

MaxiTRANS Industries Limited

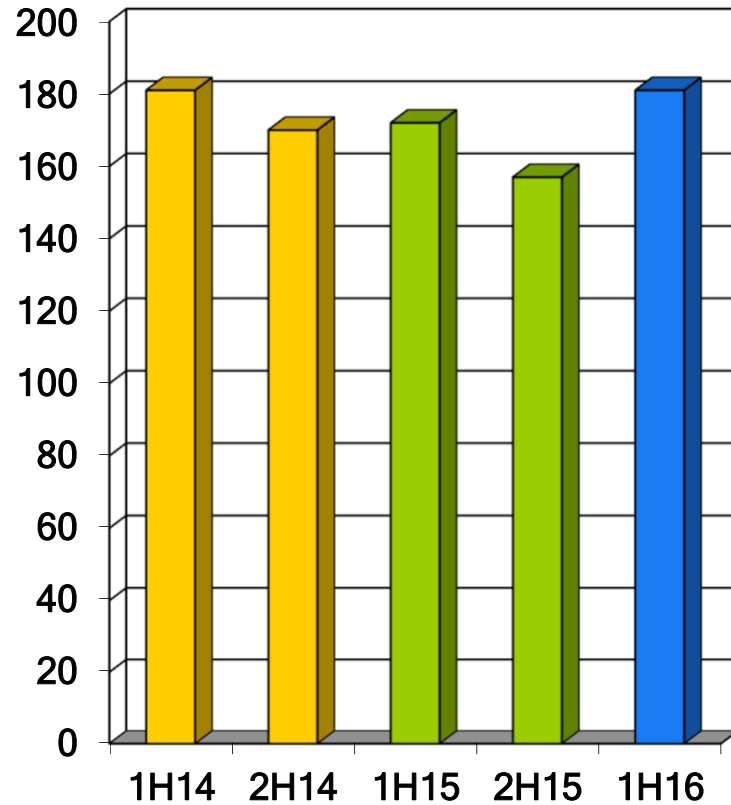
Half Year Ended 31st December 2015



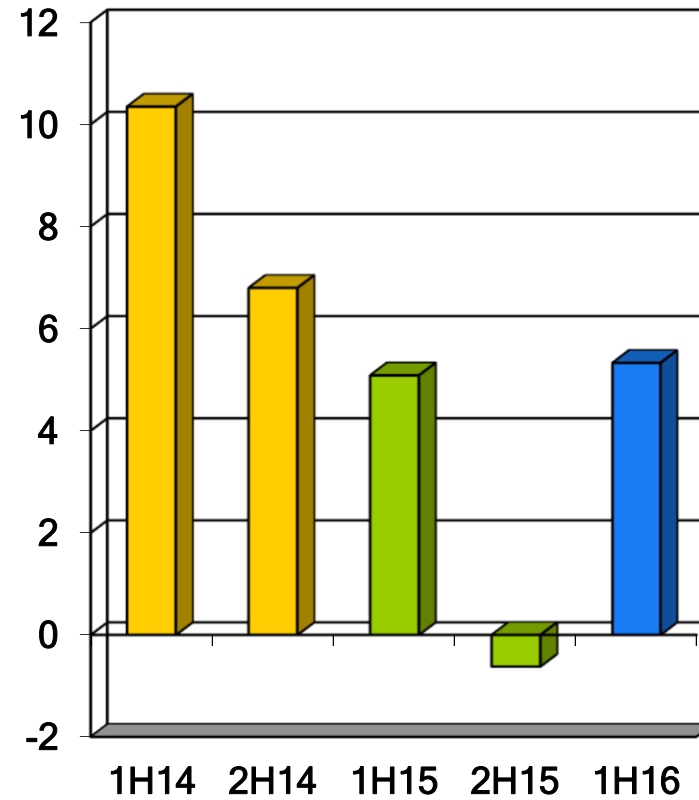
Financial Highlights



Sales \$M



NPAT \$M



1H16 Overview

Continued strong Australian trailer market share growth despite overall market contraction (new trailer registrations down 20% YoY, trailer de-registrations up 70%, prime mover truck sales down 12% YoY.)

- 1H15 NPAT \$5.19m – upper end of market guidance range
- Underlying NPAT \$5.63m (excl. Bundaberg factory closure costs) is 11% up on pcp
- \$0.02 per share fully franked interim dividend declared
- Revenue up 5.4% on pcp
 - Trailer business up 12%
 - Parts and Service down 6%.



1H16 Overview (cont...)



- Trailer business
 - Order intake up 8% on pcp
 - New NSW trailer dealership at Smeaton Grange opened in November '15
 - Increased focus and resources on manufacturing continuous improvement program
 - Closed loss-making Bundaberg manufacturing facility in November '15
- Parts and Service
 - Continuing market contraction, particularly in Qld and WA
 - MaxiPARTS' new business initiatives launched to increase market share in a declining market
- Strong improvement in China with further good opportunities
- NZ facing challenging headwinds.



Financial Highlights



| | 1H14 \$000 | 1H15 \$000 | 1H16 \$000 | % change on 1H15 |
|--|---------------|---------------|----------------|---------------------|
| Revenue | 181,371 | 172,022 | 181,365 | 5% |
| EBITDA | 17,528 | 10,673 | 11,197 | 5% |
| NPBT | 14,086 | 6,708 | 7,364 | 10% |
| NPAT attributable to MXI equity holders | 10,252 | 5,086 | 5,189 | 2% |

Financial Highlights (cont...)



| | 1H14 \$000 | 1H15 \$000 | 1H16 \$000 | % change on 1H15 |
|--------------------------------------|---------------|---------------|---------------|---------------------|
| Operating cash flow | 9,406 | 10,682 | 13,182 | +23% |
| Net debt | 28,185 | 34,334 | 31,809 | -7% |
| Net debt/equity % | 23% | 28% | 25% | -3ppts |
| EPS (basic) (cents) | 5.57 | 2.75 | 2.80 | 2% |
| Interim dividend declared (cents) | 3.75 | 2.00 | 2.00 | 0% |
| Interim dividend as % of EPS (basic) | 67% | 73% | 71% | -2ppts |

Trailer Business



- Continued strong market share growth resulting from aggressive pricing notwithstanding significant market decline
- Benefits of manufacturing continuous improvement program has preserved margins
 - Increased resources applied to manufacturing continuous improvement program
- Favourable product mix saw revenue increase 12%
- Order intake up 8% on pcp
- Opening of Company owned NSW dealership at Smeaton Grange will strongly position the Company to further improve market share
- Closure of Bundaberg manufacturing facility improves efficiency.



Trailers **FREIGHTER**



- Unit sales down 21% on pcp despite market share increase indicative of a soft general freight market
- Order intake up 19% on 2H15
- Significant opportunities from major fleets
- Numerous product enhancements to be released in 2H16 should drive improved sales and market share.

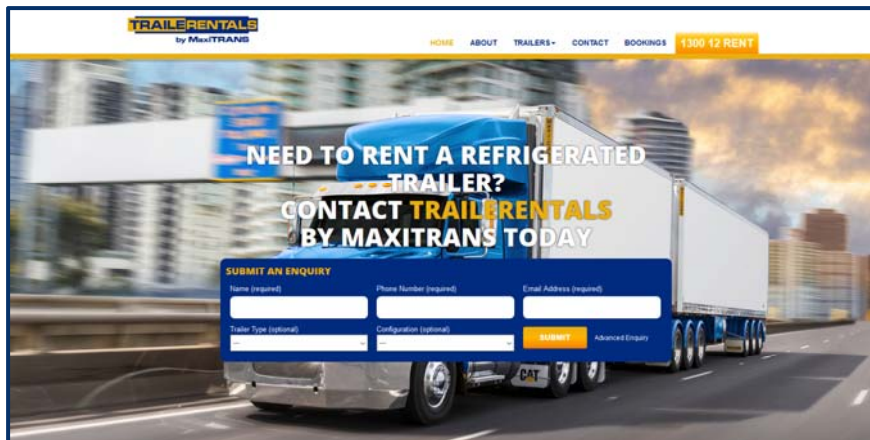


PBS Skel Dog Trailer for Immix



Specialised PBS Insuliner for Skyroad

- Strong unit sales up 68% on pcp
- Order bank down 45% on 2H15 but 37% up on pcp (reflecting the very strong order intake in 2H15)
- Significant opportunities from major fleets
- Commenced van rental business – TraileRentals.



TraileRentals website



Reefer for Ron Finemore Transport

Tipplers **HamelexWhite** **LUSTY EMS**



- Unit sales 1% down on pcp but 33% up on 2H15
- Order intake 16% up on 2H15 with improvement across all brands
- General market conditions remain soft, however:
 - Vigorously pursuing waste refuse opportunities locally and internationally with comprehensive suitable product portfolio and a number of sales already secured
 - New NSW dealership will provide improved penetration into this strong market
 - Launch of innovative VersaBOLT tipper should disrupt this market.



Hamelex White Waste Ejector



Hamelex White VersaBOLT

Parts and Service



- Segment revenue is 6% below pcp with Parts revenue down 8% on pcp
- Soft Queensland & WA market conditions due to high exposure to mining sector continues to drive the underperformance
- 2H16 Focus:
 - Revenue growth to be delivered through new business initiatives including:
 - MaxiSTOCK customer inventory management system for large fleets
 - Launch of a loyalty program for smaller operators
 - Growth delivered through new product launches
 - AirMAX suspension (complementing the CS range)
 - Addition of a truck parts range to the product portfolio
 - Other ancillary product launches.



International Operations

New Zealand

- Unit sales up 30% on pcp with growth across both Maxi-CUBE and Freighter
- Adverse product mix kept revenue largely flat and profit slightly behind pcp
- Launch of VersaBOLT provides further product portfolio expansion
- Forthcoming headwinds caused by
 - Softening economic conditions
 - Proposed design regulation changes causing uncertainty.



Quad Axle Reefer

International Operations

MTC – Yangzhou, China (80% owned JV)

- Revenue up 33% on pcp
- Increased production volumes and rigorous cost management resulted in significant profit improvement
- Launch of new products for local and export markets, together with improved sales strategies, bodes well for 2H16.



Outlook FY16

- Continuing soft market conditions with little sign of recovery in the short term, however strong market share will position MXI well when conditions improve
- Strong order book leading into 2H16
- Market share gains to be obtained by:
 - Continued focus on aggressive pricing across all products
 - Successful launch of products including VersaBOLT and new Freighter product improvements
 - Establishing new MXI NSW dealership's credentials in its market
- With right-sized manufacturing footprint and acceleration of continuous improvement program across all trailer products and facilities, competitiveness will improve further.



Outlook FY16 (cont...)

- Operating in slowing market conditions, MaxiPARTS' performance largely dependent on success of new business initiatives, particularly the MaxiSTOCK customer managed inventory system
- MTC sales and profitability growth (incl. export sales) expected to continue
- New Zealand expected to soften in the short term, given market conditions and uncertainty created by proposed design regulation changes in December '16.

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MaxiTRANS



FREIGHTER

Maxi-CUBE

HamelexWhite

LUSTY EMS

AZMEB
P&A TRAILER SYSTEM

PEHI

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MaxiPARTS

PANEL Masta