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Information on Tenon Limited can be found at <http://www.tenon.co.nz>.

STOCK EXCHANGE LISTING: NEW ZEALAND (TEN)

Tenon Provides Earnings Guidance (released 28 March 2011)

Tenon announced today that, due primarily to the adverse impact that severe winter storms in the US have had on retail home store spending in the first two months of calendar 2011 and the negative impact that ongoing international events (e.g. unrest in the Middle East and North Africa, and the Japan earthquake) are likely to have on market and operating conditions for the remainder of the fiscal year, Tenon now estimates its reported EBITDA (i.e. earnings before interest, tax, depreciation and amortisations) for the second half of its 2011 fiscal year (i.e. for the six-month period to 30 June 2011) will be “flat” (i.e. +/- 15%) on the US\$4 million EBITDA it reported for the six months to 31 December 2010.

This estimate is prior to any positive earnings impact that may arise in the period from the revaluation of its remaining forest assets, as required under IFRS.

There are statements in this document that are “forward-looking Statements”. As these 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. In particular Tenon's operations and results are significantly influenced by the level of activity in the various sectors of the economies in which it competes. Fluctuations in industrial output, commercial and residential construction activity, changes in availability of capital, declining housing turnover and pricing, declining levels of repairs, remodelling and additions to existing homes in North America, relative exchange rates, interest rates in each market, and profitability of customers, can have a substantial impact on Tenon's results of operations and financial condition. Other risks include competitor product development and demand and pricing and customer concentration risk.