



ASX RELEASE

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Boral agrees to sell Midland Brick in line with strategy

Boral Limited (ASX:BLD) today announced that it has entered into an agreement with a Western Australian consortium to sell its Midland Brick business, including ~800 hectares of associated landholdings, for \$86 million¹, subject to customary completion adjustments.

The Western Australian consortium consists of Linc Property, Birchmead (a part of the CFC Group) and Fini Group.

Proceeds from the sale will be used to reduce debt and fund strategic growth opportunities.

Mike Kane, Boral's CEO & Managing Director, said that the sale was consistent with the Company's strategy of focusing on construction materials in Australia and reducing exposure to bricks globally.

"Our focus in Australia has been to continue to invest in our leading integrated construction materials business, where we supply materials to residential, commercial and infrastructure building and construction markets across all states and territories," Mr Kane said.

"Having divested our 40 per cent stake in the CSR Boral Bricks joint venture in 2016, the sale of Midland Brick completes our exit from bricks in Australia, for combined proceeds of around \$215 million over the past three years.

"We have owned and operated Midland Brick for close to 30 years and we recognise and value the contribution the business has made to the Boral Group over that time. We also recognise the iconic and much-loved position that the Midland Brick Company has had in WA for 73 years. We are confident that this change of ownership will strengthen Midland Brick's prospects for the future, which is great news for customers and our local staff."

The new owners intend to focus on further strengthening Midland Brick's position, as a locally-owned, sustainable business with a proud record of serving the WA building industry for over 70 years.

The new owners expect to undertake an orderly redevelopment of surplus lands, helping to focus Midland Brick's operational footprint, and substantially improve the local amenity.

The transaction is expected to complete by the end of this calendar year, or soon after, and is subject to a number of customary pre-closing conditions (including third party consents).

For more information:

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¹ Boral's net proceeds are expected to be around \$82 million, following adjustments to working capital and other completion adjustments, which is broadly in line with book value