

Freightways

Annual Shareholders Meeting

28 October 2010

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Wayne Boyd, Chairman

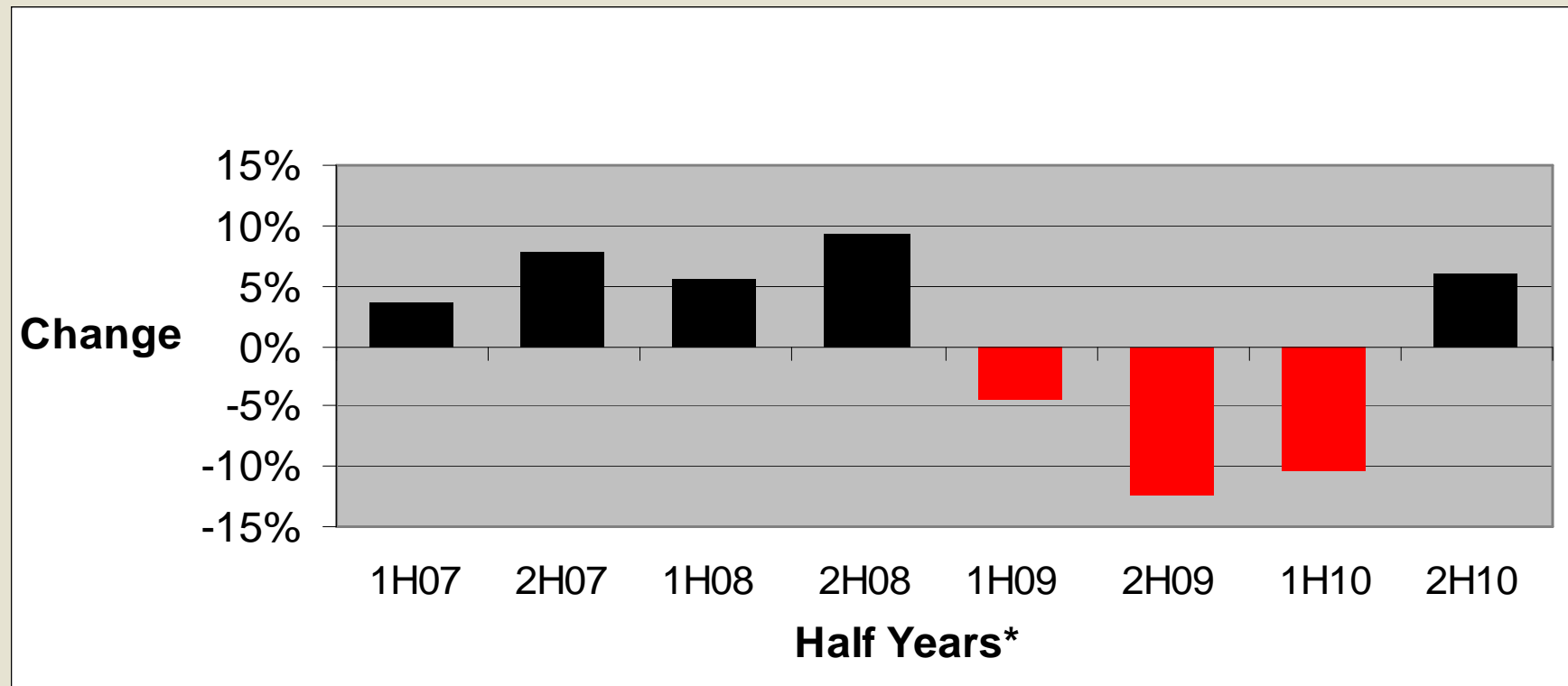
Agenda

- Chairman's Introduction
- Managing Director's Review and Trading Update
- Resolutions

General Highlights

- Progressively improving performance, as evidenced by second half results
- Express Package & Business Mail division again proved its resilience, while introducing new services
- Information Management division continues to grow, aided by:
 - recent investment in geographical footprint and capacity
 - recurring revenues
 - industry growth, driven by increased outsourcing
 - market share gains

Half Year on Half Year EBITA Movements



* FY09 amounts are normalised, as per the earlier slide.

Financial Highlights

	Jun-10	Jun-09	Jun-09	Variance to
	\$000	\$000	\$000	normalised
		(reported)	(normalised) **	%
Operating Revenue	328,469	339,491	333,491	(2%)
EBITDA	63,742	70,548	65,048	(2%)
EBITA	53,881	60,971	55,471	(3%)
NPAT*	28,858	34,593	29,508	(2%)

* Jun-10 NPAT has been normalised to remove the impact of a non-cash tax charge of \$5,694k.

** Jun-09 amounts have been normalised to remove the one-off impact of 5 extra trading days and the benefit of a property sale

Final Dividend

- Final dividend: 7.0 cps
- Imputation credits: 3.0 cps
- Supplementary dividend: 1.23 cps
- Record date: 17 September 2010
- Payment date: 30 September 2010
- No DRP offered in respect of the 2010 Final Dividend

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Dean Bracewell, Managing Director

Review and Trading Update

Managing Director's Presentation

- Industry overview and business description
- Business strategy
- Trading update
- Outlook

Express Package & Business Mail Industry Overview and Business Description



Express Package Industry Overview

- Services embedded in supply chains of businesses
- Consolidated industry structure
- Growth underpinned by demand for Just-in-Time supply
- Market has expanded as postal operators transition traditional 'parcel' volume to 'express packages'

Express Package & Business Mail

Business description

Network Courier	Point – to – Point	Business Mail	Support
			
			
			
			
			




















Information Management Industry Overview and Business Description



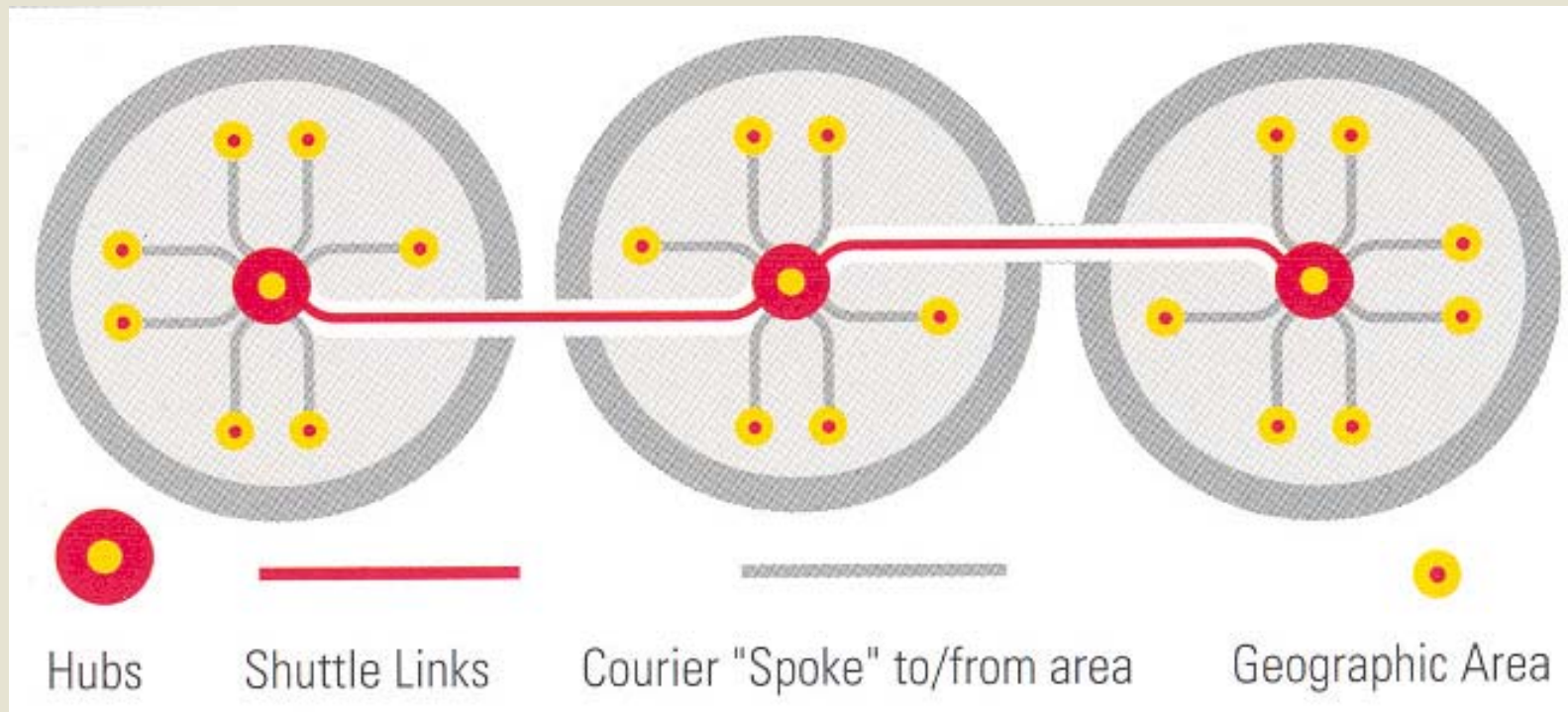
Information Management Industry Overview

- Accelerating growth opportunity driven by:
 - Demand for expert management of business data
 - Risk management
 - Compliance requirements
 - Lower cost outsourcing
- Recurring revenue streams
- Consolidated industry structure

Information Management Business Description

	New Zealand	NSW	VIC	QLD	ACT	SA	WA
Document Storage							
Data Storage							
Document Destruction					---		---

Business Strategy



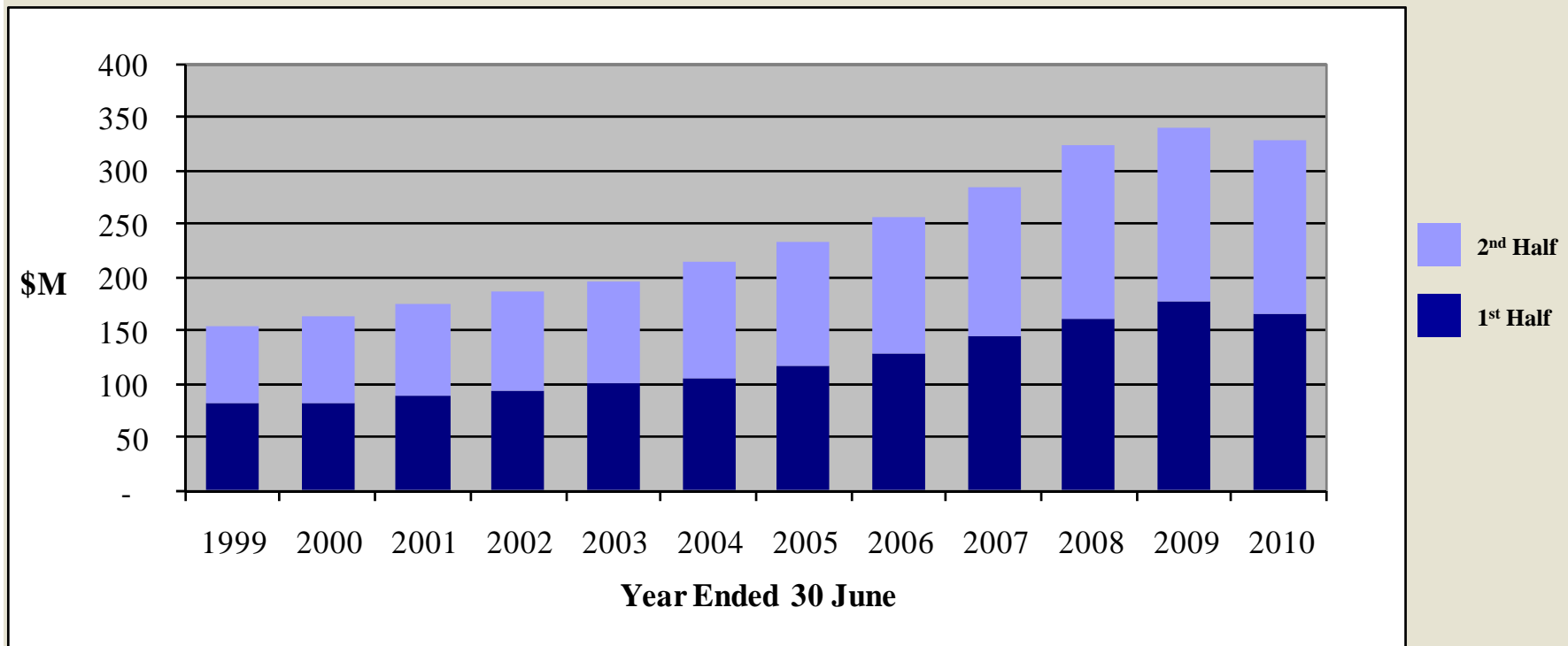
Business Strategy

- Develop organic growth opportunities
- Positioning, People, Performance, Profit
- Explore complementary acquisition and alliance opportunities

Trading Update

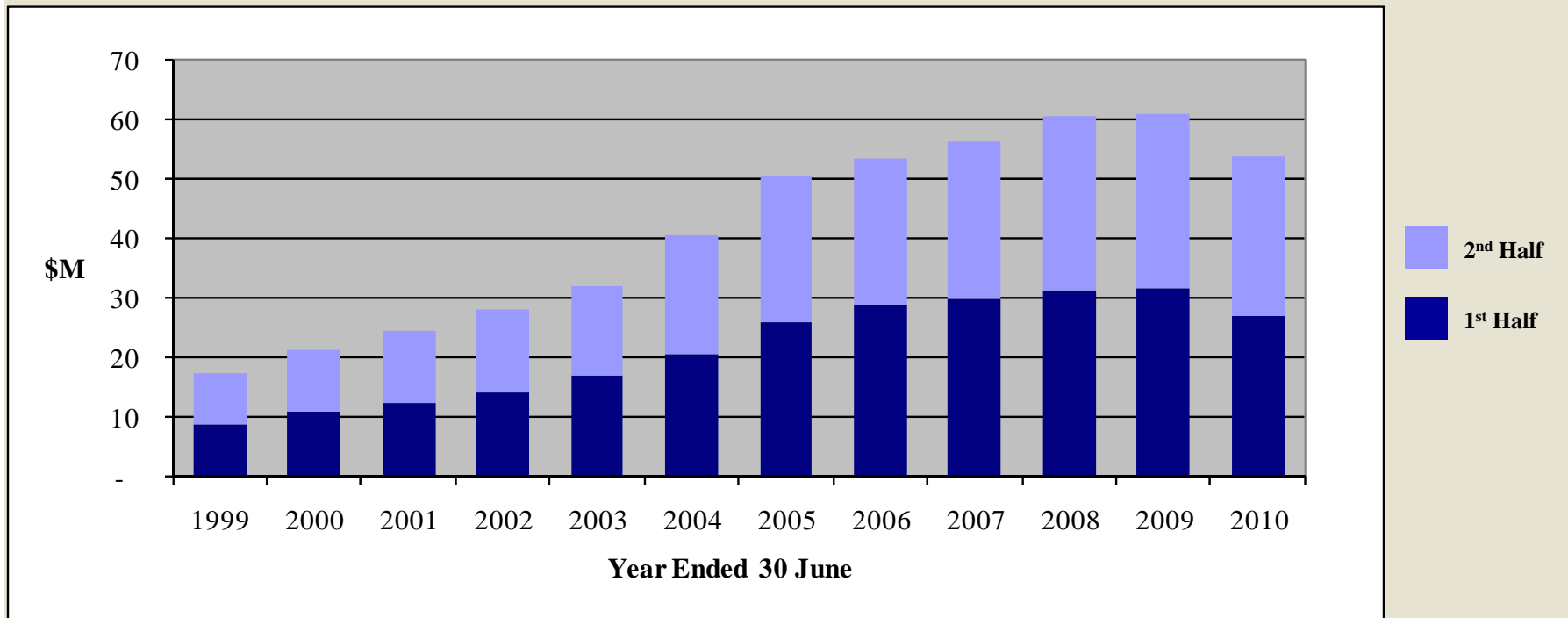


Operating Revenue



- 10-year compound average annual revenue growth of 7%

EBITA



- 10-year compound average annual EBITA growth of 10%

Current Financial Performance

	<u>Qtr ended 30 September</u>		
	2010	2009	Variance
	\$000	\$000	%
Revenue	85,381	81,756	4%
EBITDA	15,410	15,100	2%
EBITA	13,014	12,683	3%
NPAT	6,743	7,002	(4%)

NB: - 2010 numbers are drawn from unaudited management accounts.

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Outlook



Outlook

- EP&BM division will benefit from a slowly improving domestic economy, albeit we must remain cautious until we see improvement in all businesses, which is not yet the case
- IM division will continue to benefit from recurring revenue streams and growing overall market. Recent investment will drive long-term sustainable value
- Capital expenditure expected to be \$13m for FY11
- FRE continues to seek and develop strategic growth opportunities

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Questions

Resolutions

- Election of Directors
- Authority to fix Auditors' remuneration

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