MaxiTRANS ANNOUNCES HALF YEAR FY15 RESULT

MaxiTRANS Industries Limited ('MXI') today announced its half year result, with net profit after tax attributable to MXI shareholders of $5.08 million for the half year ended 31 December 2014. This result is consistent with the guidance range issued in October, 2014.

The Directors have declared a fully franked interim dividend of 2.0 cents per share (1H14 3.75 cents per share), payable on the 16th of April 2015 to all shareholders at the record date, the 27th of March 2015. This represents a 73% payout ratio for the half year.

"This result reflects the ongoing challenging environment heading into FY15 as foreshadowed at the AGM in October, 2014." Managing Director Mr. Michael Brockhoff said.

(A$'000)	Half Year ended 31/12/14	Half Year ended 31/12/13	% Increase (Decrease)
Revenue	**172,022**	**181,371**	**(5%)**
Earnings before interest and tax ("EBIT")	**7,821**	**14,902**	**(48%)**
Interest expense	(1,113)	(816)	
Net profit before tax	**6,708**	**14,086**	**(52%)**
Tax expense	(1,624)	(3,738)	
Net profit after tax	**5,084**	**10,348**	**(51%)**
Non-controlling interests	2	(96)	
Net profit attributable to shareholders	**5,086**	**10,252**	**(50%)**
EPS (basic)	**2.75 cents**	**5.57 cents**	**(51%)**
Interim dividend per ordinary share	**2.00 cents**	**3.75 cents**	**(47%)**

Revenue for 1H15 reduced by 5% from 1H14, with the decline mainly attributable to a 7.8% revenue decrease in the trailer business.

The continued decline in trailer demand due to weak economic conditions has intensified pricing pressure with heavy discounting significantly impacting margins in order to retain sales volume. The tipper market in particular has experienced the greatest sales decline with revenue down 33% on 1H14 due to the severe drought throughout most of Queensland and northern NSW, reduction in resources activity and continued low infrastructure activity nationally.

Pleasingly, during the first half, we announced our plan to open our own trailer dealership in NSW through which all of our trailer brands will be sold. We believe this will greatly enhance our ability to grow our share of the NSW market.

Revenue in the Parts & Service segment was in line with 1H14, however revenue from the Parts business was down 5.5% on 1H14. The incremental revenue from the stores acquired or opened in late FY14 assisted to partially offset the continued decline in the Queensland market for the reasons outlined above. Profitability of the Parts business in this period was adversely impacted by the expansion of the store footprint which will provide greater opportunities for the business in the future. The start-up losses on the greenfields stores in Mackay and Darwin, together with the recognition of the costs relating to a significant product recall initiated in 1H15 also impacted the result.

In light of the current economic conditions, the business has taken steps to critically review and reduce its cost base to reflect current business activity.

Our international businesses continued to deliver solid growth in 1H15.

Our New Zealand business has again performed strongly with 1H15 revenue being 90% above 1H14 and delivery of a solid profit result due to improved sales volume and favourable product mix.

Despite softening economic conditions, the MTC business in China delivered 25% revenue growth over 1H14 with the new production facility now fully operational and positioned well to capitalize on further opportunities.

Outlook

Overall, we continue to see subdued business confidence in the Australian economy which is reflected in our current trailer order book and outlook for the Parts business. However, with recent widespread rains across southern Queensland, we have seen improved tipper enquiry.

The declining Australian dollar and increasing local product customization should also see local manufacturers positioned well as against import competition.

As a result of the outlook, the Company is currently reviewing its manufacturing strategy and footprint to ensure its facilities are utilized to obtain optimum efficiency given the current market conditions. Together with the realization of efficiencies from the manufacturing continuous improvement program, the Australian trailer business is focusing on opportunities in new markets, including the waste transfer sector, to mitigate the decline in the resources sector and also aggressively pursuing new customers to increase market share.

The Parts business is continuing to review and expand its product range to improve its value proposition to its customers including the re-launch of its CS suspension product in 2H15. The Parts business is also reviewing its store network and overhead structures to ensure profitability is optimized. The opening of a new, larger, purpose built Victorian warehouse in 2H15 will provide greater capacity to service its expanded national store network at no additional operating cost to the business. These growth initiatives have created a strong platform upon which the business is well positioned when the market improves.

In relation to the international businesses, we expect the New Zealand business to continue its improvement in 2H15 as it leverages its strong market position and local economy.

Notwithstanding indications of a softer China economy, MTC is well positioned to take advantage of the growth in the Chinese logistics sector.

As a result of the above outlook, we see similar ongoing economic and market challenges in the second half of FY15.

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

Ian Davis
Chairman
20 February 2015

Rules 4.2A.3

Appendix 4D

Half Year Report

Introduced 1/1/2003

Name of entity

MAXITRANS INDUSTRIES LIMITED

ABN 58 006 797 173	**Half Year Ended 31 December 2014**

Results for announcement to the market

				$A'000
Revenues from ordinary activities	down	-5%	to	172,022
Profit from ordinary activities after tax attributable to members	down	-50%	to	5,086
Net profit for the period attributable to members	down	-50%	to	5,086

Dividends (distributions) - Note 4	Amount per security	Franked amount per security
Interim dividend – Ordinary shares	2.00¢	2.00¢
Previous corresponding period: Interim dividend – Ordinary shares	3.75¢	3.75¢

Record date for determining entitlements to the dividend.	27 March 2015

Refer to the attached ASX announcement regarding commentary on revenue, earnings (including underlying results) and business outlook.

MaxiTRANS Industries Limited
Directors' Report for the half-year ended 31 December 2014

The Directors of MaxiTRANS Industries Limited submit herewith the half-year financial report in the form of Appendix 4D of the Australian Stock Exchange Listing Rules for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of the Directors of the company during or since the end of the half-year are:

Mr. Ian R. Davis	(Chairman since October 1994)
Mr. James R. Curtis	(Director Since 1987 – Deputy Chairman since October 1994)
Mr. Michael A. Brockhoff	(Managing Director since June 2000)
Mr. Geoffrey F. Lord	(Director since October 2000)
Mr. Robert H. Wylie	(Director since September 2008)
Mr. Joseph Rizzo	(Director since June 2014)

Review of operations

MaxiTRANS Industries Limited ('MXI') today announced its half year result, with net profit after tax attributable to MXI shareholders of $5.08 million for the half year ended 31 December 2014. This result is consistent with the guidance range issued in October, 2014.

The Directors have declared a fully franked interim dividend of 2.0 cents per share (1H14 3.75 cents per share), payable on the 16th of April 2015 to all shareholders at the record date, the 27th of March 2015. This represents a 73% payout ratio for the half year.

This result reflects the ongoing challenging environment heading into FY15 as foreshadowed at the AGM in October, 2014.

Revenue for 1H15 reduced by 5% from 1H14, with the decline mainly attributable to a 7.8% revenue decrease in the trailer business.

The continued decline in trailer demand due to weak economic conditions has intensified pricing pressure with heavy discounting significantly impacting margins in order to retain sales volume. The tipper market in particular has experienced the greatest sales decline with revenue down 33% on 1H14 due to the severe drought throughout most of Queensland and northern NSW, reduction in resources activity and continued low infrastructure activity nationally.

Pleasingly, during the first half, we announced our plan to open our own trailer dealership in NSW through which all of our trailer brands will be sold. We believe this will greatly enhance our ability to grow our share of the NSW market.

Revenue in the Parts & Service segment was in line with 1H14, however revenue from the Parts business was down 5.5% on 1H14. The incremental revenue from the stores acquired or opened in late FY14 assisted to partially offset the continued decline in the Queensland market for the reasons outlined above. Profitability of the Parts business in this period was adversely impacted by the expansion of the store footprint which will provide greater opportunities for the business in the future. The start-up losses on the greenfields stores in Mackay and Darwin, together with the recognition of the costs relating to a significant product recall initiated in 1H15 also impacted the result.

In light of the current economic conditions, the business has taken steps to critically review and reduce its cost base to reflect current business activity.

Our international businesses continued to deliver solid growth in 1H15.

Our New Zealand business has again performed strongly with 1H15 revenue being 90% above 1H14 and delivery of a solid profit result due to improved sales volume and favourable product mix.

Despite softening economic conditions, the MTC business in China delivered 25% revenue growth over 1H14 with the new production facility now fully operational and positioned well to capitalize on further opportunities.

Outlook

Overall, we continue to see subdued business confidence in the Australian economy which is reflected in our current trailer order book and outlook for the Parts business. However, with recent widespread rains across southern Queensland, we have seen improved tipper enquiry.

The declining Australian dollar and increasing local product customization should also see local manufacturers positioned well as against import competition.

As a result of the outlook, the Company is currently reviewing its manufacturing strategy and footprint to ensure its facilities are utilized to obtain optimum efficiency given the current market conditions. Together with the realization of efficiencies from the manufacturing continuous improvement program, the Australian trailer business is focusing on opportunities in new markets, including the waste transfer sector, to mitigate the decline in the resources sector and also aggressively pursuing new customers to increase market share.

The Parts business is continuing to review and expand its product range to improve its value proposition to its customers including the re-launch of its CS suspension product in 2H15. The Parts business is also reviewing its store network and overhead structures to ensure profitability is optimized. The opening of a new, larger, purpose built Victorian warehouse in 2H15 will provide greater capacity to service its expanded national store network at no additional operating cost to the business. These growth initiatives have created a strong platform upon which the business is well positioned when the market improves.

In relation to the international businesses, we expect the New Zealand business to continue its improvement in 2H15 as it leverages its strong market position and local economy.

Notwithstanding indications of a softer China economy, MTC is well positioned to take advantage of the growth in the Chinese logistics sector.

As a result of the above outlook, we see similar ongoing economic and market challenges in the second half of FY15.

Dividend

The Directors have declared a fully franked interim dividend of 2.00 cents per share payable on 16 April 2015 to holders of ordinary shares at the record date, 27 March 2015.

Auditor's independence declaration

The independence declaration of our auditor, KPMG, in accordance with s. 307C of the Corporations Act 2001 is set out on page 4 for the half year ended 31 December 2014 and forms part of the Directors' report.

Rounding of amounts

The parent entity has applied the relief available to it in ASIC Class Order 98/100 and accordingly, amounts in the interim financial statements and the Director's Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

This report has been made in accordance with a resolution of the Board of Directors.

M Brockhoff

Michael A. Brockhoff
Managing Director

Melbourne, 20 February 2015

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of MaxiTRANS Industries Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2014 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Tony Romeo
Partner

Melbourne

20 February 2015

DIRECTORS' DECLARATION

In the opinion of the Directors of MaxiTRANS Industries Limited ("the Company"):

1 the interim consolidated financial statements and notes set out on pages 6 to 15, are in accordance with the Corporations Act 2001 including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

2 there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed for and on behalf of the Board in accordance with a resolution of Directors made pursuant to s.303(5) of the Corporations Act 2001.

M Brockhoff

Michael A. Brockhoff
Managing Director

Melbourne, 20 February 2015

CONSOLIDATED INCOME STATEMENT AND
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

CONSOLIDATED INCOME STATEMENT	Note	31 Dec 2014 $'000	31 Dec 2013 $'000
Total revenue	2	**172,022**	181,371
Changes in inventories of finished goods and work in progress		**(208)**	(980)
Raw materials and consumables used		**(101,064)**	(107,333)
Other income	3	**45**	40
Employee expenses		**(43,217)**	(41,535)
Depreciation and amortisation expenses		**(2,852)**	(2,626)
Finance costs		**(1,113)**	(816)
Other expenses		**(17,388)**	(14,800)
Share of net profits of joint ventures accounted for using the equity method		**483**	765
Profit before income tax		**6,708**	14,086
Income tax expense		**(1,624)**	(3,738)
Profit for the period		**5,084**	10,348
Profit attributable to:			
Equity holders of the company		**5,086**	10,252
Non-controlling interests		**(2)**	96
Profit for the period		**5,084**	10,348

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
Profit for the period	**5,084**	10,348
Other comprehensive income		
Items that will never be reclassified to profit or loss:		
Revaluation of land and buildings	**1,039**	2,583
Related tax	**(312)**	(775)
Total items that will never be reclassified to profit or loss	**727**	**1,808**
Items that may subsequently be reclassified to profit or loss:		
Net exchange difference on translation of financial statements of foreign operations	**1,236**	1,461
Effective portion of changes in fair value of cash flow hedges	**(134)**	36
Related tax	**40**	(11)
Total items that may subsequently be reclassified to profit or loss	**1,142**	1,486
Other comprehensive income for the period, net of income tax	**1,869**	3,294
Total comprehensive income for the period	**6,953**	13,642
Total comprehensive income attributable to:		
Equity holders of the company	**6,801**	13,483
Non-controlling interests	**152**	159
Total comprehensive income for the period	**6,953**	13,642
Earnings per share		
Basic earnings per share (cents per share)	**2.75¢**	5.57¢
Diluted earnings per share (cents per share)	**2.74¢**	5.48¢
	Number	Number
Weighted average number of shares:		
Number for basic earnings per share	**185,075,653**	183,993,392
Number for diluted earnings per share	**185,513,786**	187,160,983
Net Tangible Assets Backing (cents per share)	**42.37¢**	41.31¢
Net Assets Backing (cents per share)	**66.89¢**	66.24¢

The consolidated income statement and consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes to the consolidated half-year financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	31 Dec 2014 $'000	30 June 2014 $'000
Current Assets			
Cash and cash equivalents		**3,858**	5,041
Trade and other receivables		**31,168**	43,031
Inventories		**53,362**	54,587
Current tax asset		**1,105**	-
Other		**3,469**	2,418
Total Current Assets		**92,962**	105,077
Non-Current Assets			
Investments in joint venture	5	**4,042**	3,994
Property, plant & equipment		**67,127**	63,197
Intangible assets		**45,371**	45,938
Deferred tax assets		**170**	153
Other		**841**	818
Total Non-Current Assets		**117,551**	114,100
Total Assets		**210,513**	219,177
Current Liabilities			
Trade and other payables		**33,332**	41,040
Interest bearing loans and borrowings		**5,597**	4,399
Current tax liability		**-**	231
Provisions		**11,872**	10,608
Total Current Liabilities		**50,801**	56,278
Non-Current Liabilities			
Interest bearing loans and borrowings		**32,595**	38,181
Deferred tax liabilities		**1,947**	1,714
Provisions		**1,121**	1,070
Other		**255**	121
Total Non-Current Liabilities		**35,918**	41,086
Total Liabilities		**86,719**	97,364
Net Assets		**123,794**	121,813
Equity			
Issued capital		**56,386**	56,386
Reserves		**14,525**	13,069
Retained earnings		**51,090**	50,457
Equity attributable to equity holders of the company		**122,001**	119,912
Non-controlling interest		**1,793**	1,901
Total Equity		**123,794**	121,813

The consolidated statement of financial position is to be read in conjunction with the notes to the consolidated half-year financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Note	Issued capital	Asset revaluation reserve	Foreign currency translation reserve	Share based payments reserve	Retained earnings	Hedging Reserve	Non-controlling interest	Total
Balance as at 1 July 2013		56,386	8,028	879	563	48,142	(91)	1,857	115,764
Comprehensive income for the period									
Profit for the period		-	-	-	-	10,252	-	96	10,348
Other comprehensive income									
Net exchange difference on translation of financial statements of foreign operations		-	-	1,461	-	-	-	-	1,461
Revaluation of land and buildings		-	1,808	-	-	-	-	-	1,808
Effective portion of changes in fair value of cash flow hedges		-	-	-	-	-	25	-	25
Total comprehensive income for the period		-	1,808	1,461	-	10,252	25	96	13,642
Transactions with owners, recorded directly in equity									
Dividends to equity holders	4	-	-	-	-	(7,820)	-	-	(7,820)
Share based payment transactions		-	-	-	284	-	-	-	284
Total transactions with owners		-	-	-	284	(7,820)	-	-	(7,536)
Balance 31 December 2013		56,386	9,836	2,340	847	50,574	(66)	1,953	121,870
Balance as at 1 July 2014		56,386	9,836	2,169	1,161	50,457	(97)	1,901	121,813
Comprehensive income for the period									
Profit for the period		-	-	-	-	5,086	-	(2)	5,084
Other comprehensive income									
Net exchange difference on translation of financial statements of foreign operations		-	-	1,082	-	-	-	154	1,236
Revaluation of land and buildings		-	727	-	-	-	-	-	727
Effective portion of changes in fair value of cash flow hedges		-	-	-	-	-	(94)	-	(94)
Total comprehensive income for the period		-	727	1,082	-	5,086	(94)	152	6,953
Transactions with owners, recorded directly in equity									
Dividends to equity holders	4	-	-	-	-	(4,164)	-	(260)	(4,424)
Share based payment transactions		-	-	-	(259)	(289)	-	-	(548)
Total transactions with owners		-	-	-	(259)	(4,453)	-	(260)	(4,972)
Balance 31 December 2014		**56,386**	**10,563**	**3,251**	**902**	**51,090**	**(191)**	**1,793**	**123,794**

The consolidated statement of changes in equity is to be read in conjunction with the notes to the consolidated half-year financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	31 Dec 2014 $'000	31 Dec 2013 $'000
Cash Flows from Operating Activities		
Receipts from customers	**201,379**	208,081
Payments to suppliers & employees	**(186,780)**	(187,027)
Interest received	**45**	40
Interest & other costs of finance paid	**(1,113)**	(816)
Income tax paid	**(2,849)**	(10,872)
Net Cash Provided by/(Used in) Operating Activities	**10,682**	9,406
Cash Flows from Investing Activities		
Payments for property, plant & equipment	**(3,496)**	(3,518)
Dividends received	**435**	851
Proceeds from sale of property, plant & equipment	**129**	263
Acquisition of business	**-**	(2,643)
Net Cash Provided by/(Used in) Investing Activities	**(2,932)**	(5,047)
Cash Flows from Financing Activities		
Proceeds from borrowings	**2,839**	7,130
Repayment of borrowings	**(6,666)**	(1,627)
Payment of finance lease liabilities	**(1,022)**	(677)
Dividends paid	**(4,424)**	(7,820)
Net Cash Provided by/(Used in) Financing Activities	**(9,273)**	(2,994)
Net increase/(decrease) in cash	**(1,523)**	1,365
Cash and cash equivalents 1 July	**5,041**	1,055
Effect of exchange rate fluctuations on cash held	**340**	132
Cash and cash equivalents 31 December	**3,858**	2,552
Reconciliation of cash		
Cash at bank and on hand	**3,858**	2,552
Non-cash financing and investing activities		
Acquisition of plant & equipment by means of finance leases	**461**	255

These acquisitions of plant and equipment are not reflected in the statement of cash flows.

The consolidated statement of cash flows is to be read in conjunction with the notes to the consolidated half-year financial statements.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

1. Statement of Compliance and Significant Accounting Policies

Reporting entity

MaxiTRANS Industries Limited (the "Company") is a company domiciled in Australia and its registered office is 346 Boundary Road, Derrimut, Victoria. The consolidated interim financial report of the Company as at and for the six months ended 31 December 2014 comprises the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in joint ventures and jointly controlled entities.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2014 is available upon request from the Company's registered office at 346 Boundary Rd, Derrimut, Victoria or at www.maxitrans.com

Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting, IAS 34 Interim Financial Reporting* and the Corporations Act 2001.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2014.

This consolidated interim financial report was approved by the Board of Directors on 20 February 2015.

The Group has applied the relief available to it in ASIC Class Order 98/100 dated 10 July 1998 and, accordingly, amounts in the interim financial report have been rounded to the nearest thousand dollars unless specifically stated otherwise.

Significant accounting policies

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2014.

Accounting Estimates and Judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2014.

	31 Dec 2014 $'000	31 Dec 2013 $'000
2. Revenue		
Sale of goods	**164,777**	174,143
Rendering of services	**7,245**	7,228
Total Revenue	**172,022**	181,371

3. Other income

Interest revenue	**45**	40

4. Dividends

	31 Dec 2014 $'000	31 Dec 2013 $'000
Dividends paid:		
Final dividend paid on 10 October 2014 of 2.25 (2013: 4.25) cents per share franked at the rate of 30% (2013: 30%)	**4,164**	7,820
Dividends proposed:		
Interim fully franked dividend of 2.00 (2014: 3.75) cents per share franked at the rate of 30% (2014: 30%).	**3,702**	6,900
Dividend franking account		
Class C (30%) franking credits available to shareholders of MaxiTRANS Industries Limited for subsequent financial years	**18,606**	16,334

On 20 February 2015, the Directors have declared a fully franked interim dividend of 2.00 cents per share, payable on 16 April 2015 to holders of ordinary shares at the record date, 27 March 2015. No liability has been recorded in relation to this dividend at 31 December 2014.

The above franking credits available amounts are based on the balance of the dividend franking account at 31 December 2014 adjusted for franking debits that will arise from the payment of dividends recognised as a liability at period-end and franking credits that will arise from the payment of tax liabilities.

The operation of the Company's dividend reinvestment plan ('DRP') was suspended on 21 June 2011 until further notice and will not apply to the above dividend.

5. Investment in Joint Venture

		Ownership Interest	
Name of Entity	**Principal Activity**	**31 Dec 2014 %**	31 Dec 2013 %
Trailer Sales Pty Ltd	Trailer retailer. Repair and service provider. Sale of Spare parts	**36.67**	36.67
		$'000	$'000
Carrying amount of investments in joint ventures		**4,042**	3,744

6. Bank Facilities

Core Australian and New Zealand loan facilities of $75.0m mature as follows, subject to continuing compliance with the terms of the facilities:
- $45.0m in December 2016
- $30.0m in December 2018

7. Segment Information

It is the Group's policy that inter-segment pricing is determined on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-bearing loans, borrowings and expenses, and corporate assets and expenses. There have been no changes in reportable segments during the year. Total finance costs of the Group are included in unallocated corporate costs.

Six months ended 31 December 2014

Business Segments	Trailer & Tipper Units	Parts & Service	Eliminations	Consolidated
	$'000	$'000	$'000	$'000
Revenue				
External segment revenue	107,087	64,207	-	171,294
Inter-segment revenue	968	10,442	(11,410)	-
Total segment revenue	108,055	74,649	(11,410)	171,294
Unallocated sundry revenue				728
Total Revenue				172,022
Segment Result				
Segment net profit before tax	6,138	2,109	-	8,247
Share of net profit of equity accounted investments				483
Unallocated corporate expenses				(2,022)
Profit before related income tax expense				6,708
Income tax expense				(1,624)
Net profit				5,084
Assets				
Segment assets	111,433	81,370	-	192,803
Unallocated corporate assets				17,710
Consolidated total assets				210,513
Liabilities				
Segment liabilities	12,101	20,667	-	32,768
Unallocated corporate liabilities				53,951
Consolidated total liabilities				86,719

7. Segment Information (cont.)

Six months ended 31 December 2013

Business Segments	Trailer & Tipper Units	Parts & Service	Eliminations	Consolidated
	$'000	$'000	$'000	$'000
Revenue				
External segment revenue	116,178	64,536	-	180,714
Inter-segment revenue	677	11,244	(11,921)	-
Total segment revenue	116,855	75,780	(11,921)	180,714
Unallocated sundry revenue				657
Total Revenue				181,371
Segment Result				
Segment net profit before tax	9,481	5,174	-	14,655
Share of net profit of equity accounted investments				765
Unallocated corporate expenses				(1,334)
Profit before related income tax expense				14,086
Income tax expense				(3,738)
Net profit				10,348
Assets				
Segment assets	110,376	83,210	-	193,586
Unallocated corporate assets				8,838
Consolidated total assets				202,424
Liabilities				
Segment liabilities	12,698	20,030	-	32,728
Unallocated corporate liabilities				47,826
Consolidated total liabilities				80,554

Prior Year figures restated for comparative purposes

SECONDARY REPORTING

The Group's external revenues are predominately derived from customers located within Australia.
The customer base is sufficiently diverse to ensure the Group is not reliant on any particular customer.
The Group's assets and capital expenditure activities are predominantly located within Australia.

8. Financial Instruments

Net fair value

Fair Value Measurement requires that financial and non-financial assets and liabilities measured at fair value be disclosed according to their position in the fair value hierarchy.

This hierarchy has three levels. Level 1 is based on quoted prices in active markets for identical assets; Level 2 is based on quoted prices or other observable market data not included in Level 1; while Level 3 valuations are based on inputs other than observable market data.

The following table presents MaxiTRANS assets and liabilities measured and recognised at fair value and their classification within the fair value hierarchy at 31 December 2014.

As at 31 December 2014	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Derivatives	-	397	-	397
Non-financial assets				
Land and buildings	-	-	38,241	38,241
	-	397	38,241	38,638
Financial Liabilities				
Derivatives	-	(273)	-	(273)
	-	124	38,241	38,365

As at 31 December 2013	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Derivatives	-	397	-	397
Non-financial assets				
Land and buildings	-	-	35,925	35,925
	-	397	35,925	36,322
Financial Liabilities				
Derivatives	-	(95)	-	(95)
	-	302	35,925	36,227

The fair value of Level 2 financial instruments is determined by reference to observable inputs from markets not considered active. The forward foreign currency exchange contracts and interest rate swaps are priced with reference to an active yield or rate, but with an adjustment applied to reflect the timing of maturity dates. Level 3 assets include MaxiTRANS land and buildings reflecting the use of directly unobservable market inputs in their valuation.

Updated indicative valuations were obtained at 31 December 2014 for all properties held in Australia, with a formal valuation performed on the New Zealand property. Valuations are conducted by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The following table presents the changes in Level 3 assets during the half year ended 31 December 2014 for recurring fair value measurements of non-financial assets.

8. Financial Instruments (cont'd)

	Land and Buildings $'000
Opening balance as at 1 July 2014	37,174
Fair value revaluation recognised in other comprehensive income	1,039
Additions	-
Disposals	-
Depreciation recognised in the statement of profit and loss	(253)
Exchange rate variance	281
Closing balance as at 31 December 2014	38,241

The following table provides quantitative information about the significant unobservable inputs used in Level 3 fair value measurements including the sensitivity of fair value measurement to changes in the noted unobservable inputs.

Description	Fair Value $'000	Valuation Technique	Unobservable Inputs	Fair Value Movement Due to +/- Change in Unobservable Inputs $'000
Land and Buildings	38,241	Highest and best use to market participants	Derived assumptions including rents, yields and discount rates obtained from analysed transactions	1,039

9. Events Subsequent to Reporting Date

There have been no events subsequent to the reporting date which would have a material effect on the Group's interim financial statements at 31 December 2014.

Campbell Richards
Company Secretary

Melbourne, 20 February 2015

Independent auditor's review report to the members of MaxiTRANS Industries Limited

Report on the financial report

We have reviewed the accompanying half-year financial report of MaxiTRANS Industries Limited, which comprises the consolidated statement of financial position as at 31 December 2014, consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of MaxiTRANS Industries Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of MaxiTRANS Industries Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Tony Romeo
Partner

Melbourne

20 February 2015