



4 September 2014

Market Information
NZX Limited
Level 2, NZX Centre
11 Cable Street
Wellington
New Zealand

Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
Level 6, 20 Bridge Street
Sydney NSW 2000
Australia

Small shareholder buy-back scheme update

On 27 May 2014, TOWER Limited (NZE/ASX: TWR) announced its response to shareholder requests for a cost-effective solution to dispose of small parcels of shares in TOWER Limited. Shareholders with fewer than 200 shares were provided with three options:

1. Do nothing if they wish to have their shares bought back and cancelled by TOWER, at a price of \$1.72 per share and without incurring brokerage or other fees.
2. Increase their shareholding to more than 200 shares on the market. Any market share purchase to increase shareholding to more than 200 shares must be cleared and settled prior to 12 September 2014.
3. Opt-out of the buy-back and retain their shareholding by providing TOWER's share registry, Computershare, with the 'opt-out' form before 12 September 2014.

TOWER was required to give three months' notice and shareholders who have fewer than 200 shares at close of business on 12 September 2014, and who have not filled in the opt out form, will have their shares cancelled on that date and will be paid out at NZ\$1.72 per share with a payment date of 17 September 2014. This price was based on the volume weighted average price at which TOWER shares traded over the five days up to 27 May 2014, when the plan was announced. Shareholders registered on the Australian register will be paid in Australian dollars at the conversion rate applicable on the trading day prior to the payment date.

Under the NZX Main Board Listing Rules, and unless otherwise determined by NZX, if the market price of a listed company's share price exceeds \$1 but does not exceed \$2, the minimum holding is 200 shares. Where the company's share price exceeds \$2 but is less than \$5, the minimum parcel is 100 shares.

Over the past week, TOWER's share price has exceeded \$2 and at the time of this announcement is \$2.01. Following an application by TOWER, the NZX has issued a determination that TOWER may maintain the minimum parcel size of 200 shares, notwithstanding that TOWER's share price has recently risen and may exceed \$2.00 on the buy-back date, but provided TOWER's share price does not exceed \$5.00 on 12 September 2014. This determination applies to this cancellation scheme only.

Shareholders are reminded that they still have the three options as outlined above. Any questions about the proposed cancellation should be submitted by email to investor.relations@tower.co.nz.

ENDS

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