



Fleetwood Corporation Limited
ABN 69 009 205 261

Appendix 4D
Half Year Ended 31 December 2006

Results for Announcement to the Market

	Change %		Amount \$'000
Revenue from ordinary activities	up 27%	to	158,542
Profit from ordinary activities after tax attributable to members	up 25%	to	12,781
Net Profit attributable to members	up 25%	to	12,781

Dividends	Amount per security	Franked % per security
Interim dividend	9 ¢	100%
Special dividend	20 ¢	100%
Total dividend for period	<input type="text" value="29 ¢"/>	
Previous corresponding period	<input type="text" value="28 ¢"/>	100%
Record date for determining entitlements to the interim and special dividend	<input type="text" value="19 February 2007"/>	
Date the interim and special dividend is payable	<input type="text" value="30 March 2007"/>	

For further information please contact:

Brad Denison
Company Secretary
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BradD@Fleetwoodcorp.com.au



Fleetwood Corporation Limited
ABN 69 009 205 261

Half Year Financial Report

31 December 2006

Directors' Report

The directors present their report together with the consolidated financial statements for the half-year ended 31 December 2006.

Directors

The directors of the company during or since the end of the half-year are:

Peter Gunzburg – Chairman, Non-executive
Greg Tate – Managing Director
Robert McKinnon – Executive
Stephen Gill – Non-executive
Michael Hardy – Non-executive

Review of Trading Results

Overview

	\$million
Revenue	up 27% to \$158.5
EBITDA	up 23% to \$23.6
EBIT	up 26% to \$19.4
Operating profit after tax	up 25% to \$12.8

The benefits of the strategic rationalisation of operations undertaken over the past 2 years have begun to positively impact earnings.

The rationalisation included;

- Expanding the Coromal and Windsor caravan manufacturing facilities
- Developing purpose built production facilities in Western Australia and Victoria for manufactured accommodation.
- Relocating Camec in New South Wales to new warehouse style premises.

The impact of the rationalisation on earnings will be more significant in future periods.

Review of Operations

Recreational Vehicles

Demand for caravans remains strong with Coromal and Windsor both having full order books going into the second half. Fleetwood caravan production volumes for the first half are up 8% compared to the previous corresponding period.

\$ million	2006	2005	% Chg
Revenue	95.0	86.3	10.1%
EBIT	11.8	10.9	8.3%
EBIT Margin	12.4%	12.6%	

Recruitment and training of personnel at Coromal and Windsor impacted productivity during the period, however availability and turnover of labour is expected to be more stable in the second half.

Camec as a major supplier to the RV industry continues to benefit from increased demand from manufacturers

Manufactured Accommodation

Demand for accommodation for resource projects and retirement villages continues to run at record levels and is expected to remain strong in the second half.

\$ million	2006	2005	% Chg
Revenue	63.2	37.5	68.5%
EBIT	8.6	4.9	75.5%
EBIT Margin	13.6%	13.1%	

Occupancy rates at Searipple Village in Karratha remain above forecast mainly as a result of accommodation demand associated with the Woodside LNG 5 Project. Other projects in the region are also impacting accommodation demand and therefore high utilisation during the second half of the year is expected.

Dividends

Interim Dividend

A fully franked interim dividend of 9 cents per share will be paid on 30 March 2007.

Special Dividend

In conjunction with the interim dividend a fully franked special dividend of 20 cents per share will be paid on 30 March 2007.

Subject to ongoing profitability, acquisition opportunities and market conditions, it is the directors' intention to pay a special dividend of 20 cents per share with each interim and final dividend during the next 18 months; i.e. further special dividends of 60 cents per share.

Dividend Reinvestment Plan

The Company's dividend reinvestment plan will be available for the purpose of this dividend. Shares will be issued at a 2.5% discount to the weighted average market price at the record date. The last date for receipt of an election notice for participation in the plan is 19 February 2007.

Shares issued under the Plan will be entitled to any future special dividend payments.

Outlook

With the completion of its strategic rationalisation Fleetwood is now able to focus on core business activities in the Retirement, Recreation and Resource sectors and therefore we remain confident about future earnings and growth potential.

Auditor's Independence Declaration

Section 307C of the Corporation Act 2001 requires our auditor, Deloitte Touche Tohmatsu to provide the directors of Fleetwood Corporation Limited with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration forms part of this Directors' Report, and is included on page 4.

Rounding

The company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors made pursuant to s. 306(3) of the Corporation Act 2001.

On behalf of the Directors

A handwritten signature in black ink that reads "Greg Tate". The signature is written in a cursive, flowing style.

Greg Tate
Director

Perth, 28 February 2007

The Board of Directors
Fleetwood Corporation Limited
21 Regal Place
EAST PERTH WA 6004

28 February 2007

Dear Board Members

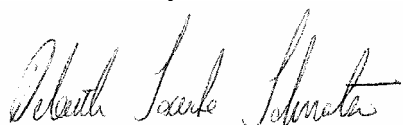
Fleetwood Corporation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Fleetwood Corporation Limited.

As lead audit partner for the review of the financial statements of Fleetwood Corporation Limited for the half-year ended 31 December 2006, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



KEITH JONES
Partner
Chartered Accountants
Perth, WA

Directors' Declaration

The directors declare that:

- (a) in the directors opinion, there are reasonable grounds to believe that the disclosing entity will be able to pay its debts as and when they become due and payable; and
- (b) in the directors opinion, the attached financial statements and notes thereto are in accordance with the Corporation Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporation Act 2001.

On behalf of the Directors

A handwritten signature in black ink that reads "Greg Tate". The signature is written in a cursive, flowing style.

Greg Tate
Director

Perth, 28 February 2007

Fleetwood Corporation Limited
Consolidated Income Statement
Half Year Ended 31 December 2006



	2006	2005
	\$ '000	\$ '000
Sale of goods	144,961	113,657
Rentals	12,897	9,913
Interest	315	370
Profit on sale of non-current assets	369	633
Revenue	158,542	124,573
Materials used	(84,499)	(59,228)
Sub-contract costs	(11,953)	(8,931)
Employee benefits expense	(26,745)	(24,899)
Operating leases	(2,698)	(2,454)
Other expenses	(9,043)	(9,923)
Profit before interest, tax, depreciation and amortisation (EBITDA)	23,604	19,138
Depreciation and amortisation	(4,189)	(3,717)
Profit before interest and tax (EBIT)	19,415	15,421
Finance costs	(1,113)	(962)
Profit before income tax expense	18,302	14,459
Income tax expense	(5,521)	(4,217)
Profit attributable to members of the parent entity	12,781	10,242
 Earnings Per Share		
Basic earnings per share (cents)	26.2	21.9
Diluted earnings per share (cents)	26.0	21.8

Fleetwood Corporation Limited
Consolidated Balance Sheet
As at 31 December 2006



	31 Dec 2006 \$ '000	30 June 2006 \$ '000
Current assets		
Cash and cash equivalents	4,762	10,490
Trade and other receivables	38,436	37,305
Inventories	41,077	37,506
Other financial assets	-	35
Total current assets	<u>84,275</u>	<u>85,336</u>
Non-current assets		
Trade and other receivables	107	96
Property, plant and equipment	65,080	67,063
Intangible assets	32,626	32,237
Total non-current assets	<u>97,813</u>	<u>99,396</u>
Total assets	<u>182,088</u>	<u>184,732</u>
Current liabilities		
Trade and other payables	38,988	34,018
Interest bearing liabilities	-	33,000
Tax liabilities	1,413	889
Provisions	2,577	2,536
Other financial liabilities	20	-
Total current liabilities	<u>42,998</u>	<u>70,443</u>
Non-current liabilities		
Interest bearing liabilities	21,000	-
Deferred tax liabilities	1,604	1,675
Provisions	2,113	1,895
Total non-current liabilities	<u>24,717</u>	<u>3,570</u>
Total liabilities	<u>67,715</u>	<u>74,013</u>
Net assets	<u>114,373</u>	<u>110,719</u>
Equity		
Issued capital	90,088	83,735
Reserves	(214)	(451)
Retained earnings	24,499	27,435
Total equity	<u>114,373</u>	<u>110,719</u>

Fleetwood Corporation Limited
Consolidated Statement of Recognised Income and Expense
Half Year Ended 31 December 2006



	2006 \$ '000	2005 \$ '000
Exchange differences taken to equity on translation of foreign operations	237	-
Net income recognised directly in equity	237	-
Profit for the period	12,781	10,242
Total recognised income and expense for the period	13,018	10,242

Fleetwood Corporation Limited
Consolidated Cash Flow Statement
Half Year Ended 31 December 2006



	2006	2005
	\$ '000	\$ '000
Cash flows from operating activities		
Receipts in the course of operations	173,158	136,059
Payments in the course of operations	(150,322)	(124,539)
Interest received	316	370
Income taxes paid	(5,067)	(9,553)
Finance costs	(1,113)	(962)
Net cash provided by operating activities	16,972	1,375
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	2,187	5,765
Acquisition of property, plant and equipment	(3,343)	(3,478)
Net cash (used in) provided by investing activities	(1,187)	2,287
Cash flows from financing activities		
Proceeds from issue of shares	644	905
Proceeds from borrowings	-	7,500
Repayment of borrowings	(12,000)	-
Dividends paid	(10,221)	(10,057)
Net cash used in financing activities	(21,577)	(1,652)
Net (decrease) increase in cash held	(5,792)	2,010
Cash and cash equivalents at the beginning of the financial year	10,490	3,506
Effects of exchange rate changes on the balance of cash held in foreign currencies.	64	12
Cash and cash equivalents at the end of the period	4,762	5,528

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

2. Issued capital

Issued and paid-up capital
 49,297,232 (30 June 2006: 48,312,429) ordinary shares, fully paid.

On 31 October 2006, 824,268 (31 October 2005: 752,666) shares were issued at a price of \$6.38 per share pursuant to the Company's Dividend Reinvestment Plan.

During the period 160,535 (2005: 281,444) shares were issued as a result of the exercise of options pursuant to the Employee Share Option Plan and Executive Share Option Plan.

3. Dividends

During the period, a final dividend of 12.5 cents and a special dividend of 20 cents per share was paid for the year ended 30 June 2006.

During the year 824,268 shares were issued pursuant to the Dividend Reinvestment Plan.

	2006		2005	
	Cents per share	\$ '000	Cents per share	\$ '000
Recognised amounts				
Final dividend	12.5	6,058	12.0	5,580
Special dividend	20.0	9,692	20.0	9,300
	32.5	15,750	32.0	14,880

The last date for receipt for an election notice for participation in the Dividend Reinvestment Plan is 19 February 2007.

4. Segment information

	Segment Revenue		Depreciation and Amortisation		Segment Results (EBIT)	
	2006 \$ '000	2005 \$ '000	2006 \$ '000	2005 \$ '000	2006 \$ '000	2005 \$ '000
Recreational Vehicles	95,029	86,270	1,634	1,180	11,781	10,870
Manufactured Accommodation	63,181	37,500	2,417	2,419	8,595	4,887
Unallocated	332	803	138	118	(961)	(336)
	158,542	124,573	4,189	3,717	19,415	15,421
Finance costs					(1,113)	(962)
Profit before income tax expense					18,302	14,459
Income tax expense					(5,521)	(4,217)
Profit from continuing operations					12,781	10,242

5. Net tangible assets per security

Net tangible assets per security	\$1.66	\$1.64
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Independent Auditor's Review Report to the Members of Fleetwood Corporation Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Fleetwood Corporation Limited, which comprises the consolidated balance sheet as at 31 December 2006, and the consolidated income statement, cash flow statement, statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor Fleetwood Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Fleetwood Corporation Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



KEITH JONES

Partner

Chartered Accountants

Perth, 28 February 2007