CTI Logistics Limited

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27 August 2015

Dear Shareholder

The Company has today released its Annual Report to shareholders for the 2014-15 financial year. This report is available on our website www.ctilogistics.com. The Statutory Annual Report to shareholders, with the addition of the Company's Corporate Governance Statement, Chairman's Report and Shareholder Information, will also be available on our website shortly. Printed copies will be mailed to those shareholders who requested them.

Profit before tax for the year was $8,647,989, down 32.4% on the previous year after adjusting for the net gain in the property portfolio in the previous year, on revenue of $123,959,117 which was down 11.9%. Profit after tax for the year was $5,929,040, down by 26.4% after adjusting for the net gain in the property portfolio. Earnings per share was down from 15.5 cents to 9.25 cents, and net cash inflows from operating activities was $13,087,868.

The year under review saw the expansion of our logistics operations through the acquisition of Logico Operations Group Limited and its wholly owned subsidiary G.M. Kane & Sons Pty Ltd. The planned improvement in the regional road freight margins in transport has been tempered somewhat by lower throughput in demand from our warehousing client base earlier in the year. Despite a general slowdown in market activity, customer volumes for third party logistics in 2015-16 are expected to return to more normal levels. During the year we acquired a further 67,000 square metres of land adjacent to the Hazelmere site for further development. The directors will continue to expand the Company, both organically and by acquisition and will return gearing to more conservative levels through the sale of property in the short term.

The directors have declared a dividend of 4.0 cents per share fully franked, payable on 20 November 2015. With the interim dividend of 4.0 cents, the total dividend for the year is 8.0 cents, and in line with the previous year.

The Dividend Reinvestment Plan and the Bonus Share Plan remain in place. If you wish to take your dividends in shares rather than cash and you are not already a participant in either of these Plans, you may wish to join the Plan most suitable to your circumstances, by visiting the Computershare website www.investorcentre.com/au and following the relevant prompts. Shares in the Plans will be issued at a discount of 2.5% to the volume weighted average market price calculated over all shares sold on the ASX on the five business days subsequent to and inclusive of the ex-dividend date, 6 November 2015. Please note that if you wish to continue to receive your dividend in cash, you simply do nothing.

Yours faithfully

David Watson
EXECUTIVE CHAIRMAN