



13 February 2018

Market Information
NZX Limited
Level 1, NZX Centre
11 Cable Street
Wellington
New Zealand

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

Financial impacts of recent storm activity

Tower Limited (NZX/ASX: TWR) said today that while they are still working through the early stages, the financial impact of recent weather activity will be approximately \$5 million after tax.

"New Zealand has experienced some unusually inclement weather this summer and we are committed to helping our customers get back on their feet as soon as possible," said Richard Harding, Chief Executive Officer.

Tower received approximately 300 claims as a result of the New Year storms, and based on analysis to date, Tower estimates the financial impact will be between \$1.4 - \$1.8 million after tax.

Tower has received 150 claims so far, as a result of ex-cyclone Fehi. While still early, and with more claims expected, Tower estimates that the financial impact will be between \$2.2 - 3.2 million after tax.

Tropical Cyclone Gita has passed through Samoa, American Samoa and Tonga, and may impact Fiji. Tower's team in the Pacific Islands is focused on ensuring the safety of customers and communities and it is too early to understand the extent of any damage.

Tower has a non-catastrophe reinsurance program in place to restrict losses of such events, where Tower absorbs the first \$7 million of before-tax losses and reinsurance covers the next \$10 million, up to \$5 million per event. Weather events in New Zealand may have already reached \$7 million.

Should damage from Tropical Cyclone Gita exceed \$5 million, Tower may be exposed to a further \$3.5 million after tax, prior to catastrophe cover commencing. Tower retains full catastrophe cover of \$798 million, plus appropriate back-up cover.

ENDS

TOWER
Richard Harding
Chief Executive Officer
Tower Limited
ARBN 088 481 234 Incorporated in New Zealand

For media enquiries, please contact in the first instance:

Nicholas Meseldzija
Head of Corporate Communications
Tower Limited
Mobile: +64 21 531 869
Email: nicholas.meseldzija@tower.co.nz