

TOLL HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
ATTACHMENT TO APPENDIX 4B
31 December 1999

TAXATION

Consolidated	
31 Dec 1999	31 Dec 1998
<u>\$'000</u>	<u>\$'000</u>

Income Tax Expense

The aggregate amount of income tax attributable to the half-year differs from the amount calculated on the operating profit and is reconciled as follows:

Operating profit before tax	<u>28,453</u>	<u>23,472</u>
Prima facie tax payable @ 36% (1998 - 36%)	10,243	8,450
Tax effect of permanent differences:		
Non deductible expenditure	349	923
Recognition of Tax Losses not previously brought to account	(88)	(534)
Tax deductible expenditure and depreciation not included in operating profit	(3,267)	(3,501)
Non Assessable income	(733)	(570)
Other	<u>575</u>	<u>226</u>
Income tax attributable to operating profit before abnormals	<u>7,079</u>	<u>4,994</u>
Abnormal Income Tax Items:		
Restatement of deferred tax balances due to change in income tax rate to 30%	(1,062)	-
Income tax expense attributable to operating profit	<u>6,017</u>	<u>4,994</u>

SEGMENT INFORMATION

The Group derives revenue from the provision of the total logistics solution through use of economy and express freight forwarding services, storage, warehousing and distribution of freight nationally by road, rail and sea, rail linehaul operations, international forwarding, ports management and time sensitive freight distribution services.

Geographical Segments

The consolidated entity operates predominantly in Australia and all material revenue, operating profit before income tax and segment assets relate to operations within Australia.