<table>
<thead>
<tr>
<th><strong>Fletcher Building</strong></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Annual Revenue</strong></th>
<th>NZ$7+ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Capitalisation</strong></td>
<td>NZ$4.4 billion</td>
</tr>
<tr>
<td></td>
<td>Ranked # 2 on NZX</td>
</tr>
<tr>
<td></td>
<td>#61 on ASX</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>20,000+</td>
</tr>
<tr>
<td><strong>Shares</strong></td>
<td>500 million</td>
</tr>
<tr>
<td><strong>Shareholders</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>New Zealand  ≈ 43%</td>
</tr>
<tr>
<td></td>
<td>Australia  ≈ 33%</td>
</tr>
<tr>
<td></td>
<td>USA  ≈ 13%</td>
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</tbody>
</table>
Market Leading Businesses

Building Products
- Revenue - 11%
- Plasterboard
- Insulation
- Metal Roof Tiles
- Other Business
  - Aluminium
  - Sinkware
  - Forman Group
  - Access Floors

Distribution
- Revenue - 16%
- Building Materials Distribution
  - 62 PlaceMakers stores
- Construction Concrete
  - Cement
  - Readymix
  - Aggregates
  - Concrete Products
  - Rocla Pipes and Quarries

Infrastructure
- Revenue - 26%
- The Laminex Group
  - MDF
  - Particleboard
  - LPM
  - HPL
  - Formica
    - HPL

Laminates & Panels
- Revenue - 30%
- Rollforming & Steel Painting
- Steel Merchants
- Long Steel
  - Electric Arc Furnace
  - Reinforcing bar, mesh and wire
  - Scrap

Steel
- Revenue - 17%
Fletcher Building Locations
Geographic Diversification of Revenue Base

- New Zealand: 53%
- Australia: 28%
- North America: 7%
- Europe: 6%
- Asia: 6%
- Australia: 6%
Sales Revenue

$million$

2002: 2966
2003: 3221
2004: 3958
2005: 4636
2006: 5520
2007: 5926
2008: 7000
Net Earnings

$million

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings</th>
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</thead>
<tbody>
<tr>
<td>Jun-02</td>
<td>93</td>
</tr>
<tr>
<td>Jun-03</td>
<td>168</td>
</tr>
<tr>
<td>Jun-04</td>
<td>240</td>
</tr>
<tr>
<td>Jun-05</td>
<td>347</td>
</tr>
<tr>
<td>Jun-06</td>
<td>379</td>
</tr>
<tr>
<td>Jun-07</td>
<td>484</td>
</tr>
</tbody>
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1. Restated for IFRS
The Fletcher Building Model

- Decentralised autonomous business units
  - maximise decisions made at the coal face
  - bias against shared services toward ‘fit for purpose’ services

- Ensure and develop the right business unit leadership
  - money makers
  - people leaders
  - proven at strategic growth

- High performance culture with transparent performance metrics
The Fletcher Building Model

• Role of the head office is:
  – leadership selection and development
  – governance
  – capital allocation

A model of low cost performance management and governance
The Leadership Development Challenge

• We need to develop leaders who are:
  – money makers
  – people leaders
  – strategic growers

• We need to develop high performance cultures and frameworks

• We need to achieve this globally to around 300 key business leaders across diverse cultures

• Traditional business schools are generally not well equipped to meet these needs
Current Programmes

• Transformation Leadership (1 year part time programme)
  – Melbourne Business School
  – University of Auckland

• Meikle high performance culture and frameworks
  – Australia and New Zealand

• Customised executive MBA (3 years part time)
  – Durham University UK
Current Programmes

- Limited residential senior management programmes
  - Wharton Business School
  - London Business School

- Limited sponsorship of individual MBAs
We are growing at a faster rate than our leadership development programmes, but simply doing more of what we already do is not the answer.