

ANALYSTS PRESENTATION
PERTH, WESTERN AUSTRALIA



29th November - 1st December 2006

Cautionary Statement

This confidential 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.



THE laminex GROUP

The Laminex Group was formed in 2002 after the acquisition and integration of Formica Australia (September 1999) and Wesfi Limited (February 2001) with Laminex Industries.

The Laminex Group was acquired by Fletcher Building Limited in November 2002 and subsequently integrated with the existing Scott Panel and Hardware and Fletcher Wood Panels operations.

In 2006 the O'Brien Group was acquired. As well as the wholly owned operations described above, The Laminex Group also has two joint venture operations in Western Australia: the Wespine sawmilling operation (owned 50:50 with Wesfarmers) and Dynea Australia, a 50:50 JV with Dynea OY, a specialist resins manufacturer.



THE laminex GROUP

LEADING BRANDS



THE laminex GROUP

Laminex[®]
Inspire your space



O'BRIEN GROUP



World's favourite laminate

THE laminex GROUP

LEADING PRODUCTS



THE **laminex** GROUP

LEADING PRODUCTS



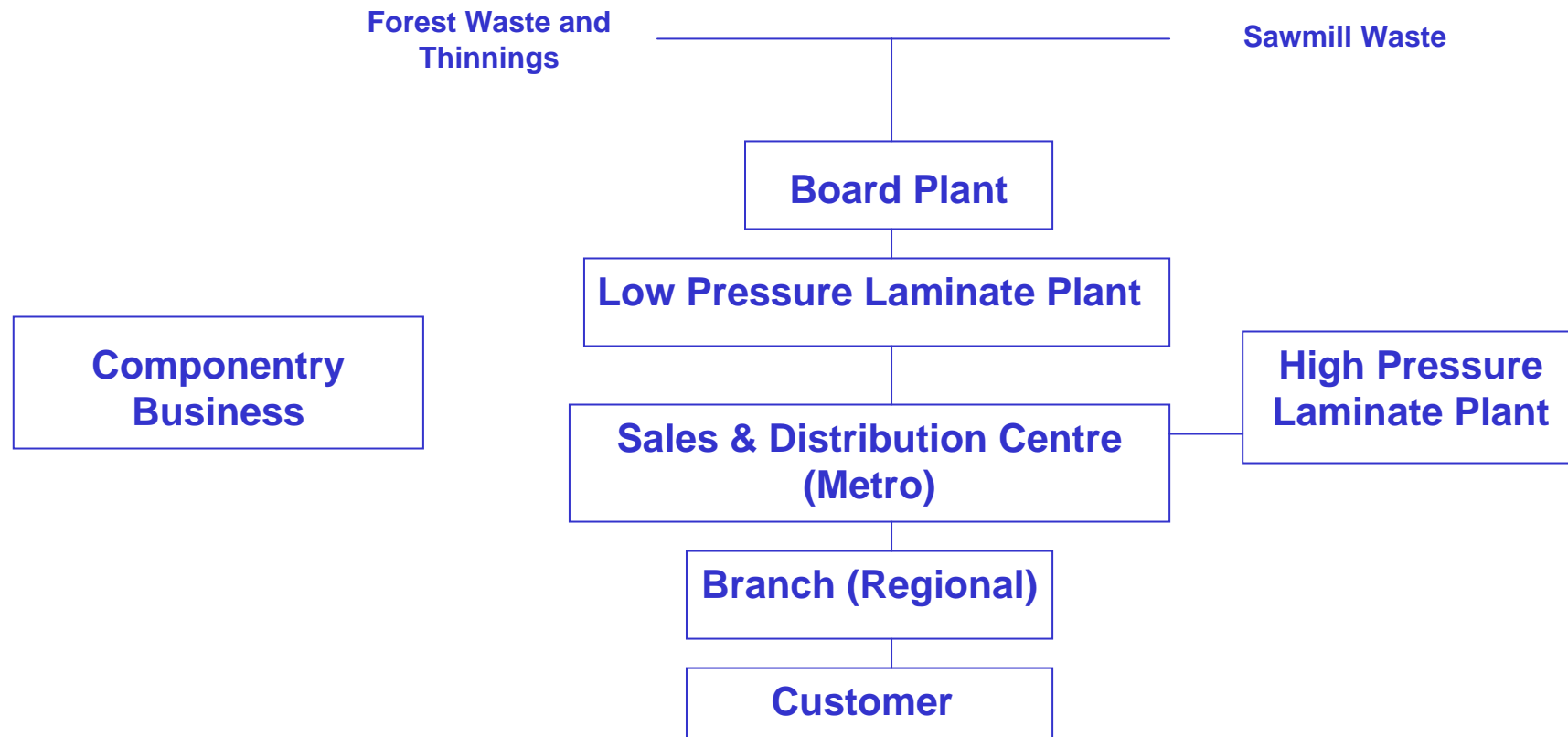
LEADING MARKET POSITIONS

Market Shares Year to June 2006

	Aus	NZ
High Pressure Laminate	65%	63%
Decorated MDF	53%	45%
Decorated Particleboard	43%	69%
Raw MDF	31%	34%
Raw Particleboard	29%	56%

Source : Management Estimates

VERTICAL INTEGRATION



DARDANUP SITES

Particleboard
Plant



Dynea Resin Plant
JV



Wespine Sawmill
JV



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PROSPECT DISTRIBUTION CENTRE

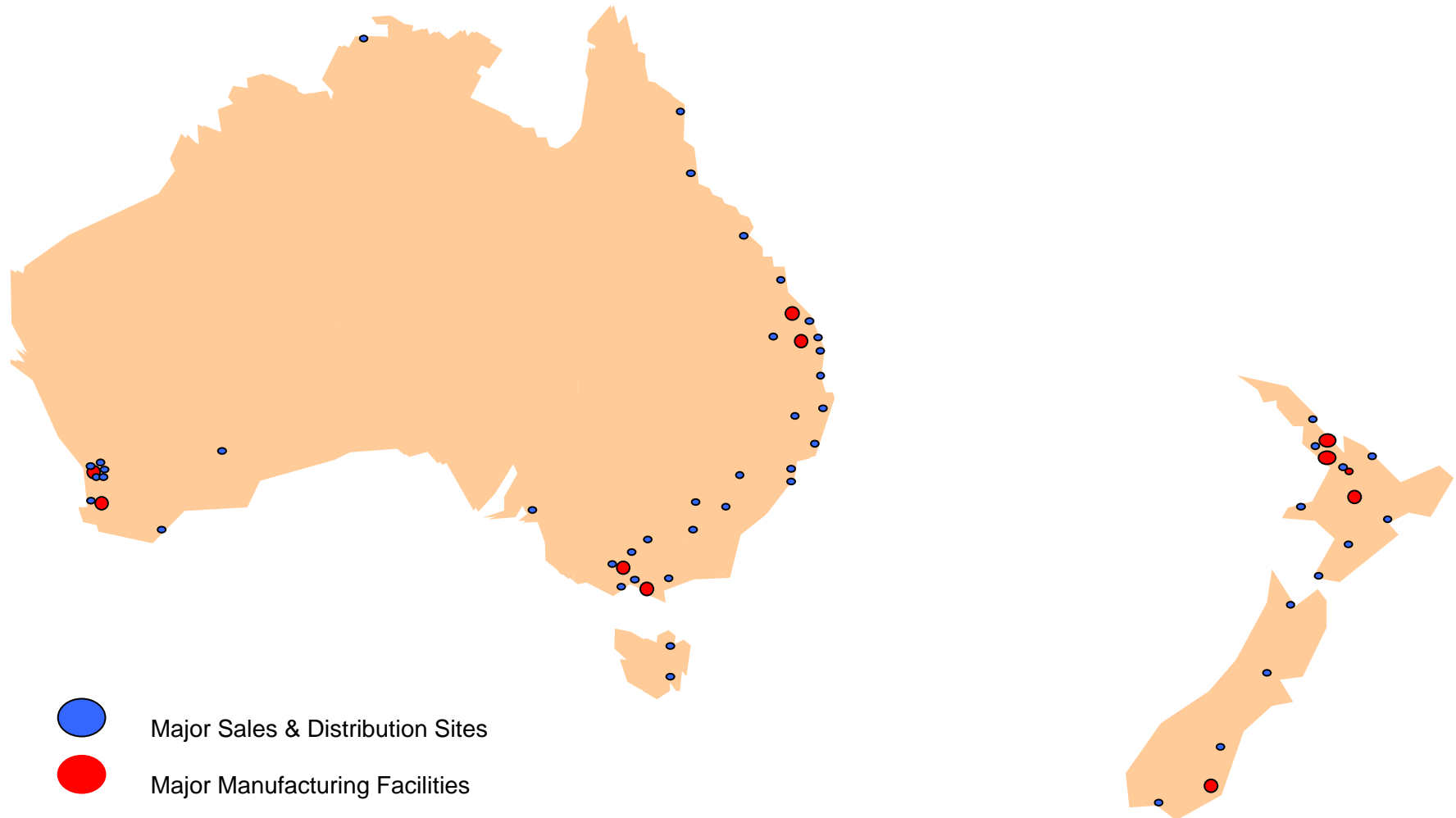


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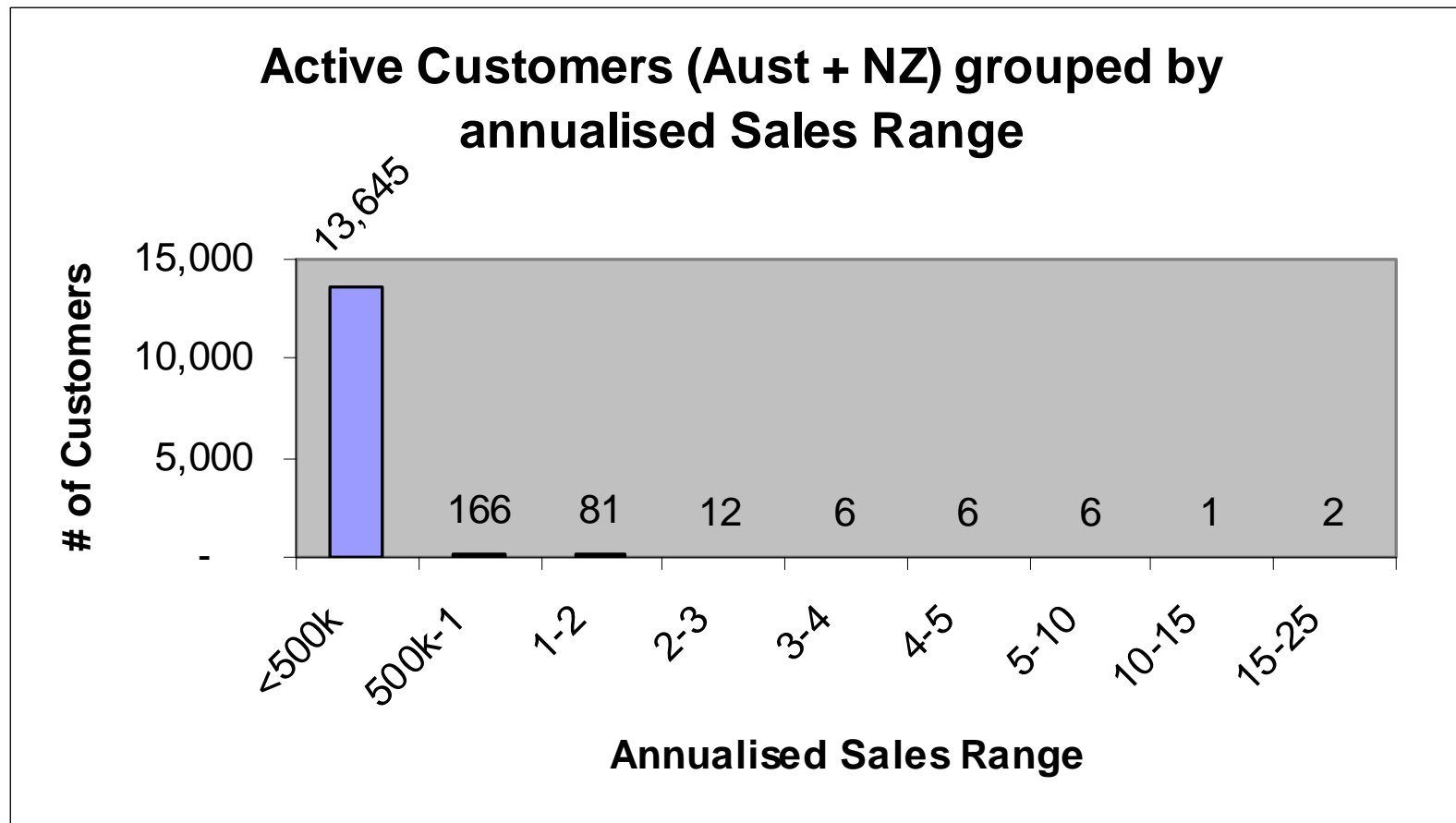
MURARRIE SHOWROOM



MAJOR LOCATIONS



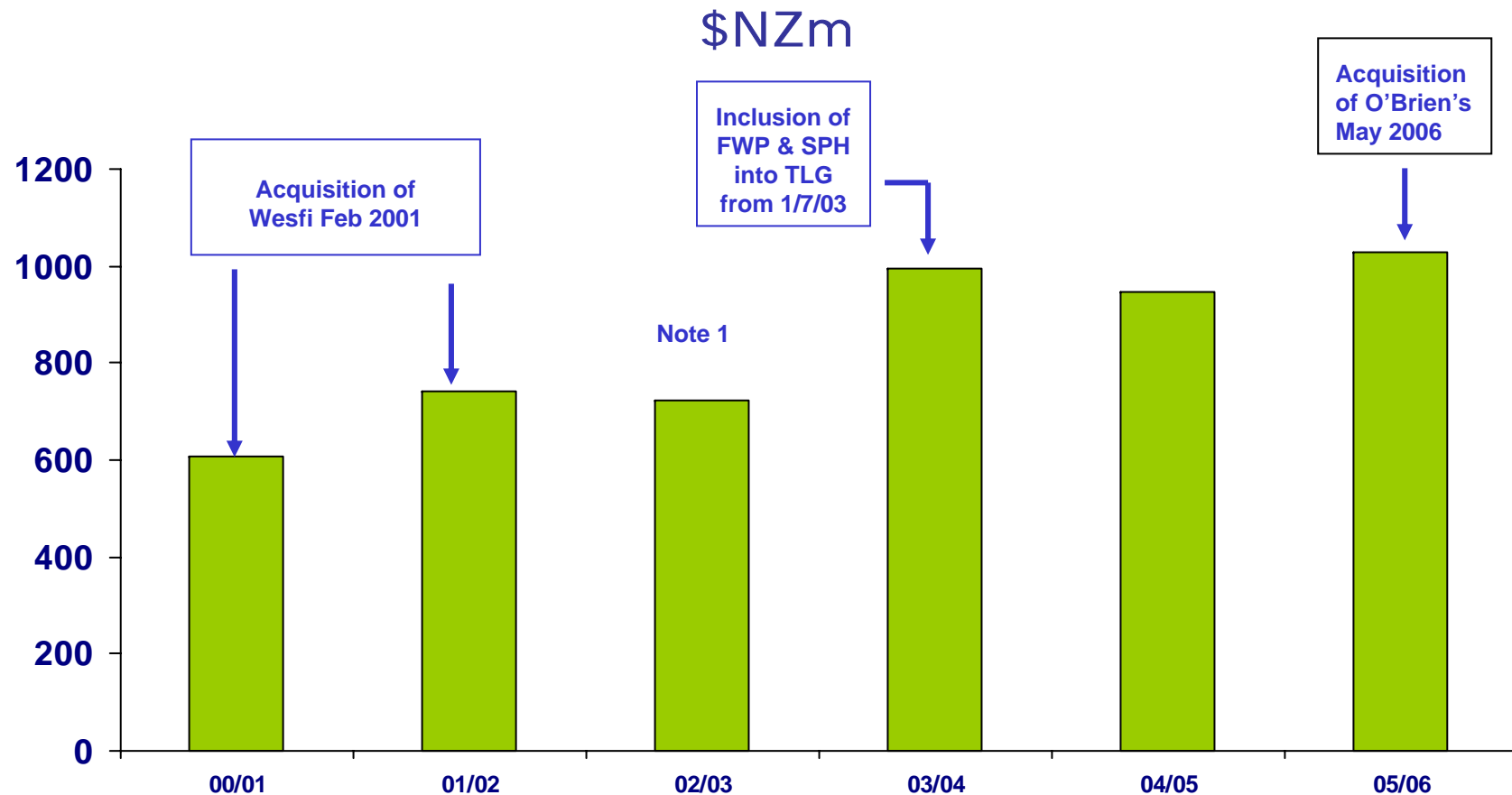
Customer Size Review



Includes Cullity Timbers customers (not previously reported)

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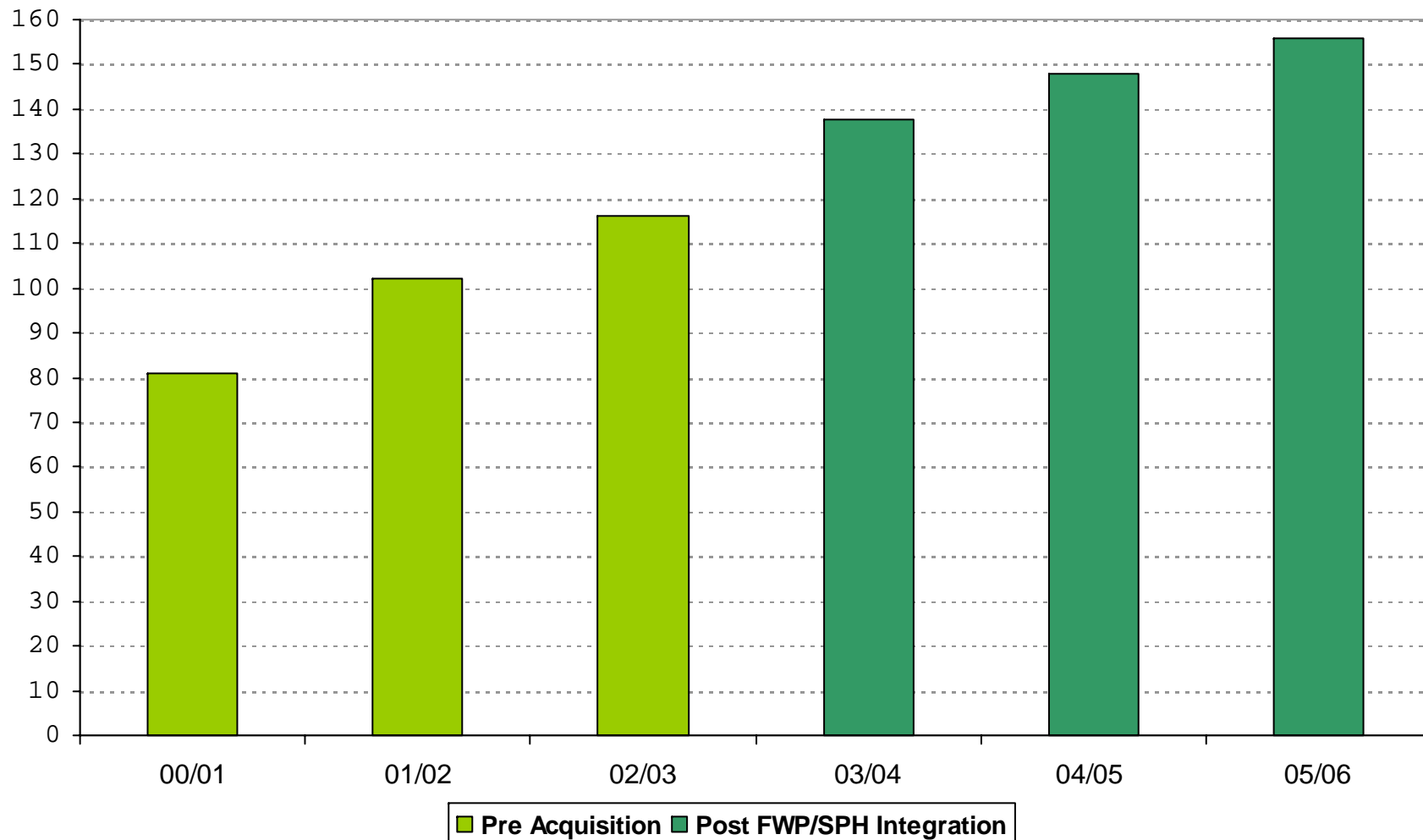
Revenue Growth 00/01 – 05/06



Note 1: Underlying sales in \$A were 5.5% above 01/02 but appreciation of the \$NZ against the \$A in 02/03 has the effect of reducing revenue on conversion to \$NZ. Sales are converted from \$A to \$NZ at average exchange rates each year

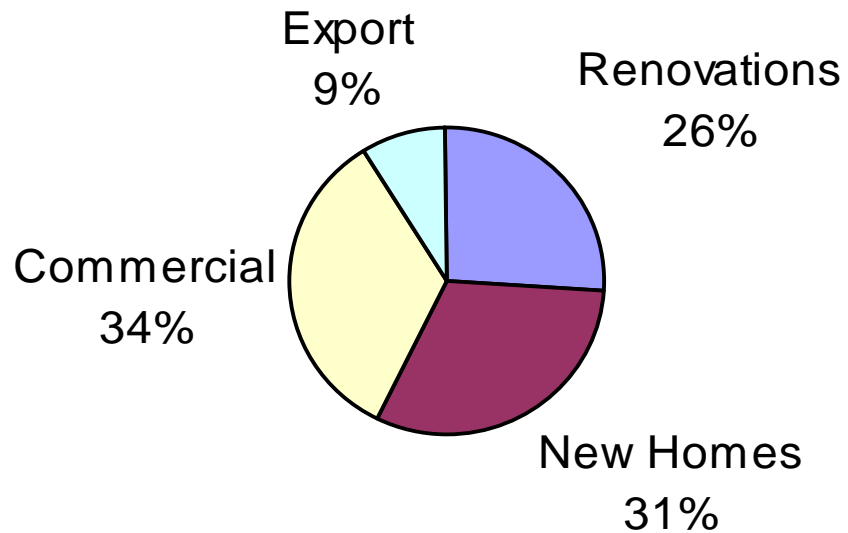
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EBITDA GROWTH 00/01 – 05/06 NZ\$M

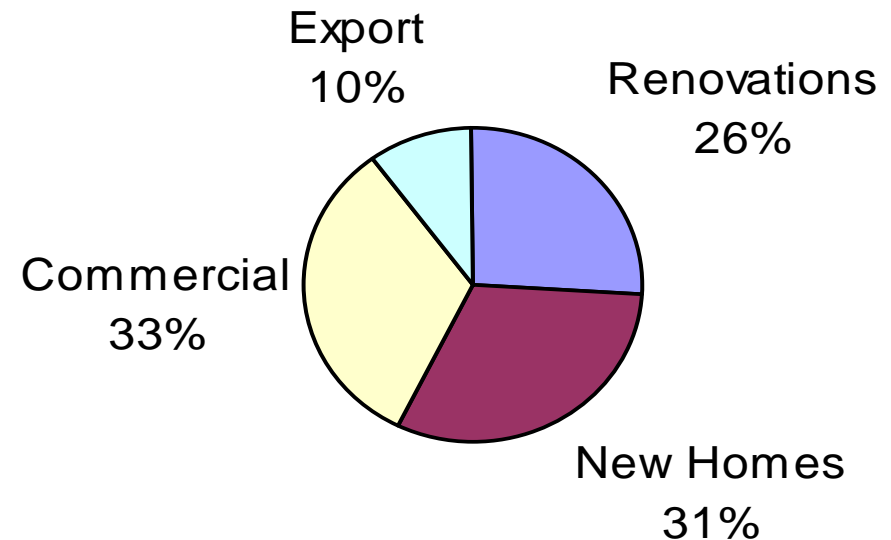


Revenue by Segment 2005/06

04/05



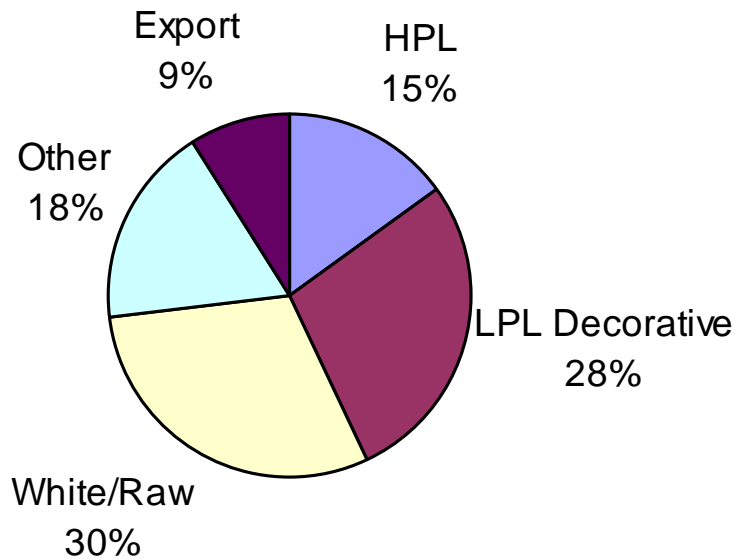
05/06



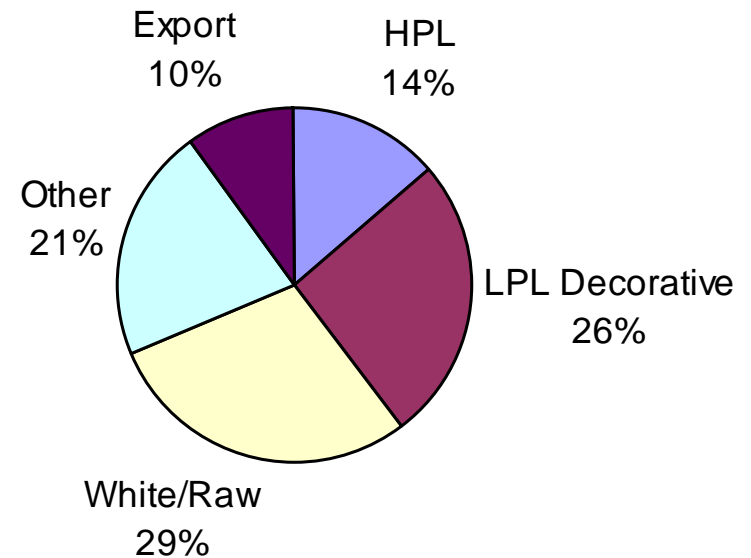
Source : Management Estimates

Revenue by Product 2005/06

04/05

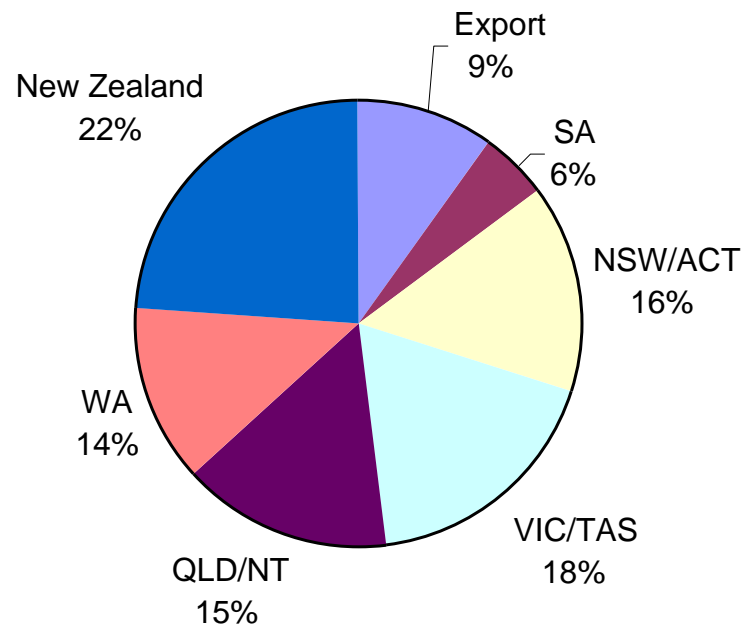


05/06

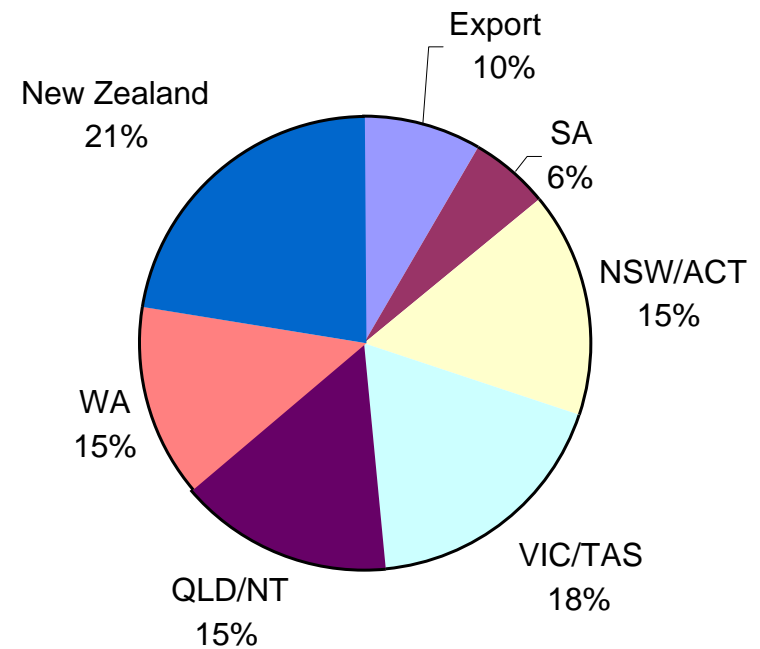


Revenue by Major Region 2005/06

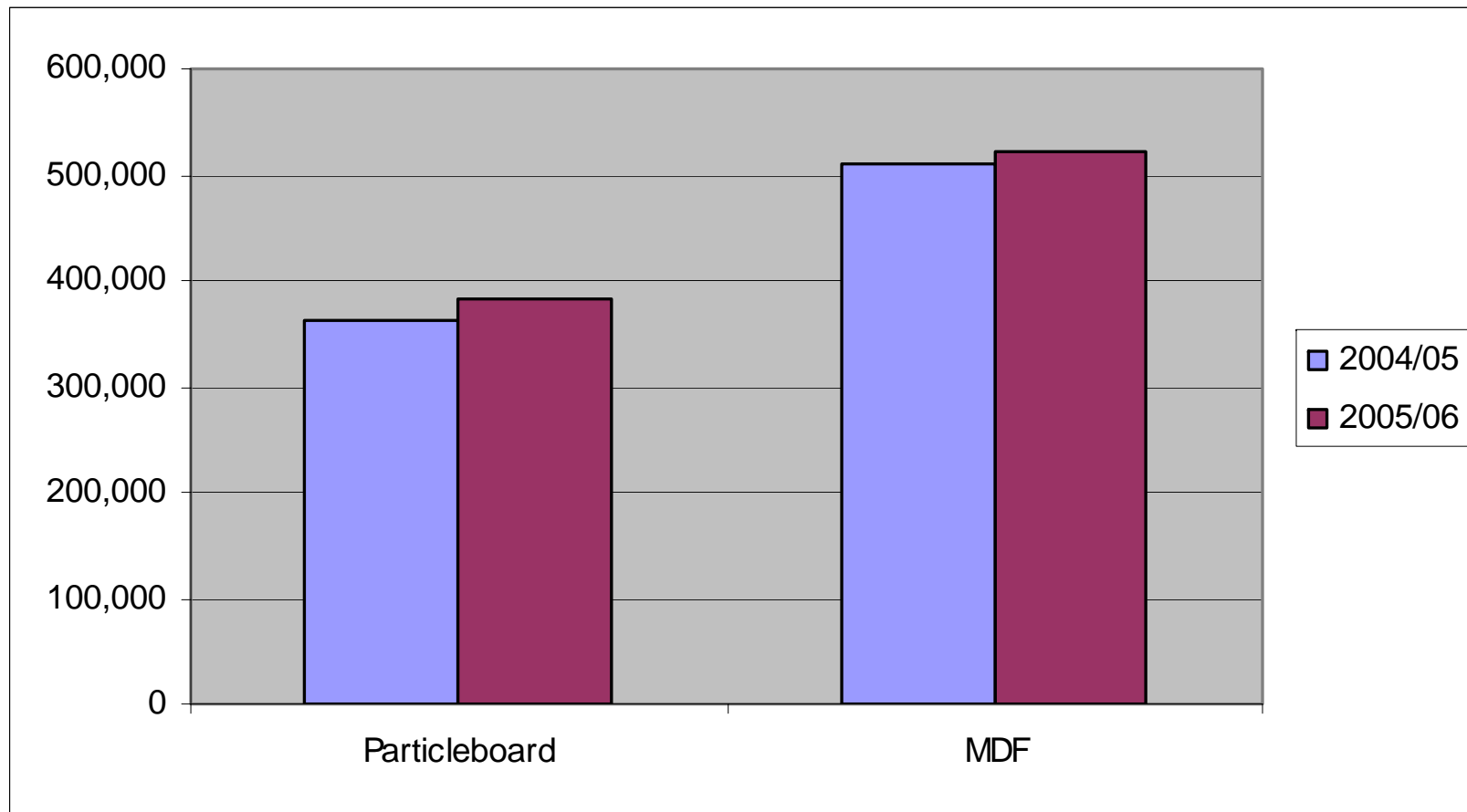
04/05



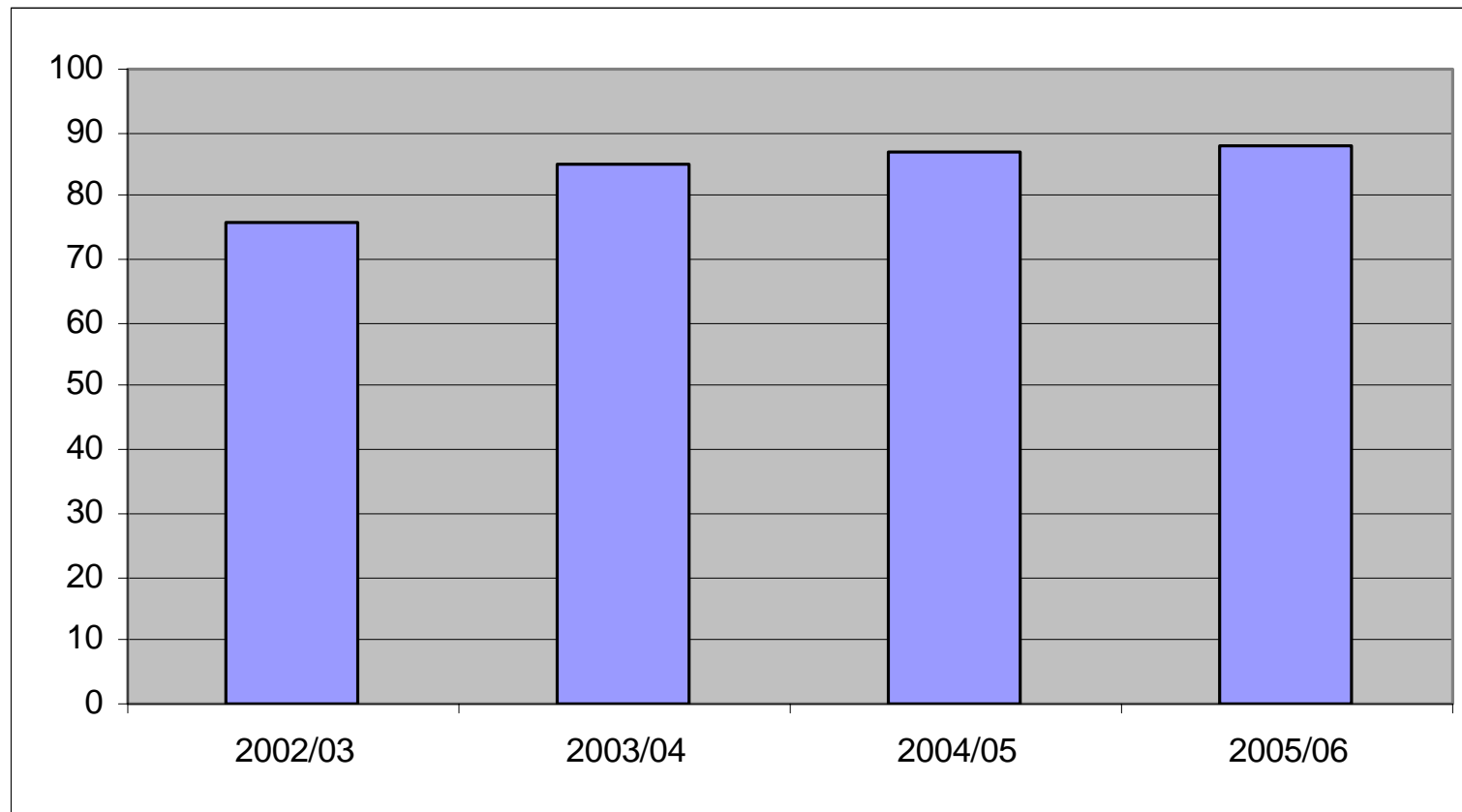
05/06



Board Plant Performance (m³ per annum) – 05/06



Customer Delivery Performance (DIFOT)



GROWTH

PARTICLEBOARD CAPACITY EXPANSION

Dardanup

50,000m³ (15% increase in total capacity)

\$30m total capex

Stage 1 (\$18m) due for completion December 2006

Improve environmental performance

Increase use of recycled fibre

Kumeu

13,000m³ (14% increase in total capacity)

\$3m total Capex completed in May 2006

Improved environmental performance

Increase use of recycled fibre

GROWTH

PRODUCT DEVELOPMENT

- 18 products in 18 months
- Greenfirst product range
- Formica Flooring
- Engineered Stone
- Wet area panelling

GROWTH

KITCHEN COMPONENTS

- **Ballarat door plant re-engineered to carcasses, doors, panels (kitchen components)**
- **Manufacture and sales of complete kitchens to multi-unit developers (taking away from Asian imports)**
- **Taken our rights to 20/20 Design package for Australia**
- **Successfully acquired O'Brien Group**
- **Supplying kitchens successfully to PlaceMakers**

GROWTH

GOING FORWARD

- **Starting to supply flatpack kitchens to big box retailers in Australia**
- **Starting to supply finished kitchens to whitegood retailers**
- **Capital spend on a new state of the art decorated door facility**
- **Developing finished benchtop business in Australia**

GROWTH

ASIA

- **Develop sourcing capability in Asia**
 - HPL 50 colours 375
 - Decorated Board

PRODUCTIVITY IMPROVEMENT

- **WA Sales and Distribution Integration**
- **Paper treating for LPM in NZ**
- **Restructure laminating of decorated board to service local needs**
- **Recycled wood**
- **Renewable energy generation**

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GROWTH - GREENfirst™

- GREENfirst™ is a range of environmentally preferable products developed to meet the growing demand for environmentally sustainable solutions from the property industry
- Products are certified by third party eco-labelling programs covering Australia, New Zealand, Korea and China
- 50% of the revenue generated by The Laminex Group is now derived from environmentally certified products



- The company is fast becoming a leader in the supply of sustainable building products

OUTLOOK

1. **Consistent earnings growth in softening market**
2. **Resilience has improved through diversification of**
 - **market segment**
 - **geographic segment**
 - **product segment**

TAUPO

- **Fire on 11/9/06 completely destroyed MDF press**
- **Insurance policy covers new for old replacement and business interruption**
- **Total MDF production capacity of 164,000m³ per annum**
- **Export ceased on day after fire**
- **Any export stock at warehouse redirected to domestic customers**
- **All export customers advised in person**
- **Estimated time for reinstatement of capacity is 18 months**
- **Adequate volumes sourced to meet NZ domestic needs with no disruption**