



## **Fletcher Building despatches Bidders Statement to Crane shareholders**

### ***Combination to strengthen competitive position of both companies***

### ***Intention to operate Crane as a separate division will lead to stronger returns***

**Auckland, 12 January 2011:** Fletcher Building Limited (“Fletcher Building”) today commenced the despatch of its Bidder’s Statement to Crane Group Limited (“Crane”) shareholders, signalling the opening of the Offer under which Crane shareholders are entitled to receive \$3.47 cash and one Fletcher Building share for each Crane share held. Fletcher Building currently owns 14.9% of Crane’s ordinary shares.

Based on Fletcher Building’s share price at the close of trade yesterday, the value of the Offer equates to \$9.50 for each Crane ordinary share. The implied value of the Offer will vary depending on the price of Fletcher Building shares from time to time.

The Offer closing date is Friday, 25 February 2011, unless extended.

Fletcher Building chairman Ralph Waters said the Offer represented a substantial premium for shares in Crane<sup>1</sup> and provided Crane shareholders with the opportunity to participate in Australasia’s leading building materials company<sup>2</sup>.

“As chairman of Fletcher Building I am excited by the future opportunities for the combined Fletcher Building and Crane businesses, and look forward to welcoming Crane shareholders to Fletcher Building.

“The increased scale and breadth of operations generated by the combination of Fletcher Building and Crane is expected to enhance the future competitive position of both companies.

“We intend to operate Crane as a separate division within the larger Fletcher Building group and believe this approach will lead to stronger returns from the Crane business over time”, Mr Waters said.

Fletcher Building also announced that the condition in respect of the Fletcher Building share price, contained in section 12.8 (a) (xvii) of the Bidder’s Statement, has now been fulfilled.

---

<sup>1</sup> Measured against the one month VWAP of Crane shares to 14 December 2010, the day prior to the announcement of the Offer

<sup>2</sup> Measured by the market capitalisation of ordinary shares of ASX designated construction materials companies as at 11 January 2011.

The Offer is being made by Fletcher Building (Australia) Pty Limited, a wholly owned subsidiary of Fletcher Building, and is conditional on, among other things, the acquisition of 90 percent of Crane shares. The terms and conditions of the Offer are set out in the Bidder's Statement.

**END**

**For further information contact:**

Philip King  
General Manager Investor and Media Relations  
Ph: +64 9 525 9043  
Mob: +64 27 444 0203

**Australian media should contact:**

Mark Rudder  
Cosway Australia  
Mob: + 61 411 362 362