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
Leading Brands
Revenue by Product 2008/2009

- Decorated Board: 44%
- Rawboard Domestic: 13%
- Rawboard Export: 5%
- HPL: 15%
- Other: 23%
Leading Products

Kitchen fit out with TLG doors, bench tops and cupboards

TLG Essa stone bench top  TLG fine edge doors

TLG Veneers product as used in the Melbourne Convention Centre
Integrated supply chain particleboard

Dardanup particleboard Australia

- Resin Dynea JV
- Fibre Wespine JV

Taupo particleboard NZ

- Processed Panels Cheltenham
- LPM Dardanup
- Flooring Dardanup
- LPM Ballarat
- LPM Brisbane
- LPM Hamilton
- PBD Outsourced Supply

TLG DISTRIBUTION
37 sites in Australasia. 12 in New Zealand

Customers
Integrated supply chain medium density fibreboard (MDF)

TLG Distribution
37 sites in Australasia. 12 in New Zealand

Customers
Integrated supply chain high pressure laminate (HPL)

Cheltenham HPL

Formica China HPL

TLG Australia distribution [37 sites]

Australian Customers

TLG New Zealand distribution [12 sites]

New Zealand Customers
Laminex has a vertically and horizontally integrated position in ANZ

<table>
<thead>
<tr>
<th>Raw material production</th>
<th>Manufacturing</th>
<th>Sales and marketing</th>
<th>Wholesale and distribution</th>
<th>Postforming/fabrication</th>
<th>Retail/installation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kraft paper producers</td>
<td>Compact</td>
<td>Compact import</td>
<td>Laminex distribution</td>
<td>Benchtop postformers</td>
<td>Furniture manufacturers</td>
</tr>
<tr>
<td>Decorative print houses</td>
<td>specialists</td>
<td>and sale</td>
<td>centres and branches in</td>
<td>O’Brien’s benchtop</td>
<td>Other applications</td>
</tr>
<tr>
<td>Wespine sawmillJV in WA</td>
<td>PB manufacture in Australia and NZ</td>
<td></td>
<td>Australia and NZ</td>
<td>fabricationNZ</td>
<td>Kitchens/benchtops</td>
</tr>
<tr>
<td>Wespine sawmillJV in WA</td>
<td>MDF manufacture in Australia and NZ</td>
<td></td>
<td></td>
<td></td>
<td>Commercial builders</td>
</tr>
<tr>
<td>Long term fibre supply</td>
<td>PB manufacture in Australia and NZ</td>
<td></td>
<td></td>
<td></td>
<td>Residential builders</td>
</tr>
<tr>
<td>agreements in QLD/WA</td>
<td>MDF Dongwha JV in NZ</td>
<td></td>
<td></td>
<td></td>
<td>Retail DIY</td>
</tr>
<tr>
<td>Compact JV in WA</td>
<td>HPL manufacture in Cheltenham</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kraft paper producers</td>
<td>HPL import from Formica China</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compact specialists</td>
<td>MFC manufacture in Australia and NZ</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treaters in ANZ</td>
<td>Laminex distribution centres and branches in Australia and NZ</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PB manufacture in Australia and NZ
MDF manufacture in Australia
MDF Dongwha JV in NZ

Stone masons
Essa Stone import and sale

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

Laminex Analyst Presentation – October 2009
Manufacturing Locations

- Major Manufacturing Facilities
- Joint Ventures

- Wespine Sawmill JV
- Cheltenham HPL
- Ballarat Doors / Componentry
- Ballarat LPM
- Gympie MDF
- Brisbane LPM
- Hamilton LPM
- Taupo PBD
- Dunedin Benchtops
- Dongwha MDF JV
Australian MDF volumes/ capacity

Source: HIA, BIS and Management estimates
New Zealand particleboard volumes/ capacity

Source: Infometrics and Management estimates
Distribution Locations
37 sites in Australia, 12 in New Zealand

Widespread geographic coverage with a diversified customer base
Customer Spread

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

- <$0.5m: 13,333
- $0.5m-$2.0m: 240
- $2.0m-$5.0m: 24
Revenue by segment 2008/2009

- Export: 5%
- Alterations & Additions: 30%
- Commercial: 34%
- New Homes: 31%
Revenue by major region 2008/2009

- New Zealand: 17%
- Western Australia: 17%
- Victoria & Tasmania: 20%
- Export: 5%
- South Australia: 6%
- New South Wales & ACT: 18%
- Queensland: 17%
- Western Australia: 17%
Industry Structure
Laminex relative market position by major product group

- **HPL**:
  - Laminex
  - Wilson Art
  - Others

- **Decorative MDF/PBD**:
  - Laminex
  - CHH
  - Borg
  - Others

- **Raw MDF/PBD** (excludes Export):
  - CHH
  - Laminex
  - Sumitomo
  - Others

- **Engineered Stone**:
  - Caesarstone
  - Quantum Quartz
  - Laminex

Source: Management estimates based on volumes
Revenue NZ$m

- 2005: 1031
- 2006: 1089
- 2007: 1131
- 2008: 1120
- 2009: 1052

[Graph showing revenue from 2005 to 2009]
## Business Reset Programme

### Status

- All states completed:
  - Detailed analysis
  - Implementation workshops
  - First round targets
  - National tracking tool

### Cost to Serve

- Implementation of SKU/customer rationalisation
- New pricing policies

### Distribution Optimisation

- Initial scoping review complete
- Vision complete
- Detailed planning underway

### Manufacturing Footprint

- Kumeu ceased production 17th July
- Welshpool MDF ceased production 24th July
- Closure activities underway

### Cost Reductions

- Reduction in quarter 1 resin costs
- Procurement and other savings in progress

### Manufacturing Excellence

- Manufacturing efficiency
- Inventory optimisation

### NZ Business

- Broad-based turnaround including:
  - Cost & headcount reduction
  - Share of wallet
  - Product/customer optimisation
  - Footprint optimisation eg Kumeu & Auckland DC

- New management team in place
- Opportunities scoped and action
- Market limiting full recovery in F10

---

**Cost Reductions**

- Procurement (includes resin price falls)
- Back office consolidation
- Procurement and other savings in progress
- Reduction in quarter 1 resin costs
- Improvement in inventory optimisation

**Manufacturing Excellence**

- Manufacturing efficiency
- Inventory optimisation
- Opportunity identification phase underway
- Benchmarking review complete

**NZ Business**

- Broad-based turnaround including:
  - Cost & headcount reduction
  - Share of wallet
  - Product/customer optimisation
  - Footprint optimisation eg Kumeu & Auckland DC

- New management team in place
- Opportunities scoped and action
- Market limiting full recovery in F10

**Cost to Serve**

- Understanding our true value proposition
- Channel strategy
- Cost reduction
- Footprint optimisation

**Distribution Optimisation**

- Detailed analysis
- Vision complete
- Detailed planning underway

**Manufacturing Footprint**

- Plant closures (Kumeu and Welshpool)
- Capacity optimisation
- Low pressure lines rationalisation underway

---

**Laminex Analyst Presentation – October 2009**
Competitive advantage

- National distribution network
- Breadth of product range
- Brand awareness and reputation
- Scale/scope in marketing
- Access to Formica
- Local manufacturing facilities
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