THOR INDUSTRIES INC
Form 10-K
September 21, 2015
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-K

(Mark one)

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended July 31, 2015, Commission File Number 1-9235

or

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 1-9235

THOR INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of	93-0768752 (I.R.S. Employer

incorporation or organization)	Identification Number)
601 East Beardsley Ave., Elkhart, IN	46514-3305
(Address of principal executive offices)	(Zip Code)

Registrant s telephone number, including area code: (574) 970-7460

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class:	Name of each exchange on which registered:
Common Stock (par value $.10 per share)	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes þ No ¨

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ¨ No þ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to the filing requirements for the past 90 days. Yes þ No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes þ No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes ¨ No þ

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions, of large accelerated filer , accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated Filer þ	Accelerated Filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 126-2 of the Exchange Act.)

Yes ¨ No þ

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of January 31, 2015 was $2,513,605,014 based on the closing price of the registrant s common shares on January 31, 2015, the last business day of the registrant s most recently completed second fiscal quarter. Solely for the purpose of this calculation and for no other purpose, the non-affiliates of the registrant are assumed to be all shareholders of the registrant other than (i) directors of the registrant (ii) current executive officers of the registrant who are identified as named executive officers pursuant to Item 11 of the registrant s Form 10-K for the fiscal year ended July 31, 2014 and (iii) any shareholder that beneficially owns 10% or more of the registrant s common stock. Such exclusion is not intended, nor shall it be deemed, to be an admission that such persons are affiliates of the registrant. The number of common shares of registrant s stock outstanding as of September 4, 2015 was 52,394,563.

Documents incorporated by reference:

Portions of the Proxy Statement for the Annual Meeting of Stockholders to be held on December 8, 2015 are incorporated by reference in Part III of this Annual Report on Form 10-K.

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PART I

Unless otherwise indicated, all dollar amounts are presented in thousands except per share data.

ITEM 1. BUSINESS

The following discussion of our business solely relates to ongoing operations.

General Development of Business

Our company was founded in 1980 and, through its subsidiaries, manufactures a wide range of recreational vehicles (RVs) in the United States and sells those vehicles primarily in the United States and Canada. We are incorporated in Delaware and are the successor to a corporation of the same name which was incorporated in Nevada on July 29, 1980. Our principal executive office is located at 601 East Beardsley Avenue, Elkhart, Indiana 46514 and our telephone number is (574) 970-7460. Our Internet address is *www.thorindustries.com*. We maintain copies of our recent filings with the Securities and Exchange Commission (SEC), available free of charge, on our web site. Unless the context otherwise requires or indicates, all references to Thor , the Company , we , our and us refer to Thor Industries, Inc. and its subsidiaries.

Our principal recreational vehicle and other operating subsidiaries are Airstream, Inc. (*Airstream*), CrossRoads RV *(CrossRoads)*, Thor Motor Coach, Inc. (*Thor Motor Coach*), Keystone RV Company (*Keystone*), Heartland Recreational Vehicles, LLC *(Heartland),* Livin Lite RV, Inc. (*Livin Lite*), Bison Coach (*Bison*), K.Z., Inc. (*KZ*) and Postle Operating, LLC (*Postle*).

On June 3, 2013, Thor Wakarusa, LLC, a wholly-owned subsidiary of Thor, purchased a recreational vehicle production campus in Wakarusa, Indiana for $5,819. The purchase included land and production facilities, comprised of approximately one million square feet of total production space on more than 150 acres, along with certain related equipment, including more than 35 paint booths specifically designed for painting recreational vehicles. The Company uses the facilities primarily for motorized recreational vehicle production and to vertically integrate certain paint operations through one of its towable recreational vehicle subsidiaries.

On August 30, 2013, the Company acquired the assets of towable recreational vehicle manufacturer Livin Lite Corp., located in Wakarusa, Indiana, through a wholly-owned subsidiary for final cash consideration of $16,769, net of cash acquired. As a result of the purchase, the Company formed a new entity, Livin Lite. The Company purchased the assets to expand its recreational vehicle market share and complement its existing brands with Livin Lite s advanced lightweight product offerings.

On October 31, 2013, the Company acquired the assets of towable recreational vehicle manufacturer Bison Coach, LLC, located in Milford, Indiana, for final cash consideration of $16,914. As a result of the purchase, the Company formed a new entity, Bison. The Company purchased the net assets of Bison to supplement its existing product offerings with Bison s equestrian products with living quarters.

On May 1, 2014, the Company acquired all the outstanding capital stock of towable recreational vehicle manufacturer KZ for initial cash consideration paid in fiscal 2014 of $52,409, net of cash acquired, and a working capital adjustment of $2,915 paid in the first quarter of fiscal 2015, resulting in total net cash consideration of $55,324. The Company purchased KZ to expand its towable recreational vehicle market share and supplement its existing towable RV product offerings and dealer base.

On January 5, 2015, the Company closed on a Stock Purchase Agreement (CRV/DRV SPA) for the acquisition of all the outstanding membership units of towable recreational vehicle manufacturer Cruiser RV, LLC (CRV) and luxury fifth wheel towable recreational vehicle manufacturer DRV, LLC (DRV) by its Heartland Recreational Vehicles, LLC subsidiary (Heartland). In accordance with the CRV/DRV SPA, the closing was deemed effective as of January 1, 2015. As contemplated in the CRV/DRV SPA, the Company also acquired, in a series of integrated transactions, certain real estate used in the ongoing operations of CRV and DRV. Cash consideration paid for this acquisition was $47,523, net of cash acquired. The Company purchased CRV and DRV to expand its towable recreational vehicle market share and to supplement and expand its existing lightweight travel trailer and luxury fifth wheel product offerings and dealer base.

On May 1, 2015, the Company closed on a Membership Interest Purchase Agreement with Postle Aluminum Company, LLC for the acquisition of all the outstanding membership units of Postle Operating, LLC (Postle) for cash consideration paid in fiscal 2015 of $144,048, net of cash acquired. Postle is a manufacturer of aluminum extrusion and specialized component products for the RV and other markets, and will operate as an independent operation in the same manner as the Company s other subsidiaries.

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On May 15, 2015, the Company entered into a repurchase agreement (the May 15, 2015 Repurchase Agreement), to purchase shares of its common stock from the Thompson Family Foundation (the Foundation) in a private transaction. Pursuant to the terms of the May 15, 2015 Repurchase Agreement, the Company purchased from the Foundation 1,000,000 shares of its common stock at a price of $60.00 per share, and held them as treasury stock, representing an aggregate purchase price of $60,000. The closing price of Thor common stock on May 15, 2015 was $61.29. The transaction was consummated on May 19, 2015, and the Company used available cash to purchase the shares. The number of shares repurchased by the Company represented 1.9% of the Company s issued and outstanding common stock immediately prior to the repurchase.

Discontinued Operations

On July 31, 2013, we entered into a definitive Stock Purchase Agreement and sold our bus business to Allied Specialty Vehicles, Inc. (ASV) for final cash consideration of $105,043. The sale closed on October 20, 2013. Thor s bus business included Champion Bus, Inc., General Coach America, Inc., Goshen Coach, Inc., El Dorado National (California), Inc., and El Dorado National (Kansas), Inc. As a result of the divestiture of the bus business, the results of operations of the bus business are reported as income from discontinued operations, net of income taxes on the Consolidated Statements of Income and Comprehensive Income for the years ended July 31, 2015, 2014, and 2013. Discontinued operations also reflect the results of the ambulance product line through the date of its sale on April 30, 2013. See Note 3, Discontinued Operations, in the Notes to the Consolidated Financial Statements for further information.

Recreational Vehicles

Thor, through its operating subsidiaries, is one of the largest manufacturers of RVs in North America, by units sold and revenue, based on retail statistics published by Statistical Surveys, Inc. and other reported data.

Airstream

Our Airstream subsidiary manufactures and sells premium quality travel trailers and motorhomes. Airstream travel trailers are distinguished by their rounded shape and bright aluminum finish and, in our opinion, constitute the most recognized product in the recreational vehicle industry. Airstream manufactures and sells travel trailers under the trade names *Airstream International*, *Classic Limited*, *Sport*, *Flying Cloud*, *Land Yacht* and *Eddie Bauer*. Airstream also sells the *Interstate* and *Autobahn* Class B motorhomes.

CrossRoads

Our CrossRoads subsidiary manufactures and sells conventional travel trailers and fifth wheels under trade names such as *Sequoia*, *Cameo*, *Elevation*, *Cruiser*, *ReZerve*, *Sunset Trail* and *Zinger* and luxury fifth wheels under the trade names *Redwood* and *Carriage.*

Thor Motor Coach

Thor Motor Coach manufactures and sells gasoline and diesel Class A and Class C motorhomes. Its products are sold under trade names such as *Four Winds*, *Hurricane*, *Windsport*, *Chateau*, *Challenger*, *Tuscany*, *Outlaw*, *Axis*, *Vegas*, *Palazzo* and *A.C.E.*

Keystone

Our Keystone subsidiary manufactures and sells conventional travel trailers and fifth wheels under trade names such as *Montana*, *Springdale*, *Hideout*, *Sprinter*, *Outback*, *Laredo*, *Alpine*, *Bullet*, *Fuzion*, *Raptor*, *Passport*, *Cougar*, *Coleman*, *Kodiak*, *Aspen Trail* and *Voltage*.

Heartland

Our Heartland subsidiary manufactures and sells conventional travel trailers and fifth wheels under trade names such as *Landmark*, *Bighorn*, *Sundance*, *Elk Ridge*, *Trail Runner*, *Cyclone*, *Prowler*, *Wilderness*, *Shadow Cruiser* and *Fun Finder* and luxury fifth wheels under the trade names *D Mobile Suites* and *Fullhouse.*

Livin Lite

Our Livin Lite subsidiary manufactures and sells advanced lightweight travel trailers and specialty products under trade names such as *Camplite* and *Quicksilver* as well as certain private label names.

Bison

Our Bison subsidiary manufactures and sells equestrian recreational vehicle products with living quarters under trade names such as *Premiere*, *Silverado*, *Ranger*, *Laredo*, *Trail Boss* and *Trail Hand*.

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KZ

Our KZ subsidiary manufactures and sells conventional travel trailers and fifth wheels under trade names such as *Sportsmen*, *Vision*, *Spree, MXT*, Venom, *Durango*, *SportTrek* and *Sonic*.

Postle

Our Postle subsidiary manufactures and sells aluminum extrusions and specialized component products to RV and other manufacturers.

Product Line Sales and Segment Information

The Company has two reportable segments: (1) towable recreational vehicles and (2) motorized recreational vehicles. The towable recreational vehicle reportable segment consists of the following operating segments that have been aggregated: Airstream (towable), Bison, CrossRoads, Heartland (including its wholly-owned subsidiaries CRV and DRV), Keystone, KZ and Livin Lite. The motorized recreational vehicle reportable segment consists of the following operating segments that have been aggregated: Airstream (motorized) and Thor Motor Coach.

The operations of the Company s Postle subsidiary, which was acquired May 1, 2015, are included in Other, which is a non-reportable segment. Net sales included in Other mainly relate to the sale of aluminum extrusions and specialized component products. Intercompany eliminations adjust for Postle sales to the Company s towables and motorized segments, which are consummated at established arm s length transfer prices consistent with the selling prices of extrusion components to third party customers.

The table below sets forth the contribution of each of the Company s reportable segments to net sales in each of the last three fiscal years:

	2015		2014		2013	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Recreational vehicles:						
Towables	$ 3,096,405	77	$ 2,721,625	77	$ 2,650,253	82
Motorized	870,799	22	803,831	23	591,542	18
Total recreational vehicles	3,967,204	99	3,525,456	100	3,241,795	100
Other	56,594	1				
Intercompany eliminations	(16,979)					
Total	$ 4,006,819	100	$ 3,525,456	100	$ 3,241,795	100

Recreational Vehicles

Overview

We manufacture a wide variety of recreational vehicles in the United States and sell those vehicles primarily throughout the United States and Canada, as well as related parts and accessories. Recreational vehicle classifications are based upon standards established by the Recreation Vehicle Industry Association (RVIA). The principal types of towable recreational vehicles that we produce include conventional travel trailers and fifth wheels. In addition, we also produce truck and folding campers and equestrian and other specialty towable recreational vehicles, as well as Class A, Class C and Class B motorhomes.

Travel trailers are non-motorized vehicles which are designed to be towed by passenger automobiles, pickup trucks, SUVs or vans. Travel trailers provide comfortable, self-contained living facilities for camping and vacationing purposes. We produce conventional and fifth wheel travel trailers. Conventional trailers are towed by means of a frame hitch attached to the towing vehicle. Fifth wheel trailers, designed to be towed by pickup trucks, are constructed with a raised forward section that is attached to a receiver in the bed area of the pickup truck.

A motorhome is a self-powered vehicle built on a motor vehicle chassis. Motorhomes are self-contained with their own lighting, heating, cooking, refrigeration, sewage holding and water storage facilities, so that they can be utilized without being attached to utilities.

Class A motorhomes, generally constructed on medium-duty truck chassis, are supplied complete with engine and drivetrain components by motor vehicle manufacturers such as Ford and Freightliner. We design, manufacture and install the living area and driver s compartment of Class A motorhomes. Class C and Class B motorhomes are built on a Ford, General Motors or Mercedes Benz small truck or van chassis, which includes an engine, drivetrain components and a finished cab section. We construct a living area which has access to the driver s compartment and attaches to the cab section. Although they are not designed for permanent or semi-permanent living, motorhomes can provide comfortable living facilities for camping and vacationing purposes.

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Production

In order to minimize finished inventory, our recreational vehicles generally are produced to dealer order. Our facilities are designed to provide efficient assembly line manufacturing of products. Capacity increases can be achieved quickly and at relatively low cost, largely by increasing the number of production employees or by acquiring or leasing additional facilities and equipment.

We purchase in finished form many of the components used in the production of our recreational vehicles. The principal raw materials used in the manufacturing processes for motorhomes and travel trailers are aluminum, lumber, plywood, plastic, fiberglass and steel purchased from numerous suppliers. We believe that, except for chassis and certain key towable RV components sourced from one major supplier, substitute sources for raw materials and components are available with no material impact on our operations.

Our relationship with our chassis suppliers is similar to our other RV vendor relationships in that no long-term contractual commitments are entered into by either party. Historically, chassis manufacturers resort to an industry-wide allocation system during periods when chassis supply is restricted. These allocations are based on the volume of chassis previously purchased. Sales of motorhomes rely on these chassis and are affected accordingly. We have not experienced any recent unusual cost increases from our chassis suppliers.

Generally, all of our operating subsidiaries introduce new or improved lines or models of recreational vehicles each year. Changes typically include new sizes and floor plans, different decors or design features and engineering improvements.

Seasonality

Since recreational vehicles are used primarily by vacationers and campers, our recreational vehicle sales are seasonal and, in most geographical areas, tend to be significantly lower during the winter months than in other periods. As a result, recreational vehicle sales are historically lowest during our second fiscal quarter, which ends on January 31 of each year.

Marketing and Distribution

We market our recreational vehicles through independent dealers located primarily throughout the United States and Canada. Each of our recreational vehicle operating subsidiaries maintains its own dealer organization, with some dealers carrying more than one of our product lines. As of July 31, 2015, there were approximately 2,100 dealerships carrying our products in the U.S. and Canada. We believe that close working relationships between our management and sales personnel and the many independent dealers with which we work provide us with valuable information on customer preferences and the quality and marketability of our products. Additionally, by maintaining substantially separate dealer networks for each of our subsidiaries, our products are targeted to be competing against competitors products in similar price ranges rather than against our other products.

Each of our recreational vehicle operating subsidiaries has an independent sales force to call on their dealers. Our most important sales promotions occur at the major recreational vehicle shows which take place throughout the year at different locations across the country. We benefit from the recreational vehicle awareness advertising and major marketing programs sponsored by the RVIA in national print media and television. We engage in a limited amount of consumer-oriented advertising for our recreational vehicles, primarily through industry magazines, product brochures, direct mail advertising campaigns and the internet.

In our selection of individual dealers, we emphasize the dealer s ability to maintain a sufficient inventory of our products, as well as their financial stability, credit worthiness, reputation, experience and ability to provide service. Many of our dealers carry the recreational vehicle lines of one or more of our competitors. Generally, each of our operating subsidiaries has sales agreements with their dealers.

One of our dealers, FreedomRoads, LLC, accounted for 17% of our continuing consolidated net sales in fiscal 2015, 2014 and 2013. This dealer also accounted for 22% of the Company s consolidated trade accounts receivable at July 31, 2015 and 21% at July 31, 2014.

We generally do not finance dealer purchases. Most dealers are financed on a floor plan basis by an unrelated bank or financing company which lends the dealer all or substantially all of the wholesale purchase price and retains a security interest in the vehicles purchased. As is customary in the recreational vehicle industry, we will execute a repurchase agreement with a lending institution financing a dealer s purchase of our products upon the lending institution s request. Repurchase agreements provide that, typically for a period of up to 18 months after a unit is financed, and in the event of default by the dealer and notification from the lending institution of the dealer default, we will repurchase all the dealer units repossessed by the lending institution for the amount then due, which is often less than 100% of the dealer s cost. The risk of loss under repurchase agreements is spread over numerous dealers and is further reduced by the resale value of the units which we would be required to repurchase. We believe that any future losses under these agreements would not have a material adverse effect on our Company. The losses incurred due to repurchase were $1,265, $288 and $906 in fiscal 2015, 2014 and 2013, respectively.

Backlog

As of July 31, 2015, the backlog for towable and motorized recreational vehicle orders was $304,005 and $269,961, respectively, compared to $296,828 and $241,246, respectively, at July 31, 2014. Backlog represents unfilled dealer orders on a particular day which can and do fluctuate on a seasonal basis. In the recreational vehicle business our manufacturing time is relatively short. The existing backlog of towable and motorized recreational vehicles is expected to be filled in fiscal 2016.

Historically, the amount of our current backlog compared to our backlog in previous periods reflects general economic and industry conditions and, together with other relevant factors such as continued acceptance of our products by the consumer, may be an indicator of our revenues in the near term.

Product Warranties

We generally provide retail purchasers of our recreational vehicles with a one-year limited warranty against defects in materials and workmanship with longer warranties on certain structural components. The chassis and engines of our motorhomes are generally warranted for various periods in excess of one year by their manufacturers.

Regulation

We are subject to the provisions of the National Traffic and Motor Vehicle Safety Act (NTMVSA) and the safety standards for recreational vehicles and recreational vehicle components which have been promulgated thereunder by the U.S. Department of Transportation. Because of our sales in Canada, we are also governed by similar laws and regulations issued by the Canadian government.

We are a member of the RVIA, a voluntary association of recreational vehicle manufacturers which promulgates recreational vehicle safety standards. We place an RVIA seal on each of our recreational vehicles to certify that the RVIA s standards have been met.

Both federal and state authorities have various environmental control standards relating to air, water and noise pollution which affect our business and operations. For example, these standards, which are generally applicable to all companies, control our choice of paints, our air compressor discharge, our waste water and the noise emitted by our factories. We rely upon certifications obtained by chassis manufacturers with respect to compliance by our vehicles with all applicable emission control standards.

We are also subject to the regulations promulgated by the Occupational Safety and Health Administration (OSHA). Our plants are periodically inspected by federal agencies concerned with health and safety in the work place, and by the RVIA, to ensure that our plants and products comply with applicable governmental and industry standards.

We believe that our products and facilities comply in all material respects with applicable vehicle safety, environmental, RVIA and OSHA regulations.

We do not believe that ongoing compliance with the regulations discussed above will have a material effect on our capital expenditures, earnings or competitive position.

Competition

The recreational vehicle industry is generally characterized by ease of entry. The recreational vehicle market is intensely competitive with a number of other manufacturers selling products that compete directly with our products. Competition in the recreational vehicle industry is based upon price, design, value, quality and service. We believe that the quality, design and price of our products and the warranty coverage and service that we provide allow us to compete favorably for retail purchasers of recreational vehicles. There are approximately 70 RV manufacturers in the U.S. and Canada.

Our primary competitor within the towable segment is Forest River, Inc., while our primary competitors within the motorized segment are Winnebago Industries, Inc. and Forest River, Inc. We estimate that, in the aggregate, we are one of the largest recreational vehicle manufacturers in terms of both units produced and revenue. According to Statistical Surveys, Inc., for the six months ended June 30, 2015 our combined U.S. and Canadian market share for travel trailers and fifth wheels is approximately 37.1% and our combined U.S. and Canadian market share for motorhomes is approximately 24.6%.

Trademarks and Patents

We have registered United States trademarks, Canadian trademarks, certain international trademarks and licenses carrying the principal trade names and model lines under which our products are marketed. We hold and protect certain patents related to our business. We are not dependent upon any patents or technology licenses of others for the conduct of our business.

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Employee Relations

At July 31, 2015, we employed approximately 10,450 full-time employees in the United States, of which approximately 1,210 were salaried. None of our employees are represented by certified labor organizations. We believe that we maintain a good working relationship with our employees.

Information about Foreign and Domestic Operations and Export Sales

Export sales from our continuing operations, predominantly to Canada, were $465,642, $521,818 and $537,374 in fiscal 2015, 2014 and 2013, respectively, with the fiscal 2015 total being adversely impacted by the current strength of the U.S. dollar.

Forward Looking Statements

This Annual Report on Form 10-K 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 Industries, Inc., 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 from our expectations. Factors which could cause materially different results include, among others, raw material and commodity price fluctuations, material or chassis supply restrictions, legislative and regulatory developments, the costs of compliance with increased governmental regulation, legal issues, the potential impact of increased tax burdens on our dealers and retail consumers, lower consumer confidence and the level of discretionary consumer spending, interest rate fluctuations and the potential economic impact of rising interest rates, restrictive lending practices, management changes, the success of new product introductions, the pace of obtaining and producing at new production facilities, the pace of acquisitions, the potential loss of existing customers of acquisitions, the integration of new acquisitions, the impact of the divestiture of the Company s bus businesses, the availability of delivery personnel, asset impairment charges, cost structure changes, competition, the potential impact of the strengthening of the U.S. dollar on international demand, general economic, market and political conditions and the other risks and uncertainties discussed more fully in ITEM 1A. RISK FACTORS below.

We disclaim any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained in this Annual Report on Form 10-K or to reflect any change in our expectations after the date of this Annual Report on Form 10-K or any change in events, conditions or circumstances on which any statement is based, except as required by law.

Available Information

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports and the Proxy Statement for our Annual Meeting of Stockholders are made available, free of charge, on our website, *www.thorindustries.com*, as soon as reasonably practicable after such reports have been filed with or furnished to the SEC. You may also read and copy any materials that we file with the SEC at the SEC s Public Reference Room at 100 F Street, NE, Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains a website that contains reports, proxy and information statements and other information that is filed electronically with the SEC. The website can be accessed at *www.sec.gov*.

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ITEM 1A. RISK FACTORS

The following risk factors, which relate to our continuing operations, should be considered carefully in addition to the other information contained in this filing.

The risks and uncertainties described below are not the only ones we face and represent some of the risks that our management believes are material to our Company and our business. If any of the following risks actually occur, our business, financial condition or results of operations could be harmed.

Risks Relating To Our Business

The industry in which we operate is highly competitive.

The industry that we are engaged in is highly competitive, and we have numerous existing and potential competitors. The recreational vehicle industry is generally characterized by ease of entry. Competition is based upon price, design, value, quality, and service. Competitive pressures have, from time to time, resulted in a reduction of our profit margins and/or reduction in our market share. Sustained increases in these competitive pressures could have a material adverse effect on our results of operations. We cannot assure you that existing or new competitors will not develop products that are superior to ours or that achieve better consumer acceptance, thereby adversely affecting our market share, sales volume and profit margins.

The industry in which we operate is centered in northern Indiana.

The majority of our operations are located in one region. The geographic centrality of the RV industry in northern Indiana creates certain risks, including:

- Competition for workers skilled in the industry, especially during times of increasing RV production, may increase the cost of our labor or limit the speed at which we can expand production;
- Employee retention and recruitment challenges, as employees with industry knowledge and experience are attracted to the most lucrative positions and their ability to change employers is relatively easy; and
- Potential for greater adverse impact from natural disasters.

Our business is both seasonal and cyclical and this leads to fluctuations in sales, production and net income.

We have experienced, and expect to continue to experience, significant variability in sales, production and net income as a result of annual seasonality in our business. Since recreational vehicles are used primarily by vacationers and campers, demand in the recreational vehicle industry generally declines during the fall and winter months, while sales and profits are generally highest during the spring and summer months. Dealer demand and buying patterns may impact the timing of shipments from one quarter to another. In addition, severe weather conditions in some geographic areas may delay the timing of shipments from one quarter to another. Furthermore, from a longer-term perspective, the recreational vehicle industry is also cyclical in nature, and there can be substantial annual fluctuations in our production levels, shipments and operating results. Consequently, the results for any annual or quarterly prior period may not be indicative of results for any future annual or quarterly period.

Our business may be affected by certain external factors beyond our control.

Companies within the recreational vehicle industry are subject to volatility in operating results due to external factors such as general economic conditions, including credit availability, consumer confidence, employment rates, prevailing interest rates, inflation, other economic conditions affecting consumer attitudes and disposable consumer income, demographic changes and political changes. Specific factors affecting our business include:

Overall consumer confidence and the level of discretionary consumer spending;

Industry demand;

Retail and wholesale buying patterns;

Dealer confidence and stocking levels;

General economic, market and political conditions, including war, terrorism and military conflict;

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- Demographics, such as the retirement of baby boomers ;
- Interest rates and the availability of credit;
- Employment trends;
- Global, domestic or regional financial turmoil;
- Natural disasters;
- Increases in raw material costs;
- Relative or perceived cost, availability and comfort of recreational vehicle use versus other modes of travel, such as air travel, rail, etc.; and
- Increases in real wages and disposable income of consumers and their willingness to make large discretionary purchases.

The loss of our largest dealer could have a significant effect on our business.

FreedomRoads, LLC accounted for 17% of our consolidated net sales for fiscal 2015. The loss of this dealer could have a significant adverse effect on our business. In addition, deterioration in the liquidity or credit worthiness of FreedomRoads, LLC could negatively impact our sales and accounts receivable and could trigger repurchase obligations under our repurchase agreements.

Fuel shortages, or high prices for fuel, could have a negative effect on sales of our recreational vehicles.

Gasoline or diesel fuel is required for the operation of our vehicles or the vehicles which tow our products. We cannot assure you that the supply of these petroleum products will continue uninterrupted, that rationing will not be imposed or that the price of or tax on these petroleum products will not significantly increase in the future. Shortages of gasoline and diesel fuel, and substantial increases in the price of fuel, have had a material adverse effect on the recreational vehicle industry as a whole in the past and could have a material adverse effect on our business in the future.

Our business depends on the performance of independent dealers and transportation carriers.

We distribute our products through a system of independent, authorized dealers, many of whom sell products from competing manufacturers. The geographic coverage of our dealers and their individual business conditions can affect the ability of our authorized dealers to sell our products to consumers. In addition, recent consolidation of dealers, as well as the growth of larger, multi-location dealers, may result in increased bargaining power on the part of dealers.

Most often, our products are delivered via a system of independent transportation contractors. The network of carriers is limited and, in times of high demand and limited availability, can create risk in, and disruption of, our distribution channel.

Our business is affected by the availability and terms of financing to dealers and retail purchasers.

Our business is affected by the availability and terms of financing to dealers and retail purchasers. Generally, recreational vehicle dealers finance their purchases of inventory with financing provided by lending institutions. A decrease in the availability of this type of wholesale financing, more restrictive lending practices or an increase in the cost of such wholesale financing can prevent dealers from carrying adequate levels of inventory, which limits product offerings and could lead to reduced demand. In addition, two major financial flooring institutions held approximately 80% of our portion of our dealers total floored dollars outstanding at July 31, 2015.

In April 2015, General Electric (GE), announced its intention to sell the majority of GE Capital, including GE Commercial Distribution Finance, a major provider of floorplan financing for RV dealers. The ultimate outcome and impact of a sale or divestiture of GE Capital by GE is currently unknown.

Substantial increases in interest rates and decreases in the general availability of credit have also had an adverse impact upon our business and results of operations in the past and may do so in the future. Further, a decrease in availability of consumer credit resulting from unfavorable economic conditions, or an increase in the cost of consumer credit, may cause consumers to reduce discretionary spending which could, in turn, reduce demand for our products and negatively affect our sales and profitability.

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Changes in consumer preferences for our products or our failure to gauge those preferences could lead to reduced sales and additional costs.

Our ability to remain competitive depends heavily on our ability to provide a continuing and timely introduction of innovative product offerings. We cannot be certain that historical consumer preferences for our products in general, and recreational vehicles in particular, will remain unchanged. We believe that the introduction of new features, designs and models will be critical to the future success of our recreational vehicle operations. Managing frequent product introductions and transitions poses inherent risks. Delays in the introduction or market acceptance of new models, designs or product features could have a material adverse effect on our business. Products may not be accepted for a number of reasons, including changes in consumer preferences or our failure to properly gauge consumer preferences. Further, we cannot be certain that new product introductions will not reduce revenues from existing models and adversely affect our results of operations. In addition, we cannot assure you that any of these new models or products will be introduced to the market on time or that they will be successful when introduced.

If the frequency and size of product liability and other claims against us increase, our business, results of operations and financial condition may be harmed.

We are subject, in the ordinary course of business, to litigation involving product liability and other claims against us, including, without limitation, wrongful death, personal injury and warranties. We generally self-insure our product liability and other claims and also purchase product liability and other insurance in the commercial insurance market. We cannot be certain that our insurance coverage will be sufficient to cover all future claims against us. We have a self-insured retention (SIR) for products liability and personal injury matters ranging from $500 to $7,500 depending on the product type and when the occurrence took place. Generally, any occurrence (as defined by our insurance policies) after March 31, 2015 is subject to the $500 SIR, while matters occurring after March 31, 2014 and through March 31, 2015 are subject to a $1,000 SIR.

Amounts above the SIR, up to a certain dollar amount, are covered by our excess insurance policy. Currently, we maintain excess liability insurance aggregating $50,000 with outside insurance carriers to minimize our risks related to catastrophic claims in excess of our self-insured positions for products liability and personal injury matters. Any material change in the aforementioned factors could have an adverse impact on our operating results. Any increase in the frequency and size of these claims, as compared to our experience in prior years, may cause the premium that we are required to pay for insurance to increase significantly and may negatively impact future SIR levels. It may also increase the amounts we pay in punitive damages, not all of which are covered by our insurance.

When we introduce new products into the marketplace, we may incur expenses that we did not anticipate, which, in turn, can result in reduced earnings.

The introduction of new models is critical to our future success. We may incur unexpected expenses, however, when we introduce new models. For example, we may experience unexpected engineering or design flaws that will force a recall of a new product or may cause increased warranty costs. The costs resulting from these types of problems could be substantial and could have a significant adverse effect on our earnings. Estimated warranty costs are provided at the time of product sale to reflect our best estimate of the amounts necessary to settle future and existing claims on products. An increase in actual warranty claims costs as compared to our estimates could result in increased warranty reserves and expense.

Our repurchase agreements with floor plan lenders could result in increased costs.

In accordance with customary practice in the recreational vehicle industry, upon the request of a lending institution financing a dealer s purchase of our products, we will execute a repurchase agreement with the lending institution. Repurchase agreements provide that, typically for a period of up to 18 months after a recreational vehicle is financed and in the event of default by the dealer, we will repurchase the recreational vehicle repossessed by the lending institution for the amount then due, which is usually less than 100% of the dealer s cost. In addition to the guarantee under these repurchase agreements, we may also be required to repurchase inventory relative to dealer terminations in certain states in accordance with state laws or regulatory requirements. The difference between the gross repurchase price and the price at which the repurchased product can then be resold, which is typically at a discount to the original sale price, is an expense to us. Thus, if we were obligated to repurchase a substantially greater number of recreational vehicles, or incurred substantially greater discounting to resell these units in the future, this would increase our costs. In difficult economic times this amount could increase significantly compared to recent years.

For some of our components, we depend on a small group of suppliers and the loss of any of these suppliers could affect our ability to obtain components at competitive prices which would decrease our margins. Some components are sourced from foreign sources and delays in obtaining these components could result in increased costs and decreased margins.

We depend on timely and sufficient delivery of components from our suppliers. Most components are readily available from a variety of sources. However, a few key components are currently produced by only a small group of quality suppliers that have the capacity to supply large quantities.

Primarily, this occurs in the case of 1) motorized chassis, where there are a limited number of chassis suppliers, and 2) windows and doors, towable chassis and slide-out mechanisms, axles and upholstered furniture for our recreational vehicles, where Drew Industries, Inc. (Drew) is a major supplier for these items within the RV industry.

The recreational vehicle industry as a whole has, from time to time, experienced shortages of chassis due to the concentration or allocation of available resources by suppliers of chassis. Historically, in the event of an industry-wide restriction of supply, suppliers have generally allocated chassis among us and our competitors based on the volume of chassis previously purchased. If certain suppliers were to discontinue the manufacturing of motorhome chassis, or if, as a group, our chassis suppliers significantly reduced the availability of chassis to the industry, our business could be adversely affected. Similarly, shortages at, or production delays or work stoppages by the employees of chassis suppliers, could have a material adverse effect on our sales. If the condition of the U.S. auto industry were to significantly deteriorate, this could also result in supply interruptions and a decrease in our sales and earnings while we obtain replacement chassis from other sources.

Drew is a major supplier of a number of key components of our recreational vehicles such as windows and doors, towable chassis and slide-out mechanisms, axles and upholstered furniture. We have not experienced any significant shortages or delays in delivery related to these items; however, if industry demand were to increase faster than Drew can respond, or other factors impact their ability to continue to supply our needs for these key components, our business could be adversely affected.

In addition, certain RV components are sourced from foreign locations. Port, production or other delays could cause shortages of certain RV components or sub-components. This could result in increased cost related to alternative supplies or a potential decrease in our sales and earnings if alternatives are not readily available.

Finally, as is standard in the industry, arrangements with chassis and other suppliers are generally terminable at any time by either our Company or the supplier. If we cannot obtain an adequate supply of chassis or key components, this could result in a decrease in our sales and earnings.

Our products and services may experience quality problems from time to time that can result in decreased sales and gross margin and could harm our reputation.

Our products contain thousands of parts, many of which are supplied by a network of approved vendors. As with all of our competitors, defects may occur in our products, including those purchased from our vendors. We cannot assure you that we will detect all such defects prior to distribution of our products. In addition, although we endeavor to compel our suppliers to maintain appropriate levels of insurance coverage, we cannot assure you that if a defect in a vendor supplied part were to occur that the vendor would have the ability to financially rectify the defect. Failure to detect defects in our products, including vendor supplied parts, could result in lost revenue, increased warranty and related costs and could harm our reputation.

Our business is subject to numerous international, federal, state and local regulations.

We are subject to numerous federal, state and local regulations governing the manufacture and sale of our products, including the provisions of the National Traffic and Motor Vehicle Safety Act (NTMVSA) and the safety standards for vehicles and components which have been promulgated under the NTMVSA by the Department of Transportation. The NTMVSA authorizes the National Highway Traffic Safety Administration to require a manufacturer to recall and repair vehicles which contain certain hazards or defects. Sales into foreign countries may be subject to similar regulations. Any recalls of our vehicles, voluntary or involuntary, could have a material adverse effect on our Company.

We are also subject to federal and numerous state consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles, including so-called lemon laws . Federal, state and foreign laws and regulations also impose upon vehicle operators various restrictions on the weight, length and width of motor vehicles that may be operated in certain jurisdictions or on certain roadways. Certain jurisdictions also prohibit the sale of vehicles exceeding length restrictions. Federal and state authorities also have various environmental control standards relating to air, water, noise pollution and hazardous waste generation and disposal which affect our business and operations.

Further, certain U.S. and foreign laws and regulations affect the Company s activities. Areas of our business affected by such laws and regulations include, but are not limited to, labor, advertising, consumer protection, real estate, promotions, quality of services, intellectual property, tax, import and export duties, tariffs, anti-corruption, anti-competition, environmental, health and safety. Compliance with these laws and others may be onerous and costly, at times, and may be inconsistent from jurisdiction to jurisdiction which further complicates compliance efforts. Violations of these laws and regulations could lead to significant penalties, including restraints on our export or import privileges, monetary fines, criminal proceedings and regulatory or other actions that could materially adversely affect our results of operations. The Company has instituted various and comprehensive policies and procedures to ensure compliance. However, we cannot assure you that employees, contractors, vendors or our agents will not violate such laws and regulations or the Company s policies and procedures.

The Company currently benefits from certain tariffs applied to aluminum imported from China. Were such import tariffs to be lifted or allowed to lapse, the impact to our business is unknown.

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As a publicly-traded company, we are subject to the regulations promulgated by the Securities and Exchange Commission and the rules of the New York Stock Exchange.

Failure to comply with any of the aforementioned laws or regulations could have an adverse impact on our business. Additionally, amendments to these regulations and the implementation of new regulations could increase the cost of manufacturing, purchasing, operating or selling our products and therefore could have an adverse impact on our business.

Interruption of information service or misappropriation or breach of our information systems could cause disruption and damage to our reputation.

Our business relies on information systems and other technology (information systems) to support our business operations, including but not limited to procurement, supply chain, manufacturing, design, distribution, invoicing and collection of payments. We use information systems to report and audit our operational results. Additionally, we rely upon information systems in our marketing and communication efforts. Due to our reliance on our information systems, we have established various levels of security, backup and disaster recovery procedures. Our business processes and operations may, however, be negatively impacted in the event of substantial disruption of service. Further, misuse, leakage, unauthorized access or falsification of information could result in a violation of privacy laws and damage to our reputation which could, in turn, have a negative impact on our results.

We may not be able to protect our intellectual property and may be subject to infringement claims.

Our intellectual property, including our patents, trademarks, copyrights, trade secrets, and other proprietary rights constitutes a significant part of our value. Our success depends, in part, on our ability to protect our intellectual property against dilution, infringement, and competitive pressure by defending our intellectual property rights. To protect our property rights, we rely on intellectual property laws of the U.S., Canada, and other countries, as well as contractual and other legal rights. We seek to acquire rights to intellectual property necessary for our operations. However, we cannot assure you that these measures will be successful in any given instance, particularly in countries outside the U.S. We endeavor to protect our rights; however, third parties may infringe upon our intellectual property rights. We may be forced to take steps to protect our rights, including through litigation. This could result in a diversion of resources. The inability to protect our intellectual property rights could result in competitors diluting our brands or manufacturing and marketing similar products which could adversely affect our market share and results of operations. Competitors may challenge, invalidate or avoid the application of our existing or future intellectual property rights that we receive or license. The loss of protection for our intellectual property could reduce the market value of our brands and our products and services, lower our profits, and could otherwise have a material adverse effect on our business, financial condition, cash flows or results of operation.

We could incur asset impairment charges for goodwill, intangible assets or other long-lived assets.

We have a significant amount of goodwill, intangible assets and other long-lived assets. At least annually, we review goodwill for impairment. Long-lived assets, identifiable intangible assets and goodwill are also reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable from future cash flows. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. If the carrying value of a long-lived asset is considered impaired, an impairment charge is recorded for the amount by which the carrying value of the long-lived asset exceeds its fair value. Our determination of future cash flows, future recoverability and fair value of our long-lived assets includes significant estimates and assumptions. Changes in those estimates or assumptions or lower than anticipated future financial performance may result in the identification of an impaired asset and a non-cash impairment charge, which could be material. Any such charge could adversely affect our operating results and financial condition.

Our operations are dependent upon the services of key individuals, and their loss could materially harm us.

We rely upon the knowledge, experience and skills of our employees to compete effectively in our business and manage our operations. In addition, our future success will depend on, among other factors, our ability to attract and retain executive management, key employees and other qualified personnel. Upon the departure of key employees, our success may depend upon the existence of adequate succession plans. The loss of key employees or the failure to attract or retain qualified employees could have a material adverse effect on us in the event that our succession plans prove inadequate.

Planned re-configuration, relocation or expansion of certain production operations may incur unanticipated costs or delays that could adversely affect operating results.

The development and expansion of certain products and models may require the re-configuration, relocation or expansion of certain production operations. Expansion may also involve the acquisition of existing manufacturing facilities that require upgrades and improvements or the need to build new manufacturing facilities. Such activities may be delayed or incur unanticipated costs which could have a material adverse effect on our operating results and financial condition. In addition, the start-up of operations in new facilities may incur unanticipated costs and inefficiencies which may adversely affect our profitability during the ramp up of production in those facilities.

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The relative strength of the U.S. dollar may impact sales.

We have historically generated considerable sales in Canada and sales to Canadian dealers are made in U.S. dollars. The current strength of the U.S. dollar relative to the Canadian dollar has adversely impacted sales in Canada. Should the U.S. dollar remain strong or further strengthen relative to the Canadian dollar, sales will likely continue to be negatively impacted.

Business acquisitions pose integration risks.

Business acquisitions and the merger of subsidiaries within Thor, pose a number of potential integration risks that may result in us experiencing negative consequences to our business, financial condition or results of operations. The pace of transaction activity, the integration of recently acquired assets, operations and companies and the merger of subsidiaries within Thor involve a number of related risks, including, but not limited to:

Demands on management related to various transaction and integration activities;

The diversion of management s attention from the management of daily operations to the integration of operations;

The assimilation and retention of employees;

The ability of the management teams at these entities to meet operational and financial expectations;

The integration of departments and systems, including accounting systems, technologies, books and records and procedures

Potential loss of existing customers; and

The establishment or maintenance of uniform standards and controls, including internal accounting controls, procedures and policies.

Commodity price fluctuations may impact operating results.

Commodity costs, including aluminum which is utilized extensively by certain of our subsidiaries, are subject to price fluctuations outside of our control. The price of aluminum is typically influenced by macroeconomic factors, global supply and demand of aluminum (including expectations for growth and contraction and the level of global inventories), and the level of activity by financial investors. In addition, the price of aluminum is influenced by the supply of and demand for metal in a particular region and associated transportation costs. Similarly, other commodity prices such as steel are also subject to price fluctuations outside of our control. Pricing changes for aluminum and steel, and the level of aluminum and steel inventory maintained by the Company, may ultimately adversely impact operating results.

Compliance with conflict mineral disclosure requirements creates additional compliance cost and may create reputational challenges.

The SEC adopted rules pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act setting forth new disclosure requirements concerning the use or potential use of certain minerals, deemed conflict minerals (tantalum, tin, gold and tungsten), that are mined from the Democratic Republic of Congo and adjoining countries. These requirements necessitate due diligence efforts by the Company to assess whether such minerals are used in our products in order to make the relevant required annual disclosures that began in May 2014. We have incurred costs and diverted internal resources to comply with these disclosure requirements, including for diligence to determine the sources of those minerals that may be used or necessary to the production of our products. Compliance costs are expected to continue in future periods. Further action or clarification from the SEC or a court regarding required disclosures could result in reputational challenges that could impact future sales if we determine that certain of our products contain minerals not determined to be conflict free or if we are unable to sufficiently verify the origins for all conflict minerals used in our products and are required to make such disclosures.

Our risk management policies and procedures may not be fully effective in achieving their purposes.

Our policies, procedures, controls and oversight to monitor and manage our enterprise risks may not be fully effective in achieving their purpose and may leave exposure to identified or unidentified risks. Past or future misconduct by our employees or vendors could result in violations of law by us, regulatory sanctions and/or serious reputational harm or financial harm. The Company monitors its policies, procedures and controls; however, we cannot assure you that our policies, procedures and controls will be sufficient to prevent all forms of misconduct. We review our compensation policies and practices as part of our overall enterprise risk management program, but it is possible that our compensation policies could incentivize inappropriate risk taking or misconduct. If such inappropriate risks or misconduct occurs, it is possible that it could have a material adverse effect on our results of operations and/or our financial condition.

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Risks Relating To Our Company

Provisions in our charter documents and Delaware law may make it difficult for a third party to acquire our Company and could depress the price of our common stock.

Our Restated Certificate of Incorporation contains certain supermajority voting provisions that could delay, defer or prevent a change in control of our Company. These provisions could also make it more difficult for shareholders to elect directors, amend our Restated Certificate of Incorporation or take other corporate actions.

We are also subject to certain provisions of the Delaware General Corporation Law that could delay, deter or prevent us from entering into an acquisition, including provisions which prohibit a Delaware corporation from engaging in a business combination with an interested shareholder unless specific conditions are met. The existence of these provisions could limit the price that investors are willing to pay in the future for shares of our common stock and may deprive investors of an opportunity to sell shares at a premium over prevailing prices.

Our stock price may fluctuate in response to various conditions, many of which are beyond our control.

The stock market, in general, experiences volatility that has often been unrelated to the underlying operating performance of companies. If this volatility continues, the trading price of our common stock could decline significantly, independent of our actual operating performance. The market price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including the following:

- Our development of new products and features or the development of new products and features by our competitors;
- Development of new collaborative arrangements by us, our competitors or other parties;
- Changes in government regulations applicable to our business;
- Changes in investor perception of our business and/or management;
- Changes in the global economic conditions or the general market conditions in our industry;
- Occurrence of major catastrophic events;
- Sale of our common stock held by certain equity investors or members of management; and
- Fluctuations in our quarterly results may, particularly if unforeseen, cause us to miss investor expectations or independent analyst estimates which might result in analysts or investors changing their opinions and/or recommendations regarding our stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

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ITEM 2. PROPERTIES

As of July 31, 2015, we own or lease approximately 8,829,000 square feet of manufacturing plant and office space. We believe that our present facilities, consisting primarily of steel clad, steel or wood frame and masonry construction, and the machinery and equipment contained in these facilities, are generally well maintained and in good condition. We believe that these facilities are adequate for our current and foreseeable purposes and that we would be able to obtain replacements for our leased premises at acceptable costs should our leases not be renewed.

The following table describes the location, number and size of our principal manufacturing plants and other materially important physical properties as of July 31, 2015:

Locations	Owned or Leased	No. of Buildings	Approximate Building Area Square Feet
RVs:			
Jackson Center, OH (Airstream) (A)(B)	Owned	9	417,000
Middlebury, IN (Keystone) (A)	Owned	1	91,000
Burley, ID (Keystone) (C)	Owned	5	162,000
Goshen, IN (Keystone) (A)	Owned	24	2,053,000
Nappanee, IN (Heartland) (A)	Owned	2	111,000
Elkhart, IN (Thor Motor Coach) (B)	Owned	13	711,000
Topeka, IN (CrossRoads) (A)	Owned	15	526,000
Topeka, IN (Livin Lite) (A)	Owned	1	234,000
Syracuse, IN (CrossRoads) (A)	Owned	3	139,000
Elkhart, IN (Heartland) (A)	Owned	17	910,000
Elkhart, IN (Heartland) (A)	Leased	2	166,000
Pendleton, OR (Keystone) (A)	Owned	4	395,000
Howe, IN (Heartland) (A)	Owned	2	223,000
Lagrange, IN (Heartland (A)	Leased	1	126,000
Shipshewana, IN (KZ) (A)	Owned	12	472,000
RV Subtotal		111	6,736,000
Other:			
Cassopolis, MI (D)	Leased	4	270,000
Elkhart, IN (D)	Leased	4	389,000
Other Subtotal		8	659,000
Corporate:			
Elkhart, IN (Corporate)	Owned	1	13,000
Milford, IN (utilized by Bison)	Owned	7	138,000
Elkhart, IN (utilized by Thor Motor Coach)	Owned	3	223,000
Wakarusa, IN (utilized by Keystone and Thor Motor Coach)	Owned	18	1,060,000
Corporate Subtotal		29	1,434,000
Total		148	8,829,000

(A) Included in the towable recreational vehicles reportable segment.

(B) Included in the motorized recreational vehicles reportable segment.

(C) These locations are vacant and have been placed on the market.

(D) Included in the other non-reportable segment.

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ITEM 3. LEGAL PROCEEDINGS

The Company is involved in certain litigation arising out of its operations in the normal course of its business, most of which is based upon state lemon laws , warranty claims and vehicle accidents (for which the Company carries insurance above a specified self-insured retention or deductible amount). The outcomes of legal proceedings and claims brought against the Company are subject to significant uncertainty. There is significant judgment required in assessing both the probability of an adverse outcome and the determination as to whether an exposure can be reasonably estimated. In management s opinion, the ultimate disposition of any current legal proceedings or claims against the Company will not have a material effect on the Company s financial condition, operating results or cash flows. Litigation is, however, inherently uncertain and an adverse outcome from such litigation could have a material effect on the operating results of a particular reporting period.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

The Company s Common Stock, par value $0.10 per share (the Common Stock), is traded on the New York Stock Exchange (NYSE). Set forth below is the range of high and low market prices for the Common Stock for each quarter during the Company s two most recent fiscal years, as quoted in the NYSE Monthly Market Statistics and Trading Reports:

	Fiscal 2015		Fiscal 2014	
	High	Low	High	Low
First Quarter	$ 54.95	$ 49.03	$ 59.94	$ 49.28
Second Quarter	59.00	52.02	57.51	50.92
Third Quarter	64.65	56.39	64.71	48.24
Fourth Quarter	63.14	53.60	61.82	52.24

Holders

As of September 4, 2015, the number of holders of record of the Common Stock was 160.

Dividends

In fiscal 2015, we paid a $0.27 per share dividend in each quarter. In fiscal 2014, we paid a $0.23 per share dividend in each quarter and a $1.00 special dividend in the second quarter.

The Company s Board currently intends to continue quarterly cash dividend payments in the future. The declaration of future dividends and the establishment of the per share amounts, record dates and payment dates for any such future dividends are subject to the determination of the Board, and will be dependent upon future earnings, cash flows and other factors.

There are no limitations on the Company s ability to pay dividends pursuant to any credit facility.

Issuer Purchases of Equity Securities

The following table provides information with respect to purchases of common shares during the quarter ended July 31, 2015:

Period	(a) Total Number of Shares (or Units) Purchased (1)	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
May 1 through May 31, 2015	1,000,000	$ 60.00		
June 1 through June 30, 2015				

July 1 through July 31, 2015			
Total	1,000,000	$	60.00

(1) The Company entered into a repurchase agreement, dated May 15, 2015, to purchase 1,000,000 shares of its common stock at a price of $60.00 per share from the Thompson Family Foundation in a private transaction that did not involve a publicly announced plan or program.

There were no purchases of equity securities in the first three quarters of fiscal 2015.

Equity Compensation Plan Information see ITEM 12

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ITEM 6. SELECTED FINANCIAL DATA

	Fiscal Years Ended July 31,				
	2015	**2014**(1)	**2013**(2)(3)	**2012**	**2011**(4)(5)(6)
Income statement data:					
Net sales	$ 4,006,819	$ 3,525,456	$ 3,241,795	$ 2,639,798	$ 2,340,442
Net income from continuing operations	202,009	175,516	151,676	111,435	91,647
Net income	199,385	179,002	152,862	121,739	106,273
Earnings per common share from continuing operations:					
Basic	3.80	3.29	2.86	2.07	1.66
Diluted	3.79	3.29	2.86	2.07	1.66
Earnings per common share:					
Basic	3.75	3.36	2.88	2.26	1.92
Diluted	3.74	3.35	2.88	2.26	1.92
Dividends paid per common share	1.08	1.92	2.22	0.60	0.40
Balance sheet data:					
Total assets	$ 1,503,248	$ 1,408,718	$ 1,328,268	$ 1,243,054	$ 1,198,070

(1) Includes a special $1.00 per share dividend.

(2) Includes non-cash goodwill and intangible asset impairments of $6,810 and $4,715, respectively, associated with a subsidiary in our discontinued bus business, and a non-cash long-lived asset impairment of $2,000 associated with a subsidiary in our towable segment.

(3) Includes a special $1.50 per share dividend.

(4) Includes non-cash trademark impairments of $2,036 and $1,430 for trademarks associated with subsidiaries in our motorized segment and discontinued bus business, respectively.

(5) Includes expenses of $6,333 attributable to legal and professional fees in connection with the Heartland acquisition and costs associated with the resolution of an SEC matter.

(6) Includes a gain on the involuntary conversion of assets of $9,417 related to the fiscal 2010 fire at a subsidiary in our discontinued bus business.

The footnote items noted above related to the discontinued bus business would only impact the net income and earnings per common share totals in the chart above.

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ITEM 7. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Management s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read in conjunction with the Company s Consolidated Financial Statements and Notes thereto included in ITEM 8 of this Report.

Our MD&A focuses on our ongoing operations. Discontinued operations are excluded from our MD&A except as indicated otherwise.

Executive Overview

We were founded in 1980 and have grown to be one of the largest manufacturers of RVs in North America. Our combined U.S. and Canadian market share in the travel trailer and fifth wheel portion of the towable segment is approximately 37.1% for the calendar year to date period ended June 30, 2015. In the motorized segment of the RV industry, we have a combined U.S. and Canadian market share of approximately 24.6% for the calendar year to date period ended June 30, 2015.

Our business model includes decentralized operating units and we compensate operating management primarily with cash, based upon the profitability of the business unit which they manage. Our corporate staff provides financial management, insurance, legal, human resource, risk management, marketing and internal audit functions. Senior corporate management interacts regularly with operating management to assure that corporate objectives are understood and are monitored appropriately.

Our RV products are sold to dealers who, in turn, retail those products. We generally do not finance dealers directly, but do provide repurchase agreements to the dealers floor plan lenders.

Our growth has been both internal and by acquisition. Our strategy is designed to increase our profitability by driving innovation, servicing our customers, manufacturing quality products, improving the efficiencies of our facilities and by acquisitions.

We generally rely on internally generated cash flows from continuing operations to finance our growth. Capital expenditures of $42,283 in fiscal 2015 were made primarily for land, production building additions and improvements and replacing machinery and equipment used in the ordinary course of business.

Discontinued Operations

On July 31, 2013, we entered into a definitive Stock Purchase Agreement to sell our bus business to Allied Specialty Vehicles, Inc. (ASV) and received $105,043 in final cash consideration from the sale. The sale closed on October 20, 2013. Thor s bus business included Champion Bus, Inc., General Coach America, Inc., Goshen Coach, Inc., El Dorado National (California), Inc., and El Dorado National (Kansas), Inc. As a result of the sale, the results of operations of the bus business are reported as income from discontinued operations, net of income taxes on the Consolidated Statements of Income and Comprehensive Income for the years ended July 31, 2015, 2014, and 2013. Discontinued operations also reflect the results of the ambulance product line, through the date of its sale on April 30, 2013. See Note 3, Discontinued Operations , in the Notes to the Consolidated Financial Statements for further information. The following table summarizes the results of discontinued operations:

	2015	2014	2013
Net sales	$	$ 83,903	$ 448,385