



# Media Release

2 April 2008

## Off-market buy-back variation to Deemed Market Value

Boral Limited ("Boral") today announced that following discussions with the Australian Taxation Office ("ATO"), the methodology for calculating the Deemed Market Value for the purpose of its off-market buy-back tender ("Buy-Back") has been varied.

Boral's share price has appreciated by approximately 19% (on an ex-dividend basis) since the announcement of the Buy-Back on 13 February 2008, compared with a fall of 2% in the S&P/ASX200 Index. As a consequence and if there was no variation, it is likely that the Buy-Back price would have exceeded the Deemed Market Value. In these circumstances, a variation of the index used to calculate the Deemed Market Value is appropriate. It has been agreed with the ATO that the index be changed from the S&P/ASX 200 Index to the Construction Materials subset of the S&P/ASX 200 Index ("Construction Materials Index").

The Construction Materials Index is comprised of Boral, James Hardie Industries N.V. and Adelaide Brighton Limited.

The change in methodology is likely to result in an increase in the Deemed Market Value and hence a reduced capital loss or an increased capital gain for successful participating shareholders, depending on individual shareholder circumstances.

Based on the Construction Materials Index as at 2 April 2008, the illustrative Deemed Market Value is \$6.31<sup>1</sup>. Until the Closing Date of the Buy-Back (4 April 2008), Boral will provide via ASX a daily update of movements in the Construction Materials Index and the illustrative Deemed Market Value. These details will also be available on Boral's website ([www.boral.com.au/buyback](http://www.boral.com.au/buyback)).

The Deemed Market Value is relevant to Australian resident shareholders participating in the Buy-Back as for Australian income tax purposes, it impacts the sale consideration of shares sold in the Buy-Back. The sale consideration will be the greater of (the Deemed Market Value less the dividend component of the Buy-Back price) and the Capital Component of \$2.84.

Further information regarding the Deemed Market Value is set out in section 2.6 of the Buy-Back booklet. The variation has occurred in accordance with ATO Taxation Determination TD 2004/22.

The change in methodology for calculating the Deemed Market Value does not change the manner in which Boral will determine the Buy-Back price.

The tender period closes at 7:00pm, Sydney time, on Friday 4 April 2008.

The Buy-Back calculator available on Boral's Buy-Back website ([www.boral.com.au/buyback](http://www.boral.com.au/buyback)) will be updated to reflect the revised methodology for calculating the illustrative Deemed Market Value. As this change may affect the outcomes of the Buy-Back calculator, shareholders who have previously used the Buy-Back calculator to estimate the indicative after tax proceeds from participating in the Buy-Back should revisit their calculations.

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<sup>1</sup> The Construction Materials Index has increased 13.83% since the announcement of the Buy-Back on 13 February 2008

**Further information**

Further information about the Buy-Back can be found on the Boral website [www.boral.com.au/buyback](http://www.boral.com.au/buyback), or alternatively shareholders can contact the Boral shareholder information line on 1300 551 909 (within Australia) or +61 2 8280 7780 (outside Australia) between 8.30am and 5.30pm Monday to Friday (Sydney time).

**If you are in any doubt as to what you should do, you should consult a taxation, financial or other professional adviser.**

**IMPORTANT NOTICE**

This media release is not and does not form part of any offer, invitation or recommendation of Boral securities. The Buy-Back referred to herein was made only by the Buy-Back booklet, which was mailed to eligible shareholders on or about 27 February 2008. No indications of interest in the Buy-Back are sought by this media release. Shareholders who are (or who are acting for the account or benefit of persons who are) in the United States, US Persons (within the meaning of the United States Securities Act of 1933), residents of Canada or who are otherwise excluded foreign persons are not eligible to participate in the Buy-Back described in this media release. Restricted employee shares may not be tendered in the Buy-Back.

This media release contains forward looking statements, including statements regarding the implementation of the Buy-Back and its effects on Boral's business and securities. The results and effects of the Buy-Back may differ materially from those expressed in, or implied by, these forward looking statements. Factors that could cause or contribute to such differences include the number of shares bought back, the Buy-Back price, the Deemed Market Value and the general trading and economic conditions affecting Boral's business.