

Mainfreight Segmental Reporting

The Group operates in the domestic freight and international freight industries.

The segmental results from continuing and discontinued operations are disclosed below. Included in the results of discontinued operations are Lep International (NZ) Ltd, Lep International Pty Ltd, Pan Orient Shipping Services Pty L Kurada No. 8 Ltd and our associate company assets of Rakino Ltd and Mogal International Ltd.

Industrial and Geographical Segments

Mainfreight Quarter Ended June 2007 (\$000's).

This Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	134,059	14,996	253,908
New Zealand International	48,778	1,956	19,124
Australian Domestic	69,296	4,989	44,428
Australian International	67,406	2,638	29,168
USA International	61,863	3,534	31,163
Asian International (2 months only)	1,926	609	4,003
Intercompany	-	-	(58,491)
Continuing Operations	<u>\$383,328</u>	<u>\$28,722</u>	<u>\$323,303</u>
Discontinued Operations	32,447	689	-
Total Group	<u>\$415,775</u>	<u>\$29,411</u>	<u>\$323,303</u>

Last Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	136,016	14,091	302,385
New Zealand International	54,396	1,620	20,808
Australian Domestic	63,483	5,529	78,191
Australian International	65,450	2,404	26,453
USA International	58,260	3,354	22,357
Asian International	-	-	-
Intercompany	-	-	(150,960)
Continuing Group	<u>\$377,605</u>	<u>\$26,998</u>	<u>\$299,234</u>
Discontinued Operations	108,933	4,655	51,890
Total Group	<u>\$486,538</u>	<u>\$31,653</u>	<u>\$351,124</u>

Group Statement of Financial Position as at 30 September 2007 (\$'000)

	<u>30 September 2007</u>		<u>30 September 2006</u>		<u>31 March 2007</u>			<u>1 April 2006</u>			
	Stated NZIFRS		Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS	Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS	Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS
Shareholders' Equity											
Share Capital	56,545		55,640	236	55,876	55,828	477	56,305	55,175	-	55,175
Accumulated Surplus	139,426		74,080	3,715	77,795	63,851	6,106	69,957	48,770	1,131	49,901
Revaluation Reserve	38,107		32,267		32,267	38,497		38,497	32,267		32,267
Foreign Currency Translation Reserve	(3,448)		1,266	(45)	1,221	(2,858)	(45)	(2,903)	45	(45)	-
Shareholders' Equity	230,630		163,253	3,906	167,159	155,318	6,538	161,856	136,257	1,086	137,343
Minority Interest	-		4,692		4,692	5,266		5,266	4,701		4,701
TOTAL EQUITY	230,630		167,945	3,906	171,851	160,584	6,538	167,122	140,958	1,086	142,044
Non-current Liabilities											
Bank Term Loan	-		66,312		66,312	84,457		84,457	72,311		72,311
Intercompany Advances	-		-		-	-		-	-		-
Employee Entitlements	750		885		885	720		720	909		909
Deferred Tax Liability	-		-		-	-		-	-		-
Finance Lease Liability	32		79		79	42		42	93		93
	782		67,276	-	67,276	85,219	-	85,219	73,313	-	73,313
Current Liabilities											
Bank Overdraft	-		772		772	-		-	-		-
Intercompany Creditors	-		-		-	-		-	-		-
Intercompany Advances	-		-		-	-		-	-		-
Directors Loan	-		-		-	2,413		2,413	-		-
Trade Creditors & Accruals	75,745		91,422		91,422	80,933		80,933	81,491		81,491
Employee Entitlements	14,378		16,378		16,378	18,879		18,879	16,010		16,010
Provision for Taxation	1,738		3,380		3,380	6,194		6,194	5,044		5,044
Finance Lease Liability	30		45		45	30		30	53		53
	91,891		111,997	-	111,997	108,449	-	108,449	102,598	-	102,598
TOTAL LIABILITIES AND EQUITY	\$ 323,303		\$ 347,218	\$ 3,906	\$ 351,124	\$ 354,252	\$ 6,538	\$ 360,790	\$ 316,869	\$ 1,086	\$ 317,955
Non-current Assets											
Fixed Assets	157,704		145,066		145,066	155,788		155,788	127,332		127,332
Goodwill	41,922		31,937	3,906	35,843	28,730	6,505	35,235	38,885	1,086	39,971
Investments in Subsidiaries	-		-		-	-		-	-		-
Investments in Associates	-		1,637		1,637	2,046		2,046	7,554		7,554
Other Investments	91		-		-	80		80	80		80
Deferred Tax Asset	5,611		5,934		5,934	6,891		6,891	5,605		5,605
	205,328		184,574	3,906	188,480	193,535	6,505	200,040	179,456	1,086	180,542
Current Assets											
Bank	2,322		8,612		8,612	19,543		19,543	10,769		10,769
Trade Debtors	104,548		130,003		130,003	125,035		125,035	118,655		118,655
Intercompany Debtors	-		-		-	-		-	-		-
Future Tax Benefit	-		-		-	1,706		1,706	-		-
Tax Paid in Advance	-		-		-	-		-	225		225
Properties available for sale	-		-		-	1,667		1,667	-		-
Other Debtors	11,105		24,029		24,029	12,766	33	12,799	7,764		7,764
	117,975		162,644	-	162,644	160,717	33	160,750	137,413	-	137,413
TOTAL ASSETS	\$ 323,303		\$ 347,218	\$ 3,906	\$ 351,124	\$ 354,252	\$ 6,538	\$ 360,790	\$ 316,869	\$ 1,086	\$ 317,955

Statement of Changes in Equity for the Year Ended 30 September 2007

Attributable to Equity Holders of the Parent

	SHARE CAPITAL	REVALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	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			(545)		(545)	63	(482)
Sale of Entity with Minority Interest					-	(4,984)	(4,984)
Revaluation Reserve		(390)			(390)		(390)
<i>Net Income Recognised Directly in Equity</i>	-	(390)	(545)	-	(935)	(4,921)	(5,856)
Profit for the period				77,194	77,194	105	77,299
<i>Total Recognised Income and Expense for the Period</i>	-	(390)	(545)	77,194	76,259	(4,816)	71,443
Shares Issued					-		-
Team Member Share Scheme Costs	240				240		240
Supplementary Dividends					-		-
Dividends Paid				(7,725)	(7,725)	(450)	(8,175)
Foreign Investor Tax Credit					-		-
Balance at 30 September 2007	56,545	38,107	(3,448)	139,426	230,630	-	230,630

Statement of Changes in Equity for the Three Months Ended 30 September 2006

Attributable to Equity Holders of the Parent

	SHARE CAPITAL	REVALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	TOTAL EQUITY
Balance at 1 April 2006	55,175	32,267	-	49,901	137,343	4,701	142,044
Changes in equity for the three months ended 30 June 2006							
Exchange Translation difference			1,221		1,221	74	1,295
Revaluation Reserve		-			-		-
<i>Net Income Recognised Directly in Equity</i>	-	-	1,221	-	1,221	74	1,295
Profit for the period				34,934	34,934	636	35,570
<i>Total Recognised Income and Expense for the Period</i>	-	-	1,221	34,934	36,155	710	36,865
Shares Issued	465				465		465
Team Member Share Scheme Costs	237				237		237
Supplementary Dividends					-		-
Dividends Paid				(7,041)	(7,041)	(719)	(7,760)
Foreign Investor Tax Credit					-		-
Balance at 30 September 2006	55,877	32,267	1,221	77,794	167,159	4,692	171,851

Statement of Changes in Equity for the Year Ended 31 March 2007

Attributable to Equity Holders of the Parent

	SHARE CAPITAL	REVALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	TOTAL EQUITY
Balance at 1 April 2006	55,175	32,267	-	49,901	137,343	4,701	142,044
Changes in equity for the year ended 31 March 2007							
Exchange Translation difference			(2,903)		(2,903)	(112)	(3,015)
Revaluation Reserve		6,230			6,230		6,230
<i>Net Income Recognised Directly in Equity</i>	-	6,230	(2,903)	-	3,327	(112)	3,215
Profit for the period				60,600	60,600	1,395	61,995
<i>Total Recognised Income and Expense for the Period</i>	-	6,230	(2,903)	60,600	63,927	1,283	65,210
Shares Issued	653				653		653
Team Member Share Scheme Costs	477				477		477
Supplementary Dividends				(1,669)	(1,669)		(1,669)
Dividends Paid				(40,544)	(40,544)	(718)	(41,262)
Foreign Investor Tax Credit				1,669	1,669		1,669
Balance at 31 March 2007	56,305	38,497	(2,903)	69,957	161,856	5,266	167,122

Statement of Financial Performance for the Six Months Ended 30 September 2007

	EBITDA check			30 September 2007			30 September 2006			31 March 2007			
	689	28,722	29,411	4,655	27,234	31,889	31,653	10,346	64,296	74,642	74,198		
	Discontinued Operations	Continuing Operations	Total Under NZIFRS	Discontinued Operations	Continuing Operations	Total Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS	Discontinued Operations	Continuing Operations	Total Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS
Operating Revenue	32,447	383,013	415,460	108,933	377,394	486,327		486,327	209,943	757,855	967,798		967,798
Interest Income	-	315	315	-	211	211		211	48	351	399		399
Total Revenue	32,447	383,328	415,775	108,933	377,605	486,538	-	486,538	209,991	758,206	968,197	-	968,197
Transport Costs	(25,398)	(246,729)	(272,127)	(86,286)	(248,105)	(334,391)		(334,391)	(164,812)	(493,634)	(658,446)		(658,446)
Labour Expenses	(4,372)	(71,353)	(75,725)	(12,419)	(65,057)	(77,476)	(236)	(77,712)	(23,692)	(128,310)	(152,002)	(477)	(152,479)
Occupancy Expenses	(480)	(6,772)	(7,252)	(1,212)	(8,049)	(9,261)		(9,261)	(2,529)	(15,770)	(18,299)		(18,299)
Depreciation Expenses	(80)	(4,820)	(4,900)	(339)	(4,350)	(4,689)		(4,689)	(552)	(8,916)	(9,468)		(9,468)
Amortisation Expenses	-	-	-	(437)	(2,382)	(2,819)	2,819	-	(829)	(4,764)	(5,593)	5,593	-
Other Expenses	(1,508)	(29,437)	(30,945)	(4,361)	(28,949)	(33,310)		(33,310)	(8,612)	(56,196)	(64,808)	33	(64,775)
Finance Costs	35	(1,405)	(1,370)	(221)	(2,210)	(2,431)		(2,431)	40	(5,527)	(5,487)		(5,487)
Share of Profit of Associates	-	434	434	506	606	1,112		1,112	506	1,147	1,653		1,653
Profit Before Taxation and Non-recurring Items for the Year	644	23,246	23,890	4,164	19,109	23,273	2,583	25,856	9,511	46,236	55,747	5,149	60,896
Income Tax Expense	(265)	(7,521)	(7,786)	(1,054)	(6,828)	(7,882)		(7,882)	(2,766)	(15,154)	(17,920)		(17,920)
Profit After Taxation But Before Non-recurring Items for the Year	379	15,725	16,104	3,110	12,281	15,391	2,583	17,974	6,745	31,082	37,827	5,149	42,976
Non-recurring Items Before Taxation	62,857	-	62,857	16,801	1,128	17,929		17,929	17,120	473	17,593	(174)	17,419
Income Tax Effect on Non-recurring Items	(1,662)	-	(1,662)	-	(333)	(333)		(333)	-	1,600	1,600		1,600
Net Profit for the Period	61,574	15,725	77,299	19,911	13,076	32,987	2,583	35,570	23,865	33,155	57,020	4,975	61,995
Attributable to:													
Minority Interest	105	-	105	636	-	636		636	1,395	-	1,395		1,395
Members of the Parent	61,469	15,725	77,194	19,275	13,076	32,351	2,583	34,934	22,470	33,155	55,625	4,975	60,600

Statement of Cash Flows for the Six Months Ended 30 September 2007

	30 September 2007		30 September 2006		31 March 2007	
	Total Under NZIFRS	Restated NZIFRS	Restated NZIFRS	Restated NZIFRS	Restated NZIFRS	Restated NZIFRS
Operating Activities	16,029	18,063	18,063	18,063	47,888	47,888
Investing Activities	62,198	(8,066)	(8,066)	(8,066)	(11,593)	(11,593)
Financing Activities	(95,103)	(13,326)	(13,326)	(13,326)	(26,080)	(26,080)
FX Rate Fluctuations on Cash Held	(345)	400	400	400	(1,441)	(1,441)
NET INCREASE (DECREASE) IN CASH	(17,221)	(2,929)	(2,929)	(2,929)	8,774	8,774