



FDC Construction & Fitout RWTA Conference

FDC

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About Us

01

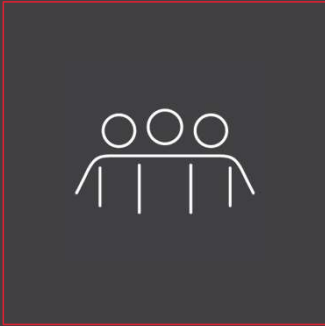


National Presence



ESTABLISHED





**600+
Group staff**

Sizeable & skilled
national team



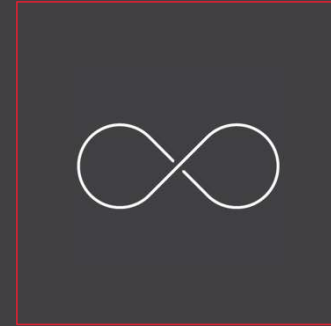
**\$12B+ p.a
Group turnover**

Stable revenue &
balance sheet



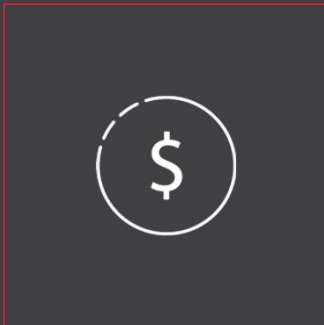
Privately owned

(people focused
& personal)



**Multi-disciplinary
construction group**

(integrated intelligence)



No debt / overdraft

(financial stability)



**Active QA, IR, WHS
and EMS policies**

(process driven)



Multi-award winner

(quality results)



**Growth based on
repeat business**

(happy clients)

Rates

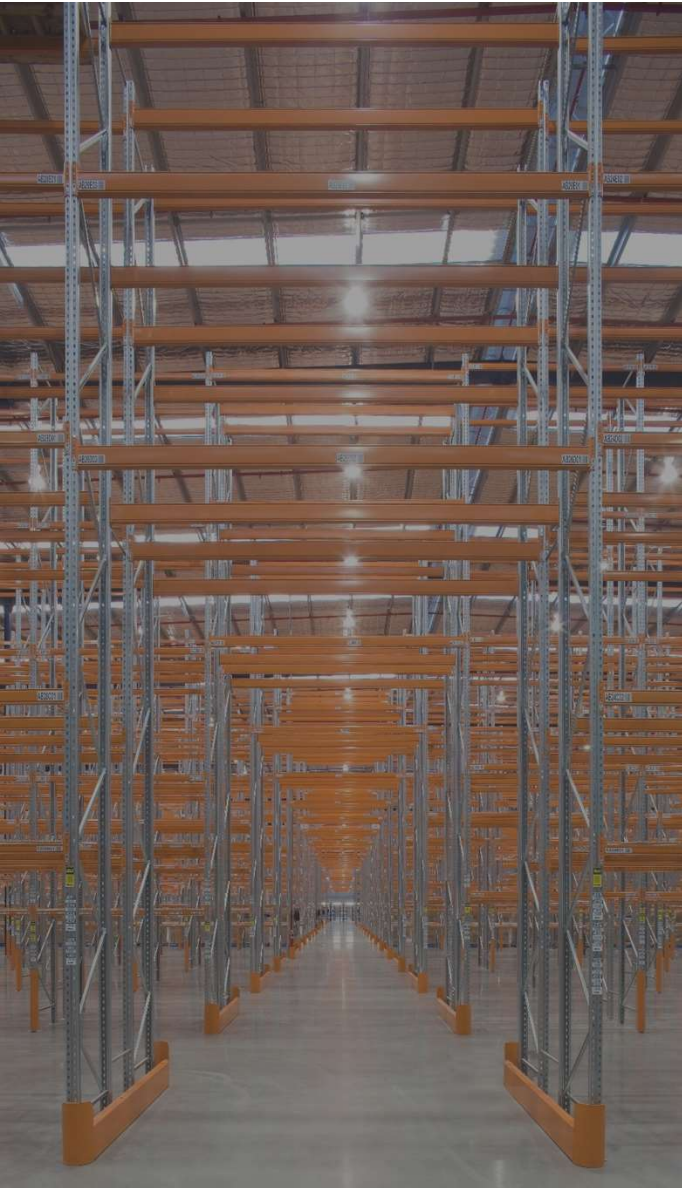
02



Market Forces

- Contrary to broader economic tightening, industrial construction remains very strong.
- FMCG demand remains high.
- All states and key regional areas remaining very active in general industrial construction and temperature controlled.
- Several institutions (Funds) looking to Spec build temperature controlled warehousing.
- Numerous locations still impacted by Government Infrastructure projects having significant impacts on labour availability and material availability and pricing.





Pricing Volatility – Mixed Messages

- Steel supply costs and section availability have come off from the crazy highs of Covid.
- Concrete and quarry products remain high and continuing to increase.
- Trade contractor availability (shortage) putting upward pressure on prices.
- IR impacts on industrial projects to an unprecedented level.
- New round of EBA negotiations overdue and bound to be aggressive.



Sub-contractor & Head Contractor Availability

- Several head contractors (not so much industrial construction oriented but generally) have been liquidated.
- Significant pressure in the past two+ years having locked in on fixed price contracts and being caught out by runaway supply pricing and labour shortages.
- Numerous sub-contractors either likewise being taken out of the market
 - Financial failures
 - Covid impacts
 - Boomer retirements - accelerated through Covid
 - Not enough young people entering trade professions (we have brought it upon ourselves! Let's make trades and TAFE "sexy" again)



Beware of Generalised Key Cost Indicators

- Typically reported Key Cost Indicators rely on a very narrow band of data.
- Industrial Construction is heavily weighted to a few key “Big Ticket” trades which have been highly vulnerable in recent years to pricing and supply volatility:-
 - Structural Steel
 - Reinforcement
 - Quarry Products
 - Concrete
 - Electrical
 - Insulated panels (vulnerable to steel pricing, core materials, transport)
 - Refrigeration (supply chain and shipping pressures)

Current Rates

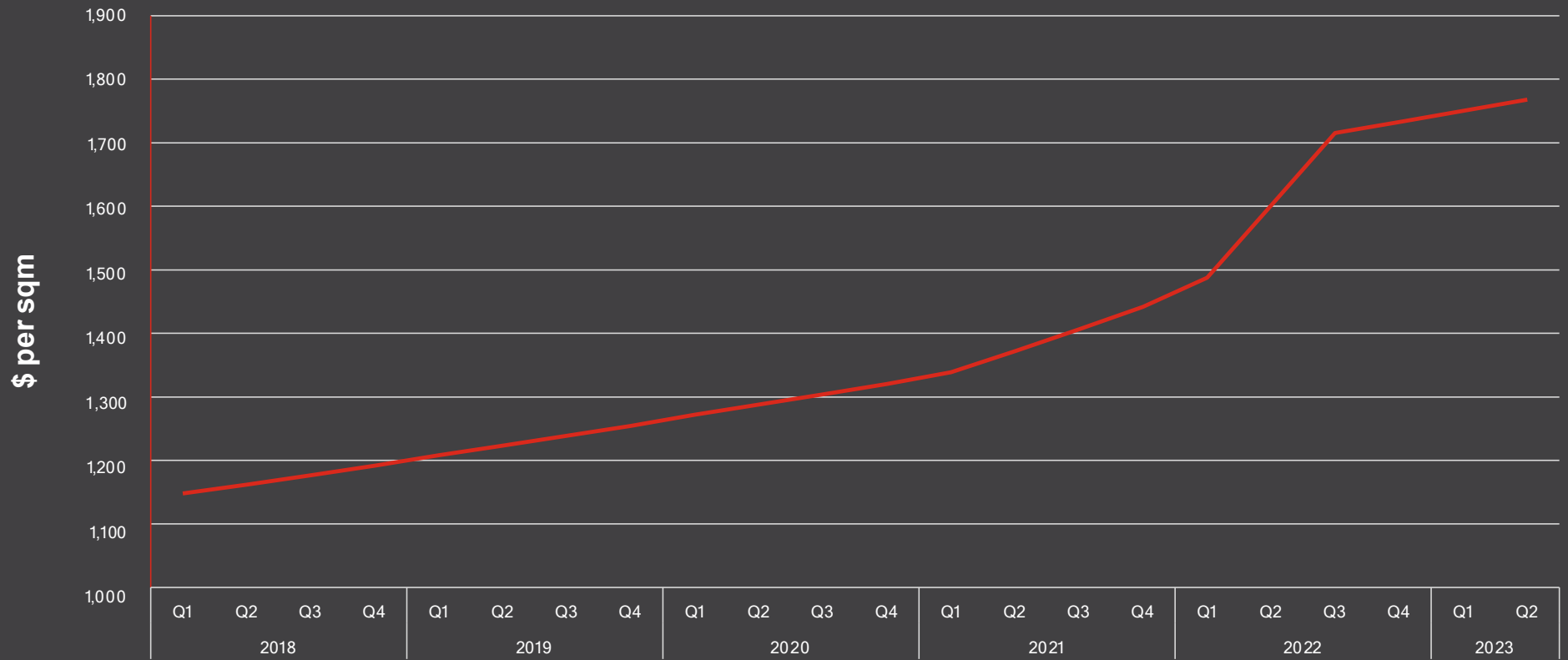
Low Bay Freezer (<10mH) Ceiling	\$1,550 to \$1,950	/m2
Add Plant Room & Suspended Evaporator Deck	\$650,000	/item
Add Offices	\$3,150 to \$3,550	/m2
Add External Pavements	\$300 to \$450	/m2

Notes

Pricing for typical 10,000m2 to 20,000m2 cold store GFA projects

Average pricing across all states with Melbourne/Adelaide at lower end of range and Perth/Darwin at higher end of range, other states sit around middle

Lowbay Freezer Cost (Average)



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