

Income Statement for the Six Months Ended 30 September 2010

	30 Sept 2010 \$000	30 Sept 2009 \$000	31 March 2010 \$000
Operating Revenue	644,940	535,832	1,131,146
Interest Income	-	-	1,012
Total Revenue	644,940	535,832	1,132,158
Transport Costs	(443,382)	(349,251)	(750,475)
Labour Expenses Excluding Share Based Payments	(114,046)	(106,287)	(203,330)
Occupancy Expenses and Rental Recharge	(12,601)	(12,850)	(25,914)
Depreciation and Amortisation Expenses	(7,669)	(8,084)	(16,301)
Other Expenses	(39,778)	(38,085)	(75,578)
Finance Costs	(2,563)	(3,088)	(6,327)
Derivative Fair Value Movement	-	154	526
Non-cash Share Based Payment Expense	(506)	(510)	(1,017)
Profit Before Non-recurring Restructuring Expenses and Taxation for the Year	24,395	17,831	53,742
Income Tax on Profit Before Non-recurring Restructuring Expenses	(7,928)	(5,654)	(15,490)
Net Profit Before Non-recurring Restructuring Expenses for the Year	16,467	12,177	38,252
Non-recurring Restructuring Expenses	-	(2,014)	(2,825)
Income Tax on Non-recurring Restructuring Expenses	-	693	938
Non-recurring Restructuring Expenses After Taxation	-	(1,321)	(1,887)
Profit Before Taxation for the Year	24,395	15,817	50,917
Income Tax Expense	(7,928)	(4,961)	(14,552)
Net Profit for the Year	16,467	10,856	36,365

Statement of Comprehensive Income for the Six Months Ended 30 September 2010

Net Profit for the Year	16,467	10,856	36,365
Other Comprehensive Income			
Exchange Differences on Translation of Foreign Operations	(440)	(9,229)	(6,530)
Income Tax Relating to Exchange Differences on Translation of Foreign Operations	-	-	-
Revaluation of Land	-	-	(1,750)
Income Tax Relating to Revaluation of Land	-	-	-
Other Comprehensive Income for the Year, Net of Tax	(440)	(9,229)	(8,280)
Total Comprehensive Income for the Year, Net of Tax	16,027	1,627	28,085

Statement of Cash Flows for the Six Months Ended 30 September 2010

Operating Activities	28,199	23,754	53,688
Investing Activities	(9,312)	(11,280)	(15,710)
Financing Activities	(20,201)	1,138	(6,118)
FX Rate Fluctuations on Cash Held	228	(2,538)	(1,513)
NET INCREASE (DECREASE) IN CASH	(1,086)	11,074	30,347

Balance Sheet as at 30 September 2010

	30 Sept 2010 \$000	30 Sept 2009 \$000	31 March 2010 \$000
Shareholders' Equity			
Share Capital	66,143	65,130	65,637
Accumulated Surplus	196,574	172,815	189,954
Revaluation Reserve	37,964	39,714	37,964
Foreign Currency Translation Reserve	3,448	1,189	3,888
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TOTAL EQUITY	304,129	278,848	297,443
Non-current Liabilities			
Bank Term Loan	109,869	117,624	119,384
Trade Creditors & Accruals	-	2,425	-
Provisions for Onerous Leases	2,156	3,325	2,466
Employee Entitlements	1,422	998	1,257
Deferred Tax Liability	721	1,210	722
Finance Lease Liability	412	985	505
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	114,580	126,567	124,334
Current Liabilities			
Trade Creditors & Accruals	127,436	114,100	122,633
Provisions for Onerous Leases	1,142	2,050	1,536
Derivative Financial Instruments	-	260	-
Employee Entitlements	22,118	16,125	14,477
Provision for Taxation	374	-	4,304
Finance Lease Liability	411	532	650
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	151,481	133,067	143,600
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TOTAL LIABILITIES AND EQUITY	\$ 570,190	\$ 538,482	\$ 565,377
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Non-current Assets			
Property, Plant & Equipment	208,221	212,069	209,761
Software	10,215	10,422	9,612
Goodwill	119,104	121,352	123,014
Other Intangible Assets	5,873	7,135	6,371
Other Investments	80	80	80
Deferred Tax Asset	5,836	5,938	5,722
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	349,329	356,996	354,560
Current Assets			
Bank	36,561	18,374	37,647
Trade Debtors	168,203	141,154	157,700
Derivative Financial Instruments	92	-	102
Income Tax Receivable	2,128	7,497	1,791
Properties Available for Sale	1,550	1,678	1,618
Other Debtors	12,327	12,783	11,959
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	220,861	181,486	210,817
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TOTAL ASSETS	\$ 570,190	\$ 538,482	\$ 565,377
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Statement of Changes in Equity for the Six Months Ended 30 September 2010

<u>Six Months to 30 September 2010</u>	ORDINARY SHARES	ASSET REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL
Balance at 1 April 2010	65,637	37,964	3,888	189,954	297,443
Profit for the Period				16,467	16,467
Other Comprehensive Income			(440)		(440)
Total Comprehensive Income for the Period	-	-	(440)	16,467	16,027
Transactions with Owners in Their Capacity as Owners:					
Shares Issued					-
Executive Share Scheme Costs	506				506
Supplementary Dividends				(179)	(179)
Dividends Paid				(9,847)	(9,847)
Foreign Investor Tax Credit				179	179
Balance at 30 September 2010	66,143	37,964	3,448	196,574	304,129

<u>Six Months to 30 September 2009</u>	ORDINARY SHARES	ASSET REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL
Balance at 1 April 2009	64,620	39,714	10,418	171,806	286,558
Profit for the Period				10,856	10,856
Other Comprehensive Income			(9,229)		(9,229)
Total Comprehensive Income for the Period	-	-	(9,229)	10,856	1,627
Transactions with Owners in Their Capacity as Owners:					
Shares Issued					-
Executive Share Scheme Costs	510				510
Supplementary Dividends				(183)	(183)
Dividends Paid				(9,847)	(9,847)
Foreign Investor Tax Credit				183	183
Balance at 30 September 2009	65,130	39,714	1,189	172,815	278,848

<u>Twelve Months to 31 March 2010</u>	ORDINARY SHARES	ASSET REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL
Balance at 1 April 2009	64,620	39,714	10,418	171,806	286,558
Profit for the Period				36,365	36,365
Other Comprehensive Income		(1,750)	(6,530)		(8,280)
Total Comprehensive Income for the Period	-	(1,750)	(6,530)	36,365	28,085
Transactions with Owners in Their Capacity as Owners:					
Shares Issued					-
Executive Share Scheme Costs	1,017				1,017
Supplementary Dividends				(352)	(352)
Dividends Paid				(18,217)	(18,217)
Foreign Investor Tax Credit				352	352
Balance at 31 March 2010	65,637	37,964	3,888	189,954	297,443

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 USA segment operates in both of these sectors.

Industrial and Geographical Segments

Mainfreight Six Months Ended September 2010 (\$000's).

This Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	136,828	15,611	211,864
New Zealand International	57,326	2,158	24,052
Australian Domestic	103,910	6,022	89,442
Australian International	116,352	2,786	82,526
USA ****	211,526	6,726	137,702
Asian International	18,998	1,830	29,303
Intercompany	-	-	(4,700)
Total Group	<u>\$644,940</u>	<u>\$35,133</u>	<u>\$570,189</u>
USA ****			
Carotrans	94,070	6,385	35,107
Mainfreight USA	117,456	341	102,595
	<u>\$211,526</u>	<u>\$6,726</u>	<u>\$137,702</u>

Last Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	128,350	14,457	231,758
New Zealand International	48,086	2,018	21,807
Australian Domestic	90,608	6,010	65,095
Australian International	92,158	2,843	75,065
USA ****	164,685	2,963	122,934
Asian International	11,945	1,068	25,226
Intercompany	-	-	(3,403)
Total Group	<u>\$535,832</u>	<u>\$29,359</u>	<u>\$538,482</u>
USA ****			
Carotrans	72,520	5,741	28,688
Mainfreight USA	92,165	(2,778)	94,246
	<u>\$164,685</u>	<u>\$2,963</u>	<u>\$122,934</u>

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