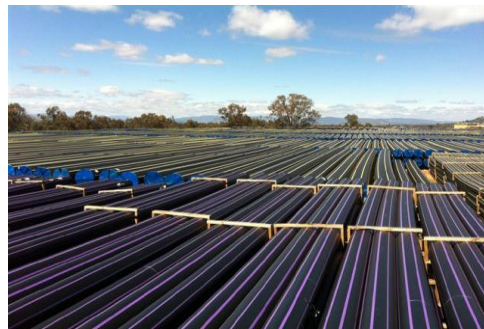


Fletcher Analysts Briefing Pipelines Division Overview

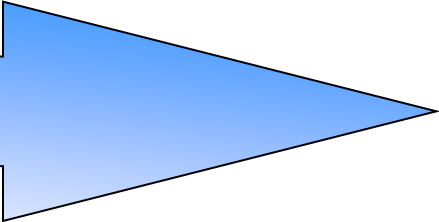
21 May 2013



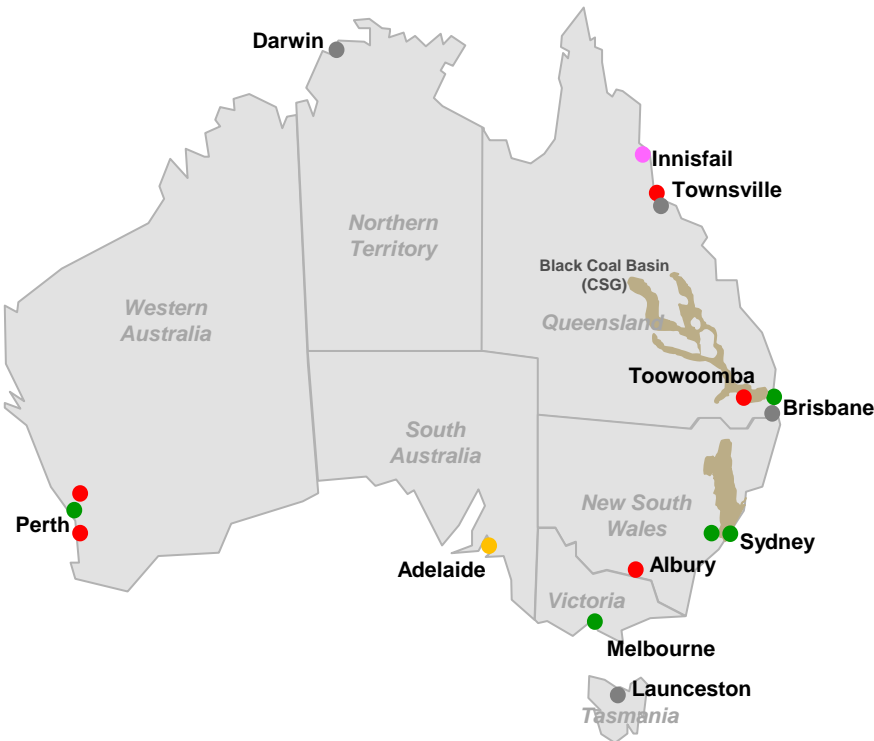
Business: Plastic Pipe & Fittings Systems



Plastic pipe and fittings systems for distribution of Water, Gas & Conduits for Telecommunications & Electrical



Locations: Australia and New Zealand



Aust. Locations x 16		
●	PVC Factory	x5
●	PE Factory	x5
●	PVC Fittings Factory	x1
●	Metals Factory	x1
●	Warehouse	x4

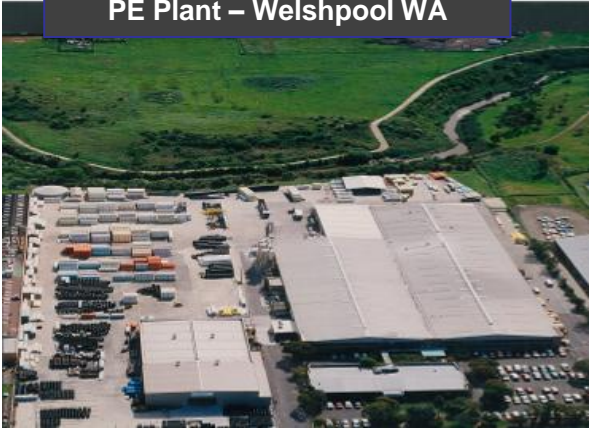


NZ Locations		
●	Iplex NZ	x2

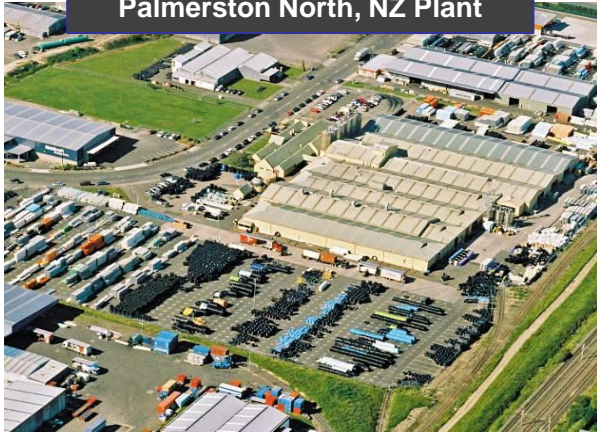


Factory Layouts

PE Plant – Welshpool WA



Palmerston North, NZ Plant



PVC Pipe Plant – Reservoir VIC



Adelaide PVC Fittings Plant



Product Overview



PVC Pipe and Fittings

- Higher pressure ratings – diameters up to 600mm
- Joined using rubber-ring sealed fittings
- Lower cost raw material than PE



PE Pipe and Fittings

- Lower pressure ratings - diameters up to 2,000mm
- Joined by a butt-weld process or electro-fusion fittings
- More robust - better in areas with unstable/moving ground



Other Products

- Ductile Iron Pipe and Fittings (manufactured and purchased)
- Glass Reinforced Pipe
- BlackMAX (Polybutylene)
- Plastic Hot and Cold Water Systems (K1, K2 and Pro-fit)



Distribution Capability



- National coverage
- 110 local fleet & 40 semi trailers loaded per day.
- We ship pipe from 1m to 25m length (18mm to 2metre diameter), coils, metals, fittings



- RF technology for pick-pack
- Truck route planning tools used at major sites
- Order tracking and E-pod

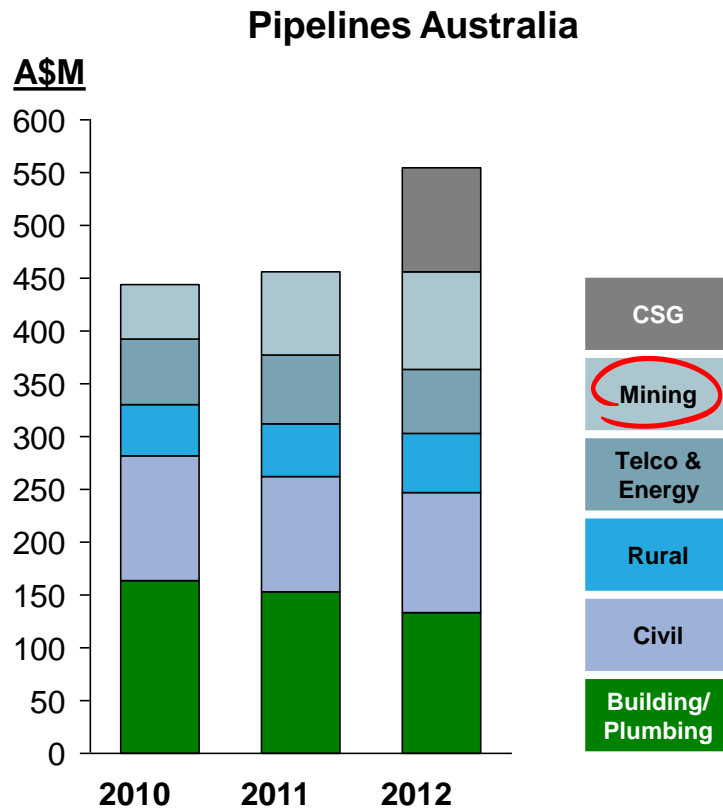


- National & State Civil call centres with ~14,500 inbound calls and ~10,000 outbound calls per month
- Merchant deliveries operate under an agreed delivery frequency schedule
- We also offer a Next Day delivery schedule for contractors (incl early AM)



Markets Trends - Australia

Base market conditions in Australia are trending toward levels lower than FY10 – Mining drop the most pronounced



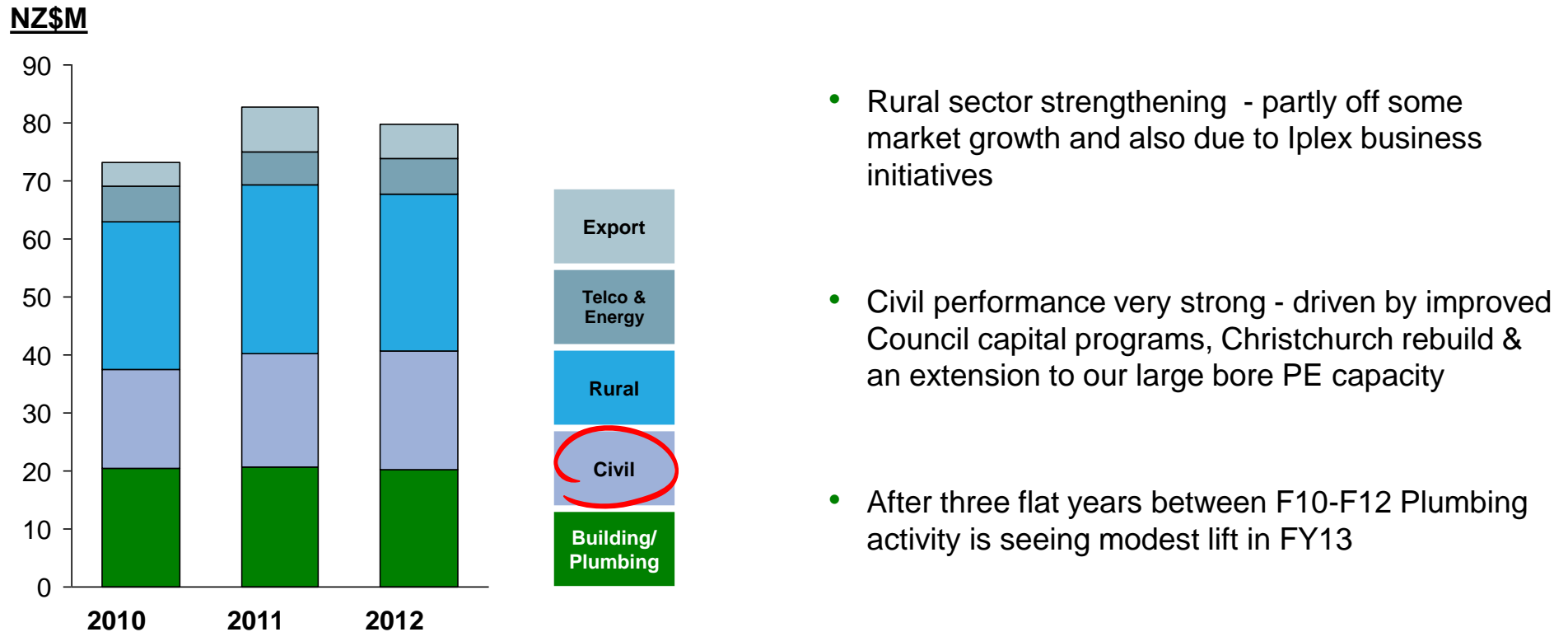
- Base market conditions weak – trending down over the three year period
- Our Plumbing sales have deteriorated 10% CAGR over the last three years
- Mining drop in F13 pronounced
- CSG business in F12 and F13 has proven a real success - helped mitigate a weaker base business



Markets Trends - New Zealand

Strong economic conditions in NZ and the Christchurch rebuild activity are both driving solid sales growth

Pipelines New Zealand



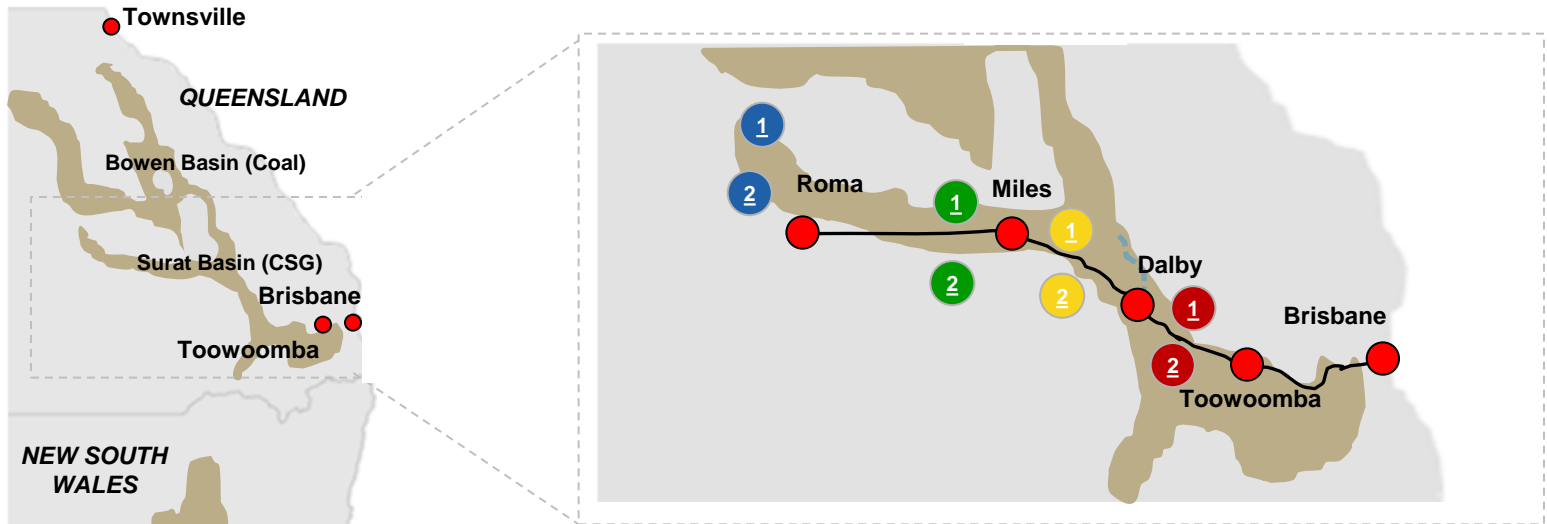
Key Stories Emerging from Business Results

- A subdued Australian economy is impacting our base market sectors:
 - Spare Industry capacity and annual cost escalations requires the forming of several business ‘reset’ initiatives in order to drive profit growth in flat markets
- CSG demand has provided a strong earnings opportunity for Iplex:
 - CSG volumes expected to be steady over the medium term - but dip next financial year due to the current status of various customers CSG development projects
- New Zealand is performing well in a strengthening economy:
 - Civil & Rural are key strength areas, with ChCh recovery also starting to come through



The CSG Demand Story

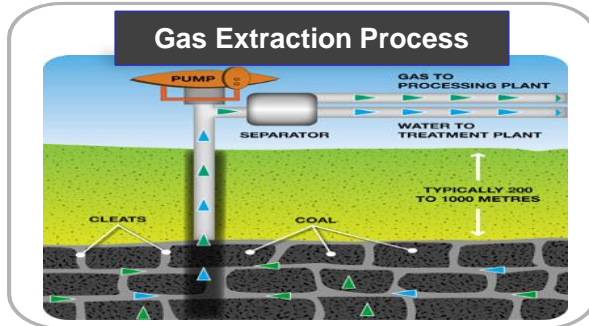
The emerging CSG market is generating immediate demand in QLD with NSW evolving



CSG Developer Distance from:	Toowoomba	Brisbane	Townsville	Albury
Santos ●	360km	500km	1,000km	1,350km
QGC ●	160km	300km	1,200km	1,450km
Origin ●	210km	350km	1,150km	1,500km
Arrow ●	60km	200km	1,300km	1,375km
Avg	~200km	~350km	~1,200km	~1,400km



The CSG Process



- Gas extracted by drilling into coal seams
- Well depth generally 400-700m meters
- Both gas and water is released



- New well head in field at Santos
- Up to 500-1,000 in typical gas field
- Well life up to 5-10 years



- PE Pipe used to connect wells
- Gas transported to field compression stations
- Gas then transported through steel pipelines to LNG plants

Iplex Expansion for CSG



- Produced 30,000T in FY12 and Forecast 35,000 in FY13
- Initial production at Albury - now moved to new Toowoomba plant



- Toowoomba plant built on time & on budget (A\$12M + site lease)
- Installed new technologies improve energy efficiency and outputs
- Producing above rated throughputs



- Quality demands and expectations beyond anything done before
- Every pipe and weld is tested with new technologies both post production and infield
- Iplex have invested in field and technical capabilities

Strategy & Initiatives

Vision

Number 1 supplier in all our major markets through a **lowest delivered cost** position and targeted customer **value creation**

