

# Boral Limited

Build something great™



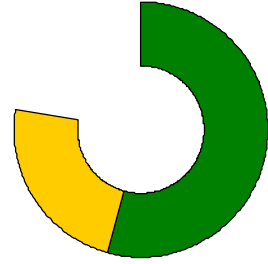
## Investor Presentation

### Acquisition – Wagners' construction materials



Boral to strengthen core Australian business by acquiring





# Wagners Construction Materials - Locations



## Concrete

### Downs

1. Toowoomba
2. Oakey
3. Dalby
4. Chinchilla
5. Miles
6. Wandoan
7. Tara
8. Crows Nest
9. Grantham
10. Pittsworth
11. Millmerran
12. Goondiwindi

### SEQ

13. Wacol
14. Everton Park
15. Burleigh Heads
16. Narangba
17. Murarrie
18. Southport

### NQ

19. Townsville

## Quarries

### Downs

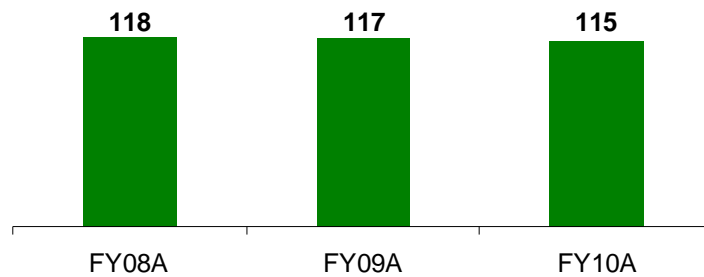
1. Wellcamp Downs
2. Malu
3. Kildonan
4. Grantham

### SEQ

No active quarries

# Wagners Construction Materials – Financial Profile

## Revenue (\$m)



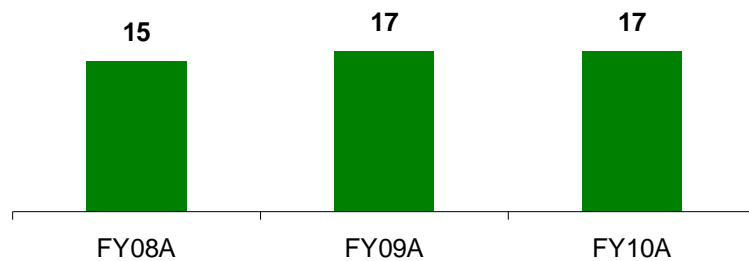
Significant revenue and EBITDA growth expected:

Improved market activity following severe regional wet weather and rebuild after flooding in FY2011

Ramp up in new South East Queensland concrete plants

Impact of price increases announced by Wagners Group in November 2010 (e)

## EBITDA (\$m)



### Notes

- (1) All financials are June year end
- (2) Revenue is total revenue from internal and external sales, including flyash rebate income
- (3) EBITDA shown is normalised to include impact of proposed cement supply arrangements

## Darling Downs / Surat Basin

Recovery in general construction activity following period of severe wet weather

Dwelling construction (and associated infrastructure) expected to be robust, to support population growth as Brisbane expands west

Major natural resources-related projects

- e.g. Surat Basin coal seam gas to LNG (est. \$24b in regional projects to 2018)
- e.g. Coal mine development (est. \$3-5b to 2018)

Flood reconstruction work

- Est. \$5b in reconstruction spend across QLD

## South East Queensland

Recovery in general construction activity following period of severe wet weather

Flood reconstruction work

- Est. \$5b in reconstruction spend across QLD

Expansion of residential construction west of Brisbane

- Infrastructure projects (e.g. roads, community facilities, rail) worth an est. \$4-7b

Pickup in non-residential activity following

# Benefits



Significantly **expands geographic reach** of Boral's construction materials division

Provides Boral with **capability to service attractive growth markets**

- Darling Downs / Surat Basin resources projects
- Westward expansion of Queensland's largest population base

**Adds scale concrete plants** to fill gaps in key growth corridors in Boral's existing South East Queensland footprint

Includes arrangements to **augment future cement supply** positions

Provides significant **operational and overhead synergies**

Includes attractive land parcels with **future development potential**

# Financial Summary



## Funding

Acquisition purchase price of \$173 million and related transaction costs to be funded with existing cash and available facilities

## Valuation

## Financial Impact<sup>(2)</sup>

EPS accretive in FY2012 (including synergies, pre integration costs)<sup>(3)</sup>

Maintains conservative capital structure

- Pro forma gearing of approximately 26%<sup>(4)</sup>
- Pro forma net debt / EBITDA (FY2010) of approximately 1.6x<sup>(5)</sup>

### Notes

(1) Land parcels in South East Queensland

(2) Forward looking estimates for “Financial Impact” are based on certain market and operational assumptions. The estimates are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause actual results to differ materially from those expressed. Accordingly, you should not place undue reliance on such forward looking statements.

(3) Based on consensus forecasts for Boral as at 4 April 2011

(4) As at 31 December 2010 assuming transaction occurred on that date



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