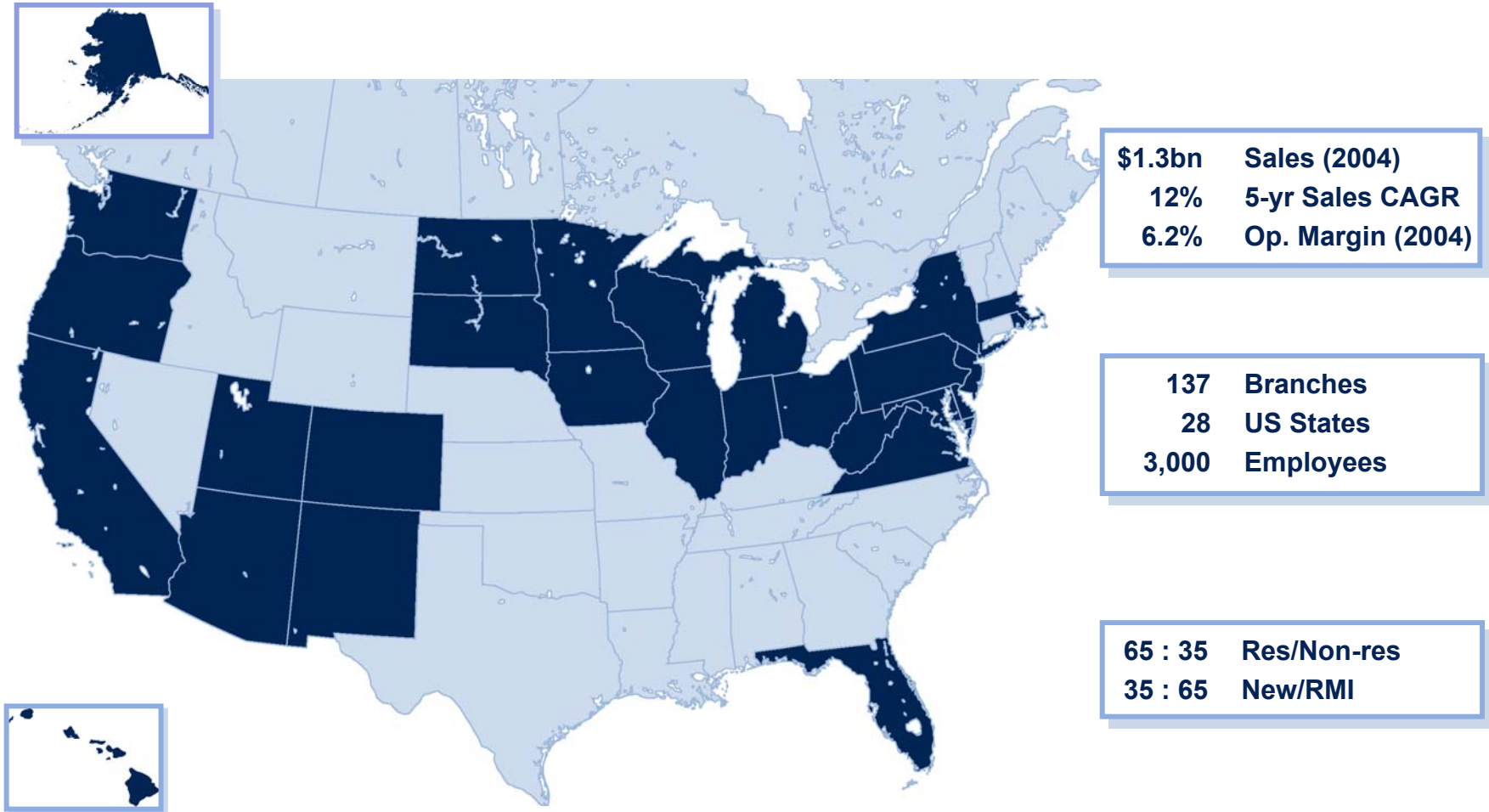


# Oldcastle Distribution

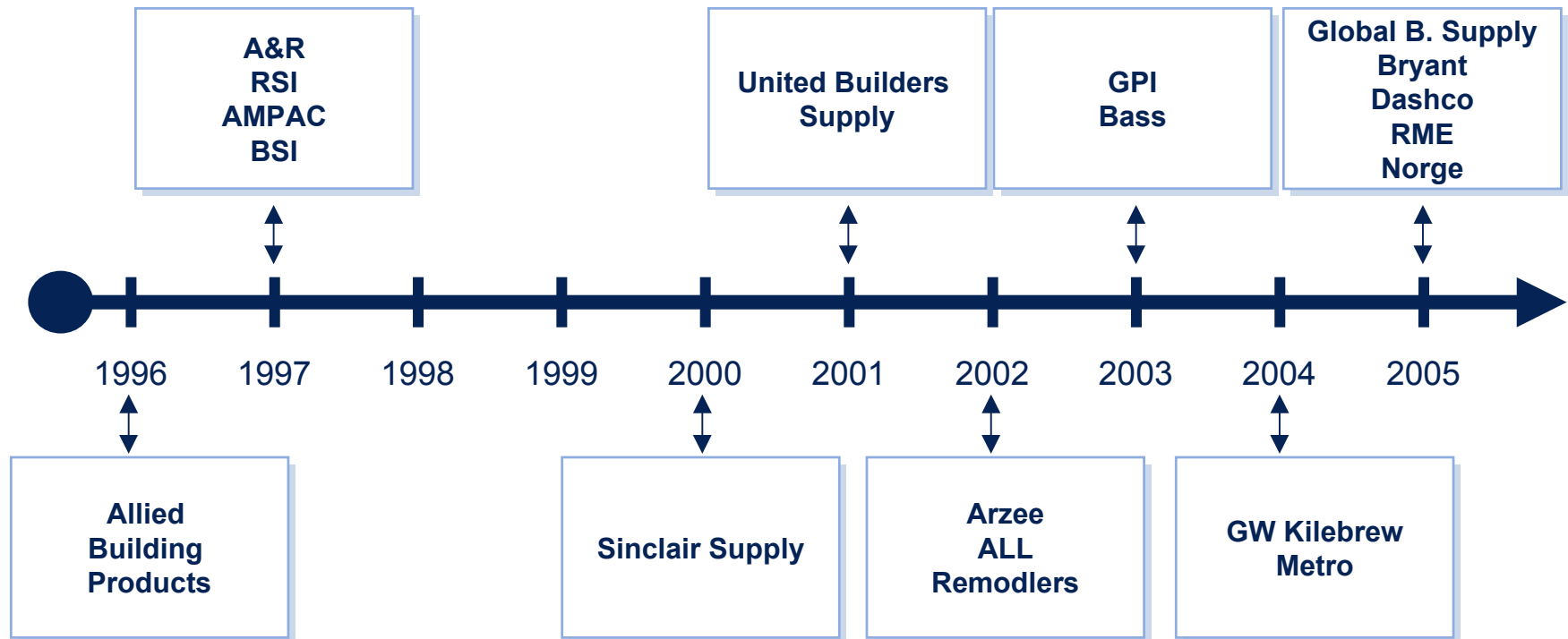
**Michael Lynch**  
**CEO**



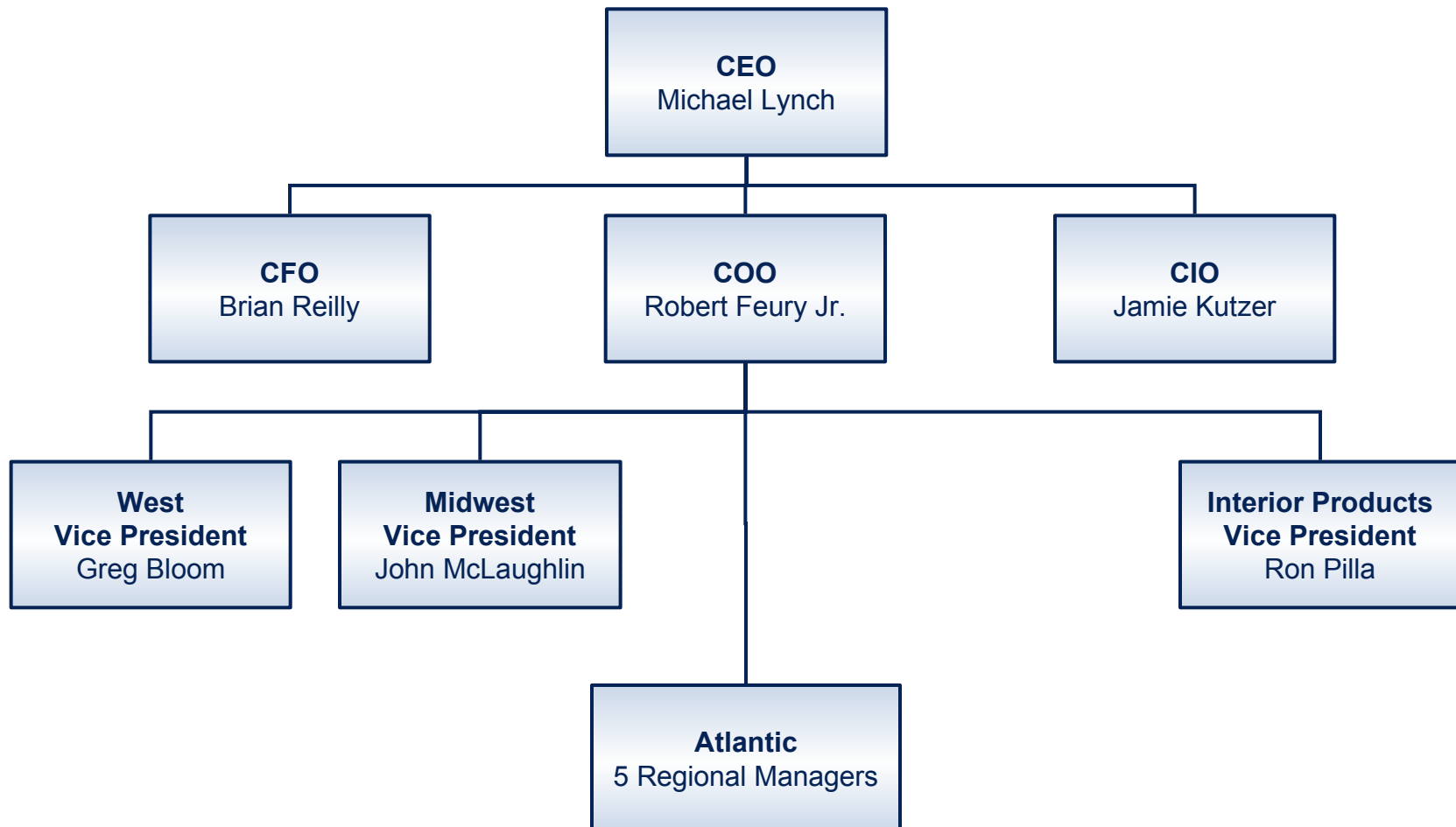
# Overview



# Development History



# Organization



# Distributor to Specialist Contractor Groups

Our value proposition:

- Professional sales team with extensive product knowledge
- Provide credit to credit-worthy contractors
- Job-site or roof-top delivery
- Stock a full range of products

## Roofing & Siding (85%)

Residential Roofing (Shingles)	55%
Commercial Roofing	21%
Vinyl Siding/Windows	18%
Waterproofing/Accessories/Supplies	6%

## Interior Products (15%)

Gypsum Wallboard	74%
Acoustical Ceiling Systems	12%
Metal Studs	11%
Accessories	3%

# Roofing & Siding





# Roofing & Siding

## Residential Roofing

- Asphalt shingles >80% of US market
- >80% US roofing spend is RMI
- Average roof is replaced every 19 yrs
- US Shingle 20-year volume CAGR 3.5%

## Vinyl Siding

- 40% of US cladding market
- 60% of US RMI market
- Vinyl siding is replaced every 20 yrs

## US Housing Stock

- c. 125m units
- Average 35+ years and growing older
- Underpins Roofing/Siding RMI growth

## Market Structure

- Total market \$20bn
- Top 5 - 30%; market still fragmented
- Oldcastle Distribution in Top 3

**Specialist distributors require scale;  
Deliver good returns in metro markets where service is key**

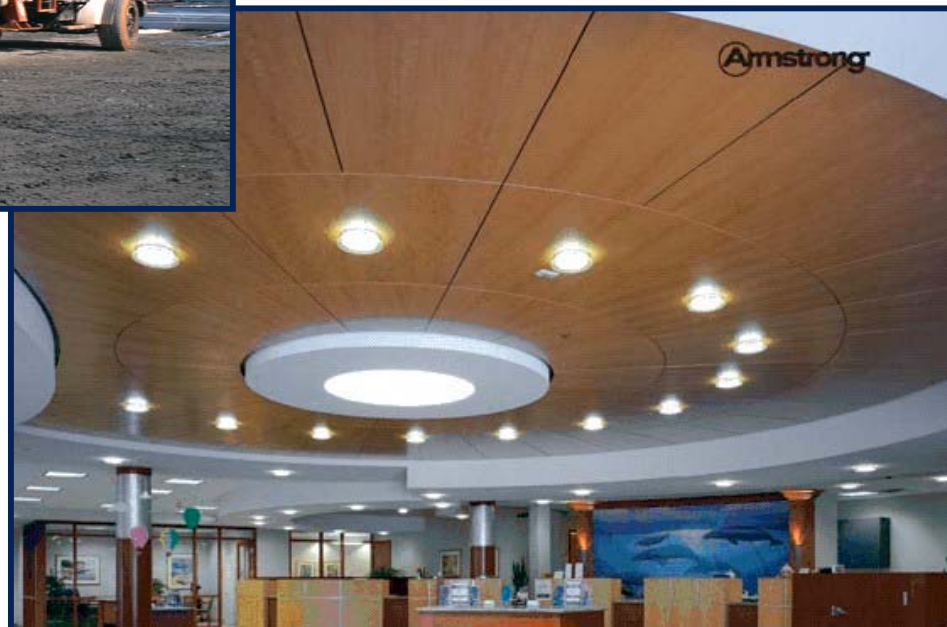
# Interior Products



**Wallboard**



**Acoustical Ceilings**





# Interior Products

## Gypsum Wallboard - End Use

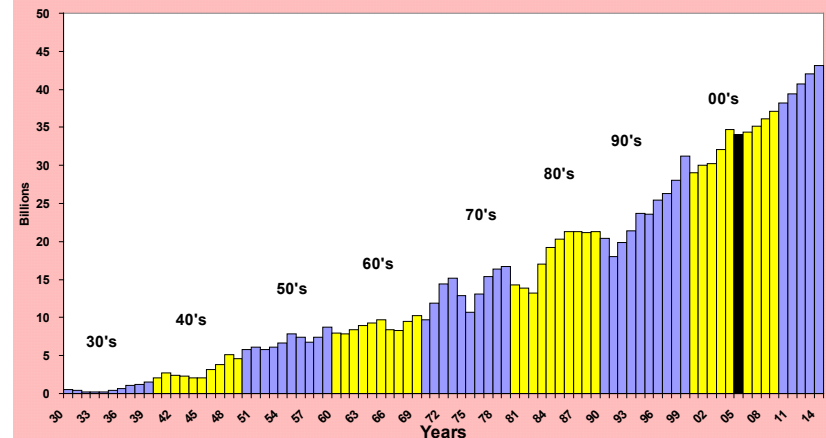
	New Construction	RMI	Total
Residential	50%	20%	70%
Commercial	13%	17%	30%
	63%	37%	100%

## Market Structure

- Total market \$12-15bn
- Top 6 - 30%; rapid consolidation
- Oldcastle Distribution #6

## U.S. Wallboard Demand

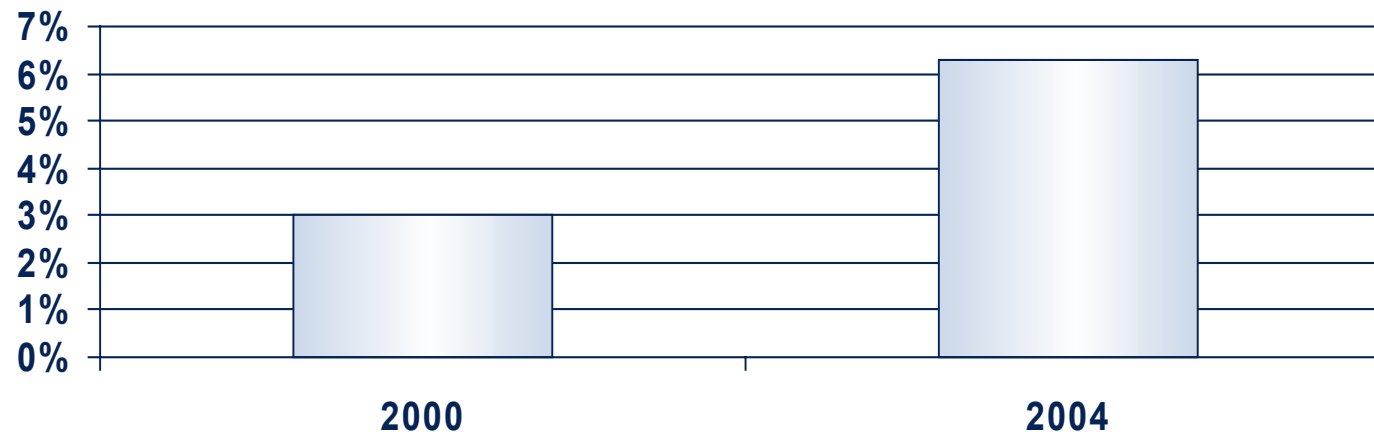
Actual and Forecasted  
Actuals 1930 - 2004 / Forecast 2005 - 2014  
Forecast = Economy.com - As Of Mar 15, 2005



**Wallboard is the predominant product**  
**Good growth prospects**

# Sustaining Good Performance

Distribution EBITA margin



- Organization
  - Professional management team, good commercial instincts - industry-best
  - Recruit talent, train well, incentivize and retain
  - Centralized support functions
  - Central pricing department has a major role in improving profitability
- Top-of-the-line IT System
  - Specialist building materials distribution ERP system
  - Supports product mix, purchasing and pricing management

# Strategy

- To be a distributor to various specialist contractor groups
- Build leadership positions in metropolitan areas
  - Premium on service in metro areas
  - Locate in high-contractor traffic environments
  - Greenfield opportunistically for infill
- Continue acquisitive growth strategy; exploit consolidation trend
- Hire, train, motivate and retain leaders
- Leverage top-of-the-line IT system to optimize business performance

# Compelling Business Proposition

Oldcastle Distribution is competing in attractive markets, with ....

- .... high RMI demand underpinned by continuous roofing & siding replacement/upgrade
- .... excellent growth opportunities
- .... streamlined operations and a solid infrastructure
- .... and a strong management team delivering good profitability

**Leveraging the skills learned in Allied.....  
..... We now have confidence to pursue  
other Distribution platforms as  
opportunities arise**