

Contractual negotiations for prison at Wiri completed

Auckland, 11 September 2012 - Fletcher Building Ltd announced today that it had successfully completed contractual negotiations for the construction of a new prison at Wiri, South Auckland.

The Fletcher Construction Company Ltd, a subsidiary of Fletcher Building Ltd, is part of the SecureFuture consortium which has achieved financial close for New Zealand's first Public Private Partnership project. The consortium has now entered into a contract with the Department of Corrections to design, build, own, maintain and operate the Wiri facility for 25 years.

Fletcher Construction is responsible for the design and construction component of the prison facility. Design and pre-construction planning has progressed throughout the preferred bidder stage; construction work will commence on site immediately, with a construction duration of approximately two and a half years.

The value of the design and construction contract is approximately \$300 million, with completion due mid-2015.

SecureFuture is made up of Fletcher Construction, who will design and construct the prison; Serco, who will operate it; Spotless Facility Services, responsible for maintenance; along with equity participants John Laing, InfraRed and The Accident Compensation Corporation. The consortium is advised by Macquarie Capital.

For further information contact:

Investor enquiries:

Philip King, General Manager Investor Relations

Phone: +64 9 525 9043

Mobile: +64 27 444 0203

Media enquiries:

Graham Darlow, Chief Executive, Construction Group

Phone: +64 9 525 4923

Mobile: +64 21 491 810

End