



Fletcher Building Update on Banking Agreements

Auckland, 3 June 2024: Fletcher Building Limited (the “Company”) today announced amendments to its banking agreements which will extend the tenor of its debt facilities, and enable it to rely on more favourable terms for covenant testing through to the end of calendar 2025 if required.

Acting CEO Nick Traber said: “Given the current market environment and outlook, we have taken pre-emptive steps to reinforce the Company’s resilience for the medium-term to position ourselves to navigate the tougher trading conditions.

“With between \$0.8 billion and \$0.9 billion of liquidity expected at 30 June 2024 we have a solid liquidity position, and have today announced agreements with our lending partners which reflect their ongoing support and confidence in Fletcher Building.”

The Company has entered into two agreements with its lenders.

First, the Company has agreed with its Syndicated Facility Agreement (“SFA”) lenders to refinance Tranche D of the SFA. This A\$674.5m facility was scheduled to expire in October 2025. The agreement extends the expiry date for this facility into two longer-dated maturities: A\$424.5 million will now expire in July 2027, and A\$250 million will expire in May 2029. The agreement significantly improves the tenor of the Company’s funding lines, such that the next material debt maturity is in FY27.

Secondly, Fletcher Building has agreed certain amendments with all of its lenders (SFA, Club Loan, and USPP) which will enable it to rely on more favourable terms for covenant testing for its Senior Interest Cover and Senior Leverage covenants for the period from June 2024 to December 2025 (inclusive) if required. Should the Company need to rely on the amended covenant levels, it will not pay a dividend until it agrees to be tested by, and complies with, its existing covenant levels. The existing and amended covenant levels are shown in the following table:

Covenant	Existing Level	Amended Level (if Required)				Level for Jun-26+
		Jun-24	Dec-24	Jun-25	Dec-25	
Senior Leverage	<3.25x	<3.25x	<3.5x	<3.5x	<3.25x	<3.25x
Senior Interest Cover	>3.0x	>2.5x	>2.25x	>2.25x	>2.25x	>3.0x
Total Interest Cover	>2.0x	Unchanged at >2.0x				>2.0x

NB: the Senior Interest Cover covenant of >3.0x (existing and Jun-26+) is the level contained in the USPP lending agreements. The covenant in the SFA and Club Loan agreements is >2.75x.



The Company confirms that it expects to be in compliance with its existing covenant levels at June 2024.

#Ends

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