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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 2009 half year results announcement, 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.

Agenda

- Introduction
- Company and Market Overviews
- Divisional Performances
- Financial Results
- Outlook

COMPANY & MARKET OVERVIEWS



Kumutoto Meridian Building, Wellington, NZ

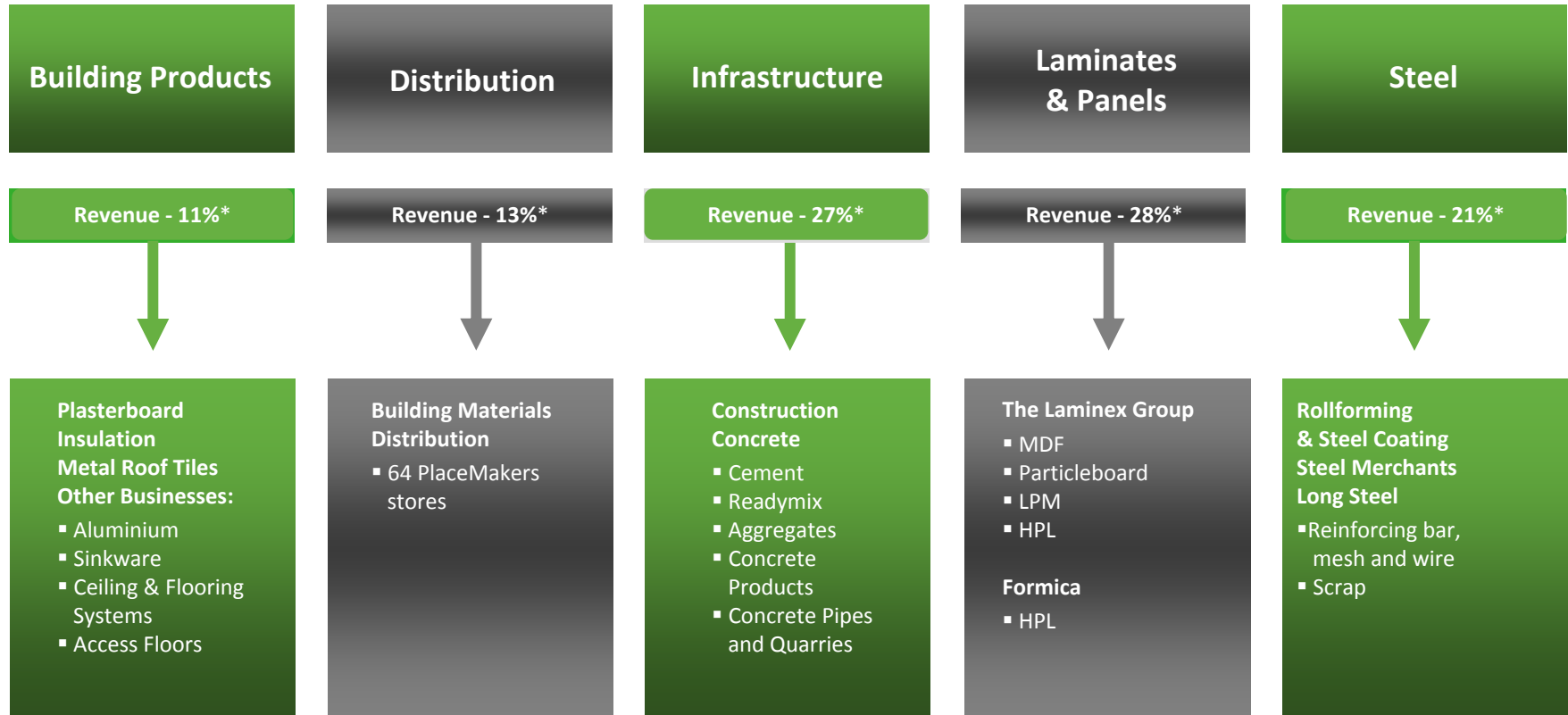
Fletcher Building at a glance

- Revenue: NZ\$7,091M
- Net Earnings: NZ\$467M
- Market Capitalisation: NZ\$2.7 billion
Ranked # 3 on NZX
#60 on ASX
- Employees: 18,500
- Listed on NZ and Australian Stock Exchanges
- Shareholders:

New Zealand	22%
Australia	35%
USA	14%

} Year to 30 June 2008

Market leading businesses



* Revenue contribution for 6 months ended 31 December 2008

Strategic agenda

Earnings Reliability

- Earnings reliability still the over-riding strategic objective.
- Company outlook is cognisant of both product and geographic diversity.

Internal Growth

- Investment focused on priority areas with strongest strategic linkages and best returns.
- Capital expenditure to be tightly controlled reflecting present market conditions.

External Growth

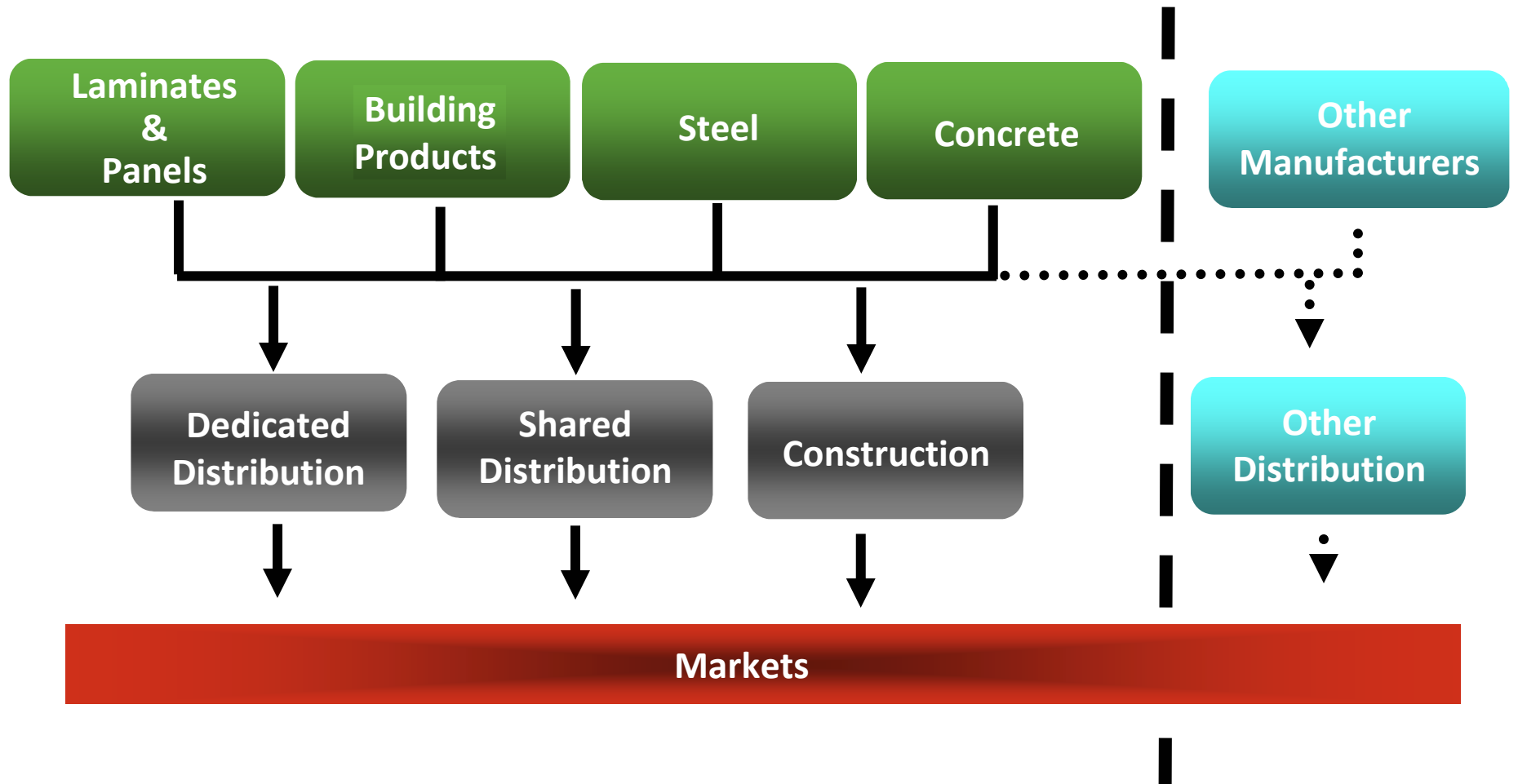
- Selective acquisitions will be pursued to strengthen the existing business portfolio.
- Australia remains the primary focus .
- Opportunities will emerge in the downturn.

Half year financial performance: Good result in challenging times

NZ\$m	Dec 2008 6 months	Dec 2007 6 months	% Δ	Reported Jun 2008 12 months
Sales	3757	3547	+6	7091
EBITDA	409	490	-17	966
EBIT	303	394	-23	768
Net earnings	172	235	-27	467
EPS – cps	34.1	47.0	-27	93.2
Dividend - cps	24.0	24.0	-	48.5

Dividend Reinvestment Plan Discount 3%

Fletcher Building has a vertically integrated value chain



Residential construction activity has continued to slow

	Dec 2008 6 months	Dec 2007 6 months	Dec 2006 6 months	07/08 Mvmt %
New Zealand	7866	12671	13619	-38
Australia	67700	85185	79197	-21
US ('000)	389.3	623.3	816.0	-38
UK	38977	93933		-59
Spain ('000)	115.8*	275.2	475.9	-58

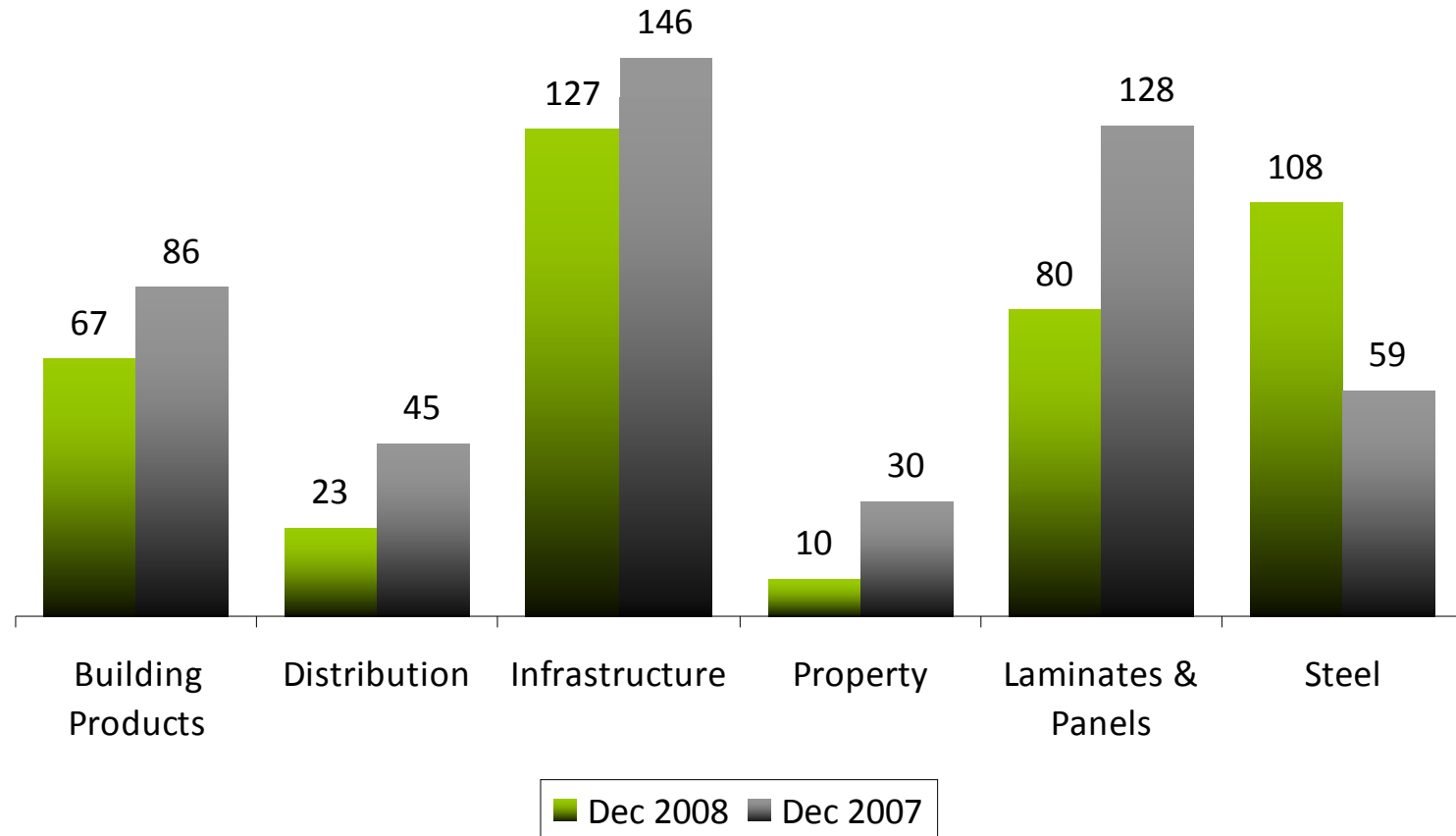
* 5 months actual, 1 month estimated

DIVISIONAL PERFORMANCES



Strong performance in Steel, while other divisions experienced lower volumes and margins

EBITDA NZ\$million



Building Products

Plasterboard

- Leading NZ market position.

Insulation

- No.1 in Australasia with 55% of Australian and 70% of NZ bulk glass wool insulation market.

Metal Roof Tiles

- Leading manufacturer of steel roof tiles worldwide.

Other

- Fletcher Aluminium
- Tasman Sinkware
- Forman Insulation

Building Products strategy

Plasterboard

- Current NZ housing downturn impacting volumes and revenues:
 - production output has been scaled back.
- Strategy is to maintain market share and pursue volume growth:
 - product differentiation – performance boards
 - superior distribution model
 - upgraded housing standards – size, configuration, fit-out.

Insulation

- Strategy is to increase volumes arising from tighter building code requirements and Government sponsored energy efficiency schemes.
- Short term growth will be negated by weaker housing markets.

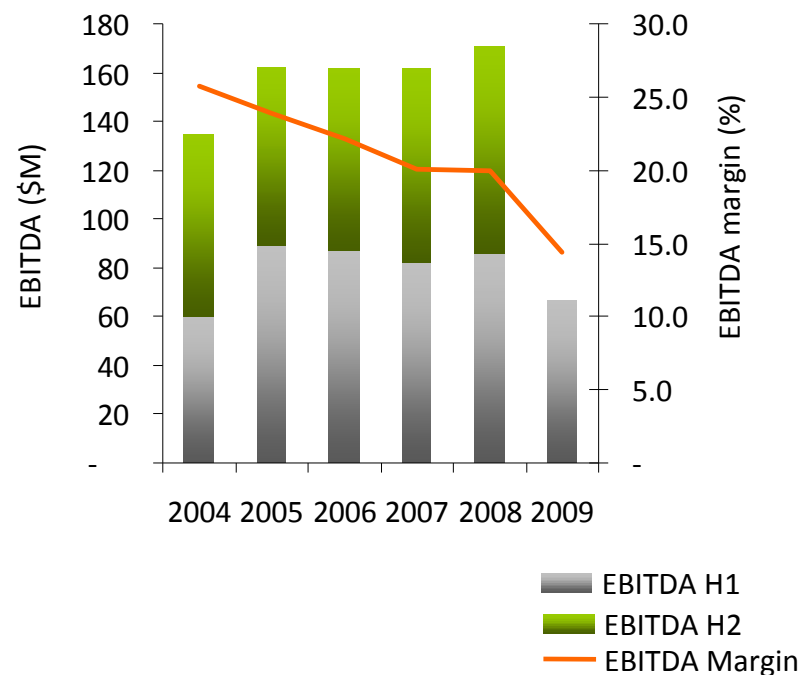
Metal Roof Tiles

- Strategy is to grow exports to developing markets.
- Commissioning of new Hungary plant in April 2009.
- Pursue growth in the US where market share is very low.

Building Products results

NZ\$m	Dec 08	Dec 07	% Δ
	6 mths	6 mths	
Sales	412	376	+10
EBITDA	67	86	-22
EBIT	55	74	-26
Funds Employed	655	572	+15
EBITDA/sales %	16.3	22.9	-29
EBIT/sales %	13.3	19.7	-32
ROFE %	16.8	25.9	-35

Building Products
EBITDA and EBITDA margin*



* Gross sales

Building Products: lower volume levels but improved prices

Gross Sales NZ\$m	Dec 08 6 mths	Dec 07 6 mths ¹	% Δ	Volume Δ	Price Δ	EBITDA Δ
New Zealand						
- Plasterboard	115	110	+5	↓	↑	↓
- Insulation ²	82	78	+5	↓	↑	↓
- Metal Roof Tiles ³	107	84	+27	↑	↑	↑
Australia						
- Insulation	106	103	+3	↓	↑	↑
- Sinkware	18	22	-18	↓	↑	↓

1. Restated to current exchange rates
2. Includes Forman & Tasman Access Floors (which now reports into Forman)
3. Includes US based Decra business

Distribution - PlaceMakers

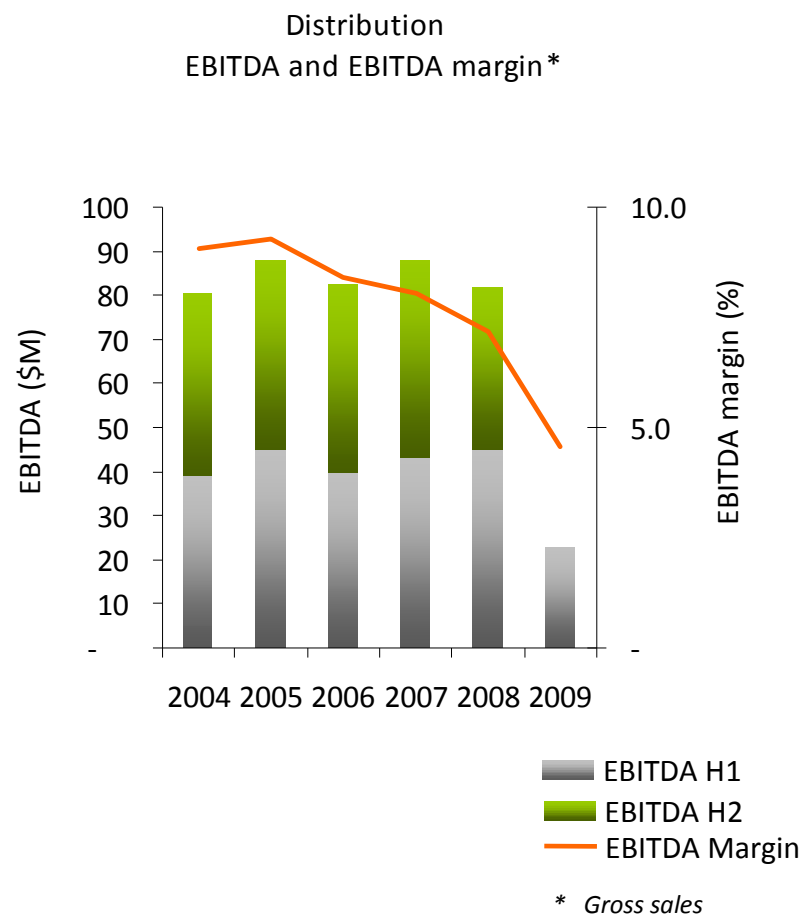
- 64 outlets across New Zealand principally trading as PlaceMakers.
- 34% market share of the core building materials sectors.
- No.1 in key building materials.
- Trade focus: 85% of sales.
- 50 of the 64 outlets operate as joint ventures rather than a franchise model.

Distribution strategy

- Slowdown in NZ residential construction activity has impacted performance in the current year.
- Refined focus on key customer segments
 - Trade customers will continue to be a priority
 - DIY the other key segment
 - Pull through of Fletcher Building products.
- Joint venturing of stores with local operators has been a key strategy.

Distribution results

NZ\$m	Dec 08	Dec 07	% Δ
	6 mths	6 mths	
Sales	481	565	-15
EBITDA	23	45	-49
EBIT	18	42	-57
Funds Employed	188	167	+13
EBITDA/sales %	4.8	8.0	-40
EBIT/sales %	3.7	7.4	-50
ROFE %	19.1	50.3	-62



Infrastructure

Concrete

- 25% of NZ aggregates markets.
- 50% of NZ cement market.
- 33% of NZ readymix concrete market.
- 35% of Australian concrete pipe market.
- 55% of NZ pre-cast and concrete pipe market.

Construction

- New Zealand's leading construction company.
- Commercial (buildings).
- Engineering (Infrastructure).
- South Pacific (general).
- New Zealand's largest home builder.

Infrastructure strategy

Concrete

New Zealand

- Margin maintenance through price increases and cost reductions.

Australia

- Growth in volumes driven by increased infrastructure investment.
- Expanded product mix beyond pipes.

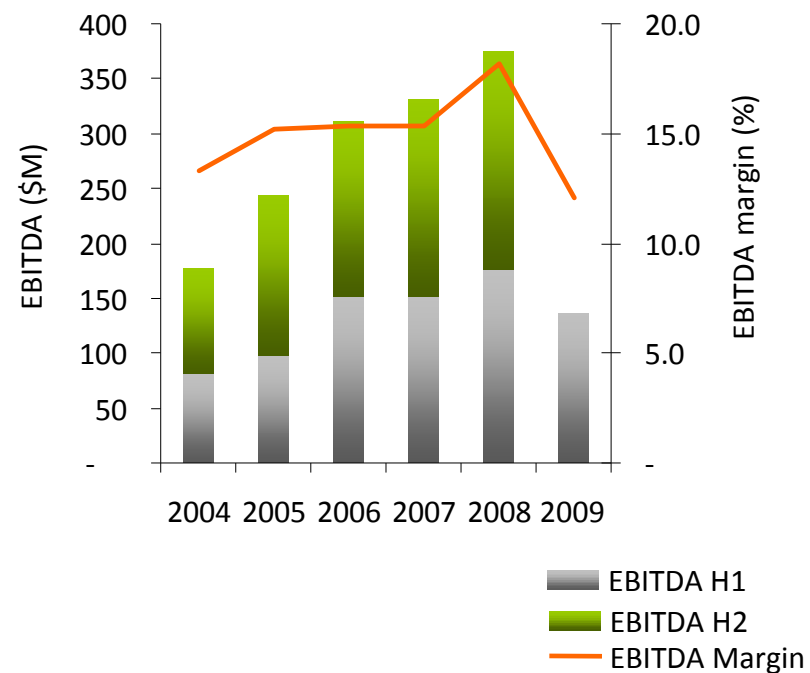
Construction

- Construction outlook remains strong based on continued NZ public sector investment.
- Future contracted work stands at NZ\$1.2bn.
- Residential house sales impacted by overall decline in NZ housing market.

Infrastructure results

NZ\$m	Dec 08 6 mths	Dec 07 6 mths	% Δ
Sales	1018	921	+11
EBITDA			
- Concrete & Construction	127	146	-13
- Property	10	30	-67
Total EBITDA	137	176	-22
EBIT	103	145	-29
Funds Employed	1064	879	+21
EBITDA/sales %	13.4	19.1	-30
EBIT/sales %	10.1	15.7	-36
ROFE %	19.4	33.0	-41

Infrastructure
EBITDA and EBITDA margin*



* Gross sales

Property activities include quarry end use, residential and surplus assets

EBIT					
NZ\$m	2006	2007	2008	1H08	1H09
Quarry end use		6	42		
Residential	25	34	19	11	4
Surplus assets	10	9	19	19	6
Total	35	49	80	30	10

- Property activities, be they residential land or quarry end use, are becoming an increasingly important earnings component of the Infrastructure division. With its extensive quarry land holdings, Infrastructure is expected to generate increasing earnings from waste materials handling, through to residential and commercial development. Because of the nature of the developments, earnings will be of a recurring nature but will have a degree of volatility

Infrastructure: steady sales despite volume decline

Gross Sales NZ\$m	Dec 08 6 mths	Dec 07 6 mths	% Δ	Volume Δ	Price Δ	EBITDA Δ
New Zealand						
- NZ Concrete	356	362	-2	↓	↑	↓
- Construction	485	403	+20	-	-	↓
Australia Concrete	218	191	+14	↓	↑	↑

Laminates & Panels

The Laminex Group

- Leading high pressure laminate & decorative surfaces.
- Estimated Australasian market shares
 - Decorated board – No.1
 - Medium density fibreboard – No.2
 - Particleboard – No.2
- Over 50 distribution outlets owned across Australasia.

Formica

- Global player, strongest brand internationally for High Pressure Laminate.
- No. 2 in the US, No. 1 in Canada.
- Market share leader in HPL in UK and Spain.
- In Asia, focus is mainly on commercial applications.

Laminates & Panels strategy

The Laminex Group

- Utilise recent investments to drive performance
 - Particleboard upgrade in Australia
 - 20% investment in Dongwha to secure MDF supply

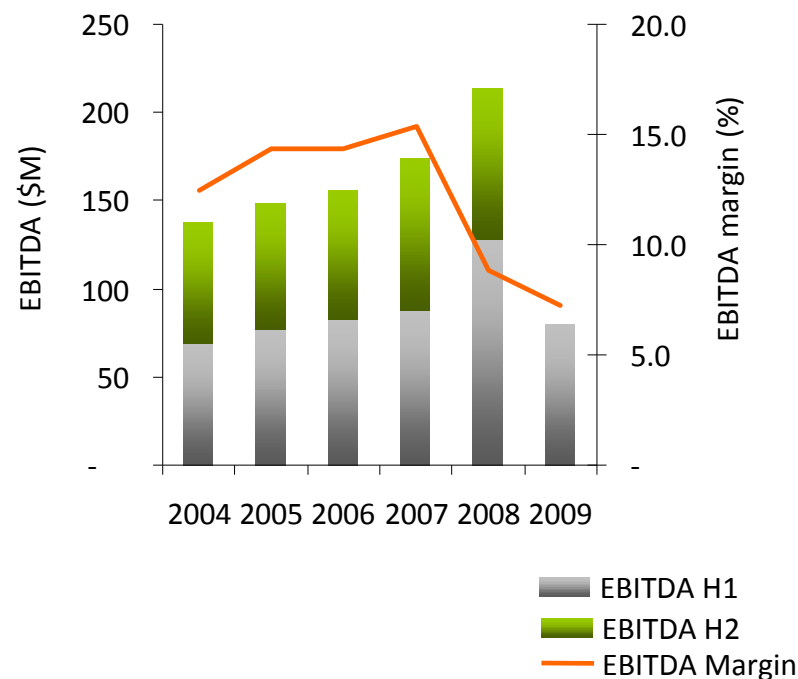
Formica

- Lift performance of Evendale Ohio plant and US operations overall.
- Bring new Finnish HPL plant into operation.
- Continue expansion into Chinese market.
- Manage costs and volumes in line with market conditions.
- Continued product innovation.
- Continue to deliver Formica merger synergies.

Laminates & Panels results

NZ\$m	Dec 08 6 mths	Dec 07 6 mths	% Δ
Sales	1069	1074	-
EBITDA			
- Laminex	58	90	-36
- Formica	22	38	-42
Total EBITDA	80	128	-38
EBIT	39	91	-57
Funds Employed	2289	1884	+21
EBITDA/sales %	7.5	11.9	-37
EBIT/sales %	3.6	8.5	-58
ROFE %	3.4	9.7	-65

Laminates & Panels
EBITDA and EBITDA margin*



* Gross sales

Laminates & Panels: volumes significantly weaker but prices improved

Gross Sales NZ\$m	Dec 08 6 mths	Dec 07 6 mths	% Δ	Volume Δ	Price Δ	EBITDA Δ
New Zealand						
- Laminex	101	127	-20	↓	↑	↓
Australia						
- Laminex	455	445	+2	↓	↑	↓
Formica						
- Asia	111	92	+21			
- Europe	228	229	-			
- Nth America	211	217	-3			

Formica: downturn in Europe negatively impacted result

EBITDA				
NZ\$m		1H08	2H08	1H09
Asia		16	14	20
Europe		22	30	7
North America		10	-17	1
Corporate		-10	-17	-6
Reported EBITDA	NZ\$	38	10	22

Formica North America: Evendale operational performance on track to meet full year targets

NZ\$m		
EBITDA for 6 months to Dec 07		10.0
Restructuring Costs		-1.0
Operational Improvements:		
• SG&A initiatives	5.0	
• Evendale performance	6.0	11.0
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Market Impact		-19.0
		<hr/>
EBITDA for 6 months to Dec 08		1.0
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Formica: improved operational performance but marked deterioration in US and European markets

- **US:** High Pressure Laminate sales down by 18% due to slowdown in residential and commercial activity.
 - Manufacturing performance at Evendale plant has continued to improve. Scrap rate now under 8% versus a peak of 16.3%
- **Europe:** UK and Spanish markets very weak, other parts of Europe deteriorated during the half year.
 - Boiler malfunction at main UK plant in Newcastle cost US\$4m and impacted results.
- **Asia:** remained strongest region with sales up 8% but some signs of economic slowdown.

Steel

Rollforming & steel painting

- 30% of Australian market
 - Stramit
- Dimond major player in New Zealand roofing market

Long steel products

- No.1 in New Zealand market.
- Reinforcing bar, flats, rod and wire.
- 50% shareholding in Sims Pacific Metals.
- NZ's sole electric arc furnace.

Steel merchants

- No.1 in New Zealand market.

Steel: future growth drivers

Rollforming

- Production extension – pre-engineered buildings.
- Industry rationalisation.

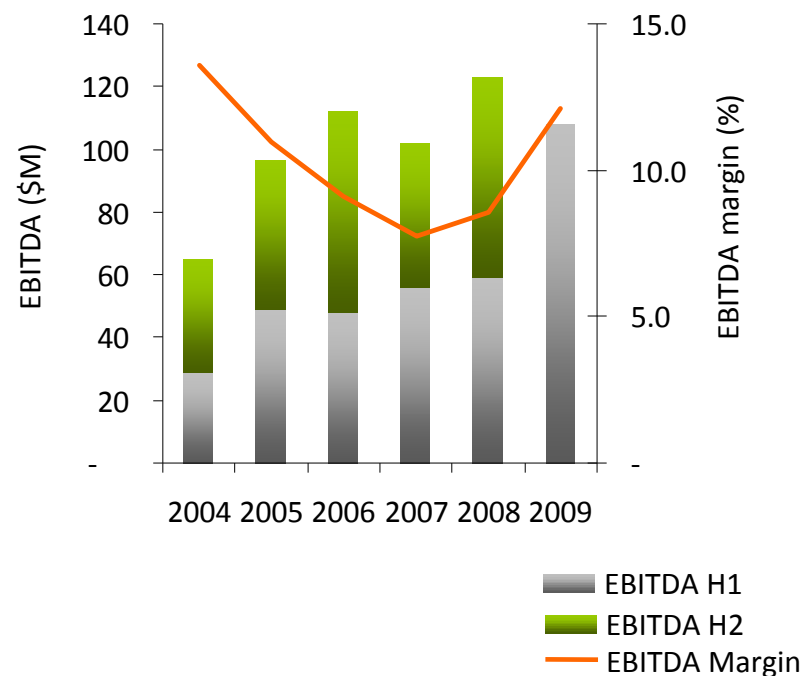
Long Steel

- Industry rationalisation.
- Flexibility of capacity utilisation to meet underlying market demand.
- Growth through supply to large infrastructure construction projects.

Steel results

NZ\$m	Dec 08	Dec 07	% Δ
	6 mths	6 mths	
Sales	777	611	+27
EBITDA	108	59	+83
EBIT	95	47	+102
Funds Employed	623	542	+15
EBITDA/sales %	13.9	9.7	+43
EBIT/sales %	12.2	7.7	+58
ROFE %	30.5	17.3	+76

Steel
EBITDA and EBITDA margin*

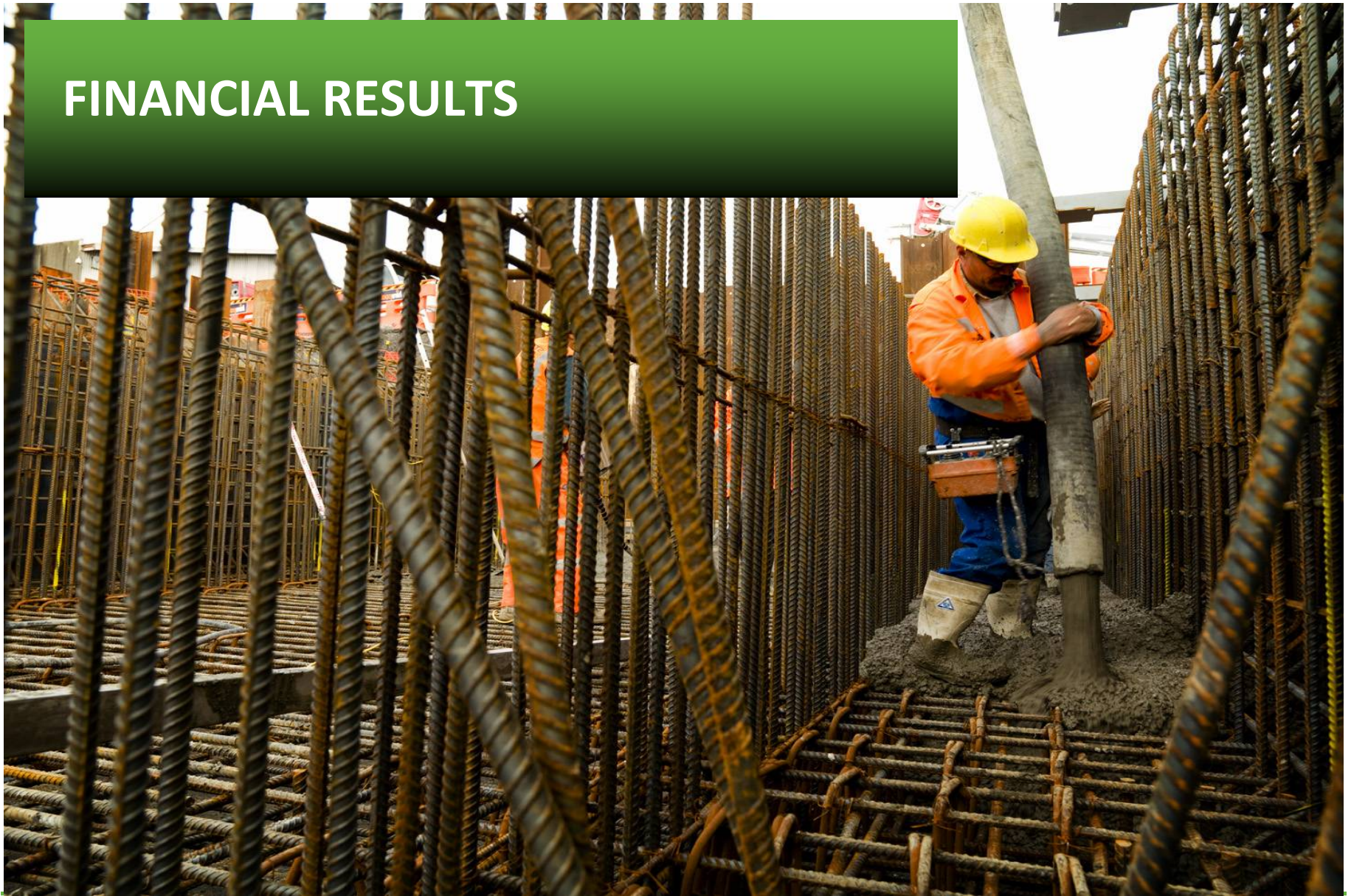


* Gross sales

Steel earnings up due to price volatility and volume gains in long steel

Gross Sales NZ\$m	Dec 08 6 mths	Dec 07 6 mths	% Δ	Volume Δ	Price Δ	EBITDA Δ
New Zealand						
- Long Steel	227	126	+80	↑	↑	↑
- Coated products	99	97	+2	-	↑	-
- Distribution & services	186	142	+31	↓	↑	↑
Australia						
- Rollforming	378	316	+20	-	↑	↑

FINANCIAL RESULTS



Net earnings

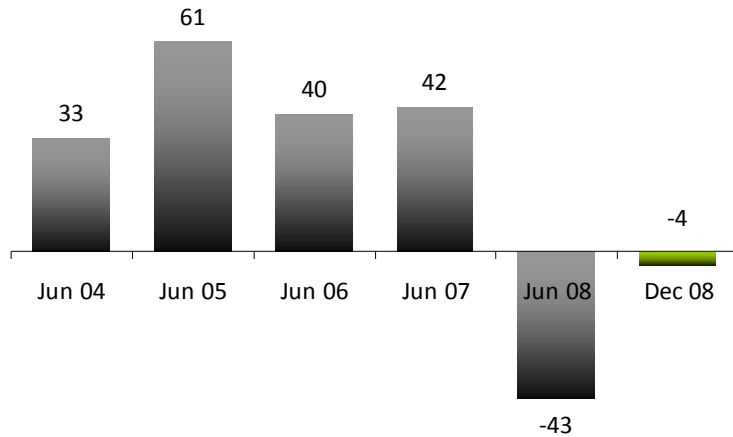
NZ \$m	Dec 2008 6 months	Dec 2007 6 months	% Δ
EBIT	303	394	-23
Interest	79	67	+18
Tax	47	83	-43
Minority Interests	5	9	-44
Net Earnings	172	235	-27

Balance sheet remains strong

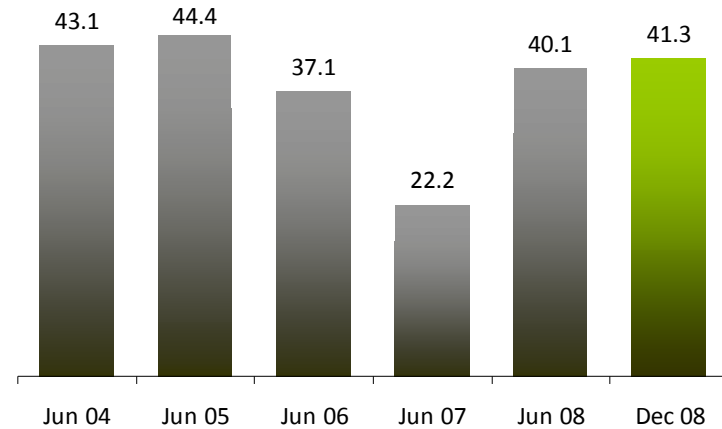
NZ \$m	Dec 2008 6 months	Dec 2007 6 months	% Δ
Operating Cashflow	208	245	-15
Net Debt (ND)	2003	1628	+23
Net Debt / Equity %	41.3	39.7	+4
EBIT/Total Interest (times)	3.8	5.9	-36
Return on Funds %	13.1	20.4	-36

Key ratios

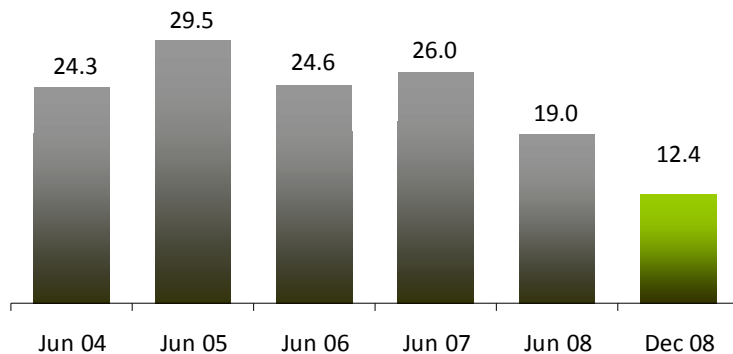
**Total Shareholder Return (TSR)
Percentage**



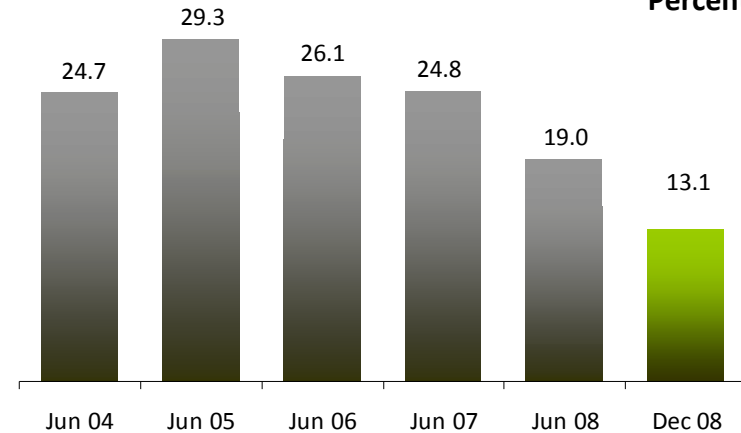
**Debt/Debt Plus Equity
Percentage**



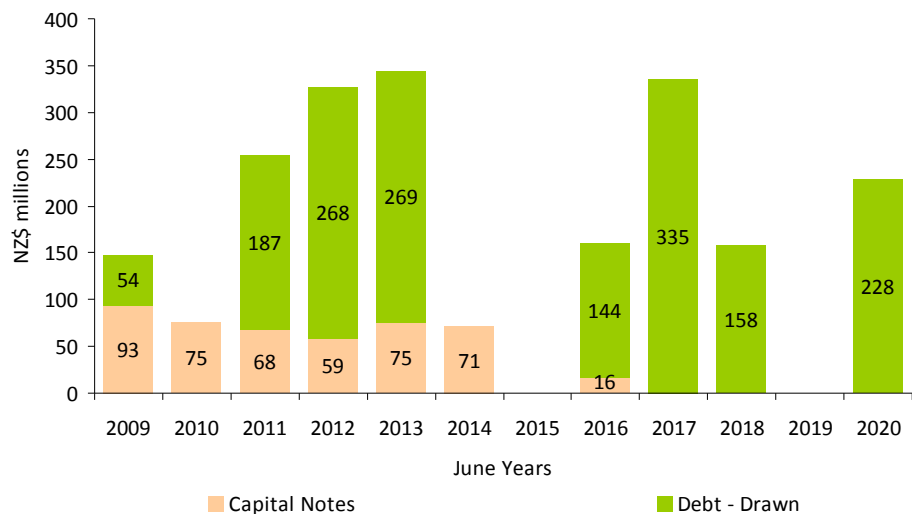
**Return on Average Equity
Percentage**



**Return on Average Funds
Percentage**



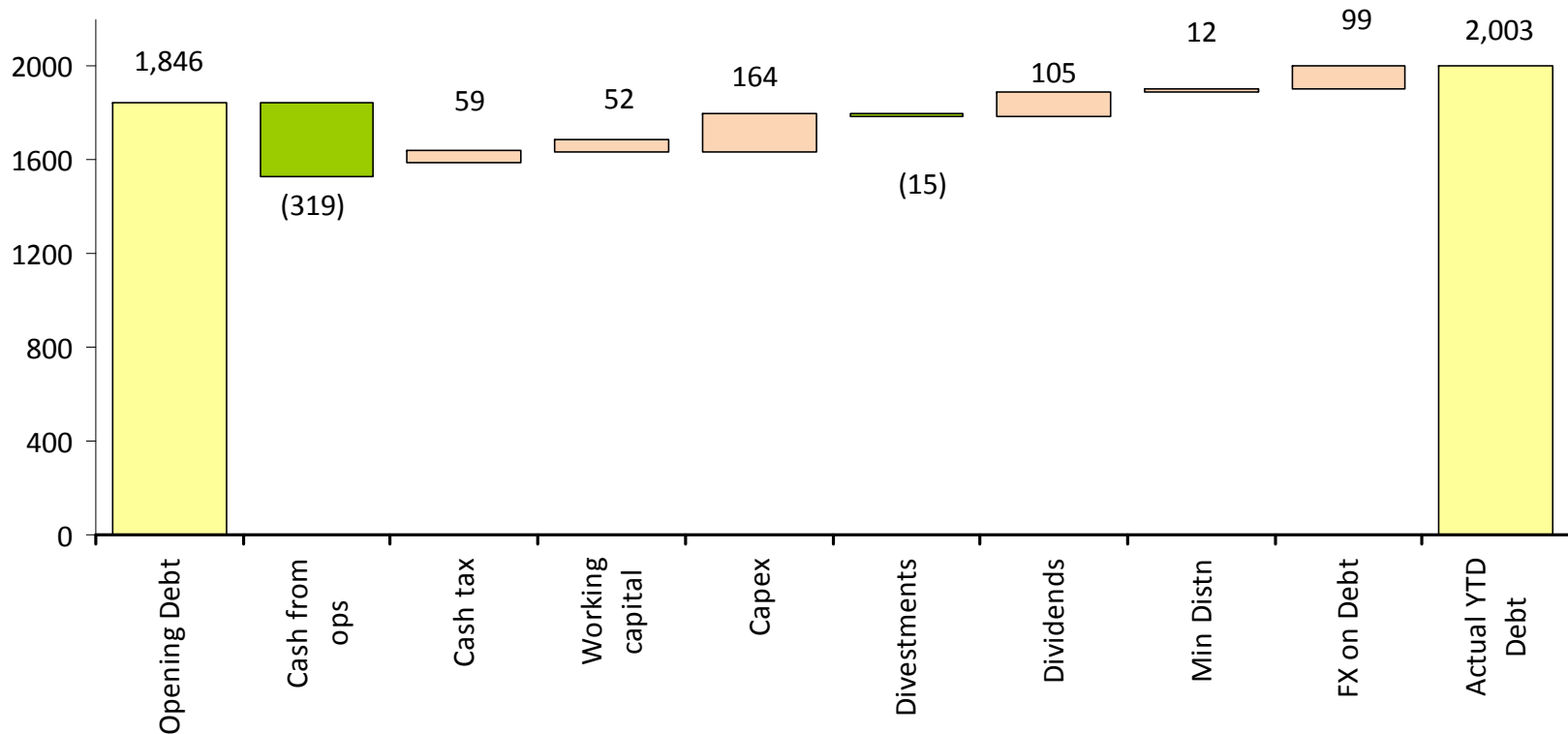
Debt maturity profile



- Debt requiring refinancing within the next 12 months is \$211m, including \$93m of capital notes and \$64m of undrawn facilities.
- The next major refinancing is September 2010.
- Average maturity of debt is 6 years.
- Interest rates have reduced from an average of 7.6% in June 2008 to 6.65% in December 2008.
- The portfolio is 60% fixed.

Net debt movement

NZ\$million



Capital expenditure

NZ\$m	1H09 Actual			FY09 Forecast		
	Carry Over	New Approved	Total	Carry Over	New Approved	Total
Building Products	32	3	35	44	20	64
Distribution	14	4	18	14	5	19
Infrastructure	27	25	52	45	54	99
Laminex	8	8	16	16	16	32
Formica	17	12	29	30	26	56
Steel	9	5	14	19	12	31
Total	107	57	164	168	133	301

- Capital expenditure for FY10 is expected to reduce and be in line with depreciation

OUTLOOK



Tauranga Harbour Link, NZ

Outlook 2009

- Strong infrastructure investment in NZ and Australia expected to continue.
- Residential markets all weaker globally and positive impacts of government initiatives hard to predict
 - **NZ**: no significant deterioration expected beyond current low base
 - **Australia**: has weakened recently.
 - **US**: continues to be very weak
 - **Europe**: Spain and UK worst hit, but virtually all markets have deteriorated.
 - **Asia**: great variability within this region. Outlook mixed.
- Ongoing focus on cost control, managing production capacity and cash management.

