



Investor Update

3 June 2008

Peter Torreele - Chief Executive Officer

Chris Ritchie - Chief Financial Officer

Contents

1. New Management
2. Business Review
3. Operations
4. Outlook

1. New Management Team

- New board structure and new management team to significantly enhance the strategic and operational expertise of the company
- Critical Appointments
 - Peter Torreele : CEO & Managing Director
 - Chris Ritchie : CFO
 - Wayne Gill : Deputy Chairman and Non-Executive Director

Peter Torreele – short bio

Peter has over 20 years of international business experience with leading global companies in the Consumer and Services Industries. He has particular expertise in the areas of strategy, marketing, business development and government relations.

He is a former Managing Director of the World Economic Forum (Davos) where he was responsible for the Center for Regional Activities in Geneva and the Center for Global Growth Companies in Beijing. He launched the first Summer Davos in Dalian, China in September 2007.

Before joining the Forum in 2003, Peter had an international career as a Senior Executive in two Fortune500 companies, Roche Group and Danone Group. He was appointed Commercial Director in the Danone beverage division at age 36 where he turned around its North European division. As Vice-President Marketing worldwide at Roche Consumer Health, he was part of the leadership team that expanded the business in 55 countries within 3 years before a highly profitable divestiture.

Peter has an engineering degree complemented with an economics degree and a Marketing MBA from the University of Louvain-la-Neuve and a General Management Program from Insead. He is of Belgian nationality and married with 3 children. He currently lives in Melbourne, Australia.

Chris Ritchie – short bio

Chris is a Fellow of CPA Australia as well as a Fellow of Chartered Secretaries Australia. He is degree qualified and has post graduate qualifications in International Business.

Chris has over twenty years financial management experience covering system and control reviews, project costing, driving technological change through improved business processes, implementation of restructure plans as well as strategic planning and public company compliance with the ASX and AIM market of the London Stock Exchange.

Chris commenced his senior management career with the commodity trading group of Elders Resources NZFP Limited. He further developed his international business and financial management skills working with major construction and engineering companies, John Holland and then McConnell Dowell on large scale construction projects throughout the Asia Pacific and Middle East regions, as Regional Financial Controller.

Chris has also served as Vice-President and CFO for the Australasian subsidiary of NYSE listed Choice Hotels Inc. Most recently, Chris was Group Chief Financial Officer of ASX listed Concept Hire Ltd, which was subject to a successful takeover by Cape plc in October 2007.

Wayne Gill – Short bio

Wayne brings over 25 years experience in the areas of commercialization, strategy and business development. He has built alliance-oriented business structures and relationships; managed venture capital programs and investments; led direct investment activities and played foundation roles in a number of start-up businesses.

Wayne held several senior executive positions with BHP Billiton, including VP Project Development and VP Strategic Planning for BHP Power and Global Practice Leader Alliance Development & Outsourcing.

Wayne holds Bachelor's and Master's degrees in Metallurgical Engineering from the University of British Columbia.

Wayne has previously resided in Canada, America, China and currently lives in Melbourne, Australia.

Board and Executive team

Before :

Greg Johnson – Chairman and CEO

Sean McDaniell – Director

Murray Freeman – Director, CFO and
Company Secretary

Stephen Roux – Director and Investor
Relations

John Li – Director (Oct07)

Wayne Gill – Independent Director
(Jan08)

Peter Torreele – Independent Director
(March08)

After :

Board

Greg Johnson – Chairman

Wayne Gill – Independent Director and
Deputy Chairman

Stephen Roux – Independent Director

John Li – Director and Head of Manufacturing

Peter Torreele – Director and CEO

David Hamilton – Company Secretary

Executive Team

Peter Torreele – CEO

Chris Ritchie – CFO and Investor Relations

John Li - Head of Manufacturing

Sean McDaniell – Head of Operations

Tbc – Head of Sales and Marketing

2. Business Review

New management team has undertaken a detailed strategic and operational review of the company.

- Strategic direction : no change
“Style aims to become a global leader in the manufacturing and marketing of regenerative and sustainable products”
- Key Outcomes:
 - Focus & strengthen 3 core pillars (manufacturing, marketing and distribution)
 - Excellence in execution as an absolute priority
 - Greater focus on bottom line performance, not just top line revenue growth
 - Accelerate strategic partnerships to capture fully the “Green Wave” momentum
 - More regular information and updates to the market

Growth Drivers

1.

- *The Green Wave is unstoppable : Climate change issues are here to stay*
- Worldwide momentum towards greener government guidelines and stricter (building) regulations
- Strong consumer sentiment towards green, environmentally sustainable products

2.

- *Style has a patented manufacturing technology*
- Use technology to create an enlarged product range which meets the Green Wave demand

3.

- *Price of wood and wood products continue to rise (scarce resource)*
- Style has an extensive product range and process knowledge allowing them to leverage into new products competing directly with hard wood

4.

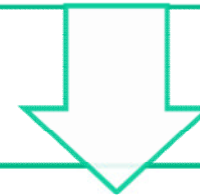
- *Chinese government has a 'rural development' strategy*
- Style is a major employer within Anji and receives significant support from the local government

Strategic Roadmap

1. Strengthen existing business model



2. Accelerate Strategic partnerships



3. Test market breakthrough products

Step 1 : strengthen existing business model

Top line Revenue

- Consolidate US
- Expand Europe with new distribution agreements
- More effective marketing support

Profitability

- Focus on operational efficiency
- Continued product mix improvement
- Better Forex management

Financials

- Simplify organizational structure
- Strengthen financial systems and controls
- More emphasis on ROCE (reassess investment strategy)

Step 2 : Accelerate growth

Strategic Partnerships

- Expand position in key priority markets

Breakthrough projects

- Test market new product applications based on our patented manufacturing process
- Accelerate time-to-market for new products

3. Operations

Issue	Overview	Status
New Product launch delay (North America)	<p>Significant product supply issues due to</p> <ul style="list-style-type: none">• Delays in commissioning of new Homag machines• Delays in accessories production capabilities	<ul style="list-style-type: none">• Independent audit conducted April08• First Homag machine fully operational. Second Homag machine being installed• Third party suppliers being reviewed
Quality Issues on Floating Floor (North America)	<ul style="list-style-type: none">• Quality issues linked to start-up problems of new product range in Floating Floor	<ul style="list-style-type: none">• Independent audit conducted April08• Formal QC procedures put in place• New NPD process been developed

Issue	Overview	Status
Inventory Supply	<ul style="list-style-type: none"> • Severe snowstorms throughout China in February caused 80% damage to Wanzai bamboo plantation 	<ul style="list-style-type: none"> • Expert report April08 • Alternative supply of raw material available • Company considering Force Majeure as an option
Production Capacity	<ul style="list-style-type: none"> • Product portfolio complexity creates volume processing challenges and higher costs 	<ul style="list-style-type: none"> • Full audit of production capacity of all areas of the plant ongoing and continually monitored • Migration to multiple shifts ongoing • Sku reduction program started

4. Outlook

FY2008 was disrupted severely by various operational issues

Financial result likely to be a loss, revenue for the year will be similar to prior year revenue

1H 2009 : expect management to execute strategic roadmap

Management does not intend to give forecasts at this stage, but plans to report regularly on factual progress made

Update on Sales performance

