



Investor Day Brisbane

18 June 2015

Mark Adamson

Chief Executive Officer

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 2015 Half 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.



Agenda

| | | |
|-------------------|----------------------------|---|
| 8:30-9:00am | Coffee/Registration | |
| 9:00-9:30am | Welcome introduction | Mark Adamson <i>Chief Executive Officer</i> |
| 9:30-10:00am | Update on strategy | Gerry Bollman/Bevan McKenzie <i>Chief Financial Officer/ Group GM Strategy</i> |
| 10.00-10:30am | Building people capability | Kate Daly <i>Chief People and Communication Officer</i> |
| 10:30-10:50am | Morning tea | |
| 10:50am – 12:10pm | FB Distribution | Dean Fradgley <i>Chief Executive Distribution New Zealand</i> Tim Hickey <i>Chief Executive Distribution Australia</i> |
| 12:10 – 12:30pm | Laminates & Panels update | Paul Zuckerman <i>Chief Executive Laminates & Panels</i> |
| 12:30-1:10pm | Lunch | |



Agenda

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| Continues | | |
| 1:10-1:40pm | Construction strategy | Graham Darlow <i>Chief Executive Construction</i> |
| 1:40-2:20pm | Fletcher Living residential strategy | Steve Evans <i>Chief Operating Officer - Housing</i> |
| 2:20-2:50pm | Heavy building products update | Matt Crockett <i>Chief Executive Heavy Building Products</i> |
| 2:50-3:10pm | Afternoon tea | |
| 3:10-3:40pm | Light building products update | Francisco Irazusta <i>Chief Executive Light Building Products</i> |
| 3:40-4:00pm | Q&A and Wrap Up | Mark Adamson <i>Chief Executive Officer</i> |
| 4:00pm | Close | |



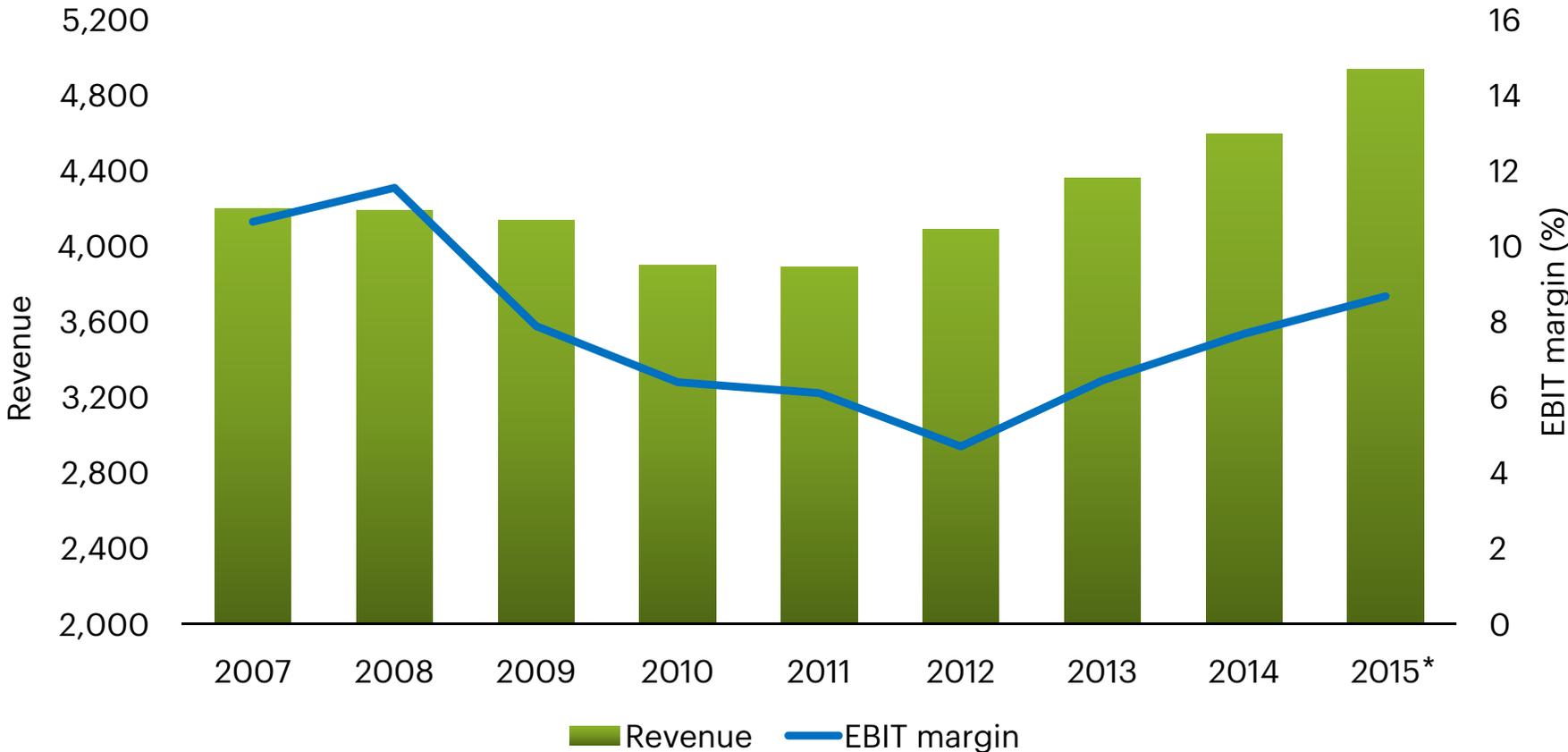
Objectives for the day

- **Confirm strategic direction**
- **Introduce senior management team**
- **Provide context for recent structural and people changes**
- **Detail key growth areas:**
 - NZ Distribution
 - Australian Distribution
 - NZ Residential
 - Construction
- **Update progress in turn-around businesses**
- **Detail the foundation we have laid for FBU's future success**



New Zealand: Margins have improved along with revenues over the past three years

Revenue vs EBIT margin¹
NZ \$ million



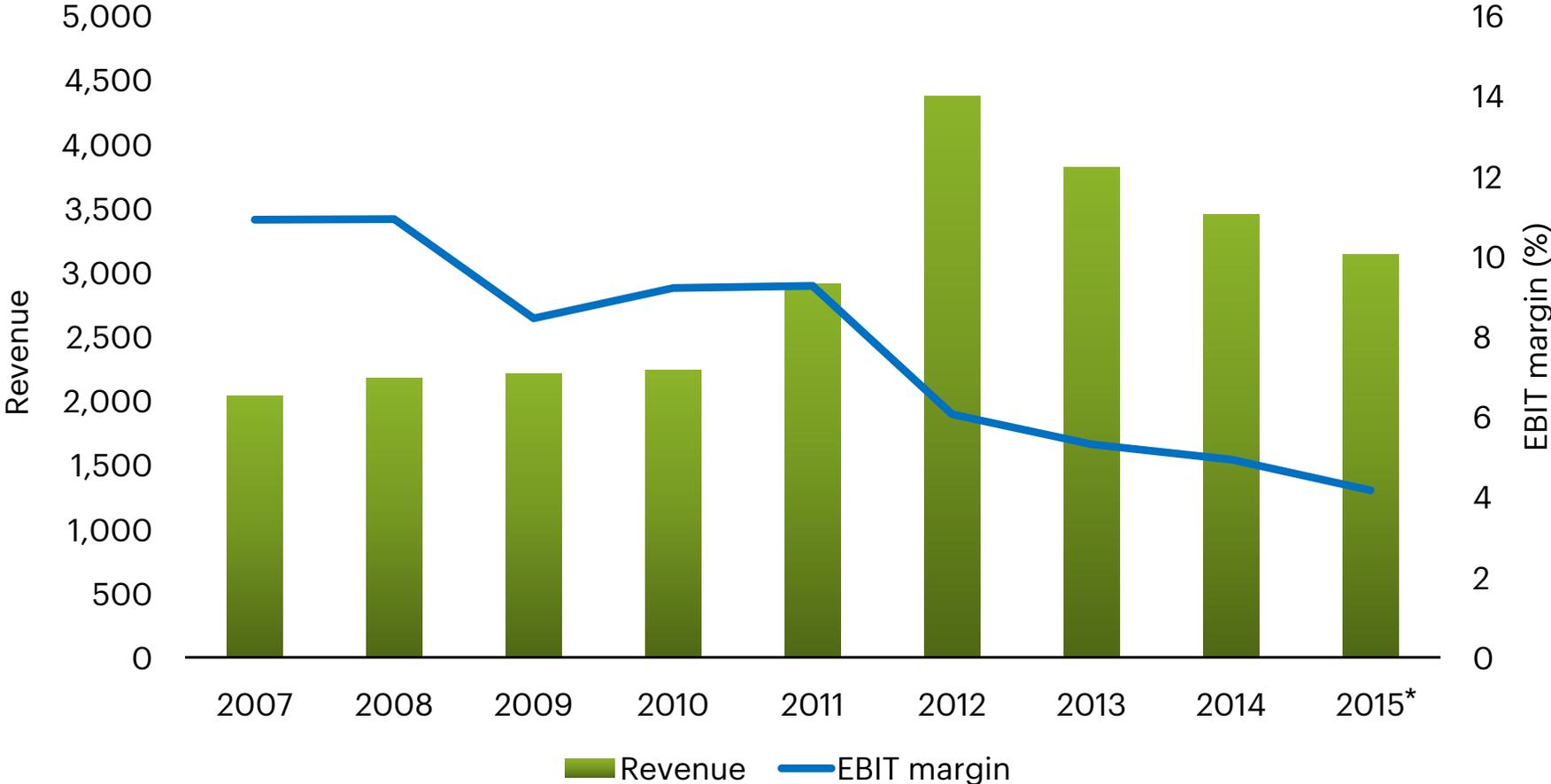
* Forecast

1. Pre-Unusual items, restructuring and impairment charges and significant items.



Australian: EBIT margins have continued to fall due to exposures to infrastructure and non-residential markets

Revenue vs EBIT margin¹
NZ \$ million



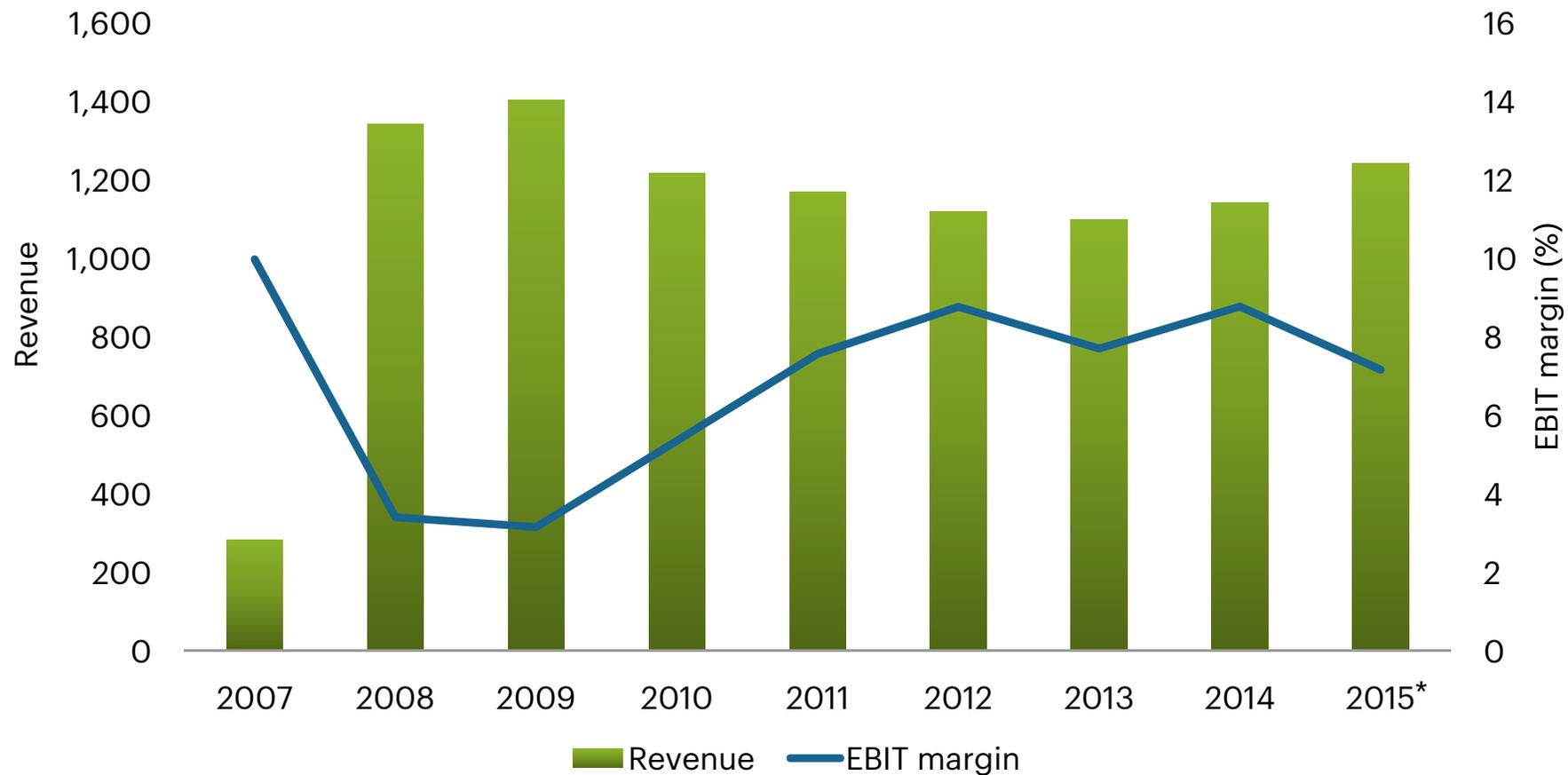
* Forecast

1. Pre-Unusual items, restructuring and impairment charges and significant items.



Beyond Australasia margins have fluctuated following a period of steady improvement

Revenue vs EBIT margin¹
NZ \$ million



* Forecast

1. Pre-Unusual items, restructuring and impairment charges and significant items.



The FBUnite transformation program has been delivered and is now embedded in our business

| | | | |
|---|--|---|---|
|  <p>PEOPLE</p> <p>Developing a winning culture.</p> <p>Organisational development</p> <ul style="list-style-type: none"> Learning Academy ✓ Leadership ✓ Performance management ✓ Talent management ✓ Global employee engagement ✓ <p>Intranet ✓</p> <p>HRIS ✓</p> |  <p>INNOVATION & GROWTH</p> <p>Responsive to market changes.</p> <p>Future distribution opportunities ✓</p> <p>Future growth opportunities ✓</p> <p>Digital</p> <ul style="list-style-type: none"> ICT roadmap ✓ Digital business strategy ✓ Customer/marketing/CRM - |  <p>PERFORMANCE EXCELLENCE</p> <p>Optimising operational performance.</p> <p>Network optimisation</p> <ul style="list-style-type: none"> Freight/logistics - Distribution footprint - <p>Operational excellence</p> <ul style="list-style-type: none"> Manufacturing ✓ Supply chain ✓ Health & Safety ✓ |  <p>EFFICIENCY</p> <p>Creating the lowest possible cost structure.</p> <p>Procurement</p> <ul style="list-style-type: none"> Indirect ✓ Direct ✓ ICT ✓ <p>Shared services centre</p> <ul style="list-style-type: none"> Finance – Accounts Payable/Accounts Receivable - HR – Payroll, learning and development ✓ Desktop support - Purchasing - <p>Property</p> <ul style="list-style-type: none"> Portfolio management ✓ Rationalisation ✓ Transactions ✓ |
|---|--|---|---|



Having built the foundations, what comes next?

1. **Execute on our strategy**

- Pursue organic growth
- Continue to action portfolio decisions
- Fix the troubled businesses

2. **Leverage the capability we've built**

- People
- Centres of excellence
- Group scale

3. **Deliver the remaining FBUnite work programmes not yet completed**

4. **Continue to build a high performance culture and further lift employee engagement**

Our overall goal: deliver group earnings beyond the previous peak



Building Better, Together.

BE BOLD

Courageous leaders / Problem solvers
Backing ourselves / Have a go without being rash

PLAY FAIR

Transparent / Honest
Fair minded / Respectful and inclusive

BETTER EVERY DAY

Progressive / Continuous improvement
A passion for excellence / Champion of safety

CUSTOMER LEADING

Expert partner / Creative
Insightful / Building for a greater good

