



MAXITRANS ACQUIRES RESOURCES TRAILER BUSINESS AZMEB GLOBAL TRAILERS

MaxiTRANS Industries Limited (ASX:MXI) today announced the acquisition of the business of AZMEB Global Trailers (“AZMEB”) which continues its strategy of expanding the Group's participation in Australia’s mining and resources sector.

AZMEB is a leading designer, manufacturer and marketer of side tipper to the mining and resources sector and to the waste management industry. Based in Bundaberg, Queensland, AZMEB has grown rapidly in recent years and is expected to turn over approximately \$20 million in FY12, generating normalised earnings before interest and tax (“EBIT”) of approximately \$2 million.

AZMEB has developed unique, innovative and proven side tipper designs that underpin the business’ highly regarded brand in the mining and waste sectors. The acquisition adds a new customer base to MaxiTRANS’ existing tipper businesses and enables the company to increase its exposure to the Australian mining and resources industry as well as gaining a greater share of the Australian waste transport equipment market.

Example of AZMEB products shown below.





The vendor, Mr. Bernd Ostermeyer, will continue in his current role with the AZMEB business in the short term, enabling MaxiTRANS to focus on increasing production capacity to meet market demand as well as expanding the geographical distribution of AZMEB's products in Australia. MaxiTRANS will retain AZMEB's manufacturing facility in Bundaberg and its skilled workforce and management.

The Managing Director of MaxiTRANS, Michael Brockhoff said: "With AZMEB having one of the strongest reputations in the mining and resources sector, it complements our existing extensive range of tippers sold under MaxiTRANS' Hamelex White and Lusty EMS brands. With strong demand for this quality product it is our intention to quickly expand production capacity and its distribution throughout Australia."

The acquisition values the AZMEB business at an enterprise value of \$6 million. Funding for the acquisition will be from existing banking facilities and completion will occur after various conditions precedent have been satisfied over the coming weeks. The acquisition of AZMEB is expected to be earnings per share accretive in the first year of ownership.

The acquisition of AZMEB together with the recently announced acquisition of Queensland Diesel Spares Pty Ltd is expected to add approximately \$60 million in sales revenue and approximately \$6.5 million in normalised EBIT (before synergies) to the MaxiTRANS Group from FY13. The impact of both acquisitions on earnings for the remainder of FY12, whilst positive, is not expected to be material as a result of transaction and implementation costs.

For more information please contact the Managing Director, Mr. Michael Brockhoff, or the Chief Financial Officer, Mr. Marcello Mattia on (03) 8368 1100.

Michael Brockhoff
Managing Director
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