

Analyst Presentation

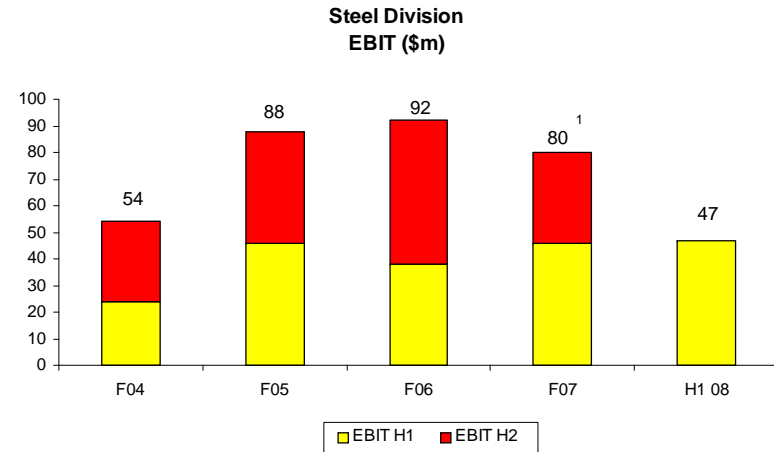
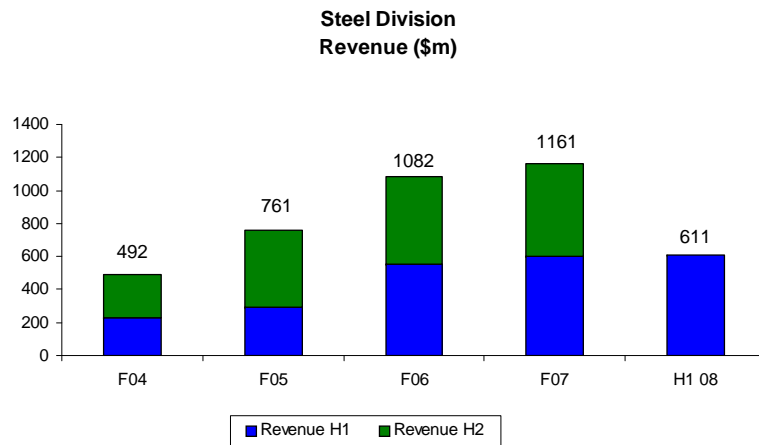
Paul Zuckerman, Chief Executive,
Fletcher Building Steel Division



Disclaimer

This presentation contains not only a review of operations, but also some forward looking statements about Fletcher Building and the environment in which the company operates. Because these statements are forward looking, Fletcher Building's actual results could differ materially. Media releases, management commentary and analysts presentations, including those relating to the February 2008 half year results, are all available on the company's website and contain additional information about matters which could cause Fletcher Building's performance to differ from any forward looking statements in this presentation. Please read this presentation in the wider context of material previously published by Fletcher Building.

Fletcher Steel – A history of growth



- Stramit acquired March 2005
- Successful Acq/Integration
- Core business has grown

- Highly volatile period in global steel
- Strong construction demand
- Varying import levels

¹ Excludes unusual write-offs of \$9m.

The Steel Division's breadth of operations is unique



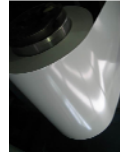
Scrap Collecting



Rebar



Reinforcing Mesh



Painted Coil



Coil End Use, Kauri Cliffs



Coating on Armco Railing



Safety Tower at Wednesday Peak



Merchant Steel



Te Apiti Wind Farm, Taranaki



Plate Cutting



Wire

Long Steel

Business

Sims JV
Pacific Steel Group
Fletcher Reinforcing
Fiji Rolling

Operations

Scrap collection
Bar and wire rod making
Reinforcing fabrication
Mesh

Markets

Construction industry
Infrastructure

Coated Steel

Pacific Coilcoaters
Dimond
Stramit

Paints coiled steel
Rollformed roofing & cladding
Other rolled products
Australia and NZ

Residential building
Commercial construction
Infrastructure

Steel Distribution

Fletcher Easysteel
CSP Coating Systems
Cyclone

Steel stockist and distributor
Galvanising services
Fencing and wire products

NZ construction & manufacturing
Infrastructure
Rural and vineyards

The Australasian steel industry structure is improving



Australia

Long Steel

OneSteel Smorgon merger
BestBar/Tata - reinforcing
ATM, Orrcon - pipe/tube/rhs

Coated Steel

BlueScope Steel
Lysaght, **Stramit**, Metroll,
Steeline, Fielders, Stratco,
others

Steel Distribution

OneSteel, BlueScope
Southern Steel, CMC
others

New Zealand

Pacific Steel
Fletcher Reo, S&T, United Ind,
others

BlueScope/New Zealand Steel
Dimond, S&T, Metalcraft,
others

Fletcher EasySteel
Steel & Tube (50% OST)
SteelPlus
Vulcan

Major Imports

Asian rod, bar, pipe, beams

Coated steels from Asia

Focus on major projects

Long Steel provides 100% recycled product to the market



Scrap. Benchmark is at
-US\$480/t cfr Korea



PACIFIC STEEL GROUP



Billet



Wire Rod
Laying Head



Rebar



Bright Drawn
Wire



Reo placing



Mesh



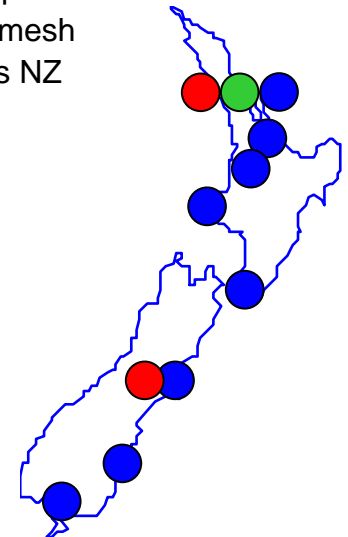
Sky Tower

- 15 year old JV with Sims Group, the world's leading metals recycling business
- NZ's largest national scrap operation
- Operates NZ's only shredders
- Shreds 110,000 cars p.a.
- Major customer is Pacific Steel, adjacent to the recycling operation
- Exports ferrous and non-ferrous

- Commenced operations in 1962
- Only long steel maker in NZ
- 300,000 tonne plant
- Recently upgraded capacity
- Wire making and galvanising
- Focussed domestically
- Australian exports
- Seismic rated product range

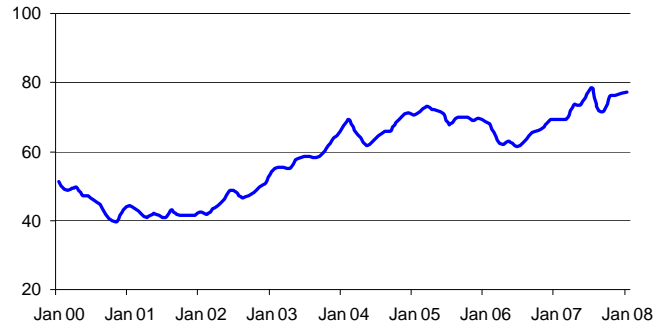
- Major NZ reinforcing fabricator
- Cuts, bends and places steel
- Makes and sells mesh
- Eight sites across NZ

- Sims Shredders
- Pacific Steel Group
- Fletcher Reinforcing

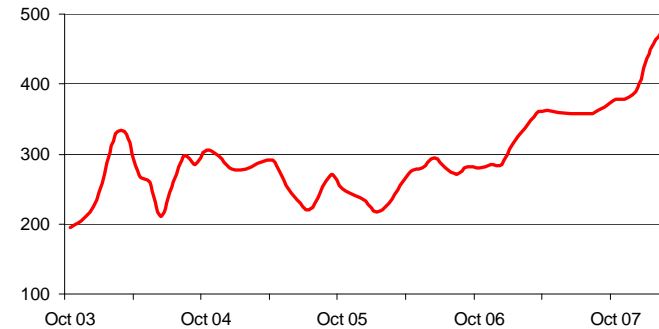


Long Steel Drivers – a mix of global and local influences

NZD:USD FX Rate



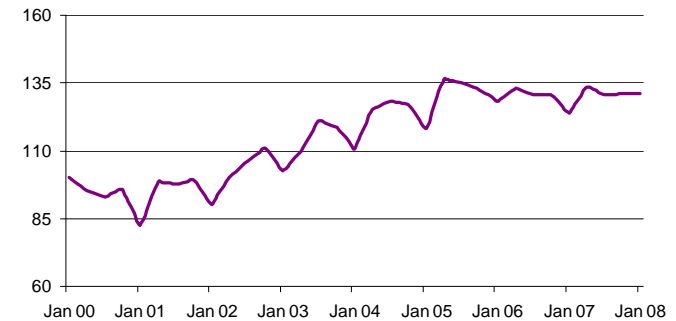
East Asia Import HMS Scrap (\$/t)



Asia Rebar Price (US\$/t)

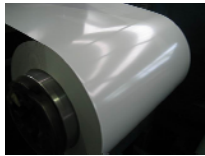


NZ Construction Index



Note/Source: The NZ Construction Index is an equal weighting of Infometrics real gross fixed capital formation in Residential, Non-residential, and Other Construction.

Coated Steel – Premium construction products & services



Painted Steel Coil



PCC Coil on Kauri Cliffs Roof

- Part of Fletchers since 1988
- One of two coil painters in NZ
- Domestically focussed
- Strong brand recognition

Dimond



Westpac Stadium Cladding and Roof



Long Span Commercial Roof and Purlins

- Part of Fletchers since 1988 from Winstone
- Operates across NZ
- Rollformed roofing and wall cladding products
- Commercial & Residential construction focus
- Light structural sections



Gold Coast Convention Centre, QLD



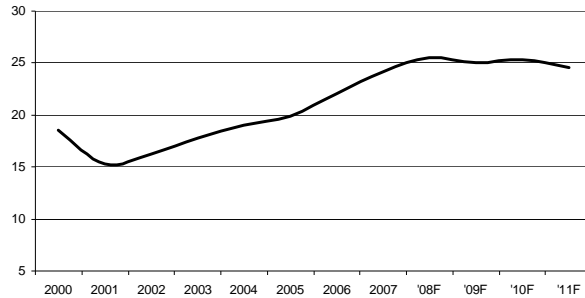
Corrugate House

- One of Australia's leading rollformers
- Stramit purchased from Amatek in 2005
- 27 customer centres across Australia
- Growing downstream w/ FDHS acquisition
- Roller Door production in Victoria
- Rollformed roofing and wall cladding
- Commercial & Residential construction
- Light structural sections

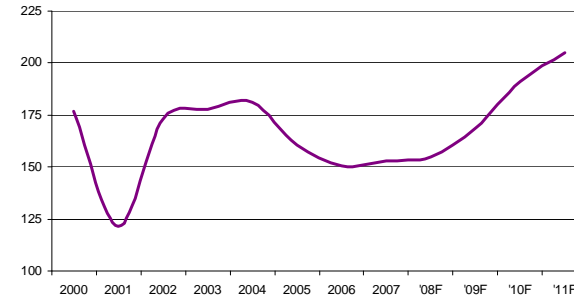
“Moving towards wider supply of the metal building package, reducing supply chain complexity”

Coated Steel Drivers – regional construction activity

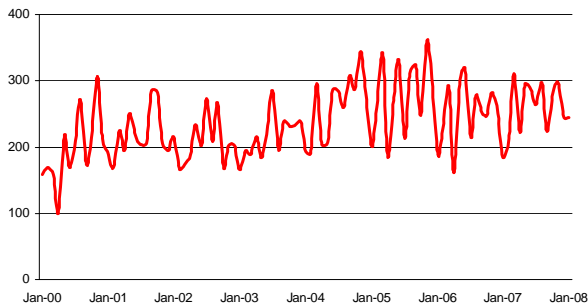
Australian Real Non-res. Work Done (A\$b p.a.)



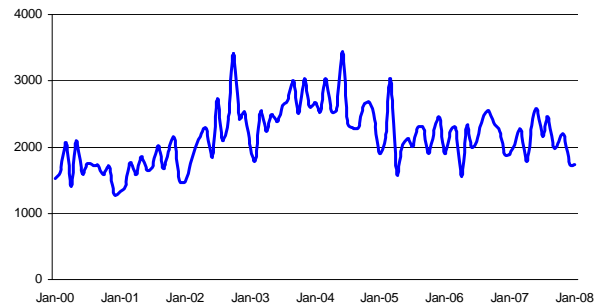
Australian Residential Approvals (,000 p.a.)



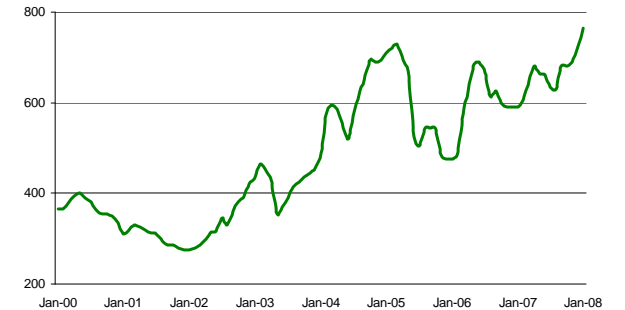
Deflated NZ Monthly Non Residential Value



Monthly NZ New Residential Consents



Cold Rolled Coil Price (US\$/t)



Sources: NZ data is Infometrics. Australian data is BIS Shrapnel.

Steel Distribution – servicing our customer's needs



Dipping Wire



Small Parts

- Two sites – AKL and CHCH
- Biggest zinc bath in NZ
- Closely tied to customers



Engineering Rounds



Pipes into Rural



HC Bar



Coil Processing

- Leading stockist/distributor of long and flat steel
- 13 nationwide locations, servicing 10,000 customers
- New Auckland plate profiling centre – Jan 2008
- Wide range of steel products



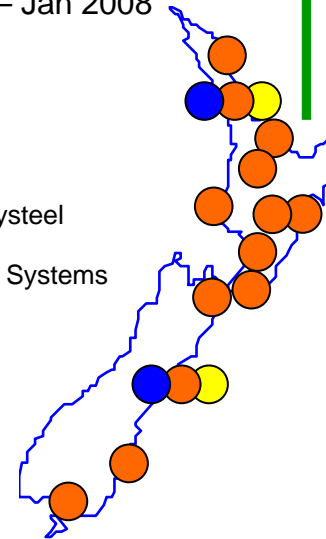
Line Wire



Staples

- Fencing products
- Staples
- Coiled wire
- Servicing the rural market

- Fletcher Easysteel
- CSP Coating Systems
- Cyclone



Steel Division - Opportunities and Issues

Opportunities

Strong global demand for steel

Industry structure – changing in New Zealand & Australia

Continued operating improvements

Increasing infrastructure spend in NZ & Australia

Issues

Possibility of global recession – import availability

World steel pricing, and timing of any re-adjustment

Emission Trading Schemes impact

Steel continues to grow and invest for the future



Improved geographic coverage, New Plymouth branch.



New plate profiling equipment.



Acquired Fair Dinkum and Eziform.
Significant investment in regional plants, equipment.
New modern, efficient site in Melbourne.



Aligned into Fletcher Easysteel for customer and logistics synergies.



Large investment in new curing ovens and coil cleaning unit.



New chemical processes.
Exited Technology business.



New rollforming facility in Christchurch.



New Auckland high capacity shredder and processor installed January 2008.
Container handling equipment.




New Sims Pacific Metals Auckland Ferrous Shredder



Plant capacity upgrade to over 300,000 tonnes Jan 2008.

Steel Division - Outlook

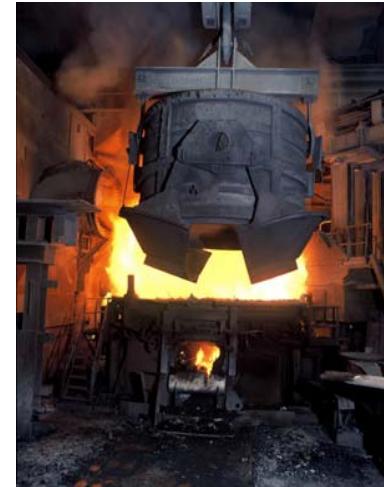
Commercial demand  Steady

Residential demand  Regional growth in Australia
Small exposure in NZ

Volumes  Steady

Margins  Steady

Steel Division - Summary



- Fletcher Steel is a NZ\$1.2B business
- Holds a unique and significant position in the Australasian region
- History of growth and performance
- We continue to invest in the future
- Solid brands with a reputation for service and innovation