CRAIGS INVESTOR DAY - 23 MAY 2019



MAINFREIGHT 101: WHO, WHERE, HOW?

2019 Financial Results due out next week – no insight into those today!







Mainfreight 101

- High quality logistics services
 - Across the full supply chain
 - Air & Ocean / Domestic Transport / Warehousing
 - Primarily business to business
 - For customers who fit our profile
 - FMCG beverage, food, DIY, high end retail, pharmaceutical
 - Manufacturing
 - Customers who have a smaller, but global, footprint
- ... freight only
- ... our global network, not an agent network





Core Strategic Initiatives

- Intensification of our network
 - Globally, regionally and within cities
- Being closer to our customers
 - Less km travelled
 - Faster, more efficient transportation
 - Our network, not agents or others
 - More destinations, more often
- Adding value through our technology
 - Supply chain visibility
- High-quality, purpose-built facilities: owned \$500+ m of property assets plus leased





Hamilton, NZ – Transport





Epping, Melbourne, AU – Transport and Warehousing



Second warehouse site Epping,Melbourne



Born, NL - Warehouse





Ghent, BE – Transport Cross-dock



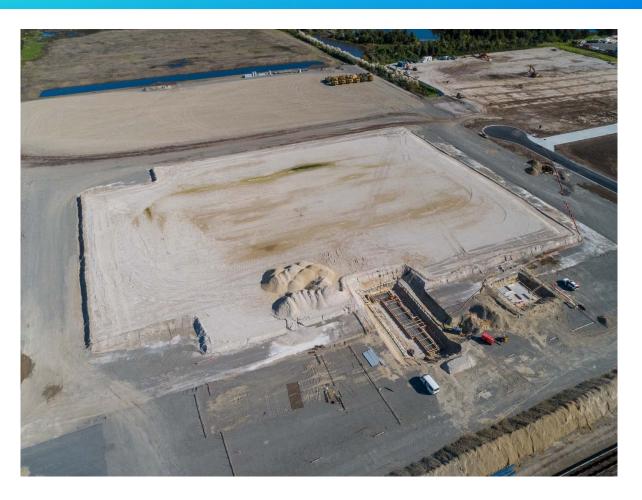


Kookaburra Road, Sydney, AU - Warehouse





Mt Maunganui, NZ - Transport and Air & Ocean



12,000 m2

100kWh solar (with capacity to increase to 150kWh)

Rain water harvesting

Truck wash; recycles 85% of grey water back into wash system

Full LED lighting with light harvesting sensors

Heat recoverable VRF HVAC system

EV charge stations



Our People / Our Culture

- Decentralised management structure and responsibility
- Decision making as close to the customer as possible
- Highly-engaged people providing high-quality services
- Take responsibility
- Training and up-skilling; careers not jobs
- Bottom up, not top down
- Rewarded: share in profits (\$20m last year)
- Our biggest inhibitor is enough good people







Mainfreight Governance / Board of Directors

- Mainfreight's Board comprises 7 Directors
 - Chairman Founder & Chairman
 - 5 male; 2 female
 - 5 non-executive Directors all of whom are independent
 - Long-term involvement
- Expectations
 - Involved, and assist management
 - 5+ meetings per annum; held in locations across the network
- Integrity and commitment
 - No ticking boxes



Supply Chain Initiatives

- Top 500 customers = 56% of total revenue
- 31% trade across all 3 core products increasing
- Potential within current customer base
 - Warehoused customers
 - Transport in and out
 - Air & Ocean import/export
- Supplier relationships/partners
 - Airlines and shipping companies: long-term, committed relationships
- Digital visibility Mainchain portal
 - Utilising our technology (except Air & Ocean platform)





Capital Expenditure

- Developing network intensity not cheap
 - Land & buildings, significant investment over next two years
 - Technology, in excess of \$50m per annum
- Owned where required
 - Long-term, market savvy, satisfactory returns
- Leased
 - Short-term; where appropriate
 - Developing returns



Zaltbommel, NL – Logistics warehouse



Disruptors

- Automation
 - Trucks: savings per km not as you would expect
 - Warehousing: automated?
 - Technology: blockchain/visibility
- Trade
 - Brexit
 - China/USA
- Likely evolutionary, not revolutionary





The Big Numbers

- Market consensus for F19:
 - Revenue
 - EBITDA
 - Net Profit
- Dividend
 - Dividend paid last ten years, per share
 - Average after tax return last ten years

~\$3 billion

\$253.9 million

\$137.8 million

~40% of net profit historically

 $18.5 c (F10) \rightarrow 48.0 c (F19)$

27.9% per annum



- We are ambitious to be in every major trading nation
- We have a long-term vision / 100-year philosophy
- We expect our "points of difference" to continue to bring us more market share
- Expect us to evolve as our market does

We are having a heap of We are having the world blue fun painting the world blue



