



Media Release

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Lafarge Boral Plasterboard JV to invest US\$48 million in growth in China

Boral announced today that its 50/50 plasterboard joint venture with Lafarge, Lafarge Boral Gypsum Asia (LBGA), intends to invest a total of US\$48 million to build a new plasterboard plant in Shanghai, China.

Near Shanghai, LBGA will invest US\$48 million to purchase land and construct a new plant in the Baoshan Industrial Zone. Plasterboard production capacity of the new plant is expected to be 34 million m² per annum initially with the site allowing flexibility to increase capacity in the future. The additional plant will supplement LBGA's existing capacity in China of 55 million m² per annum.

The new plant will use 100% recycled gypsum and utilise the most up-to-date technology to set a new benchmark in terms of energy usage and is expected to be the most energy efficient plasterboard plant in China. The Baoshan plant is expected to be in operation in the December 2009 quarter.

Ross Batstone, Executive General Manager of Boral's Plasterboard division, said: "LBGA has established a strong position in the East China market with LBGA and its shareholders beforehand having around eleven years of manufacturing presence in Shanghai. During that time the market has developed rapidly and plasterboard systems are now more widely known and used. We have built a strong business and developed a good understanding of the local markets and we see strong growth opportunities ahead."

Mr Rod Pearse, CEO and Managing Director of Boral Limited, said: "The US\$48 million growth investment program in China will allow LBGA to maintain its leading position in the fast growing East China market and will strengthen LBGA's ability to supply expected strong growth in demand. This expansion in Asia is in line with Boral's strategy to grow increasingly offshore."

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