

ANALYSTS TOUR OF SYDNEY OPERATIONS



Cautionary Statement

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 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.



BUSINESS DESCRIPTION

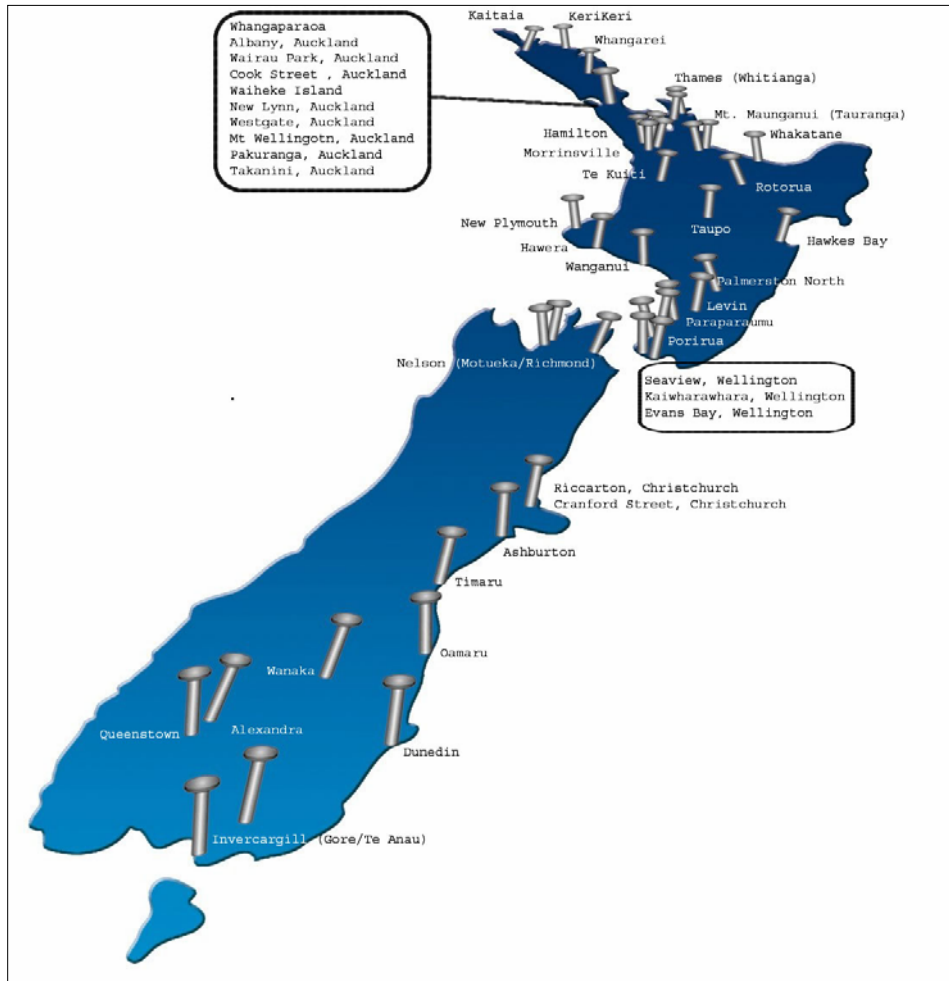
PLACEMAKERS VISION

To be the World Class supplier of choice for builders and DIY project customers.

KEY METRICS

● Number of Outlets	-	55
● Number of Staff	-	2825
● 2005 Revenue	-	\$920M
● 2005 EBIT	-	\$81M
● Funds Employed	-	\$120M
● EBIT:Funds Employed	-	67.5%

LOCATION MAP



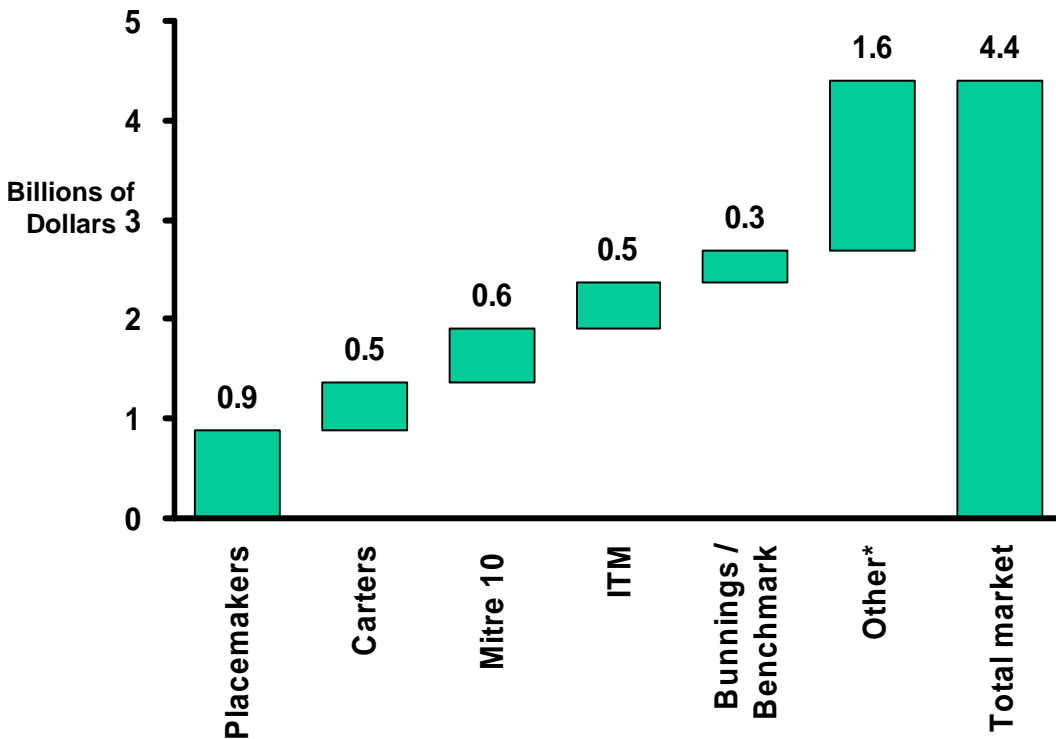
JOINT VENTURE PARTNERSHIP

- 50.1% Fletcher ownership of each store
- Joint Venture Partners responsible for:
 - Customer Relationship
 - Staff
 - Trading Performance
 - Working Capital
- Fletchers responsible for:
 - Brand
 - Property
 - Terms of Trade
 - Systems

A decorative graphic consisting of a thick blue horizontal bar at the top, a thin yellow vertical bar on the right side, and a thin red vertical bar on the right side, overlapping the yellow one.

THE MARKET

NEW ZEALAND BUILDERS MERCHANT MARKET (2004)



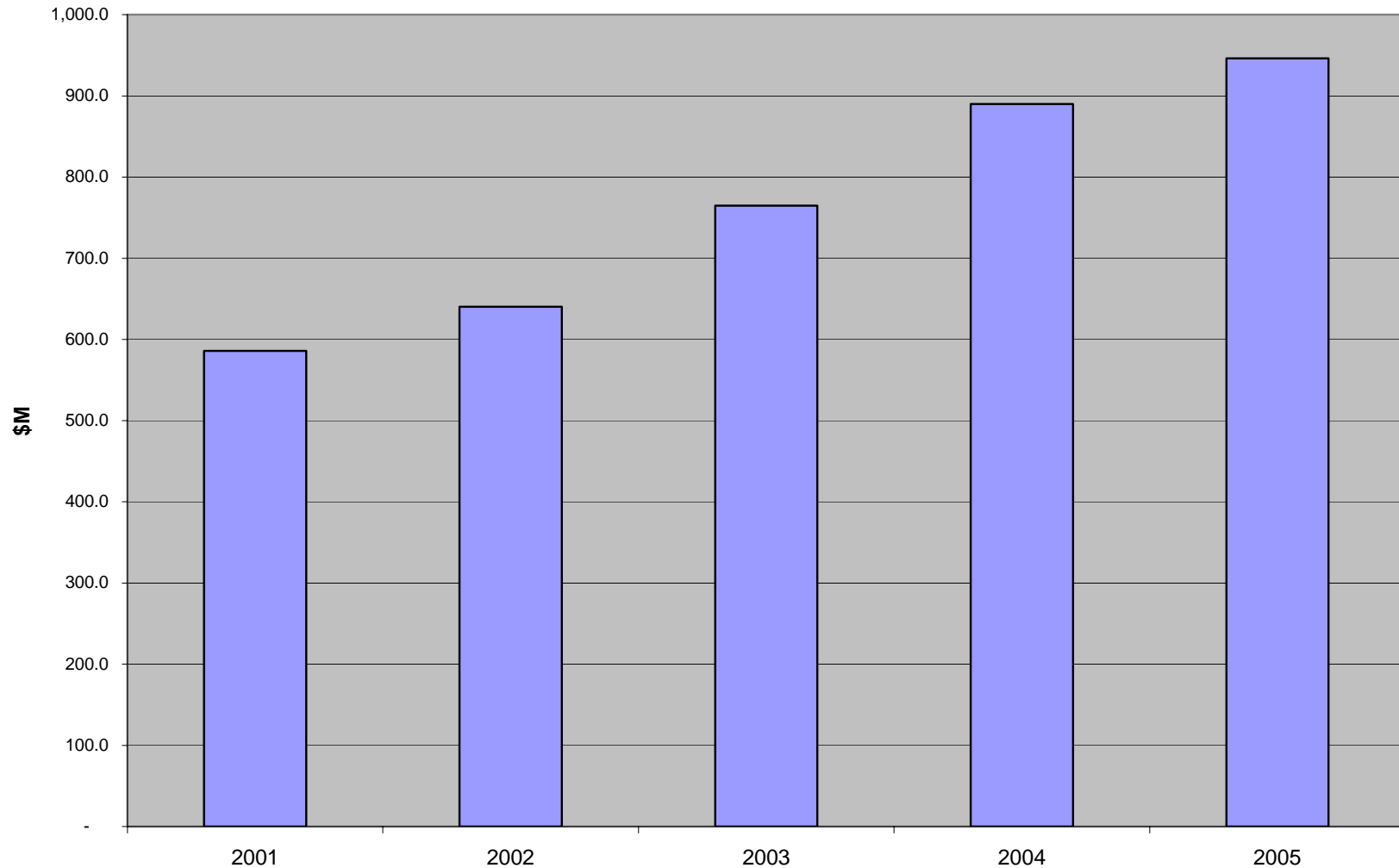
- The market has been defined as those categories sold by PlaceMakers
- Total permitted construction spend in New Zealand in 2004 was \$9.9B, including labour (excludes non-consented A&A)



TRADING PERFORMANCE

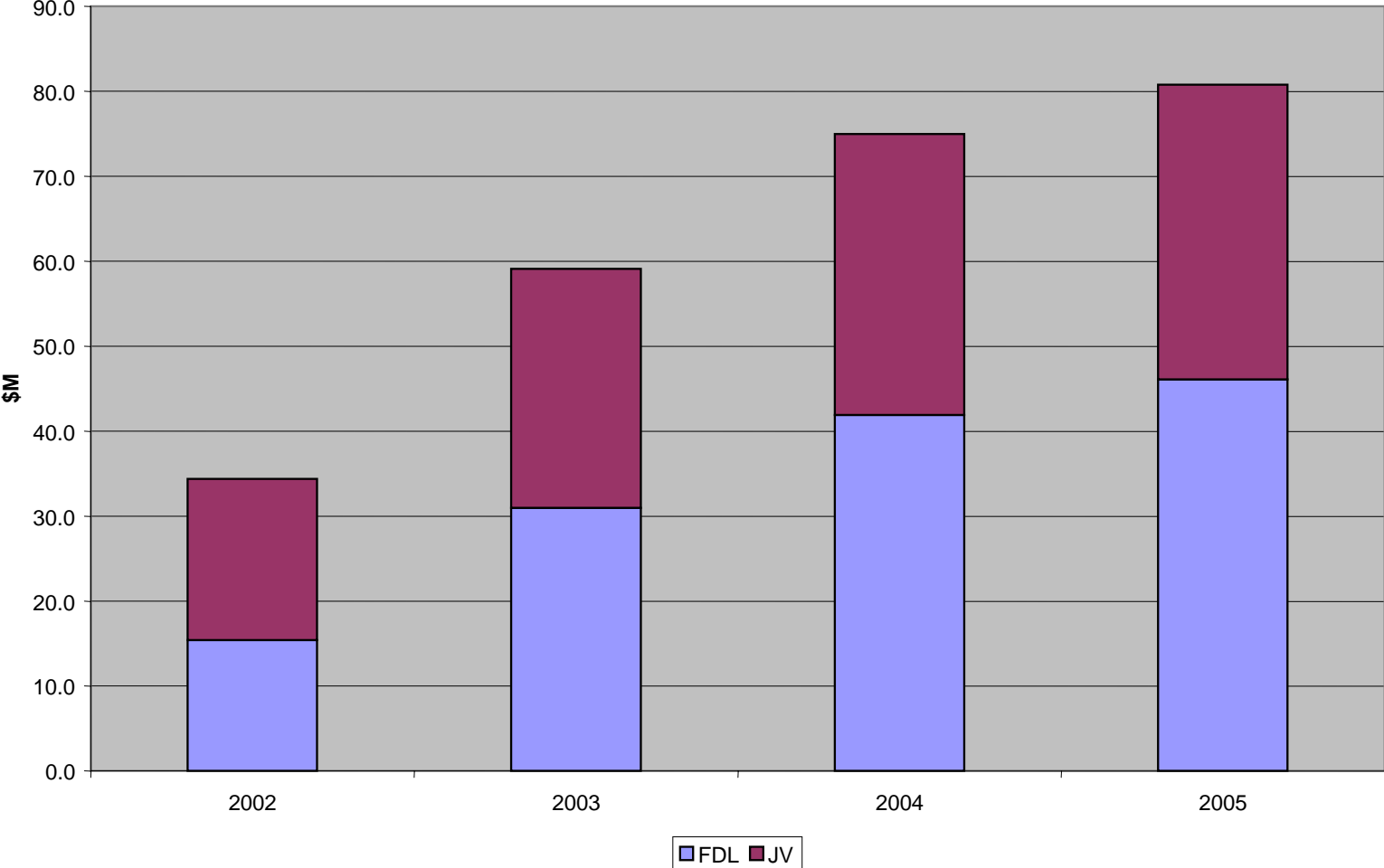
HISTORICAL PERFORMANCE – SALES REVENUE

PlaceMakers Total Company Revenue 2001 - 2005

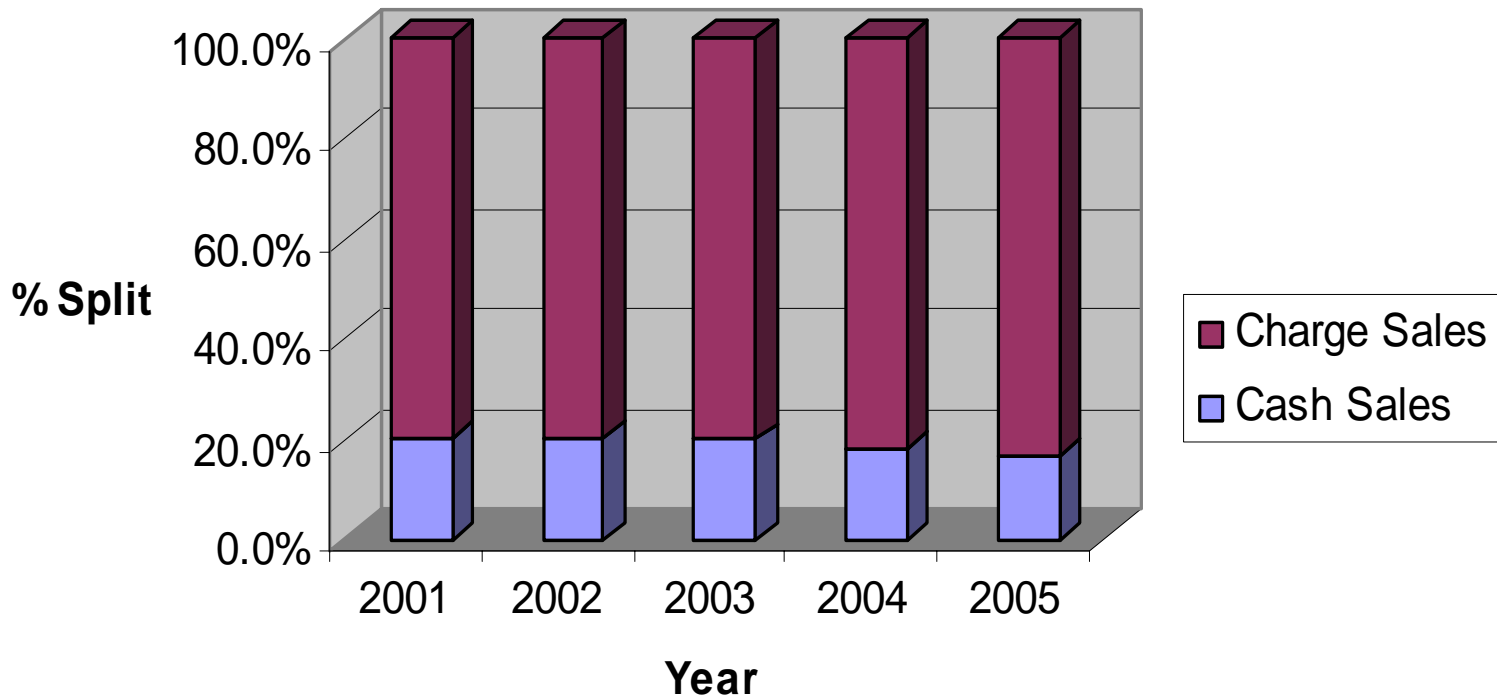


HISTORICAL PERFORMANCE - EBIT

PlaceMakers Total EBIT

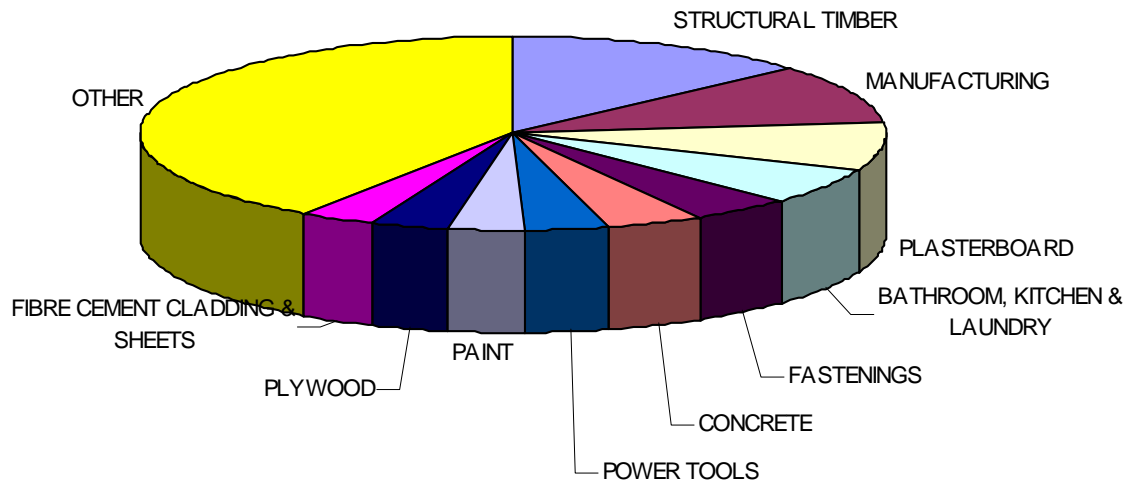


REVENUE SPLIT



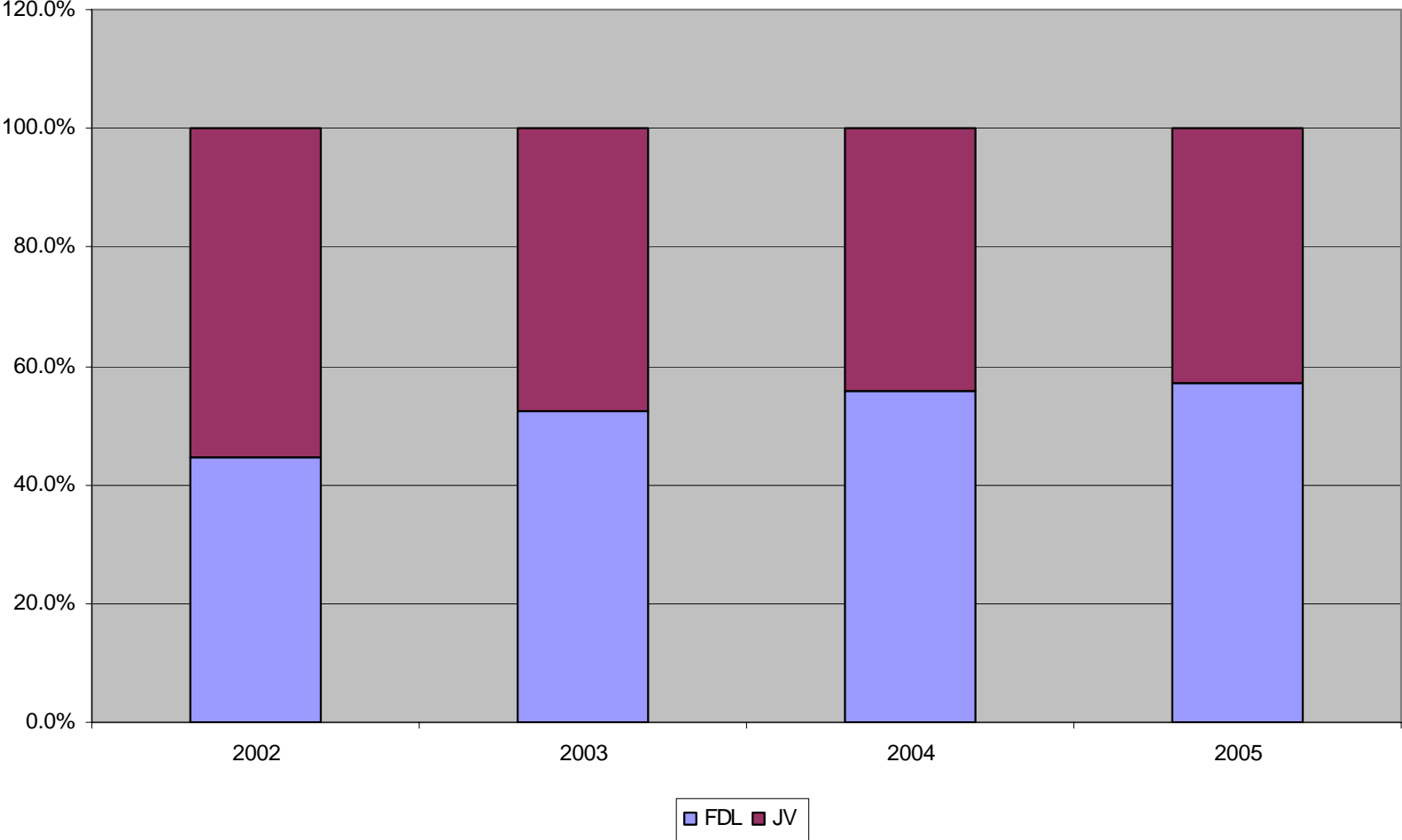
REVENUE BY CATEGORY

Revenue by Category



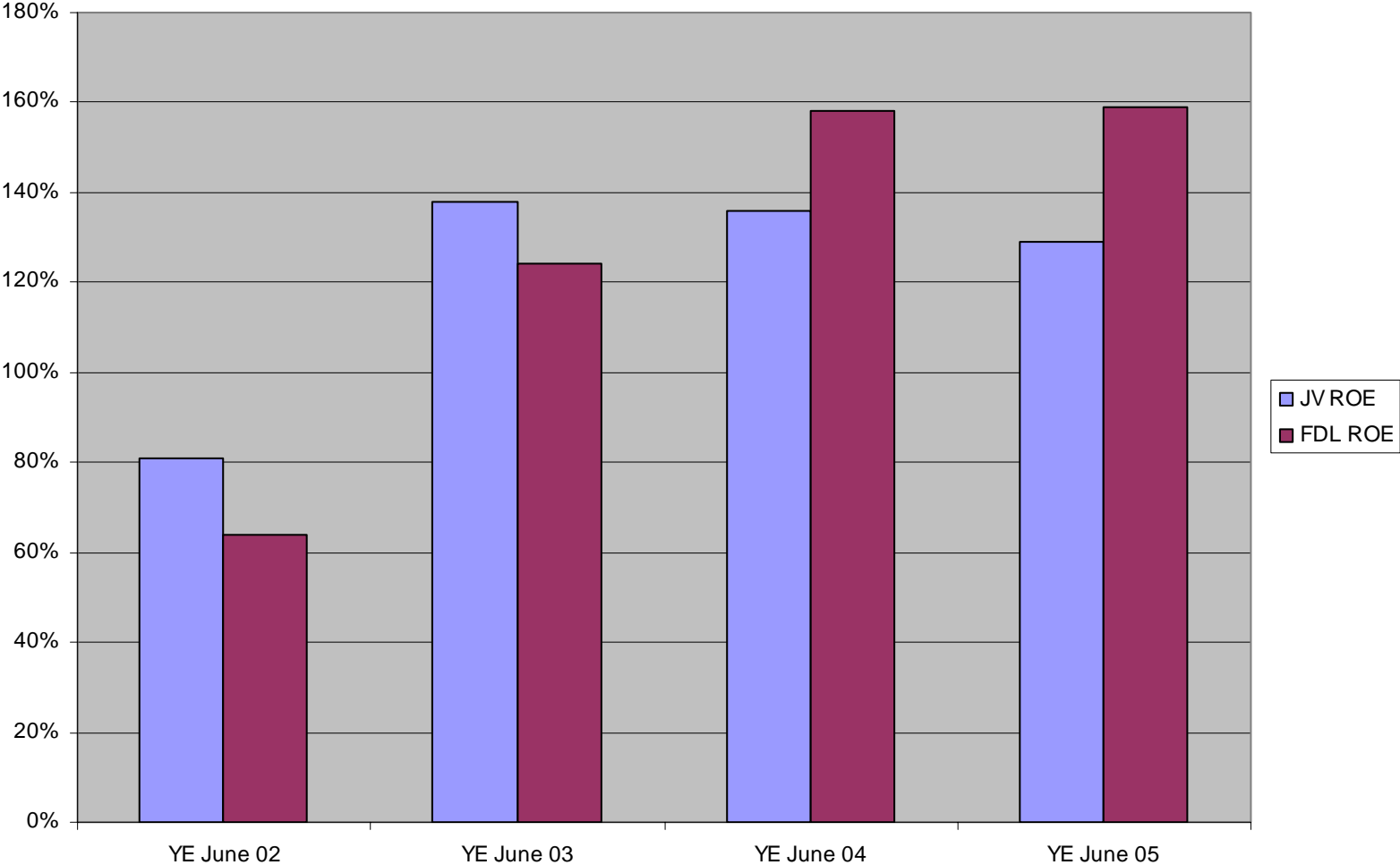
HISTORICAL PERFORMANCE – EBIT SHARE

PlaceMakers Total Company Share of EBIT

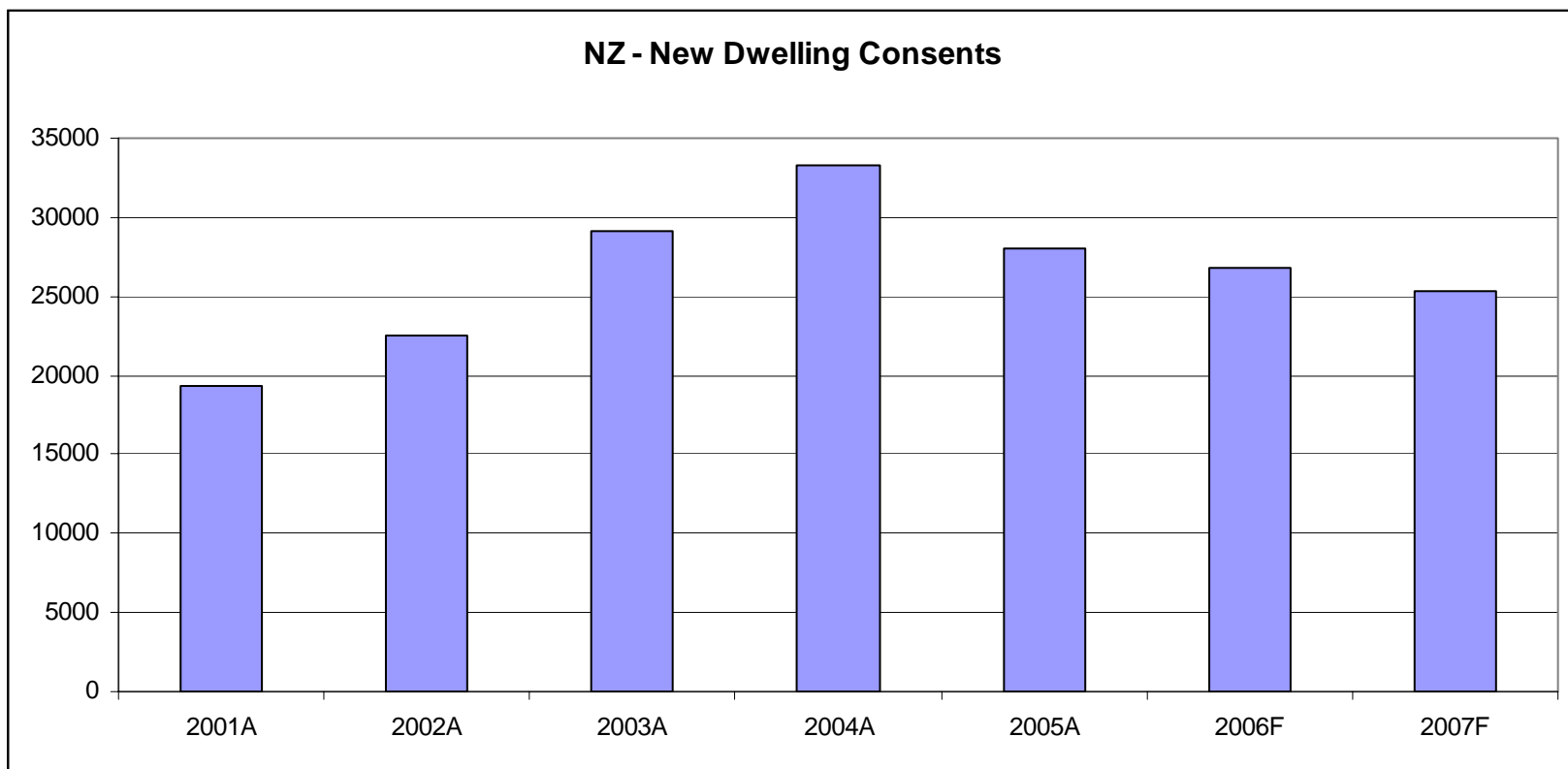


RETURN ON EQUITY BY PARTNER

Share of Returns



NEW DWELLING CONSENTS



Source: Infometrics



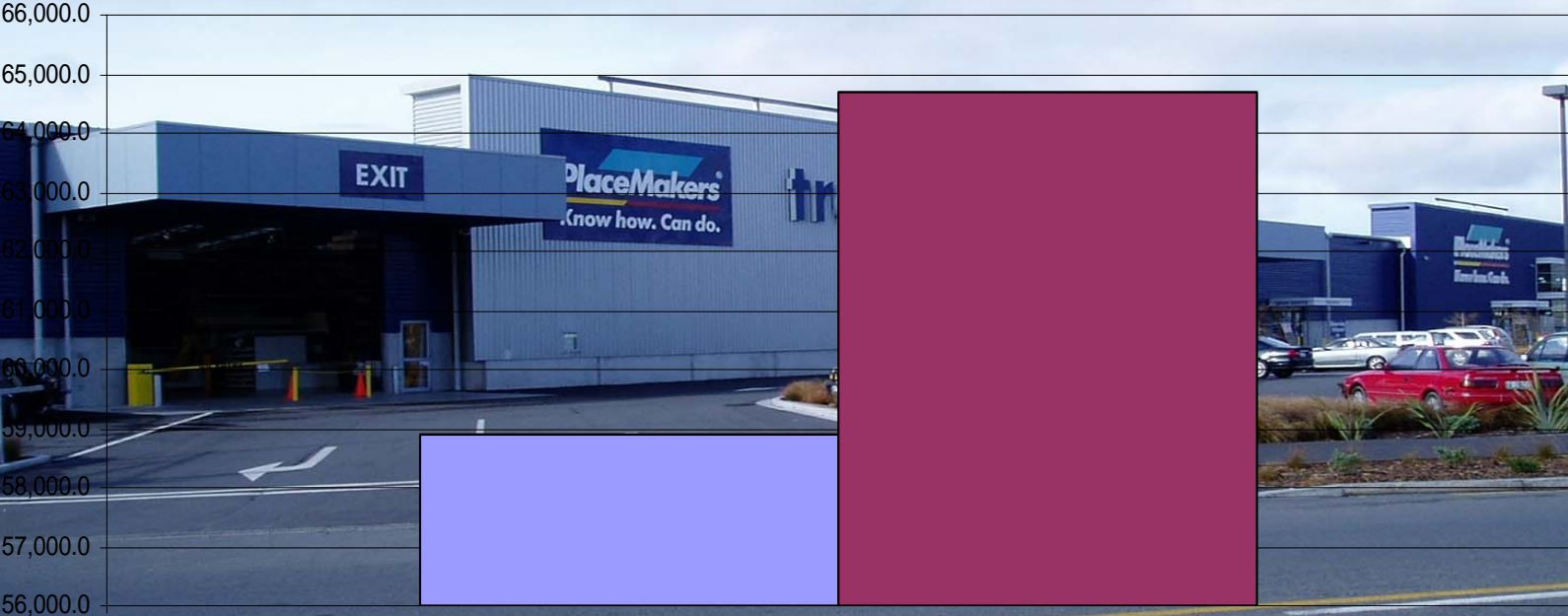
GROWTH

NEW STORES - RICCARTON



NEW STORES - RICCARTON

Riccarton Revenue



Sales

■ Oct 03 to Jun 04 ■ Oct 04 to Jun 05

NEW STORES – QUEENSTOWN



PlaceMakers[®]
Know how. Can do.

NEW STORES – QUEENSTOWN

Queenstown Revenue

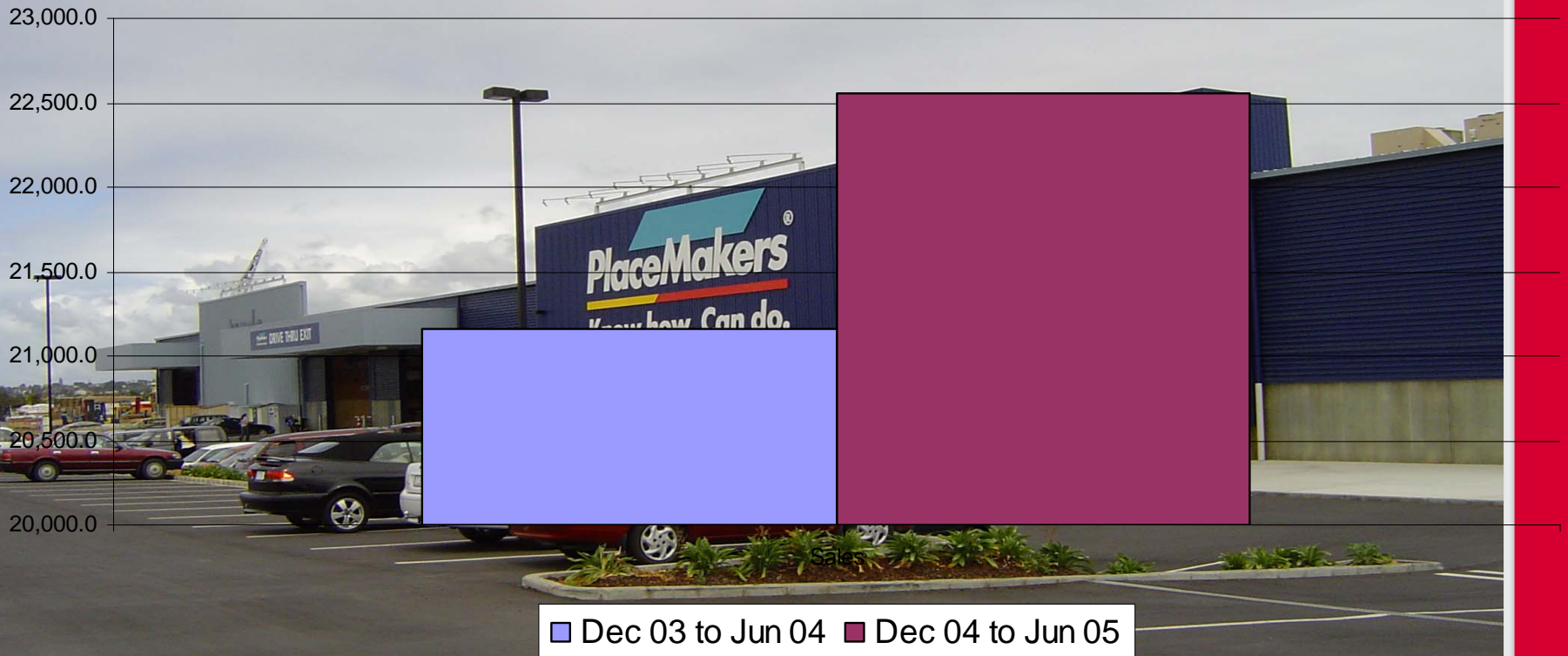


NEW STORES – MT. WELLINGTON



NEW STORES – MT. WELLINGTON

Mt Wellington Revenue

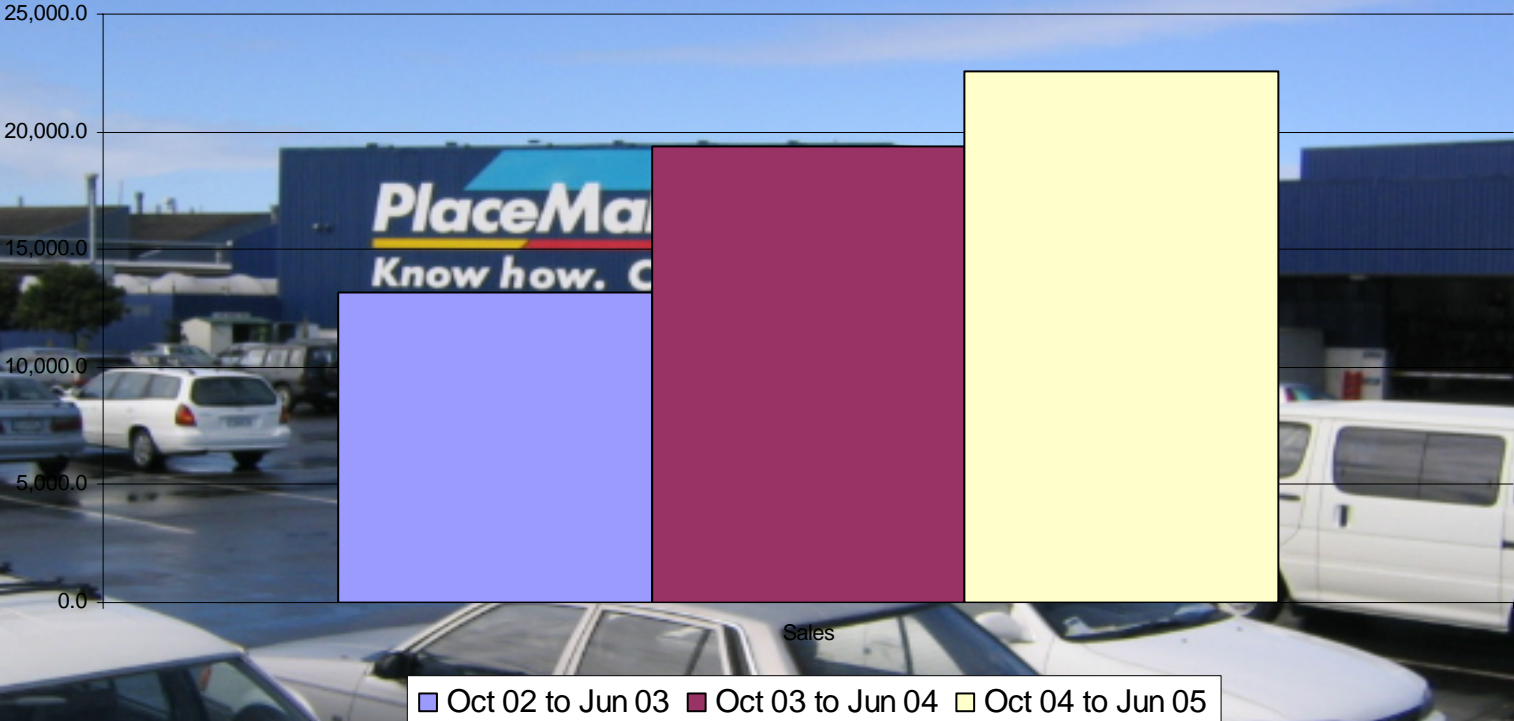


NEW STORES – NEW LYNN

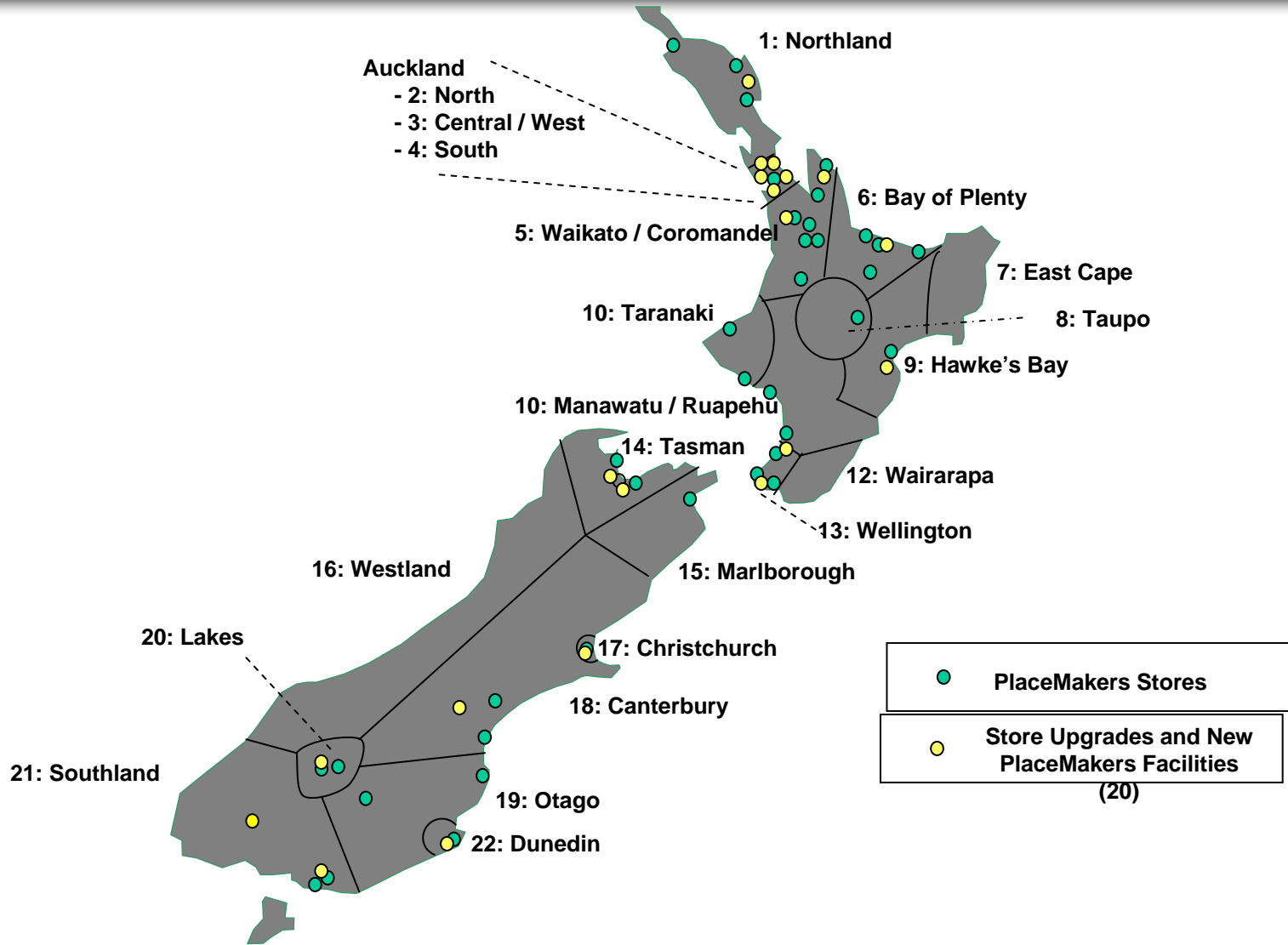


NEW STORES – NEW LYNN

New Lynn Revenue



STORE UPGRADES AND NEW PLACEMAKERS FACILITIES TO JUNE 2006



HIGH LEVEL BUSINESS SYSTEMS PROJECTS

- Customer Programme
- e Business Programme
- Logistics Programme
- Legacy System and Infrastructure Improvement Programme

KEY OBJECTIVES

Ranging
Cash: DIY Card/Advertising & Promotions
Trade: Sales Order Project/LIFT/Advertising & Promotions/Key Accounts
New Products

ENABLERS

Frame & Truss
Store Network Development
Systems Development
Health & Safety

SALES



MARGINS



Terms of Trade

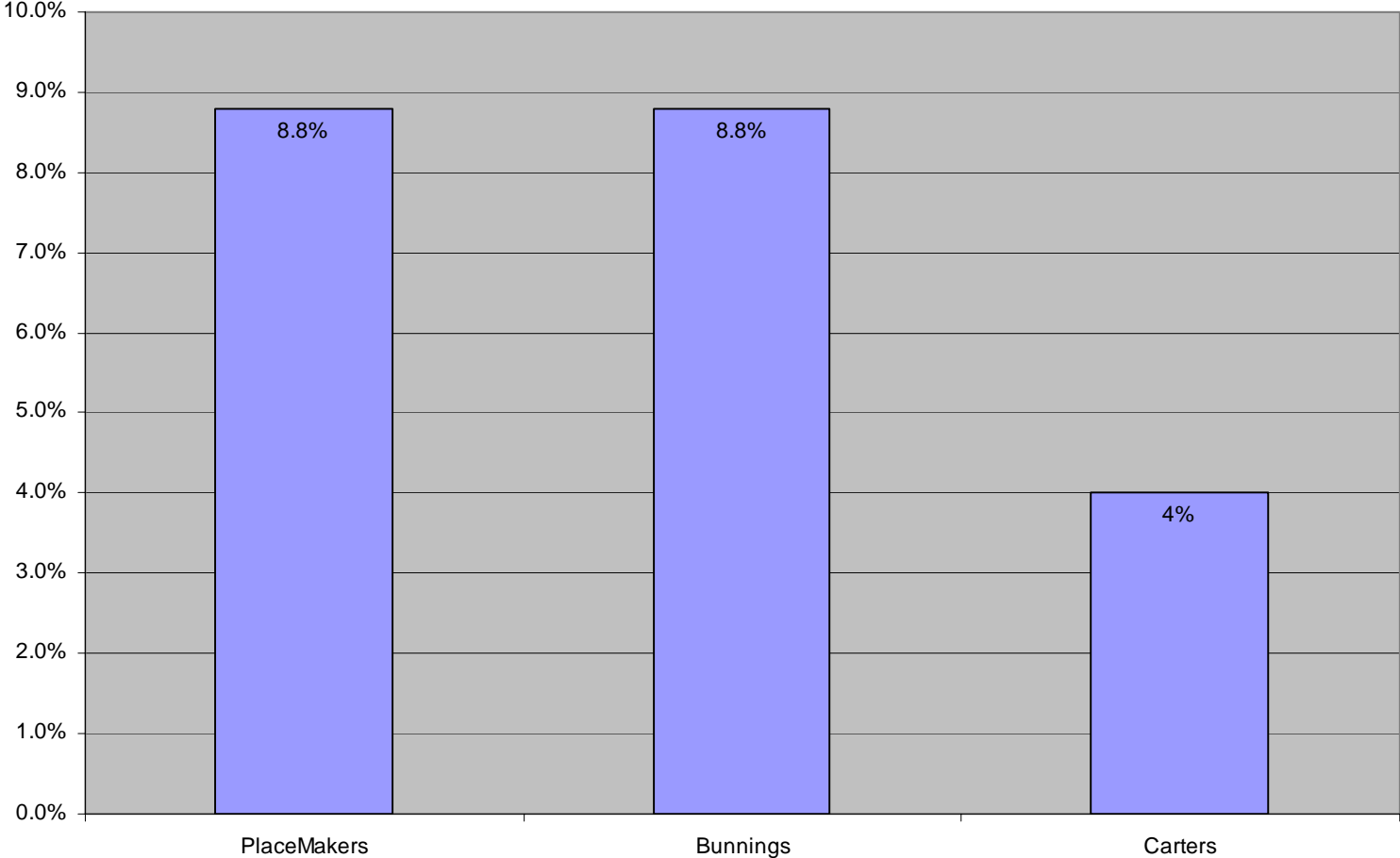


COSTS

Supply Chain
Productivity

EBIT:SALES RATIOS

EBIT:Sales Ratios



Source: Company Reports