

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

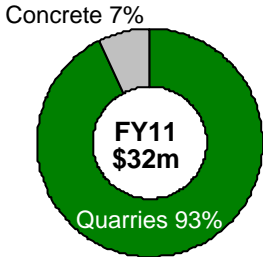
Sunshine Coast Quarries - Overview



Sunshine Coast Quarries owns two quarries and a concrete plant.

Volumes	FY09	FY10	FY11f
Quarries ('000t)	1,478	1,307	1,800
Concrete ⁽¹⁾ ('000m ³)	-	-	19

Revenue Breakdown⁽²⁾



Moy Pocket Quarry



Wondai Quarry



Gympie Concrete

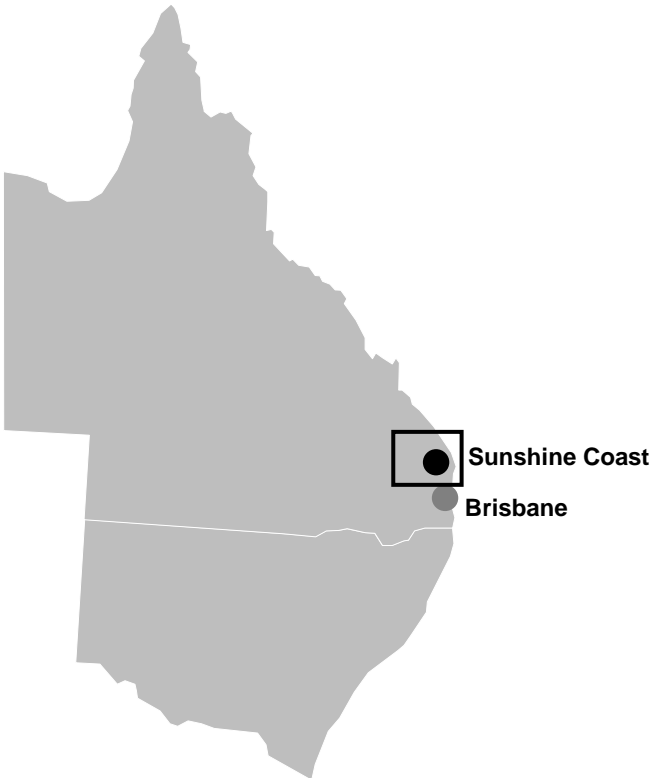


- Moy Pocket quarry is a freehold quarry with in excess of 30 years of high quality consented reserves
- Wondai quarry is a freehold quarry with long term consented reserves in excess of 40 years
- Gympie concrete plant is located on freehold land with a near new large capacity plant

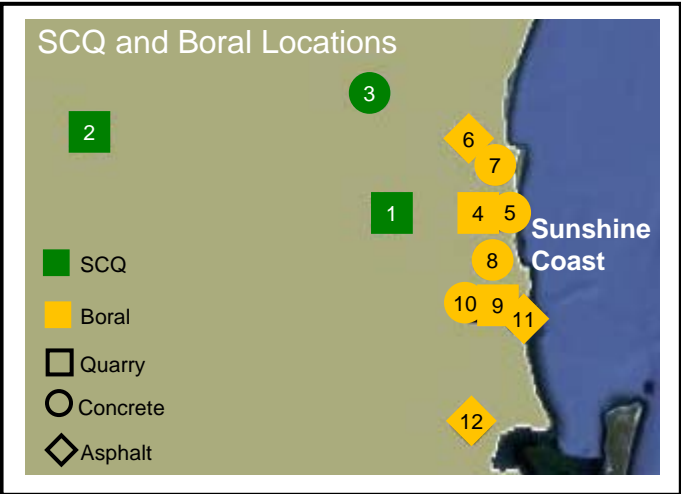
Notes:

(1) Concrete plant was 100% acquired in July 2010. Previously part of JV.
 (2) Total revenue from internal and external sales

Sunshine Coast Quarries - Locations



Sunshine Coast Quarries and Boral Locations



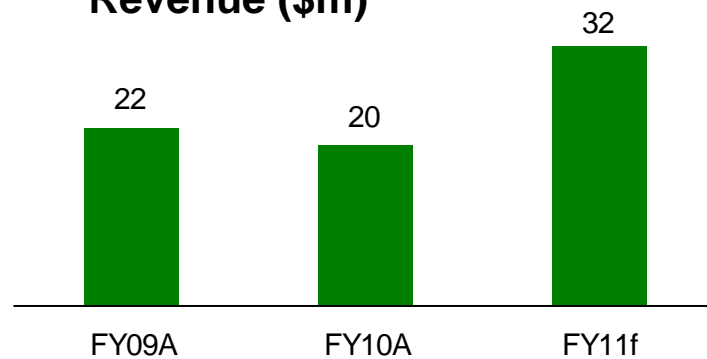
- SCQ Locations**
1. Moy Pocket
 2. Wondai
 3. Gympie
- Boral Locations**
4. Coolum (Quarry)
 5. Coolum (Concrete)
 6. Tewantin
 7. Noosa
 8. Maroochydore
 9. Mooloolah (Sand)
 10. Caloundra (Concrete)
 11. Caloundra (Asphalt)
 12. Caboolture

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

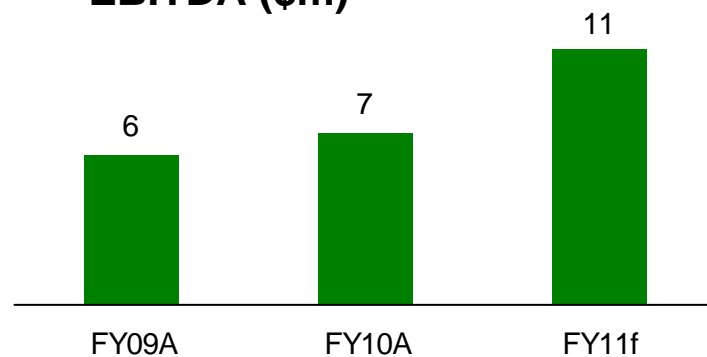
Sunshine Coast Quarries – Financial Profile



Revenue (\$m)



EBITDA (\$m)



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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