

29 August 2019

FY19 FINANCIAL RESULTS

Fleetwood Corporation Limited (ASX: FWD) (**Fleetwood**) is pleased to announce financial results for the year ended 30 June 2019. The group reported revenue of \$315.3 million (FY18: \$267.0m, up 18%), EBITA of \$25.3 million (FY18: \$18.8m, up 34%) and NPAT from continuing operations of \$14.0 million (FY18: \$12.2m, up 15%). The statutory NPAT loss was \$6.2 million (FY18 loss of \$13.5m) after allowing for losses from discontinued operations (primarily Caravan Manufacturing).

These results reflect the first-year contributions from Modular Building Systems and Northern RV to their segments with both delivering results in line with their respective acquisition cases.

Fleetwood Managing Director and CEO Brad Denison said that the result was pleasing, with Revenue, EBITA and NPAT all considerably improved compared to the prior corresponding period.

“We have had excellent contributions from both acquisitions into Modular Accommodation and Parts and Services, which together with an improvement in Village Operations has seen better results across all our segments.

“In Modular Accommodation we are seeing very good fundamental demand drivers across most areas, with large numbers of new schools confirmed in both New South Wales and Victoria, as well as new prison cells for New South Wales and overcrowding in most other States.

“Whilst the inherent short time frames involved in Modular Accommodation build times, and the project nature of the work limit order book visibility beyond six to nine months, the quality of the Modular Accommodation product for both schools and corrections, and previous sales success gives Fleetwood significant confidence in capturing a share of future spend. An increasing number of small mining projects also points to healthy order flow from the resources sector, counterbalanced by subdued affordable housing volumes.

“Village Operations benefitted from high activity levels in FY19 with new competing capacity now expected to come on later than previously anticipated.

“Parts and Services continues to look to servicing more of the imported caravan market, as well as aftermarket sales, to hedge against tough conditions in local caravan builds.

“The group has also had a significant focus on improved working capital management, resulting in cash flow from operations of \$31.9 million, compared to \$17.9 million in 2018,” Mr Denison said.

A detailed discussion of Fleetwood’s trading results is included in the Financial Report.

About Fleetwood

Fleetwood is a provider of innovative affordable modular accommodation solutions and parts and services.

Established in 1964 and employing people in Australia and New Zealand, Fleetwood aims to outperform by providing genuine value. Our beliefs and commitment are outlined in the company’s statement of values “Delivering the Promise”.

For more, please visit www.fleetwoodcorporation.com.au



Fleetwood's FY19 financial results are summarised as follows:

\$ million	FY19	FY18	Change
Revenue			
Parts and Services	72.8	66.6	9%
Modular Accommodation	209.4	179.3	17%
Village Operations	37.0	27.9	32%
Unallocated	0.4	0.2	n/a
Intersegment eliminations	(4.2)	(7.0)	n/a
Total revenue	315.3	267.0	18%
EBITA			
Parts and Services	5.7	3.6	59%
Modular Accommodation	12.6	10.1	25%
Village Operations	11.5	9.1	26%
Unallocated	(4.5)	(4.0)	n/a
Total EBITA	25.3	18.8	34%
Amortisation of contract intangible	3.1	0.0	n/a
Finance costs	0.9	1.2	-31%
Pre-tax profit	21.4	17.6	22%
Tax expense	7.4	5.4	37%
NPAT from continuing operations	14.0	12.2	15%
Loss from discontinued operations	(20.3)	(25.7)	n/a
Statutory NPAT	(6.2)	(13.5)	n/a

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