

30 March 2020

Update on Impact from COVID-19

Due to the current exceptional circumstances and growing uncertainty surrounding the potential duration and impact of COVID-19, Fleetwood Corporation Limited (ASX: FWD) (**Fleetwood**) is withdrawing FY20 earnings guidance.

This decision has been made even though Fleetwood:

- has a strong balance sheet;
- has a net cash position;
- has an undrawn facility with its financier Westpac of \$50m; and
- financial performance for Q3 FY20 has been in line with FY20 Underlying EBITA guidance as reiterated to the market at the time of the company's half year FY20 result on 24 February 2020.

The potential impacts of COVID-19 on Fleetwood's operations are as follows:

- **(Building Solutions segment)**: although there has been minimal disruption to existing construction projects to date, supply chain disruptions arising from COVID-19 as well as economic dislocation could potentially result in delays to the commencement of future projects. However, Fleetwood is presently offering assistance to State government agencies given the company's rapid build capability.
- **(Accommodation Solutions segment)**: the Accommodation Solutions segment could potentially be impacted if restrictions limiting Fly-In Fly-Out (FIFO) workforces were to be introduced.
- **(RV Solutions segment)**: the RV Solutions segment has performed in line with expectations in Q3 FY20, however it is now apparent that consumer demand for recreational vehicles and associated parts and services will reduce in Q4 FY20. As a result, some manufacturers in this segment are planning longer than usual Easter period shutdowns.

Additionally, following the New Zealand Government's announcement to close all non-essential businesses for a four week period, Fleetwood subsidiary Camec's New Zealand branch has been temporarily closed.

Fleetwood is taking proactive measures to ensure the safety of its people and to sustain services to customers. Management are also focussed on the preservation of cash to ensure the business is in the best position possible and several initiatives have been enacted to lower capital and operating expenditure in the short term.

Fleetwood has established a dedicated team to monitor, assess and provide guidance to its business daily, taking advice from government agencies. Fleetwood will continue to closely monitor developments and provide further updates as required.

Fleetwood Managing Director & CEO Brad Denison said "Our priority at Fleetwood is the safety of our people, business continuity, and ensuring we remain well positioned for when conditions stabilise. We will continue to support our customers and the communities in which we operate during this challenging time."

This announcement was authorised to be given to the ASX by the Fleetwood Corporation Limited Board.

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