



MAINFREIGHT LIMITED  
NZX RETAIL INVESTOR EVENT  
4 OCTOBER 2018



# Who & What is Mainfreight?

- Mainfreight is a global supply chain logistics provider
  - 3 Products/Divisions
    - Air & Ocean,
    - Warehousing, and
    - Domestic Transportation
- } Supply Chain Management
- 252 branch locations in 22 countries → Our Network
  - 7,635 team members → Our People



## OUR GROWING GLOBAL NETWORK

BRANCHES:

**252**

COUNTRIES:

**22 ...**

NZ, Australia, USA, Canada, Mexico, Chile, China, Hong Kong, Taiwan, Singapore, Thailand, Vietnam, Netherlands, Belgium, France, Germany, Italy, Romania, Poland, Ukraine, Russia, United Kingdom ... (and almost Malaysia and Japan = 24)



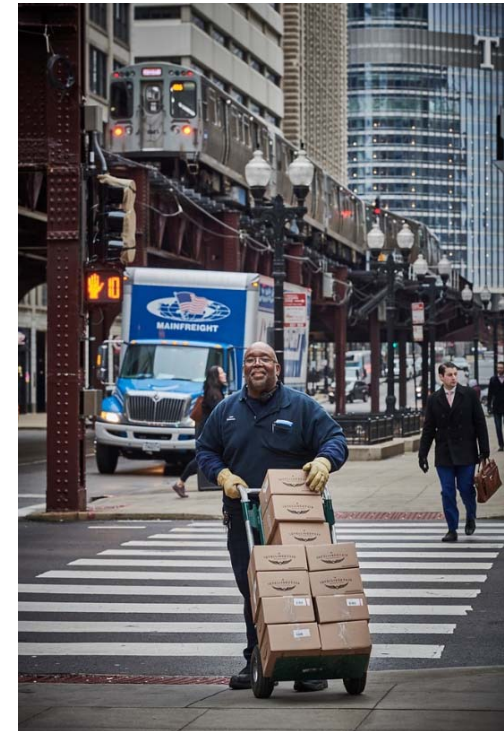
# Mainfreight Strategy

- Intensification of our network
  - Globally, regionally and within cities
  - Being closer to our customers achieves efficiencies
- Delivery of high-quality freight services
  - Freight – not courier or parcels
- Adding value through our technology
  - Supply chain visibility
- Being easy to do business with



# Key Differentiators

- Our people – via our culture
  - Highly-engaged people providing high-quality services
  - Decision making as close to the customer as possible
  - Decentralised management structure and responsibility
    - 252 profit centres
    - Profits shared
    - Lack of hierarchical structures
    - Information sharing
  - Careers not jobs





# Our Customers

- In excess of 40,000
- Range in scale: smaller to large multinationals
- Typically trading in food, beverage, retail and consumer DIY markets
- We prefer to support customers trading across all three divisions, in non-commoditised products
- High service criteria



# Mainfreight Governance

- Mainfreight's Board comprises 7 Directors: Founder & Chairman, Group Managing Director, and 5 non-executive Directors – all of whom are independent
- Board meetings are held in Mainfreight operations in New Zealand and overseas; in 2018 meetings held in Auckland, Melbourne, Sydney, Shanghai, 's-Heerenberg (NL), Los Angeles; Directors will visit 20+ operations during the year
- Share ownership – 20.42% held by Directors
- Dividend policy:
  - 40-50% of net profit distributed to shareholders
  - Balance supports capital investment for ongoing business growth

# Assets

- Total Assets: \$1.4 billion
- Land and buildings: \$483 million
  - Key differentiator from competitors
  - Efficient, high quality, environmentally aware
- Not a large owner of trucking equipment (Europe only)
- Technology
  - Software is our own (with the exception of Air & Ocean division)
  - Effective / Visibility
  - Ongoing investment





# Capital Expenditure

## Last Year F18

Land & Buildings	\$20.1 million
Technology	\$17.7 million
Other	\$26.9 million

<b>Total</b>	<b>\$64.7 million</b>
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## Current Year F19

Land & Buildings – NZ	\$35 million
Land & Buildings – AU	\$57 million
Land & Buildings – EU	\$13 million
Other – Technology, etc	\$45 million

<b>Total</b>	<b>\$150 million</b>
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# Full Year Result to 31 March 2018

GROUP OPERATING  
REVENUE

**\$2.62b**

↑ 12.2%

↑ 10.6% EXCL FX IMPACT

GROUP  
EBITDA

**\$215.4m**

↑ 9.0%

↑ 7.9% EXCL FX IMPACT

GROUP NET PROFIT  
BEFORE ABNORMALS

**\$112.2m**

↑ 8.8%

↑ 7.7% EXCL FX IMPACT

TOTAL DIVIDEND

**45.0¢**

↑ 9.8%

DISCRETIONARY BONUS  
SHARED WITH GLOBAL TEAM

**\$20.7m**

↑ 7.4%

*Note: As advised at July AGM, trading continues to be positive; F19 half year results to be released to the market on 14 November 2018*



## To Close

- We continue to be confident and positive about the current business environment, but are more global than New Zealand-centric
- Our spread of services and geographic regions smooths out region-specific economic fluctuations
- Our ongoing capital investment will enhance our competitive advantage, improve services to our customers, and prepare us for continued growth





PAINTING THE WORLD BLUE,  
ONE POT AT A TIME.

**MAINFREIGHT**