

The Laminex Group Laminates & Panels

Investor Presentation October 2009 David Worley, Chief Executive Laminex



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 August 2009 full 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.

Vision

- Group Vision
 - The Laminex Group will be the innovative market leader for decorative surfaces and related products in our core geographies of Australia and New Zealand.
- Safety Vision
 - Zero harm



Laminex Inspire your space



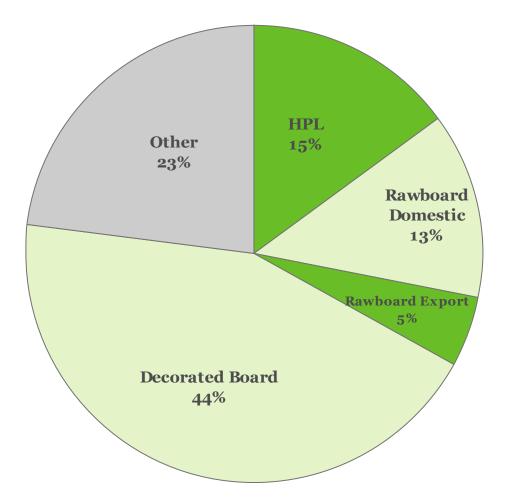




FORMICA



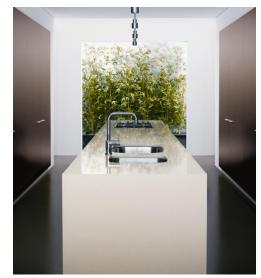
Revenue by Product 2008/2009

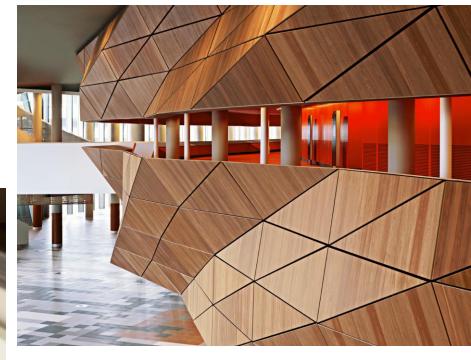


Leading Products



Kitchen fit out with TLG doors, bench tops and cupboards





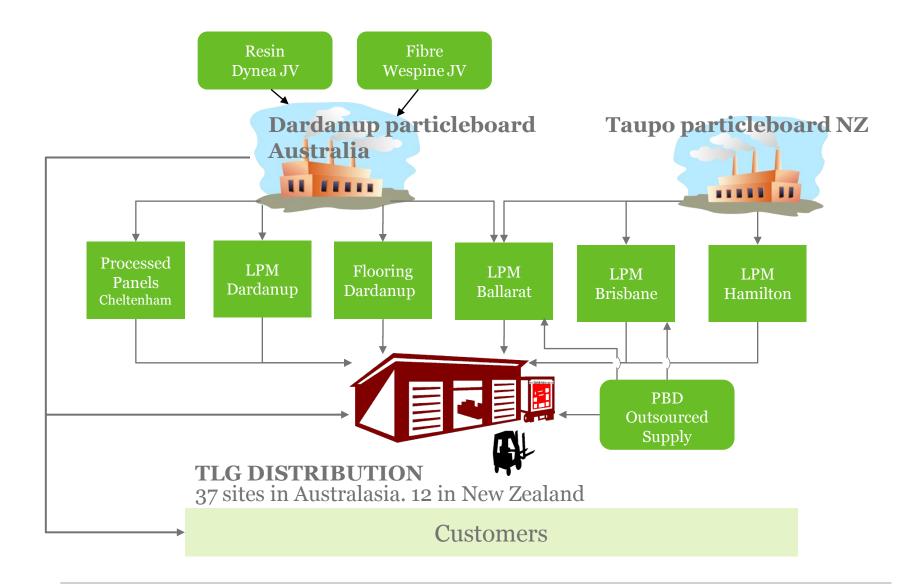
TLG Veneers product as used in the Melbourne Convention Centre

TLG Essa stone bench top

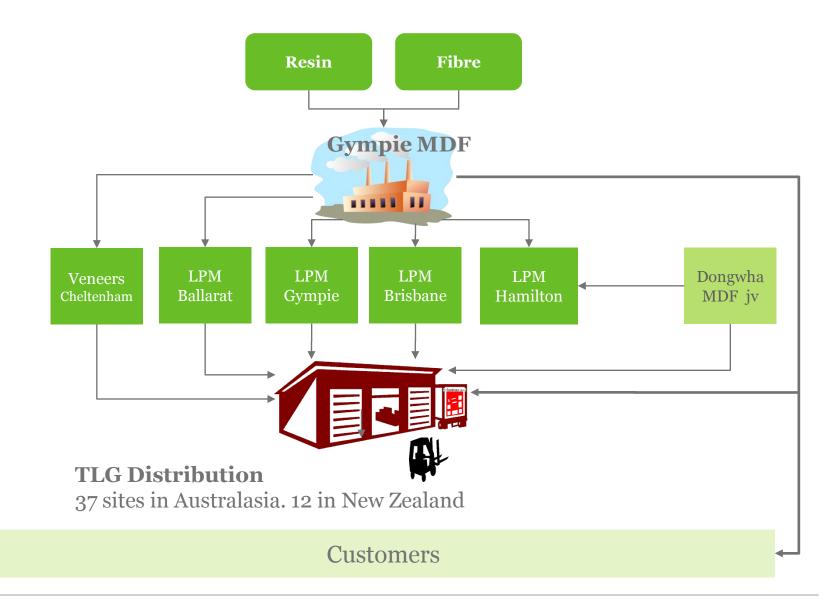
TLG fine edge doors



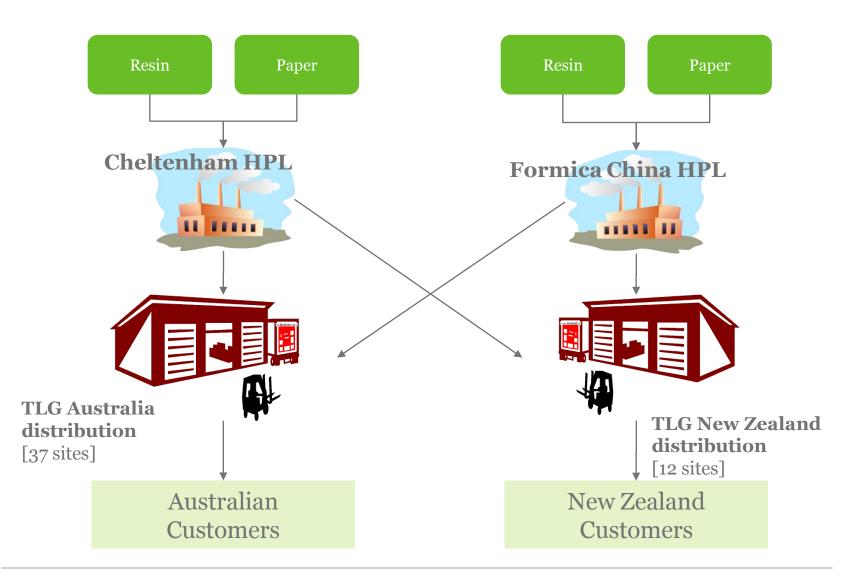
Integrated supply chain particleboard



Integrated supply chain medium density fibreboard (MDF)⁸



Integrated supply chain high pressure laminate (HPL)



Laminex has a vertically and horizontally integrated position in ANZ ¹⁰

	Raw material production			Manufacturing		Sales and marketing		Wholesale and distribution		Postforming/ fabrication		Retail/ installation				
Compact		producers	Decorative print houses	Com specia		Compact import and sale				INZ						
HPL	Dynea resin JV in WA	Kraft paper producers		HPL manufacture in Cheltenham HPL import from Formica China				ostformers	0'Brien's benchtop fabrication N	rers	10	S	ŝ	S		
MFC (LPM)	Dynea resi	Long term fibre supply agreements in QLD/WA		Treaters in ANZ		manufacture in stralia and NZ	Laminex distribution centres and branches in Australia and NZ	Benchtop postformers	irien's bencht	U Brien s benchtopi Furniture manufacturers	Other applications	Kitchens/benchtops	Commercial builders	Residential builders	Retail DIY	
Raw PB, MDF		Dyne Long-term fibre sul agreements in QLD		PB manufacture in Australia and NZ MDF manufacture in Australia MDF Dongwha JV in NZ				O'B	O'B	Furni	0	Kit	Cor	Re		
Other surfaces and components		Wespine sawmillJV in WA				Essa Stone import and sale			Stone	masons						

Laminex JV/subsidiary No current participation

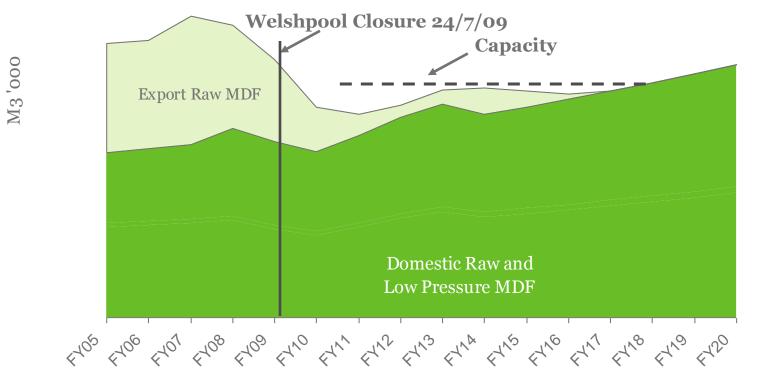
Note: Areas do not represent size Source: TLG management estimates



Manufacturing Locations

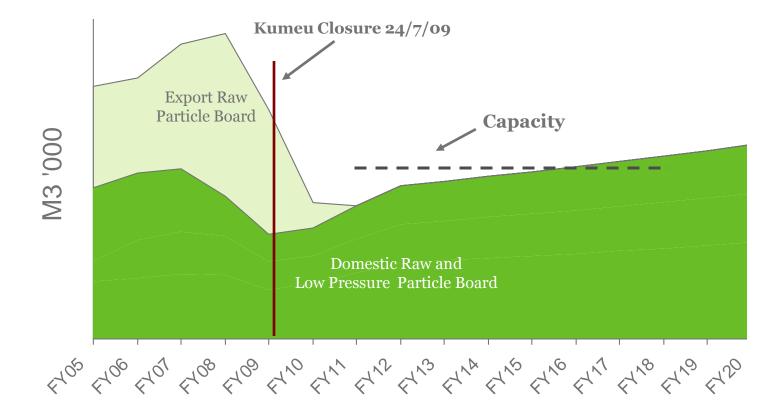


Australian MDF volumes/ capacity



Source: HIA, BIS and Management estimates

New Zealand particleboard volumes/ capacity



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Source: Infometrics and Management estimates

Distribution Locations

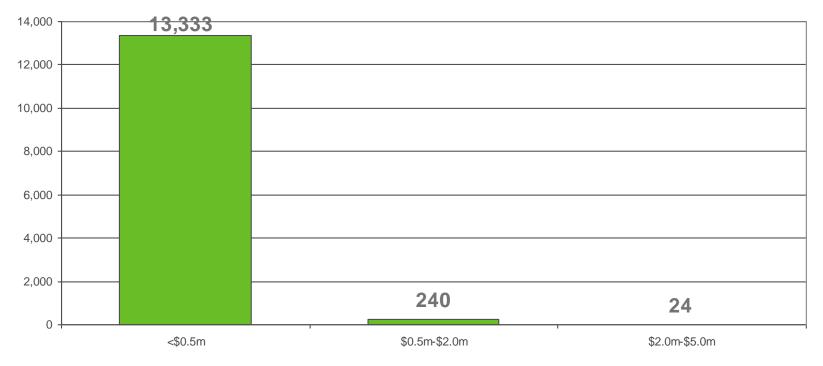
37 sites in Australia, 12 in New Zealand



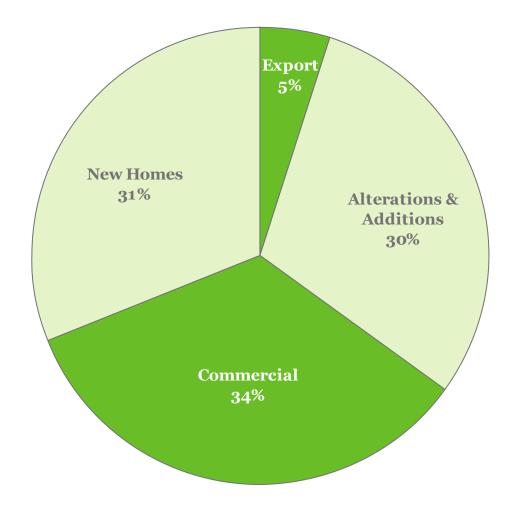
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Customer Spread

NUMBER OF ACTIVE AUSTRALIAN & NZ CUSTOMERS 2008-09 BY SALES GROUPINGS

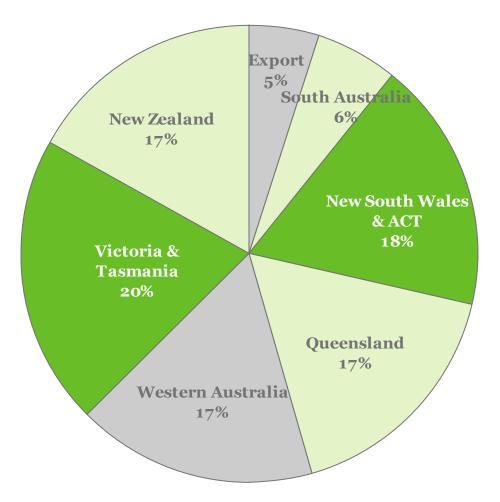


Revenue by segment 2008/2009



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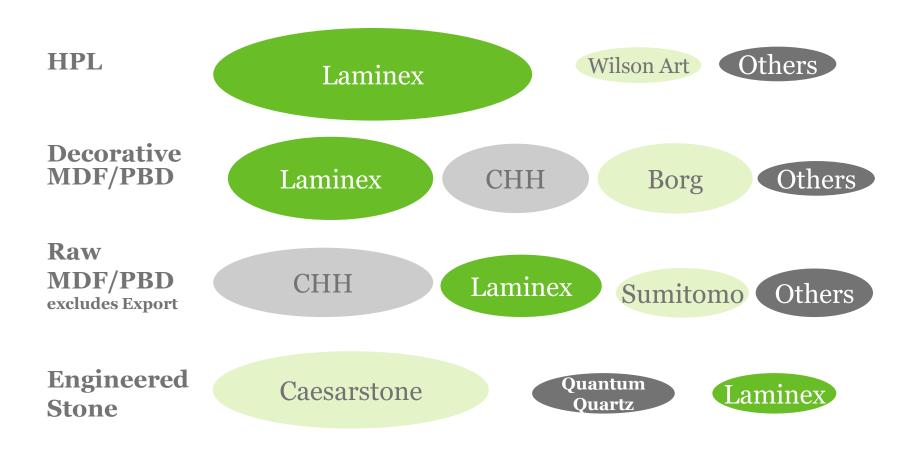
Revenue by major region 2008/2009



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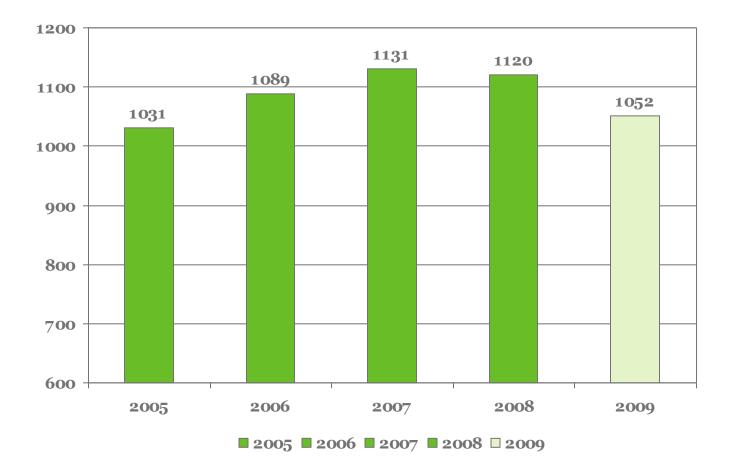
Industry Structure

Laminex relative market position by major product group



Source : Management estimates based on volumes

Revenue NZ\$m



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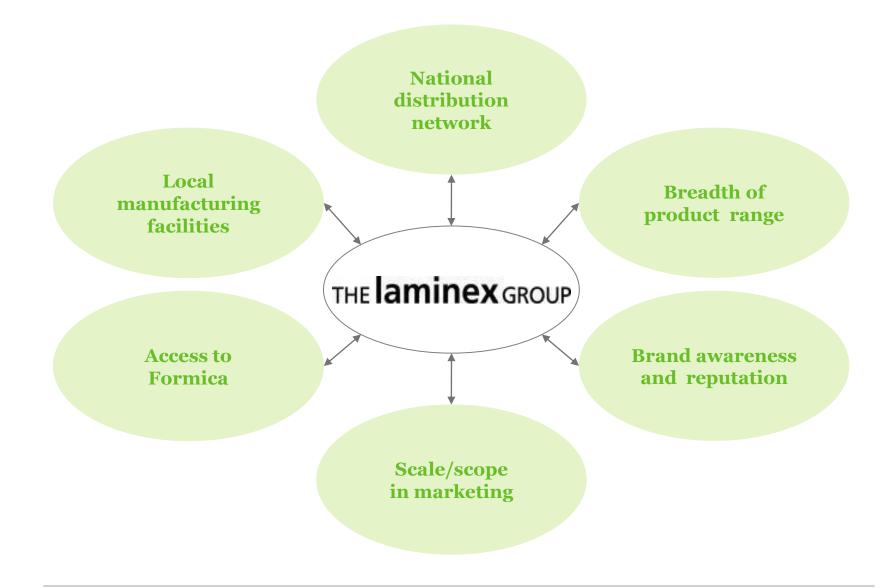
Business Reset Programme

Business optimisation / Reset programme										
Product/ Customer Optimisation	Distribution Optimisation	Manufacturing Footprint	Cost Reductions	Manufacturing Excellence	NZ Business					
Cost • Implementation of SKU/ customer rationalisation • New pricing policies	 to Serve Understanding our true value proposition Channel strategy Cost reduction Footprint optimisation 	 Plant closures (Kumeu and Welshpool) Capacity optimisation Low pressure lines rationalisation underway 	Procurement (includes resin price falls)Back office consolidation	Manufacturing efficiencyInventory optimisation	 Broad-based turnaround including: Cost & headcount reduction Share of wallet Product /customer optimisation Footprint optimisation eg Kumeu & Auckland DC 					
 All states completed: Detailed analysis Implementation workshops First round targets National tracking tool 	 Initial scoping review complete Vision complete Detailed planning underway 	 Kumeu ceased production 17th July Welshpool MDF ceased production 24th July Closure activities underway 	 Reduction in quarter 1 resin costs Procurement and other savings in progress 	 Opportunity identification phase underway Benchmarking review complete 	 New management team in place Opportunities scoped and action Market limiting full recovery in F10 					

Business optimisation / Reset programme

Status

Competitive advantage



Product innovation opportunities

- Powder coated doors and componentry panel
- Cross selling Formica products
- Engineered stone: Essa Stone
- Solid surface benchtop material
- Splashbacks
- Greenfirst product range
- Plywood
- Veneers



Major Investments

Ballarat Doors / Componentry

- Relocation / rationalise production
- Capex \$8m
 - Powder coated doors and panels: new products
 - Fine edged doors: market leading
 - Upgraded manufacturing equipment: efficiencies
- Commissioned June qtr 2009
- Growth opportunities in doors and componentry product ranges in which we have low market share

