MELBOURNE SITE ANALYSTS TOUR

Viridian - Dandenong and Clayton

30 March 2009

AGENDA

John Hodgkinson	▪ Introduction ▪ Update on progress since acquisition
Howard Wigham	▪ Market overview and key demand drivers ▪ Importance of energy efficiency in built environment and Viridian's response
Steve Choat Justin Hollis	▪ Update on Viridian Strategy – Upstream bulk glass manufacturing – Downstream value-added glass processing
John Hodgkinson	▪ Summary and conclusion

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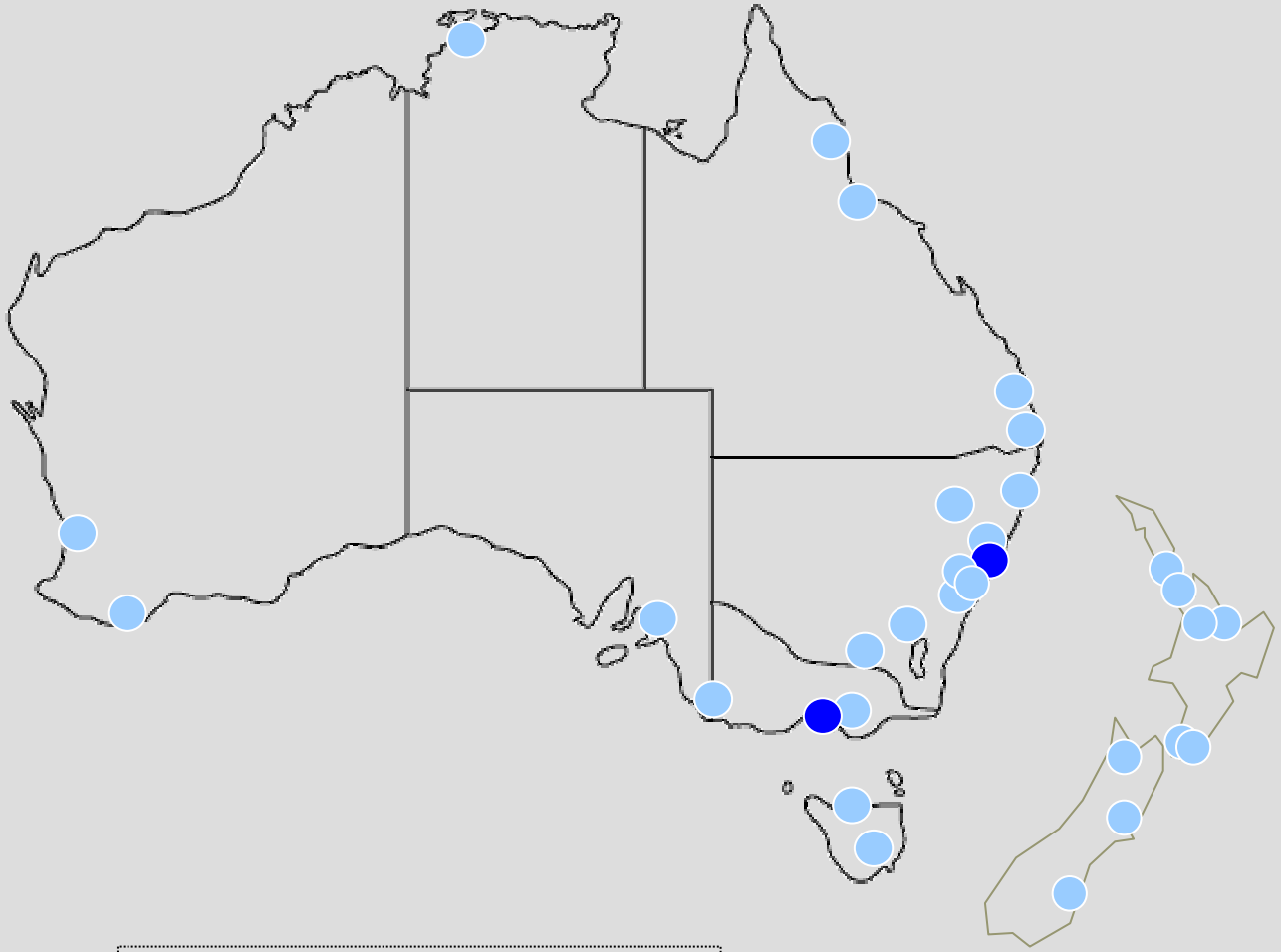
MARKET-LEADING SUPPLIER OF FLOAT GLASS IN THE REGION

Upstream Manufacturing

- Only domestic manufacturer of architectural glass in Australia (~60% market share) and NZ (~30%)
- 2 Australian manufacturing facilities
  - Dandenong (Vic) –165,000t
  - Ingleburn (NSW) –105,000t

Downstream

- A leading value added processor of architectural glass in Australia (~30% market share) and NZ (~31%)
- Leading national footprint in Australia across all states
- Locations across New Zealand's North and South Islands



OPERATIONAL ACHIEVEMENTS SINCE ACQUISITION IN 2007

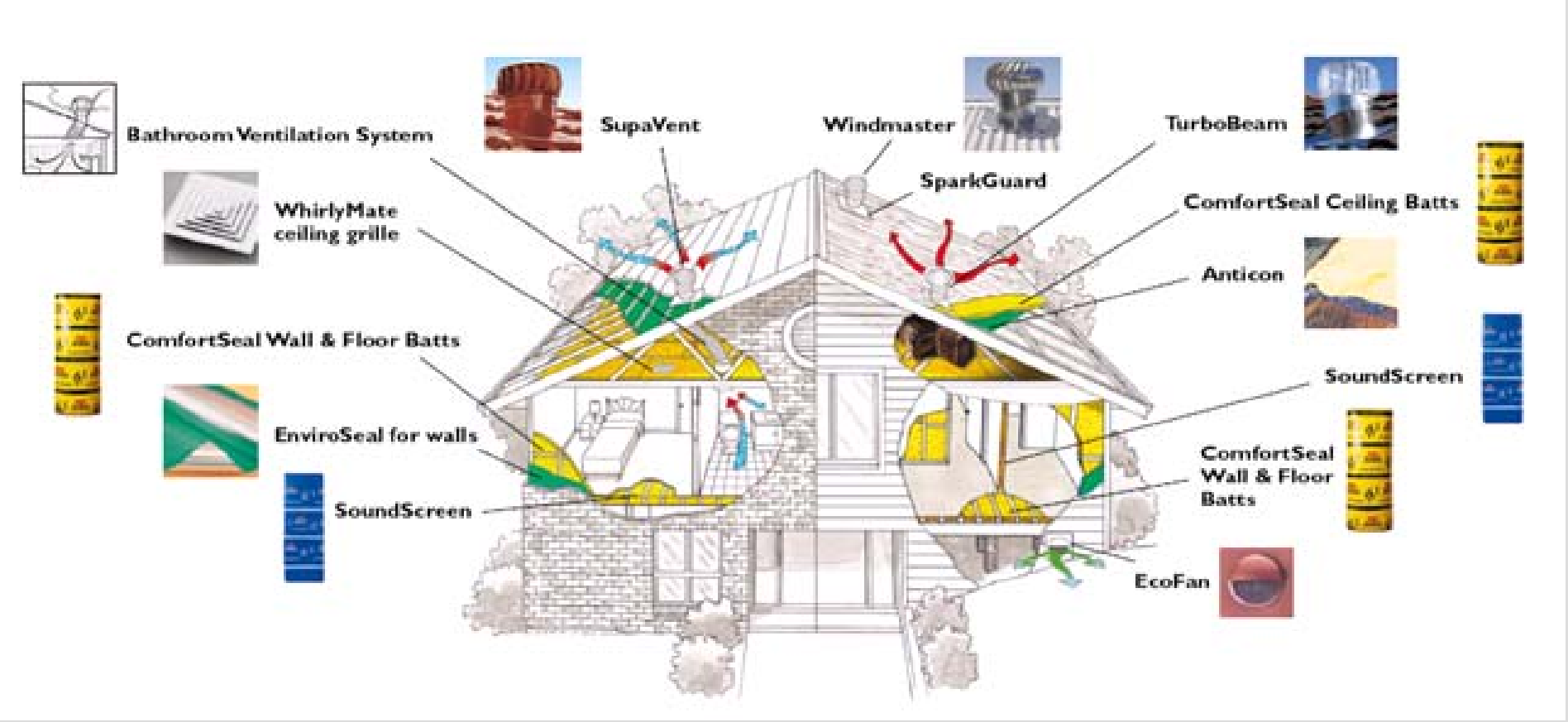
- **Restructured Management**
  - New management team, new EGM
  - Part of newly-consolidated CSR Building Products division with focus on energy efficiency
  - Continue capture of synergies – on track to achieve $33m in synergies by YEM10
- **Manufacturing Operations**
  - Upgrade to furnace and Dandenong floatline
  - Install CVD coater at Dandenong
  - Install Australia's first fully-automated IGU line at Clayton
  - Implement floatliner loading and distribution system
  - Closure of Alexandria and Automotive glass facilities (no value ascribed at acquisition)
- **Marketing/Branding**
  - Launch new Viridian Brand
  - Implement customer acquisition programme
  - Further industry lobbying with key regulatory stakeholders and industry associations
- **Pricing**
  - Price increases implemented
  - Fuel surcharge introduced

SAFETY, HEALTH & ENVIRONMENT – A CONTINUING PRIORITY

- Lost Time Injury Frequency Rate is trending downward from unacceptably high levels pre acquisition
- Further initiatives being undertaken to address Total Recordable Frequency Rate
- Behavioural and cultural progress made with introduction of workplace Supervisory Safety Observations and management-lead safety walks
- Several environmental improvements incorporated into Dandenong upgrade
- Significant progress in transitioning to CSR systems and procedures (performance management etc)

VIRIDIAN PART OF INTEGRATED BUILDING PRODUCTS STRUCTURE

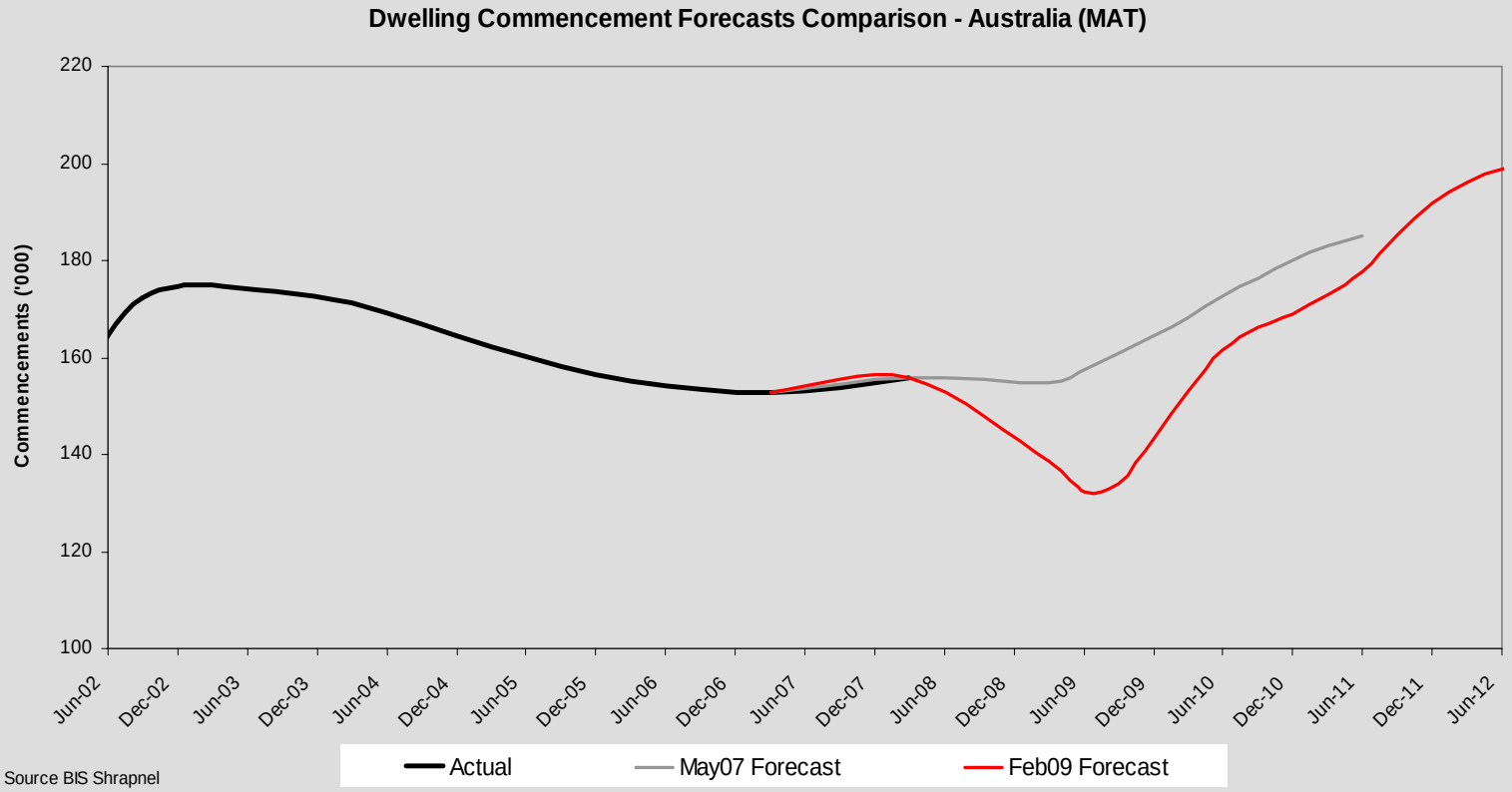
Part of CSR Building Products' portfolio – improving energy efficiency in the built environment



- **VFloat Tones and Super Tones** – solar control
- **ComfortPlus** – Single glazed Low-E laminate
- **ThermoTech** and **ThermoTech E** – Insulating Glass Units (with and without Low-E glass)

MANAGING THROUGH THE CYCLE

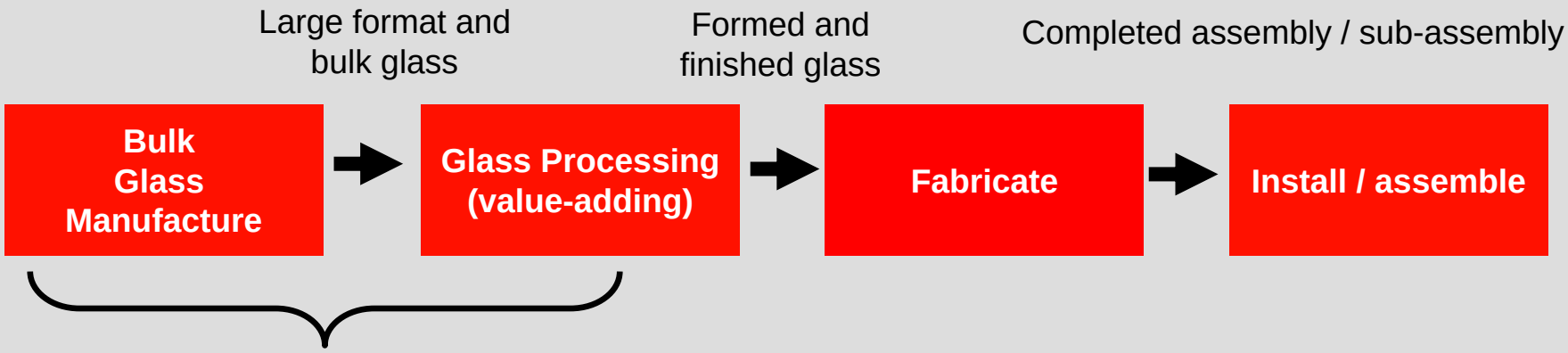
- Significant market downturn post acquisition affects volume
- Residential commencements and commercial activity have declined significantly since June 2007



Source BIS Shrapnel

- **Management action through the cycle**
  - Complete strategic review of the business
  - Significant cost removal and ongoing synergy capture
  - Delaying some capital expenditure and expansions
  - Selective closure & idling of facilities
  - Continued investment in coating & energy efficiency capability to position the business for the upturn
  - **Leveraged for cyclical upturn**

GLASS INDUSTRY OVERVIEW



Viridian – the only fully-integrated participant in these core markets

- Large format float glass (clear, tints, coated)
- Large format laminates and mirror
- Bulk lots of standard sized units (annealed, toughened)

Reshaping and finishing glass to meet end-use:

- Cutting
- Edging
- Shaping and drilling
- Toughening
- Laminating
- Painting/printing
- Creation of IGUs

Incorporation into higher assemblies:

- Windows
- Doors
- Curtain walls

- Installation of windows, doors, shower screens, splashbacks, balustrades, etc.
- Commercial glazing projects (curtain walls, shop-fronts, partitioning)
- On-site glazing
- Replacements/retrofits

GLASS DEMAND - MULTI-SECTOR & SUPPORTED BY RANGE OF DRIVERS

Case for use of performance glazing

Lift star-rating of existing house-designs (without major re-design) through use of performance windows and glazing

Performance glazing allows more flexible design and greater energy efficiency outcomes

Range of glass technologies available to suit a variety of existing window types, applications and budgets

Sectors impacted

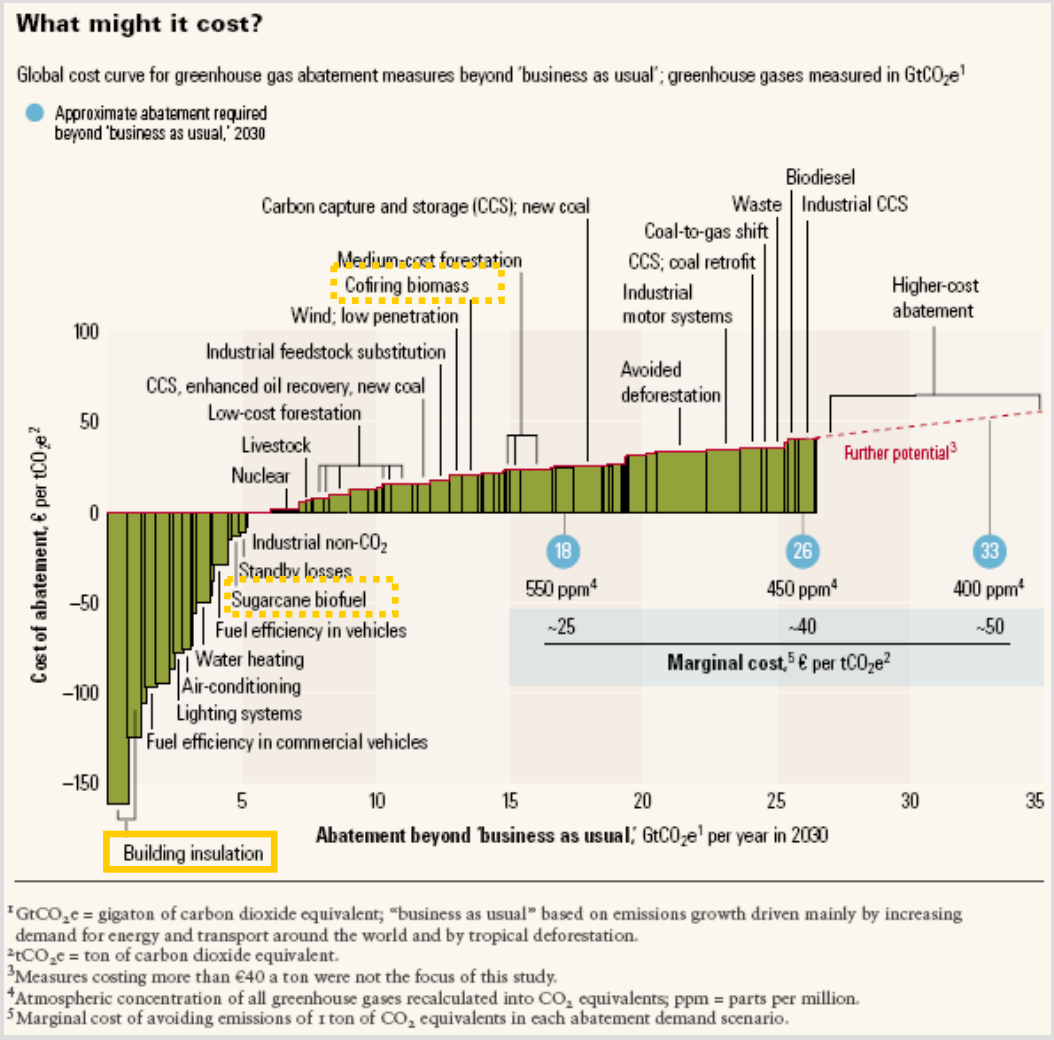
- New Build – 1st home / volume build
- New Build – 2+Build / Arch Designed / Owner built
- Commercial Buildings
- Additions / Major Renovations
- Replacement / Window upgrade

External drivers to underlying demand and performance glazing

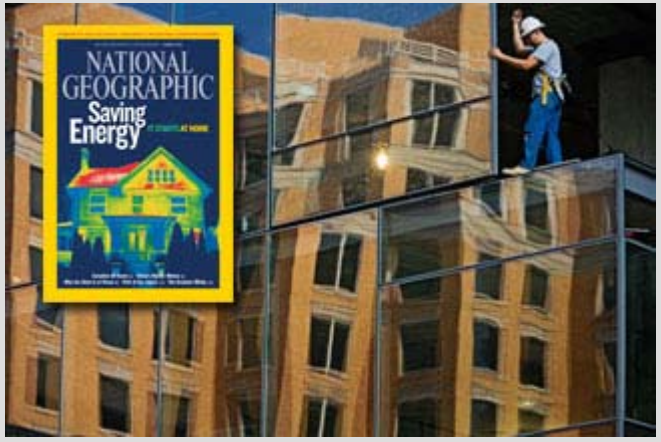
- Lower interest rates/improved affordability
- Population growth
- Fed Govt support for first home buyers
- Increasing energy costs
- COAG regulations to 6 star for new residences
- High level of underlying community awareness of energy efficiency
- Phase-in of mandatory disclosure of the energy efficiency of commercial buildings and tenancies from December 2009
- Fed Govt support for insulation of existing dwellings improves case for better windows
- New uses for glass

INSULATION – COST EFFECTIVE SOLUTION TO REDUCE GHG EMISSIONS

Good building insulation (incl windows) identified as most cost effective solution to reducing GHG emissions and lower energy usage



- Space heating and cooling accounts for around 40% of energy use in homes
- National incidence of high performance glazing in new residential buildings is ~ 10%
- Evolving consumer attitudes, recent regulatory changes and signals for further stringency around energy efficiency will increase this proportion



Source: McKinsey, "A cost curve for greenhouse gas reduction", The McKinsey Quarterly 2007 Number 1; ICANZ

REGULATION DRIVERS TOWARDS ENERGY EFFICIENT GLASS

While good progress has been made in improving building regulations, Australia lags international peers

International Comparison using Australian energy efficient rating software (AccuRate)			
Australian Climate Zones	**Current Star Rating requirements**	**Equivalent Climate Zones**	**Requirements Star rating using AccuRate**
Zone 1 Darwin	3.5	Florida	7
Zone 2 Brisbane	3.5	Texas	6
Zone 3 Longreach	3.5	Nth. Carolina	5.4
Zone 4 Dubbo	3.5 equiv	Arizona	7
Zone 5 Perth	5	California (Bakersfield)	7.5
Zone 6 Melbourne	5	California (San Francisco)	7.6
Zone 7 Hobart	4	UK & Canada	7.2
Zone 8 Thredbo	3.5 equiv.	Pennsylvania	6.8
Avg	**<4.0**		**6.8**
Energy efficent glass pentration	**Australia <10%**		**US ~90%**

Upgrading from 4 to 5 Stars results in ~ 20% energy saving

Performance glazing alone can typically increase star rating by 1.5 - 2 stars

COAG requirement for new residential buildings to six stars or equivalent by 2010

Source: ICANZ; Viridian

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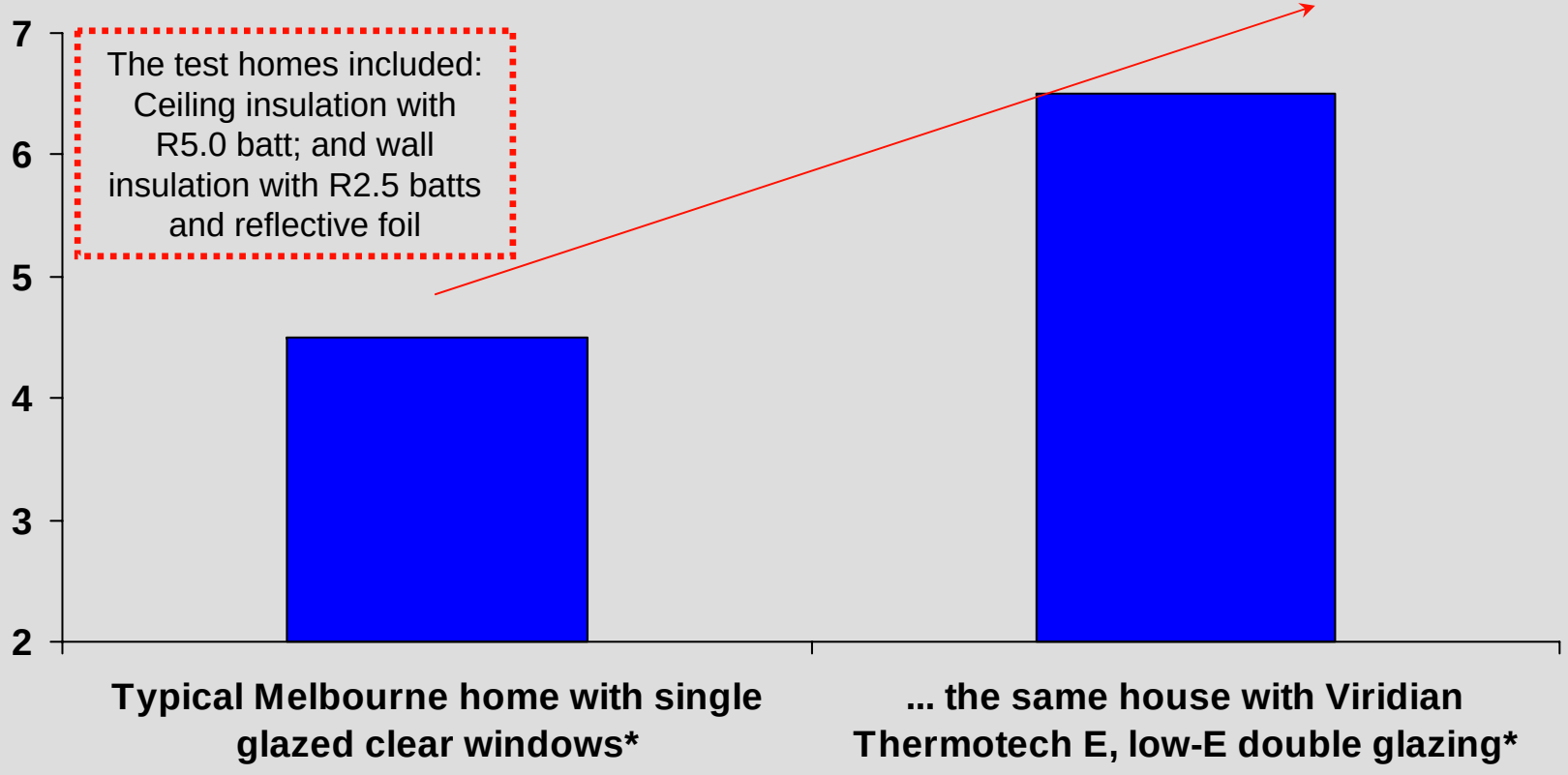
ENERGY EFFICIENT GLASS AND HIGHER PERFORMANCE RATING

Energy efficient glass is important for residential and commercial buildings to achieve high performance rating

Average detached home in Melbourne
Star rating

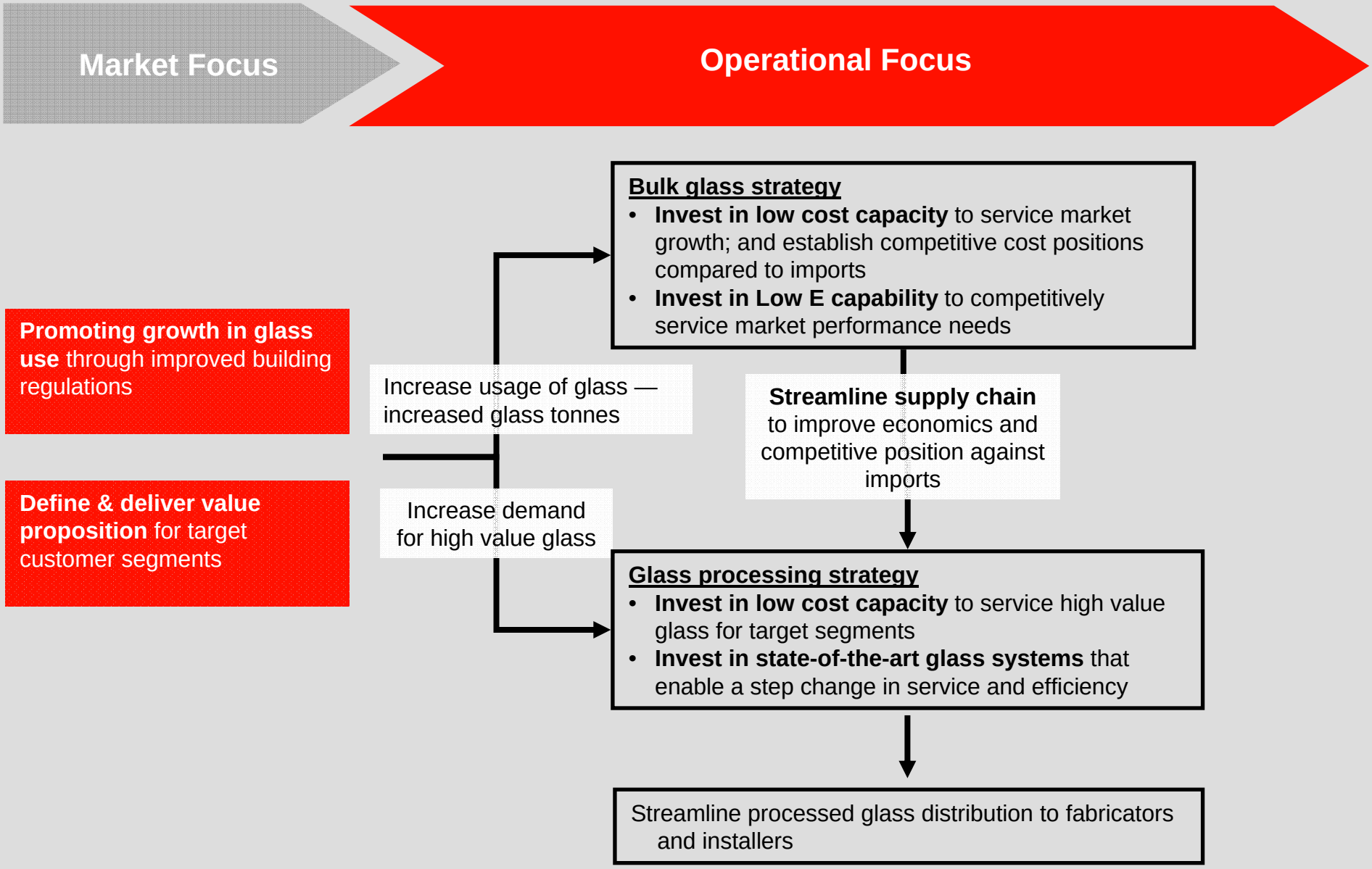
Double glazed windows materially improve overall building insulation



* Windows include timber framing; and an argon cavity for double glazed units

Source: Peter Lyons & Associates, "Report to Australian Glass and Glazing Association on Energy and Environmental Benefits of Residential Insulating Glass in Victoria", Sept-07

VIRIDIAN — BUSINESS STRATEGY ROAD MAP



REGULATIONS AND STANDARDS DRIVE DEMAND FOR GLASS

Changes to industry regulations and standards drive a shift to a higher proportion of high-value glass

Energy Regulations and Guidelines

Increased Use of:

- IGU (Double Glazing)
- Coated Glass
- 'High-tech' Glass

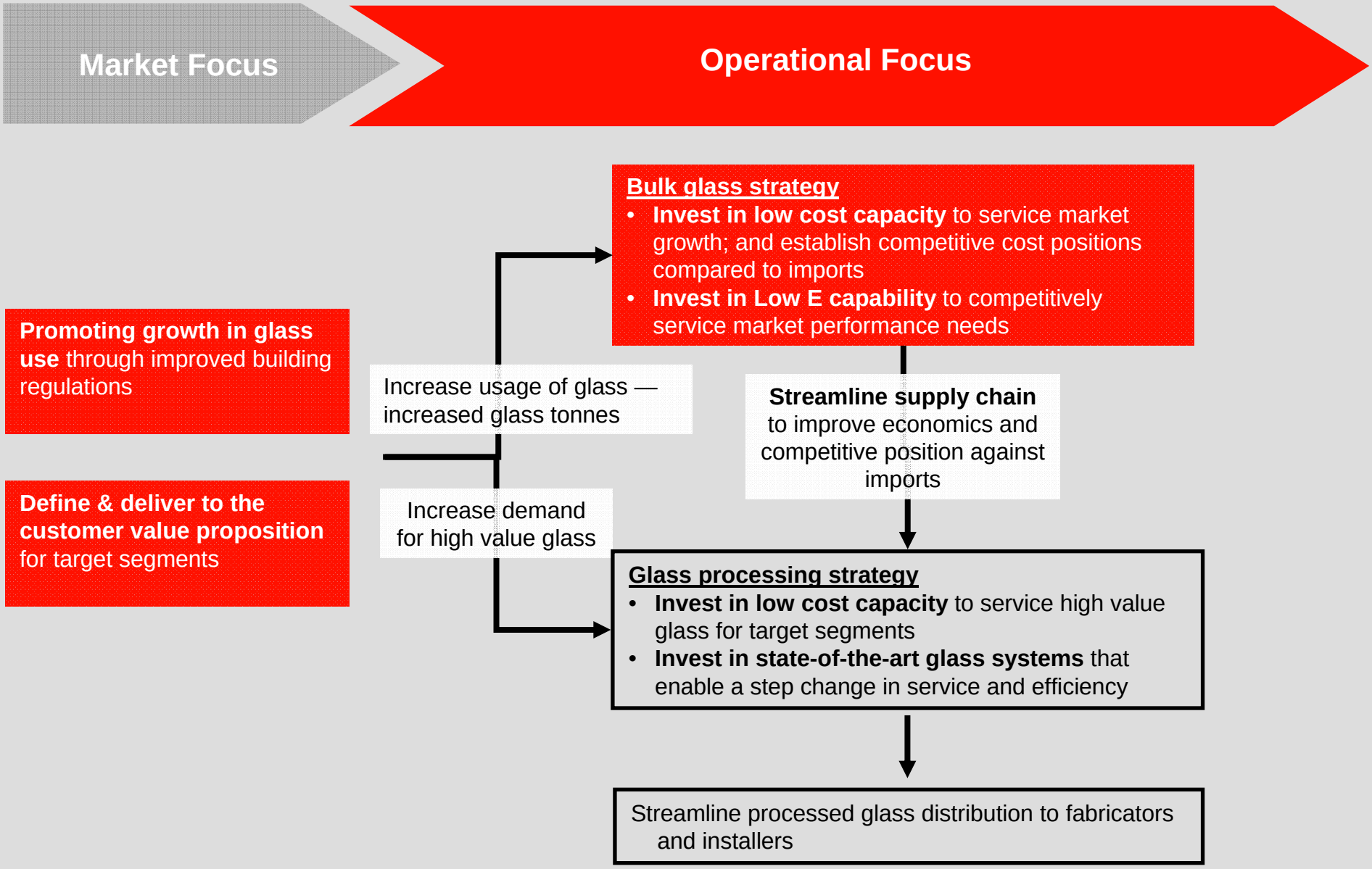
Safety Regulations and Standards

Increased Use of:

- Thicker glass
- Toughened glass
- Laminated glass

- The growth of the industry will materially increase
- Overall glass consumption increases
- Increase in processing demand for performance glass

VIRIDIAN — BUSINESS STRATEGY ROAD MAP

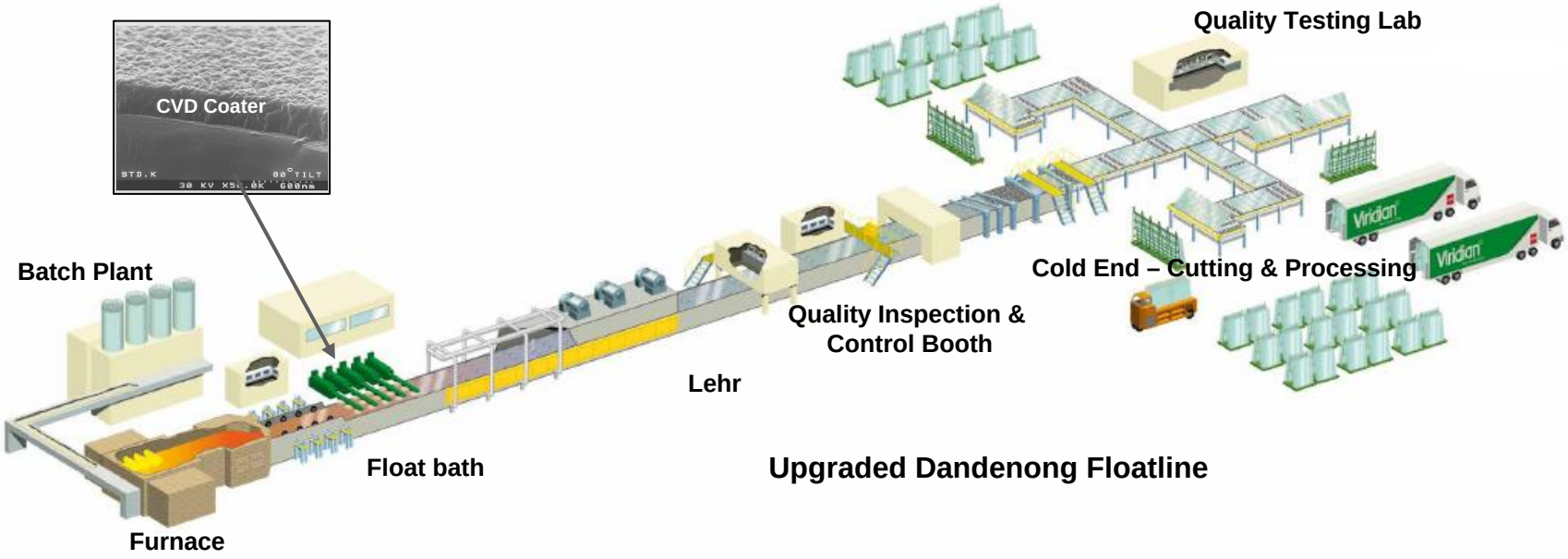


DANDENONG UPGRADE COMPLETE

Increase low cost float glass capacity and capability to supply energy efficient glass

Dandenong upgrade

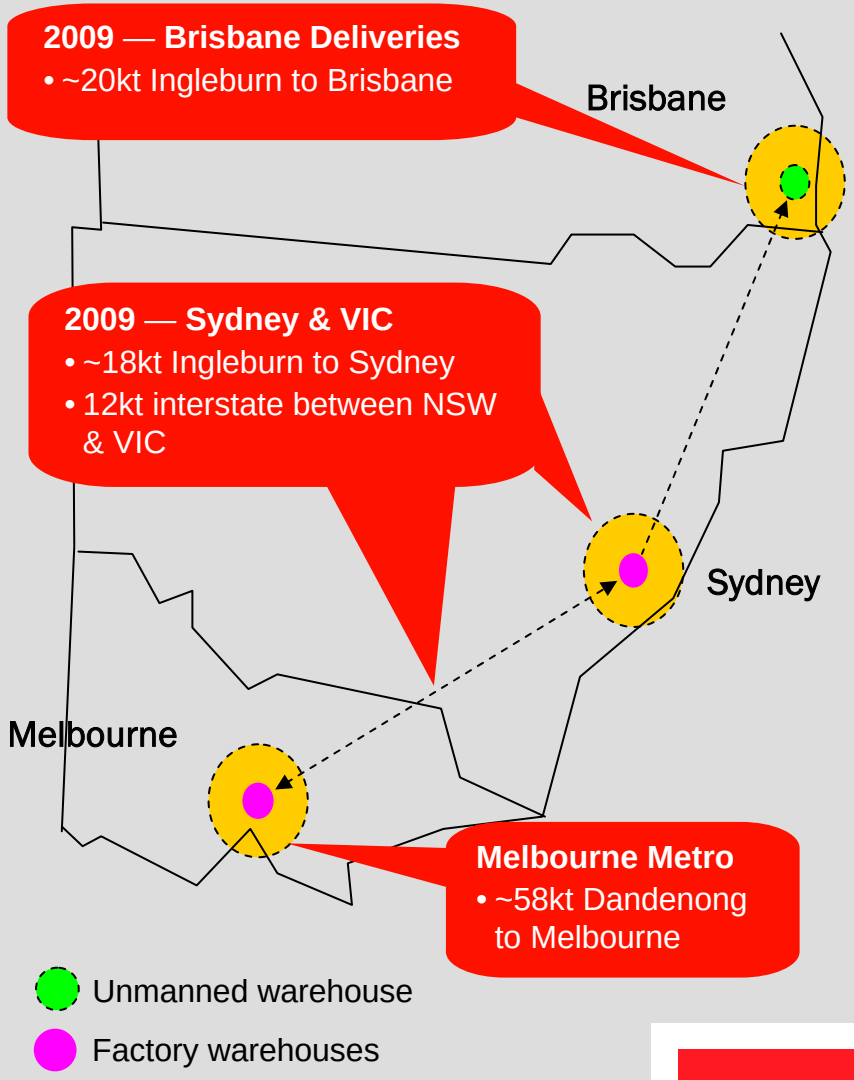
- The upgrade is completed
  - New raw material batch plant with increased capacity
  - Furnace and line upgrade increasing plant capacity from ~120,000t to ~165,000tpa
  - High performance Chemical Vapour Deposition (“CVD”) Coater to produce energy efficient ‘low-e’ glass
- Improved cost competitiveness with imports — Upgrade has lowered cost base
- CSR is the sole manufacturer of high performance CVD coated float glass in the southern hemisphere and has one of only five Pilkington technology CVD coated float glass facilities in the world



EAST COAST FLOATLINER SERVICES ENHANCES EFFICIENCY

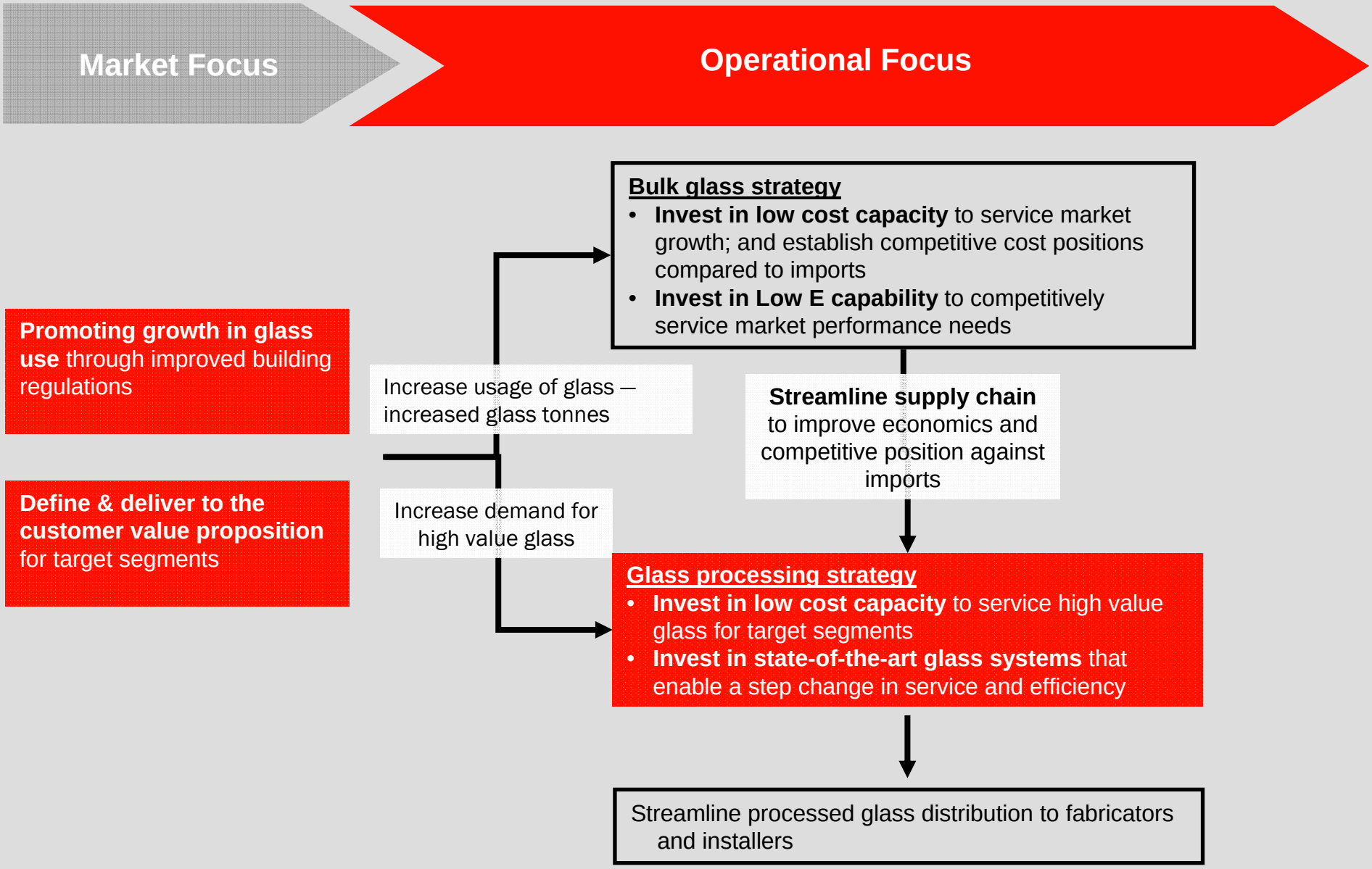
Improve customer service, productivity and differentiation

- Greater efficiency – rapid load/unload
- Increased safety
- Ability to integrate into customer manufacturing process
- Reduced accidental damage of glass
- No packaging waste materials



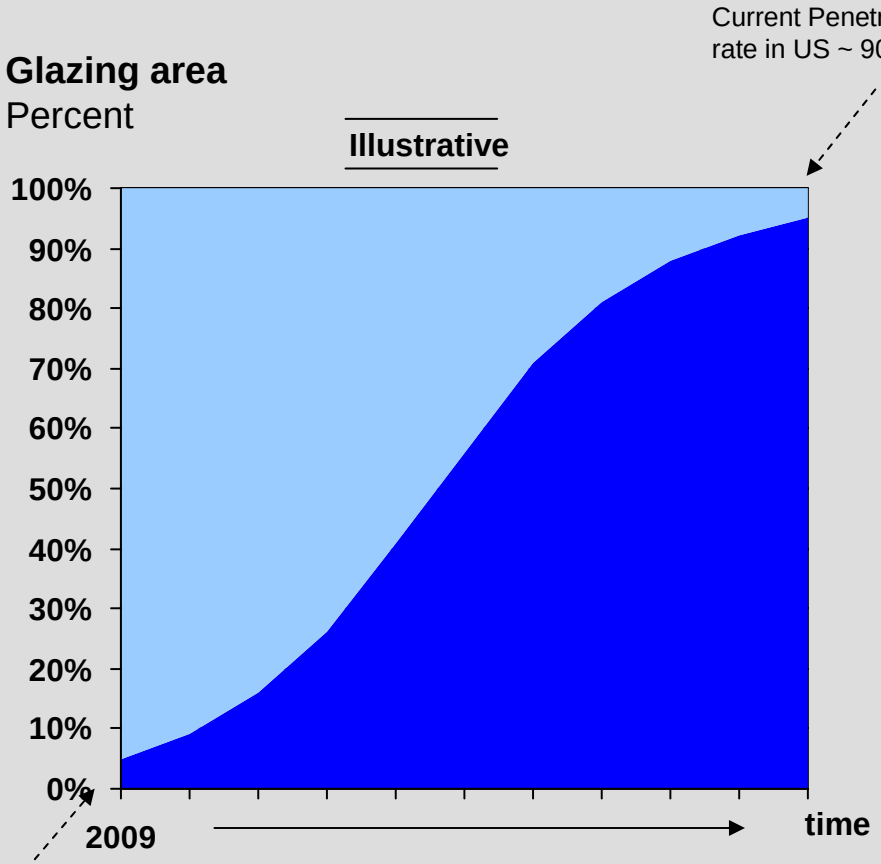
Beneficiary	Measure	Existing method	Floatliner method	Benefit
Viridian (loading)	Man hours	~6.5	~0.5	~6.0
Customer (unloading)	Man hours	~3.0	~0.5	~2.5

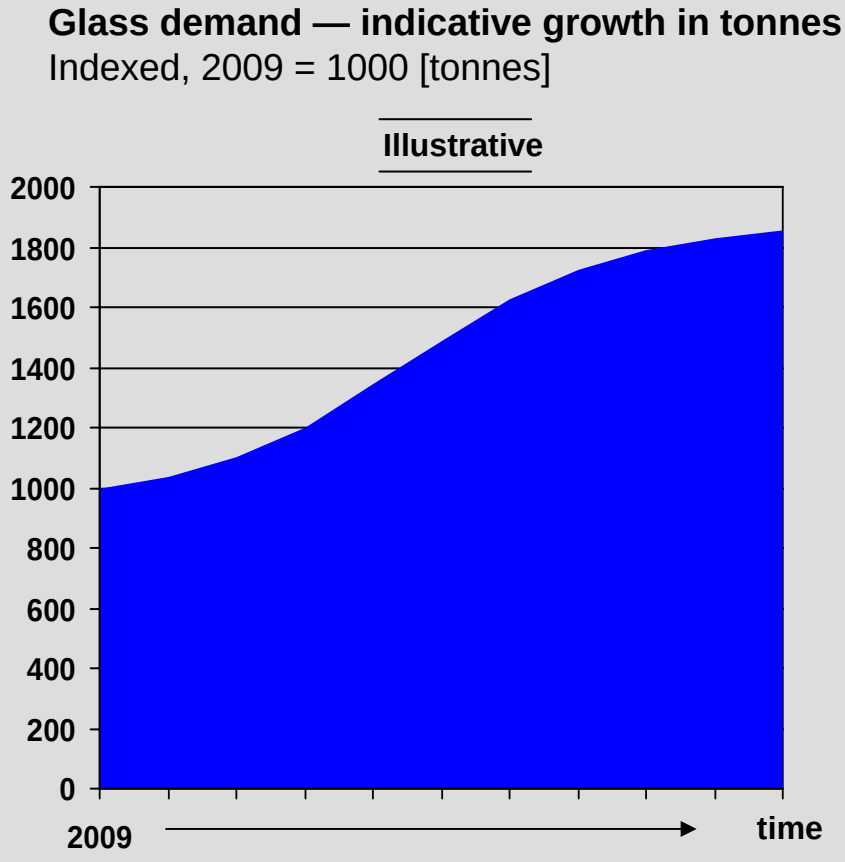
VIRIDIAN — BUSINESS STRATEGY ROAD MAP



DEMAND FOR PRIMARY GLASS PRODUCTS

Demand for primary glass products increase with the uptake of Insulated Glass Units





Current penetration of IGUs in residential applications in Australia is less than 10%.

VIRIDIAN DOWNSTREAM'S OPERATIONAL FOCUS

Viridian downstream's operational focus is to service target segments at the lowest cost

Market segment focus	Aligned operational processing focus
Residential Fabricators **Commercial Fabricators**	**Energy efficient windows — IGUs and cut-to-size glass:** ▪ High volume processing operation – long runs of similar / simpler shapes ▪ Relatively lower value glass ▪ Customer demands reliable Delivery in Full and On Time (DIFOT)
Partitioners and Shop Fitters **Shower screens & Wardrobes**	**Complex / quality customised glass** ▪ Batch shop operation — Shorter runs of more complex shapes ▪ Thicker glass — safety and feature glass ▪ Lower volumes / higher value ▪ Customer demands high quality (defect free, correct dimensions and finishes etc.)

AUTOMATED IGU FACILITY LOWERS DELIVERED COST

- Clayton upgrade will allow Viridian to
  - Improve customer service
  - Improve product quality; and
  - Materially lower delivered cost
- Sydney upgrade is on track
- Working to re-align the network to better leverage the capabilities of the major sites
- CSR Building Products has developed propriety technology to improve distribution of glass

The manifestation of our capability shift:

- Previously we touched glass 15-40 times during processing
- Moving forward the first human hands to touch the glass will be our customers

CONCLUSION

- Significant progress since acquisition to integrate Viridian into CSR Building Products division
- Completion of furnace rebuild, installation of coater and automated IGU line provides key competitive advantage for Viridian to be cost competitive in glass market
- Viridian remains very well placed to capitalise on increased demand for energy efficient and performance glass driven by
  - enhanced environmental regulatory standards
  - safety standards
  - consumer preference
- Improved logistics solutions (Floatliner) further enhances low cost production profile
- Clear management focus to minimise the impact of the current downturn and position the business for the cyclical upturn