FULL YEAR RESULT
TO MARCH 2012

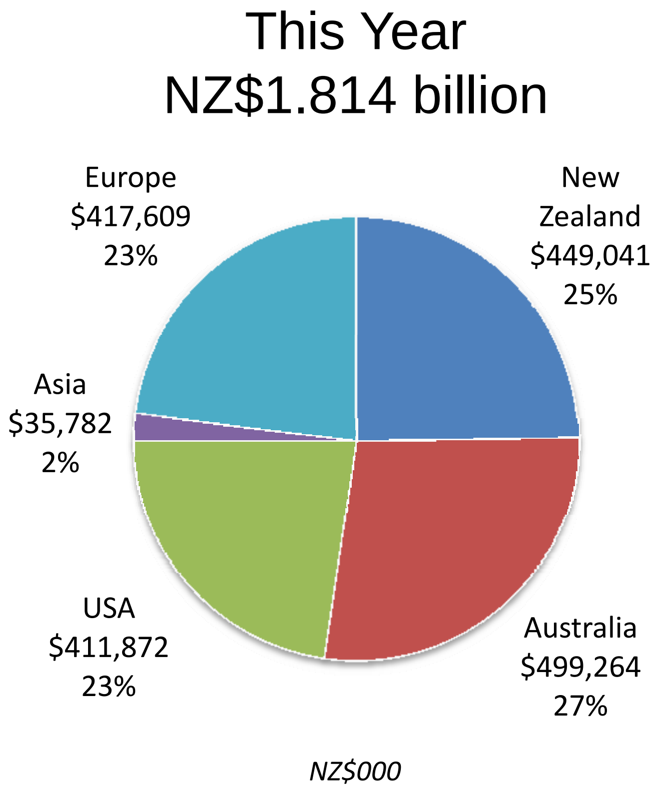
Result Summary

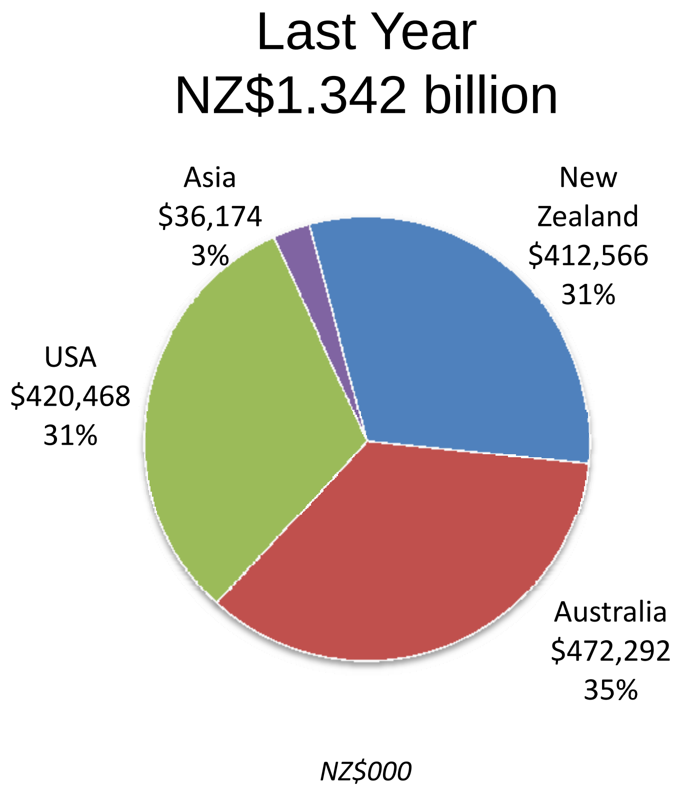
- Revenue up 35% to $1.81 billion
  - An increase of $472 million
  - Excluding Wim Bosman Group, $1.40 billion, up 4%
- EBITDA $138.19 million, up 50%
  - Excluding Wim Bosman Group, $110.06 million, up 20%
- Net surplus before abnormals $65.75 million, up 39%
  - Abnormals add $14.70 million

Key Events

- Best ever result at Revenue, EBITDA and Net Surplus levels
- One year of Wim Bosman Group ownership
  - Earn-out threshold not met
  - Write-back of €10 million to Profit & Loss account (IFRS rule)
- New Zealand and Australian profit performance
  - Increased capital investment in land and terminals
- Ongoing improvement in Mainfreight USA
- Disappointment in Asia and CaroTrans USA performance

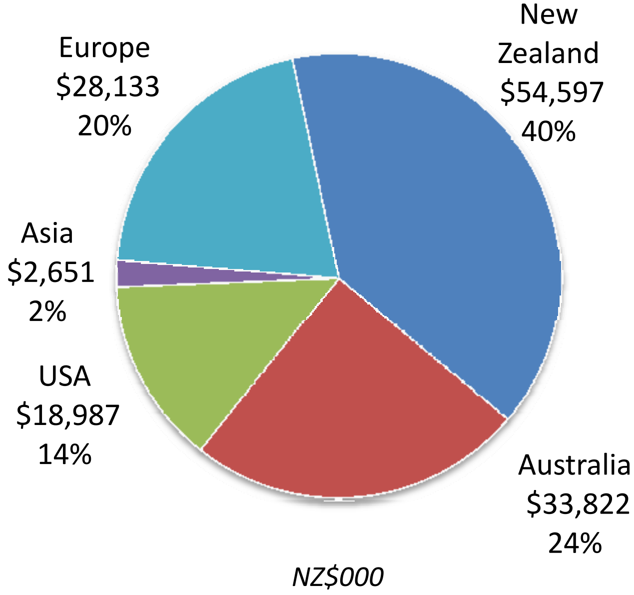
Regional Revenue Analysis



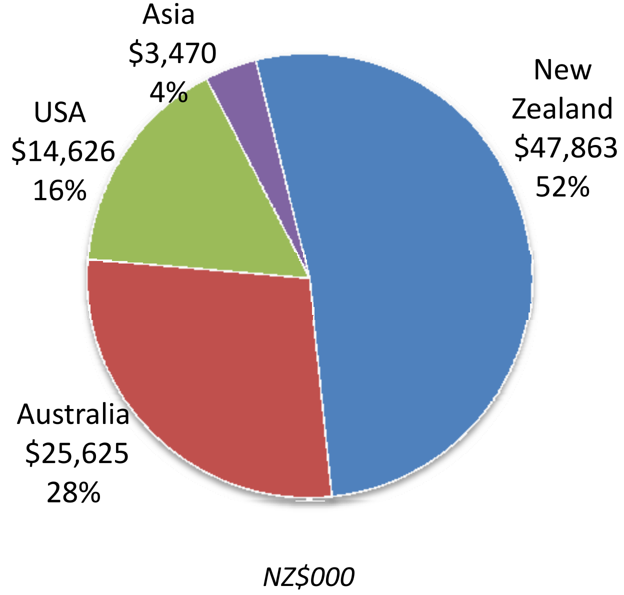


Regional EBITDA Analysis

This Year
NZ$138.19 million



Last Year
NZ$91.58 million



Debt

NZ$ million	This Year	Last Year
Term borrowings	278.8	97.1
Finance lease	6.8	0.5
Overdrafts	9.2	–
Deposits	(46.1)	(50.0)
Total Net Debt	**248.7**	**47.6**

- Increased debt as a result of:
  - Acquisition of Wim Bosman Group €110 million
  - Capital expenditure $85 million
- Well within banking covenant limits

Cash Flow

NZ$ million	This Year	Last Year
Operating cash flow	77.1	71.8

- Working capital movements negative $12.2 million in 2012 year, largely due to bonus and acquisition costs
- Working capital movements positive $13.6 million in 2011 year
- Capex expectations for F13:
  - Property $56 million
  - Other $20 million

Capital Expenditure F13

NZ$000		
New Zealand Property	- Palmerston North terminal	8,500
	- Invercargill terminal	6,900
	- Christchurch terminal commencement	10,000
	- Sundry other	5,200
	- Properties for sale	(8,400)
		22,200
Australia Property	- Brisbane terminal commencement	12,700
	- Adelaide purchase	5,500
	- Melbourne land	15,000
		33,200
Total Property Capex		**55,400**
Non-property capex		20,000
Total Capex		**75,400**

MAINFREIGHT

Dividend

- 14 cents per share for final dividend
- Takes total dividend for year to 26.0 cents per share; a 30% increase on last year's total of 20.0 cents per share
- Books closing 13 July 2012
- Payment 20 July 2012

Fourth Quarter Analysis: Revenue

$000	This Year	Last Year	Variance
NZ Domestic: NZ$	76,975	71,294	8.0%
NZ International: NZ$	32,626	30,599	6.6%
AU Domestic: AU$	52,877	42,034	25.8%
AU International: AU$	44,284	45,636	(3.0)%
USA*: US$	82,520	78,784	4.7%
Asia: US$	6,908	5,208	32.6%
Europe: EU€	63,013	–	
Total Group: NZ$	**444,817**	**329,621**	**34.9%**

* - CaroTrans: US$	33,180	34,848	(4.8)%
- Mainfreight USA: US$	49,340	43,935	12.3%

Fourth Quarter Analysis: EBITDA

$000	This Year	Last Year	Variance
NZ Domestic: NZ$	12,710	11,532	10.2%
NZ International: NZ$	2,479	1,687	47.0%
AU Domestic: AU$	4,512	2,784	62.1%
AU International: AU$	2,847	2,136	33.3%
USA*: US$	4,804	3,055	57.3%
Asia: US$	423	613	(30.9)%
Europe: EU€	3,840	–	
Total Group: NZ$	**37,166**	**24,625**	**50.9%**

* - CaroTrans: US$	2,825	2,547	10.9%
- Mainfreight USA: US$	1,979	508	289.8%

New Zealand

NZ$ million	This Year		Last Year	
Sales revenue	449.0		412.6	
EBITA	44.8	10.0%	38.9	9.4%
EBITDA	54.6	12.2%	47.9	11.6%

- Expectations for growth and profitability in New Zealand market remain
  - Network intensity
  - Online / home-delivery strategies
  - Sector specialisation

New Zealand Domestic

NZ$ million	This Year		Last Year	
Sales revenue	316.1		290.8	
EBITA	38.1	12.1%	33.5	11.5%
EBITDA	47.8	15.1%	42.3	14.5%

- Continuing to gain market share, particularly
  - Food / food-related / beverage
  - DIY sectors
- Rail usage increased; spend is now $35 million per annum
  - Wellington – 50 rail wagons per week
- Facility upgrades / improvements to lift competitive advantage

New Zealand Domestic ...

- Warehousing utilization improved
  - Food grade warehouse commissioned in Auckland
  - Upgrade of Christchurch facilities to add more capacity
- Palmerston North and Invercargill construction to be completed late 2012
- Land negotiations for rail-served Hamilton property

New Zealand International

NZ$ million	This Year		Last Year	
Sales revenue	132.9		121.8	
EBITA	6.6	5.0%	5.4	4.4%
EBITDA	6.8	5.1%	5.6	4.6%

- Revenue growth across all trades
  - Significantly up in Sea Imports
  - Air Export growth – long haul
- Perishable volume declined 4.9% on exchange rate issues for exporters
  - Seasonal demand in export markets fluctuated
  - Broadened our own customer base during the year

Australia

AU$ million	This Year		Last Year	
Sales revenue	385.4		367.0	
EBITA	23.7	6.2%	17.5	4.8%
EBITDA	26.1	6.8%	19.9	5.4%

- Market share gains continue to assist growth domestically
- Food / beverage / DIY sectors prominent; less exposure to garments / whiteware, etc
- Improved performance from Warehousing division
- Greater supply chain activity as integration of business unit strategy begins to take effect

Australian Domestic

AU$ million	This Year		Last Year	
Sales revenue	203.2		175.1	
EBITA	17.0	8.4%	11.5	6.6%
EBITDA	18.8	9.2%	13.1	7.5%

- Quality of service improving – more to do to reach our expectations
- Network expansion with new branches opened on Sunshine Coast and Albury, and Chemcouriers service extended to Brisbane
- Warehousing utilization and profitability much improved
- Owens Wharf operations opened in Perth
- Industry consolidation occurring – liquidations / receiverships

Australian International

AU$ million	This Year		Last Year	
Sales revenue	182.2		191.9	
EBITA	6.7	3.6%	6.0	3.1%
EBITDA	7.3	4.0%	6.8	3.5%

- Sales revenue decline of 5%
  - Ocean freight rate deterioration
  - 3 large FCL account losses early 2011
- Perishable facilities established in NSW to complement Victoria and New Zealand
- New customer gains expected to bolster revenue in second half

United States

US$ million	This Year		Last Year	
Sales revenue	332.3		308.2	
EBITA	12.1	3.7%	8.2	2.7%
EBITDA	15.3	4.6%	10.7	3.5%

- Overall result satisfactory driven by Mainfreight improvement

United States – CaroTrans

US$ million	This Year		Last Year	
Sales revenue	133.4		134.0	
EBITA	8.4	6.3%	8.7	6.5%
EBITDA	9.2	6.9%	9.3	7.0%

- Revenue and EBITDA static on back of lower US export volume and declining ocean freight rates
- Strong focus being taken on developing Import product to offset dominance of export exposure
- Chile – profitable and growing
- Expect to open first European branch mid-2012
- Seattle branch strengthens US network; now 14 branches

United States – Mainfreight USA

US$ million	This Year		Last Year	
Sales revenue	198.9		174.2	
EBITA	3.8	1.9%	(0.6)	(0.3)%
EBITDA	6.1	3.1%	1.4	0.8%

- Revenue growth across both Domestic (18.8%) and International (10.8%) divisions
- Have split business into two divisions – Domestic and International
  - Stronger focus on each sector
- Established Automotive as part of International sector
  - Separate warehouse in LA
  - New Zealand, Australia and Europe consolidations
  - Internet trading capability

Mainfreight USA ...

- International trade development focusing on Asian and European trade lanes
- Mexico City branch to open June 2012
- Toronto branch to open July 2012

Asia

US$ million	This Year		Last Year	
Sales revenue	28.9		26.5	
EBITA	1.8	6.4%	2.3	8.9%
EBITDA	2.1	7.4%	2.5	9.6%

- Disappointing result
  - Revenue up 9% but not enough in this sized market
  - EBITDA down 16% on poor gross margins and overhead cost increase
- Revenue
  - Poor in-country sales conversion
  - International ocean and air freight rate reductions
  - Peak season late in 2011; lower than market expectations/traditional peak

Asia ...

- Margin
  - Competition for volume squeezing margins
  - Over-commitment to air freight bulk service agreement on USA trade lane – now dissolved
- Sales capacity increased
  - Expect more in-country sales for Export and Import
  - Europe and USA trade lane focus
  - China network expansion halted (at 8 branches) until increased performance found

Europe

EU€ million	This Year		Last Year*	
Sales revenue	244.8		238.3	
EBITA	7.8	3.2%	10.8	4.5%#
EBITDA	16.5	6.7%	19.4	8.1%

** 12 month period to 31 December 2010*

 # Includes amortisation of intangibles on acquisition in last year's figure

- One year of ownership completed
- Mainfreight financial reporting disciplines in place
  - Culture changes progressing
- Revenue levels slightly increased
  - Forwarding (Europe volume) contributes
- EBITDA disappoints – reduced 16% to €16.50 million
  - Poor Belgium and Air & Sea performance
  - Third and fourth quarter Logistics losses

Europe ...

- Earn out incentive payment won't be paid
  - Predicated on €20 million EBITDA for period 1 January 2011 to 31 December 2011
  - EBITDA below €18.33 million threshold
  - Accrual written back to Profit & Loss account as per IFRS ruling, rather than a write back to goodwill

Europe – Progress Update

- European Forwarding
  - Network expansion: Lyon, France and Hamina, Finland
  - Reduction in Belgian Forwarding from 3 hubs to 2
  - Rationalisation of European agency networks
- Air & Sea
  - Network expansion: Brussels, Belgium; Paris, France; and Schiphol, Amsterdam
  - Rebranded this division as Mainfreight
  - Software aligned with Mainfreight network
- Logistics
  - Lost customer volume largely replaced and revenue due to come on-stream from July 2012

Europe – Progress Update …

- Property – building projects completed
  - Paris, France
  - Ostend, Belgium
  - Ploiesti, Romania
- We remain satisfied with our European investment and expansion
- Expect further growth throughout Europe
  - Customer relationships providing opportunities globally
- Remain vigilant to European economic issues
- April trading was satisfactory; May disappointing with reduced working days (16 this year vs 21 last year)

Outlook

- Overall performance satisfactory, however
  - Disappointed in our International division results generally, and the European result
- Australia and New Zealand trading well and expect ongoing improved financial and operational performance in both markets
- In China we have halted further branch expansion
  - Emphasis on in-country sales growth and margin improvement
- USA
  - CaroTrans targeting strong sales growth in Export and Import products, with better margin management
  - Mainfreight focusing on top five branch profitability and stronger International sales push

Outlook …

- Europe
  - Expect first quarter to disappoint with poor May trading (16 working days vs 21 last year)
  - Second quarter will see benefits of new Logistics accounts and increase in intra-Europe freight volume for all countries
- Group Performance
  - Optimistic for overall improvement across Group in 2012/13, but alert to poor economic trading conditions

Financial Calendar F13

Annual Meeting of Shareholders

Barrel Hall, Villa Maria Estate 118 Montgomerie Road, Mangere, Auckland	26 July 2012

Quarter	**Release Date**
Q1 – 3 months ended 30 June 2012	9 August 2012
Q2 – 6 months ended 30 September 2012	13 November 2012
Q3 – 9 months ended 31 December 2012	12 February 2013
Q4 – 12 months ended 31 March 2013	29 May 2013