



# Presentation to J.P. Morgan's Building Forum

**Steve Baker** – *GM of Concrete Pipe and Products*

*10 April 2014*

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# Disclaimer

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This presentation contains not only a review of operations, but also some forward looking statements about Fletcher Building and the environment in which the company operates. Because these statements are forward looking, Fletcher Building's actual results could differ materially. Media releases, management commentary and analysts presentations, including those relating to the 2014 Half Year results announcement, are all available on the company's website and contain additional information about matters which could cause Fletcher Building's performance to differ from any forward looking statements in this presentation. Please read this presentation in the wider context of material previously published by Fletcher Building.



# Business Overview

**Concrete Pipe & Products sits within Fletcher Building's Infrastructure Products division and comprises of four integrated core businesses across Australia and New Zealand – Pipe, Poles, Sleepers & Structures and Barrier Systems:**



- One of two largest concrete pipe and products manufacturers in both Aus (35% share) and NZ (55% share)
- Largest concrete poles manufacturer in Australia: sole supplier of spun concrete poles
- One of two largest rail sleeper manufacturers in Australia: leading supplier of large span corrugated steel engineered structures
- One of two largest suppliers of safety barrier systems



# Concrete Pipe & Products

## P I P E



## P O L E S



## S L E E P E R S

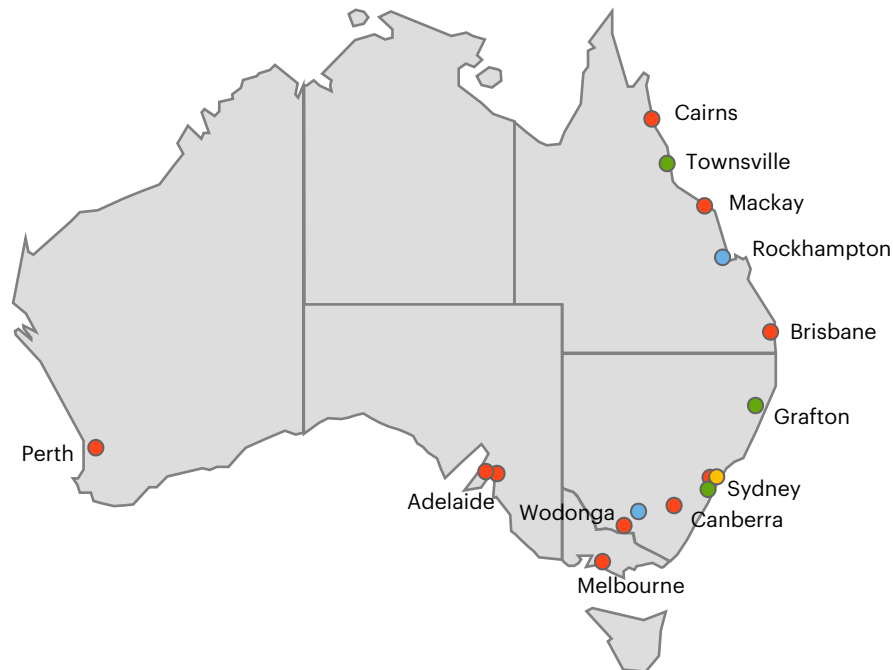


## B A R R I E R S



# Key Manufacturing sites

## Australia



● Pipes – 10 x Aus; 7 x NZ

● Poles – 2 x Aus; 2 x NZ

● Sleepers & Structures - 3 x Aus; 1 x NZ

● Barriers - 1 X Aus; 1 x NZ

## New Zealand



# Business Vision & Attributes

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**Concrete Pipe & Products' Vision is to be a *much larger and a major force in Australasian infrastructure.***

**Business attributes:**

- Commanding positions in its home markets
- Strong brand names (> 80 years)
- Experienced & committed management
- Longstanding customer relationships
- Single source supplier of piping products
- Product design & process engineering expertise
- Low cost producer



# Key Brands



## Infrastructure Products Division Concrete Pipe and Products

Pipe

Poles

Sleepers &  
Structures

Barriers

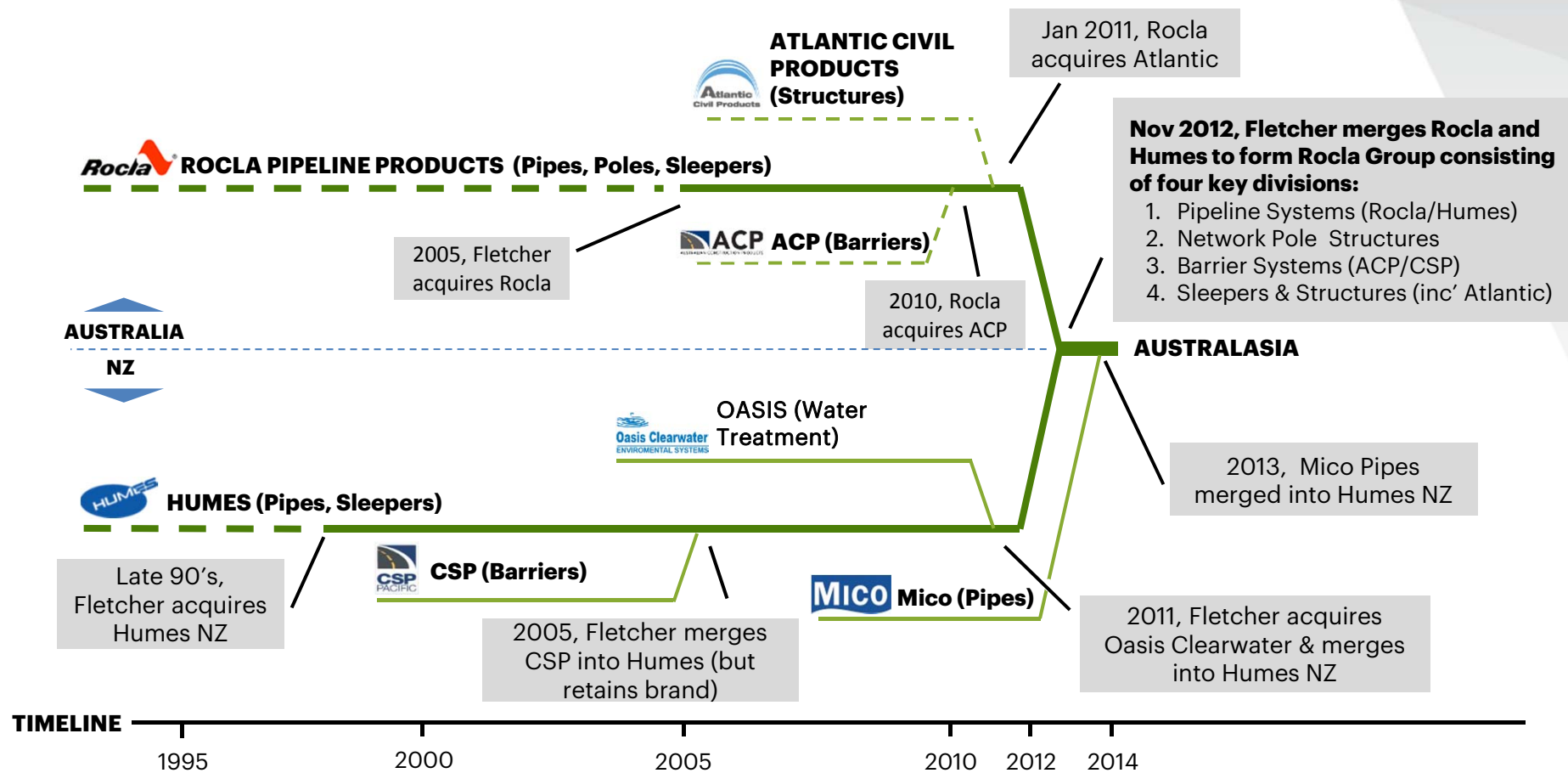
Australia



New Zealand



# Journey

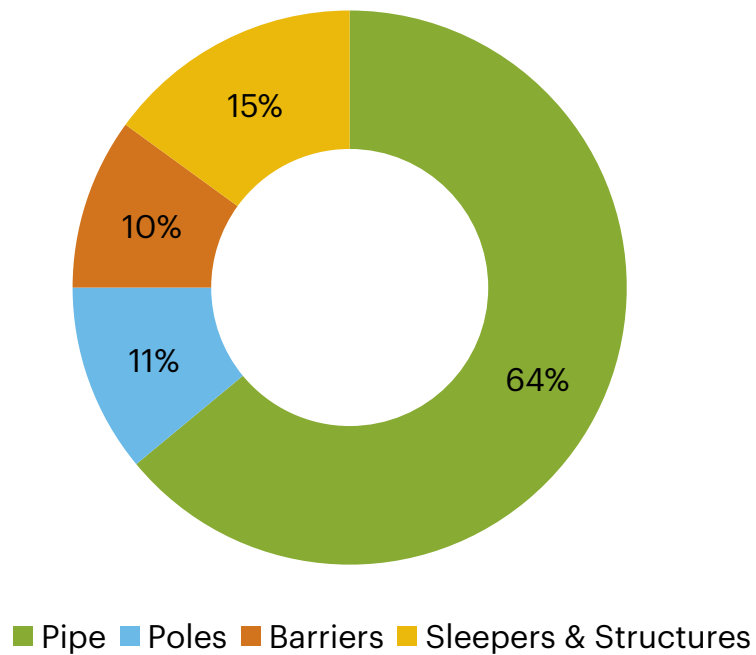




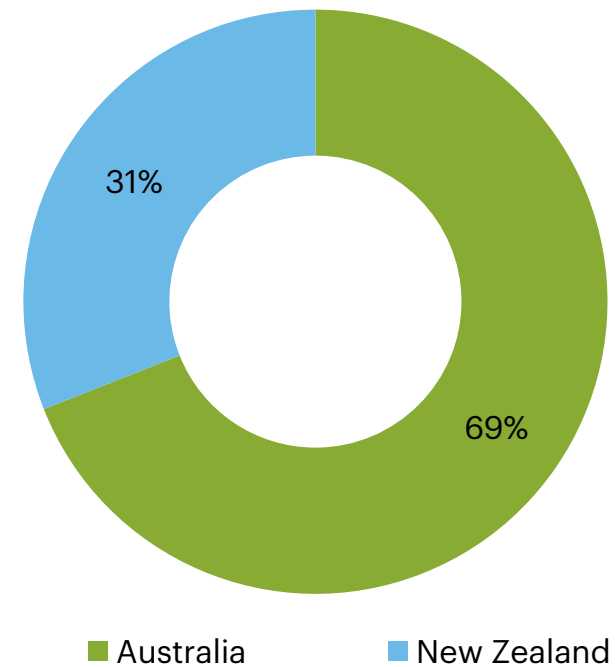
# Revenue mix

In FY13, Revenue was NZ\$500M:

**Revenues by Product**



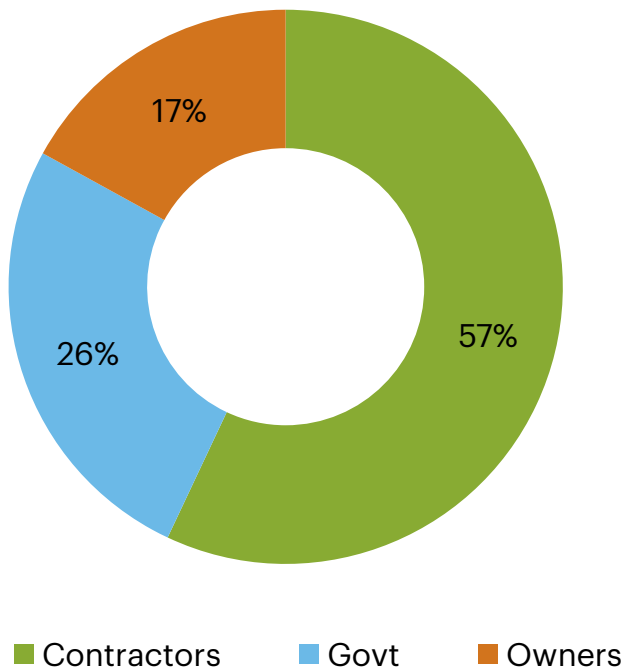
**Revenues by Geography**



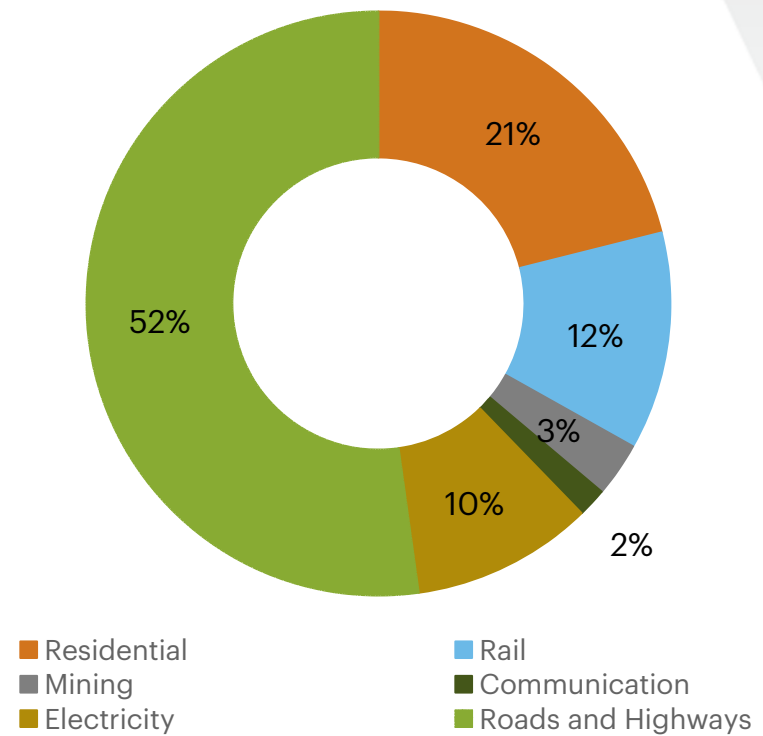
# Customer mix

In FY13, Revenue was NZ\$500M:

**Revenues by Customer**



**Revenues by Segment**



# Concrete Pipes and Products - Strategic Growth Directions

Market Sectors by Business	Pipe	Sleepers	Structures	Poles	Barriers
Land Development	Core Segment with Growth potential in segment		Secondary Segment		Secondary Segment
Highways and Roads	Core Segment with Growth potential in segment		Developing Segment		Core Segment with Growth potential in segment
Mining and Rail	Developing Segment	Developing Segment	Core Segment with Growth potential in segment	Developing Segment	Secondary Segment
Utilities	Secondary Segment	Core Segment with Growth potential in segment		Core Segment with Growth potential in segment	

- Core Segment with Growth potential in segment
- Secondary Segment
- Developing Segment



# Current market conditions

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## **In Australia:**

- Civil pipe demand up in NSW, flat in other states
- Demand for railway sleepers, poles and mining-related structures down considerably
- Barrier systems demand stable

## **In New Zealand:**

- Strong demand across most product categories

