



News Release

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

ACQUISITION OF MADDREN TIMBER BUSINESS

Auckland, 27 October 2006 – Fletcher Building Limited today announced that it has completed the purchase of the Maddren Timber building materials distribution business comprising three stores in northwest Auckland.

The acquisition of Maddren Timber, with annual revenues of around \$30 million, represents further progress in expanding the nationwide store coverage by PlaceMakers. The Maddren stores have previously traded under the ITM brand. These stores, plus the recent acquisition of a store in Mangawhai Heads continues the company's investment in the PlaceMakers building materials chain, which has in recent years focused on the development of new and refurbished stores.

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