

Disclosure of movement of 1% or more in substantial holding or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To: NZX Limited

and

To: Tower Limited

Relevant event being disclosed: Movement of 1% or more in substantial holding

Date of relevant event: 13 February 2017

Date this disclosure made: 16 February 2017

Date last disclosure made: 13 September 2016

Substantial product holder(s) giving disclosure

Full name(s): **UBS Group AG and its related bodies corporate**

Summary of substantial holding

Class of quoted voting products: **Ordinary shares**

Summary for: **UBS Group AG and its related bodies corporate**

For **this** disclosure,—

- (a) total number held in class: 13,192,816 shares
- (b) total in class: 168,662,150 shares
- (c) total percentage held in class: 7.82%

For **last** disclosure,—

- (a) total number held in class: 11,413,975 shares
- (b) total in class: 168,662,150 shares
- (c) total percentage held in class: 6.77%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure: Please see Appendix A.

Details after relevant event

Details for: UBS Fund Management (Switzerland) AG

Nature of relevant interest(s): Fund Manager with power to exercise control over voting shares

For that relevant interest,—

- (a) number held in class: 15,779
- (b) percentage held in class: 0.01%
- (c) current registered holder(s): Not applicable

(d) registered holder(s) once transfers are registered: UBS Fund Management (Switzerland) AG

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details for: UBS AG Australia Branch

Nature of relevant interest(s): Prime Broker that has exercised its borrowing right in respect of shares pursuant to a Prime Broking Agreement

For that relevant interest,—

- (a) number held in class: 13,139,274
- (b) percentage held in class: 7.79%
- (c) current registered holder(s): Not applicable
- (d) registered holder(s) once transfers are registered: UBS AG Australia Branch

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details for: UBS AG London Branch

Nature of relevant interest(s): Beneficial Owner

For that relevant interest,—

- (a) number held in class: 24,000
- (b) percentage held in class: 0.01%
- (c) current registered holder(s): Not applicable
- (d) registered holder(s) once transfers are registered: UBS AG London Branch

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details for: UBS Securities Australia Ltd

Nature of relevant interest(s): Beneficial Owner

For that relevant interest,—

- (a) number held in class: 13,763
- (b) percentage held in class: 0.01%
- (c) current registered holder(s): Not applicable
- (d) registered holder(s) once transfers are registered: UBS Securities Australia Ltd

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Additional information

Address(es) of substantial product holder(s): Details of all UBS offices can be found through the following link: <http://apps2.ubs.com/locationfinder/>

Contact details: **Weixiao Qin**

Tel: **+65 6495 8217**

Email: **weixiao.qin@ubs.com**

Nature of connection between substantial product holders:

UBS Fund Management (Switzerland) AG: Related body corporate

UBS AG Australia Branch: Related body corporate

UBS AG London Branch: Related body corporate

UBS Securities Australia Ltd: Related body corporate

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: Not applicable

Certification

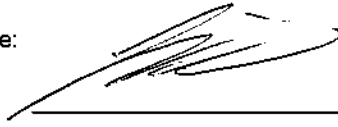
We, certify that, to the best of our knowledge and belief, the information contained in this disclosure is correct and that we are duly authorised to make this disclosure by all persons for whom it is made.

SIGNATURE

Print Name: Kyu-Ri Kim

Capacity: Authorised signatory

Sign Here:



Date: 16 February 2017

Print Name: Weixiao Qin

Capacity: Authorised signatory

Sign Here:



Date: 16 February 2017

Date of change	Person whose relevant interest changed	Nature of Change	Consideration given in relation to change (NZD)	Number of securities	Class
09-Sep-16	UBS AG London Branch	Stock returned	N/A	(100,000)	Ordinary
15-Sep-16	UBS AG London Branch	Stock borrowed	N/A	125,000	Ordinary
22-Sep-16	UBS Securities Australia Ltd	Buy	11,459	11,000	Ordinary
22-Sep-16	UBS AG London Branch	Stock returned	N/A	(125,000)	Ordinary
26-Sep-16	UBS Securities Australia Ltd	Buy	12,070	12,000	Ordinary
04-Oct-16	UBS Securities Australia Ltd	Buy	3,107	3,300	Ordinary
07-Oct-16	UBS AG London Branch	Stock borrowed	N/A	150,000	Ordinary
17-Oct-16	UBS AG London Branch	Stock borrowed	N/A	150,000	Ordinary
17-Oct-16	UBS AG London Branch	Stock returned	N/A	(150,000)	Ordinary
24-Oct-16	UBS AG London Branch	Stock returned	N/A	(150,000)	Ordinary
25-Oct-16	UBS AG London Branch	Stock borrowed	N/A	175,000	Ordinary
31-Oct-16	UBS AG London Branch	Stock returned	N/A	(175,000)	Ordinary
14-Nov-16	UBS Securities Australia Ltd	Sell	434	(537)	Ordinary
14-Nov-16	UBS AG London Branch	Stock borrowed	N/A	170,000	Ordinary
22-Nov-16	UBS AG London Branch	Stock returned	N/A	(170,000)	Ordinary
16-Dec-16	UBS AG Australia Branch	Buy	50,777	62,114	Ordinary
19-Dec-16	UBS AG Australia Branch	Buy	168,739	200,000	Ordinary
24-Jan-17	UBS AG Australia Branch	Buy	291,733	345,124	Ordinary
25-Jan-17	UBS Securities Australia Ltd	Sell	10,144	(12,000)	Ordinary
09-Feb-17	UBS AG Australia Branch	Buy	280,750	250,000	Ordinary
09-Feb-17	UBS AG Australia Branch	Buy	224,000	200,000	Ordinary
13-Feb-17	UBS AG Australia Branch	Buy	84,375	75,000	Ordinary
13-Feb-17	UBS AG Australia Branch	Buy	833,147	732,840	Ordinary