



Fletcher Building reports FY22 result, final dividend of 22 cps

Auckland, 17 August 2022: Fletcher Building today announced its audited financial results for the year ended 30 June 2022 (FY22).

Summary:

- Revenue \$8,498 million, up 5% from \$8,120 million in FY21
- Net Profit After Tax \$432 million, up 42% from \$305 million in FY21
- EBIT before significant items \$756 million, up 13% from \$668 million in FY21
- Return on Funds Employed before significant items 19.3%, compared to 18.8% in FY21
- Cash flows from operations of \$592 million, compared to \$879 million in FY21
- Fully imputed final dividend 22 cents per share, bringing full-year FY22 dividend to 40 cps
- Completed \$274 million total share buyback programme

Fletcher Building chief executive Ross Taylor said: "Fletcher Building delivered strong results in FY22 across all key metrics. Our performance highlighted our ability to deal with a dynamic operating environment, while remaining focused on delivering long-term, sustainable growth.

"Group revenue for the year was \$8,498 million compared to \$8,120 million in FY21, while EBIT before significant items was \$756 million, compared to \$668 million in FY21. Group EBIT margin lifted materially in FY22 to 8.9% and we were pleased to deliver a second half margin of 9.5%. Our return on funds employed (ROFE) remained ahead of target at 19.3%.

"Fletcher Building's businesses generated cash flows from operating activities of \$592 million. Our balance sheet remains robust with \$1.1 billion liquidity and net debt of \$670 million at year end. This positions us well as we move into the new financial year and continue to invest in the growth of the business.

"Having delivered a strong earnings and cash flow result, the Board has approved a fully imputed final dividend for the year ended 30 June 2022 of 22.0 cents per share to be paid on 6 October 2022. Combined with the 18.0 cents per share interim dividend, this brings the total dividend to 40.0 cents per share for the FY22 year. In addition, Fletcher Building completed its on-market share buyback programme of \$274 million in aggregate.



“FY22 has not been without its challenges as global and national supply chain disruptions continued into the third year of the COVID-19 pandemic. In New Zealand, surging plasterboard orders following the first quarter lockdown outstripped our ability to supply, despite our manufacturing facilities running at record levels. In recognition of our key role as a local manufacturer in keeping the market supplied, we carried out a range of measures to address the shortage including operating production lines 24/7, running down our reserve stocks, importing additional product, and establishing an emergency supply pool. In the longer term, our new \$400 million manufacturing facility in Tauranga is scheduled to begin operations in May 2023 which will more than meet current and future demand levels.

“Looking ahead, our strategy positions us well to drive shareholder value in the short and long-term. We continue to drive our ambitious agenda for the future and our vision, purpose, and strategic focus will underpin the next steps of our journey. In FY23 we expect to see ongoing profit growth, as there continues to be a solid pipeline of committed work in our end markets, and there is unlikely to be another COVID-19 forced shutdown of our operations. Our balance sheet and overall financial position are strong and we plan to keep it that way.

“Finally, I want to acknowledge and thank our more than 14,700 people in New Zealand, Australia and across the Pacific who are ultimately responsible for our strong performance and momentum these past twelve months. I also wish to extend my gratitude to our shareholders, customers, and suppliers for their continued support.”

#Ends

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