

Hebel
for future living



CSR Limited – Analysts
Tour

Overview Presentation
Hebel Australia

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Contents



- What is Hebel
- How does Hebel fit within the CSR Building Products portfolio
- Where is Hebel used what are the growth strategies
- What is the Somersby Site Strategy
- Other opportunities for Hebel
- Site Background / History

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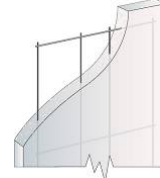
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What is Hebel®



- CSR Hebel is Australia's primary manufacturer of aerated autoclaved concrete (AAC) - a non toxic, lightweight masonry material which provides the benefits of traditional concrete but with significant additional benefits:



- **Reduced labour costs** – lightweight panels allow for faster construction times and no wet trades whilst maintaining a solid "feel"
- **Improved thermal insulation** – Reduces cooling/heating costs
- **Non Combustible** – Fire ratings up to 4hrs
- **Enhanced acoustic characteristics** – provides excellent sound dampening qualities in excess of other lightweight materials – particularly relevant for growing trend towards medium density living
- **Reduced environmental load** - 30% less energy use in comparison to like products... the only cladding to have the Good Environmental Choice Label

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Part of CSR building products portfolio



- CSR Hebel is an excellent complement to CSR's leading portfolio of building products brands.
 - **Full suite of energy efficient products** - Hebel is a natural complement to CSR's other energy efficient building products (e.g. insulation, glass etc), providing customers a full range of solutions.
 - **Capacity to influence at design level** – Provides enhanced value proposition to designers, specifiers as opposed to just a 'finished good'.
 - **Enhanced marketing capacity** – Marketing in conjunction with other CSR building products – e.g. Bradford, Gyprock

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INDUSTRIAL CHOICE
APPROVED

Part of CSR's residential brand portfolio

Performance Systems

- EDMONDS
- Viridian
- Bradford
- Hebel**
- röcore

Bricks & Roofing

- MONIER
- mySTEEL
- IPGH
- WUNDERLICH
- topcoat

Lightweight Systems

- cemintel
- GYPROCK
- FRICKER

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INDUSTRIAL CHOICE
APPROVED

Part of CSR's commercial brand portfolio

Viridian

FRICKER

cemintel

röcore

alutri

Hebel

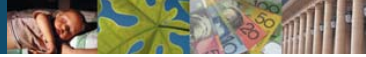
Bradford

GYPROCK

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CSR Hebel Systems



- Segment Diversification is key to sustained growth...
 - **Hi Rise Residential Apartments** – Increasing the usage per building (internal walls & external façades)
 - **Low Rise Residential Walls** – Increase usage amongst project home builders & aged care developers
 - **Residential Flooring** – Leverage changes to energy legislation to grow flooring market share
 - **Commercial / Industrial Buildings** – Gain specification based on high Performance, easy to install, lightweight solutions e.g., Shopping Centres, Power Stations, Hospitals, Factories
 - **Civil** – Sound Barriers that offer low cost, easy to install, decorative alternative to concrete

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Systems for Residential Housing



Systems for High Rise Apartments



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Systems for Commercial/Industrial



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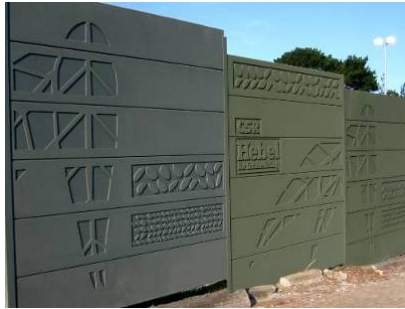
Systems for Civil Infrastructure



SoundBarrier™



Acoustic Fencing

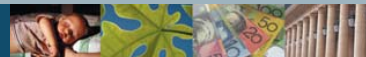


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Somersby Site Strategy



1. Develop lower cost Panel based technology
 - Reduce steel assembly labour
 - Optimise panel strength using different steel geometries
2. Capitalise on latent capacity of site to enhance profitable production capacity
3. Build capability to make higher value added products - leverage on our relationships with Asahi Japan and Xella Germany
 - Eg., decorative panels, thinner panels
4. Build on our environmental advantage
 - GECA, Recycling AAC, Water reuse
5. Maintain a responsive supply chain despite increasing the product range
6. Have all employees actively contribute to improving the business

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Value-Added Products

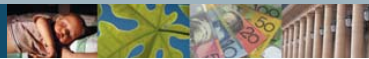


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Geographic Expansion - UAE



- Initially Export from Australia
- Develop Business Case for UAE based capacity



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Current Site Configuration

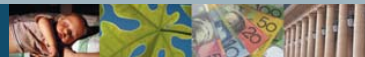


- 120 People on Site:
 - (operations, sales, development and customer service / warehouse)
- Running Mode
 - 2 x 8 hr shifts, 5 days / week, 120,000m3 pa
- Product Mix
 - 25% Blocks 75% panels
- Site capacity 220,000 m3 pa
 - Autoclaves and Packaging the main bottlenecks

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Hebel - Background



- 1923 - AAC technology developed in Sweden
- 1943 - First commercial production of Hebel in Germany -
Pioneered by Joseph Hebel
- 1989 - CSR Factory built at Somersby
- 1990 - First AAC production in Australia
- 2007 - Signed 10 year exclusive brand and trademark agreement
with Xella GmbH - (*Owner of the Hebel brand*)
Signed Technology Confidentiality agreement with Asahi
Japan

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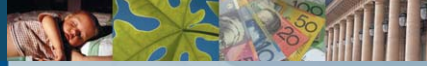
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Thank You

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