

TOLL

TOLL HOLDINGS LIMITED

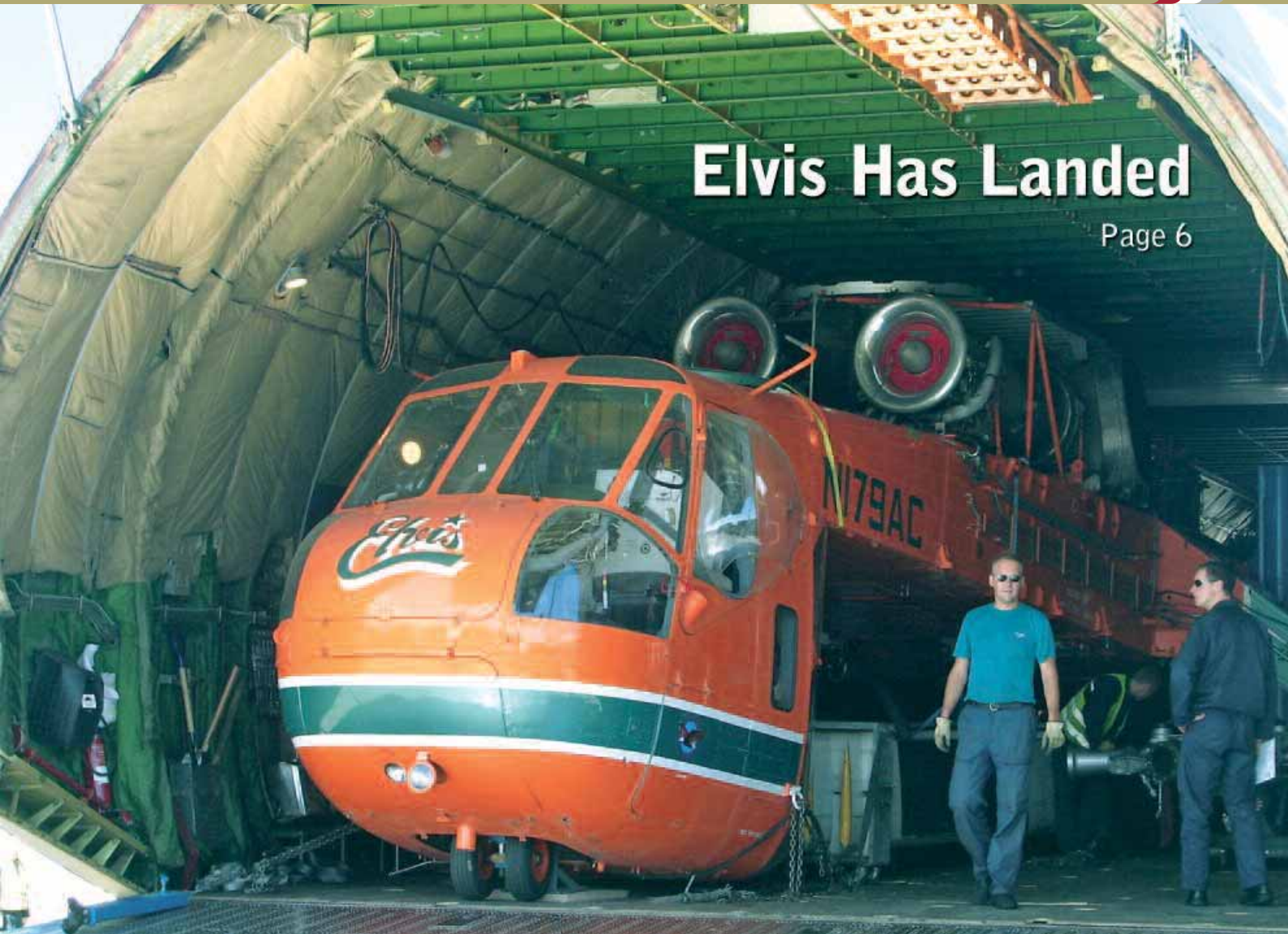
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Changes in Global Logistics

Rationalisation of the transport and logistics industry has increased over the past five years, as demand for global capability becomes more obvious.

Speed to market, the need for smart technology, escalating fuel costs, the need for global reach and the obvious trend towards direct purchasing are some of the key dynamics forcing the rationalisation of logistics service providers.

Speed and Frequency to Market

Speed to market has always been important within our industry, but in the current environment where inventories are usually minimised and a just-in-time approach is the rule rather than the exception, express freight movements are widely used by customers when service critical deliveries are the difference between making a sale and not making a sale.

Globally, road priority and air express services have been the winners, with a powerful point of difference built on network capacity and service reliability.

Customers have more confidence in reducing inventory along the supply chain if their speed to market is fast and reliable.

Therefore, investment in supply chain inventory can be significantly reduced by enhanced speed to market, even when an express movement comes at a premium to a general freight rate.

Use of Smart Technology

Customers today want varying levels of technological interface, when it comes to their involvement in supply chain management. Some want a lot of involvement whilst others want very little.

Technology can be used to satisfy either requirement, but within Toll, it remains a major point of difference. Smart technology provides seamless freight tracking along the entire supply chain, and at the same time, allows the various operating components to interface seamlessly.

Toll has built its technological capability to manage domestic supply chains and it is technology that will provide the necessary

platform for global supply chain opportunities.

Toll has regularly won new contracts based on its technology solution, not just its high class operational assets.

Managing Escalating Fuel Cost

Fuel cost contributes a significant slice of the operating costs of intermodal transport. For example, 36% of operating a long distance road semi is attributed to fuel cost; 24% of running an intermodal train from Melbourne to Perth is fuel cost and 26% of Virgin Blue's operating cost is fuel.

Toll has spoken to some of its major competitors, who have expressed an interest in developing an industry solution in relation to reducing fuel cost escalation.

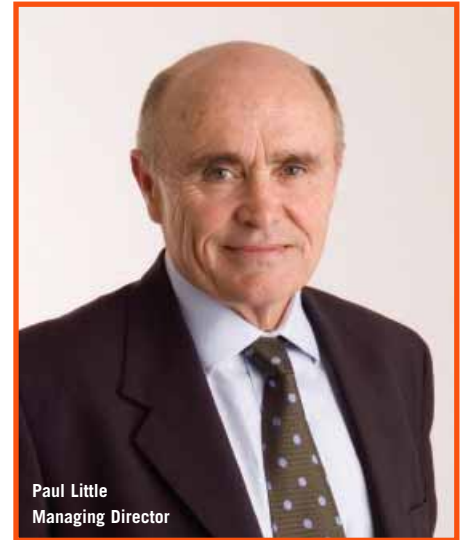
Customers have more confidence in reducing inventory along the supply chain if their speed to market is fast and reliable.

Whether it is direct fuel imports, promoting substitutes and additives, or buying on the global spot market, our customers want our industry to become proactive and minimise our exposure to this volatile operating cost.

Creating Global Reach

Transport and logistics operators take a calculated risk when they advise their customers they don't wish to service their international cross border requirements.

One of Toll's motivations in establishing an Asian capability was to service its Australian customers for movements into or out of Asia.



Paul Little
Managing Director

We clearly understood that if we didn't take up the challenge, there were many global operators who would jump at the opportunity.

So to protect your home patch and grow your customer base, we believe it is essential to move into new markets when asked to do so by customers.

Trend towards Direct Purchasing

Direct purchasing is saving the retail sector many millions of dollars per annum by cutting out distribution and middle people, who traditionally added cost but not value.

For example, the major retailers now purchase directly from the factory gate in China and India and as a result, have far greater control over supply and sourcing, generally.

Unfortunately much of the value is lost when supply chains provide very inefficient passage for the inventory to its destination. Therefore, integrated supply chain management, coupled with direct sourcing, will generate significant savings, improve reliability and avoid unnecessary stock out situations.

Summary

Consolidation of the transport and logistics industry in Australia, regionally and globally, is a positive outcome for the sector and will consequently grow scale, improve efficiencies and ultimately generate more competitive prices.

Toll is excited to be one of the Asian Region's pre-eminent providers of integrated logistics and to play a pivotal role in shaping the industry's future as we seek to meet our customers' growing supply chain demands.

Investing for Growth

The flurry of activity around our Australian Ports this year and still to come in 2007 is all part of the Patrick Terminals three-year Redevelopment Program, which commenced in 2005, to accommodate future trade growth and increasing container ship size.

The \$425m capital expenditure program equipping our ports with key assets – including cranes, straddles, forklift fleet as well as redeveloping the sites, is on schedule and is expected to deliver efficiency and capacity gains as planned.

In particular, Patrick Terminals this year has seen the arrival of seven massive A\$9m ship to shore gantry cranes, completing a round of equipment acquisition:

- Two in Sydney in mid June
- Two in Melbourne in mid June
- One in Fremantle in early November; and
- Two in Brisbane in early December

The cranes, classified as Australia's biggest standing at 107m high, or equivalent to the height of a 20 storey building, have impressively changed the ports' landscape. Their size has surpassed existing wharf cranes with a massive additional height of 30m and outreach of 16m.

Built by ZPMC in Shanghai, China, the post-panamax¹ cranes were transported by purpose-built heavy lift cargo vessels.

In addition to the above asset acquisitions, our developments to date and beyond 2006 are detailed below and we look forward to continuously growing our competitive edge to the benefit of our customers, our employees and our shareholders.

BRISBANE Fisherman Islands A\$106m Investment

Our Brisbane site is now operational as the Brisbane AutoStrad Terminal and in 2006 we increased terminal capacity of Berths 7/9 from 250,000 TEUs to 500,000 TEUs, with plans in place to increase terminal capacity of Berths 8/10 from 250,000 TEUs to 800,000 TEUs post 2008.

SYDNEY Port Botany \$212m Investment

Our Port Botany site is scheduled for an increase in its terminal capacity from 700,000 TEUs to 1,300,000 TEUs by 2007/08.

To that, a new terminal control building has been completed and 345,000 m² of pavement has been upgraded within the terminal.

The site has seen the arrival of two RMGs in August this year that will be operational by April 2007. A further three RMGs will be delivered by the end of this year and operational by June 2007.

The site will see the arrival of five additional straddles in the second quarter of 2007, increasing the total to 38.

MELBOURNE East Swanson Dock A\$35m Investment

Redevelopment work is nearing completion encompassing the construction of a new administration and amenities building as well as the relocation of the truck entry and exit gate to Anderson Road.

Future development plans are being evaluated with the possible introduction of fast cycling semi-automated RMGs to complement the straddle fleet now standing at 44 units.

Stage 1 of the A\$5m Appleton Dock rail development has commenced, and on



Mark Rowsthorn
Executive Director

completion will provide a second track into the terminal, facilitating greater rail throughput.

Current redevelopment has increased terminal capacity from 900,000 to 1,200,000 TEUs this year, with plans for a further increase to 1,500,000+ TEUs by 2009.

FREMANTLE North Quay A\$28m Investment

Present terminal capacity is 300,000+ TEUs. Progressive development of the existing site will provide the potential to handle up to 1,200,000 TEUs.



Post Panamax¹ Quay Crane

| | |
|---------------------------------|---------|
| Overall Height with Boom Raised | 107.80m |
| Height with Boom Lowered | 75.31m |
| Total Weight | 1,180t |
| Lifting Capacity | 75t |
| Outreach | 49m |

¹ The crane's dimensions are post-panamax which means they can service vessels that are too big to pass through the Panama canal.

Introducing Toll Asia

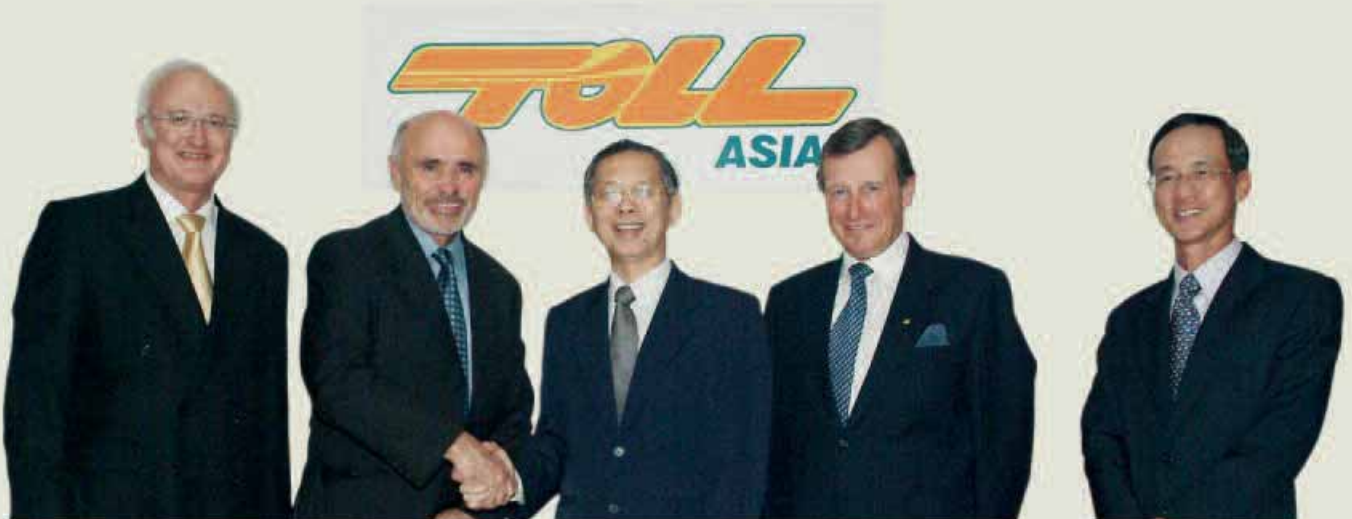
The launch of Toll Asia on 2 October was attended by some 300 guests including the Australian High Commissioner to Singapore, HE Mr Miles Kupa, as well as bankers, government officials, business partners and customers. Mr Lim Siong Guan, Chairman of the Singapore Economic

Development Board was the Guest-of-Honour who also unveiled the Toll Asia logo amidst a stunning light and pyrotechnic display.

At the launch Toll's Managing Director Mr Paul Little said that Toll is excited about the prospects and growth potential Toll Asia brings to the Group. He also announced the intended investment of S\$100 million towards the redevelopment of the Loyang Offshore Supply Base which provides oil &

gas logistics services to companies operating in Asia. Mr Little said, "Our investment is a clear indication of our intention to be a long-term active participant in the Asian market."

Earlier in the day, Mr Little also hosted a tea reception for more than 200 employees of Toll Asia during which he thanked all staff for their hard work and contribution, without which the transition from SembLog to Toll Asia would not have proceeded so smoothly.



Above: Left to right: At the rebranding ceremony in Singapore were, Mr Miles Kupa, Australian High Commissioner to Singapore, Mr Paul Little, Toll Group Managing Director and Toll Asia Chairman, Mr Lim Siong Guan, Chairman of the Singapore Economic Development Board, Mr John Moule, Toll Group Chairman and Mr Koh Soo Keong, President and Chief Executive Toll Asia.

Toll Malaysia Gets Rhythm – Building for the Future



Toll Malaysia has recently introduced three Prairie Wagons (trailers) into its business for the delivery of steel coils for BlueScope Steel Malaysia. The trailers were constructed based on an Australian design and were locally built by UMW at their Shah Alam facility.

The trailers display the highly recognisable advertising of BlueScope Steel Malaysia's signature brands Colorbond and Zinalume which gain excellent exposure on the roads and highways throughout Peninsula Malaysia.

The new builds have increased the payload capacity to 26 tonne which has enabled Toll to gain greater efficiency and cost savings to BlueScope Steel in the delivery of their product throughout Peninsula Malaysia.

Toll has been delivering steel for BlueScope Steel Malaysia since January 2005 when they were awarded the Local and Outstation (Interstate) Haulage Contract. In addition, Toll has recently been awarded the

High Density Storage Solution for Thai Yamaha Motors (TYM)

KPN-ST Logistics, Toll Asia's business unit in Thailand, has successfully maintained its status as a leading supply chain provider for Thai Yamaha Motors (TYM), thanks to its ongoing commitment to quality management, innovative solutions and process control techniques. Currently KPN-ST Logistics manages and distributes over half a million units of motorcycles annually for TYM throughout Thailand.

As a popular brand in Thailand, TYM has enjoyed increasing demand and sales for its

motorcycles. In tandem with our customers' growth, KPN-ST Logistics undertook the upgrading of its warehouse operations and introduced the new high density multi storage solution – FIFO Flow Racks.

FIFO Flow Racks is a simple, effective concept that uses inclined shelves equipped with roll tracks. This allows the motorcycles to be moved by gravity from the restocking to the picking side of the process flow. As a result, no power source is required.

It also reduces the storage area per motorcycle units which allows for faster restocking and picking. In fact, one person can now be deployed to the work that previously required three or four workers. Additionally, the FIFO Flow Racks cost far less than automated systems, and are much more efficient than static shelving. They are virtually maintenance free and allow the rotation of the motorcycle units on a first-in, first-out basis.

TYM has turned into a real KPN-STL fan and it has announced that KPN-ST Logistics is the vendor of choice for storage, workspace, and distribution solutions for their TYM motorcycles and has renewed its contract with KPN-ST until end 2010.



distribution for all inbound and outbound movements for BlueScope Steel Malaysia for a minimum of three years.

Toll Malaysia is extremely proud to be in association with an organisation of the stature of BlueScope Steel and will continue to strive to deliver up to and beyond the level of BlueScope Steel's expectations.

Above: The Toll Malaysia Team (left to right): Nurulsheema Mohd Shariff, Rohana Binti Abu Hassan, Rosni Binti Abdul Hamid, Meimi Maria Binti Baharom, Noreen Lee Nor Swung, Catherine Teh, Dahlan Bin Husin, Ruben Jayaraj Jayakumar, Sivajothy Sinniah S.Subrumaniam, Steve Miller, Wong Jiun How, Lim Keng Huat and Sulaiman Bin Mohamed.

Left: One of the new build Prairie Wagons at BlueScope Steel Malaysia's Kapar Plant.

Right: The first coil unloaded on the maiden trip to BlueScope Lysaght.





Above: Standing left to right are Mike Butler, Craig Pendergast and Mike Stevens, kneeling is Gian Hass.

Elvis Has Landed

In October 2006, Toll Air Services provided ground handling support for the giant aircraft, Antonov AN124, and its precious cargo, the Sikorsky Skycrane, commonly known as 'Elvis', and smaller Skycrane, 'Shania'. 'Elvis' is the helicopter which has had a dramatic impact with fighting fires in Australia in the hot and dry summer months.

The helicopters and their support equipment are rolled into the AN124 and secured for the journey from Bakersfield in the USA to Sydney via Honolulu. On arrival in Sydney, Toll Air Services provided equipment and helped to unload the aircraft and then closed up the Antonov for departure and dispatch to another location.

Assistance was then provided to transport the helicopters to locations where they are to be carefully assembled by specialised engineers in preparation for test flights and deployment to a base airport.

Every summer for the last four years, Elvis, the universally recognised leader in aerial fire fighting, has visited Australia and been based in Melbourne, Sydney and Canberra. Water bombers are one of the most effective methods to fight bushfires and the 9,000 litre tank can be filled with water, retardant or foam mix in as little as 45 seconds.

Given the extremely dry conditions in many parts of Australia this fire season, the arrival of Elvis and Shania as an aid to maximising fire fighting capabilities, is invaluable.



Top: The Antonov AN124 delivers Elvis from Bakersfield USA to Sydney.

Above: Shania being unloaded.

Helping to Solve Major Environmental and Social Issues

Toll Priority Delivers a Solution

Each year, organisations, governments and IT providers need to dispose of **MILLIONS** of obsolete and decommissioned PC's.



Yet approximately 1.5 million low income Australian households have no PC or internet access.

Toll Priority is currently working with St George Bank, Sydney ITeC Repair Centre (SIRC), and WorkVentures to replace IT equipment at approximately 203 St George branches nationally.

How the Solution Works

Toll Priority organises scheduled collections of equipment from St George branches, records the serial number of the equipment for asset tracking and consolidates the equipment for shipment to the repair centre.

The SIRC then decommissions, refurbishes, and provides certification of data erasure for each PC. The equipment is then given to WorkVentures who distribute to needy users for reuse as opposed to becoming landfill.

Toll Priority TechServ specialises in the safe delivery, onsite installation and support of new and used technical equipment. If you require assistance or advice in managing the swap outs of your obsolete IT equipment, or require a financially attractive solution to your PC disposal problem, phone 13 15 31 and ask for your TechServ consultant.

http://priority.toll.com.au/include/brochures/TollPriority_Technical2.pdf



Above: The NSW Country Management Team at the recent Dubbo conference.

NSW Country Focus on Operational Excellence

The vision of the NSW Country Management Team is to provide the best possible service to Toll Priority's customers in country NSW.

Some initiatives recently introduced are:

Real Time Scanning

Newcastle, Gosford and Wollongong are now using scanners that provide real time scanning and proof of deliveries.

Safety and Security

With the increased focus on security and safety, all the NSW regional drivers are undergoing training to ensure that freight moved meets Government Legislation and Regulations.

Agent Conferences

Throughout NSW a total of four conferences have recently been conducted with approximately 100 people travelling from all over the state to attend.

These conferences are integral in the communication of:

- customer requirements
- compliance issues
- service improvements
- the 'bigger picture' of the Toll Priority business overall

The conferences were hailed as a great success by all with many Agents sending their thanks for the opportunity to attend.

Toll Refrigerated Goes to the Territory



Above: 'A' trailer slot in an ABB combination.

For some time Toll Refrigerated has had the task of carrying a major client's chilled product to Darwin from Brisbane as part of a national freight package.

Due to this not being a linehaul corridor that Toll Refrigerated had actively sought to operate or prosecute, it was a matter of passing the freight to another carrier.

Cold Chain integrity and Driver Fatigue had long been a concern into the Top End with this particular carrier and with no ability to track or manage either, the need for a company-operated 'wet' service into Darwin quickly became apparent. After canvassing a number of other interstate customers, it was clear that there was sufficient interest and support to justify a weekly service ex Brisbane.

Knowing NQX had an excellent and compliant express linehaul system to Darwin, Garry Beros (National Linehaul Manager) sat down with John King (NQX National Linehaul Manager) and Gavin Swan (NT Linehaul Manager) who responded with a typical, "Just tell us what you need."

The next call was to Greg Elkins of Toll Express Darwin who couldn't have been more helpful organising local deliveries and onforwarding in Darwin and assisting with return loading (largely produce ex Katherine and Mataranka). On Friday 15 September, the first Toll Refrigerated B-Double departed Brisbane occupying the back half of an NQX BAB Quad road train. Customer interest was such that a second service was soon required, again with NQX providing an 'A' trailer slot in an ABB combination

(pictured) departing Brisbane Monday for Wednesday pm delivery.

With the 3,500 kilometre journey into Darwin covered in 44 hours, thanks to a two-up driving system that runs like clockwork, combined with satellite-tracked equipment and temperature controlled cross dock and distribution facilities in Darwin, comparisons against our competitor were inevitably and quickly being drawn with very favourable reports at this early stage.

This service would not have seen the light of day without the invaluable assistance of John King and Gavin Swan from NQX and Ross Longmire, Greg Elkins (and his Darwin team) from Toll Express who have provided full support at every turn, demonstrating the sort of solution that can be generated when divisions collaborate.

**For further details
please call:**

**Doug Rae
National Manager
Toll Refrigerated
Tel: +61 7 3275 0400**



Above: Pictured at the Awards night are our staff from Patrick Terminals from left to right: Tony Hocking – Engineering Manager; Raymond Choi – Advanced Consulting Services; Matt Hollamby – Terminal Manager; Rod Bertram – Project Manager; Isnan Rahman – Operations Manager; Rob Davie – Automation Manager; Julie Simington – Production Manager; Sean Jeffries – HR Manager; Chris Knott – Acting CEO Patrick Technical Services; and Graeme Nelmes – National Development Manager – Patrick Terminals Division.



AutoStrad® Wins 2006 QLD Engineering Excellence Award

The Brisbane AutoStrad® Terminal was recognised for its innovative engineering qualities at the 2006 Queensland Engineering Excellence Awards held on Friday 7th September at the Brisbane Convention Centre. The Terminal took out the top prize in the category of Products and Manufacturing Facilities before an audience of close to one thousand industry and government representatives.

Officially opened in December 2005 by Queensland Premier The Honourable, Peter Beattie MP, the \$106 million AutoStrad® Terminal at Berths 7-9 in the Port of Brisbane is Australia's first automated container terminal, and the first of its kind in the world to use free ranging robotic technology. It has the potential to revolutionise stevedoring around the globe.

The technology is the result of more than nine years research, development and piloting.

The automated 10 metre high 65 tonne straddle carriers are fitted with sophisticated motion control and navigation systems which allow them to operate unmanned – moving and stacking containers from the quay into holding yards and onto vehicles and back to quay cranes with pinpoint accuracy.

Unlike other automated systems the AutoStrad® moves freely on a virtual computer generated grid which can be applied to most existing terminal facilities and does not require extensive capital works to install in ground nodes or wires for operation.

Patrick developed the AutoStrad® technology in a majority owned partnership with equipment manufacturer Kalmar

Industries. The intellectual property rights for much of the onboard technology and the entire all important real time control systems are owned by Patrick Technology and Solutions.

The AutoStrad® carriers can operate 24 hours a day in virtually any conditions and have an inbuilt capacity to optimise container movements and storage requirements, thereby maximising productive use of port infrastructure. In addition, the system can be controlled by one operator at a Control Centre on site.

The system, piloted for three years at Patrick's Berth 7 Terminal in Brisbane, was developed using conventional straddle carriers adapted with a series of hardware and software components. Complementary to the development of the AutoStrad® technology, Patrick constructed a new container terminal for the full commercial operation of this equipment, incorporating features unique to an automated stevedoring environment.

Exhibiting world-class engineering to meet the highest standards of safety, security, environmental responsibility and electrical and civil infrastructure uniquely suited to the needs of an automated workplace, the 24 hectare Terminal is integral to the successful deployment of the AutoStrad® machines.

The Brisbane AutoStrad® Terminal demonstrates leading edge technology, able to be easily integrated with most existing terminal operation systems and retrofitted to traditional stevedoring infrastructure at Ports around the world. It has put the "Smart State" and Australian engineering technology firmly in the focus of the international maritime industries.

NATIONAL ENGINEERING EXCELLENCE AWARDS

The Patrick Terminals team attended the National Engineering Excellence Awards presentation in Canberra on Wednesday 22 November 2006. The awards presentation was held in the Great Hall of Parliament House and was attended by several hundred leading engineering, business and political figures. Forty one outstanding engineering projects, including the Brisbane AutoStrad™ Terminal, were put forward for consideration for the ultimate prize. Unfortunately, against a 'stellar field', we were unsuccessful, the winner being the East Timor Sea Gas Project. Congratulations to this outstanding engineering exercise.

For further information please contact:

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Above: The award winning AutoStrad® at work choosing a scheduled container.



International Customer Service Champion Award

Ashley Bone – Team Leader in Toll IPEC’s National Contact Centre, took out two major awards during International Customer Service Week in the first week of October 2006.

Ashley was nominated by Toll IPEC for the Genesys Contact Centre Leader award. This award is based on an individual Contact Centre leader’s performance compared to a set of best practice principles for Contact Centre Leaders.

Not only did Ashley win the Contact Centre Leader Award, he also won the International Customer Service Professionals (ICSP) Outstanding Individual Customer Service

Award ahead of some very tough competition including individuals from the ANZ Bank, Coles Myer, Sales Force Australia, Drake, Medibank Private, BUPA Australia, all of whom received awards during the Gala Presentation night.

Nominating a person for the award requires a detailed submission showing evidence as to why they are a worthy nominee. The second stage involves a site visit by the judging panel with on site validation of submission information.

In receiving his award, Ashley gave special thanks to Joseph Santoro, Toll IPEC’s National Contact Centre Manager and Tim Bowen State Customer Service Manager, for



their support and guidance in his time at Toll IPEC. Special thanks also go to Suzana Lekovska, Customer Service Analyst for her efforts in preparing Ashley’s submission.

Congratulations to Ashley and those who worked with him in achieving his special award.

Above left: Ashley Bone – Team Leader National Contact Centre Toll IPEC, catches up with Ronald McDonald. ICSP raised a large sum for Ronald McDonald House – Monash on the night.

Above: Ashley Bone – Team Leader, National Contact Centre Toll IPEC (left), receives his International Customer Service Professionals (ICSP) Outstanding Individual Customer Service Award from Rafik Mankarious – Managing Director McDonald’s Indonesia McDonald’s International.



Two Winners for the Toll IPEC Customer Service Award

Toll IPEC has been a proud supporter of International Customer Service Week over a number of years and once again sponsored this year’s ICSP Customer Service Award for Large Business.

This year’s winners of the Toll IPEC Large Business Award were the ANZ Banking Group – Australian Call Centre and Medibank Private – Customer Services Division.

Rodney Johnson Toll IPEC’s General Manager, presented awards to Pam Rebecca, Head of Australian Call Centre, ANZ along with Damien Regan, Client Services Manager Australian Call Centre ANZ, and Tillotson, National Manager – Customer Service Medibank Private.

Left: Rodney Johnston – General Manager, Toll IPEC presented the award to Dean Tillotson – National Manager, Customer Service Medibank Private.

Below left: Rodney Johnston – General Manager (centre), Toll IPEC presented the award to ANZ’s Damien Regan – Client Services Manager, Australian Call Centre, and Pam Rebecca – Head of Australian Call Centre.

Below: Tricia Olsen – CEO and Founder of International Customer Service Professionals (ICSP)

presenting a sponsorship plaque to Rodney Johnston – General Manager of Toll IPEC.





All names from left to right.

1st row: Secil Oguzhan, Jeremy Fyer, Susie Ryan – Assistant Team Leader, Breeony Oakley, Cassey, Christina Wilson, David Chiaramonte.

2nd row: Nadine Wright, Ashley Bone, Ally Mattison, Aimee Cuthbert, Christine Violi, David Chiaramonte, Pam Gilbert, Clare Thompson and Alex Pamount.

National Contact Centre

Toll IPEC's National Contact Centre (NCC) is now managing over 30,000 calls per week. Answering customer calls more efficiently and handling enquiries more effectively were key drivers in Toll IPEC's decision to centralise pickup bookings and freight enquiries.

Toll IPEC's NCC operates across two sites in Melbourne's suburbs of Altona and Clayton. The recent completion of renovations at the Clayton depot has provided the capacity required to manage national call volumes. Calls are distributed evenly across the two sites.

Toll IPEC has a decentralised approach to investigating enquiries that cannot be resolved on the first call. Experienced investigators have been retained in all locations to ensure those with local knowledge and experience take over the management of enquiries and 'own' the enquiry to completion.

Once an enquiry is allocated to an investigator, it is the investigator's duty to maintain regular contact with the customer, keeping them informed and relaxed in the knowledge that their enquiry is in good hands.

Julie Feehan, National Customer Relations Manager at Toll IPEC says, "By centralising initial customer contacts, Toll IPEC has generated higher service levels and more consistent outcomes for customers. The variability of call volumes given the nature of our business makes it very hard to manage resources in a decentralised environment. By delivering calls to a larger group of people we have been able to cope more effectively with the peaks and troughs."

Joseph Santoro, Toll IPEC's National Contact Centre Manager says, "One of the keys to ensuring great service in a contact centre is having highly motivated staff. Our selection process is very rigorous and peoples' attitudes play a large part in their selection." Once we

Our selection process is very rigorous and peoples' attitudes play a large part in their selection. Once we have the right people we aim to make their work environment as pleasant as possible.

have the right people, we aim to make their work environment as pleasant as possible."

Joseph notes that enjoying your work environment and team mates plays a big part in the NCC. "Handling a customer's freight enquiries is serious work and customers expect serious service levels, but fun within the NCC team plays a big part in keeping people enthusiastic about service and building a solid culture." Joseph says, "Training is another key ingredient. Having our people in larger groups has enabled more consistent and more regular training, coaching and assessment."

Australian Law Awards

Now in their sixth year, the Australian Law Awards is the legal industry's 'night of nights'. It is the premier event for recognising the achievements of law firms and individual lawyers Australia-wide. This year's ceremony was held in October at Sydney Harbour's Doltone House.

DX Solutions was proud to sponsor the Government Award, which was one of 18 awards presented on the evening, and taken

out by Blake Dawson Waldron, an Australia-wide law firm.

DX has provided secure, fast document exchange services to the legal industry for over 36 years, and has a proud association with the award organisers – magazine Lawyers Weekly.

Picture: Leanne Kelly (left) from DX Solutions with Government Award Winner, Rhonda Hare – Partner from Blake Dawson Waldron.



IT Service Desk Celebrates ICSW 2006

The Toll IT Service Desk did what millions of customer service industry professionals did in the first week of October and that was celebrated International Customer Service Week. 'Building Bridges to Customers' was this year's theme, reflecting our ongoing efforts to improve our communication with you, our valued customers, in order to better meet your service and support needs.



Above: The IT Service Desk team (casual dress day) after a very successful International Customer Service Week;

Left to right:

Front row: Wayne Hay, Chris Balis, Sally Venner and Ben Footit.

Back row: Denise Murphy, Jeremiah Wong, Kostas Papavasiliou, Spiro Zouzounis, Michael Burton, Clinton Merritt, Paul Simonic and Alex Kirsten.

The aim of International Customer Service Week is for everyone within the customer service industry to not only celebrate customer service but to reflect on the core reason for their business to exist; to aid our customers in the best way possible so they can run their business efficiently.

It was also the perfect opportunity to release our new customer focused website providing Toll employees with a one-stop-shop to everything your IT Service Desk offers. You can check out the new site at <http://itservicedesk/>. From this website, you can find useful information such as our Support Processes, Frequently Asked Questions (FAQs), 'Meet the Team' who support you and even 'Submit Feedback' about our services. You will also be able to link to the popular SDForms website <http://sdforms/> for all your IT Service Requests such as New User Account and Application Access forms.

But back to the celebrations. Sunday afternoon saw Chris Balis, Service Desk Manager, Geoff Millikin, Team Leader and

Kostas Papavasiliou, Service Desk Operator, decorate the IT Service Desk area with streamers, balloons and posters of famous customer service quotes to help set the spirit of the occasion, ready for when the first IT Service Desk staff arrived early Monday morning.

On the Monday morning it didn't take long for a festive atmosphere to take hold, and soon the entire Data Centre was abuzz. Our first event on Monday was a visit from Martin Dunne, Group General Manager – IT, who started the celebrations officially and joined the IT Service Desk team for morning tea.

Tuesday saw the launch of the new IT Service Desk website with a Toll wide 'Find the Toll Trucks' competition. Employees were encouraged to enter after successfully locating all four images of Toll trucks embedded randomly throughout various pages on the website. Each truck had a single letter and together they spelt TOLL.

The launch of the website proved to be a huge success with over 158,000 hits on launch

day! And congratulations to our major prize winner of the competition and the Dell PDA – Sonja Schmidt from QRX, Mt Isa, QLD.

During the rest of the week we ran a number of activities including Customer Service themed competitions, a Toll IT version of 'Sale of the Century', and a 'sausage sizzle' for the entire Data Centre. The week culminated with the IT Service Desk team attending the Dandenong Club for our own version of 'Crackerjack'. Best two bowls for the night (in a row) were rolled by Sally Venner, who redeemed herself after starting off somewhat tragically... we believe one bowl has just passed Fish Creek in Gippsland...

We would like to take this opportunity to pass on our sincere thanks to our sponsors of the Toll Truck competition – Dell Australia and HP.

Congratulations go to:

Our major prize winner of a Dell PDA – Sonja Schmidt from QRX, Mt Isa, QLD. Sonja pictured below with her new Dell PDA... Happy organising Sonja!

Our second major prize winner – Patrick Liao, Toll Shared Services, Archerfield Qld who won a fabulous HP Leisure Pack.



Above: Sonja Schmidt, major prize winner of a Dell PDA.

Other prize winners were:

Helen Case – Toll Energy, Dandenong South, VIC; Spiro Zouzounis – Toll Corporate, Doveton VIC; John O'Malley – Toll Corporate, Doveton VIC; Lauren Guerin – Toll IPEC, Dry Creek SA; and Debra Griffiths – Toll Express, Altona North VIC.

For the second year running we enjoyed a very successful International Customer Service Week and we look forward to celebrating the event with our colleagues and customers again next year. And lastly, we would like to congratulate Ashley Bone from Toll IPEC who won two awards at the International Customer Service Professionals (ICSP) Awards this year.

Good Things Come in Small Packages

With its relocation to new premises complete, Toll Packaging is set to extend its range of services supporting the requirements of customers across the entire Toll Group. The new home of Toll Packaging is a 5,500m² standalone facility located in Melbourne's northern suburb of Somerton and is equipped to meet the current and evolving needs of its customers.

Toll Packaging services include:

- supply of packaging material
- bulk warehousing and packaging of products
- kitting services
- packaging design
- container destuffing and stuffing
- local transport from suppliers

To perform the packaging tasks, Toll Packaging staff utilise a range of automated and pneumatic machinery including L Bar Sealer, Count Bagging Machine, Blister Pack, Instapak/Foam Filling, Strapping Machine and Vacuum Form Packaging.

Toll Packaging has been providing packaging services, predominantly to the automotive industry, for over 15 years. Current customers include Ford Australia, Toyota Motor Corporation Australia (Parts and Accessories and 4WD kits), Honda Australia, Honda MPE (Marine Parts Equipment), SKF Sealing Solutions, NSK Bearings, Mazda Australia, PRP Industries and Rare Spares.

Toll Packaging's Operations Manager, Joe Serratore, has managed the transition to the new facility and is excited about the growth opportunities going forward. "Our strategy is to continue to grow our existing business in the automotive industry whilst expanding further into non-automotive industries at the same time," says Joe.

"Almost everything you purchase these days comes in some form of packaging and despite the differences in products the packaging requirements are often the same. We can package all types of products from umbrellas, through to door frames, and back to hubcaps, and we work with our customers to design the right packaging solution for their exact requirements. Hardware, sporting

Toll Packaging has been providing packaging services, predominantly to the automotive industry, for over 15 years.

FORD AUSTRALIA

Exclusive Packaging Operation

400,000 jobs per annum

Over 1,000,000 pieces packaged per annum

Decant for Production

Packaging & Kitting for Customer Service Division

Storage of packaging materials and commodity groups

Accessory build up for vehicle launch

Toll sign-off for all new plant packaging

apparel, toys and computer accessories are just a few examples of the ideal products for our services.

"Our Packaging Engineer consults with our customers to determine the specifications for the packaging and our service includes liaising with designers for its artwork."

Importantly, Toll Packaging is focused on the environmental impact of its service offering. With ISO14001 accreditation (along with ISO9001), Toll Packaging recycles cardboard, plastic and wooden pallets and sources environmentally friendly materials wherever possible.

Toll Packaging's service is a total packaging solution designed to incorporate the management of transport from the manufacturer or wharf to Toll's warehouse, the packaging and storage of products, order processing and picking and distribution to Distribution Centres, Retail Outlets or offshore through export containers. Additional design services include corflute packaging and customised stillages. The products are generally high value and/or high volume.

If you are interested in any further information about Toll Packaging please contact:

Joe Serratore
Operations Manager
Toll Packaging

Tel: +61 3 8338 0802

Email: joe_serratore@toll.com.au



Packaging large parts for Ford



Pneumatic Count Bagging Machine



All sizes of products



Large panels and frames



Warehousing of bulk products



Top: Left to right are Mike Butler – Manager Contract and Procurement Services (DCIS NT Govt); Patrick McCormick – Director Contract and Procurement Services (DCIS NT Govt); Gary Hutchinson – Divisional General Manager, Toll Transitions and Mark Kingsley – General Manager, Toll Relocations.

Above: David Peet – Northern Territory Manager, Toll Transitions.

Toll Transitions Gets Moving up North in the Top End

In another winning tender, Toll Transitions has secured the Across Government Relocations Contract for the Northern Territory.

Commencing in September '06, Toll Transitions' Northern Territory office has been providing managed relocation services for NT Government employees. As anyone can appreciate, moving people in and out of remote areas of the Territory can be a complex logistical task, especially during the wet season.

"Toll Transitions fully understands the difficulties in managing the removal process during the wet season within remote localities and Island Communities throughout Northern Australia including WA, NT and Northern Queensland," explains David Peet, Northern Territory Manager. "As a business, we've developed specific risk plans to ensure that issues such as flooding and cyclones are managed in an appropriate manner. These plans

are in place so that wherever possible neither the people whose furniture and effects we're moving or their employer (our clients) are disadvantaged."

Comprehensive risk management systems to cater for the special requirements of the NT, were just one of the advantages Toll Transitions was able to offer the NT Government. In addition, direct cost savings through the use of competitive tendering, increased employment opportunities and a business model that encourages expansion of small to medium sized enterprises in the Territory all contributed to a winning tender.

"Winning this contract has been great for our NT office," says David. "Given the increased volume of work, we've brought in two additional full time positions which have doubled the number of staff in our office. I'm now looking forward to our first 'more is merrier' office Christmas party!"

'Pug' Legend Lives On

Toll Fleet Management in Wagga Wagga, NSW, embarked on an enormous and ambitious project to rebuild and restore the original IPEC delivery Chariot Utility / Van 1954 Peugeot to its former 1979 'TV star' condition.

Nick-named, 'Pug', the van was repaired and used in an IPEC TV commercial in 1979. It was then parked and forgotten at the Wollongong depot and consequently rusted. When IPEC Villawood was sold, it was found under the mezzanine floor in very poor condition.

Toll Fleet Management was thrilled to be given the task of restoration. The project, managed by Rod Byers began in August 2005, and although progress has been slow, the team expects to have this beauty completed by end of 2006.

Works still to be done include: fitting buckles on the canopy, attending to some interior

work, painting the chassis, fitting a new motor and gear box, re-wiring, detailing and placing the highly recognisable Toll IPEC livery on the doors.



Top: The 'Pug' after it was found in poor condition at the Villawood depot.

Above: The Toll Fleet Management team who applied their craftsmanship and skills to achieve an excellent result so far with little or no information other than photographs (left to right): Mitch Tokely, Corey Nicholls, Jason Shoemark, Daniel Withers and Steve Gustowski, pictured with the 'Pug' halfway through its restoration with many bits and pieces still to be done.

Talking Tax

Uniform Capital Allowances – Protecting your business's tax depreciation entitlements

The purpose of this article is to provide a brief update on recent changes to the uniform capital allowances regime ('UCA') announced in the May 2006 budget, as well as provide an overview of the key factors to consider when applying the capital allowances provisions of the Tax Act.

The introduction of the Uniform Capital Allowances Regime from 1 July 2001 has replaced the old plant depreciation measures. It provides a set of general rules that can be applied across a variety of depreciating assets, including black hole expenditure, intangibles and plant and equipment.

Recent Developments – Increase in depreciation rate

Effective from 10 May 2006, a new provision was introduced to increase the diminishing value rate of depreciation from 150% to 200%. This change applies to assets acquired on or after 10 May 2006. The uplift does not create an increase in the total depreciation claim available to a particular asset, rather it allows depreciation to occur quicker and earlier in the life of the asset.

This change will be beneficial to all Toll businesses because it will directly reduce the cost of investment, particularly for start-ups and new contracts in the early phase of a business venture.

The depreciation deductions in the early part of the asset's effective life are higher, increasing its net present value and reducing your business's financial cost of holding the asset.

The measure is equivalent to a 33% increase in the allowable diminishing value depreciation rate for all eligible assets. For example, for an asset with a ten-year effective life, the annual rate of depreciation will increase from the current rate of 15% to 20%. Consequently, it is important that Toll businesses consult the Toll Tax Intranet site or a member of the Tax Team for a list of the new rates.

What to Capitalise – Improvements vs Repairs

The tax treatment of expenditure on existing

assets is entirely a question of fact in each case and often causes difficulty to ascertain.

Repairs

A repair involves a restoration of an asset to a condition it formerly had without changing its character. The work carried out on the asset does not significantly enhance its efficiency. A repair is typically the replacement of a worn out component. (For example, replacement of a worn out forklift engine of a similar nature.)

Improvements

Improvements generally constitute substantial alterations, additions, modernisations or major reconstructions. Capital expenditure of this kind will generally substantially increase the asset's operating life and its efficiency. (For example, replacement of a wooden racking system with a longer lasting lightweight steel system.)

Holder Rules – Who is entitled to claim a deduction?

The UCA regime states that only a 'holder' of a depreciating asset can deduct an amount for its decline in value, in most cases the legal owner of a depreciating asset will be its holder.

In a general hire purchase agreement, the lessee is the holder and claims depreciation rather than the lessor.

In the case of a leased luxury car, the lessee is the holder of the vehicle while he / she has the right to use the car.

Special rules apply to leasehold improvements particularly where the lease is assigned or cancelled. Please contact Toll Group Tax in relation to these matters.

When does a depreciating asset start to decline in value?

A depreciating asset's start time is generally when the asset is first used, or installed ready for 'use' for any purpose including a private purpose.

How to treat the acquisition of second hand plant and equipment

Upon acquiring a second hand depreciating asset, a taxpayer has two options:

1. To apply the ATO's safe harbour rates for the effective life of depreciating assets as published in TR 2000/18, or
2. To self assess the effective life of the asset.

Toll uses the ATO's safe harbour rates. Under no circumstance should a business unit determine an effective life without consulting the Tax Team.

Intangible depreciating assets

Under the UCA rules, it is also possible to depreciate certain intangible assets for tax purposes. Examples include patents, copyrights and registered designs.

If an intellectual property asset is acquired by Toll as part of a business acquisition, the cost of the asset is spread over the number of years remaining in the effective life of the asset as at the start of the income year in which Toll acquires the asset.

What happens if Toll no longer holds / uses a depreciating asset?

A gain or loss on sale (referred to as a balancing adjustment event) occurs where a Toll business ceases to hold or use a depreciating asset. This may arise as a result of the asset being sold, scrapped, destroyed, lost, given away or otherwise disposed of. If the sale proceeds are greater than the tax written down value, the excess is included in your business's assessable income on revenue account. If the sales' proceeds are less than the tax written down value then an allowable deduction arises.

Planning tip: Undertake stock take of depreciating assets – Claiming deductions for assets no longer in use

An ATO interpretative decision has held that a balancing adjustment event occurs if a taxpayer has not used a depreciating asset and stops having it installed ready for use and decides never to use it. To the extent that the asset has a closing tax written down value, a deduction for the undeducted cost is available.

Therefore, by physically reviewing the existence of depreciable assets, there may be opportunities to accelerate deductions for depreciating assets in the fixed asset register that are either lost or no longer used by Toll.

Summary

As a minimum, it is recommended that in relation to any significant capex expenditure on new plant / equipment or where Toll develops its own plant / equipment for use, you should call a member of the Toll Tax Team to discuss the tax implications to ensure we adopt the appropriate tax treatment and maximise the tax depreciation entitlements of your business.

Patrick Signs on to Logic

Wodonga Council is counting on the nod within the next two months for \$10 million of Federal AusLink funding to get its \$29 million rail container terminal underway at the Logic distribution hub.

The Council signed a heads of agreement on 8 September 2006 with Patrick PortLink to undertake an 18-month due diligence period to take the project forward.

The council also received a deposit from Patrick for the four hectares it has committed to buy at Logic for the development of third party warehousing and related services.

Patrick was chosen last December to operate the rail terminal at the Logic site.

With the Council, it will invest in the development of a new rail terminal and container park at Logic that will be capable of handling more than 100,000 containers a year.

Wodonga Chief Executive, Peter Marshall said he hoped building of the terminal would be completed and its operating regime finalised during the 18-month period.

He said that would be with the view to Patrick signing a 20-year lease agreement with Wodonga.

Mr Marshall said the design phase of the project was being done with the Victorian Department of Infrastructure.

The plan was to begin building the terminal in March. This would be part of the work involved with the Wodonga rail bypass.

Council Director of Investment Attraction Michael Gobel said that a joint marketing campaign would take place during the 18-month period to encourage potential container operators and third party warehousing investors to the site.

Wodonga Mayor Cr Lisa Mahood said signing was significant as it was the culmination of four years of negotiations with Patrick, extensive meetings and getting commitment from key players in the project.

Patrick PortLink Senior Manager Paul Brazendale said the agreement was a milestone in the company's relationship with the Council.

"The strategic positioning of Logic means freight can reach 79% of the Australian population in less than 10 hours," Mr Brazendale said.

"That is particularly because the rail network is directly linked to the ship face and there are links on the national road grid to Botany and Port Melbourne.

Mr Marshall said the Council was confident the Government understood the project's importance after discussions with the office of the then Federal Transport Minister Mr Warren Truss.



Above: Left to right: Michael Gobel – Council Director of Investment Attraction, Peter Marshall – Wodonga Council Chief Executive; Paul Brazendale – Patrick PortLink Senior Manager; and Cr Lisa Mahood – Wodonga Mayor sign up for the Logic rail container terminal.

Picture courtesy Matthew Smithwick for The Border Mail. Article courtesy of The Border Mail.

Toll Shipping Runners Shine in Burnie 10

Twenty fit (and not so fit) Toll Shipping employees took part in the 2006 annual Burnie 10 road race classic on 15 October.

The enthusiastic team included runners representing a cross section of office staff, seafarers and stevedores.

Ship engineer Rohan Alwyn led the Toll Shipping team home in the excellent time of 45.33 minutes. At the other end of the scale, Burnie Operations Manager Mick O'Day mounted a rear guard action in the still credible time of 1.47.46. All participants agreed it was a fantastic day with many inspired to beat their personal bests in 2007.

Australia's premier 10 kilometre road classic attracted a field of 3,677 smashing the previous record set in 2002 by more than 1,000. It is one of the Blue Ribbon events on the Burnie sporting calendar attracting some of the best middle and long distance athletes from around Tasmania and mainland Australia.



Left: Road runners: Some of the Toll Shipping Burnie 10 contingent congratulates their star runner on his impressive achievement. Pictured (left to right) are Mick O'Day, Rob Morrison, Maree Porter, Len Fernando, Rohan Alwyn, Nick Reeman (rear), Alan Fulton and Wendy Gardner.

A 'Touch' of Class

The Toll Priority Corporate Men's Touch Football team was at it again in late March 2006.

In a typical hot and sunny Sydney day, the team competed in its fourth annual NSW Corporate Games held at Mason Park in Homebush.

The team was again in outstanding form taking all in its path and winning its fourth title in a row.

"Can anyone stop them?" was the cry of the day.

With this event even bigger than last year, the team had to beat some quality opposition on the way to the title, with this year's finalist 'Nestle' no match for the title holders going down 8-2 in the final.

With this year's Australian Corporate Games held in late November, a National title is not looking too far away for this team, let's wait and see.

With a good mixture of Toll personnel, we again showed that with strong communication, commitment and enthusiasm, anything is possible on the day.

Special thanks go to Allan Hill a former valued member of our team who has contributed to

the team in a great number of ways. And special thanks must go to Mike Walkenburg of Toll Priority as without his continued support, this team could not have achieved all that it has, and hopes to in the future.

From the Team, 'Thank You'.



Above: The Toll Priority Corporate Men's Touch Football Team 2006.

students. In the international division there are two groups (approx 130 students per group) of English speaking students, each group consists of four classes.

The province of Henan is one of the more populated in China, it is approximately the same size geographically as Victoria with a population close to 100 million people.

Left: Students in one of the classes at Henan University China.

Middle: A slide from David Graham's presentation.

Below: David Graham – National Safety Health & Environment Manager, Patrick Logistics with two of the Class Leaders: Yu Xiao and Chung Heng, from one of the English speaking groups undergoing their Victoria University Diploma of Business.

Spreading the Toll Story in China

Patrick Logistics' National Safety, Health & Environment Manager, David Graham was recently in China spreading the Toll story as part of his Sessional Teaching role for Victoria University.

David teaches two of the nine modules required at China's Henan University and also works with a Chinese teacher who teaches the remaining seven modules.

Organisational behaviour was the first module



delivered. David showed the recent integration presentations used by Toll's Managing Director Paul Little in his Market Update in July 2006. This was well received by the students because of the strong focus on ASIA and the clear charts showing the organisational structure in a modern Global business.

Henan University located in Kaifeng in the province of Henan, (10 kilometers south of the Yellow River in central China) is one of China's larger Universities with 25,000



Introducing Toll Air Services

Toll Air Services (formerly Patrick Air Services) provides a range of services for international and domestic airlines throughout Australia. These services include passenger check-in, cargo handling and ramp handling which is the physical loading and unloading of baggage and cargo from an aircraft, as well as pushing and towing the aircraft whilst on the ground in the major airports.

Toll Air Services has the coverage and capability to handle a vast range of aircraft types, including:

- the Dash-8 aircraft carrying troops and cargo to Dili in East Timor;

- the Boeing family of passenger and cargo aircraft; and
- the large Antonov AN124 cargo carrying aircraft.

Offices are in Sydney, Melbourne, Brisbane, Adelaide, Perth and Darwin. Some of our customers include several prestigious airlines such as Cathay Pacific, Air Canada, Singapore Airlines, Air New Zealand, EVA Air, Virgin Atlantic, Virgin Blue and United Airlines.

In November, Toll Air Services took delivery of a new piece of equipment specifically designed to handle the Airbus A380 for Singapore Airlines. The vehicle is a 70 tonne pushback tractor and is used to tow and push

back this new large aircraft. Toll Air Services is proud to be recognised as the first ground handling company to handle this aircraft in commercial operations in Australia.



For more information about Toll Air Services, please visit www.tollairservices.com.au



Superannuation Information

Compound Interest

The article headed TWU Super (below), could relate to any employee no matter what Super Fund you are in with the Toll Group, and we draw your attention to it, as you can see by the example by contributing an amount each week the **magic of compound interest**.

Investment Choice

Choice of Investment portfolio can also have a significant impact on your Super benefit, and this is an area to seek financial advice to ensure that your choice suits your financial objectives, investment timeframe and attitude.

Budget Changes

If you are approaching retirement, we encourage you to consult your financial adviser to discuss and understand the potential impact of the proposed Budget changes.

The Federal Budget presented on 9 May 2006 by the Federal Treasurer contained proposed changes to simplify and streamline SUPERANNUATION with effect 1 July 2007.

Some of the changes **proposed** include:

- Abolish the application of Reasonable Benefit Limits (RBL's);
- Benefits paid from a 'taxed super fund' (like the Toll fund) will be tax free for people over 60;
- Changes to the age based contribution limits;
- Limits to the level of undeducted contributions (after tax contributions) that can be made this year and future years.

Further up to date information can be obtained from the Australian Government website:

www.simplersuper.treasury.gov.au

The Australian Government has also a financial

literacy program under way. You may wish to access their website:

www.australia.gov.au/understandingmoney

You can also order a booklet from them ...maybe some employees would find this interesting.

ANZ Super Advantage Fund

Super Connect allows you to track and manage your ANZ Super Advantage online, anytime with just a few keystrokes. To register, go to www.anz.com.au/wealth/super, click on member online servicing and then follow the instructions to register for online access.

If you require further information on any of the above points contact Cheryl Barbary Toll Group Superannuation Manager. cheryl_barbary@toll.com.au

Simple, Sound, Strong.



TWUSUPER

How much difference does compound interest make?

We often hear about the magic of compound interest. It is not so much magic as common sense. With interest paid on the amount you invest and on the interest it earns, your investment grows bigger and faster over time.

Let us say you make a one off investment of \$1,000 and you earn 7.225% interest every year for the next 20 years. At the end of that time your investment will have grown to \$4,035*. **Not bad for doing nothing!**

It would be even better if you got into saving regularly. It does not have to be a large amount. **If you save \$10 per week for 20 years and earn 7.225% interest every year, your savings will grow to \$22,644*. Make that \$50 per week and you will save \$113,220*.**

The following table illustrates the effects of compound interest.

Table of compound interest

**Total weekly savings
Interest you earn (assuming you earn 7.225% interest p.a.)
Value of your savings* (\$)**

| Years | Contributions | | | | |
|-------|---------------|---------|---------|----------------|-----------|
| | \$10 | \$20 | \$30 | \$50 | \$100 |
| 5 | 3,113 | 6,226 | 9,340 | 15,566 | 31,132 |
| 10 | 7,526 | 15,051 | 22,577 | 37,628 | 75,257 |
| 15 | 13,780 | 27,560 | 41,339 | 68,899 | 137,798 |
| 20 | 22,644 | 45,288 | 67,932 | 113,220 | 226,441 |
| 25 | 35,208 | 70,416 | 105,624 | 176,040 | 352,080 |
| 30 | 53,016 | 106,031 | 159,047 | 265,078 | 530,156 |
| 35 | 78,255 | 156,511 | 234,766 | 391,277 | 782,554 |
| 40 | 114,029 | 228,059 | 342,088 | 570,146 | 1,140,293 |
| 45 | 164,734 | 329,467 | 494,201 | 823,669 | 1,647,337 |
| 50 | 236,600 | 473,200 | 709,801 | 1,183,001 | 2,366,002 |

*This does not take into account any tax payable and assumes that the interest rate remains unchanged. Amounts shown are in today's figures. These figures are for illustrative purposes only.

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Patrick Logistics Welcome Drinks

On Thursday 26th October, Patrick Logistics held welcome drinks at the RBar, in Port Melbourne. Paul Garaty, the recently appointed General Manager of Patrick Logistics, took this opportunity to introduce himself to the group, as well as welcome the Toll Shipping employees into the Ports and Infrastructure Division.

Paul ironically presented each of the Toll Shipping employees with a Patrick's lanyard, which was taken in good humour. It was a great opportunity to mingle and a good night was had by all.

All names from left to right.

Photo 1: Dom Basile, Nicole McMahon and Richard Alizzi.

Photo 2: Jan Dalton, Hercy He, Ray Busuttil and David Graham.

Photo 3: Jenny Gardner and Helen Klewer.

Photo 4: Darryl Drake and Jo Noske.



Australia's First Double-Stackable 48' Curtain-Side Road / Rail Container

Australia's first state-of-the-art double stackable 48' curtain-side road/rail container with mezzanine decks for protection of sensitive LCL freight was a huge hit for Toll Express, and now has a total of 26 operating throughout Australia.

Toll Express General Manager Neil Pollington, recognised the need for such a container in early 2005 and turned to the innovative container designers Intermodal Solutions (IS) for the answer.

National Operations Manager Tim O'Brien, was given the task to assist IS with Toll's requirements and together with other key Toll Express personnel were able to fully provide IS with Toll's wish list.

Design Process

During the design process it became apparent that Pacific National (PN) was looking at placing various surcharges on curtain-side containers due to non double-stacking capabilities. At that time, Pacific National

only had 40% double-stacking capabilities from Adelaide-Perth due to the amount of curtain-side containers in use.

Intermodal Solutions proceeded to design the first double-stackable curtain-side container in Australia. These units, due to their unique strength and buckle design, can be placed into the PN well wagons, in either the top or bottom positions.

One prototype unit was built and after 12 months of service and rave reviews from the customers, Toll Express placed an order for an additional 25 units.

Features and Benefits

In response to Toll's requirement for over-height pallets, two box sections were placed at each end of the container, where over-height pallets could then be placed, with a secure wall to brace their forward and rear movement during transit.

Another feature includes mezzanine decks which can fit three pallets wide on the top

and bottom. A total of four decks per unit are supplied.

The IS design team currently has an application in place to have the end box sections classified as dangerous goods segregation areas. If the application is approved, this will add another string to their bow.

The open centre section can fit up to eight pallets or be utilised for awkward oversized freight, with countersunk de-shackle recesses for tying down purposes.

A total of 24 pallets on the floor and 12 pallets on the mezzanine decks can be achieved in each container.

Below left: Extremely pleased with the outcome are some of the Toll Express and Intermodal Solutions teams (left to right) Shaun Mooney – Financial Controller – Toll Express; Matthew Chalmers National Technical Manager – Intermodal Solutions; Craig Neilson – Toll Express; Garry Pinder – Director – Intermodal Solutions; Michael Horne – Director – Intermodal Solutions and Adem Karafili – Toll Express.

Below: The Toll Express double-stackable curtain-side container without curtains displaying its unique features.



Greater Green Triangle Logistics Concept

The Australian timber industry's largest wood fibre producing region, the Greater Green Triangle in south-east South Australia and south-west Victoria, challenged Toll to develop and lead a cohesive industry-specific logistics solution to the industry's future significant expansion.

- Logistics providers within the wood chain, including road, rail and ports.

The proposed recommendations will now be discussed in depth by all stakeholders to determine their viability.

With the freight task within the Green Triangle Region for wood products alone set to quadruple within the next three years, Toll's message to the combined forum was that any solution will have to be flexible for all parties to meet local communities' needs.

Toll is looking forward to working with the Greater Green Triangle and its broader community for a sustainable future.

On 31 October 2006, Toll was pleased to present its proposed recommendations to a group of high profile and influential representatives from:

- The timber industry and associated downstream industries, including infield chipping operators and Japanese paper mill owners;
- Federal, state and local governments, including the South Australian Minister for Transport, The Hon Patrick Conlon MP; South Australian Minister for Forestry, The Hon Rory McEwen MP; senior representatives from the Victorian Department of Infrastructure and Transport SA; and representatives from the various local councils within the Region; and

Presenting Toll's proposed recommendations to the Timber Industry's Logistics Challenges (outlined below) were Toll Contract Logistics Project Manager, Erica Gilcrist, Victorian State Manager, Jeff Newton and National Business Development Manager Stephen Carroll.

As leading provider of logistics services, Toll is continuing its pivotal role in constructive engagement with key stakeholders in all industries, to develop solutions to the challenges of a growing freight task, set to double by 2020.



Timber Industry Logistics Challenges

Challenge #1 – Increased Wood Volumes

As a result of the significant increase in plantation hectares becoming available from 2008 onwards, the Region will experience a dramatically increased transport requirement. Blue gum plantations have increased from 10,000 hectares in 1998 to 110,000 hectares by 2002. The challenge for the timber industry is moving the wood (either as logs or woodchip) from the plantations to either processing centres or port for export. Woodchip tonnes to port are expected to increase from the current level of 1,200,000 to an expected level of 4,400,000 annually in the five year period 2009-14.

This increase in volume equates to 110,000 fully laden B-double trucks going in and out of the selected regional population centres annually. Every hour of the day, every day of the year, 27 B-doubles will pass through the port. If the volume was moved by single trailer vehicles, 41 trucks per hour will result.

The above figures relate solely to wood flows. The Region is also experiencing a significant increase in non-wood products such as mineral sands.

Given an estimated 10 minute unload time per vehicle, industry is concerned with the ability of the logistics providers to manage this throughput via the selected terminals within the existing, as well as proposed infrastructure.

Challenge #2 – Insufficient Area Resource

The current volumes are adequately catered for by road transport operators. However, the road transport industry across Australia is struggling to keep up with the increased logistics demand:

- According to Auslink, the total non-bulk freight task will double by 2020. The freight task within the Green Triangle Region for wood products alone is set to quadruple within the next three years.
- There are insufficient young employees entering the transport industry to replace the ageing employee base. Industry wide, the average age of truck drivers is greater than 50.
- Truck driving as a profession has a stigma based on the stereotype of excess driving hours, speed and potential for high impact collisions.
- B-double licensing specifications and insurance liabilities are age restricted, further limiting the pool of available employees.
- Statistically, the aging workforce is impacted by greater workplace injuries.

Challenge #3: Reducing Road Trauma

The transport industry injury incidence rate is double the national average across all industries. In 2005, there were 16 fatalities involving heavy vehicles in South Australia alone. 2006 YTD, the figure is 11.

| Transport and storage group | 1998-99 ^(a) | 1997-98 ^(a) | 1998-99 ^(a) | 1999-00 | 2000-01 | 2001-02 | 2002-03 ^(a) |
|------------------------------------|------------------------|------------------------|------------------------|-------------|-------------|-------------|------------------------|
| Services to water transport | 62.5 | 71.4 | 30.5 | 47.5 | 53.9 | 46.5 | 50.0 |
| Storage | 75.9 | 66.1 | 62.5 | 49.9 | 44.9 | 59.0 | 47.9 |
| Services to air transport | 51.4 | 54.4 | 14.0 | 14.2 | 12.7 | 26.9 | 41.1 |
| Road freight transport | 59.5 | 45.3 | 46.7 | 48.3 | 43.1 | 36.9 | 36.0 |
| Services to road transport | 42.3 | 33.8 | 34.0 | 28.1 | 30.4 | 36.5 | 32.1 |
| Rail transport | 27.4 | 26.9 | 29.9 | 29.9 | 50.6 | 37.5 | 32.0 |
| Road passenger transport | 37.6 | 29.9 | 29.3 | 23.7 | 25.9 | 29.5 | 23.4 |
| Water transport | 7.0 | 29.0 | 23.2 | 21.9 | 23.2 | 21.0 | 20.4 |
| Air and space transport | 20.9 | 34.1 | 29.9 | 29.2 | 24.5 | 21.0 | 19.9 |
| Other services to transport | 12.6 | 11.2 | 10.5 | 11.4 | 15.3 | 16.2 | 16.3 |
| Total Transport and storage | 37.8 | 36.4 | 33.5 | 33.4 | 33.1 | 33.4 | 31.2 |
| All Industries | 22.5 | 20.8 | 19.8 | 19.2 | 18.9 | 17.4 | 14.1 |

(a) Excludes NOT private sector.

Source: ORR, Office of Road Safety and Transport, South Australia, Department of Transport, Government of South Australia 2007.

Unemployment Trends in Australia

As many of you will be aware, the employment market in Australia is booming with particularly strong growth in Western Australia and Queensland.

The unemployment figures for the year January 2006 – September 2006 has seen a decline in the unemployment rate nationally from 5.1% – 4.7% with the September figures across the country as follows:

| | |
|------------|-------------|
| NSW | 5.5% |
| VIC | 4.6% |
| QLD | 4.6% |
| SA | 4.7% |
| WA | 3.3% |

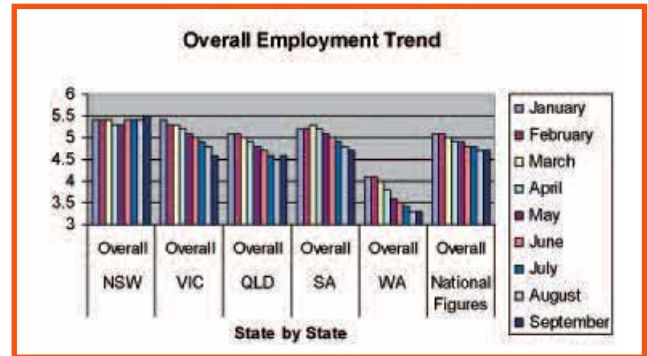
The unemployment rate is at a 30 year low

and has seen the decrease since September 1996, where the rate was 8.3% to its current level of 4.7%.

As a result, the employment market is currently very tight. Many parts of the country are operating at full employment and thus making it difficult for many Toll divisions to find suitably skilled and qualified staff to fill permanent and temporary positions.

Toll Personnel is working with Toll businesses to address the shortage.

Through advertising, holding open days and the appointment of back up suppliers, everything is being done to address the labour shortage and support Toll businesses as best as possible.



VIRGIN BLUE

Virgin Blue's New Embraers

In November Virgin Blue announced a major new investment with a \$950 million order for 20 aircraft from the Embraer E-Jet Family.

With deliveries commencing in 2007, the order includes firm commitments for 11 EMBRAER 190 and 3 EMBRAER 170 jet aircraft and options for 6 additional E-Jets.

The Brazilian jets – the first of their type to operate scheduled services in the Australasian region, will provide Virgin Blue significant additional operating flexibility and the ability to serve the corporate market by more accurately matching seat capacity and frequency to passenger demand.

The E-Jets will include extensive use of new weight-saving materials, fly-by-wire electronic control and new-technology fuel efficient engines reducing both fuel burn and exhaust emissions – a vital consideration in Virgin Blue's selection of new aircraft.

In addition, the E-Jets meet the most stringent restrictions on aircraft noise, reducing noise around airports and beneath flight paths, as well as minimising cabin noise levels for passengers.

Both aircraft types will be fitted with leather Elite seats, the widest economy seat offered worldwide on a single aisle aircraft and configured in a single class, 2 x 2 seat layout.

Coinciding with Virgin Blue's order, Embraer brought an EMBRAER 190 aircraft to Australia for a national demonstration tour, including a roadshow for Virgin Blue staff throughout the country.



Some Facts

EMBRAER 190

The EMBRAER 190s have a maximum range of 2,300 nautical miles, or 4,260 kilometres, enabling them to fly with a full payload from Sydney to anywhere in Australia, or beyond to New Zealand and a range of destinations throughout the Pacific. The seating configuration can range from 98 to 114 seats.

EMBRAER 170

The smaller EMBRAER 170s can fly 2,000 nautical miles, or 3,706 kilometres, enabling them to operate from Sydney to anywhere on Australia's eastern seaboard, as far north as Darwin, or from Adelaide or central Australia to Perth, as well as from eastern Australia to New Zealand and parts of the Pacific. The seating configuration can range from 70 to 80 seats.

PN Sells Victorian Below Rail Business Back to Government

Pacific National has agreed to sell the lease of the Victorian Regional Rail network to the Victorian Government for \$133.8m.

The Victorian Government recently approached Toll and Pacific National with a proposal to buy back Pacific National's Victorian below rail operations. Following lengthy negotiations, all parties agreed to a win / win outcome.

The deal will give the Victorian Government greater flexibility in operating the rail network and allow Pacific National to focus on the above rail business.

Pacific National has worked hard over the past two years, maintaining the integrity and safety of the Victorian network and continued to deliver major projects such as Regional Fast Rail.

The sale of the lease will not affect the movement of interstate freight and will have no material effect on the revenue or profits of Pacific National. In addition, it

will not impact on the impending sale process or have a material impact on the sale price of 50% of Toll's current 100% stake in Pacific National.

Pacific National is working closely with the Victorian Government to deliver a timely, orderly hand-over to ensure the integrity and safety of the Victorian rail network.



PN Breaks its own Record with 3 km Train



Above left: The record 3km coal train.

Below: Some of the skilled drivers operating the train at Leigh Creek, left to right: Mark Dighton, Mark Pool, Maurice Parry, Paul Kirkham and Robert Brown.

Pacific National's 2.8 kilometre Leigh Creek to Port Augusta coal train held the record for the longest freight train operating daily in the Southern Hemisphere and possibly the world.

This record was broken earlier this year when the team in Port Augusta extended the coal train to a total length of 3.05 kilometres. The train consists of 175 wagons with a total mass of over 16,700 tonnes, hauling approximately 12,400 tonnes of coal.

In 1999, FreightCorp, now Pacific National, entered into a contract to haul coal from NRG Flinders' Leigh Creek Coalfield to its Northern Power Station at Port Augusta, South Australia.

A coal train that is 2.8 kilometres long, with 161 wagons, worked by three 2,240kW diesel locomotives, with a total mass of 14,200 tonnes and carrying a payload of just

over 10,000 tonnes was introduced to meet the NRG demand.

The train running from Port Augusta to Leigh Creek is operated by a single driver – on each trip two drivers share an 18 hour round trip. The team of drivers based at Port Augusta require a high level of skill and concentration to operate this mammoth train. The team of seven drivers, led by Area Manager Robert Atkinson, have managed this train with very few incidents and in August 2006 celebrated the achievement of 2000 Lost Time Injury free days.

Several heavy haul operations around the world operate heavier trains, trains with

greater numbers of wagons, or lengthy trains with locomotives in the middle. The PN train however is unique as it uses 'head end power' or locomotives only at the leading end of the train.

This year, NRG refurbished their Playford Power Station and gradually increased the permissible axleload over its track allowing additional coal to be carried by the train.

Clearly impressed with his team's efforts, PN's General Manager Coal, David Irwin, said, "The ability to run higher capacity trains improves PN's operating efficiency and allows us more flexibility in meeting our customers' needs."





Above: Toll Tranzlink Business Development Manager Wilson Pollock receives the Sales Person of the Year Award from Toll Tranzlink Group General Manager Greg Miller, alongside runner-up Tranzlink Key Account Executive Peter Manderson.

Above right: Toll Tranzlink Team Members sporting their merit-based rugby jerseys.

Below: Toll Tranzlink Group General Manager Greg Miller (left) alongside Branch of the Year Award-winning Toll Tranzlink Hastings Branch Manager Mark Allan (centre) and Executive of the Year Toll Tranzlink Distribution General Manager Murray Gardner.



Hastings Claims Toll Tranzlink NZ Branch of the Year

High Standards and significantly exceeded financial targets saw Toll Tranzlink Hastings narrowly beat off Toll Tranzlink Tauranga in the division's Annual Branch of the Year Award.

The Award, which has been won in its previous two years by Toll Tranzlink's Christchurch and Palmerston North branches, was presented in a recent function attended by about 60 Toll Tranzlink Team Members at downtown Auckland's Bluestone Room bar.

Third and fourth places went to Toll Tranzlink's Dunedin and Palmerston North branches, respectively.

Toll Tranzlink Distribution General Manager, Murray

Gardner says the event was run on a rugby theme, with the division's 'outstanding performers' earning an All Black jersey and others being recognised with either a Super 14 or Air New Zealand Cup jersey based on merit.

"It is all about recognising performance and outstanding achievement in our drive to become a high-quality business," says Murray.

"We're developing the motivation to achieve that Award next year – the idea being if everyone chases it, we will be a quality business and we'll all achieve."

Individuals recognised at the Awards night included Toll Tranzlink Business Development Manager Wilson Pollock who won Salesperson of the Year (with Tranzlink Key Account Executive Peter Manderson being runner-up), while Murray himself earned the Executive of the Year.



Major Consignment on the Move

Rail Transportation recently proved the most inexpensive and safe means of shifting an eight-metre-wide 'cyclone' unit from Whangarei's Culham Engineering to Portland's Golden Bay Cement (as pictured).

The unit, which is used in the concrete-making process, was one of the largest consignments to be seen on the rail network in New Zealand over the past two decades.

Commencing at 8 am and concluding at 2.30 pm, the move involved Culham Engineering transporting the unit to and

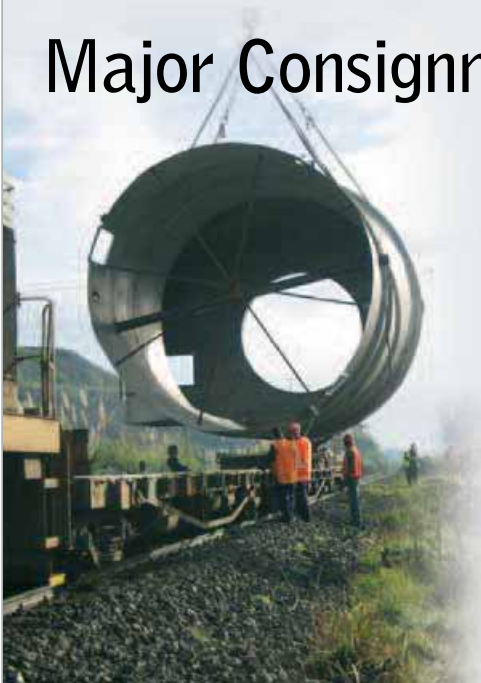
The preparation that had been done

from the rail sidings via a 100-tonne crane and heavy transport trailer.

In between, the cyclone travelled the six-kilometre rail journey on a special shunt involving US Wagons and a local DJ Locomotive – the only one remaining in Toll Rail's fleet.

Culham Engineering Project Manager Greg Hyde says he was impressed by both the approach of the Toll Rail Team and its cost-effective service delivery.

"Barging proved difficult at the other end, because you'd run into environmental problems



Chris Cairns and Toll NZ Raising Rail Safety Profile

Former international cricket star Chris Cairns, joined Toll NZ in a press conference recently to outline future plans to ensure rail safety has a greater profile in New Zealand.

Attendees at the conference included the Minister of Transport Safety, the Hon Harry Duynhoven, Ontrack Chief Executive David George, Senior Members of New Zealand Police and Senior Toll NZ Management.

A video produced by students of the Christchurch Broadcasting School was also presented, which emphasised the severe impact rail accidents have on a sometimes forgotten group of victims — the Train Drivers.

Speaking on behalf of our company, Toll NZ Corporate Affairs General Manager Sue Foley says, "There can be no other better project than one that saves lives.

"Chris first contacted Toll NZ back in November last year about his idea of walking from Auckland to Rolleston in Canterbury — the site where his sister Louise Cairns and

two young women were killed when a concrete truck drove through a level crossing and hit the Southerner train they were all passengers in," says Sue.

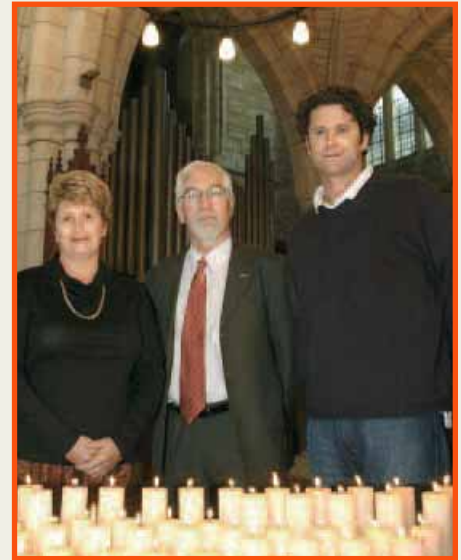
"Earlier this year, we launched the Police in Cabs scheme, initiated by Inspector Neil Wynne. Chris came to Palmerston North to back the scheme and his presence no doubt attributed greatly to the high profile it received.

"This year we have seen a large decrease in the number of level crossing accidents, and so from all of Toll, in particular, Toll Rail and our drivers, I want to say thank you to Chris for the part he has definitely played relating to this."

In addition to Chris' February walk, a fund-raising dinner is to also be held in Auckland on 17 February, which will feature guest speaker Earl Spencer, the late Princess Diana's brother making his first visit to this country in two decades.

That event, which will be Mced by former Australian Test Captain and world-renowned Cricket Commentator Richie Benaud, will also see the official launch of the Chris Cairns Foundation.

Chris says he wants the Foundation to make a real difference with rail safety in New Zealand. "Since



Louise's accident, 95 people have lost their lives at road level crossings and I am committed to ensuring that people understand their responsibilities at level crossings, and that this number does not continue to grow," he says.

Money raised by the Foundation will go towards the highly-successful 'Tracks are for Trains' program in schools nationwide and to extending the level crossing protection programme so more communities can benefit.

Above Chris Cairns at right pictured with his mum Sue Wilson and the Hon Harry Duynhoven, Transport Safety Minister, after Chris and Sue lit 95 candles in memory of his sister Louise and the 94 other people who have died at level crossings in New Zealand since the death of his sister.

Left: Toll Rail staff who attended the launch (left to right): Nigel Craig – Toll Rail Manager, Westfield; Soren Low – Regional Manager, Northern; Brendon Judd – Occupational Competency Manager, Northern; Chris Cairns; Grant Vivian – Operations Manager Terminal, Westfield; Misi Tugaga – Operations Linehaul, Westfield and Andrew De Lisle – Regional Field Health & Safety Manager.



by Culham Engineering and our own PSG Team was very thorough, and as a result it went very smoothly.

and end up destroying mangroves and the harbourside," he says.

"With road transport, the issue was the height of it — there are so many power cables to move and reinstate.

"Toll Rail was really keen to make it work and did a good job."

Toll Rail Northland Area Manager Ken Antrobus says particular care was required to load the unit in accordance with the engineering plans drafted by Culham Engineering and local engineering consultants Hawthorn & Geddes.

This plan was subsequently approved by Toll Rail Professional Services Group (PSG) Manager, Michael McKeon and Engineer Tony Pepperell.

"It required 20 tonnes of counterweight to lower the centre of gravity and improve stability and was moved at walking pace, which took about an hour and a quarter," he says.

"The other thing was clearance on the track — we had to clear some branches and drop some trackside signage as we came along."

Ken says a solid team effort delivered a professional result. "The preparation that had been done by Culham Engineering and our own PSG Team was very thorough, and as a result it went very smoothly.

"The crew of the locomotive were great, particularly Locomotive Engineer Jeff Barker — it is not easy to drive a locomotive at that pace.

"Also Toll Rail Operations Team Leader Alan Wadsworth did an excellent job in getting all the information together and liaising between the customer and our internal people."

Interislander Wine Tasting

Three groups of Interislander Onboard Services Crew were recently hosted on day trips of Montana's Brancott Estate in Marlborough, by the Interislander's wine supplier Pernod Ricard.

The Crew were treated to a wine-matched lunch, tastings and a tour of the winery, which produces award-winning pinot noirs and sauvignon blancs.

Kaitaki Senior Cabin Attendant, Theresa Baker says the trips have given the Crew an



Above: At Montana's Brancott Estate are the Interislander Team Members (left to right) Bruce Shelley, Kate Bristow, Desiree Reynolds, Alisha Hendra, Dayna Smith, Lesley-Ann Klus, Rina Johnson, Seamus O'Sullivan, Sam Hardy and Catherine Ashurst.

enhanced appreciation of the wines offered onboard the Interislander ferries.

"From grape choice to the final product, we all learned a bit more about wine-making techniques," says Theresa. "The tastings helped too!"

The journey between Wellington and Picton is sandwiched between two of the most renowned wine regions in New Zealand and the Interislander's wine list is replete with only Martinborough and Marlborough wines.

Annual End-of-Year Hui

About fifty employees and whanau attended the recent three-day Te Kupenga Mahi O Toll NZ annual end-of-year hui at Wairau Pa near Spring creek in Marlborough.

Management Team representatives included Craig Nelson, Richard Priddle, Steve Scott, Mark Hopwood, Dan Sawyer, Greg Miller, Margaret Gracie and Mario De Leva. Some were experiencing the powhiri (welcome) and marae environment for the first time, and were made to feel welcome and enjoy the kaupapa (theme) of awareness for this hui.

Guest speakers from the Police and Fire Service were invited, and the Railway Welfare was represented by Sam Kahui making a presentation on holiday homes around the country and the Tangihanga Putea Fund (also known as the group life plan).

Appreciation was directed to Taranaki's Charlie Hana and his wife for their presentation on funeral directors and that industry, with Charlie answering many questions on the topic.

The local Ngati Rarua Iwi is also the home of Toll Tranzlink National Training Manager Stephen Thomas and many of his whanau were on hand to provide hospitality during the successful hui.

New employees and regular attendees from Toll Rail, Toll Tranzlink and the Interislander staff continue to express interest in the annual hui. Next year's event is being held in Tamaki-Makaurau (Auckland).

Below: Some of the fifty employees and whanau at the recent three-day Te Kupenga Mahi O Toll NZ annual end-of-year hui at Wairau Pa near Spring creek in Marlborough.



Female Train Driver First For South Island



Raquel Doreen who originally comes from Fielding, but now resides in Christchurch has become the South Island's first female Express Freight Locomotive Engineer.

You don't need to look far to see how Raquel developed an interest in trains as she is following in the footsteps of her father who was a shunter working in the Manawatu area.

Raquel first started with Toll Rail in 2004 and after six months working in the Middleton Yard she then attended the Woburn Training Centre in Wellington.

Her on-the-job training has seen Raquel operating express freight and unit coal trains over the Main South Line, Midland Line and Main North Line.

The completion, by Raquel, of her certificate as a Locomotive Engineer, means that there are now three female freight train drivers in the country, the other two are in the North Island: Jessica Gage who is based at Te Rapa near Hamilton and Karen McDonald in Stratford.

Above: Raquel Doreen behind the controls.

Delivering Solutions for Toll's Customers

Toll Solutions' main role is to design and deploy innovative supply chain and logistics solutions to support the Toll business units and their customers. As part of Group Business Development, Toll Solutions works across all Toll business units and divisions to ensure that Toll presents itself to market in a cohesive and effective manner. In so doing, we fully leverage Toll's unique business model and a range of capabilities for the full benefit of the customer.

In addition to the solution design and deployment capabilities, Toll Solutions operates 'Centre of Excellence' teams in the areas of:

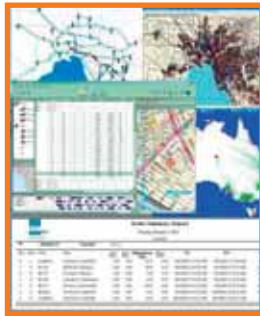
- Supply chain consulting and modelling
- Warehouse solutions and WMS implementation

Supply Chain Consulting and Modelling Capability

Toll Solutions provides a supply chain consulting and modelling service to support Toll business units and their customers. Led by Stalé Kasmski, the group has conducted modelling and analysis engagements with customers across a range of industry sectors including Coles Myer, Foster's, Unilever, Sigma and Bunnings. The team consists of a mix of experienced supply

chain consultants along with a range of analytical modelling tools.

Unlike conventional consulting companies, the ultimate deliverable is a live operational solution that actually delivers the desired outcomes. We leverage the strong operational knowledge and expertise that exists across Toll business units during consulting engagements to develop operational solutions that work in practice and achieve expected benefits.



Our logistics modelling analysts within Toll Solutions are highly experienced in the use of modelling tools that address strategic, tactical and operational requirements. They regularly work with the following suite of products outlined in the table below:

| CAPS Supply Chain Designer | CAPS TransPro | CAPS RoutePro |
|---|---|--|
| Used to design and evaluate supply chain networks, transport modes and warehouse locations. | Used to design and evaluate interstate transport networks. | Used to design and evaluate fleet routing and fleet sizing. |
| This tool is utilised to: <ul style="list-style-type: none"> • Determine what is the optimal number and positioning for processing and distribution facilities given the geography of demand and supply, and customer service levels • Determine a distribution point's servicing region • Evaluate the trade off between customer service and logistics costs, and • Determine the ideal stocking policies for each distribution point in the network. | This tool is utilised to: <ul style="list-style-type: none"> • Evaluate the use of road vs rail for interstate transport • Identify and quantify the opportunity of balanced lanes for interstate linehaul transport (A-B-A analysis); and • Evaluate the use of a dedicated transport fleet vs the use of single trip rate based transport. | This tool is utilised to: <ul style="list-style-type: none"> • Identify the ideal fleet configuration for a distribution task; and • Design routes for the distribution of product with the aim to minimise time and distance travelled. |

Examples of recent supply chain modelling and analysis projects include:

1. Design of a new inbound supply chain solution for a large DIY retailer

The scope involved:

- Developing a current state assessment and baseline cost;
- An evaluation of global best practice in the DIY retail sector;
- Design and modelling of several alternative solution designs;
- Identification of the 'best' future state solution along with estimates of the expected savings and implementation costs;
- Set-up and operation of a live operational pilot to confirm operational feasibility and cost estimates; and
- Development of a detailed and phased implementation plan.

2. Modelling and analysis of a distribution network for a large multi-category beverage manufacturer operating from a number of sites across Australia

The work involved:

- The modelling and costing of a range of options to optimise the size and configuration of the fleet;
- Development of detailed operating cost profiles for both metro and regional areas; and
- Conducting a cost/benefit analysis of different vehicle configurations to determine the impact on vehicle utilisation and driver productivity.

3. Redesign the distribution network for an Australian paint manufacturer

The overall objective of the supply chain network design project was to identify the optimal distribution network design in terms of:

- The number of distribution centres to support the service delivery and stock holding policies;
- The location and expected throughput of each distribution centre; and
- The optimal production mix to support the positioning of the distribution centres.

The supply chain consulting team also supports Toll business units during business development activities when appropriate to do so. In addition, the team will work with business units on internal business improvement projects designed to identify step-change improvement opportunities in operating costs and service reliability.

For more information about supply chain consulting and modelling please contact Stalé Kasmski on +613 9946 1851 or stale_kasmski@toll.com.au

WMS Capability

Toll Solutions operates a Centre of Excellence for the implementation of Warehouse Management Systems (WMS). Managed by Llewellyn Rodrigues, the team consists of analysts, solution designers and project managers with extensive WMS implementation experience across a range of industry sectors and companies. In the past, the Warehouse Solutions team implemented eight sites around Australia and five sites in NZ for a number of customers including Nike and Philips.

Recently, the WMS solutions team from Toll and Patrick were merged to form a single integrated team within Toll Solutions. This one integrated team supports two 'Tier 1' WMS solutions—Move and Paperless. Both are highly rated WMS applications with their own specific areas of strength. The Warehouse Solutions team works with the business units and customers to assess the suitability of both applications based on best fit and cost.

The Warehouse Solutions team has over 50 years experience with complex WMS implementations. With this experience they are capable of catering for an extensive range of functional requirements, including:

- Integrated materials handling interfaces;
- Cutting and reeling;
- Kitting and pre-assembly;
- Reverse logistics;
- Consolidation; and
- Back ordering and extensive cross docking capabilities.

A key benefit to customers is the ability of Toll Solutions to deploy the product with site specific enhancements and modifications faster and at a lower cost relative to external vendor supplied services.

For more information about WMS, please contact Llewellyn Rodrigues on +613 9946 1806 or llewellyn_rodrigues@toll.com.au

Toll Solutions – Delivering Innovative Supply Chain Solutions

Toll Solutions offers services to a range of industry sectors including FMCG,

Automotive, Retail and Primary Resources. Recently, Toll Solutions has delivered solutions to key partners, including Ford Motor Company of Australia and the Toll Energy business unit.

In addition to developing solutions customised to particular industries, the group also works to develop solutions to address supply chain requirements which can be applied across many industries; examples of this include ATOM, ITM and BI.

Automotive Transport and Operations Management (ATOM)

ATOM is Toll's automotive just-in-time inbound supply chain solution. It is used by automotive manufacturers in Australia and its web based collaboration functionality is deployed across the automotive components suppliers. ATOM coordinates component materials flow and logistics activities between the manufacturers, their suppliers and Toll.

ATOM is built on the Oracle Transportation Management (OTM) software platform along with customisations built by Toll Solutions to address the specific needs of automotive manufacturers and their suppliers.

Toll Solutions recently assisted Toll AutoLogistics implement the ATOM solution to the Ford Motor Company of Australia.

This nine month project was delivered on-time and on-budget by a project team made-up from Ford, their suppliers, Toll AutoLogistics and Toll Solutions.

Ford will utilise the system via the web to collaborate with suppliers and carriers. Suppliers view Ford's orders via ATOM, and then respond to Ford with pick confirmation of freight to be shipped; this information is also received by Toll via the ATOM system, which creates a transport plan to enable optimised routing and vehicle utilisation.

Additional functions of the ATOM solution delivered to Ford include:

- Supplier barcode shipping label generation;
- Supplier Kan Ban shortage alerting;
- ASN integration of shipment actuals back to Ford;
- In transit track and trace via in-cab mobile data scanning (ship confirmation);
- Control centre visibility at shipment, order and part-number level of all transactions; and
- Web based fully secured access to Toll, Ford and suppliers.

For more information about ATOM, please contact Bas Huibers on +613 9946 1866 or bas_huibers@toll.com.au



Above: Left to right: Richard Lockwood – Lead Logistics Manager – Ford Australia, Toll AutoLogistics; John Lastovica – Driver, Toll AutoLogistics; Greg Boxer – Manager, Material Planning & Logistics, Ford Australia; and Rick Pearce – Logistics Manager, Toll AutoLogistics.



Above: John Lastovica – Driver, Toll AutoLogistics

Below: ATOM Project Team (clockwise beginning with left to bottom right): Atif Saleem, Bill Lillircrapp, Prakash Venkataraman, Greg Askew, Dan Dang, Bas Huibers, Karin Diep, Tim Brown, Karl Fantone and Conrad Noronha.



Integrated Transport Management (ITM)

ITM is a suite of web based tools and modular management services developed to provide organisations with unprecedented management and control over their entire transport network and customer service processes. The ITM solution enables effective management, control and measurement of key supply chain activities and costs giving companies greater control over multiple suppliers, data, processes and reporting systems, to ensure optimisation of supply chain pipeline efficiencies.

The solution integrates suppliers, customers and service providers, and assists the parties in activities such as preparing documentation, optimising carrier selection, booking pick-ups, storing contact details and tracking deliveries online, all with a few simple keystrokes.



Problems in organisations

- Lack of control over the logistics and the transport function;
- Lack of visibility and access to logistics information;
- Difficulty in controlling transport costs; and
- High administration costs.

Solution

Toll ITM provides organisations with a single point of Command and Control to manage and co-ordinate tasks involved in the transport management.

Results

- Lower operational and administrative costs;
- Reduced freight costs;
- Improved service delivery;
- Control of the transport function and ability drive improvements; and
- Improved KPI management.

Key features of the ITM service include:

- Web based Central Command and Control to co-ordinate all involved parties;
- Automated carrier selection across all modes to meet the required service;
- Enhanced supply chain visibility, SCQM and management of information, including online rate and service time inquiry for all types of freight movement and view of costs and transport financials;
- Single invoice, freight audit and payment;
- Online printing of consignment notes, freight labels and manifests (Laser only);
- Online track and trace including electronic images of POD;
- Integration directly to carrier systems;
- Access to KPI's and reports online and via automated emails to selected involved parties; and
- Encryption technology ensures safe, secure transactions over the internet.

Users of ITM benefit as it saves time and money, by automating many internal processes and reducing paperwork. The task of transport management is simplified by channelling the activities through a single point of administration and customer service experts.

For more information about ITM,
 please contact Roger Wills
 on +613 9946 1956
 or roger_wills@toll.com.au.

Business Intelligence (BI)

In addition to ATOM and ITM, Toll Solutions has developed a range of solutions for customers including Managed Transport Services (MTS) tailored to the FMCG sector and Logistics Management System (LMS) for use in the energy and resources sector, all of which are built upon the Oracle Transport Management (OTM) platform. All solutions built on the OTM platform have access to the Business Intelligence (BI) framework.



The BI framework addresses the importance for businesses to have supply chain information that will assist in linking strategy to management actions and operational activities; Toll Solutions BI capability provides Toll business units a suite of performance management metrics supported by a continuous improvement methodology.

Standard metrics are segmented into areas including:

| Segment | Standard metrics |
|-----------------------|---|
| Customer satisfaction | Pickup On Time (POT), Delivery On Time (DOT). |
| Financial performance | Billed and accrued revenue, billed and accrued cost and operating margin. |
| Internal efficiency | Total orders, volume, weight and shipments, and LTL Utilisation. |

Results are refreshed daily and available via a web based interface with fully integrated security, providing management with timely, accurate and comprehensive information to assist them in making strategic and operational decisions.

For more information about OTM BI,
 please contact Amanda Rawstron on
 +613 9946 1838
 or amanda_rawstron@toll.com.au.

Top Gift Has Team Jumping for Joy

Toll Express Ballarat (Victoria) has given the Eureka Diggers Football Club a new identity donating \$1,500 of new uniforms.

The Diggers proudly sported their new Toll Express uniforms in the RecLink Football League finals in August.

RecLink is a service supported by various Ballarat Welfare organisations, giving people experiencing disadvantage or disability, the opportunity to participate in recreational activities.

Previously, the Eureka Diggers have had to borrow football uniforms from the North Ballarat Football Club.

Diggers full-forward Michael Dewan said, "To have an organisation donate uniforms



Above: UnitingCare Ballarat Program Co-ordinator Paul Shippides (left) and Toll Express Ballarat Manager Alan Hills with one of the new jumpers for the Eureka Diggers.

helps us to feel like a real club now, and not having to borrow from other clubs, it gives us our own identity," he said.

"We are really proud that Toll Express has sponsored our club, and the team is absolutely rapt."

Toll Express Ballarat Branch Manager Allan Hills said it was great to be able to lend support to such a worthwhile cause.

"We are proud to support the local community, assisting the disadvantaged to participate in sport," Mr Hills said.

Angel Ride Arrives in Cairns

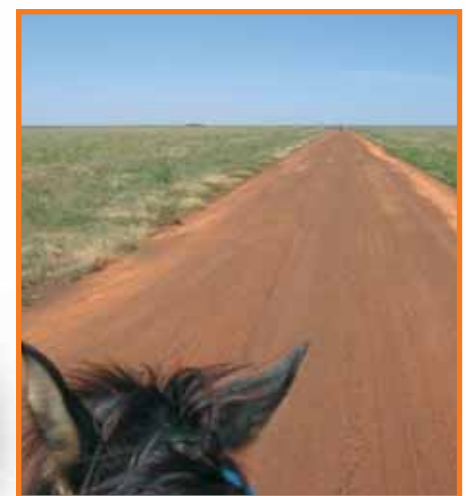
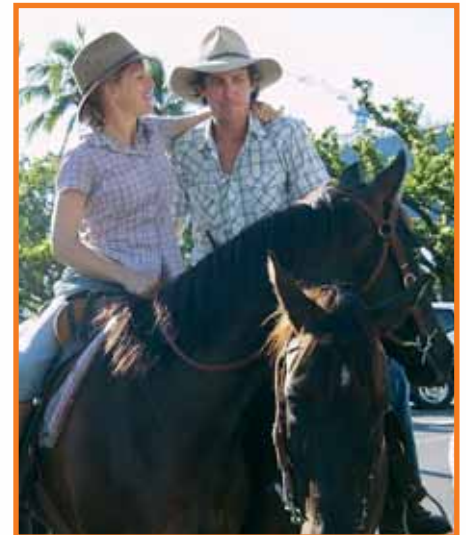
John Ostwald and Anna Hingley's amazing horse-ride for charity, Angel Ride, came to an end at the Savannah Way 'zero-peg' in Cairns, North Queensland. Having ridden over 3,200 kms from Broome to Cairns in approximately five months, John and Anna rode back into civilisation in what was almost an unnerving experience.

Along the ride, the going was pretty tough most of the time. They had to cope with extreme temperatures, rain and then cold when they reached the Atherton Tableland in Queensland. In addition to riding 35kms per day, the Angel Ride team had to spend hours repairing the road along the Savannah Way at every flooded river crossing and sometimes in between. At each of the four flooded rivers Wearyan, Foelsche, Robinson and Calvert they lightened the support vehicle's load, taking the extra four horses out and draining most of the stored water. The horses were then led through water up to one metre deep, and after driving the truck and trailer across, the water tanks were refilled and the horses re-boarded.

"What really impressed me throughout this entire journey," says John "is the level of support we were given by people along the way. Strangers offered the most amazing level of assistance, whether it was through donations to the Angel Flight charity, supplies such as meat, fuel and grain for the horses, properties to set up camp or just a beer and a chat along the way. It makes me really proud to be Australian."

NQX Freight Systems was one of those supporters. The new tyres for the truck and trailer and a hydraulic tailgate powerpack for the truck's horse ramp provided by NQX at the start of the journey in Broome, made the trip safer and trouble free. "Our thanks go especially to NQX and our other in-kind sponsors. We couldn't have done the trip without their contributions," comments John.

You can check out the details including John and Anna's trip diary online at: www.angelride.info



Top: John and Anna on Cairns Esplanade with horses Gav and Rastas in August 2006.

Above: On the Savannah Way.

Left: Becoming the first woman to cross Australia from Broome to Cairns on horseback, Anna leads the backup horses through one of the many flooded river crossings.



Another Sensational Buzz Day!



Toll Priority thanked for their continued support of 'What's the Buzz Day'

What's the Buzz Day is Diabetes Australia's major annual fundraising campaign, involving the sale of bee merchandise via a selection of National Retail Outlets, individuals and corporations across the country.

Toll Priority welcomed the opportunity to support Diabetes Australia for the fourth consecutive year, sponsoring the delivery and return of merchandise, not just across the state, but the entire nation. Our support

means expenses are kept to a minimum, so funds raised by individuals and organisations will be used where they are most needed – to assist those with diabetes.

What's the Buzz Day 2006 has been a fabulous success and well on track to hit a target of over \$200,000 – the best ever result by far!

XXXX Gold Variety Bash

What has 174 cars, 470 colourful people, lasts for 10 days and travels through some of the most spectacular and beautiful scenery Queensland has to offer? The answer's quite simple – it's the XXXX Gold Variety Bash.

This year's event visited some truly diverse locations from the tip of Australia at Cape Tribulation through the gulf country of Karumba and Normanton down into Winton, Longreach and other country towns with its final destination in Birdsville.

Variety is a children's charity that helps many sick, disabled and disadvantaged children throughout Queensland and the bash is a mobile fundraising event of which Toll SPD, Brisbane was very proud to be a part.

Toll SPD Brisbane sponsored one of the cars entered in this event by way of providing transportation of the vehicle from Brisbane to the event's starting point in Cairns. We were approached by one of our largest customers here in Brisbane, Fisher & Paykel and asked if we would like to be involved – we were more than happy to oblige.

Robyn Jessop is a Customer Care Centre Team Leader at Fisher & Paykel's Cleveland site. Robyn and her father Ray took turns behind the wheel of their 1971 HG Holden (complete with modifications courtesy of Fisher & Paykel).

We would like to congratulate Robyn and Ray for raising just over \$9,000. What a fantastic effort for a very worthy cause! This year's XXXX Gold Variety Bash raised \$1.5 million and touched the lives of many children along the way. In Port Douglas (the 'Sun Cancer capital of the World' – not a title to boast about), Variety are arranging to provide shade cloth cover over the school sports centre, whilst in Cairns and Longreach they presented 800 new bikes to some very deserving children. These are just a few of the wonderful services provided by the generous and compassionate people at Variety Queensland.

We look forward to being a part of next year's event – 2007 'Beef'n'Beaches' XXXX Gold Variety Bash that starts on Thursday 16 August 2007 at the Novotel Twin Waters Resort on the Sunshine Coast.

Below: Robyn Jessop – Customer Care Centre Team Leader at Fisher & Paykel next to her 1971 HG Holden.



Toll Hunter Golf Day 2006

Toll Priority entered two teams in the local Hunter Region of NSW golf day held by the Toll Group each year at the Vintage Golf Club, Rothbury NSW.

The day was perfect and there was no sign of the usual high winds experienced in the past. Each team was given a survival ball which was to be kept in play the whole day. If the ball is returned safely, Steven Ford, General Manager of Toll Ports & Stevedoring, would donate a \$500 cheque made out to the team's chosen charity. However if the ball was lost, the team was to donate \$40 to Steven's chosen charity.

One of the teams started off a bit shaky but managed to retain the survival ball all the way through. Their determination was inspired by a request from Andrew Craft from Dealquip that if they were to bring the ball back safely the \$500 donation would go to his daughter Imogen's Special School. This was achieved to the delight of all.

Sabrina Wild from Toll Priority along with Andrew Craft from Dealquip had the privilege of seeing the students at Cameron Park School sing and dance whilst presenting the school Principal, Ellen Bax, the cheque. The money will be used to buy much needed toys for the school.

A great result for everyone!

Above: Sabrina Wild (left) – Toll Priority with Imogen Craft and Andrew Craft – Dealquip.

Kaitaki Team Supports Bandana Week in NZ

Crew of the Kaitaki (NZ Interislander's vessel) recently donned bandanas to help raise funds through the CanTeen organisation's Bandana Week.

According to Kaitaki Customer Services



Manager Monique Heke, \$800 had already been raised by Wednesday (day three).

"A big thanks must go to Kaitaki Onboard Services Supervisor Sara George for organising with CanTeen to supply us with their bandanas to sell," says Monique.

"Also thanks must go to all Kaitaki Crew who are buying bandanas and wearing them throughout

the week – this includes all departments across the ship.

"The Kaitaki crew have really enjoyed supporting this cause and hope that next year we could make this a fleet-wide and terminal venture."

CanTeen is a New Zealand organisation that supports young people living with cancer.

Left: Left to right are Kaitaki Team Members: Johnny Brunton, Alex McMeekin, Sarah Johnson, Claire Wickens and Owen Edwards.

Christmas Treat for Tokoroa's Strathmore School

Toll Rail provided a free rail excursion for all the pupils, 300 in total, from Strathmore School in Tokoroa who earlier this year had to deal with the terrible loss of one of their teachers Lois Dear after she was murdered.

The day out for the pupils originated from a call from one of the teachers who wondered whether Toll Rail could come and talk to their pupils about rail safety. Toll felt they could go one better than that and actually take the whole school out for a pre-Christmas treat as many of the children have never been on a train.

One boy was at school by 6.30 am on the day waiting. Some parents reported their children not being able to sleep for several nights beforehand as they were so excited.

The train left Tokoroa at 9.30 am on Monday 13 November and travelled first to Matamata where the pupils enjoyed lunch and then continued through to Hamilton, before making the journey back in the afternoon to Tokoroa.

At Matamata aside from lunch, pupils saw a very special model railway display near the train stop, thanks to the effort of local enthusiast Jakob Lenggenger. Matamata Community Trust headed by Alison Greenwall got right behind the project ensuring the children enjoyed their time in the township.

At Hamilton, to everyone's surprise, staff from Bunnings' Hardware were waiting on the platform with gifts for all the children on board.

Many Toll Rail staff showed up to help, even though it was their day off, and enjoyed the day immensely. They felt it was the least they could do for a school that had to contend with losing a much-loved member of staff as Lois Dear.

Toll Rail would like to thank all the communities visited for providing such amazing welcomes, making it a trip the children will remember for a lifetime.

Photo 1 and 4: Some of the children waiting to board the train, who had a day they will remember for the rest of their lives.

Photo 2: Left to right: Elaine McNeil and Fiona Stevenson from Tranz Scenic with Bob Alexander – Toll Rail Terminal Supervisor based at Westfield enjoyed their day out with the children. In Bob's spare time, he also organises food to be donated to a local primary school in Otahuhu (very low decile) to ensure the children receive breakfast.

Photo 3: Toll Rail staff Jack Tawhai (left) and Bernie Henare did a great job helping to cook the hundreds of sausages consumed at the lunch stop for the children from Strathmore.

The following letter was published in the Waikato Times, Wednesday 8 November 2006:

Toll's Gesture

I read with joy that Toll is giving a free train trip to the pupils at Strathmore School, Tokoroa, which will go from Tokoroa to Matamata, Hamilton and return.

This is a gesture of goodwill as the school deals with the aftermath of the murder of my sister Lois Dear, a teacher at Strathmore, in July this year.

I would like to go on public record offering my gratitude to Toll for doing this. Thanks, Toll.

In the 1950's, I went on a couple of school train trips from the Thames Valley to the Waikato and these were fun. I can still remember the great time we had. So Strathmore School is in for a treat and principal Murray Kendrick says there is a barbecue and a few surprises as well – how good is that.

As Lois' family, we naturally receive gestures of goodwill and condolences over the tragedy, even today. However, the school, the pupils and her teaching colleagues were also "her family" and it's easy for people to lose sight of that.

So thank you once again, Toll. Thank you for this nice gesture, recognising the school is also a victim, and I am sure these kids will remember this great treat for many years to come.

This is the sort of thing that 'being Kiwi is all about.

HARLEY DEAR, Auckland



CLUB

10

TOLL GROUP – CLUB 10

Leigh Diplock, Toll Group Business Development, Archerfield, QLD

AUSTRALIA – CLUB 10

Adam Telfer, Toll IPEC, Chester Hill, NSW
 Allan Ford, Toll Australia Group, Archerfield, QLD
 Anthony Campbell, Toll West, Kewdale, WA
 Anthony Patterson, Toll Shipping, Port Melbourne, VIC
 Barry Adams, Toll IPEC, Dry Creek, SA
 Ben McKenzie, Toll Liquid Distribution, Rockhampton, QLD
 Benjamin Di Mauro, Toll Shipping, Port Melbourne, VIC
 Blair Broad, QRX, Tennyson, QLD
 Blair Stuart, Toll Stevedoring and GeelongPort, Melbourne, VIC
 Bradford Kendall, Toll Express, Smithfield, NSW
 Carroll Kingi, Toll Express, Altona, VIC
 Christopher Tucker, Toll Express, Smithfield, NSW
 Colin McNaughton, in2store, Thornbury, VIC
 Craig Reed, Toll Tasmania / Edwards Transport, Port Melbourne, VIC
 David Kelleher, Toll Fleet Management, Wagga Wagga, NSW
 Deborah Marston, QRX, Tennyson, QLD
 Des Maclure, Toll Fast, Belmont, WA
 Diego Catimbang, Toll IPEC, Chester Hill, NSW
 Errol Manley, Toll Regional, Wagga Wagga, NSW
 Felise Mino, Toll Express, Smithfield, NSW
 Gary Flavel, Toll AutoLogistics, Laverton, VIC
 Gary Phillips, Toll Regional, Adelong, NSW
 Jarrod Richardson, Toll Stevedoring and GeelongPort, Melbourne, VIC
 John Chatten, Toll Liquid Distribution, Strathfield, NSW
 John Murray, Toll Express, Smithfield, NSW
 John Terry, Toll Liquid Distribution, Wagga Wagga, NSW
 John Ward, Toll Stevedoring and GeelongPort, Geelong, VIC
 Joseph Bonnici, Toll Express, Altona, VIC
 Kevin Clayton, Toll IPEC, Dry Creek, SA
 Kevin Jago, Toll Contract Logistics, Kewdale, WA
 Khonsawath Jaiyawong, in2store, Mitchell, ACT
 Kristy Meadowcroft, Toll Tasmania / Edwards Transport, Port Melbourne, VIC
 Lee Walker, Toll Stevedoring and GeelongPort, Geelong, VIC
 Lyndall Frantantaro, Toll IPEC, Altona North, VIC
 Magdaline Holden, Toll Express, Altona, VIC
 Margaret Johnson, Toll Fast, West End, QLD
 Mark Osman, Toll Tasmania / Edwards Transport, Port Melbourne, VIC
 Michael O'Neill, Toll Shipping, Burnie, TAS
 Nathan Hunt, Toll Shipping, Burnie, TAS
 Nigel Wilson, Toll Liquid Distribution, Wagga Wagga, NSW
 Patricia Tosti, Toll IPEC, Altona North, VIC
 Peter Engle, Toll Express, Smithfield, NSW
 Peter Porch, Toll Fleet Management, Wagga Wagga, NSW
 Peter Shiels, Toll Regional, Adelong, NSW
 Peter Whiteland, Toll IPEC, Chester Hill, NSW
 Phillip Diener, Toll Express, Smithfield, NSW
 Rodney Ashlin, Toll Tasmania / Edwards Transport, Hobart, TAS
 Rodney McClure, Toll IPEC, Chester Hill, NSW
 Russell Rayner, Toll Fleet Management, Laverton, VIC
 Scott Bannister, Toll Refrigerated, Tennyson
 Sean O'Leary, Toll Stevedoring and GeelongPort, Geelong, VIC
 Shane Purcell, Toll Stevedoring and GeelongPort, Melbourne, VIC
 Shaun Turale, Toll Shipping, Burnie, TAS
 Simon Hine, Toll Shipping, Port Melbourne, VIC
 Travis Russell, Toll Stevedoring and GeelongPort, Melbourne, VIC
 Wayne Howells, Toll Tasmania / Edwards Transport, Hobart, TAS

NEW ZEALAND – CLUB 10

Abraham Mamoe, Toll Tranzlink, Auckland
 Adele Hastie, Toll Tranzlink, Dunedin
 Brent Coburn, Interislander, Picton
 Charlie Broughton, Toll Tranzlink, Auckland
 Chris Babbington, Toll Rail, Wellington
 Colin Oldroyd, Interislander, The Interisland Line
 Donald Black, Toll Rail, Mt Maunganui
 Graeme Ducker, Toll Rail, Westport
 Graeme Morunga, Toll Tranzlink, Christchurch
 John Stubbe, Interislander, Wellington
 Johnny Wards, Toll Rail, Kaikoura
 Josh Goodwin, Toll Rail, Mt Maunganui
 Lou Lewis, Toll Tranzlink, Auckland
 Nathan Young, Toll Tranzlink, Auckland
 Paul Riddle, Toll Rail, Westfield
 Utuku Thompson, Toll Rail, Picton
 Vince Langford, Interislander, The Interisland Line

CLUB

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AUSTRALIA – CLUB 15

Anne Benic, in2store, Altona North, VIC
 Anthony Cassar, Toll Shipping, Port Melbourne, VIC
 Arthur Yeo, Toll IPEC, Moorebank, NSW
 Barry Naylor, Toll Shipping, Port Melbourne, VIC
 Bruce Mordue, Toll Shipping, Port Melbourne, VIC
 Bruce Peachey, QRX, Tennyson, QLD
 Carl Hillery, Toll IPEC, Moorebank, NSW
 Charles Borg, Toll Shipping, Port Melbourne, VIC
 Cheri Lupino, Toll SPD, Regency Park, SA
 Emanuel Attard, Toll Shipping, Port Melbourne, VIC
 Francis Haber, Toll Shipping, Port Melbourne, VIC
 Frank Saliba, Toll Shipping, Port Melbourne, VIC
 Garry Thorpe, Toll IPEC, Moorebank, NSW
 Gaspare Scalise, Toll Shipping, Port Melbourne, VIC
 Graeme Chapman, Toll Tasmania / Edwards Transport, Port Melbourne, VIC
 Graham Himing, Toll Shipping, Port Melbourne, VIC
 Grazio Camilleri, Toll Shipping, Port Melbourne, VIC
 John Gilmore, Toll Contract Logistics, Laverton, VIC
 Karen Hides, Toll Contract Logistics, Arndell Park, NSW
 Kevin O'Rielly, Toll Contract Logistics, Port Adelaide, SA
 Lawrence Buttigieg, Toll Shipping, Port Melbourne, VIC
 Leanne Wendt, QRX, Tennyson, QLD
 Leslie Ponting, Toll Express, Smithfield, NSW
 Louis Debono, Toll Contract Logistics, Arndell Park, NSW
 Manuel De Araujo, Toll Shipping, Port Melbourne, VIC
 Peter Dean, Toll AutoLogistics, Footscray, VIC
 Peter Smith, Toll IPEC, Moorebank, NSW
 Peter Wills, Toll IPEC, Moorebank, NSW
 Philip Slaughter, QRX, Gladstone, QLD
 Raad Zuzul, Toll IPEC, Moorebank, NSW
 Raymond Hobman, Toll Express, Smithfield, NSW
 Ricky Shadbolt, Toll Tasmania / Edwards Transport, Hobart, TAS
 Robert Camilleri, Toll Shipping, Port Melbourne, VIC
 Robert Hill, QRX, Tennyson, QLD
 Roger Kappu, QRX, Cairns, QLD
 Saviour Vella, Toll Shipping, Port Melbourne, VIC
 Stephen Watson, QRX, Rockhampton, QLD
 Steven Shannon, Toll Shipping, Port Melbourne, VIC

AUSTRALIA – CLUB 20

Anthony Chester, Toll West, Kewdale, WA
 Brenda McManus, Toll SPD, Footscray, VIC
 Darryl Stewart, Toll Ports, Port Kembla, NSW
 Damian Cervetto, QRX, Bowen, QLD
 David Thompson, Toll Stevedoring and GeelongPort, Western Port, VIC
 Gary Peat, Toll Stevedoring and GeelongPort, Geelong, VIC
 Geoffrey Whittaker, Toll SPD, Chullora, NSW
 Glenn Lynch, Toll SPD, Welshpool, WA
 Gordon O'Hehir, Toll SPD, Chullora, NSW
 John Martin, Toll Stevedoring and GeelongPort, Geelong, VIC
 Juliet Smith, Toll Australia Group, Archerfield, QLD
 Kevin Grimison, Toll Liquid Distribution, Altona North, VIC
 Mark Beanland, Toll Australia Group, Archerfield, QLD
 Michelle Woodland, Toll North, Archerfield, QLD
 Phillip Caruana, QRX, Mackay, QLD
 Phillip Starick, Toll Stevedoring and GeelongPort, Whyalla, SA
 Shane Deacon, Toll SPD, Regency Park, SA
 Stephen Wilton, Toll AutoLogistics, Elizabeth, SA
 Warren Williams, QRX, Tennyson, QLD
 Wayne Ross, Toll SPD, Welshpool, WA

NEW ZEALAND – CLUB 20

Carl Waimotu, Toll Tranzlink, Wellington
 Richard Paterson, Toll Rail, Westfield
 Robert Stone, Toll Rail, Stratford

CLUB

25

AUSTRALIA – CLUB 25

Charles Deguara, QRX, Archerfield, QLD
 Peter Harris, Toll Express, Smithfield, NSW
 Peter Waddington, Toll Tasmania / Edwards Transport, Launceston, TAS
 Maria Saldaneri, Toll Fast, Port Melbourne, VIC
 Roy Wilson, QRX, Tennyson, QLD
 Warren Luscombe, Toll IPEC, Toowoomba, QLD

CLUB

30

AUSTRALIA – CLUB 30

Arthur Darcy, Toll IPEC, Moorebank, NSW
 Phillip Males, Toll Tasmania / Edwards Transport, Launceston, TAS
 Reg Williams, Toll SPD, Regency Park, SA
 Robert Joyce, QRX, Townsville, QLD

NEW ZEALAND – CLUB 30

Adrian Melief, Toll Rail, Middleton
 Brain McKay, Toll Rail, Dunedin
 Carl Immers, Toll Rail, Middleton
 David Pullen, Interislander, The Interisland Line
 Gordon Holt, Toll Rail, Middleton
 Gregor McNeil, Toll Rail, Te Rapa
 Harald Johansen, Toll Rail, Napier
 Hugh Foster, Toll Rail, Mt Maunganui
 Jim Bartlett, Toll Rail, Timaru
 Joe Veti, Toll Rail, Mt Maunganui
 John Grant, Toll Rail, Palmerston North
 Kerry Weir, Toll NZ Corporate, Takapuna
 Kevin Bain, Toll Rail, Whangarei
 Lance Thompson, Toll Rail, Te Rapa
 Leo Smith, Toll Rail, Palmerston North
 Mark Reddington, Toll Tranzlink, Christchurch
 Michael Ross, Toll Tranzlink, Ashburton
 Mike Lyons, Toll Rail, Palmerston North
 Mike Moffett, Toll Rail, Taumarunui
 Nigel Smith, Toll Rail, Mt Maunganui
 Norman Lee, Toll Rail, Westfield
 Paul Ashton, Toll Rail, Takapuna
 Peter Scorrington, Toll Tranzlink, Dunedin
 Rodger Boys, Interislander, The Interisland Line
 Sandra Lundy, Toll Tranzlink, Dunedin
 Steve Marcinowski, Toll Rail, Picton
 Terry Hooper, Toll Passenger Services, Wellington
 Tony Irwin, Toll Rail, Napier
 Tony Murphy, Toll Rail, Middleton
 Tuaine John, Toll Rail, Wellington
 Vic Hodgson, Toll Passenger Services, Upper Hutt
 William Templeton, Toll Tranzlink, Middleton

CLUB

35

AUSTRALIA – CLUB 35

Colin Thew, Toll SPD, Chullora, NSW
 Henry McPherson, Toll Fleet Management, Wagga Wagga, NSW
 Howard Mackie, Toll Fleet Management, Chullora, NSW
 Kerry Vincent, Toll IPEC, Moorebank, NSW

CLUB

40

AUSTRALIA – CLUB 40

Phillip Hennessy, Toll Contract Logistics, Welshpool, WA

NEW ZEALAND – CLUB 40

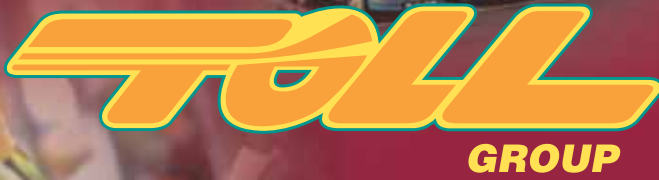
Brian Duke, Toll Passenger Services, Waltham
 Bruce Crosby, Toll Passenger Services, Upper Hutt
 Dennis Murdoch, Toll Rail, Te Rapa
 Jim Millar, Toll Rail, Westfield
 Kevin Woodward, Toll Rail, Palmerston North
 Maurie Bridge, Toll Rail, Stratford
 Mike Summer, Toll Tranzlink, Westfield
 Trevor Wilson, Toll Rail, Timaru
 Peter Tutty, Toll Rail, Dunedin
 Ray Kai, Toll Passenger Services, Wellington
 Robert Ngataierua, Toll Rail, Palmerston North

CLUB

48

NEW ZEALAND – CLUB 48

Brian Wilson, Toll Rail, Invercargill
 (Brian Wilson was inadvertently omitted from Club 45)



Our Vision:
To be the most successful provider
of 'integrated total logistics solutions'
to the Asian Region.

**Toll Group is one of the
Asian Region's leading
integrated logistics providers,
operating an extensive network
throughout Australia, Asia and
New Zealand, delivering seamless,
end-to-end, regional and global
supply chain solutions.**

Toll's strategic transport and infrastructure assets include ports, warehousing, road fleets, ships, rail rolling stock and air freight capacity and offer access to a considerable global scale network.

These assets, when combined with an integrated logistics strategy, operational expertise and technology solutions, are driving best practice in supply chain management, to deliver supply chain efficiencies for Toll's diverse customer base in the automotive, beverage, consumer goods, defence, food and retail, healthcare, high tech, industrial, ports, relocation and resources sectors.

This process combines the latest in information technology, flexible customer interfaces, excellent service delivery and innovative supply chain solutions, which provide customers with reliability and cost competitiveness in managing their complex, logistics requirements... a powerful point of differentiation.

Toll is continually expanding its service offerings to build operational diversity that presents to customers, a range of fully integrated logistics solutions.

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