

Freightways Limited

Freightways House, 32 Botha Road, Penrose

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24 August 2009

Dear Shareholder

FREIGHTWAYS LIMITED - DIVIDEND REINVESTMENT PLAN

The Board of Freightways Limited is pleased to advise that it has introduced a dividend reinvestment plan (the **Plan**) under which shareholders may elect to reinvest all or part of their cash dividends in additional Freightways shares. Details of the Plan are set out in the enclosed booklet.

The Plan provides a convenient method for reinvesting all or part of your dividends in additional Freightways shares free of brokerage charges. The Board has determined that, for the time being, all shareholders residing in New Zealand, Australia or the United States of America are eligible to elect to participate in the Plan.

The first dividend that the Plan will apply to will be the final dividend for the financial year ended 30 June 2009, that is payable on 30 September 2009. The Board has determined that shares issued under the Plan in respect of the 2009 final dividend will be issued at a discount of 2.5% to the Volume Weighted Average Price (VWAP) of Freightways shares over the 5 business days following the dividend record date of 18 September 2009. The Board will advise shareholders of the price of shares to be issued under the Plan in respect of the 2009 final dividend on 28 September 2009.

The Board will determine whether the Plan will apply to future dividends, and whether shares issued under the Plan in respect of future dividends will be issued at a discount, at the time future dividend payments are determined.

If you elect to participate in the Plan, please complete the enclosed Participation Notice and return it to Freightways' Share Registrar, Computershare Investor Services Limited. The Participation Notice can be returned at any time, however, in order to participate in the Plan for the 2009 final dividend which is payable on 30 September 2009, your completed and signed Participation Notice must be received by Freightways' Share Registrar not later than 5.00pm New Zealand time on Friday 18 September 2009.

If you would like to continue to receive all of your dividend payments in cash, then do nothing and you will receive the 2009 final dividend and all future dividend payments by cheque or direct credit unless you elect to participate in the Plan at a later date.

Please read the enclosed booklet thoroughly as it describes the Plan and its terms and conditions. If you have any questions, please contact Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, New Zealand, or your investment adviser.

Yours sincerely

WAYNE BOYD**Chairman**