



CMEIG Media Release

Construction equipment sales update

The construction and mining equipment market has performed very strongly in the first nine months of 2005. The engineering construction and mining industries have exhibited strong growth driving the demand for new equipment much higher. However, the strong growth is easing slightly and it is expected that demand for new equipment will consolidate at these high levels over the next few months.

Details of the growth in the various product sectors are outlined below:

- Hydraulic Excavators – the excavator market has reached a new record high with an overall increase in market sales of 24% for the twelve months to September 2005. Growth in the mini excavator market was particularly strong at 39% reflecting the strong market conditions in the engineering construction market.
- Wheel Loaders – growth in the loader market has also been very strong at 17% for the same period reflecting strong demand in the quarry market.
- Crawler dozers – this market has recovered from a slight decline earlier in the year to record a small increase of 3% for the period ending September.
- Rigid Dump Trucks – continuing strong demand in the mining market has resulted in a 26% increase in demand for mining trucks greater than 100 tonne capacity while the overall dump truck market increased by 16%.
- Articulated Dump Trucks – there was surprisingly strong growth of 38% in this market sector over the twelve months to September due mainly to the increase in road tunnel projects.
- Motor Graders – this market has also risen to a new record level with a 29% increase in the last twelve months with increased demand in rural areas due to the easing in drought conditions in most areas of the country.
- Backhoe Loaders – with the decline in the housing construction market demand for backhoe loaders declined marginally by 3% over the twelve month period and is expected to ease further in coming months.
- Skidsteer Loaders – this market reached a new record high in mid 2005 but has declined over the last few months with the easing in the residential construction market. Overall decline in the last twelve months has been 1%.

Further strong activity in the engineering construction and mining markets should at least maintain most product sectors at or near current record high levels well into 2006.

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