

The Team's Board Report



Welcome to our New Team in Europe - Wim Bosman Group



Managing Director's Comment

Welcome to The Team's Board Report, where we are able to keep our team members, customers and shareholders abreast of the activities and development of the Mainfreight Group as we expand our network around the world.

We have completed the release of our financial results for the past year to 31 March 2010.

These results saw Mainfreight produce record revenue of NZ\$1.3 billion; record EBITDA (that is earnings before interest, tax, depreciation and amortisation) of NZ\$91.6 million, and a record net profit before abnormal of NZ\$47.2 million.

All of this has been achieved in trading conditions that remain difficult in most world economies, and while we focused on building our business; increasing our number of branches, developing and introducing new logistics services, and completing the acquisition of our largest transaction, the Wim Bosman Group, a Netherlands-based integrated logistics and transport business.

It is important to understand the significance of this transaction to Mainfreight. It is a strategic step, not transacted just for growth, but because of the specific nature of the Wim Bosman company, which is an exceptional fit to the existing business and culture of Mainfreight. With the Wim Bosman Group we are able to deepen our strategic position; to offer our customers world class service in another region, with the same high quality approach to LCL freight as we do everywhere else. We now have the opportunity to serve a larger market with more customers than we have ever had access to before.

This acquisition is a significant step for Mainfreight; our first foray into Europe, continuing the goal of having our global logistics organisation located in all the trading nations of the world. Further we also took the opportunity to open our first office on the South American continent, in Santiago, Chile for CaroTrans.

Welcome to these new members of the Mainfreight global family! We are sure you will now know you have become part of an exciting organisation that will provide you with security and development in your working career, excitement as we continue our growth, and a little fun as we provide our customers with the very best possible levels of service, all with a smile and the knowledge we have been useful.

In New Zealand and Australia, we have the opportunity to add a greater degree of expertise through incorporating the disciplines we are seeing in European freight handling initiatives. The use of electric forklifts supplemented by pallet jacks, eliminates the overuse of gas and diesel hoists, improving our efficiency on the dock with the additional benefits of reduced carbon emissions, better safety and lower costs. Combining this with more end-loading of Pick Up and Delivery, and Linehaul vehicles, we will also improve our turnaround times.

Our International operations across Australasia, Asia and the United States of America must focus on an improved ROR (return on revenue). We also require more development of our own network; increasing the trade between our operations around the world will be important for our customers' and our own success.

In Europe, we have great opportunity to build on the excellent network that has been created. Adoption of Mainfreight's operating principles, financial disciplines and aggressive sales development programmes will enable the Wim Bosman Group to become a significant contributor to the Mainfreight network.

Embracing new initiatives, operational and business practices that are succeeding in our operations across different parts of the world is the key to delivering better service for our customers, and increased profitability. No matter where you are in our business, adopt an open mind to change.

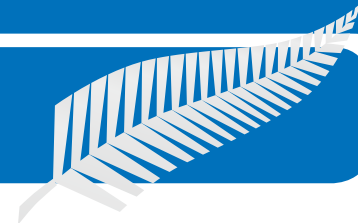
Whilst discussing quality and image, Mainfreight has been around far too long to still have transport operations with unsealed terminals. Whether it is Gore, Greymouth, Townsville or Ploiești, please ensure our image is protected with well maintained facilities, no matter their size.

This past year has been a defining period for our business. Thank you all for your efforts. We have a new and exciting journey ahead of us.

Let us get on and make a difference. Be useful and add a smile for our customers and team mates.

Don Braid

New Zealand



New Zealand Forwarding – Carl George

The Year That Was

Each year brings a new set of challenges and opportunities for our teams and branches.

Whilst we thought we would have seen the back of the recession last year, with some form of normality returning to the marketplace, we still found ourselves right through the country fighting hard against the unsavoury offers of our competitors. Many of these operators have disappeared from the market now. As a team we must always stand strong and believe in the added value we bring to our customers, and be proud of what we achieve each year.

Moving Forward

Our continuing goal as a business is to improve our quality and returns. We must always strive to do better than the year before; anything less is deemed a failure. Our challenge is to make a quantum step in the way we do business today, challenging the old habits of the past, being innovative, raising the image bar, and not accepting mediocrity.

As we follow this journey, we must continue to enhance our already significant footprint in New Zealand, making bold statements of intent to the market with the commitment of large purpose-built, gleaming facilities that make our competitors shiver, our teams proud to be a part of, and our customers (both existing and new) think, “I want to be a part of that”.

This year as a team we will;

- Continue to innovate with new equipment – like we have with grain, glass, sand, Moffat fork trucks, refrigeration and the soon-to-arrive version 2 of our hard-side quad-axle semi trailers complete with mezzanine floors. New streams of revenue are so important moving forward
- Have the absolute best people in our branches; those who understand where we are going as a business, and who live and breathe the “hot points” that make us market leaders
- Bring new standards of image and cleanliness to our business with the lessons learnt from our branches overseas
- Take another step in our contribution to protecting the environment with the introduction of electric fork-hoists to our operations
- Live and breathe the depot systems that are so critical to managing and accounting for our customers’ freight each day
- Without question, we will provide quality and continuous improvement in what we do throughout our network to enable us to improve margins hit hard during the recession
- Work closer than we ever have with our family from International and Logistics to grow our business across the supply chain
- Strive to do more with less ...
- Most importantly, we will continue to provide a business environment that ensures security for our families and a platform for all of us to be successful in what we do.

Our Unshakable Team

Who would have thought a second earthquake with such horrific consequences would hit the community of Christchurch?

We are just so lucky that we have such a strong and resilient team in Christchurch, who with the support of their families were able to continue through this difficult period.

The unshakable Christchurch Team; John Wright Mainfreight Christchurch accepting the Legendary Service award on behalf of all the teams who battled through the devastation of the two earthquakes that changed the lives of many



Branch of the Year

We were able to celebrate success with our annual Branch of the Year awards held in Taupo this year.

Chemcouriers Auckland fought off tough competition from the wider group to take out this prestigious and hard to win award.

Mark Newman presenting Paul Tolson with the prestigious Branch of the Year award



New Hard-Sider for Precision Christchurch

Our Christchurch Precision team is more than proud of one of the new hard-side units recently put on the road by Chris Kelly. Chris is part of our Mainfreight Precision team in Christchurch, his new unit being utilised for line-hauling throughout the South Island.

Wellington Depot Update

Development is moving fast with the erection of our new Wellington shed. Sitting right along side the 'Cake Tin' sports stadium, we couldn't be closer to the inner city action. Our new facility is on track to open mid-September ...



What a great looking unit ... thanks Chris

*The new Wellington shed what a statement!
- note the weeny shed to the left (Toll)*



Glass Recycling Dunedin

Mainfreight Dunedin along with Envirowaste has been instrumental in finding an efficient way to reduce handling and costs to make it viable to ship up to 60,000kg of empty bottles to Auckland every week.

The process starts at the home owner's gate where they put out the blue recycling bin full of empty glass bottles.

The Envirowaste trucks then collect the bins and automatically sort the glass by colour into three bigger pods on the collection truck.

When full, the truck drives to our yard where the pods are emptied directly into the container.

The pods hold up to 1,500kg of collected glass and discharge directly into our containers through special hoppers to make discharge clean and efficient.

The glass is discharged through automatic releasing hatches without the need for human intervention, which reduces time and safety risk.

Mainfreight has invested in 50 purpose-built glass containers that are loaded in Wellington, Dunedin, Ashburton, Blenheim and Nelson. The estimated tonnage to move in 2011 is 10,000 tonnes and could rise to as high as 14,000 tonnes in the next few years.



Metro Get Chilled

Our first hard-side refrigerated unit recently hit the road for Metro in Auckland servicing Waiheke Island.

The start of something big...?

New chilled hard-side unit for Mainfreight Metro

Claims Performance

Outward Consignments Per Claim				Inwards Consignments Per Claim			
Branch	To March 2011	To Sept 2010	To March 2010	Branch	To March 2011	To Sept 2010	To March 2010
Chem Auckland	1667	1900	2467	Chem Auckland	4670	4186	1813
Rotorua	1166	1017	876	Blenheim	1800	1386	1268
Dunedin	1009	1176	829	Chem Christchurch	1746	1696	1439
Palmerston North	897	749	906	Owens Auckland	1401	1152	1400
New Plymouth	759	718	874	Taupo	1362	1359	1036
Napier	697	624	431	DF Auckland	1337	1568	1685
MF Hamilton	655	759	556	Napier	1327	1502	1041
DF Auckland	652	651	644	DF Christchurch	1320	1642	1601
MF Auckland	639	606	503	Palmerston North	1267	1121	1297
Owens Auckland	607	440	537	Rotorua	1183	1009	1031
Chem Christchurch	584	523	889	MF Hamilton	1110	1175	1033
Total Company	576	559	496	Invercargill	1108	961	972
Whangarei	571	650	553	Total Company	1106	1123	1049
Mt Maunganui	551	475	428	MF Christchurch	1102	1041	1048
MF Wellington	515	561	404	New Plymouth	1083	930	897
Blenheim	505	448	573	MF Auckland	1060	968	1095
DF Christchurch	445	509	477	MF Wellington	1026	1254	1106
MF Christchurch	444	436	421	Mt Maunganui	964	783	886
Invercargill	366	293	248	Owens Christchurch	877	1024	904
Owens Christchurch	348	323	360	Dunedin	846	1010	730
Nelson	343	382	341	Nelson	713	883	733
Taupo	244	226	135	Whangarei	598	551	558

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 650 consignments per claim, and 1,500 inwards consignments per claim
- + 2% For outwards claims, over 750 consignments per claim, and 2,000 inwards consignments per claim
- 1% For outwards claims under 350 consignments per claim
- 1% For inwards claims under 1250 consignments per claim

New Zealand Logistics – Craig Evans

The Year of the Waltz

In September 2010 we took a serious backward step, as a result of the Christchurch earthquake. The recovery effort from our team was exemplary. We started to forge a positive way forward with encouraging momentum heading into 2011, only to be sat on our bums when the second quake hit in February 2011. Four months on and the same steely determination has seen us take two large steps forward, prompting acknowledgement of human resilience at its best.

The very greatest things - great thoughts, discoveries, inventions - have usually been nurtured in hardship, often pondered over in sorrow, and at length established with difficulty through necessity.

We cannot conduct ourselves as we did in the past. There needs to be greater emphasis to improve formal agreements with all our customers, including business rules that support our offering; all lessons stemming from the Christchurch events.

As a result we are already seeing improvement, simply by formally documenting each other's obligations. Whilst the beauty of a handshake agreement has its place, more complex involvement warrants greater commitment and clarity. We owe this level of duty of care to our customers and stakeholders alike.

Thank goodness Mainfreight remains a learning, supportive culture, all of which promotes a willingness to get the job done,



Mainfreight Mobile now has its own floor scrubbing services, ably demonstrated by Clayton Tito

at times pausing to acknowledge the grief of personal tragedy, which allows us to dust ourselves off and stand strong.

It appears that the Logistics business has finally awoken from enforced hibernation, resulting from a non-committal marketplace during the global financial crisis. We are busy developing proposals and addressing renewed interest in outsourcing as customers lose the appetite to commit to fixed cost infrastructure.

The New Zealand warehouses embarked on a project of excellence, by utilising the lull diligently to 'modernise' image and processes to be ready to differentiate our product with the eventual upturn.

These projects were broken down and assigned to certain branches tasked with challenging and perfecting systems. We are now well positioned to take these learnings and adopt them across the rest of the branches with expediency.

Thank you to the teams that helped with these projects. Your commitment and energy to challenge and re-invent the way we need to conduct ourselves in the future has played a large part in taking positive steps forward. This waltz is far from over and the world really is our stage. Now with the inclusion of the Wim Bosman family, exciting opportunities and the sharing of new ideas will help take us to even greater heights.

The Old Saying that Customers are Always Right is a Fallacy

In the face of customer demands, we are not employed to agree without question or leave illogical thoughts unchallenged. It's our duty of care to provide expert opinion and help test and improve outcomes in the interests of Mainfreight and our customers alike.

To be a 100-year company we must always seek improvement internally, and externally in the face of our customers. Remember customers may know what they **want**; it's our role to provide what they **need**; to achieve their **wants**.

This is all basic sales training when we started off in sales nappies, nothing has changed. Yes, it's possible that we can be over-accommodating to the customer's detriment, often setting both parties up to be disappointed, all because we never had the courage to speak up.

We are seeing this all too often as we become a more multi-functional business.

Often the simple answer is the most effective.

For so long we have tried to protect susceptible building walls from damage using a variety of methods, including steel or concrete bollards, or steel fabricated crash barriers. These options are expensive and aesthetically unappealing when damage occurs, which is inevitable.

If you use psychology as a strategy, most humans are conditioned to



obey road rules and take heed of road warnings and devicesthis led to the thinking of placing flexible and inexpensive reflector

poles one metre from our most exposed walls to coach operators to keep their distance. So far so good!

Welcome to Wim Bosman

We all extend a warm welcome to our new family at Wim Bosman. We are all immersed in a truly exciting global business now, thanks to this wonderful addition. To help our new family we have provided a "Kiwi" dictionary to help remove barriers of understanding. With Mark Newman at the helm this will provide some chance of understanding what he is talking about... our Aussie, American and Asian family will probably be richer for the same information:

Aftermatch Function: A social event that usually takes place after a sporting event.

Ankle biter: A small child.

Away laughing: To do something with no problems. For example, if a rugby player got past the last tackler, they'd be away laughing.

Away with the fairies: In a day dream. Someone whose attention is somewhere else would be away with the fairies.

Blake: The common man. Ordinary guy in the street.

Bugger!: How unfortunate, unfortunately.

Bugged:

1. Tired out after extreme exertion. Similar to 'knackered'. eg.; "Geez, I'm bugged!"
2. Unsuccessful attempt at a task, eg.; "He's bugged that up!"
3. Dismissive exclamation, sometimes giving up an attempt at something. eg.; "Bugger it!"

Choice!: Great, or excellent! If you thought a motorbike was really good for example, you'd say "Man that motorbike's choice!"

Cold One: Usually a cold bottle or can of beer. i.e.; "Would ya like a cold one?"

Ding: A small dent in your car. If it was in your door, you'd say your car had a small ding in the door.

Dodgy: Not right, strange, untrustworthy. (That bloke is a bit dodgy.)

Hokey Pokey: A gold-coloured candy in vanilla ice cream. A favourite New Zealand flavour.

Hunky dory: Everything's fine.

Kia Ora: Maori greeting. Pronounced: 'Ki' as in 'he' and 'ora' as in 'borer'.

Kiwi: A native New Zealand flightless bird. The word Kiwi is also used to describe a person from New Zealand.

Knackered: Same as buggered; not working properly. Or in the case of a person or animal; tired out from heavy exertion.

Mate: Close, reliable friend. Usually referring to males eg.; "He's ok, he's a mate."

Pavlova or Pav: A meringue pudding with fruit and cream filling, stolen by the Aussies and claimed as their invention.

Plonk: A name used instead of alcohol, or cheap wine.

Prang: Noun. Similar to 'ding' (See 'ding') but more extensive damage.

Puku: From the Maori language, your puku is your stomach.

Rattle your dags: Get a move on... Hurry up. From sheep farming background.

Rugby: New Zealand's national sport, almost a religion. A game the Aussies wish they were half good at.

She'll be right! Common expression for it (something) will be all right. Will work all right, will turn out all right. Usually when a quick unprofessional job has been done. Expression often followed by the word 'Mate'.

Shout: An act of buying everyone a round of drinks at a bar/pub. Usually taken in turn. eg.; "It's Joe's shout." An act an Aussie never participates in.

Ta: Thanks. eg.; if someone passed you something you'd say "Ta".

Togs: Swimmers, bathers, a bathing suit, or bikini.

Tomato Sauce: Ketchup.

Truckie: A truck driver.

Whanau: Family. Used in all sorts of contexts, including immediate and extended families, colleagues, sports teams etc (Maori word pronounced fah-no).

Wop-Wops: In the middle of nowhere. In an out of the way location.

Mainfreight International New Zealand – Jon Gundy

We have achieved a result you can all be proud of. Well done! Our financial highlights were:

- Profit at EBIT level was up 28% to \$6.5 million
- Sales revenue was up 14% to \$123 million

This is a record profit for International, and was achieved through strong sales and our attitude to be “easy to do business with”.

These financial results create a strong base for us all to grow our business and achieve leadership in the target areas of air and sea consolidation into and out of New Zealand.

Highlights over the last six months:

- Sales gains with our air and sea consol services
- Customer retention through good service and entrepreneurial spirit from our team
- The continued growth in our regional branches
- Improvement in our delivery and debtors KPI's

Our targets for this year are based on a target profit before tax of \$7.5 million. To achieve this financial result we will need to be focused on:

- All 12 branches achieving pledged profit with air and sea consol targets versus performance published to the team on a regular basis
- KPI's – we need to improve on our last period's results with particular focus on credits issued and invoiced on time
- Consol services – a strong sales focus to grow air and sea consolidation services
- Develop and grow our team into leaders who are always making decisions to improve service, profitability and develop our brand
- Continue to grow and develop services to our customers through Mainfreight's 186 global branch network. Our opportunity is to offer our perishable, wine and manufacturing exporters innovative supply chain opportunities using Mainfreight's global network.

Rebecca Tonks

Branch Manager – International, New Plymouth

Rebecca has been with Mainfreight for just over three years, originally starting as a new grad with Mainfreight International Tauranga. Here, she looked after import operations. She then moved into the Domestic team in New Plymouth where she was an account manager for two years.

Rebecca is enjoying the challenges of international freight and brings drive, organisation and enthusiasm to the position as she continues to grow business around the Taranaki region. A highlight so far was being the only female at the Branch Managers conference in Taupo.

Sonia Taylor

Sales Person of the Year

Sonia Taylor took out the supreme award at this year's Sales Conference of Mainfreight Group New Zealand Sales Person of the Year, following in the footsteps of her predecessor Alice McGregor who achieved the same feat a couple of years prior. Sonia won with her structured “can do” approach to International sales, despite being new to not only Mainfreight, but the international freight industry in general. Sonia has been at the forefront of Mainfreight's cross-brand selling in the Canterbury region this year, pushing forward regardless of the challenges presented by the earthquake and its aftermath.

Paul Lowther

Most Call Numbers International

Paul Lowther was once again the New Zealand International sales person with the most calls for the 2010 year. Paul has been our leading call maker for some years now, and is an example to all our young, up-and-coming sales team members (along with a couple of our other senior sales people around the country). Paul's results demonstrate clearly that the more potential customers you get in front of every single week, the more business you are likely to secure. The Mainfreight International team is very proud of both Sonia and Paul.



Auckland Airfreight - Sharks on a Plane!!

On 12 December 2010, Mainfreight was lucky enough to be involved with the import of five sand tiger sharks from the USA for our customer, Kelly Tarlton's. This was one of the longest shark movements ever performed in the world.

The sharks began their journey in Maryland USA, and were transported by road to New York. In New York they were given their final MAF clearance from the USA and loaded onto a Qantas Freighter aircraft, in three specially designed tanks that allowed the handler to

be able to access the sharks during flight should it have been required. (Two of the major concerns for the health of the sharks was the temperature in the tanks could heat to an unsuitable level or ammonia levels could become dangerously high).

When the animals arrived into Auckland they were unloaded and immediately taken to Air New Zealand Cargo where their final import MAF clearance was completed. Mainfreight Metro then transported the sharks back to Mainfreight International's depot.

Here the tank lids could be opened and a water change completed for the sharks.

Once this was completed the sharks were loaded onto the truck and taken to their new home at Kelly Tarlton's. This whole process was filmed and aired on TV1's breakfast show – which was excellent exposure for Mainfreight. The whole import process ran extremely well due to a wonderful team effort from Customs, International and Metro.



CaroTrans CFS, Auckland

Another Special Lift by the CaroTrans Team

This 40' flatrack arrived from Great Britain with an over dimensional boat that required lifting off the flatrack onto the specially made trailer.



Travelling Companions

(Article courtesy of NZ Hot Rod Magazine)

The love of a car is cemented by the number of miles you spend together out on the road and there's no better example of the love of man and machine than this group of enterprising Model-A maniacs from the USA.

Having already travelled through Alaska along the ice road to near the North Pole plus across Australia and the USA, these guys and gals, four from Arizona, one from California and one from Oklahoma are currently touring New Zealand. They're members of the F.A.S.T. (Ford "A" Speed Technology) Club and they're off to the 10th National Model-A Ford Rally in Nelson plus a month's sightseeing of New Zealand's best scenery through the windshield of their favourite rides thanks to the efforts of Steve Curle at Kiwi Shipping.

These Model-As are not bone-shockers, they're tastefully hot rodded and are built for the long distance cruising. Their 40hp



motors are hopped up to around 65hp and are backed by all-synchro 3-speed trans from '39 Fords. Some have Mitchell overdrive units giving six forward gears, most have 3.54 diff gears, others 3.78s. All have '35 Ford 16" wires fitted with radial tyres for comfy cruising. Steering is via modified Ford F100 steering boxes.

Once their "Kiwiville" adventure is over the cars will be shipped back to the USA from Port of Lyttelton, Christchurch. The fun ends there but the memories and camaraderie of their tour will be relived through stories and tales well into the future. Welcome to New Zealand guys! Have a great time. We're green with envy.

Mainfreight in the Community

Mainfreight has been part of the "Duffy Books in Homes" programme since its inception in 1994 and currently we support over 55 schools in New Zealand and the USA. This means over 13,000 kids every year are getting new books to read with our support. The Books in Homes programme has 547 schools and 200 early childhood education centres in the scheme, representing over 110,000 New Zealand children.

The philosophy behind the programme is simple – to break the cycle of 'booklessness'. Kids who can't read become adults who can't communicate and that's a serious disadvantage in a world that operates on the written word.

Tauranga

A wonderful Duffy Book Assembly was held recently at Paengaroa School which was attended by Cameron Hill and Feana Tu'akoi, a guest author. All the children received their Duffy Books that they had chosen earlier in the year.

Mainfreight's other significant sponsorship partner is "The Life Education Trust" which was established in New Zealand in 1988. The Trust seeks to help give young people the knowledge and skills to live a fulfilling and healthy life through their positive health-based education. Each year they take over 225,000 children through their mobile classrooms teaching

self-respect, respect for others and providing tools for healthy living.

Mainfreight is proud to support these two exceptional organisations that channel so much to the children who are our future. We encourage you to learn more about how you can help by visiting their websites: www.booksinhomes.org.nz
www.lifeeducation.org.nz



Cameron Hill and Feana Tu'akoi with happy students from Paengaroa School

Napier

Urgent Shipment of Aircraft Engine

In April, Air Chathams were asked to move an aircraft engine for a DC-3 from Opa Locka, USA to Tonga and accepted a quote from Mainfreight International to handle the job for three reasons: the quote was very competitive, the Napier team were easy to deal with, and Air Chathams wanted to deal with a locally based company.

We ensured all the paperwork was correct and advised them of everything we required to get the shipment underway and delivered without any disruptions. The engine needed to leave for Tonga no later than 4 May and needed to be in Tonga by 10 May. (No pressure, yeah right!). The engine left Opa Locka for LAX and when it arrived into LAX we found it was not crated as previously advised. This was hastily arranged by the Mainfreight team and, still on



schedule, the engine flew from LAX to Auckland. The engine was booked on the only weekly freight flight to Tonga on Tuesday 10 May. Yes, it went that morning and the engineers started the installation later that day. This was an urgent freight delivery with hiccups on the

way but the engine arrived on time – another successful job completed by the Napier team. Air Chathams and Chathams Pacific look forward to using Mainfreight frequently in the future.

Christchurch Recovery Assistance

With the devastating earthquake that hit Christchurch on Tuesday 22 February, the eastern suburbs of Christchurch experienced extreme damage to their sewage pipelines. Mainfreight International

Christchurch became involved with the repair process by assisting The Ministry of Civil Defence and Emergency Management to import a number of “sucker trucks” from Sydney Water in Australia.

This was a good turn which had flow on benefits to other parts of the Mainfreight business with domestic movements and importing of parts for these trucks.

Bruce Angus, Operations Manager from Sydney Water said “great effort by Mainfreight with co-ordination with MAF staff to ensure the import process ran smoothly, I will be recommending Mainfreight when I head back to Australia”. Peter Cameron, Regional Co-ordinator Southern from Civil Defence, also added “the organisation and communication from Mainfreight on this project was one of the reasons why it was so successful, well done to the Christchurch team”. Mainfreight International Christchurch is now going through the process of exporting some of these trucks back to Australia.



OWENS

Owens Transport New Zealand – Kevin Babbington

Well some very big changes for us all over the last few months especially myself. BJ is settling in well with his new role in Australia, as am I, charged with continuing his outstanding effort over the last seven years with Owens.

Also welcome back to Mitch Gregor who has taken over as Branch Manager for Owens Auckland. We bid farewell to Owen Donald who after 16 years of excellent service to Owens Auckland has travelled south to take over the Owens branch in Christchurch from Adrian Ferguson who has done a fantastic job at bringing the branch into regular profit.

I would firstly like to take this opportunity to say thank you to BJ on behalf of our entire Owens team, for you tireless efforts, larger than life personality and relentless pursuit of excellence and quality that is the Mainfreight way; we hope we can continue to make you proud.

We are pleased to announce that we will be finishing 27% ahead of last year's figures before bonuses and abnormal amounts with a profit figure of \$5,435,242 for the "O" Team. A fantastic effort in what is still a very tough economic climate and still a tough year ahead of us. Again we need a strong focus on raising our margins and keeping our costs low. All Owens branches will finish ahead of their pledges which was a mammoth effort from all involved so thank you team.

We have some very large hairy goals to chase this year, where no idea will go unchecked; already Tom Davis from Tankers has nailed his first major goal to have a Tanker based in the South Island and is working on a second with hopefully

many more to come. The first tanker will be delivering LPG to the local Christchurch market to begin with, and we intend to grow and prove that we are capable of offering a consistent service.

We also see the first of our full length trailers on the Christchurch swap run, the ex Auckland unit will be driven by Bernie Tautari and ex Christchurch unit is still run by John Kerr. Bernie and John are two of our most experienced owner drivers and operate this run like clockwork.

Our Moffat (4WD fork-hoist) at Owens Metro is fully booked to the stage that Darren Turner is looking to bring another on board in Auckland. Jon Brooks at our Christchurch Metro branch has also put his first Moffat on the road as well.

We have extended our Christchurch Projects team to include Adrian Ferguson and a second pilot vehicle. With Adrian's experience and James' passion with over dimensional transport and the massive rebuilding plans about to go on in Christchurch this was the



First Owens Tanker for the South Island



First Owens Full-Length Trailer for Christchurch Run

perfect opportunity to see how far we can push this service. We are also looking at a Projects team in Auckland as there are several exciting initiatives coming up that we will be investigating so watch this space. For those unaware, Owens Special Projects were a large part of the Owens business through the 1970's/80's; at that time transporting some of the largest/heaviest loads seen on New Zealand roads.

Remember though, in order to gain new business and hold on to existing work, we must have our operations and depot systems spotless, our vehicles and team members flawless every day, and let's make sure we are all easy to deal with.

Yes our company is growing worldwide but we must not miss the small stuff, look after each other, and when your fellow team members pick up the phone and ask a favour you sort it, because that's how we do things here.



4m diameter water tank that was moved into Shirley Boys High School



Removing transformers from Bexley Substation to ABB's workshop to be refurbished



Australia



Australia Group Manager's Comment – Rodd Morgan

Team

As expected, this past year has been both challenging and exciting for our Australian businesses and we are pleased to advise that our hopes for the coming year have never been stronger.

Regular readers will know that the Mainfreight Australian business consists of three main activities being International freight forwarding, Warehousing and Transport operations. Mainfreight International provides a full array of importing and exporting freight services across the world. Mainfreight Logistics is our warehousing business that manages over 100 different customers' products within eight warehouses across the country. Finally, Mainfreight Transport, along with our interstate distribution services, has Chemcouriers who specialises in hazardous goods distribution, FTL (full loads), Metro (local) and Owens Transport who focuses mainly on carting shipping containers from the wharf to our customers and back.

Our business strategy is to influence the flow of freight in, out and across Australia by offering full scale, Mainfreight-controlled services to support our customers in terms of their various supply chain needs. Our thriving activities in the USA, Europe, New Zealand and Asia are a large part of the success we are starting to see in Australia and will become even more important to our performance and aspirations as each year passes by.

It is not being too negative to note that it is becoming more difficult for our local manufacturers to remain competitive against imports with the rising Aussie dollar, on top of various government policies.

Our strategy and strong capabilities, particularly in International freight, Logistics and Wharf cartage have us well equipped to be able to win more of the distribution of the ever increasing amount of imported goods we are seeing at the expense of our local manufacturers.

Combined last year, we increased our revenues across our Australian activities over the previous year by almost AU\$60 million or 17% and our profits increased by 24%. This is a satisfactory result (I trust the Board agrees with that!) and reflects an enormous amount of dedication and expertise from our teams in all the areas that we operate in.

We know however that we have so much more to achieve. The pursuit of better quality in our Transport and Warehousing operations is a priority and is well under way as is our timetable to open new branches in Cairns and Albury to add to the new branch recently opened on the Gold Coast.

Our substantial investment in our Melbourne-based transport training facility led by Raewyn Glamuzina, is a very important investment in our long-term future that will help ensure that every team member has a deeper understanding of our history, culture, processes and quality expectations – it is then up to each individual and our branch managers to uphold these lessons learnt at the 'coal face', which is where it counts.

We must continue to strive hard to be a business made up of people who are easy to deal with and who understand what customer service really means.

Our International team is concentrating intently on finding ways to increase margins and growth, and has several exciting initiatives and services underway that include recently opening new branches in Newcastle and Townsville. We have no doubt that we can rapidly become the biggest and best freight forwarder in our region.

Our Warehousing team is developing a sales team who will ensure that we have a constant pipeline of prospective new customers to keep warehouse utilisation high.

We are also working hard at improving housekeeping, presentation and overall efficiency of our operations to improve margins.

New business acquisition remains a high priority for the Owens team along with setting some lofty targets that will really stretch the team's imagination. We can also probably find some great new opportunities to get more deeply involved in supplying freight services to the resources sector – particularly out of Brisbane and Perth!

Our team is well aware that a core principle of our business is to promote from within where at all possible. We have many examples of this in operation right now including a large number of our team who have been with us for over 30 years and their entire working life. However, when we do need to recruit, we like the idea of finding intelligent, bright, happy people who may very well have an education beyond high school that they have had to work very hard to achieve. They would very definitely need to be somebody who could be a branch manager one day. If you know anybody like this, please give one of us a call. A business full of people like this is a great place to be.

Opportunity for growth in Australia is almost limitless and we each need to be thinking about how we might help to find new business – whether you happen to be in sales or not. We have a wonderfully skilled and committed team along with highly relevant and diverse services to back us up. This sees us being well positioned to thrive in a changing landscape that is becoming increasingly difficult for our one dimensional competitors to keep up. It is true though, that our pace of growth will accelerate even more so as each of us comes to really understand that, although we are made up of businesses that operate in slightly different areas of the supply chain, we are in fact

ONE MAINFREIGHT.

Mainfreight Distribution – Bryan Curtis

It is a privilege and an honour to be writing my first Australian-based newsletter after a fifteen year absence.

Over the last few months our focus has been on three very simple, but critical, components:

1. Depot System

Developed nearly ten years ago, this system, if followed correctly and in full, gives a true and accurate picture of what is happening operationally in your branch at any given time (ie what is on the depot floor matches Austrak).

It is one of the most important tools that we have to help us deliver the quality our customers demand of our business.

Its simple procedures ensure that we do the things that we are supposed to do properly, and most importantly, if we can't, it identifies this and allows us to be proactive in our customer service by informing our customer before they contact us, whether it be an inability to deliver a consignment on time, or that we have damaged a consignment in transit.

Experience tells us that the branches that follow these Depot Systems with a passion are branches that are successful, as seen in its audits and its morale, producing a marked improvement in margin, a drop in overheads as we do more with less, and last but not least increased profits.

Remember the three important steps that drive a business into long-term profits: first is Quality, second comes Morale and thirdly Profit, which follows inevitably.

2. Linehaul Departure/Arrival

Some progress has already been made in improving our departure times, particularly on the east coast.

The changes will require:

- the support of our customers as we look at ways to get our freight in earlier,
- a rethink of our sales strategy – how and what we sell to our customers,
- and lastly, innovation in our operations to reduce time in all facets of our business.

A great example of this is the decision by Melbourne to load a B-Double (a 33 tonne and 135 m³ capacity road unit) from our

Somerton Logistics operation in the northern suburbs of Melbourne instead of from the Clayton freight depot in the south eastern suburbs direct to Sydney thereby saving up to three hours in travelling time.

The next logical step is Sydney loading this unit back to Somerton (not Clayton) with freight for the northern suburbs of Melbourne.

It is worth noting the population of Sydney was 4.575 million, as at June 2010, and Melbourne was 4.077 million.

Another initiative may be Melbourne and Brisbane loading direct to Botany (close to the Sydney wharves and airport) and these units being loaded back from Botany, again saving hours in shuttling freight back to our Sydney depot.

3. World's Best Customer Services

This third part of our strategy will happen automatically if parts one and two are working the way they should.

Most of us think of Customer Services as the team that sits in the office giving customers information on delivery times or finding lost freight amongst the million other things that this very important part of our team do.

However Customer Service is every time we make contact with our customer, be it by phone or personally, which in essence covers our whole team.

As mentioned earlier, the key is our whole team focused on being proactive and advising our customers of any issues before their customer informs them.

This sounds so simple but is one of the biggest frustrations of our customers in both Australia and New Zealand. Our ability to do this right every time an issue arises will give us the edge against our competitors.

The remarkable thing about these three points (Quality, leading to better Morale, which in turn lifts Profit) is that they are achievable and easily maintained. Most branches are not far from getting to the level that we need to be to make a real difference for our customers.

You will have noticed that we have also been focusing on our housekeeping. In almost every

facility in the country we are repainting depots, lunchrooms and offices, repainting and signwriting trucks and bringing our image up to the level that sets us apart from our competitors.

This is a dramatic point of difference for us and doesn't stop at our Owner Drivers vehicles and depots but includes:

- the way we present ourselves ie uniforms/office team members' attire
- the way our offices look, are they clutter free? Do we have junk everywhere?
- how clean and scratch-free are our fork-lifts?
- are our lawns and gardens tidy and full of new growth – not dying weeds?
- are our toilets up to a standard that we can be proud of?

As Craig Evans has always said "it is soul destroying and demoralising for our opposition to see a clean Mainfreight truck with an Owner Driver looking sharp in new uniforms day after day after day".

Our immaculately presented depots, regardless of age or how long we have to go on our lease, is one of our greatest sales tools and should be used more regularly.

Over the next six months we will continue to fine tune our Depot Systems, Departure/Arrival times and Customer Service as well as focus on the following **things to do better for the rest of the year:**

- Our debtors collection percentage (how quickly our customers pay us)
- The quantity and value of credits we process each week
- Our loader error percentage (error rate per 100 consignment notes)
- Our load efficiency percentage (how full are our trucks/containers)
- Our Chep and Loscam balances (these MUST be in credit at all times)
- Have housekeeping in all senses of the word foremost in our thinking.

The next six months will set the stage for an exciting period of growth for Mainfreight as we add significant revenue growth to our business, based on solid operational quality systems and superb customer services.

Melbourne – Glenn Reed

We are finally getting closer to the numbers we need in our sales team with the recent addition of a number of young, energetic and entrepreneurial go-getters who are getting in front of the myriad of good prospects available in the Melbourne marketplace. We are beginning to get some decent wins with substantial chunks of new business starting to come through the door; this should begin to show in vastly improved freight sales compared to last year.

We need every bit of quality revenue we can get this year as we have a much bigger profit target of AU\$6.41 million to meet – this by the way will make us the biggest branch in the Group!

Our revenue and profits for the new financial year are satisfactory this year without being exceptional and there is a real focus on improving margin through better utilisation of both the PUD (Pick-up and Delivery) fleet as well as the all-important linehaul.

Recently, we made the decision (perhaps the marketplace made the decision for us) to get into the home delivery market with some gusto and have decided the most effective way of managing these deliveries is with our “Tonkas”.

The real focus on linehaul departure times by all branches is certainly helping the margin improvement with units arriving in on time allowing the Transport team to minimise the use of outside

Tenille – We are Proud of You!

Tenille LaBrooy was our Customer Service Manager in Melbourne until she got sick two years ago. Many of the team still keep in touch with her and she finally came in for a visit in mid-May. She has been in hospital pretty much for two years straight, with time in rehabilitation centres as well. We were pleased to be advised that finally she is getting to go home and be with her family to continue her recovery.

It was great to see Tenille. Her determination and positive attitude should be an inspiration to us all.

We received the following note from Tenille's mum, Desi, after the visit:



Our Tonka Team: L-R: Devon Ng-Youne, Liem Bui, Vince Nguyen, Mike Huu Thanh Mai

contractors. We need to keep this going!

The introduction of the Training Centre has been very well received by all the team members who have been through the course. Without exception they have all come back

with improved knowledge, real vigour, and a few stories about “bonding” escapades!

Thanks for your efforts team. Keep it up and continue to delight our customers!!

Hello Glenn

I would like to convey my thanks for the wonderful welcome you gave Tenille yesterday. You have to know what a boost it has given her as her confidence has suffered considerably these past couple of years.

She was made to feel an important cog in the wheel of Mainfreight, and as we see it, like returning to family.

The gift of her wheelchair is beyond belief and will ease the load for her.

The flowers are beautiful. She proudly carried them in her lap as I wheeled her back into the ward last night. Of course all the nursing

staff heard all about her day at Mainfreight spent with her friends.

*Kindest regards
Desi*



Sydney – Mike Reid

Where is 2011 going!!! Like all our other brothers and sisters around the country, we have been sending team members each month to Melbourne for the five-day Domestic Course. The feedback has been great and most attendees are coming back pumped and ready to take things on board.

This training can only help with our main focus for 2011 – to improve on quality. If we continue to focus on our quality the results will show and hopefully lead us to a record year.

At the beginning of April we said farewell to Ray Freeman after 8 ½ years with Mainfreight Sydney. Ray joined our team in October 2002, and played a significant part in growing our revenue for the branch. He was also a mentor to so many team members in Sydney and was highly respected and admired by all who worked alongside him. Ray and his wife Lorinda have moved to Numurkah in Victoria to pursue a lifelong dream of settling down on the farm.

Ray making his farewell speech



Townsville – Jay Bax

We are a brand new motivated team of four who are committed to turning our branch around by utilising all of our combined entrepreneurial skills to increase revenue.

Our close knit family includes Shane Bird of Mainfreight International who is an integral part of the team.

Townsville's first Owner Driver is due to start in the month which will add to our capabilities.



L-R: Jay Bax, Craig Newham, Marla Costabeber and Shane Staunton

Chemcouriers Sydney – Kris Williams

With the help of Mike Reid and his team we have now moved to our own dedicated office and depot space within the Mainfreight terminal and now load our own unit to Melbourne.

We will commence services to Brisbane and Adelaide in the next two months with these units being loaded back to us as well.



Our new office



Including our new Quality Board

Our team is fully trained and now more customer-focused with Jody Savage joining us in customer services.

Our major focus is revenue growth with two of us in the marketplace on the lookout for new business.



Our pride and joy: Our dedicated B-Double (33 tonne and 135 m³ unit)

Australian Logistics – Kevin Bradley

Thank you to all our team members for your contributions during the past financial year. While the overall financial result was less than profit pledges, we have been able to create some solid foundations on which to build a successful business.

We have set a realistic profit target

for this financial year and to achieve our goals, we need to build on the foundations and focus on basic fundamentals. In particular the following are areas that we need to do better in the coming year:

- Recruit a grad in every branch
- Get it right the first time

- Win more new business
- Ensure our warehouses are absolutely sparkling – the best presented in Australia
- Find ways to improve quality and margin
- Work more closely with other brands to find new business opportunities.

Noble Park, Melbourne – Aladin Basic

The Noble Park branch had a successful 2010/11 with a positive end of year result and our very first profit plaque. The successful outcome can be attributed to building growth, rising to new opportunities and strong branch morale.

With an increase in customers pursuing in-house warehousing and the change to the Noble Park

model, we have had to develop a stronger focus on sales growth, both from our current customers and also in pursuing existing relationships with our Transport and International customers. While the movement of pallets out of Noble Park has had an impact on our bottom line, it has opened up significant opportunities for our sales function.

The key focus for the Noble Park branch is to acquire new clients within the dangerous goods area. However, our business is open to other clients in varying product categories. In the first month of the new financial year, seven new clients from a broad range of product categories have been acquired with an estimated 800 pallets in volume.

Somerton (Melbourne) – Hamish Woods

Welcome to 2011! We have had an exciting start to the year with the activity across our existing customer base. The team has been very flexible in adapting to the changing requirements of our customers, and has demonstrated a high level of practical thinking and team work. A big thank you to everyone for your efforts.

As part of our Group initiative to ensure our team members are cross trained across our business, Wayne Harris from our IT team has spent the last couple of months at the Somerton branch to get an understanding of our Logistics operation. To date, Wayne has spent time in our inwards and outwards teams and has worked across a number of our customers. Wayne's next challenge is to gain a



more intimate understanding of our operating system. Wayne has been able to come up with some very constructive suggestions towards improving the way that our

technology can work better for us and we look forward to seeing some of these changes. Wayne can be seen above using the RF guns in our specialised environment.

Contribution from the team:

Giddy, my name's Dick Venkort or Dicko to my fellow team members.

I've been with Mainfreight for just over four years now and have worked at our Campbellfield

and Somerton sites. My key responsibilities involve dispatch and receiving. I load and unload our incoming and outgoing freight and I also do the shuttle every night.

There are a number of tasks that are involved with preparing the shuttle. I check the outgoing orders to make sure that the orders have been picked correctly. Once the orders are finalised and the con

notes are matched up with the invoices, I label the freight and attach the invoice. I consolidate all loose cartons on mixed pallets so they are ready to be sent over to our Transport business for distribution. I speak with MFD throughout the day in order to ensure we have the right pick-up vehicle for our freight. We have been working very hard on this communication with MFD to ensure this process runs smoothly.

One of the things I like about working for Mainfreight is the culture. I see this as a valuable tool not only at a branch level but also out in the market place as a selling tool for the company.



Dicko in action

As a team we still have a number of challenges to conquer this year and I am confident that we have what it takes to have a rewarding and

successful year. I'm looking forward to it! Thank you again to the team.

Sydney Road (Melbourne) – Colm Scully and Brad Greer

What a whirlwind seven months it has been here at Mainfreight Sydney Road. From the opening day until now, it feels like we have not had a moment to sit back and reflect on some of the great achievements the team here has made. The team has put in some long hours, shown a huge amount of dedication and now the results

are really showing through.

Like everyone in the Group, we have had a real focus on our housekeeping over the last few months but unlike most we started in a position of a new warehouse and we had to maintain it at the standard we received it in. As a team we decided that we wanted to keep this as one of the best

examples within the Group and ensure that we would be happy to show it to any customer, either existing or prospective.

As we to look towards the rest of the year there is a lot of hard work ahead but we look forward to growing into the remaining space in our warehouse and exceeding the goals we have set for ourselves.



Perth – Jesse Gray-Morgan

Over the last three months we have conducted a comparison between the electric counter balance fork-lift versus the traditional gas powered fork-lifts. Naturally the team were a bit sceptical but, as always, we're keen to bring new efficiencies to our business.

The results of the electric fork hoists speak for themselves:

- No dust/fumes/heat from machines
- Cannot wheel spin machine/ minimal tyre wear
- Very quiet

- Full charge lasts around 8 hours (warehouse conditions)

Cost wise in warehouse conditions our gas trucks use 5 tanks per week (\$150) compared to the rate of \$4.25 per charge (\$21.25).

Overall the team love these machines and we all speak highly of them. If you have any queries please feel free to call Jesse Gray-Morgan +61 449903999 MFL Western Australia.

Prestons (Sydney) – Kris Maddaford

Mainfreight Logistics in Prestons has been through a number of team changes of late with a couple of our stars transferring to Melbourne and the departure of Thomas Steel and Shailesh Bhuthadia back to their homeland of New Zealand leaving the Branch and Operations Manager roles vacant.

At last we have started to get the balance right with an Aussie in the Ops Manager role in the form of Shane Zielonka taking up the challenge, but conversely yet another Kiwi has made it through customs with Kris Maddaford assuming the role as Branch Manager. A big thank you must be passed onto Thomas and Shailesh for their hard work building up this branch over the last couple of years to easily overreach its profit target.

Operationally, our storage, inbound and outbound volumes continue to rise. The target going forward is training and up-skilling our new team members so we can convert as much of this revenue to the bottom line as possible through quality and efficiency.

Hemmant – Paul Fraser

Hi there one and all. I have just completed the May 2011



Electric fork-hoist in action



Ray Burgess teamed with Jan Philips completed another 100% stock take for one of our elite customers

Mainfreight Outward Bound; it was a challenge that I thought would be

too difficult for an old bugger like me! I found it built team unity, gave me the confidence to lead and attack new tasks without fear. We were fortunate enough to have six Yanks, four Kiwis and four Aussies, a great mix. The entire team toughed it out and ended up the best of friends. I recommend this to all who are offered the chance, and appreciate Mainfreight's initiative, as this was life changing in some way for all concerned. The experience, especially for the Americans, showed us all that blue blood is earned not given.

"There is nothing to fear but fear itself".



Mainfreight International Australia – Steve Thorogood

Although the last financial year threw up many challenges for our team, whether they be personal or business, we are pleased to be able to report that we finished the year ahead of last year. Although we had increased sales revenue growth of around 18% and were able to control costs we unfortunately were unable to hold our margin percentage up, and this is a clear focus for this financial year for all our team as we strive to achieve the ROR (return on revenue) levels expected.

The economy in Australia is still two paced, with the booming mining and resources sector still going strong and with many large projects coming on line, but the retail and fast moving consumer goods sector continuing to be flat. This does not mean with the available market share that there is still not a huge amount of opportunity out there for our branches around the country.

We must continue to pursue sales growth aggressively and be consistent and proactive in our account management and customer service offering to our customers. This can only be achieved through a positive attitude from all the team. As they set their own personal goals at home and in life, the team must also have goals at work as to what we are offering the customers and set out to



Ralph, Matt, Greg and Werner at the award ceremony

achieve those with hard work, calculated risks and positive attitudes. We must continue to build strong relationships at all levels with all our customers.

At the recent March 2011 National Branch and Sales Conference, Shane Bird was awarded the International Sales Executive of the Year award (photo below). Shane has also recently moved from Brisbane to Townsville to take up the drive and development of our International branch in Townsville along with our Transport team.

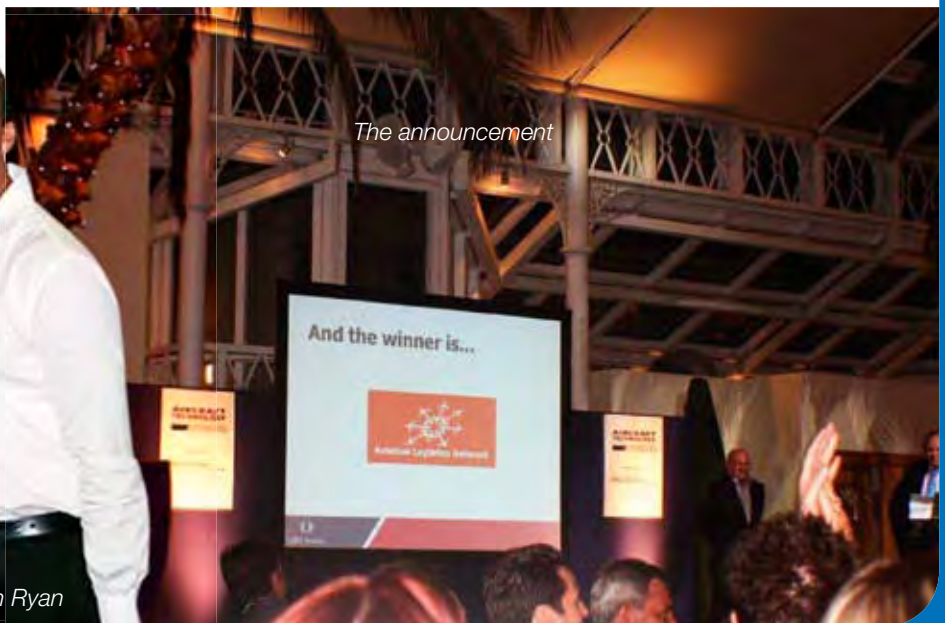
In the last 18 months we have established some vertical niche

markets that we are driving in Australia with our overseas network. Those include: Aviation Logistics, Wine and Spirit Bulk International Logistics, Chemical and Plastic Bulk International Logistics, our Car, Boat, Motor Bike Logistics product mainly from the USA, Seed and Grain International Logistics, Perishable and recently our Project and Mining Division.

In April 2011 at the Global Aviation Industry Conference in the UK, Matthew Mudge and Greg Giarratana were there to represent Mainfreight as the Australian member of the Aviation Logistics Network as we received the



Shane Bird, Rodd Morgan and Brendan Ryan



The announcement

Aviation Technology Industry "Logistics Provider of the Year Award". We were up against major competition including the multi-nationals for the award.

Ongoing training and education is a key part of the Mainfreight business and one of the courses in International is our four-day International Trade Course, which continues to go from strength to strength. Being able to have team members meet in Melbourne at the Training Centre and as part of the course visiting key facilities such as perishable, port facilities, freighter aircraft etc and listen to senior team members speak, as well as industry participants such as Customs and Quarantine is excellent.



Team at the International Trade Course held in May 2011

The continuing experience and training provided to our team is critical. One of those experiences is the Outward Bound experience that

many of our team have been involved in. Below is a brief account of Travis Dellar's experience.

Outward Bound – Travis Dellar

I was recently one of the lucky few selected by Mainfreight to attend an Outward Bound program in New Zealand. Outward Bound's programme takes people outside their comfort zone, require people to be courageous and to consider unusual situations and make decisions. Personally for me to be able to experience the programme with a diverse group of Mainfreight team members from New Zealand, Australia, Asia and the USA was one that has left me with a completely different outlook on life.

Without giving too much away for those of the Mainfreight Team that may get to experience Outward Bound (part of the experience is not knowing what is next) there were a number of activities over an eight-day period that pushed our team both mentally and physically to a level that most of us had not been before.

Every Team member from my group was privileged to have been able to take away many team-oriented and self-guided learning experiences and apply them in our daily work

and home lives. The experience of Outward Bound was not only about learning physical, emotional and mental pressure but also just a great time with other Mainfreight team members that in one week became great mates. From tears to laughter our team experienced nearly every emotion possible but we all agreed over a cold beer on day 8 that we are better people from the Outward Bound experience and were very privileged to have the opportunity.

Our team in Adelaide has been successful in handling some different International movements recently.

The first was in conjunction with Dachser in Germany and involved the importation of 341 tonnes of machinery for use in the mining industry in South Australia. This consisted mainly of crates (pictured) each weighing 73 tonne containing water pumps to assist in drawing water from up to 7 km away from the mine to supply the water to the drilling device. The movement required heavy haulage, pilots, police escorts and all



Jon Francis in front of one of the water pumps

manner of organisation between Melbourne, Adelaide and the final destination of the goods.

The second, which is an ongoing project, is the importation of “portable Ikora Housing Units” that range in size up to 48’ which are transported from our China and South East Asia areas to Australia and delivered to sites such as the mines.

Our International teams, through the direction of Rob Cotter, have been working in recent months on streamlining the data connectivity and integrity between our business and also our global order management. In April 2011 team members from our International business all got together in Hong Kong to process, map and work through breaking down the order management processes by transport mode and then coming to a solution and plan



Example of the Ikora Portable Housing

for going forward. Then the final stage was the implementation process back into our business and this is moving quickly under our “ready, aim, fire” attitude.

A big thank you to all our team, both long serving and new, for their commitment, passion and dedication to offering the best service to our customers.

Our body is made up of many parts, so is our team which together brings a group of individual skill sets to provide the “best service in International Logistics”.

With a positive attitude we can achieve.

The International teams working together to identify solutions in Hong Kong.



OWENS

Owens Transport Australia – Cameron Clode

What a difference a year can make! We clawed our way back financially so that we are now targeting a much improved profit, our Brisbane branch won Branch of the Year, and Scott Beauchamp won Salesman of the Year for our group freight businesses. More importantly we are looking forward to what will be an even faster, more exciting coming year.

In what was an exciting achievement for us, our Brisbane branch won the Australian Branch of the Year. The award was presented to Dean Ashton (Branch Manager) at this year's Annual Branch Manager and Sales Meeting held at St Kilda in March. This award is great recognition for our Brisbane team and the growing Owens brand in Australia.

The team's hard work in obtaining our own site in Brisbane and the day to day high quality of service delivered by all team members contributed to the achievement of this award. A big congratulation goes to our Brisbane team – Well Done.

To top off the Branch of the Year Award, Scott Beauchamp (based in our Sydney branch) was awarded Sales Representative of the Year. Scott achieved this award in his first 12 months of working in Australia and in the container transport industry. The support given to Scott from fellow sales team members within Owens no doubt helped him achieve this award.



Scott Beauchamp receiving the Salesman of the Year award from Rodd Morgan



Owens Brisbane team with the 2011 Branch of the Year award

L-R Jamie Davis, Matt Termin, Shareen Ali, Des Bertram, Terry Tsieh, Mick Kruetzer, Gordon Simpkins, Dean Ashton, Alan Milliner, Darren Copland, Bob Barnham and Niki Londy

Our Melbourne branch continues to improve. With our own site in Laverton North (now gleaming in Owens livery) our transport margins have improved by over 10%. With our sales focus and ability to offer a full suite of services, we have great potential for substantial growth in Melbourne.

Our Sydney Depot branch continues to break records with increased container volumes being unpacked and packed. Our move to Botany is paying dividends with increased opportunities and our brand is being recognised as one of the superior service providers in the Sydney market.

Sydney Transport has had many challenges over the past few months. The introduction of legislation on how containers are handled at the wharf, reduction of team numbers, increased working days and variable container volumes have been overcome by a very experienced team. Through difficult times our Transport team

can be proud of their achievements and the branch's financial improvement from the previous year.

We are pleased to announce that we will be soon starting Owens in Perth. With the strong call from the Mainfreight brands in Western Australia that a container transport service is needed, we will spread our wings to the other side of Australia and commence in August 2011. We will initially offer container transport and metro freight movements. We believe the business will then move to a full service delivery model similar to the East Coast in 2012. Other opportunities in Adelaide, Townsville and Newcastle are also being investigated.

As we continue to evolve our business and look at new opportunities, we all need to contribute ideas, no matter how small. We need to drive our PAT meetings, support our brothers within the Mainfreight group of

companies and most importantly continue to work as a team. We must also always remain very conscious of the Three Pillars of Mainfreight – Culture, Family and Philosophy.

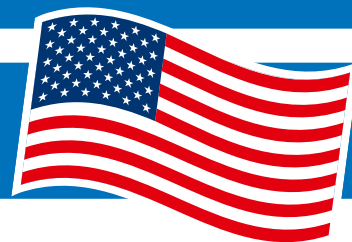
One of the key factors in the growth of our business – image – must always be to the fore; spotless trucks and tyres always blackened. Our warehouses are spick and span so we could eat off the floors. Ensure our team members are well presented, uniforms where applicable, men clean-shaven and everyone dressed appropriately for their roles.

In a very competitive market we need to ensure we keep ahead of our competition. Drive IT improvements, look at alternative ways of doing business and look for different segments of our market where we can make a difference. Most importantly, let's enjoy the journey and have some fun on the way.

First Owens branded tautliner in Brisbane – Owens Interstate anybody???



United States



Mainfreight USA – John Hepworth

Mainfreight USA as a team is continually building its business plan and commitment to be a profitable business in 2011/12. After feedback from our branches and a team building exercise at our Branch Managers Meeting in Manhattan, New York we are focusing on six main areas this financial year;

1. PROFITABILITY
2. Continuous Improvement
3. Trade Lane Specific Selling
4. Everyday Freight
5. Margin Improvement
6. Confidence –
WE HAVE WHAT IT TAKES

We have established domestic line-haul between the below cities, this past year, with new lanes continually opening. Our aim is to have our five main centers (Los Angeles, Dallas, Atlanta, Newark, and Chicago) being our main hubs that feed each other and all surrounding offices. This is a big change for our sales teams so they now need to focus on “Trade Lane Specific Selling” and “Everyday” freight to build these units into profitable line-haul.

Los Angeles – Newark –
Los Angeles

Newark – Toronto – Newark

Philadelphia – Newark – Toronto –
Philadelphia

Chicago – Toronto – Chicago

Los Angeles – San Francisco –
Portland – Seattle – Portland – San
Francisco – Los Angeles

Los Angeles – Columbus – Chicago

Austin – Dallas – Los Angeles

Atlanta – Memphis – Los Angeles
– Atlanta

Our domestic shipments were up 30% as we continue to build our Owner Driver program throughout our network which offers a better service and gives high visibility to the Mainfreight brand throughout USA.

Our trans-border divisions also performed well with Canada growing 80% this year. Our partner Sameday (part of the Dan Ross and McCains group) in Canada has been an influential part of our growth. We launched our Mexican trans-border division this year and handled over 550 shipments in less than four months. We are very excited about this area and are looking at opening up in Mexico City in 2012 as well as opening branches along many of the Mexican/USA border crossings.

Our Warehousing has become an integral part of our sales process when discussing Global Supply Chain with our customers. Customers today are wanting “one-stop” solutions and with over 25 warehouses around the USA we can offer many services from pick and pack, cross dock, or long term storage. With this product only being sold this year we are very excited to see our revenues over \$3 million and growing quickly.

Our International division has over 20 air freight consolidations to various areas of the world on a daily basis, and continues to grow as we build confidence in our sales ability to sell specific markets. International grew this year by 39% in revenue, with large growth in shipment numbers from sea freight (up 235%), and customs brokerage up (154%). With strong focus on key markets and ensuring our

teams continue to improve processes, and communicating strongly both with our overseas offices and customers, we can expect to create a better margin return on every file which will make 2011/12 another exciting year for International.

Mainfreight USA is well set for another strong year of growth with all our products well established and doing well. We expect to open more branches throughout this financial year as we expand our reach within the USA. We have many new graduates joining our program, now over 20 graduates at various different stages of their training with us. With their ambitious drive we will have our first set of young branch managers setting up our small satellite branches this year. We are all looking forward to 2011/12 fiscal year.

Branch Managers Awards – Night on the town in Manhattan

This was the first year a branch was named **USA Branch of the Year** – with a individual winner for each of Mainfreight and CaroTrans.

Mainfreight offices compete against Mainfreight offices to determine the MFI branch of the year. The Mainfreight I.C. offices, our Independent Contractors, compete against each other to determine the I.C. branch of the year.

The winner for the year for Mainfreight was Houston, the runner up Dallas, and the winner of the year for CaroTrans was Boston. **The overall winner for both companies was Mainfreight, Houston.**



*Overall Branch of the Year – Houston
L-R: John Hepworth, Brian Culver, Bruce Plested,
Greg Howard*



*IC of the Year – San Francisco
L-R: Vince Lotti, Michael Schweinberg, Jay Bellin,
John Hepworth, Jim Andrews*

They get to enjoy a Bruce Springsteen guitar signed by the “E-Street Band” and Bruce Springsteen, himself, for one year. Then it will be up for grabs again next year and be moved on to the new “winner” or will Houston retain the trophy?

I.C. Branch of the Year for Mainfreight was San Francisco, run by a great team of leaders. Runner-up in the I.C. branch was Tampa – it was a close call.

Customer Service Award
Mainfreight takes customer service seriously so this year we put a “Customer Service Award” in place. Every month all branches vote a team member from another branch who has shown superb customer service. This is an award voted on by your peers and nominees can be a branch manager, international and domestic operations, customer service, warehousing, IT, and accounting team members.

Congratulations to Greg Sutton from our Mainfreight Service Center who was very surprised when we flew him in from Phoenix, Arizona to receive his reward.

The Pickle Award
The Pickle award was another new award for Mainfreight USA. Michael Benjamin our Chicago branch manager was the overall winner out of seven nominees. Michael went above and beyond the call of duty. Our south bound truck from Toronto got turned back by US Customs on a Sunday night which meant there was no truck in Chicago on Monday morning as scheduled to load our 50,000 lbs. Our partner Same Day dispatched another truck but that didn’t show up until 11:00pm on Monday night. Michael elected to stay and load the truck with the driver until 4.00am in the morning when the driver started back to Toronto, Canada.

Our customers had no idea what happened and we are happy to say service expectations were met. All other nominees are posted on Connect USA.

Sales Person of the Year
The 2010 fiscal year was our first time to recognize the Mainfreight USA Sales Person of the Year. We did not base the recognition solely on revenue, but focused more on profit and a series of KPI benchmarks. Each month we calculated the scores and secured specific feedback from branch managers.

The results were very close and we are proud of all the top finishers. In the end, there was a clear winner – Silvia Mueller-Thompson in Los Angeles. We also want to congratulate Peter Burke, Tom Zalesky, and Scott Eranger for breaking the \$1 million mark!!



Greg Sutton - Customer Service Award



*Michael Benjamin
The Pickle Award*



*Silvia Mueller-Thompson
Sales Person of the Year*

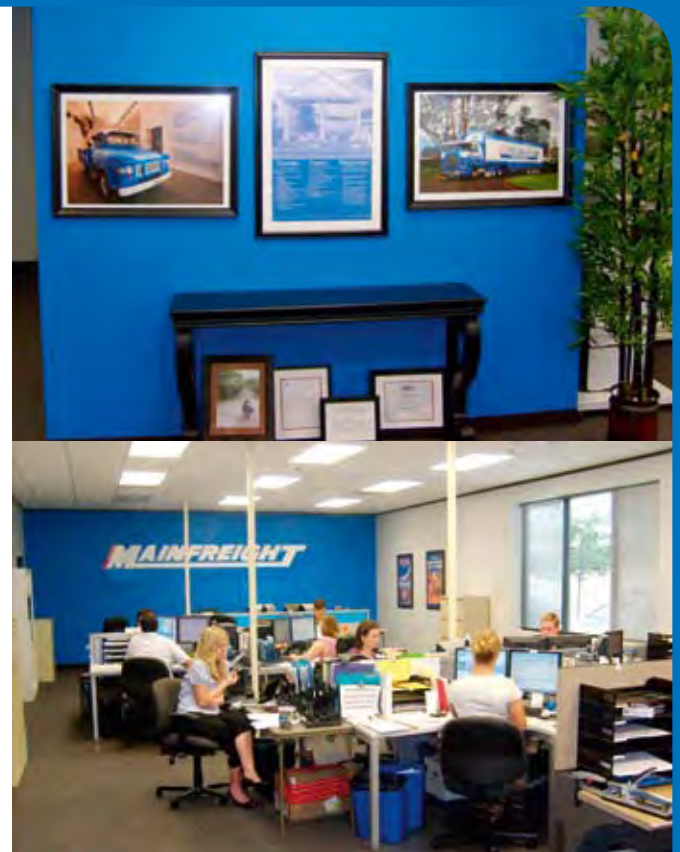
Austin Moves into New Office with a Mainfreight Influence

Mainfreight Austin (one of our successful franchises) recently moved into more space. Due to the economic downturn, it was a fantastic time to be moving and we were able to take on more (brand new) space, fit out the office to our specs, and still reduce our total rent expense. We designed the office with an open plan including low cubes so everyone can see each other like the ones we saw in New Zealand last year.

We asked the team if they would use a gym if we built one, and they all answered they would but only if we also had a changing room with a shower, so we added that as well. Our gym (complete with TV/cable) includes an elliptical, treadmill, multi-center free weights and heavy and speed bags for boxing. We also installed a TV in the main ops area, for use with training and eventually to display KPI's and metrics (and having it on with the sound off during important

occasions like the football draft).

We had some drama with our signage. We had to purchase new external signs to comply with the building codes. Therefore, we arranged for our old 18 foot wooden sign to be taken down to be used as decoration inside the new building. However, when the sign company took the old sign down, they goofed up and disposed of the sign. In fact, since it wouldn't fit in the dumpster they broke it into pieces before putting it in the dumpster. When they realised their mistake, they agreed to build and install a large brand new sign to hang on



our wall in operations! We welcome everyone to come see us at our new location the next time you are passing through Austin!

Mainfreight USA adds Mexican Trans-border to our Menu of Services

The mysteries of Mexico are over!!!! Mainfreight USA is able to efficiently and effectively provide Global Supply Chain Logistics throughout Mexico. We offer domestic door-to-door service, in-bond transits via less-truck-load, truck load, International imports and exports, customs brokerage, warehousing and countrywide distribution.

Our customers are increasingly seeking a single solution provider to manage their supply chains south of the border. Mainfreight has created a working model to accommodate all modes of transportation from the United States to Mexico, or Mexico to the United States, and now within Mexico, throughout the Mexican market.

The trade relationship between the United States and Mexico is of



such importance to both countries that proposed changes in tariffs and truck accessibility were recently announced by President Obama and President Calderon with expected implementation before the end of 2011.

Mexico Support Center (MSC) has been created within our San Diego branch to manage this product. This department will guide your customer's shipments through customs then beyond to the ultimate consignee.

This product has been designed to allow total flexibility; what's the old adage? "The shortest distance between two points is a straight line". To that end we have expanded our border crossing to nine city pairs in which the Mexican US border can be effectively crossed.

(San Diego, CA –Tijuana, BCN; Calexico, CA-Mexicali, BCN; Nogales, AZ-Nogales, SON; El Paso, TX-Cd. Juarez, CHI; Eagle Pass, TX-Piedras Negras, COA; Dolores, TX-Colombia, NLO; Laredo, TX-Nuevo Laredo, TAM;

McAllen, TX-Reynosa, TAM;
Brownsville, TX-Matamoros, TAM)

Mexico is the United States' third-largest trading partner. In this global market every company in America does business with Mexico. It's normally not managed by the international department, or even the domestic transportation department. More often than not, due to the complexities of this country, it's handled in an area that is not associated with the other transportation departments.



Mainfreight USA becomes a CRAF partner.

Mainfreight USA Government Division- recently became a CRAF (Civil Reserve Air Fleet) partner with Ryan International Airlines in the US Transcom CRAF program. This will give MFI the authority to handle any US Government shipment to and from any point in the world. In addition, MFI has become an awarded carrier on the WWX4 (World Wide Express) contract. This contract is mandated for all US Government facilities for shipments 151 lbs and up to and from anywhere in the world.

Mainfreight is one of nine carriers that were awarded this contract. Frank Crossan, Director of Government Services, and George Frey, Vice President Global Accounts have been visiting Defense Depots, defense

contractors and military bases with MFI sales teams to ensure Mainfreight gets their share of this contract.

There are many US military bases and defense contractors in Europe, Asia, and Australia. Mainfreight, by becoming a CRAF carrier has a golden opportunity to expand its presence worldwide in the Government marketplace.

FMS – Foreign Military Sales is another large segment of Government business for foreign governments buying Defense equipment from the US Government. The transportation of these shipments is controlled by the foreign government. What they spent on FMS for 2009-2010 was



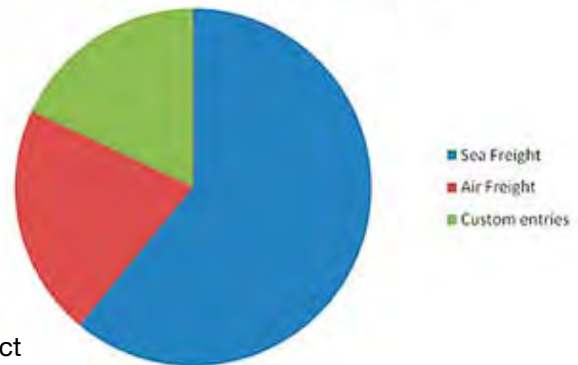
\$42 billion US dollars. The Mainfreight USA Government division is ready to work with its overseas team members to develop Government business worldwide.

Global Shipment Update

Mainfreight's Global International products have grown well over the past year.

Sea Freight		
Shipment numbers	325,500	up 15.9%
Container numbers	183,000	up 22.4%
Air Freight		
Shipment numbers	115,000	up 14.5%
Kilogrammes handled	58,100,000	up 13.2%
Customs Brokerage		
Entries	96,000	up 13.9%

International Shipments



We can see from the graph that sea freight is our main product with 61%, followed by air with 21% and finally customs brokerage at 18%. Our export product (including sea and air) is 53% of our business mix and imports at 47%.

CaroTrans – Greg Howard

The year end accounts for 2010/2011 were just finalised and in true form, the CaroTrans team delivered record breaking results:

Revenue increased: 33.2%
to US\$150 million

Margin increased: 15.9%
to US\$28 million

ROR increased to: 6.9%

Profit before Tax increased:
43.9% to US\$10.3 million

Based on these results, CaroTrans is the first International division to break the \$10 million mark ... a pity that the exchange rate is so low!! This sets the foundation on which we will build a bigger and stronger CaroTrans.

Having learned valuable lessons from the prior year, the team stayed focused on cost containment, cash collection, sales growth, exceptional customer service and teamwork. These remain critical components for continued growth and profitability during a period in which margin compression is a daily occurrence.

During the past year, we experienced steady and consistent export LCL (less than container

load) volume. We saw export FCL (full container load) volumes rebound in 2010 to record levels as exporters shifted more volume to NVO's instead of committing all their volume to the shipping companies. This trend appears to be a more permanent market shift due to the added flexibility and varied services offered by the NVO's.

Growth of our import LCL services tracks below expectation. This segment represents one of the greatest areas of opportunity and the renewed focus and commitment from the team will help bring about the change needed to increase growth of the highly profitable import services.

Entrepreneurial "outside the box" thinking, resulted in a sharp increase in the number of break-bulk and "roll on/roll off" shipments handled. We've quickly become better known for our expertise in shipping boats, heavy mining/construction equipment, asphalt plants and motor vehicles.

Building on the momentum, we opened a new branch in Dallas, Texas, expanded our Asia branch

network with branch openings in Tianjin and Shenzhen, we established CaroTrans Chile Ltda in Santiago, and have plans to establish our 14th USA branch in Seattle, Washington before the end of the year.

Understanding the difficulties faced by our colleagues in the Canterbury region following last year's devastating earthquake, the CaroTrans team put aside their own interests to focus on helping those in need. In combination with donations/contributions from vendors and clients, CaroTrans team members reached into their own pockets and raised \$12,412!! for the Mainfreight Canterbury Relief Fund. We are very humbled by this unsolicited effort. Saying thank you to each team member seems hardly enough.

Thanks to the team for delivering these wonderful results and for having the attitude and dedication which make us a very special company. What we've accomplished is beyond what many may have expected and clearly illustrates that "with passion, anything is possible".

Branch of the Year – CaroTrans Boston

What started out as an idea sketched out on the back of a bar napkin at the Ninety-Nine restaurant in Boston, the opening of the Boston branch in 2006 proved to be right from the start. The team embraced our Ready-Fire-Aim mantra and set their sights on winning Branch of the Year.

Often referred to as "The Little Team That Can", Boston recorded outstanding numbers: 88% increase in profit, 76% increase in sales, margin improvement of 35% and exemplified the CaroTrans standards.



Michael Forkenbrock presents Joe Pimentel with the Branch of the Year award

Salesman of the Year

In recognition of his outstanding performance, the 2010/2011 Salesman of the Year was awarded to Lorenzo Cometa from our Chicago branch.

Lorenzo's conscientiousness, work ethic and drive have earned him the reputation as being someone who gets the job done. As a key member of the Chicago sales team, Lorenzo has taken on many tasks and challenges which are beyond the call of duty.

He is committed to quality work, supportive of his co-workers,



Lorenzo Cometa accepts the Salesman of the Year Award from Michael Forkenbrock

overseas agents and his clientele. Lorenzo is an asset to the Chicago

branch and the CaroTrans team. Congratulations Lorenzo.

CaroTrans Chile

For nearly two decades CaroTrans has been doing business in South America, and on April 18, we established a CaroTrans operation in Santiago, Chile to expand our presence throughout the region.

The opening of CaroTrans Chile signifies to our clientele that we are prepared to invest in our global infrastructure in order to provide local support and attention to our customers in South America.

Our team is led by Raul Katz and supported by Pablo Vidal, Crisley Santis, Pamela Reyes and Yasna Moreno. Raul has more than 30 years experience in the forwarding industry and since June 2010, has been our Latin American Manager based in the office of our former agent.

Pablo Vidal has over 11 years of industry experience including port



Back: Pablo Vidal & Raul Katz Front: Yasna Moreno, Crisley Santis & Pamela Reyes

operations, warehousing logistics and freight forwarding. A rugby player since 7 years old, Pablo played for a number of national teams before retiring from rugby three years ago. He is a loyal All Blacks fan and the first Chilean we have met who can do the Haka!

The backbone supporting the operations, Crisley, Pamela and

Yasna come from a diverse range of experience both within and outside the industry. This combination of experience, enthusiasm and passion makes for a dynamic and energetic team.

We welcome Raul, Pablo, Crisley, Pamela and Yasna to the CaroTrans Family.

NVOCC y consolidación de carga:

Carotrans International abre su primera oficina en Chile

La apertura tiene como fin brindar soporte al desarrollo y crecimiento en Sudamérica

Carotrans International líder global NVOCC y consolidador de carga anuncia la apertura de su primera oficina en Santiago Chile, para brindar soporte al desarrollo del crecimiento en Sudamérica. Con 20 años de experiencia haciendo negocios en Latinoamérica y con una red global de oficinas en los EE.UU., Asia y Oceanía, la nueva oficina ayudará a fortalecer la red de

operaciones en la región. Carotrans Chile Ltda. estará gerenciada por Raúl Katz, quien será responsable por el desarrollo del mercado en Sudamérica. "La apertura de Carotrans Chile está enmarcada dentro de nuestra estrategia de inversiones constantes en infraestructura global para así continuar con el soporte de nuestros clientes en la región.

Sudamérica es un mercado muy importante para nuestro plan de crecimiento y la inversión está orientada a brindar el más alto nivel de Customer Service a nuestros clientes y nuestra red global", comenta Greg Howard, CEO Carotrans International. "Con nuestra nueva oficina en Chile y en conjunto con nuestros socios estratégicos, Craft en Brasil, Overseas en



Argentina e Inca Lines en Perú, la presencia de Carotrans se verá fortalecida a través de toda América Latina". Raúl Katz, gerente de



Pablo Vidal, Office Manager de Carotrans International, y Raúl Katz, Raúl Katz, gerente de Carotrans Latin América.

Carotrans Latin América, dice estar "muy contento de poder liderar nuestra operación en el mercado Sudamérica, y estamos seguros de que

brindaremos el más alto nivel de servicio a nuestros clientes de carga consolidada y de contenedores, tanto en las importaciones como exportaciones". Para apoyar sus operaciones, Carotrans Chile Ltda. ha concretado un acuerdo con Ultramar Agencias Marítimas, quienes brindarán los servicios en los puertos de San Antonio y Valparaíso, y a través de todas las oficinas Ultramar a lo largo de Chile.

Don't Mess With Texas

While many hotels' elevators skip the thirteenth floor, there is no case of triskaidekaphobia at CaroTrans. Our newest branch in Dallas, Texas

is proudly referred to as Lucky 13! Matt Britton, originally from Auckland (by way of Baltimore), is leading the branch alongside Keith

Morris from Dallas. CaroTrans is the only NVO with a fully operational office in Dallas.



Before and after shots of the new Dallas branch

ELVIS Rocks In Cleveland - Contributed by Chris Wilson

Elvis Donkoh operates the Children's Home of Hope in Ghana. My neighbor has been working with his organisation to raise money for his home in Ghana. Elaine Yeager, Krystle Bouchahine and myself participated in the race on Saturday May 7, 2011. Elvis is visiting Cleveland to raise money for a new building for his orphans. Orphaned children in Ghana are a real problem and the orphans cared for by Elvis's organisation are the result

of parents who died of AIDS-related illnesses.

I am very thankful to Elaine and Krystle for showing up for the race. After learning more about Elvis's orphanage we will be looking for another fundraiser to raise money for his orphans. Currently, Elvis has 17 children in this orphanage and the costs to feed all 17 are \$600 per month. After speaking with Elvis, we learned you can buy a

nice piece of land for about \$4,000 and raise goats and vegetables. This would be a much better solution and sustain the orphanage and offer some basic meals on a daily basis. Goats cost about \$30 each and we think we can help him raise enough money for the land, 30 goats and some crop seeds to get started. It is an ambitious goal, but after spending time with Elvis, we all believe it is a worthwhile goal and very important.



L-R: Krystle Bouchahine, Elaine Yeager, Chris Wilson, Elvis, Debbie Nash

Outward Bound – contributed by Jose Chariez/ Jorge Montoya

Our experience at Outward Bound New Zealand is something that nobody on our team is ever likely to be able to forget. It was an amazing privilege to spend a week training with some of our company's best and brightest. It was an opportunity to create lifelong bonds and share in the culture and values that our Company has been built on. Being able to complete the seemingly impossible challenges that we had to overcome was nothing short of inspiring. Our knowledgeable and insightful O.B. instructors pushed us all beyond what we initially thought our limits were. Only to find out that whatever limits we thought we had were purely in our own minds. They helped us bring



Jose - can you see?

out the best in our own abilities and showed us ways to get the best out of each other as a team.

The intensity of the physical and mental obstacles we had to endure was only matched by the extreme beauty and serenity of the lush New Zealand wilderness. There is no

doubt that the seven days of eating clean food, breathing clean air and focusing on the basic things in life had a profound impact on how each member of our team lives going forward. As hard as that experience was, we're all grateful that we got to be a part of it.

CaroTrans Miami – “Ready Set Run” – contributed by Kika Veiga

Ready-Set-Run for a good cause. An objective was set and a goal was met for the CaroTran's Miami branch employees as they ran, trotted or walked alongside more than 25,000 other foot racers to raise money for the American Red Cross.

On April 28, 2011 the south Florida CaroTrans team members took to the streets of downtown Miami to participate in the annual Mercedes Benz Corporate run. An event that

has become the largest 5K race in Florida, and the third largest in the United States, making this year the 26th anniversary in Miami. Everyone that participated as a CaroTrans team member or guest was proud to be part of this successful yearly event.

Along with working as a team to reach another ultimate goal, there were many fine reasons to join other corporate Miami racers on this five-kilometre spree. In addition

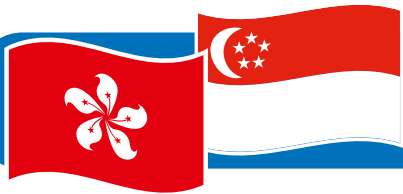
to the event being geared toward raising money for charity, it was also put together to promote a healthy lifestyle at the same time create a relaxed atmosphere for meeting and exchanging knowledge of businesses within our area and beyond.

The noise of triumph was heard as each team member and a few of our invited guests challenged the final stretch of pavement and crossed the finish line with elevated fists of victory. A job well done to all that crossed the final mark, be it the first placed winner or the winner that brought the race to a close. Our hearts pounded a tune of success and our adrenaline raced at an all time high. A healthy employee makes a healthy company. As the evening progressed, greetings, handshakes and conversation with new acquaintances certainly carried in the twilight hours with a more spirited ending.

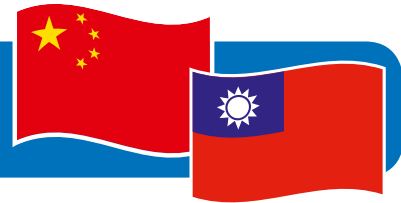
CHEERS to a good Race! See you next year.



CaroTrans Miami Team Run



ASIA



Mainfreight Asia – Michael Lofaro



Coverage of our office structure in Asia... more to come... stay tuned!!

Asian region is an exciting challenge, one your Asian team is looking forward to tackling... but it is also a challenge that requires a whole of group effort. Remember that, most likely, almost every piece of cargo you may touch, anywhere in our global network, probably has a “little piece of Asia” in it!

We have a multi-country footprint, and as a group, from Metro product, through Logistics, to Wharf Transport to International shipping, through Customs Clearance services, and our entire, extensive customer focused team, there will be many opportunities to find a lead, some market information, or some other “gem” of wisdom or information that is worth sharing. We look forward to hearing from you all with any information you may find that will help us grow our business.

Here in Asia, our Group’s 100-year philosophy is alive and well. Our journey here has just begun, and with the support of our Global team, we are certain the journey will be a successful one!

Over the last six months, since our last Newsletter, we have been working on opening our 7th branch in Mainland China... Qingdao. This new office will be fully operational by the end of June.

Firstly, we would like to extend a sincere note of welcome to our new team members from the Wim Bosman Group ... your colleagues in Asia are very excited about having you join our global family and we look forward to working closely with you all, to further develop our company’s Global Service Offering.

As you can all imagine, international trade between Asia and Europe is significant, and the addition of the Wim Bosman team to our family opens up real and significant opportunities for our Group. Having had the privilege and pleasure of visiting our new team in Holland and Belgium in April this year, it is clear that our new family members have a spirit for quality and success that is inspiring and will be of great value to our Group as a whole.

Welcome also to our new team in Chile. The Air and Ocean market between Asia and South America is a rapidly growing one, and having our own Group operations in Chile can only further enhance our success in building this market.

As our family grows, and our “Culture” evolves globally, it

becomes increasingly imperative that we all work to maintain strong and open communication, with a focus on common goals. The support and adherence to our “Three Pillars” of culture becomes even more important ... this is a way of life, not a job. Embrace it and enjoy the ride, there are many more exciting developments and opportunities ahead.

From above, one can appreciate that Asia, as a whole, is a large market with multiple nationalities, cultures, foods and geographic diversity. To cover the whole of the



Qingdao is a popular holiday destination, especially during the summer months

Qingdao is a picturesque coastal city, with sweeping white sandy beaches and a modern cosmopolitan city centre. During the 2008 Olympic Games, the city hosted all of the major “open water” events. This famous city, which was “colonised” by Germans for many years, is also the home of the famous Tsingdao Beer, arguably the most consumed beer in all of China.

Please join us in wishing Michael Lin, our new Branch Manager for Qingdao, and his team, the greatest of success.

Further news of growth is coming from our Shanghai operation. The Shanghai team has moved to a new office location. We are very happy to see this significant move by our Shanghai team ... congratulations and good fortune in your new office!

With three times the space of our old location, having taken a whole floor, we now also will have a fully functional Lunch/Pantry area and our first stand alone training facility... positive developments all around.

The new office can accommodate up to 100 team members and is strategically located in the Huangpu District (suburb) of Shanghai City.

So with all this, what does it mean for our Group? Asia, and in particular China, has a strong and growing middle-class, and this sector of the population enjoys a lifestyle not dis-similar to middle-class communities around the world. Disposable income means “spending power” and foreign made (imported goods) are high on the shopping lists of most the middle-class in this region.

There is an opportunity to turn the tables here and look to change our view of Asia, and particularly China ... we strongly encourage all of our global team to be looking for and



*Queen Cheng Mainfreight Shanghai Imports team leader ...
"look at all the room we have now!"*



Shanghai Lunch/Pantry



Now that's a reception...!!!!

Looks great with the Team too!

*LR - Back Row: Billy Zhang, Fanatic Xu,
Martin Zhong, Terrance Lu, Soso Shou,
Frank Fei, Robbie Wang, Patrick He,
Andy Liu, Raphael Ma*

*Third Row: Elaine Hui, Sophie Wang,
Suki Zhang, Una Xu, Wing Wang,
Sanny Hu, Miko Ren, Anny Liu,
Harvey Xia, Andy Lin*

*Second Row: Lucy Chen, Selina Chen,
Cherry Wang, Lily Yang, Vivien Zhang,
Jenny Shui, Cici Liu, Cindy Qi,
Jessica Zhang*

*Front Row: Suzy Zhou, Queen Chen,
Linda Huang*



developing EXPORT business from your respective countries to Asia. The development of two-way trades is very high on our agenda.

There is no doubt that China and Asia in general will remain a major export market, but with changing economic conditions, and a drive to bolster domestic economies, imports will take a greater importance in trade. This will be especially true in industries such as Food, Eco Technology (Green

energy), Automotive, Brand Clothing, Household Goods and Furnishings, Cosmetics (especially Organic based products) and Luxury Goods... happy hunting!

In April of this year, we sadly bid farewell to Queen Zhang, who retired. Queen has supported the Mainfreight group in Xiamen for almost 20 years, and in the last 24 months helped us establish our own Xiamen branch (which opened April 1st last year) and then she ran

the branch as our Branch Manager until retiring in April. Our sincere thanks and fond goodbye to Queen... Thank you. Tina Chen has taken over as the New Branch Manager, well done Tina!

Onwards and upwards team, there are no limits to what we can achieve when we work together...

From your team in Asia, we wish you all the very best!

Queen Zhang (second left) with some of our China Branch Managers in Xiamen... (L-R) Daisy Wang, (Ningbo), Queen Zhang, Wendy Niu, (Guangzhou), Joan Ji (Shanghai) and Tina Chen (Xiamen)... it's all Woman Power in China!



Europe



Wim Bosman Group Europe – Mark Newman

It has been a pleasure to have been welcomed warmly by our new European team over the last two months. From our large business in the Netherlands and Belgium, our strong branches in France and Romania and our fledgling operations in Poland and Russia, the team response to Mainfreight's acquisition has been overwhelmingly positive.

Of course our new opportunities

were tinged with a little sadness as we said farewell to Mr Wim Bosman. After 48 years building this fine business, he said goodbye to us on April 1st. We are sure all of you will join us in congratulating Mr. Bosman for leaving us with such a solid, prosperous business still brimming with opportunity.

Looking to the next months, we will be seeking growth from all of our

existing businesses. We will use our fundamental values of great quality in everything we do, a sparkling image and efficiency in our cost base. Most importantly however will be the enthusiasm and knowledge of our great people. This will create the difference that our customers, past and future, will want to be a part of.

We aim to be easy to do business with.

Wim Bosman Group Awarded John Deere's "Supplier of the Year 2010"

Every year, John Deere selects the "Supplier of the Year" out of all its suppliers worldwide. This year, the Wim Bosman Group earned the award "Supplier of the Year 2010". The main reason for this recognition is the fact that according to John Deere, Wim Bosman is not a typical supplier, but one that is an integrated part of John Deere's success. Besides this award, we have earned recognition as a Partner-level supplier for the second year in a row, in the John

Deere Achieving Excellence Program.

Suppliers who participate in the Achieving Excellence program are evaluated annually in several key performance categories, including quality, cost management, delivery, technical support and wavelength, which is a measure of responsiveness.

The Partner-level status is Deere & Company's highest supplier rating.

Out of the approximately 5,000 suppliers of John Deere, 100 of them are selected as "Partner-level Supplier". Out of these 100 suppliers we had the honour to be recognised as "Supplier of the Year 2010".

Team members of Wim Bosman accepted both awards during formal ceremonies held on 1 March 2011 in Bettendorf (Moline, Iowa USA).



Team members of Wim Bosman's John Deere department, including the international management team of John Deere in the workshop of Wim Bosman in 's-Heerenberg (NL).



Team members of Wim Bosman Paris having a BBQ at the new terminal

Wim Bosman France Opens New Branch in Lyon and Extends Cross Dock in Paris

Due to a strong need for direct line hauls from Western Europe to the South of France, we have opened a second branch in France. This branch, near Lyon, operates as a full service logistics provider with the focus on distribution and warehousing. Furthermore also customs activities will be offered.

This expansion will save one day of

transit time for shipments from Western Europe to the South of France. In this way, goods will reach their destination even faster.

Besides a cross dock and warehouse space of 1500 m², Wim Bosman Lyon also has a forwarding and sales office. This branch will co-operate intensively with the distribution network Volupal.

This national distribution network offers a transport solution for goods from 1 to 6 pallets.

Completed extension of Paris cross dock

At this moment, the extension of our current cross dock in Paris of 2700 m² is being utilised. The total cross dock/warehouse space in Paris now covers 7400 m².

Sustainability



In 2010, we won the Lean and Green Award in the Dutch government's Sustainable Logistics programme. This programme encourages companies to adopt measures that not only save costs but also benefit the environment.

The CO₂-related objective for our Dutch fleet is a reduction of CO₂ by 30% in 2012, in comparison with 2007. This goal will be achieved by taking the following measures:

- Use of vehicles with the lowest possible emissions. Not only CO₂, but also other emissions like SO₂, PM₁₀ and NO_x
- Use of alternative fuels and technologies, such as Dual Fuel, hybrid and natural gas
- Monitoring the fuel consumption
- Regular checks of tire pressure
- Driver training 'economical driving'
- Pilot board computer 'Driving behaviour assistant'
- Intermodal solutions
- Deployment of EcoCombis
- Stating the CO₂-emission on transport documents

- Sustainability on the agenda of our customers
- Payload optimization by:
 - finding potential shippers with the same destination as the present shippers
 - co-operate with customers and partners to minimize time window deliveries and other restrictions, in order to make routes more efficient.

We are continually searching for alternatives such as the use of CNG (Compressed Natural Gas), LNG

(Liquefied Natural Gas), Dual Fuel and hybrid vehicles. We are testing for example the MAN TGL DualFuel truck and the Econic NGT distribution truck with a natural gas engine from Mercedes-Benz.

The TGL DualFuel truck is driving on natural gas combined with diesel. Natural gas (CNG, Compressed Natural Gas) has the advantage of less CO₂ emission and air pollution. The DualFuel truck saves 9,000 kg CO₂ based on 50,000 km per year.



Our driver Corine Evers about testing the Econic: 'I do not want my own truck back!'

Twenty Brand New Electric Fork-Lift Trucks

We have replaced twenty fork-lift trucks with new electric trucks. After a thorough trial period of one year, testing several brands and types of fork-lift trucks, we have selected the Linde E16PH.

This so-called “E-truck” has a maximum lift capacity of 1,600 kg, an integrated side shifter, a battery door to support swapping batteries sideways and a triplex mast with sufficient space to drive in and out of trailers. The E-truck is quieter and furthermore reduces CO2 emissions. By using white, non-marking tyres, dust and dirt is reduced in the workplace. Also, the fork-lift trucks are equipped with ergonomically shaped super-comfort seats with air suspension, heater and backrest extension.



Ramon de Bakker is testing the ‘Linde E16PH’

The E-trucks will be used in the central cross dock in ‘s-Heerenberg, the Netherlands. This cross dock daily processes

over 4000 pallets and loads and unloads approximately 450 trucks per day.

Football Clinic for Children of Team Members

The Wim Bosman Group is the proud supporter of the football club ‘de Graafschap’ which plays in the National football league. Recently

the children of our team members were invited to attend a football clinic in the stadium, given by the players of ‘de Graafschap’. It was

great to see the enthusiastic children (and parents on the side line).



Children of team members who participated in the football clinic

Blind-spot Information Lessons for Primary Schools

Information lessons about the danger of a truck's blind spot have started in primary schools in the Netherlands. Wim Bosman drivers will visit at least 15 schools. Our drivers attend a training programme as preparation for the lessons. Our driver Björn Thijssen had the honour to start this educational project in various primary schools.

We also have a new team member who will help in our training programmes:

"WIBO" started on 1st of January 2011.

"I work as a virtual truck driver at Wim Bosman. You will meet me during the year talking about our driving activities and how we can be better and safer!"

See you soon!
Kind regards, Wibbo



Driver Björn Thijssen is explaining the 'blind spot' of a truck to school children in primary schools



Wibbo is aware of his blind spot



Feedback

Customer PON Rewards Wim Bosman Drivers

Our customer PON Logistics paid tribute to seven PON Wim Bosman drivers:

Wouter Hartkamp, Theo Deijnen, Jeroen ter Beest, Jack te Winkel, Herben Dimmedal, Stefan Heitink and Johan ter Lindert for their activities during the harsh winter period of this year. These drivers each received a personal letter and a gift.



Group Human Resources – Martin Devereux

Before anything else a big welcome to all the Wim Bosman family in Europe and to all the new team members who are receiving this newsletter at home for the first time. Nice to have you as part of the family!

The Mainfreight family can only grow at the rate we grow our people. For those new to Mainfreight this means it is of strategic importance to introduce hard working, passionate and intelligent people into our teams. It is then we must focus our efforts on fostering their interest, in developing their skills and in opening their eyes to the future they could have with Mainfreight.

Whilst promotion from within is a simple philosophy, putting it into practice is not and we must be careful not to stray from our resolve. Growing our talent requires commitment from every team member and the same patience that was extended to all of us when we first started. Recruiting the very best people to join our teams is our expectation but these new team

members will need your support and guidance to be successful.

So where do these new team members come from? Some of our new team find us through referrals from existing team members.

The majority, however, find us as a result of the ongoing recruitment efforts made by our branches and our training teams. To find the leaders for future years we actively engage secondary school students and also university graduates to educate them as to what a career with Mainfreight could look like.

A large Mainfreight recruitment drive took place this year at the New Zealand Secondary Schools Rowing regatta held at Lake Karapiro. This national regatta, often referred to as Maadi Cup, is a week long event attended by in excess of 10,000 competitors, supporters and mums and dads. It was these people who all participated in the inaugural Mainfreight Monday.

On this day in March approximately 20 of our Australian and New

Zealand graduates, and at least four Mainfreight super heroes, met and spoke to kids, and mums and dads alike about our school leaver programs and graduate career paths.

The synergies between the sport of rowing and our industry were a key topic discussed, and a number of students, parents and schools have continued discussions with us since. Guest appearances from world champion rower Mahe Drysdale, and some cheeky giveaways, drew people throughout the day.

The event also saw the debut of three new Mainfreight Super Heroes to join Mainfreight Man, in the form of Owen, Captain Chem and Daily Mate; more about them later on.

We are also seeing a strong response from the University faculties across New Zealand, Australia and the USA. Over the last six months significant relationships have been developed with lecturers, association bodies



Mahe Drysdale (NZ Olympic Rower) supporting Mainfreight's campaign at Lake Karapiro

and student bodies raising the Mainfreight profile on campus. What this has meant is we are now being invited to speak at certain lectures and to attend key events to speak of our success and our career paths.

Finding the right people is only the beginning. We still need to help them along the way with world class training and we are currently delivering this in both New Zealand and Australia.

The training centre in Melbourne, Australia delivered its first full five-day Domestic induction course in February this year. Here, teams learn about our culture, our focus on quality and on our focus of delighting customers. The Australian branches have been huge supporters of the programme and the feedback from those attending to date has been fantastic. The role of the Training Centre is to give our new team the understanding of what quality means and where our high standards rest. The challenge is now for our Operations and Branch Managers to ensure the environments they return to, meet and ideally raise those standards.

The success of this Australian Training Centre has been a true

team effort with all working incredibly hard to make these courses happen.

Plus a huge contribution from Evan Pilcher who has been joining the Melbourne team from Auckland each fortnight to assist in the operational delivery.

The New Zealand training team is more established than their Australian colleagues in terms of course delivery. Therefore their challenge is to ensure they are constantly reviewing that method of delivery and content to ensure our own high standards are maintained.

A key part of this kiwi team is about to leave our family to start her very own. Debi Fitzpatrick (or Debi Cunneen to many), has been part of the Mainfreight family since she was old enough to suck her thumb. Debs is a real daughter of Mainfreight with her late dad Terry being a Mainfreight original and her mum Shirley still working for our Logistics team in Auckland.



Debs has worked throughout the Mainfreight business and was a pioneer of our first training team. Debs has given so much of herself to our family it is with excitement we bid her farewell as she leaves us (temporarily) to grow her own family.

In today's world, possible team members are using different mediums of communication to research and learn. Prospective team members wishing to find out more about Mainfreight no longer rely solely on friends and family. In fact they no longer rely on passive internet tools such as company websites. The platform many students now use is Social Media and tools such as Facebook. Here are some interesting facts. Did you know it took: 38 years for Radio to reach 50 million users; 13 years for TV; 4 years for the Internet; 3 years for the iPod...and less than 9 months for Facebook to add 100 million users.



L-R Back Row:- Tui Tipene, Joshua Simon, Evan Pilcher, Chris Cammarano, Hamish Thomson, Steve Beaumont
Front Row:- Jason Plimmer, Maureen Kemp, Kate Lindsay, Corine Emile, Gavin Butler, Marla Costabeber

It is these staggering statistics which have led us to taking our first step into the world of social media as a business and the release of the “We Are Mainfreight” page on Facebook.

The objective of this page to show people what is going on, day in day out, within the Mainfreight family worldwide. Thus we are posting sporting events (eg City to Surf), Books in Homes Assemblies, Outward Bound courses etc to name a few. It is this window where we can raise people’s awareness of what we are doing as a team globally. We don’t want this page to be too New Zealand or truck centric so if you’re reading this around the world and have some ideas as to what we can post please contact me.



A Few Words from Mainfreight Man....

Many of you have seen me... many of you have met me... almost all of you want to be me... it’s understandable, you’re only human.

The past 12 months have been a huge year for me. In my travels

I’ve seen many wonderful parts of the Mainfreight world and made many friends. I’ve taken on many different shapes and sizes and I’ve visited many branches (not all of them ours) and will continue to pop up when I’m least expected...

So keep your eye out for me and also my new brothers/sisters Captain Chem, Owen or Daily Mate...



Two of our directors meet the super heroes Emmet Hobbs far left; Don Rowlands far right



Apparently Mainfreight Man is not gender-specific!

Technology – Kevin Drinkwater

Wim Bosman

The big news for Mainfreight since the last newsletter has been the purchase of Wim Bosman. They, like us, use several main systems in the business, some built by their own IT Team and others third-party packages. Their main system is called TREX. It is their Maintrak equivalent as it deals with all intra-European (domestic) freight movements.

The key difference in the TREX system to Maintrak is that it tracks every piece of freight rather than by the consignment note, or as it is known in Europe the freight letter. The customer produces the freight letter and a special type of label, known as an SSCC label, with a unique number, and applies it to each item of freight. Every label is cross referenced to the freight letter. The driver scans each individual item and from that point onwards the freight is loaded and moved and tracked by scanning the label.

Every line-haul unit is “preloaded” on TREX so the system knows prior to loading what items should be loaded onto it. The SSCC label is scanned along with the barcode for the unit as it is loaded and will alert

the loader if an item is about to be incorrectly loaded into the unit. By using this methodology there is continual visibility for the progress of each unit being loaded.

Item scanning is not a new idea to Mainfreight, in fact we have built this already for individual customers, but it is one that we have not implemented more widely. We will be working with the Wim Bosman team to learn more about their experience in implementing this

The second major system is Marc CS which is their warehousing package. Built by Red Prairie in the USA it is a very sophisticated system which parallels the capabilities of MIMS.

There is a possibility that Wim Bosman may use some of our support systems. They have already expressed interest in using some of our technology like OnIssue and OnSale.

We are already working to connect Mainchain, our customer portal, to their systems. This will allow Mainfreight customers, using Wim Bosman services, to use Mainchain

to track their European orders and freight.

They are also currently assessing the benefits of introducing CargoWise as their international freight system. There are significant benefits to them being on the same system as all our other International freight businesses. A decision on this will be made shortly.

We built a special website for the WBG team as a welcome when the acquisition was first announced. The site contained a welcome letter from Don and key information about Mainfreight including an introduction to our culture. All the information was translated and displayed in Dutch, Flemish and French. Most of the content was created by Maureen Paine, receptionist at Mainfreight Railway Lane in Auckland. Have a look at what a great job she did on www.mainfreight.com/wbg

We have had some very good comments from the Wim Bosman team about this site – they were especially pleased that we had posted it in the four languages. I expect it will be a concept that we will utilise in future acquisitions.

USA Domestic System (Mainstreet)

We are underway with the building of a new Domestic system for Mainfreight USA. The changes to the domestic freight business model and the expected increase in shipments in the USA mean that Cargowise is less suited to our requirements going forward. Cargowise will, however, continue to be used as our International freight system in the USA and the rest of the world.

The project named Mainstreet is an opportunity to create a new model for the future of all Mainfreight systems. This means that we will take the methodologies used, as well as the look and feel, as the standard build model. This will apply not just to new systems but where we undertake major

modifications to existing systems such as Mainchain and MIMS. Key benefits of this approach will be the inter-operability of components of one system into another (no matter who builds it) and users seeing the same look and feel which improves usability. We also expect to integrate much of what we build for the US into Maintrak for our Australian and New Zealand Domestic businesses.

One of the key concepts of Mainstreet is to make the “operation more visible” to the user, wherever they are in the system and whatever role they perform. To do this we plan to utilise the increased real estate, available on the larger 21/22” screens, to constantly display important and

role-relevant information in a vertical pane to the right of each working area on a screen. This information will be constantly updated from the database so that people always see the most current information. We also plan to reduce the reliance on running reports and present as much information as possible on big screen TV’s to keep the full branch operation visible.

The project is being driven for completion of the software development in June 2012 with a GoLive of January 2013. That’s a little while away, so in the meantime, let’s focus on making the data in CargoWise as accurate as possible.

CaroTrans

CaroTrans has released their new export booking/bill of lading processing system live as a parallel test. At the time of writing almost 2,000 bookings had been made by the team. This approach has allowed us to receive feedback from the team on any bugs or other improvements needed without hindering the day-to-day operations. We expect to turn the

old booking/bill of lading system off shortly.

We are also working on globalising the CaroTrack system by allowing for multiple countries and currencies to be used. This has led to a complete rethink of how the charges tabs will be laid out as there are several more data fields needed. We hope you approve of the new layouts. All changes for

currency will only be made in the new CaroTrack. The first change is already available in our Chilean operations where they can now process miscellaneous invoices in different currencies. The import system is being rewritten to run on a web browser and is expected to go live before the end of this year. It will also allow for multiple currencies.

Contributions from the IT Team

Business Solutions – Rob Cotter

Who/what are the Business Solutions team?

The Business Solutions team is located in Australia but has a global view on requirements for our international teams. We work closely with team members in all Mainfreight countries as well as our own IT team. We specialise in EDI links with our customers, tailoring business solutions that create efficiencies for our customers and ourselves. We also look at our internal processes and work with the business to find better ways of doing things.

Some current things we are working on/implementing are;

Data Integrity KPI's

Ever jumped on to Mainchain and found that information is not there? Ever run a report and found that not all required fields have been completed? Our data integrity reports have been designed to ensure all critical fields are completed by our teams. This information then flows through to Mainchain to our reports, which means our customers get a clear picture on their cargo movements. These KPI's went live in Asia, Australia and New Zealand late last year. As these countries are on the same NZ-based database it means each KPI is interactive with other countries and branches. KPI's that rely on other branches and countries doing the right thing as well as your own branch has never been tried before. Implementing these KPI's across the business has been a rewarding exercise with a real team approach making it a

success. Thank you to all of those involved.

On-Account links with Cargowise.

As we continue to grow our supply chain offerings it also means that we are raising more invoices from our Transport teams to the International branches. We are at testing stage with Owens Australia invoices coming through to CargoWise and being approved without our teams doing this manually as they currently do. There are few checks and balances in the system so we don't approve without a matching expected cost. The best part of this development is that we will be able to also use it with external service providers. All programming has been done in conjunction with MF USA and they are keen to get started as well. Transport NZ and MFI NZ are also on the agenda.

Supply Chain Gaps

Working with IT and the Transport and Logistics businesses we are identifying the supply chain gaps from a client perspective. Examples are POD's available for International customers on Mainchain when the shipment is booked by International with the Transport teams. Another example is ensuring all delivered dates and pick up dates flow through for clients to see. Some of these work now but we are looking at tightening our processes so they work every time and in all instances.

Mainchain Extensions – Gary Harrington and Rob Cotter

We have made some significant functionality additions to our

customer portal (Mainchain) for International over the last few months.

Product Searches

Our International clients can now log into Mainchain and track not only their consignments but their individual products – this search looks at the Order and Customs Declarations for the logged in client and returns results where the product is present.

The response will show the client, for the product they are searching, what Orders are currently booked and whether or not they have been shipped. Drilling into the Order will give all details about the Shipment and the Order. When reviewing the International Brokerage Tab, clients can see details relating to what Customs Declarations we have processed for a specific product and then can drill down into the actual declaration lines.

And if a customer uses Mainfreight for warehousing – they can drill into any of their products and see what is currently in stock in one of our warehouses.

Invoices and Statements

Customers can now access their invoices and statements on-line. This means if they are missing documents they can get them directly from Mainchain or view and download an up to date statement in the Enterprise format.

If you require any further information on any of this functionality please contact your local IT Team.

Australian Telco Migration - Michael Hood

Well it's been a couple years in the making, but we have finally finished the big migration away from Macquarie Telecom to Gen-i.

The first part of the project started in October 2009 when we migrated the data network across to Gen-i saving the business around \$45k per month and increasing the speed of some important links.

The second stage included migrating hundreds of phone

numbers, phone lines and mobile handsets across to Gen-i. This occurred during September and October this year and we expect some great additional savings with this move.

Whilst many people have experienced the pain of moving their single home telephone line when moving into a new house, co-ordinating hundreds of business grade line moves is not for the faint-hearted and I think the before

and after photos of Darrel from the IT Team clearly show the toll it has taken.

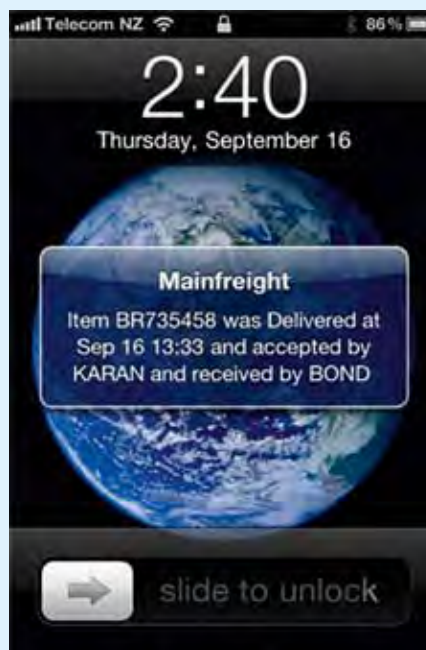
With the devices all up and running a lot of hard background work now gets underway. Your accounts team will be learning new systems, reconciling thousands of pages of invoicing and dealing with new innovations that include the ability for your Gen-i branch costs to be emailed out to each individual branch.

SPOTLIGHT ON TECHNOLOGY

iPhone Application – Anthony Barrett

We launched our initial iPhone application late last year. It is designed for customers to have access to:

- Tracking of consignment notes, containers and shipments across all our systems (Maintrak, Aus-trak, CargoWise NZ/AU/Asia/USA). It basically gives customers the same functionality as logging into our website (www.mainfreight.com) and allows tracking of more than one delivery
- Maintrak and Austrak Push notifications. This is where customers can request to be alerted when their freight is delivered
- Mainchain login. This gives our customers access to additional receiver details in Maintrak and Austrak. In the future it could be used for quoting and viewing PODs



- Find a branch. This allows customers to search for branches and contacts at any Mainfreight branch worldwide. The information provided is that which is contained in branch



contacts on our website. Therefore it is critical that branch data is kept up to date!

The application is available for free on the iTunes store – just search for Mainfreight.

Mainfreight Maadi Cup – Brett Horgan

In March the Maadi Cup (National School Rowing Championship) Regatta was held at Lake Karapiro and some of our team were there as part of our sponsorship of the event to talk about careers with the Mainfreight Group. The team were armed with iPads and a purpose built web application, to collect details from these kids who could well be the next generation of Mainfreight team members.

What was great about this site was the way it came into being. The

team planning the event saw an opportunity to impress and when they came to IT with the idea they had a very clear picture of what they needed: data collection, but on a cool device and looking cool to show that Mainfreight is ahead of the pack and more than just trucks.

Reports back from the team are that this was very well received and made a great talking point. Now it's got us all thinking of what else we can do with it.

Service Achievements

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

Dave Tolson	40 years	Mainfreight Auckland
Brian Gill	35 years	Mainfreight Logistics Auckland (Westney Road)
Tony Green	30 years	Mainfreight Port Ops Christchurch
Ned Kelly	30 years	Owner Driver FTL North Island
Lionel Knox	30 years	Daily Freight Auckland
Ken Brown	25 years	Mainfreight Distribution Brisbane
Tonny Buijl	25 years	Wim Bosman Crossdock 's-Heerenberg
Kevin Drinkwater	25 years	Mainfreight National Team
Nico van den Heuvel	25 years	Wim Bosman Crossdock 's-Heerenberg
Kevin Woledge	25 years	Mainfreight International Tauranga
George Albert	20 years	Mainfreight Wellington
Murray Gordon	20 years	Mainfreight Hamilton
Eddie Hiku	20 years	Owner Driver Port Ops Christchurch
Denis Laws	20 years	Mainfreight Hamilton
Greg Smith	20 years	Owner Driver Owens Auckland
Gail Street	20 years	Chemcouriers Auckland
Pam Waddington	20 years	Mainfreight Nelson
Wayne Walker	20 years	Owner Driver Chemcouriers Auckland

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

The Mainfreight Way!!! *By Team "AW YEAH"*

When moving freight by road or rail there's things that you need to know,

Remember the freight is very frail so be careful when you stow!

Make sure you fill the trailer, filling every groove
And ensure you use straps so it doesn't move!

Consider odd shape cartons and any special needs
So we get it right the first time and everyone succeeds!

Loading by the con note is the only way to go

It stops shorts and overlands that will affect the flow.

Don't damage pallets when loading end to end

Be careful of the overhang so they do not break or bend.

Do not use pallets with missing or broken boards

They may collapse and damage freight in hoards.

Be careful of contaminates especially around food

They can make things turn nasty for a family and their brood.

Please be cautious with your unit make sure you have enough space With top stow it should be limited to only light paper and very sheer lace!

Cable can be nasty if not strapped or fastened

The drums will roll and roll who knows what could happen!

Stationery is our friend we need it every day

If our customer gets theirs damaged – there is no way they will pay.

When loading vinyls or carpets that are packed in rolls

Stand them up to not compress them, or we will be scoring own goals.

When loading machinery either light or heavy

By using a pallet you can make it steady.

When loading steel, timber or stone consider every case

You may need to stand or strap to keep them in their place.

Ensure the paperwork is correct to everybody's pleasure
If it doesn't look right please make sure you remeasure!

Use common sense when loading ovens, safes and pails
Always need instructions or everybody fails.

The most important thing to remember so everybody's wiser Use your common sense or grab your supervisor!

Bereavements

Eugene Tatana

Eugene Tatana sadly passed away earlier this year. Eugene was with Mainfreight Gisborne branch for almost a year; he was polite, reliable, friendly and had a great personality. He enjoyed his job, his truck and the customers. We are pleased we had the opportunity to know him and to let him know we appreciated him.



Michael Brunton

Michael Stanley Brunton (Brunty) passed away suddenly Sunday morning, 22 May.

Brunty loaded out of Tauranga on Thursday night, cheerful and joking as usual and as we had all come to expect of him.

Brunty was a 35-year legend, starting with Owens then Mainfreight Transport.

He was a great character and will be missed by all, and especially the FTL team.

Mildred Vazquez

In early March, we were saddened by the sudden loss of Mildred Vasquez from CaroTrans Baltimore. Mildred first joined our team in April 1987 as a customer service representative for Carolina Freight Carriers in San Juan, Puerto Rico.

Mildred transferred to the Baltimore branch in September 1990.

Mildred will be long remembered for her dedication to CaroTrans, sense of humor and quick witted personality. The Baltimore branch lost not only a dedicated team member, but a dear friend. Many Baltimore branch customers have said it best... "Mildred was one of a kind and will be deeply missed".



Noel Mercer

We were deeply saddened by the loss of Noel Mercer earlier this year.

Noel was based at our Mainfreight Colgate site in Wellington. He came to Mainfreight through the purchase of Combined Haulage in 1997.

Neil was a very dedicated team member who passed away in April this year after a long illness. He is much missed by the Wellington team and our thoughts go out to Noel's family and friends.



Seen from the window at Mainfreight Lane, Auckland



Seen on a tuktuk in Cambodia



Seen in the vines!



Open for business – Mainfreight Chicago after heavy snow earlier in the year



Alexandria City Public Schools Superintendent, Morton Sherman (left) and President of Duffy Books in Homes USA, Richard Quest (right) – cut the ribbon to unload the books from the Mainfreight truck



New Zealand Ambassador to the United States, Mike Moore with children of Alexandria Central School



St Patrick's Day was really just an excuse, eh Mike!



We take the freight that's too hard for the others ...



CaroTrans Advertisement - Car Wash Service!!! Attention to detail... CaroTrans bucket put to good use



Mainfreight was a significant contributor to the recent Rise Up Telethon for the Christchurch Earthquake Appeal - Don Braid hands the cheque to New Zealand's Prime Minister, John Key

Duffy Sponsors Owens Transport School BBQ - Last week a crew from Owen's Transport came to school and provided a fantastic BBQ for all the students and staff. Each child was given a sausage in bread, a bottle of water and a lovely crisp apple. Thanks so much to the Owen's Team.



Extract from Kelston Primary School newsletter

Feedback

From: Joe T
Sent: Tuesday, 28 December 2010 12:32 a.m.
To: Tom Valentine
Cc: Michelle Merino; Michael Lofaro
Subject: job well done

Tom,
How are you ? I hope all is well.

I just wanted to drop a quick note to you directly regarding the recent exemplary service I received from the HK and Boston offices of MF. We had several rush shipments that had to get to San Juan PR to keep our largest customer from shutting down their facility. Michael, Michelle and their teams moved 3 separate shipments from HK to San Juan over the Xmass weekend that allowed our customer to maintain operations and avoid any downtime and impact to year end revenue.

Too often when things don't go right people in my position tend to make a lot of noise and when people go above and beyond recognition is lacking.

I wanted to make sure you heard from me directly that I truly appreciate the team work and professionalism showed by your Branch Managers and their staffs in helping us move the referenced freight in an expedited manner.

All the best,
Joe T

From: Adrienne R
Sent: Tuesday, 19 April 2011 09:46
To: Grant Smith [MFT AKL]
Subject: Bouquets for Ziggy

Hi there Grant
Nice to talk to you this morning.

I run a business from my home in Silverdale. We have for the past 7 years been receiving monthly shipments of Kodak Chemicals. The boxes are awkward and weigh in at about 12 kgs each.

We order a pallet 20 boxes per order. We have over the years had many drivers but hands down Ziggy is By far the BestOutstanding ! We have had the pleasure of being on his run now for well over a year. If I am lucky enough to be here when he arrives we unload and stack together he is always so friendly and I look forward to the catch ups.

However If I am not here he does the lot himself ,,stacks them perfectly in their right place , rotates any old cartons left and leaves the paper work for us.

This is the only way that I can think to say Thank you adequately enough. Ziggy you deserve to succeed in life I am absolutely sure that you will with such a great attitude.

So Grant borrowed from the Back of a MAINFREIGHT truck :
"A promise is nothing until it is delivered !"

Yours sincerely
Adrienne R
Director Sales & Marketing

From: William W
Sent: Wednesday, 1 June 2011 16:50
To: Don Braid
Subject: Thank You

Hi Don,

Firstly thank you for spending time to read my e-mail,

As a shareholder I'd like to thank the Christchurch Owens branch manager and staff, recently working with Ballantynes counting stock in the Christchurch Owens warehouse over three days I got to experience the amazing team at work and I just wanted to say thank you for all the work they do. I was pleasantly surprised at how efficient, friendly and helpful everyone was to all of us.

Once again thank you and keep up the good work,

Kind regards, William W

From: Natasha B
Sent: Thursday, 17 February 2011 10:38
To: Kerry Crocker
Subject: Thanks

Hi Kerry,

I pulled your email address off the Mainfreight website as I wanted to drop someone at Mainfreight a line and give some positive feedback on your team.

To set the background for you, we had had a rotten week last week, every niggling little thing that could go wrong did and by the end of the week my husband and I looked at each other and said "where has our luck gone? We just can't catch a break!". Then the phone rang (3pm Friday afternoon) and a customer had a wrong part and needed a replacement part urgently so after ringing around a few freight companies I spoke with the lovely Charlotte in your Auckland Customer Service team who sorted out freighting the goods to Otorohonga for me.

I raced the part in to your depot, met with Charlotte who had despatch slips and everything ready to go when I got there and the boys in the loading docks unloaded the part for me. As I left your yards I was still feeling a bit sorry for myself - then saw one of your trucks in front of me, which had written on the bumper "Life Isn't Fair. Get Used To It!". I had to laugh! It was the kick up the pants I needed and it really brightened my day.

So the morals of this long-winded story are: A) Charlotte was fantastic and provided an excellent and professional service very late on a Friday afternoon and as a result I will definitely be using Mainfreight again and B) your truck messages are very apt and at times hit home at just the right time!

Kind regards,
Natasha B

May 22 2011 6:34PM: Website User

To the Auckland Manager

Dear Sir

I would like to bring to your attention the fabulous deeds of one of your long haul drivers Hayden ???, in the early hours of Monday morning, 16th of May. On our way up to Kerikeri to visit a very sick relative, we caught a puncture climbing the Brynderwyn Hills, an hour out of Whangarei. Because there was nowhere to safely stop, I carried on driving to the top where there was a rest area I could pull over. Unfortunately for my daughter and myself, we didnt have a spare tyre in the boot and where we were parked, there was no cell phone reception.

At 3am and with no traffic coming through, we almost thought we were in for a long night stuck in the car, that was until one of your immaculate trucks come along. What suprised us was the truck's driver not only stopped to see if we were ok and checked the tyre but he then offered to give us a ride into Whangarei where he organised for his tyre mechanic to come in to his workshop to repair our destroyed tyre.

He left us there while he went away to drop his load off and then swung past and picked us up 45 mins later and took us back to our car where he put the repaired tyre back on. From what I gather, he was in a hurry to get back to Auckland that morning to attend a funeral, yet he still gave up his precious time to help a couple of strandard strangers which would have been a major inconvenience to his delivery schedule.

A company like Mainfreight must take great pride in having ambassadors such as Hayden out there and with his good deed, has changed our perception on truck drivers. Could you please pass on our sincere thanks as if it wasn't for him, it would have been a very cold night up on that hill.

Kind Regards
Susan H

From: cdaly@...
Sent: Thursday, 3 March 2011 18:06
To: Don Braid
Subject: Daily Freight - Christchurch

Hi Don,

I have had feedback from our team in Christchurch which I am pleased to convey to you.

A couple of our sites, and one in particular, was damaged fairly extensively during the earthquake.

As we are all aware the people of Christchurch are dealing with some stressful times however the spirit of people like the team at Daily Freight in Christchurch, in particular Craig, Rachel and Katie, showing such great support and service certainly makes an enormous difference during times like this.

It is always a pleasure to pass on this type of feedback so I would appreciate it if you could ensure this is passed on to that particular team.

Colin Daly
CEO and Managing Director
R Limited NZ

On 29/12/2010, at 6:54 AM, "alan duff" <alanduff@..comwrote:

Dear Bruce and Don

The Mainfreight Dec 2010 newsletter arrived here in France today. I devoured it. Now, I might be biased, but that is not why I read every word in the newsletter. Even your support for Duffy Books in Homes did not make for a dutiful reading, proud and grateful though we are.

As a writer I love a story as do most humans anywhere. And that is the reason I so love reading the Mainfreight newsletter, because it is a continuing story. It has drama, like sport does. Tragedy and triumph, like life deals out to all of us (Bruce probably less so!) Hell, it's about those preachy things like the work ethic, customer service, thoroughness, caring, getting the job done, aspiring - on and on I could go.

It's about TEAM WORK. Lord is it that. Working with the community too and therefore participating, thus contributing. It never forgets it is about good business practice and the sweet mantra of MARGINS, MARGINS. Without which exists nothing but anarchic chaos.

Centred that the story was around the Christchurch earthquake and the graphic photographs we saw of the damage, yet same time images of the clean-up, it made for classic story-telling. Triumph over adversity. Throw in a few All Black greats, with a liberal sprinkle of international spices, all of it, ahem, underpinned by the Kiwi flavour, the main dish if you will, and you have the ingredients of a movie but of real life.

On the back cover page you expose shoddy journalism, and remind us they are a lazy breed more interested in scandal and trivial, shallow nonsense. But you don't stop there - that would never do for Mainfreight.

The story finishes on pointing out the newsletter is friendly to our environment, aware of the responsibility we all owe each other. And to think there are 70 years at least of further inspiring instalments on this incredible story. A privilege to know and be associated with you all.

Warm regards
Alan Duff

Mr Grant Smith
Mainfreight
2 Railway Lane
Otahuhu

Dear Grant,
Following my phone call to you on 16th May, I delivered to your depot the box of Beans for Christchurch children. They arrived on Monday in perfect order, and on behalf of everyone connected with this project I would like to express heartfelt thanks for your generosity and kindness. I hope you will pass this on to Helen and the team at Kupu.

Yours sincerely
Leah Coombes
52 Hale Place
Ngatea.
25.5.11

syngenta

Mr. Craig Evans
General Manager Group Supply Chain
Mainfreight Logistics
12 Southdown Lane
Penrose Auckland New Zealand

8 March 2011

Dear Craig,

I am writing to you and your team on behalf of Syngenta Australasia in light of the earthquake events in Canterbury Region.

Firstly, let me say that our prayers and thoughts are with all of you, your team members, and especially those who have family directly affected by the recent earthquake that has devastated Christchurch.

As a New Zealander with my roots and family in Christchurch, I have an affinity with what they are currently experiencing.

I want to express my gratitude for the response you and your team displayed to the first earthquake event in September 2010 in minimizing the damage and loss caused at that time.

Working shoulder to shoulder with our Syngenta staff during these testing times - not knowing if another quake was likely was an amazing effort. The dedication was above and beyond and appreciated by all with knowledge of the events and recovery at your site. That effort resulted in minimal losses for our company and again underlined the fantastic relationship and partnership that exists between our two companies.

Additionally, we have no doubt that the experience then, and the quality of the response and the infrastructure put in place, has resulted in minimum losses at the time of the devastating quake last week.

I take note of your comments that your team has displayed exceptional dedication at a time where family and friends are the primary concern and have worked to return the warehouse to full operation in the face of concerns for safety, not knowing when another event may occur.

Please accept our admiration, our gratitude and our heartfelt thanks for your efforts in the face of the events and personal losses felt by the people of Christchurch and Canterbury.

Please pass on these thoughts on behalf of all Syngenta employees to your team and their families at this time.

Yours sincerely,

P. C. Luxton

Paul Luxton
Territory Head
Syngenta Australasia

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www.designdenmark.co.nz
info@designdenmark.co.nz

23rd December 2010

Bryan Curtis
National Manager
Owens Transport
Auckland.

Via Fax transmission

Dear Bryan,

You have done it again!

We are not the biggest of customers in the overall scheme of things in the mighty Mainfreight organisation.

For the second year in a row you have exceed our customer's expectations during Christmas week.

We had two pick ups this week:

On Monday the 20th we had a pallet of our furniture picked up destined for Blenheim. The customer did not believe we could achieve Wednesday delivery. You did!

On Wednesday we booked a knocked down cot for Greytown. The fastest Indians picked up the consignment within 15 minutes of us making the booking and the customer had her cot by 10 am the following day.

Whilst I can accept this is all probably routine for you and this is what you strive for day in and day out we wanted you and your team - especially the drivers, to know it is appreciated and it is a contributing reason as to why we support you.

Merry Christmas and we look forward to our continuing support for you next year.

Yours faithfully,

Bill Leaning

wbc@danishbydesign.co.nz

MAINFREIGHT

CHEMCOURIERS

OWENS

DAILY FREIGHT

CaroTrans



WIM BOSMAN

From: Brendan W
Sent: Monday, 9 May 2011 12:34
To: Grant Smith [MFT AKL]; Maree Toa [MFT AKL]
Subject: VABS - Brendan, Reagan Somers (Silverdale) Exceptional Service

Good afternoon Grant and Maree,

Reagan provided your contact information as we had requested the channel to comment regarding his exceptional and consistent level of service to our business.

Recently, due to an error on our part, we had instructed for two consignments to be shipped to Invercargill, when in fact one piece was to be delivered to Lower Hutt and the other to Invercargill. We were able to make contact with Reagan after trading hours to try and prevent the misdelivery of the goods. It turned out that it was 'no problem' for Reagan to correct/create consignment notes and address labels to rectify the error, which saved us from embarrassment and avoided extra cost and delay for our customer. He also made sure that the transport staff were made aware of the mistake to ensure correct billing to our account.

We have been a loyal Mainfreight customer since our inception in 2003 and I am pleased to confirm that we will remain so with drivers of Reagan's calibre handling our business.

Thank you.
Best regards, Brendan
Manager

To The Branch Manager
Mainfreight



Attention; Mr John Wright

Te Whare Pounamu Dunedin Women's Refuge wish to express their immense gratitude for the donations, support and help received from Mainfreight management and staff.

Te Whare Pounamu Dunedin Women's Refuge workers were part of a response team sent to Christchurch to assist in the increase of Family Violence. Only 2 of 5 safe houses were operational adding to the stress and impact after the earthquake.

During the week of the 20th Feb a phone call was made to Mainfreight company for any essential items that could help assist women and children who were not only traumatized by the earthquake but also experiencing Family Violence. This call was actioned by Robin Cook and within 2 hours supplies were delivered. The following week another truck delivered items of food, clothing and fresh vegetables donated by Mainfreight staff. This was an incredible heartfelt response from those obviously affected themselves

On behalf of Te Whare Pounamu and the families that were assisted through your generosity please accept this as a personal acknowledgement and thank you.

Warmest Regards


Maria Jones
Te Whare Pounamu Dunedin Women's Refuge

Paul Fraser
Mainfreight Logistics
11 Inghams Place
HEMMANT QLD 4174

Dear Paul,

We advise you that of close of business Friday 11 February 2011 that the account held in the name of Brasaw Pty Ltd (account number 0741896) is to transfer to Klen International who will be responsible for all accounts from Sunday 13 February 2011.

We would like to take this opportunity to thank you and the staff at MFL Hemmant for the truly wonderful support your logistics company has been to our business. Both you and your staff really do go 'above and beyond' in the servicing of your customers. You all make it easy to do business with you and to our customers.

At any time in the future we need a logistics company or if we know of anyone that is looking for logistics we certainly will always highly recommend MFL Hemmant.

Once again, a very sincere thanks to you and your staff. It has been an absolute pleasure working with you all and we will miss this working relationship.

All the very best to the team at MFL Hemmant in their future endeavours.

Warm regards always,

Brian & Sandra Whelan



Photo supplied by NZ Hot Rod Magazine

New fleet for our sales team

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.