

**NOTICE OF 2002 ANNUAL MEETING
OF SHAREHOLDERS**

12 November 2002 at 2.00pm

PLEASE FIND ENCLOSED THE NOTICE OF THE 2002 ANNUAL MEETING OF FLETCHER BUILDING SHAREHOLDERS, TO BE HELD ON TUESDAY, 12 NOVEMBER 2002, AND AN EXPLANATORY MEMORANDUM RELATING TO THE PROPOSED ACQUISITION OF LAMINEX GROUP LIMITED. THE COMPANY ENCOURAGES YOU TO READ THIS NOTICE AND THE ACCOMPANYING EXPLANATORY MEMORANDUM CAREFULLY.

INSTRUCTIONS ON HOW TO GET TO THE ANNUAL MEETING VENUE AND CAR PARKING ARE ON THE BACK COVER.

NOTICE OF 2002 ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE ANNUAL MEETING OF SHAREHOLDERS OF FLETCHER BUILDING LIMITED WILL BE HELD AT THE SHERATON AUCKLAND HOTEL & TOWERS, 38 SYMONDS STREET, AUCKLAND, NEW ZEALAND, ON TUESDAY, 12 NOVEMBER 2002 COMMENCING AT 2.00 PM.

BUSINESS

1. Election of Directors

In accordance with the company's constitution, Sir Dryden Spring and Kerrin Margaret Vautier retire by rotation. Sir Dryden and Mrs Vautier are eligible and offer themselves for re-election.

See Explanatory Note 1

2. Auditor's Remuneration

To authorise the directors to fix the fees and expenses of KPMG as the company's auditor.

3. Amendment of Constitution

To consider and, if thought fit, to pass the following special resolution:

"That the constitution of the company be altered with effect from, but excluding, the date of this meeting by:

- (a) adding the following new definitions to clause 1.1:

"ASX means Australian Stock Exchange Limited;

ASX Listing Rules means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX;" and

- (b) inserting a new clause 2.6 as follows:

"2.6 Compliance with ASX Listing Rules

- (a) Notwithstanding anything contained in this Constitution, if the ASX Listing Rules prohibit an act being done, the act shall not be done.
- (b) Nothing contained in this Constitution prevents an act being done that the ASX Listing Rules require to be done.
- (c) If the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (d) If the ASX Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
- (e) If the ASX Listing Rules require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
- (f) If any provision of this Constitution is or becomes inconsistent with the ASX Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency."

See Explanatory Note 2

4. Placement of Fletcher Building Limited Shares

To consider and, if thought fit, to pass the following ordinary resolution:

"That the actions of the directors in connection with the issue on 26 September 2002 of 43,684,000 Fletcher Building Limited ordinary shares by way of private placement for total consideration of NZ\$128.9 million be approved and ratified in accordance with the listing rules of the New Zealand Stock Exchange and the Australian Stock Exchange."

See Explanatory Note 3

5. Laminex Group Limited Acquisition

To consider and, if thought fit, to pass the following ordinary resolution:

"That the acquisition of Laminex Group Limited by Fletcher Building (Australia) Pty. Limited, or any other wholly owned subsidiary of Fletcher Building Limited, for a maximum purchase price of A\$665 million (subject to adjustment, if necessary, for any movement in Laminex's working capital position at settlement) on the terms set out in the Share Sale Agreement dated 18 September 2002, and as described in the explanatory memorandum accompanying and forming part of the notice of annual meeting, be and is hereby approved."

The explanatory memorandum accompanying and forming part of this notice of annual meeting contains further detail in relation to the acquisition of Laminex Group Limited (**Laminex**).

6. Reissue and New Issue of Capital Notes

To consider and, if thought fit, to pass the following ordinary resolution:

"That the company be and is hereby authorised to:

- (a) reissue up to an aggregate principal amount of NZ\$20,194,000 of the existing capital notes currently held by the company as treasury stock;
- (b) reissue any December 2002 capital notes which are repurchased and held by the company as treasury stock; and
- (c) issue up to an aggregate principal amount of NZ\$150 million new capital notes at such interest rates and with such election dates as may be determined by the company's board of directors, any such reissue or new issue to be at the election of, and otherwise on terms to be determined by, the company's board of directors."

See Explanatory Note 4

7. Other Business

To consider any other matter that may properly be brought before the meeting.

EXPLANATORY NOTES

Explanatory Note 1 – Election of Directors

Pursuant to clause 28.5 of the constitution of the company, one-third of the directors, or if their number is not a multiple of three, then the number nearest to one-third, must retire from office at the annual meeting of the company each year. Accordingly, Sir Dryden Spring and Kerrin Margaret Vautier, being among those who have been longest in office since they were last elected or deemed elected, retire by rotation. Each of them is eligible and offers themselves for re-election.

Set out below is a biographical background of each of Sir Dryden Spring and Kerrin Margaret Vautier.

Sir Dryden Spring

DSc (Hon)

Non-Executive Director

Chairman of the Remuneration Committee

Sir Dryden, 62, has had a career in management and directorship, with involvement in a range of industries. He has also been heavily involved in New Zealand and international forums relating to agriculture and trade policy issues.

Sir Dryden is Chairman of WEL Energy Group, Fletcher Challenge Forests, the New Zealand APEC Business Advisory Council, the Asia 2000 Foundation of New Zealand and Ericsson Communications. He is Deputy Chairman of Goodman Fielder, and a Director of Nufarm, The National Bank of New Zealand, Ericsson Synergy and Maersk New Zealand. He was previously a director of Fletcher Challenge.

He is a member of the New Zealand Business and Parliament Trust, a Distinguished Fellow of the Institute of Directors and a member of the Washington DC based International Policy Council on Agriculture, Food and Trade.

Kerrin Margaret Vautier

CMG, BA

Non-Executive Director

Member of the Audit Committee

Mrs Vautier, 57, is a research economist specialising in competition law and economics, and has an academic and business background with long-standing experience in directorship. She is Chair of the Advisory Board of the New Zealand Asia Institute, and a director of Deloitte Touche Tohmatsu (NZ) and News & Media (NZ).

Mrs Vautier is a lay member of the High Court under the Commerce Act, an External Monetary Policy Advisor to the Reserve Bank of New Zealand, a senior part-time lecturer in the Department of Commercial Law at the University of Auckland, and a member of the International Advisory Group of PECC's Trade Forum. She was previously a director of Fletcher Challenge, and Norwich Union Holdings (NZ) and its subsidiary State Insurance. She is a former member of the New Zealand Commerce Commission and the Board of Trustees of the Asia 2000 Foundation, and previously held the Chair of NZPECC and the New Zealand Institute of Economic Research.

Explanatory Note 2 – Amendment of Constitution

With effect from 1 July 2002, the company changed from a foreign exempt status listing to a full listing on the Official List of the Australian Stock Exchange Limited (the **ASX**). As a condition of the full listing, the company is required to amend its constitution as set out in this notice of annual meeting in order to maintain consistency with the listing rules of the ASX (the **ASX listing rules**).

Currently, the constitution of the company is a New Zealand Stock Exchange (**NZSE**) listed company constitution and does not contain any provision requiring the company to comply with the ASX listing rules. The ASX has allowed the company until this meeting to make the necessary amendments. If the company does not amend its constitution as required, it will be removed from the Official List of the ASX.

The board is of the view that it is important for the company to continue its full listing on the Official List of the ASX. The proposed amendments to the constitution, which incorporate, by general reference, prohibitions and requirements of the ASX listing rules to the extent they are not already incorporated, will satisfy the ASX condition and allow the company to continue with its full listing on the ASX. The board therefore recommends the proposed amendments to the constitution be made.

To amend the constitution a special resolution of shareholders is required under the Companies Act 1993. A special resolution is a resolution approved by 75 percent or more of the eligible votes cast on the resolution.

The Market Surveillance Panel of the NZSE has granted a waiver from NZSE listing rule 6.1.3, which requires an independent solicitor to review amendments to the company's constitution. The Market Surveillance Panel granted the waiver on the basis that the only amendments to the constitution relate to compliance with the ASX listing rules.

The constitution, as amended, has been approved by the NZSE and the ASX.

A copy of the amended constitution is available on request to the company at:

The Company Secretary
Fletcher Building Limited
Private Bag 92114
Auckland, New Zealand

You may also inspect a copy of the amended constitution at the office of the company, 810 Great South Road, Penrose, Auckland.

Explanatory Note 3 – Placement of Fletcher Building Shares

On 26 September 2002 the board issued, by way of private placement, a further 43,684,000 Fletcher Building ordinary shares (the **Placement Shares**) at an issue price of \$2.95 per share. The Placement shares rank equally in all respects with the company's existing ordinary shares. The placement was undertaken to provide partial funding for, but was not conditional upon, the acquisition of Laminex. The allottees were local and off-shore institutional and habitual investors determined following a global bookbuild which was led by JBWere (NZ) Limited and UBS Warburg New Zealand Equities Limited.

Because the number of shares placed was less than 10 percent of the total number of equity securities on issue (as determined under the NZSE listing rules) and was less than 15 percent of the total number of ordinary Shares on issue, the placement did not require prior shareholder approval under the NZSE or ASX listing rules. However, as is common practice for listed companies, shareholder ratification of the placement is being sought so that the board retains the flexibility to issue further equity securities, such as shares or capital notes, without the expense of calling another meeting of shareholders. The effect of the ratification of the placement by shareholders is that the Placement Shares will not be included for the purpose of calculating how many shares may be issued under the 10 percent rule under listing rule 7.3.5 in the future.

Voting restrictions

Pursuant to the requirements of the NZSE and ASX, any person who participated in the issue of the Placement Shares, and any person associated with any such person, is not entitled to vote on this resolution. Accordingly, in compliance with the listing rules of the NZSE and ASX, Fletcher Building will disregard any vote cast on the resolution by:

- a person who participated in the placement; and
- any associated persons of such participant.

However, Fletcher Building will not disregard a vote if:

- it is cast by a person as proxy for a person entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Explanatory Note 4 - Reissue and New Issue of Capital Notes

General

Initially, the company will fund the acquisition of Laminex through a combination of bank debt and the proceeds of the recent share placement, as referred to above in Explanatory Note 3. However, the company is currently considering its longer term funding options, including possible reissues of capital notes held by Fletcher Building as treasury stock and the issue of up to an aggregate principal amount of NZ\$150 million new capital notes. Although details of the public offer are yet to be determined, it is intended that a pool of new capital notes will be set aside for subscription by existing shareholders and capital noteholders resident in New Zealand.

Reissue of existing October 2006 capital notes

Fletcher Building currently holds 20,194,000 October 2006 capital notes as treasury stock, having acquired them from noteholders in October 2001. Each capital note has a face value of \$1.00. These capital notes carry a coupon of 7.9 percent per annum and have an election date of 31 October 2006. The company may reissue these capital notes to one or more third parties in order to provide funding for the purchase of Laminex.

Under the NZSE listing rules a reissue of capital notes that are held as treasury stock is treated as an issue of new equity. Accordingly, shareholder approval of the reissue of these capital notes is being sought under NZSE listing rule 7.3.1(a).

Reissue of December 2002 capital notes

In addition, a tranche of existing capital notes is due to have its interest rate and election date reset at 15 December 2002. These capital notes are referred to as the "December 2002 capital notes". If a noteholder elects to have his or her capital notes converted to ordinary shares, the company may elect to repurchase all or some of these capital notes and hold them as treasury stock. The number available for repurchase will depend upon how many noteholders decide to convert some or all of their capital notes into ordinary shares.

It is possible, but unlikely, that all 27,675,500 of the December 2002 capital notes could be acquired and held by the company as treasury stock. Therefore authorisation is being sought for the reissue of all 27,675,500 of the December 2002 capital notes. However, it is unlikely that more than half of that number would ultimately be acquired and therefore available for reissue.

Issue of new capital notes

The resolution also seeks approval in terms of NZSE listing rule 7.3.1(a) to issue up to an aggregate principal amount of a further \$150 million new capital notes, each of which will have a face value of \$1.00. The funds raised from the issue will be used to repay bank debt which was incurred initially to fund the purchase of Laminex.

Any such new notes would be issued on the same terms and conditions as the existing capital notes, except that their interest rate, interest dates and election date will differ, as these need to be determined by the board at the time of issue depending upon market conditions prevailing at the time.

The capital notes will be issued to those persons who subscribe under a public offer made by way of an investment statement and registered prospectus. As mentioned above, it is intended that a pool of these new capital notes will be set aside for subscription by existing shareholders and capital noteholders resident in New Zealand.

The capital notes may be issued by Fletcher Building itself or a wholly-owned subsidiary.

Terms of the capital notes

The capital notes are long-term, fixed rate, unsecured, subordinated notes. Each series of capital notes has a specified fixed interest rate and a specified "election date". The capital notes do not confer on the holder any right to vote at shareholder meetings. Perpetual Trust Limited acts as the noteholders' trustee.

Prior to an election date for the capital notes, notice must be given to the relevant holders specifying a new election date, a new interest rate which will apply during the period to the new election date and any other new terms which will apply to the capital notes from that election date.

On the election date, a noteholder has the right to elect to either:

- retain some or all of their capital notes on the new terms; or
- convert some or all of their capital notes into Fletcher Building ordinary shares at 98 percent of the then current market value of those shares.

If a noteholder does not exercise the election, the noteholder will continue to hold the relevant capital notes on the new terms. If a noteholder elects to convert some or all of their capital notes into Fletcher Building ordinary shares, the issuer has the option to either:

- convert those capital notes into Fletcher Building ordinary shares at 98 percent of the then current market value of those shares; or
- redeem or purchase those capital notes for cash at their principal amount plus any accrued but unpaid interest.

The capital notes will remain in existence unless or until they are converted into Fletcher Building ordinary shares or purchased and cancelled.

Timing of issue and reissue of the capital notes

Any reissue or further issue of capital notes pursuant to the resolution must be made within six months after the date of this meeting, being 12 May 2003.

Voting restrictions

Pursuant to the requirements of the NZSE, directors of the company and their associated persons are not permitted to vote on this resolution, other than as a proxy and in accordance with the express instructions of a person who is permitted to vote.

PROCEDURAL NOTES

1. Subject to the voting restrictions discussed in Explanatory Notes 3 and 4 above, the persons who will be entitled to vote on the resolutions at this annual shareholders' meeting are those persons who will be the shareholders of the company at 2.00pm on Sunday, 10 November 2002.
2. You can participate by casting your vote in person or by proxy at the annual shareholders' meeting. Alternatively, you may exercise your right to vote by casting a postal vote.
3. To assist shareholders wishing to exercise their voting rights at this annual shareholders' meeting, whether in person, by proxy or by post, the voting form and shareholder attendance card accompanying this notice of annual meeting have been personalised with individual shareholder details.

The voting form shows your shareholding. If, at 2.00pm on Sunday, 10 November 2002, your shareholding is different from that shown on the voting form, you can update the entitlement.

4. All shareholders entitled to attend and vote at this annual shareholders' meeting are entitled to appoint a proxy to attend and vote for them in their place. The proxy need not be a shareholder of the company. A proxy form is enclosed and, if used, must be lodged at the office of the Share Registry, Computershare Investor Services Limited, either at Private Bag 92119, Auckland 1020 or at Level 2, 159 Hurstmere Road, Takapuna, North Shore City, Auckland, New Zealand before 2.00pm, 10 November 2002.



By Order of the Board
Auckland, New Zealand

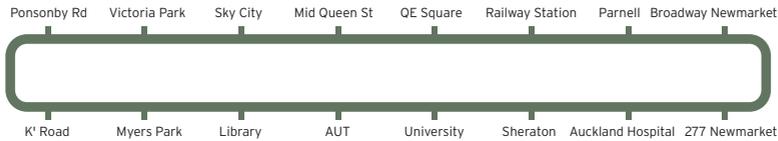
VENUE DIRECTIONS AND CAR PARKING

For shareholders and guests who are attending the Shareholder Meeting, we would like to draw your attention to the car parking facilities. There will be a limited number of car parks available at the Sheraton Auckland Hotel & Towers on a first come, first served basis.

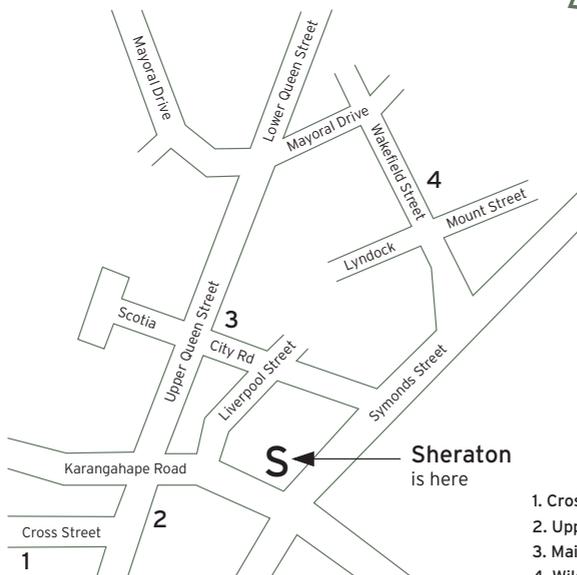
Should parking not be available at the Sheraton there are local car parks close by, see map below.

Alternatively, there is the Link bus which operates every 10 minutes around Auckland city, including pick up and drop-off at the Sheraton.

LINK BUS ROUTE



CAR PARKING



- | | |
|-----------------------------------|-----------------|
| 1. Cross Street (K'Road car park) | 24 hours |
| 2. Upper Queen Street | 24 hours |
| 3. Mainzeal | 24 hours |
| 4. Wilsons | 6.30am - 6.45pm |