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Fletcher Building Quarterly Volume Report for Q1 FY26

As part of its ongoing commitment to transparency and enhanced visibility for shareholders, Fletcher Building provides its quarterly update of key product sales volumes for the first quarter of the 2026 financial year (Q1 FY26).

Andrew Reding, Managing Director and Chief Executive Officer, said: “The quarterly volumes show that there were further declines in trading volumes and ongoing pressure on margins amid subdued market conditions during the first quarter. The principal drivers for the softer performance were continued weak demand across key markets and heightened competitive activity, particularly in the New Zealand market.”

“This has resulted in a further tough quarter for the business. The market remains highly competitive, as demand stays low, particularly across the residential and infrastructure sectors.”

Divisional Volumes

- **Light Building Products** volumes were generally below prior corresponding period (pcp), but slightly higher compared to Q4 FY25. Positive volume growth was seen in Comfortech (+3.8% pcp) and Iplex NZ (+14.1% pcp). In Australia, while volumes were down substantially on pcp, both Laminex AU and Iplex AU saw positive performance vs Q4 FY25. Across the Division, margins have been relatively stable with production efficiencies (e.g. Winstone Wallboards) and cost management offsetting soft volumes.
- **Heavy Building Materials** has experienced some pronounced volume contractions. Winstone Aggregates volumes fell 4.1% versus Q4 FY25 and 6.3% versus pcp, reflecting weaker roading and project activity. Both Firth and Golden Bay have so far experienced volumes broadly in line with last year. Steel volumes were marginally up on Q4 FY25 (and higher vs pcp), but margins have compressed further in the quarter.
- Within the **Distribution** Division, PlaceMakers Frame & Truss volumes were flat to marginally higher on pcp; however, margins contracted owing to competitive trading conditions.
- **Residential** took 88 residential and apartment units to profit in Q1 FY26, compared to 90 in Q1 FY25. Overheads continue to be tightly managed to mitigate the impact of historically low sales volumes amid elevated market inventories (currently at

11-year highs). The Division expects potential improvement in sentiment following recent OCR adjustments.

Cost-out and Efficiency Programme

Andrew Reding said, "Given the continued deterioration in market conditions, we continue to carefully examine our cost base with a further cost-out programme targeting c.NZ\$100m in annualised savings. Approximately NZ\$50m in benefits are expected to be realised in the second half of FY26, with full annualised savings to be achieved in FY27."

"This cost-out programme is focused primarily on back-office operations and efficiencies, while seeking to maintain front-line operational capabilities, and will partially offset the earnings impact of market conditions."

Market

Fletcher Building anticipates market conditions to remain challenging throughout the remainder of the financial year, with continued uncertainty on the timing of recovery in the residential sector. However, the recent significant OCR reductions should support greater liquidity in the New Zealand housing market and there are some signs of steadying or improving market conditions in Australia. In the meantime, management remains focused on cash preservation, cost discipline, and maintaining a strong balance sheet to support the business through the downturn, and to position the Group strongly for improved operating leverage when markets improve.

The specific volume information for Q1 FY26 is available below.

ENDS

Authorised for release to the market by Haydn Wong, Company Secretary.

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FLETCHER BUILDING QUARTERLY VOLUME DATA

Business Unit	Metric	Rolling 12mth average	Change (%)	Change (%)
		quarterly volumes ¹		
Light Building Products		Q1 FY26	Q1 FY26 vs Q4 FY25	Q1 FY26 vs Q1 FY25
Winstone Wallboards	Domestic board volumes	93.9	-0.5%	-3.8%
Laminex NZ	Domestic sales volumes	96.3	-0.6%	-3.9%
Comfortech	Glasswool sales	83.2	0.8%	3.8%
Iplex NZ	Plastic pipe volumes	89.9	4.5%	14.1%
Laminex AU	Domestic sales volumes	77.7	1.0%	-7.5%
Fletcher Insulation	Glasswool sales	97.8	0.1%	-5.6%
Iplex AU	Plastic pipe and other sales volumes	57.7	1.5%	1.5%
Heavy Building Materials		Q1 FY26	Q1 FY26 vs Q4 FY25	Q1 FY26 vs Q1 FY25
Winstone Aggregates	Aggregates sales volumes	69.4	-4.1%	-6.3%
Golden Bay	Domestic cement volumes	99.9	-0.1%	0.8%
Firth	Ready mix volumes	94.9	0.1%	-0.2%
Firth	Masonry volumes	61.9	0.1%	-6.4%
Humes	Concrete pipe volumes	55.4	2.0%	-3.7%
Reinforcing	Reinforcing volumes	94.4	2.6%	6.1%
Easysteel	Easysteel - volumes	79.3	1.4%	1.2%
Dimond	Dimond - volumes	95.8	3.0%	1.5%
ColorCote	ColorCote - local volumes	76.6	1.3%	-11.7%
Stramit	Sales volumes	70.5	-1.4%	-7.7%
Distribution		Q1 FY26	Q1 FY26 vs Q4 FY25	Q1 FY26 vs Q1 FY25
PlaceMakers	Frame & Truss sales	86.3	0.3%	2.8%
Residential		Q1 FY26	Q1 FY26 vs Q4 FY25	Q1 FY26 vs Q1 FY25
Residential ²	Residential + Apartment units taken to profit	88	-0.3%	-16.1%

1. Index value, Q4 FY19 = 100

2. Raw data – not indexed, % changes reflect rolling 12 month volume

Metric definitions

Winstone Wallboards: Domestic board volumes (000 m2)

Laminex NZ, Laminex AU: Domestic sales volumes (000 m2)

Comfortech, Fletcher Insulation: Glasswool sales (tonnes)

Iplex NZ: Plastic pipe volumes (tonnes)

Iplex AU: Plastic pipe and other sales volumes (000 tonnes)

Winstone Aggregates: Aggregates sales volumes (000 tonnes)

Golden Bay: Domestic cement volumes (000 tonnes)

Firth: Ready mix volumes (000 m3)

Firth: Masonry volumes (000 m2)

Humes: Concrete pipe volumes (000 tonnes)

Reinforcing: Reinforcing volumes (tonnes) - note restated to exclude wire

Easysteel: Easysteel volumes (tonnes) - note restated to exclude wire

Dimond: Dimond volumes (tonnes)

ColorCote: Colorcote local volumes (tonnes)

Stramit: Sales volumes (tonnes)

PlaceMakers: Frame & Truss sales (m3)

Residential: Residential + Apartment units taken to profit