

**Formica Corporation
Fletcher Building Limited
Analysts Presentation**

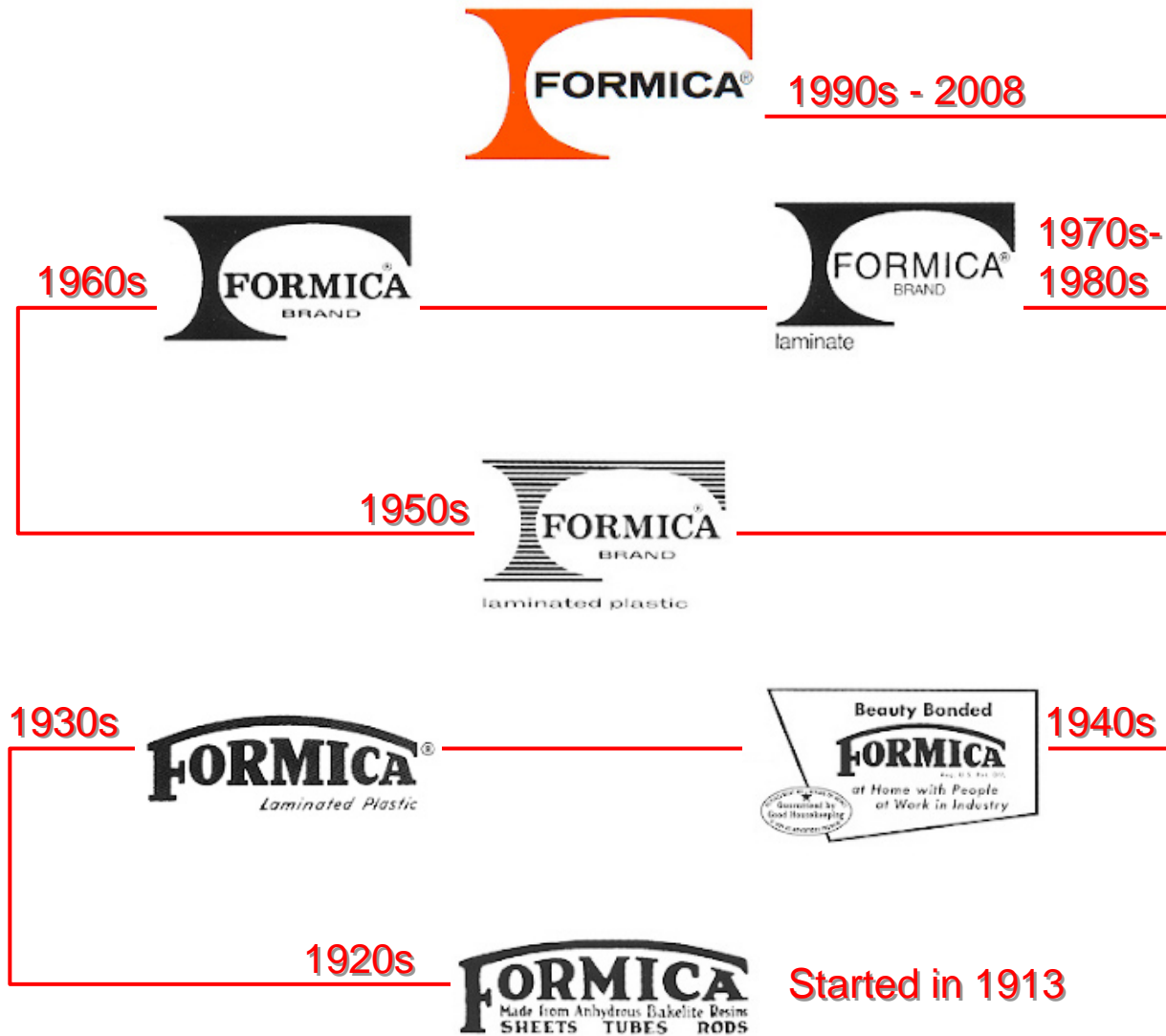
**12 – 13 March 2008
Sydney Australia**



Cautionary Statement

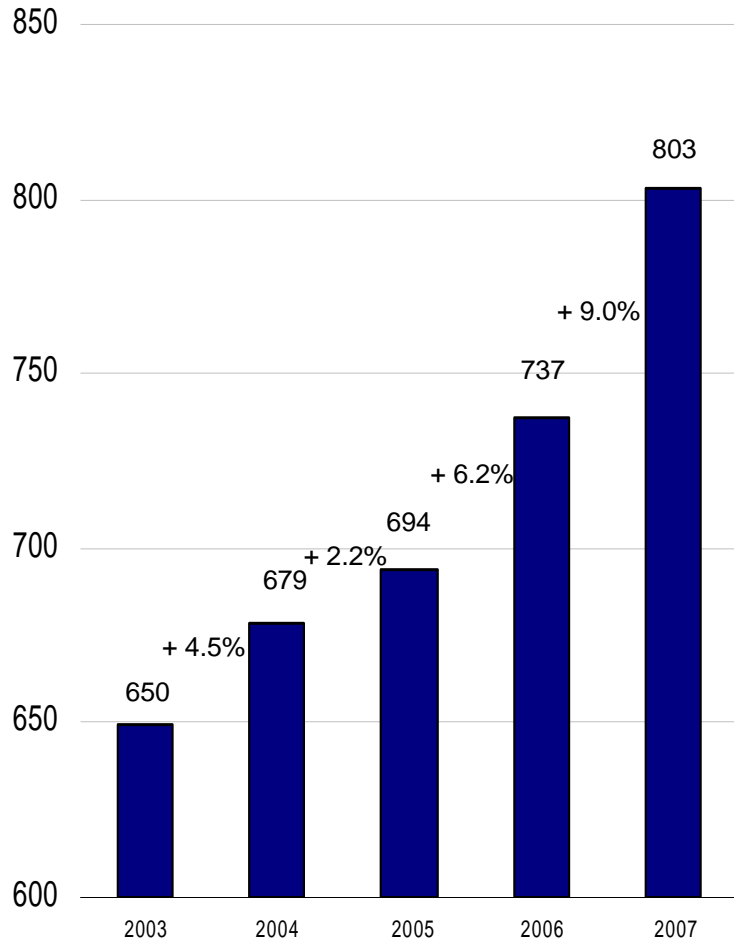
This confidential presentation contains not only a review of operations but also some forward looking statements about Fletcher Building and the environment in which the company operates. Because these statements are forward looking, Fletcher Building's actual results could differ materially. Media releases, 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.

Formica – 95 Years of History



Revenue Growth Year on Year

US\$m 12 months to December



Excludes South America

2003

- Sells Foils printed paper business
- Introduces textured product design with Etchings and Honed HPL

2004

- Sells North American Flooring business
- Emerges from bankruptcy with Cerberus, Oaktree and others investing equity

2005

- Commissions new HPL manufacturing plant in Qing Pu China

2006

- Successfully launches several new products including textured product designs and Engineered wood veneer laminate

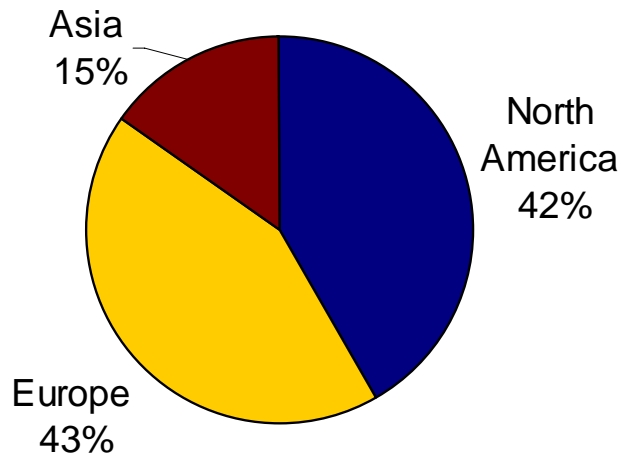
2007

- Embarks on North American manufacturing rationalization by closing HPL plant in Sierra, California and increasing output of Evendale plant in Ohio
- Formica acquired by Fletcher Building July 2nd

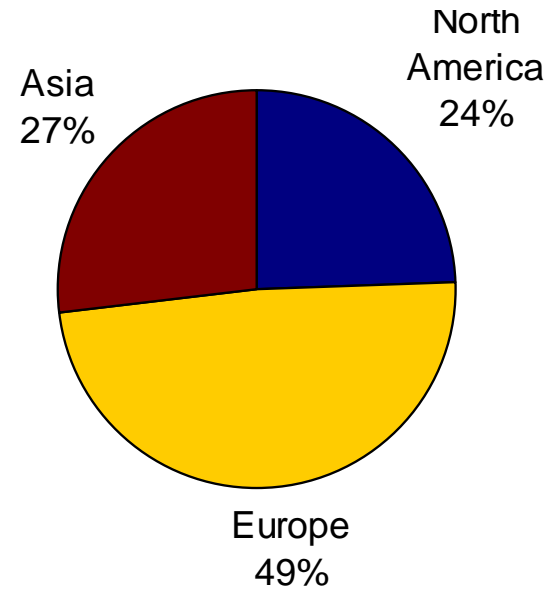
Formica Today

- Formica operates in three major regions with key markets in North America, Europe and Asia

Revenue (a)



EBITDA (a)

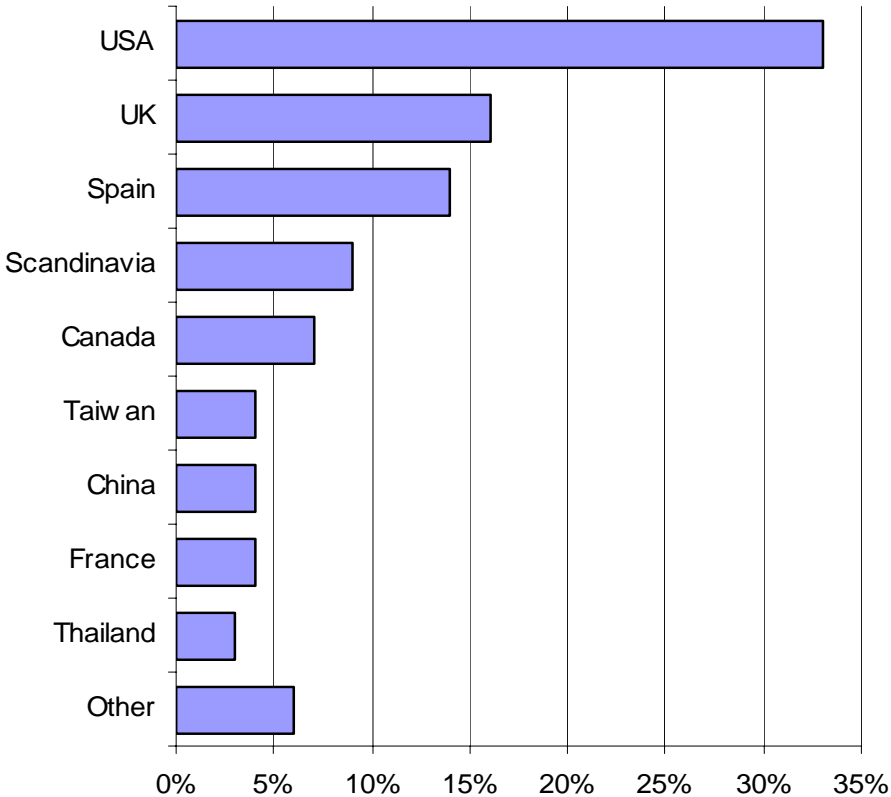


(a) 12 months to December '07

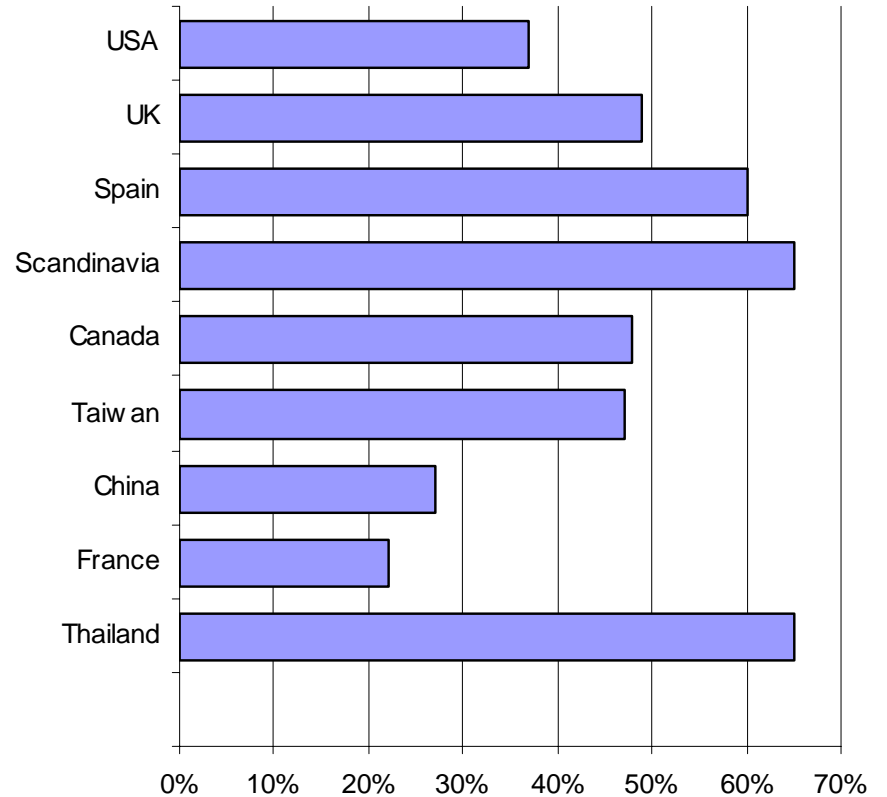
Major Markets by Country

- Formica has a diverse geographic revenue stream and commands significant share across all countries served

% of Total Formica Revenue



% Market Share In Region

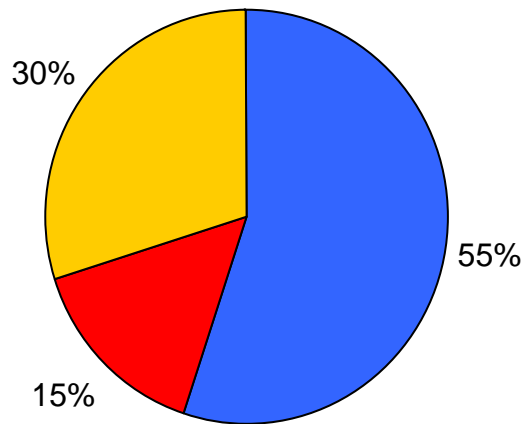


Note: 12 months to December '07

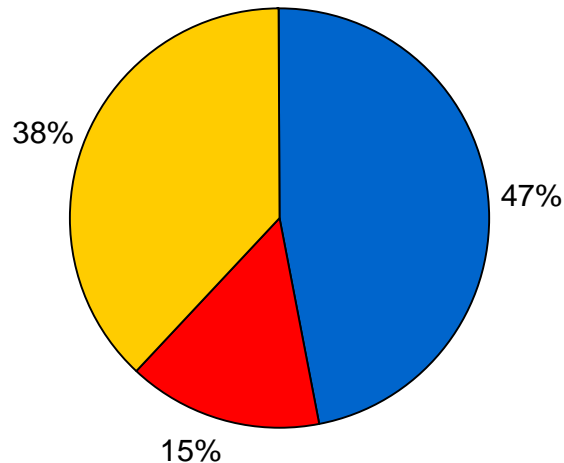
Market Segments

- The majority of the Company's sales are made to the repair and remodel segment of both the commercial and residential construction markets
- Formica's exposure to the volatile residential new construction market is limited

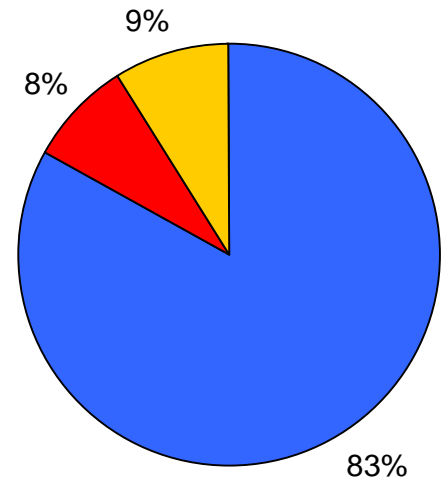
North America (a)



Europe (a)



Asia (a)



 Residential Repair & Remodel  Residential New Construction  Commercial

(a) 12 months to December '07

Source: Management estimates for geographic regions

Formica Regional Focus – North America

- Geographical focus is differentiated by market maturity and competition as well as regional product demand and application differentiation

United States

- Primarily HPL and Solid Surface sheet sale focus
- Significant focus on Big Box retailers (Home Depot / Lowe's)
- Close relationship with primary worktop manufacturers (VT, H&K)
- Commercial demand driven by A&D sales specialists
- Bundled surfacing solutions selling approach (HPL, Solid Surface, Stone/Granite) driving penetration into new home builders and national accounts (e.g., Burger King, KFC, Macy's, Kroger Grocery Stores)
- 60% to 65% of North America HPL now manufactured in Evendale

Canada

- Primarily HPL sheet sales focus
- HPL market leader in Canada
- Significant sales to worktop manufacturers (Belanger)
- 35% to 40% of North America HPL now manufactured in St. Jean

Mexico

- Primarily lower priced, thinner grade HPL market focused on commercial applications
- Approximately 50% of revenues come from sales of imported (Brazil) HPL

Formica Regional Focus - Europe

- Europe is structured around five commercial areas, supported by six factories with a regional headquarters in Newcastle, U.K.

U.K. / Ireland

- HPL market share leader with 50%
- Dominates residential furniture category through large customers MFI, Howdens, and B&Q
- Strong presence in commercial. Improved sales and marketing has resulted in share gain
- Branded worktop offer marketed through retail outlets and produced in house

Spain

- HPL market share leader with 60%.
- Traditionally dominated by residential furniture markets.
- Since 2004 focus has been to build a position in commercial sector with products such as Compact
- Current revenue now split evenly between residential and commercial markets
- Market has seen significant growth over the past year, some signs of slowing

Northern (Scandinavia, Finland, Russia)

- Market share leader in Scandinavia with 65%.
- Entered Russia in 2004 with strong subsequent sales growth
- Majority of sales from HPL, worktops, and Compact
- Focus on maintaining Northern share while expanding distribution in the East for broader penetration

Central (Belgium, Germany, Poland, Others)

- Strong growth across the region over the past years primarily due to focused sales and marketing efforts
- Majority of sales from HPL and Compact with an even split between residential and commercial

France

- Estimated 22% share of the HPL market
- Majority of sales from HPL to direct customers
- Focus on geographic coverage through additional distribution partners and quality of revenues to direct base

Formica Regional Focus - Asia

- Asia comprises three primary areas with regional headquarters in Taipei, Taiwan

China (China and Hong Kong)

- China is primarily focused on the higher margin commercial market
- Rapid economic growth has driven market expansion and significant levels of competition
- Design leadership and brand differentiation strategy are the focus in a crowded market
- Hong Kong has leveraged strong demand for hard surface products (Solid Surface / Engineered Stone)
- China currently manufacturing ~1.0 million M² of HPL for Laminex

Taiwan (Taiwan, Korea, Japan, Philippines)

- Majority of sales from HPL and Compact
- Primary market focus is premium commercial applications (Furniture, government and healthcare)
- Maintains >50% share in the Compact toilet cubicle market
- Penetration into the Japan market has proven difficult
- Second brand initiatives focused on capturing price sensitive market share

Asean (Thailand, Singapore, Malaysia, Indonesia)

- Majority of sales from HPL and Compact
- Primary market focus is premium commercial applications (Furniture, government and healthcare)
- Thailand's market size has recently attracted new entrants increasing competitive conditions
- Significant introductions in 2008 focused on expansion of premium position market share

Going Forward – Three Strategic Focus Areas

- Complete North American manufacturing consolidation and distribution optimization to maximize earnings growth through focused cost optimization
- Drive top line revenue growth through innovative new product introductions and geographic expansion
- Extract synergies through integration of Formica and Laminex business units

Cost Optimization - Project Breakthrough (North America Manufacturing / Distribution Improvement)

Original State

KPI	Industry BIC	Formica
Fill Rate	98%	<90%
OTD Lead Time	7 days	20+ days
Mfg Period Cost	<10%	18%
Distribution Cost	6-8%	12%
EBITDA	18-20%	12%
Working Capital Turns	8x	4.5x

- Redundant 4 factory footprint
- Functional batch factory flow
- Legacy adversarial manufacturing workforce culture
- Sub-optimized warehouse footprint
- Indirect, transfer intensive logistics model
- Limited product and customer profitability focus

Aim: To re-structure the NA business processes and operations footprint to deliver breakthrough improvements in costs, service and culture. Enable a platform for revenue growth and facilitate becoming the low cost, service and design leader in surfacing solutions for commercial and residential customers.

- Deliverables:**
- Target set of world class operating metrics
 - World class operating culture (performance, safety)
 - Improved inventory turns
 - Improve fill rate and produce lead times
 - Maintain stability in current business

Cost Optimization - Project Breakthrough (North America Manufacturing / Distribution Improvement)

3 Phase Restructuring Plan

Current Status

Consolidation

- Idle Sierra Mfg. & DC
- Open new West Coast DC
- Startup 2 Evendale presses
- Streamline collation
- Treater productivity & RTUP conversion
- Consolidate samples operation

- Sierra closed in March 2007 and Evendale presses started up
- Transition period has taken longer than expected due to machinery reliability and new employee training issues with the resultant cost reductions taking longer than expected to achieve
- First half increased manufacturing and one off costs incurred of US\$12.3m
- Initial consolidation plan identified savings by FY 09 of \$10.6m completion expected delayed 6-12 months

Solid Surface

- Idle Odenton Mfg.
- Consolidate/Outsource S.S.
- Consolidate Odenton DC

- Chinese supply chain now fully in place
- Odenton facility to close March 2008
- Initial savings of \$4.4m by FY 09 on track

Lean

- Product focused factories
- Demand flow implementation
- MTO shift & SKU rationalization
- Lean culture transformation
- Rationalize and improve distribution network

- Deferred until current consolidation phase and transition from Sierra to Evendale is fully completed
- Initial savings of \$8.1m by FY 09 deferred until consolidation completed

Revenue Growth Opportunities

- Formica has recently undertaken various initiatives that will expand the product portfolio
- Significant opportunities exist for further development

Recent Initiatives

- Formica has entered into a Joint Venture with a leading Indian HPL manufacturer to serve the rapid growth in the Indian sub-continent
- Growth in the Russian/Eastern European market continues since the initial penetration into the market in 2005. The outlook for the near term remains positive
- Commencement of the installation of a 4th HPL press in China to satisfy growing domestic and export demand. Due for commissioning in late 2008
- Upgrade of technology and equipment in plate facility in France to continue to deliver differentiated finishes

Future Initiatives

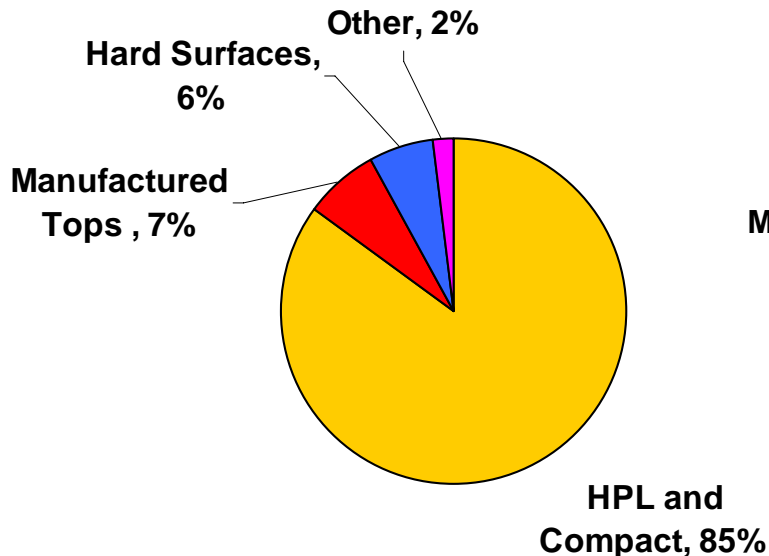
- Expansion of the Chinese market to leverage residential housing growth
- Strategic global Engineered Stone sourcing to cost effectively satisfy the growing demand
- New capacity (HPL/MFC) in the Asean region allowing expansion of Formica's market focus beyond commercial project work
- Strategic vertical integration of laminate products into end use applications (worktops)
- Additional HPL and treated paper capacity planned for Europe

Integration into Fletcher Building Laminates & Panels Division

- The acquisition of Formica in July 2007 significantly increased the size of The Laminates & Panels Division which previously consisted solely of The Laminex Group
- Formica and The Laminex Group both manufacture High Pressure Laminate (HPL), although the companies' product focus and geographical spread varies significantly
- Formica is primarily a global HPL business, while The Laminex Group has a broader product range including decorated and raw board in Australasia. The Laminex Group predominantly owns its own distribution network while Formica relies on 3rd party distributors in addition to dealing direct

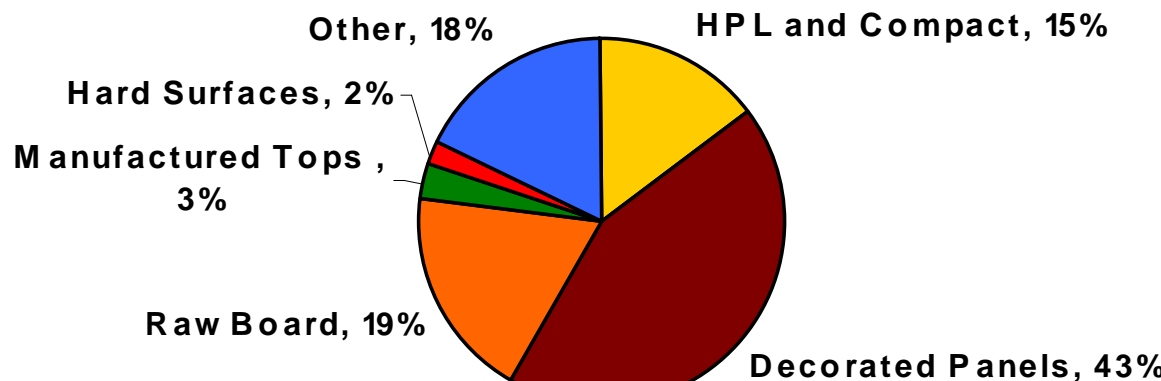
Product Revenue Comparison

Formica (a)



(a) FY Dec '07

Laminex (b)



(b) FY June '07

Integration of Formica / Laminex Synergies

Since the Formica acquisition significant progress has been made on a number of synergies that have been identified between Formica and Laminex. Estimated annualized synergies of US\$17.6m by FY09 were identified prior to acquisition.

Raw Material / Service Sourcing

- Leverage combined spend to obtain best cost on raw materials, manufacturing spares and freight forwarding. Initial synergy estimates of \$1.3m by FY 09 is largely on track

Manufacturing Cost Savings

- The sourcing of HPL product for Laminex from Formica China is well underway and as a result, The Laminex Group is currently rationalizing its Australasian HPL manufacturing facilities full stock; Initial synergy estimates between Formica and Laminex of \$7.3m by FY 09 are largely on track

New Product Pipeline

- Leveraging new product development opportunities such as chemical resistant HPL, 3cm Solid Surface, Colorthru HPL and Engineered wood veneer laminates will likely provide synergy upside

Corporate Costs

- Elimination of duplicated corporate functions not required under Fletcher Building ownership.
- Significant savings already achieved, but full achievement could be delayed by 6-12 months

Formica Current Performance and Outlook

Europe

- Coming off a record year for calendar 2007, continued strong performance is seen in early 2008
- The U.K. and Spanish markets appear to be suffering some residential slow down
- Nordic areas have gained momentum at the beginning of the year
- Continued growth opportunity in Eastern Europe/Russia
- Expand Thermally Fused Melamine and worktop sales in France, Germany, and Belgium/Holland

Asia

- Demand across Asia exceeds current manufacturing capacity requiring additional capacity increases
- Build up to Olympic Games in Beijing seen to be followed by increased commercial construction
- China HPL manufacturing facility continues to produce product for all global regions including Laminex
- Record revenues in Asia during calendar 2007, with continued growth in near term
- Focus on growing residential penetration in China/Hong Kong, new markets in Indonesia, Vietnam, etc., and enhanced product performance/design to protect price

North America

- Continued slowdown in residential housing market and tight credit conditions resulting in softening demand
- Continuing focus on the HPL manufacturing process to realize the full benefits of the manufacturing improvement program
- New product launches and market initiatives should result in increased market share and realized price

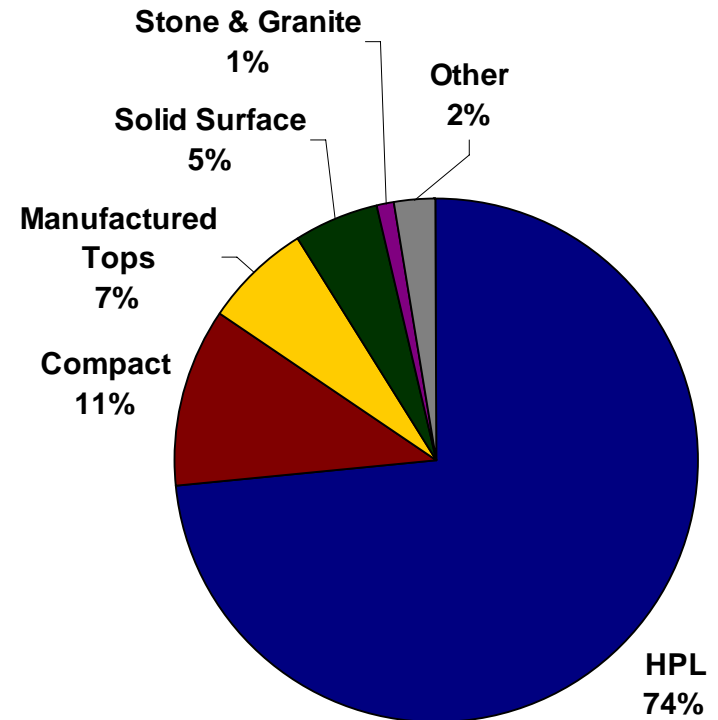
Product Portfolio and Applications

Product Portfolio

Major Product Lines

- **High Pressure Laminates** are resin-treated papers, highly resistant to abrasion and impact, that provide design and wear benefits for countertops, cabinets and furniture
- **Compact and Thickstock** products are thicker sheets of high pressure laminate frequently used as partitions or exterior cladding
- **Manufactured Tops** are ready-to-install surfaces with a post-formed or edge-banded high pressure laminate surface over a substrate usually of fiberboard or wood
- **Solid Surface** materials are homogenous polyester/acrylic-based sheets for countertops and work surfaces
- **Engineered Stone** is a quartz based manufactured stone product
- **Other Products/Services** includes low pressure laminates, industrial laminates, sourced flooring and treated papers

Product Portfolio % of Revenue



Leading Product Design and Innovation

- Formica has a rich history of technological leadership and innovation in product design
- Only surfacing manufacturing company with plate design and manufacturing capability
- As a part of the corporate growth strategy, the Company launched several new products over the years including:

2003 – 2005

- Etchings - textured HPL stone look
- Honed - textured HPL granite look
- Authentix - metallic look for vertical surfaces
- Formica Stone - quartz with resin adhesives
- Naturalle - advanced HPL wood patterns
- Formica frpSelect – melamine fiberglass panels
- Microdot - solid color textured surfaces



2006-2007 and Beyond

- Riverwash - textured natural material composite look
- Formica Veneer - natural wood veneer
- Radiance – smooth-gloss finish with 3D holographic facets
- Luxe – glossy sophisticated woodgrains
- ProFormance - stronger, tougher laminate surface
- Chemtop 2 – chemical resistant laminate
- NextWood - natural wood veneer for vertical or horizontal application
- InDepth - 3cm Solid Surfacing



Product Applications

Commercial Applications

- Commercial Furniture
 - Laboratory Tops
 - Game Tables
 - Buffet Countertops
 - Workstations
 - Bartops
 - Salad Bars
 - Cabinets
- Commercial Construction
 - Doors
 - Walls
 - Desk / Serving Tops
 - Millwork
 - Countertops
- Store Fixtures
 - Store Fixtures and Displays
 - Flame-retardant Interiors
 - Dressing Room Partitions
- Specialty Products
 - Bowling Lane Floors
 - Mobile Home Interiors
 - Doors
 - Access Flooring Tiles
 - Moldings
 - Closets
 - Slot Machines
 - Window Sills

Residential Applications

- Kitchen & Bath
 - Countertops
 - Cabinets
 - Backsplashes
 - Shower / Tub Surround
- Residential Furniture
 - Tabletops
 - Bedroom Suites
 - Entertainment Centers
 - Home Office Furniture
 - Night Stands

Product Applications

Radiance Collection HPL - Countertop



Luxe Collection HPL - Table



Sculpted Collection HPL – Cabinets
Riverwash Collection HPL - Backsplash



Product Applications - Commercial

Veneer by Formica – Walls and Closet



Product Applications - Commercial

DecoMetal by Formica - Walls



Product Applications - Commercial

Solid Surfacing by Formica – Table Tops



Product Applications - Commercial

ColorCore 2 by Formica – Cosmetic Counter and Drawer Facings



Product Applications - Residential

ColorCore 2 by Formica – Cabinet Veneer by Formica – Umbrella Stand



Product Applications - Residential

Solid Surfacing by Formica - Countertop



Product Applications - Residential

Solid Surfacing by Formica - Countertop



Product Applications - Residential

Radiance Collection HPL - Countertop



Appendix

- **Global Manufacturing/Distribution Footprint**
- **Brand Awareness**

Formica Global Manufacturing / Distribution Network



Mfg Locations
Evendale, Ohio
St. Jean, Canada

DC Locations
Atlanta, GA
Dallas, TX
Mt Comfort, IN
Mt Bethel, PA
Bakersfield, CA
Puerto Rico
St Jean, Canada
Vancouver, BC
Mexico City, MX

Mfg Locations
Aycliffe, UK
North Shields, UK
Bilbao, Spain
Valencia, Spain
Kolho, Finland
Quillan, France

DC Locations
Aycliffe, UK
N. Shields, UK
Kolho, Finland
Perstorp, Sweden
Poland
St. Avold, France
Bilbao, Spain
Valencia, Spain
Barcelona, Spain
Madrid, Spain
Seville, Spain

Mfg Locations
Qingpu, China
Hsinfeng, Taiwan
Bangkok, Thailand

DC Locations
Hsinfeng, Taiwan
Seoul, Korea
Qingpu, China
Beijing, China
Chengdu, China
Guanzhou, China
Shenzhen, China
Dongguan, China
Hong Kong
Bangkok, Thailand
Singapore

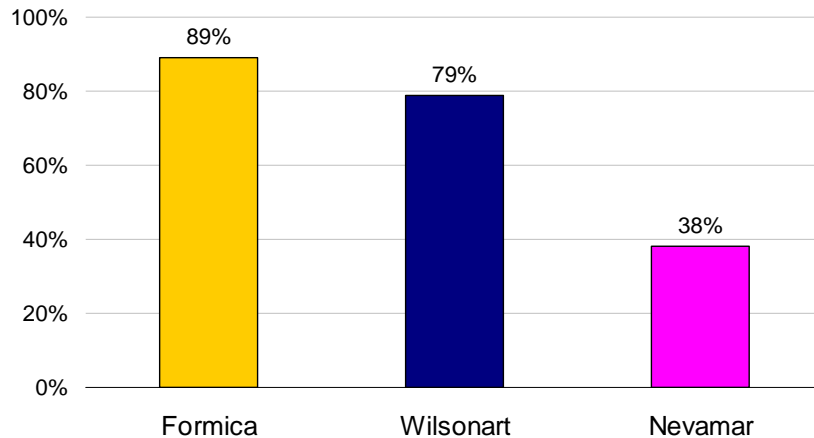


Worldwide Brand Awareness

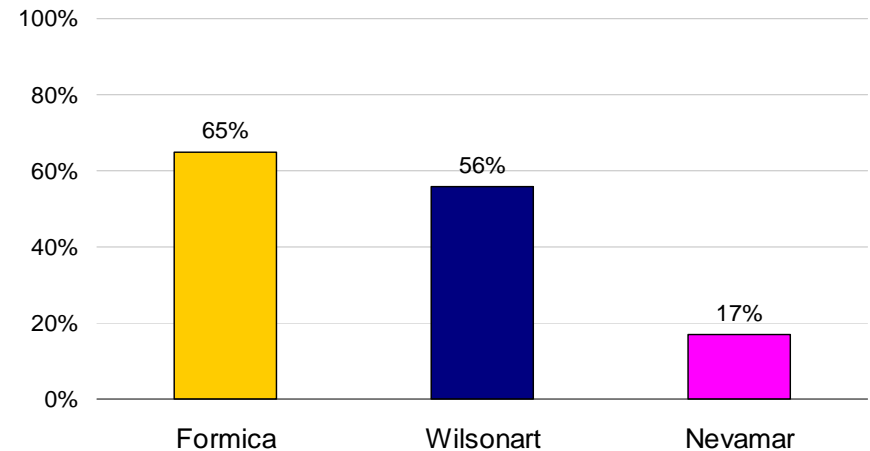
- The Formica brand is one of the best known brand names in the world and the top brand in the laminate industry
- It is the most specified brand of HPL with an extremely high level of unprompted awareness

COUNTERTOP MATERIAL (LAMINATE)

BRAND AWARENESS



BRAND USAGE



Source: North American Builder Brand Leaders Study April 2007