ANNUAL SHAREHOLDERS MEETING

A. CHAIRMAN'S INTRODUCTION

Slide 1. Freightways – 27 October 2011, Annual Shareholders Meeting

Slide 2. Sue Sheldon, Chairman

Ladies and Gentlemen, welcome to Freightways' Annual Shareholders Meeting. My name is Sue Sheldon. I am the Chairman of Freightways' Board of Directors.

Slide 3. Agenda

Before we get underway I will run through the structure of the meeting.

- I will begin with procedural matters, introduce the Freightways Board and senior executive team to you, and then summarise some of the Company's 2011 highlights. I will then ask Dean Bracewell, Freightways' Managing Director, to provide a review of the Company and an update on current trading performance.

- I ask that you hold all questions about the performance of the Company until the close of the Managing Director's presentation and direct them through the Chair. Any questions related to resolutions should be asked when we consider those resolutions.

- Following the Managing Director's presentation, I will introduce the resolutions as outlined in the notice of meeting. This year a poll will be held in respect of the resolutions put to shareholders which will be conducted following the meeting.

- The notice of meeting, which includes the explanatory notes, has been circulated to all shareholders, and I intend to take it as read.

The Company's constitution prescribes a quorum requirement of 3 shareholders. As you can see this requirement is met. As a quorum is therefore present, the meeting is duly constituted and I declare it open.

Proxies have been appointed for the purpose of this meeting in respect of approximately 65 million ordinary shares. As was indicated on the proxy form, where proxy discretion has been given, the Directors, and I as Chairman, intend to vote those proxies we have received in favour of resolutions 1, 2 and 4 set out in the Notice of Meeting. As also indicated on the proxy form, unless directed how to vote by the shareholder giving the proxy in respect of resolution 3 relating to Directors' fees, the Directors, including myself, will not be able to vote on resolution 3 on behalf of the proxy.

I would now like to introduce those at the table with me:

- Mark Royle, Freightways' Chief Financial Officer and Company Secretary. Mark has 27 years accounting and commercial experience of which 13 years were with a major international chartered accounting firm. Mark was appointed Chief Financial Officer and Company Secretary of Freightways 11 years ago, having spent a number of years prior to that with Freightways' then Australian owner.

Your Directors at the table are:

- Dean Bracewell, Freightways' Managing Director. Dean has spent almost his entire career with Freightways after initially joining the company in 1978. He worked his way through the company and held a number of senior Executive and General Management roles within Freightways' subsidiary businesses prior to his appointment as Managing Director in 1999.

- Mark Verbiest. A lawyer by training with widespread corporate legal experience in private practice, Mark also has a strong working knowledge of technology-related businesses and capital markets. Mark is today a professional director and also a member of the Financial Markets Authority.

- Sir William Birch. Sir William began his career in 1957, when he established a private practice as a surveyor in Pukekohe. His keen interest in community affairs led to six years as Deputy Mayor of Pukekohe and election to Parliament in 1972. During his 27 years in Parliament he served for 15 years as a Minister of the Crown, including 6 years as Minister of Finance between 1993 and 1999. Sir William retired from Parliament in 1999 and commenced a private consultancy. He is a director of a number of public and private companies, a trustee of the MFL and SIL Superannuation funds, a member of the Royal Bank of Scotland’s Australian Advisory Council and an advisor to Forsyth Barr. Sir William was knighted by the Queen for public services in 1999.

- Roger Corcoran. Roger is based in Australia. He gained extensive global business experience during a 30-year career with multi-national transport and logistics operator, TNT. Roger retired as CEO of TNT Australia, New Zealand and the Pacific Islands in December 2008.

- Kim Ellis. Kim spent 28 years in chief executive roles in a number of sectors, including industrial services, and has developed businesses in both New Zealand and Australia. Kim is now a professional director working with both private and listed companies. Kim is currently Chairman of publicly-listed Seeka Kiwifruit Industries Limited and a Director of a number of private companies.

- I was appointed a Director of Freightways ahead of its IPO in June 2003 and elected Chairman in October 2010. I am a Chartered Accountant and full-time professional director. I am currently a Director of the Reserve Bank of New Zealand, Telecom Corporation of New Zealand Limited, Contact Energy Limited, Paymark Limited and, following a vote of Telecom Shareholders for demerger yesterday, will shortly take up the role of Chairman of Chorus Limited. I am a former president of the New Zealand Institute of Chartered Accountants and was made a Companion of the New Zealand Order of Merit in 2007.

Also present today are several members of the Freightways executive team who I would like to introduce to you:

- Steve Wells, General Manager of New Zealand Couriers.
- Mark Troughear, General Manager of the Freightways Information Management Division.
- Richard Mitchell-Lowe, General Manager of Freightways Information Services.
- Mark Brightwell, General Manager of DX Mail and Online Security Services.
- Charles Giliam, General Manager of Fieldair Holdings.
- Neil Wilson, General Manager of Post Haste Limited.
- Devon Buckingham, Auckland Regional Manager of New Zealand Couriers.
- Aaron Stubbing, General Manager of Messenger Services Limited.
- Mark Skews, General Manager of Castle Parcels Limited.

And from our Australian businesses:

- Chris Cotterrell, General Manager of DataBank Technologies Pty Limited.
- Nick Karos, the founder of Shred-X Pty Limited.
- Van Karas, General Manager of Shred-X Pty Limited.

These people are representative of the wider Freightways team who operate in every town and city throughout New Zealand and in all major states of Australia. This executive team has considerable experience, often in more than one Freightways business and has an average tenure at Freightways of approximately 15 years per executive. It is a particular strength of Freightways that it is able to identify and promote talent from within, not only in these senior roles but across many occupations within the greater company.

The Company's Auditors PricewaterhouseCoopers are represented here today by Pip Cameron and the Company's legal advisors Russell McVeagh are represented here today by Pip Greenwood.

The Financial Statements for the year ended 30 June 2011 are set out in the Company's Annual Report that was released to shareholders last month.

I would now like to speak briefly to some of the general and financial highlights of Freightways' 2011 year. I will then ask Dean Bracewell to address you.

Slide 4. General Highlights - 2011

Highlights of 2011 include:
- the core express package & business mail division returning double digit earnings growth in the second and fourth quarters;
- the roll out of the information management division's service capability throughout Australia;
- the outstanding performance of the information management division; and
- the overall resilience again shown by Freightways, despite the challenges of nature and the economy.

Slide 5. Financial Highlights - 2011

Consolidated operating revenue of $353 million for the full year was 7% higher than the prior comparative period.

EBITDA of $66 million for the full year, which excludes non-recurring expenses (which I will describe shortly), was 4% higher than the prior comparative period and EBITA of $57 million for the full year, also excluding non-recurring expenses, was 5% higher than the prior comparative period.

Consolidated NPAT of $31 million for the full year, excluding non-recurring expenses, was 7% higher than the prior comparative period, when excluding the abnormal tax charge of $5.7 million that related to that prior comparative period.

Cash flows generated from operations were again strong at $63 million.

The non-recurring expense I have been referring to represents direct costs associated with the Christchurch earthquakes which have been recorded in the income statement as a one-off expense.

Most importantly none of our team was seriously injured either in the Christchurch earthquakes or the Queensland floods, despite several being at work during the times of the earthquakes. Contingency plans were implemented locally and through the support of team mates in other centres to ensure minimal disruption to service, except where access was restricted. The day following 22 February, our team was ensuring deliveries to customers and essential services wherever possible.

The document storage operation of our Christchurch information management business was most severely affected with collapsed racking. The project to extract archive boxes, replace and rebuild racking and return to normal service was completed during the second half of the 2011 financial year. In addition to the considerable damage to our information business, the Christchurch earthquakes also impacted Freightways through reduced activity and revenue, resulting in an estimated $1.5 million loss of operating earnings, as announced to the market during March.

The overall cost related to these events, exclusive of insurance proceeds received up until year-end, was $1.3 million with the after-tax impact on profit being $900,000. As at 30 June 2011, the insurance claims had not been fully settled by the Group's insurers so, at that point, it was not possible to determine what amount would be recovered. Since then further insurance proceeds of $900,000 have been received. These proceeds and any additional amounts received will be reported as a positive non-recurring item in the half year and full year results this year.

During these natural disasters, the Freightways team demonstrated its tremendous service ethic and team work to ensure minimal disruption to customers.

Slide 6. Final Dividend - 2011

The Directors declared a final dividend of 7.25 cents per share, fully imputed at a tax rate of 30%. This represents a pay out of approximately $11.2 million compared with $11.1 million for the interim dividend. The full year's dividend payout was in line with the Company's dividend policy of paying out 75% of annual NPAT before goodwill amortisation. The final dividend was paid on 30 September 2011.

The Dividend Reinvestment Plan (DRP) was not offered in relation to this final dividend. As a capital management tool, the application of the DRP will be reviewed for each future dividend.

Freightways' 2011 result was underpinned by progressively improving performance from the core express package & business mail division and outstanding performance from the information management division. The Board acknowledges the excellent work and ongoing dedication of the Freightways team throughout New Zealand and Australia. The team produced a full year result that was above the prior year in all respects.

I'll now call on Dean Bracewell to address the meeting.

Slide 7. Freightways – Dean Bracewell, Managing Director

B. MANAGING DIRECTOR'S REVIEW AND TRADING UPDATE

Thank-you Sue and thank-you ladies and gentlemen for coming along today.

Slide 8. Managing Director's presentation agenda

My presentation will provide an update on the industries that Freightways works in and its businesses. I will then touch on Freightways' over-arching strategy, before finishing with an update on recent trading performance and our outlook for the foreseeable future.

Slide 9. Express package & Business mail

Slide 10. Express package – Industry overview

Freightways operates in the New Zealand express package industry. This industry is imbedded in New Zealand business. As general business activity increases or decreases so too will express package industry volumes, as has been evident throughout Freightways' history.

There are two major players in the express package industry – a German Post-NZ Post JV company and Freightways. As such the industry is relatively consolidated, although there does remain a number of other smaller operators.

Long-term growth of the express package industry is expected to continue to be underwritten by increasing demand for faster 'Just in Time' delivery of goods and services, by increasing global trade, the ease with which we can now buy goods over the internet from markets around the world and by the increasing accessibility of our services to a wider domestic and offshore market.

The express package industry has expanded in recent times as postal operators have transitioned their traditional parcel volumes towards an express package courier delivery. This industry transformation will continue to drive opportunities to Freightways in New Zealand.

Slide 11. Express package & business mail – Business description

Freightways operates a multi-brand strategy. Our brands are positioned as specialists in their respective niches of the market to cater for the different service demands of their customers. This multi-brand strategy provides customers with the benefit of choice and ensures that we are well positioned to capture growth right across the market.

Freightways has a great depth of experience in its teams of people throughout its brands, right through to the front line where we interact several times a day with our customers. This experience is a significant contributor to Freightways' competitive advantage and has underpinned the company's resilience throughout recent tough times. Our people are highly motivated and have completed another year in which their efforts have again been rewarded with excellent customer retention.

Freightways' network of independent contractors who provide the physical pick-up, linehaul and delivery of packages are our primary partners in the express package businesses. Our business model shares the risk and reward of doing business with our contractors.

Across its brands, Freightways has a strong culture of operational excellence, innovation and profit achievement which is core to the group's long-term growth and development.

Slide 12. Information Management

Slide 13. Information management – Industry overview

Freightways offers specialist off-site management of electronic media in climate-controlled vaults, archiving and physical storage of documents and secure document destruction services to a wide range of business customers.

Key growth drivers in this industry include the increasing demand for expert management of business information, risk management and compliance, and the lower overall cost of an outsourced solution.

The robust and recurring nature of the revenue we earn from our information management division is naturally a favourable feature of this industry.

The information management industry is relatively consolidated with a small number of operators servicing both the New Zealand and Australian markets.

Slide 14. Information management – Business description

Freightways has successfully diversified its operations into the information management industry, which today accounts for around 20% of Freightways total revenue and operating earnings.

During 2011, Freightways leased additional capacity in Auckland, Wellington, Sydney, Melbourne, Adelaide and Perth. With this increased capacity has come a stepped increase in lease costs that, as communicated in past announcements, has had some initial detrimental impact on margins. As this capacity is utilised these margins are expected to be restored. Demand for our document management services is such that our utilisation of each of these new facilities is running ahead of our initial expectations.

Strategic growth opportunities for the information management division continue to be explored and executed. During 2011 Shred-X started up operations in South Australia, New South Wales and Western Australia, meaning that Freightways' information management division now offers customers a nationwide service in New Zealand and Australia in all three of its primary service lines. Initial demand for Shred-X's document destruction services in these Australian cities and for its now national service capability is strong.

As recently announced, Freightways purchased Iron Mountain New Zealand Limited, a subsidiary of the US-listed Iron Mountain Incorporated, with effect from the start of this month. Iron Mountain New Zealand is currently being merged operationally into our existing information management division. This acquisition is consistent with Freightways' growth strategy to acquire complementary businesses and to increase its penetration into the Information Management market.

Prospects for the information management division remain positive. New capacity, a national service capability throughout both New Zealand and Australia and a highly motivated team of people will continue to drive the growth of this division.

Freightways' Trans-Tasman information management businesses have again delivered an outstanding contribution.

Slide 15. Business strategy

Slide 16. Business strategy

Freightways' strategy in recent times has contained several key elements. At a high level these are:

- Firstly, and most importantly, our strategy has been to enhance capability and service levels wherever possible within each of Freightways' existing businesses to ensure the retention of existing customers and to grow market share.
- Secondly, our strategy has been to diversify the company into the information management industry to further strengthen its earnings base and increase its resilience against economic cycles.
- Thirdly, our strategy has been to diversify activity from its sole reliance on the domestic New Zealand market. This has been achieved by establishing operations in every major state of Australia.
- Lastly, Freightways' strategy has been to extend its presence into complementary areas of growth, either through the establishment of alliances or by acquisition.

Your company is very well positioned with quality capability and capacity to benefit from further improvement in the economy and in each of its markets.

Freightways will continue to train and develop its people to ensure the future of its business is in experienced hands.

Freightways will continue to innovate and wherever possible further improve its service performance to customers. Technology continues to play a key role in delivering this innovation.

These strategies are designed to sustain Freightways' profitability and deliver long-term value to shareholders.

Acquisitions and alliances will continue to be explored where they complement Freightways' capability and add value. In addition, start-up opportunities will also be considered if they make commercial sense.

Slide 17. Trading update

These next two slides present the long term performance of your company.

Slide 18. Operating revenue

Our 2011 result saw a return to a sound increase in revenue following a dip in 2010. Our 10-year compound average annual growth rate for revenue is 7%.

Slide 19. EBITA

2011 operating earnings (or EBITA) also increased once again after a dip in 2010. EBITA compound average annual growth over a 10-year period is a credible 9%.

Slide 20. Business Segments – 2011

The contribution of the two divisions to Freightways' revenue and earnings can be seen on this slide. Information Management now contributes over 20% to the group's results in this regard.

Slide 21. Current financial performance

This slide shows Freightways' most current 'unaudited' financial performance for the three months ended 30 September 2011. Freightways revenue totalled $93 million, a 9% increase on the prior comparative period. Earnings before interest, tax, depreciation and goodwill amortisation (or EBITDA) of $16.6 million was 8% above the prior comparative period and earnings before interest, tax and goodwill amortisation (or EBITA) of $14.2 million was 9% above the prior comparative period. Net profit after tax (or NPAT) of $8 million is 19% above the prior comparative period and the highest ever first quarter result recorded by Freightways since its IPO in 2003. The one-off $900,000 EBITA benefit ($648,000 , net of tax) from insurance proceeds relating to the prior year has not been included in this trading update result and will be reported as a positive non-recurring item in the half and full year accounts.

Freightways' express package & business mail division has again delivered good revenue growth of 7%, double digit EBITDA growth of 10% and EBITA growth of 11%, compared to the prior comparative period. This strong performance is evidence of:

- the strength of the Freightways business model and its market leading brands,
- the successful execution of a wide range of customer retention and growth strategies; and
- the dedication and excellence of its team of people throughout New Zealand.

Freightways' information management division has also again performed strongly, with revenue growth of 14%, EBITDA growth of 5% and EBITA growth of 3%, compared to the prior comparative period. This is despite the increased cost of previously announced additional capacity and the expensing of $250,000 of relocation costs in Western Australia. Revenue growth in this division continues to be outstanding and as our new capacity is utilised we also expect to see improving margins. The growth in this division demonstrates:

- the successful establishment of operations throughout Australia to complement the established New Zealand operations,

- the benefit of market share gains as customers have reacted positively to our differentiated service offer,
- the increased outsourcing by business to ensure the professional management of its critical information,
- the increasing demand for the secure destruction and recycling of that information which has ended its lifecycle; and
- a highly motivated team successfully executing its strategy in a positive growth market.

In August of this year, Freightways' total finance facilities were renegotiated with improved pricing and a new structure, effective from 1 September 2011. Total facilities of 110 million New Zealand dollars and 70 million Australian dollars, spread equally between 3-year, 4-year and 5-year maturity dates, were approved by Freightways' banking syndicate. This new multi-currency facility, with an evenly spread maturity profile, demonstrates the support of Freightways' banking syndicate and provides important diversity of duration and funding certainty for the company.

Slide 22. Recent acquisition activity

As I mentioned earlier, Freightways acquired Iron Mountain New Zealand, effective from the start of this month. The purchase price was $10 million US dollars (or approximately $12.7 million New Zealand dollars). It is expected that this acquisition will deliver $12 million of revenue in its first 12 months under Freightways' ownership and generate $1.5 million of EBITA, before the benefit of synergies. It is currently being merged into our existing information management division and we are actively pursuing operational synergies. This includes relocating its Wellington operations into our purpose-built Porirua facility. Strategically this acquisition is a very good fit with our existing information management businesses and it is immediately Earnings Per Share positive.

Slide 23. Outlook

Slide 24. Outlook

Based on our experiences last financial year and what we have experienced in the first quarter of the 2012 financial year, we expect to see continued gradual improvement in the market segments we operate in. While Freightways expects it will benefit from this improvement, it will also complement any natural growth by continuing to actively manage its cost base, by striving to further improve its service quality and by continuing to execute growth initiatives wherever possible.

The express package & business mail division remains reliant on growth amongst its existing customer base to sustain its year-on-year performance improvement, albeit the market share gains and pricing improvement achieved during 2011 and pricing initiatives implemented to date in 2012 will contribute positively to its overall performance. Freightways has consistently demonstrated its ability to compete successfully in an openly competitive environment and it will continue to do so. Our express package brands are among the most recognised in New Zealand, our people have a depth of experience second to none and our service culture that was so clearly demonstrated during the tough times last financial year in Christchurch and Queensland will continue to stand us apart from our competitors.

The information management division is transitioning successfully through a period of significant investment in capacity. It is expected to complete this transition while still delivering sound year-on-year earnings growth, albeit margins will be lower this financial year than they were in 2011. Already however, our new facilities are filling faster than we had expected. Some property rationalisation associated with the recent acquisition of Iron Mountain New Zealand will also see improved utilisation of facilities and assist the realisation of synergies as that business is merged into ours.

Capital expenditure for 2012 is expected to be $18 million and includes a one-off $4 million depot refurbishment at our main Auckland site to accommodate the relocation of NOW Couriers, who are currently based off-site. Cost savings as a result of this project are expected to be achieved in the 2013 financial year. Overall, cash flows are expected to remain strong throughout the financial year.

In recent years, Freightways has strengthened its earnings profile by diversifying its activities both geographically and deeper into the information management market. Freightways will continue to seek and develop growth opportunities to support this strategy and will also explore other opportunities that complement its core capabilities.

Subject to business factors beyond its control, Freightways is well positioned to reap the benefits of further improvement in the markets in which it operates.

Thank-you.