



Media Release

13 February 2008

Boral announces \$100 million Off-Market Share Buy-Back

Boral Limited ("Boral") today announced that it intends to buy back approximately \$100 million of its ordinary shares, through an off-market buy-back tender ("Buy-Back").

Boral's CEO and Managing Director, Rod Pearse said, "Following today's half year profit announcement and considering the strength and quality of Boral's asset base together with the current low share price, it is a good time to undertake an off-market share buy-back. The Buy-Back will offset an increase in share issuance arising from Boral's dividend reinvestment plan and executive option plan over the past few years."

"Following the off-market Buy-Back, Boral's gearing will remain in the target range of 40%-70% debt to equity and we will retain sufficient capacity to invest in capital projects and other growth initiatives. The Buy-Back will not constrain Boral's ability to continue to pay fully franked dividends to our shareholders."

The off-market Buy-Back will be undertaken in lieu of the proposed on-market buy-back of up to 15 million shares which was announced on 15 August 2007; to date no shares have been purchased under the on-market buy-back.

The Board of Directors considered other options to return capital to shareholders and concluded that the off-market Buy-Back offers advantages to shareholders which are not available at this time from those other options. The off-market Buy-Back, which will occur at a discount to the Market Price¹, provides Boral with the ability to buy back a greater number of shares than would be possible on-market for the same amount of capital.

In addition, the off-market Buy-Back is expected to benefit all shareholders whether they choose to participate or not. For participating shareholders, depending on their tax status, the after-tax return from the off-market Buy-Back may be more favourable than the after-tax return from selling their ordinary shares on the Australian Securities Exchange ("ASX"). For shareholders who do not choose to participate, the off-market Buy-Back is expected to result in modestly higher earnings per share and return on equity in 2008 and later years.

The Buy-Back will be funded from existing credit facilities.

Shares tendered in the Buy-Back will still be eligible for Boral's 2008 interim dividend of 17 cents per share if shareholders continue to hold those shares on the record date for the dividend (29 February 2008).

Details of the Buy-Back, as well as a timetable of key dates, are outlined below. The terms and conditions of the Buy-Back will be detailed in a booklet to be despatched to all eligible shareholders by 27 February 2008.

¹ The 'Market Price' will be the volume weighted average price of Boral shares (adjusted for certain not 'at market' trades as set out in the Buy-Back booklet) traded on the Australian Securities Exchange over five trading days up to and including 4 April 2008.

Buy-Back Tender Process

Participation in the Buy-Back is voluntary.

Eligible shareholders who have acquired shares before 18 February 2008 and who hold those shares on 22 February 2008 will be invited to tender those shares in the Buy-Back. Certain foreign shareholders (including, but not limited to, shareholders in the United States, US Persons, Canadian residents and persons whose participation in the Buy-Back would be illegal) are not eligible to participate in the Buy-Back. In addition, shares held under Boral's employee share plans that are subject to restrictions on disposal may not be tendered in the Buy-Back.

Boral's directors have indicated that they will not participate in the Buy-Back.

Under the tender process, eligible shareholders may tender some or all of their shares at discounts of between 5% and 14% inclusive (at 1% intervals) to the Market Price and/or as a final price tender (which is an election to receive the Buy-Back price). When the tender period closes, Boral will determine the Buy-Back price based on the largest discount that allows it to purchase the desired number of shares. All shares which Boral buys back will be purchased at the same Buy-Back price and no brokerage should be payable by shareholders.

The Australian Tax Office ("ATO") has indicated that for Australian tax purposes, the Buy-Back price will comprise a capital component of \$2.84 with the balance of the Buy-Back price treated as a dividend which will be fully franked.

For Australian income tax purposes, the sale consideration will be the greater of the Deemed Market Value² less the dividend component, and \$2.84.

Shares which have been tendered by shareholders who have elected to submit final price tenders, or who have tendered their shares at a discount greater than or equal to the buy-back discount, will be bought back, subject to scale back if required. The scale back has been structured so shareholders with small holdings will not be disadvantaged.

Any shares tendered at a discount smaller than the buy-back discount will not be bought back by Boral.

Buy-Back Timetable

The Buy-Back timetable is set out below.

18 February 2008	Ex-entitlement date. Shares acquired on ASX on or after this date will not confer an entitlement to participate in the Buy-Back. Australian resident shareholders who acquired shares before this date will generally be entitled to franking credits under the '45 Day rule' ³ .
22 February 2008	Buy-Back record date. Determination of eligible shareholders entitled to participate in the Buy-Back.
3 March 2008	The tender period opens at 9.00am, Sydney time.
4 April 2008	Closing date. Tenders must be received by no later than 7.00pm, Sydney time.
7 April 2008	Buy-Back date. Announcement of the Buy-Back price, the number of shares being bought back and any scale back.
11 April 2008	Buy-Back proceeds despatched to successful participants.

Boral may change any of the dates above by making an announcement to that effect to ASX.

² In accordance with the ATO's TD 2004/22, the Deemed Market Value will be \$5.54, adjusted for movement in the S&P/ASX 200 index from its opening level of 13 February 2008 to its closing level on 4 April 2008.

³ The '45 Day rule' has a number of tests and there may be other reasons why franking credits on shares tendered in the Buy-Back may not be available.

Further Information

Further information about the Buy-Back can be found on the Boral website 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 will be made only by the Buy-Back booklet, which will be 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 will not be 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 and the general trading and economic conditions affecting Boral's business.