

23 November 2012

Company Announcements Office
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth, WA 6000

Dear Sir

Annual General Meeting - Chairman's Address

In accordance with Listing Rule 3.13.3, please find attached a copy of the Chairman's Address, which is to be presented at the Company's Annual General Meeting commencing at 9:30am, 23rd November 2012.

Yours faithfully



Bradley Denison
Company Secretary



Delivering the Promise

2012 ANNUAL GENERAL MEETING CHAIRMAN'S ADDRESS

WELCOME

Good morning ladies and gentlemen. Welcome to the 26th Annual General Meeting of Fleetwood Corporation Limited. My name is Michael Hardy and I am Chairman of the board of directors. Let me introduce the other members of the board present today;

- Greg Tate, Non-Executive Director
- Stephen Gill, Non-Executive Director
- Peter Gunzburg, Non-Executive Director

The executives present today are;

- Stephen Price, Chief Executive Officer; and
- Bradley Denison, Chief Financial Officer and Company Secretary

Also present today is Peter Rupp of Deloitte, who are the company's auditors.

LAST YEAR

Before we attend to the formal business of the meeting I would like to give you an overview of the company's performance last year.

We were pleased to announce another record result with operating profit after tax of \$53.2 million. This represents an increase of 4% over the previous year.

Group EBIT margin increased from 16.2% in 2011 to 18.8% in 2012, whereas revenue decreased from \$466.6 million to \$407.4 million. Strong operating cash flows of \$77.3 million resulted in a net cash position at year end.

As I expect you are aware, the Group is made up of two divisions.

The Recreational Vehicles division is comprised of the Coromal and Windsor caravan brands, Camec which supplies caravan parts and accessories to the recreational vehicles industry generally, and Flexiglass which supplies fiberglass canopies and aluminum trays for light commercial vehicles.

The Manufactured Accommodation division is comprised of Fleetwood which manufactures accommodation for the Western Australian resources and retirement sectors, and owns the Searipple Village in Karratha, and BRB which manufactures classrooms and other buildings mainly for the east coast public sector as well as accommodation for the Queensland resources sector.

Recreational Vehicles

Market conditions for the Recreational Vehicles division were soft last year, and as a result, revenue was lower at \$157.7 million, and earnings before interest and tax was also lower at \$4.1 million.

Demand for recreational vehicles was affected by a decline in consumer sentiment for large discretionary spending items such as caravans, whereas demand for

canopies and trays was affected by the interruption to supply of commercial vehicles to Australia caused by natural disasters in Asia.

However, towards the end of the year the effects of the natural disasters abated and the supply of commercial vehicles recovered to a large extent.

Manufactured Accommodation

Market conditions for the Manufactured Accommodation division were strong last year and, as a result, earnings before interest and tax was higher at \$76.2 million, but on lower revenue of \$294.4 million.

The lower revenue was caused by the end of the Government's Building the Education Revolution program in July 2011 which resulted in some reduction in education sector revenues for BRB, but also by strong demand for rental units for the resources sector in WA, which required Fleetwood to allocate manufacturing capacity to expand the rental fleet rather than produce units for sale.

Searipple Village had a very good year, operating at high levels of occupancy underpinned by accommodation agreements with Rio Tinto and Woodside.

There was strong demand for manufactured accommodation for the resources sector in WA, and towards the end of the year the division succeeded, via BRB, in entering the resources sector in Queensland.

Significantly, the division won two new major accommodation projects:

- Gladstone Village, which will provide accommodation for up to 1,000 workers through a ten year lease of land with the regional council, and;

- Osprey Village, which will be comprised of some 300 park homes constructed and operated by Fleetwood for a period of 15 years on behalf of the WA State Government. A minimum income stream from this project is guaranteed by the State Government's Affordable Housing Strategy.

DIVIDENDS

A fully franked final dividend of 43 cents per share was paid on 28 September 2012, resulting in a total fully franked dividend of 76 cents per share for the 2012 financial year. This represents a 4.1% increase compared to last year and is the 15th consecutive increase in full year dividends.

OUTLOOK

Conditions in nearly all of Fleetwood's key markets have been soft at the start of this financial year.

This includes demand for accommodation at Searipple Village, demand for manufactured accommodation for the resources sector, and demand for recreational vehicles.

The lower demand has put considerable downward pressure on revenues and on margins, and necessitated a strong and continuing review of overhead costs, which most notably resulted in the decision to transfer the Windsor caravan business from Melbourne to Perth, for which the group will incur a restructuring cost of approximately \$3 million in the first half.

As a result of the soft market conditions, and to a lesser extent the restructuring costs, Fleetwood expects to report a first half profit this year that is significantly below last year.

However, it is important to add the following.

The financial position of the group remains strong, and there are early signs of recovery in some of Fleetwood's key markets.

More specifically, the restructuring in the Recreational Vehicles division is enabling the businesses in that division to compete more effectively. For example, the combined Coromal and Windsor business now has a relatively strong order book, is increasing its production rate, and is looking forward to launching its Asian-built campers.

Moreover, Fleetwood in WA has commenced building the Osprey project, which is expected to underpin manufacturing activity until well into the next financial year, and when complete, will provide some diversity of build, own, operate earnings for the group.

Similarly, BRB has won some projects which are expected to underpin its manufacturing activities in Queensland, ahead of commencing to build the Gladstone project, which will provide both a meaningful increase and a major diversification of build own operate earnings for the group.

OUR PEOPLE

I would like to take this opportunity to thank the people who work for Fleetwood for producing another record result. The performance of Fleetwood is determined by the creativity and dedication of its people.

STEVE GILL

I would also like to take this opportunity to make a special mention for Steve Gill. Steve retires today as a director and does not seek re-election. Steve has worked for Fleetwood for nearly 38 years, including 16 years as an executive director, and six years as a non-executive director. The board would like to formally recognise Steve's significant contribution to the development and success of Fleetwood. Steve has played a pivotal role in taking Fleetwood from a company with a market capitalisation of less than \$1 million in 1990 to one with a market capitalisation of around \$600 million today.

CONCLUSION

Fleetwood is a strong company with a long and successful track record.

Trading conditions in nearly all Fleetwood's key markets have been soft in recent times, and that, coupled with the costs of restructuring businesses to better position them for the future, is expected to produce a significantly weaker result for the first half of this financial year.

However, most businesses in the group are now experiencing improved trading conditions, and coupled with the benefits of the restructuring, and the growth from the two major new accommodation projects, Gladstone and Osprey, there is a positive outlook for Fleetwood.

QUESTIONS

Before we attend to the formal resolutions, I would like to open the meeting to questions from shareholders.