



Annual General Meeting 2014





Introducing

Ray Horsburgh AM

Chairman



Introducing

Mark Smith

Independent Non-Executive
Director



Introducing

Barry Cusack

Independent Non-Executive
Director



Introducing

Frank Ford

Independent Non-Executive
Director



Introducing

Nicola Wakefield Evans

Independent Non-Executive
Director



Introducing

Harry Boon

Independent Non-Executive
Director



Introducing

Bernard McInerney

Company Secretary



Introducing

Brian Kruger

Managing Director



Introducing

Grant Devonport

Chief Financial Officer



Introducing

Alison Kitchen

Auditor, KPMG



Ray Horsburgh AM
Chairman

Overview of performance

Summary profit table	Year ended 30 June		
	2014	2013	change
Revenue	\$8,811 m	\$8,719 m	↑ 1.1%
EBITDA*	\$710 m	\$703 m	↑ 1.0%
EBIT**	\$444 m	\$426 m	↑ 4.3%
Net profit after tax (before individually significant items)	\$298 m	\$282 m	↑ 5.7%
Net profit after tax (after individually significant items)	\$293 m	\$92 m	↑ 219.6%
Free cash flow***	\$355 m	\$229 m	↑ 55.1%
EPS (before PPA and individually significant items)	41.1 cps	41.3 cps	↓ 0.2 cps
Final dividend per share (fully franked)	15.0 cps	14.5 cps	↑ 0.5 cps
Full year dividend per share (fully franked)	28.0 cps	27.0 cps	↑ 1.0 cps
Return on invested capital****	8.1%	7.6%	↑ 0.5 pp

* Pre associates, and individually significant items

** Includes profit from associates but before individually significant items

*** Free cash flow is EBITDA +/- movements in working capital, less net capital expenditure

**** Return on invested capital is rolling 12 months net profit after tax before individually significant items plus net interest divided by average net debt plus shareholders equity

BJ



BJ





TOLL

Toll Group Reconciliation Action Plan 2014-16



About the artwork

The original artwork design was created for the 'Group Reconciliation Action Plan' by Marcus Lee Design is a creative design agency cited by Supply Nation.

The sign was created with dual meanings in express the daily movement activities of port and logistics sector that Toll provides, representing the many and varied pathways on offer.

A bustling community, the central work expands out through the network of access pathways, transport movement via air, land and rural regions.



Engagement

tribution
te Culcha.



Information

For any enquiries about the Toll Group Reconciliation Action Plan, please email tollreconciliation.actionplan@tollgroup.com

Latest stories and information can also be found on the Toll Group website www.tollgroup.com

Toll Group
Principal Registered Office in Australia
Level 7, 200, Pitt Street, Sydney, NSW 2000

2014-16 Reconciliation Action Plan Relationships

We understand that in order to engage with Aboriginal and Torres Strait Islander peoples and communities, it is important that we build strong and lasting relationships. Relationships are built on integrity and trust. We aim to create a workplace which is welcoming for our First Australians.

Action	Measurable Target	Timeline	Responsible
1. Relationships with Aboriginal and Torres Strait Islander peoples and communities	EDIC to meet bi-annually to assist with strategic direction, to oversee implementation of the RAP and to provide advice regarding planning and development of future RAPs. This board will include input from external and internal Aboriginal men and women.	By February, April, June, August, October, December each year	Toll Group

Our vision for reconciliation

Our vision for reconciliation in Australia is one that understands, embraces and celebrates a variety of cultures. As a national and international company, we want to ensure that our business reflects the values of inclusion and diversity.

We want to create an environment built on knowledge and understanding that welcomes people of all backgrounds, in particular the First Australians – valuing the contribution we all make to society.

We aim to develop our understanding of cultural diversity in the workplace and to give our employees the tools to develop and grow their awareness of the richness and diversity of Aboriginal and Torres Strait Islander culture and history, in addition to the other cultures that are represented in our organisation.

Our business

Toll Group today is the Asian region's leading provider of logistics employing around 45,000 people in over 50 countries. We started our journey in Newcastle, NSW in over 125 years later we employ over 22,000 people across Australia.

Domestically we operate a full range of logistics and transport solutions – from warehousing and freight forwarding to express parcel delivery and project logistics. Our business is diverse, and so are our people and the communities we serve.

Our values & beliefs

We value integrity and trust, safety, continuous improvement, teamwork, and being open and transparent.

We believe that:

- All injuries are preventable and everyone has a right to go home safely.
- People perform best when they are empowered, accountable and recognised.
- If we show other people respect, we will be respected.
- We will not always get things right and learning from our mistakes is part of our progress.
- How we go about achieving success is as important as success itself.
- We must act ethically and within the law.
- Our customers' success creates our success.

We strive to apply these values and beliefs to the work that we are doing through our RAP.

Our RAP

Our RAP is our public commitment to demonstrate how we will make a difference within our organisation and our community in Australia. As one of Australia's greatest corporate success stories, we believe we have a valuable contribution to make towards reconciliation.

We have worked with and alongside Aboriginal and Torres Strait Islander peoples throughout our long and proud history and our RAP now formally recognises the part Aboriginal and Torres Strait Islander peoples have played in our business as employees, customers and suppliers.

We also recognise the role we play in corporate Australia in helping to end the cycle of disparity. Through our reconciliation journey we want to be able to acknowledge the richness of Aboriginal and Torres Strait Islander history and on that basis, inclusive environment where all backgrounds work and prosper side by side.

AGM



Collaborative programs

Toll is seeking to leverage its know-how through a series of strategic and collaborative supplier partnerships (Figure 9).

By working with these partners we are able to share in their research, processes, tools, technology, new product testing and release at early stages. Our partners are some of the strongest and best performing organisations in their sectors, including our original equipment manufacturers, our energy suppliers and specialist service companies.

The benefits of these collaborative programs can create proprietary advantages for Toll which then flow on directly to our customers.

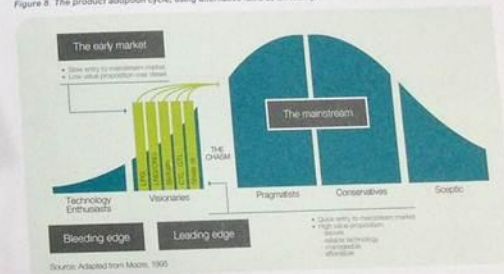
At the same time, Toll is mindful of its place in the transport and logistics industry, and actively shares our environmental insights to improve the industry at large.



Figure 9. Some of Toll's key suppliers



Figure 9. The product adoption cycle, using alternative fuels as an example





Ray Horsburgh AM
Chairman



Brian Kruger
Managing Director

Toll Global Resources

- Impacted by completion of work for the Australian Defence force in East Timor
- Toll Energy affected by winding down of large-scale LNG projects, new production-related work won
- Toll Mining Services improved results through new fleet investment and improved operating cost performance
- Toll Offshore Petroleum Services (TOPS) supply base contributed to sharp increase in results following redevelopment of base
- Toll Remote Logistics impacted by end of East Timor contract, but winning new contracts
- Marine businesses face challenging market conditions – progress with asset sales and cost reductions

Revenue
-4.8% to \$1,122.7m

EBITA
-5.3% to \$102.7m

ROCE 9.1%

Toll Global Logistics

- Difficult market environments for a number of businesses
- New customer wins for Contract Logistics, Customised Solutions, offsetting contract losses and customer down-trading
- Singapore Government Business Group delivered higher revenue and earnings
- Contract logistics businesses in Asia delivered improved result

Revenue
+6.9% to \$1,354.6m

EBITA
+4.4% to \$92.9m

ROCE
11%

Toll Global Forwarding

- Market conditions remained challenging
- Ocean freight remained flat, despite higher volumes
- Air freight down significantly as more customers using ocean freight
- US supply chain business saw lower volumes – turnaround expected in 2015 following significant contract wins
- Cost reductions achieved through Project Forward delivered improved result

Gross profit
+7% to \$306.2m

EBITA
+142.9% to \$15.3m

ROCE
+2.2%

Toll Global Express

- Continuation of flat volumes and lower average consignment weights, impacting margins – particularly for Toll IPEC and Toll Fast
- Toll IPEC new depot expected to deliver significant benefits
- Toll Priority delivered improved result due to higher volumes from existing bank customers and cost and productivity programs
- Japan saw positive result due to productivity improvements

Revenue
+2.2% to \$1,637.5m

EBITA
-5.9% to \$119.2m

ROCE
35.8%

Toll Domestic Forwarding

- Toll NZ delivered an improved result
- Toll Tasmania delivered an improved result, partly due to the acquisition of Linfox's Tasmania business
- Major changes to Queensland operations, including selling of properties – significantly reduced Toll Intermodal's capital intensity

Revenue
+2.2% to \$1,154.1m

EBITA
+6.1% to \$66.5m

ROCE
21.9%

Toll Specialised & Domestic Freight

- Difficult year due to lower volumes from customers whose work relies on mining sector activity
- Benefits from fleet and equipment investment in Toll Express and Toll NQX – expecting further benefits from depot and IT investments in FY15
- Toll Liquids delivered improved earnings due to contract wins – including Shell – and expecting good growth over coming years
- Toll Transitions earnings were down due to fewer Australian Defence Force relocations, but business was still a strong contributor to the division's earnings

Revenue
-1.8% to \$1,354.9m

EBITA
-5.4% to \$95.7m

ROCE
30.4%

Health and Safety Awards 2014



Business restructure



Managing Director
Brian Kruger

Chief Executive Officer
Toll Global Resources
David Jackson



Chief Executive Officer
Toll Global Logistics
Chris Pearce



Divisional Director
Toll Global Express
Shane O'Neill



Divisional Director
Toll Domestic Forwarding
Mal Grimmond



Chief Executive Officer
Toll Global Forwarding
Paul Coutts



Group Director
Business Development
Darnain Bishop



Group Director
Corporate Affairs
Andrew Ethell



Chief Financial Officer
Grant Devonport



Company Secretary
Bernard McInerney



Director
Human Resources
Leesley Staples



Group Director
Strategy and M&A
Avi Gilboa





Investing for
the future



Toll IPEC Bungarribee



Toll IPEC Tullamarine

Toll NQX Karawatha



Gap Ridge





Toll Tasmania Brighton Hub

Toll City, Singapore



BA Triple tankers



Super B-Double in Singapore



Investing in technology





Developing our people

Outlook

- First quarter weaker than expected
- Down trading in a number of sectors, particularly Government and Defence, mining and the energy sector
- Pressure on business and consumer confidence, which has a flow on effect on our activity levels
- Continue to expect earnings for FY15 to be ahead of FY14
- Making good progress in areas under our control, with a number of benefits that will deliver sustainable benefits to the Group being well progressed
- Looking at medium to long term with confidence



Brian Kruger

Managing Director



Ray Horsburgh AM
Chairman

How to ask a question

- Go to the question stations
- Show your green or yellow admission card
- Give the attendant your name
- Wait until you have been introduced to the meeting, then ask your question

Voting procedure

- All valid proxies received by the Company have been recorded
- All available proxy votes held by the Chairman will be voted in favour of each resolution
- Each item of business will be considered in turn and will be displayed on the overhead screen
- Items 2 to 8 will be determined by a poll



Bernard McInerney
Company Secretary

Voting Card

- Eligible voters should place a mark in the 'For' or 'Against' box for Items 2 to 8
- If voting some votes 'For' and some 'Against' or only some of your votes, a percentage or number of votes for each resolution needs to be specified
- If abstaining from voting, please do not mark the boxes on the Voting Card
- Print your name and sign Voting Card. If you are a proxyholder, please print and sign as a proxyholder

TOLL HOLDINGS LIMITED ABN 25 006 592 089
ANNUAL GENERAL MEETING 23 OCTOBER 2014
POLL CARD

NAME OF SHAREHOLDER(S) _____

I HEREBY VOTE *025010101020*

(a) All of my shares as indicated (place tick/cross in boxes below) OR
(b) The specific number of shares for or against detailed in boxes below. 025010101020

	FOR	AGAINST
Resolution 2. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3. Re-election of Mr Ray Horsburgh AM	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4. Re-election of Mr Frank Ford	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5. Re-election of Ms Nicola Wakefield Evans	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6. Grant of options and rights (LT) to the Managing Director, Mr Brian Kruger	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7. Grant of rights (Deferred ST) to the Managing Director, Mr Brian Kruger	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8. Renewal of Proportional Takeover Approval Provisions	<input type="checkbox"/>	<input type="checkbox"/>

SIGNATURE(s) _____

SIGNATURE(s) _____



Ray Horsburgh AM
Chairman

Item 1 - Accounts and reports



Item 2 – Remuneration report

“That the Remuneration Report for the year ended 30 June 2014 be adopted.”



Harry Boon

Independent Non-Executive
Director

Item 2 – Remuneration report

“That the Remuneration Report for the year ended 30 June 2014 be adopted.”

Item 2 – Remuneration report

Summary of proxy votes

For	412,558,398	97.56%
Against	8,688,953	2.05%
Open	1,638,463	0.39%
Abstained	9,340,819	N/A

Item 3 – Re-election of Mr Ray Horsburgh AM

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr Ray Horsburgh AM, being a director of the Company who retires in accordance with rule 8.1(d) of the company's Constitution, and being eligible, be re-elected as a director of the Company.



Ray Horsburgh AM
Chairman

Item 3 – Re-election of Mr Ray Horsburgh AM

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr Ray Horsburgh AM, being a director of the Company who retires in accordance with rule 8.1(d) of the company's Constitution, and being eligible, be re-elected as a director of the Company.

Item 3 – Re-election of Mr Ray Horsburgh AM

Summary of proxy votes

For	421,708,107	97.71%
Against	3,647,431	0.85%
Open	6,196,815	1.44%
Abstained	715,071	N/A

Item 4 – Re-election of Mr Frank Ford

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr Frank Ford, being a director of the Company who retires in accordance with rule 8.1(d) of the Company's Constitution, and being eligible, be re-elected as a director of the Company.



Frank Ford

Independent Non-Executive
Director

Item 4 – Re-election of Mr Frank Ford

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr Frank Ford, being a director of the Company who retires in accordance with rule 8.1(d) of the Company's Constitution, and being eligible, be re-elected as a director of the Company.

Item 4 – Re-election of Mr Frank Ford

Summary of proxy votes

For	420,816,856	97.51%
Against	4,519,071	1.05%
Open	6,215,355	1.44%
Abstained	716,142	N/A

Item 5 – Re-election of Ms Nicola Wakefield Evans

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Ms Nicola Wakefield Evans, being a director of the Company who retires in accordance with rule 8.1(d) of the Company's Constitution, and being eligible, be re-elected as a director of the Company.



Nicola Wakefield Evans

Independent Non-Executive
Director

Item 5 – Re-election of Ms Nicola Wakefield Evans

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Ms Nicola Wakefield Evans, being a director of the Company who retires in accordance with rule 8.1(d) of the Company's Constitution, and being eligible, be re-elected as a director of the Company.

Item 5 – Re-election of Ms Nicola Wakefield Evans

Summary of proxy votes

For	420,707,651	97.50%
Against	4,581,792	1.06%
Open	6,206,512	1.44%
Abstained	721,469	N/A

Item 6 – Grant of options and rights (Long Term Incentive – LTI) to the Managing Director, Mr Brian Kruger

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That approval be given for the purposes of ASX Listing Rule 10.14 and all other purposes to the grant of 1,226,974 options (with an exercise price of \$5.70) and 286,043 rights (with a zero exercise price) to Mr Brian Kruger, under the Senior Executive Option & Right Plan (or any successor or amended plan), on the terms summarised in the Explanatory Memorandum accompanying this Notice of Meeting.

Item 6 – Grant of options and rights (Long Term Incentive – LTI) to the Managing Director, Mr Brian Kruger

Summary of proxy votes

For	405,474,426	96.37%
Against	9,254,612	2.20%
Open	6,026,957	1.43%
Abstained	11,511,429	N/A

Item 7 – Grant of rights (Deferred Short Term Incentive – Deferred STI) to the Managing Director, Mr Brian Kruger

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That approval be given for the purposes of ASX Listing Rule 10.14 and all other purposes to the grant of 64,844 rights to Mr Brian Kruger, under the Senior Executive Option & Right Plan (or any successor or amended plan), on the terms summarised in the Explanatory Memorandum accompanying this Notice of Meeting.

Item 7 – Grant of rights (Deferred Short Term Incentive – Deferred STI) to the Managing Director, Mr Brian Kruger

Summary of proxy votes

For	413,178,208	95.77%
Against	12,190,792	2.83%
Open	6,056,986	1.40%
Abstained	841,438	N/A

Item 8 – Renewal of Proportional Takeover Approval Provisions

To consider and, if thought fit, to pass the following resolution as a special resolution:

That the proportional takeover approval provisions contained in rule 6.4 of the Constitution be renewed for a further three years commencing from the date of this Annual General Meeting.

Item 8 – Renewal of Proportional Takeover Approval Provisions

Summary of proxy votes

For	421,537,324	97.76%
Against	2,577,590	0.60%
Open	7,083,453	1.64%
Abstained	1,069,057	N/A

Close of poll

Please place polling cards in the ballot boxes as you leave.



Thank you