

5GL'F9@95G9

4 February 2019

6cfU`Ubbc i bWYg'hfUX]b [` i dXUhY`UbX'fY j]gYX' : M&\$%- ' [i]XUbWY''

Boral Limited (ASX:BLD) today announced that Zcf`h\Y'Z]fgh`\U'Z'cZ' : M&\$%- 'it expects`bYh'dfcZ]h'UZhYf'hUI` f]BD5Hk`hc`VY`Uddfc I] a UhY'm`~&\$`a]`]cb'and YUfb]b [g`VYZcfY]bhYfYghz'hUIz`XYdfYW]Uh]cb`UbX` Ua cfh]gUh]cb`f]96=H85k`hc`VY`Uddfc I] a UhY'm` (,) `a]`]cb, subject to finalisation of the auditors' review.

Excluding the impact of lower earnings due to the sale of Denver Construction Materials (in July 2018) and Texas Block (in November 2018), 96=H85`Zcf`h\Y'Z]fgh`\U'Z'cZ' : M&\$%- ']g`YIdYWhYX`hc`VY`VfcUX`m`ghYUXm` cb`h\Y'Z]fgh`\U'Z'cZ' : M&\$% , , with EBITDA growth from Boral North America offset by lower earnings in Australia and a lower contribution from USG Boral."

Taking into account the first half result and trading for January, together with a detailed review of improvement opportunities to claw back first half volume shortfalls and market outlook for the remainder of the year, Boral's FY2019 divisional guidance has been revised.

Boral's : M&\$%- '96=H85`]g`YIdYWhYX`hc`VY`\][\Yf`h\Ub' : M&\$% , for continuing operations with a skew to the second half, underpinned by:

- 96=H85`Zfc a` 6cfU` 5 i ghfU`]U YIW` i X]b [`DfcdYfhm`hc`VY`g]a]`Uf`hc`h\Y`df]cf`mYUf, and DfcdYfhm` YUfb]b [g`cZ`Ufc i bX`~`\$`a]`]cbz which will all be in the second half (compared with \$63 million in FY2018);
- : M&\$%- '96=H85` [fckh\`Zfc a` 6cfU` Bcfh\` 5 a Yf]WU, cZ`Uddfc I] a UhY'm`) i `]b` I G`Xc`Ufg, excluding discontinued operations; and
- G`][\h`m`ckYf`dfcZ]hg`Zfc a` I G ; `6cfU`.

6cfU`k]`Ubbc i bWY]hg]bhYf]a` : M&\$%- `fYg i`hg`cb`Ac bXUm`&` : YVf i Ufm`&\$%- , at which time it will provide a comprehensive review of first half performance. `Ym`ZUWhc`fg`impacting first half earnings include the following.

- 6cfU` 5 i ghfU`]U. Underlying demand remains strong and the business is delivering good returns. However, first half earnings have been impacted by volume lags and delays to major projects and infrastructure, extreme rainfalls on the east coast in October and a less favourable product and geographic mix shift.
- 6cfU` Bcfh\` 5 a Yf]WU. Delivery of Headwaters acquisition synergies is progressing well. First half was impacted by above average rainfalls in key US states, which slowed volumes in most businesses. Underlying demand growth is moderate while growth rates are mixed geographically, with Roofing benefiting from strong growth.
- I G ; `6cfU`. Strong results from Australia. However, South Korea has been heavily impacted by a cyclical market decline and intensifying competition, and was also affected by Typhoon Soulik in the September quarter.

On ghfUhY []W` a UhYfg, work is continuing to progress the fair market valuation process of USG Boral in order for Boral to decide whether to exercise its call option to acquire USG's 50% stake in the joint venture. Discussions with industry players are also continuing.

The sale of the Texas Block business completed on 30 November; proceeds of US\$127 million have now been received.

5`Vf]YZ`WcbZYfYbWY`WU`Zcf`]b j Yg hcf g]`b`fY`Uh]cb`hc`hcXUm]g`Ubbc i bWY a Ybh`k]`VY`\Y`X`Uh`\$`Ua`" Conference call details accompany this announcement.

1 Before significant items

7cbZYfYbWY`WU`XYhUJ`g.

Conference call on **AcbXUm`(`: YVf i Ufm`&\$%-`Uh`%\$`\$U a`GmXbYm`h] a Y`** (Eastern Daylight Saving Time),`

Dial %, \$`\$`&`'`&-`*`cf`Z`*`&`,`\$`,`)`&&% or

United States 1855 293 1544

Hong Kong 800 908 865

Singapore 800 616 2288

New Zealand 0800 452 782

7cbZYfYbWY`7cXY.`-`-`-`)&+`*`

: cf` a cfY`]bZcf a Uh]cb.`

Kylie FitzGerald, Investor and Media Enquiries, Tel: 02 9220 6591 or 0401 895 894

Boral Limited ABN 13 008 421 761 – PO Box 1228 North Sydney NSW 2059 - [kkk`VcfU`Wca](#)