products has delivered a dramatic turnaround from a $40m EBIT loss in FY2013 to a profit of $30m in FY2015. However, there is still more to do to secure sustainable returns through the cycle.

For example, despite substantial restructuring and relentless focus on cost and inventory reductions, Boral's Hardwood Timber business continues to face challenges.

Core flooring and structural sales volumes have fallen by more than 30% since 2009 while the price of logs from the NSW Government (the single biggest input cost) has increased significantly. The business has been competing on an 'uneven playing field' as imported hardwood products are not required to meet the same high safety and environmental standards, and the shift from detached housing to multi-residential developments has also impacted volumes.

An ambitious improvement plan is now underway in the Hardwood business. Multiple capital projects totalling ~$10m - $15m will focus on safety and operational improvements, including warehouse and distribution rationalisation. We are also continuing to work with the NSW Government to secure a more sustainable outcome for the future.

MANAGING COSTS IN CONSTRUCTION MATERIALS

Cost reductions and restructuring in Construction Materials & Cement have been necessary to offset inflationary cost pressures and to realign the business with lower levels of market activity. These initiatives include:

- Resizing of the Asphalt business in Queensland and Victoria following a cyclical slowdown, together with realignment of support services, resulting in 118 fewer positions at the end of FY2014 and delivering $11m of annual savings in FY2015.
- In early FY2015, a further 122 positions, primarily in support services and administration, were made redundant, delivering ~$20m of annualised cost savings.
- Closure of the specialty cement kiln at Maldon in December 2014 resulted in 19 positions being made redundant, and $5m of annualised savings.
- And in late FY2015, there were several small plant closures and a further 90 positions made redundant, mainly in Queensland. This will help offset slowdowns in major projects and regional markets, and forms part of a larger improvement program in FY2016, which is needed to offset inflationary cost and volume pressures.

TRANSFORM

We are transforming the way we do things to help secure sustainable growth. A leaner, more responsive organisation in Australia with a commitment to best practice is underpinning product and process innovation.

We have been progressing towards a transformed Australian business, including through clever partnerships and business structures. In FY2015, we completed the Boral CSR Bricks JV to create a more sustainable bricks business, and the sale of the Western Landfill business to Transpacific Industries, which will see Boral retain an ongoing revenue stream.

We have a more aligned and participative culture which is enabling higher performance. In Construction Materials & Cement our 2015 employee surveys using McKinsey's Organisational Health Index showed a substantial improvement since 2013. Benchmarked against a global database of over 1,500 companies, Boral is now a second-quartile organisation with a score of 70/100 (up from 59/100), with increased rankings in areas of direction, motivation, accountability, culture and climate, innovation and learning.

COLLABORATING ON GAME-CHANGING TECHNOLOGIES

Boral has signed an agreement with technology startup Mineral Carbonation International (MCi) to explore the early stages of commercialisation of an Australian-developed technology which aims to reduce carbon emissions by storing CO_2 in solid products for the building industry.

This collaboration, involving Boral's Innovation team, MCi's researchers and chemical engineers from the University of Newcastle and Orica, will be conducted over an initial two-year period. The project has the potential to reduce the cost of cement-based products and associated carbon emissions, opening the long-term possibility of carbon-neutral construction products.

MCi is funded by the NSW and Federal Governments and Orica Ltd.

Boral's safety performance stacks up well

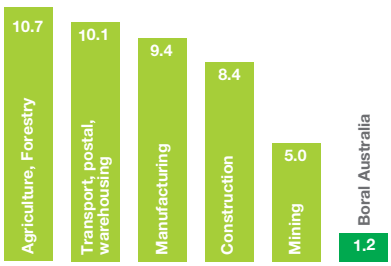
The broader industries in which Boral operates in Australia experience lost time accidents seven to eight times more frequently than Boral's employees and contractors.

Boral has around 6,200 employees and 4,300 contractors in Australia, and with a significant fleet of 3,000 company-owned and contracted heavy vehicles, Boral is one of Australia's largest transport managers.

Heavy vehicle transport comes with risks, but we are very good at managing those risks through engineering and compliance management. We train our people in the correct use of equipment and to be aware of behavioural triggers that contribute to critical errors and unsafe behaviour. We adopt new ideas from employees and contractors – ideas that help them and others to be safe. We work with suppliers, regulators, contractors and industry groups to innovate, share knowledge and implement the safest standards. And we have the support of the unions that represent our employees and contractors to deliver continuous improvements to our safety management systems.

However, statistically at least, transport is a relatively hazardous business. Since 2007, there have been four fatalities associated with Boral activities in Australia – all involving contractors in transport related accidents. Fortunately, there has not been a fatality in Boral's operations in Australia or overseas since 2013, and while Boral's long-term safety performance in relation to truck-related work fatalities is significantly less than half the national average, this does not mean we have a perfect record in this area. It simply confirms our commitment to making our transport operations even safer and continuing to strive for Zero Harm across all of our workplaces.

Boral's LTIFR[1] performance relative to Australian Industry



Beyond transport, Boral pours concrete and lays asphalt across major projects and construction sites around the country. And with over 100 quarries and 400 manufacturing operations producing cement, concrete, asphalt, bricks, roof tiles, and timber products, Boral's safety performance can also be benchmarked with the construction and manufacturing sectors.

Latest figures published by Safe Work Australia show the average injury rate across the construction industry in Australia to be 8.4 injuries[1] for every million hours worked. This compares with Boral's injury rate in Australia for FY2015, measured on the same basis, of 1.2. Boral's safety performance stacks up well.

1. Source: Safe Work Australia Industry Data 2012–13: Safe Work Australia's definition of lost time injury frequency rate (LTIFR) is injuries that result in five or more days of lost time from work. The latest industry data is provisional for FY2013. Boral data is for Australia only for comparitive purposes for FY2015

BORAL IN THE USA

Boral in the USA has industry-leading positions in bricks, concrete and clay roof tiles, and manufactured stone, and has a growing lightweight building products business supplying exterior cladding to the residential and commercial construction markets in the USA and Canada. Boral USA also has a national fly ash processing and distribution business and holds a strong position in the Denver construction materials market.

Alexan Uptown, Denver, CO
Our largest-ever mat slab pour: 6,195 cubic yards of custom mix concrete delivered over four pours for this 12-storey, 372-unit apartment building in Downtown Denver.

William Fry Drop-in Center, Las Vegas, NV
Boral Roofing's Saxony® Split Shake concrete tiles were used for the expansion of the center which serves homeless and at-risk youth in Southern Nevada.

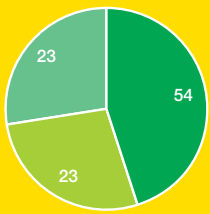
WEST

8 roofing
1 cultured stone
10 concrete and quarries
10 fly ash

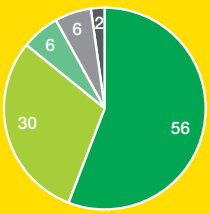
Fiora at Blackstone, El Dorado Hills, CA
A 'zero net energy' housing community in California using energy-efficient Boral Roofing concrete.

Woodlands Convention Center, Houston, TX
The expansion of the convention center used Cultured Stone® by Boral® in Southwest Blend Pro-Fit Ledgestone.

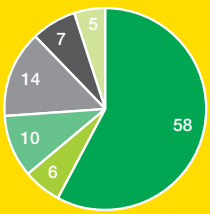
Boral USA Revenue[1] (%)



by business
- Cladding[2]
- Roofing
- Fly Ash & Construction Materials



by region
- South
- West
- Midwest
- Northeast
- Other



by market
- Single-family dwellings
- Multi-family dwellings
- Repairs & remodel
- Non-residential
- Roads, highways & bridges
- Other

1. Based on FY2015 revenues
2. Includes Bricks, Cultured Stone and Trim / Composites

Saint Anthony facility, Lansing, IL
Saint Anthony multi-family assisted living facility for the elderly features Boral Versetta Stone® in Tight Cut Terra Rossa.

Residential homes, Annapolis, MD
Two new neighbouring residential constructions, both featuring Boral TruExterior® Trim and Beadboard.

1 bricks
2 building products distribution

MIDWEST

Fi Data Building, Franklin, TN
Commercial bricks from Boral Bricks Architectural Design Series in Burgundy Wirecut and Cultured Stone® by Boral® in Bucks County Southern Ledgestone feature in this commercial building.

NORTH EAST

Residential home, Augusta, GA
Custom home features Boral Bricks in St. Charles, part of the new Historic District Collection.

SOUTH

11 bricks
3 roofing
1 cultured stone
1 composites
20 fly ash
40 building products distribution

Stoney Brook Apartments, Fultondale, AL
Boral residential bricks in Old Natchez and Cultured Stone® by Boral® in Bucks County Country Ledgestone feature on this multi-family dwelling.

Fly ash from St Johns River Power Park, Jacksonville, FL
Boral Material Technologies markets fly ash and coal combustion products collected from the St Johns River Power Park to ready-mixed concrete producers in Florida and Southern Georgia.

People

2,357 Employees

103 Contractors

Sites[3]

94 Operating

43 Distribution

Recordable injury frequency rate[4]

6.1 ↑7%

Greenhouse gas emissions

0.2m tonnes CO_2-e ↑7%

3. Includes mothballed roof tile plant in Trinidad
4. Per million hours worked

BORAL IN THE USA

FIX

Boral's US business has returned to profitability after seven challenging years of EBIT losses following the 2007/08 global financial crisis (GFC). While housing starts remain 50% below pre-GFC levels, we are well placed to deliver strong earnings growth as volumes continue to improve.

With a slower than expected rate of recovery in FY2015, additional restructuring of our regional sales and operational teams was undertaken to reduce costs and better align with our manufacturing and distribution footprint.

As we have exited under-performing and non-core operations and acquired good businesses at attractive prices, our portfolio of US businesses has continued to strengthen. In FY2015, the Oklahoma limestone quarry was divested – the final step in exiting construction materials in Oklahoma; we have introduced a second brand in Cultured Stone to strengthen our market share; and we are assessing opportunities for Boral's brick business in the US in the face of industry ownership changes.

EXECUTE

Through the US downturn, we have been taking full advantage of the Boral Production System's LEAN tools to manage inventories and to get more production out of our remaining US sites. Our manufacturing footprint is more efficient than ever before.

Sales & Marketing Excellence has also been a key focus with a more efficient distribution network selling a larger range of Boral and non-Boral products.

Innovation remains a critically important Lever of Change and is now embedded into the business. Our Innovation Factory, based in San Antonio, Texas, leads and supports innovation processes across the US business and globally for Boral.

Finally, our safety outcomes in the USA are among the best in Boral. The total recordable injury frequency rate of 6.1 in our US business in FY2015 compares with 12.1 for Boral.

FIXING THE BUSINESS TO MAXIMISE MARKET RECOVERY

Total US housing starts were around 1.05 million in FY2015, which compares with a 50-year average of 1.5 million starts and a peak in excess of 2.0 million, which was last seen in FY2005 and FY2006.

On the back of improved demand and helped by a US$20m cost reduction program, our US business delivered US$5m (or A$6m) of EBIT in FY2015. This compares to a loss of A$39m in the prior year. All businesses, with the exception of Bricks, were profitable or break even in FY2015. The Roofing business is already delivering price improvements and we expect further price gains across the business as volumes grow.

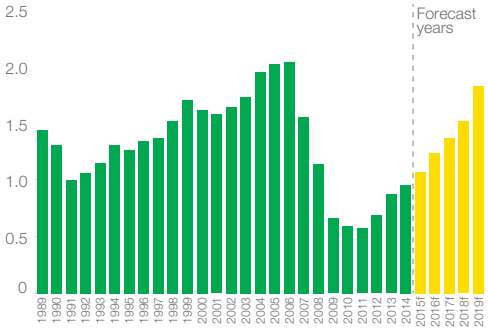
The Bricks business has the highest fixed costs to recover in the division and is currently operating at around 50% utilisation. Therefore it will be the last business to return to profitability, which is expected to happen in FY2016.

	In the past (2006)	Today
Number of brick plants	24	9 + 3 *mothballed*
Brick capacity	1.9b SBE[1]	1.3b SBE[1]

1. Standard brick equivalent

WE HAVE A FAR MORE EFFICIENT, LOWER COST BRICK MANUFACTURING PLATFORM THAN IN THE PAST.

Total USA housing starts (million starts)



Source: Historical data from US Census Bureau and forecast data for 2015 – 2019 based on the average of Moody's, Dodge, NAHB and NAR

RESPONDING TO CUSTOMERS WITH NEW PRODUCTS

Our US business is committed to developing new and innovative products that respond to modern design preferences and customer needs.

Boral's new product development process relies on consultation with customers and expert design professionals rather than a production-driven approach. As a result, we offer a comprehensive range of products that provides design solutions to complement current trends and architectural styles of specific regions.

In Bricks, this means that working with customers and design consultants to develop new colour palettes, textures and brick sizes to address changing needs is how we do business.

In June 2015 we showcased our latest brick range at the Pacific Coast Builders Conference (PCBC), the official home show of Leading Builders of America (LBA), whose membership includes 21 of the largest homebuilders in the nation. We also launched a suite of new products.

TRANSFORM

We are focused on transforming our US business to secure sustainable growth and to avoid sustained losses through future downturns. We are doing this by lowering our fixed costs, investing in product innovation, and diversifying the business into new market segments and new geographies.

As part of the US$4m capital expansion of Boral's R&D capabilities in Texas, progress continues on the design of the prototype 'composite sheet line'. This leverages our lightweight poly-ash composite technologies from trim to sheet products, having roofing, cladding and exterior substrates applications in building systems.

Progress has also been made to diversify market segments and channels. For example, the new Bessemer commercial brick line is supporting a pipeline of commercial construction projects. Growing sales of BASF's Stucco through our distribution network is also strengthening non-residential sales. And national deals specifying Boral Cultured Stone for new McDonald's store fronts and InterContinental Hotels is further diversifying revenues away from traditional residential construction segments.

STRENGTHENING BORAL'S LIGHTWEIGHT MANUFACTURING

Our US manufacturing platform is shifting from an asset- and energy-intensive, high fixed cost base, to higher variable cost manufacturing.

In FY2015, we invested US$3m into a new Versetta Stone® production line in Napa, California. The new line, which complements existing production of Versetta at Napa and at Chester in South Carolina, will help reduce plant downtime and waste as well as reduce transport costs.

The Vista Collection of Cultured Stone® by Boral® – a new portfolio of 11 modern colours to complement existing profiles – was launched, and Boral Roofing's new California Gemstone Collection was highlighted at the tradeshow.

Boral Versetta Stone® was also showcased at the conference. A popular addition to the Boral suite of products, Versetta Stone® is a mortarless stone veneer panel system on a prefabricated wall structure. Versetta offers all of the beauty of traditional stone masonry in an easier-to-install option; it can be applied with nails or screws in a variety of interior and exterior applications.

Our focus on innovation in light building products was also demonstrated, with the full line of Boral TruExterior™ Trim and Siding products on show.

BUILDING MARKETS FOR NEW COMPOSITE PRODUCTS

In recent years, we have developed and launched several new fly ash and polymer based composite building products for the US trim and siding markets. In FY2012, we launched our trim product, followed by a beadboard product in FY2013, two new trim products the following year, and our new siding product in FY2015.

Marketed as Boral TruExterior®, this new category of exterior siding and decorative trim for the residential construction market offers superior performance without the limitations of other exterior siding and trim products, such as cedar, vinyl and fibre cement.

Boral TruExterior® is being distributed through a network of 24 third-party distributors and 500 stocking dealers across North America and sales are growing significantly.

Over the past three years, volumes of Boral TruExterior® products have doubled each year, prices have increased and production costs decreased. We have made low-cost modifications to production equipment, which has allowed production levels to exceed design capacity of our manufacturing plant in Salisbury, North Carolina. In FY2015, the business was profitable and in FY2016 we expect further improvements in returns.

USG BORAL

Shanghai Tower
USG Boral's Shaft Wall system provides strength and fire protection in the elevator shafts, stairwells and other vertical shafts of this iconic, super tall structure.

INDIA

8m m² board capacity / 1 line
1 gypsum mine

SAUDI ARABIA

1 metal
1 mineral fibre ceiling
1 joint compound

OMAN

9m m² board capacity / 1 line
2 metal
1 joint compound

With an advanced range of innovative lightweight building products and systems, USG Boral is the leading plasterboard manufacturer and establishing itself as a premium light building products brand in Australasia, Asia and the Middle East. Boral's 50% owned joint venture has an extensive network of plasterboard, metal products and grids, joint compounds and ceiling tile plants across 12 countries.

USG Boral introduced its first innovation to the market this year. USG Boral Sheetrock® Brand Plasterboard is up to 15% lighter than USG Boral standard plasterboard making it easier to lift and carry, faster to install, increasing on-site productivity and reducing equipment wear-and-tear. With a re-engineered core it's ideal for ceilings with an enhanced strength-to-weight ratio. It's also less likely to get damaged while being transported or installed and is easier to score and snap, reducing wastage and dust for customers.

People

2,878 Employees

2,972 Contractors

Sites²

39 Operating

78 Distribution

Recordable injury frequency rate³

3.0 ↓27%

Greenhouse gas emissions

0.3m tonnes⁴ CO_2-e

↑5%

1. Based on FY2015 underlying revenues for USG Boral
2. Includes ceiling tile, metal ceiling grid, metal products, joint compounds, mineral wool and cornice production. Certain manufacturing facilities and gypsum mines held in joint venture with third parties
3. Per million hours worked
4. Boral's 50% share only

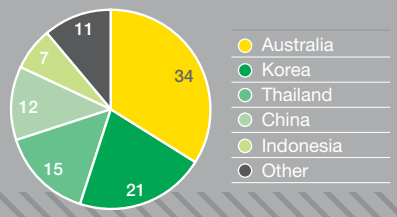
CHINA

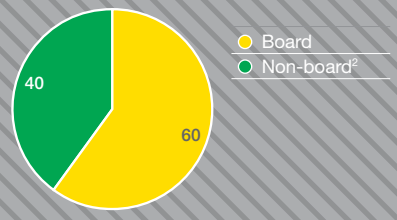
155m m² board capacity / 7 lines & 1 ceiling line
3 metal
1 mineral fibre ceiling
3 joint compound
1 mineral wool

SOUTH KOREA

153m m² board capacity / 4 lines & 1 ceiling line
2 joint compound

USG Boral's Revenue[1] (%)





Board capacity utilisation

70%

THAILAND

101m m² board capacity / 3 lines & 1 ceiling line
1 metal
1 gypsum mine
1 joint compound

VIETNAM

42m m² board capacity / 2 lines & 1 ceiling line
1 metal

PHILIPPINES

1 metal

INDONESIA

72m m² board capacity / 3 lines & 1 ceiling line
1 metal
1 joint compound

MALAYSIA

11m m² board capacity / 3 lines & 1 ceiling line
1 metal
2 joint compound

The St. Regis Kuala Lumpur Hotel & Residences
USG Boral Fiberock®, plasterboard and compounds provides sound control, fire protection and moisture resistance in Kuala Lumpur's new luxury hotel.

480 Queen Street tower*
USG Boral Sheetrock® Brand Plasterboard chosen for its faster installation, greater productivity and safer work environment in the construction of Brisbane's new office building.

Royal Children's Hospital, Melbourne
USG Boral's plasterboard and interior building solutions including fire rated acoustic systems and radiation protection linings used in Melbourne's Royal Children's Hospital, Victoria, including USG Boral's Fiberock® wall lining for high traffic areas.

AUSTRALIA

86m m² board capacity / 3 lines
1 metal
1 gypsum mine
1 joint compound
2 cornice

NEW ZEALAND

2 metal

* Developer Grocon and architects BVN

USG BORAL

FIX

Forming the 50/50 joint venture with USG in March 2014 successfully addressed a potential future technology gap in the business, significantly strengthening the gypsum business and Boral's future earnings capability.

USG Boral brings together Boral's leading gypsum footprint in Australia and Asia with USG's best-in-class building products technologies and assets in the region.

Following its formation, USG Boral's new corporate identity was successfully launched during the year, as well as a suite of new consumer brands positioned as premium brands in their respective markets.

A key focus has been delivering on growth plans and at the same time containing costs and improving safety outcomes. USG Boral's cost reduction program delivered US$24m of benefits in FY2015 and has helped ensure that the business remains cost competitive as additional resources are added to support the business' growth strategy and roll-out of new technologies.

EXECUTE

We are executing USG Boral's strategy of growth, advanced technology roll-out and delivering targeted synergies. More than being a leading plasterboard supplier, we are looking to provide customers with the full suite of advanced interior lining solutions – a one-stop shop of premium products for the industry.

The expanded product portfolio – including ceiling tiles, metal ceiling grids, metal products, cement and fibre board and joint compounds – is creating opportunities in new segments and taking advantage of rapidly growing Asian economies. Approximately one-third of the targeted synergies resulting from the joint venture are expected to come from adjacent product sales.

Successful strategy execution also requires excellence and discipline in manufacturing. The knowledge and experience of Boral and USG have come together in an environment already strongly supported by LEAN manufacturing principles. This means that best practice processes are being shared and implemented to reduce waste, increase efficiency and optimise capacity utilisation across the network.

TRANSFORM

Transforming the gypsum business through innovation was the key motivation for the formation of the USG Boral joint venture.

For Boral it was about addressing the future technology gap in Boral's gypsum business, which potentially put our leading market positions in Australia and Asia at risk over the long term. Partnering with USG was the ideal solution.

USG has a rich history of research & development and bringing superior products to market. Bringing this capability together with Boral's extensive manufacturing and distribution footprint in the region is delivering a step-change in the interior linings industry and world-class, advanced products to our customers.

USG Boral is a business that is being transformed through innovation. New opportunities, sustainable growth and superior performance are being supported by new technologies. USG Boral's tagline is *Innovation Inspired by You*™. This reflects a commitment by the business to delivering the most innovative and advanced products to customers.

ROLL-OUT OF SHEETROCK® TECHNOLOGY ACROSS THE REGION

The new technology has now been deployed across 12 of 25 board lines across USG Boral's manufacturing facilities, making our advanced, higher-performing plasterboard available to customers in Australia, Korea, Indonesia, Thailand, China and Vietnam.

The two-year, US$50 million technology roll-out is well progressed and remains on track, as are the targeted cost savings and revenue improvements. Total synergies are expected to reach US$50 million per annum within three years of the full technology roll-out.

In the short time since the launch of the new Sheetrock® Brand in September and October 2014, the new products are attracting a price premium of above 5% relative to standard board and seeing adoption rates of up to 30% (in ceilings in Australia) less than a year after launch.

"OUR BOARDS ARE LIGHTER, STRONGER AND BETTER-PERFORMING WHICH HELPS OUR CUSTOMERS MAXIMISE PRODUCTIVITY WHILE REDUCING COSTS...OUR SHEETROCK® BRAND TECHNOLOGY IS THE FIRST OF MANY INNOVATIONS WE HOPE TO DELIVER TO OUR REGION."

Frederic de Rougemont, CEO, USG Boral

RESULTS AT A GLANCE

Year ended 30 June	FY2015	FY2014
Revenue	**4,415**	5,204
EBITDA[1]	**605**	556
EBIT[1]	**357**	294
Net interest[1]	**(64)**	(83)
Profit before tax[1]	**293**	211
Tax[1]	**(44)**	(37)
Non-controlling interests	**0**	(3)
Profit after tax[1]	**249**	**171**
Net significant items	**8**	2
Net profit / (loss) after tax	**257**	**173**
Cash flow from operating activities	**418**	507
Gross assets	**5,865**	5,559
Funds employed	**4,341**	4,066
Liabilities	**2,341**	2,211
Net debt	**817**	718
Stay-in-business capital expenditure	**211**	203
Growth capital expenditure	**39**	65
Acquisition capital expenditure	**–**	48
Depreciation and amortisation	**249**	261
Revenue per Boral employee, $ million	**0.528**	0.581
Net tangible asset backing, $ per share	**4.31**	4.03
EBITDA margin on revenue[1], %	**13.7**	10.7
EBIT margin on revenue[1], %	**8.1**	5.7
EBIT return on funds employed[1], %	**8.2**	7.2
EBIT return on average funds employed[1], %	**8.5**	6.6
Return on equity[1],%	**7.1**	5.1
Gearing		
Net debt/equity, %	**23**	21
Net debt/net debt + equity, %	**19**	18
Interest cover[1], times	**5.6**	3.5
Earnings per share[1], ¢	**31.9**	22.0
Dividend per share, ¢	**18.0**	15.0
Employee safety[2]: (per million hours worked)		
Lost time injury frequency rate	**1.8**	1.9
Recordable injury frequency rate	**12.1**	13.6

Figures relate to the total Group including continuing and discontinued operations

1. Excludes significant items
2. Includes employees and contractors in 100%-owned businesses and 50%-owned joint venture operations
3. Includes a reduction of 290 employees in the East Coast Bricks business now employed in the Boral CSR Bricks JV
4. Includes 100% owned businesses and Boral's 50% share of USG Boral in FY2015
5. Includes Boral's 50% share of underlying revenue from USG Boral, which does not appear in Boral's consolidated accounts

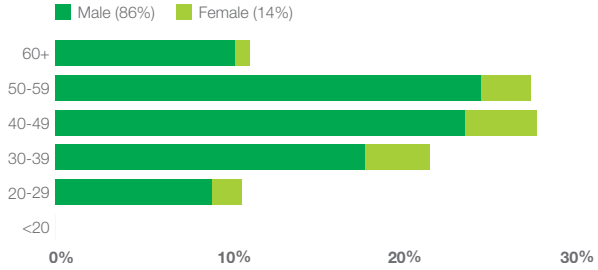
Our people

8,356 Boral employees[3]

12,032 Total employees (including JVs)

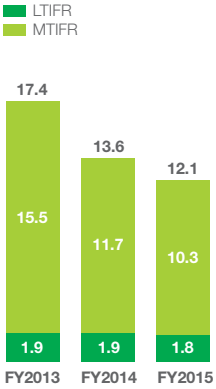
~7,400 Contractors (including JVs)

Age profile of employees (years)



Health & safety

Recordable injury frequency rate[2]

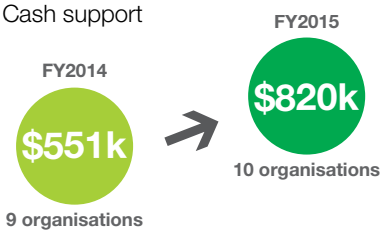


Environment

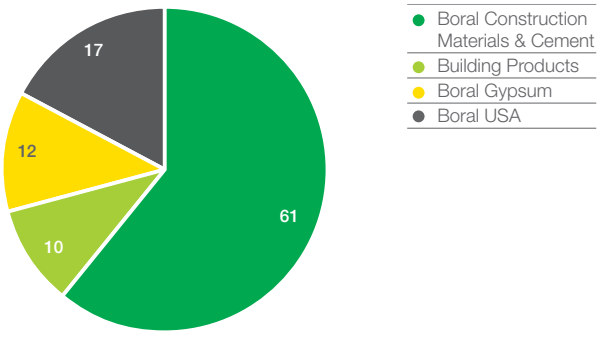
GHG emissions[4] (million tonnes CO_2-e)

Community partnerships

Cash support



External revenue by division[5]



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The Annual General Meeting of Boral Limited will be held at the Civic Pavilion, The Concourse, Chatswood on Thursday, 5 November 2015 at 10.30am.