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News Release

THE BUSINESS EDITOR

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Information on Tenon Limited can be found at <http://www.tenonglobal.com>.

STOCK EXCHANGE LISTING: NEW ZEALAND (TEN)

TENON TRADING UPDATE – Q1 FY'16¹

21 October 2015 – Tenon announced today that its internal (unaudited) EBITDA² result for the three months to 30 September 2015 was US\$6 million. This figure is inclusive of just under US\$1 million of realised FX hedging losses (as the NZD:USD cross rate weakened across the period relative to contracted cover rates already taken) and costs relating to the Strategic Review the Company is currently undertaking.

Luke Moriarty, Tenon's Chairman said "On a comparable basis, we recorded EBITDA of US\$3.2 million for the same period last year, so we almost doubled the prior period's result – and excluding FX gains and losses in both periods, we were up more than 110% period-on-period. And as a further comparison point, US\$6 million of EBITDA for our first quarter equals our total reported EBITDA for the first half of last year. So the new fiscal year has begun well for the Company, and we believe we are well on track to achieve our previously announced internal target, of EBITDA in excess of US\$20 million³ for our FY'16¹ year."

¹ Tenon's fiscal year is 30 June, so FY'16 refers to the 12 months ending 30 June 2016

² EBITDA (i.e. Earnings before interest, taxation, depreciation and amortisations) is a non-GAAP financial measure that equity analysts tend to focus on for comparable company performance, because that number removes distortions caused by differences in asset ages, depreciation policies, and debt:equity structure. Please also refer to our 2015 Annual Report for further discussion of this measure.

³ Eventual EBITDA outcome will be depended upon continued US housing market recovery, the path of the NZD:USD cross rate, and the Strategic Review (amongst other drivers), most of which are outside of the control of Tenon. This target is pre FX hedging gains and losses, and Strategic Review cost.

ENDS

FORWARD LOOKING STATEMENTS

There are forward-looking statements included in this document. As forward-looking statements are predictive in nature, they are subject to a number of risks and uncertainties relating to Tenon, its operations, the markets in which it competes and other factors (some of which are beyond the control of Tenon). As a result of the foregoing, actual results and conditions may differ materially from those expressed or implied by such statements.