



News Release

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

ACQUISITION OF FORMAN GROUP LIMITED

Auckland, 22 November 2006 – Fletcher Building Limited today announced that it has entered into an agreement to purchase Forman Group Limited, a New Zealand-based specialist in the distribution and installation of thermal and acoustic insulation, and ceiling and wall systems within the commercial construction market.

The acquisition of Forman Group, with annual revenues of around \$70 million and approximately 270 employees throughout New Zealand, represents an opportunity for the Fletcher Building group to extend its range of interior building products and obtain a greater exposure to the commercial insulation market.

Fletcher Building chief executive Jonathan Ling said that the acquisition of such a long-standing, strongly performing company was very pleasing as it would increase the company's presence in the building interior fitout business, and extend its activities in the area of distributing related building materials. Forman Group will operate as a standalone business unit as part of the Building Products division.

The Forman business, which was established in 1913, has been acquired from members of the Forman family. The current directors of the business, Gary and Brent Forman will continue with the company in General Management roles.

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