



ASX Release

9 July 2021

S&P's rating placed on CreditWatch

S&P Global Ratings (S&P's) has placed Boral's "BBB" credit rating on CreditWatch Negative. S&P undertakes to resolve the CreditWatch on the rating within 90 days.

In its release, S&P states this action has been taken because it believes 'the current shareholding increases the likelihood that Seven can exert direct or indirect control over Boral to the extent that it could influence Boral's strategy and disposition of cash flows.'

Boral's CEO & Managing Director, Zlatko Todorcevski, said:

"Boral disagrees with the decision by S&P to place the Company's credit rating on CreditWatch. Boral also disagrees with the rationale used by S&P that speculates on what may or may not happen in the future.

"As outlined in Boral's Third Supplementary Target's Statement dated 25 June 2021, following the completion of the sale of Boral's North American Building Products business, and based on Boral's financial framework, Boral estimates it will have surplus capital (prior to any reinvestment alternatives) of ~\$3.6 billion which equates to \$3.02 per Boral share¹.

"We continue to recognise that maintaining a strong balance sheet is in the best interests of investors and remain focused on being disciplined in the allocation of capital."

A copy of the S&P ratings report is attached.

Authorised for lodgement by Dominic Millgate, Company Secretary

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¹ Based on cash balance and number of shares as at 31 May 2021. Includes additional proceeds of US\$125 million (A\$167 million)

Research Update:

Boral Ltd. 'BBB' Rating Placed On CreditWatch Negative As Seven Group's Stake Exceeds 40%

July 9, 2021

Rating Action Overview

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Rating Action Rationale

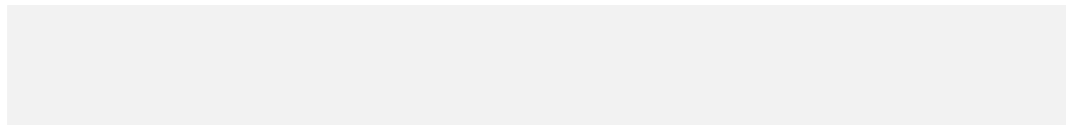
CreditWatch

Related Criteria

Ratings List

Ratings Affirmed; CreditWatch/Outlook Action

	To	From
Boral Ltd.		
Boral Finance Pty Ltd.		
Boral Industries Inc.		



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