



50
YEARS
KEEPING NEW ZEALAND
BUSINESS MOVING
SINCE 1964

Freightways Annual Shareholders Meeting
30 October 2014

Freightways

Sue Sheldon, Chairman

AGENDA

- Chairman's Introduction
- Managing Director's Review and Trading Update
- Resolutions

Financial Highlights - 2014

	Jun-14 \$M	Jun-13 \$M	Increase %
Operating Revenue	432.3	406.1	6.4%
EBITDA*	83.9	77.2	8.7%
EBITA*	72.0	65.0	10.7%
NPAT*	43.0	38.3	12.2%
NPATA*	44.0	38.6	14.0%

* Jun-14 excludes a non-recurring \$1.25m expense relating to an upcoming acquisition earn-out payable (\$1.25m after tax). Jun-13 excludes a non-recurring \$2.1m benefit from reversing accrued earn-out payments not expected to be payable (\$2.1m after tax).

Express Package & Business Mail - 2014

	Jun-14 \$M	Jun-13 \$M	Increase %
Operating Revenue	331.9	308.3	7.7%
EBITDA*	60.7	54.8	10.8%
EBITA*	54.5	48.8	11.7%
EBITA Margin*	16.4%	15.8%	

* Jun-13 excluded a non-recurring amount of \$1m relating to an acquisition earn-out payment that was not expected to be paid.

Information Management - 2014

	Jun-14 \$M	Jun-13 \$M	Increase %
Operating Revenue	102.7	99.9	2.8%
EBITDA*	24.4	23.2	4.8%
EBITA*	20.1	18.5	8.4%
EBITA Margin*	19.5%	18.5%	

* Jun-14 excludes a non-recurring \$1.25m expense relating to an upcoming acquisition earn-out payable (\$1.25m after tax). Jun-13 excludes a non-recurring \$1.1m benefit from reversing an accrued earn-out payment not expected to be payable (\$1.1m after tax).

Final Dividend - 2014

- Final dividend: 11.25 cps
- Imputation credits: 4.375 cps (at 28% tax rate)
- Supplementary dividend: 1.9853 cps
- Record date: 19 September 2014
- Payment date: 6 October 2014
- No DRP was offered in respect of the 2014 Final Dividend



New Zealand Couriers

50th Year Anniversary

Dean Bracewell, Managing Director

Review and Trading Update


Managing Director's Presentation

- Industry Overview and Business Description
- Business Strategy
- Trading Update
- Outlook

Express Package & Business Mail









Express Package & Business Mail

Network Courier	Point-to-Point	Business Mail	Support
			
			
			
			
			

Information Management



Information Management

	New Zealand	Australia
Document Storage		 
Data Storage		
Document Destruction		

Business Strategy



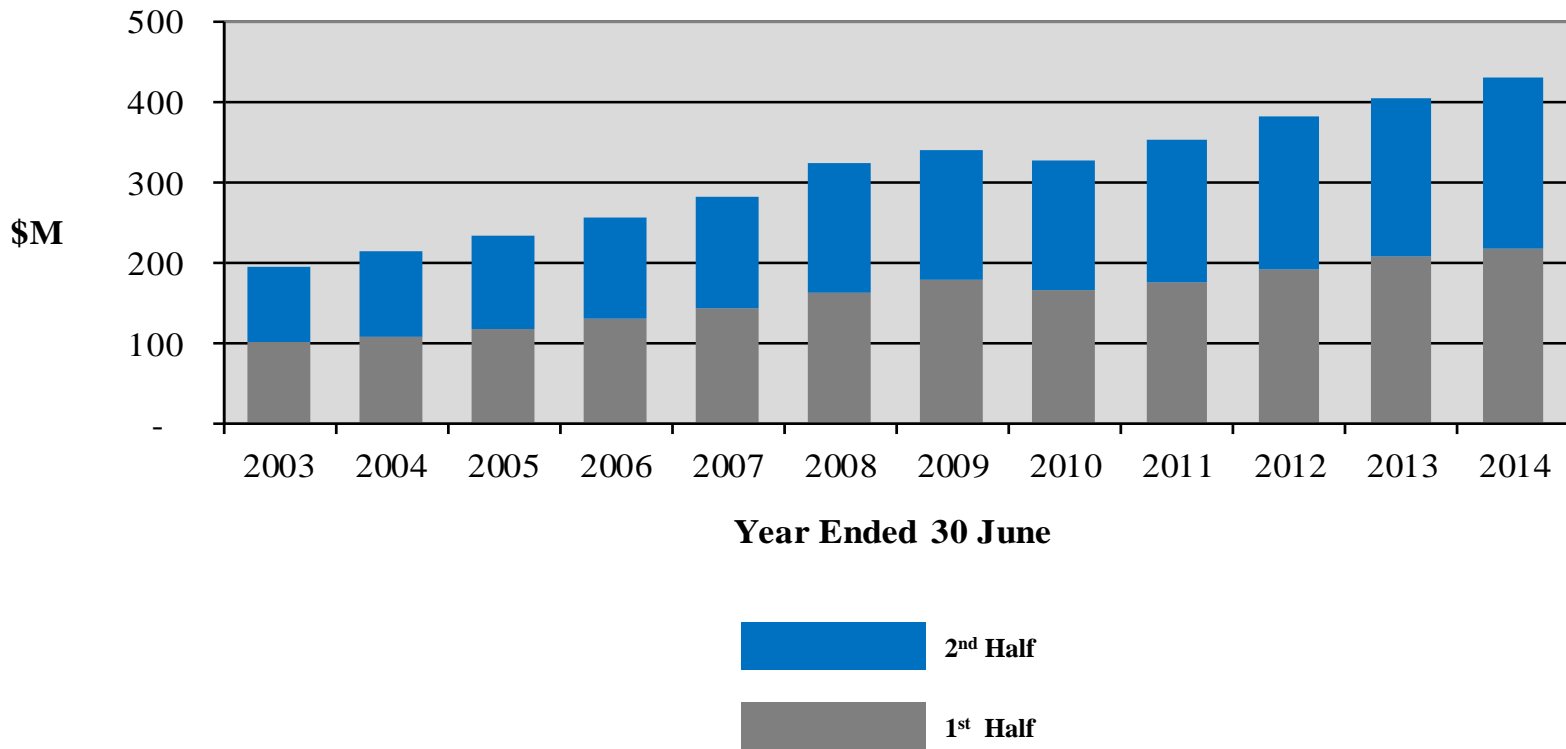
Business Strategy

- Develop organic growth opportunities
- Diversification:
 - Industry
 - Geography
- Explore complementary acquisition and alliance opportunities
- Positioning, People, Performance, Profit

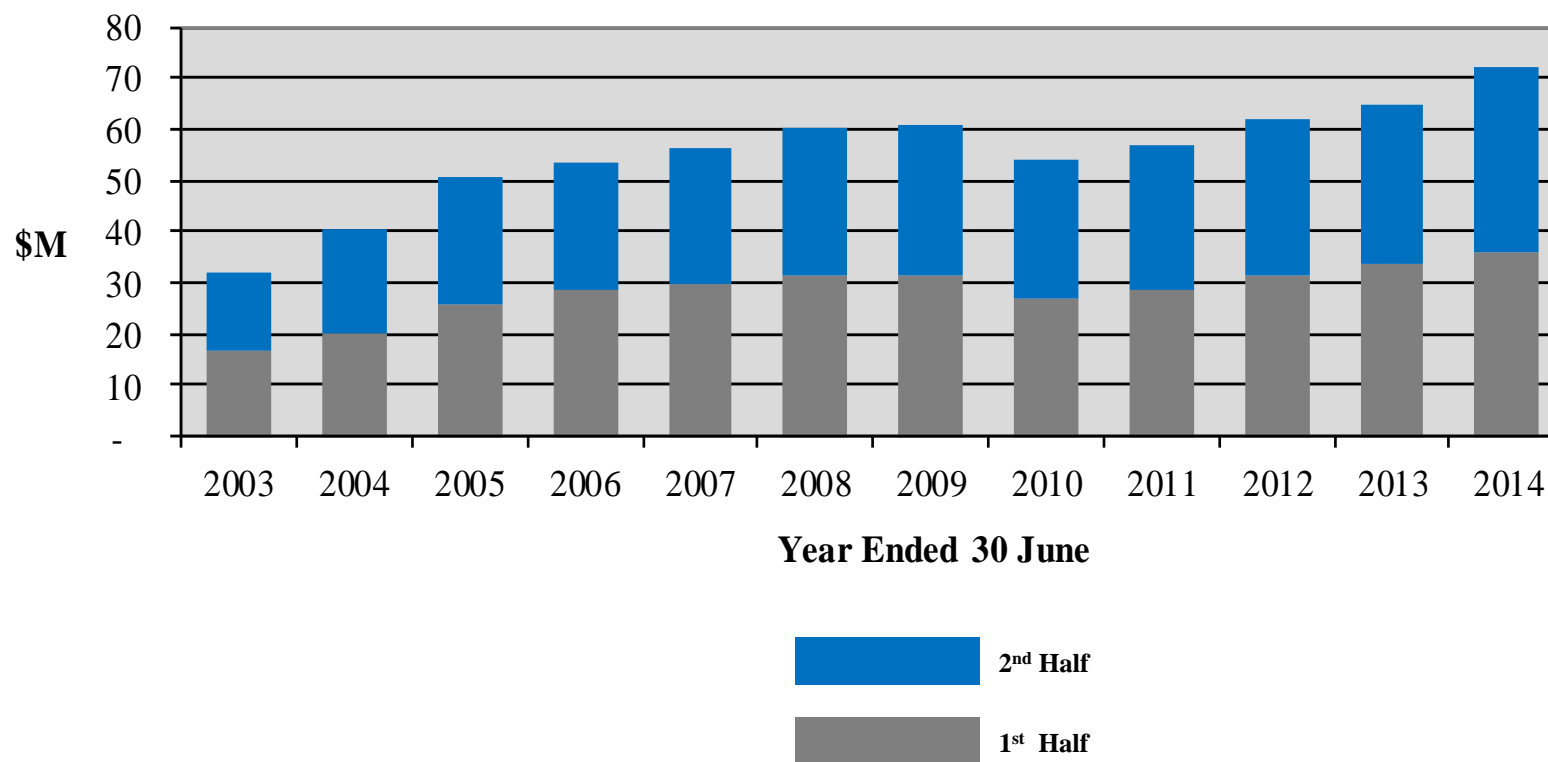
Trading Update



Operating Revenue



EBITA*



* This graph represents the operating profit before interest, tax and amortisation of intangibles, exclusive of any non-recurring items

Consolidated Financial Performance

(Quarter ended 30 September 2014)

	<u>Quarter ended:</u>			<u>Excluding extra 5 trading days:</u>	
	Sep-14 \$000	Sep-13 \$000	Increase %	Sep-14 \$000	Increase %
Operating Revenue	122,299	104,691	16.8%	115,299	10.1%
EBITDA	24,406	19,231	26.9%	22,406	16.5%
EBITA	21,345	16,327	30.7%	19,345	18.5%
NPATA	13,661	9,892	38.1%	12,221	23.5%
NPAT	13,363	9,790	36.5%	11,923	21.8%

Express Package & Business Mail

(Quarter ended 30 September 2014)

	<u>Quarter ended:</u>			<u>Excluding extra 5 trading days:</u>	
	Sep-14 \$000	Sep-13 \$000	Increase %	Sep-14 \$000	Increase %
Operating Revenue	94,276	80,050	17.8%	88,276	10.3%
EBITDA	17,881	13,466	32.8%	16,381	21.6%
EBITA	16,299	12,057	35.2%	14,799	22.7%
EBITA Margin	17.3%	15.1%		16.8%	

Information Management

(Quarter ended 30 September 2014)

	<u>Quarter ended:</u>			<u>Excluding extra 5 trading days:</u>	
	Sep-14 \$000	Sep-13 \$000	Increase %	Sep-14 \$000	Increase %
Operating Revenue	28,795	25,219	14.2%	27,795	10.2%
EBITDA	6,997	5,920	18.2%	6,497	9.7%
EBITA	5,914	4,823	22.6%	5,414	12.3%
EBITA Margin	20.5%	19.1%		19.5%	

Outlook



Outlook

- The overall positive performance evident in this 1st quarter result underpins our expectation of year-on-year earnings growth in 2015, subject to business factors beyond our control
- Express Package & Business Mail:
 - We remain encouraged by the increased activity amongst our existing customer base, both from B2B and B2C deliveries
 - Demand for DX Mail's overnight street delivery services and Dataprint's physical and digital mailhouse services is expected to increase
- Information Management: The growth that we are experiencing is expected to continue, including from our digital services
- Strategic growth opportunities, including alliances and acquisitions, will continue to be investigated and developed

Questions



Resolutions

- Re-election of Director
- Approval of Directors' Fees
- Authority to fix Auditors' Remuneration



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