



FletcherBuilding
Annual Shareholders' Meeting
2001



FletcherBuilding

Annual Shareholders' Meeting

2001

Roderick Deane
Chairman

Order of Proceedings



Chairman's Address



Resolutions



CEO's Address



Recent Trading and Outlook



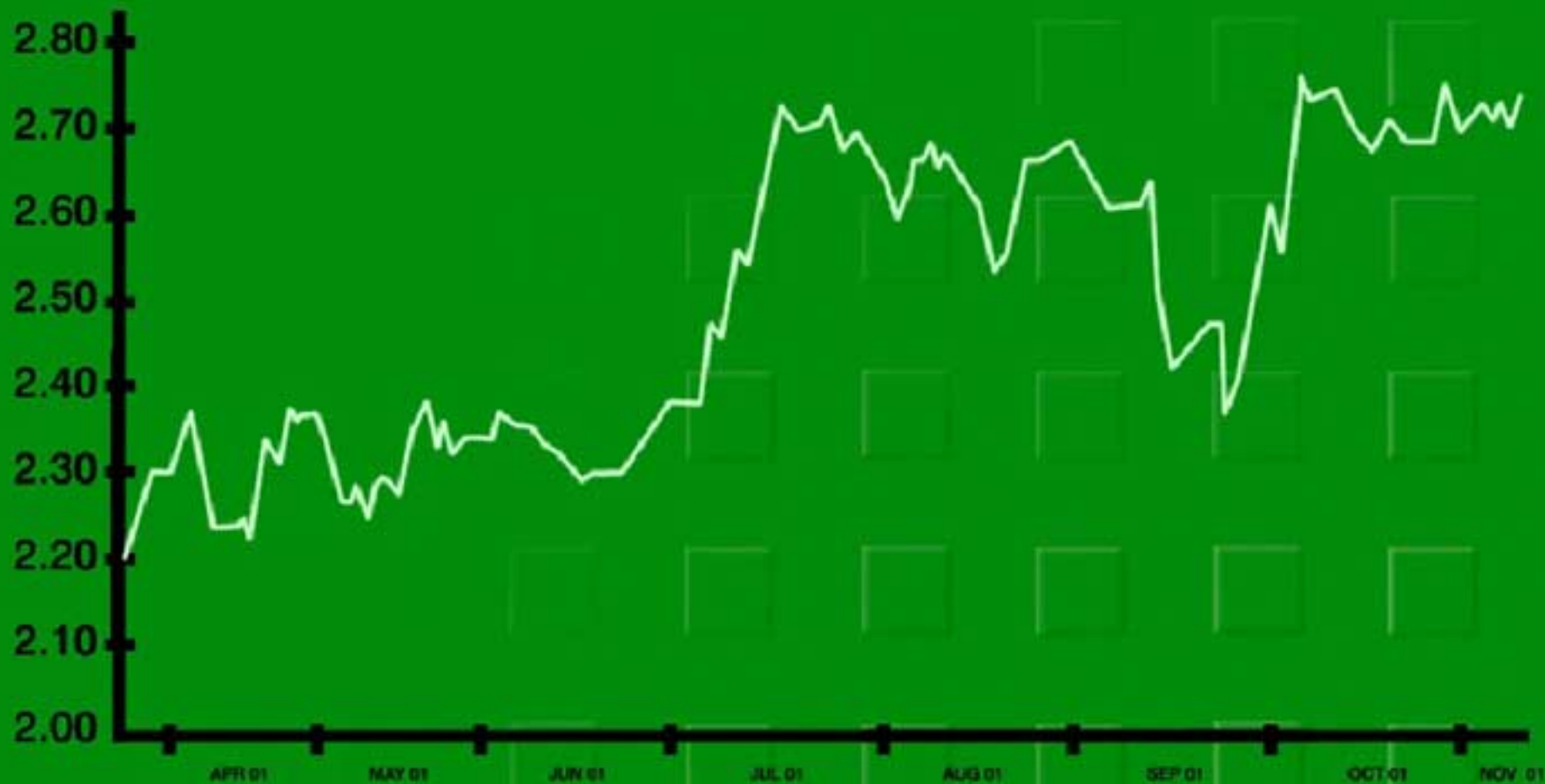
General Business



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Share Price

24 March to 9 November 2001





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Three Key Themes



Aggressive performance improvement



Business portfolio re-alignment



Growth opportunities actioned when operational performance merits it

Performance Improvement



Changes to past policies and practices



A review of key supplier arrangements



A greater reliance on self-sufficiency



Board conducting on-site
operational reviews

Portfolio Review



\$31 million of fixed assets and investments divested up to 30 June



Further sales since June releasing a further \$30 million

Growth Initiatives



Growth initiatives pursued with vigour within existing business units



Growth opportunities arising from acquisition or merger



Stringent criteria, including to exceed the cost of capital



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Results

Results

In summary

SMILLION	24 MARCH TO 30 JUNE 2001	PRO FORMA	
		12 MONTHS JUNE 2001	12 MONTHS JUNE 2000
Operating revenue	696	2,273	2,380
EBIT before unusual items	42	94	170
Cash flow from operations	159	251	133
Net earnings before unusual items	22	34	106
Net earnings	19	(272)	63



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Resolutions



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Ralph Waters
Chief Executive Officer

Four major lines of business...

Building Products



Concrete



Construction



Distribution

Building Products

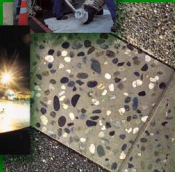


Building Products

Earnings reduced by slump in residential activity

SMILLION	24 MARCH TO 30 JUNE 2001	12 MONTHS JUNE 2001	12 MONTHS JUNE 2000
Operating revenue	232	840	852
EBITDA	26	96	120
EBIT	16	58	87
Total funds employed	450	450	510
Capital expenditure	4	24	29

Concrete



Concrete

Softer demand for aggregates and concrete pipes,
along with increased costs

SMILLION	PRO FORMA		
	24 MARCH TO 30 JUNE 2001	12 MONTHS JUNE 2001	12 MONTHS JUNE 2000
Operating revenue	142	454	438
EBITDA	26	70	95
EBIT	15	31	56
Total funds employed	485	485	480
Capital expenditure	8	51	70

Construction



Construction

EBIT reduced by soft market conditions

SMILLION	24 MARCH TO 30 JUNE 2001	PRO FORMA	
		12 MONTHS JUNE 2001	12 MONTHS JUNE 2000
Operating revenue	277	808	858
EBITDA	11	12	23
EBIT	9	5	18
Total funds employed	(59)	(59)	29
Capital expenditure	1	55	5

Distribution



Distribution

A solid performance in a difficult year

SMILLION	24 MARCH TO 30 JUNE 2001	PRO FORMA	
		12 MONTHS JUNE 2001	12 MONTHS JUNE 2000
Operating revenue	45	171	223
EBITDA	5	13	15
EBIT	4	6	8
Total funds employed	56	56	70
Capital expenditure		5	3



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Management's Focus



Performance Improvement - Groupwide

- decision-making and accountability
- reducing costs



Performance Improvement - Operations

- Steel
- Auckland aggregates and readymix
- South America

Management's Focus



Portfolio Issues

- Steel
- South America
- Others under review



Growth

- Several initiatives at different stages of development
- Assessment processes to ensure focus

Growth - Infrastructure

*Improving the performance and lifespan of
roading materials*



Growth - Wood Panels

Re-developing the Seratone Silverseal Classics Range



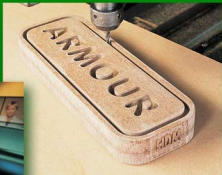
Growth - Wood Panels

*Developing and launching the Seratone
Metallics range*



Growth - Wood Panels

Launching a new high-value fibreboard product - Armour HDM



Growth - PipeWorks

Introducing a new approach to pipeline rehabilitation



Growth - Wallboards

Continuing growth in high-value performance boards





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Recent Trading



Nearly all our businesses have traded better than for the same period last year



Biggest improvers include Upstream Steel and South America



Power prices affected some operations, but most trading ahead of budget

Outlook



Benefit from any increase in infrastructure spending



Substantial backlog in Construction, drawing other products through



Little exposure to international demand



Unaudited first quarter EBIT of \$35.9m



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General Business



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