

Mainfreight Limited
Income Statement for the Three Months Ended 30 June 2008

	30 June 2008 \$000	30 June 2007 \$000	31 March 2008 \$000
Operating Revenue	289,071	178,009	910,159
Interest Income	-	-	1,560
Total Revenue	<u>289,071</u>	<u>178,009</u>	<u>911,719</u>
Transport Costs	(191,543)	(114,013)	(590,553)
Labour Expenses	(55,025)	(34,591)	(162,995)
Occupancy Expenses	(5,792)	(3,210)	(15,580)
Depreciation and Amortisation Expenses	(3,015)	(2,293)	(10,608)
Other Expenses	(20,149)	(14,180)	(66,697)
Finance Costs	(868)	(1,170)	(4,728)
Non-cash Share Based Payment Expense	(173)	(120)	(585)
Non-recurring Items in Continuing Operations	-	-	-
Share of Profit of Associates	-	288	434
Profit From Continuing Operations Before Taxation for the Year	<u>12,506</u>	<u>8,720</u>	<u>60,407</u>
Income Tax Expense on Continuing Operations	(4,281)	(2,874)	(19,596)
Profit From Continuing Operations After Taxation for the Year	<u>8,225</u>	<u>5,846</u>	<u>40,811</u>
Profit From Discontinued Operations Before Taxation	-	644	645
Gain on Sale from Discontinued Operations	-	60,608	61,893
Income Tax Expense on Discontinued Operations	-	323	(1,622)
Net Profit For the Year	<u>8,225</u>	<u>67,421</u>	<u>101,727</u>
Attributable to:			
Minority Interest	-	105	105
Members of the Parent	8,225	67,316	101,622

Statement of Cash Flows for the Three Months Ended 30 June 2008

Operating Activities	15,541	12,882	40,699
Investing Activities	(6,583)	73,883	(38,595)
Financing Activities	(6,233)	(87,372)	682
FX Rate Fluctuations on Cash Held	1,041	(345)	(821)
NET INCREASE (DECREASE) IN CASH	<u>3,766</u>	<u>(952)</u>	<u>1,965</u>

Balance Sheet as at 30 June 2008

	30 June 2008 \$000	30 June 2007 \$000	31 March 2008 \$000
Shareholders' Equity			
Share Capital	57,297	56,425	57,124
Accumulated Surplus	162,576	137,273	154,351
Revaluation Reserve	43,607	38,107	43,607
Foreign Currency Translation Reserve	(2,917)	(3,356)	(4,889)
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SHAREHOLDER AND TOTAL EQUITY	260,563	228,449	250,193
Non-current Liabilities			
Bank Term Loan	101,072	-	100,386
Employee Entitlements	594	740	550
Finance Lease Liability	588	42	598
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	102,254	782	101,534
Current Liabilities			
Bank Overdraft	-	-	5,200
Trade Creditors & Accruals	103,150	61,518	101,843
Derivative Financial Instruments	635	-	607
Employee Entitlements	22,268	17,230	17,369
Provision for Taxation	1,790	4,696	1,824
Finance Lease Liability	374	30	415
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	128,217	83,474	127,258
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TOTAL LIABILITIES AND EQUITY	\$ 491,034	\$ 312,705	\$ 478,985
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Non-current Assets			
Property, Plant & Equipment	191,537	149,076	186,522
Software	7,400	6,320	7,150
Goodwill	95,467	29,045	91,828
Other Intangible Assets	4,600	-	4,465
Investments in Associates	-	2,323	-
Other Investments	80	80	80
Deferred Tax Asset	6,408	5,611	6,084
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	305,492	192,455	296,129
Current Assets			
Bank	25,274	18,591	26,708
Trade Debtors	152,536	87,038	148,053
Income Tax Receivable	-	-	1,201
Other Debtors	7,732	14,621	6,894
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	185,542	120,250	182,856
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TOTAL ASSETS	\$ 491,034	\$ 312,705	\$ 478,985
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Statement of Changes in Equity for the Three Months Ended 30 June 2008

Three Months to 30 June 2008

	ORDINARY SHARES	ASSET REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTERESTS	TOTAL EQUITY
Balance at 1 April 2008	57,124	43,607	(4,889)	154,351	250,193	-	250,193
Changes in equity for the three months ended 30 June 2008							
Exchange Translation difference			1,972		1,972		1,972
Revaluation Reserve		-			-		-
Net Income Recognised Directly in Equity	-	-	1,972	-	1,972	-	1,972
Profit for the period				8,225	8,225		8,225
Total Recognised Income and Expense for the Period	-	-	1,972	8,225	10,197	-	10,197
Shares Issued					-		-
Executive Share Scheme Costs	173				173		173
Supplementary Dividends				-	-		-
Dividends Paid				-	-		-
Foreign Investor Tax Credit				-	-		-
Sale of Subsidiaries With Minority Interest				-	-		-
Balance at 30 June 2008	57,297	43,607	(2,917)	162,576	260,563	-	260,563

Three Months to 30 June 2007

	ORDINARY SHARES	ASSET REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTERESTS	TOTAL EQUITY
Balance at 1 April 2007	56,305	38,497	(2,903)	69,957	161,856	5,266	167,122
Changes in equity for the three months ended 30 June 2007							
Exchange Translation difference			(453)		(453)	63	(390)
Revaluation Reserve		(390)			(390)		(390)
Net Income Recognised Directly in Equity	-	(390)	(453)	-	(843)	63	(780)
Profit for the period				67,316	67,316	105	67,421
Total Recognised Income and Expense for the Period	-	(390)	(453)	67,316	66,473	168	66,641
Shares Issued					-		-
Executive Share Scheme Costs	120				120		120
Supplementary Dividends				-	-		-
Dividends Paid				-	-	(450)	(450)
Foreign Investor Tax Credit				-	-		-
Sale of Subsidiaries With Minority Interest				-	-	(4,984)	(4,984)
Balance at 30 June 2007	56,425	38,107	(3,356)	137,273	228,449	-	228,449

Twelve Months to 31 March 2008

	ORDINARY SHARES	ASSET REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTERESTS	TOTAL EQUITY
Balance at 1 April 2007	56,539	38,497	(2,903)	68,180	160,313	5,266	165,579
Changes in equity for the year ended 31 March 2008							
Exchange Translation difference			(1,986)		(1,986)	63	(1,923)
Revaluation Reserve		5,110			5,110		5,110
Net Income Recognised Directly in Equity	-	5,110	(1,986)	-	3,124	63	3,187
Profit for the period				101,622	101,622	105	101,727
Total Recognised Income and Expense for the Period	-	5,110	(1,986)	101,622	104,746	168	104,914
Shares Issued					-		-
Executive Share Scheme Costs	585				585		585
Supplementary Dividends				(558)	(558)		(558)
Dividends Paid				(15,451)	(15,451)	(450)	(15,901)
Foreign Investor Tax Credit				558	558		558
Sale of Subsidiaries With Minority Interest				-	-	(4,984)	(4,984)
Balance at 31 March 2008	57,124	43,607	(4,889)	154,351	250,193	-	250,193

Mainfreight Segmental Reporting

The Group operates in the domestic supply chain (i.e. moving and storing freight within countries) and international freight industries (i.e. moving freight between countries).

The segmental results from continuing and discontinued operations are disclosed below. Included in the results of discontinued operations last year are Lep International (NZ) Ltd, Lep International Pty Ltd, Pan Orient Shipping Services Pty Ltd and Kurada No.8 Ltd.,

Industrial and Geographical Segments

Mainfreight Quarter Ended June 2008 (\$'000's)

This Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	75,632	8,209	219,156
New Zealand International	23,918	650	22,489
Australian Domestic	44,872	1,527	59,102
Australian International	36,204	868	36,454
USA ****	103,452	4,718	132,665
Asian International	4,993	590	24,424
Intercompany	-	-	(3,256)
Total Group & Continuing Operations	<u>\$289,071</u>	<u>\$16,562</u>	<u>\$491,034</u>

USA ****	Carotrans	\$41,734	\$2,510	\$33,522
	Mainfreight USA	\$61,718	\$2,208	\$99,143
		<u>\$103,452</u>	<u>\$4,718</u>	<u>\$132,665</u>

Last Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	64,132	6,873	269,660
New Zealand International	23,192	654	21,493
Australian Domestic	31,382	1,743	44,322
Australian International	30,629	836	24,734
USA	28,674	1,789	25,116
Asian International	-	-	-
Intercompany	-	-	(72,620)
Continuing Group	<u>\$178,009</u>	<u>\$11,895</u>	<u>\$312,705</u>
Discontinued Operations	32,447	689	-
Total Group	<u>\$210,456</u>	<u>\$12,584</u>	<u>\$312,705</u>

EBITDA is defined as earnings before net interest expense, tax, depreciation, amortisation, abnormal, share based payment expense, minority interests and associates.