

**20 February 2019**

### **FY2019 Half-year Update**

MaxiTRANS Industries Limited (ASX: MXI) today provided the following update ahead of the announcement of its results for the half year ended 31 December 2018.

As anticipated at the October 2018 AGM, the split of underlying net profit before tax between the first half and the second half of FY2019, as compared to the prior corresponding periods, has been impacted by the Coles contract delivery in FY2018 and the planned production slowdown associated with the deployment of the enterprise resource planning system (Project TRANSform) in the first half of FY2019.

In support of MaxiTRANS' strategic agenda, FY2019 is a year of substantive review of the group's capital allocation and, as a consequence, reported net profit after tax for the first half will be impacted by the following significant items (subject to finalisation of the auditors' review):

- Loss on sale of MTC of \$1.6m (inclusive of costs), with the funds released from this sale subsequently allowing the group to fund the acquisition of 80% of Australasian Machinery Sales Pty Ltd (Trout River Australia) in December.
- Enterprise resource planning system implementation costs that cannot be capitalised, of \$1.03m. The ERP system went live in all Australian manufacturing sites in October and the roll-out is continuing into the MaxiPARTS and service businesses.
- Transaction costs associated with the Trout River Australia acquisition and assessing other strategic opportunities, as well as disposal costs for the sale and leaseback of the Queensland manufacturing facility at Richlands, of \$0.24m. As part of the manufacturing footprint review and in order to move the Queensland manufacturing facility to a more efficient and higher capacity leased site, the Board has decided to release capital from the sale and leaseback of Richlands.

Given the ongoing investment in the new enterprise resource planning system, the challenging general economic conditions and potential strategic opportunities available to the group, the Board has determined not to pay an interim dividend. The Board currently expects that the Company will pay a final dividend.

MaxiTRANS will announce its first half FY2019 results on or before 28 February 2019, at which time it will provide more information about first half performance and the outlook for the second half.

### **About MaxiTRANS Industries**

MaxiTRANS Industries Limited (ASX:MXI) is one of Australia's largest suppliers of truck and trailer parts to the road transport industry in Australia. MaxiTRANS is also the largest supplier of locally manufactured, high quality heavy road transport trailer solutions, including trailer repairs and service, in Australia and New Zealand.

**Robert Wylie**  
Chairman

**Dean Jenkins**  
Managing Director & CEO