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**ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE LTD.**

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On 1 March 2000 the Directors of MaxiTRANS Industries Limited advised the ASX, amongst other things, that the company had incurred an after tax loss of \$ (1.394) million for the six months ended December 1999, and that the second half was expected to build on the after tax profit of \$357,000 achieved in the second quarter.

Whilst significant progress in restructuring the business and reducing the cost base has occurred, the Directors expect an after tax loss for the full year ending 30 June 2000 slightly in excess of the after tax loss incurred for the first half of the year for the following reasons:-

1. Due to the GST driven "buyers strike", sales of refrigerated vans and trailers for the fourth quarter were adversely impacted to a far greater extent than envisaged which, despite significant reductions in the cost base and an improvement in manufacturing efficiency, has impacted adversely on the actual/forecast net profit after tax for the fourth quarter.
2. In particular the slow down in April and May 2000 was far more serious than envisaged which necessitated a significant reduction in our employment at the Ballarat facility along with additional leave being taken by most employees during this period. Consequently the factory efficiency was impacted by the under utilization of the facility and the associated employment costs.
3. As part of the restructuring of the Company and the GST driven downturn, a number of redundancies and terminations became necessary, along with the closure of the Monopanel facility at Melton, and other costs associated with restructuring.
4. The Coonara heater division was adversely impacted by unseasonally warm and dry weather up until mid May 2000. Consequently the sales and earnings forecast has been reduced for the year ending June 2000, notwithstanding a very strong finish for the year due to the "cold snap" experienced across most of southern Australia from late May 2000.

The Directors believe that the appointment of Mr. Michael Brockhoff as Managing Director (along with the appointment of other key executives), the restructuring taken to date and the removal of the uncertainty and deferral of purchasing associated with the implementation of the GST augers well for the Company in the coming year. Accordingly an increase in sales, and a significant improvement in earnings, is expected in the coming year.

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

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**Ian R. Davis**  
Chairman

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**Michael A. Brockhoff**  
Managing Director