

Boral Limited

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Investor Presentation

Acquisition – Sunshine Coast Quarries (19 July 2011)



Boral to acquire high quality Sunshine Coast Quarries assets in Queensland

Overview

Agreement to acquire the construction materials assets and operations of the Sunshine Coast Quarries Group (“Sunshine Coast Quarries”)

Purchase price of \$81.5 million (on a cash free, debt free basis)

Sunshine Coast Quarries

The Sunshine Coast Quarries business comprises a large scale quarry at Moy Pocket (on the Sunshine Coast), a smaller quarry at Wondai (near Kingaroy) and a concrete plant at Gympie

The Moy Pocket quarry is an efficient, well maintained asset with long term high quality reserves

Conditions / Timetable

Acquisition subject to informal clearance by the ACCC, and the finalisation of procedural issues

Transaction expected to complete in the second half of calendar 2011

Sunshine Coast Quarries - Overview

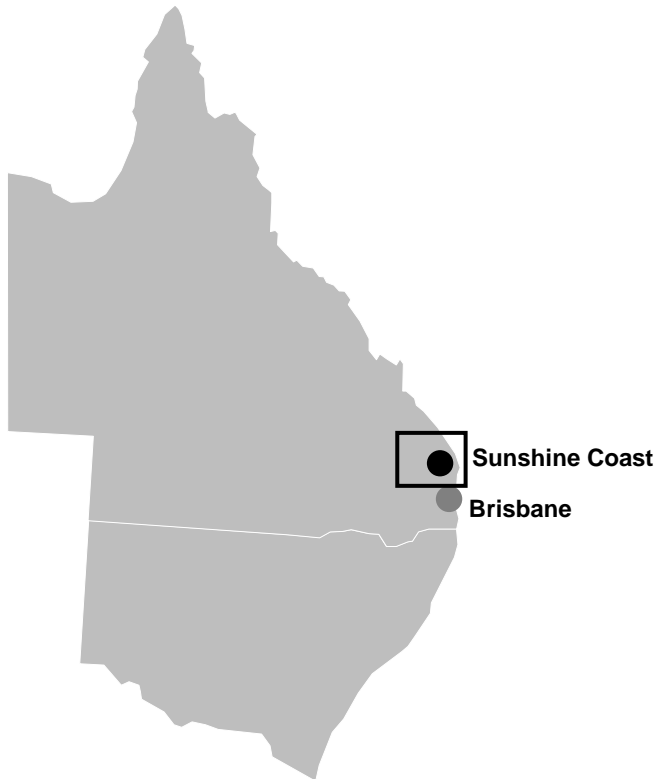


Revenue Breakdown⁽²⁾

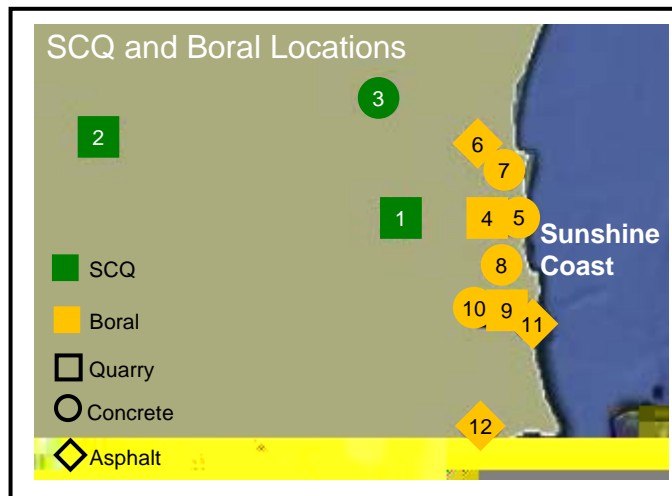
Moy Pocket Quarry

[Redacted]

Sunshine Coast Quarries - Locations



Sunshine Coast Quarries and Boral Locations



SCQ Locations

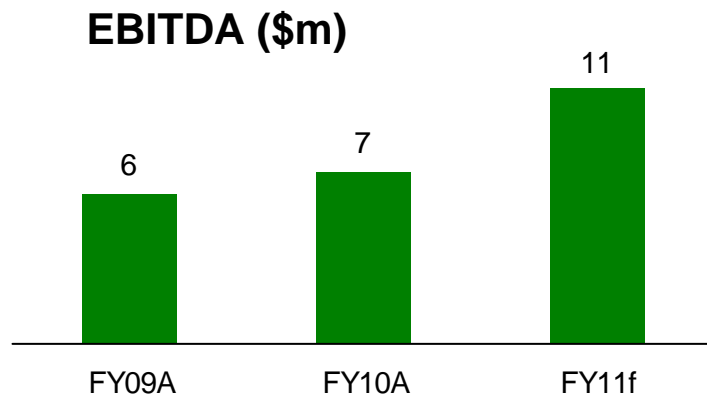
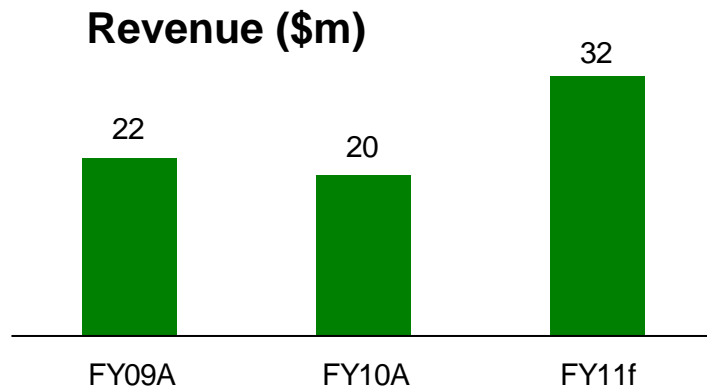
1. Moy Pocket
2. Wondai
3. Gympie

Boral Locations

4. Coolum (Quarry)
5. Coolum (Concrete)
6. Tewantin
7. Noosa
8. Maroochydore
9. Mooloolah (Sand)
10. Caloundra (Concrete)
11. Caloundra (Asphalt)
12. Caboolture

Sunshine Coast Quarries Moy Pocket quarry will replace Boral's existing quarry at Coolum that has ~2 years of quality reserves remaining

Sunshine Coast Quarries – Financial Profile



Significant revenue and EBITDA growth expected:

Improved market activity following severe wet weather and rebuild after flooding in FY11

Major road upgrade works on the Bruce Highway to continue over the next 3 to 5 years

Boral's integrated position on the Sunshine Coast will drive revenue and EBITDA growth

Notes

(1) All financials are June year end

(2) Revenue is total revenue from internal and external sales

Benefits



Secures Boral's **quarry position** on the Sunshine Coast

Enhances Boral's integrated position by **securing high quality reserves and capacity**

Expands geographic reach of Boral's construction materials division

Provides extended reach in **attractive growth markets**

- Sunshine Coast major infrastructure projects and long term population growth
- Surat Basin resource sector projects

Provides ongoing **operational and overhead synergies**

Financial Summary



Funding

Acquisition purchase price of \$81.5 million and related transaction costs to be funded with existing cash and available facilities

Valuation

FY11f EV/EBITDA multiple of 7.4x
Discount to asset replacement cost

Financial Impact

EPS neutral in FY12 ⁽¹⁾
Maintains conservative capital structure

- Pro forma gearing of approximately 29%⁽²⁾
- Pro forma net debt / EBITDA (FY10) of approximately 1.7x⁽³⁾

Notes

- (1) 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.
- (2) As at 31 December 2010 assuming transaction occurred on that date. Includes Wagners Construction Materials acquisition adjustments (see presentation dated 15 April 2011)
- (3) Based on 30 June 2010 Boral results, plus FY10 EBITDA from Wagners Construction Materials operations of \$17 million. Net debt based on 31 December 2010 reported net debt, assuming the transaction occurred on that date

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