



## **FLETCHER BUILDING LIMITED NEWS RELEASE**

### **FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2016**

Auckland, August 17, 2016 - Fletcher Building today reported net earnings of \$462 million for the year ended 30 June 2016, compared with \$270 million in the 2015 financial year. The result included significant items totalling \$37 million. Net earnings before significant items were \$ 418 million, 5 per cent higher than the \$399 million recorded in the prior year.

Operating earnings (earnings before interest and tax) were \$719 million, compared with \$503 million in the prior year. Operating earnings excluding significant items were \$682 million, up 4 per cent on the prior year and in line with earnings guidance.

Cash flow from operations increased 15 per cent to \$660 million from \$575 million in the prior year. The increase was due to the growth in underlying operating earnings and reductions in working capital.

A final dividend of 20 cents per share will be paid on 12 October 2016, with full New Zealand tax credits attached, bringing the total dividend for the year to 39.0 cents per share. The dividend reinvestment plan will be operative for this dividend payment.

Fletcher Building chief executive officer Mark Adamson said the result was driven by a 29 per cent uplift in operating earnings from Fletcher Building's Australian businesses, coupled with strong growth in operating earnings in New Zealand in the distribution, residential and construction divisions.

"While the macro-economic environment in Australia was mixed, we delivered strong earnings growth from our Australian business portfolio, which was the result of our focus on improving the performance and capability of our businesses in that market.

"What was equally pleasing was the continued growth in earnings from our New Zealand distribution, residential development and construction businesses. These are all areas we have highlighted as offering strong growth potential.

"Cash flow generation was another highlight of the year, with cash flow from operations up 15 per cent on the prior year.

"We made good progress during the year in completing our portfolio rationalisation. With the sale of Rocla Quarries completed in January and the acquisition of Higgins completed last month, we have now largely concluded the restructure of our business portfolio", Mr Adamson said.



## Results overview

Comparisons are with the prior financial year ended 30 June 2015.

<b>Revenue</b>	\$9,004 million, up from \$8,661 million
<b>Net earnings</b>	\$462 million, up from \$270 million
<b>Net earnings before significant items</b>	\$418 million, up from \$399 million
<b>Operating earnings (EBIT)</b>	\$719 million, up from \$503 million
<b>Operating earnings (EBIT) before significant items</b>	\$682 million, up from \$653 million
<b>Cash flow from operations</b>	\$660 million, up from \$575 million
<b>Basic earnings per share before significant items</b>	60.6 cents per share, up from 58.0 cents per share
<b>Final dividend</b>	20.0 cents per share, The final dividend will be fully imputed for New Zealand taxation purposes.
<b>Dividend payment dates</b>	The dividend will be paid on 12 October 2016 to holders registered as at 5.00 pm Friday 23 September 2016 (NZT). The shares will be quoted on an ex-dividend basis from 22 September 2016 on the NZX and ASX.
<b>Dividend reinvestment plan</b>	The dividend reinvestment plan will be operative for this dividend. Applications to participate must be received by the registry before 5pm Monday 26 September 2016.

Please refer to the Financial Statements for terms and definitions.

**ENDS**

**For further information please contact:**

Philip King  
Group General Manager  
Investor Relations & Capital Markets  
Phone: + 64 9 525 9043  
Mobile: + 64 27 444 020

Shannon Huse-Caldwell  
External Media Manager  
Phone: + 64 9 525 9085  
Mobile: + 64 27 807 2933