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Toll Holdings Limited
ABN 25 006 592 089

29 May 2014

The Manager
Australian Stock Exchange
Company Announcement Office
Level 4
20 Bridge Street
Sydney NSW 2000

Lodged Through ASX On Line
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Dear Sir

ASX AND MEDIA RELEASE – BUSINESS RESTRUCTURE SUPPORTS NEXT PHASE OF ONE TOLL PROGRAM

Please find attached an ASX and Media Release on the abovementioned subject for immediate release to the market.

Yours faithfully
TOLL HOLDINGS LIMITED


Bernard McInerney
Company Secretary

Encl.



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ASX and media release

Thursday 29 May 2014

Business restructure supports next phase of One Toll program

Australia's largest provider of transport and logistics services, Toll Group (Toll), has today announced a number of changes to its business and management structures. From 1 July 2014, Toll will reduce its divisional reporting structure from six divisions to five, and change reporting lines for a number of business units to better align contract logistics and network-based businesses. The changes will:

- Make it easier for our customers to do business with us;
- Reduce crossover of service offerings between divisions;
- Increase best practice sharing and collaboration across business units;
- Reduce complexity and costs.

Toll Domestic Forwarding will gain Toll Express, Toll NQX and Toll Linehaul & Fleet Services. Toll Liquids and Toll Transitions, due to the contract nature of their activities, will be moved into Toll Global Resources. The specialised contract-driven parts of Toll Intermodal are to be incorporated into Toll Global Logistics and its Queensland freight forwarding operations will be merged into Toll NQX. There are no changes to Toll Global Express and Toll Global Forwarding, both of which have significant programs already underway to improve productivity and competitiveness. The new divisional structure diagram is attached.

Toll Group Managing Director Brian Kruger said, "This is a logical outcome given the progress we have made in our One Toll program and from our ongoing focus on returns. We need to ensure that we are best placed to build on the key competitive advantages in our domestic network businesses, while also ensuring we are as aligned as possible with our customer needs in our contract logistics businesses. While cost reductions are not the key driver of these changes, we do expect to see meaningful benefits from this restructure together with other cost saving programs within Toll.

"We have strong businesses, particularly in Australia, but it is critical that in the current challenging market we reduce complexity and costs, improve our productivity and build on our strengths. This restructure will help mitigate near-term ongoing margin pressures as well as ensuring that we maximise the leverage that our company has to any improvements in the external environment.

"Regrettably, two long serving Divisional Directors, Mr Paul Ebsworth and Mr Wayne Hunt will be leaving Toll; Paul because of the divisional realignment and Wayne following his decision to return to Australia after seven years in Asia. Both will stay with Toll until later in the calendar year to ensure a smooth transition to the new organisational structure. Mr Chris Pearce (currently Divisional GM Customised Solutions) will assume the role of Divisional Director for Toll Global Logistics based in Singapore while Mr Mal Grimmond (currently Divisional Director for Toll Specialised & Domestic Freight) will assume the Divisional Director role for the expanded Toll Domestic Forwarding.

"I would like to thank Paul and Wayne for the significant contributions they have made to Toll over more than two decades. We have been very fortunate to have leaders of their calibre who have been able to adapt to challenging conditions while continuing to bring to life the core values that are so much a part of Toll's culture."

Outlook update

"In February we said that we expected our underlying earnings before interest, tax and amortisation (EBITA) for the 2014 financial year to be broadly in line with last year and EBIT to be ahead of last year. This remains our expectation.

"Today's restructure is expected to generate annual savings in the range of \$10 to \$12 million commencing in FY15. Further details of the costs and benefits of this restructure, along with restructuring and other cost saving



initiatives across the Group, will be outlined in the full year results to be announced on 19 August 2014. At this stage any one-off costs associated with our restructuring activities are expected to be offset by one-off gains from asset sales", added Mr Kruger.

Note to editors

Toll Group (ASX code: TOL) is the Asia Pacific region's leading provider of transport and logistics. Toll employs more than 45,000 people across some 1,200 locations in more than 50 countries. Toll's specialist logistics capabilities incorporate a range of sectors including defence & government, industrial, manufacturing, mining & resources, retail and automotive. www.tollgroup.com

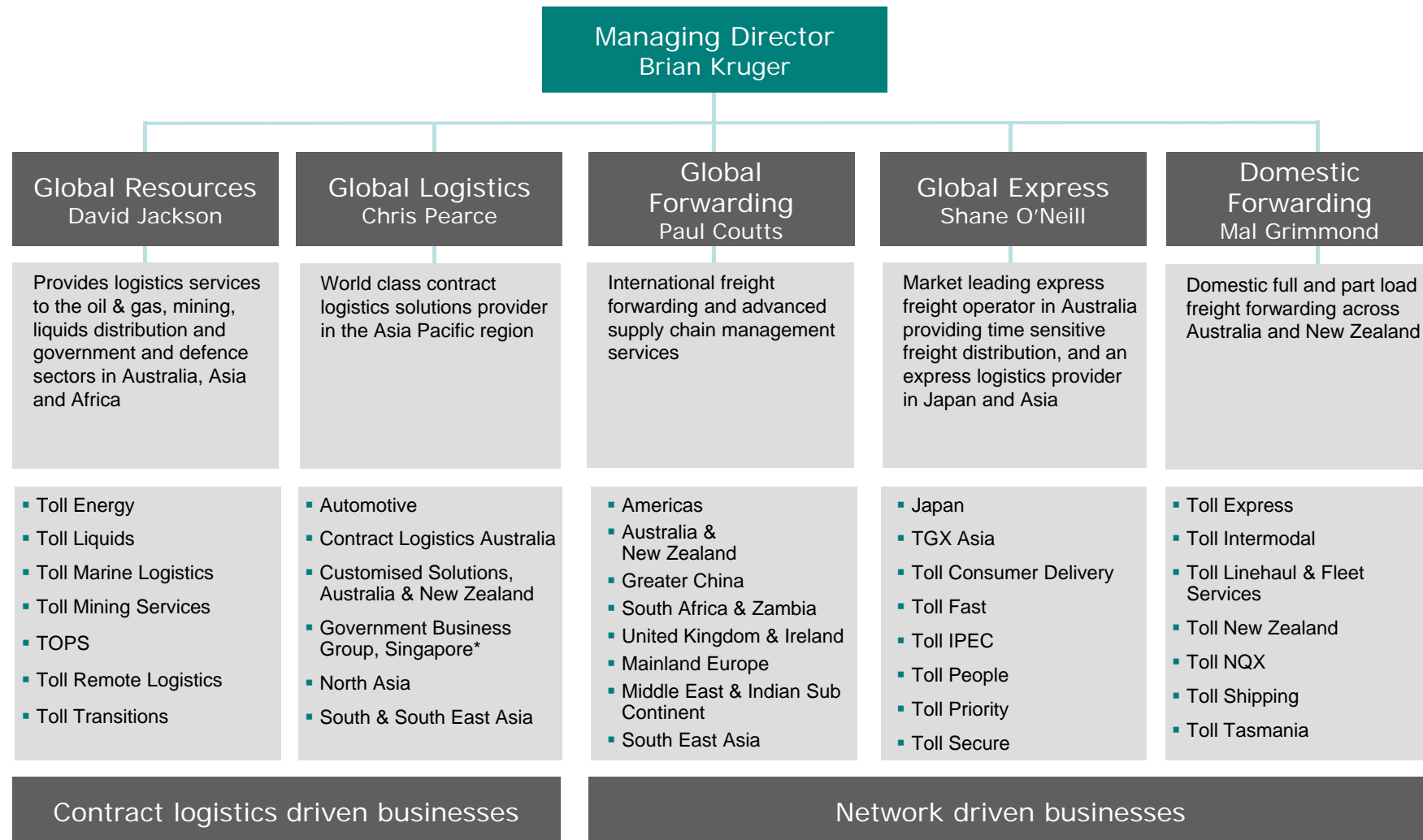
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Toll's Divisional structure from 1 July 2014



* Reporting to Chris Pearce effective August 2014