



Half-Year Financial Report

31 December 2022

Boral Limited
ABN 13 008 421 761



Boral Limited

ABN 13 008 421 761

Level 3, Trinita 2
39 Delhi Road
North Ryde NSW 2113

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www.boral.com.au

APPENDIX 4D HALF-YEAR REPORT

8 February 2023

Name of Entity: **Boral Limited**
ABN: **13 008 421 761**
For the half year ended: **31 December 2022**

Results for announcement to the market

Financial performance

				Dec 2022 \$m	Dec 2021 \$m
Revenue from ordinary activities	up	12.0%	to	1,681.1	1,500.4
Profit from continuing operations before net interest expense, income tax and significant items	up	15.0%	to	95.3	82.9
Profit from discontinued operations before net interest expense, income tax and significant items	down	(100.0%)	to	-	154.8
Profit before net interest expense, income tax and significant items	down	(59.9%)	to	95.3	237.7
Net profit before significant items from continuing operations	up	52.7%	to	56.8	37.2
Net profit before significant items from discontinued operations	down	(100.0%)	to	-	107.4
Net profit before significant items	down	(60.7%)	to	56.8	144.6
Significant items net of tax	down	(96.3%)	to	32.7	879.6
Net profit	down	(91.3%)	to	89.5	1,024.2

Net profit before significant items is a non-IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. A reconciliation of this non-IFRS measure to reported statutory profit is detailed on the next page. The above disclosures are extracted or derived from the financial report for the period ended 31 December 2022, which has been reviewed by Deloitte. The Independent Auditor's Review Report provided by Deloitte is included in the Half-Year Financial Report of Boral Limited for the half-year period ended 31 December 2022.

Net tangible asset backing

	31 Dec 2022	30 Jun 2022
Net tangible asset backing per ordinary security	\$1.72	\$1.66

Dividends

	Amount per security	Franked amount per security at 30% tax
Current and previous corresponding period: Interim - ordinary	-	-
Previous corresponding period: Special	7.0 cents	-
Comparative Period: Half Year ended 31 December 2021		

Commentary on results

Detailed commentary on the results for the period is contained in the press release and the results presentation dated 8 February 2023 accompanying this Report. This Report should be read in conjunction with the 2022 Annual Report and any public announcements made by the Company in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.



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APPENDIX 4D

HALF-YEAR REPORT

Results for announcement to the market (continued)

For the half-year ended 31 December	2022			2021		
	Before significant items \$m	Significant items \$m	After Significant items \$m	Before significant items \$m	Significant items \$m	After Significant items \$m
Sales revenue						
Continuing operations	1,681.1	-	1,681.1	1,500.4	-	1,500.4
Discontinued operations	-	-	-	883.3	-	883.3
Total	1,681.1	-	1,681.1	2,383.7	-	2,383.7
EBITDA						
Continuing operations	206.5	18.2	224.7	192.6	(22.0)	170.6
Discontinued operations	-	18.9	18.9	154.8	953.4	1,108.2
Total	206.5	37.1	243.6	347.4	931.4	1,278.8
Depreciation and Amortisation						
Continuing operations	(111.2)	-	(111.2)	(109.7)	-	(109.7)
Discontinued operations	-	-	-	-	-	-
Total	(111.2)	-	(111.2)	(109.7)	-	(109.7)
EBIT						
Continuing operations	95.3	18.2	113.5	82.9	(22.0)	60.9
Discontinued operations	-	18.9	18.9	154.8	953.4	1,108.2
Total	95.3	37.1	132.4	237.7	931.4	1,169.1
Net interest expense						
Continuing operations	(19.9)	-	(19.9)	(34.8)	-	(34.8)
Discontinued operations	-	-	-	(3.2)	-	(3.2)
Total	(19.9)	-	(19.9)	(38.0)	-	(38.0)
Profit/(loss) before tax						
Continuing operations	75.4	18.2	93.6	48.1	(22.0)	26.1
Discontinued operations	-	18.9	18.9	151.6	953.4	1,105.0
Total	75.4	37.1	112.5	199.7	931.4	1,131.1
Income tax (expense)/benefit						
Continuing operations	(18.6)	(5.4)	(24.0)	(10.9)	6.6	(4.3)
Discontinued operations	-	1.0	1.0	(44.2)	(58.4)	(102.6)
Total	(18.6)	(4.4)	(23.0)	(55.1)	(51.8)	(106.9)
Profit/(loss) after tax						
Continuing operations	56.8	12.8	69.6	37.2	(15.4)	21.8
Discontinued operations	-	19.9	19.9	107.4	895.0	1,002.4
Total	56.8	32.7	89.5	144.6	879.6	1,024.2

Directors' Report

The Directors of Boral Limited ('the Company') report on the consolidated entity, being the Company and its controlled entities ('the Group'), for the half-year ended 31 December 2022 ("the half-year"):

1. Review of Operations and changes in state of affairs

The Directors' review of the operations of the consolidated entity during the half-year and the results of those operations is attached and forms part of this Directors' Report.

On 7 October 2022, Seven Group Holdings Limited ('SGH') increased its ownership of the Group from 69.6% to 72.6%.

2. Names of Directors

The names of persons who have been Directors of the Company during or since the end of the half-year ended 31 December 2022 are:

Ryan Stokes AO	– Chairman
Vik Bansal	– Chief Executive Officer and Managing Director, commenced 10 October 2022, appointed Executive Director on 2 November 2022
Zlatko Todorcevski	– Chief Executive Officer and Managing Director, retired 7 October 2022
Jacqueline Chow	
Mark Johnson	
Karen Moses	
Paul Rayner	
Richard Richards	
Rob Sindel	

3. Lead Auditor's Independence Declaration

The lead auditor's independence declaration made under Section 307C of the Corporations Act 2001 is set out on page 17 and forms part of this Directors' Report.

4. Rounding of Amounts

Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with ASIC Corporations Instrument 2016/191, dated 24 March 2016. Amounts shown as "–" represent zero amounts and amounts less than \$50,000 which have been rounded down.

Signed in accordance with a resolution of the Directors.



Ryan Stokes AO
Chairman



Vik Bansal
CEO & Managing Director

Sydney, 8 February 2023

Condensed Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

For the half-year ended 31 December	Note	2022 \$m	2021 \$m
Continuing operations			
Revenue	4	1,681.1	1,500.4
Cost of sales		(1,263.0)	(1,104.9)
Selling and distribution expenses		(243.9)	(214.1)
Administrative expenses		(90.9)	(118.0)
		(1,597.8)	(1,437.0)
Other income		21.4	9.8
Other expenses		-	(22.0)
Share of equity accounted income		8.8	9.7
Profit before net interest expense and income tax		113.5	60.9
Interest income		8.3	0.9
Interest expense		(28.2)	(35.7)
Net interest expense		(19.9)	(34.8)
Profit before income tax		93.6	26.1
Income tax expense	5	(24.0)	(4.3)
Profit from continuing operations		69.6	21.8
Discontinued operations			
Profit from discontinued operations (net of income tax)	3	19.9	1,002.4
Net profit		89.5	1,024.2
Total operations			
Basic earnings per share	6	8.1c	92.7c
Diluted earnings per share	6	8.1c	92.1c
Continuing operations			
Basic earnings per share	6	6.3c	2.0c
Diluted earnings per share	6	6.3c	2.0c

The Condensed Income Statement should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Condensed Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

For the half-year ended 31 December	2022 \$m	2021 \$m
Net profit	89.5	1,024.2
Other comprehensive income		
Items that may be reclassified subsequently to Income Statement:		
Net exchange differences from translation of foreign operations taken to other comprehensive income	-	60.5
Foreign currency translation reserve transferred to net profit on disposal of controlled entities and equity accounted investment	-	(113.9)
Fair value adjustment on cash flow hedges	(22.0)	1.4
Income tax on items that may be reclassified subsequently to Income Statement	6.6	5.9
Total comprehensive income	74.1	978.1

The Condensed Statement of Comprehensive Income should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Condensed Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	31 Dec 2022 \$m	30 Jun 2022 \$m
CURRENT ASSETS			
Cash and cash equivalents		525.7	1,107.1
Receivables		504.0	501.3
Inventories		240.8	222.5
Financial assets		0.4	32.8
Current tax assets		41.2	40.4
Other assets		37.3	36.3
TOTAL CURRENT ASSETS		1,349.4	1,940.4
NON-CURRENT ASSETS			
Receivables		36.3	35.7
Inventories		13.0	12.9
Investments accounted for using the equity method		31.4	31.2
Financial assets		7.4	-
Property, plant and equipment		2,110.8	2,117.8
Intangible assets		71.3	71.5
Deferred tax assets		150.3	166.6
Other assets		24.8	24.8
TOTAL NON-CURRENT ASSETS		2,445.3	2,460.5
TOTAL ASSETS		3,794.7	4,400.9
CURRENT LIABILITIES			
Trade creditors		451.2	497.2
Interest bearing liabilities	9	23.5	639.7
Financial liabilities		7.8	1.4
Current tax liabilities		0.7	0.6
Employee benefit liabilities		95.1	103.6
Provisions		62.1	65.0
TOTAL CURRENT LIABILITIES		640.4	1,307.5
NON-CURRENT LIABILITIES			
Interest bearing liabilities	9	957.6	943.8
Financial liabilities		13.1	9.8
Deferred tax liabilities		35.8	35.1
Employee benefit liabilities		7.0	7.2
Provisions		172.2	200.0
TOTAL NON-CURRENT LIABILITIES		1,185.7	1,195.9
TOTAL LIABILITIES		1,826.1	2,503.4
NET ASSETS		1,968.6	1,897.5
EQUITY			
Issued capital	10	593.7	593.7
Reserves	11	29.5	47.9
Retained earnings		1,345.4	1,255.9
TOTAL EQUITY		1,968.6	1,897.5

The Condensed Balance Sheet should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Condensed Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

	Issued capital ¹ \$m	Reserves \$m	Retained earnings \$m	Total Equity \$m
Balance at 1 July 2022	593.7	47.9	1,255.9	1,897.5
Net profit	-	-	89.5	89.5
Other comprehensive income				
Fair value adjustment on cash flow hedges	-	(22.0)	-	(22.0)
Income tax relating to other comprehensive income	-	6.6	-	6.6
Total comprehensive income	-	(15.4)	89.5	74.1
Transactions with owners in their capacity as owners				
Share-based payments	-	(3.0)	-	(3.0)
Total transactions with owners in their capacity as owners	-	(3.0)	-	(3.0)
Balance at 31 December 2022	593.7	29.5	1,345.4	1,968.6
Balance at 1 July 2021 ²	3,839.5	122.8	372.5	4,334.8
Net profit	-	-	1,024.2	1,024.2
Other comprehensive income				
Translation of net assets of overseas entities	-	81.4	-	81.4
Translation of long-term borrowings and foreign currency forward contracts	-	(20.9)	-	(20.9)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities and equity accounted investment	-	(113.9)	-	(113.9)
Fair value adjustment on cash flow hedges	-	1.4	-	1.4
Income tax relating to other comprehensive income	-	5.9	-	5.9
Total comprehensive income/(loss)	-	(46.1)	1,024.2	978.1
Transactions with owners in their capacity as owners				
On-market share buy-back	(322.6)	-	-	(322.6)
Share acquisition rights vested	-	(3.7)	-	(3.7)
Share-based payments	-	2.0	-	2.0
Total transactions with owners in their capacity as owners	(322.6)	(1.7)	-	(324.3)
Balance at 31 December 2021	3,516.9	75.0	1,396.7	4,988.6

1. The decrease in issued capital at 30 June 2022 from 31 December 2021 is due to the return of \$3 billion surplus capital to shareholders on 14 February 2022. The cash distribution of \$2.72 per share was split between a \$2.65 per share capital reduction, totalling \$2,923.2 million and an unfranked dividend of 7 cents per share, totalling \$77.2 million.

2. The balance at 1 July 2021 for retained earnings were restated to reflect the prior period adjustment in respect of rehabilitation provisions as detailed in Note 1c of the 2022 financial statements. The impact on the Income Statement in each comparative period was not considered material.

The Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Condensed Statement of Cash Flows

BORAL LIMITED AND CONTROLLED ENTITIES

For the half-year ended 31 December	2022 \$m	2021 \$m
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,851.3	2,616.1
Payments to suppliers and employees	(1,718.3)	(2,342.7)
	133.0	273.4
Dividends received	8.9	5.3
Interest received	8.7	1.0
Borrowing costs paid	(28.0)	(35.8)
Income taxes paid	(0.7)	(17.3)
Restructure and transaction costs paid	(18.1)	(41.6)
Net cash provided by operating activities	103.8	185.0
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(97.4)	(122.0)
Capital contribution in equity accounted investment	-	(2.8)
Proceeds on disposal of non-current assets	3.5	8.4
Proceeds on disposal of controlled entities and associates (net of transaction costs)	14.9	3,053.5
Net cash (used in)/ provided by investing activities	(79.0)	2,937.1
CASH FLOWS FROM FINANCING ACTIVITIES		
On-market share buy-back	-	(352.9)
Repayment of lease principal	(13.4)	(36.7)
Proceeds from borrowings	-	3.4
Repayment of borrowings	(628.7)	(0.7)
Net cash used in financing activities	(642.1)	(386.9)
NET CHANGE IN CASH AND CASH EQUIVALENTS		
	(617.3)	2,735.2
Cash and cash equivalents at the beginning of the year	1,107.1	903.8
Effects of exchange rate movements on cash and cash equivalents	35.9	(13.7)
Cash and cash equivalents at the end of the half-year	525.7	3,625.3

The Condensed Statement of Cash Flows should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

1. ACCOUNTING POLICIES

Boral Limited is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated half-year financial report of Boral Limited as at and for the half-year ended 31 December 2022 comprises Boral Limited and its controlled entities (the "Group").

(a) Basis of Preparation

The half-year consolidated financial report is a condensed general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The financial report also complies with IAS 34 *Interim Financial Reporting*.

The half-year financial report does not include full note disclosures of the type normally included in an annual financial report. As a result, the half-year financial report should be read in conjunction with the 30 June 2022 Annual Financial Report and any public announcements made during the period in accordance with continuous disclosure requirements issued by the Australian Securities Exchange (ASX).

The half-year financial report was authorised for issue by the Directors on 8 February 2023.

The half-year financial report is presented in Australian dollars.

(b) Significant Accounting Policies

The accounting policies have been consistently applied by each entity in the consolidated entity and are consistent with those applied in the 30 June 2022 Annual Financial Report. The half-year financial report has been prepared on the basis of historical cost, except where assets and liabilities are stated at their fair values in accordance with relevant accounting policies.

The Group has no transactions that are affected by newly effective Australian Accounting Standards and Australian Accounting Standards Board Interpretations or its accounting policies are already consistent with the new requirements.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Comparatives

Where necessary, comparative information has been re-presented to conform to changes in presentation in the current period.

(d) Rounding of Amounts

Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with ASIC Corporations Instrument 2016/191, dated 24 March 2016. Amounts shown as "-" represent zero amounts and amounts less than \$50,000 which have been rounded down.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision-maker being the CEO and Managing Director in order to effectively allocate Group resources and assess performance.

The Group has identified its operating segments based on the information that is regularly reviewed and used by the CEO and Managing Director in assessing performance and in determining the allocation of resources. Discrete financial information about each of these operating businesses is reported to the CEO and Managing Director on a recurring basis. Although Property does not meet the quantitative reportable segment thresholds in the current year, the Group considers that the separate disclosure of its financial performance qualitatively provides useful information to users of the Group's financial statements.

The following summary describes the operations of the Group's reportable segments:

Construction Materials	- Integrated construction materials business operating across Australia (concrete, asphalt, quarries, cement, landfill, recycling, transport and placing).
Property	- The property segment primarily generates earnings through the development or divestment of surplus properties.
Discontinued Operations	- Boral North America (fly ash, stone, roofing, light building products, windows and bricks joint venture) and Australian Building Products (comprising roofing and masonry, and timber products).
Unallocated	- Unallocated costs including corporate.

The major end use markets for Boral's products include residential and non-residential construction and the engineering and infrastructure markets.

The Group has a large number of customers to which it provides products, with no single customer responsible for more than 10% of the Group's revenue.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Reconciliations of reportable segment revenues and profits		2022	2021
For the half-year ended 31 December	Note	\$m	\$m
External revenue		1,681.1	2,383.7
Less: revenue from discontinued operations	3	-	(883.3)
Revenue from continuing operations		1,681.1	1,500.4
Profit before tax			
Profit before net interest expense and income tax from reportable segments		132.4	1,169.1
Less: Profit before net interest expense and income tax from discontinued operations	3	(18.9)	(1,108.2)
Profit before net interest expense and income tax from continuing operations		113.5	60.9
Net interest expense from continuing operations		(19.9)	(34.8)
Profit before tax from continuing operations		93.6	26.1

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

For the half-year ended 31 December	Construction Materials		Property		Unallocated		Total Continuing Operations		Discontinued Operations		Total	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m	2022 \$m	2021 \$m	2022 \$m	2021 \$m	2022 \$m	2021 \$m	2022 \$m	2021 \$m
External Revenue	1,676.6	1,498.1	0.2	-	4.3	2.3	1,681.1	1,500.4	-	883.3	1,681.1	2,383.7
EBITDA ¹	216.3	202.2	(0.1)	5.4	(9.7)	(15.0)	206.5	192.6	-	154.8	206.5	347.4
Depreciation and amortisation	(110.9)	(108.6)	-	-	(0.3)	(1.1)	(111.2)	(109.7)	-	-	(111.2)	(109.7)
EBIT ²	105.4	93.6	(0.1)	5.4	(10.0)	(16.1)	95.3	82.9	-	154.8	95.3	237.7
Divestment related matters (i)	-	-	-	-	-	-	-	-	18.9	953.4	18.9	953.4
Restructure and onerous contracts (ii)	-	-	-	-	6.8	(22.0)	6.8	(22.0)	-	-	6.8	(22.0)
US senior notes tender offer (iii)	-	-	-	-	11.4	-	11.4	-	-	-	11.4	-
Significant items before income tax expense	-	-	-	-	18.2	(22.0)	18.2	(22.0)	18.9	953.4	37.1	931.4
Profit/(loss) before interest and income tax expense	105.4	93.6	(0.1)	5.4	8.2	(38.1)	113.5	60.9	18.9	1,108.2	132.4	1,169.1
Equity accounted income	9.2	9.7	(0.4)	-	-	-	8.8	9.7	-	7.4	8.8	17.1

1. EBITDA is profit/(loss) before depreciation, amortisation, interest, income tax expense and significant items.

2. EBIT is profit/(loss) before interest, income tax expense and significant items.

Contracting businesses revenue and rendering of services revenue, as disclosed in Note 4, is fully allocated to the Construction Materials segment.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

Significant items For the half-year ended 31 December	Gross 2022 \$m	Tax 2022 \$m	Net 2022 \$m	Gross 2021 \$m	Tax 2021 \$m	Net 2021 \$m
(i) Divestment related matters	18.9	1.0	19.9	953.4	(58.4)	895.0
(ii) Restructure and onerous contracts	6.8	(2.0)	4.8	(22.0)	6.6	(15.4)
(iii) US senior notes tender offer	11.4	(3.4)	8.0	-	-	-
	37.1	(4.4)	32.7	931.4	(51.8)	879.6

(i) Divestment related matters

During the current period, the Group recognised pre-tax net income of \$18.9 million primarily from additional proceeds from completion settlements and earn-outs.

In the prior period, the Group completed the divestments relating to North American Building Products, North American Fly Ash, Meridian Brick and Australian Building Products businesses, resulting in a profit before tax of \$953.4 million.

(ii) Restructure and onerous contracts

During the period, the Group recognised a pre-tax net income of \$6.8 million primarily as a result of the favourable settlement of onerous contracts recognised in prior periods.

In the prior period, the Group incurred \$22 million of costs in relation to implementation of the Group's transformation program, primarily restructuring costs and IT-related costs.

(iii) US senior notes tender offer

In July 2022, US\$300 million of May 2028 US senior notes was repaid following completion of the Group's tender offer. This resulted in a pre-tax net gain of \$11.4 million.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	Construction Materials		Property		Unallocated		Total Continuing Operations		Discontinued Operations		Total	
	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Segment assets (excluding equity accounted investments)	2,944.5	2,923.0	55.7	63.6	45.9	69.0	3,046.1	3,055.6	-	-	3,046.1	3,055.6
Equity accounted investments	31.4	31.2	-	-	-	-	31.4	31.2	-	-	31.4	31.2
	2,975.9	2,954.2	55.7	63.6	45.9	69.0	3,077.5	3,086.8	-	-	3,077.5	3,086.8
Cash and cash equivalents	-	-	-	-	525.7	1,107.1	525.7	1,107.1	-	-	525.7	1,107.1
Tax assets	-	-	-	-	191.5	207.0	191.5	207.0	-	-	191.5	207.0
Total assets	2,975.9	2,954.2	55.7	63.6	763.1	1,383.1	3,794.7	4,400.9	-	-	3,794.7	4,400.9
Segment liabilities	668.7	724.3	20.1	26.5	119.7	133.4	808.5	884.2	-	-	808.5	884.2
Interest bearing liabilities	-	-	-	-	981.1	1,583.5	981.1	1,583.5	-	-	981.1	1,583.5
Tax liabilities	-	-	-	-	36.5	35.7	36.5	35.7	-	-	36.5	35.7
Total liabilities	668.7	724.3	20.1	26.5	1,137.3	1,752.6	1,826.1	2,503.4	-	-	1,826.1	2,503.4
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
For the half-year ended 31 December												
Acquisition of segment assets ¹	103.9	95.6	0.2	-	0.1	-	104.2	95.6	-	46.0	104.2	141.6

1. Excludes amounts attributable to the capital contribution in respect of equity accounted investment.

Geographical location

All assets in the Group, excluding \$30.8 million as at 31 December 2022 (30 June 2022: \$43.3 million) are based in Australia.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

3. DISCONTINUED OPERATIONS AND DISPOSALS

During the current period, the Group received settlements and deferred consideration in relation to previously divested businesses. Please refer to Note 2 for further details.

In the comparative period, the earnings in relation to the divested businesses, including North American Building Products, North American Fly Ash, Meridian Brick and Australian Building Products businesses, had been reclassified to "Discontinued Operations" in the Income Statement, and are summarised below.

For the half-year ended 31 December	Note	2022 \$m	2021 \$m
Results of discontinued operations			
Revenue		-	883.3
Expenses		-	(735.9)
Share of equity accounted income		-	7.4
Trading profit before significant items, net interest expense and income tax		-	154.8
Significant items	2	18.9	953.4
Profit before net interest expense and income tax		18.9	1,108.2
Net interest expense		-	(3.2)
Profit before income tax		18.9	1,105.0
Income tax (expense)/benefit		1.0	(102.6)
Net profit		19.9	1,002.4
Cash flows from discontinued operations			
Net cash (used in)/provided by operating activities		(13.6)	99.3
Net cash provided by investing activities		14.9	3,024.5
Net cash used in financing activities		-	(20.1)
Net cash provided by discontinued operations		1.3	3,103.7

During the period, cash outflows of \$13.6 million are related to costs incurred in conjunction with the exit of Boral North America.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	2022	2021
	\$m	\$m
For the half-year ended 31 December		
4. REVENUE FROM CONTINUING OPERATIONS		
Sale of goods	1,524.6	1,353.7
Rendering of services	43.7	37.2
Contracting business	112.8	109.5
Revenue from continuing operations	1,681.1	1,500.4
5. INCOME TAX EXPENSE		
Reconciliation of income tax expense to prima facie tax		
Income tax expense on profit at Australian tax rates 30%	33.8	339.3
Variation between Australian and overseas tax rates	(0.7)	(38.6)
Share of associates' net income (excluding significant items)	(1.8)	(2.2)
Tax benefit arising from share acquisition rights vested	-	(0.4)
Tax benefit on disposal of business	(3.7)	(181.1)
Income tax losses brought to account	(2.4)	(9.9)
Other items	(2.2)	(0.2)
Income tax expense	23.0	106.9
Income tax expense relating to continuing operations	24.0	4.3
Income tax expense/(benefit) relating to discontinued operations	(1.0)	102.6
	23.0	106.9

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

6. EARNINGS PER SHARE

Classification of securities as ordinary shares

Only ordinary shares have been included in basic earnings per share.

Classification of securities as potential ordinary shares

Performance Rights outstanding under the Boral Limited Equity Incentive Plan have been classified as potential ordinary shares and are included in diluted earnings per share only.

For the half-year ended 31 December	2022	2021
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	1,103,088,419	1,104,724,770
Effect of potential ordinary shares	8,336,201	7,204,447
Number for diluted earnings per share	1,111,424,620	1,111,929,217

For the half-year ended 31 December	2022			2021		
	Continuing operations \$m	Discontinued operations \$m	Total \$m	Continuing operations \$m	Discontinued operations \$m	Total \$m
Earnings reconciliation						
Net profit attributable to members of the parent entity excluding significant items	56.8	-	56.8	37.2	107.4	144.6
Net significant items (refer note 2)	12.8	19.9	32.7	(15.4)	895.0	879.6
Net profit	69.6	19.9	89.5	21.8	1,002.4	1,024.2
Basic earnings per share	6.3c	1.8c	8.1c	2.0c	90.7c	92.7c
Diluted earnings per share	6.3c	1.8c	8.1c	2.0c	90.1c	92.1c
Excluding significant items						
Basic earnings per share	5.1c	-	5.1c	3.4c	9.7c	13.1c
Diluted earnings per share	5.1c	-	5.1c	3.3c	9.7c	13.0c

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share performance rights was based on quoted market prices for the period that the rights were outstanding.

7. DIVIDENDS

	Amount per share	Total amount (\$m)	Franked amount per share	Date of payment
For the half-year ended 31 December 2022				
Special dividend	7.0 cents	77.2	-	14 February 2022
Final June 2022 - ordinary	-	-	-	-
For the half-year ended 31 December 2021				
Final June 2021 - ordinary	-	-	-	-

Subsequent event

Since the end of the period, the Directors have decided that no interim dividend would be paid for the half-year ended 31 December 2022.

Dividend Reinvestment Plan

The Group's Dividend Reinvestment Plan did not apply to the payment of special dividend on 14 February 2022.

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name	Principal activity	Balance date	OWNERSHIP INTEREST	
			31 Dec 2022 %	30 Jun 2022 %
DETAILS OF EQUITY ACCOUNTED INVESTMENTS				
Bitumen Importers Australia Pty Ltd	Bitumen importer	30-Jun	50	50
ConnectSydney Pty Ltd	Road maintenance	30-Jun	38.5	38.5
Flyash Australia Pty Ltd	Fly ash collection	31-Dec	50	50
Penrith Lakes Development Corporation Ltd	Property development	30-Jun	40	40
South Australian Road Services Pty Ltd	Road maintenance	30-Jun	50	50
South East Asphalt Pty Ltd	Asphalt	30-Jun	50	50
Sunstate Cement Ltd	Cement manufacturer	30-Jun	50	50

	31 Dec 2022 \$m	30 Jun 2022 \$m
9. INTEREST BEARING LIABILITIES		
CURRENT		
Loans - unsecured ¹	-	614.1
Lease liabilities	23.5	25.6
	23.5	639.7
NON-CURRENT		
Loans - unsecured	855.3	849.7
Lease liabilities	102.3	94.1
	957.6	943.8
TOTAL	981.1	1,583.5

1. US senior notes - 144a with a notional amount of US\$126.9 million was repaid in October 2022, and US\$300 million of the May 2028 US senior notes was repaid in July 2022 following completion of the Group's tender offer. The US\$300 million repayment resulted in a pre-tax net gain of \$11.4 million.

10. ISSUED CAPITAL

1,103,088,419 (30 June 2022: 1,103,088,419) ordinary shares	593.7	593.7
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Ordinary shares issued are classified as equity and are fully paid, have no par value and carry one vote per share and the right to dividends. Incremental costs directly attributable to the issue of new shares or the exercise of options are recognised as a deduction from equity, net of any related income tax benefit.

In the event of a winding up of Boral Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

11. RESERVES

Hedging reserve - cash flow hedges	(3.6)	11.8
Share-based payments reserve	33.1	36.1
Balance at the end of the period	29.5	47.9

Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

12. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The fair value measurement principles adopted in this report are consistent with those applied in the Group's Annual Financial Report for the year ended 30 June 2022.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for asset or liability that are not based on observable market data.

The following table presents the Group's financial assets and liabilities that are measured at fair value for each level:

	31 Dec 2022	30 June 2022
	\$m	\$m
Assets		
Equity securities - Level 1	-	5.7
Derivative financial assets - Level 2	7.8	27.1
Derivative financial assets - Level 3 ¹	-	-
Total assets	7.8	32.8
Liabilities		
Derivative financial liabilities - Level 2	20.9	11.2
Derivative financial liabilities - Level 3 ¹	-	-
Total liabilities	20.9	11.2

1. During the period, the Group entered into a 10-year cash for difference Power Purchase Agreement (PPA), effective from April 2025. As at 31 December 2022, the fair value is zero.

13. COMMITMENTS

Capital expenditure commitments

Contracted but not provided for are payable as follows:

Not later than one year	12.2	14.7
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The capital expenditure commitments are in respect of the purchase of plant and equipment.

14. CONTINGENT LIABILITIES

There has not been any material change to the Group's contingent liabilities as disclosed in the 30 June 2022 Annual Financial Report.

8 February 2023

The Board of Directors
Boral Limited
T2 / 39 Delhi Road
North Ryde NSW 2113

Dear Board Members

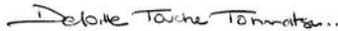
Auditor's Independence Declaration to Boral Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Boral Limited.

As lead audit partner for the review of the half-year financial report of Boral Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



J A Leotta
Partner
Chartered Accountants

Statutory Statements

BORAL LIMITED AND CONTROLLED ENTITIES

Directors' Declaration

In the opinion of the Directors of Boral Limited:

1. The financial statements and notes set out on pages 2 to 16, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2022 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 "*Interim Financial Reporting*" and the *Corporations Regulations 2001*; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Ryan Stokes AO
Chairman

Sydney, 8 February 2023



Vik Bansal
CEO & Managing Director

Independent Auditor's Review Report to the Members of Boral Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Boral Limited (the "Company") and its subsidiaries (the "Group"), which comprises the Condensed Balance Sheet as at 31 December 2022, and the Condensed Income Statement, the Condensed Statement of Comprehensive Income, the Condensed Statement of Cash Flows and the Condensed Statement of Changes in Equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

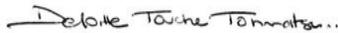
Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



J A Leotta
Partner
Chartered Accountants
Sydney, 8 February 2023