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We see our strengths in the quality of our people and our genuine relationships with clients, partners and communities.

We see our success linked to our ability to deliver **certainty** through consistent performance and collaboration.

We see our future shaped by all that has made us successful in the past.
HIGHLIGHTS AT A GLANCE

LAUNCHED BMD URBAN
BRINGING A RENEWED FOCUS TO URBAN DEVELOPMENT

PRESENTED 24 EMPLOYEE AWARDS ACROSS 9 LOCATIONS

BMD GROUP REVENUE BY BUSINESS

- BMD CONSTRUCTIONS
- BMD URBAN
- BMD CONSULTING
- JMAC CONSTRUCTIONS
- URBEX

BMD CONSTRUCTIONS REVENUE BY REGION

- QUEENSLAND
- SOUTH AUSTRALIA
- VICTORIA
- NEW SOUTH WALES/ACT
- NORTHERN TERRITORY

REVENUE

2012
$1.06 BILLION

2013
$1.17 BILLION

10% INCREASE FROM 2012

RANKED 36TH IN THE 2013 BRW PRIVATE TOP 500 COMPANIES
BMD GROUP NATIONAL HIGHLIGHTS

Southern Queensland
- The multi-million dollar Port of Brisbane Motorway Upgrade opened eight months ahead of schedule.
- The Geebung Overpass (GO Alliance) team started work on the $199 million Robinson Road Open Level Crossing Replacement project.
- Legacy Way celebrated the breakthrough of Tunnel Boring Machines ‘Joyce and Annabell’ in world record time.

Northern Queensland
- The Material Offloading Facility team achieved the accelerated completion date and 305,000 hours LTI Free.
- The Hay Point Expansion project achieved over 650,000 hours LTI Free and our strong performance was recognised with significant scope increases.
- The $117 million Cairns Bruce Highway Upgrade project officially opened the northern and southern grade separated interchanges four months ahead of program.

Central Queensland
- Successfully completed the Leichhardt and Dawson Highway Fitzroy Region Repair Works and was awarded a significant increase in scope.
- Successful completion of key projects in the resources and energy sector including Caval Ridge and Grosvenor in the Bowen Basin.
- BMD Consulting established a presence in Emerald, and won design packages associated with the airport development and resources and energy sectors.

Northern Territory
- Successfully completed the Ludmilla Waste Water Treatment Plant Upgrade.
- Urbex launched and sold over 111 blocks at Zuccoli and this project successfully highlights our unique integrated offering.
- BMD Urban completed the civil works for stages 1 and 2 at Johnston Ridge residential development.

New South Wales
- Successfully completed the Lynwood Quarry project and celebrated outstanding performance with the award of a ‘Civil Contractors Federation Earth Award’.
- Successfully completed the Epping Shared Pedestrian Bridge and the project was recognised with a ‘Highly Commended’ award from the Roads and Maritime Services.
- Awarded and commenced works on the Lindfield project for Defence Housing Australia.

Victoria
- Successfully completed the Western Highway Duplication project, the Princes Highway East project and the Clyde Road Duplication.
- The M80 Ring Road Upgrade was awarded the winner of the ‘Civil Contractors Federation Earth Award’ in Victoria in the $20 million to $75 million category.
- JMac Constructions completed the Lake Hamilton All Abilities Playground and Foreshore Redevelopment.

Australian Capital Territory
- Officially opened the $18.5 million Monaro Highway Duplication project to traffic.
- The Community Recreation Irrigated Park at Crace Estate won a Master Builders award in the Subdivision category.
- Completed key land developments including Crace Estate and Hume West Industrial Subdivision.

South Australia
- Welcomed key management personnel and relocated the office in Adelaide providing room for continued growth.
- Successfully completed works on the $10 million Alta Apartments.
- The $3.5 million Port Pirie Waste Transfer Station was officially opened to the public providing an improved waste transfer station for the community.
The past year has reaffirmed our industry leading reputation through the successful delivery of iconic projects, significant scope increases and notable safety achievements.
BRISBANE AIRPORT
NEW PARALLEL
RUNWAY

Enhanced our 12 year relationship with Brisbane Airport Corporation

Completed the $46m New Parallel Runway civil works

Construction is more than 50% complete for the $1.5b project

Breakthrough of both tunnel boring machines in record time

Removal of over 2,000,000 tonnes of rock

Delivered the project under budget and reinvested over $3m of additional scope back into the project

CAIRNS BRUCE HIGHWAY UPGRADE

Invested over 89% of the construction value locally

Officially opened both the northern and southern grade separated interchanges 4 months ahead of program

LEGACY WAY
GROWING A DIVERSIFIED PORTFOLIO

Over 34 years ago, life for the BMD Group began with the construction of residential subdivision projects throughout South East Queensland.

Since then BMD has grown far beyond its genesis as a small construction company to become a diverse, innovative national company that can deliver projects from $100,000 to over $1 billion.

The past year has seen the successful diversification of our infrastructure business together with the consolidation of our traditional expertise in urban land development.

The establishment of BMD Urban heralded a renewed focus on our traditional market and provided a vehicle to present a relationship based business model specifically tailored for the urban development industry.

Underpinned by our longstanding client relationships, the business generated some outstanding results and it was particularly pleasing to see BMD restore its heritage in the urban development sector.

“It was a landmark year for our people and culture with the launch of the first annual BMD Dare Awards.”

Mick Power AM
Group Board Chairman and Managing Director
It is fitting that some of our most successful projects have been residential developments. Topping our list of achievements was our performance in the Northern Territory with key residential projects including Zuccoli and Johnston Ridge. These projects delivered a truly integrated approach providing design solutions, civil construction, property management and landscaping works. Our performance in the Northern Territory has confirmed the benefit of our unique integrated model and we are diligently assessing more opportunities to apply this proven approach to future projects throughout Australia.

BMD Constructions continues to achieve numerous project highlights and the completion of some notable projects. Key highlights included the completion of the Port of Brisbane Motorway Upgrade, the Leichhardt and Dawson Highway Fitzroy Region Repair Work, the Clyde Road Duplication, the Epping Shared Pedestrian Bridge, the APLNG Material Offloading Facility and the civil works package for the New Parallel Runway in Brisbane. The multi-million dollar Cairns Bruce Highway Upgrade continued to perform hitting a number of significant milestones and Legacy Way celebrated the breakthrough of both tunnel boring machines at world record speed.

It was a landmark year in the area of people and culture with the launch of the first annual BMD Dare Awards. As a unique family orientated organisation, BMD wanted to acknowledge effort that goes above and beyond expectation, reward excellent performance, and provide an incentive for innovation. Comprising of six categories, one for each of the five company values plus the highly sought after ‘Health, Safety, Environment and Quality Award;’ the event brought BMD’s unique culture into the spotlight and recognised outstanding achievement.

The year also marked a milestone for the ‘20 Year Club’ welcoming our fiftieth member and our first female member. We are honoured to have so many long term employees who serve as a vital link in maintaining our distinct culture and unique identity.

With rapid growth, it becomes increasingly challenging to maintain our cultural elements and core values which have been fundamental to our success. In the coming year we aim to embed our values to ensure that they remain the pillars of our business.

We recognise that our success is dependent on the performance of our people and we know from our clients that our people are what set us apart. It is only through their extraordinary individual efforts that we have achieved so much as a company. We are working hard to provide a progressive environment supported by a unique family orientated culture to deliver certainty for our clients and partners into the future.
BMD is a national group of companies engaged in engineering design, construction and land development for clients and partners in the urban development, transport infrastructure, resources and energy sectors.

**BMD Constructions** offers civil construction services for major infrastructure projects throughout Australia. Expertise, experience and resources are applied across the industry sectors of transport, water, rail, port, resources and energy. The company engages in projects ranging in value from $1 million to in excess of $1 billion as a principal contractor and in joint venture with other major contractor and design partners.

**BMD Industrial** - BMD Constructions Industrial division is managed by a group of highly experienced industry executives who assemble professional projects teams to deliver structural, mechanical, piping and electrical solutions for a diverse range of clients and industries.

**BMD Urban** is a specialist civil and building contractor to the urban development industry. The company draws on over 30 years of experience from within the BMD Group and utilises management systems, delivery methodologies and a relationship based approach that is specifically tailored to the needs of this industry. Integrated services can be offered in partnership with BMD Consulting, JMac Constructions and Urbex to achieve seamless and cost effective project delivery.

**BMD Consulting** provides civil, structural and geotechnical engineering design and project management services. BMD Consulting’s experience includes residential, commercial and industrial developments, infrastructure and resource projects across metro, regional and remote areas. Key services include planning and feasibility studies, road infrastructure design, flood studies, land development and services design, water quality and stormwater management, structural engineering and shoring and foundation design.

**Urbex** is an innovator in residential and commercial development, undertaking wholly owned projects and joint ventures in developments of varying scale and size. Harnessing leading talent in project structuring, planning, management, delivery and marketing, Urbex delivers excellence in the creation of new communities to meet the lifestyle needs of Australians today and into the future.

**JMac Constructions** specialises in all aspects of landscape construction including residential, commercial, industrial, public infrastructure, environmental rehabilitation and long term care and maintenance. From street scapes, boardwalks, public structures, stone entry statements, playgrounds and parklands, JMac Constructions has the ability to successfully construct and create unique landscapes of all shapes and forms.
Employee Recognition and Rewards

It was a landmark year for our people and culture with the official launch of the first annual employee awards program - the BMD Dare Awards.

The BMD Group hosted the first annual Dare Awards program across nine locations, with over 200 nominations and the presentation of 24 awards to BMD employees.

Named after Mick Power’s father, Dare, the awards recognise his contribution to the establishment of BMD. The name also reflects the different approach which has been central to our success, and dares us to question, to change, to innovate, to be flexible and embrace new challenges.

The BMD Dare Awards were designed to recognise and reward employees who have demonstrated outstanding performance and to recognise the significant contribution they have made to the company’s success.

As a unique family orientated organisation, BMD wanted to acknowledge effort that goes above and beyond expectation, reward excellent performance, and provide an incentive for innovation.

Comprising of six categories, one for each of the five company values (Family, Empowering, Determined, Collaborative and Striving to do Better) plus the highly sought after Health, Safety, Environment and Quality (HSEQ) Award, the events successfully brought BMD’s unique culture into the spotlight and recognised outstanding achievement.

The 24 awards presented across the country, demonstrate the commitment, innovation and outstanding performance of our BMD employees.

As our business continues to grow we aim to further embed our values to ensure they remain at the heart of our business. We recognise that our success is dependent on the performance of our people and will continue to support and reward staff members and empower them to achieve their best.

The BMD Group would like to congratulate all the winners who have demonstrated capability and strength across our diverse business and look forward to future years of success and celebration.
DIVERSE AND STRONG LEADERSHIP

With their diverse experience and strong leadership, members of the BMD Group Board provide the direction required to deliver continued growth and provide certainty for our staff, clients and partners.
CERTAINTY FOR OUR COMMUNITIES

We integrate environmental and social considerations in the way we do business and deliver certainty for the communities in which we operate.

Stewardship of the environment and the communities in which we operate have always been a priority. We are committed to working with local communities and leaving a lasting legacy through the infrastructure, employment and training we deliver.

We do this by engaging locally based suppliers and owner operators rather than maintaining our own fleet of equipment. This policy, which has been in place since our inception in 1979, serves to maximise the opportunity for local input with flow on effects in the training and development of locally based staff engaged on our projects.

BMD promotes sustainable business practices and the key project highlights for the year include:

**Social Sustainability:**
The Cairns Bruce Highway Upgrade project team is committed to sourcing more than 85 per cent of resources locally and aims to employ 400 local people directly and indirectly over the project period. This approach is designed to stimulate employment and the creation of jobs to create a sustainable future for the local community.

**Historic Preservation:**
BMD approaches construction in a sensitive manner and is cognisant of local requirements. A highlight for the year was the discovery of 50 million year old fossils at the Robinson Road Open Level Crossing Replacement project. It was rewarding to help preserve exceptionally rare fossils and make a contribution to the history of the region.

**Environmental Protection:**
To achieve our environmental objectives, BMD maintains systems and processes that encourage our project teams to deliver environmentally sustainable outcomes. A feature was the team’s environmental management at the New Parallel Runway project in Brisbane. The project team developed innovative strategies to protect the ‘Lewins Rail’ bird including playing the sound of the bird’s call to ensure all areas were clear of the species prior to construction.

**Resource Recycling and Reuse:**
The Wedge Street Pedestrian Bridge in Victoria maximised recycling opportunities by proactively adopting initiatives as part of the construction methodology. This strong performance was recognised with a CCF Earth Award.

**HIGHLIGHTS:**
- The Cairns Bruce Highway Upgrade project team sourced over 85 per cent of resources locally.
- The Robinson Road Open Level Crossing Replacement project discovered 50 million year old ancient fossils.
- Innovative environmental management at the New Parallel Runway project in Brisbane.
- The Wedge Street Pedestrian Bridge was acknowledged as ‘Highly Commended’ at the Civil Contractors Federation (CCF) Earth Awards in the $1 million to $5 million category.
SAFETY IS OF PARAMOUNT IMPORTANCE

The BMD Group is proud to report a 37 per cent reduction in our ‘Lost Time Injury Frequency Rate’. The results reflect a broader turnaround of the business and a relentless drive from both senior management and our project teams.

Over the past year, we continued our journey towards our goal of ‘Zero Harm’ and as a result delivered significant safety improvements across the business.

The year saw a 37 per cent reduction in our ‘Lost Time Injury Frequency Rate’ (LTIFR) when compared with the last financial year. This is a positive achievement whilst acknowledging there is more work to do to realise our ultimate safety objectives.

The last year also saw the implementation of several new initiatives to help communicate our philosophy towards safety and the environment. A highlight was the launch of the ‘Because We Care’ message to encourage employees to share their main reason for staying safe at work and ultimately build a strong safety culture.

A key activity of the ‘Zero Harm’ initiative involves ‘Safety Based Observations’ (SBO) which allow for recognition and management of safe and unsafe practices. The year saw an upgraded management system that tracks and collects SBO data. To this end, the system enables detailed trend analysis, enables the business to target specific areas of concern and helps develop improvement strategies.

In the coming year, we aim to drive safety to the next level, further embedding these priorities and behaviours that have already delivered significant improvements.

HIGHLIGHTS:
- Achieved 305,000 hours LTIFR Free at the Material Offloading Facility project.
- The M80 Ring Road Upgrade project in Victoria received the top Occupational Health and Safety Award for the 2012 Earthmover and Civil Contractor.
- The Port of Brisbane Motorway Upgrade received the prestigious Project Safety Excellence Award from the Queensland Major Contractors Association.
- The Wiggins Island GC08 project was acknowledged with a ‘highly commended’ award by the Queensland Major Contractors Association.
- Achieved 250,000 hours LTIFR Free at the Princes Highway West project in Victoria.
- Hay Point records over 650,000 hours LTIFR Free on project completion.
- New South Wales and Australian Capital Territory division reached 250,000 hours LTIFR Free.
- Caval Ridge was delivered ahead of schedule and achieved over 110,000 hours LTIFR Free for the project.
- The RAAF Edinburgh Base Stage 4 – Ordnance Loading recorded zero LTIs over nearly three years (260,000 hours LTIFR Free).
- Wiggins Island Coal Export project GC07 & GC08 team achieved 250,000 hours LTIFR Free.
- The Fitzroy Package project team achieved 308,000 hours LTIFR Free.
- Recorded a 37 per cent reduction in our Lost Time Injury Frequency Rate (LTIFR) when compared with the previous financial year.

“On behalf of Defence Housing Australia I would like to acknowledge BMD for the outstanding results being demonstrated in implementing the site WHS plan at Muirhead. It is evident that your team have set a standard that many aspire to achieve, but few rarely do.”

John Dietz, General Manager- Property Provisioning Group
The BMD Group experienced another year of strong growth and record revenue driven by the Urbex property division and the Queensland infrastructure business.

We are proud to report that turnover exceeded $1 billion for the second year in a row, and certain that the Group will continue to grow with opportunities across a number of regions.

Urbex delivered a strong result that was underpinned by successful projects including Zuccoli and Johnston Ridge in Darwin and Capestone in Brisbane. These projects were the major contributors to the Urbex performance and will continue to drive the Urbex return over the long term. As the property market recovers in other regions, Kalynda Chase in Townsville and joint ventures in Victoria and South East Queensland will also provide enhanced returns.

Alongside our property capability, the construction business continues to be a key contributor to our resilient position. While Legacy Way and the Port of

“We are proud to report that turnover exceeded $1 billion for the second year in a row.”

Craig Mortensen
Group Executive Director - Chief Financial Officer
Brisbane Motorway Upgrade were once again significant in their contribution to the Groups’ performance, it was the regional Queensland areas that had the most impact. Key projects included the Hay Point Expansion, Caval Ridge and the Grosvenor mine projects in Central Queensland, the Wiggins Island projects (GC07 & GC08) and the Marine Offloading Facility in Gladstone, the Cairns Bruce Highway Upgrade and the flood repatriation projects in conjunction with our joint venture partner. Other key highlights were the commencement of the Robinson Road Open Level Crossing Replacement project and the successful completion of the New Parallel Runway Early Works at Brisbane Airport.

Further south, key highlights in New South Wales included the completion of the Lynwood Quarry and the continuation of the Pacific Highway Upgrade at Herons Creek. The New South Wales region will be an area of significant focus for the coming year due to the industry expectations on upcoming infrastructure works. In Victoria major milestones included the completion of the Princes Highway East in Sale and Clyde Road Duplication in Berwick.

In the past financial year, BMD Urban which is focussed on civil construction within the property development sector, commenced operations. Despite commentary around a market in decline, BMD Urban exceeded all predictions during the year. Underpinned by the contributions from the Northern Territory and South East Queensland, Victoria, New South Wales and South Australia all have positive outlooks for the coming year.

A significant achievement during the year was the rollover of the BMD Group debt and bank guarantee facilities for a further two years. Together with the support of our financiers, this outcome is central to the strategy for the Group to continue to meet its growth objective.

The BMD Legal team implemented a number of initiatives in the past year that enhanced the governance of the Group. An enhanced contract review process has significantly strengthened the risk management of the Group. In addition, a legal panel was introduced to ensure that the Group aligns appropriate legal expertise with the issue to be addressed while obtaining value for money. The back office support functions continued to improve efficiencies with productivity improvements resulting in real reductions in overhead costs.

As we contemplate the uncertain outlook for the construction sector, we remain more certain about the property sector. There is a high level of confidence that the Group will continue to grow across a number of regions while we pursue improved productivity and efficiency.

**HIGHLIGHTS:**

- BMD Group recorded a total revenue of $1.17 billion;
- Urbex delivered a strong result that was underpinned by projects in the Northern Territory and South East Queensland;
- The construction business was a key contributor to the Group’s performance;
- Implemented a new legal panel and enhanced the contract review process that improved the Group’s corporate governance; and
- The back office support functions improved efficiencies with productivity resulting in real reductions in overhead costs.
With our diverse experience across civil construction and design, landscaping and property development, BMD is able to deliver a ‘One Stop Shop’.

BMD can collectively deliver design solutions, civil construction, property development and landscaping works as part of our unique integrated service for the urban development industry.

Operating collaboratively, we have been able to enhance our value proposition through capitalising on innovations, reducing risk and improving value for money.

This approach has proved rewarding with our successful integrated performance at the Zuccoli residential development in the Northern Territory.

The year marks an important milestone, with Zuccoli being the first project to see the BMD Group engaged across the entire urban development supply chain.

Our unique integrated model meant that we were better able to meet challenges, mitigate delays, reduce risk and ultimately provide greater certainty for our clients and partners.

“Zuccoli is a great example of our vertically integrated service providing development management, design and construction services including civil, building and landscaping.”

Scott Power
Group Executive Director - Operations
HIGHLIGHTS:
- **BMD Consulting** delivered masterplanning design for the 1,500 lots.
- **Urbex** launched and sold over 111 blocks and settled 60 blocks.
- **JMac Constructions** completed the Zuccoli park featuring play equipment, park shelters, and shade structures.
- **BMD Urban** delivered the civil construction for 69 lots.
It has been a significant year for BMD. We recorded strong financial results, repositioned ourselves in the residential market and delivered large infrastructure projects.

Beyond our projects, we embarked on a journey toward a high performing efficient business, strengthened our safety culture and in turn delivered greater certainty for our clients.

The past financial year saw the strategic separation of our urban and construction business with the official launch of BMD Urban. This brought a renewed focus to our traditional market and opened up opportunities in new geographic areas.

The first year of operation for BMD Urban saw some outstanding results and it was particularly pleasing to see BMD restore its position in the urban development industry. Topping our list of achievements was our performance in the Northern Territory with the commencement of key residential projects including Zuccoli, Johnston Ridge and Muirhead.

“We have worked hard to identify business efficiencies and continue to add greater value and deliver certainty for our clients and partners.”

Scott Power
Group Executive Director - Operations
Underpinned by our core value of ‘Collaboration’ these projects provided some real opportunities for our business units to work together. Across our Zuccoli project, BMD Urban delivered the civil construction for over 69 lots, Urbex launched and sold over 111 blocks, and JMac Constructions delivered all landscape works. Combined with designs from the BMD Consulting team, this project successfully highlights our unique integrated offering that provides greater certainty, reduced risk and enhanced value for money.

Further south, we re-established our presence in the Canberra urban development market. After a challenging period for the region, it was rewarding to see a renewed presence and our success is a credit to the people involved. The Canberra business is in a good position for the start of the next financial year with a substantial level of secured work.

Alongside our urban development capability, the Construction business continues to be the backbone of BMD and home to our expertise in civil infrastructure. A key highlight was the successful completion of the multi-million dollar Port of Brisbane Motorway Upgrade project which not only opened eight months ahead of schedule, but has also been recognised with numerous industry awards. Notably, our largest project, Legacy Way, celebrated the breakthrough of both tunnel boring machines and is now over half way complete.

Other key highlights for the year included our successful performance in the resources and energy sector with the completion of the APLNG Material Offloading Facility on Curtis Island and the Caval Ridge and Grosvenor projects in the Bowen Basin.

After a long period of growth, we continued to implement a number of new internal systems to make the business more efficient and enhance performance. This in turn generated significant value and converted into tangible results for our business, staff and clients.

We continued our journey towards our safety goal of ‘Zero Harm’. This required a relentless drive from both senior management and our project teams and as a result we have been able to deliver substantial improvements. It was pleasing to see a reduction in our ‘Lost Time Frequency Rate’ when compared to the previous year. We acknowledge this achievement as a step in the right direction towards reaching our ultimate safety objectives.

The past year has reaffirmed our industry leading reputation through the successful delivery of iconic projects, significant scope increases and our improved safety performance. Over the coming year, we will work hard to deliver business efficiencies and continue to add value and deliver certainty for our partners and clients.

**HIGHLIGHTS:**

- Separated our urban and construction business with the launch of BMD Urban;
- The Zuccoli project successfully highlights our unique integrated offering;
- Re-established our presence in the Canberra urban development market;
- Legacy Way celebrated the breakthrough of both tunnel boring machines; and
- Completed key projects in the resources and energy sector including APLNG Material Offloading Facility, Caval Ridge and Grosvenor projects.
It was a landmark year for BMD Constructions with the completion of several projects which stand as a testament to our ability to seamlessly deliver large and complex infrastructure.

Following on from our diversification strategy, the year marks an important milestone with the successful completion of several key projects in the resources and energy sector. Key highlights included the completion of the APLNG Material Offloading Facility on Curtis Island, and the Caval Ridge and Grosvenor projects in the Bowen Basin.

Notably, the Hay Point project is drawing to a close after three years and our strong performance was recognised with significant scope increases. Although the resources market is undergoing rapid change, BMD will continue to strategically identify projects that align with our capabilities.

It was rewarding to see the successful completion of several major transport infrastructure projects including the Clyde Road Duplication in Victoria, the Epping Shared Pedestrian Bridge in New South Wales and the Port of Brisbane Motorway Upgrade which opened eight months ahead of schedule.

Another key delivery highlight was the completion of the Leichhardt and Dawson Highway Fitzroy Region Repair Works, and based on exceptional performance BMD Constructions was awarded a significant increase in scope.

Our clients are highly valued partners and our record is one of long term relationships built on performance and collaboration. It was rewarding to enhance our relationship with Brisbane Airport Corporation with the completion of the civil works for the New Parallel Runway project. This critical piece of infrastructure was completed on time and under budget.

Alongside our completed projects, our capability continued to be demonstrated by the progression of key projects. The multi-million dollar Cairns Bruce Highway Upgrade continued to perform hitting a number of significant milestones including the opening of the most northern interchange on the Bruce Highway four months ahead of schedule.

Our largest project, Legacy Way celebrated the breakthrough of both tunnel boring machines. This milestone is a reflection of the hard work that has been demonstrated by the team as they have worked to overcome the many challenges that a project of this size and complexity present. BMD Constructions looks forward to delivering the final stages of the project.

We continued to pursue partnerships that complement our capability with specialist expertise. This was particularly evident with the award of the Robinson Road Open Level Crossing Replacement in partnership with Brisbane City Council and SMEC Australia.

“The smooth and early completion of the Port of Brisbane Motorway project is a credit to BMD Constructions and excellent project outcomes were achieved”

Allan Uhlmann
Project Manager, Transport and Main Roads
Port of Brisbane Motorway Upgrade
To support the business into the future, we made structural changes to ensure we had the necessary experience and capability. We identified the need to strengthen our Senior Management Team in Queensland with the creation of strategic, commercial and operational roles. Our business structure has enabled valuable growth in the south-east corner and provides strategic direction as we pursue coal seam gas projects in the Chinchilla region.

We strengthened our commitment in New South Wales, making sure experienced teams, resources and management frameworks were in place to deliver outstanding results. We are now well positioned to make the most of this exciting growth corridor and the strong pipeline of work on the Pacific Highway.

Fundamental to everything we do was a constant focus on achieving increasingly higher levels of safety, quality and environmental performance. The last year saw the implementation of several new initiatives to help communicate our philosophy towards safety. We directed our focus to addressing the lead safety indicators to enhance our core goal of ‘Zero Harm’. A stand out achievement was 650,000 hours LTI Free at the Hay Point project demonstrating our continual focus on delivering tangible safety results. In the coming year, we aim to drive safety to the next level, further embedding these priorities and behaviours that have already delivered significant improvements.

We have a diverse range of projects ahead from major road contracts to tunnelling and airport infrastructure. These opportunities coupled with our culture of innovation and collaboration provides a strong platform to deliver certainty into the future.

HIGHLIGHTS:
- Completed key projects in the resources and energy sector including APLNG Material Offloading Facility and Caval Ridge;
- Completed major transport infrastructure including the Port of Brisbane Motorway Upgrade;
- Completed the civil works for Brisbane’s New Parallel Runway project;
- Legacy Way celebrated the breakthrough of both tunnel boring machines; and
- Awarded the Robinson Road Open Level Crossing Replacement in partnership with Brisbane City Council and SMEC Australia.
BMD Constructions offers a relationship based brand of civil and industrial construction services to a wide range of clients and industries. We have successfully commenced and delivered significant projects throughout Australia over the past year.

**ROAD AND HIGHWAY**
BMD is prequalified to the highest level for road construction throughout Australia.

We continued to lead the way in road infrastructure throughout the year with the completion of the Port of Brisbane Motorway Upgrade in Queensland, the Clyde Road Duplication in Victoria, and the Epping Shared Pedestrian Bridge in New South Wales.

**TUNNELLING**
BMD has extensive capabilities across key elements that support tunnelling operations.

Our tunnelling projects achieved major milestones throughout the year. Notably, Legacy Way celebrated the breakthrough of both tunnel boring machines and the Wiggins Island GC07 project saw the breakthrough of the technically challenging Jacked Box Tunnel.

**URBAN DEVELOPMENT**
BMD has a relationship with the urban development industry that began with the company’s inception.

The year saw BMD reposition itself in the urban development industry. Key highlights included Zuccoli and Johnston Ridge in the Northern Territory, Capestone in Queensland, Edenbook and Coburg Hill in Victoria and the Coombs Estate in Canberra.

**RESOURCES AND ENERGY**
BMD delivers successful projects across all stages of the resources supply chain.

The year marks an important milestone with the successful completion of several key projects in the resources and energy sector including Caval Ridge and Grosvenor projects in the Bowen Basin. Notably, our strong performance was recognised with significant scope increases at the Hay Point Expansion.

**PORT AND MARINE**
BMD has extensive experience delivering terminal expansions, wharf refurbishments and ocean outfalls.

A key highlight included the completion of the APLNG Material Offloading Facility on Curtis Island in Gladstone and achieved over 305,000 hours LT1 free. This is a huge achievement as it’s the only project on Curtis Island LNG to complete ahead of schedule and injury free.

**AIRPORTS**
Security and safety are paramount considerations during construction of airside projects.

It was rewarding to return to work with Melbourne Airport with the award and early completion of the Terminal Drive Additional Lane works. BMD also enhanced our strong relationship with Brisbane Airport Corporation with the completion of the civil works package for the New Parallel Runway project.
RAIL
BMD has a broad range of experience working in live rail environments.

Key highlights included the successful completion of the Dalrymple Bay Coal Terminal to Hay Point Services Coal Terminal 2nd Road project and the award of the Q50 Flood Immunity Package both in Mackay.

DEFENCE
We understand the safety and security requirements of working within established Defence facilities.

It was rewarding to continue our relationship with the Department of Defence with the award of the RAAF project at Amberley. The year also saw the successful completion of the RAAF Edinburgh project in South Australia.

INDUSTRIAL
Our industrial business delivers structural, mechanical, piping and electrical solutions.

As a result of our success at the Ulan West Coal Mine, BMD’s Industrial division was awarded the additional $14.3 million contract for the Ulan West Box Cut Facilities and Services project in New South Wales.

WATER AND WASTEWATER
BMD has been engaged in the delivery of water and wastewater trunk and reticulated services.

A significant highlight was the successful completion of the Ludmilla Waste Water Treatment Plant Upgrade. The $18 million project provides sewerage treatment for a large portion of the Darwin area.

OIL AND GAS
BMD is positioned to leverage off our diverse experience to offer services across the coal seam gas sector.

Our diverse experience in complex infrastructure, water solutions and civil construction supported by an established office in Chinchilla provides local support for our pursuit of coal seam gas projects.
The past year marked the official establishment of ‘BMD Urban’ bringing a renewed focus to our traditional client base and opening up opportunities in new geographic areas.

The establishment of BMD Urban on 1 July 2012 heralded a renewed focus on client relationships within the company’s traditional markets of urban land development and associated small infrastructure projects.

BMD Urban is the vehicle for the Group to present its significant capacity to the urban market and to utilise expertise that has developed over 30 years and been shown to consistently deliver superior quality, timeliness and value for our clients.

Following on from the appointment of new national roles focused on urban development, the year saw an investment in new processes to ensure our internal systems supports our operational performance in the sector. In the first year of operation, BMD Urban has delivered impressive results, underpinned by a strong management structure and longstanding client relationships.

In the context of BMD Urban as a specialist contractor to the national land development industry, it is fitting that some of our largest projects have been residential developments at almost opposite ends of the country. Demand in both Darwin and Canberra has seen us relocate experienced staff from interstate and we are pleased to report that the high performance standards that both we and our clients expect in this environment are being delivered. We look forward to the ongoing success of these relationships.

As other residential markets show signs of growth, our significant resource base of experienced construction, supervisory and engineering staff together with a network of long term subcontractors and suppliers, will enable us to provide unparalleled support to our clients. Our teams understand that clean and well presented construction sites and a high quality finished product delivered within an accelerated timeframe can significantly improve the outcome of a project.

We are pleased to see growth in the Sydney residential market. We are committed to establishing relationships based on mutual benefit and an enjoyable and collaborative working environment which will enable us to deliver on our long term commitment to this major capital city market.

Clients in regional areas have always been a major part of our business and this year was no exception with projects completed in Port Pirie, Blackwater and Benaraby as well as in the larger regional.

“Our involvement with BMD Urban has been pleasant thanks to a very proactive team; from resolving on-site surprises to working around variables during construction.”

Darren Yoon
Project Architect, Tectvs Pty Ltd
Alta Apartments
centres of Geelong, Mackay, Gladstone and our largest regional base in Townsville. Expanding our presence and support of regional markets around Australia will remain a key focus for us in the future.

Government at all levels is a cornerstone client for BMD Urban and this year has seen us deliver numerous local government roads and services upgrades, construction of community sporting facilities, parks, water and wastewater infrastructure and waste transfer stations. At a Federal level, we continued our long relationship with the Department of Defence delivering projects in Adelaide, Brisbane and Townsville and projects for Defence Housing Australia in Darwin, Townsville, Brisbane and Sydney.

The $10 million Alta Apartments in Adelaide is an excellent example of our commercial building expertise. We are pursuing opportunities to work with new and existing BMD clients on commercial building projects and to provide integrated civil and building construction services across the industry.

While it is early days in the life of BMD Urban, urban development is a market that has always been important to the Group. It is the market that shaped the company’s culture as it was while working exclusively in this market that the BMD relationship based business model developed. We are optimistic that our fresh and renewed focus on delivery of service of the highest quality will significantly assist our clients to achieve success and in so doing sustain and promote BMD Urban as the national contractor of choice to the urban development industry.

**HIGHLIGHTS:**
- First year of official operation for ‘BMD Urban’;
- Strong performance in the Darwin and Canberra urban development market;
- Successfully completed several small infrastructure projects for local government including parks, sporting facilities and roads;
- Significant growth in the Sydney residential market; and
- Successfully completed the $10 million Alta Apartments in Adelaide.
Leveraging off our integrated capabilities, BMD Consulting focussed on delivering enhanced value for money, time efficiencies and effective risk management.

Over the past year, BMD Consulting strove to highlight the value of operating collaboratively with our clients by capitalising on the knowledge obtained from within the integrated BMD Group. This was clearly demonstrated by the Group’s achievements in the Northern Territory with key land developments, including Zuccoli and Johnston Ridge, where our engineering, civil construction and landscaping capabilities are delivering greater value through improved integration.

This approach also proved rewarding with our successful performance at the ‘Improvised Explosive Device’ Training Range for Department of Defence in Townsville. In collaboration with BMD Urban, we were able to successfully deliver this project. This unique design and construct model meant that we were better able to meet challenges, mitigate delays and stay on top of evolving information.

Despite the softening residential market, the urban development sector remains a priority for us and we continued to actively work with our clients to deliver outstanding residential communities. Kalynda Chase continues to be a strong performer with over 1,000 lots designed and at Capestone the team completed the northern precinct.

Our long term relationships with key clients continue to form a solid foundation for additional contracts. Works for Lateral Property Group continued in the Ipswich, Logan and Somerset regions and it was rewarding to enhance our ten year relationship through the design of over 1,000 lots.

The year marked a considerable milestone with the completion of our package of the Caval Ridge project, which was our first project that has been delivered directly for a mining company. This project delivered outstanding outcomes and as a result have secured additional contracts in the sector including the award of civil design components at the Broadmeadow Underground Mine and the Moranbah Airport Carpark upgrade. Although the mining industry has experienced rapid change, BMD Consulting successfully established a presence to ensure that with an inevitable upturn we are equipped with appropriately aligned capabilities and resources.

We strengthened our presence in regional communities with the completion of the Kowanyama subdivision and it was rewarding to contribute to this remote aboriginal community. We have now been part of regional Queensland communities for over 18 years and pursue new opportunities in the sector.

“BMD Consulting’s approach to partnering and joint venturing has allowed us to develop better relationships with clients.”

Phillip Graham
Highlands Drafting and Engineering
We have also been successful in securing projects for local government with the award of our fourth package of trunk road planning for future arterial roads in the Logan Council area. This award was based on solid performance and BMD Consulting looks forward to delivering this improved public infrastructure.

A key highlight for the year was the opening of a new office in Emerald which services projects within the Emerald, Blackwater, Clermont, Springsure, Galilee and Bowen Basin areas. The office has enabled valued growth within Central Queensland and provides a crucial base for us in this important corridor.

In order to more effectively execute projects across Australia, we invested a lot of effort to ensure that staff are equipped with a variety of skills. This results in a more diverse, adaptable and experienced team that can undertake projects at any location at very short notice. Coupled with our ability to deploy resources across the BMD Group and between the businesses creates better flexibility, increased value for money and enhances our unique design and construct capability.

Underpinned by our core value of ‘Empowering’ the year saw some real opportunities for our employees to grow and develop in their careers. Our remote and vast coverage allows for a high degree of empowerment and career development.

Our priorities for the year ahead will be to strengthen our client relationships, embrace our diversity and continually add value. As we contemplate future opportunities, I would like to thank the team who have demonstrated the strength and determination which has been fundamental to our resilience, growth and success.

HIGHLIGHTS:
- Designed over 1,000 lots at Kalynda Chase;
- Continued strong relationship with Lateral Property Group and designed over 1,000 lots in the Ipswich, Logan and Somerset regions;
- Successfully completed Caval Ridge which was the first project delivered directly for a mining company client;
- Awarded our fourth package of trunk road planning for Logan City Council; and
- Opened new office in Emerald confirming our strong commitment to the region.
Whilst landscaping was impacted by the weak property market, our business worked hard to maintain our core capability, diversified our expertise and expanded into new frontiers.

Over the past year, JMac Constructions (JMac) continued to cement its reputation in the landscaping market. This was underpinned by our strong in-house capabilities, diverse expertise and longstanding client relationships. Alongside our traditional capability, we have continued our diversification strategy and have taken our expertise to new markets and new regions adding to our ever growing portfolio of work.

A key milestone for the year was the establishment of our Northern territory operations with the commencement of key urban developments including Johnston Ridge, Zuccoli and Muirhead. In line with BMD’s integrated strategy, the year saw the Group engaged across the entire urban development supply chain, with JMac closing the final link. Operating collaboratively, we have been able to enhance our value proposition through capitalising on innovations, reducing risk and providing greater certainty.

To support our growth and expansion in the Northern Territory market, we made a significant structural change with the creation of a new Regional Manager role. Our refined business model has enabled valuable growth and provides strategic direction as we continue to pursue other opportunities in the region.

Although our operation in North Queensland is not new, we have continued to grow over the past year with the award of the landscaping works at the Cairns Bruce Highway Upgrade. Supporting the project’s vision to invest locally, JMac sourced the majority of materials including plants, trees, mulch, fencing and soils from local suppliers, thereby adding value to the local community.

JMac has played an integral role in shaping the landscapes of many residential communities for over thirty years, and it was pleasing to continue works at the North shore residential development. As we approach our sixth successful year at North Shore we continue our strong client focus and high quality project delivery.

Further south, we have started to gain real traction in getting our brand recognised throughout Victoria with the completion of key projects including Melba Park, the Mandalay Tennis Precinct and the Seaford Surf Life Saving Club. Key to strengthening our presence and growth in the region, is our expansion into regional Victoria with the successful completion of the Lake Hamilton All Abilities Playground and Foreshore Redevelopment.

“Despite the numerous budget challenges and the excessive inclement weather your team rose to these challenges and provided an exceptional end product.”

Jim Lane
Associate Director, Turner & Townsend
Superintendent - Riverheart Parklands
The Queensland market has remained the cornerstone of our business and we maintained our position as market leader in terms of size and turnover. Key to the region’s success has been our long term relationships with longstanding clients including Springfield Land Corporation and Ipswich City Council. A number of significant projects were completed through the year, none more impressive than Colleges Crossing Recreational Reserve. It was rewarding to see the return of one of Ipswich’s favourite public playgrounds and JMac impressively delivered this significant project within a record timeframe.

Another key delivery milestone in Queensland was the successful completion of Stage 2 of Riverheart Parklands, representing the largest project for JMac over the year. Notably the Riverheart Parklands project team was recognised with the ‘Collaborative’ award at the annual BMD Dare Awards which recognises the team’s ability to seamlessly deliver key public infrastructure.

Alongside our completed projects, our capability continued to be demonstrated with the award of key projects including the Noosa Junction Upgrade and Whites Hill Recreation Reserve All Abilities Park. Our performance has been recognised with the award of additional works at Whiles Hill Recreation Reserve and we look forward to delivering this key piece of public infrastructure for the community.

This year we continued to bolster our presence in all markets in which JMac operates and successfully delivered key projects in what can only be described as a challenging market. To achieve this, is a testament to our skilled, determined and dedicated team. We look forward to developing a strong platform that will enable us to deliver certainty in the year ahead and beyond.

**HIGHLIGHTS:**

- Established operations in the Northern Territory with the commencement of key urban developments including Johnston Ridge, Zuccoli and Muirhead;
- Completed projects in Victoria including the Seaford Surf Life Saving Club and the Lake Hamilton All Abilities Playground and Foreshore Redevelopment;
- Approached the sixth successful year at North Shore in Townsville;
- Successfully completed Colleges Crossing Recreational Reserve and Stage 2 of Riverheart Parklands in the Ipswich region; and
- Awarded new projects including the Noosa Junction Upgrade and Whites Hill Recreation Reserve all abilities park.
Urbex’s continued focus on the consumer and the excellent working relationship with our builder partners has allowed us to offer price competitive housing packages, and achieve outstanding results for all stakeholders.

We enter the next financial year with the highest level of consumer confidence in the national land sector since the global financial crisis of 2009.

Trading conditions and consumer sentiment have improved markedly since January 2013 and the continuing low level of interest rates are stimulating the new housing sector. The recovery in the sector although upbeat, is still very geographic specific driven by largely regional economic factors particularly that of supply. A degree of caution still needs to be exercised in certain geographic growth corridors across the nation.

While competitors, particularly institutional developers, have been slow in responding to new product releases, this has enabled tremendous opportunities for Urbex. With limited supply we have been able to increase sales momentum and margins across our projects in what are improving trading conditions.

Urbex’s strong consumer focus and excellent working relationship with our builder partners to offer price competitive housing packages in a variety of market segments has allowed us to achieve outstanding results for all stakeholders. Our national fall over rate on Urbex land sale contracts of less than two per cent demonstrates that we understand our client’s requirements and financially capacity to purchase extremely well.

Urbex’s business efficiency initiatives have borne fruition over the past year with our enhanced ‘in house’ integrated capability in design, civil construction, and landscaping ensuring productivity delivery outperformance compared to industry competitors. The philosophy of all Urbex staff to be part of the sales process has assisted in achieving outstanding results for our purchasers. Indeed our strong consumer focus and our ability to deliver to our consumers requirement’s has richly rewarded Urbex with increasing financial settlements.

A number of key project milestones were completed over the past year, none more impressive than the opening of our Capestone display village at Mango Hill. This thirteen home display village quickly established itself as Brisbane’s premier northside display village since opening in January 2013. The Capestone project has dominated sales within the immediate catchment and the first three stages have completed construction and sold.

Topping the list of achievements, would be our performance in the Northern Territory with Zuccoli and Johnston Ridge residential communities.

“Our strong consumer focus and our ability to deliver to our customers requirement’s has richly rewarded Urbex with increasing financial settlements.”

Wayne Rex
General Manager - Urbex
Zuccoli sold out of the first three land releases, achieved 111 sales, completed construction of the first stage and opened the first community park. In line with our vision to help deliver more affordable housing solutions, Urbex also sold nineteen residential dwellings under the Northern Territory affordable housing scheme to low income earners.

In order to sustain growth, we retained a focus on the acquisition of new projects and commenced the Kinross subdivision project at Thornlands and were awarded a 240 lot subdivision at Victoria Point. Both in joint venture with Ausbuild, Urbex is able to capitalise on the Group’s unique vertically integrated service with capabilities in urban development, engineering, landscaping and civil construction.

Further south, the Mandalay project in Victoria sold in excess of 440 lots with over 400 families now calling the project home. A key highlight for the project was the completion of the eighteen hole championship golf course and tennis facility and due to open for exclusive use of the residents in the coming year.

The key to our growth over the past year has been the support of our key project finance partners including St George Bank and the Bank of Queensland. The ability to secure project finance has improved significantly over recent times but prudent capital management internally remains a key focus of Urbex growth.

Over the coming year, our acquisition focus will increase driven by improving market conditions, identified supply issues in a number of geographic corridors and increased liquidity in the residential finance sector. Our preferred growth strategy continues to be as a joint venture partner of government and the private sector utilising the full array of integrated development delivery capabilities within the BMD Group.

**HIGHLIGHTS:**
- Worked with builder partners to deliver price competitive housing packages for consumers;
- Successfully completed the thirteen home display village and sold the first three stages at Capestone;
- Achieved 142 sales and launched the first park at Zuccoli;
- Acquired new projects including Kinross Estate at Thornlands and a 240 subdivision at Victoria Point; and
- The Mandalay project sold in excess of 440 lots and completed the eighteen hole championship golf course.
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CERTAINTY DELIVERED.

BMD is a national group of companies engaged in engineering design, construction and land development for clients and partners in the urban development, transport infrastructure, resources and energy sectors. With approximately 1,500 staff throughout Australia, BMD has the resources and experience to deliver projects ranging in size from $1 million to over $1 billion and is currently ranked 36th in the 2013 BRW’s Top 500 Private Companies list.

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