



2013 Annual Shareholders' Meeting

16 October 2013



Ralph Waters

Chairman

Directors

Ralph Waters (Chairman)

Tony Carter

Dr Alan Jackson

John Judge

Mark Adamson (Managing Director)

Kathryn Spargo

Cecilia Tarrant

Gene Tilbrook



Meeting agenda

Chairman's overview

2013 highlights

Progress on strategic priorities

Board changes

Chief Executive Officer's address

Trading outlook

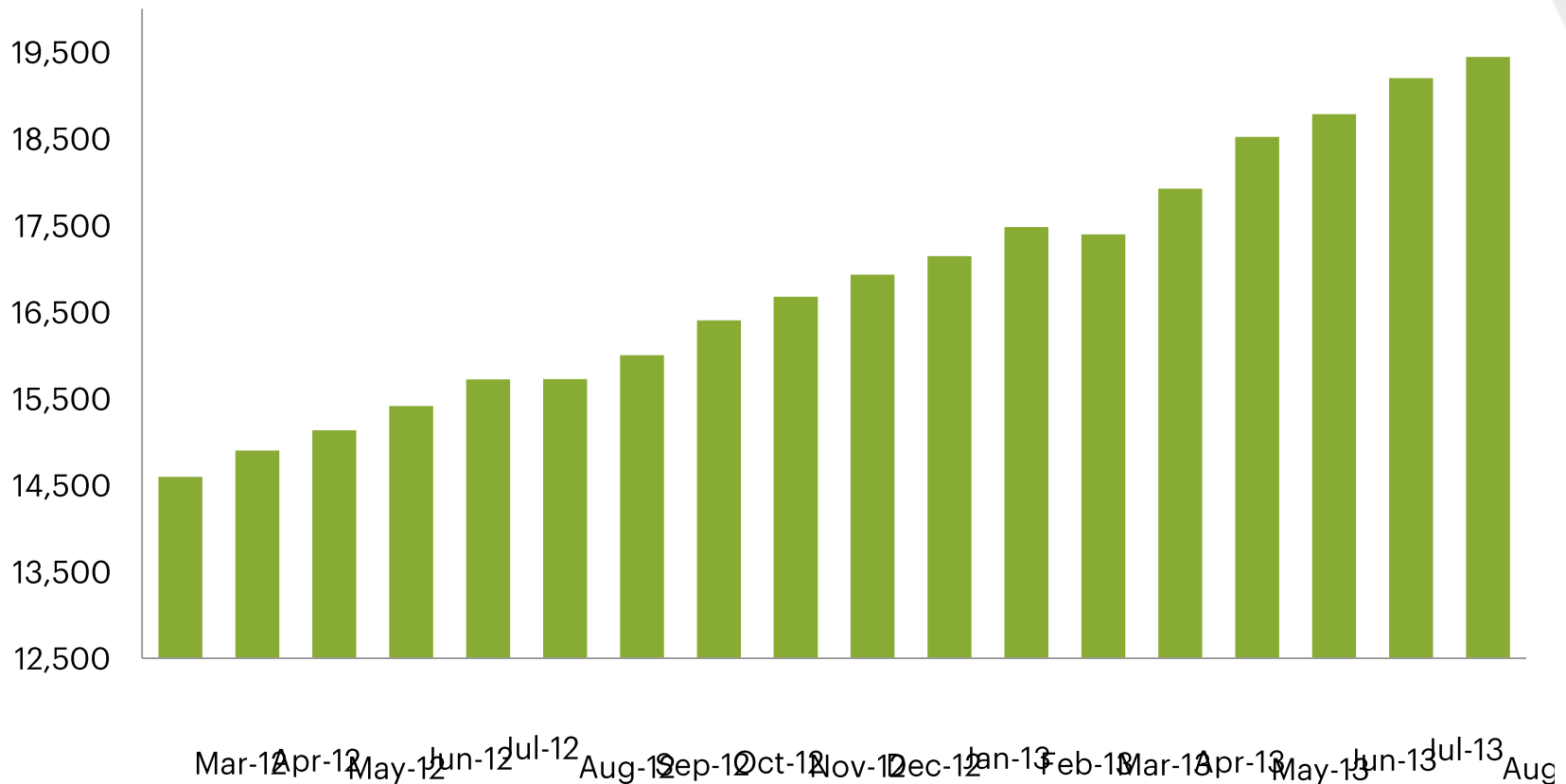
General business

Voting on resolutions



New Zealand residential consents up 22% to June 2013

Total residential consents; 12-month rolling – New Zealand

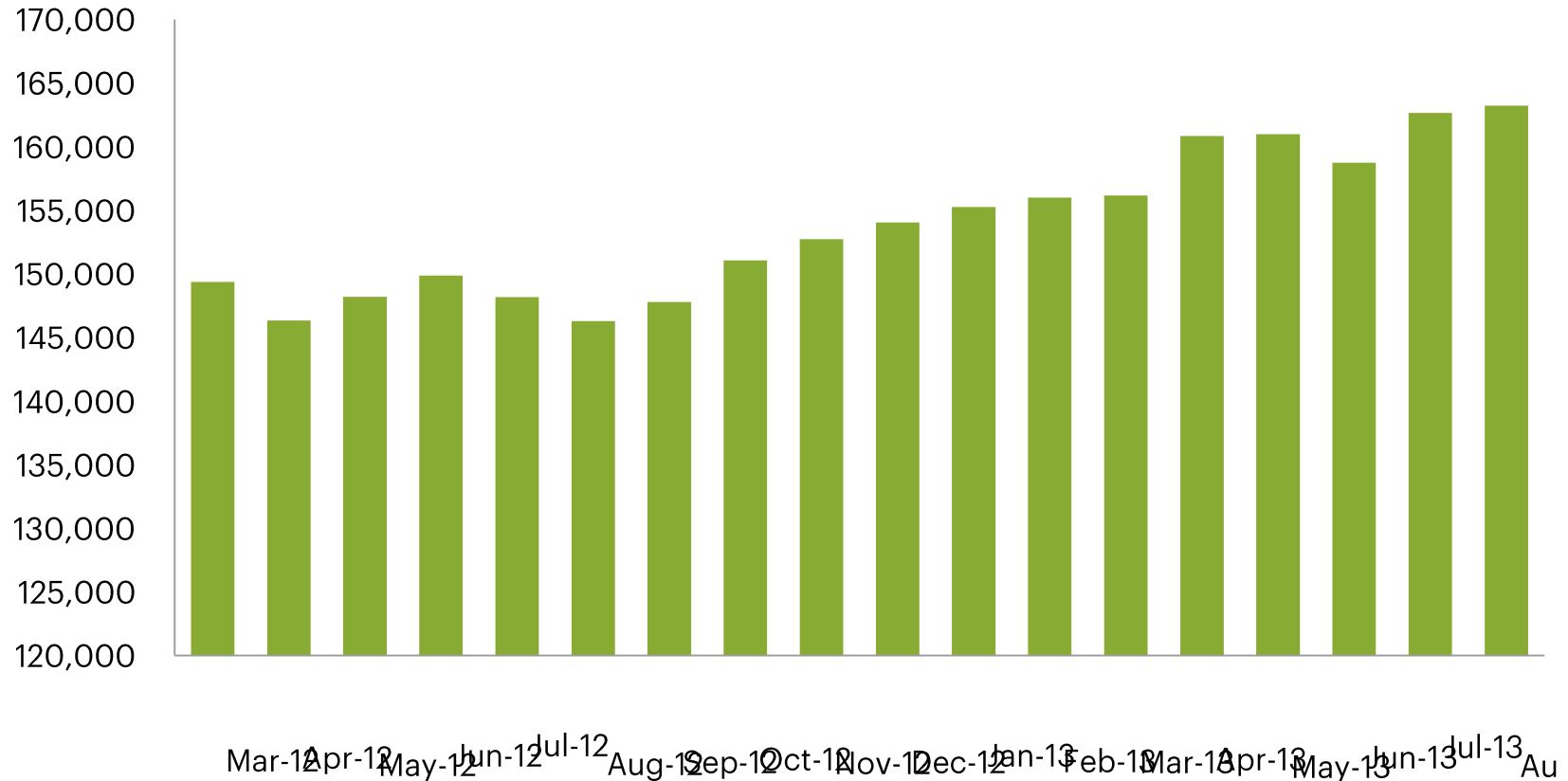


Source: Statistics NZ



Australian residential conditions remain subdued

Total residential consents; 12-month rolling - Australia



Source: Australian Bureau of Statistics



Review of 2013 performance

New Zealand

Operating earnings up 38% to \$286 million

Australia

Operating earnings down 22% to \$203 million

Rest of World

Operating earnings down 11% to \$80 million



Results for the 2013 financial year

NZ\$m	June 2012 12 months	June 2013 12 months	% Δ
Sales	8,839	8,517	-4
EBIT ¹	556	569	+2
Net earnings ¹	317	326	+3
Significant items after tax	(132)	0	
Net earnings	185	326	+76

1. Before significant items



Progress on strategic priorities

FBUnite: Improving earnings through

Greater efficiencies

Organic growth opportunities



Delivering on our commitment to Canterbury



Canterbury repairs and rebuild

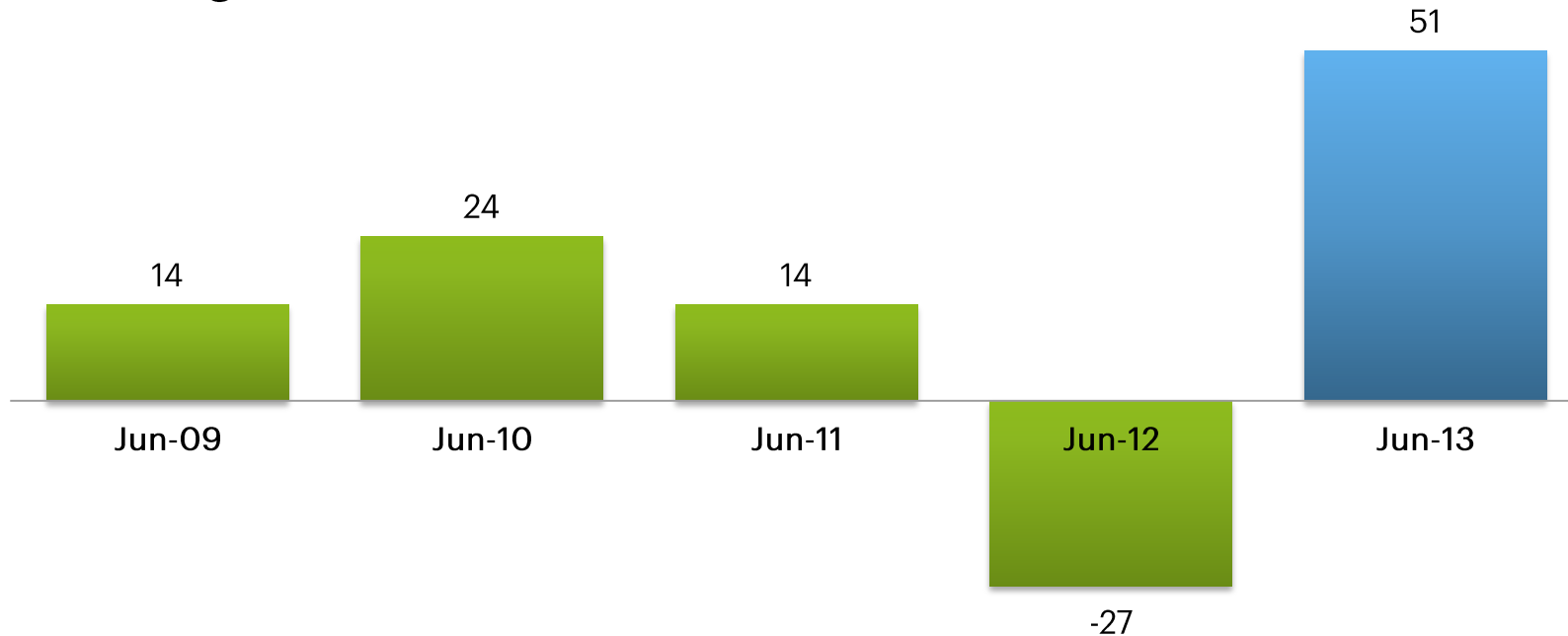
Halfway mark in the repair of 80,000 permanent homes reached in June 2013

Deadline for completion December 2014



Total shareholder return – 51% for year to 30 June 2013

Total Shareholder Return (TSR) Percentage



Full-year dividend

17 cents per share final dividend

34 cents per share for full year

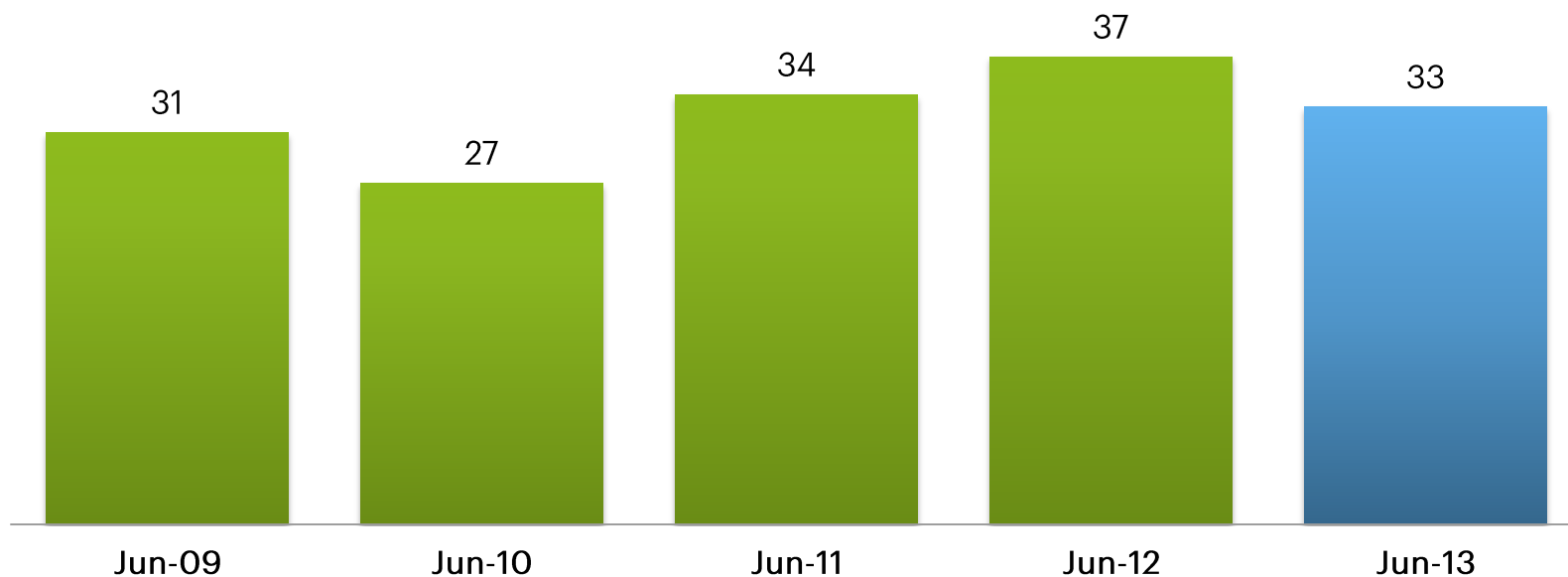
Earnings pay-out ratio of 71%

Dividend expected to rise as earnings grow



Maintaining a strong balance sheet

Net Debt/Net Debt Plus Equity Percentage



Board changes

Chairman Ralph Waters to retire in 2014

New director to be appointed within the next few months

New Chairman will be selected by the board in 2014







Mark Adamson

Chief Executive Officer

FBUnite

Transforming how Fletcher Building operates

Reducing operating cost base through centralisation of common functions

Developing future strategies and platforms for growth

Multi-year programme

Expecting pre-tax benefits of \$75 million to \$100 million per annum

Benefits should become evident from FY2015 onwards



FBUnite

2013 achievements

Establishment of the shared services centre in Auckland

Formation of a centralised property management team

Centralised procurement function established

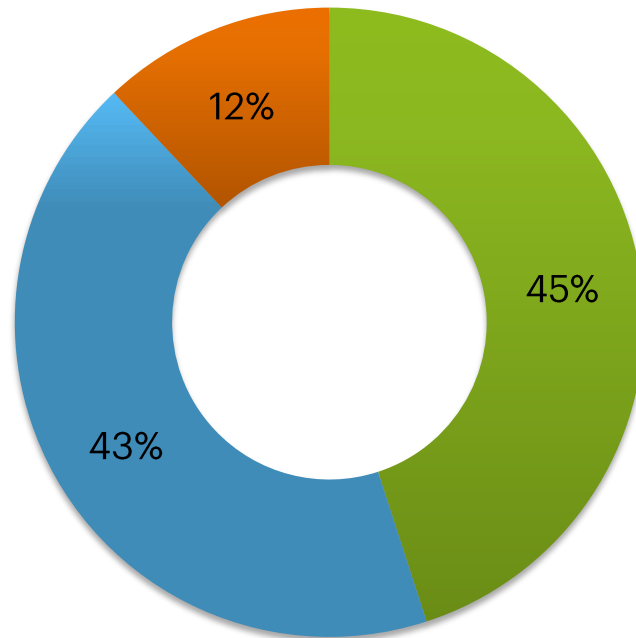
Assessment of group IT and digital assets completed

Rollout of manufacturing excellence model



Strategy review

Revenues



■ New Zealand ■ Australia ■ Rest of World

- Focus on core markets in New Zealand and Australia
- Selected investment in our global Formica business
- Large-scale acquisitions not a priority
- Immediate focus is to improve returns from current mix of businesses



Simplifying the business

Changes made to simplify our divisional structure



**Infrastructure
Products**



**Building
Products**



**Laminates
& Panels**



Distribution



Construction



Management changes



Nick Olson

Chief Financial Officer



Tim Hickey

Chief Executive
Distribution Australia



Charles Bolt

Company Secretary
and General Counsel



Carl Powell

Chief Information
Officer



Tradelink

Plans in place to improve earnings through winning back customers and building market share



Housing affordability

Opportunities in the Auckland housing market include higher-density housing developments



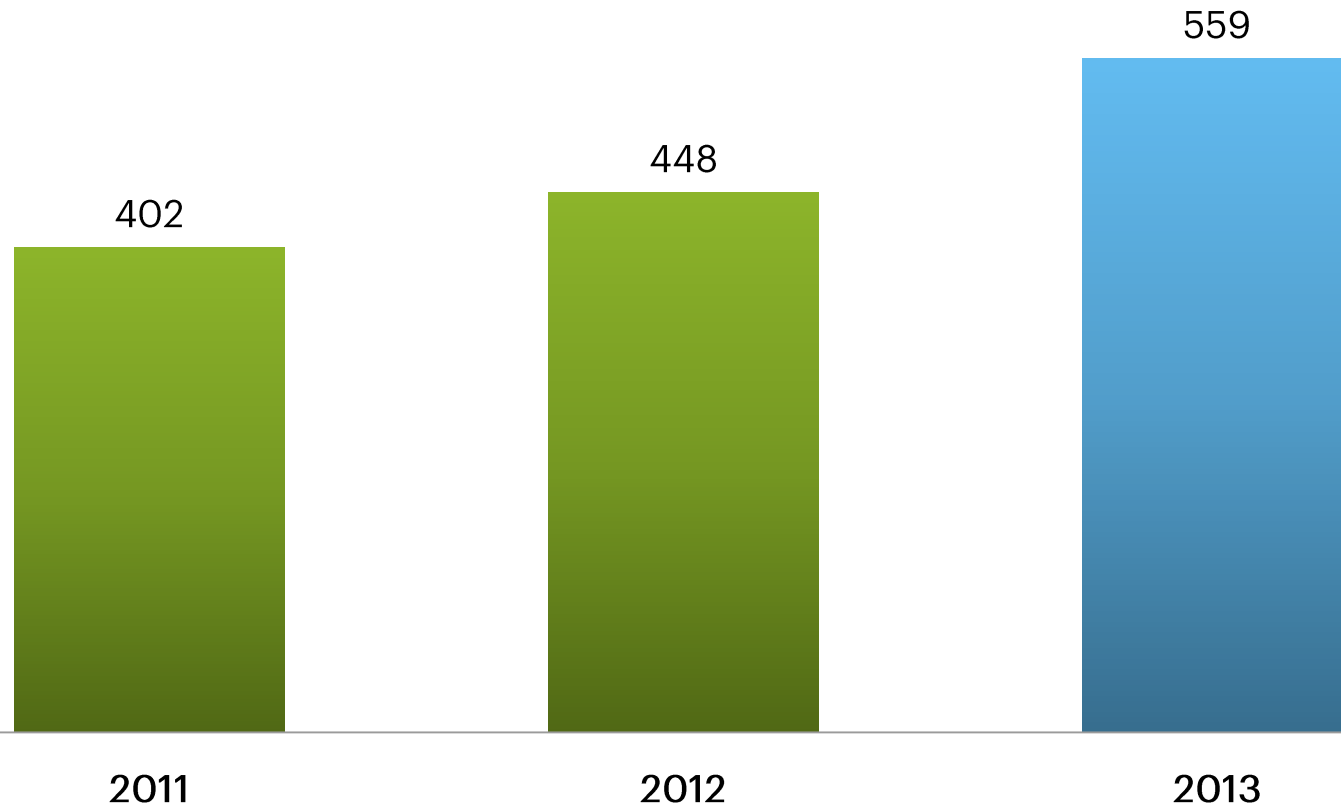
Saltus apartment complex
at Stonefields



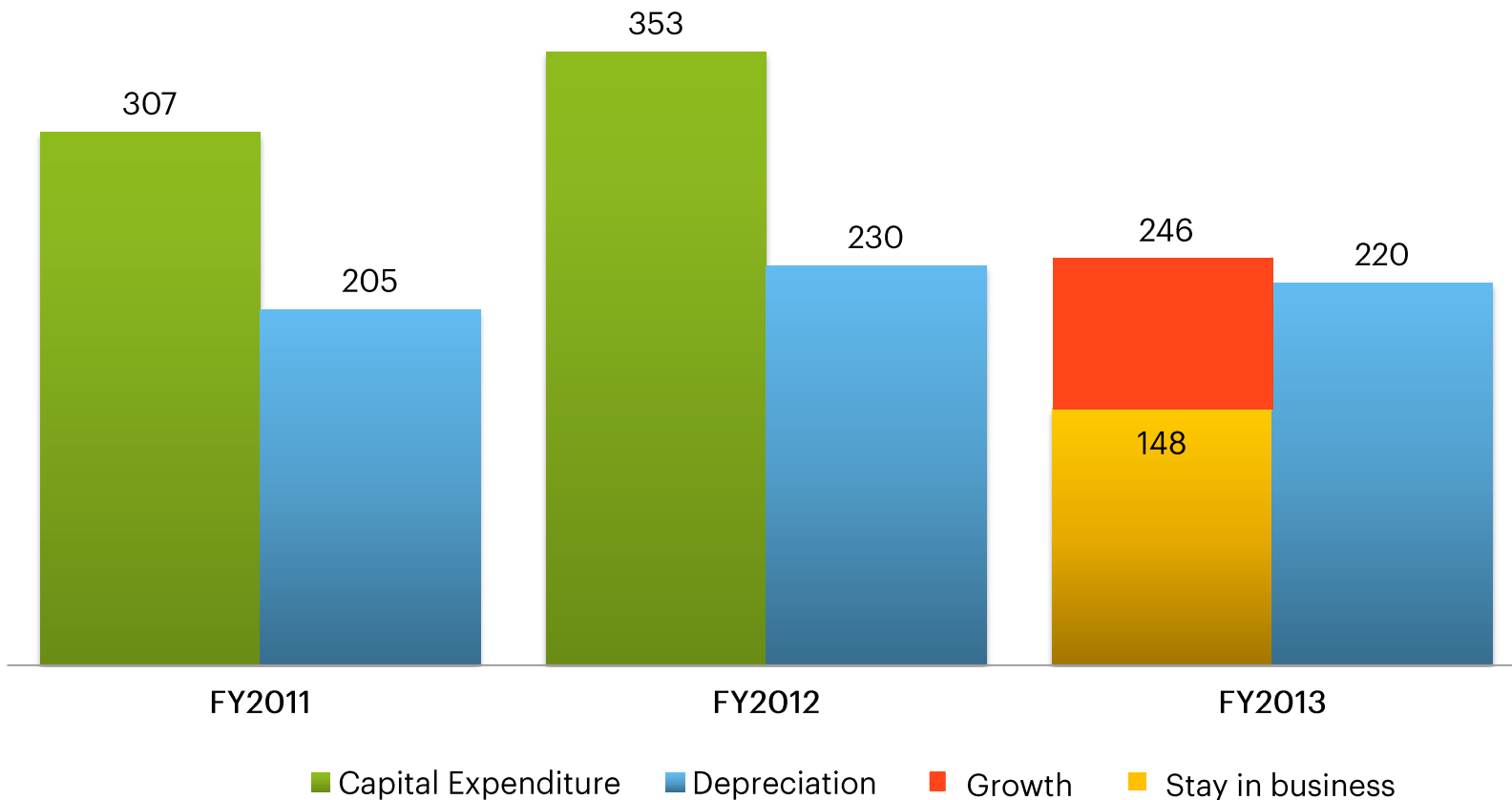


Cashflow from operations up 25%

NZ\$m

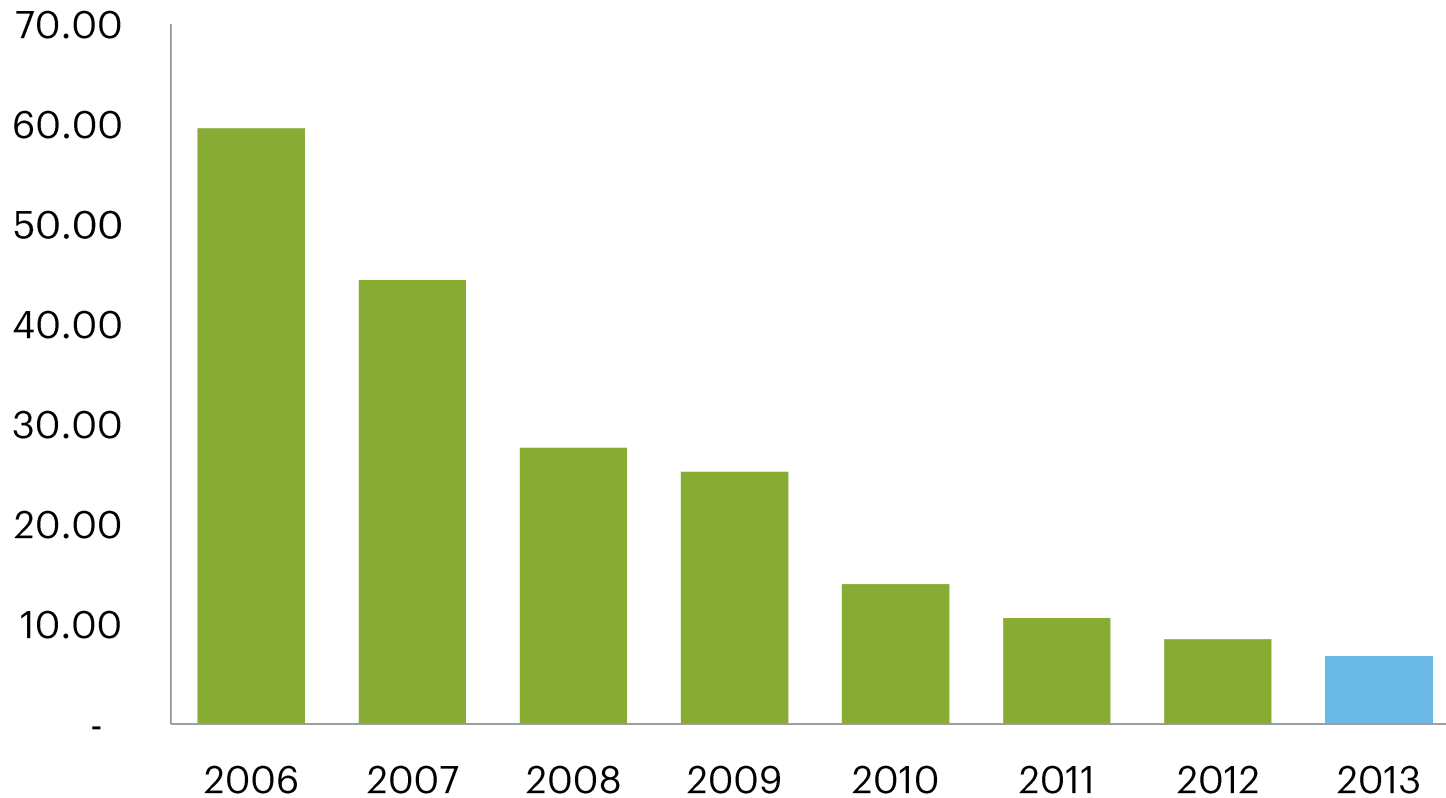


Capital expenditure in FY14 expected to be in the range of \$250m to \$300m



Health and safety continued improvement

Total recordable injury frequency rate (TRIFR)







Ralph Waters

Chairman

Outlook

New Zealand

Increase in construction activity expected across most sectors

Strong increase in housing consents expected to underpin activity levels in the first half

Canterbury rebuild will continue to boost activity

Steady improvement in commercial building expected

Civil infrastructure to benefit from major projects in Auckland, Canterbury and the health and education sectors



Outlook Australia

Conditions expected to remain flat

Activity levels in New South Wales appear to be improving, but Victoria remains subdued

Confident that change in government and policy reform will lead to a more positive business environment over time

Declining investment in mining and resources sectors a potential drag on activity



Outlook

Rest of World

North America:

Increases in new housing construction will benefit Formica
Commercial market remains flat

Europe:

Remains difficult, particularly Spain
Break even target

Asia:

Growth expected in South East Asia
Northern Asia and China may be more subdued



Financial outlook FY2014

Operating earnings expected to be between \$610 million to \$650 million

Further appreciation in the New Zealand/Australian dollar exchange rate could impact earnings





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