



Shareholders say Fletchers Building's announcement lacks transparency

20th March 2017

The New Zealand Shareholders Association (NZSA) says Fletchers' statement this morning on their earnings downgrade fails to explain to shareholders how such a massive change has come about.

NZSA CEO, Michael Midgley, said investors are forward looking people and the lack of information in the announcement including whether the contracts concerned are ongoing or completed gives them no comfort about the future. The absence of any specific details on the reversal of fortunes and the tone of the announcement to the market also suggests that the problems may be systemic.

In any event, the second downgrade in short order raises clear questions around the ability of the Chief Executive to remain in the role.

Midgley said "the NZSA will ask the company for an early meeting for a clearer explanation of the issues and will be seeking to ensure that accountability rests where it should."

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