

24 February 2021

FLEETWOOD DELIVERS STRONG FIRST HALF YEAR EARNINGS

CORPORATE HIGHLIGHTS

\$ million	H1 FY21	H1 FY20	Change
Revenue	169.9	161.3	5%
EBITA	16.0	12.8	26%
Pre-tax profit	13.4	10.1	34%
NPATA ¹	10.7	8.4	27%

DIVISIONAL RESULTS

Building Solutions	H1 FY21	H1 FY20
Revenue	121.3	106.6
EBITA	4.1	2.8
Accommodation Solutions		
Revenue	22.4	22.5
EBITA	10.9	9.6
RV Solutions		
Revenue	31.2	35.6
EBITA	3.7	2.5

¹ NPATA = Underlying NPAT plus after-tax amortisation of contract intangible.

Fleetwood Limited (ASX: FWD) (Fleetwood or the Company) is pleased to announce strong first half earnings for FY21, driven by solid performances across all three operating divisions.

Fleetwood has delivered a 26% increase in earnings before interest, tax and amortisation (EBITA) to \$16.0 million on a 5% lift in revenue to \$169.9 million.

Shareholders will receive an interim dividend of 6 cents per share following an increase in the annual dividend payout ratio to 100% of net profit after tax (NPATA basis).

Importantly, strong cashflow generation has resulted in net cash of \$65 million (compared to \$28.7 million in the previous corresponding period and \$66 million at 30 June 2020) after accounting for the first half dividend payment of \$11.4 million.

APPOINTMENT OF NEW CHAIR

Phillip Campbell announced at the November 2020 AGM his intention to retire upon Fleetwood's Half Year results and has resigned from the Board effective from Friday 26 February 2021.

The Company is pleased to advise the appointment of John Klepec as Chair of the Board effective Friday 26 February.

Phillip Campbell said *"It has been an honour to have served the shareholders of Fleetwood Limited alongside my fellow directors over the last four and a half years. I wish John good fortune and will be watching the further evolution of Fleetwood with interest."*

CEO COMMENT

Commenting on the first half results, Interim Chief Executive Officer Andrew Wackett said:

"This is a very pleasing result, particularly in the face of ongoing challenges caused by the COVID-19 global pandemic."



“All three business divisions have continued to perform admirably and contributed to this solid result.

“We continue to generate strong cashflow and our new dividend policy, increasing payouts to 100%, demonstrates to our shareholders we will continue to exercise prudence with our capital management.

“Our Accommodation Solutions business benefitted from COVID-related rostering changes, albeit second half earnings are not expected to match the first half result, with a return to more normal occupancy patterns. The outlook is positive, with key client Rio Tinto recently extending its contract for a further 13 months and forecasts of sizeable capital investment and construction activity in the oil and gas and resources sector in the region, which will drive demand for our service.

“Our Building Solutions division has finished the half with an order book of \$140 million. While the level of work and outlook are both positive, we are clearly focussed on ensuring this division delivers the margins and earnings that we believe are achievable. A three-part strategy is being executed prioritising diversification and growth of the revenue base, integrating the business nationally, and ensuring we have the framework to deliver operational excellence.

“Despite being forced to shut down for a period and having to rely on JobKeeper support to maintain the workforce, RV Solutions has more recently been a beneficiary of pandemic-forced international travel restrictions. October, November and December delivered very strong sales and pleasingly that trend has continued as Australians embrace domestic travel.”

Full details of the half yearly results can be found in the half year Directors' Report Review of Operations.

This announcement was authorised by the Fleetwood Limited Board.

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