



News Release

STOCK EXCHANGE LISTINGS: NEW ZEALAND (FBU), AUSTRALIA (FBU).

Fletcher Building finalises Bidder's Statement in relation to an Offer to Crane shareholders

- ***The Offer opens Wednesday 12 January 2011 and is scheduled to close on Friday 25 February 2011***
- ***The Offer has been revised to A\$3.47 in cash and one Fletcher Building share for each Crane share equating to a value of \$9.35¹***

Auckland, Monday, 10 January 2011: Fletcher Building Limited ("Fletcher Building") today released a replacement Bidder's Statement to Crane Group Limited ("Crane") shareholders. The replacement Bidder's Statement updates the original Bidder's Statement with the timetable for the Offer, a small change to the cash component of the consideration and a number of other updates, changes and clarifications following discussions with both ASIC and Crane.

The Offer is being made by Fletcher Building (Australia) Pty Limited ("Fletcher Building Australia"), a wholly owned subsidiary of Fletcher Building.

Offer timetable

The Offer will open on Wednesday, 12 January 2011, when despatch to Crane shareholders will commence. The Offer closing date is Friday, 25 February 2011, unless extended.

Offer consideration

In accordance with the requirements of the Corporations Act, the Offer Consideration has been revised so that it equates to the A\$9.35 per share paid to some institutional shareholders as part of the acquisition of Fletcher Building Australia's 14.9% pre-bid stake. The Offer consideration is now one Fletcher Building share and A\$3.47 cash (an increase of A\$0.04 per share) for each Crane share.

The implied value of the Offer of A\$9.35¹ represents:

- a 28% premium to the one month volume weighted average price for Crane on 14 December 2010, the day prior to the announcement of the Offer;
- a FY11 Price/Earnings multiple of 19x and a FY11 Enterprise Value/EBIT multiple of 11.8x based on broker consensus estimates of Crane's FY11 earnings.²

¹ Based on A\$3.47 in cash plus one Fletcher Building Share at the Fletcher Building volume weighted average trading price on ASX on 4 January and 5 January 2011 of A\$5.88.

² Based on median broker estimates as at 14 December 2010 for Crane's earnings for FY11; median NPAT of A\$38.9m (range A\$38.4m to A\$39.8m); and median EBIT of A\$75.7m (range A\$74.6m - A\$78.0m) (source: Bloomberg - median of 9 brokers (NPAT) and 8 brokers (EBIT) with estimates provided following the Crane AGM on 29 October 2010). Enterprise value calculated using Crane's net debt as at 30 June 2010 of A\$154m, minorities and preference shares of A\$1m, plus the relevant market capitalisation. Offer multiples based on the implied Offer price of A\$9.35 per Crane Share.

The implied value of the Offer will vary as the market price of Fletcher Building Shares on ASX changes from time to time.

Fletcher Building encourages all Crane shareholders to read the Bidder's Statement carefully once they receive it, before accepting the Offer. Shareholders requiring additional assistance once they have received the Bidder's Statement should call the Offer Information Line on **1300 042 036** (toll free for calls made within Australia), **0800 505 529** (free call for calls made within New Zealand) or **+61 3 9938 4357** (for calls made outside Australia or New Zealand).

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