



# Investor Day Brisbane

*18 June 2015*



# **Francisco Irazusta**

*Chief Executive Light Building  
Products*

# My Experience in Building Products

## CRH – Light Building Products:

- Fencing and security
- Engineering accessories
- Shutters and awnings
- Building site accessories

## CRH – Heavy Products:

- Concrete products
- Clay products
- Cement
- Aggregates
- Ready Mix concrete
- Asphalt

## Huge industry impact after GFC – only the best survived

### Significant industry transformation:

- Footprint rationalisation
- BU consolidation
- Massive cost cutting activities
- Reinventing businesses

## Main lesson learned:

Need to drive the CVP through innovative products, services, systems to provide solutions. CVP needs to be driven through the whole channel



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# Light Building Products

## Prepare for tomorrow's demands today

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**It's all about the Customer Value Proposition to really understand it and drive it through innovation:**

- In Products
  - In Systems
  - In Services
- Drive Solutions**

In roofing , walling, windows ...

**And we need to understand the market trends:**

- Sustainability
- Comfort/wellbeing
- Security/safety
- Urbanisation
- Digitalisation
- Aging Population
- Migration



This requires more than world class manufacturing and supply, it also requires great sales and marketing capabilities to deliver solutions through our products, systems and services.



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# Strategy

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## **Create push and pull demand for products/solutions**

- Architects
- Engineers
- Installers
- Builders
- Owners

**We need clear value propositions for all products and for each channel**

**We need to become more customer focused, by providing great products and services in a cost effective and profitable way**



**SALES AND MARKETING EXCELLENCE**



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# Driving Sales and Marketing Excellence

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## **Bring together the vast market understanding that exists across Fletcher Building**

- We know and understand the full value chain – UNIQUE
- Bring Sales & Marketing Excellence in an organised manner to add value for all business units

## **Drive cross-business interactions to deliver greater innovation**

- Learn from each other's needs to better supply solutions

## **Upgrade business capabilities:**

- Customer Value Propositions
- Innovation
- Pricing
- Cost to serve
- Branding
- Sales and training
- Digital tools



# Light Building Products Summary

 <b>Light Building Products</b>	NZ Building Materials	<ul style="list-style-type: none"> <li>Fletcher Aluminium</li> <li>Tasman Insulation</li> <li>Winstone Wallboards</li> <li>Dimond</li> </ul>
	Australian Building Materials	<ul style="list-style-type: none"> <li>Fletcher Insulation</li> <li>Stramit</li> <li>Tasman Sinkware</li> </ul>
	Roof Tile Group	<ul style="list-style-type: none"> <li>Gerard Roofing Systems (NZ / Asia / Europe)</li> <li>DECRA Roofing Systems (USA)</li> </ul>

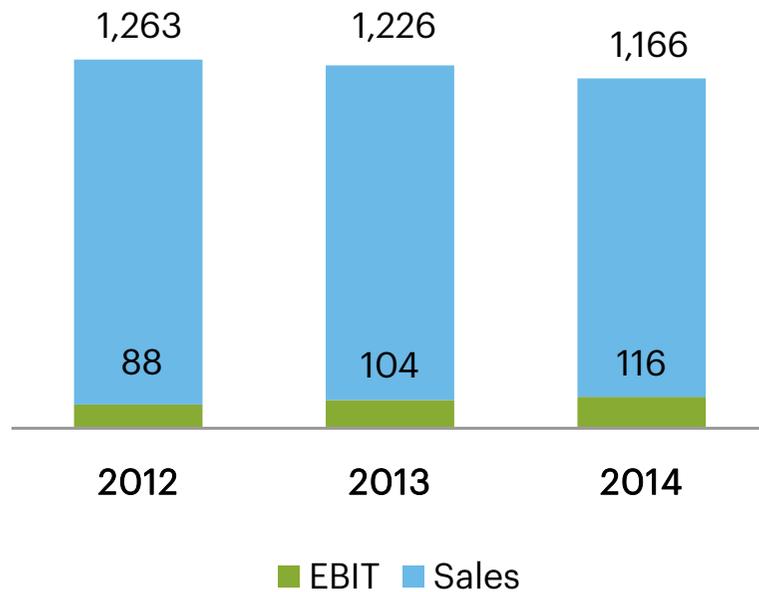
	FY 14 Revenue NZ\$m	People
New Zealand	395	928
Australia	643	1356
Rest of world	128	309



# Light Building Products Financial Results

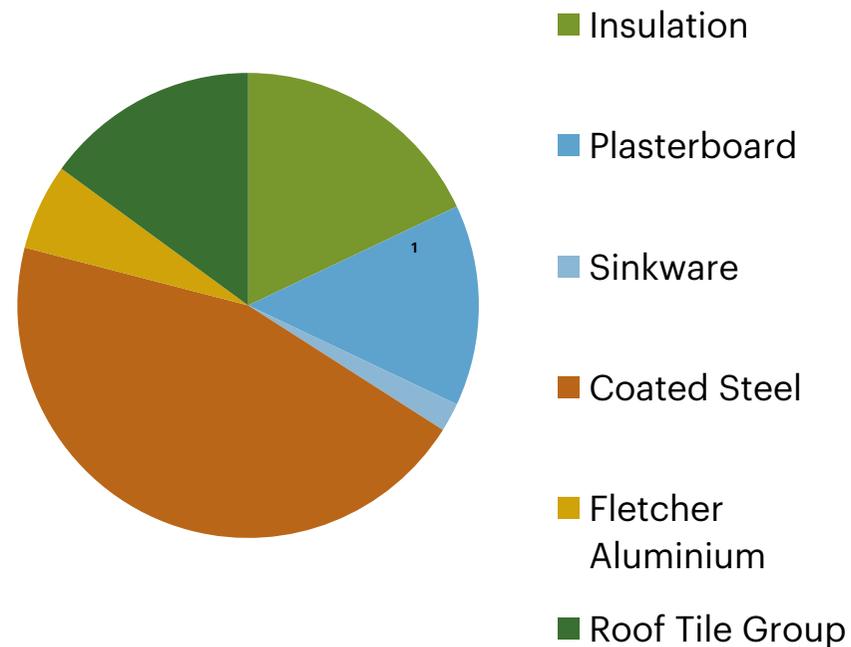
## Yearly trends

NZ\$m



## Revenue source FY14

NZ\$m



# Plasterboard value chain



Third party installers/contractors



Home Builders  
Group Home Builders  
SME's  
Construction Co's



# Coated Steel value chain



**Australia**



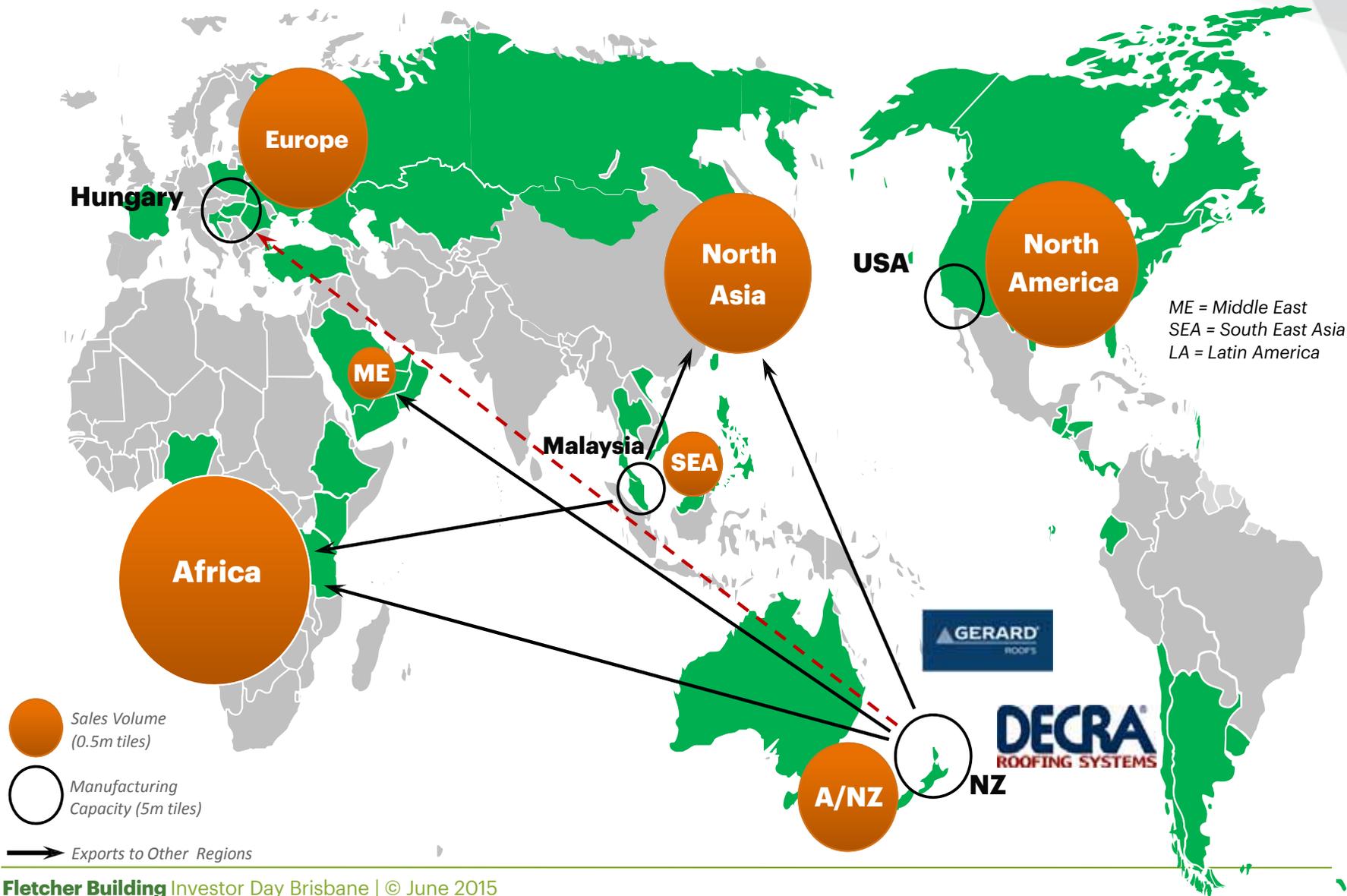
**New Zealand**



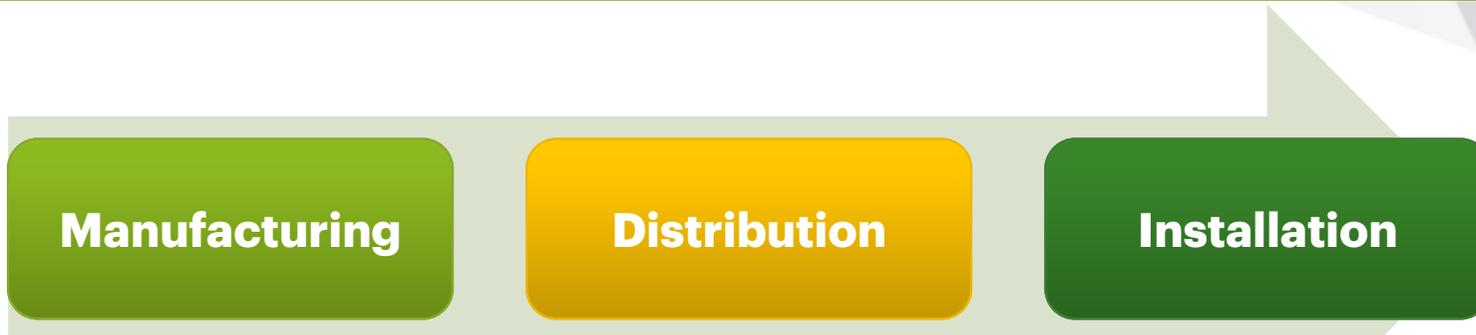
**NZ/AU/ ROW**



# Roof Tiles Sales volumes and manufacturing locations



# Insulation value chain



**Australia**

Fletcher<sup>™</sup>  
Insulation

Fletcher<sup>™</sup>  
Insulation

**BARON**  
INSULATION

**BARON**  
INSULATION

**ee-FiT**  
energy efficiency  
solutions

**New Zealand**

**TASMAN**  
INSULATION NEW ZEALAND

**Home&dry**<sup>™</sup>  
make a better place to live

**pinkfit**<sup>®</sup>  
PREFERRED PINK<sup>®</sup> BAITS<sup>®</sup> INSTALLERS



# Other Businesses

## Fletcher Aluminum

- No. 2 in New Zealand's market
- Innovative product range including the new Smart fit range
- Scale fabrication investment in Christchurch



## Tasman Sinkware

- No. 1 in Australian market
- Australia's only sink manufacturer
- Strong brands in premium and mid-range products

