

FIRST QUARTER 2020 RESULTS



THOR

Go Everywhere. Stay Anywhere.

www.thorindustries.com

THOR
INDUSTRIES
NYSE

Forward Looking Statements

This presentation includes certain statements that are “forward looking” statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward looking statements are made based on management’s current expectations and beliefs regarding future and anticipated developments and their effects upon Thor, and inherently involve uncertainties and risks. These forward looking statements are not a guarantee of future performance. We cannot assure you that actual results will not differ materially from our expectations. Factors which could cause materially different results include, among others, raw material and commodity price fluctuations; raw material, commodity or chassis supply restrictions; the impact of tariffs on material or other input costs; the level and magnitude of warranty claims incurred; legislative, regulatory and tax law and/or policy developments including their potential impact on our dealers and their retail customers or on our suppliers; the costs of compliance with governmental regulation; legal and compliance issues including those that may arise in conjunction with recently completed transactions; lower consumer confidence and the level of discretionary consumer spending; interest rate fluctuations; the potential impact of interest rate fluctuations on the general economy and specifically on our dealers and consumers; restrictive lending practices; management changes; the success of new and existing products, services and production facilities; consumer preferences; the ability to efficiently utilize existing production facilities; the pace of acquisitions and the successful closing, integration and financial impact thereof; the potential loss of existing customers of acquisitions; our ability to retain key management personnel of acquired companies; a shortage of necessary personnel for production; the loss or reduction of sales to key dealers; disruption of the delivery of units to dealers; increasing costs for freight and transportation; asset impairment charges; equity investment impairment charges; cost structure changes; competition; the impact of potential losses under repurchase or financed receivable agreements; the potential impact of the strength of the U.S. dollar on international demand for products priced in U.S. dollars; general economic, market and political conditions in the various countries in which our products are sold; the impact of changing emissions and other regulatory standards in the various jurisdictions in which our products are sold; and changes to our investment and capital allocation strategies or other facets of our strategic plan. Additional risks and uncertainties surrounding the acquisition of Erwin Hymer Group SE (“EHG”) include risks regarding the potential benefits of the acquisition and the anticipated operating synergies, the integration of the business, the impact of exchange rate fluctuations and unknown or understated liabilities related to the acquisition and EHG’s business. These and other risks and uncertainties are discussed more fully in Item 1A of our Annual Report on Form 10-K for the year ended July 31, 2019.

We disclaim any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained in this presentation or to reflect any change in our expectations after the date hereof or any change in events, conditions or circumstances on which any statement is based, except as required by law.



THOR
Go Everywhere. Stay Anywhere.

Financial Highlights

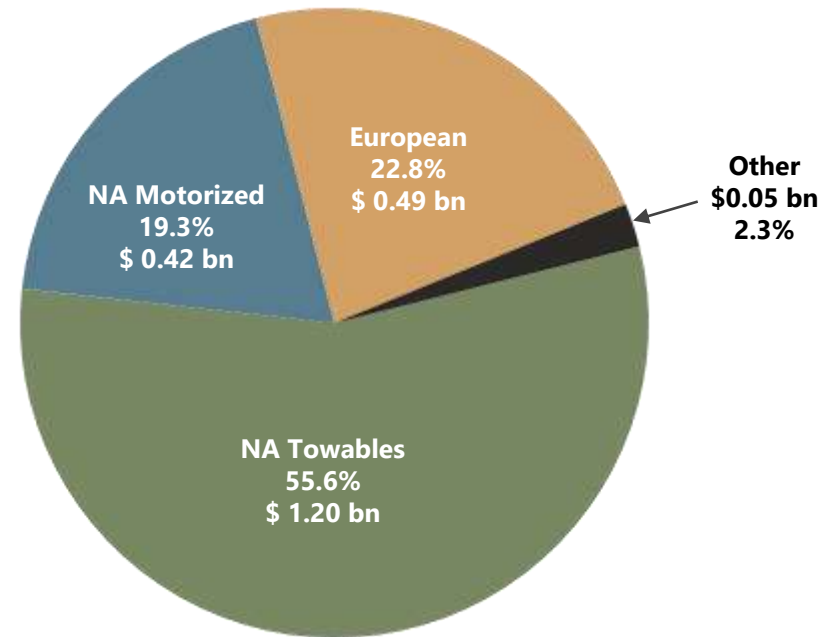
First Quarter Fiscal Year 2020



\$2.16 bn
net sales

14.3%
gross margin

\$0.92
diluted EPS ⁽¹⁾



~\$500 mm
reduction of EHG
acquisition-related debt
to date ⁽²⁾

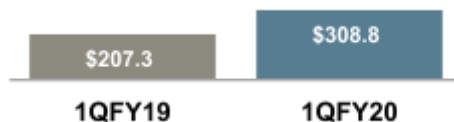
1. 1Q FY 2020 results include ongoing amortization expense of \$12.7 mm and interest expense of \$27.0 mm incurred as a result of the acquisition of the Erwin Hymer Group ("EHG"), which, in aggregate, impacted first quarter results by \$0.58 per diluted share.
2. Since acquisition of EHG on February 1, 2019.

Improved Margins Continue into First Quarter of FY20

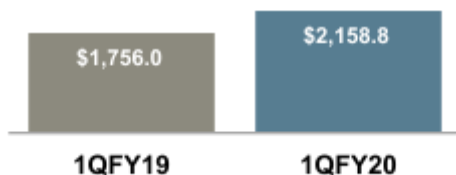
250 bps Improvement in Gross Margin

Gross margin improved to 14.3% in the first quarter of fiscal 2020 from 11.8% in the prior-year period

Gross Profit (\$ millions)



Net Sales (\$ millions)



22.9% Increase in Net Sales

Net sales increased 22.9% to \$2.16 billion in the first quarter, including the addition of \$493.0 million of EHG sales

Improved margins are primarily driven by the implementation of key strategic initiatives that led to reductions in material, labor and warranty cost percentages and a favorable shift in product mix in the North American towable segment, our largest segment



Inventory Rationalization Nearing Completion

North American Independent Dealer Inventory

As of October 31, 2019 the level of North American independent dealer inventory of Thor products was approximately 101,500 units, a 22.8% decrease compared to the prior year, indicative that the inventory rationalization is nearing completion

2020 Likely to Remain Flat

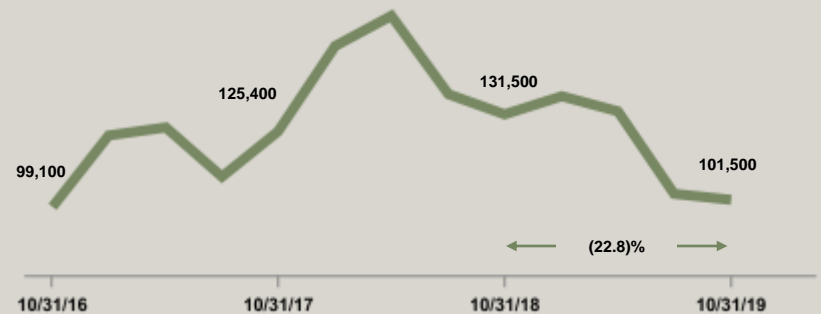
Barring a significant macroeconomic impact, we expect North American markets to remain relatively flat, or decline modestly, during calendar 2020

Modest Growth Ahead for Europe

Independent dealer inventory levels of EHG products in Europe, while somewhat elevated in certain locations, remain generally appropriate for seasonal consumer demand in Europe.



North American Independent Dealer Inventory of Thor Products



We expect the independent dealer inventory rationalization to be complete by the end of the calendar year, and believe this process, in both North America and Europe, has largely run its course.

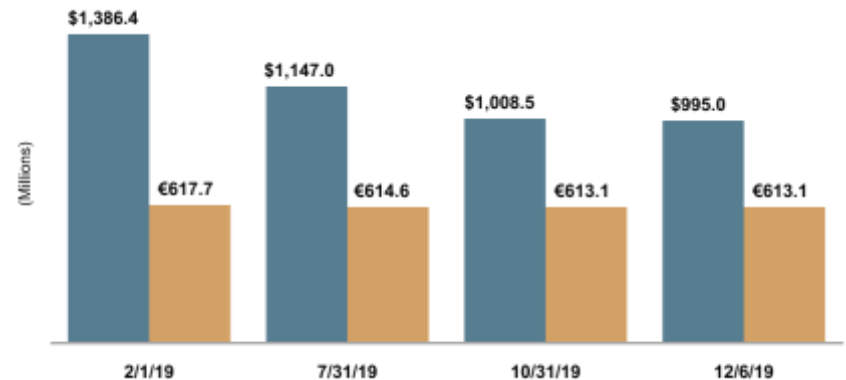


THOR
Go Everywhere. Stay Anywhere.

Debt Reduction and Inventory Management

Term Loan B Debt

- Including payments made subsequent to the end of the first quarter, the Company has paid approximately \$500 million of principal on its acquisition-related debt
- Based on our prepayments of the U.S. dollar-denominated tranche of the Term Loan to date, no future quarterly payments are required for the U.S. tranche of the Term Loan prior to maturity



Thor Inventory Levels

- Management has been focused on strategically improving the balance sheet through seasonal inventory management, among other actions
- Thor's North American inventory decreased to \$473.4 million at October 31, 2019 from \$565.3 million at October 31, 2018
- Thor's European inventory has decreased approximately \$151 million, or 25.5%, since the acquisition of EHG on February 1, 2019

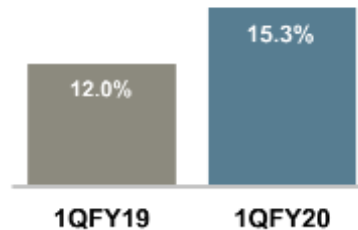
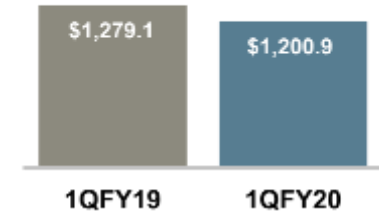
First Quarter 2020

North American Towable Segment



\$1.20 bn in Net Sales

Net sales of travel trailers and fifth wheels decreased by 6.8% and 5.1%, respectively, as independent dealers continued to decrease their inventory levels

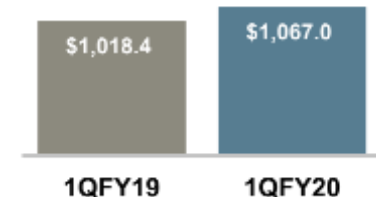


15.3% Gross Margin

Gross margin rose 330 basis points, primarily driven by reduced material, labor and warranty costs as a percent of sales as well as a shift in product mix toward higher-margin units

\$1.07 bn in Backlog

North American Towable backlog increased 4.8% year-over-year as North American independent dealers are returning to more typical seasonal order patterns



Towables Lead the Way

Thor remains atop the North American towable RV retail market with a 45.8% share for the nine months ended September 30, 2019, despite a decrease from its 49.0% share for the same period in 2018 ⁽¹⁾

First Quarter 2020

North American Motorized Segment

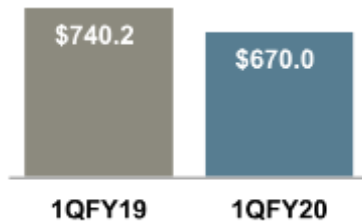
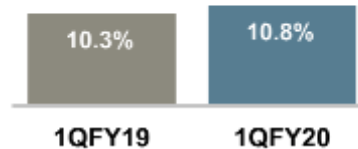


\$415.9 mm in Net Sales

Despite an overall increase in motorized unit sales, fiscal 2020 first quarter net sales decreased by 3.6% compared to the prior year, reflecting a shift in product mix towards lower-priced products

10.8% Gross Margin

Gross margin was up 50 basis points in the fiscal first quarter due to improved labor and warranty costs as a percentage of sales, partially offset by the shift in product mix



\$670.0 mm Backlog

North American Motorized backlog decreased approximately \$70.2 million year-over-year, reflecting the shift in dealer order patterns to smaller and more frequent orders

#1 in North America

Thor maintained the top spot in the North American motorized RV retail market with a 37.4% share for the nine months ended September 30, 2019, down from its 40.1% share for the same period in 2018, as the Company continues to focus on margin management ⁽¹⁾



1. Source: Statistical Surveys (www.statisticalsurveys.com)



First Quarter 2020

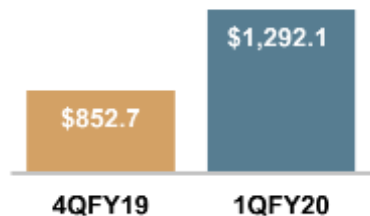
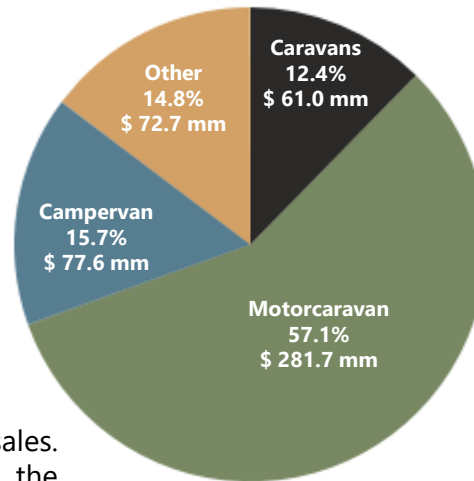
European Segment

\$493.0 mm in Net Sales

European RV segment represents the results of the Erwin Hymer Group ("EHG")

\$64.6 mm in Gross Profit

Gross profit of \$64.6 million, or 13.1% of net sales. Gross profit margin is historically impacted in the fiscal first quarter by reduced fixed cost absorption from seasonally lower first quarter sales levels



\$1.29 bn in Backlog

EHG's backlog is reflective of current, seasonal levels of demand within the European market

Strongly Positioned in Europe

For the nine-month period ended September 30, 2019, EHG's European RV retail market share was approximately 25.8% for motorcaravans and campervans combined and approximately 21.0% for caravans as compared to 26.1% and 21.4%, respectively, as of September 30, 2018 ⁽¹⁾



1. Based on data from the European Caravan Federation (ECF), 2018 and 2019 calendar YTD through September; European retail registration data available at www.CIVD.de



Quarter Highlights

2025 GOALS

How We Will Get There

\$14bn

NET SALES

- Organic growth
- New product introductions
- Acquisitions

16%

GROSS MARGIN

- Focus on operating excellence and decreasing costs
- Achieve purchasing savings
- Improve quality and lower warranty expense

\$3bn+

NET CASH FLOW
(cumulative)

Our cash priorities :

- fund operations,
- pay down our acquisition-related debt,
- continue our regular dividend,
- and consider opportunistic share repurchases

INVESTOR DAY

Investors and analysts from across North America and Europe attended our 2019 Investor Day at Erwin Hymer Group's headquarters in Germany, and gained insight into all aspects of EHG, how Thor plans to integrate EHG into the Thor family, and the various value-creation opportunities this important acquisition presents.

To see the Investor Day presentations, please visit:

https://www.youtube.com/watch?time_continue=5&v=uvZIXZkYLTM&feature=emb_logo

DEALER SHOWS



The 2019 Thor Dealer Open House. Right: Martin Brandt, Peter Orthwein and Bob Martin in the EHG display.

Dealer optimism is strong and we have received excellent feedback from our September Open House in Elkhart, Indiana, as well as from industry wholesale and retail shows in the United States, Germany and across Europe.



The 2019 Caravan Salon in Duesseldorf, Germany.



THOR

Go Everywhere. Stay Anywhere.

NORTH AMERICAN TOWABLE

AIRSTREAM

Bison
RV & COACH CO.

CROSSROADS
RV & COACH CO.

CRUISER RV
RV & COACH CO.

D'RV
RV & COACH CO.

Dutchmen

HEARTLAND

Highland
RIDGE RV

Jayco

Keystone RV
Company

KZ RECREATIONAL
VEHICLES

REDWOOD
RV & COACH CO.

STARCRAFT

VENTURE

NORTH AMERICAN MOTORIZED

AIRSTREAM

ENTORA
COACH

Jayco

THOR

OTHER

TOGO
GROUP

Postal
Aluminum

EUROPEAN

Buccaneer

bürstner

carado

Compass

CROSSCAMP

Dethleffs

Elddis

EERIBA

ETRVSCO

FREEONTOUR

GOLDSCHMITT

HYMER

LAIKA

LMC

McRent

MOVERA

NIESMANN
+BISCHOFF

rent easy

Sunlight

Xplore

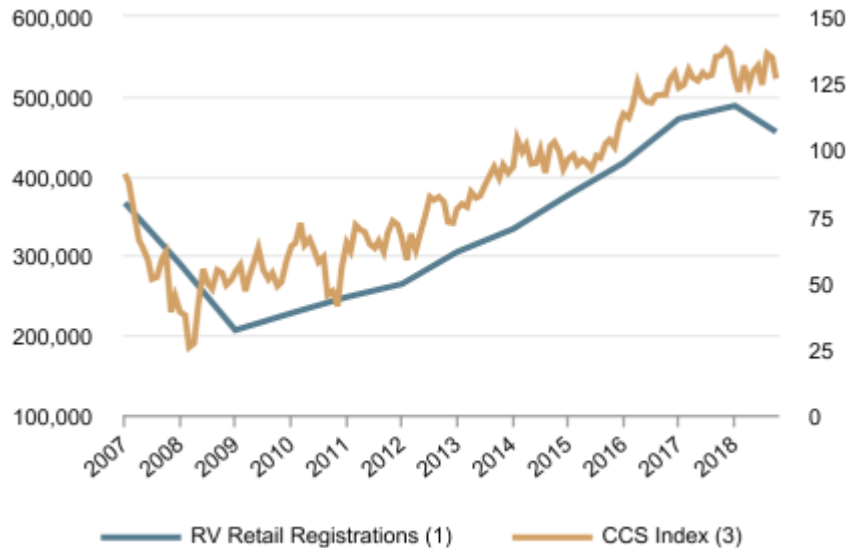
RV Industry Overview — North America

RV Industry Demand

We believe that retail demand is the key to continued growth in the North American RV industry, and that annual North American RV industry wholesale shipments will generally be at parity with retail sales once dealer inventory levels are at normalized levels, which we anticipate will be the case during calendar 2020

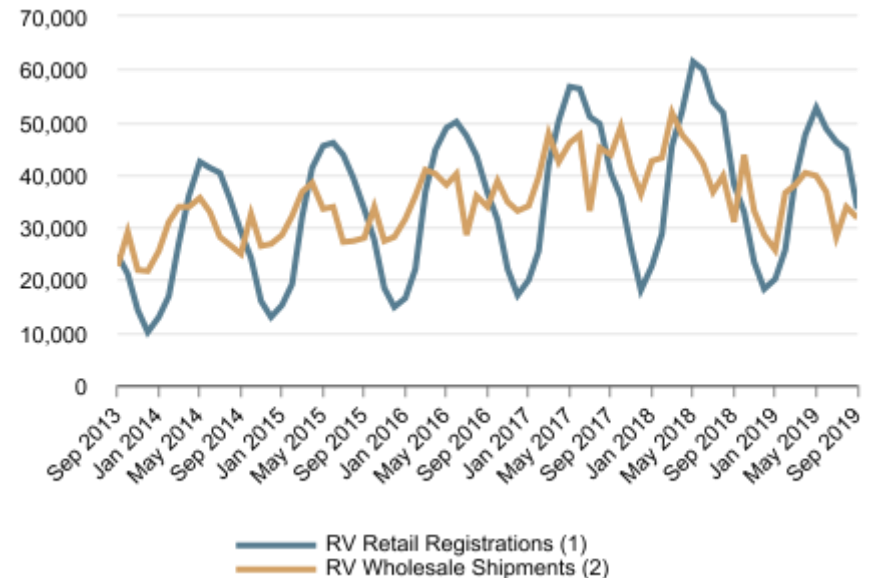
	Calendar Year		YTD September	
	2017	2018	2018	2019
Industry Retail Registrations ⁽¹⁾	471,100 units +13.2%	487,893 units +3.6%	413,412 units +6.0%	380,942 units (7.9)%
Industry Wholesale Shipments ⁽²⁾	504,599 units +17.2%	483,672 units (4.1)%	378,718 units +0.2%	309,938 units (18.2)%

Consumer Confidence vs. RV Retail Registrations



Note: 2019 represented above includes the trailing twelve months of registrations ended September

Seasonal Shipment Patterns



1. Source: Statistical Surveys, Inc., U.S. and Canada
2. Source: Recreation Vehicle Industry Association
3. Source: The Conference Board, Consumer Confidence Survey ©



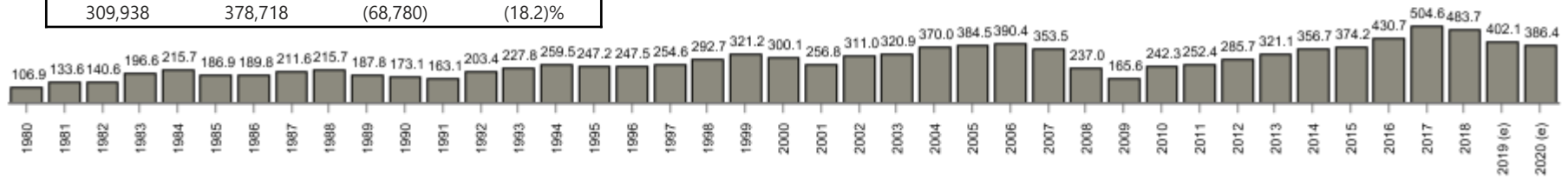
THOR
Go Everywhere. Stay Anywhere.

RV Industry Overview — North America

RV Wholesale Market Trends (Units 000's)

YTD Shipments (Units)			
Sept. 2019	Sept. 2018	Unit Change	% Change
309,938	378,718	(68,780)	(18.2)%

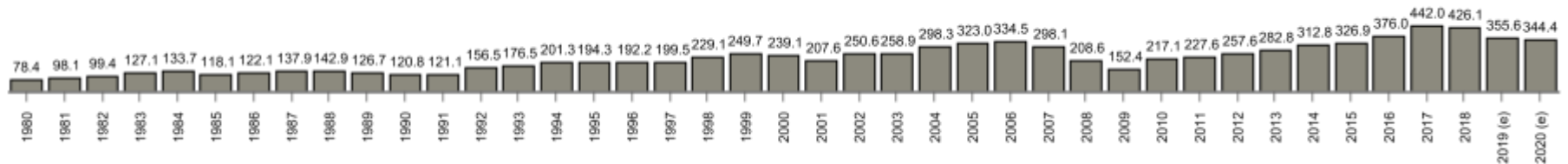
5-year CAGR:
8.5%



Towable RV Wholesale Market Trends (Units 000's)

YTD Shipments (Units)			
Sept. 2019	Sept. 2018	Unit Change	% Change
273,629	333,253	(59,624)	(17.9)%

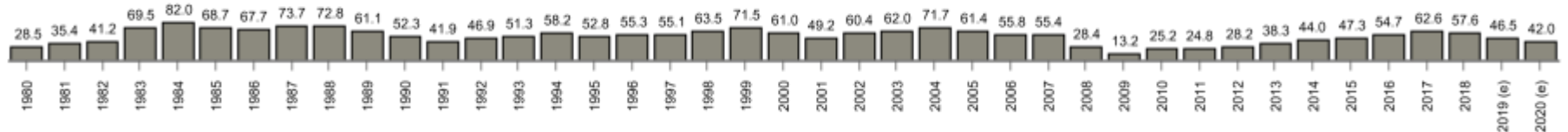
5-year CAGR:
8.5%



Motorized RV Wholesale Market Trends (Units 000's)

YTD Shipments (Units)			
Sept. 2019	Sept. 2018	Unit Change	% Change
36,309	45,465	(9,156)	(20.1)%

5-year CAGR:
8.5%



Historical Data: Recreation Vehicle Industry Association (RVIA)
(e) Calendar years 2019 and 2020 represent most recent RVIA estimate as of Winter RV Roadsigns, published in December 2019



RV Industry Overview — Europe

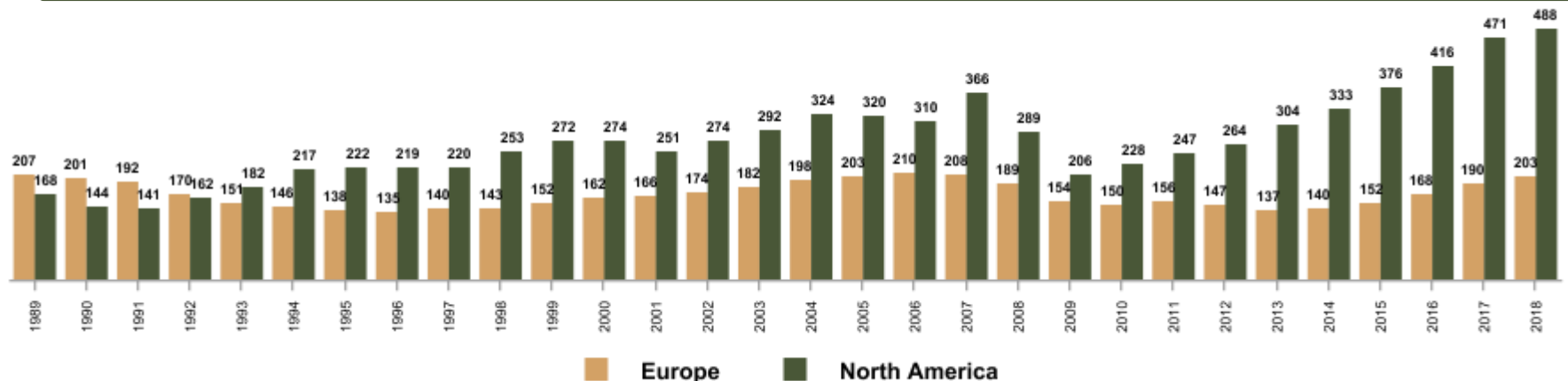
European Industry Unit Registrations by Country ⁽¹⁾

Third Quarter Registrations

Country	Caravans			Motorcaravans			Total		
	YTD Sept. 30,		%	YTD Sept. 30,		%	YTD Sept. 30,		%
	2019	2018		Change	2019		2018	Change	
Germany	23,769	21,523	10.4 %	47,543	41,036	15.9 %	71,312	62,559	14.0 %
U.K.	14,975	15,499	(3.4) %	12,988	12,419	4.6 %	27,963	27,918	0.2 %
France	5,840	6,084	(4.0) %	20,799	20,445	1.7 %	26,639	26,529	0.4 %
Spain	2,025	1,539	31.6 %	5,006	3,953	26.6 %	7,031	5,492	28.0 %
Netherlands	6,235	5,982	4.2 %	1,914	1,856	3.1 %	8,149	7,838	4.0 %
Italy	682	687	(0.7) %	5,206	5,187	0.4 %	5,888	5,874	0.2 %
Belgium	1,086	1,061	2.4 %	4,490	4,092	9.7 %	5,576	5,153	8.2 %
Switzerland	1,400	1,456	(3.8) %	4,712	3,979	18.4 %	6,112	5,435	12.5 %
Sweden	2,891	2,974	(2.8) %	3,490	6,854	(49.1) %	6,381	9,828	(35.1) %
All Others	7,912	7,599	4.1 %	9,002	8,834	1.9 %	16,914	16,433	2.9 %
Total	66,815	64,404	3.7 %	115,150	108,655	6.0 %	181,965	173,059	5.1 %

- The Company monitors retail trends in the European RV market as reported by the European Caravan Federation (“ECF”), whose industry data is reported to the public quarterly, typically issued on a one-to-two month lag, is continually updated and is often impacted by delays in reporting by various countries
- Year-to-date comparisons of registrations would not necessarily be indicative of the results expected for a full year
- Industry wholesale shipment data for the European RV market is not available

Comparison of New Vehicle Registrations by Continent ^{(1) (2)}



1. Source: European Caravan Federation (ECF), 2018 and 2019 calendar YTD through September; European retail registration data available at www.CIVD.de
 2. Source: Statistical Surveys (www.statisticalsurveys.com)



THOR
Go Everywhere. Stay Anywhere.



THOR

Go Everywhere. Stay Anywhere.

CONTACT:

Investor Relations

Mark Trinske

Vice President of Investor Relations

mtrinske@thorindustries.com

(574) 970-7912

www.thorindustries.com

THOR
INDUSTRIES
NYSE