

THIS IS AN IMPORTANT DOCUMENT
YOUR REPLY MUST BE RECEIVED NO LATER THAN 26 FEBRUARY 2018



FLETCHER BUILDING INDUSTRIES LIMITED
MARCH 2018 CAPITAL NOTES – ELECTION NOTICE

CSN/INVESTOR NO

PRINCIPAL AMOUNT

of March 2018 Capital Notes
(the "Capital Notes")

NAME ON REGISTER

ELECTION (Tick box and complete as appropriate)

- A ☐ I/we elect to retain all of my/our Capital Notes on the New Terms; **or**
- B ☐ I/we elect to retain \$ _____ of my/our Capital Notes on the New Terms, with the balance converted in accordance with the Conditions; **or**
- C ☐ I/we elect to convert all of my/our Capital Notes in accordance with the Conditions.
- Note:** The Principal Amount retained must not be less than \$2,000 in this Series and thereafter be in multiples of \$500

Signed: Date:

COMPLETION INSTRUCTIONS - Please also see the reverse of this document

1. An election is irrevocable.
2. All joint holders are required to sign.
3. A company is required to sign in a manner permitted pursuant to the Companies Act 1993, which may include being signed by an authorised signatory.
4. If signed by an attorney, the power of attorney and a completed certificate of non-revocation should be returned with this Election Notice, unless it has already been noted with the Registrar.
5. Please return this completed Election Notice in the reply-paid envelope to Computershare Investor Services Ltd, Private Bag 92119, Auckland 1142, to arrive no later than **26 February 2018**.

If you have any doubt as to what you should do, you should seek advice from a NZX Firm or authorised financial advisor. The Capital Notes are quoted on the NZX Debt Market. Fletcher Building Limited shares are quoted on the NZX Main Board and ASX. Neither exchange accepts responsibility for any statement in the Election Notice. NZX Main Board and NZX Debt Market are licensed markets operated by NZX Limited, a licensed market operator, regulated under the Financial Markets Conduct Act 2013.

Dear Capital Noteholder

This Election Notice relates to your Fletcher Building Industries Limited (“FBI”) March 2018 Capital Notes (the “Capital Notes”), as described on the reverse of this document. Completing this document and returning it to the Registrar enables you to make an election to retain or convert your Capital Notes. Your election must be received by 26 February 2018 and will apply from the Election Date, 15 March 2018. Your right to elect to retain or convert your Capital Notes is described in section 2 below.

Unless otherwise defined in this Election Notice, capitalised terms used in this Election Notice have the meanings ascribed to them in the Conditions for the Capital Notes. The key terms of the Capital Notes are contained in the Trust Deed, a copy of which can be requested on payment of any fee prescribed by statute, by contacting the Trustee, Covenant Trustee Services, or FBI.

Further information relating to the Capital Notes is also available through Fletcher Building’s website:
<https://fletcherbuilding.com/investor-centre/capital-notes-and-adrs/>

1. NEW TERMS FOR THE CAPITAL NOTES

The new terms (“New Terms”) for the Capital Notes you elect to retain, or are deemed to have elected to retain, are the same as the Conditions for the Capital Notes that you hold now, except for:

| | |
|----------------------------|--|
| New Election Date: | 15 March 2023 |
| New Interest Date: | 15 March and 15 September in each year |
| New Interest Rate: | 5.00% per annum |
| Series to become known as: | March 2023 Capital Notes or FBI170 |

2. NOTEHOLDER’S ELECTION TO RETAIN OR CONVERT

You are entitled to elect to:

- (i) retain all or some of the Capital Notes, subject to the New Terms; and/or
- (ii) convert all or some of the Capital Notes on 15 March 2018 into fully paid Fletcher Building shares, subject to the Conditions. Under the Conditions, FBI has an option, either itself or by a nominee, to redeem or purchase for cash those Capital Notes that noteholders elect to convert. **FBI has determined that it will exercise this option and will have a nominee purchase for cash those Capital Notes which noteholders have elected to convert. No Fletcher Building shares will be issued following an election to convert the Capital Notes.** The purchase price will be equal to the aggregate Principal Amount of the relevant Capital Notes plus any Accrued Interest and Unpaid Interest on those Capital Notes as at the date of payment of the purchase price.

3. FAILURE TO APPROPRIATELY COMPLETE AND RETURN AN ELECTION NOTICE

If FBI does not receive a completed Election Notice from you on or before 26 February 2018, which clearly indicates your name and address and the election you have made, you will be deemed to have elected to retain the Capital Notes on the New Terms. If your election is unclear for only a portion of your Capital Notes, that portion will be deemed elected to be retained.