

Half Year Profit Announcement for Fiscal 2001

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[Back to ASX Announcements](#)

The directors of MaxiTRANS Industries Limited are pleased to report a profit before tax for the six months ended 31 December 2000 of \$1,614,000. This represents a \$3,758,000 turnaround from the loss before tax incurred for the six months ended 31 December 1999 of (\$2,144,000). The turnaround has been achieved despite sales for the period being 2.6% lower than the comparative period. The profit after tax for the six months ended 31 December 2000 was \$1,071,000.

Sales for the period were below expectations, reflecting a patchy and subdued market, with many small to medium customers experiencing difficult trading conditions due to fuel price increases, interest rate increases and the implementation of the GST. These factors have adversely impacted business confidence and as a result, customer purchasing decisions have been deferred.

The directors are pleased to advise that our NZ operation has been trading profitably since July 2000, in a very difficult and fragmented market.

As advised at the AGM in November 2000 the company has acquired land on the western ring road, the transport hub of Melbourne, and plans to develop the property to accommodate new and second hand van and trailer sales, retail parts, service and repairs, trailer rental and the corporate office. The company also sold excess land and buildings at the Hallam site.

Whilst there has been an encouraging start to the second half, the company does not expect a major improvement in market conditions during the second half of the year. The Directors are confident that the company has made significant progress in improving efficiency and putting in place an appropriate management structure and staffing levels to ensure that the company maximizes its market opportunities and controls its expense levels.

The directors have not declared an interim dividend in relation to ordinary shares. The preference share dividend has been declared and will be paid on 30 March 2001.

All enquiries should be directed to the Managing Director, Mr Michael Brockhoff, on (03) 9852 8290.

Ian R Davis
Chairman

Michael A Brockhoff
Managing Director