

FBuShare

Your company, your share



Plan Examples

United States



1. USA or American Samoan employee participation example

1.1 Assumptions

The following assumptions apply to the examples in this document:

- The employee is located in United States of America (in one of the states or territories set out in the Information Guide) or American Samoa.
- For the purposes of this example we have used the Plan Year, which is April to March.
- The employee chooses an Annual Investment Amount of US\$2,400.
- The employee is paid monthly, so over a 12-month period each Regular Payment is US\$200 per month, deducted from the employee's after-tax pay.

- The Award Ratio is 1:2, being one Award Share for every two Purchased Shares or Additional Shares acquired in the first year of the Qualification Period and still held at the end of such period.
- The interim dividend rate is 9.9210 cents (A\$) per share.
- The final dividend rate is 13.4045 cents (A\$) per share.
- Any Shares acquired in years two and three of the Qualification Period have been ignored for the purposes of this example.

1.2 What will be the investment each month?

In the table below you will see that while the employee's Regular Payment remains the same, the funds available for the Plan Administrator to acquire Purchased Shares due to changes in the US\$/A\$ exchange rate and the number of Shares purchased varies because of changes in the Fletcher Building Share price.

Regular Payment made in	Regular Payment (US\$)	US\$/A\$ Exchange Rate	Dividend (A\$)	Available funds (A\$)	Share price (including brokerage) (A\$)	Number of Purchased / Additional Shares acquired	Balance (A\$)
April	200.00	1.0929		218.57	5.17	42	1.43
May	200.00	1.0687		215.18	5.05	42	3.08
June	200.00	1.0675		216.59	4.95	43	3.74
July	200.00	1.1007		223.88	5.10	43	4.58
August	200.00	1.0687		218.32	5.27	41	2.25
September	200.00	0.9781	28.28	226.14	5.42	41	3.92
October	200.00	1.0704		217.99	5.09	42	4.21
November	200.00	1.0034		204.89	4.86	42	0.77
December	200.00	1.0131		203.40	4.70	43	1.30
January	200.00	1.0593		213.16	4.94	43	0.74
February	200.00	1.0687		214.49	5.09	42	0.71
March	200.00	1.0704	46.03	260.81	4.90	53	1.11
	\$2,400.00		\$74.31			517	

After 12 months, the employee has contributed US\$2,400, received A\$74.31 in dividends and acquired 517 Purchased Shares with A\$3.73 in cash remaining held in the Plan.

1.3 What will be the value of my Shareholding at the end of the Qualification Period?

There are many possible scenarios for your Shareholding at the end of the Qualification Period, depending on the

Fletcher Building Share price and how many Shares you have retained. Some examples are set out in the table below utilising the above assumptions, although they do not take any taxation consequences into consideration.

Examples of employee holdings under the Plan	Employee 1	Employee 2	Employee 3	Employee 4
Contributed (US\$)	US\$2,400	US\$2,400	US\$2,400	US\$2,400
Dividends (A\$)	A\$74.31	A\$74.31	A\$74.31	A\$74.31
Number of Purchased and Additional Shares acquired in first year	517	517	517	517
Number of those Purchased Shares sold by employee during Qualification Period	0	0	250	100
Number of Award Shares available at end of Qualification Period in respect of first year's investment	258	258	133	208
Total Shares	775	775	400	625
Assumed Share price (A\$)	A\$5.00	A\$6.00	A\$6.00	A\$6.00
Assumed US\$/A\$ exchange rate	1.0552	1.0552	1.0552	1.0552
Estimated US\$ value of Shareholding	US\$3,672	US\$4,407	US\$2,274	US\$3,554

All figures used in the table above are examples only – Fletcher Building's Share price will affect both the number of Shares purchased and the value of the Shareholding.

Looking at the above table:

(a) Employee 1

Employee 1 contributes US\$2,400 and receives A\$74.31 in dividends and does not sell any of the 517 Purchased and Additional Shares acquired during the first year of the Qualification Period. Because the employee is still employed by the Fletcher Building Group at the end of the three year Qualification Period and still holds all of the Shares acquired over the initial Plan Year, the employee will receive 258 Award Shares at the end of the three year Qualification Period. This leaves the employee holding 775 Fletcher Building Shares, valued at US\$3,672 (based on a Share price of A\$5.00 and an assumed exchange rate of US\$/A\$1.0552) at the end of the Qualification Period.

(b) Employee 2

The example using employee 2 shows that if the Fletcher Building Share price is higher, the overall value of an employee's Shareholding will be greater. Similarly, if the Share price goes down, the overall value of an employee's Shareholding will decrease.

(c) Employee 3

During the Qualification Period, employee 3 sells 250 of the Purchased and Additional Shares acquired during the first year of the Qualification Period. The employee loses the right to receive Award Shares for the Shares sold during the Qualification Period and will only receive Award Shares on the net balance of 267 Purchased Shares and Additional Shares that remain at the end of the three year Qualification Period. This leaves the employee holding 400 Fletcher Building Shares, valued at US\$2,274 (based on a Share price of A\$6.00 and an assumed exchange rate of US\$/A\$1.0552) at the end of the three year Qualification Period.

(d) Employee 4

During the Qualification Period, employee 4 sells 100 of the Purchased and Additional Shares acquired during the first year of the Qualification Period. The employee loses the right to receive Award Shares for the Shares sold during the Qualification Period and will only receive Award Shares on the net balance of 417 Purchased Shares and Additional Shares that remain at the end of the three year Qualification Period. This leaves the employee holding 625 Fletcher Building Shares, valued at US\$3,554 (based on a Share price of A\$6.00 and an assumed exchange rate of US\$/A\$1.0552) at the end of the three year Qualification Period.