

PRELIMINARY HALF YEAR REPORT ANNOUNCEMENT

Mainfreight Limited

(Name of Listed Issuer)

For Full Year Ended

31 March 2008

(referred to in this report as the "current full year")

Preliminary full year report on consolidated results (including the results for the previous corresponding full year) in accordance with Listing Rule 10.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates [see Note [X] attached] and is based on unaudited financial statements. If the report is based on audited financial statements, any qualification made by the auditor is to be attached.

The Listed Issuer has a formally constituted Audit Committee of the Board of Directors.

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE	Current Full Year \$NZ'000			Continuing Operations *Up/Down %	Total Restated NZIFRS *Up/Down %	Previous Corresponding Full Year \$NZ'000		
	Discontinued Operations	Continuing Operations	Total Under NZIFRS			Discontinued Operations	Continuing Operations	Total Restated NZIFRS
1.1 OPERATING REVENUE								
(a) Trading Revenue	32,447	910,159	942,606	20.1%	(2.6%)	209,943	757,855	967,798
(b) Other Revenue	-	1,560	1,560	344.4%	291.0%	48	351	399
(c) Total Operating Revenue	32,447	911,719	944,166	20.2%	(2.5%)	209,991	758,206	968,197
1.2 OPERATING *SURPLUS (DEFICIT) BEFORE TAXATION	645	60,407	61,052	19.5%	0.3%	10,340	50,556	60,896
(a) Less taxation on operating result	(266)	(19,596)	(19,862)	29.3%	10.8%	(2,766)	(15,154)	(17,920)
1.3 OPERATING *SURPLUS (DEFICIT) AFTER TAX	379	40,811	41,190	15.3%	(4.2%)	7,574	35,402	42,976
(a) Extraordinary Items after Tax [detail in Item 3]	60,537	-	60,537	(100.0%)	218.3%	18,677	342	19,019
(b) Unrealised net change in value of investment properties	-	-	-			-	-	-
1.4 NET *SURPLUS (DEFICIT) FOR THE PERIOD	60,916	40,811	101,727	14.2%	64.1%	26,251	35,744	61,995
(a) Net *Surplus (Deficit) attributable to minority interests	(105)	-	(105)		(92.5%)	(1,395)	-	(1,395)
1.5 NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	60,811	40,811	101,622	14.2%	67.7%	24,856	35,744	60,600

2.0 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR FULL YEAR	*Consolidated Statement of Financial Performance	
	Current full year \$NZ'000	Previous corresponding full year \$NZ'000
2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE		
(a) Interest revenue included in Item 1.1(b)	1,560	351
(b) # Unusual items for separate disclosure (gain/loss) (detail - Item 3)	nil	nil
(c) Equity earnings (gain/loss) (detail - Item 16)	434	1,147
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)	4,728	5,494
(e) Leasing and renting expenses	22,430	21,558
(f) Depreciation	7,392	6,045
(g) Non-cash Share Based Payment Expense	585	477
(h) Amortisation of goodwill		
(i) Amortisation of other intangible assets	3,216	2,871
(j) Impairment of goodwill		
(k) Impairment of other intangible assets		

2.2 SUPPLEMENTARY ITEMS

- (a) # Interest costs excluded from Item 2.1(d) and capitalised
- (b) # Outlays (other than those arising from the acquisition of an existing business) capitalised in intangibles
- (c) Unrecognised differences between the carrying value and market value of publicly traded investments

#Items marked in this way need to be shown only there their inclusion as revenue or exclusion from expenses has had a material effect on reported *surplus (deficit)

Consolidated Statement of Financial Performance	
Current full year \$NZ'000	Previous corresponding full year \$NZ'000
516	812

3.0 DISCONTINUED, UNUSUAL (INCLUDING NON RECURRING), AND EXTRAORDINARY ITEMS OF THE GROUP

DETAILS AND COMMENTS	Group - Current Full Year This Year		Group - Current Full Year Last Year	
	Operating Revenue \$NZ'000	Operating Surplus \$NZ'000	Operating Revenue \$NZ'000	Operating Surplus \$NZ'000
DISCONTINUED ACTIVITIES:				
Discontinued operations are Lep International (NZ) Ltd, Lep International Pty Ltd, Pan Orient Shipping Services Pty Ltd, Kurada No. 8 Ltd and our associate company assets of Rakino Ltd and Mogal International Ltd. (Disclose Operating Revenue and Operating Surplus)	32,447	275	209,991	6,179
TOTAL DISCONTINUED ACTIVITIES	32,447	275	209,991	6,179
Material Unusual (including Non Recurring) Items (included in 1.2)				
Description:				
TOTAL MATERIAL NON RECURRING ITEMS				
Extraordinary Items (Ref. Item 1.3(a))				
Description:				
Gain on Sale of Lep & Pan Orient and Pan Orient Debtor Costs		61,734		
Rakino Group Ltd Divestment Gain on Sale		160		16,971
Mogal International Ltd Associate Divestment Loss on Sale				(25)
Australian Workcover Refund Prior Year				1,292
Acquisition Search & Setup Costs				(621)
Restructure Cost Mainfreight International				(198)
Tax on Above		(1,357)		1,600
TOTAL EXTRAORDINARY ITEMS		60,537		19,019

4.0 STATEMENT OF MOVEMENTS IN EQUITY

	Statement of Movements In Equity	
	Current full year \$NZ'000	Previous corresponding full year \$NZ'000
4.1 *NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF LISTED ISS	101,622	60,600
(a) *Net Surplus (Deficit) attributable to minority interest	105	1,395
4.2 OTHER RECOGNISED REVENUE AND EXPENSES		
(a) *Increases (decreases) in revaluation reserves	5,110	6,230
(b) Current Translation Differences	(1,986)	(2,903)
(c) Minority interest in other recognised revenue and expenses	63	(112)
4.3 TOTAL RECOGNISED REVENUES AND EXPENSES	104,914	65,210
4.4 OTHER MOVEMENTS		
(a) Contributions by Owners & Share Xceme Costs		653
(b) Distributions to Owners	(15,901)	(41,262)
(c) Other Minority Interest on acquisitions	(4,984)	
(d) Team Member Share Sceme Costs	585	477
4.5 EQUITY AT BEGINNING OF YEAR	165,579	140,501
4.6 EQUITY AT END OF FULL YEAR	250,193	165,579

5.0 EARNINGS PER SECURITY Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share			Earnings Per Security	
			Current full year \$NZ'000	Previous corresponding full year \$NZ'000
(a)	Basic EPS			
	Continuing Operations	cents per share	42.3	37.1
	Discontinued Operations	cents per share	63.0	25.8
	Total Operations	cents per share	105.2	62.8
(b)	Diluted EPS (if materially different from (a))			
	Continuing Operations	cents per share	41.3	36.3
	Discontinued Operations	cents per share	61.6	25.3
	Total Operations	cents per share	102.9	61.6

6.0 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (VI))		
(a)	Name of subsidiary or group of subsidiaries	
	Bolwick Ltd (Hong Kong)	
	Mainfreight Express Ltd (China)	
	Target Logistics Services Inc (USA)	
(b)	Percentage of ownership acquired	
	Bolwick Ltd (Hong Kong) remaining 58.3%	
	Mainfreight Express Ltd (China) remaining 50.0%	
	Target Logistics Services Inc 100%	
(c)	Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	3,512 1,147
(d)	Date from which such contribution has been calculated	1-Aug-07
	Bolwick Ltd (Hong Kong)	1-Aug-07
	Mainfreight Express Ltd (China)	1-Aug-07
	Target Logistics Services Inc (USA)	1-Nov-07

7.0 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)		
(a)	Name of subsidiary or group of subsidiaries	
	Lep International (NZ) Ltd, Lep International Pty Ltd, Pan Orient Shipping Services Pty Ltd, Kurada No. 8 Ltd and our associate company assets of Rakino Ltd and Mogal International Ltd.	
(b)	Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$275
(c)	Date from which such contribution has been calculated	1 April 2007 to 31 May 2007
(d)	Contribution to consolidated net *Surplus (Deficit) (Item 1.4) for the previous corresponding half year	\$6,179
(e)	Contribution to consolidated net *Surplus (Deficit) (Item 1.4) from sale of subsidiary	\$60,537

8.0 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS

Information on the industry and geographical segments of the Listed Issuer is to be reported for the half year in accordance with the provisions of SSAP:23: Financial Reporting for Segments. Because of the differing nature and extent of segments among Listed Issuers, no complete proforma is provided, and the segment information should be completed separately and attached to this report. However, the following shows a suitable list of items for presentation and indicates which amounts should agree with items included elsewhere in the full year report:

SEGMENTS see attachment (a) in "Segmental" sheet

Industry

- Operating revenue:
 - * Sales to customers outside the group
 - * Intersegment sales
 - * Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

Geographical

- Operating revenue:
 - * Sales to customers outside the group
 - * Intersegment sales
 - * Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

Consolidated Statement of Financial Position			
(Note (VIII) attached has particular relevance for the preparation)	At end of current full year	As shown in last Annual Report Restated Under NZ IFRS	If half yearly as shown in last half yearly report
9 CURRENT ASSETS:	\$NZ'000	\$NZ'000	\$NZ'000
(a) Cash	26,708	15,809	
(b) Trade receivables	148,053	91,748	
(c) Assets of Disposal Group held for sale		53,893	
(d) Inventories			
(e) Other assets, current	8,095	12,402	
TOTAL CURRENT ASSETS	182,856	173,852	
9.1 NON-CURRENT ASSETS			
(a) Trade receivables			
(b) Investments	80	2,126	
(c) Inventories			
(d) Property, plant and equipment	186,522	144,335	
(e) Goodwill	91,828	29,125	
(f) Deferred Taxation Assets	6,084	5,275	
(g) Other Intangible Assets	11,615	6,077	
(h) Other assets, non current			
9.2 TOTAL NON-CURRENT ASSETS	296,129	186,938	
9.3 TOTAL ASSETS	478,985	360,790	
9.4 CURRENT LIABILITIES			
(a) Trade Creditors	102,450	65,260	
(b) Liabilities of Disposal Group held for sale		21,192	
(c) Secured loans	5,200	84,457	
(d) Unsecured loans		2,413	
(e) Provisions, current	19,193	21,320	
(f) Other liabilities, current	415	30	
TOTAL CURRENT LIABILITIES	127,258	194,672	
9.5 NON-CURRENT LIABILITIES			
(a) Accounts payable, non-current			
(b) Secured loans	100,386		
(c) Unsecured loans			
(d) Provisions, non-current	550	497	
(e) Deferred Taxation Liability, non-current			
(f) Other liabilities, non-current	598	42	
9.6 TOTAL NON-CURRENT LIABILITIES	101,534	539	
9.7 TOTAL LIABILITIES	228,792	195,211	
9.8 NET ASSETS	250,193	165,579	
9.9 SHAREHOLDERS' EQUITY			
(a) Share capital (optional)	57,124	56,539	
(b) Reserves (optional)			
(i) Revaluation reserve	43,607	38,497	
(ii) Other reserves	(4,889)	(2,903)	
(c) Retained Surplus (accumulated Deficit) (optional)	154,351	68,180	
9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	250,193	160,313	
(a) Minority equity interests in subsidiaries		5,266	
9.11 TOTAL SHAREHOLDERS' EQUITY	250,193	165,579	
(a) Returns on Assets (%) (EBIT divided by Total Assets)	26.35%	22.80%	
(b) Return on Equity (%) (Net Income divided by Shareholders' Equity)	40.62%	37.80%	
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	91.45%	117.90%	

		Consolidated Statement of cashflows for full year	
(See Note (IX) attached)		Current full year \$NZ'000	Corresponding full year \$NZ'000
10	CASH FLOWS RELATING TO OPERATING ACTIVITIES		
(a)	Receipts from customers	926,477	959,200
(b)	Interest received	1,560	399
(c)	Dividends received	824	922
(d)	Payments to suppliers and employees	(856,955)	(889,238)
(e)	Interest paid	(4,692)	(5,487)
(f)	Income taxes paid	(26,515)	(17,908)
(g)	Other cash flows relating to operating activities -Shipping A/c Movements		
	NET OPERATING FLOWS	40,699	47,888

(See Note (IX) attached)			
11	CASH FLOWS RELATING TO INVESTING ACTIVITIES		
(a)	Cash proceeds from sale of property, plant and equipment	237	536
(b)	Cash proceeds from sale of equity investments	93,164	22,747
(c)	Loans repaid by other entities	19	28
(d)	Cash paid for purchases of property, plant and equipment	(41,734)	(34,075)
(e)	Interest paid - capitalised	(516)	(812)
(f)	Cash paid for purchases of equity investments	(80,330)	
(g)	Loans to other entities	(23)	
(h)	Bank Balance of Sold and acquired Subsidiaries	(6,706)	(17)
	NET INVESTING CASH FLOWS	(35,889)	(11,593)

(See Note (IX) attached)			
12	CASH FLOWS RELATED TO FINANCING ACTIVITIES		
(a)	Cash proceeds from issue of shares, options, etc.		653
(b)	Borrowings	103,421	15,295
(c)	Repayment of borrowings	(89,544)	(766)
(d)	Dividends paid	(15,901)	(41,262)
(e)	Other cash flows relating to financing activities		
	NET FINANCING CASH FLOWS	(2,024)	(26,080)

(See Note (IX) attached)			
13	NET INCREASE (DECREASE IN CASH HELD)	2,786	10,215
(a)	Cash at beginning of full year	19,543	10,769
(b)	Exchange rate adjustments to Item 12.3(a) above	(821)	(1,441)
(c)	CASH AT END OF FULL YEAR	21,508	19,543

14 NON-CASH FINANCING AND INVESTING ACTIVITIES
Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows:

.....

.....

.....

(See Note (IX) attached)		Current full year NZ\$'000	Previous Corresponding full year NZ\$'000
15	RECONCILIATION OF CASH		
For the purposes of the above Statement of cash flows, cash includes:			
cash at bank and bank overdraft			
Cash at the end of the full year as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:			
Cash on hand and at bank		26,708	19,543
Deposits at call			
Bank overdraft		(5,200)	
Other (provide details eg Term Deposits			
Total = Cash at End of Full Year (Item 13(c) above)		21,508	19,543

16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES

Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).

16.1 GROUP SHARE OF RESULTS OF ASSOCIATES

	Equity Earnings	
	Current full year \$NZ'000	Previous corresponding full year \$NZ'000
(a) OPERATING *SURPLUS (DEFICIT) BEFORE TAX	535	2,021
(b) Less tax	(101)	(368)
(c) OPERATING *SURPLUS (DEFICIT) AFTER TAX	434	1,653
(i) Extraordinary items		
(d) NET *SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX	434	1,653

16.2 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES

(a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of Full Year		Contribution to net *surplus (deficit) (Item 1.5)	
	Current full year	Previous Corresponding full year	Current full year NZ\$'000	Previous Corresponding full year NZ\$'000
Equity Accounted Associates				
			<i>Equity Accounted in current year</i>	
Bolwick Ltd ***	100.0%	41.7%	196	537
Mainfreight Express Ltd ***	100.0%	50.0%	238	610
Rakino Group Ltd %	nil	nil	nil	506
Mogal International Ltd #	nil	nil	nil	nil
*** purchased remaining shareholding 1 August 2007 - treated as subsidiaries from that date				
% Sold on 31 July 2006				
# Sold on 31 October 2006				
			434	1,653
Other Material Interests			<i>Not Equity Accounted in current year</i>	
			nil	nil

(b) Investments in Associates

	Current full year \$NZ'000	Previous Corresponding full year \$NZ'000
Carrying value of investments in associates beginning of year	2,046	7,554
- Transfer of associate company to subsidiary company during year		
- Disposal of Owens Group Ltd associates.		(6,239)
- Transfer to Goodwill on acquisition of remaining shareholding of Assoc	(1,645)	
- Transfer to Investments from Associates	(11)	
Share of changes in associates' post acquisition surpluses/and reserves:		
- Retained surplus	434	1,653
- Reserves		
Net goodwill amortisation and impairment adjustments in the period		
Adjustment for Exchange Rate Movement		
Less Dividends received in the period	(824)	(922)
Equity carrying value of investments at the end of full year	nil	2,046
Amount of goodwill included in carrying value at end of that full year	nil	nil

17 ISSUED AND QUOTED SECURITIES AT END OF CURRENT half year

Category of Securities	Number		Number	Paid-Up Value Cen (if not fully paid)
	Issued	Quoted		
PREFERENCE SHARES:				
# (Description)				
Issued during current full year				
ORDINARY SHARES:				
Ordinary Shares Fully Paid	96,569,190			
Partly Paid Redeemable Ordinary Shares	2,450,000		1c per share	
Issued during current full year-Ordinary Shares				
Issued during year-Redeemable Ordinary Shares	500,000		1c per share	
CONVERTIBLE NOTES				
# (Description)				
Issued during current full year				
OPTIONS:				
	Issued	Quoted	Exercise Price	Expiry Date
Issued during current full year				
DEBENTURES - Totals only:	nil	\$		
UNSECURED NOTES - Totals only:	nil	\$		
OTHER SECURITIES	nil	\$	\$	

Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

18 COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

- (a) Material factors affecting the revenues and expenses of the group for the current full year
see attached commentary
- (b) Significant trends or events since end of current full year
see attached commentary
- (c) Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed
International Financial Reporting Standards have been adopted. Prior years information has been restated accordingly.
- (d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain
nil
- (e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty
see attached commentary
- (f) Other comments
see attached commentary

19 DIVIDEND

- (a) Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)
4.52%
- (b) Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)
3.03%

20 ANNUAL MEETING (if full year report)

- (a) To be held at
Great Northern Room, Ellerslie Event Centre, Ellerslie Racecourse, 80-100 Ascot Avenue, Greenlane, Auckland
- (b) Date 31-Jul-08 Time 2-30pm
- (c) Approximate date of availability of Annual Report 28-Jun-08

If this full year report was approved by resolution of the Board of Directors, please indicate date of meeting:

29-May-08
30-May-08
(signed by) Authorised Officer of Listed Issuer (date)

*Delete as required