

Fletcher Building withdraws Steel & Tube proposal

Auckland, 15 October 2018: Fletcher Building has withdrawn its proposal to acquire Steel & Tube due to lack of support from Steel & Tube's Board to progress the proposal in a timely manner.

Steel & Tube has announced that it does not support Fletcher Building's revised proposal, and that it would need a further 3-4 weeks to confirm this view. Fletcher Building has been engaging with Steel & Tube on a proposal for 5 weeks now, which has provided ample time for the Board to seek independent valuation advice. During that period Fletcher Building received support for progressing its proposal from major Steel & Tube shareholders Milford Asset Management and Harbour Asset Management.

Fletcher Building presented a revised proposal and final position of NZ\$1.90 per ordinary share (payable in cash) and a permitted special dividend up to NZ\$0.05 per ordinary share and payable on transaction completion reflecting total effective consideration to shareholders of NZ\$1.95 per ordinary share. The proposal provided a significant premium of more than 50% to Steel & Tube's pre-announcement five day volume weighted average price.

Fletcher Building CEO Ross Taylor said: "Despite offering what we believe was a very attractive offer to Steel & Tube shareholders, our engagement with the Steel & Tube Board has been unsuccessful and as a result we have withdrawn the acquisition proposal."

Based on expert advice, Fletcher Building remains confident the transaction would have received Commerce Commission clearance. Steel & Tube's market share information released on 10 October 2018 doesn't properly take into account the material impact of direct imported products in relevant markets.

#Ends

For further information please contact:

MEDIA

Marie Winfield
Head of Communications
+64 27 488 9888
Marie.winfield@fbu.com

INVESTORS AND ANALYSTS

Rodney Deacon
Head of Investor Relations
+64 21 631 074
Rodney.deacon@fbu.com