Fletcher Building Full Year Results to 30 June 2024

21 August 2024

Fletcher Building Limited

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Agenda

1. Results Overview	Nick Traber
2. Financial Results	Bevan McKenzie
3. Outlook	Nick Traber

FY24 summary

Costs & cash well-controlled; earnings impacted by weak market & significant items

- **FY24 performance**
  - Revenues flat overall but tough trading conditions vs. FY23, Materials & Distribution sector activity levels materially lower
  - Group continuing operations EBIT $509m; within guidance range[1] and including $16m restructuring costs, lower YoY due to weaker markets; partly offset by cost-out
  - Group continuing operations EBIT margin 6.6% with resilient Materials & Dist. EBIT margin of 7.4% in context of activity levels
  - Net loss $227m, includes $180m provision on legacy projects, $117m Higgins non-cash impairment & write-down and $141m loss from discontinued ops (Tradelink)
  - Strong cash flows: trading cash flows (ex sig & legacy) $784m, material uplift YoY from effective working capital management; disciplined on capex spend
  - Leverage ratio 1.99x and net debt of $1.8b, below prior guidance; liquidity strong at c.$1.1b
- **FY25 outlook:**
  - Market conditions expected to remain challenging in the year ahead, with macro-economic pressures to persist through the year
  - Planning for FY25 market volumes in our Materials & Dist. businesses to be c.10% to 15% lower vs FY24; vigilant to further market weakness

Note: EBIT, EBIT margin and Trading Cash Flow are before significant items
1. Tradelink (discontinued operations) EBIT was $7m for FY24, therefore FY24 Group EBIT on a like-for-like basis was $516m compared to the guidance range of $500m to $530m

Progress and near-term priorities

Strong focus on what matters: People, Customers, Cost and Cash, plus closing out legacy issues

Delivery so far

- **New leadership team members appointed** with strong industry experience & performance track record
- **Operational performance while maintaining customer focus** with accelerated cost reduction, particularly overhead
- **Fast tracked balance sheet improvements** through strong operational cash generation, reduced capex, Tradelink sale & Higgins Fiji JV and extending debt facilities & covenants
- **Good progress on legacy projects** with Hobson Street Hotel handed over and Contract Works Insurance settled early, Pūhoi to Warkworth full works completion

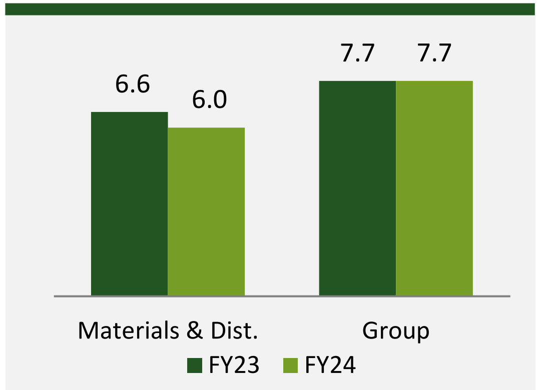
Priorities going forward

- Ongoing **cost reduction** to reflect weaker operating environment
- **Reduce debt & leverage** through: strict discipline on working capital & capex and proceeds from non-core asset sales (esp Tradelink)
- Explore capital options for Resi & Devt division
- Protect our people, deliver on our promise to customers
- **Finalise legacy projects** & claims through FY25
- Agree a pragmatic **joint industry industry solution on WA Plumbing**

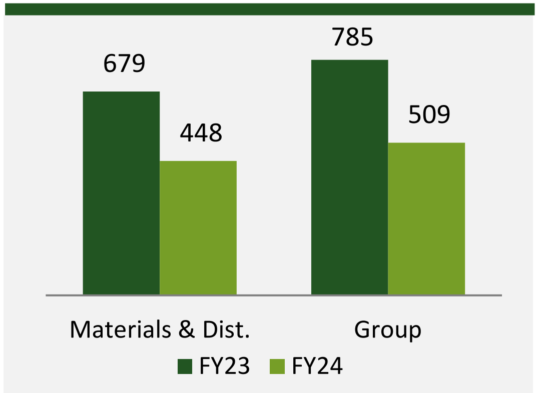
FY24 results (continuing operations) at a glance

Revenue mix change YoY and lower EBIT from market volume decline; strong unit sales in Fletcher Residential

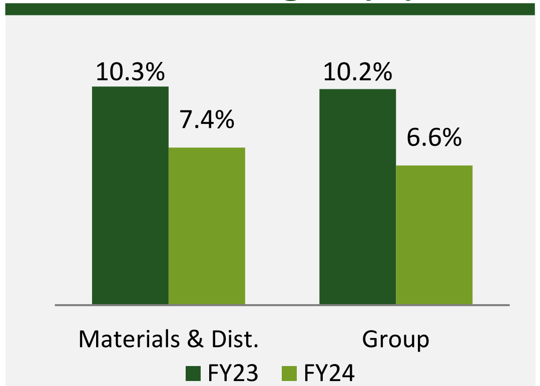
Revenue[1] ($b)



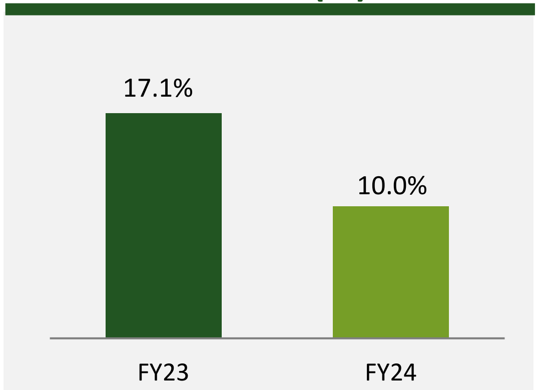
EBIT[2] ($m)



EBIT Margin[2] (%)



ROFE[2,3] (%)



FY24 trading

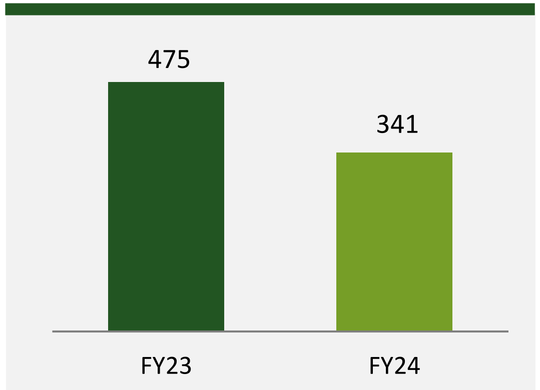
- **Group revenue** flat YOY, with higher revenues in Resi & Devt and Construction, offset by lower revenues in Materials & Dist.
- **Materials & Dist.** revenue c.$550m lower YoY and EBIT $231m lower YoY due to materially weaker market volumes (c.$220m EBIT impact), partly offset by cost-out. EBIT margin 7.4% with strong price competition & higher mix of comm/infra revenue
- **Resi & Devt** revenue up c.$190m YoY with stronger unit sales (886 units in FY24 vs 617 units in FY23) mainly in lower house price categories impacting Resi EBIT YoY; Industrial Devt EBIT $6m in FY24 ($35m in FY23) impacting overall EBIT margin
- **Construction** net revenue up c.$290m YoY, EBIT $2m higher YoY; EBIT margin dilutive to Group
- **Group ROFE** below ≥15% target; with higher funds base from investments in in-flight growth projects

1. Materials & Distribution Revenue is Gross Revenue; Group Revenue is Net Revenue
2. Before significant items, Materials & Distribution EBIT Margin is calculated on Gross Revenue
3. Return on Funds Employed (ROFE) is EBIT excluding significant items to average funds (net debt and equity less deferred tax asset)
Note: Measures before significant items are non-GAAP measures used by management to assess the performance of the business & have been derived from Fletcher Building Limited's financial statements for the period ended 30 June 2024. Details of sig items can be found in note 2.2 of the financial statements

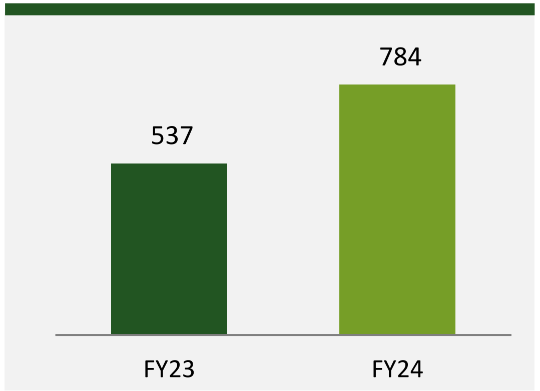
FY24 results at a glance

Robust trading cash flow outside of FCC legacy projects, reflecting tight control of working capital; reduced capex

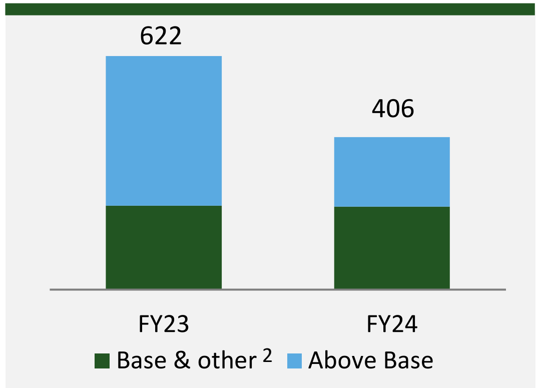
Group Trading Cash ($m)



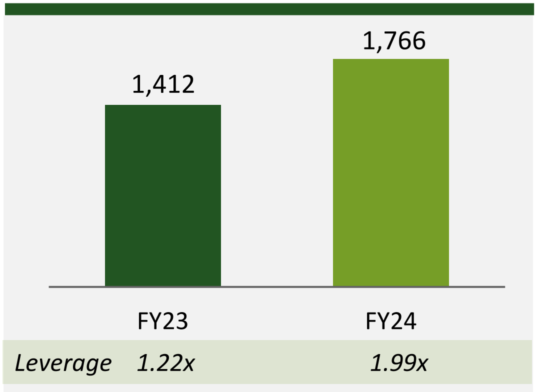
Trading Cash from continuing ops, excl. legacy & sig items ($m)



Group Net Capex ($m)



Net Debt ($m)



FY24 trading

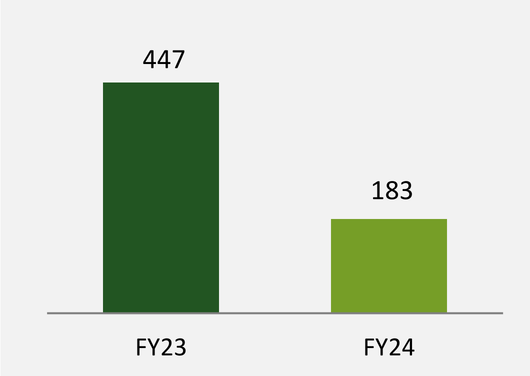
- **Group trading cash** impacted by Construction legacy cash outflows of $376m mainly due to NZICC steel remediation costs
- **Trading cash from continuing ops excl. legacy & sig items:**
  - **Materials & distribution** trading cash[1] strong at $615m, reflects tight control of inventories and receivables
  - **Resi & Devt** materially improved to $166m vs a $107m outflow in FY23 with lower working capital and land investments & build WIP tightly managed; market valuation of Resi land +$265m higher than book value
- **Group net capex** in line with guidance, capital outflows on above-base (growth) capex investments reduced
- **Group leverage ratio** moved to 1.99x as flagged, driven by legacy cash flows & above base capex, within target 1x-2x range
- **Liquidity** remains strong at $1.1b

1. Before significant items
2. FY24 Base & other = Base capex of $228m less proceeds on disposal of PPE of $7m; FY23 Base & other = Base capex of $224m less proceeds on disposal of PPE of $6m

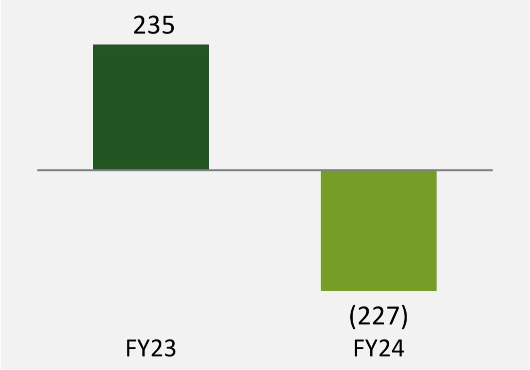
FY24 results at a glance

Earnings impacted by market activity, legacy provisions and write-downs on Higgins and Tradelink

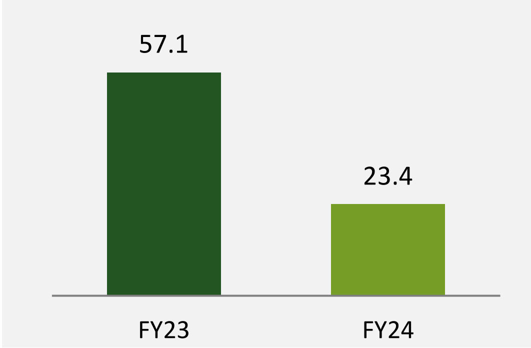
Net Earnings before sig items from continuing ops ($m)



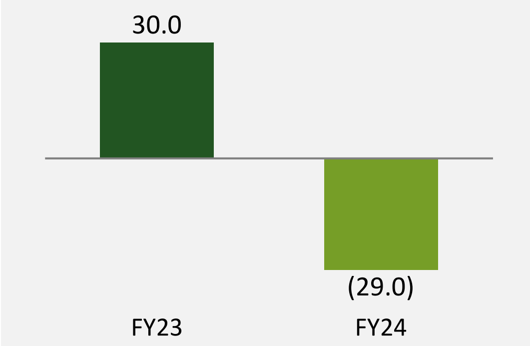
Net Earnings after sig items & discontinued ops ($m)



EPS before sig items from continuing ops (cps)



Basic EPS (cps)



FY24 trading

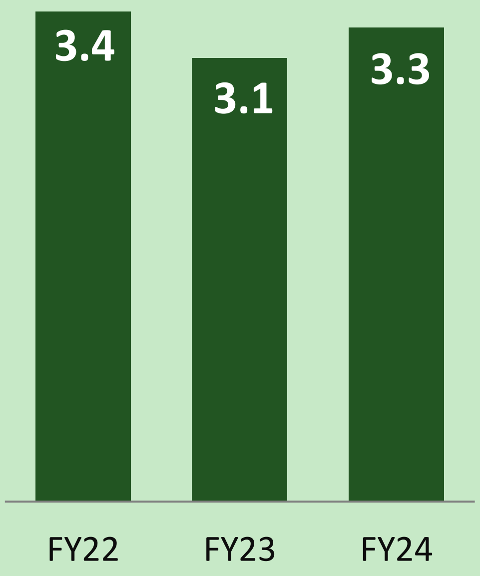
- Net Loss of $227m impacted by $180m legacy provisions, $100m Higgins NZ impairment and write-down & $141m loss from discontinued ops (Tradelink) including the impairment made at the HY24 results
- The Company dividend policy is to target a payout in the range of 50% to 75% of net earnings before significant items and having regard to available cash flows
- Amendments to banking agreements made in Jun-24 for more favourable terms for covenant testing through to the end of calendar 2025, if required. Should the Group need to rely on the amended covenant levels, it will not pay a dividend until it agrees to be tested by, and complies with, its existing covenant levels. If a dividend is paid the covenant amendment period ends.
- In line with the Company's dividend policy & lender agreements the Board has not declared a dividend for FY24

Balanced Scorecard

Continuing to drive a strong safety culture & risk controls; good progress on lowering our carbon emissions

Safety

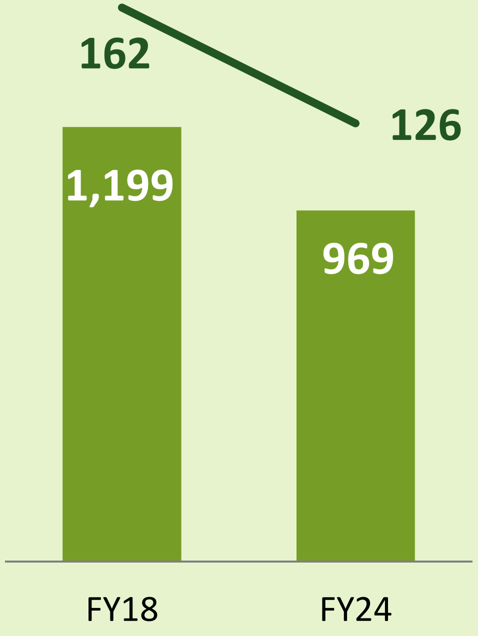
Total Recordable Injury Frequency Rate[1]



- 89% (695) of sites injury free in FY24; 3 businesses injury free
- TRIFR stable, amongst best in class globally
- >4,900 Risk Containment Sweeps & >12,000 Critical Control Verifications in FY24
- Safety Leadership Programme 'Healthy Work' for leaders and 'Power Up Healthy Work' for frontline in FY25

Sustainability

Carbon (CO_2) Emissions & Intensity[2]



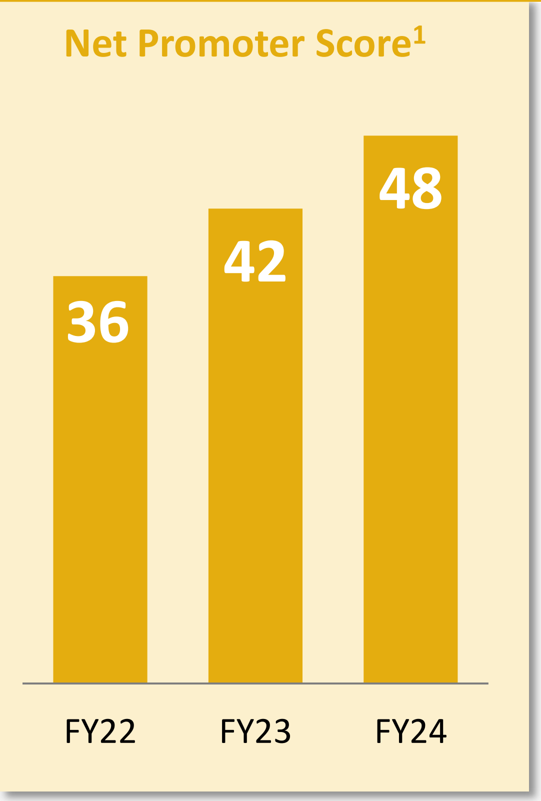
- 19% lower carbon since FY18; targeting net zero by 2050
- 87% waste diverted from landfill[3] in FY24; exceeding our 70% target by FY26
- 74% of product revenue from products with sustainability certifications[4]
- CDP rating of A- for our emissions & our supply chain engagement
- DJ Sustainability™ Australia Index member; Member of S&P Sustainability Yearbook

1. TRIFR = Total no. of recorded injuries per million hours worked. Does not include Restricted Work Injuries. Excludes Tradelink & Wood Products
2. Carbon Emissions are '000 Tonnes Combined Scope 1 and Scope 2 emissions for Group; Carbon Emissions Intensity = FBU CO_2 Tonnes for every $1m of revenue. ISO 14064-1
3. This figure refers to waste generated by our own operations that is diverted from landfill. The figure excludes biomass used to generate energy
4. Rev. for sustainably certified products as a % of total rev. from products made/sold by our manufacturing businesses. Excludes rev. from Distribution & Construction

Balanced Scorecard

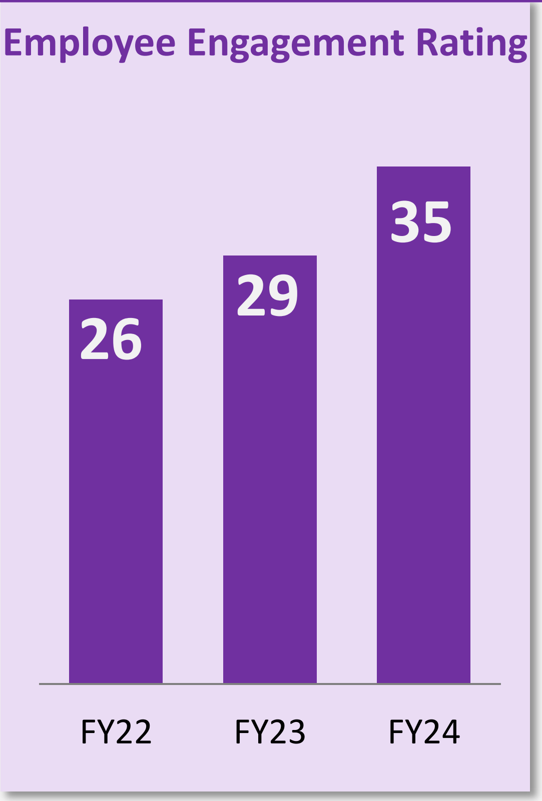
Customer NPS and people engagement continue to trend positively

Customer



- Strong FY24 NPS of 48, uplift of 6pt from FY23; on track to our target NPS ≥ 55
- Continued focus on product & customer service offerings, product availability & DIFOT[2]
- Ongoing competitive benchmarking NPS programme (customers & non-customers)

Engagement



- Continued improvement, on track to our target eNPS > 40 (global upper quartile)
- Gender pay parity gap (like-for-like roles) of 5.1% vs 5.2% in FY23
- Women in leadership[3] roles improved to 23% from 21% in FY23 - moving us towards our target of 30% by FY27
- 7 of our 31 operational general managers are women (vs 3 in FY23)

1. Net Promoter Score (NPS) measures customer performance and is an indication of how satisfied our customers are with our business. Our Group NPS excludes Construction and Joint Ventures
2. DIFOT = Delivered In Full On Time
3. Leadership includes all employees that are classified as frontline leaders, leaders of leaders, GMs & CEs

Divisional Performance

Strong cost focus to respond to market volume decline, especially in Materials & Distribution

Division	EBIT[1]	EBIT[1] Margin
Building Products	**$143m** FY23: $215m	**10.6%** FY23: 14.9%
Distribution	**$49m** FY23: $141m	**3.0%** FY23: 7.7%
Concrete	**$130m** FY23: $156m	**12.0%** FY23: 14.4%
Australia[2]	**$126m** FY23: $167m	**6.4%** FY23: 7.5%
Residential and Development	**$100m** FY23: $147m	**12.6%** FY23: 24.2%
Construction[3]	**$28m** FY23: $32m	**1.7%** FY23: 2.4%

FY24 trading highlights

- **Building Products, Distribution** and **Concrete** materially softer volumes esp. in Resi sector from developers & falling consumer confidence in housing market. Commercial & Infra also lower. Overall FY24 vols down 25% vs 1H23. Price pressure & strong competition, esp in Distribution; inflation c.5% but costs well managed
- **Australia** lower market impacted esp Steel, finishing trades and lower project work in Iplex. Overall FY24 vols down 15% vs 1H23. Price and costs well managed
- **Residential & Development** unit sales higher (886 vs. 617 in FY23) and resilient performance given house price pressure & fewer transactions across market in 2H24. Ind Devt EBIT $6m in FY24 vs. $35m in FY23
- **Construction** Brian Perry Civil & Higgins performance on reconstruction works and programmes of work across water, airports & marine sector. Order book quality remains strong

1. Before significant items
2. Continuing operations
3. Construction EBIT before significant items in FY23 is prior to elimination of $6m intra-group margin on the construction of WWB plant

Residential & Development

We are exploring capital partnership options for the Residential & Development division

- The Residential and Development division has performed strongly through the cycle, generating EBIT margins & ROFEs >15%
- The business has acquired land effectively, controls a pipeline of c.4,200 lots, and is recognised for building high-quality master-planned communities. Market valuation of land on balance sheet at Jun-24 is c.$265 million higher than book value
- The business has managed its balance sheet effectively, reducing funds in FY24 by c.$75m
- Fletcher Building considers it is the right time to explore capital partnership options for Residential & Development, to invest in and drive the next phase of the business' success
- Fletcher Building has engaged Jarden to explore these capital partnership options with both local and international investors

The Hill, masterplanned, well-positioned for c.1,000 units

Status update on WA plumbing

Remain focused on reaching a pragmatic industry response

- **Industry Response in WA**
  - We remain focused on reaching a pragmatic industry response to the plumbing matters in WA. Constructive negotiations continue and Iplex is intent on trying to reach an agreement in principle with the Government and key parties in the near term
  - If that occurs, Iplex will announce the terms and the financial and legal implications to it of any such agreement
  - Leak detectors are being installed in Perth and the rollout speed will continue to increase in the coming months
- **Leak rates:** As reported to Iplex:
  - The rate of Perth homes experiencing a leak for the first time is ~30% lower YTD vs. the comparable period in the prior year
  - Recently total leaks in Perth have also declined vs. the comparable periods in the prior year
  - The relativity between East Coast and West Coast total leaked homes remains the same as previously communicated
- **Interim fund:** Absent an agreement on the industry response, the remaining balance will be exhausted by about the first week of September 2024
- **Class Action**
  - A class action has been filed in the Federal Court of Australia covering ProFit pipe manufactured with Typlex resin and installed Australia-wide, seeking a broad range of damages. Builders are not part of the class action
  - Iplex intends to defend the proceedings

Agenda

1. Results Overview — Nick Traber
2. Financial Results — Bevan McKenzie
3. Outlook — Nick Traber

Income Statement

Net earnings impacted by market activity, legacy Construction one-offs & loss from discontinued Tradelink

Income statement NZ$m	Jun 2023 12 months	Jun 2024 12 months	Var
Revenue	7,679	7,683	0%
EBITDA before significant items	1,092	846	(23%)
EBIT before significant items (continuing operations)	**785**	**509**	**(35%)**
Significant items	(301)	(333)	(11%)
EBIT	**484**	**176**	**(64%)**
Lease interest expense	(53)	(58)	(9%)
Funding costs	(94)	(142)	(51%)
Tax expense	(88)	(55)	(38%)
Non-controlling interests	(19)	(7)	(63%)
Net earnings / (loss) from continuing operations	**230**	**(86)**	**NM**
Net earnings / (loss) from discontinued ops	5	(141)	NM
Net earnings / (loss)	**235**	**(227)**	**NM**
Net earnings before sig items from continuing ops	*447*	*183*	NM
Basic EPS from continuing ops before sig items (cents)	57.1	23.4	
Group Basic earnings per share (cents)	30.0	(29.0)	
Dividends per share (cents)	34.0	-	

FY24 income statement

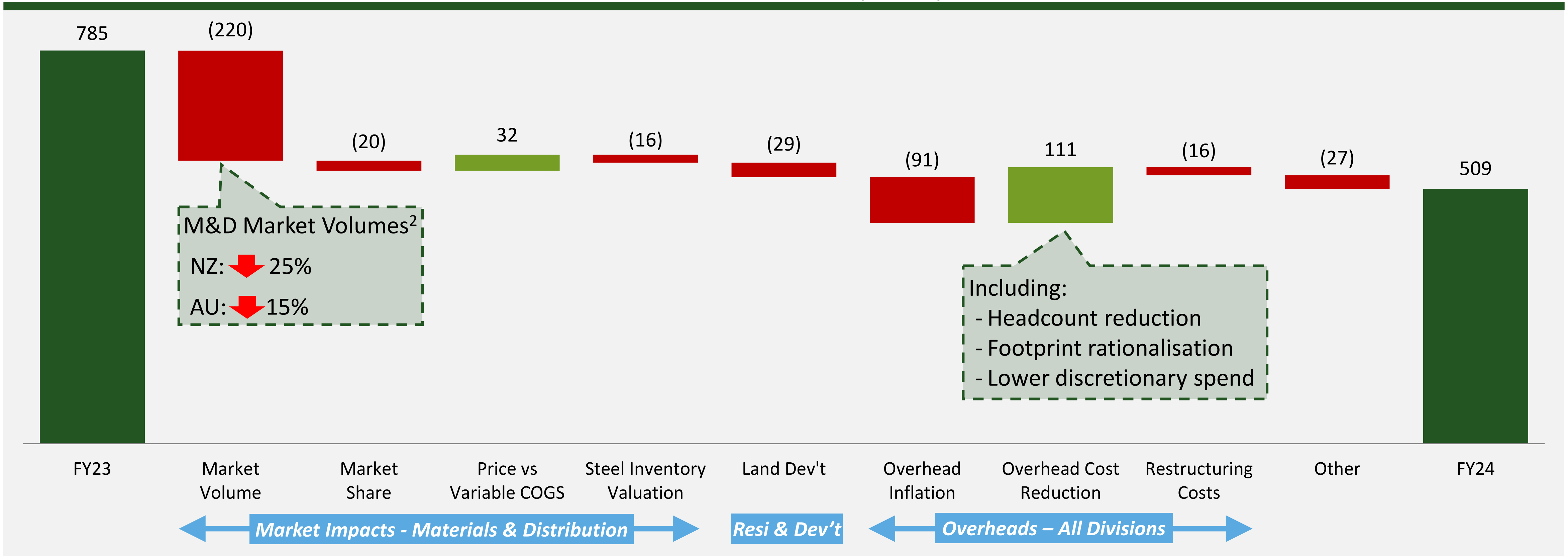
- EBIT[1] decline reflects softer operating environment across NZ & AU
- Input cost inflation remained above long-term averages in the period: average c.5% vs. FY23; progressive cost reduction across Group as market activity declined
- Significant items of $333m mainly relate to legacy FCC provisions announced at HY24 ($180m) & Higgins impairments ($117m)
- Funding costs $142m in line with guidance, higher YoY borrowings and interest rates
- Effective tax rate[1] of 38.5% in FY24 (vs 26.9% in FY23)
- Net loss from discontinued items relates to Tradelink principally due to impairment and write-down

1. Continuing operations, before significant items

FY23 to FY24 EBIT bridge

Lower market volumes in M&D divisions drove earnings decline; overhead cost reduction > inflation

EBIT[1]: FY23 to FY24 (NZ$m)



1. Continuing ops, before significant items
2. Against 1H23

Cash flow

Trading cash flow (ex sig items & legacy) of $784m, materially improved vs. FY23; legacy cash impact significant

Cash flow NZ$m	Jun 2023 12 months	Jun 2024 12 months
EBIT before significant items from continuing operations	785	509
Depreciation and amortisation	307	337
Lease principal payments and lease interest paid	(212)	(226)
Provisions and other	(56)	(8)
Trading cash flow before working capital movements from continuing operations	**824**	**612**
Working capital movements excl. legacy projects	(287)	172
Trading cash flow from continuing operations excluding legacy & significant items	**537**	**784**
Discontinued operations	11	(18)
Legacy projects cash flow	(31)	(376)
Significant items cash flow	(42)	(49)
Trading cash flow	**475**	**341**
Add: lease principal payments	196	206
Less: cash tax paid	(191)	(15)
Less: funding costs paid	(92)	(134)
Reported cash flows from operating activities	**388**	**398**

FY24 cash flows

- **Trading cash flow (continuing ops, ex legacy & sig items) of $784m** improved materially vs $537m in FY23
- **Materials & distribution divisions**: trading cash flow[1] $615m vs $707m in FY23 despite $230m lower earnings & deteriorating customer liquidity, favourable reduction in working capital
- **Resi & Devt**: trading cash flow of $166m, materially improved vs. $107m outflow in FY23. Limited new land commitments made, housing WIP actively managed to best respond to housing market conditions
- **Construction:** legacy projects cash outflow $376m primarily from NZICC & P2W
- **Cash tax** payments lower due to legacy projects
- **Funding costs paid** higher in FY24 driven by elevated interest rates & higher level of debt drawdowns

1. Before significant items

Working Capital

Significant improvement vs. prior period through strong focus on receivables and inventory management

Cash flow working capital movements NZ$m	Jun 2023 12 months	Jun 2024 12 months
Materials & Distribution Divisions (continuing operations)		
• Debtors	34	138
• Inventories	34	79
• Creditors	(102)	(143)
Materials & Distribution Divisions	(34)	74
Residential & Development	(240)	67
Construction excluding legacy projects	(13)	31
Cash flow working capital movements excl. legacy	**(287)**	**172**

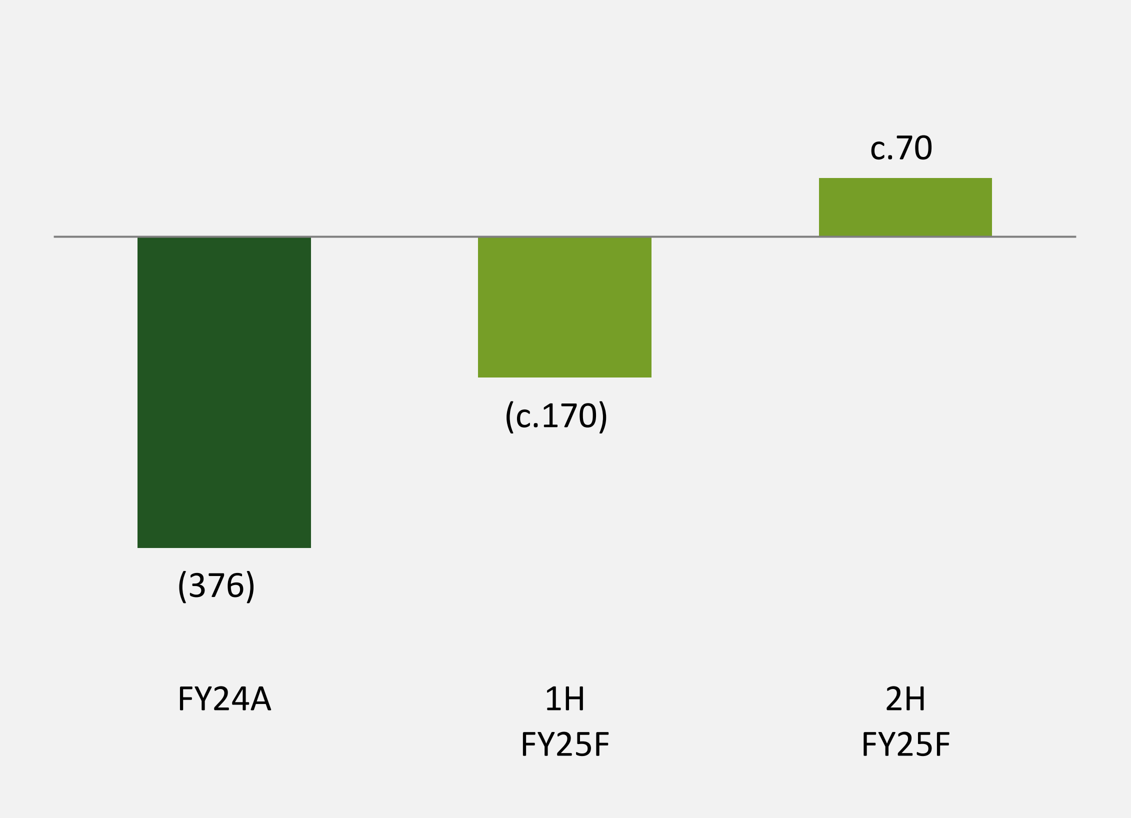
FY24 working capital

- **Materials & distribution divisions –** significantly improved FY24 working capital performance
  - Good receivables collections despite deteriorating customer liquidity
  - Tight inventory management
  - Creditor terms consistent vs FY23
- **Resi & Devt** land stock payments (c.$156m) from prior land commitments, more than offset by WIP reduction through higher house sales. Market valuation of Resi land at Jun-24 c.$265m higher than book value
- **Construction** (ex legacy) good cash generation in BPC and Higgins as well as advance receipts

Construction legacy projects

No change to provisions from HY24; material cash outflow in FY24 principally on NZICC

Actual & Forecast FCC Legacy Project Cash Flows ($m)



- **NZICC** cash outflows of $307m; lower than expected due to all Contracts Works Insurance settled & revenue received in FY24. Current project provision unchanged from Feb-2024. Risks will remain until the project is completed including risks on time and cost to complete the construction works and commissioning, and potential for disputes & wash-up claims; Third Party Liability recoveries being pursued (but no revenue assumed)
- Completion of **Pūhoi to Warkworth (P2W),** cash outflows of $69m ahead of assumed claims settlement. Claims of >$200m (whole-of-project level) are key remaining risk factor required to hold provision, may take until CY25 to resolve
- **Wellington International Airport Carpark:** no change to prior announcements, remedial works progressing
- **FY25 phasing**: legacy cash outflows in FY25 are 1H weighted with partly offsetting inflows from P2W assumed in 2H
- **Cash tax impact**: all legacy cash flows shown are pre-tax. The Group expects these outflows to also reduce its FY25 cash tax payments, which are likely to be <$10m

Capex

FY24 capex reduced from original guidance, responding to market environment

Capex and Investments Cash Flows[1] NZ$m	Jun 2023 12 months	Jun 2024 12 months
Base capex	221	218
Above Base: growth capex	128	136
Above Base: investments	183	11
Above Base: WWB new plant	90	38
Less: Proceeds on disposal of PPE	*(6)*	*(7)*
Net Capex	**613**	**396**
Other capex: Vivid Living	19	20
Total Capex and Investments	**632**	**416**

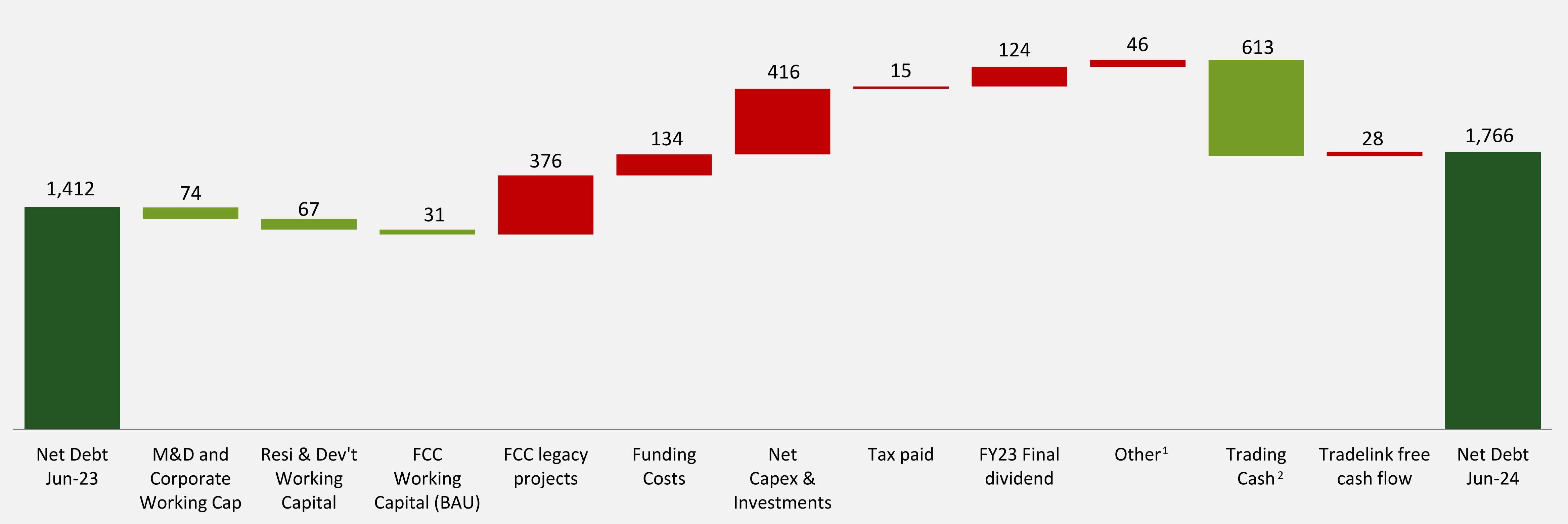
- FY24 capex envelope significantly reduced throughout course of the year
- Base[2] capex of $218m in FY24 includes ERP investment – programme now paused
- In flight growth projects continue on Laminex® Taupō wood panels plant, new Firth site development in Penrose & consolidation of Steel businesses in Papakura, PlaceMakers Frame & Truss
- WWB capex complete, new plant fully complete and operational

1. Excludes Tradelink
2. Base capex includes maintenance spend, manufacturing automation improvements, ERP improvements, data & analytics and customer-facing eCommerce tools; and focus on cost & carbon emissions reduction

FY23 to FY24 net debt bridge

Increased debt levels due to legacy outflows and investments, partly offset by good trading cash

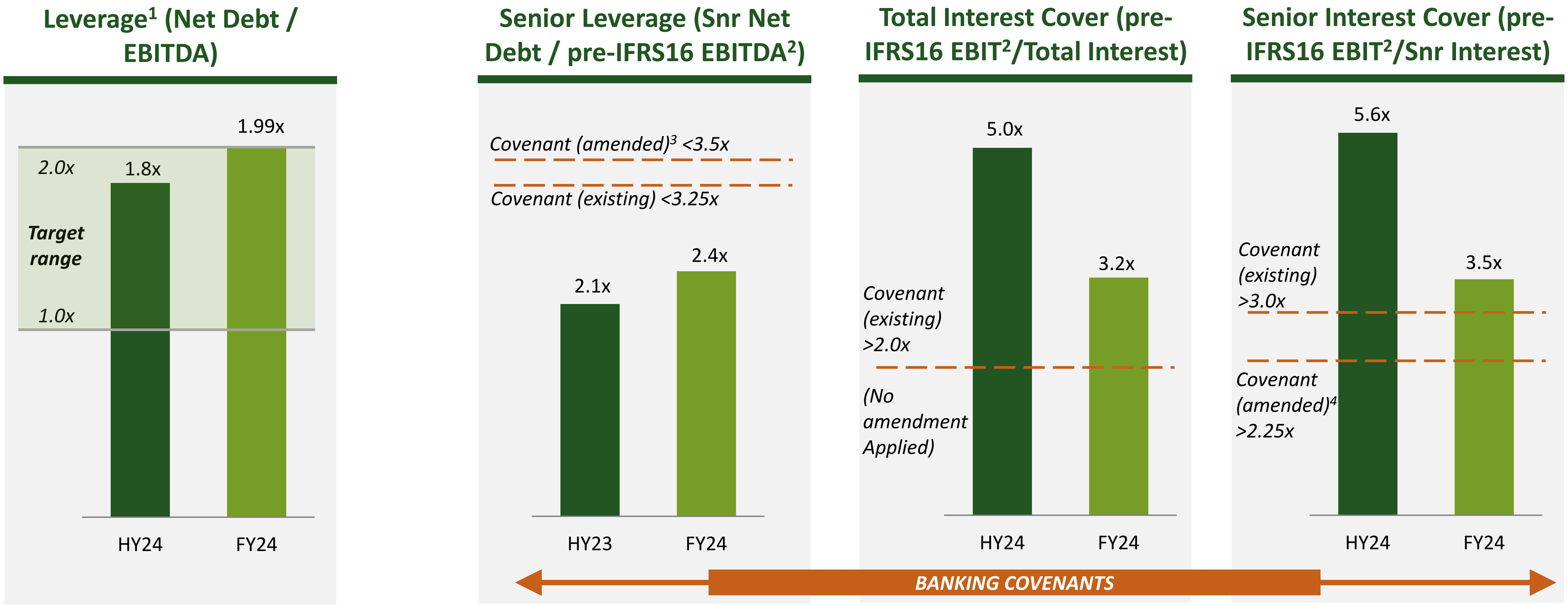
Net Debt: Jun 23 to Jun 24 (NZ$m)



1. Other includes: Significant items trading cash $49m, favourable FX/Hedging adjustment $(5m) & Net minority contribution $(2m)
2. Trading cash flow before working capital movements

Leverage

At top end of range as expected due to legacy cash flow, growth capex and cycle; banking agreements provide additional covenant headroom from Jun-24 to Dec-25 (inclusive) if required

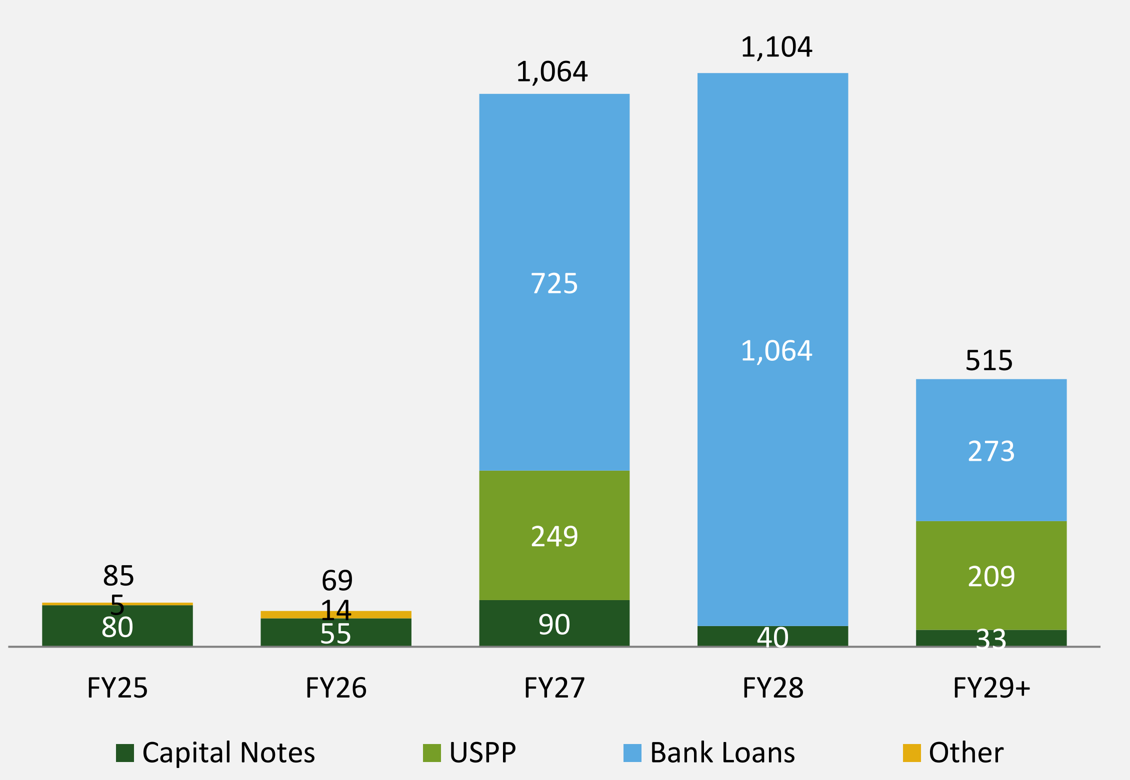


1. Net debt excluding leases / EBITDA pre-significant items
2. Before significant items
3. As at Jun-24 through to Dec-25 the amended level is <3.25x
4. As at Jun-24, the amended covenant level is >2.5x

Funding

Group is well-funded with solid maturity profile and strong liquidity of $1.1b

Debt maturity profile ($m)



Debt facilities and drawings NZ$m	Facilities 30 Jun 24	Drawings 30 Jun 24
Bank Loans	2,062	1,302
USPP	458	458
Capital Notes	297	297
Other	20	20
Total	**2,837**	**2,077**

- Undrawn credit lines of $760m and cash on hand of $311m as at 30 Jun 24; total liquidity of $1.1b
- Extended tenor of debt facilities with next material debt maturity in FY27
- Average maturity of debt 3.0 years; average interest rate on debt is 6.2%[1]
- Moody's investment grade rating of Baa3 (negative outlook)
- Group gearing after hedging 34.7% at Jun 24 (27.8% at Jun 23)

1. Excludes line and other fees

Outlook on Balance Sheet and Cash Flow

Continued measures taken to improve balance sheet settings

- **Capex:** expected to be c.$325m in FY25 vs. prior guidance of c.$350m. Growth capex c.$170m on critical in-flight projects (Laminex wood panels, PlaceMakers Frame & Truss). Base capex c.$155m, below historical run-rate of $200-250m
- **Working capital / cash flows:**
  - **Materials & distribution working capital:** expected to be broadly flat through FY25
  - **Residential working capital:** targeting further reductions of $50-$75m in FY25
  - **Legacy cash flows:** expect c.$170m outflow in 1H25, c.$70m inflow in 2H25
- **Tradelink:** settlement proceeds of c.$NZ170m expected 30th September
- **Leverage:** due to legacy cash flows, leverage (net debt / EBITDA) likely to be above target range at Dec-24, expect strong seasonal cash flows in 2H25. Remain committed to reducing debt & leverage levels
- **Covenant relief:** available from Jun-24 to Dec-25, if required
- **Other:**
  - **Golden Bay ship:** Vessel repair expedited, returned to operation sooner than expected, c.$10m EBIT impact in FY25
  - **Depreciation** c.$355m in FY25 (ROU depreciation c.$180m, other depreciation c.$175m)
  - **Cash tax** <$10m in FY25
  - **Funding costs** of c.$140 million in FY25

Agenda

1. Results Overview	Nick Traber
2. Financial Results	Bevan McKenzie
3. Outlook	Nick Traber

FY25 Outlook and priorities

Expect FY25 market conditions to remain challenging, strong focus on cost, cash & balance sheet

Outlook

- Expect the year ahead to remain challenging with macro-economic pressures likely to persist through the year
- Planning for FY25 market volumes in our NZ & AU materials & distribution businesses to be c.10% to 15% lower YoY vs FY24
- We remain vigilant to further market weakness

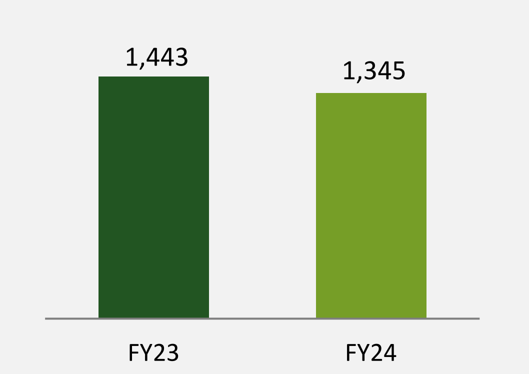
Priorities going forward

- Ongoing cost reduction to reflect weaker operating environment
- Reduce debt & leverage through: strict discipline on working capital & capex and proceeds from non-core asset sales (esp Tradelink)
- Explore capital options for Resi & Devt division
- Protect our people, deliver on our promise to customers
- Finalise legacy projects & claims through FY25
- Agree a pragmatic industry solution with government and builders on WA Plumbing
- Position our businesses well for when our markets return to growth

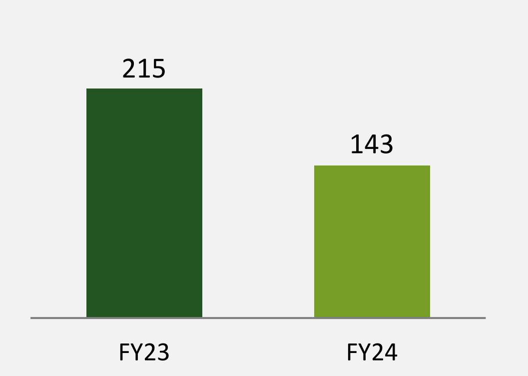
Appendix

FY24 Results: Building Products

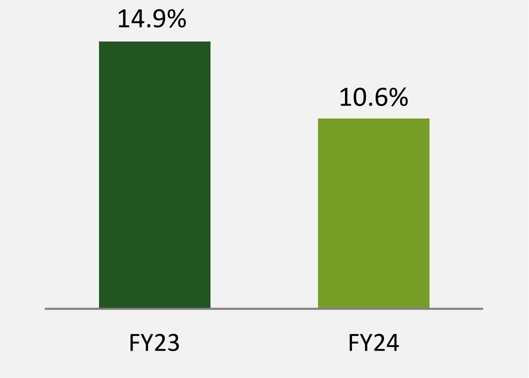
Gross Revenue ($m)



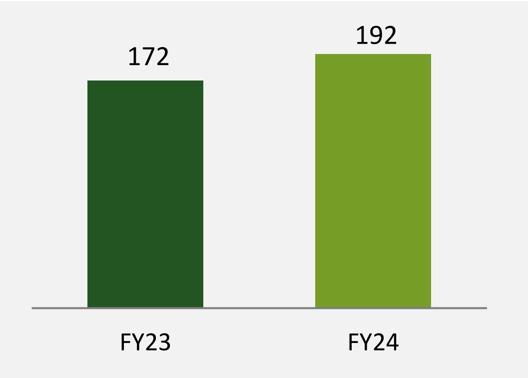
EBIT ($m)[1]



EBIT Margin (%)[1]



Trading cash flow ($m)



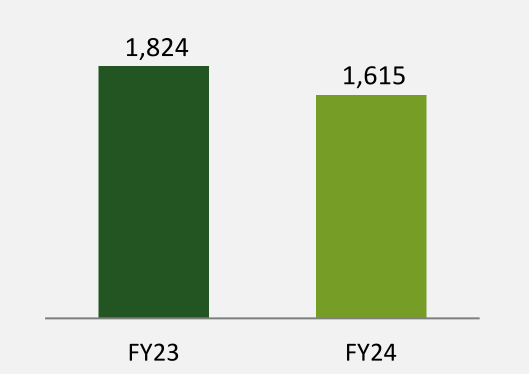
FY24 trading performance

- Revenue 7% lower YoY driven by lower resi market (48% exposed) & commercial sector (33% exposed) activity & intense market competition. WWB & Laminex® share gains
- Pricing solid & cost disciplines delivered GM 32.8%, robust vs 34.0% in FY23; continued elevated cost inflation, esp gypsum & paper, and high electricity & labour costs partly offset by lower resin & steel prices
- Overhead costs managed, incl. manufacturing shift reduction, warehousing cost optimisation, order and freight consolidation & high emphasis on cutting back discretionary spending & trimming fixed overhead costs
- EBIT[1] and EBIT[1] margin lower due to weaker market, $11m additional depreciation from WWB plant, and $16m Steel inventory devaluation
- Strong trading cash reflects robust debtor collections & ongoing inventory reductions as stock returned to more normal levels

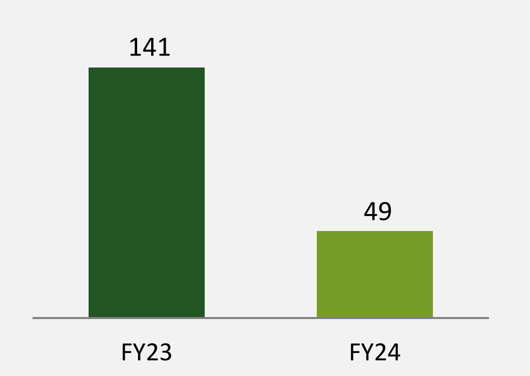
1. Before significant items

FY24 Results: Distribution

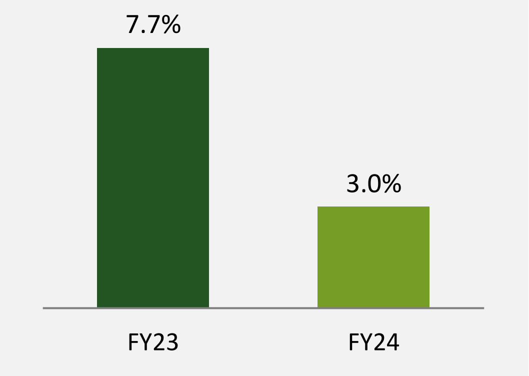
Gross Revenue ($m)



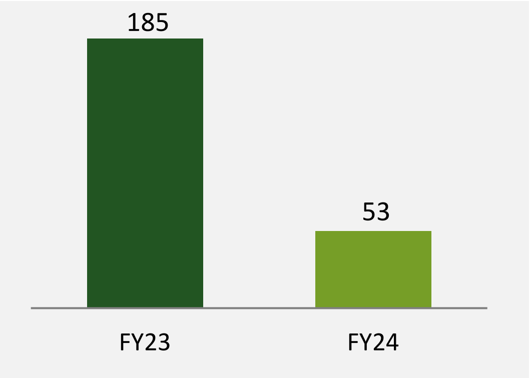
EBIT ($m)[1]



EBIT Margin (%)[1]



Trading cash flow ($m)



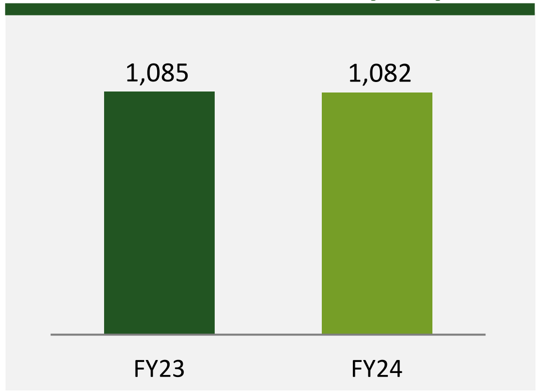
FY24 trading performance

- Revenue 11% lower YoY, sharp market volume decline & aggressive competition, with division c.80% exposed to resi sector. PlaceMakers share position stabilised in 2H24 but price concessions, esp in Frame & Truss
- GM 26.3% vs 28.9% in FY23 with 60% due to revenue decline & 40% due to margin erosion
- Lower EBIT[1] and EBIT[1] margin due to reduced revenue in weaker market
- Overhead costs 3% lower despite ~5% cost inflation (esp labour, property & technology); key cost controls incl. revised shift patterns across branch network and frame & truss manufacturing plants, discretionary expenses significantly reduced
- Trading cash flow declined due to lower earnings, partly offset by stock reduction of $9m & improved cash collections despite challenging customer liquidity

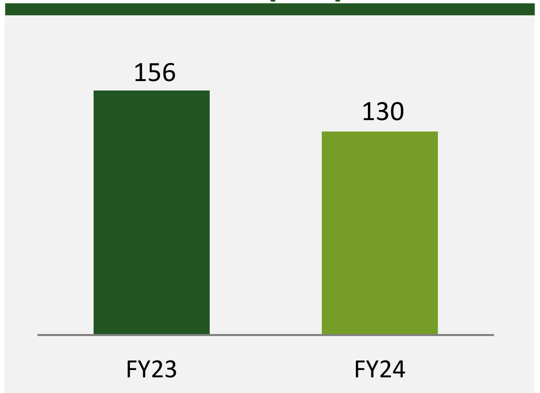
1. Before significant items

FY24 Results: Concrete

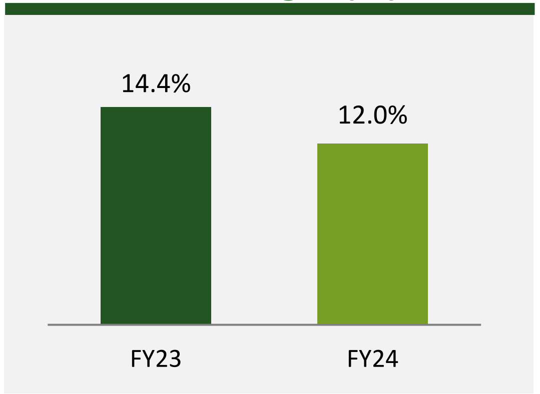
Gross Revenue ($m)



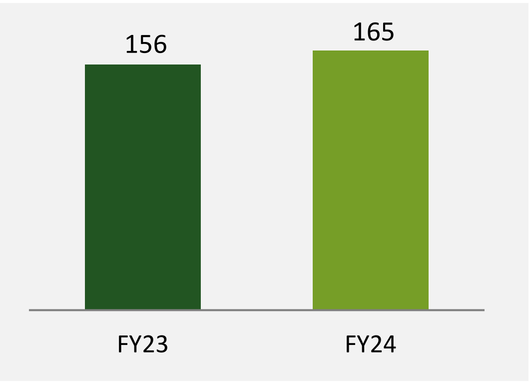
EBIT ($m)[1]



EBIT Margin (%)[1]



Trading cash flow ($m)



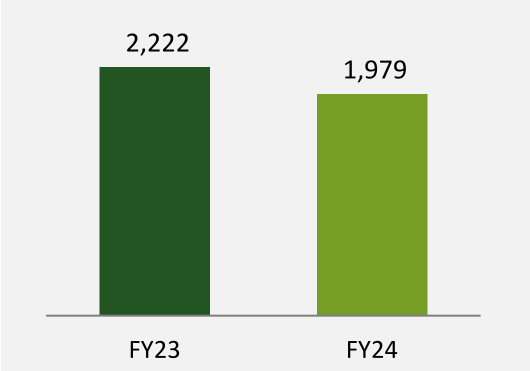
FY24 trading performance

- Revenue in line with FY23: pricing & market share growth offset lower market activity; continued strategic shift to comm & infra with Firth® share gains, Winstone Aggregates® revenue up 18% incl. The Urban Quarry® business acquired in April 2023
- GM 28.1% vs 28.9% in FY23 reflecting higher mix of sales from comm/infra market, elevated 2H24 electricity costs, partly offset by use of alternative fuels, fleet utilisation & production efficiency
- Overheads up 4% YoY from addition of The Urban Quarry®. Division focused on aligning fixed & variable cost base to current market environment
- EBIT[1] and EBIT[1] margin lower from softer market, lower GM & sale of NZ carbon units in FY23
- Trading cash flow strong, driven by disciplined working capital management, esp. stock management in Humes®

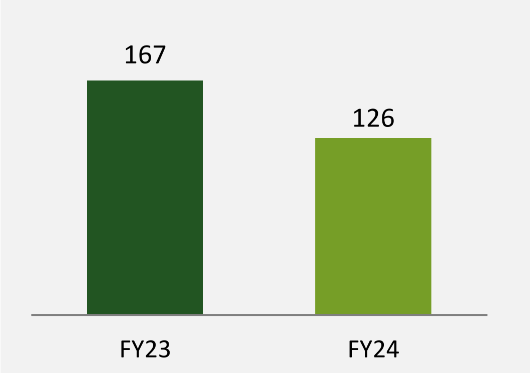
1. Before significant items

FY24 Results: Australia (continuing operations)

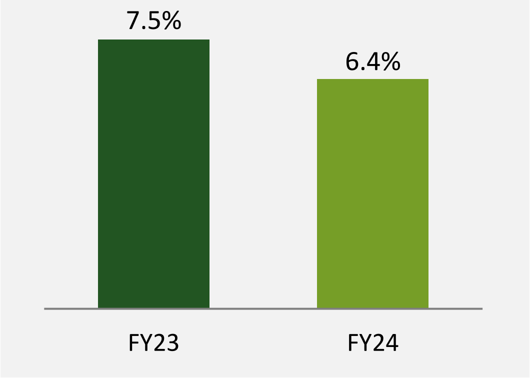
Gross Revenue ($m)



EBIT ($m)[1]



EBIT Margin (%)[1]



Trading cash flow ($m)

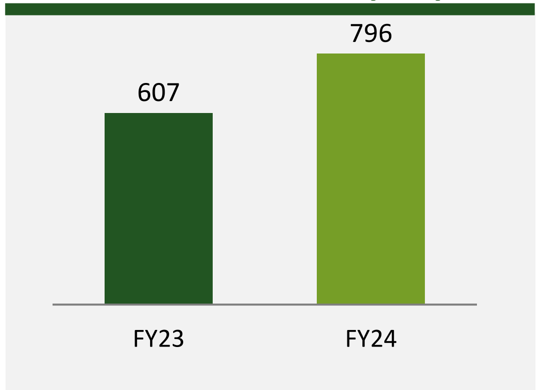
FY24 trading performance

- Revenue 11% lower, slightly better than 15% decline in market activity vs 1H23, finishing trades softened in 2H24 impacting Laminex® & Fletcher Insulation® and lower civil project activity (resi. detached housing & sheds) impacted Iplex & Stramit®; continued market share growth in Fletcher Insulation® & Oliveri® but losses in Stramit®
- GM improved to 34.5% from 33.5% on good pricing control & new products, offsetting persistent input cost inflation in freight, property, utilities & labour. Business lines & depts restructured, sites consolidated to mitigate lower trading volumes
- EBIT[1] and EBIT[1] margin lower with good performance from Laminex®, Iplex® and Fletcher Insulation® in the challenging trading environment, while Stramit was challenged
- Trading cash solid YoY: lower earnings offset by working capital unwind incl. inventory reduction; debtor collections strong

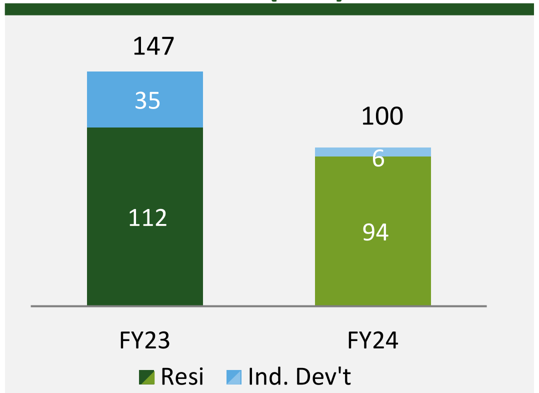
Note: Tradelink classified as a discontinued operation in the Financial Statements
1. Before significant items

FY24 Results: Residential and Development

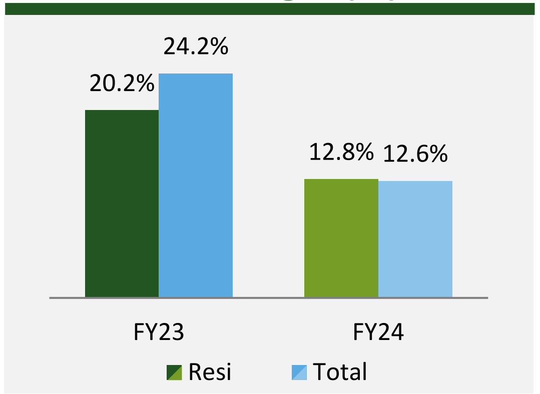
Gross Revenue ($m)



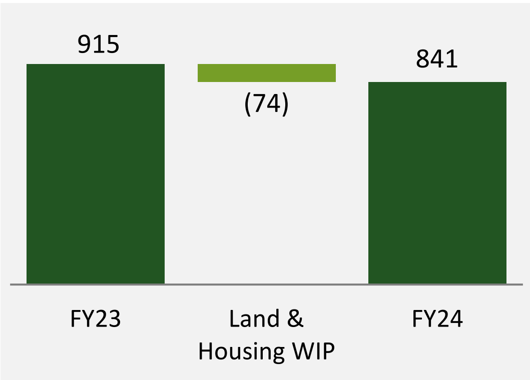
EBIT ($m)[1]



EBIT Margin (%)[1]



Funds employed ($m)[2]



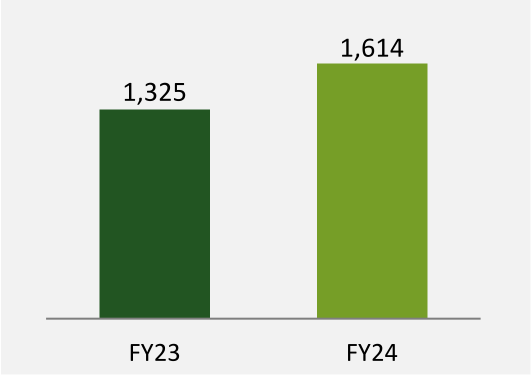
FY24 trading performance

- Revenue up 31% from higher unit sales: 886 unit sales incl. 92 apartments & 17 Vivid Living® (vs. 617 unit sales incl. 42 apartments in FY23). Strong performance enabled by offer targeted at most active part of current NZ housing market - lower price points
- Residential EBIT of $94m down from $112m in FY23 (FY24 included $2m reval gain to Vivid Living vs $16m in FY23). Resi EBIT margin was 12.8% in FY24 compared to 20.2% in FY23
- Ind Devt EBIT $6m from 5 land transactions vs $35m in FY23
- Funds employed increase reflects settlement of $156m land from prior commitments, offset by reduction in housing WIP from strong sales; actively managed cash flow in a challenging housing market
- Land pipeline c.4,200 lots (c.2,800 residential lots & two rural properties on balance sheet, c.771 units under unconditional contracts & c.601 units under conditional contracts); assessed market valuation was ~$265 million higher than the book value

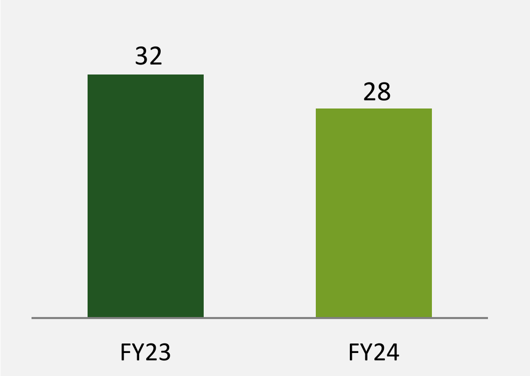
1. Before significant items
2. FY24 $841m funds balance: $732m housing land (at cost), $247m housing WIP, $25m industrial development land, $(163m) other

FY24 Results: Construction

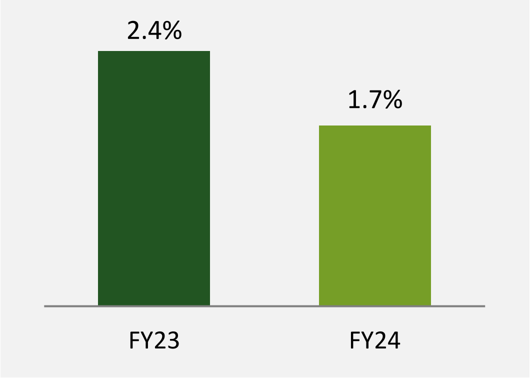
Gross Revenue ($m)[1]



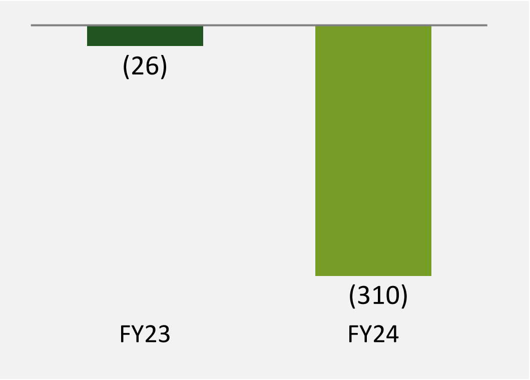
EBIT ($m)[1,2]



EBIT Margin (%)[1,2]



Trading cash flow ($m)[1]



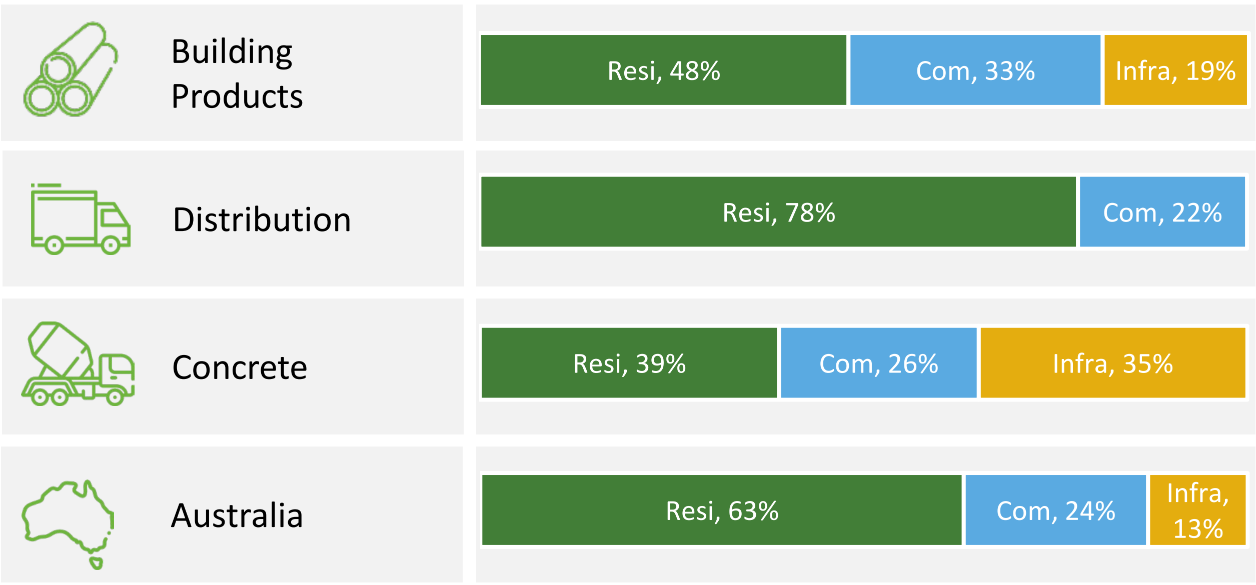
FY24 trading performance

- Revenue up $289m vs FY23: Eastern Busway Alliance and higher volumes in Higgins® following weather events (Transport Rebuild East Coast (TREC) alliance rebuild work) & BPC significant water, airports (Taxiway Mike underway) & marine programmes
- GM of 8.4% vs 9.4% mainly due to greater contribution of contract work where BPC is lead contractor & rampdown of discontinued ops
- EBIT of $28m with good contributions from BPC & Higgins
- Flagged legacy provisions of $180m (NZICC $165m & WIAL $15m), Higgins NZ non-cash impairment and write-down of $100m & non-cash impairment of $17m on 50% Fiji Construction sale
- Cash outflows from legacy projects of $376m; underlying trading cash inflow (excl. Legacy) of $66m driven by strong working capital management, incl. finalisation of variation claims & accounts, and client advance payments received in 2H24 for new work won
- Solid orderbook of $1.8b remains balanced to lower risk projects

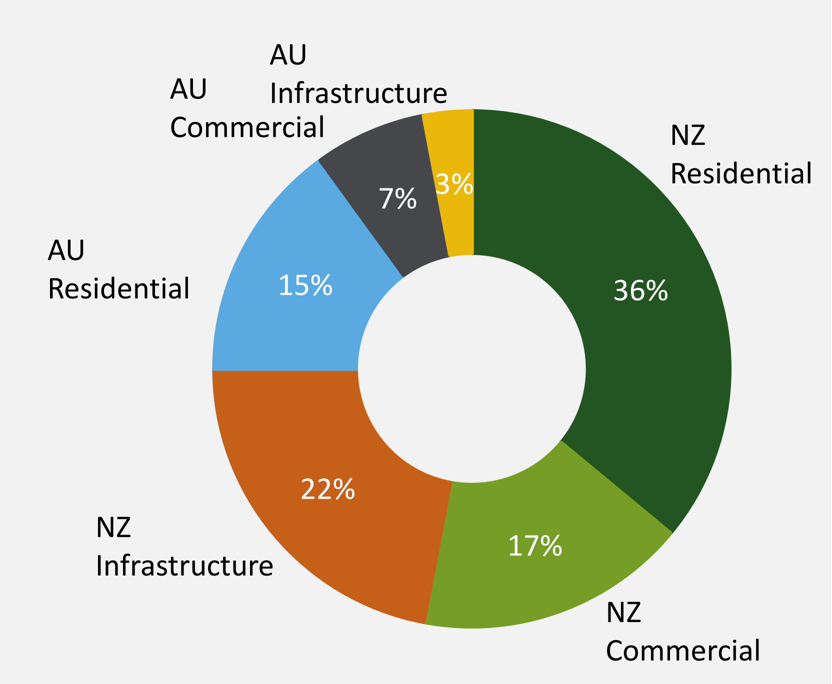
1. Before elimination of the construction of WWB plant at Tauriko; intra-group EBIT was $6m in FY23
2. Before significant items

Divisional revenue exposure and FB revenue by market

Divisional Revenue Exposure by Sector



Total FB Revenue by Market (%)



Group and Australia restatements due to Tradelink divestment

Reported

Group incl. Tradelink (NZD)	Reported FY22	Reported 1H23	Reported FY23	Reported 1H24
Gross revenue	9,348	4,695	9,304	4,606
External revenue	8,498	4,284	8,469	4,248
EBITDA before significant items	1,106	540	1,156	455
Depreciation, depletion & amortisation expense	350	180	358	191
EBIT before significant items	756	360	798	264
Trading cash flow	462	(107)	475	(148)
Reported Group Funds	3,765	3,624	3,677	3,401
Capital expenditure	421	247	461	188

Australia incl. Tradelink (NZD)	Reported FY22	Reported 1H23	Reported FY23	Reported 1H24
Gross revenue	2,806	1,534	3,016	1,444
External revenue	2,740	1,500	2,953	1,414
EBITDA before significant items	241	148	312	143
Depreciation, depletion & amortisation expense	128	66	132	65
EBIT before significant items	113	82	180	78
Trading cash flow	80	(40)	177	11
Funds	1,365	1,448	1,368	1,331
Capital expenditure	55	16	59	27

Restated

Group excl. Tradelink (Continuing Operations) (NZD)	Restated FY22	Restated 1H23	Restated FY23	Restated 1H24
Gross revenue	8,591	4,293	8,510	4,216
External revenue	7,746	3,884	7,679	3,860
EBITDA before significant items	1,044	508	1,093	429
Depreciation, depletion & amortisation expense	303	155	308	166
EBIT before significant items	741	353	785	263
Trading cash flow	438	(74)	464	(100)
Reported Group Funds	3,535	3,363	3,447	3,230
Capital expenditure	411	243	452	183

Australia excl. Tradelink (Continuing Operations) (NZD)	Restated FY22	Restated 1H23	Restated FY23	Restated 1H24
Gross revenue	2,049	1,132	2,222	1,054
External revenue	1,988	1,100	2,163	1,026
EBITDA before significant items	179	116	249	117
Depreciation, depletion & amortisation expense	81	41	82	40
EBIT before significant items	98	75	167	77
Trading cash flow	56	(7)	166	59
Funds	1,135	1,187	1,138	1,160
Capital expenditure	45	12	50	22