



2013/2014
CONSTRUCTING
OUR LEGACY

Annual Review



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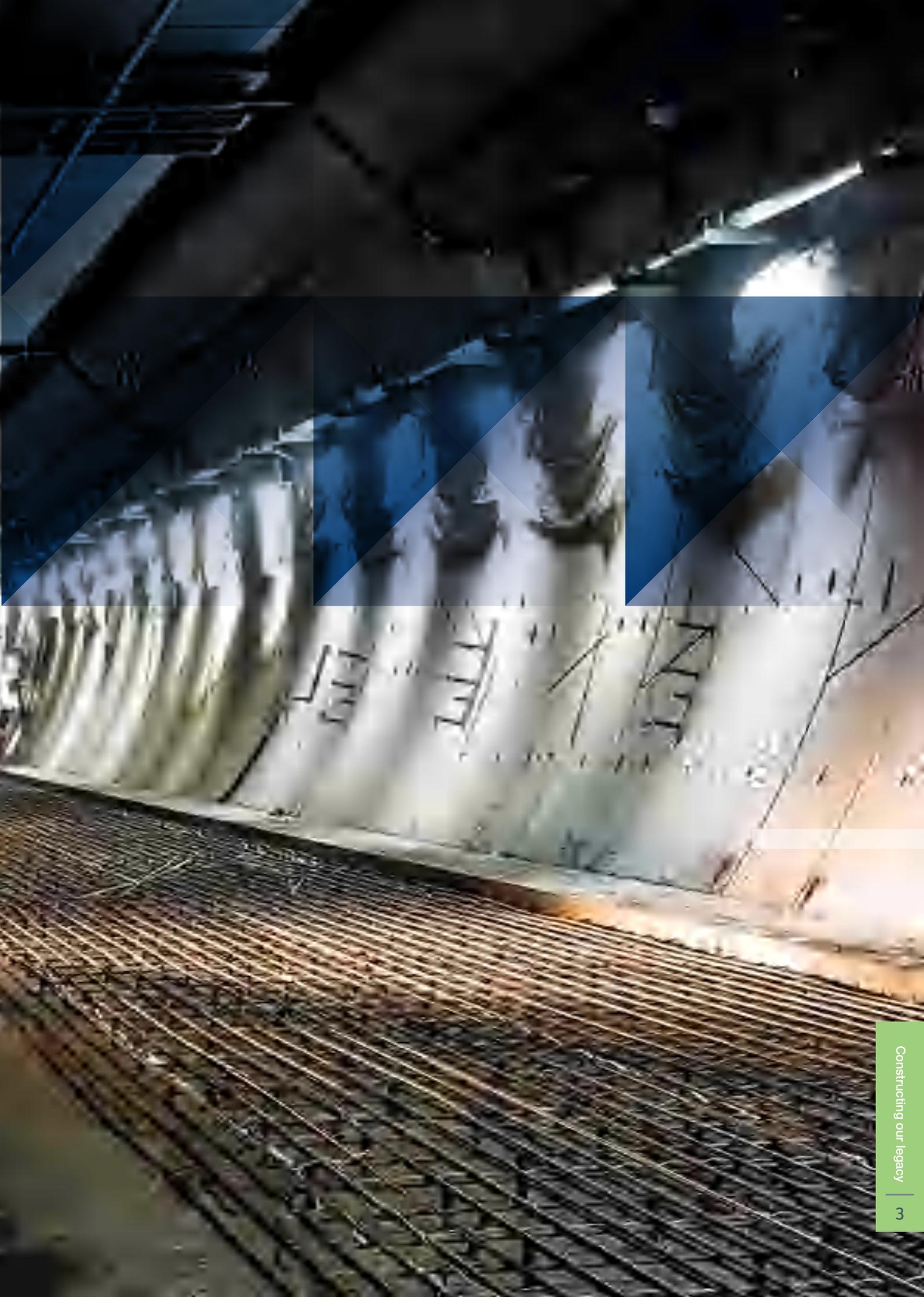
CONSTRUCTING OUR FUTURE LEGACY

At BMD, we are committed to constructing our legacy. A legacy for the communities in which we operate, the clients we work for and the people we work with.

Our strategy is simple: value our people, collaborate with our partners and continue to deliver exceptional projects with sustainable outcomes.

We deliver on our promises and our future achievements will continue to be driven by all that has made us successful in the past.





PROUD OF OUR ACHIEVEMENTS

35 years of operation, growing to become a diverse, innovative national company that can deliver projects from **\$100,000 to over \$1 billion.**

A national capability after expanding our geographic footprint by opening our Western Australia office in Perth.



Increased employee base by **200** with over **1,700** people across Australia.

Outstanding award season for our organisation, projects and team members across the country

including the International Tunnelling Awards, CSTC Training Awards, Civil Contractors Federation (CCF) Earth Awards and the Engineers Australia Excellence Awards.



A renewed focus on **safety**

delivering national projects with a significant decrease in our Total Recordable Injury Frequency Rate (TRIFR) statistics.



Legacy Way, our landmark infrastructure project in Queensland, is on track for opening due to world record breaking excavation.

NATIONAL HIGHLIGHTS

BMD Group entered the 2013/2014 financial year full of momentum with a number of project completions, steady progression of project activities and significant project wins across the business.

SOUTH AUSTRALIA

- » Successfully completed key projects including Port Pirie Waste Water Transfer Station, Royal Australian Air Force (RAAF) Edinburgh Stage 2, Mawson Lakes Water Wetlands and Sport Development in Cheltenham and the Pines Hockey Stadium.
- » Statewide, the team achieved over 400,000 hours Loss Time Injury (LTI) free.
- » Awarded key projects including the Whyalla Airport Redevelopment and the Mount Barker Park 'n' Ride Facility.

VICTORIA

- » BMD Urban teams continued to be champions of safety and achieved in excess of 500,000 hours LTI free over a two-year period.
- » Received industry acknowledgement at the 2013 CCF Earth Awards for the M80 Ring Road Upgrade and the Wedge Street Pedestrian Bridge.
- » Adapted to changes in the market and secured contracts throughout the southern region, including BMD's biggest self-performing project, Webb Dock (Port of Melbourne), which is a \$200M project for Victoria International Container Terminal (VICT).
- » The Southern Region Safety Improvement Plan was launched with a number of strategies in place aimed at strengthening safety leadership within BMD.
- » The VicRoads Major Project Safety Excellence Award was presented to our Princess Highway East Duplication Project (Wurruk - Sale) for the innovative approach to the demolition of an old timber pedestrian bridge, our risk assessment process and methodology developed for the construction of a new 'steel box girder cable stayed' bridge.
- » Cemented our reputation as a tier one contractor by achieving a number of significant environmental outcomes for Port of Melbourne's Roads and Services contract, despite the highly sensitive nature of the work and proximity to Port Phillip Bay.

NEW SOUTH WALES

- » Achieved BMD's largest foundation concrete pour in the state with 1,100 cubic metres at Port Kembla.
- » Won the 2013 CCF Earth Award for Lynwood Quarry for projects valued between \$20 million and \$75 million.
- » Acknowledged by long-term client Roads and Maritime Services (RMS) at the 2013 RMS Quality Awards for our construction of the Epping Pedestrian Bridge.
- » Refined delivery and maximised productivity by introducing large-scale earthwork plant on urban projects and developed in-house capability in kerb laying and concrete work.

AUSTRALIAN CAPITAL TERRITORY

- » Successfully completed the Hume West Stage C project, six weeks ahead of schedule.
- » Completion of the Coombs Estate for the Land Development Agency which was delivered in line with the client's stretch target program.
- » Developed a strong core team focussed on ACT urban development delivery.
- » Our ACT teams successfully delivered projects for clients in remote locations of Euston (RMS) and Wagga Wagga (DHA).





NORTH QUEENSLAND

- » The Cairns Bruce Highway Upgrade project won a CCF Award. Highlights included reinvesting \$9 million of additional scope back into the project and 89% of the total project turnover being invested locally.
- » Celebrated 20 years of operation in North Queensland working collaboratively with partners, clients and communities.
- » Awarded the Time Saving Initiative Award from the Bowen Basin Mining Club for the Hay Point Expansion – Phase 3: Pre-Reclamation, Quarry and Reclamation Contract, in Mackay.
- » Stage one of Yarrowonga in Townsville sold five exclusive lots off the plan at an average of \$400,000 per lot.

CENTRAL QUEENSLAND

- » Entered into the coal seam gas sector securing work on the APLNG Combabula Gas Processing Facility, the largest gas plant in their Surat Basin network.
- » Continued the development of Anglo American's Grosvenor Coal Mine Project with the award of the Moranbah North Mine Brownfield Package, building on the success of BMD's previously completed pioneering work.

SOUTH QUEENSLAND

- » Completed the RAAF Base Amberley project ahead of time and on budget resulting in a full reopening of the base prior to Christmas 2013.
- » Completed the New Parallel Runway Phase 1: Civil Works Package at Brisbane Airport in four months.
- » Landmark project, Legacy Way, on target and set for an opening completion in mid-2015.
- » High demand for residential land from buyers for the Capestone master planned community in Mango Hill with lots selling out within weeks of being released to market.
- » JMac Constructions was awarded Stage 2 of the Robelle Domain project in Springfield Lakes due to outstanding work completed on Stage 1.

NORTHERN TERRITORY

- » Awarded preferred contracting status on the Johnston Ridge project and continued work on the highly anticipated Zuccolli development.
- » Won three CCF Awards for training in the Northern Territory including Indigenous Apprentice of the Year, Mature Age Achiever of the Year and First Year Apprentice of the Year.
- » Awarded Managing Contractor for the Tiger Brennan Drive Duplication project, valued at \$89 million.

WESTERN AUSTRALIA

- » Opened Western Australia office in Perth in mid-2014.
- » Awarded the first contract for the Bussleton Airport Apron Expansion.
- » Insight into local market through relationships with key industry partners.

NATIONAL

- » BMD Industrial renewed their business objectives and continued to focus on working to increase our capability, to secure joint venture projects with key industry partners and facilitate the growing demand for integrated services.
- » BMD was acknowledged at a number of industry training awards as an Employer of Choice including the CCF Industry Leaders and Training Awards and the Construction Skills Training Centre Awards.
- » Continued to strive for Zero Harm by implementing a range of health, safety, environmental and quality (HSEQ) initiatives to continue to drive safety improvements across the Group.

THE JOURNEY CONTINUES

LEGACY WAY, BRISBANE, QUEENSLAND



Set to be complete mid-2015, ahead of schedule

World record excavation with 49.7 metres tunnelled in a 24 hour period

Industry best practice in noise and vibration modelling

APLNG COMBABULA GAS PROCESSING FACILITY, SURAT BASIN, QUEENSLAND



Largest gas plant in their Surat Basin network

Invested in local products during construction

Delivered Value Engineering, focussed on quality

PORT CAPACITY PROJECT, MELBOURNE, VICTORIA



\$200 million project

Largest project delivered by BMD's Southern Region providing opportunities to be seen as a major player in Victoria

Collaborating with both clients (PoMC and VICT) to ensure best project outcomes

BMD has continued to build our legacy for the past twelve months through diversification into new markets, outstanding performance outcomes, investment in our local communities, increasing our geographical footprint and ongoing outstanding safety improvements by our people.

**JOHNSTON RIDGE,
DARWIN, NORTHERN
TERRITORY**



**Over the year,
104 settlements
with close to
\$33 million gross**

With the project now complete, the work is three years ahead of schedule

**EPPING PEDESTRIAN
BRIDGE, SYDNEY, NEW
SOUTH WALES**



Provided a visual landmark as the gateway to Epping-Marsfield

**Acknowledged
by long-term
client Roads and
Maritime Services
(RMS) at the 2013
RMS Quality
Awards**

**MOUNT BARKER
PARK 'N' RIDE FACILITY,
MOUNT BARKER, SOUTH
AUSTRALIA**



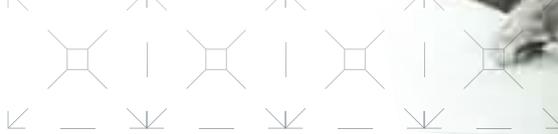
The project had an outstanding safety record with zero LTIs and zero environmental incidents recorded

Client requirements were conducted in a timely manner and met all key milestones which included staging the work to ensure the bus interchange was operational two months prior to completion

A Community Management Plan was successfully implemented to respond to enquiries and issues raised around the construction of the project within close proximity to schools and community centres



CERTAINTY DELIVERED THROUGH STRATEGY



Since its inception 35 years ago, BMD has been committed to constructing a legacy.

Over this time we have grown to become one of Australia's largest, privately owned construction, consulting and urban development organisations, employing over 1,700 staff.

Our Group is synonymous with strategy and innovation, with a unique business model which allows BMD to deliver highly technical projects from \$100,000 to over \$1 billion. We continue to pursue geographic and market segment diversification, develop our leadership and delivery capability across key regions, enhance our management systems and processes, and establish benchmark safety and performance expectations that exceed industry standards.

2014 has been a year where we have seen a consolidation of our efforts building a platform for our future successes. Investment in our people, culture and relationships with our clients has guided our business objectives. The core values that we hold so dear have come to the fore and set us apart in this challenging market place.

Securing key infrastructure projects this year including the Camden Valley Way Upgrade, Narellen Road and Terrigal Drive Projects, all in New South Wales and the Port Capacity Project in Victoria, has strengthened our Southern Region's work portfolio and delivered greater balance across our national operations. Our ability to deliver projects across the country - which is one of our core strengths - was also enhanced with the opening of our office in Perth, Western Australia.

The Legacy Way project has been a hallmark project for us in the Northern Region as it has been our debut into the mega-project market. We knew from the outset that it would be a significant project and now we are far enough in to confidently say we are about to deliver something exceptional to the people of Brisbane. Our work on Legacy Way, recognised through international awards, has set world records for tunnelling production

and raised the bar as far as the quality and finish of our precast work, and supply chain logistics management is concerned. BMD can look at what we have produced as a team and can hold our heads very high. We can say to everyone that the consortium of Transcity Joint Venture has delivered a Triple-A product.

BMD Industrial capitalised and built on the success of Caval Ridge in Queensland, forming a number of new joint ventures with key industry partners to increase our capability and provide for the growing demand for integrated services within the market.

Across the entire BMD Group, it was a positive year, due to the trend towards greater confidence in the residential and urban development sectors. Development of residential lots increased due to buyer interest when compared to previous years, and local governments looking to increase investment in communities through planning and infrastructure. It is our expectation the urban development business units will perform strongly as this resurgence continues.

BMD Urban has reinforced its position as the leading provider of residential and industrial subdivision construction and civil infrastructure services in Australia. Our teams achieved significant growth, utilising our extensive internal capability and experience developed throughout our 35 year history; through the delivery of projects for new and, importantly, returning clients. Repeat business opportunities are testament to the certainty of outcomes delivered by our teams in a market where time performance is a key success factor for our clients and business partners.



“Repeat business opportunities are testament to the certainty of outcomes delivered by our teams in a market where time performance is a key success factor for our clients and business partners.”

Mick Power AM, Group Board Chairman and Managing Director



Left: Mick Power AM (1979) Above: Mick Power AM , Group Board Chairman and Managing Director (2014)

Specific project highlights for BMD Urban include the vital Mount Barker Park ‘n’ Ride Facility which upheld our vision of collaborative contracting. The project enabled us to work closely with our client, the Department of Planning, Transport and Infrastructure of South Australia in staging our work to ensure we were able to open crucial functions of the facility early; providing the community with access to nearby primary schools, kindergartens, local businesses and the TAFE while we finished the remaining work.

BMD Consulting continued to play a pivotal role delivering for a range of our projects and clients, including repeat business for Brisbane Airport Corporation and Logan City Council. JMac Constructions demonstrated their ongoing value to our integrated offering, working with both BMD Constructions and BMD Urban across a range of projects including the Port Capacity Project in Victoria and Brisbane Airport Corporation in Queensland. Repeat business from Melbourne Zoo in Victoria and Springfield Land Corporation in Queensland demonstrated our capability in high profile landscape construction and delivering excellence for clients time and again.

A growing property market led Urbex to contribute extensively with development projects in the Northern Territory, Queensland and Victoria. The team demonstrated consumer focus and excellent working relationships with our building partners allowing us to offer competitive housing packages direct to the market, increasing sales momentum and delivering strong outcomes.

By capitalising on the success of the Group across a range of market sectors, we have been able to consolidate and maintain a strong foundation within the business for our people, our clients and communities as we move into a new phase within the industry.

This integrated model, unique to BMD, means we can manage the sheer magnitude of our projects in a way that our competitors in the Tier 1 or Tier 2 space can’t. We deliver smaller infrastructure work whilst simultaneously delivering large-scale, landmark projects. This approach makes us much more diversified in location and our geographic footprint spans more metropolitan, regional and remote communities than any other, making us a truly National company.

It is imperative that we work with the communities in which we operate. We are there to assist a community’s long-term development and empower them to construct a legacy of their own. We contribute socially, environmentally and financially to ensure these communities are supported both during and after construction is complete.

Highlights

- » Legacy Way nears completion ahead of schedule.
- » Staff grown from 1,500 to 1,700 due to diversification into new markets and strong performance of the Southern Region.
- » Providing economic and social support to the communities in which we operate and contributing to their sustainability after construction is complete.
- » Expansion into new sectors and states, allowing business growth in a strained construction market.
- » Outstanding reputation for safety and reduced lost time injuries.

INTEGRATION THE KEY TO SUSTAINABLE SUCCESS



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 oil and gas. 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.

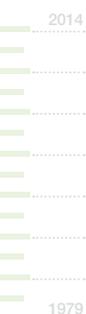
BMD Industrial, a division of BMD Constructions, is managed by a group of highly experienced industry executives who assemble professional project teams to deliver structural, mechanical, piping and electrical solutions for a diverse range of clients and industries.

BMD Urban is a specialist civil and building contractor to the urban development industry. The company draws on over 35 years of experience from within BMD Group and utilises robust management systems, delivery methodologies and a relationship based approach 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 metropolitan, regional and remote areas. Key services include planning and feasibility studies, road infrastructure design, flood studies, land development and services design, water quality and storm water management, structural engineering and shoring and foundation design.

JMac Constructions specialises in landscape construction including residential, commercial, industrial, public infrastructure, environmental rehabilitation and long term care and maintenance. From streetscapes, 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.

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.



OUR PEOPLE CREATE OUR FUTURE

At BMD, we value our people who underpin the success of our company.

In July, to coincide with the 35th year since BMD was founded, we recognised employees who have committed to 'The BMD Way' at the second annual Dare Awards.

The event was a great success with over 1,200 people attending from across the country to celebrate the exceptional talent and leadership at BMD.

Across six categories, 33 awards were presented - one for each of the five company values as well as the HSEQ Safety Award.

The special night showcased BMD's unique culture, and the loyalty and dedication of its people who strive for ongoing success.

Named after Mick Power's father, Dare, the BMD Dare Awards celebrate his legacy in helping to build BMD from the ground up. It's the qualities that he embodied which are acknowledged at these annual awards.

The word 'Dare' also reflects the approach our company has taken in constructing its legacy in a changing market and encourages us to question, innovate and embrace new challenges.



"On the back of last year's success, we continued the Dare Awards in 2014, using this as our major platform to recognise our people for their outstanding contributions and achievements."

Mick Power AM, Group Board Chairman and Managing Director

OUR VALUES

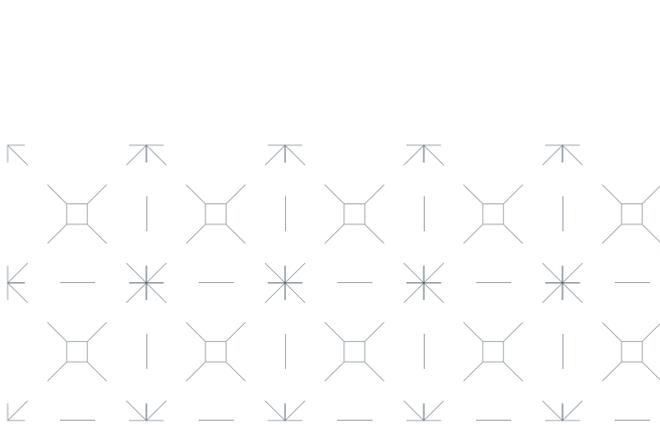
Family

Empowering

Determined

Collaborative

Striving to do better



STRENGTH IN LEADERSHIP

BMD's leadership team has a combined experience of 193 years in the industry. Members of the BMD Group Board provide the direction required to deliver continued growth and build a legacy for our staff, clients and partners.

This last financial year saw the appointment of Paul Fogarty to the Board of Directors at BMD. Paul brings a wealth of experience to the role with over 21 years of service to BMD delivering projects such as Tully Alliance, Dalrymple Bay Coal Terminal and 10 Queensland Rail (QR) Coal Rail contracts in Central Queensland. He was BMD's National General Manager of Infrastructure and will now take on the role of Group Executive Director – Construction.



“The projects I am most proud of would have to be the Robinson Road Open Level Crossing Elimination project in Queensland, the Port Capacity Project in Victoria and the rail work we are doing with Aurizon, which we have been a part of since 2004. On each of these projects safety has been number one and always will be a priority for us. The teams and quality of our people is why our results stand out year on year.”

Paul Fogarty, Group Executive Director - Construction

2014

1979



Mick Power AM
Group Board Chairman and
Managing Director

Craig Mortensen
Group Executive Director
- Chief Financial Officer

Scott Power
Group Executive Director
- Operations

Paul Fogarty
Group Executive Director
- Construction

Andy Marcos
Group Executive Director
- Administration, IR and Human Resources

CARING FOR OUR ENVIRONMENT

BMD is recognised for its commitment to constructing a sustainable and lasting positive legacy for the environments and communities in which we operate.

New Parallel Runway Phase 1: Civil Works Package, Brisbane, Queensland

BMD Constructions was engaged by Brisbane Airport Corporation (BAC) as the head contractor to deliver the \$46 million Phase 1 Civil Works Package for the New Parallel Runway (NPR) at Brisbane Airport. The civil package represents the first stage of an eight year program by BAC to build the runway and meet the capacity required for the long-term predicted growth into and out of Brisbane.

Preparation activities undertaken by BMD onsite included 360 hectares of clearing; fill and pavements for access roads; modifications to the cross runway system; establishment of a new grassland sanctuary for a 'near threatened' bird species; construction of a new drainage network including a floodway drain and outlet into Kedron Brook Floodway; and the associated excavation and treatment of over 300,000 cubic metres of acid sulphate soils.

Works undertaken landside were nestled between a number of environmentally sensitive areas including BAC's adjacent Biodiversity Zone, Moreton Bay Marine Park and nearby Boondall Wetlands and Moreton Bay.

During construction, a number of risks and impacts had to be managed and mitigated in order to safely deliver the project within the neighbouring environment. These included unpredictable ground conditions, widespread flooding rain and ground water issues.

The project's approach to protecting local fauna and flora, and the commitment displayed by the team, are testament to the project's due diligence and dedication to environmental management and the robustness of the project's systems and processes. BMD's work on the NPR Phase 1: Civil Works Package was awarded winner of the Environment category for the 2014 QLD Engineers Australia Excellence Awards in a joint submission with Brisbane Airport Corporation.

Key Outcomes

- » Utilising existing fire tracks and old roads instead of building a new network.
- » Rehabilitation and re-release back onto airport land of Lewin's Rail – a small bird listed as a threatened species in Queensland under the *Nature Conservation Act 1992*.
- » Inspired approach to protecting the Lewin's Rail by playing call backs (sound of the bird's call) prior to works commencing each day to ensure areas were clear of the species.
- » Installation of innovative temporary fauna bridges to allow animals to pass over water channels during clearing.
- » Artificial flushing of tidal channels that were temporarily closed for construction works, to keep mangroves and vegetation alive.
- » Installation of significant erosion and sediment controls, including 15,000 metres of sediment fencing to protect tributaries within the site, Kedron Brook Floodway and Moreton Bay.
- » Control, treatment and stockpiling of over 300,000 cubic metres of acid sulphate soils.

2014

1979

SAFE, ENGAGED, SUSTAINABLE WORKFORCES

ZERO HARM

A BMD HSEQ INITIATIVE

The safety of our people, environments and communities are our highest priority and BMD is committed to improving our safety culture, and striving to achieve the goal of 'Zero Harm'.

As part of BMD's commitment to the continuous improvement of systems and safety, we have launched a range of safety initiatives and delivered significant safety improvements over the past twelve months across the business.

The launch of the BMD Online Training (BOLT) system was an important safety initiative introduced across the business to ensure our people are equipped to understand the safety requirements and expectations of BMD.



BOLT is an online safety training system, developed by our own people, to meet the specific requirements of our staff and work environments. BOLT addresses identified key hazards in an accessible way, using online tools including audio and video. BOLT draws together safety processes nationally, into a single, convenient electronic format. Available 24 hours a day, BOLT allows staff to access safety training and support when convenient and needed. BMD will continue to develop BOLT to ensure the service remains responsive to the hands-on safety training needs of staff.

Each division of BMD delivered a Safety Improvement Plan earlier in the year to address BMD's core values of Health, Safety, Environment and Quality (HSEQ). Our HSEQ values underpin all aspects of the BMD workplace and the Safety Improvement Plans brought HSEQ to the forefront of all employees' minds. By elevating our attitude to HSEQ performance to make it a core value of BMD, we ensured that excellent HSEQ performance became non-negotiable and always a high priority.

"BOLT moves safety information from something on the shelf to being a vital tool on the belt."

Scott Power, Group Executive Director – Operations.



This year also saw the pilot series of BMD TV. Four editions were produced and screened quarterly during safety sessions across the country at the various project sites. The aim of BMD TV is to highlight key areas of achievement across the business with particular focus on workplace health and safety, project milestones and real life safety stories. It is also used to promote and educate BMD employees on our workplace health and safety culture.

In the coming year, BMD Group will take further steps towards our goal of 'Zero Harm'. A Senior Leadership Program, focusing on safety, will start, further prioritising safety to build a strong safety culture and deliver significant safety improvements across the business.

In times of increasing competitiveness, it is essential that BMD forge ahead with our plans of continuous safety improvement in order to strengthen our service offering.

Highlights:

- » Launched new BOLT system and BMD TV to provide valuable safety education and training to our people.
- » Delivered a series of Safety Improvement Plans aimed at communicating the BMD safety culture and ensuring our HSEQ values are prioritised across the business.
- » Continued to focus on the safety of our people, environments and our communities by assessing our systems and aiming for continuous improvement in order to achieve 'Zero Harm'.

DIVERSITY FOSTERS SOLID GROWTH

The diversity of BMD was central to the strong financial result for the 2014 financial year. Both the Urban and Construction divisions delivered robust financial performance across all regions for the financial year.

Going into 2014, we had a high level of confidence in the property sector. Based on this confidence, the Group increased its investment in the Northern Territory and Queensland regions and this created a catalyst for the growth of our urban businesses - Urbex, BMD Urban, BMD Consulting and JMac Constructions.

Underpinning our performance was the contribution of each urban business, both in their own right and in working together. The Urbex business experienced a strong financial outcome as a direct result of the collaboration between the businesses in all regions.

The performance of the teams on the Zuccoli and Johnston Ridge joint ventures in Darwin created two of our most successful projects. Capestone and Kalynda Chase in Queensland once again met all operational and financial targets through the efforts of the entire Urban team. We retain a very optimistic outlook for the outcomes of each of these projects.

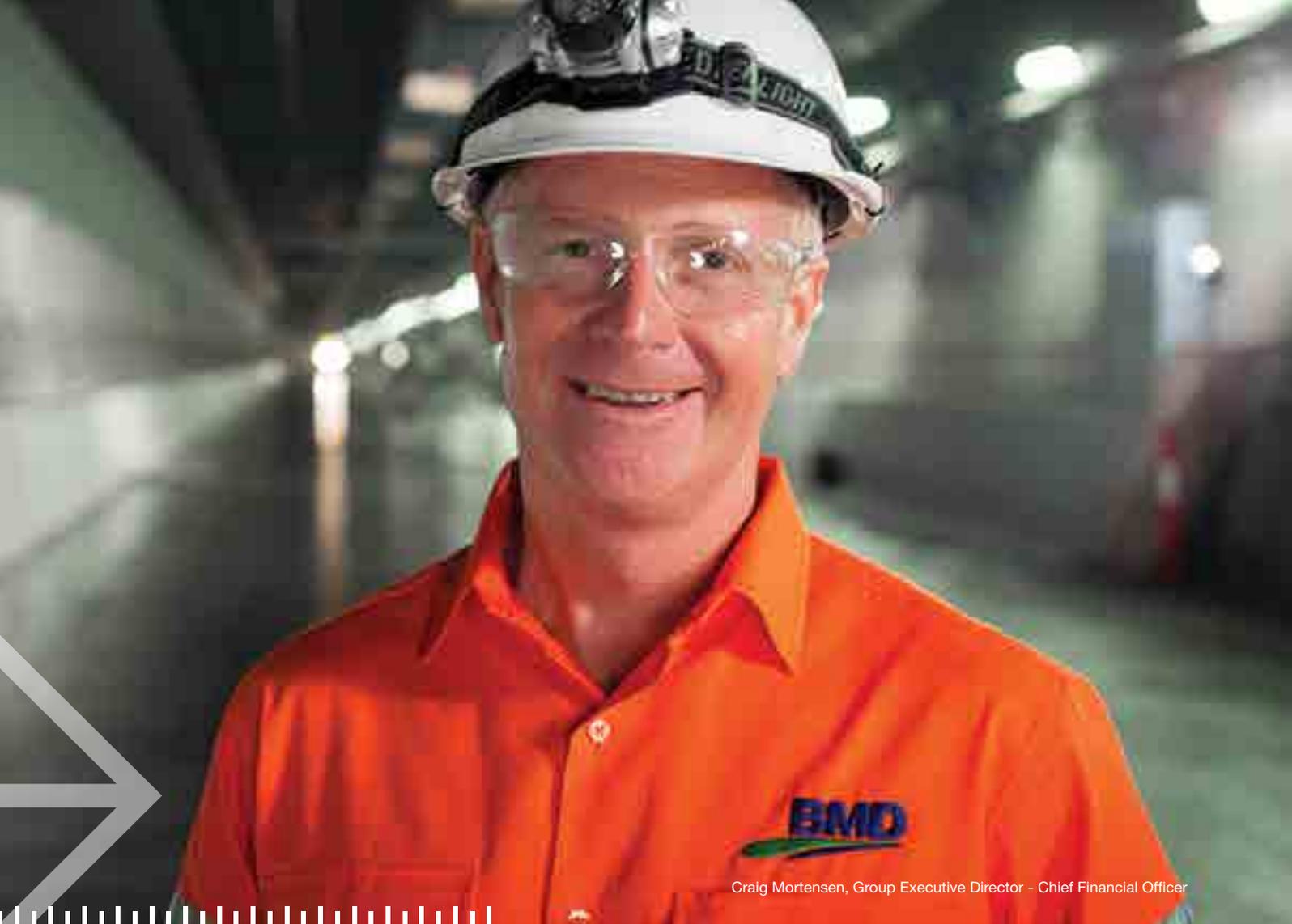
In our other property developments, the joint venture with Ausbuild in Redlands, Queensland once again produced positive outcomes for all parties involved while the Mandalay Joint Venture in Victoria continues to benefit from strong demand for residential land in the State.

In its second year of operation, BMD Urban continued to secure construction work across the national property sector. Based on long-term relationships, BMD Urban grew its project base and secured a significant forward order book for the next financial year. In particular, it was pleasing to see significant growth of the Northern Region business, which was highlighted by our recent milestone of 20 years in North Queensland.

The success of Urban in 2014 highlights the benefits of diversifying our capability, which resulted in mitigating financial risk in delivering residential subdivisions.

The infrastructure business this year experienced significant growth and opportunities in the Southern Region which offset the consolidation of the business in the Northern Region. While the impact of the cooling resources sector was felt in the construction industry, the South East Queensland Region was once again a significant contributor to our business success in 2014. Further south, the tender activity for Victoria, New South Wales and the Australian Capital Territory supports our optimistic outlook for growth in the short and medium term. The business continued its diversification strategy with project wins in a number of different sectors including oil and gas, ports, airports and rail, as well as the traditional transport sector. From a client perspective, diversification by sector further mitigates our risk profile, which was traditionally managed through geographic diversification.





Craig Mortensen, Group Executive Director - Chief Financial Officer

During the year, BMD further strengthened its balance sheet by securing an additional financier in our Syndicated Debt Facility and once again extending the term. We were also pleased to be able to increase our bonding lines, needed to support our growth forecasts.

Legal compliance remained an important focus and a review of our legal panel was completed during the year to enhance the effectiveness of our legal services and relationships with our panel providers. Back office processes were once again updated and improved with several efficiency measures undertaken to further reduce the cost of administrative and financial requirements for the Group.

Highlights

- » 20 years celebrated in North Queensland.
- » The residential sector was a key contributor to the success of the Group's performance.
- » Our resilience coming out of the last few years, following multiple natural disasters in our key regions and challenging financial times, is a testament to our strength and commitment.

“Looking forward, BMD Group is optimistic about growth in the markets in which we operate and our capability to utilise these growth opportunities to further strengthen our business.”

Craig Mortensen, Group Executive Director – Chief Financial Officer



OUR UNIQUE APPROACH

The development of the site reflects excellence in integration and the coordinated development management through each of the business units of Urbex, BMD Consulting, BMD Urban and JMac Constructions.

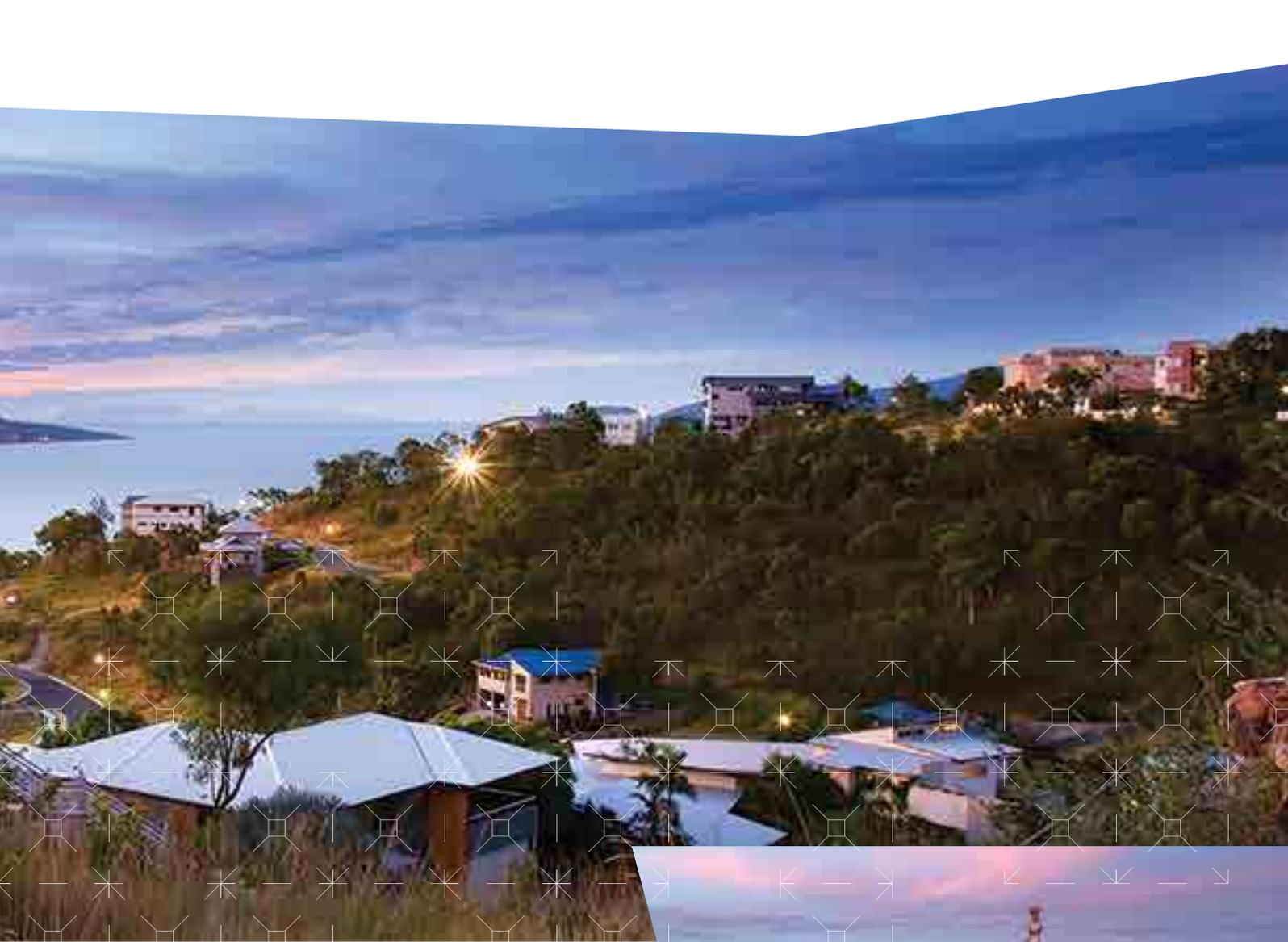
Situated in the foothills of Townsville's iconic and heritage listed Castle Hill, Yarrowonga Point's elevated position boasts panoramic views of the City, Cleveland Bay, Coastal Plains and the magnificent Magnetic Island.

Following 10 years of detailed design and stringent approvals for the prestige development site, stage one construction commenced in April 2014 on the heritage listed lot which adjoins the notable Castle Hill. Stage 1 featured five exclusive lots which were all sold 'off the plan' with an average sale price of \$400,000.

BMD Urban delivered the well-executed and compact construction program in what was a challenging and confined construction site, with steep slopes and high community interest.

Fostering our total package capability, JMac Constructions undertook the landscape work in June 2014, complementing the natural attributes of the site. The provisional heritage listing on Lot 358, which had been in place since 2003 was subsequently lifted with the completion of the work.

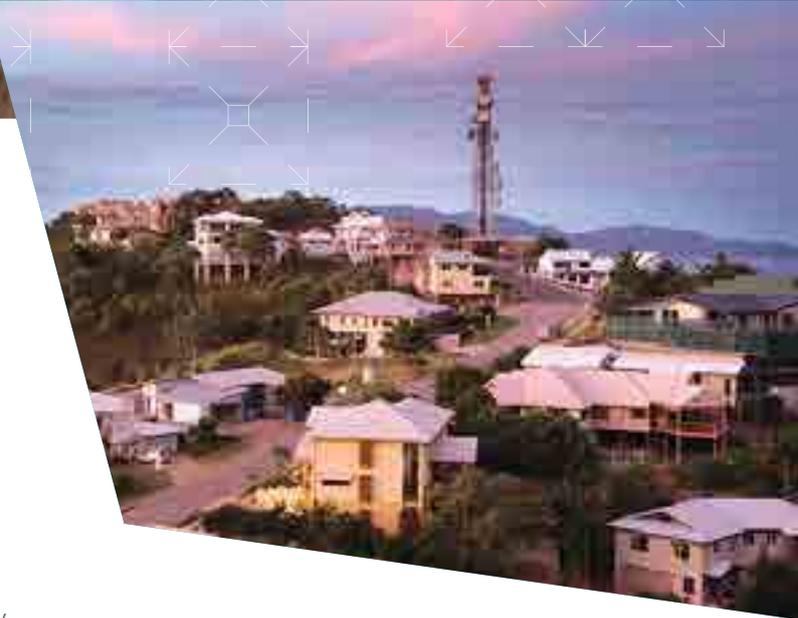




The development of the site reflects excellence in integration and the coordinated development management through each of the business units of Urbex, BMD Consulting, BMD Urban and JMac Constructions. We continue to use this approach in our work, utilising the vital communication link that is often missing in major projects and we can trust and expect the quality of product to be delivered at the highest standard - BMD's standard.

This coordinated approach is flowing throughout the business and into the full design of Stage 2 of the development which is scheduled to start in April 2015.

All design and construction elements are being collectively finalised by a specialist team from the business units of Urbex, BMD Consulting, BMD Urban and JMac Constructions as part of a value engineering and urban design approach. This has resulted in innovations and has given us the opportunity to develop 33 allotments whereas only 22 allotments had previously been identified, maximising potential for the development.



ROBUST PERFORMANCE

Although the construction industry has faced some challenges over the past year, we have demonstrated our strong operational capability and ability to achieve positive business outcomes despite the market downturn. We continued to deliver robust performances across our operations from a number of high profile projects in both traditional and new sectors and regions.



A major focus was the investment in our people to develop and increase our capability across the Group, to ensure our teams remain strong and can support the delivery of major projects as opportunities for new work present into the future.

The safety of our people is of paramount importance and over the past twelve months, we have implemented a range of significant safety improvements to ensure we continue towards our objective of 'Zero Harm'. We have rolled out initiatives across the country, developed as part of our Safety Improvement Plans, to ensure the cultural expectations of the business are communicated and drive sustained improvement in our safety performance.

As well as investing in our people, we maintained our commitment to BMD's integrated service model building on our relationships with our clients, stakeholders and strategic partners. Our relationship focussed business model is what sets us apart from our competitors and enables us to achieve seamless and cost effective project delivery and repeat business.

Whilst BMD is predominantly recognised for its strength in the delivery of transport infrastructure, we also bolstered our capability in non-traditional sectors, including ports, oil and gas, airports and resources. This diversification reaffirms BMD as an industry leader and confirms our commercial sustainability within the market.

The expansion of our operations to include Western Australia, through the Perth office, represents a significant commitment and creates a platform to seamlessly deliver services across the country.

We can now perform for our clients and partners across metropolitan, regional and remote areas and mobilise quickly to deliver work in logistically challenging locations.

BMD Constructions continued to demonstrate the strength of our leadership, experienced and effective teams and robust management systems, by securing a range of new infrastructure projects across all regions. Projects such as the Camden Valley Way Upgrade in New South Wales and the Port Capacity Project in Victoria, provide a solid platform to continue to grow our capability within the Southern Region, which will be a significant contributor to our construction business in coming years.

In the Northern Region, Legacy Way continued to be BMD's flagship project, which is a credit to the strength and capability of our people, and to our operational capacity, systems and processes.

BMD Constructions' Industrial division built upon the major successes achieved on projects at Caval Ridge Coal Mine, Ulan West Underground Coal and Action Fuel System Upgrade to identify opportunities across the resources, energy, water and wastewater sectors. We look forward to continued success from this division over the coming year.

Broadly, across BMD Group's businesses, it was a productive and progressive year with our key business units continuing to provide a valuable and integrated service offering for a range of key and repeat clients.



“I have enormous confidence that the teams we have will continue to meet and exceed the expectations of our clients – and create further opportunities to achieve sustainable growth and help BMD continue to construct a legacy.”

Scott Power, Group Executive Director – Operations.

Highlights

- » Investment in our people, safety and the regions in which we operate.
- » Strengthened our capability in ports, oil and gas, airports and resources.
- » Opening our Perth office allowing us to establish a truly National footprint.
- » BMD Constructions wins major infrastructure projects across the country.
- » Integrated urban delivery model servicing key clients.
- » Indigenous engagement providing opportunities for Aboriginal and Torres Strait Islander communities we operate in.

BMD Urban experienced strong growth across the country as the residential property market returned to more normal operating conditions. Among the project highlights for the business were repeat projects for clients including CIC, Defence Housing Australia, Stockland, Mirvac, Australand, MAB, Ausbuild and Amex Corporation. As activity increases, BMD continues to have the resources and capacity to deliver a large number of urban projects for our clients with accelerated completion timeframes.

BMD Consulting played a key role servicing our business unit's integrated projects, while also realising strong results with external clients including the Logan City Council, Ergon Energy and Brisbane Airport Corporation. Support of regional markets was also strengthened through the establishment of a full time presence in our new office in Emerald, Queensland.

The property market continued to gain momentum with the team at Urbex contributing extensively to this growth with residential and commercial development projects in the Northern Territory, Victoria and South East Queensland.

Our landscape construction business, JMac Constructions, continued to deliver high profile projects across a number of markets, delivering projects independently whilst also complementing the deliverables of both our Construction and Urban business units with key projects in Victoria at the Melbourne Zoo and Springfield Land Corporation in Queensland.

BMD continues to focus on increasing our commitment to Indigenous engagement across the Group. We have extensive experience working in regional and remote areas and within Aboriginal and Torres Strait Islander communities, and our policies, plans, initiatives and training programs support our commitment to provide equal opportunities. Over the past 10 years, we have worked in partnership with Indigenous businesses to promote local Aboriginal and Torres Strait Islander employment, training and development. We are committed to involving local communities and will continue this legacy with new initiatives to build on our commitment to the communities in which we operate.

Looking forward to the coming year, we anticipate significant growth in response to our considerable investment in our people in all regions. We will continue to develop strong capability and connections, and operate collaboratively with our clients to deliver better outcomes: reducing risk, improving value for money and supporting business relationship longevity.

LAYING FOUNDATIONS



Our construction operations have delivered significant business outcomes through a range of diverse and complex projects across the nation and have established a platform for future success through our people, capability and commitment to 'Zero Harm'.

Market conditions across our key transport infrastructure segment presented challenges to the business which we were able to successfully navigate by maintaining a strong focus on our clients' requirements, identification and management of key risks and use of our values in guiding our teams towards the required outcomes.

We continued to diversify our operations across market segments with projects delivered across transport infrastructure, resources, oil and gas, ports and airports, rail and industrial areas.

Our pursuit of projects in new sectors was successful with the award of our first LNG project in the Northern Region, the \$28 million APLNG Combabula Gas Processing Facility in Yuleba. Our first foray into work in the Surat Basin sets the platform for diversification in our construction business and will set the precedent for projects to follow in the years ahead.

Geographically, the establishment of a permanent presence in Western Australia completes our national footprint and allows us to pursue growth opportunities for the Group in the region, together with the ability to service our clients consistently through our network of offices around the country.

A number of key projects in the Northern Region achieved completion and others made significant progress towards successful outcomes throughout the year. Our teams successfully completed works at the Wiggins Island Coal Export Terminal on packages GC07 and GC08. Similarly, projects with other resource clients in BMA and Bechtel reached completion at Caval Ridge and Hay Point. Both of these projects included significant increases in scope as a result of our teams and the proven ability to meet and exceed performance expectations set by the client.

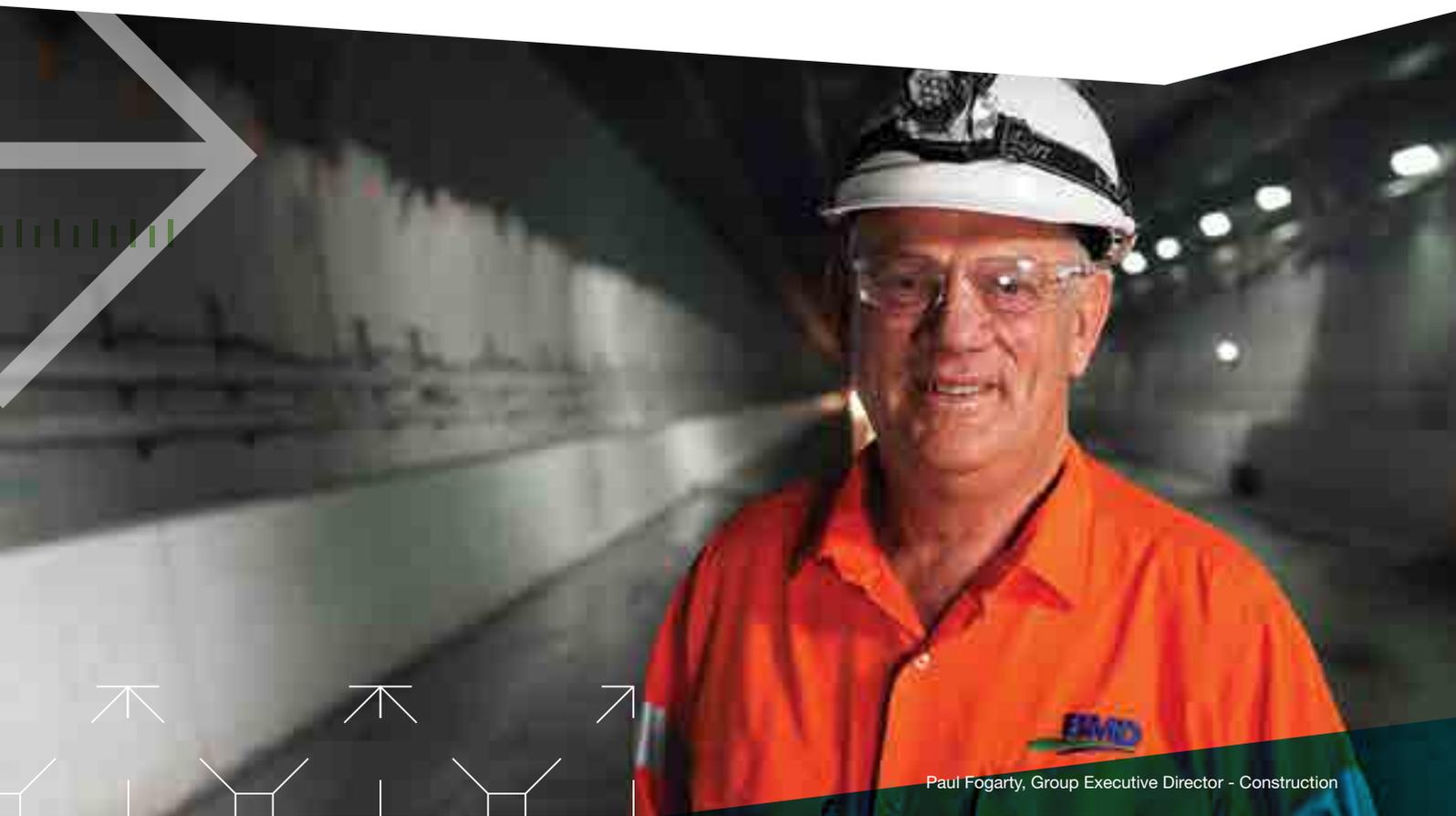
The Robinson Road Open Level Crossing Elimination project, delivered in partnership with Brisbane City Council and SMEC, achieved a significant milestone in the opening of the overpass structure to traffic well ahead of program. In North Queensland, the Cairns Bruce Highway Upgrade project achieved completion again ahead of program and our team delivered outstanding results for our client, the Department of Transport and Main Roads. This was recognised by the industry through the CCF Earth Awards in Queensland. Through the delivery of these projects, we have utilised relationship contracting, demonstrating our commitment to collaboration with our partners and clients and to mutually beneficial outcomes.

At Brisbane Airport we continued to facilitate the development of the precinct for BAC with packages of work for the New Parallel Runway and aircraft apron expansion. These works included airside and landside projects and, together with the RAAF Base Amberley - National Airfield Maintenance contract for Defence, showcases our ability to self-perform heavy duty concrete and flexible pavements within the controls of secure operating facilities.

The expertise of our team was recognised in the delivery of our largest project, Legacy Way, through the International Tunnelling Award 2013, Major Tunnelling Project of the Year (over \$500m) Award to the Transcity Joint Venture. BMD provides the majority of the Senior Management Team on this project, which is being delivered using BMD management systems and processes. This project showcases the strength and capability of our people, systems and processes in the delivery of iconic Brisbane infrastructure.

In our Southern Region operations, we have been able to build upon our efforts to establish strong leadership, experienced and effective teams and the implementation of robust management systems and processes by securing a number of new projects. Camden Valley Way – Cowpasture Road to Ingleburn Road, the Narellan Road Upgrade – Stage A and the Terrigal Drive Upgrade at the intersection of Charles Kay Drive and Brunswick Road, each represent the opportunity to demonstrate the capability of our business and our project teams in the region and to further enhance our reputation for performance. New South Wales is an important market for our business and we continue to provide the resources necessary to meet the growing demand in the region.





Paul Fogarty, Group Executive Director - Construction

For VicRoads, we continued to successfully deliver on projects across Victoria including the Stud Road Duplication and Princes Highway West – Waurn Ponds to Winchelsea. We secured the initial Roads and Services Package at the Port Capacity Project at Webb Dock which provided an opportunity to develop a strong working relationship with the Port of Melbourne Corporation and positions us well for opportunities in the future. We expect that much of the opportunity for growth in our construction operations for the coming year will be driven through our Southern Region.

Our Industrial team continued to offer clients excellent value-for-money engineering solutions in both the Northern and Southern Regions. Work in Moranbah Queensland saw over \$55 million worth of complex work including civil, structural, mechanical, piping and electrical all completed in a condensed timeframe and above client expectations. The Ulan West Boxcut Services Infrastructure project in Mudgee, New South Wales was also recently completed and saw increased productivity for the client whilst achieving an outstanding safety record.

We remain committed to our objective of 'Zero Harm' across our construction operations and throughout the year our teams have worked closely to develop Safety Improvement Plans that are being implemented across the country. These plans are a key initiative in driving the cultural and performance expectations of the business and ensuring the improvement achieved in our health, safety, environment and quality performance over the past year continues into the year ahead. Over the past 12 months, our Northern Region construction teams did 2.2 million man hours and reduced our 12 month rolling average LTIFR from 2 down to 1.2, a great achievement.

It can be seen through our many achievements that the business continues to draw upon our values, culture and people in the delivery of exceptional outcomes for clients, partners and the business itself. These attributes combined with the strong leadership in our business ensure that we continue to build a legacy for ongoing success into the future.

Highlights

- » Diversified into new sectors and markets including oil and gas and Western Australia.
- » Significant increases in scope for the Caval Ridge and Hay Point projects.
- » Delivered strong performance in operating airside environments.
- » Road, highway and port infrastructure capability strengthened in our Southern Region.



CAPABLE PARTNERS

BMD Constructions offers a relationship-based brand of civil, industrial and urban construction services to a wide range of clients and industries. We have successfully delivered a number of 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 for projects including the award winning Robinson Road Open Level Crossing Elimination Project in Queensland, the Wedge Street Pedestrian Bridge and the M80 Ring Road upgrade project in Victoria as well as the Kapooka Bridge and Camden Valley Way in New South Wales.

TUNNELLING

As we continue work on the international award winning Legacy Way project in Brisbane, we are reaching a number of milestones as the underground journey is coming to an end. The Legacy Way project continues to be recognised on the global stage for its outstanding performance in tunnelling and construction efforts winning the Environmental Mitigation Award at the 2014 International Road Federation Global Road Achievement Awards and the Infrastructure Award at the 2014 International Association of Public Participation (IAP2) Awards.

URBAN DEVELOPMENT

BMD has a relationship with the urban development industry that began at the company's inception.

Last year, BMD strengthened services offered in the urban development industry. Key highlights included projects such as Capestone, north of Brisbane; Zuccolli, Johnston Ridge and The Heights in the Northern Territory; and Moncrieff East Package in Canberra.

RESOURCES AND ENERGY

We deliver successful projects across all stages of the resources supply chain and last year marked significant milestones for a number of our projects, including the completion of Hay Point Expansion in Mackay, and the Wiggins Island Coal Export Terminal GC07 and GC08 in Gladstone, Queensland.

PORT AND MARINE

BMD has extensive experience delivering terminal expansions, wharf refurbishments and ocean outfalls.

The key highlights for our ports and marine offering was the completion of Hay Point Expansion in Mackay, Queensland and the delivery of the Port Capacity Project for Port of Melbourne.

Set on one of Australia's most picturesque lookouts, Melbourne's Port Capacity Project displays our future in state-of-the-art Port and Marine facilities. This essential piece of infrastructure is nestled close to communities and businesses and sparks the interest of wider Melbourne. With the experience and collaborative approach on which BMD thrives, the project team able to deliver key road network connections including the Westgate Bridge which spans over the Yarra River and is today one of the busiest road corridors in Australia. Investing heavily in the provision of buffer zones to protect and enhance the amenity of nearby residents and local communities, it allowed opportunities for the Group with BMD's own JMac Constructions undertaking the buffer zones work.





AIRPORTS

Security, safety and logistics are major factors during work on our airport projects. We continue to demonstrate seamless work under some of Australia's most strict security measures and beside the world's most powerful airplanes, while operating terminals are at full capacity.

BMD has undertaken multiple projects for Brisbane Airport Corporation (BAC) and we have fostered an excellent working relationship. We have a clear understanding of airside protocols which assisted in the \$50 million Civil Works Package for the New Parallel Runway at Brisbane Airport delivering a superior haulage network for the project, enabling accelerated productivity.

BMD completed work on the RAAF Base in Amberley, Queensland with the New Parallel Runway Reclamation Works, involving upgrading and renewing existing runways, taxiways, aprons and significant work to airfield lighting systems. Work on the RAAF Base was completed ahead of time and experienced significant cost savings for the client through construction innovation.

RAIL

BMD has a broad range of experience working in live rail environments.

Key highlights included the successful delivery of various Queensland Rail projects with Aurizon and Bauhinia Rail Segment 5.

INDUSTRIAL

Our Industrial business delivers structural, mechanical, piping and electrical solutions.

Industrial have been awarded a Defence Fuel Infrastructure project in Sydney and will continue to focus on the resources, water and wastewater sector into the future.

BUILDING

Our experience includes the delivery of a wide range of projects throughout Australia.

Major highlights include our work on the Rundle Mall Commercial Development, the BAPS Swaminarayan Temple and the Smithfield Substation in South Australia.

DEFENCE

BMD has project teams who understand the safety and security requirements of working within established defence facilities.

We continue to deliver the Defence Logistics Work Package 2 for Leighton Contractors and works wrapped up at the RAAF Base Amberley project in Queensland.

WATER AND WASTEWATER

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

Our national footprint of resources across Australia enabled the East Nogoia Water Treatment Plant, located in Emerald, Central Queensland to use BMD Consulting's accomplished professionals to provide direction on the construction of a major water tank concrete pour, ensuring high quality service was delivered for the \$33 million water treatment plant. This expertise was only able to be provided by BMD, who were also located in the regional town.

OIL AND GAS

BMD Constructions, internal business systems, including HSEQ performance, has been assessed by Achilles and a full audit report and amalgamated score is available on the Achilles website.

Achilles creates and manages a global network of collaborative industry communities, allowing trading partners to share high quality, structured, real-time data using an online database, providing insightful information for buyers and suppliers.

Our diverse experience coupled with our offices in regional locations provides local support in our pursuit of coal seam gas projects and we are particularly proud of our outstanding work on the Australia Pacific LNG (APLNG) Combabula Gas Processing Facility project in 2014.

TRADITIONAL STRENGTH CONTINUES

Our second year of operation as BMD Urban has seen our continued focus on client relationships in our traditional markets of urban land development. Associated smaller infrastructure projects produce consistent results for our growing client base.

During the year, we were awarded 99 contracts ranging in value from \$200,000 to \$50 million. A snapshot of some of these projects across the country is presented to demonstrate our diverse capability.

In South East Queensland, our feature projects are the Gold Coast Parklands for the Commonwealth Games Village with Grocon and Cardno along with the first stage of the 7,000 lot project, Providence Estate with Amex at South Ripley. Brisbane Airport Corporation continues to engage BMD Urban and BMD Constructions to deliver the full spectrum of their project requirements.

Our North Queensland business delivered both urban land development and smaller infrastructure projects for our state and local government clients including The Village Estate for the Department of Economic Development and multiple overtaking lane projects for The Department of Transport and Main Roads.

Our national presence, capability and resources enable us to deliver a consistent and high quality standard of service to our client base across all the States and Territories and the regional locations in which we operate. We are continuing our long term relationship with CIC Australia in Darwin through ongoing construction of The Heights in Durack.

Victoria has established new client relationships based on over 15 years of service to the local urban development industry. Our focus on high quality project performance and exceeding our goals with respect to safety, program, cost and quality are reflected in our work at Merrifield, a 4,000 lot community being developed with MAB Corporation and Gibson Property Corporation and also works in Geelong at Bellarine Lakes Estate.

In New South Wales, we have renewed our relationship with Australand, a relationship that can be traced back to BMD's first client in 1979, Hooker Rex, and are focussed on significant growth in the strong New South Wales' urban development market. The diversity of our capability is evident in successful building projects undertaken in South Australia including the BAPS Swaminarayan Temple, Rundle Mall and Whyalla Airport.

Stockland and Defence Housing Australia are two national clients for whom we strive to deliver the same high standard of service across the country. They are also amongst a growing number of developer and infrastructure partners who recognise the strong national commitment we have to safety and our commitment to 'Zero Harm' throughout our business.





Our values of family, empowering, determined, collaborative, and striving to do better are demonstrated daily across the business. We believe this is validated in the outcomes achieved during the year and is a significant factor in BMD Urban obtaining 67% of our contracts from repeat business clients during the year. With strong market demand in most regions, our clients know they can rely on BMD Urban to deliver their projects in the shortest possible time, enabling land settlements to be achieved without delay or fuss.

Our mobile workforce and the geographic spread of our operations ensure we can respond to the needs of our clients through short-term and long-term peaks in their levels of activity. This has been demonstrated in the past year with our employees moving between Victoria, South East Queensland, North Queensland and the Northern Territory to support our clients with construction team members who are skilled and well equipped to deliver all aspects of their project.

Our aim is to continue to grow our client base through performance that encourages repeat business enabling us to showcase the benefits that BMD Urban offers across the spectrum of urban development and associated infrastructure projects.

Achievements to highlight this year include:

- » Over 1,500 residential lots awarded – the equivalent of a 30 lot subdivision every week.
- » 67% of contracts awarded are repeat business clients.
- » 500+ employees operating across six states and territories from nine offices.
- » Design and construct offering to local councils.

FLEXIBLE AND DELIVERING QUALITY OUTCOMES



“Thanks to those clients who have given us the pleasure of working with them on their projects, and thanks to everyone in the BMD Consulting team for their resilience and dedication this year and for your tireless commitment and loyalty to the BMD family.”

**Matthew Beggs, National General Manager
BMD Consulting**

2014

1979



In a consulting engineering services market that increased in competition as the year progressed, BMD Consulting's flexibility enabled us to remain competitive and increase our diversity.

Previous upswings in markets have seen clients taking their eye off cost control, as they focussed more on getting projects completed quickly and seemingly to the highest possible standard. This cycle is different, with clients seeking to generate savings across their projects, whilst still delivering quality outcomes.

BMD Consulting responded with a heightened focus on scope to ensure that we deliver outcomes in the most cost effective way possible, both at the design stage and more importantly, the construction stage. Client focus, up-front attention to detail, customised solutions, scope management and a cost control emphasis has ultimately developed a stronger BMD Consulting team that delivers projects better than others.

A key milestone for the year was the delivery of complex stages of the Capestone residential development, a master planned community in northern Brisbane. Substantial engineering design challenges were addressed throughout the completion of Stages 4, 5, 6 and 7 in the southern catchments of the development. Focus remains on this project to ensure that approvals are in place for next year's delivery program.

The Zuccoli development in the Northern Territory continued to power ahead. To date, we have received approval for our master planning of more than 400 lots and the detailed design of more than 250 lots. Zuccoli is a new suburb under construction in Palmerston's south east and will continue to produce significant outcomes in 2015.

Maintaining a focus on collaboration between BMD Consulting and other BMD Group companies brought benefits across land development and infrastructure projects. Most notably Capestone, bringing together Urbex, BMD Urban, JMac and BMD Consulting, and the Cusack Lane design and construct, bringing together BMD Urban and BMD Consulting, each delivered projects in compressed timelines with good outcomes. The vertically integrated offering of the BMD Group is unique and can deliver special results.

Following the successful completion of a range of design and construct projects over the past few years, BMD Consulting has demonstrated strong capability in this area.

Roads and Carparks

- » **Logan City Council**
Cusack Lane - three kilometre upgrade and Jimboomba carparks
- » **Brisbane Airport**
Banksia Place Carpark, Drainage and Road Diversion, Skygate Pedestrian Crossings, Pandanus Avenue Carpark, Gahnia Street Carpark

Mine Site Work

- » Caval Ridge - Early Works Package
- » Secured Site Work
- » Amberley Airport (Water Main Diversion and Facilities Setup)
- » Department of Defence (Townsville High Range Training facility)

We also saw our operation in Central Queensland continue to grow, following the opening of our new office in Emerald last year – servicing projects across a number of Central Queensland towns including Emerald, Biloela, Monto, Mundubbera, Dalby, Kingaroy and Cunnamulla.

Despite volatility experienced by the resources sector, we maintained a good presence in the market through projects for the BHP Billiton Mitsubishi Alliance (BMA) at Moranbah Airport and also at their mines at Broadmeadow and Daunia Coal Mines, west of Mackay.

BMD Consulting is committed to the resources sector and will maintain our industry capability long term. Our Emerald office provides a good springboard location into future resource projects in the Galilee and Bowen Basin areas.

During the past year, we have increased our mid-level design capacity, so as to improve our design efficiency and increase our ability to take on more design related projects. Coupling this with a focus on a working culture that reflects the values of the company means that our team is performing well.

BMD Consulting has a strong pipeline of projects in front of us. In the coming year, BMD Consulting will continue to maintain relationships and build new ones, deliver quality outcomes for our clients, invest in our talented team and enjoy doing it.



DELIVERING ON OUR PROMISES

It's been a busy year for the JMac team as we continued to cement our reputation in the landscaping market. This remains underpinned by our strong capabilities, diverse expertise and long-standing client relationships. Alongside our more traditional capability, we continued to diversify ourselves and have taken our expertise to new markets and regions, adding to our growing portfolio of work.

Our Northern Territory offering continues to flourish with the delivery of key milestones for Johnston Ridge, Zuccoli and Muirhead residential developments.

We fostered BMD's integrated strategy and engaged with the entire urban development supply chain. Our collaborative approach has enhanced our value proposition because we can capitalise on innovations, reduce risk and build a stronger legacy for our people, clients and partners.

JMac Constructions was awarded the Brunswick Street Mall Upgrade in Fortitude Valley, Queensland by Brisbane City Council in 2014. The project had a delivery timeframe of six months, with completion coinciding with the G20 Summit in Brisbane in November 2014. The work was staged to maintain pedestrian access to the mall and shop frontages.

Works were completed on the Whites Hill Sporting and Recreation Reserve for Brisbane City Council and our exceptional performance on this project was recognised through the award of additional work.

As a result of the successful delivery of Robelle Domain Stage 1 in Springfield Lakes, Ipswich City Council has awarded JMac Stage 2 of the project. The \$12 million Stage 2 consists of a 4,000m² lagoon swimming pool and will be one of the largest public lagoon-style swimming pools in Australia.

A key highlight for the year has been the award of Noosa Junction Stage 2 in Queensland, which involved the installation of public art, new pavements, road crossings, minor stormwater upgrades and feature lighting.





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 called a challenging market. To achieve this, is a strong testament to our skilled, determined and dedicated team. We look forward to developing a strong platform that will help us to construct a legacy into next year and well beyond.

Jason Lindsay, National General Manager, JMac Constructions.

Stockland has awarded JMac additional stages of work due to outstanding performance on previous stages at The Greenspine Park master planned development in Townsville where construction is progressing well.

Other Queensland project wins include the All Abilities Playground for Brisbane City Botanic Gardens, Robinson Road Open Level Crossing Elimination project contracting to BMD Constructions and the development of The Southport School's (TSS) main ovals.

We have also commenced work on the \$8 million landscaping contract for the Port Capacity Project in Melbourne where we are working alongside BMD Constructions' civil work contract. The Port Capacity Project is the largest single stage project undertaken by JMac in Victoria to date.

As a result of the successful delivery of a new Meercat Enclosure for Melbourne Zoo, JMac has been awarded another contract for the Melbourne Zoo Predators' Precinct, which involves new viewing platforms, new areas for lions, African wild dogs and a new state-of-the-art education centre.

In other areas, construction work has commenced on the Casuarina Coastal Walkway Upgrade in the Northern Territory, where our expansion into the north continues with our Darwin operations growing to meet the demand in this flourishing region.

Other key projects across the country for the year include the completion of Colleges Crossing flood repairs, Bulcock Street Stage 2, Port Connect, Zuccolli Stage 1, DHA Rassmussen, Northshore Discovery Park, Cairns Bruce Highway Upgrade, Lake Hamilton All Abilities Playground, Melba Park Stage 1 and Mandalay Stage 5 Reserve.

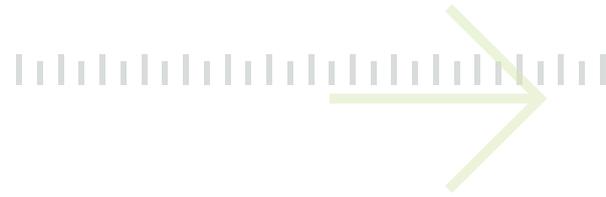
We are constructing a legacy for the communities not only through our business operations but by taking time out to give something back as individuals. A contingent of the JMac team volunteered time and resources to improve the Endeavour Centre in Mackay working over the weekend planting gardens, installing new fences, painting old furniture and building seat retaining walls around large established trees.

Our performance over the past twelve months is attributed to our strong culture and commitment to enhancing our local communities.

Highlights

- » Diversified into new markets and regions.
- » Delivering landscaping for the Port Capacity Project in Melbourne, which is the largest single stage project undertaken by JMac Victoria to date.
- » Additional stages awarded on Greenspine Park due to outstanding performance.

CREATING SUSTAINABLE COMMUNITIES



At Urbex we are entering the next financial year with the highest level of confidence in the national land sector since the Global Financial Crisis in 2008 or the previous property boom in 2007. Trading conditions and consumer sentiment continue to shift and low interest rates have maintained strong interest in the housing sector.

The recovery of the sector continues to be geographically specific and driven, in a large part, by regional economic factors such as supply. We maintain a degree of caution in certain geographic corridors across the nation.

Urbex has been able to increase sales momentum and profits across our projects in the 2013/14 financial year. This is because of our strong consumer focus and excellent working relationship with our building partners, resulting in the ability to offer competitive housing packages direct to consumers.

The Urbex team continued to deliver key residential developments throughout the 2013/14 financial year.

The final stage of Johnston Ridge in Palmerston, Northern Territory, has achieved a major milestone with this phase of development completed three years ahead of schedule and released to market for sale. It has received an overwhelming response from the start of the project with many people wanting to call the new development home.

In addition to land releases at Johnston Ridge, the Palmerston residential market continues to boom. Zuccoli's Stages 3 and 4 will boast a future primary school and local shopping centre. Phase 2.1 of the development will also see a further 77 lots constructed and titled by Christmas 2014. This stage also includes a park valued at \$1 million, which will be delivered in collaboration with BMD Constructions and JMac Constructions.

There are limited lots remaining in Stage 10 of Kalynda Chase and Yarrowonga Point in North Queensland has continued its momentum with five lots sold from Stage 1 since launch in March. BMD Consulting is in full design phase of Stage 2 with construction commencing in April 2015.

The Mandalay project in Victoria continued to deliver consistent sales results throughout the year. We also completed the eighteen-hole championship golf course and sold in excess of 440 lots before the end of the second financial quarter for the project.

The Urbex Home Select website was launched earlier in the year, which offers an easy search tool for potential buyers interested in a house or land in either Queensland or Northern Territory. The site features our developments including Zuccoli, Johnston Ridge, Capestone and Kalynda Chase.

The Capestone project dominated sales earlier in the year with all completed stages selling out.

In line with our long-term vision to help deliver more affordable housing solutions, Urbex also sold 19 residential dwellings under the Northern Territory affordable housing scheme for low-income earners.

Over the coming year, our acquisition focus will increase, driven by improving market conditions and identified supply issues in a number of geographic corridors. Our preferred growth strategy continues to be as a Joint Venture partner of Government or the private sector utilising the full array of integrated development delivery capabilities within BMD.

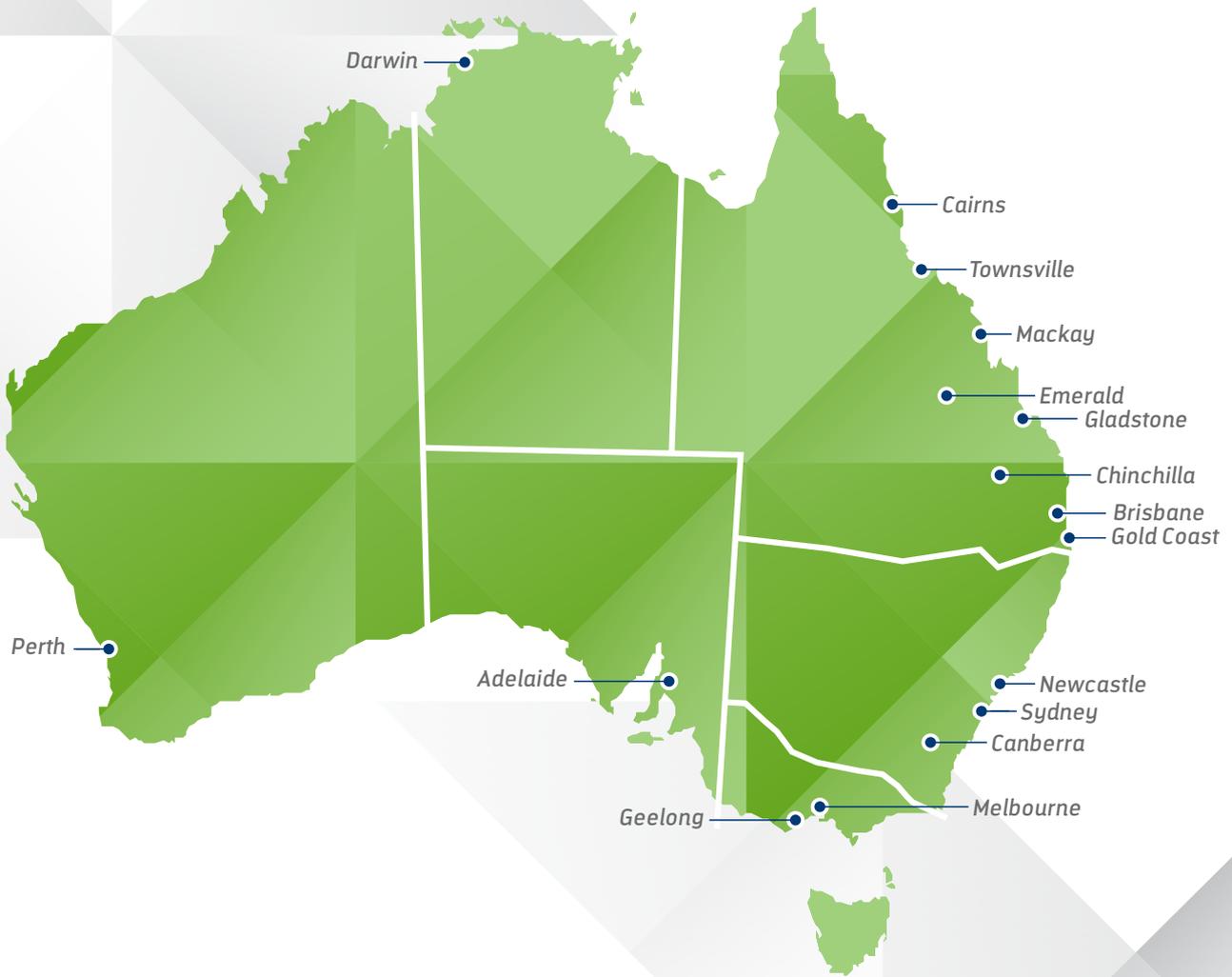
Highlights:

- » Increased sales momentum across all residential developments.
- » Strong delivery in the Northern Territory.





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CONSTRUCTING OUR LEGACY

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With approximately 1,700 staff throughout Australia, BMD has the resources and experience to deliver projects ranging in size from \$1 million to over \$1 billion.

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