

Mainfreight Segmental Reporting

The Group operates in the domestic freight and international freight industries.

The segmental results from continuing and discontinued operations are disclosed below. Included in the results of discontinued operations are Lep International (NZ) Ltd, Lep International Pty Ltd, Pan Orient Shipping Services Pty I Kurada No. 8 Ltd and our associate company assets of Rakino Ltd and Mogal International Ltd.

Industrial and Geographical Segments

Mainfreight Quarter Ended June 2007 (\$000's).

This Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	64,132	6,873	269,660
New Zealand International	23,192	654	21,493
Australian Domestic	31,382	1,743	44,322
Australian International	30,629	836	24,734
USA International	28,674	1,789	25,116
Intercompany	0	0	-72,620
Continuing Operations	<u>\$178,009</u>	<u>\$11,895</u>	<u>\$312,705</u>
Discontinued Operations	32,447	689	0
Total Group	<u>\$210,456</u>	<u>\$12,584</u>	<u>\$312,705</u>

Last Year

	<u>Revenues</u>	<u>EBITDA</u>	<u>Total Assets</u>
New Zealand Domestic	65,600	6,240	312,377
New Zealand International	26,956	650	18,220
Australian Domestic	29,364	1,847	75,918
Australian International	29,635	712	23,534
USA International	29,004	1,763	23,090
Intercompany	0	0	-170,000
Continuing Group	<u>\$180,559</u>	<u>\$11,212</u>	<u>\$283,139</u>
Sold Businesses	53,175	1,846	49,858
Total Group	<u>\$233,734</u>	<u>\$13,058</u>	<u>\$332,997</u>

Group Statement of Financial Position as at 30 June 2007 (\$'000)

	<u>30 June 2007</u>	<u>30 June 2006</u>		<u>31 March 2007</u>			<u>1 April 2006</u>			
	Stated NZIFRS	Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS	Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS	Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS
Shareholders' Equity										
Share Capital	56,425	55,325	117	55,442	55,828	477	56,305	55,175	-	55,175
Accumulated Surplus	137,273	55,098	2,470	57,568	63,851	6,106	69,957	48,770	1,131	49,901
Revaluation Reserve	38,107	32,267	-	32,267	38,497	-	38,497	32,267	-	32,267
Foreign Currency Translation Reserve	(3,356)	1,544	(45)	1,499	(2,858)	(45)	(2,903)	45	(45)	-
Shareholders' Equity	228,449	144,234	2,542	146,776	155,318	6,538	161,856	136,257	1,086	137,343
Minority Interest	-	4,365	-	4,365	5,266	-	5,266	4,701	-	4,701
TOTAL EQUITY	228,449	148,599	2,542	151,141	160,584	6,538	167,122	140,958	1,086	142,044
Non-current Liabilities										
Bank Term Loan	-	72,311	-	72,311	84,457	-	84,457	72,311	-	72,311
Intercompany Advances	-	-	-	-	-	-	-	-	-	-
Employee Entitlements	740	-	-	-	720	-	720	909	-	909
Deferred Tax Liability	-	-	-	-	-	-	-	-	-	-
Finance Lease Liability	42	113	-	113	42	-	42	93	-	93
	782	72,424	-	72,424	85,219	-	85,219	73,313	-	73,313
Current Liabilities										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Intercompany Creditors	-	-	-	-	-	-	-	-	-	-
Intercompany Advances	-	-	-	-	-	-	-	-	-	-
Directors Loan	-	-	-	-	2,413	-	2,413	-	-	-
Trade Creditors & Accruals	61,518	82,838	-	82,838	80,933	-	80,933	81,491	-	81,491
Employee Entitlements	17,230	19,650	-	19,650	18,879	-	18,879	16,010	-	16,010
Provision for Taxation	4,696	6,894	-	6,894	6,194	-	6,194	5,044	-	5,044
Finance Lease Liability	30	50	-	50	30	-	30	53	-	53
	83,474	109,432	-	109,432	108,449	-	108,449	102,598	-	102,598
TOTAL LIABILITIES AND EQUITY	\$ 312,705	\$ 330,455	\$ 2,542	\$ 332,997	\$ 354,252	\$ 6,538	\$ 360,790	\$ 316,869	\$ 1,086	\$ 317,955
Non-current Assets										
Fixed Assets	155,396	138,822	-	138,822	155,788	-	155,788	127,332	-	127,332
Goodwill	29,045	37,540	2,542	40,082	28,730	6,505	35,235	38,885	1,086	39,971
Investments in Subsidiaries	-	-	-	-	-	-	-	-	-	-
Investments in Associates	2,323	7,350	-	7,350	2,046	-	2,046	7,554	-	7,554
Other Investments	80	-	-	-	80	-	80	80	-	80
Deferred Tax Asset	5,611	5,722	-	5,722	6,891	-	6,891	5,605	-	5,605
	192,455	189,434	2,542	191,976	193,535	6,505	200,040	179,456	1,086	180,542
Current Assets										
Bank	18,591	9,734	-	9,734	19,543	-	19,543	10,769	-	10,769
Trade Debtors	87,038	122,164	-	122,164	125,035	-	125,035	118,655	-	118,655
Intercompany Debtors	-	-	-	-	-	-	-	-	-	-
Future Tax Benefit	-	-	-	-	1,706	-	1,706	-	-	-
Tax Paid in Advance	-	-	-	-	-	-	-	225	-	225
Properties available for sale	-	-	-	-	1,667	-	1,667	-	-	-
Other Debtors	14,621	9,123	-	9,123	12,766	33	12,799	7,764	-	7,764
	120,250	141,021	-	141,021	160,717	33	160,750	137,413	-	137,413
TOTAL ASSETS	\$ 312,705	\$ 330,455	\$ 2,542	\$ 332,997	\$ 354,252	\$ 6,538	\$ 360,790	\$ 316,869	\$ 1,086	\$ 317,955

Statement of Changes in Equity for the Year Ended 30 June 2007

Attributable to Equity Holders of the Parent

	SHARE CAPITAL	REVALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	TOTAL EQUITY
Balance at 1 April 2006	56,305	38,497	-2,903	69,957	161,856	5,266	167,122
Changes in equity for the year ended 31 March 2007							
Exchange Translation difference			-453		-453	63	-390
Sale of Entity with Minority Interest					0	-4,984	-4,984
Revaluation Reserve		-390		0	-390		-390
<i>Net Income Recognised Directly in Equity</i>	0	-390	-453	0	-843	-4,921	-5,764
Profit for the period				67,316	67,316	105	67,421
<i>Total Recognised Income and Expense for the Period</i>	0	-390	-453	67,316	66,473	-4,816	61,657
Shares Issued	0				0		0
Team Member Share Scheme Costs	120				120		120
Supplementary Dividends				0	0		0
Dividends Paid				0	0	-450	-450
Foreign Investor Tax Credit				0	0	0	0
Balance at 31 March 2007	56,425	38,107	-3,356	137,273	228,449	0	228,449

Statement of Changes in Equity for the Three Months Ended 30 June 2006

Attributable to Equity Holders of the Parent

	SHARE CAPITAL	REVALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	TOTAL EQUITY
Balance at 1 April 2006	55,175	32,267	0	49,901	137,343	4,701	142,044
Changes in equity for the three months ended 30 June 2006							
Exchange Translation difference			1,499		1,499	100	1,599
Revaluation Reserve		0			0		0
<i>Net Income Recognised Directly in Equity</i>	0	0	1,499	0	1,499	100	1,599
Profit for the period				7,667	7,667	282	7,949
<i>Total Recognised Income and Expense for the Period</i>	0	0	1,499	7,667	9,166	382	9,548
Shares Issued	150				150		150
Team Member Share Scheme Costs	117				117		117
Supplementary Dividends				0	0		0
Dividends Paid				0	0	-718	-718
Foreign Investor Tax Credit				0	0		0
Balance at 30 June 2006	55,442	32,267	1,499	57,568	146,776	4,365	151,141

Statement of Changes in Equity for the Year Ended 31 March 2007

Attributable to Equity Holders of the Parent

	SHARE CAPITAL	REVALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	TOTAL EQUITY
Balance at 1 April 2006	55,175	32,267	0	49,901	137,343	4,701	142,044
Changes in equity for the year ended 31 March 2007							
Exchange Translation difference			-2,903		-2,903	-112	-3,015
Revaluation Reserve		6,230			6,230		6,230
<i>Net Income Recognised Directly in Equity</i>	0	6,230	-2,903	0	3,327	-112	3,215
Profit for the period				60,600	60,600	1,395	61,995
<i>Total Recognised Income and Expense for the Period</i>	0	6,230	-2,903	60,600	63,927	1,283	65,210
Shares Issued	653				653		653
Team Member Share Scheme Costs	477				477		477
Supplementary Dividends				-1,669	-1,669		-1,669
Dividends Paid				-40,544	-40,544	-718	-41,262
Foreign Investor Tax Credit				1,669	1,669		1,669
Balance at 31 March 2007	56,305	38,497	-2,903	69,957	161,856	5,266	167,122

Statement of Financial Performance for the Three Months Ended 30 June 2007

	30 June 2007			30 June 2006					31 March 2007				
	Discontinued Operations	Continuing Operations	Total Under NZIFRS	Discontinued Operations	Continuing Operations	Total Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS	Discontinued Operations	Continuing Operations	Total Previous NZGAAP	Effect of Transition To NZIFRS	Restated NZIFRS
Operating Revenue	32,447	178,009	210,456	53,175	180,559	233,734		233,734	209,943	757,855	967,798		967,798
Interest Income	-	-	-	-	-	-		-	48	351	399		399
Total Revenue	32,447	178,009	210,456	53,175	180,559	233,734	-	233,734	209,991	758,206	968,197	-	968,197
Transport Costs	(25,398)	(114,013)	(139,411)	(42,338)	(118,599)	(160,937)		(160,937)	(164,812)	(493,634)	(658,446)		(658,446)
Labour Expenses	(4,372)	(34,591)	(38,963)	(6,279)	(32,259)	(38,538)	(117)	(38,655)	(23,692)	(128,310)	(152,002)	(477)	(152,479)
Occupancy Expenses	(480)	(3,210)	(3,690)	(604)	(3,953)	(4,557)		(4,557)	(2,529)	(15,770)	(18,299)		(18,299)
Depreciation Expenses	(80)	(2,293)	(2,373)	(172)	(2,153)	(2,325)		(2,325)	(552)	(8,916)	(9,468)		(9,468)
Amortisation Expenses	-	-	-	(230)	(1,226)	(1,456)	1,456	-	(829)	(4,764)	(5,593)	5,593	-
Other Expenses	(1,508)	(14,300)	(15,808)	(2,108)	(14,418)	(16,526)		(16,526)	(8,612)	(56,196)	(64,808)	33	(64,775)
Finance Costs	35	(1,170)	(1,135)	(122)	(1,080)	(1,202)		(1,202)	40	(5,527)	(5,487)	-	(5,487)
Share of Profit of Associates	-	288	288	458	267	725		725	506	1,147	1,653		1,653
Profit Before Taxation and Non-recurring Items for the Year	644	8,720	9,364	1,780	7,138	8,918	1,339	10,257	9,511	46,236	55,747	5,149	60,896
Income Tax Expense	(265)	(2,874)	(3,139)	(416)	(2,696)	(3,112)		(3,112)	(2,766)	(15,154)	(17,920)		(17,920)
Profit After Taxation But Before Non-recurring Items for the Year	379	5,846	6,225	1,364	4,442	5,806	1,339	7,145	6,745	31,082	37,827	5,149	42,976
Non-recurring Items Before Taxation	60,608	-	60,608	-	1,140	1,140		1,140	17,120	473	17,593	(174)	17,419
Income Tax Effect on Non-recurring Items	588	-	588	-	(336)	(336)		(336)	-	1,600	1,600		1,600
Net Profit for the Period	61,575	5,846	67,421	1,364	5,246	6,610	1,339	7,949	23,865	33,155	57,020	4,975	61,995
Attributable to:													
Minority Interest	105	-	105	282	-	282		282	1,395	-	1,395		1,395
Members of the Parent	61,470	5,846	67,316	1,082	5,246	6,328	1,339	7,667	22,470	33,155	55,625	4,975	60,600

Statement of Cash Flows for the Three Months Ended 30 June 2007

	30 June 2007		30 June 2006		31 March 2007	
	Total Under NZIFRS	Restated NZIFRS				
Operating Activities	12,882	12,550	12,550	12,550	47,888	47,888
Investing Activities	73,883	(13,427)	(13,427)	(13,427)	(11,593)	(11,593)
Financing Activities	(87,372)	(593)	(593)	(593)	(26,080)	(26,080)
FX Rate Fluctuations on Cash Held	(345)	435	435	435	(1,441)	(1,441)
NET INCREASE (DECREASE) IN CASH	(952)	(1,035)	(1,035)	(1,035)	8,774	8,774