

FLORIDA ROCK INDUSTRIES INC

Form 425

February 20, 2007

FILED BY VULCAN MATERIALS COMPANY  
PURSUANT TO RULE 425 UNDER THE SECURITIES ACT OF 1933  
AND DEEMED FILED PURSUANT TO RULE 14a-12  
UNDER THE SECURITIES EXCHANGE ACT OF 1934  
SUBJECT COMPANY: FLORIDA ROCK INDUSTRIES, INC.  
COMMISSION FILE NO. 001-07159

[The following was posted to a website established by Vulcan Materials Company  
and Florida Rock Industries, Inc. at [www.vulcanfloridarock.com](http://www.vulcanfloridarock.com) on February 19, 2007]

## FAQ

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### 1. **What is the strategic rationale behind this transaction?**

For Vulcan Materials, combining with Florida Rock further diversifies and broadens the Company's reach and regional exposure, providing the Company with a significant presence in Florida—one of the fastest growing markets for aggregates in the U.S.—and bringing Vulcan Materials approximately 2.5 billion tons of reserves in markets where reserves are increasingly scarce. The acquisition is accretive to Vulcan Materials' earnings, growth rate, and returns, and will significantly enhance shareholder value.

For Florida Rock, the transaction offers shareholders an opportunity to receive a meaningful premium for their shares and a significantly increased dividend, as well as the opportunity to participate in the upside of the combined company.

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### 2. **What are the terms of the transaction?**

Vulcan Materials will acquire Florida Rock in a cash and stock transaction valued at approximately \$4.6 billion. Of the total consideration, 70% of Florida Rock shares will be paid for in cash and 30% will be paid for in newly issued shares.

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3. **What exactly is a cash election transaction structure?**

Under the proposed cash election structure, Florida Rock shareholders can elect to receive either 0.63 shares of the new holding company (whose subsidiaries will be Vulcan Materials and Florida Rock) or \$67.00 in cash for each Florida Rock share owned or a combination of both cash and stock. This election will be subject to proration in order to ensure that in the aggregate 70% of Florida Rock shares will be converted into cash and

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30% of Florida Rock shares will be converted into stock.

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**4. What is the election deadline for shareholders?**

Either the date of the Florida Rock shareholders meeting or a date closer to the closing of the transaction if there is a delay between the shareholders meeting and the closing, or another date agreed by Vulcan and Florida Rock. All Florida Rock shareholders will receive timely notification of any deadlines in information that will be provided to them by Florida Rock and filed with the Securities and Exchange Commission (SEC). The SEC section of this website will contain such information as it becomes available.

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**5. Can you provide some key statistics for the combined company?**

Following the acquisition of Florida Rock, Vulcan Materials will have aggregates reserves totaling 13.9 billion tons, with an average reserve life of 46 years. The combined company will have operations in 21 states and Mexico, including key growth markets such as Florida, Georgia, California, and Texas.

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**6. Can you provide some basic pro forma financials for the combined company?**

The combined company will have pro forma 2006 net sales of \$4.3 billion, operating cash flows of \$871 million and \$3.7 billion of total debt.

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**7. What will the combined entity's market share be?**

The construction materials industry is highly fragmented and aggregates are generally sold locally due to high weight-to-value characteristics. That said, this transaction is expected to broaden Vulcan Materials' position as the U.S. leader in construction aggregates and create a combined company that has an industry market share of approximately 9%.

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**8. When do you expect the deal to close?**

We expect the transaction to close in mid-year 2007, subject to Florida Rock shareholder approval, customary approvals by regulatory and other authorities and customary closing conditions. Until then, Florida Rock and Vulcan Materials remain independent companies.

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**9. Who can we contact if we need additional information?**

For additional information, please contact Mark Warren or David Donaldson of Vulcan Materials at 205-298-3220 or John Milton of Florida Rock at 904-355-1781.

**Important Information**

This document may be deemed to be solicitation material in respect of the proposed transaction. In connection with the proposed transaction, a registration statement on Form S-4 will be filed with the SEC. SHAREHOLDERS OF FLORIDA ROCK ARE ENCOURAGED TO READ THE REGISTRATION STATEMENT AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROXY STATEMENT/PROSPECTUS THAT WILL BE PART OF THE REGISTRATION STATEMENT, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. The final proxy statement/prospectus will be mailed to shareholders of Florida Rock. Investors and security holders will be able to obtain the documents free of charge at the SEC's website, [www.sec.gov](http://www.sec.gov), from [www.vulcanfloridarock.com](http://www.vulcanfloridarock.com), [www.vulcanmaterials.com](http://www.vulcanmaterials.com) or [www.flarock.com](http://www.flarock.com).

Vulcan Materials, Florida Rock and their respective directors and executive officers and other members of management and employees may be deemed to participate in the solicitation of proxies in respect of the proposed transaction. Information regarding Vulcan Materials' directors and executive officers is available in Vulcan Materials' proxy statement for its 2006 annual meeting of shareholders, which was filed with the SEC on April 13, 2006, and information regarding Florida Rock's directors and executive officers is available in Florida Rock's proxy statement for its 2007 annual meeting of shareholders, which was filed with the SEC on December 7, 2006. Additional information regarding the interests of such potential participants will be included in the proxy statement/prospectus and the other relevant documents filed with the SEC when they become available.

**Cautionary Statement Regarding Forward-Looking Statements**

*Certain matters discussed in this document, including expectations regarding future performance of Florida Rock and Vulcan Materials, contain forward-looking statements that are subject to risks, assumptions and uncertainties that could cause actual results to differ materially from those projected. These risks, assumptions, and uncertainties include, but are not limited to, those associated with general economic and business conditions; changes in interest rates; the timing and amount of federal, state and local funding for infrastructure; changes in the level of spending for residential and private nonresidential construction; the highly competitive nature of the construction materials industry; pricing; weather and other natural phenomena; energy costs; cost of hydrocarbon-based raw materials; increasing healthcare costs; the timing and amount of any future payments to be received by Vulcan Materials under two earn-outs contained in the agreement for the divestiture of Vulcan Materials' Chemicals business; the ability to successfully integrate acquisitions quickly and in a cost-effective manner and achieve anticipated profitability and synergies; and other risks, assumptions and uncertainties detailed from time to time in either company's SEC reports, including each company's report on Form 10-K for the year. There can be no assurance that the transaction described above will be consummated. Forward-looking statements speak only as of the date hereof, and each company assumes no obligation to update such statements.*