



*Delivering the Promise*

13 June 2017

Dear Shareholder,

### **Extraordinary General Meeting**

On 29 May 2017, an announcement was made to the ASX with respect to a notice received by Fleetwood Corporation Limited ("**Company**") under section 249D of the *Corporations Act 2001 (Cth)* ("**Corporations Act**"). The notice was a formal request by an activist shareholder group holding greater than 5% of the Company's stock to hold an extraordinary general meeting to amend the Company's constitution ("**Constitution**").

The changes proposed for the meeting have the effect of updating the Constitution to incorporate changes to the Corporations Act in 2010 which, under certain circumstances, would allow the Company to pay dividends to shareholders in the absence of positive retained earnings.

Notwithstanding the notice referred to above, it was the board's intention to update the Company's constitution at the 2017 annual general meeting to reflect these and other recent legislative changes. In this regard, the directors have proposed wording for resolution 1 which has been accepted by the activist shareholder group.

While implementing changes at the Company's AGM would have been the most cost effective method of updating the Constitution, given that a meeting must be held pursuant to the notice referred to above, the directors have decided to bring forward a full revision of the Constitution.

The Directors consider the adoption of a fully revised Constitution, which includes the wording in Resolution 1, to be in the best interest of Shareholders, and a second resolution to this effect is included in the notice of meeting.

### **Dividends**

Fleetwood is currently part way through a turnaround in profitability. At the half year release Managing Director, Brad Denison, stated that, '...the outlook is improving and the directors intend to resume the payment of dividends as soon as practicable.'

While the Company maintains this view, the directors consider it to be in the long term interest of shareholders to avoid funding dividends with debt. Notwithstanding this, and subject to operating cash and capital expenditure requirements, the directors consider an appropriate future payout ratio to be in the order of 70%.

Yours sincerely,

A handwritten signature in blue ink that reads "Phillip Campbell".

**Phillip Campbell**  
Chairman  
Fleetwood Corporation Limited

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### **About Fleetwood**

Fleetwood is a provider of innovative affordable modular accommodation solutions, and quality recreational vehicles, parts and accessories.

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](http://www.fleetwoodcorporation.com.au)