

**FLETCHER BUILDING ANNOUNCES NEW ORGANISATION STRUCTURE
AND KEY MANAGEMENT CHANGES**

Auckland – 30 October 2014

Fletcher Building Limited announced today a new organisation structure and changes in several executive leadership roles. The changes follow an ongoing review of the business portfolio and business performance management.

Under the new organisation structure, business units will be combined to better align product and service offerings to customers. As a result, there will be a reduced number of larger business units, and these will provide each General Manager with the critical mass to benefit from economies of scale, further invest in people capabilities, and deploy greater resources in product innovation and customer service.

Two new divisions - Heavy Building Products and Light Building Products - will be formed under which the relevant business units will report. In addition to these two new divisions, a number of business units will be combined within the New Zealand Distribution division. Further details of the new business unit groupings within each division will be announced in the coming weeks.

Following this organisation review, a number of changes to the executive leadership team have been announced.

The roles of Chief Executive - Strategy and Performance Management (Gerry Bollman) and Chief Financial Officer (Nick Olson) will be combined. The newly expanded Chief Financial Officer role will be undertaken by Gerry Bollman. Nick Olson has been appointed to the new role of Group Finance Director.

Tim Richards (Chief Executive, Building Products division) and Mark Malpass (Chief Executive, Infrastructure Products division) will be leaving Fletcher Building as a result of their positions being disestablished. A global search is underway to find senior executives to fill the new established leadership roles for the Heavy Building Products and Light Building Products divisions. Further announcements will be made in the coming weeks regarding these appointments.

Fletcher Building chief executive officer Mark Adamson said the changes were part of a continued programme to drive improved execution of the company's strategy and to lift its operating and financial performance.

"We want to make Fletcher Building easier to do business with for our customers. Combining business units will help achieve this while at the same time improving our performance as we target further growth from the market", Mr Adamson said.

"We recognise that we must pursue organic growth opportunities while at the same time we need to do more to lift the performance of our business portfolio. We have a number of businesses, particularly in Australia, which are not performing to our expectation and which will require greater management input to drive the desired improvement".

Commenting on the changes to the Finance function, Mr Adamson said that they would allow greater focus on management of the business portfolio and on the financial performance at individual business unit level.

“I welcome Gerry to the Chief Financial Officer role. Gerry has made a significant contribution since joining the company from Formica, not least as the architect of the FBUnite business transformation programme.

“Nick Olson has done a tremendous job in restructuring and modernizing our Finance function since joining the business. I am delighted that Nick has agreed to take on the role of Group Finance Director. In this role Nick will continue the work of Finance transformation, further improve our performance management framework, particularly as it relates to capital management, and be the executive responsible for the businesses we have earmarked for divestment”, Mr Adamson said.

Mark Adamson thanked Tim Richards and Mark Malpass for their contributions to Fletcher Building.

“Tim and Mark have each made a significant contribution to the leadership of Fletcher Building. I’d like to wish them both every success for the future and to acknowledge their efforts over the past few years”, Mr Adamson said.

For further information contact:

Philip King
Group General Manager,
Investor Relations & Capital Markets
Phone: + 64 9 525 9043
Mobile: + 64 27 444 0203

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