



15 September 2014

Market Information
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Wellington
New Zealand

Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
Level 6, 20 Bridge Street
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TOWER completes small shareholding buyback scheme

For the purposes of Rule 7.12.1 of the Main Board Listing Rules, TOWER Limited (NZX/ASX: TWR) announces that it has completed its small shareholding buyback scheme, announced on 27 May 2014, which enabled shareholders with fewer than 200 shares to have their shareholdings bought back and cancelled without incurring brokerage.

Under this scheme, TOWER bought back and cancelled 2,395,681 ordinary shares (ISIN: NZTWRE0011S2) at NZ\$1.72 per share, for a total consideration of \$4,120,571. This represents 1.34% of TOWER's outstanding ordinary shares on issue. Following the cancellation TOWER has 175,749,449 shares on issue.

The buyback and cancellation of small holdings was carried out following requests from shareholders for a cost-effective solution to dispose of their small parcels of shares in TOWER. This had been highlighted to the Board during the voluntary share buy-back programme earlier this year.

On 11 June 2014, TOWER posted to shareholders with fewer than 200 shares, a letter outlining their options which included details for disposing of their holdings, increasing their holdings to above the 200 share threshold, or opting out from the buyback scheme and retaining their shareholding. Shareholders were provided with three months' notice to make a decision in respect of their small shareholdings, which expired on Friday 12 September 2014.

In addition to providing a fair and low cost method for small shareholders to dispose of their shares, the buyback scheme will also deliver benefits to TOWER through a reduction in the ongoing costs of servicing shareholders. In this regard, the cancellation of small holdings has resulted in the total number of shareholders reducing by 19,193 to 29,718. No shares are being held as treasury stock.

On 4 September 2014, NZX issued a determination confirming that TOWER may continue to treat 200 shares as a minimum parcel notwithstanding that its share price exceeds \$2.00.

Payments for the shares bought back and cancelled will be made in cash on 17 September 2014 in the same manner as dividend payments.

Shareholders registered on the Australian register will be paid in Australian dollars at the conversion rate applicable on 16 September 2014.

ENDS

David C Hancock
Chief Executive Officer
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