



ASX Release

1 April 2021

Boral completes sale of its 50% share in USG Boral and announces an on-market buy-back

Boral Limited (ASX: BLD) today announced the completion of the sale of its 50% share in the USG Boral joint venture to Gebr Knauf KG (Knauf) for US\$1.015 billion (A\$1.33 billion at current exchange rates) and its intention to undertake an on-market share buy-back.

Subject to finalisation of standard completion adjustments, at current exchange rates, Boral expects to report a profit on sale after tax of approximately A\$450 million¹ as a result of the divestment of its 50% share of USG Boral.

In line with Boral's financial framework, the final sale proceeds of A\$1.33 billion will be used to reduce Boral's net debt position from ~A\$1.9 billion to Boral's targeted net debt of \$1.5 billion. This creates a surplus of approximately \$1 billion, which is available to reinvest in the business and/or return to shareholders.

After taking into account Boral's future expected operating and cash flow requirements, Boral has decided to undertake an on-market share buy-back. Subject to prevailing share price and market conditions, Boral intends to buy back up to 10% of shares on issue, or approximately 122 million shares, over the next 12 months. The buy-back will be fully funded from sale proceeds.

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

"The sale of our 50% interest in USG Boral to Knauf for an attractive premium creates substantial value for Boral's shareholders."

"The sale enables Boral to reduce net debt to our current target of A\$1.5 billion, and create surplus capital available for return to shareholders, which is consistent with Boral's financial framework."

"We believe that an on-market buy-back is the most effective method of returning this surplus capital to our shareholders."

Boral is permitted to buy back up to 10% of issued capital in any 12-month period without shareholder approval. Boral will continue to assess options to distribute any additional surplus capital having regard to the size of the surplus and the most efficient method for distribution at the relevant time. This may include seeking shareholder approval at the Annual General Meeting to extend the buy-back.

An Appendix 3C in respect of the on-market share buy-back is attached.

Authorised for lodgement by Dominic Millgate, Company Secretary.

Boral Limited Investor Relations: Kylie FitzGerald +61 401 895 894 or kylie.fitzgerald@boral.com.au

Boral Limited ABN 13 008 421 761 – Level 18, 15 Blue Street, North Sydney NSW 2060 - www.boral.com

¹ After taking into account the benefit of previously unrecognised capital tax losses.

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Boral Limited	13 008 421 761

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market share buy-back
2	+Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the +class on issue	1,225,653,798
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval is not required
7	Reason for buy-back	Capital management

+ See chapter 19 for defined terms.

8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)

None

On-market buy-back

9 Name of broker who will act on the company's behalf

Jarden Australia Pty Limited and Citigroup Global Markets Australia Pty Limited

10 Deleted 30/9/2001.

11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

Up to a maximum of 10% of the issued ordinary shares of the Company as at the date of this announcement, being 122,565,379 shares.

The Company reserves the right to suspend or terminate the buy-back at any time.

12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

Commencing no earlier than 19 April 2021 and ending within 12 months from the date of this announcement.

The Company reserves the right to suspend or terminate the buy-back at any time.

13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

Not applicable

Employee share scheme buy-back

14 Number of shares proposed to be bought back

Not applicable

15 Price to be offered for shares

Not applicable

For personal use only

Selective buy-back

16 Name of person or description of class of person whose shares are proposed to be bought back

17 Number of shares proposed to be bought back

18 Price to be offered for shares

Equal access scheme

19 Percentage of shares proposed to be bought back

20 Total number of shares proposed to be bought back if all offers are accepted

21 Price to be offered for shares

22 ⁺Record date for participation in offer
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: Date: 1 April 2021
(Company Secretary)

Print name: Dominic Millgate

⁺ See chapter 19 for defined terms.