

The Team's Board Report



Invercargill



Palmerston North



Managing Director's Comment

Welcome to the Christmas edition of our Mainfreight Newsletter, which is sent to our team members, customers and shareholders around the world. Included in this edition is a wonderful array of news, views and photo's from all over the Mainfreight global network.

It is extremely pleasing to see our people so committed to building our business, delivering high quality logistics services, continuing to develop their own skills and passing on their knowledge to others, and most of all having plenty of fun along the way.

In many of our businesses we are in peak season, with freight volumes at very high levels requiring our teams to be working long hours. These high activity periods can be draining and stressful for all of us. To our Branch Management team, please do what you can to manage these situations ensuring our people have adequate breaks, are rested, well-fuelled with healthy food and importantly are safe in all that they do.

It is critical that our customers continue to experience great quality of service during these high activity periods, but also that we are realistic in our delivery promises. Under promise and over deliver is key in these situations.

New depots will soon ease the frustrations that arise from working in facilities that we have outgrown, with Palmerston North, Invercargill and Kaitaia all set to be operational by the start of the new year, and Christchurch, Brisbane, and Hamilton in the pipeline.

We have recently released our half-year financial results to the market. Our half year revenue

levels increased 5% to NZ\$936 million, however our EBITDA performance declined 5% to NZ\$61 million, as we contend with lower returns in our European operations. Excluding our European business, EBITDA across all our other operations increased by 15% compared to the same period last year.

This performance is certainly satisfactory in the current world economic environment. We are not ones to use excuses for our performance. It is up to all of us to adapt and continue to find growth and profitability no matter what the rest of the world is doing.

We certainly still have much to do and much to achieve as we grow this special company of ours and within those latest trading results, as good as they are, we would like to see our Air & Ocean operations expanding in every market.

In New Zealand, our businesses need to find more sales growth across the full supply chain.

In Australia Air & Ocean, growth is imperative, and our Australian Domestic operations must focus on managing margin. Domestic sales growth has been exceptional, but let us make sure we do not become busy fools.

Asia must find greater in-country sales growth. We appear to be struggling to grasp this concept and we would urge you all to look for stronger growth from within China.

Our Mainfreight USA interests have come a long way this year, and maintaining this sales momentum will see us reach our targets. However in CaroTrans we have much to do to recover our position;

sales growth, margin management, import focus and growth are among the many important issues to address.

Wim Bosman and Mainfreight Air & Ocean in Europe have plenty on their plates to improve. We have achieved much in the short space of time we have been involved in this business. The sales activity to replace lost accounts has kept us in touch in a difficult economy. We must continue to improve margins, maintain sales growth and control costs everywhere. There is much to do to find more profitability to fund growth in this region, and we need each of you to contribute to this growth.

To our teams on the east coast of the USA who have had to contend with severe weather over these last few weeks, our thoughts are with you all. A huge thank you for your efforts to keep our affected businesses up and running.

It is this passion for Mainfreight that sets us apart from the competition.

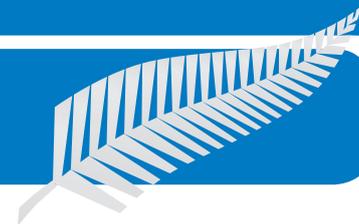
It has been a tough, busy year; thank you to all of you for contributing. We are well placed for more growth and expansion, so rest well with family and friends over the festive period.

Merry Christmas and Happy Holidays

Don Braid



New Zealand



New Zealand Forwarding – Carl George

To all of our wider Mainfreight family here in New Zealand, the wives, the partners and the children, even though you may not work for us day to day, without your support we would not be able to achieve what we do each year.

A quick glance at 2012 up until the end of September, revenue is up 5.8% and profit is ahead 7.0% year to date. In comparison to last year, we have had to fight hard this year for every dollar with many customers trading flat and ongoing pressure from our competitors.

Regardless of this, we can always be confident that our business and our teams will overcome whatever the market or our competitors throw at us.

We continue to improve our network and to ensure that we have the number one transport network in

New Zealand today. New facilities in Invercargill, Palmerston North and Kaitaia are almost complete, with Christchurch and Hamilton scheduled to be completed by the end of 2014, exciting times in these regions for both team and customers.

Let's remember all of this is not possible without the efforts of all of you throughout the country.

Moving forward let's all think about the following;

1. Never ever be complacent in how you approach your work and your life.
2. We are easy targets at Mainfreight; never let your guard down.
3. All of us need to be more innovative, think outside the square, and take some risks.

4. Continue to look for new revenue streams to ensure each year your branch and our overall business keeps growing.
5. More than ever work closely with our logistics and international teams; we all want to achieve the same thing and we are so powerful when we all hold hands together.
6. Look after your teams every day.
7. Make sure every week you do something better than the week before.

Onwards and upwards in 2013!

Thank you team for getting us through another year, and also to all the families who put up with us every year.

Best wishes to you all and have a safe Christmas and New Year.

Dulux Supplier of the Year

Mainfreight wins transport and logistics supplier of the year for Australasia.

Well done to the Wellington team and the rest of our team around New Zealand for "Delighting the Customer".

At an awards ceremony in Melbourne, the Mainfreight New Zealand Team took home the main Logistics Award for Australasia and finished in the top three out of 3,000 suppliers for the overall Supplier of the Year Award.

Well done everyone, great effort.



Members of the proud Wellington team with a full load of Dulux arriving in ready to move on
L-R: Mike Akavi, James McKechnie, Campbell Gray, Damien Vaisagote, Steve McGregor, Stuart Thorn, Megan Stallard, Ron Satherley, John Salanoa, Josh Satherley

Cromwell “Star of the Show”

The Cromwell team took out the prestigious “Star of the Show” award at the recent Blossom Festival in Alexandra, Central Otago.

The franchise owned by Paul and Deborah Wright won the show with their truck and trailer that runs between Cromwell and Christchurch each night.

The Blossom Show is the most famous of truck shows in New Zealand today.

Well done team, great looking gear.



Building Continues

Palmerston North

Our fantastic new Palmerston North branch is almost complete with the keys due to be handed over mid-December.

We anticipate being fully operational by mid-January. John Graham and the Palmy team can't wait!



Invercargill

Probably 20 years too late, but better late than never! We're sure the Invercargill team will not miss the shabby old office and the makeshift rusted containers used as a wind barrier one little bit!

Note to Michael Lofaro; we have a lot of Vietnam freight ex Invercargill!



Masterton

Our outstanding team in Masterton have recently relocated to this very swish new facility.

The immaculate fleet is owned by our famous 'Bobby D' – Bobby Dougherty.



A Mainfreight Legend Departs

Ken Leef, one of our Mainfreight legends, has recently decided to 'hang up his boots' after 32 years and plans to mow lawns in his retirement.

"Leefy" who was one of our original team members, was recently farewelled in style with a rousing haka. We look forward to seeing him driving the streets of Auckland in his 'pimped' Mainfreight mower and trailer.

Take care Leefy.



This is what over 220 years of experience looks like!

L-R: Carol Selwyn, Vern Wright, Kerry Crocker, BJ Curtis, Ken Leef, Bruce Plested, Gordon Jackson

Got a Spare TV? – Mainfreight Recycling

A 'Craig Evans Special' ... recently Mainfreight took on the huge task of facilitating the movement of recycled material from Hawke's Bay to Auckland, with old televisions first off the blocks.

So far, in excess of 1200 pallets of old TV's have been moved!! This Government initiative will move around New Zealand in the coming months.

Great for backloading our trucks!



Good Kiwi Pie Time

Barry McLemore from Mainfreight USA spent a week down under recently, being schooled on how we do it Mainfreight New Zealand style.

The trip would not have been complete without Barry sampling his first steak mince pie.

Thanks to Lance and the FTL team for feeding him up. I suspect 'Big Baz' might have had more than one pie!!



Electric Jiffy Time

We have recently rolled out throughout New Zealand 25 electric Jiffy Jacks. The team at Daily Freight Christchurch are loving moving their customers' freight around the docks with these great machines. These are a common sight in our European business and offer great benefits being cleaner and quieter for our team on the dock.



Simon Jackson on his new machine



Not be outdone by the black Mainfreight World Cup trucks, Daily Freight Christchurch owner driver Vaughn 'Porto' O'Keefe has put this sharp piece of gear on the road. This unit runs Christchurch to Nelson each night.

Vaughn O'Keefe's Black Freightliner

Mainfreight 2Home

With our desire to really penetrate the online home delivery market, we have recently re-branded our Mainfreight Precision business to Mainfreight 2Home.

As more consumers make their purchases on-line and want deliveries to the front door, we want to be their first choice in home delivery.



Allan Tango with his brand new M2H truck and trusty sidekick Ed Walker loading up for another delivery to your place...

Special Projects

McRae's Mine

Our Dunedin team who manage all of the transportation requirements for Oceana Gold (McRaes North of Dunedin) have just moved these digger tracks (22 tonne each) to the open cast pit of Frasers Mine.

These were imported through Dunedin and trucked to the site.



Claims Performance

Outward Consignments Per Claim				Inwards Consignments Per Claim			
Branch	To Sept 2012	To March 2012	To Sept 2011	Branch	To Sept 2012	To March 2012	To Sept 2011
Chem Auckland	2490	1756	1892	Chem Christchurch	3841	3470	2255
Chem Christchurch	1027	1032	930	Chem Auckland	3540	5680	6755
Owens Auckland	1006	617	676	DF Auckland	2525	1399	1529
Napier	989	750	799	Owens Auckland	2396	1502	1810
MF Hamilton	833	655	753	Blenheim	2388	2264	3147
MF Wellington	829	581	592	Palmerston North	1947	1589	1832
Palmerston North	820	676	704	Mt Maunganui	1700	1345	1385
Dunedin	816	695	855	Taupo	1528	1179	1178
Invercargill	804	396	409	MF Hamilton	1368	1063	1568
Whangarei	729	1081	1318	MF Wellington	1336	898	826
New Plymouth	706	936	799	MF Auckland	1276	1266	1196
DF Auckland	698	473	486	New Plymouth	1264	1160	1170
Total Company	673	582	662	Owens Christchurch	1232	1022	1339
MF Auckland	666	627	662	Total Company	1211	1084	1155
Taupo	617	221	386	DF Christchurch	1175	969	1098
Rotorua	610	1158	1068	Whangarei	1114	969	1164
Mt Maunganui	566	744	892	Napier	1096	1168	914
Blenheim	553	649	617	Rotorua	957	762	1136
MF Christchurch	487	532	574	MF Christchurch	891	887	844
DF Christchurch	452	349	348	Dunedin	643	616	668
Owens Christchurch	342	379	431	Invercargill	635	635	677
Nelson	276	319	384	Nelson	435	814	802

If your branch is below the Total Company number, then you are below average. Make sure you and your team members work hard this year to be above this line.

You should be aware that annual bonuses are affected in the following way:

- + 1% For outwards claims, over 450 consignments per claim, and 1,500 inwards consignments per claim
- + 2% For outwards claims, over 550 consignments per claim, and 2,000 inwards consignments per claim
- 1% For outwards claims under 350 consignments per claim
- 1% For inwards claims under 1,250 consignments per claim

New Zealand Logistics – Craig Evans

A number of key milestones were achieved this year. Firstly we are on track to exceed our revenue growth target of 19% year on year. For those mathematicians amongst us, that's our team's number to double the size of this business inside five years.

Next we must extract an acceptable return that reflects the risk associated with the high fixed costs of this business and collectively we have done just that. With all your help we hit new levels of profitability in our first year of this journey that started back on 1st April 2011.

You may ask why we are using rate of return as a measure.

As more businesses start trading across international borders, the world of outsourcing will continue its climb. For us it remains paramount, not only as a defensive strategy in our drive to influence freight flows, but also an opportunity to further 'delight our customers', a mission statement that remains at the core of Mainfreight's ethos.

Without a target, without a goal, we have nothing to aspire to, nothing to

hunt. A "hope strategy", waiting for something to happen, turning up each day to do nothing but polish a static business will not deliver the environment we seek; a dynamic environment resourced by energetic people, enthused by growth, and inspired by self-development.

Part of our own charter is to attract, nurture and inspire talented team members so all the above is deliverable. As a collective bunch of people you did just that, thank you.

An effective growth strategy will require good facilities with good people. The next year will see expansion with purpose-designed facilities in Christchurch and a view to further development in Auckland. One critical component of this business is timing, making sure our infrastructure matches our opportunity – getting this timing wrong can be dire.

This year we commissioned our newest facility at Manu Street in South Auckland, a 11,000m² high grade facility. Commencing in August 2012, this team is already producing encouraging signs of profitability.

Manu Street is also the first 3PL container discharge dock operation in this country, although we readily concede our three docks don't quite compete with the larger scale operations of our Wim Bosman mates in Europe.

Generally we don't like singling out recognition given the special effort from so many in our business. However I feel stirred to mention the Westney Road team in Auckland. With accelerating demand for baby milk formula in China, the Westney Road team has performed some extraordinary warehousing feats, including expediently commissioning an additional 10,000m² warehouse, and working extraordinary hours to manage a 500% growth challenge.

Meanwhile the Railway Lane team in Auckland are giving Santa's elves a run for their money as they dispatch this year's number one, must-have toy. Pillow Pets have taken over from last year's Leap Frog product and the team expects to shift over 500m³ of Pets in the lead up to Christmas.



Manu Street Docks – Exterior and Interior views



The Milk Powder Mountain

In general, there are few operations that haven't produced their own story of challenges. The efforts are noticed and hugely appreciated.

New regulatory requirements have recently been issued for Christchurch concerning pallet racking design, due to the 2010/11 earthquakes. For us this means our previous racking design will now require a significant upgrade incorporating an additional 125 tonnes of steel. Coupled with numerous other cost incursions,

Christchurch is tracking to be one of New Zealand's most expensive regions in which to operate a warehouse. Future pricing must eventually reflect this fact.

So there is no going back, we are forging new levels of operations, team, aesthetics, and building design excellence. For all our team, we encourage you all to grow with us, personally expand your own goals, skills, so you are ready to capture opportunities when they arise.

Take time to rest and reflect on the year ahead. We foresee a lot more excitement coming this way; be ready to grow. Happy Christmas to all.



Railway Lane Logistics Team – with friends

L-R: Daniel Sung, Cameron Oilfe, Chris Teika, Avao Mataafa, Leslie Smith, Sam Bisset and Joni Lee



Mainfreight International New Zealand – Ben Fitts

Christmas is almost upon us Team, and at this incredibly busy time it's important to take a moment to reflect on the year that has been, to consider what we have done well, what we could have done better, what we have achieved this year and where our opportunities lie for next year.

Thank you for your dedication throughout the year, we have again learnt to do more with less – we have needed to – and it is your commitment that helps to keep us ahead of last year despite a challenging environment. It is greatly appreciated!

A significant milestone was reached this year with the move to a single database linking each of our international operations. To have achieved this in such short timeframe is no mean feat, and our hats are off to Mike Hood, Rob Cotter and their dedicated team for making the transition so quick and smooth. To be linked on a single global database not only reduces the amount of keying needed as our shipments move around the globe, it improves the quality and speed of information presented to our customers. The integrity of the information that we enter into our operating system daily has never been as important, as more and more of our customers turn to Mainchain as a valuable business tool.

We have started to gather good sales momentum around the country. It has not been an easy year in terms of revenue growth, with many customers feeling the impact of challenging times, but in recent months a large number of quality companies, with complex supply chains have entrusted us with ensuring their goods arrive and depart on time. This is a compliment to our sales teams, the quality of our operations and a reflection of the ever increasing strength of our network and information systems as we provide real value to our growing customer base.

There is no doubt that the year ahead will hold challenges for us, but again we face them front on and focus on what we can control; our quality, our energy and passion in all that we do, our focus on margin, our presentation, communication, attention to detail and above all else our attitude. If we remain committed to all of this we will do nothing but grow.

We are over half way through the financial year and are sitting 14.3% ahead of last year's EBITDA; it is going to take commitment and focus from all to maintain and build on this lead.

Things to work on for next year:

1. Gross Margin – it's incredibly important that we remain focussed on achieving acceptable gross margin. This has dropped this year and we must get this back to an acceptable level. Gross margin comes as a result of a process; from quote, to booking, to shipment processing and delivery. Have we checked that the invoice we are paying is accurate? Are we invoicing accurately ourselves? Do we know how to recognise if a shipment is not producing enough margin? If margin is too low, has this been raised this with a Team Leader, or the appropriate sales person for correction? Remember, assuming we don't have to increase overheads, every additional dollar of gross margin will flow through to net profit. Based on this a 1% increase in gross margin could result in an additional \$1.40 million on our bottom line.

2. Sales Growth – we have had pockets of excellence around the country this year, and some significant new business gains toward the end of the year, but overall our result has been well short of where we need to be. We target 15% annual revenue growth and new business sales is the key to achieving this. Every year our offer to our customers gets stronger, this should be reflected in new business growth. We have a skilled and experienced sales team

with a great service to sell – let's make the most of it. If your sales results were below expectation this year, think about what went wrong and fix it. If you had a good year, well done, aim to do even better next year.

3. Quality – we have invested heavily in the Single Database; there is a fantastic benefit here for our customers and ourselves so long as we are accurate and timely with the data that we're inputting. KPI's such as Data Integrity and Invoiced on Time are becoming more important to us as we move forward as part of a global team. Customers around the world are now using Mainchain to access important shipment information – accuracy is everything.

4. KPI Performance – KPI's drive our business and we have room for improvement here. Please remain focussed on KPI achievement, if we achieve or exceed our benchmark for KPI performance, our business will be in good health. KPI performance should be at the forefront of discussions at your PAT meetings and results are displayed on your notice board. If your branch is not performing in any particular KPI take the time to understand why and figure out what can be done to improve performance.

5. Why? – particularly to our newer Team members, never be afraid to ask WHY? Don't guess. To be successful in your role and career it is important to understand the nuts and bolts of our business. You have a lot of experience around you, lean on that experience and learn fast! You have an important part to play in the future success of Mainfreight, the decisions that you make on a day-to-day basis are important, please always think of the impact of these decisions; will the outcome be positive? If you were the customer would you be satisfied? Will your decision enhance our reputation? Are you making decisions with a 100 year view?

Office Olympics at Westney Road, Auckland – Lucy Partridge

In celebration of the greatest sporting event in the world, the teams at Westney Road held their own version of the Olympic Games. Forget high grade sporting equipment and the latest lycra – it was all straws, chocolate bars, hula hoops and weetbix ... and a fiercely competitive attitude.

The events kicked off with Pin the Tail on the famous Rowing Medallist, with CaroTrans claiming Gold. The Malteser and Straw Race saw the carpet temporarily turn brown, with CaroTrans again sucking their way to victory. For the fit and the flexible, our Hula Hoop Challenge competitors impressed the crowd with their stamina – also much to the amazement of the courier driver who walked in part way through. This was followed closely by the Picnic Bar Boat race, when the scoffs of the office had their moment to shine. All those quickly eaten lunches in the cafeteria paid off for Customs.



CaroTrans Westney Road Team – Champions!

The final event was by far the most challenging. It involved a relay with multiple team members. First leg involved eating a dry weetbix as quickly as possible followed by a sprint crawl to the other side of the office to tag the next team member, who consumed half a bag of marshmallows at lightning speed. They then crawled to the final

person, who speedily drank coke to lead their team to the finish line. Overall, CaroTrans took out Gold, Customs Silver, and Sales and Accounts Bronze.

Thanks to our fellow competitors and supporters, organisers. Well done team – I'm sure you all found skills you never knew you had!

Books in Homes – St Paul's College – Mark Glover

As part of Mainfreight's Duffy Books in Homes sponsorship, it was a real pleasure to be invited to the assembly at St Paul's College, and to see firsthand, the impact of the Duffy Book programme. Personally speaking it was great to have an opportunity to encourage these students to think about their potential for the future.

Several students gave examples of how their free books have opened a door for their imagination and helped in their learning.

The special guest for the assembly

was Rachel Jackson Lees, Chief News Editor for the NewsTalk ZB radio station, who gave a very informative address to the students about wanting to be on the radio since she was 8 years old and the importance of reading accurately and speaking well, which is part of her everyday career. Rachel has an infectious passion for the news, has travelled the world and interviewed many influential personalities. She brought some of the reality of radio to these wonderful students and gave them many new things to think about.



Rachel Jackson Lees presents a book to a St Paul's College student

2012 Rally New Zealand – Paul Riethmaier

In June the Mainfreight Auckland Airfreight team were involved with the import and re-export of rally cars and spares used in the 2012 Rally of New Zealand. On arrival into New Zealand the import team collected, customs cleared and

delivered 7,238 kgs of spare parts and timing equipment and 2 x rally cars to Auckland's Viaduct Events Centre which became "Rally Central" during the rally. At the conclusion of the event on the Sunday night our teams were

required to collect all of this equipment with a sort and split of priority items to be sent by air the very next day back to London, Heathrow in time for the next event on the WRC calendar.

Pictured here are the cars in the airfreight facility prior to bumper modification and airline unit loading. The second image shows the car inside the belly of a Boeing 777 aircraft.

The team did an exceptional job with loading, as you can see not much room to spare!!!



Together In La Havre – Paul Lowther

September 8th this year was a memorable day for three Mainfreight Brothers who happened to be in Le Havre, France that day.

Michael Forkenbrock, National Manager CaroTrans was over from Chicago USA doing business with Chris Wilson and the team at CaroTrans Le Havre,

while Paul Lowther of Mainfreight Air & Ocean, Auckland, New Zealand happened to be holidaying in the northwest of France.

The three old colleagues had an enjoyable get together to share times past and present.

This photo shows Trish (Paul's wife), Carole (Chris's wife), Paul, Michael and Chris enjoying some delightful French cuisine. It is also testament to the great friendships that exist throughout the Mainfreight Group worldwide.



CaroTrans New Zealand

It's amazing to see the diversity of our team members; currently within the CaroTrans New Zealand team of 13, we can speak 10 languages (and soon to be 11).

Further evidence of Mainfreight's growing global footprint:

English, Maori, Samoan, French, Spanish, German, Romanian,

Italian, Hungarian, Portuguese... Arabic... coming soon to a CaroTrans New Zealand branch near you!

Martin Jetpack – Christchurch Airfreight

In late August 2012 we were asked if we could help move the Martin Jetpack to London for a photo

shoot with Wired Magazine. It was all packaged up in a very inconspicuous metal crate weighing only 200kgs but at almost 4m3 it took up nearly half of an airline unit.

Once in London, Wired Magazine had Roy Brydon (Welsh actor and comedian) photographed with the Jetpack.

Look out for the article which is due to come out in the December 2012 issue.

The Martin Jetpack is the result of inspiration and many years of development work by Glenn Martin and an enthusiastic team of engineers and other experts. It uses sophisticated composites and a highly efficient propulsion system to achieve the goal of personal flight, with many safety features including a ballistic parachute.



Team, thank you once again, enjoy spending quality time with family and friends over the festive season, charge your batteries and come back refreshed and ready to hit 2013 at full pace! - Merry Christmas

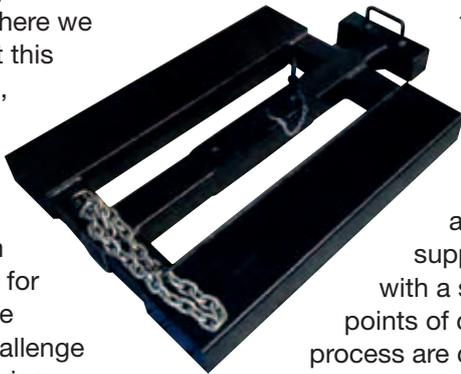
OWENS

Owens Transport New Zealand – Kevin Babbington

The recent release of our September numbers saw both revenues and profit before tax increase for Owens Transport compared to last year. We are a fair bit behind where we would like to be at this stage of the game, but we all enjoy a challenge.

One continuing focus for our team is reducing claims for damage across the business. One challenge in particular is moving wallboard around the country. Paul Tolson and his Auckland team have recently come up with a new innovation, using a specialised set of fork tynes with three different length settings, which ensures that

the tynes don't extend beyond the packs of board they are lifting. This prevents the tynes from stabbing pallets behind the one being lifted.



We will be rolling this equipment out to the branches that receive the greatest portion of board and will also

supply the customer with a set so that all points of contact in the process are covered. This type of innovation, and constant communication with our customers helps to forge lasting relationships.

We are now well into our busiest season with very high expectations that were set earlier in the year.

Our ability to stand up year after year and achieve what we do is amazing, from our floor teams putting in the big hours and still fronting up the next day, to the office team that when their shifts are done throw their blues on and head down to help out on the floor on the big nights. This is one of our company's most precious values, family and helping out your mate when he needs a hand.

One of the more special things we do for the community are our Idea Days. The generosity of our teams who give up their personal time to hold these days is truly appreciated, and bringing in their special cars and motorbikes, as well as our fantastic ODs with their trucks, makes for a great day for all to enjoy.



Taupo Quarter Marathon 2012

With the emphasis placed on health and fitness these days, the Owens ladies decided it was time to take on a challenge ... which also turned out to be an excuse to get away from Auckland and have a good time together with a lot of laughs and a few glasses of wine (red wine of course, as it is good for the heart, or so we have been told!).

Kinloch Taupo Off Road Challenge was to be our platform for a great weekend away, 14 Owens ladies piled into the Mainfreight Training Centre van at 5.00am on a Saturday morning to gather at the start line at 9.00am. No matter the ability of each team member we completed the Quarter Marathon and had a great time doing so, next year we will push ourselves further and attempt the half marathon. Kinloch Taupo, watch out!



Team Owens

Back Row (L-R): Kerry Babbington, Andrea Kennett, Melanie Katu, Danielle TeTai, Lisa Pearce, Aliana Tahaafe, Nicola Hayes, Jacqueline Mein
Front Row (L-R): Pauline Bent, Tarryn Neal, Rhoda Malveda, Kelly Worden, Jenny Payne, Candy Worden

Things to do better next year:

- Protect our brands (get rid of those dirty orange hi-viz jackets, they destroy our image)
- Be generous to your team mates (good things happen to good people)
- Do the very best you can (no one will fault you for that)
- Family and work balance (get this right, happy at home - happy at work)

Lastly from me and mine to you and yours, enjoy your Christmas with your families and have a safe and relaxing holiday break, you deserve it.



This truck and trailer in CaroTrans livery is currently part of the Owens Metro fleet



Australia



Australia Group Manager's Comment – Rodd Morgan

Team

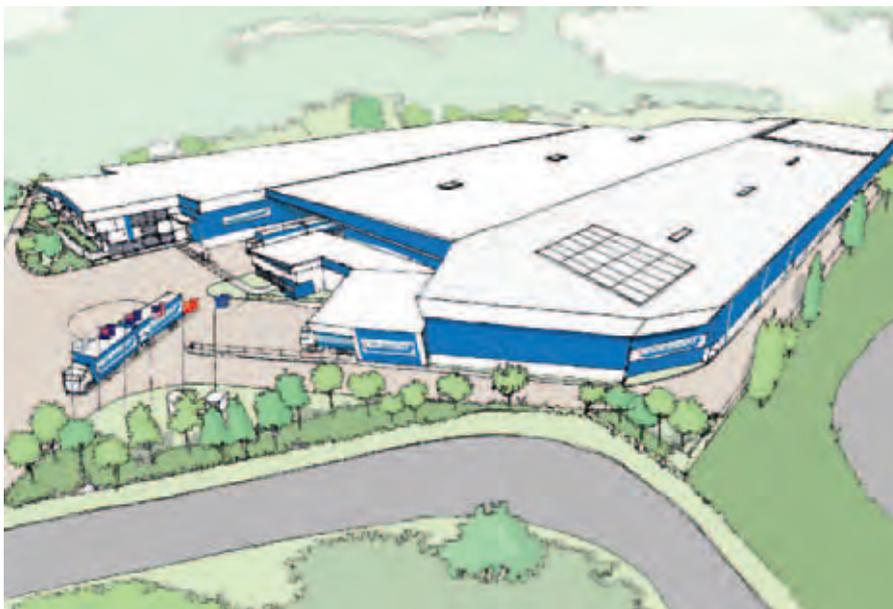
Another hugely exciting year of progress and achievement for the Aussie part of the business has come to an end and in the following pages it gives us great pleasure to talk to the extended Mainfreight community to let you know what the team has been doing to grow and improve our business – which, in a word, is “Plenty”.

Firstly though, we have recently finished the first half of our financial year (ie April to September) and we are pleased to advise that when compared to the same period last year, our overall Australian profits have again improved by more than 20 per cent and our revenue has grown by over AU\$32 million. (It wasn't that long ago that our entire revenue for a full year was AU\$32 million!).

Each of the four Australian divisions has been able to improve either revenue and/or profit to this point, which is a good performance in an environment where we are tired of hearing from the pessimists who talk the economy down. These results show that our team are rightly ignoring these people and have really got ‘stuck in’ to the task at hand. For this we want to thank our teams across Australia who are undoubtedly the most talented and focussed that there is.

Now, that said, there is of course a long way to go until the end of the financial year in March and there is always opportunity for each and every member of the team to remember a couple of things that are best described as our Culture:

- We can only beat our competitors by each being the best we can be
- Ourselves, our branches and our vehicles must look better than the others
- Remove errors from our work
- Remove unnecessary costs from the business
- Show extraordinary levels of service that our customers just can't live without



Artist's impression of the new facility at Larapinta, Queensland

In a nutshell, work hard at having a great, customer-focussed attitude and these things can and will be delivered – as will the continued success of our company.

We head into next year with the knowledge that all of our businesses have good levels of

prospective new customers in the pipeline which will see us maintain our growth momentum and this is another indication of the value that we are bringing to customers in the Australian market. This does not happen by accident so we must all continue to look for new customer opportunities and take some responsibility to keep our growth rates high, irrespective of the role you play within our team.

Whether the broader circumstances we operate in are good or bad, there are always priorities or areas where we need to find improvement. For example, we really need to find better quality and consistency of service to our customers in Transport. Air & Ocean must find ways to accelerate

our rate of growth and get after more of those big customers. The Owens team needs to continue the impressive rate of growth, but also find ways to improve margin – and in Logistics, whose recent performance has been fantastic, we have to find the right mix of customers to benefit the Group and find ways to

hustle costs out of the business and continue to build our return on revenue.

We wanted to also remind all of our team that although each of our businesses operates in a slightly different area of the supply chain,

we are very definitely part of exactly the same team. We are more than ever **One Mainfreight** and it is our ability to act cohesively, in a united way and ensure we strive to maximise every single new customer opportunity and the support that flows from acting as one Mainfreight, which will continue to accelerate our success.

All this growth has meant that we need to speed up our programme of investment in better and bigger facilities so our team can continue to operate in the best conditions

Five Things to Do Better in 2013

- Think about our business from a worldwide perspective.
- Act in a One Mainfreight way, both here and in awareness of the other countries that we operate in.
- Improve our ability to win large supply chain customers.
- Identify and remove all risks from our business that may threaten the safety of our team.
- Ensure our workplace behaviour, habits and attitude are easy to deal with and the best they can be.

Again, thank you to each member of our team for another solid year in which you have enabled our great business to make such progress in so many areas.

Merry Christmas!



Australia Transport – Bryan Curtis

Our results for the first half of the financial year are pleasing but come with some worrying signs:

- Revenue up 24%. We have seen spectacular growth in some of our regional branches with increases of 58% in Townsville and 51% in Newcastle as well as excellent growth in our main metropolitan depots with 24% in Brisbane and 65% in Chemcouriers Sydney.
- Margin has declined and is largely due to the increased cost of deliveries and on-forwarding. We must focus on minimising our direct costs to regain those vital percentage points.
- Profit up 13%. Whilst pleasing, we should consider that if we had maintained our margin our profit would have been over AU\$1 million better
- Return on Revenue down 0.9% to 7.8%. This figure is our profit as a percentage of our revenue. Our business requires a minimum return of 10%. We will improve this by increasing our margin and focussing on our overhead costs.

One of the side effects of recent growth has been the severe pressure a number of our branches have been under over the last few months – none more so than our team in Brisbane, who have worked herculean hours in very trying

land to be completed by early 2014.

4. Sydney – construction of a purpose-built facility in Botany for the Owens team to be completed late next year.
5. Melbourne – redevelopment and extension of our Perishable building in Tullamarine for our Air & Ocean team.

There are other projects that we have underway but this exciting list gives everyone a taste of what is to come.

For those fortunate enough to be having a break at Christmas, please have a great time with those that you care about and thank you to those team members who might be working through. We have every reason to steam into the New Year with flourishing hope and expectations.

conditions to ensure that we deliver our customers' freight as best as we can. Our heartfelt thanks go to Ashley Taylor and his wonderful team for their efforts.

At the time of writing we are close to securing a large second facility to handle the extra volume until our new depot is completed early 2014.

A special thanks to Malcolm Holm and Nathan Humphreys of Daily Freight in Auckland, New Zealand, for sending three team members across to Brisbane on buddy branch visits to assist.

The issues we have encountered in recent months have caused us to review a number of areas of our business:

1. Most urgent is a complete review of our week-long induction course held in Melbourne. We will focus more time on specific operations and customer service training with particular emphasis to the Chain of Responsibility Legislation (CoR) which acts as an umbrella for a wide range of areas such as:

- Load Restraint
- Dangerous Goods Regulations

- Intensive Forklift training
- Fatigue Management
- Mass Management (vehicle capacity)
- Sender/Receiver responsibilities
- Non-conformance Reporting
- Practical operational procedures and processes.

Our courses commencing in the New Year will contain this new content.

2. As mentioned in the last newsletter – the responsibilities of each and every one of our team members and the subsequent accountability for those responsibilities will be a major focus for us with immediate effect. Nothing impedes our quality more, and therefore our 100 year vision, than having the wrong people on our bus.

Things to do better in 2013:

- Make better use of our wonderful IT such as Pulse, Delivery Planning and Mainfreight Anywhere to deliver world's best customer services.
- Depot Systems – when we are at our busiest our Depot Systems are the most important tool we have to maintain quality for our customers.
- Ensuring that our customers provide us with the correct details as per the CoR. Realistic pick up times and delivery expectations, accurate information on our consignment notes and most importantly correct packaging AND labelling.
- Better training for our pick up drivers on the above expectations, and in particular labelling and packaging.
- Continue to strive for 100% DIFOT.

Finally, thank you for your efforts in 2012. We have a wonderful opportunity in 2013 to grow our business in both revenue and network coverage and finally provide the standard of service to our customers that we have been promising for some time, but have failed to deliver on consistently.



Our first dedicated end loading linehaul running between Sydney and Melbourne



*Sydney team dressed for Melbourne Cup
L to R: Chrissy Seve (Admin), Jane Henry (Admin), Elinor Whitcher (Admin),
Tako Phanoraj (Operations), Kristen Flood (Admin), Jody Savage (Chemcouriers),
Raelene Codd (Sales)*

A very Merry Christmas and a magnificent New Year to you and your family. Be safe.

Mainfreight Logistics Australia - René Van Houtum

As I'm writing this newsletter, spring time has commenced and is in full swing! The preparations for the Christmas and holiday period have started and we are working ourselves through the "silly season". Volumes have grown significantly in the last months and the whole team is working very hard to process the high volumes.

Within Logistics Australia, we have seen a significant enhancement of storage and handling volumes; partly due to increased volumes of our current customer base, but also as a result of successful implementations of new customers. In the first six months of this financial year we have realised an increase in revenue of close to 22%! This is a great result and it could only be achieved by the joint effort of the operational and sales teams. Looking at profit and ROR, every branch is currently ahead of last year's figures. Congratulations to the whole team for this outstanding result!

The required improvement in the quality of our operations has been extensive, and is a topic that has been continuously discussed during this year. It is therefore pleasing to see the most recent audit results. Except for one, every branch shows an improved audit score compared to the previous one. Worth mentioning here is the result of the Adelaide branch, a 95% score!

This does not mean that we leave this topic where it is now... We must keep on working on further improvement of the quality in our

processes; strive for higher performance results and fewer mistakes. We have increased the use of Radio Frequency in our business, particularly in stocktake processes and we are working hard to increase the use of this technique in our inwards processes. Thanks to the IT team for all the hard work and support in this!

Talking about IT, it's great to see that we are utilising innovative solutions in our business, aiming to increase quality and efficiency. The Moorebank team has just finished a "voice picking" pilot programme and the first analysis shows an increase in productivity. While a computer voice directs the team member to a location and tells what article has to be picked, the team member has both hands free to execute the task!

We have managed to increase the application of the productivity measurements nationwide. This analysis helps us to identify possible ways to increase the productivity. Not by working harder, but in a smarter way. In the next months, we more and more must think about ways to improve our productivity. In open discussions with our customers, we will work together to find the best-in-class logistic solution, which basically means high quality in our processes but at a reasonable cost.

The knowledge that we get out of these measurements is also very valuable in the sales process. In conjunction with the recently developed new calculation model,

the sales team now has strong tools available to calculate the most accurate prices for our new customers.

As mentioned earlier, all our warehouses are full or close to full! Our sales team is currently focussing on new, larger accounts. These accounts will be a basis for opening new branches in the next year. We are in contact with real estate agents in all states to keep us informed about possible new warehouses where we can establish new business. This will enable us to further grow our Logistics activities in Australia.

Next year will be another exciting year! We have achieved outstanding growth this year and the challenge will be to keep these growth figures at the same level. The "five things to do better" will help us:

- Keep the focus on improving our quality. We have to delight our customers every day by delivering outstanding service.
- Make use of the tremendous tools that the IT team has developed.
- Keep on using PAT meetings as a valuable tool to inform the team, to enable the team to discuss relevant subjects and come up with improvements.
- Health and Safety remains the highest priority in every branch.
- Last but not least: enjoy life! Remember, life isn't about how many breaths you take but about the moments that take your breath away.

Thank you to every team member for all the hard work that has been done in the last year. Christmas time is a time to spend with family and friends and I really hope you enjoy this time and the beautiful summer here in Australia. It enables you to re-charge the battery for a new, challenging year that lies ahead of us!

Moorebank (Sydney)

Since its establishment in Sydney in January 2008, the Moorebank operation has changed dramatically. The team is now starting to see the rewards of the hard work that has been put into the Moorebank operation.

With up to 40 team members onsite and one of the busiest pick and pack customers in Australasia, there is never a dull moment.

With the successful introduction of a great new cycling customer to the

Moorebank 'MIX', the warehouse now is close to full and has a good amount of handling activity. The team has managed to increase the quality of the operations, reflected in the KPI's that are discussed with our customers on a regular basis.



The Moorebank team in Sydney!

Prestons (Sydney)

The team at Prestons are getting ready for the onslaught of Christmas; weeks of receiving over one hundred containers inbound have been pretty regular in the month of October.

Outbound for October went from a simmer to a boil with the team dispatching 2,000 more orders and 600,000 more units than in the equivalent period in 2011!

Noble Park (Melbourne)

What a year for Noble Park, and it's not over yet. Starting from a substantial negative result last year, the team has been steadily plugging away at this year's profit target and are on track to meet it.

The Noble Park team has rolled out what they think might be the first "Mainfreight" co-branded repack carton, which is most definitely getting our name out there in front of a large number of people!

The team recently achieved a

milestone by picking our 100,000th MIMS order. It was celebrated by framing the original order and presenting it to the "lucky customer" as a memento of the occasion. While this is a small number by many site's standards, we have traditionally been a bulk site and one order can often equal a full truck. This means that those numbers have sometimes ticked over quite slowly. We're now working on our next milestone, which we have set at 250,000.



Theresa showing off our new Big Balloon/Mainfreight cartons



Amy working in the new pick and pack area

Sydney Road (Melbourne)

At the time of our last newsletter, the team at Sydney Road had just finished building the last remaining area of racking and were looking for new customers to come on board but, in just a few months, the warehouse is now nearly full. This growth has had its challenges but the team has pulled together, completed a smooth transition for the new customers, and continued to offer great service!

These new customers have changed the dynamics of the warehouse that now includes an intensive pick and pack area, including a roller racking environment that works perfectly for these customers, with room to offer potential customers this option also.

With the growth in the operation the team has also had the opportunity to take on a new graduate in Amy Cutajar. Amy's fantastic attitude won the team over and she has now taken on the customer service for some of our largest customers.



The Sydney Road warehouse, nearly full!

Mainfreight Air & Ocean / CaroTrans Australia - Steve Thorogood

The team around the country continues to strive and be passionate about goals and targets set both individually and as a team within the business. Still paramount in our thoughts is the need to drive growth and provide opportunities for our team.

Things to do better next year are:

1. Continue aggressive sales growth across all products
2. Look for quality improvement operationally and in customer service, ensuring we get it right and are "easy to deal with"
3. Increase graduate uptake throughout the branches
4. Deliver internal training to push our performance to the highest level
5. Continue improvement in our account management and relationships at all levels with our customers.

Every day presents its challenges in an increasingly "globalised" world where opportunities can come from absolutely anywhere. We, as part of this phenomenon, must focus on

providing the best service possible to our global customers, many of whom are now supported by the Mainfreight business around the world.

This year has seen many new customers join our family around the country. Customers that every one of our team must embrace and take responsibility for.

Recently our USA and Europe operations joined the Asia, New

Zealand and Australia operations on a single database platform, which will provide ongoing efficiencies in the delivery of data and information between our operations.

We do go far and wide in search of business opportunities, some of those come in all manner of ways. These include the continued development of our cars, bikes, boats vertical market, our projects development and our perishable operations.



Project Movement from Burnie, Tasmania to Laem Chabang, Thailand

Project Work

During August this year our team in Sydney was involved in the movement from Burnie Tasmania through to Laem Chabang, Thailand of a paper mill that had been decommissioned in Australia and

sold to a customer in Thailand. The photo above is of the pulper which was part of the movement. The full project involved the logistics to load at the plant in Burnie, the handling and transport, co-ordination,

holding, vessel chartering and subsequent export to Thailand. The total volume moved was 105 x 20ft and 20ft FR, 139 x 40ft and 40ft FR plus 2 break bulk pieces.

Hume Award

Jaan Ilhan, part of the Melbourne CaroTrans team, took it upon himself to nominate the Mainfreight / CaroTrans business for a Human Resources award in the regional Hume Awards. We received the 2012 award for Outstanding Services in Human Resources. Jaan had taken the initiative to nominate us, and after being assessed and interviewed by the Hume Business Council we were officially recognized. The success was based around the empowerment we offer our team

members, our open office environment and management strategies, the passion of our people and our commitment to team member learning and improvement. Special thanks to Jaan for showing the passion to support the business he works for and nominate Mainfreight/CaroTrans for this award and special thanks to the team across the Melrose and Springbank operations who continue to make things happen.



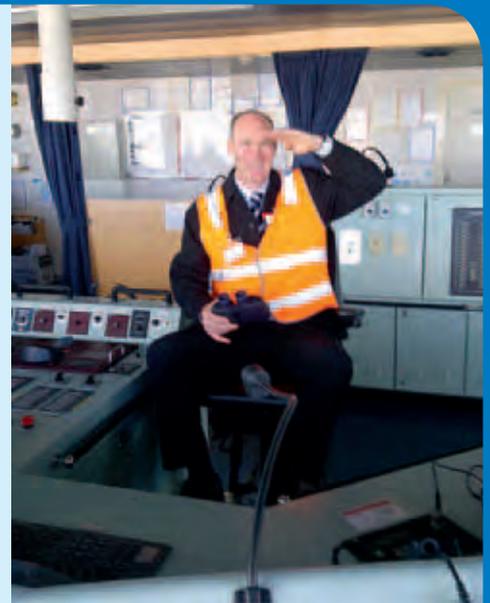
Brian Mueller and Jaan Ilhan after receiving the award

Mainfreight Training Programme – All at Sea!

As part of our 4-day Air & Ocean training course many of our team get to experience firsthand life on board a container vessel. Grant Draper was a recent participant. Grant's comment: "We work closely with our shipping companies to make these tours possible and it is great to touch and feel the essence of what our sea freight business is all about. After visiting the bridge, seeing the living and dining areas we wound down the staircase following the Chief Engineer into the bowels of the ship; he looked at home in his red overalls amongst the heat and smell of oil and

machinery. The fuel oil generators were powering the ship in port. The engine for the propeller was under minor maintenance, it is a 6 cylinder, 3-storey high monster engine, the pistons are 8 metres high and solid metal. The fuel oil is stored in huge tanks that keep the oil heated to 40 deg at all times, it is thick like globs of molasses and will not flow unless at 50 deg."

It is great that our teams get the chance to see these magnificent ships and meet the people on them; this industry is a lifestyle not merely a job.



Grant Draper on board the MV Bahia Blanca

People Movements

Recent changes that have taken place within the Air and Ocean business in Australia:

Lisa Harrison - appointed as Branch Manager NSW Perishable and Export Air. Lisa has done a good job since we got our facility operational early this year in driving the department with Debra, Marcus, Olivia and our warehouse team. We expect the momentum to really go forward in 2013.

Steve Anderson - moving from Branch Manager Brisbane to take up the Europe Trade Manager role.

Steve has had some successful stints recently as Branch Manager in Sydney and in Brisbane and now the opportunity to drive the growth in what will be one of our fast growing regions for our business will be a great challenge for him.

Ogi Vuksanovic - moving back to Brisbane in January from his Adelaide Branch Manager role to take up the Branch Manager role in Brisbane. Ogi moved from the Sales Manager role in Brisbane nearly 3 years ago to take over the Management of the Branch in

Adelaide and now the opportunity to return to Brisbane and lead the team there has come at the right time.

We also welcome **Dave Coughlin** to our family as he takes on the role of Branch Manager in Adelaide. Dave was a member of our family as part of a JV in Adelaide back in 2003/2004 before the purchase of the Owens Group.

Congratulations to all on their new roles and we wish them all the support and drive to ensure they succeed.

Mainfreight Automotive

We continue to see growth in our auto division looking after the movement of cars, motor bikes, boats, jet skis, etc into and out of Australia. Lee Amour and Trish Anderson, who form part of the team driving this vertical market for us, recently had a promotional stand at a major classic car and bike show held in Melbourne. The Motorclassica show was held at the Melbourne Exhibition Building in October. The show was very well attended and good sales opportunities have already been realized from the show.



Lee Amour working the stand at Motorclassica 2012

Happy Feet!

In September 2008, Mainfreight were the first to freight in live Antarctic penguins, 13 Gentoo and 5 Kings for Melbourne Aquarium for exhibition and, most importantly, for a breeding programme so one day they would be able to start an export programme. A further 24 Gentoo and 12 Kings were imported during September 2010.

On 29 August 2012, Mainfreight assisted with the first export of 12 Gentoo penguins from the Melbourne Aquarium breeding programme to Copenhagen.

It was a 12-month task to get everything right – with multiple approvals and the logistics challenge of ensuring a stable temperature of no greater than 10°C throughout the trip.

The travelling time to Copenhagen: 33 hours with two transit stops:

- Singapore 30°C with 90% humidity.
- Sharjah 45°C.

Arrival Copenhagen 24°C.

With the above in mind, the Springbank team designed and built the pictured pen. A 2-tier level pen, with spaces in the first floor to transfer airflow from the top to bottom, and nine windows on each tier to allow access during flight.

To maintain air temperature for the penguins we designed and installed a 4-kilowatt refrigeration system to achieve an ambient temperature between 4-10°C. The system was tested for 30 days achieving the design specifications. Powered by 240 volt during flight, permission was granted and generators were hired at the transit ports to maintain temperature.

To the Mainfreight / CaroTrans team in Australia, a big thank you for your dedication, passion and drive during this year. We look forward to an enjoyable, relaxed and safe Christmas and New Year.

To our Mainfreight family globally, we take this opportunity to thank all of you for your support and wish you all a peaceful, safe and relaxing Christmas period and hope the New Year brings happiness, health and rewards to you all. May your goals be reached.



The Mainfreight purpose built Pen for the Penguins Transport for Melbourne Aquarium



Loading of the penguins into the purpose-built pens by the Springbank team

Melbourne Aquarium was over the moon with the design of the pen, the overall movement and the end result. Sarina Walsh, Penguin Curator of Melbourne Aquarium, and Greg Giarratana, Springbank Branch Manager, travelled with the birds as flight attendants and carers from Melbourne to Copenhagen. Mainfreight did a part charter with Singapore Airlines.

The vet in Copenhagen was amazed how healthy the birds were on arrival and how friendly. Congratulations to the whole Springbank team for the successful completion of this project. I suppose we should call this story HAPPY FEET.



OWENS

Owens Transport Australia – Cameron Clode

Welcome from Owens Australia! After a rocky start to this financial year, recent results have seen some much needed improvement. Whilst this improvement is a pleasant and positive change we still have a hell of a lot to do.

Consistency in quality and volumes are key to our growth. From meeting our sales growth targets, completing our weekly quality measurements on time and delivering every container to the highest service standards.

Our mid-life crisis in Melbourne has been eased with the arrival of our Ferrari. The CVS Ferrari reach stacker has proven to be a hit, not just in its looks but certainly its reliability and the confidence it has given our team as well as our existing and prospective customers. Our Melbourne branch continues to grow with regular profits and sales growth to be envied. In just over twelve months we have increased our volumes by 50% from 200 containers per week to around 300 containers per week.

Who would believe that Owens Perth has celebrated its first birthday? From humble beginnings with a team of 3 and 2 trucks and sideloaders, we now have 13 team members, 10 trucks and 6 sideloaders. Originally based in a corner of the Air & Ocean Perth branch with just a single desk, we've grown to have 2,400m² warehouse space and 5,000m² of hardstand.

Our team has done an exceptional job in establishing Owens in Perth as a viable, quality service provider. The team from our sister brands in Perth must be thanked for their support in establishing our business.

Exciting things are happening in our Brisbane branch. With the growth in our volumes we now have a



Our Ferrari in all her glory



Owens' Perth first birthday celebrations L-R: Kamal, Taj, Gurvir & Sandra



L-R: Pradeep, Anuja, Praneil, Niri, Kamaljeet and Tejwant

container forklift operating in our second yard. The yard has recently undergone a make-over with security fencing, lighting and security cameras. We can now use the yard to hub and store customers' containers. This will assist our operations, reduce our exposure to stevedore fines and significantly improve our customer service.

Our Aquarium Avenue site in Brisbane will continue to operate our depot function and office. Traffic flow will improve with reduced truck movements around the site. Along with reduced container storage we will now have more space, improving efficiencies. This will enable new business and increased volumes through our depot.

Excitingly, we expect our new site in Sydney to be ready to move in late next year; it will be built to our specifications and will include concrete hardstand capable of withstanding 105 tonne container handling equipment and container storage. Reefer points, customs bonding and quarantine licensing will see us achieve the full suite of service options. This will be very exciting for our team.

We want to remind everybody about the need to remain vigilant from a safety perspective in our depots particularly given the nature of the work we do in the presence of huge machinery, unusual freight and shipping containers. Processes and procedures must be followed at all times. We must immediately raise any risks or hazards and concerns when it comes to safety. This is a priority and we all have a duty of care. PAT meetings are one way to do this, so make sure these meetings are being held regularly and that they are covering off on our policies, procedures and implementing improvements to our business.

Once again our Brisbane team participated in the 2012 convoy for



Owens Brisbane painting the town red at Convoy for Kids – love it!!!



Anthony Freeman in front of his Truck of Show – Brisbane Convoy for Kids 2012

kids. Our owner driver Anthony Freeman won Truck of Show – congratulations, the rig looks awesome! A big well done to all team members who contributed and were duly rewarded by winning

the largest fleet award and coming second in the best presentation award. Convoy for Kids is a great initiative that supports various children's charities.

We wish you all a very merry and safe Christmas. Enjoy the break if you are able to have one. Thanks to all team members, family, friends, suppliers and customers of Owens for their contributions and support throughout 2012!



United States



Mainfreight USA – John Hepworth

Mainfreight USA continues to enjoy a good year as we keep driving our business toward our 5 year goals and to capture more of this enormous market. With the world still in a slow growth phase we are pleased with achieving growth in double figures. Our team experienced their first bonuses this past financial year and finally got to see that our promises of profit means we share it with our teams. This is the reality of the Mainfreight culture.

As we continue to set our short and long term goals our business model is changing from transactional to

schedule business. We are developing three core products for our Domestic business: White Gloves services 2Home or 2Office; Time Definite; and Ground. These are outlined in greater detail below. By creating or should I say defining these products we can sell schedule pricing. This helps in many ways but most importantly it allows our graduates to enter the sales force with less experience than transactional selling requires.

Our international Air & Ocean business has grown very well this year, primarily due to the split of the business into the Domestic and

Air & Ocean divisions. This allowed the international team to grow independently and has provided a new focus as we endeavor to become the largest international division in the Group. Our first goal is to have strong airfreight consolidations to all our overseas branches. We want to be the airfreight version of what CaroTrans is to the Group in sea freight. We aim to be CaroTrans' largest LCL customer. We want to be the largest trading partner of all our Mainfreight offices around the world. Big goals, but we have the team and the market to achieve this.

New Branches in Toronto, Canada and Mexico City, Mexico

The trans-border business is becoming more critical today than ever. So much manufacturing is shifting back closer to the US market and this has allowed us to handle business through our trans-border divisions. The extra benefit is, as these manufacturers return to the North American continent they are also exporting to the world. So in both Canada and Mexico we will be providing full Air & Ocean services to our global

network.

In addition to the above we have opened new offices this year in the following cities;

- Philadelphia, PA – Branch manager, Scott Doggett
- Minneapolis, MN – Branch manager, Michael Benjamin
- Phoenix, AZ – Branch manager, Greg Sutton
- Pasadena, TX – Branch

manager, Matt Freidman (our first Logistic warehousing site)

- Carson, CA – Branch Manager, Craig McRitchie (our car loading depot)

We have had the following new branch managers appointed in existing branches;

- Chicago Domestic – Tim Reich
- Miami Domestic – Eduardo Rivera
- Atlanta Air & Ocean – Jeff Meese

Training

With the recent appointment of Raewyn Glamuzina as VP of Training and Team Development, we are very excited about 2013 as we start in-house training programs for

our team. We are working on safety in our warehouses, warehouse training programs, taking our graduate program to the next level, branch management training, and

many more programs. Raewyn will certainly add to our quality and most importantly make Mainfreight USA "Easy to do business with".

New Technology

Within a relatively short space of time we will see the launch of four new IT products: Mainchain 4, our new TMS system, Cargowise global database, and our new domestic

platform MainStreet. John Eshuis, VP of Business Solutions, backed up by a great team, will be working hard over the next 3 to 12 months to ensure a successful roll out of all

these new IT platforms for our customers and team.

Mainfreight USA is excited about our future and looking forward to another great year in 2013.

We wish all in our Mainfreight families around the world a very Merry Christmas, Happy Holidays, and New Year. We wish you and your families a great 2013.

Mainfreight Domestic Services – Re-Branded and Re-Launched !

We are excited to share the newly branded Mainfreight USA Domestic services with our global team! We see the migration into a more focused and defined product offering as a key driver in our new TMS launch and as a driver for our domestic sales growth.

Our **time definite** product will hold all of our traditional freight forwarding services. This was the heart and soul of the USA group and remains the solution of choice for high profile, high value and mission critical shippers. Our **white glove service** will be our approach to attract e-commerce, residential home delivery and commercial clients serving the fastest growing area of US domestic transport. Finally Mainfreight **ground network** – this is where we will combine all of the resources of our growing owner driver fleet, line haul network, LTL and cartage service partners into our TMS application. This new approach will give us the strongest platform we have ever had in the USA to secure and control every day freight. We will continue to develop strategically to expand

service, control and coverage with our ground network.

Mainfreight – Time Definite

- Same Day / Next Day / Any Day – on the day you need it and at the time you need it!
- In the air or on the ground – you customize the shipment conditions – we manage the process
- Time specific collection and delivery
- Afterhours – weekends – 24/7
- Single point of contact for all shipment activity
- Web-based GPS tracking
- Roll out, store opening and time specific delivery management

Mainfreight White Glove – 2Home 2Office

- Inside, unpack, removal, asset recovery, special handling, store roll out, time release, reverse logistics
- Convention, trade show, event management
- e-commerce and home delivery solutions

- Security, escort, high value, high visibility
- Uniformed drivers, Mainfreight branded trucks, GPS tracking
- Construction, retail and executive site support
- Stage, screen and live event logistics management

Mainfreight – Ground Network

- Economy solutions in an LTL environment
- Using our pick up, delivery and line haul fleets to control cost and reduce handling
- Transportation and carrier management for daily use and high volume users
- Specialized and dedicated equipment for projects
- Customized TMS resource
- Volume, pallet, partial load and commodity based tariff applications
- Local, regional and national solutions

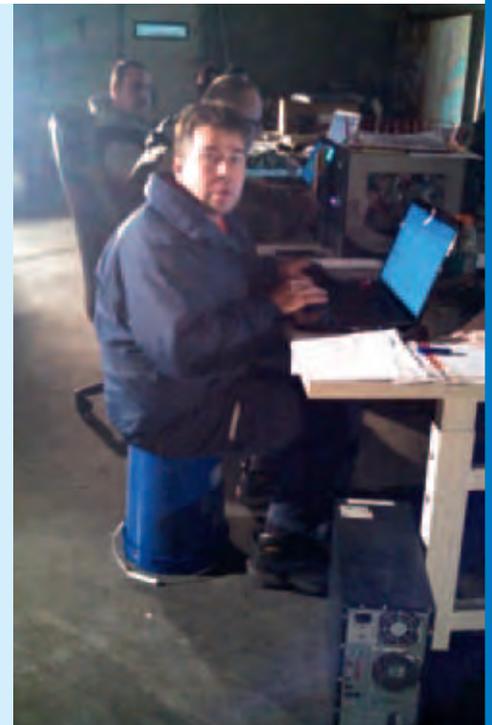
Mainfreight Teamwork Triumphs in Sandy Disaster

Hurricane Sandy devastated the Tri states of New York, New Jersey, and Connecticut. Millions of people were without gas, petrol, and electricity for weeks in some cases. This was the second worst natural disaster in the United States behind Hurricane Katrina back in 2008. It will take over US\$58 billion to repair the damage and while sadly, there was a significant loss of life during this storm with over 100 deaths, we are very blessed in saying that all of our team members are safe and out of harm's way.

Our team in New Jersey has reacted to this natural disaster situation with nothing but resiliency and a positive attitude. The Newark warehouse and branch were badly damaged in the storm, with most of our product in the warehouse water damaged and our office destroyed.

Our team, the next day was working hard to get the good product out, have insurance assessors inspect the cargo, have tradesman there repairing the roof, installing generators to provide electricity, and trying to get on with everyday freight movements. As soon as we were aware of the magnitude of the damage, we immediately called on our teams at the Mainfreight Service Center and the Albany branch to handle all of the domestic and international calls and emails respectively.

Shane Michalick, Newark Domestic branch manager, and Michelle King, Newark Air & Ocean branch manager, took control and with the help of their teams are determined to recover quickly from the devastation of Sandy.



Shane Michalick leads the team from his "bucket seat" – snowing outside and no heating in the warehouse

Special thanks go to:

• Baltimore Branch

One of our franchises really pulled out all stops to help. **Rob Pace and his team** got generators loaded, fuel, flash lights, and many other things and immediately drove to our Newark office. This was despite the danger of fallen debris, continuing heavy rain, and no working traffic lights, creating traffic hazards everywhere. They did this not once but twice. Thanks Rob and the whole Baltimore team!

• CaroTrans New Jersey

Erik Berger, Riyaz Jordan, and Greg Howard immediately rearranged their office to temporarily house our team. With a lot of hard work from FSI (CaroTrans IT team) we were up and running by Friday. Thank you CaroTrans for your great support!



Michelle King and Oscar Rossini, setting up MF Newark International Branch temporary quarters in CaroTrans - NJ training room



MF Newark Domestic Team up and running in CaroTrans - NJ branch after Storm Sandy

Breakfast with the New Zealand Prime Minister – John Hepworth

Recently, I had the pleasure of breakfasting with the New Zealand Prime Minister, RT Hon. John Key, while he was visiting Hollywood.

It was great to see how aggressively New Zealand leadership is moving to attract the movie industry to New Zealand, which can bring in such strong tourist dollars. With movies like the trilogies of Lord of the Rings, the soon to be released “The Hobbit”, and the sequel of Avatar all being made in New Zealand it will certainly allow the world to see the scenic beauty of New Zealand.

It was also a great opportunity to see the success of New Zealand businesses in the USA from health, software to rocket development, and of course, Mainfreight’s own inspiring story here.

There is one funny story that came out of the breakfast, not one I will soon forget ...

Due to traffic I was running late. As I pulled up or should I say, came to a screeching halt as I was 15

minutes late, I could find no one to valet park my car. Finding the concierge I threw him the keys and told him I was late for breakfast with the NZ Prime Minister, would he mind parking it and I would fix him up later. He immediately saluted me and yelled out “Yes Sir”.

I rushed down the staircase to the allotted breakfast area and walked straight into two secret servicemen and two New Zealand policemen. Seems they did not like the surprise

of me coming through the door at a full sprint; it seemed to startle them. Seeing their hands inside their jackets, I came to an immediate halt thinking I was going to be shot. After quickly explaining my haste, I made my grand entrance, escorted by all 4 of them to make sure I was the right guy. Embarrassing enough to have everyone waiting for me, but to be escorted in made it even more noticeable!

The breakfast was great and as it came to an end I left to locate my



*John Hepworth, with Prime Minister John Key (4th from left) and others in Hollywood, CA
You still look out of breath John!*

car. I got out to the front, but didn't see it; I did however notice my "friends" the 4 security guys hovering around the Prime Minister's convoy of cars waiting to leave. I finally found the concierge and walked up to give him a tip and retrieve my car. He immediately yells out "the secret service man is

here and needs his car". I look at him in horror as he thinks I am secret service, meanwhile my secret service "friends" think I am a jerk not only for holding up the breakfast but also because my car was parked in front of them holding up the Prime Minister's convoy. I quickly gave the concierge a \$20

tip and he was over the moon. He immediately stops everything to open my door and insists on making sure I had my coat off and my bag was safely stowed in the back seat before he would let me go. Meantime my 4 "friends" were getting very impatient... Just another day in Hollywood!!

Mainfreight USA Domestic Transport – WAAYYY More than Pickup and Delivery

Team Columbus and Team Rotterdam joined forces for an international project shipment that was high profile and highly technical. Our client sent the consignment via ocean container from Rotterdam to Columbus.

Mainfreight Columbus handled the domestic transport and moved a complete production line from the plant in Sunbury, OH to Florence, KY. The project took a mix of 21 trucks (8 step/drop deck trucks – requiring permits for overweight and/or oversized, 7 flatbeds, 5 curtain-side trailers, and 1 standard Dry Van) over a two week period.

The Columbus operations team also



made arrangements for on-site Crane service for 3 days at origin

(Ohio) and 3 days at destination (Kentucky).

Government Solutions “No Obstacles, Just Solutions”

Frank Crossan, Director of Government Solutions Mainfreight USA, & Mike Lighthart from Mainfreight Europe made a sales call on Eglin Air Force Base, located outside of Atlanta in May. Here's the story as told by Frank: Upon arrival at the base, we were turned away with security not permitting Mike to enter as he is a foreign national. Luckily the Transportation Officer (TO) was at the gate and we decided to move the meeting off base.

We all drove off in the rental car. As we were in a small town nothing was open that early so we pulled the car over in the parking lot and gave the Mainfreight government sales presentation in the car. The TO was in the passenger seat - Mike in the back seat with me driving. We presented Mainfreight Air & Ocean - he said he was very interested and would have his team call.

Two weeks later a Transportation specialist at the base called with a hot export to Europe - 28 pallets @ 28,000 kgs. Brian Martin, Atlanta export operations did a great job

and had it delivered before their required delivery date.

Guess we managed to get our message across despite the unusual meeting space!



First Impressions Matter – Tim Reich, Mainfreight Chicago Domestic Branch Manager

We all know the cliché “you only have one chance to make a good first impression.” What applies in our personal lives is also applicable in our profession as well. Consider the value of painting our local P&D trucks Mainfreight blue.

On Wednesday, October 3, 2012, Chicago’s owner driver, Joao Bustamante, did a delivery on behalf of Atlanta. We delivered 5 large crates that were each about 6 feet long by 4 feet wide by 3 feet high. They contained an NBA (National Basketball Association) scoring table. The business Joao delivered to is called Van Wagner Dorna.

The customer’s operations manager, Johnny Ecklund, was so impressed with the appearance of Joao’s truck and his full-sized liftgate, he called our office to help him with a challenge. To those of you who don’t follow American sports, the National Hockey League (NHL) is not playing right now due to a labor dispute. To take advantage of the empty arenas, the NBA booked 2 pre-season games

Duffy Books In Homes Delivery

On Friday, September 7th 2012, Rome, New York pre-school and elementary school children of Francis Bellamy Elementary along with the Literacy Coalition of Herkimer and Oneida Counties were presented with 30,000 free books, on behalf of Mainfreight and CaroTrans USA.

Mainfreight USA, with the help of Terry McMullen and the Omaha branch, organized the delivery of the books. The look on the children’s faces when the delivery truck pulled up were priceless – and their cheers when the truck ribbon was cut and the truck was opened were beyond heartwarming.



up in Montreal and Winnipeg. Van Wagner Dorna needed to ship a scoring table up there, deliver it to 2 separate arenas over 1000 miles apart, and return it back to the States.

By painting our vehicles like no one else in town we were able to secure a lead for new business. By asking intelligent questions about where the client was having difficulty, we were able to quote and move this using our partner carrier, Sameday, and save the client thousands of

dollars. By providing impeccable execution we have been able to secure a huge opportunity with great visibility for Mainfreight.

I am very proud and grateful of everybody who helped Chicago move this—Dan Osterhout for setting up the initial meeting, Craig Meador for the liaison with Sameday, and last but certainly not least my driver, Joao Bustamante. Without him, and his blue truck, none of this would have been possible.



CaroTrans – Greg Howard

Once again, we find ourselves heading towards Christmas and although our half year results were below expectations, we are pleased to report our hard working teams have performed well across the network by providing superior service to our clients.

It is encouraging to see the steady improvement in our import services. Sales revenue is up and container volume increased 11% compared to the same period last year. Leadership positions have been created to serve as key drivers of the import product. We continue to invest in dedicated sales resources for development of this segment and expect to have import sales reps in all our major markets.

We have increased the frequency of departures ex Shanghai to Los Angeles to three sailings per week in response to market demands. Early in the new year, we intend to initiate an all water service from Shanghai to Miami. This is the first step of many, planned to expand the connection between Miami and Asia considering that the State of Florida and Port of Miami have made significant investments in the port and infrastructure in anticipation of the influx of larger vessels and increased container volume following the completion of the Panama Canal project in 2014.

New web-based tools have been developed with the aim of providing our USA based import customers access to critical shipment data, pricing information, on-line freight release and freight payment options. These web-based tools are designed to make it easier for import customers to do business with CaroTrans.

Growth of our FCL (full container load) product remains solid across the company with volume up 13.5% compared to the same period last year. Our most notable increase in volume has been US exports to

Latin America (particularly Brazil). Our market share continues to increase into Latin America where we are currently ranked as the third largest NVO to the East Coast of South America in terms of volume.

Our export volume to Oceania continues to go from strength to strength. As of the end of September, our aggregate volume (Mainfreight and CaroTrans) to Oceania has lifted us to the position of the number 1 NVO ex USA to Oceania. The support from our core carriers has been instrumental in helping us achieve this position in the market ... WELL DONE TEAM !!!

Growth in our export LCL (less than container load) segment has been marginal due to historically low freight rates. This is considered a cyclical condition with positive upside potential, once ocean freight rates begin to rise. We continue to expand our direct trade lane offerings by establishing new services from New York to Prague, enhancing our services from New York to Istanbul and adding new services from Charleston to Dubai and Nhava Sheva, India.

Since the opening of our Seattle branch, the progress made is encouraging. The Seattle team initiated weekly export LCL services from Seattle to four destinations in Asia. Response from our clients has been positive and we plan to add two more destinations early in the new year. In addition to developing these new export trade lanes, the team also initiated a direct service from Seattle to our New York gateway for connecting services throughout Europe, Mediterranean, South Africa and the United Kingdom. This service enhancement has reduced the overall transit time to most destinations by upwards of 10 days from what we previously offered.

Our CaroTrans Le Havre branch in France opened in June and kudos

go to Chris Wilson and the team for getting this operation put together swiftly and effectively. The initial focus is aggressive development of the ocean services between USA and France in efforts to take a dominant position in this market. Currently we offer weekly consolidation services to Le Havre via our New York, Charleston, Houston and Chicago gateways. Our plans call to initiate direct services from Los Angeles to Le Havre and export services from Le Havre to New York and Charleston.

Once we have the USA campaign well underway and reaching the targets, we will expand services between France and other parts of our network. Singapore has good potential for us as a gateway connection to all of Asia and Oceania. Our partners in Canada, Dubai and Saudi Arabia are also interested to develop trade with CaroTrans Le Havre.

In addition to the expanded global connection, we also plan to link CaroTrans Le Havre to our partners in key European gateways in order to offer global LCL ocean services between France and the world. The footprint within France will expand to include branch locations in several other French cities – Marseilles, Lyon, Paris.

Our Santiago Chile team has delivered improved results for the first six months. Sales revenue, margin and EBITA increased significantly compared to same period last year. This is to be expected considering the branch only opened in April 2011.

In June, we expanded operations by providing weekly LCL import services from Hong Kong, Ningbo, Shenzhen and Shanghai. As it is with any new service, credibility and service reliability must be proven in order to build volume and for this we adopted a “must load” policy.

We are satisfied with the development of the China – Chile trade and the initial start-up costs are beginning to deliver the desired results. Considering that operating in the China trade is a marathon, not a sprint race, we are developing the China-Chile trade route for the long term.

As part of the development of this trade, Raul Katz (our Latin America Manager) visited China in September covering all six branches in two weeks. This was an excellent opportunity to meet the teams and build knowledge of the respective markets. Client visits were very productive and have netted new business for the services. In follow-up to this trip to China, Joan Ji (our Shanghai Branch Manager) will visit Santiago in the new year. The reciprocal visits will continue to be a vital part of our success in this trade.

At the time of writing, the NY/NJ region is in the process of a



Raul Katz trials a new form of transport during his recent China visit

massive recovery from the devastation left behind in the wake of Super Storm Sandy. If it wasn't enough to deal with Sandy, one week later, the region faced plummeting temperatures and was hit by a Nor'easter snow storm which dumped as much as 12 inches (30cm) snow across the region. "What comes next ...

locusts and pestilence?" (as Governor Christie of New Jersey recently asked).

Our teams faced long periods of being without power/water, schools were closed for two weeks, gasoline was in short supply and communication lines were jammed up. Words cannot begin to describe the devastation and disruption this storm created; thankfully each team member escaped with minimal damage to property and nobody was injured.

Our team displayed incredible resilience to the conditions faced and came together in support of each other and other members within their communities. This is real testimony to the integrity and tenacity of our team and I thank them for what they did to help each other and the efforts in getting us back to work. It is all about special people who make our company very special...THANK YOU !

We would like to take this opportunity to wish all the Group and their families a Merry Christmas and a very happy and prosperous 2013.

The new look CaroTrans Global Website was launched in September. It was designed to present us as a unified global NVOCC with strong regional partners.

It has "good bones". By that we mean that the structure is logical; it can grow to encompass all parts of the globe with a unified look and feel; and we can modify its parts on the fly to accommodate local customs, language and preferences.

The welcome page leads the visitor to their region where country pages functioning in multiple languages offer tools specific to their country of origin. All of the USA customer functionality of the old site has been ported to the new site.

We've developed new tools that never existed in our industry before we started this project.

For example, we'll be introducing an LCL inland door to destination port application that takes a point in the USA and plots all possible costs and transits within our system to

return the three best price and transit options. We are now busy building that same functionality in the same look and feel for the rest of the CaroTrans family.

Another new addition is the global search function built into the site. It resembles Google search where it allows freeform queries. In other words, type anything from a first name to a port customs FIRMS code and we'll come back with more info. Behind the scenes we are building the data returned from these searches to anticipate that a visitor asking about Shanghai CFS operations might want: maps of the region and select contacts within

the organization or a flyer about the region. It is in its early stages but as it evolves, the search will accommodate multiple languages and depending on the visitor's location, return results specific to their region with graphics and the ability to interact with us in ways that other NVOs cannot copy.

As with a lot of new things, when we launched the site some customers loved it while others loved the old site and let us know

about it – loudly. We've received great feedback. Some of it led to changes that were implemented the same day – others have moved the development in directions that we couldn't have planned at the beginning of this project.

Because of the website's "good bones" we know that we can take our customers' ideas and bring them to market in ways we haven't imagined. This is a fun project!

Baltimore's Propeller Club Holds Annual Crab Feast

Held in August every year, this event brings the shipping industry in Baltimore together, including shippers, forwarders, steamship lines and trucking companies from around the US. Thousands of people set up for this event to mingle with customers and friends and CaroTrans is always well represented.

We set ourselves up in our regular spot under a big shaded tree with a long row of picnic tables and our CaroTrans banner hung high on the main walkway near the entrance to the feast. Each year brings something new and this year didn't disappoint.

The weather was a little threatening at the beginning, but held off to the day's end. Customers flocked to the CaroTrans table to meet and socialize with the team they work



L-R: Ginger Holland, Susan Kahl, Meredith McKay

with daily, always excited to meet someone they've only emailed or talked with on the phone.

As the day wrapped up we said our

goodbyes to both new and old friends, another successful year for CaroTrans at the Crab Feast under our belts.

Farewell to Rui

The end of 2012 has thrown a lot of curve balls to the CaroTrans NJ branch. We faced record storms, gas shortages and even Halloween cancellations! If we weren't so tough and resilient, we might think that the Mayans and their calendar were onto something with predicting the end of the world.

One of the curveballs thrown to us was the scheduled, yet unfortunate departure of one of our valued team

members back to her home country of Japan. This year, our favorite Seino inside account coordinator and CaroTrans Team member, Rui Doi completed her second and perhaps final tour of duty with us. (Seino Logix is our partner in Japan of more than 15 years)

Rui first joined our team in 2005 as an Inside Customer Service rep for Seino Logix and has since completed two tours in the USA.

She helped train our internal team how to effectively coordinate our import and export shipments with our Japanese partners and how to best serve our US based Japanese customers.

Her mixed background of Peruvian and Japanese origins, paired with her American education made her a cultural customer service dynamo. Her ability to speak fluent English, Spanish and Japanese proved an

invaluable skill for our loyal base of customers and the internal operations teams of both CaroTrans and Seino. She is known to her customers and fellow team members as reliable, razor sharp, extremely vigilant and always smiling. As an added bonus to her technical skills, she is incredibly outgoing and a complete sweetheart who gets along with everyone.

As she returns to her hometown in Yokohama Japan, we wish Rui all of the best and we thank her for being part of our success. She will be missed by many.



Mojave Desert Solar Project

CaroTrans Los Angeles has been keeping very busy with moving containers from Spain to a solar project under construction near Hinkley in the Mojave Desert. The project has been very challenging, with upwards of 100 containers arriving on a single vessel at the peak, yet the delivery location only being able to handle delivery of 12 containers per day. The truckers have been challenged by heavy loads, causing more than a few flat tires, high winds in the high desert, as well as a delivery location that is no more than graded sand and

daytime temperatures exceeding 120 degrees F (49 C) for much of the summer.

The delivery phase of the project is now nearing the wind-down phase, with construction of the parabolic mirrors well under way. The advantage of the parabolic mirror design over a traditional photovoltaic solar panel is that the energy can be stored well after sunset, allowing the power plant to provide energy to the California electricity grid through the evening peak demand.

California is aiming to have 33% of its electricity from renewable energy by 2020. Solar is playing a huge part in achieving this goal. With one of only two Southern California nuclear power plants shut down indefinitely for repairs since the start of 2012, renewable energy sources have helped to cover the shortfall between supply and demand.

The project has been a great learning experience for our Team, and we look forward to our next solar project.



We Care about Claims

Since joining our team in 2006 as our claims manager, Cindy Rafart has helped create an attitude within CaroTrans aimed at making our clients feel confident that their claims are handled skillfully and timely. We have taken proactive and conscious efforts to ensure our communications are open and consistent with our customers to help them achieve the best results possible. A primary focus for Cindy and the team is to keep control of all the resolutions based on contracts of carriage limitations and applicable statutes while providing each customer the same level of service they are accustomed to when they entrust their freight with us. We also take the opportunity to use claims results to identify corrective measures to avoid future claims.

An excellent example is the communication and cooperation of our team with our customers during the aftermath of Hurricane Sandy. In conjunction with our underwriters, (The TT Club), we coordinated freight inspections within a short period of time with excellent results and kept all claimants well informed and properly guided through the entire process. It is at moments like this that we pride ourselves in having a team capable of achieving great results by being best in class.



Three Wise Men and a Christmas Tree? No it's just Riyaz Jordan & Kerry Conn (from New Jersey branch) and Pedro Custodio (from Craft Brazil) in New York City with Empire State Building in the background



Mainfreight Command Center at CaroTrans

Following the extensive damage sustained at Mainfreight Newark, the team shifted to the CaroTrans office and occupied open desks and the "850 Room".

During challenging times like this, it is great to see the team work and

group efforts put in by both teams to accommodate the needs of MFT. With no questions asked it was a matter of all hands on deck in order to get the MFT team up and running as quickly as possible. There are a number of team members to recognize; most notably Riyaz

Jordan and Erik Berger, but particular mention goes to Jeryck Villahermosa, a grad on the CaroTrans accounting team who was instrumental in establishing IT connections and communication lines for Mainfreight in record time.





ASIA



Jenny Zhang, Sophie Liu & Evan Zhang...
our Supply Chain Team Specialists



Michael Beechey of the Crowne Hotels Group, hosting the evening

Mainfreight Asia – Michael Lofaro

With the year end fast approaching, we reflect on another fast paced year just past.

For your Asia teams, the big focus over the past year has been to develop more products to add to our supply chain offering. We have done a lot of work in strengthening our Warehouse & Logistics offering and also have launched a trial programme to build a domestic road product in Mainland China.

As many of you will be aware, the Group's Air & Ocean divisions around the world recently took the giant leap of moving to a single database for our global operations.

This is a significant step for this division. To build upon this, our Shenzhen team have been leading the charge in developing a fully integrated seamless information flow for our China-based logistics services, linking directly to our global platform, and offering our customers full visibility across the whole service offering.

It's early days but the results thus far have been very promising, so we are confident this new part of our Asian business model will prove to be a success. Stay tuned for more news on these developments over the coming year.

With the rising wealth of the middle class in China, the demand for more variety and quality in food and beverage (F&B) is increasing. To help promote the F&B opportunities available to our New Zealand customers, we recently participated in a promotional event, held in association with Crowne Hotel Group in Shanghai. The event was designed to promote New Zealand F&B suppliers.

Mainfreight was a major sponsor of the event which culminated with a gala evening where traditional Maori dancers presented a haka.

We look forward to the coming year with a renewed energy... our Air & Ocean divisions around the world are now fully integrated, working off a common platform, and as such we see great opportunity ahead.



Maori dancers entering the event – Mainfreight a proud sponsor



Joyce Lau (MFT Hong Kong) and Billy Zhang (MFT Shanghai) enjoying the entertainment

The eight branches we now operate in Mainland China (Shenzhen, Guangzhou, Xiamen, Ningbo, Shanghai, Tianjin, Qingdao & Chengdu) are all overseen by Linda Huang, who is based in our Shanghai office. Linda offered this contribution to our newsletter.

2000年是中国传统上的龙年，更是极为难得的一个跨世纪的千禧年。对许许多多的中国人而言，这一年既是特别的一年又将是好运的一年。而对于我来说，这一年更是格外的难忘。

2000年5月，经过紧张的筹备，MAINFREIGHT上海成立了。而就在同年的9月我也非常幸运的迎来了儿子的诞生。周旋在工作和生活的双生儿之间，我忙碌并充实着。

随着时间的飞逝，一转眼12个年头过去了。我的儿子已经长的比我还高……蓦然回首，MAINFREIGHT亚洲已从原有的两个分公司发展到了现在的十个；从香港和上海扩展至新加坡及中国其他七个分公司，而台湾及泰国的分公司也亦在规划筹建中。

回顾MAINFREIGHT的发展历程，我要特别感谢Mr. David Shiau。正是有了David长年坚持不懈的努力，使我们的团队培养了良好的工作习惯，

The year 2000 was the Year of The Dragon, an extremely rare cross-century, event, the millennium. To many Chinese people, this year is not only a special year but also a year of good fortune. For me, this year is especially memorable.

In May 2000, I start the setting up of Mainfreight Shanghai and in September 2000 I also very happily ushered in the birth of my son. Managing this "twin" events, work and life was a very busy but enjoyable time.

Time flies, and 12 years have passed. My son has grown up so quickly and now is even taller than me... When we look back, Mainfreight Asia has developed from the original two branches to now total ten branches. From our beginnings in Hong Kong and Shanghai we have extended to Singapore and another eight branches in China, and soon two new branches being Taiwan & Thailand.

Reviewing the development of Mainfreight China, I would like to

从而不断的提升工作效率，为我们日后的长足发展奠定了异常坚实的基础。如若说David领导下的工作模式是使大家惯于行事谨慎，着重于事前控制的话，那Michael的到来无异于给大家带来了一场头脑风暴——他鼓励团队要学会主动思考，在错误中学习成长，走向成熟。如此之下，压力无疑是巨大的，但却也在不同的角度推动了团队的快速成长。显而易见，随着集团的日益壮大和发展，我们从单一市场、单一产品的经营模式稳步走向了现在的业务形态产品多元化，海运、空运、进口、出口、3PL多套马车并行，前景一片大好。

2009是又一个特别的年份，当年3月我们全线上新的操作系统Cargowise，正式与总公司的全球系统进行对接，难度不小。而与此同时，全球经济危机正四处蔓延，压力重重。但，危机永远是有“危”就有“机”，危险与机遇是并存的。我

offer my sincere thanks to Mr David Shiau, who is soon to retire. It was David, whose years of unremitting efforts, made our team well trained with good work habits, with a focus on efficiency. This guidance laid the good foundation for the rapid development of our future. If we say David's working mode is to make everyone used to being cautious, with emphasis on prior control, then we have to say that Michael Lofaro's arrival in Asia absolutely brought us into a brain storm – he encouraged and motivated the team to think actively, grow from lessons learnt, helping us to our current level of maturity. The pressure is undoubtedly great, but it exactly works. The team has grown up very quickly.

It is obvious that along with the Group's global growth and development, we here in Asia have changed the business model from where we started 12 years ago, a single market and product focus to where we are at present... offering diversification, Sea Freight, Airfreight, Import and Export, 3PL. The prospect is broad.

们的团队不负众望，克服重重困难，共同努力，使得我们在顺利完成新系统上线任务的同时，业务发展却也取得了重大的突破，这与整个低迷的市场情况形成的巨大反差有力的证明了——机会总是留给了有准备的人！我们的团队真的很棒！

纵观日前全球的经济危机虽尚未结束，但我们的业务却能在逆势中保持增长的势头，实属不易。望新成员的加入使我们的发展如虎添翼，让我们携手并肩，共同奋斗，创造佳绩。同时也希望我们的成员能随着公司的发展，找准个人定位，早日实现双赢的奋斗目标！

加油！
Linda Huang



2009 was also another special year for Mainfreight China, in March the new system – Cargowise went live, which was a big challenge. And meanwhile, the global economic crisis was spreading around, applying heavy pressure. But, we knew, opportunity and peril always are side-by-side. As expected, our team worked together, took up the gauntlet, completed the task successfully... which is the best evidence for a Chinese saying - opportunity always be there for those who are well prepared! We have a great team!

Looking around, the global economic crisis is still not end yet, and even under such situation our business is growing up and up, well done team! Hope with the new members join in our family it can bring the new energy into our blood, let's work together, to create more and more success in coming future. Hope all our members can grow along with the company; find right position, to achieve the win-win goal!

Cheers!
Linda Huang

We would like to take this opportunity to wish everyone a Safe and Happy Christmas and a Healthy, Happy and Prosperous New Year. 2013 will bring in the Year of the Snake ... a year for creativity, and diligence.



CaroTrans Shanghai Team

L-R: Benny Tang, Yuki Pan, Clare Chen, Sanny Zheng, Joanna Fan, Doris Bao, Elaine Lu, Helen Sun, Jessica Zheng, Evoone Tang, Jacky Yao, Joan Ji

CaroTrans Asia

We don't often talk about our CaroTrans (CTI) team in Asia so in this Team Board Report we want to have a highlight on the CTI crew in Asia.

We launched the CTI product here just on four years ago. The product was initially launched in Hong Kong and Shanghai, but now we have CaroTrans operating in 8 branches, and soon we will also have the product up and running in Taiwan.

Your CaroTrans team in Asia focuses on port to port LCL groupage and the team works very closely with our other CaroTrans operations in the USA, Australia, New Zealand, France and Chile.

From virtually nothing, the team of CaroTrans Asia now handles weekly consolidations to and from dozens of trade lanes around the world. This is an outstanding achievement in one of the most competitive markets in the world.

As a company, LCL consolidation has been one of our foundation products, and the strength of the CaroTrans brand, particularly in the USA, has been a great asset in helping us grow the product in Asia.

We look forward to seeing continued growth of the CaroTrans Asia business.

Now, just to show that we don't always just talk about freight... we also include a picture of proud father, Elton Poon. Elton is the Branch Manager for CaroTrans Hong Kong and has played an important role in the development of this product, not only in Hong Kong but throughout Southern China. Elton is the first child in his family and he and his wife brought young Poon Ho Yat (pictured with dad) into the world as the first grandson; a very auspicious event in this part of the world.

Not to be outdone, our team member Eva Jiang in our Qingdao branch also gave birth to a Wang Zhao Han on the same day. Seems that our CTI team in Asia have a passion for more than just freight. No doubt that a healthy work environment makes for a healthy family.

To the CTI team in Asia, a hearty thank you for your efforts to date this year and may the New Year, The Year of The Snake, bring you all prosperity and good health.



And from all the CTI team in Asia we would like to take this opportunity to wish everyone a safe and happy Christmas, and may the New Year bring you all peace, good health and happiness.

Europe



Wim Bosman and Mainfreight Group Europe – Mark Newman

We will look back on 2012 as one of the most challenging periods in our company's history. Economic and political uncertainty in Europe has affected all of our businesses, our customers and partners.

There is a great saying by a German bloke named Friedrich Nietzsche that states "what does not kill you makes you stronger"; a good thing to remember as we face these difficult times. Make no mistake, the Mainfreight Group we are now a part of, armed with its hundred year vision is completely committed to our European future. Our job is to repay the Group by continuing to create a stronger, more dynamic

and profitable European business.

The new normal for Europe however requires us to change significantly. If we choose to adopt the stunning example of our politicians (sit in a dark corner, close your eyes, block your ears and say that everything is ok), we will miss a once in a generation opportunity to reinvent ourselves as a leaner, more agile, more profitable business.

We urge all of you in our European team to embrace the changes that are happening within the Group, contribute strongly in your PAT meetings, and adopt a total commitment to our efforts to grow

sales, improve gross margins and lower our costs. Never accept mediocrity in your own work or your fellow team members' and demonstrate the accountability and commitment it takes to delight our customers at all times.

Most of all let's continue to harness the power of our growing European supply chain network and the significant opportunities we now have being part of the worldwide Mainfreight Group. With a unified attitude, a common commitment to excellence and a positive approach to change we are indeed on the road to an exceptional future.

We wish you a wonderful Christmas with family and friends.



Forwarding Operation of the Future

Paul Looman, European Manager Forwarding & Transport

After more than 12 years as manager of Wim Bosman Forwarding Holland, Paul Looman was appointed as European Manager Forwarding & Transport of the Wim Bosman Group on 1 July 2012. In this new position Paul has joined the European Support Team, other members of the European Support Team are Dick Betlem (Logistics) and Jon Gundy (Air & Ocean). Paul is now ultimately responsible for the financial and quality performance of our forwarding and transport businesses across Europe.



Paul Looman (left) and Frans Zuidgeest (right)

Frans Zuidgeest, Country Manager Forwarding Holland

Frans Zuidgeest took over the position previous held by Paul Looman on 1 July 2012. In his new role as Country Manager Forwarding, Frans has final responsibility for our Dutch forwarding activities including

SystemPlus. The focus will be on the further optimization of the Forwarding operation in the Netherlands. In practice, an integrated approach to the planning of our lines through Europe, increasing the transparency of

shipment information and developing new solutions. This is in combination with a new transport management system (TMS).

In short, the building of the Forwarding operation for the future.



Terminal ANS during the stock transfer



Beiersdorf-team at Wim Bosman from left to right: Mike Visser, Geert-Jan Jurjus, Thomas Bijl, Danny Peters, Detlef Hawranke, Jan Kieft, Harry Bakker, Daniela Veuger, Franck Roodbeen, Kasia Woitschek, Floris Proost, Bram Schoutteten

New Warehouse Operations for Beiersdorf at Wim Bosman 's-Heerenberg

Wim Bosman has signed a three-year contract with Beiersdorf, the German cosmetics company based in Hamburg, to significantly expand its logistics activities in the Benelux.

Since 2009, Wim Bosman has handled distribution for the Belgium, Netherlands and Luxemburg (Benelux) region from the Beiersdorf distribution center in Hamburg. Recently, Beiersdorf decided to move all warehousing activities for the Benelux to Wim Bosman in 's-Heerenberg, the Netherlands.

During the preparation, implementation and transfer period of approximately four months, a group of dedicated team members designed and set up smart and optimal logistics processes. The first truck with stock from Hamburg was received in mid-May and 10 to 20 trucks a day were coming in until the official start of the operation in 's-Heerenberg on 1 July. Meanwhile, team members were trained thoroughly regarding the system set-up and specific customer requirements. During the implementation period, the operational procedures were finalized due to several meetings

with Beiersdorf and the execution of mutual system tests. Finally, the start of the new Beiersdorf operation was in the weekend of 1 July. A team of Beiersdorf was present to support on-site at Wim Bosman 's-Heerenberg.

After a very successful launch Wim Bosman now operates the warehousing activities, including picking and packing services as well as additional activities, such as re-packing and labelling based on customer requirements. Moreover, Wim Bosman provides in-house co-packing services including shrinking, blister packaging and display building for promotional actions. The activities are executed by a group of 35 team members.

The total stock is approximately 17,000 pallets, including dangerous goods (mainly aerosols) and conditioned storage of medicines. A number of 120,000 pallets are delivered via 20,000 orders per year ranging in size from parcel to full truck loads. Distribution takes place via the Wim Bosman network throughout the Benelux region. Receivers range from retailer DC's to local pharmacies.

Beiersdorf's choice to collaborate with Wim Bosman in the challenging Benelux market is based on the high delivery performance on a constant basis for the current distribution. Moreover, Wim Bosman will manage Beiersdorf's supply chain through smart and responsive solutions specially designed for the customer's specific needs. The strategic location, the state of the art warehouses and systems and the collaborative attitude are the key points in this partnership.

About Beiersdorf AG

Cosmetics company Beiersdorf AG is based in Hamburg, Germany, and has approximately 18,000 employees worldwide. Its sales in 2011 amounted to € 5,6 billion and the company is listed on the German stock exchange. Beiersdorf's NIVEA is the world's largest skin care brand. Other names in its successful international brand portfolio include Eucerin, La Prairie, Labello, 8x4, Hansaplast/ Elastoplast and subsidiary Tesa. Beiersdorf has 130 years of skin care experience and is known for its innovative and high-quality products.
(by Thomas Bijl)

Kia Ora! (by Annelien Deceuninck)

My name is Annelien Deceuninck, Management Trainee at Wim Bosman Belgium. I have been given the opportunity to gain experience

for a year in the Air & Ocean branch in Auckland, New Zealand. Although the Belgian and the New Zealand (Mainfreight) cultures

seemed very similar at first sight, I still discover striking and interesting differences every day:

Oneliners

'Superior customer performance' and 'Special company, special people' are two of the many one-liners that you see here on trucks and buildings and in offices. They are certainly not empty one-liners, but real values that the entire team adheres to every day.

Clothing

The clothing style is much more formal (no jeans!) than in Belgium. Apart from this, everything is less formal, which is again emphasised by the 'open office' culture.

Kiwi accent

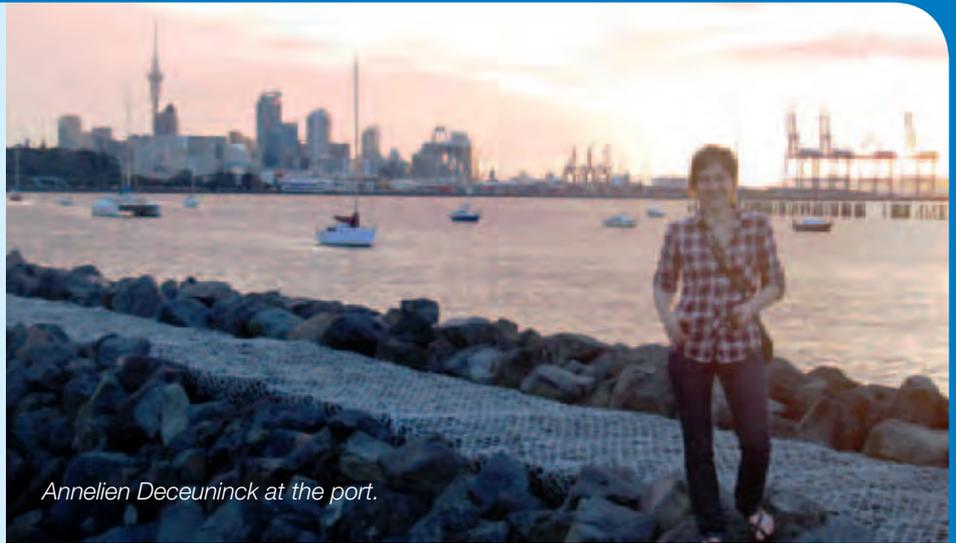
The kiwi accent is less complicated than expected. To sound like a real Kiwi you have to say 'Aye' at the end of every sentence. Naturally, I have experienced a number of comical and sometimes embarrassing moments due to the incorrect use of English, with hilarious consequences...

"The Experience of My Life" (by Martin Wierzbicki)

Being part of the first exchange programme between Wim Bosman and Mainfreight, has given me the opportunity to live and work in the Netherlands. I have been based in the ANS warehouse of Wim Bosman in 's-Heerenberg (NL) for three months now.

Already a quarter of a year has flown by in the beautiful country of the Netherlands. My first three weeks at Wim Bosman were focused on visiting most of the departments in 's-Heerenberg and meeting an unbelievable amount of people. The amount of handshakes that took place and the number of names I had to learn was mind blowing.

The size of the ANS building is much larger than the warehouse I worked in back home in Australia. It has been great to see how well such a large number of people can work together in such a large area. My role amongst all the action has



Annelien Deceuninck at the port.

Sports culture

To wake up at 5 AM in order to play sports and walking around in your sports clothes all day on the weekends is not unusual here. The Auckland half marathon in October has been my toughest sporting challenge!

Short, shorter, shortest

During an evening in town I was constantly amazed about the length, or rather the lack of length,

of the skirts worn by the young ladies. Unbelievably short!

I would like to take this opportunity to thank everyone who made my exchange trip to New Zealand possible. Since my arrival I have only become more proud of the fact that I am able to work for Wim Bosman/Mainfreight. This unique experience encourages me to contribute to making it a worldwide success story!



Martin Wierzbicki in front of Castle Huis Bergh in 's-Heerenberg (NL).

been to be a part of the Nortek operation we have here at ANS. This includes being part of a variety of processes ranging from inbound and outbound procedures, customer service, invoicing, fiscal representation and more. One of my major goals has been finding ways to streamline all these processes. Another important role I have been assigned is the implementation of Omnimount, which is a group of the Nortek operation. This has been a completely new and challenging experience so far and I cannot wait

to see Omnimount up and running soon!

Apart from work, living in the Netherlands has given me the opportunity to do what I have always dreamed of doing and that is travelling around Europe. So far I have seen many amazing cities in the Netherlands, Luxembourg and Belgium and I cannot wait to see more! It has only been three months, and this already has been an experience of a lifetime.

Wim Bosman RUS Receives Award from John Deere

During the annual John Deere 'Logistics Process Council', which was held 17-18 July 2012 in Moline (USA), Julia Shevkalenko and her team received an Award. They received this award for recognition of outstanding logistic performance with handling the spare parts flow to John Deere facilities in Domodedovo, Russia.

The cooperation with John Deere in Russia began about two and a half years ago. Wim Bosman RUS started with deliveries of USA components to the John Deere

assembling line in Domodedovo (RU) via the port of Riga (LV).

Later during winter 2011 Wim Bosman RUS performed excellent service when ice formation on the waterways near the port of St. Petersburg (RU) caused extreme difficulties for ontime delivery. Since last year Wim Bosman RUS has been handling the flow of USA spare parts from Hamburg (DE) to the Domodedovo warehouse via Finnish ports and the port of St. Petersburg.



Julia Shevkalenko (Branch Manager Wim Bosman Russia), receives Award from Dave Panjwani

Outward Bound: Existing Leadership Course (by Frans Zuidgeest)

Time passes by unnoticed sometimes. For instance, it is already some time ago, that I, Frans Zuidgeest, went to New Zealand to attend the Outward Bound: Existing Leadership Course MF569.

After a number of weeks of preparation, which included filling in a 360° feedback form and physical training (the latter was, in retrospect, certainly not unimportant!), the "and then..." moment arrived. I started the course with only the words

"experience the unexpected..." or rather "live for the moment..."

The course was given in the beautiful, natural surroundings of the Marlborough Sounds. In Anakiwa (central office of Outward Bound) the adventure started at top speed. We were first introduced to a group of 14 Mainfreight team members who we did not know. With this team we underwent intensive training in the field of personal development and were faced with various physical

challenges. We were constantly taken out of our comfort zone and pushed to go a step further. Eventually, we learned to translate the training and the challenges into everyday practice.

Looking back on an exceptional experience, which is ideally suited to our daily operations and the challenges that we face, I conclude with the battle cry of our New Zealand team members: Kia Kaha (be strong).

Wim Bosman Expands in Eastern Europe

In the past year, Wim Bosman has opened branches in the Ukraine (Kiev), Finland (Hamina), Russia (Moscow), Romania (Cluj-Napoca) and Poland (Katowice). Recently all Branch Managers attended a meeting in 's-Heerenberg.

Area Manager Eastern Europe Guus van der Stelt

"The goal of the Wim Bosman Group is to be recognised as a primary logistics service supplier that offers tailor-made and sustainable logistics solutions. In order to achieve this it is necessary to be strongly represented in Eastern Europe. Our physical presence in Eastern European countries enables us to be much more flexible and to respond to the needs of local customers immediately", explains Guus van der Stelt, Area Manager Eastern Europe.



Russia (RU) Moscow Maria Andreeva

Maria Andreeva says the following about this branch: "Moscow is a capital city, which is the reason that most of the companies choose it for headquarters base. 80% of our clients are located in Moscow and our intention was to be closer to the customers in order to shorten communication lines and quickly respond to customer's needs. Therefore the Moscow branch was opened, in May 2012, as a supportive base to St. Petersburg operational office."



Hamina (FI) Finland Petra Parviainen

"The majority of the container transportation goes to Russia through Finland. In order to accelerate the transit of shipments to and from Russia, we opened a branch in Hamina, Finland, in April 2012. This allows us to take control and to start drawing up the documents at the loading address immediately after the departure of the container. This saves time and enables us to respond more rapidly to deviations in documents and regulations. The consequence of this is that we can inform our customers faster and in a more personal manner".



Romania (RO) Cluj-Napoca

Ioana Blaj

“Besides the south of Romania (Ploiești branch), we also wanted to be able to supply the northern part. This resulted in the establishment of the Cluj-Napoca branch in June 2012. A central location in the industrial heart of Transylvania. The favourable location of ClujNapoca reduces transport costs and improves transit times”.



Poland (PL) Katowice

Dariusz Szczerbiński

“Katowice is located in the Province of Silesia, which is regarded as one of the best developed regions in Poland in economic terms. The strongest industries are established here, including mining, the iron and steel industry, mechanical engineering, the chemicals sector and the automobile industry. Reason enough for Wim Bosman to open a second branch in Poland (June 2012).”



The Ukraine (UA) Kiev

Irina Murashko

“With 45.8 million consumers, the Ukraine is a large sales market with a multitude of possibilities. Here too, Ukrainian customers prefer to pay in their own currency. This is only possible for a West European company if you are established there. Moreover, the Ukrainian ports on the Black Sea are fulfilling an increasingly important role for the movement of goods to central and eastern Europe”.



CaroTrans Opens New Air & Ocean branch in Le Havre

As from Monday 11 June 2012 a new branch of CaroTrans began operating in Le Havre, France and has started with import groupage services; in the third quarter of 2012 these activities will be extended with export groupage services.

This will be complemented by all other Air and Sea services such as FCL, Airfreight and Customs formalities through our Le Havre Air and Sea Branch. “The Group already has a strong connection with Le Havre through existing groupage services from the USA. Le Havre is the gateway sea port for Northern France with a growing volume and infrastructure programme”, explains Jon Gundy, European manager Air & Ocean.

The branch in Le Havre intensifies the existing Air & Ocean branches in Paris, Brussels, Antwerp, Rotterdam and Amsterdam. “This enables us to create a stronger network, giving our customers more value”, says Jon Gundy.

The inbound groupage shipments will be distributed by Wim Bosman. This way, customers are provided with a seamless supply chain, from origin to destination in France.



Centre Havrais de Commerce International, location of Mainfreight SAS

This will be supported by the global Mainfreight tracking system, giving

customers total supply chain transparency.

Team Development – Martin Devereux

It is hard to believe yet another year is behind us and Christmas is right around the corner. Thank you for getting all the small things right;

thank you for overcoming every challenge placed before you this year (and there have been many) with the typical Mainfreight “Can

do” attitude; and lastly, thank you for all your efforts this year and we wish you, and your loved ones, a very deserved Merry Christmas.

New Zealand – Rachel Hustler

The past year has seen many projects completed and many new initiatives rolled out to our teams. We have hosted numerous people from our teams abroad and have delivered fantastic training to them and also to our team here in New Zealand.

When not training, our team is busy auditing each and every branch twice a year. In addition to these quality audits our team also performs Health & Safety audits, DG audits and at times compliance audits at third party requests. The auditing process is time consuming for all people concerned but they do provide an excellent and objective assessment of the quality of your branch.

If you're unsure what we audit ask your Branch Manager to walk you through the audit itself so you know what we are looking for.

Graduate recruitment has been a key focus for the team throughout 2012 and the emergence of Mainfreight as being one of the most sought after graduate programmes has been a highlight. Complementing our new website, our Facebook page has proved to be hugely successful with the student body and team members alike.

www.Facebook.com/TeamMainfreightNZ
www.Facebook.com/TeamMainfreightAU

On-campus we continue to become a more familiar face and voice. Students this year have met our Mainfreight team at fun runs, Tough Guy / Gal challenges, Speed Networking functions, Mobile “Mainfreight Munch” breakfasts and a heap more. Many of the new grads this year have chosen to join us courtesy of the energy they experience when they meet our team. Thanks guys!



“Happy 60th Birthday Gordy – Legend”, Gordon Jackson at the Training Centre

Lastly, safety remains an ongoing focus and one we all need to take personal responsibility for. August this year saw Andrew Coulton return to work – possibly the luckiest Mainfreighter alive. Andrew was nearly killed when a forklift he was operating rolled over crushing him. Thanks to a series of miraculous events he is now back at work without physical impairment or injury. The ending to Andrew's story could have been so different.

Please keep an eye out for each other on the job and make sure you raise any safety concerns in your PATs or with your Branch Manager.



Australia - Shona Taylor

Here in Australia, our team is working tirelessly to be on top and ahead of the latest requirements the business needs us to meet. To do this the team is regularly evaluating the content of our courses, adapting where needed and developing new courses when required. A big thanks to our team, and in particular Sarah and Aaron for the hard work and dedication they put into developing the "Chain of Responsibility" course which resulted in an 8-week road trip educating every team member in the Mainfreight Australia Group.

As we strive to improve our Mainfreight business we are reviewing the content of the Domestic course to meet and produce the quality service our customers expect and deserve. With this in mind we are renewing some of the procedural DVD's and working through adding more DVD's on how to handle our customers' product, especially our customers who utilise all brands, domestically and globally.



*Recent induction course visits Owens Melbourne
Front L-R: Greg Cook, Damian Arnold, Rose La Vella, Lee Ann Phillips, Monique Fage, Joseph Convino, Jason Liao, Stefan Oberman, Rachel Grover
Back (from top): Felipe Leyton, Olivia Gammone, Nathan Luong*

Now that Mainfreight Air & Ocean are well on their way to operating under the Cargowise Single Database, Colleen has been working closely with Rob Cotter and his team to develop and implement the training programme required to ensure global uniformity. This also brings exciting developments utilising Promapp and

other online training tools.

Our University Games partnership was very successful this year. This partnership has been a major contributing factor to promoting our unique culture and brand to the University Graduates; this has resulted in attracting fantastic new team members to our business.

USA - Raewyn Glamuzina

The training and development program started originally in New Zealand some years ago and is designed to help our team learn about our vision and culture, safety procedures, obtain compliance licensing, attend 'hands on' warehouse and operations process training as well as participate in sales training and leadership programs. It is our intention to in time, develop a version of this for our American team.

To ensure the expansion of our business within North America and beyond we must continue to invest in our team's growth and development. The foundation blocks on which to build here in the U.S. are:

- Safety. Ensure our procedures are documented, visible, understood and followed by our team.
- People Development. As our business grows we need the next wave of leaders 'at the ready'.
- Graduate Recruitment. Promote our brand and career opportunities with the college student body, to



*Newest intake of US graduates
L-R: Abel Pineda, Efrain Sanchez, Evan Morshedi, Mike Moval, Gregory Deshields, Bradley Siciliano, Jessica Emonin, Emilio Andino, Naomi Parfait, Owen Hodson (front), Dan Osterhout (back)*

attract smart, energetic and highly motivated people.

- Training Modules. Getting the basics right every time increases quality, ensures safety, raises morale, provides customer satisfaction and results in profit.
- Audit Program. An internal evaluation process that is part of our continuous improvement program.

And the mortar that will bind us together and keep us strong is our culture; those shared beliefs that make us who we are.

We can never be complacent and there's work to be done; yet an exciting time is at hand for us all as we move forward. So team let's keep it real, keep it fun and keep it safe... because that's how we roll.

Europe – Anke Caspers

Our European Training & Development team members are based in Holland and Belgium at present. Our role in our diverse business is to educate our European brothers and sisters about our unique Wim Bosman / Mainfreight culture.

Over the past year we have been lucky enough to host Annie Webb who has been teaching our Air & Ocean team about Cargowise and of course, our business. Reluctantly we let Annie return to New Zealand but are excited about welcoming Lucy

Partridge to our team in the New Year. Lucy has been a very successful member of the New Zealand International business and will pick up where Annie left off in training and developing our European Air & Ocean team.



Technology – Kevin Drinkwater

This year has been the busiest year ever for all our IT teams. No matter where they reside in the Mainfreight world they all seem to have a never ending list of projects to complete. Some of these projects are extremely large and complicated, some are noticed by our ever growing list of users, while many are “under the hood” and no one ever really knows that they have happened.

Frequently the only reason most of you notice the IT team is when you have individual problems or a system goes down. Fortunately over the last 6 to 8 years we have implemented a very high level of hardware and infrastructure in Australia and New Zealand which has significantly reduced issues we have with our core hardware.

Leading up to and during the Christmas / New Year period we have a team working on the first stage in replacing our main systems hardware in New Zealand with new equipment. This multi-million dollar replacement program is due to be completed in February and will improve the performance and reliability of our infrastructure further. This equipment serves up many systems to Australasia and some to the rest of the Group.

Around the world we are investing significant time into our building construction projects. Previously IT only became involved near the end of construction. However as these buildings are having more and more technology installed such as wireless access, audio visual equipment in meeting rooms, smart screens on the walls and security cameras, (not to mention phone systems and conventional computers) we now need to be involved from the start and follow the project all the way. In Australia and New Zealand we now have at least one person in each country almost dedicated to construction projects. These team members

have built up a very high knowledge base of building projects and our needs. They are well respected by our architects and within the business and ensure that we make the right decisions for implementing our technology right from the start whatever the building or technology required.

As the reach of our business becomes more oriented to the Northern Hemisphere one of our challenges is how to serve up our key systems to the rest of the Mainfreight world. For Cargowise, our Air & Ocean (International freight) system the solution was to move every country to a single system based in the USA.

The first stage of this, moving Australia, Asia, Europe and New Zealand together was successfully completed in September. The last remaining country, the USA, will have been merged and migrated to this system by the time you read this communication.

This project has been one of the most complicated and critical projects we have ever undertaken. Our sincere thanks go to Mike Hood and Rob Cotter who managed and coordinated the project from Melbourne. They did an outstanding job of ensuring the business was ready for the change and in communicating with all parties to make the project the success it has been. We also appreciate the excellent effort of the team at Cargowise in Sydney and Chicago who made sure all the software and infrastructure requirements on their side were understood and taken care of.

For many of you it may have looked like it was plain sailing; however the effort and expertise behind the scenes was immense. The degree of difficulty was compounded by the need to work across multiple times zones. Thanks also to the team members in each country who

coordinated the transition of their local Air & Ocean businesses onto “Chicagowise”.

Our global reach has meant that the delivery of Mainchain also needed a rethink. Mainchain is our visibility portal which allows customers to view the status of every service we are providing them ie visibility across their complete supply chain. The recent introduction of Mainchain to customers in Europe has shown that the system runs too slowly from Europe when the system is based in New Zealand, as the data has to travel over 18,000 km to and from Europe and New Zealand.

To overcome this we are currently working on distributing Mainchain to key geographic locations around the world so the system is much closer to the customer and therefore information will appear on their screens much more quickly. We have already installed this in Los Angeles and the business is reporting good improvements in speed for customers.

We have also released a completely new version of Mainchain and are currently educating our customers and businesses on its benefits. We have had very good feedback from these sessions, which have been conducted in person at our branches and over the internet.

Customers have been impressed with our dashboard concept. This version moves Mainchain into a new league where instead of just providing information for the customer to look at, and interpret, we now bring intelligence to the information by presenting the information they need and want to know as soon as they login.

Our European team has been very busy upgrading infrastructure and introducing new software. The software team is implementing TREX, the domestic transport system, into our Belgium

operations, as well as adding functionality for route trip planning and converting their EDI to Crossfire, the electronic commerce solution that we use in Australia and New Zealand. The infrastructure team is well underway in the long process of bringing their key hardware and operating systems up to an acceptable standard.

Spare a thought for Wing Lam, who is our entire IT Team for all of our Asian operations. Wing started with us earlier this year and oversees an area as far south as our Singapore branch, to as far north as our branch in Tianjin in the north of China, a distance of 4400 km. Based in Hong Kong, Wing is solely responsible for the support and delivery of IT solutions for Asian Branch Managers in supply chain processes including data interface, integration, system connectivity and

mapping. He also works closely with the Sales and Supply Chain team to ensure customer satisfaction with the Group's IT products and solutions. With our ever increasing presence in Asia, Wing is likely to have an even fuller dance card in 2013!

Mainstreet, the new domestic system, for the USA, continues to be on track for an April 2013 go live. We now have a fully functional operating system that enables full end to end shipment functionality from quote, through pickup to delivery. The final pieces of the jigsaw, which mainly relate to the rating, weekly profit and other accounting aspects, are currently being built. Testing has begun on the operational side and we are working towards the commencement of full on training in February. Thanks again to our great



Wing Lam, the one man IT team for Mainfreight Asia, in Auckland to meet with the New Zealand IT team and the businesses.

team in Australia, New Zealand and the USA who are putting so much time and effort into making Mainstreet a great product.

Finally, thank you to our IT teams worldwide. It has been a big year and many of you have stepped up to the plate and hit home runs! We appreciate you. May you and your families have a very Merry Christmas and a Happy New Year!

ChicagoWise has landed - Mike Hood (IT Manager, Australia)

After many months of planning and execution, language and culture barriers, a lost grand final, a bit more hair loss and quite a bit of red wine - it's finally here: ChicagoWise!

What is it?

ChicagoWise is the nickname given to the project of moving the CargoWise application from Auckland to Chicago, merging in the Europe business to be on the

same database as New Zealand, Australia, Asia and the US Air & Ocean business.

Why do it?

Our international businesses deal with one another at each end of the same freight movement. If we import something into New Zealand from Europe we need to enter in the Export job in Europe and then the Import job into New Zealand. This

requires a lot of the same information being keyed and entered in a timely, accurate manner which is a lot more difficult if we are doing it on two separate systems. With ChicagoWise, we are all on the same system. The Export Operators enter the Job and the Import Operators simply pull that job up and have the information already at their fingertips without having to re-enter it.



Ange Quedley, Gary Harrington and Jennine Cosgrove celebrate the successful go live, in Auckland, for Asia, Australia and New Zealand.



And in the Northern Hemisphere, at Rotterdam, 12 hours later, Kevin Drinkwater, Annie Webb and Steven Deputyd celebrate the successful go live of ChicagoWise for Europe, with Belgium chocolates for Annie who coordinated the European end of the project.

Why put it in the United States (Chicago)?

When we are connecting lots of countries together, we want the network to run as short a distance as possible, so the United States is the most connected continent in the world. Placing our application here makes it the most easily accessed from all other countries around the world.

Who now looks after the servers?

CargoWise do. When we moved the application to Chicago the decision was made to outsource this application which means CargoWise are responsible for delivering us the finished product. Even though it does move the application geographically away

from some of our documents and email, it's now controlled by the people who write the application, meaning they can make changes to improve things within the application a lot more easily.

Freman Web - Logan Lim (Freman guru, IT New Zealand)

In the last year, Freman Web our online domestic freight solution for customers, has steadily grown and forced its way into both our internal

team and customer operations. Usage is continuing to grow each month with 139,980 consignments created in Freman Web between

New Zealand and Australia in October - an increase of nearly 29,000 consignments per month since July!

Manual Consignments vs EDI Consignments

With the many changes in Freman Web this year and the turning off of the pre-printing of consignment notes for customers, our EDI percentages have substantially improved and are on the upwards trend. The higher this climbs, the less manual data entry there is for our team.

Since the Weekly EDI Stats were first distributed, New Zealand's EDI % has increased by over 6.5% to 76.14%. But there are still over 17,000 manual consignments created every week around the country.

- In the last week of October Australia reached its highest EDI % to date with 83.52%, but still with around 5,000 manual consignments created every week.

The Perfect Opportunity... Greater Speed and EDI Interface

Now is the perfect opportunity to move all those customers off the old installed versions of Freman and get them on to Freman Web. In the past, the old installed versions were often preferred over Freman Web because of the speed. But thanks to the recent printing changes which allow users to create and print new consignments at the same time, and an overhaul of the engine behind Freman Web, it is now a fast and effective system to create large volumes of

consignment notes.

The Benefits of Freman Web vs Freman 3:

- Accessible on any computer with internet access, minimal setup required.
- Ability to setup ready for use within an hour if required without leaving the depot vs hours of on-site installation, and co-ordination with customer IT teams.

- Easy troubleshooting and ability to help our customers via remote assistance.
- On-going developments and improvements to the system to cater for the business' needs.
- Greater SMS and Email Notification options for consignment status updates.

Mainstreet Update - Debra Johnson (Atlanta Operations Manager and Super User Groupee)

The definition of Innovation is the development of new customer value through solutions that meet new needs, unarticulated needs, or established customer and market needs in new ways. The accomplishment of this is through different and more effective products, processes, services, technologies, and ideas.

Innovation is the idea behind Mainstreet and being able to produce a product that not only revolutionizes our internal processes but gives our clients the utmost Mainfreight experience. The home stretch is upon us and closing quickly. With many enhancements made over the last 6 months, the final product is almost ready to be rolled out.

The Super Users' last team meeting was one of the more informative, exciting, and best hands on sessions yet. New screens were revealed which gave the team more insight to the product's overall functionality, capability, and landscape. Seeing the thoughts that were projected and visions out on the horizon from the team involved actually come to fruition has been very exhilarating.

Mainfreight New Zealand IT and Mainfreight USA should be very proud of the product that they developed for not only the Mainfreight business in the USA but one day for Mainfreight globally.

The addition of the Control Board and P&L screens are some of the more exciting add-ons from the

operational and financial end for those savvy users. These additions are designed to help give each team member a controlled snapshot of their clients, shipment statuses, and financial reporting daily. Mainfreight is allowing the focus to be on strengthening our client relationships by being a more

proactive partner with clients through the technology side of the business. Freeing up team members to track, trace, and invoice quickly and accurately will take the Mainfreight experience to another level. Looking down the road, there is a long way to go but the path has definitely been paved.

GPS Wallboards - Andrew McLeod (IT Team member – Australia)

We have begun rolling out GPS Wallboards to display in Australia over the last few months.

They have been eagerly awaited by many branches and we currently have them setup in Mainfreight Transport Brisbane and Sydney, and Owens Sydney. The wallboards are used to display the location of drivers based on their last GPS coordinates which can be mapped against the addresses of customers awaiting pickups and/or deliveries. This helps the team to allocate the job to the right driver in the most efficient way.

Once installed in a branch, the Wallboards are intended to be a self-functioning tool, whereby the Team doesn't need to interact physically with the TV or Monitor displaying the maps. Rather all of the maintenance and configuration for a site's profile is completed in Austrak.

Branches are able to configure the profile for their site to whatever suits their needs including the ability to:

- Create maps which reflect the PUD areas being managed
- Set Maps to display different views – e.g. Hybrid or Satellite
- Configure the order maps are displayed and how long each map is displayed before moving onto the next one.

Feedback from the branches has so far been very positive with a lot of great improvement and functionality



GPS Wallboard in use in Sydney

suggestions being received. With the three branches which have implemented the Wallboards the opportunity has been taken to investigate and experiment with different hardware options for the display being;

- PC connected to a 55' Flat Screen television
- PC connected to a projector and displayed against a screen or blank wall
- Displayed using a Sony Smart TV.

Mainfreight Sydney implemented the solution of using a projector to display the Wallboard. This has been well received by the branch and has apparently attracted a

number of comments from impressed visitors.

The use of a Smart TV has also been successfully implemented at Owens Botany. This is an option which will be preferred at other sites in the future, as the need for additional hardware such as a PC is eliminated.



Bereavements

David Budge - "Budgie" - Night Driver, Wellington

David Budge passed away in early November in a tragic road accident whilst driving the Wellington Owens swap. "Budgie" as he was known to his mates was a real character and had been driving for Owens on and off over the

past 20 years. He will be greatly missed by the Wellington team, and the wider network of owner drivers. Our thoughts and best wishes are with his family and friends.



Anita Muller-Bouwmeister - Wim Bosman Forwarding Holland

Anita Muller-Bouwmeister passed away on 2 July 2012. She was a team member of Wim Bosman Forwarding Holland and working in the Europe South-West department since 17 September 2007.

She died at the age of 47 due to complications arising from a liver transplant operation.

Anita was an administration team member and was involved in agent invoicing.

Despite the difficult and uncertain time, she was always positive and vivacious. Anita was always calm and serious when working. She was an important link in our daily operations and an extremely popular member of the team.

On behalf of the Wim Bosman Group we wish her husband Douwe and daughters Dewi and Kaya a great deal of strength and fortitude in coming to terms with this great loss.

Jaak Duchateau – Belgian Transport

Jaak Duchateau, who had worked in the garage department with the Belgian Transport Team since February 1993, died on 19 July 2012. After a long illness he lost the struggle at the age of 55.

Jaak, known to us as Ludo, worked in the garage as the chief mechanic of his team. He was an important link in the daily workflow and was always positive. In short, Ludo was a very amiable person who was

liked by every team member. We wish his wife Hilde and his children Benjamin and Justine a great deal of strength and fortitude in coming to terms with this great loss.

Ivo ten Voorde, Logistic Geleen (NL) / Genk (BE)

Ivo ten Voorde worked in Geleen since May 2006, and in Genk since August 2012, died on 29 October 2012. His bereavement came very unexpectedly; Ivo died only aged 41.

In the 6½ years that Ivo worked with us, we learned to know him as a team member we could count on. Ivo was a person who was always clear about things, was passionate and often insistent to achieve his goals. Ivo had his own sense of humor; he liked to surprise team members in an unguarded moment.

When Ivo had the opportunity after working 6 years in Geleen to transfer to our site in Genk, he did not hesitate. Again he achieved many good things in a short period of time, as he also did before in Geleen.

In Geleen, Genk but also in 's-Heerenberg Ivo will be missed deeply! Our thoughts go out to his partner and his three girls, his parents, his sister and all who loved him.



Malcolm Robinson, Owens Owner Driver

Malcolm Robinson succumbed to cancer and passed away on 27 November surrounded by his family. Malcolm was part of Owens for 55 years (previously Trailways, Mogal and Brambles). He was a much respected driver and loved by everyone he came in

contact with, and was one of our most loyal and dedicated team members. Our thoughts and sincere condolences are with his wife Mereana and his wider family, several of whom are also Mainfreight team members.

SERVICE ACHIEVEMENTS

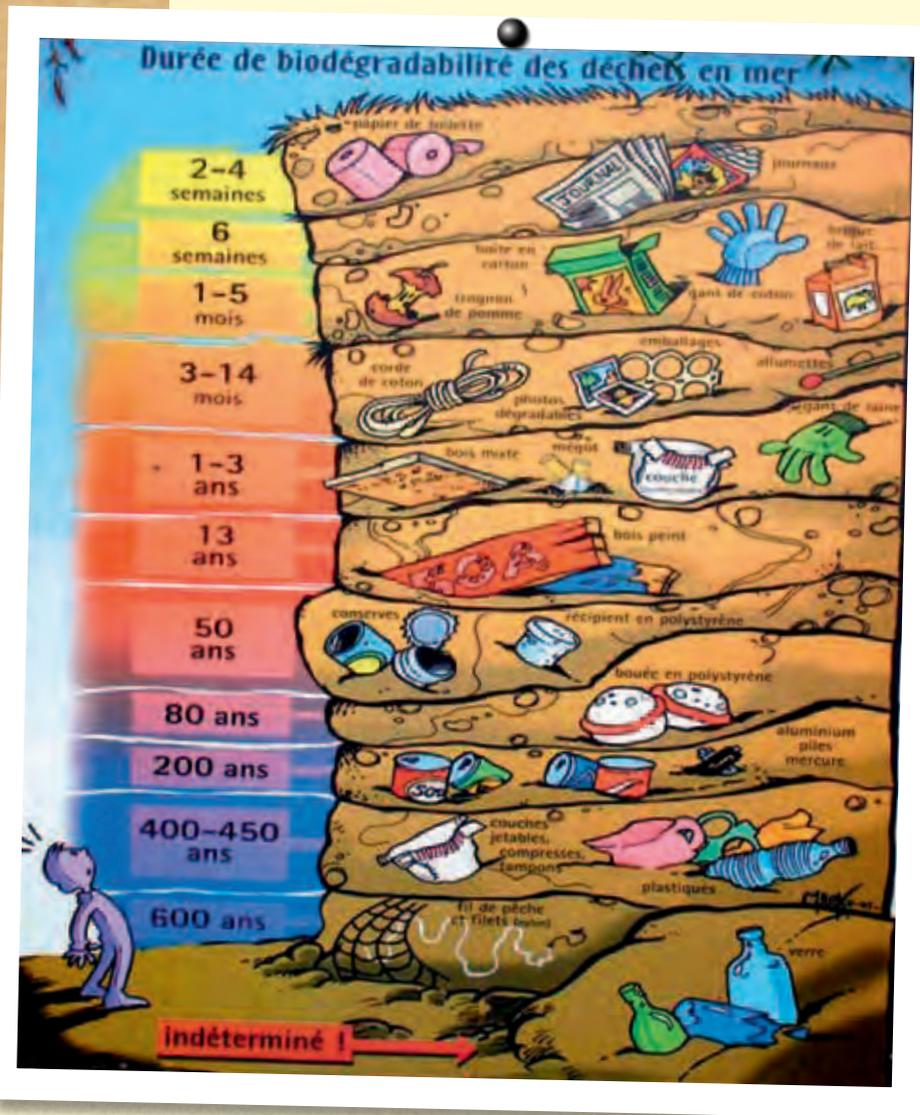
The following members of our team have celebrated, or will shortly celebrate 20 years or more with us:

Ton Cuijpers	35 years	Wim Bosman Logistic Services Geleen
John Newby	35 years	Daily Freight Auckland
Frank Senden	35 years	Wim Bosman Logistic Services Geleen
Jan Wassink	35 years	Wim Bosman Transport 's-Heerenberg
Marlies Soetelmans-Gerits	30 years	Wim Bosman Logistic Services Geleen
Bennie Schut	30 years	Wim Bosman Transport 's-Heerenberg
Rudy Vandewalle	30 years	Wim Bosman Ostend
Ina Beekhuizen-Roes	25 years	Wim Bosman Forwarding 's-Heerenberg
Ian Black	25 years	Mainfreight Wellington
Martin Essink	25 years	Wim Bosman Transport 's-Heerenberg
Ian Garrick	25 years	Mainfreight Invercargill
Derk Geersing	25 years	Wim Bosman Forwarding 's-Heerenberg
Mona Hellens	25 years	Mainfreight National Admin Auckland
Arthur Hoogsteder	25 years	Wim Bosman Holding 's-Heerenberg
Rolf Hunting	25 years	Wim Bosman Transport 's-Heerenberg
Laurie McMahon	25 years	Mainfreight Christchurch
Neil McRobie	25 years	Mainfreight Christchurch
Herini Moeahu	25 years	Mainfreight Wellington
Willem Pietersen	25 years	Wim Bosman Transport 's-Heerenberg
Harry Reynolds	25 years	Mainfreight Invercargill
Hugo Vyvey	25 years	European Freight Services bvba
Scott Collings	20 years	Mainfreight National Support Auckland
Jean-Gérard Fifis	20 years	Wim Bosman Logistics 's-Heerenberg
David Grossman	20 years	Mainfreight Air & Ocean Springbank
Iain Henderson	20 years	Daily Freight Christchurch
Emil Ion	20 years	Wim Bosman Romania
Wouter Janssen	20 years	Wim Bosman Transport 's-Heerenberg
Cristina Lumby	20 years	Mainfreight Logistics Railway Lane
Sjoerd Teerink	20 years	Wim Bosman Logistics 's-Heerenberg

Thank you for your loyalty, dedication and hard work. What an achievement!



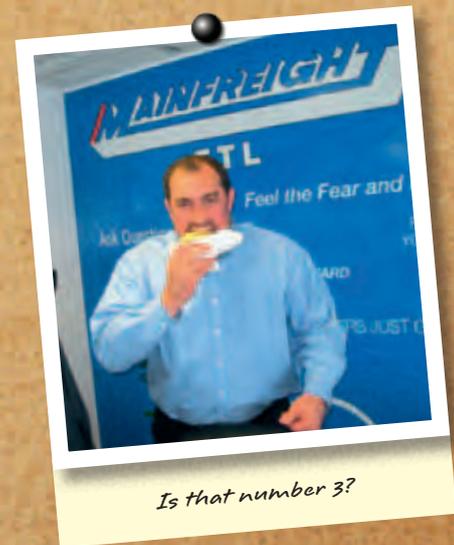
Shayne McAndrew - Dunedin based swinglift driver celebrated a birthday recently. Great cake!



Bruce Plested saw this poster during a recent trip to Brittany. Even if you don't speak French the message is clear... and why Mainfreight has been recycling at its depots for over 24 years



Knew Barry wouldn't be able to stop at one good New Zealand pie...



Is that number 3?



The team at Mainfreight in Carson, LA got a great view from the office of the Space Shuttle Endeavour on its final flight before retiring to its new home at Los Angeles' Science Museum



Oscar the Grouch was the guest of honour at the recent IHC Day held at Daily Freight / Chemcouriers in Auckland



Mainfreight's first Mack truck looked right at home at a recent muster celebrating 40 years of Mack trucks in New Zealand



Bruce Plested with Grace Mu (Branch Manager Tianjin), during Bruce's recent visit to Tianjin



Daily Freight's 20-year legend Dave Murray is congratulated by Auckland Branch Manager, Malcolm Holm



To those teams around the world who donated money for the Christchurch team after the earthquakes, here is what we did with it... Two groups (two trips, a week apart) of about 250 people from our business with their families were treated to a day out on the Tranz Alpine express train trip across the Southern Alps. On board there was food, drink, entertainment and a BBQ on the turnabout in Greymouth. We had great feedback from all who attended - so thank you to all who contributed, both in funding and arranging the events!

0	Mon	Tues	Wed	Thur	Fri	Sat
1	<p>Vayda Room 18 Dawson Primary School Haumia Way Otara</p>					
2	<p>Don Braid Mainfreight Lane Otahuhu 1062</p>					
3	<p>Dear Don Braid and the Mainfreight Crew</p>					
4	<p>We are so grateful for your kind donation. Dawson Primary is so thankful for the free calendars. We will use the calendars wisely as we can write in occasions like birthdays, sports games and other things.</p>					
5	<p>Once again I would like to say thank you.</p>					
6	<p>Kind Regards Vayda</p>					
7	<p>THANK YOU!</p>					
8	<p>VERY MUCH</p>					
9	<p>MAINFREIGHT</p>					
10	<p>CREW!!!</p>					

Feedback

From: Michelle Dow
Sent: Wednesday, 10 October 2012
To: James Price [FTL South Island Team]
Subject: RE: life ed

Morning James

Just wanted to say thanks again for moving the mobile classroom up to Tauranga. I went up yesterday to help with the change over and the Educator is now all set to start teaching in it on Monday.

Could you please pass on our thanks to everyone involved (the driver(s)/ Lance in the North Island Team?).

Have a great day,
Michelle



Michelle Dow
Programme Development Manager
Life Education Trust (NZ)
www.lifeeducation.org.nz

From: James Price [FTL South Island Team]
Sent: Wednesday, 10 October 2012
To: Michelle Dow
Cc: Lance Chadwick [FTL]
Subject: RE: life ed

Hi Michelle,

Thanks for the feedback and glad it all went well for you.

We stopped and fed Harold at Waiouru.

Cheers,
James Price
FTL South Island



----- Original Message -----

From: mo and pete
Sent: Tuesday, August 28, 2012
To: Mitch Gregor (MFT AKL)
Subject: delivery thanks

Hi Mitch

I have been given your name by your call centre staff. I had a delivery today of a lounge suite I purchased from Farmers. I wish to say I appreciate the way your staff helped me. My husband was ill in bed and your staff went that extra mile to help me with the heavy lounge suite I could not put into place myself. I know this is not part of their duties and they also had a full truck but they still assisted me.

Their service was second to none, which is not too common these days. Please give them a pat on the back from me. You have two good staff there.

Yours sincerely
Maureen G.

From: Catherine B
Sent: Wednesday, November 07, 2012
To: Bruce Plested; John Hepworth
Subject: A note of appreciation from Catherine B

Dear Mr. Plested and Mr. Hepworth,

I wanted to write you with my story and offer deep appreciation for a job well done by Mainfreight. I am an art dealer located in California who has used Mainfreight, (previously Target), for almost two decades. This year, I had made plans to participate in the New York Print Fair which took place in the first week of November. Our shipment from California was comprised of very valuable art work (six containers full), that had to be delivered to the Manhattan Armory in time for the opening of the Fair. Needless to say Hurricane Sandy hit and the whole situation became chaotic very quickly. As you know, Mainfreight New Jersey, which is where my cargo was to be stationed, was demolished. Concerned, I immediately contacted Jim Nape and then Enrique Rodriguez, at Mainfreight San Francisco, who in turn contacted Nick Stickle, warehouse manager at Mainfreight East Coast. Nick led his workers in extremely difficult conditions to my cargo, which was located in a warehouse with no power. They removed the boxes belonging to me and to R.E. Lewis from the truck and placed them on a van; and every item was intact, undamaged and delivered to the Armory in time for the Fair opening.

I was looking over your company's website and I noted in the description of the Mainfreight culture, "special people, special company... with an anything is possible attitude". You and your employees have certainly proved that these Mainfreight maxims are not just words. In spite of the difficulties they were experiencing, the Mainfreight employees did a stellar job and I just wanted to let you and everyone involved know personally how grateful I feel.

Sincerely,
Catherine



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DAILY FREIGHT

CaroTrans



WIM BOSMAN

From: glen m
Sent: Monday, 12 November 2012
To: Greg Waylen (MFI HAM)
Subject: Re: Import from Great Britain

Hi Greg,

Just thought i would like to take this opportunity to thank you and your great team at Mainfreight international for an awesome service you provided me in the importation of my products into NZ. 🙏🙏

The confidence i now have in purchasing knowing that you Guys are able to ship for me and get that product to me safe and sound and at a reasonable price, you guys make an impossibility possible for me. 🙏🙏

Catch up with you on our next shipment from UK.

Kind Regards
Glen

From: Trish Allan (OWENS METRO CHH)
Sent: Tuesday, 24 July 2012
To: Don Braid
Subject: Thank you

Good morning Don

Just a short note to thank you and everyone that put together the train trip we had on Sunday, I took my two Grand children aged 8yrs and 5yrs they had a wonderful time as you can see, there is nothing better than a child's smile and every child and adult for that matter could not stop smiling.

It was called the train that could not stop giving, we were very spoiled.

So once again thank you

Cheers
Trish Allan



From: Tony Knudsen
Sent: Wednesday, 19 September 2012
To: Raymond Lo (MFI Shenzhen); Jenny Zhong (MFI Shenzhen); Samson Ko (Manfai)
Cc: Sonia Taylor (MFI CHC)
Subject: RE: Shenzhen

Hi Everybody

Firstly a heartfelt thank you to the team in Shenzhen. Absolutely amazing

I think you can all hold your head very high in your professional approach and the manner in which you treat you customers is to be applauded

The visit to Shenzhen was one of the highlights of my trip and to you all I am truly grateful

Samson my offer to host you for dinner in NZ is sincere and I truly hope you manage to find the time to return to New Zealand and to also bring your family to Christchurch

Raymond, Jenny many thanks for all your time and organising the driver to get me to the airport on time. You are both very nice people and it was great to discuss many subjects with you both. A definitive no on the brains!

Thank you all very much. It was truly a pleasure to meet all of you

Kind Regards
Tony

From: Elaine O
Sent: Tuesday, October 23, 2012
To: Leah Elder (SFO); Daniel Lim (Mainline Singapore); Hy Goh (Mainline Singapore)
Cc: Mildred Liu (Mainline Singapore); Michael Ramirez (SFO); Gary Lau (MFI Hong Kong)
Subject: FW: Shipment Mon 22nd Oct 2012

I know that you have probably seen quite a few emails on this shipment, but AGAIN, I wanted to pass on our most appreciative THANK YOU for the handling of this shipment.

This one was a crazy one, and I did not get notified on it until about 3:45pm on Friday afternoon. Due to that fact, I was not able to go thru all the "normal channels" for arrangements.

Hy Goh: Thank you for taking Siraj's phone call and going to the extra effort to go into the office on a Saturday and handle this shipment. All of us are grateful to you for doing that. Sorry if we intruded on any of your weekend plans!

It is nice to know that we can depend on you all!

Thanks again,
Elaine O

From: Patrick S
Sent: Thursday, September 13, 2012
To: Don Braid
Subject: Herogram for your staff

Dear Don,

We corresponded recently over BusinessDesk's inadequate description of the global empire that is Mainfreight.

This note is as a private customer who has been blown away by the quality of your people in looking after me over the last week.

The short version is that I bought a surfboard on TradeMe in Tauranga and a friend of a friend dropped it at the Mt Maunganui depot of Mainfreight to ship to Wellington.

When it arrived, one end of the box had come undone and a box inside, carrying fins and a legrope, had disappeared.

For all I know, it could have dropped onto the road in Tauranga when my contact was taking it to the depot on the top of his car. I'm not blaming Mainfreight for it being poorly packaged to start with.

Over the last few days, I've called your Wellington, New Plymouth and Mt Maunganui depots and been back into the Wellington depot. On every occasion, I've been listened to, actions have been promised and taken, and I've been phoned with a follow-up. I've just put down the phone from your New Plymouth depot, who rang back two days later to check whether there was an outcome.

For a single, small value piece of freight with a value of perhaps \$200 – important to me but in no way material to Mainfreight - I have been totally impressed, almost to the point of wondering if they all have enough to do such was the level of genuine engagement with my small issue! However, what really impressed me is that that's the promise you make in your branding. As a former brand manager at a power company – always a hard ask to make lovable – I really noted the alignment that your people demonstrated to things you claim for Mainfreight. In my experience, that's very rare. The many people I deal with are a credit to you and your team.

Yours sincerely,
Patrick S

From: Tom Davis (Owens Tankers AKL)
Sent: Friday, July 06, 2012 10:14 AM
To: Jon K
Subject: RE: Excellent Courteous Driving

Good morning Jon,

Thanks very much for the email, it is always good to get feedback on what our drivers are doing "out on the roads" especially when it is positive feedback like this.

I will ensure this is passed on to the driver concerned, as a matter of fact you will be pleased to know that the unit you saw was in fact the B-train & truck that are dedicated to your bulk class 8 deliveries driven by Brian Keogh. Courteous driving behaviour is great advertising for both our businesses, not to mention the trucking industry as a whole.

Regards

Tom Davis
Branch Manager
Owens Tankers

From: Jon K
Sent: Friday, 6 July 2012
To: Tom Davis (Owens Tankers AKL)
Subject: Excellent Courteous Driving

Tom,

I just wanted to pass on some praise for one of your drivers. Driving in to work this morning heading North on SH1 just past the Tamihere turn off at about 7am I noticed a tanker pull into the outside lane and as I got closer I realised he had done this to overtake a cyclist, who was inside the line of the shoulder.

It's not often you see this level of care on New Zealand roads, so much so that after 12 months of cycling to work on Auckland roads, before moving down here, I've pretty much given up. I've got a family to support, it's not worth the risk.

I didn't get any clear details, other than it was a Kenworth type unit and the rego had L4 in it. The Placards displayed it was empty and clean.

So in short, great job to that driver, really good to see.

Regards

Jon K
MATERIALS MANAGER, SUPPLY CHAIN

From: Don Braid
Sent: Wednesday, June 27, 2012
To: Colin P
Cc: Mitch Gregor (MFT AKL)
Subject: Re: Customer Feedback

Thanks Colin, nice words which we appreciate, not often are we told.

Mitch, a credit to our team...many thanks

Don

=====

On 27/06/2012, at 5:19 PM, "Colin P" wrote:

Hi Don,

it's not very often you have a great customer experience.

and when you do, you often forget to tell someone from that business about it.

but i've just had a great experience with your team at Railway Ave.

mine was a very small freight job but i had 5 key touch points with your people.

from the driver, who called me on route and in time, so that we could re-direct my drop off back to your depot, as it would have been to hefty for me to manage alone.

no problem.

for luvvy (i hope i have her name right), a follow up call that day to check in with me, that i knew where things were at, my consignment number, the process for when i come to pick up personally, and she did this with a great big smile and personality on the phone.

no problem.

to another chap, who i didn't quite catch his name, called me the next morning to ensure i knew where things were at with my small job. i expect he was one of the logistics managers. once again, very informative and friendly on the phone.

no problem.

to my corporate experience at Railway ave. As a first time visitor experience, surrounded by trucks, containers, warehousing, you enter into a building that is world class by any means.

great to see a few college kids there in reception i expect looking for work experience, or waiting for mum or dad.

3 customer service people on deck all alert, ready to serve and with personality.

i was served quickly and felt great that my small job was getting first class attention.

no problem.

sorry to harp on, but i'm nearly there.

and finally to top it off, a young forklift operator by the name of Johnny went the extra mile.

he helped me pull the cage off my trailer, then carefully and methodically manouvered my 300kg carton onto my trailer and then helped me put it back together.

no problem.

So Don, if this is a reflection of the company overall, then it surely must be a stand out world class operation at Mainfreight and i expect the people and culture are central to it all.

A very satisfied customer.

regards,

From: Kevin Smith
Sent: Monday, 30 July 2012 16:19
To: Mitch Gregor (MFT AKL)
Subject: Nitann Glentworth

Hi Mitch

Further to our phone conversation today I wanted to write to let you know how impressed I was with your employee Nitaan Glentworth.

I own a small double glazing business and recently applied for a credit account with your company. Nitaan called to say he would be my rep and would come and see me to discuss my needs.

Basically on the 3 occasions he has visited me I have been so impressed with his knowledge and professionalism I felt compelled to write. As a small business owner I appreciate good service and knowledge, Nitaan has displayed this in abundance so congratulations to him and Mainfreight...

Kind regards
Kevin

From: Masquerade
Sent: Monday, 17 September 2012 17:35
To: Nikki Cooper
Subject: WOW - Thank you!

Hi Nikki – I just wanted to email and say thank you to the Mainfreight team responsible for getting the WOW garments to and from Nelson for the judging process.

I went a bit overboard and entered FOUR garments this year. Two were accepted (yay!) and two have just been returned, which I picked up today. After the stresses of creating and packaging and getting everything ready in time, it is great that the freighting and return is so streamlined. It was also good to receive a call to say the boxes had arrived back safely and were available for pick up, which spurred me into early action for collection!

This is the third year I've entered WOW, and each year the system has been simple, prompt and efficient in every way. Rob is always immensely cheerful and helpful, and also interested in the creations and outcomes. Holly on reception was also helpful and efficient in doing the paperwork this year, and pointing me in the right direction.

Again, many thanks for making this side of the process so simple, and for sponsoring WOW in the way you do. It really does make a big difference, and it's great that such care is taken with what is precious cargo for us designers!

Cheers, Sally

Sally B

Artist - Designer - Maskmaker

-----Original Message-----

From: Robert M
Sent: 7/09/2012 1:30:43 PM
To: Paul Fraser; Tracey Young
Subject: Brisbane WH DIFOT Performance AUGUST 2012

Hi Paul and Tracey. Refer attached Brisbane warehouse DIFOT performance for the month of AUGUST 2012. The measure is based on our delivery create date plus 1 day, ie, if not Goods Issued / despatched within one working day of the delivery create it will record as a performance miss. Note that there are two worksheets – 'Daily Summary' and 'Monthly Summary'.

Performance for the month was 100% by line item and 100% by order. This is now two months in a row that you have achieved 100%, a great achievement.

Please pass on our appreciation to your team.

Regards

Rob M
National Freight & Distribution Manager



Feedback on [facebook.com/mainfreight](https://www.facebook.com/mainfreight)

Karen Williams

Mainfreight/CaroTrans are amazing. I arrived back in Auckland on the 20th. On the 21st I had been emailed all the shipping documentation to say that my boxes had been loaded onto a ship out of Brisbane and were due into Auckland on 25th. Shaun Buckley explained to me that I could clear everything myself to save money (how good is that; someone actually giving you that option) so caught the bus... downtown to Custom House and saw MAF and then customs. Paid a small fee for customs document and that was that! How easy... Ship arrives 25th and I should be picking up my boxes - 16 - from the freight depot out near the airport 1-2 days later. WELL DONE AGAIN MAINFREIGHT. I wouldn't use anyone other than your organisation.

24 June at 17:48

like · comment · share

Karen Williams

Went to Railway Lane today in Otahuhu and picked up all my items. Just brilliant staff everywhere. And thank you so much to the forklift driver who went and got my pallet and then went out of his way to load everything into my car!!! I was sure I would need to make two trips. But no, he sure knew how to pack it in. THANK YOU to everyone. You are a brilliant company and your staff are just fantastic. Pity other companies did not take a leaf out of your book when it comes down to CUSTOMER SERVICE. You are five star...

like · comment · share

Andrew Hall

As a former NZ MF Grad - great to see a MF sign in Burlington Ontario !

24 October at 15:39

like · comment · share

From: Angela Jowitt
Sent: Tuesday, 30 October 2012
To: Ian Jenner; Kym Brett
Subject: Samoa Book Collection - THANK YOU!

Talofa Lava Ian and Kym

I would like to once again extend our thanks to you for your assistance in transporting and shipping the 20ft container of books and school furniture to Samoa for School Libraries.

Again the School Libraries of Samoa appreciate your generous support of this project and the opportunity to bring these great resources to the country.

Over the next few months Rotary Apia and the Library Association of Samoa will be working together to sort these books and distribute them.

May I take this opportunity to wish you an early Merry Christmas and a happy holiday season. I look forward to the possibility opportunity of working with you again in the future.

Faafetai tele lava

Angela Jowitt
Library Association of Samoa – Vice President



Asia



Australia



New Zealand



Europe



USA

www.mainfreight.com
www.facebook.com/mainfreight



COMRADES!

Bruce Plested, Mark Newman and Don Braid
en route to our St. Petersburg branch in Russia

Брюс Плестед, Марк Ньюман и Дон Брэд
по пути к нашему офису в Санкт-Петербурге, Россия.



The Mainfreight Newsletter is printed with mineral oil free soy-based inks on Alpine Gloss paper produced from renewable forest resources managed under the Programme for the Endorsement of Forest Certification (PEFC), and is manufactured under the ISO 14001 Environmental Management System in an elemental chlorine free process.



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WIM BOSMAN