

27 June 2014

The Manager  
Company Announcements Office  
Australian Securities Exchange

### **Trading Update**

Consumer confidence in some of Fleetwood's markets still remains weak. Strong demand is being experienced in the education sector in Western Australia, Victoria and Queensland however with lower occupancy at Searipple and poor performance in the resource sector it is expected that second half operational EBIT will be approximately \$3m.

The operational phase of Osprey Village has commenced. The village generates a Government underwritten earnings stream for Fleetwood which is not dependent on village occupancy. Subject to finalisation of commercial terms, Fleetwood will operate the village for the WA Department of Housing for a term of 15 years.

### **Accommodation Agreement – Rio Tinto**

In December 2012 Fleetwood entered into an agreement with Rio Tinto to provide accommodation services at Searipple Village in Karratha. The agreement was extended in December 2013 for six months. Fleetwood and Rio Tinto have now agreed to extend the term of the agreement for a further six months until December 2014. Under the terms of the agreement, Rio Tinto retains two further options to extend the term at six month intervals.

### **Contract Award – Combabula Village**

Fleetwood has been awarded a contract to build and rent to Laing O'Rourke a 200 person fly camp and a 350 person construction camp at Combabula in Queensland.

The minimum rental term is 20 months. Company owned buildings with a value of \$5m will be used in the camps with additional CAPEX of approximately \$12m being funded from existing funding sources. As a result of this funding net debt at 30 June will be approximately \$60m of which \$32m relates to the Osprey project which is supported by an earnings agreement with the State government of Western Australia.

## **Chief Executive Officer**

Steve Price who recently announced his resignation as Chief Executive Officer has since left the company. An executive search for the position of managing director of Fleetwood is well advanced with an appointment expected to be announced in July 2014.

For further information contact

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**Chief Financial Officer**

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## **About Fleetwood**

Fleetwood provides modular accommodation solutions, recreational vehicles including parts and accessories to the retirement, recreation and resource sectors . Our objective is to outperform financially by providing genuine value.

Our beliefs and commitment are built around “Delivering the Promise”.For more, please visit [www.fleetwoodcorporation.com.au](http://www.fleetwoodcorporation.com.au)

Established in 1964, Fleetwood celebrates in 2014 its 50<sup>th</sup> anniversary.