



## TRADING UPDATE

MaxiTRANS Industries Limited ('MXI') is Australia's largest supplier of road transport trailing equipment solutions.

In conjunction with the release of the results for the half year ended 31 December 2015 in February this year, the MXI Board advised shareholders that it expected continued soft economic conditions within the markets in which it operates, with little signs of recovery in the short term.

Since that time, a combination of ongoing decline in consumer confidence, political uncertainty in Australia with the announcement of a Federal election on 2 July, 2016 and the uncertainty of the Road Safety Remuneration Tribunal's order on contractor minimum rates has had the effect of further suppressing business confidence, resulting in a significant impact on capital purchasing decisions by businesses.

In addition, the extent and timing of proposed regulatory changes in New Zealand remain uncertain and, together with softer economic conditions, will result in a weaker performance of our New Zealand business in the second half of FY16. Once the new regulations are in place, we are hopeful that demand will increase as operators take advantage of the potential productivity gains.

Notwithstanding these market challenges, a number of significant potential orders have been quoted.

As a result of these developments the Board is of the opinion that, based on unaudited internal management accounts and projections, underlying net profit after tax for the full year ending 30 June 2016 is likely to be in a range of \$7 million to \$8 million. This will represent a significant improvement over the prior corresponding period. Furthermore, the Company is also currently conducting a review of the carrying value of all assets at 30 June, 2016 in accordance with its policies and relevant accounting standards.

The Board remains confident that the company continues to leverage its strong market position and has appropriate strategies in place to manage the current market conditions and to provide the base for optimal financial performance as the markets for the company's products improve.

For more information, please contact the Managing Director, Mr. Michael Brockhoff, or the Chief Financial Officer, Mr. Campbell Richards on (03) 8368 1100. Alternatively, you may wish to visit our website at [www.maxitrans.com.au](http://www.maxitrans.com.au).

**Michael Brockhoff**  
**Managing Director**  
**11 May, 2016**