



MaxiTRANS Industries Limited

Annual General Meeting 21st October, 2011



Financial Highlights



| | FY09 \$000 | FY10 \$000 | FY11 \$000 | % Change on FY10 |
|---------|---------------|---------------|---------------|---------------------|
| Revenue | 252,621 | 235,387 | 202,476 | (14%) |
| EBITDA | 7,339 | 14,741 | 11,230 | (24%) |
| NPBT | (993) | 7,124 | 4,341 | (39%) |
| NPAT | (1,894) | 5,766 | 4,171 | (28%) |

These results include the following non-operating items:

| | | | |
|---------------------------|---------|-------|---------|
| Impairment charge | (6,137) | - | - |
| Restructuring (after tax) | (1,000) | (853) | (1,735) |
| Non Op gains (after tax) | - | - | 2,197 |

Financial Highlights (cont)



| | FY09 \$000 | FY10 \$000 | FY11 \$000 |
|-------------------------------|---------------|---------------|---------------|
| Operating Cash Flow | 14,072 | 8,723 | 9,058 |
| Net Debt | 24,236 | 21,905 | 9,779 |
| Net Debt/Equity % | 29% | 25% | 11% |
| EPS (Basic) | (1.09) cents | 3.17 cents | 2.27 cents |
| Dividend declared | 1.0 cent | 2.0 cents | 1.5 cents |
| Dividend as % of EPS | - | 63% | 66% |
| Net Tangible Assets per Share | 32.05 cents | 34.69 cents | 35.14 cents |

FY11 Overview



- Commenced the year with slow order intake
- Restructuring costs and associated short term inefficiencies in excess of \$3.5m NPBT
- Order intake in FY11 down 12% on FY10
- Order intake in 2H11 up 30% on 1H11
- Major contracts secured in 4Q11
- Another record contribution from Colrain parts business
- Sale of Hamelex White property (\$10.5m) and strong operational cash flow reduced net debt to equity from 25% to 11%
- Acquisition of remaining 50% of MTC.

Strategic Achievements in FY11



- **Enhanced Competitiveness:**
 - Consolidation of manufacturing activities - improved efficiencies and reduced overheads (estimated \$2 million p.a.)
- **Expansion in China:**
 - Acquisition of 100% of MTC
 - New and expanded manufacturing facility under construction
- **Expansion in New Zealand:**
 - New and expanded manufacturing and service facility completed
- **Mining & Resources Sector:**
 - Dedicated senior manager appointed to drive growth in resources
 - Major contract secured: C-triple 180 tonne side tipper combinations
- **Strong Balance Sheet:**
 - Significantly reduced net debt and gearing (net debt \$21.9m → \$9.8m).

Parts



- Record profit contribution in FY11 (up 112% on pcp)
- Significant contribution from NSW branch (Sales up 83% on pcp)
- Sales growth from new product ranges (lights, signage, tools etc)
- Tyre sales continue to grow strongly (Sales up 363% on pcp)
- Further growth expected through:
 - New product ranges
 - Organic growth - wholesale and retail
- Record first quarter FY12:
 - Sales revenue up 23% on pcp
 - Contribution up 101% on pcp.



Trailers



- Unit sales down 29% on pcp
- 2H11 order intake up 50% on 1H11
- New Freighter AutoHold launched at Brisbane Truck Show
 - Load restraint curtains
 - No buckles or straps
 - Patent Pending
- Strong order bank to start FY12 (up 78% on pcp)
- Strong first quarter FY12:
 - Unit sales up 11% on pcp
 - Order intake up 47% on pcp.

New Freighter AutoHold



Vans

Maxi-CUBE



- Unit sales down 27% on pcp
- 2H11 order intake up 67% on 1H11
- Strong order bank to start FY12 (up 32% on pcp)
- Classic C Series (full chassis van) well received by customers
- **Strong first quarter FY12:**
 - Unit sales up 185% on pcp
 - Order intake up 109% on pcp.



Maxi-CUBE C Series vans for road train use in WA

Tippers *LUSTY EMS* *HamelexWhite*



- FY11 unit sales down 24% on pcp
- 2H11 order intake up 14% on 1H11
- Agricultural demand improved in 2H11
- Hamelex White manufacturing successfully transferred to Ballarat
- New Dandenong sales, service and parts facility
- New products being launched for resources sector
- **First quarter FY12:**
 - Unit sales up 4% on pcp
 - Order intake up 71% on pcp.



Lusty EMS Truck and Dog

Resources Sector



- ABARES forecasts energy & mineral exports to grow from \$186B (FY11) to \$219B (FY16)*
- Have supplied resource sector for over 5 years:
 - 260 units sold thus far
 - \$28m value
- Senior Manager appointed to grow the business
- New and updated product range being launched
- Heavy duty off-road contract won
 - C -Triple side tipper combination
 - 180 tonne payload.



New Side-Tipper

180t C-Triple



* ABARES *Australian Commodities, Vol18, No.1, March Quarter 2011*

New Zealand



- FY11 profit contribution up 457% on pcp
- FY11 unit sales up 48% on pcp
- FY11 order intake up 246% on pcp
- New, larger factory opened October 2012
- Expanded product ranges from new facility
- Strong result expected FY12
- Strong first quarter FY12:
 - Unit sales up 263% vs. pcp
 - Order intake up 650% vs. pcp.



Recent contract

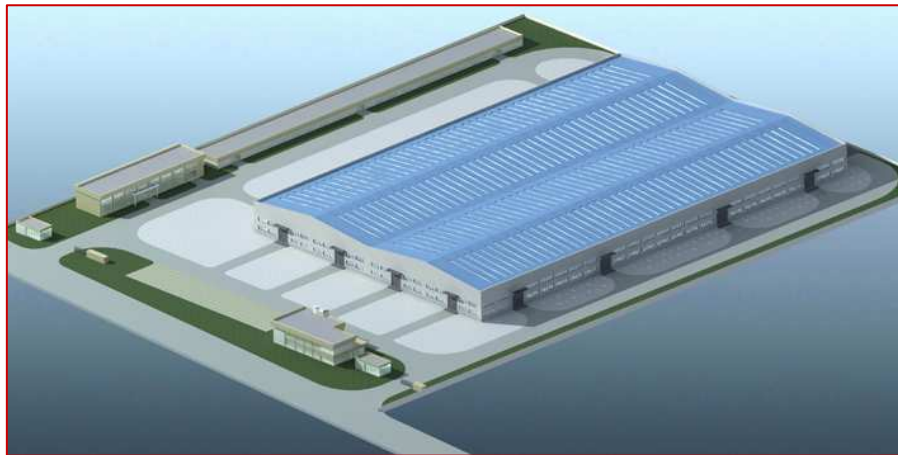


New Auckland Factory

MTC - Yangzhou, China



- Major panel supplier to Chinese body builders
- Remaining 50% equity acquired January 2011
- Refrigerated road transport market in China forecast to grow at 10% CAGR to 2014*
* TechNavio: "Refrigerated Road Transport Market in China 2010-2014" July 2011
- New, larger factory due for completion September 2012
- Selling 20% equity to MTC management team in early FY12
- **First quarter FY12: Sales up 4.1% on pcp.**



Artist's impression of new factory



Since 1998, MTC has supplied panels for over 10,000 truck bodies for China Post

Joint Venture



Freighter Maxi-CUBE Qld (36.67%):

- FY11 Contribution down 32% on pcp
- Slow trailer and van market
- Adverse effects of Brisbane floods and North Qld cyclone
- **First quarter FY12 contribution up 5% on pcp.**



FMQ Head Office flooded Jan. 2011

Trailer Sales NQ, a division of FMQ



Carbon Tax (“Clean Energy Future”)



The Carbon Tax affects two areas of the business:

- Impact on MaxiTRANS (Preliminary View):
 - Cost increases expected in:
 - Locally sourced components
 - Utilities
 - Raw materials
 - Other local trailer manufacturers similarly affected
 - Imported trailers largely exempt from carbon tax cost increases
 - Locally made trailers could be at a competitive disadvantage
 - May affect sourcing strategies
 - Potentially more imported components

- Impact on Customers (Road Transport Operators):
 - Net cost of diesel fuel will rise from July 2014
 - MaxiTRANS is working with customers to improve aerodynamics and maximise payload.



Outlook FY12

- Order intake for first quarter of FY12 up 65% on pcp
 - Solid order intake for trailers & vans
 - Strong agricultural sector demand for tippers
- Another record contribution expected from Colrain
- New Zealand: strong growth from expanded product range and capacity
- Improved efficiencies and lower cost base enhancing profitability
- Projected 1H12 NPAT in excess of \$5m* (vs \$1m underlying pcp)
- Resource sector opportunities being actively pursued
- Low gearing supports acquisition or capital management opportunities
- Global and local economic outlook continues to be uncertain.

* Unaudited internal management accounts to 30/9/11 and management projections to 31/12/11.

