

PRESS RELEASE

Erwin Hymer Group: powering out of the COVID-19 crisis

- Market recovery since June signals positive business trend
- RV backlog at record high
- Consistent implementation of strategic guidelines

Elkhart, Indiana, USA and Bad Waldsee, September 28, 2020 – In parallel with parent company Thor Industries, Inc. (NYSE: THO), Erwin Hymer Group SE presents its latest business figures for the first time since the acquisition in February 2019. In contrast to many other sectors, the supply and production bottlenecks caused by the COVID-19 pandemic have had only a marginal effect on the performance of the European market leader in recreational vehicles. The current market situation is characterized by strong growth.

Sales of recreational vehicles by the Erwin Hymer Group decreased by 3,542 (minus 6.1 percent) to 54,506 in the 2019/2020 fiscal year (August 1, 2019 through July 31, 2020). Sales figures were impacted by the company's six-to-eight-week production furlough, partial interruption of supply chains, and temporary dealership closures resulting from the coronavirus lockdown from March through May 2020.

The resumption of production marked the start of a growth phase which had a noticeable impact towards the end of the fiscal year and is continuing unabated. Reasons for the growth included the perceived safety of RV travel during the COVID-19 pandemic and a strong desire to socially distance, the reduction in commercial air travel and cruises, the temporary reduction in sales tax in Germany and the group-wide use of digital marketing to promote sales to end consumers. As a result, the EHG RV backlog was 1.38 billion euros as of July 31, 2020, an increase of 606.7 million euros, or 79 percent, compared to 767.1 million euros as of July 31, 2019. The increased demand is also apparent in the new registrations of recreational vehicles across Europe at the beginning of the 2020/2021 fiscal year. New registrations of motorhomes across Europe increased by 51 percent in August 2020, while caravans achieved growth of 26 percent in the same period.

EHG CEO Martin Brandt: "We saw increasing retail demand after the lockdown, driving dealer inventories to historically low levels and our year-end backlog to a record high. At the same time, there is a growing interest in the RV lifestyle from new customer groups." Nevertheless, the restrictions of the pandemic have had a clear impact on the reporting period. Turnover from August 2019 through July 2020 was 2.24 billion euros, compared with 2.36 billion euros for the same period last year, marking a decrease of 5 percent.

The number of full-time employees at the end of the period (July 31, 2020) was on a similar level to the previous year at approximately 7,350 FTEs for the Group.

Clear course mapped by strategic guidelines

Despite the ongoing COVID-19 crisis, the Erwin Hymer Group is sticking to the three strategic guidelines drawn up in August 2019. In the 2020/2021 fiscal year that lies ahead, the focus remains on the development of **innovative products and services**, **digitalization** and the commitment to **corporate social responsibility**.

The “**Hymer VisionVenture**” – unveiled last year at the Caravan Salon in Düsseldorf – received such an enthusiastic response from the public and the media that a limited production run is planned for the future. The concept vehicle developed jointly with BASF strikes a progressive new tone in terms of design, autonomy and lightweight engineering. Technologies like 3D printing processes, heat reflecting paint, a patio with BBQ station at the rear of the vehicle as well as a pneumatic sleeper roof show what modern travel can look like in 2025.

The “**iSmove**” from the Niesmann+Bischoff brand is now available to order. The innovative fully integrated motorhome breaks with many sector conventions and boasts an innovative design concept with creative detail solutions. They include a kitchen shelf unit that lifts and stows electrically, a swivel rear bench with seatbelts, a drop-down bed that disappears completely into the roof and a slider mechanism that creates a dual-purpose space for the shower and WC. Overall, the 3.5-tonner offers a compellingly spacious feel packaged within a compact exterior – and a level of comfort that is way beyond anything previously available in this class.

Digitalization plays an increasingly central role in travel planning, but also in the control of vehicle functions. The **Smart Caravan Unit** (SCU) sets new benchmarks in motorhome networking and connectivity. It uses an app and either Bluetooth or cell phone connection to control central functions such as heating, air-conditioning and refrigerator temperature, and to monitor battery charge status and the amount of water in the tanks. The system’s modular structure can accommodate different levels of functionality. Delivery of the first SCU-equipped vehicles is scheduled for the start of 2021.

The Erwin Hymer Group takes its team members’ health and safety seriously and, as a precaution, has decided not to take part in trade fairs until the end of the year. Instead, all of the Group’s brands are using digital marketing to speak to end consumers across Europe under the heading “**Slow Travel – Conscious Travel**”, promoting decelerated and self-determined vacations with a motorhome, caravan or campervan – and encouraging people to visit dealerships, where it is easier to comply with hygiene and social-distancing regulations. For the first time in the caravanning sector, brands are communicating with their target groups via a system that uses digital channels to activate caravanning fans and sends them directly to the dealership of their choice.

Positive outlook

The company considers the outlook for the 2020/2021 fiscal year to be positive. A pan-European survey commissioned by the Erwin Hymer Group found that caravanning significantly increased its share among the most popular types of vacation in the coronavirus summer of 2020 by around 20 percent compared with 2019. As much as 43 percent of the representative sample of 3,000 people surveyed could see themselves considering a caravanning vacation within the next three years.

EHG CEO Martin Brandt is therefore looking towards the 2021 caravanning season with optimism: “Even in the challenging conditions of 2020, our customers have been able to enjoy a relaxed and safe vacation in motorhomes, caravans and campervans. These positive experiences are reflected in the sales figures from the past few months. I am convinced that the enthusiasm for caravanning and Slow Travel will continue to gather pace.”

About the Erwin Hymer Group

The Erwin Hymer Group is a 100% subsidiary of Thor Industries, the world's leading manufacturer of recreational vehicles with more than 22,000 employees worldwide. The Erwin Hymer Group unites motorhome and caravan manufacturers as well as motorhome and caravan accessory specialists along with hire and financing services under one roof. The motorhome and caravan brands Buccaneer, Bürstner, Carado, Crosscamp, Compass, Dethleffs, Elddis, Eriba, Etrusco, Hymer, Niesmann+Bischoff, Laika, LMC, Sunlight and Xplore; the motorhome rental companies McRent and rent easy; and the chassis specialist Goldschmitt; the accessories specialist Movera and the touring portal freeontour all belong to the Erwin Hymer Group. More information on www.erwinhymergroup.com.

About Thor Industries, Inc.

Thor is the sole owner of operating subsidiaries that, combined, represent the world's largest manufacturer of RVs. For more information about the company and its products, please visit www.thorindustries.com.

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