Toll Holdings Limited
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26 August 2008

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

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Dear Sir

NEWS RELEASE AND GROUP PROFIT ANNOUNCEMENT -
APPENDIX 4E PRELIMINARY FINAL REPORT FOR YEAR ENDED 30 JUNE 2008

Please find attached for immediate release to the market the following with regard to the above mentioned subject:

1. Media Release;
2. Profit Announcement; and
3. Appendix 4E Preliminary Final Report for Year Ended 30 June 2008.

Yours faithfully
TOLL HOLDINGS LIMITED

Bernard McInerney
Company Secretary

Encl.

26 August 2008

MEDIA RELEASE
Toll Core Operations Continue Momentum

Toll Holdings, the Asian region's leading integrated transport and logistics provider, today reported full year after tax earnings of $258 million in relation to continuing businesses. This result excludes discontinued businesses and net one-off items reflecting a total loss of $952 million relating mainly to the non-cash restructure of the Virgin Blue investment and gain on sale of the New Zealand rail and ferry operations.

Toll Managing Director, Mr Paul Little, said that "2008 has been another significant year for the company, highlighted by the announcement of a special Virgin Blue *in specie* dividend, the sale of the New Zealand rail operations and the acquisition of the BALtrans group".

"We are pleased with the performance of our core operations, the integration of several new acquisitions and our balance sheet strength, which will all support our ongoing strategic development" said Mr Little.

During the year, revenue from continuing operations grew strongly, increasing from $4.9 billion to $5.6 billion. Organic revenue growth was again a key feature of the result with Australia growing 7.5% and Toll Asia 12.5%.

"The continuing growth in organic revenue reflects the attraction and benefit of the company's integrated model, and our ability to drive lower supply chain costs for our customer base. This is particularly important during more economically challenging periods," said Mr Little.

The company expects organic growth to be a sustainable ongoing strength, which will be further complimented by the cross border supply chain capabilities of the Toll Global Forwarding network.

Reported EBIT from continuing operations, before one-off items grew 18% to $429 million, compared to $365 million in the prior year. "Pleasingly, we have continued to grow our EBIT margin in Australia, reflecting a combination of a diversified industry segment customer base, an investment in improved productivity and sound cost control" said Mr Little.

Trading Performance

Toll Australia and New Zealand

Operations continued to perform well in Australia with organic revenue growth and EBIT margin expansion features for the business.

Revenue from Australia for the year grew from $4.05 billion to $4.4 billion. Excluding the impact of acquisitions and incremental fuel surcharges, revenue grew $304 million or 7.5%. Importantly the second half of the financial year continued to produce excellent organic growth, reflecting new contracts and growing market share across the businesses.

EBIT increased over 18% from $294 million to $347 million. Whilst EBIT margin grew from 7.21% to 7.84% for the year. Margin expansion was also achieved in the second half of the financial year.

Economic conditions in general remained positive for the Australian operations, with no major noticeable deterioration being experienced.

In New Zealand, continuing operations include the contract logistics and forwarding operations of TranzLink, following the sale of the rail and ferry assets back to the NZ Crown at balance date.

Revenue for the year was NZ$255 million compared to NZ$234 million previously with EBIT of NZ$9.4 million growing from NZ$7.3 million previously.

Economic conditions continued to remain flat in New Zealand with little sign of improvement.

Toll Asia

Operations continue to perform in line with the company's expectations, and the integration of the Sembawang Kimtrans acquisition has proceeded very well.

Total revenue for the year for Toll Asia was S$777 million compared to S$563 million in the prior year. Excluding the impact of the Sembawang Kimtrans acquisition, underlying revenue grew 12.5%.

EBIT was S$82 million compared to S$73 million last year, an increase of 12%.

As was the case with Australia, the underlying growth in revenue and EBIT for the second half of the financial year remained strong.

Economic growth in the region remained strong. Whilst increased inflation is apparent, the company is maintaining solid cost controls.

Toll Global Forwarding

Following the acquisition of the BALtrans group, effective 1 March, 2008, the new Toll Global Forwarding division was formed. The new division also includes the Australian International forwarding operations (previously included in Toll Australia) and the recently acquired Gluck business in Australia.

Revenue for the year was $358 million with EBIT of $11 million.

The number of new contract wins, arising from the development of the integrated international supply chain offering, has proven a highlight of this new division to date.

Finance

At 30 June, the company's net debt, inclusive of $250 million of Reset Preference Shares, was $1.27 billion. This was reduced to $650 million following receipt after year end of the proceeds on sale of the New Zealand rail and ferry operations.

Interest cover exceeded 12 times for the year in respect of continuing operations, whilst operating cashflow was $496 million.

Toll Chief Financial Officer, Mr Neil Chatfield said "With its strong cashflow generation and interest cover, together with low gearing of 24% following settlement of the New Zealand sale, the company remains in a very solid position to take advantage of growth opportunities as they arise and to deliver continued strong results."

Earnings per share, fully diluted, on a pre-acquisition amortisation and one-off items basis was 42.7 cents per share, compared to 35.5 cents per share in the previous year restated on a like for like comparison.

The company has announced a final dividend of 11.5 cents per share, fully franked, representing an increase of 20% on a continuing business basis at a consistent payout ratio.

Outlook

The *in specie* dividend of Virgin Blue shares to shareholders, and strengthening of our balance sheet have positioned the company to manage any significant downturn in economic conditions should they arise. At the same time the strength of our ongoing cashflows and debt capacity will enable the company to pursue growth opportunities, both in Australia and in support of our Global Forwarding and Asian contract logistics businesses.

Results to date for the June 2009 financial year have remained solid and tracking well ahead of last year. Based on current trading conditions, the outlook for the full year is for strong earnings and cashflow generation to continue across the business.

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26 August 2008

Toll Group Profit Announcement
Year Ended 30 June 2008

Toll Holdings, the Asian region's leading integrated transport and logistics provider, today reported after tax earnings for the year to 30 June 2008, of $258 million in relation to continuing businesses. This result excludes discontinuing businesses and net one-off items reflecting a total loss of $952 million relating mainly to the non-cash restructure of the Virgin Blue investment and gain on sale of the New Zealand rail and ferry operations.

Revenue from continuing businesses was $5.6 billion for the year with EBIT, pre-acquisition accounting amortisation of $429 million. This compares to $4.9 billion and $365 million respectively on a like for like basis in the previous year.

Divisional Performance

Following the *in specie* Virgin Blue special dividend and sale of the New Zealand rail and ferry operations, the company has established three major operating divisions, namely Australia and New Zealand Integrated Transport and Logistics, Toll Asia Contract Logistics and Toll Global Forwarding.

Comparative results have been restated for consistency into the three divisions, and all references to divisional EBIT are pre-amortisation of charges arising from acquisition accounting and one-off items.

Toll Australia and New Zealand

Trading results across the Australian division continued to demonstrate strong revenue and earnings growth. EBIT margin expansion also continued, as improved efficiencies and cost control were achieved.

Revenue for Australia for the year was $4.42 billion, which after eliminating the impact of acquisitions and incremental fuel surcharges, represented an underlying organic increase of 7.5% over the previous year of $4.05 billion.

EBIT for Australia grew over 18% to $347 million compared to $294 million previously. This resulted in the EBIT margin increasing from 7.21% to 7.84% maintaining the margin expansion evident over the past few years.

There were numerous other highlights in the Australian division over the year, these included :

- Completion of a long term domestic freight operations agreement with Virgin Blue
- Acquisitions of the Victorian Express, Couriers Australia and SkyNet businesses
- Significant new contract wins in the retail, mining and automotive sectors
- Establishment of a Joint Venture with Dnata
- Transfer of Jetcare maintenance facilities to Virgin Blue
- Continued integration and rationalisation of Patrick warehousing and logistics activities

Trading conditions generally remained strong throughout the year. In particular, the resource, food, beverage and retail sectors experienced solid volumes. Defence logistics also recorded strong activity.

The company continued to invest heavily in technology, infrastructure and new fleet providing increased cost efficiency and capacity, to facilitate future growth.

The express and time sensitive operations of the company grew strongly throughout the year, supported by investment in a new national air linehaul network and targeted acquisitions. These express operations represent approximately 35% of divisional revenue and are pivotal in servicing increased volumes arising from Asian direct sourcing activities of Australian customers.

Toll IPEC, the company's road parcel express business, performed strongly during the year, benefiting from integrating services with group warehousing and distribution operations and utilising its comprehensive network to grow market share.

Toll Priority, our air express operator, also performed well and completed the acquisition of SkyNet, an international air express operator. Whilst the cost of additional investment in the air linehaul network impacted results, it is expected that potential integration with the developing international Asian air network will drive additional profitable growth for Toll Priority.

The Toll Dnata aviation logistics joint venture with Emirates, established early in the year, continued to secure additional growth, including the acquisition of the Skystar and Aerocare businesses.

Toll Express and Toll SPD, the company's road and rail forwarding operation, traded well with increased volumes and achieved efficiencies through technology and fleet investments.

NQX had a strong result from increased activity in the resource sector, as well as enhanced national trade emanating from Queensland.

Our Queensland rail forwarder, QRX had a difficult year with major flooding and derailments disrupting services.

In the automotive sector, domestic manufactured vehicles continued to experience flat conditions as the high Australian dollar favoured imports. Notwithstanding these conditions, Toll Automotive performed well, based on growing market share and supporting customers with Asian based sourcing arrangements.

PDL Toll, the group's defence logistics operator traded strongly and extended its capability in both aviation and marine services. PDL Toll is currently furthering its defence and United Nations footprint into developing countries.

Looking at economic conditions and the likely impact on operations within Australia, no major deterioration is evident, notwithstanding a number of challenging factors including increased interest rates, high fuel prices and currency volatility.

Following the sale of the rail and ferry operations back to the NZ Crown, Toll New Zealand now consists of contract logistics and road and rail forwarding operations under the Tranzlink brand. The sale, which was effective 30 June 2008, will enable the company to focus on accelerating growth in forwarding and logistics within New Zealand.

New Zealand revenue for the year was NZ$255 million compared to NZ$234 million previously whilst EBIT was NZ$9.4 million against NZ$7.3 million previously.

Results for the year benefited from increased rail linehaul and warehousing efficiencies. Investment in technology and new facilities is expected to assist growth in the next 12 months.

Effective 30 June 2008, the company acquired the United Carriers business. This business further expands our road and rail forwarding base in New Zealand, particularly into Northland where the company previously had a limited presence.

Whilst the New Zealand economy remains subdued, we are increasing our focus on acquisition opportunities, to add further scale and capability to existing operations.

Toll Asia

The group's presence in Asia within the contract and marine logistics sectors continued to grow strongly throughout the year. The integration of Sembawang Kimtrans is now complete and has proceeded very well.

Total revenue for Toll Asia for the year was S$777 million compared to S$563 million in the prior year. On a like for like basis and excluding the impact of the Sembawang Kimtrans acquisition, underlying revenue grew 12.5% continuing the successful growth rates in new business established over the past 18 months.

EBIT for the year (including share of associates) was S$82 million, a 12% increase over the S$73 million recorded in the prior year.

Underlying revenue and EBIT growth accelerated in the second half of the financial year.

Highlights for Toll Asia during the course of the year included :

- Full takeover of the Sembawang Kimtrans operations
- Strong growth in offshore supply operations
- Strong contract retention rates
- Management restructure and appointment of Toll CEO

Revenue grew strongly across most of the business, in particular the offshore marine and mining logistics operations benefited from high levels of activity in the energy sector.

Solid revenue growth was experienced in Malaysia, Thailand, Vietnam and China, with higher revenue from existing customers and new contracts providing the increase.

The Government defence logistics operations continued to perform well and traded up on plan. As expected, additional opportunities to leverage the defence logistics capability in Singapore to other group operations has created further growth in this important sector.

During the year the contribution from associates reduced from S$13.9 million to S$3 million, partially due to the acquisition of previous associates Sembawang Kimtrans and Thailand and disposal of associates in the prior year. Equity accounted results from 38% owned Footwork Express reduced significantly due to continued depressed economic conditions in Japan, high levels of competition and a one-off income tax charge.

The group is currently reviewing its investment in Footwork Express in order to maximise value, and determine the optimum way for the company to leverage the comprehensive Japanese network within Footwork Express.

The growth now being experienced in our Toll Asia businesses is expected to be further enhanced by the integration of services with Toll Global Forwarding, creating tailored solutions for customers seeking cross border supply chain solutions.

Toll Global Forwarding (TGF)

The TGF division has been developed to consolidate capabilities across the group in order to offer customers end-to-end international supply chain solutions.

The global footprint for TGF has been established with the successful takeover of BALtrans, a Hong Kong based listed company, effective 1 March 2008.

The strategic rationale for the BALtrans transaction and the establishment of TGF was to develop a service offering, which when combined with in-country transport capabilities, would deliver efficiencies to customers' international supply chains.

TGF has not only enhanced the group's global air and ocean freight forwarding capabilities, but provided a global network including operations in Europe, North America and the Middle East as well as Asia Pacific.

In June 2008 the group acquired a 100% interest in Gluck, an Australian based international forwarder with a close long term relationship with BALtrans in Asia. The acquisition of Gluck enables all the Australian forwarding operations to be consolidated, thereby providing scale and additional capability.

In the year to 30 June 2008, TGF recorded revenues of $358 million compared to the prior year, which related only to the Australian operations of $145 million. EBIT for the year was $10.9 million against $4.9 million in the previous period.

During the period since the acquisition of BALtrans in March 08, the business has seen strong improvement in both revenue and earnings compared to the corresponding period in the previous year. This was reflective of a more stable leadership team and increased focus on business development.

TGF has a detailed integration plan to ensure that all international forwarding operations across the group are co-ordinated under one infrastructure, and to ensure that the assets, both in Australia and Asia, are leveraged to provide a wholly integrated service to customers.

A number of management changes have been made in order to align the BALtrans operations with the Toll business model, and Toll's Director of International Development, Mr Hugh Cushing has been appointed CEO of the TGF business. A number of other positive management changes have also been effected.

To date the integration of TGF is proceeding very well and a number of new customers contracts have been secured, with a very promising pipeline of prospective opportunities.

Discontinuing Operations

Effective 30 June 2008, Virgin Blue became a discontinued operation as a consequence of the decision to distribute Virgin Blue shares to shareholders via a special *in specie* dividend.

Revenue for the year for Virgin Blue was $2.35 billion compared to $2.17 billion, profit after tax was $97.7 million compared to $215.8 million. Earnings were impacted by high fuel costs, a competitive market place and investment in new operations.

Also effective 30 June 2008 was the New Zealand rail and ferry sale to the Crown, and these operations became characterised as discontinued. Revenue for the year in relation to these operations was NZ$555 million compared to NZ$543 million previously. EBIT for the year was NZ$56 million compared to NZ$52 million in the previous period.

For the purposes of comparison the company has prepared the attached pro-forma restated 2007/2008 balance sheet which de-consolidates Virgin Blue.

Finance

Net debt at 30 June 2008 was $1.27 billion, including Reset Preference Shares of $250 million. Following the settlement of the New Zealand rail and ferry sale after balance date, net debt fell to approximately $650 million. Based on net debt of $650 million, gearing (measured on a net debt to equity plus net debt basis) was 24%.

Interest cover remained very strong at over 12 times.

Cashflow from continuing operations was $496 million, which reflects the ongoing strength of the core activities of the group.

Throughout the year the group continued to invest heavily in growth. Investment in acquisitions amounted to $796 million whilst net capital expenditure was $380 million. The acquisition investments which included BALtrans and Sembawang Kimtrans also included a number of smaller strategic acquisitions designed to broaden the group's capability and scale. The availability of value adding acquisitions is particularly strong as smaller industry players in both Australia and Asia come under increasing pressure, both financially and in their ability to meet service demands.

Earnings per share (fully diluted) from continuing operations for the year was 42.7 cents per share, pre acquisition amortisation changes and one-off items, compared to 35.5 cents per share in the prior period.

The company has declared a final dividend of 11.5 cents per ordinary share, bringing the full year dividend to 25 cents per share. The dividend, on continuing operations represents a 20% increase over the previous year, on a constant payout ratio basis.

Industry Conditions

Over the past year, the industry has continued to consolidate both on a domestic and global scale. However, there is a consistent theme of enhanced focus on international supply chain management. Notwithstanding slowing economic conditions in some regions, trade-flows both by air and sea remained robust with Asia being central to global logistics.

In Australia, as more and more companies look to direct international sourcing in order to remain competitive, opportunities to work with these groups is increasing. Toll has assembled a strong capability in terms of technology and operational expertise, and is expected to drive growth over the long term.

Industry conditions for contract logistics businesses throughout the world have remained challenging and companies with limited supply chain focus are likely to come under increasing pressure. In contrast, companies with the ability to provide highly integrated solutions are increasingly better positioned to gain market share and higher margins and to benefit from increased outsourcing.

High fuel prices have remained a challenge for the industry, with most industry players adopting fuel surcharging mechanisms. At Toll, we have a rigorous system of surcharging to ensure that the volatility of fuel costs is appropriately managed and communicated to our customer base. In addition, fuel conservation programs are in place around the group to promote reduced fuel usage where possible.

In the next twelve months, we expect industry rationalisation to continue with many larger and smaller players under pressure due to excess gearing, unsustainable business models and poor execution. As industry valuation multiples also reduce, it is likely that a range of acquisition opportunities will present themselves to the company.

Environment

Toll is now into its third year of an enhanced focus on environmental climate change.

Since 2006, we have met the requirements of key government environmental programs, that will lead Australia into the Carbon Pollution Reduction Scheme.

In Australia the focus at Toll has been to progressively improve reporting and management processes. At the hub of this approach is our previously reported Toll web based management system, GEMS (Greenhouse Emission Management System). Simply, GEMS converts all energy sources to specific program units measuring the progress and impact of Toll's generated greenhouse gases.

Our focus on improving operational efficiency has identified many aspects that impact fuel use throughout our fleet. Vehicle specifications will be further refined to ensure that the best fleet investments are implemented to maximise fuel savings and return on investment.

In addition, Toll will continue exploring the use of alternative fuels and technologies based on research and development results from its own and international trials.

Toll's ongoing commitment to designing energy efficient depots, warehouses and distribution centres includes trials on improving lighting systems, building design and potential implementation of alternate energy sources such as solar power. In addition, Toll recognises the need to maximise the use of rain water and seeks to where possible capture multiple facility rain water to supply truck cleaning facilities and toilet flushing systems.

Finally, Toll prefers to reduce emissions in place of acquiring carbon credits through trading. We will seek additional emission reduction opportunities to ensure the greatest savings are made to meet our strategic goals and support our customers.

Economic Conditions

Generally economic conditions remained solid in the regions in which the company participates. In Australia, there has been no noticeable slowdown and although much current economic data is pointing to a slowdown in consumption, the company does not expect a serious deterioration in conditions.

In New Zealand conditions remain flat. Most Asian countries in which the company operates continue to demonstrate solid growth.

Whilst considerable volatility exists in global energy prices and on global debt and equity markets, fundamentals in the logistics sector remain favourable, as global trade and the trend to outsourcing continues.

Outlook

The *in specie* dividend of Virgin Blue shares to shareholders, and strengthening of our balance sheet, have positioned the company to manage any significant downturn in economic conditions should it arise. At the same time the strength of our ongoing cashflows and debt capacity will enable the company to pursue growth opportunities, both in Australia and in support of our Global Forwarding and Asian contract logistics businesses.

Results to date for the June 2009 financial year have remained solid and are tracking well ahead of last year. Based on current trading conditions the outlook for the full year is for strong earnings and cashflow generation to continue across the business.

TOLL GROUP
RESTATED BALANCE SHEET AS AT 30 JUNE 2008

	Toll Group Ex VBA * June 2007 $m	Toll Group June 2008 $m
Current Assets		
Cash	1,040	354
Receivables	622	1,462
Inventories	41	37
Assets held for resale	0	15
Other	69	106
Total Current Assets	1,771	1,974
Non-Current Assets		
Receivables	36	22
Investments	299	297
Investment Properties	2	-
Net Investment in Virgin Blue	1,815	-
Property, plant & equipment	1,394	1,197
Goodwill	585	1,099
Deferred tax assets	1	73
Intangibles	147	164
Other	4	15
Total Non-Current Assets	4,283	2,866
Total Assets	6,054	4,840
Current Liabilities		
Bank overdraft	-	
Accounts Payable	618	667
Interest bearing liabilities	427	495
Current tax liabilities	(0)	97
Provisions	256	236
Liabilities held for sale	-	-
Other	20	14
Total Current Liabilities	1,321	1,509
Non-Current Liabilities		
Interest bearing liabilities	983	1,127
Reset Preference Shares	-	-
Deferred tax liabilities	22	18
Provisions	89	69
Other	17	15
Total Non-Current Liabilities	1,112	1,229
Total Liabilities	2,433	2,737
Net Assets	**3,621**	**2,103**

*** 2007 comparatives adjusted to deconsolidate investment in Virgin Blue**

TOLL HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
ACN 006 592 089

PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

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ASX Appendix 4E
Preliminary Final Report

Name of Entity	**Toll Holdings Limited**
ABN	**25 006 592 089**
Reporting Period	**Year ended 30 June 2008**
Previous Corresponding Period	Year ended 30 June 2007

Results for Announcement to the Market

Continuing Operations

Revenues from ordinary activities	up 15.4% to $5,605 million
Profit / (loss) from ordinary activities after tax attributable to members	up 811% to $250 million

Discontinued Operations

Loss after tax attributable to members	up 176% to $945 million

Total

Net profit / (loss) for the period attributable to members	down 154% to $(695) million

Refer Attached Media Release for commentary on results

Other Information

Dividends

	Amount cps	Franked Amount cps	Total Payable $M	Date Paid / Payable
2008				
Interim dividend	13.5	13.5	87.1	4/4/08
Final dividend	11.5	11.5	74.5	24/10/08

On 22 August 2008 the company distributed a special (in specie) dividend of Virgin Blue shares on the basis of 1 Virgin Blue share for each ordinary Toll share held, with the record date being 23 July 2008. The special dividend is a demerger dividend for income tax purposes and not subject to dividend franking.

	Amount cps	Franked Amount cps	Total Payable $M	Date Paid / Payable
2007				
Interim dividend	16.0	16.0	101.2	23/3/07
1st Special Restructure Dividend	17.0	17.0	109.2	15/6/07 (i) (iii)
2nd Special Restructure Dividend	140.0	0.0	899.6	15/6/07 (ii) (iii)
Final dividend	11.0	11.0	70.7	28/9/07
Special dividend	5.0	5.0	32.1	28/9/07

(i) Applied to partly satisfy the issue of Asciano Units.
(ii) Applied to partly satisfy the issue of Asciano Shares.
(iii) The 1st and 2nd Special Restructure Dividends disclosed above were done on the basis of the ATO Binding Private Ruling and are consistent with the Restructure Scheme Book.

Record date for determining entitlements to the final dividend is 10 October 2008.

The Company has a Dividend Reinvestment Plan which will apply to the final dividend, however, it will not be applicable to the special dividend in relation to the Virgin Blue in specie distribution. Shares are issued at a discount of 2.5% to the weighted average market price for the five business days, up to and including the books' close date. The last date for the receipt of election notices for the Plan is 10 October 2008.

Net Tangible Assets

Net tangible asset backing per ordinary share $1.30 (2007: $2.76).

Entities over which control has been gained during the period

Major acquisitions during the year were :

Entity	Date control acquired
Sembawang Kimtrans Ltd	2 July 2007
BALtrans Holdings Limited	12 February 2008

The accounts are in the process of being audited.

INCOME STATEMENTS

	Consolidated 2008 $M	2007 Restated $M
Revenue	5,604.5	4,857.4
Other income	30.7	20.1
Direct transport and logistics costs	(2,795.9)	(2,312.6)
Repairs and maintenance costs	(115.4)	(105.8)
Employee benefits expense	(1,375.7)	(1,301.6)
Fuel, oil and electricity costs	(250.4)	(134.2)
Occupancy and property costs	(263.8)	(203.2)
Depreciation and amortisation expense	(167.7)	(135.7)
Other operating costs	(279.7)	(367.0)
Results from operating activities	386.6	317.4
Share of profit of associates and joint ventures	5.2	15.5
Profit before net financing costs and income tax expense	391.8	332.9
Financial income	35.9	27.0
Financial expenses	(69.0)	(332.2)*
Net financing costs	(33.1)	(305.2)
Profit before income tax expense	358.7	27.7
Income tax expense	(104.4)	6.7
Profit from continuing operations	254.3	34.4
Discontinued operations		
(Loss)/ Profit of discontinued operations (net of income tax)	(945.1)	1,251.2
(Loss)/ Profit for the year	(690.8)	1,285.6
Attributable to :		
Equity holders of the Company	(694.7)	1,278.7
Minority interests	3.9	6.9
(Loss)/ Profit for the year	(690.8)	1,285.6
Earnings per share:		
Basic earnings per share	(107.41¢)	202.52¢
Diluted earnings per share	(107.41¢)	197.39¢
Continuing operations		
Basic earnings per share	38.72¢	4.36¢
Diluted earnings per share	38.70¢	4.33¢

* Interest expense incurred in 2007 relates to continuing businesses and operations demerged to Asciano Ltd. Interest has not been reallocated between these businesses.

BALANCE SHEETS

	Consolidated 2008 $M	2007 $M
Current Assets		
Cash and cash equivalents	354.0	1,743.6
Receivables	1,462.2	696.0
Inventories	37.1	41.0
Investments	-	0.7
Assets classified as held for sale	14.8	0.3
Prepayments	45.8	49.2
Current tax receivable	4.4	10.2
Other financial assets	56.1	35.5
Total Current Assets	1,974.4	2,576.5
Non-Current Assets		
Receivables	22.1	36.3
Investments accounted for using the equity method	226.9	274.3
Investments	69.6	27.7
Investment property	-	1.6
Property, plant and equipment	1,197.4	2,819.2
Intangible assets	1,262.1	1,849.8
Deferred tax assets	73.2	1.5
Prepayments	12.8	4.4
Other financial assets	1.9	24.8
Total Non-Current Assets	2,866.0	5,039.6
TOTAL ASSETS	4,840.4	7,616.1
Current Liabilities		
Payables	667.4	1,114.3
Interest bearing liabilities	514.8	514.1
Current tax liabilities	96.8	-
Provisions	236.2	299.6
Liabilities classified as held for sale	-	-
Other financial liabilities	13.5	124.8
Total Current Liabilities	1,528.7	2,052.8
Non-Current Liabilities		
Interest bearing liabilities	1,106.7	1,742.8
Deferred tax liabilities	18.2	51.9
Provisions	69.2	127.4
Other financial liabilities	14.5	19.9
Total Non-Current Liabilities	1,208.6	1,942.0
TOTAL LIABILITIES	2,737.3	3,994.8
NET ASSETS	2,103.1	3,621.3
Equity		
Contributed equity	2,554.5	2,492.8
Treasury shares	(7.2)	(8.2)
Reserves	(113.3)	(54.4)
Retained earnings	(373.2)	816.0
Total equity attributable to equity holders of the parent	2,060.8	3,246.2
Minority interests	42.3	375.1
TOTAL EQUITY	2,103.1	3,621.3

STATEMENTS OF CASH FLOW

	Consolidated 2008 $M	2007 $M
Cash flows from operating activities		
Cash receipts in the course of operations	8,962.6	10,911.3
Cash payments in the course of operations	(8,074.6)	(9,339.1)
Cash generated from operations	888.0	1,572.2
Restructure and integration costs paid	(49.4)	(47.5)
Deferred compensation payment	(55.9)	-
Interest received	78.3	69.5
Dividends received from associates	9.9	21.6
Dividends and distributions received from others	2.5	2.0
Dividends paid to holders of reset preference shares	(15.5)	(15.5)
Interest and other costs of finance paid (excluding reset preference shares)	(126.2)	(413.5)
Income taxes paid	(22.6)	(180.4)
Net cash inflow from operating activities	709.1	1,008.4
Cash flows from investing activities		
Payment for controlled entities and businesses, net of cash acquired	(639.5)	(253.3)
Payment for acquisition of minority interest	(97.1)	-
Payment for property, plant and equipment	(1,418.7)	(756.0)
Third party capital contributions	-	2.8
Proceeds on demerger and disposal of entities and businesses (net of cash)	(619.8)	3,773.9
Proceeds from sale of property, plant and equipment	52.6	105.8
Proceeds from sale of associates and other investments	2.0	79.5
Payment for acquisition of associates and other investments	(58.7)	(89.7)
Loans advanced to other entities	(4.9)	(13.8)
Proceeds from repayment of loans with other entities	-	5.9
Net cash inflow/(outflow) from investing activities	(2,784.1)	2,855.1
Cash flows from financing activities		
Proceeds from other borrowings	1,124.7	2,710.3
Repayment of borrowings	(288.8)	(6,043.0)
Dividends paid – ordinary shares	(129.9)	(128.9)
Dividends paid to minority interest	(15.5)	(12.5)
Proceeds from issue of shares	1.0	156.0
Net cash inflow/(outflow) from financing activities	691.5	(3,318.1)
Net increase/(decrease) in cash held	(1,383.5)	545.4
Cash at the beginning of the financial year	1,743.6	1,207.7
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies	(6.1)	(9.5)
Cash at the end of the financial year	354.0	1,743.6

SEGMENT INFORMATION

The Group comprises the following main business segments, based on the Group's management reporting system.

Business Segment – 2008	Toll Australia / NZ	Toll Asia	Toll Global Forwarding	Discontinued	Elimination	Consolidated	Less Discontinued Operations	Consolidated (Continuing Operations)
	$M	$M	$M	$M	$M	$M	$M	$M
Revenue								
Operating segment revenue	4,641.7	605.2	357.6	2,783.9	-	8,388.4	(2,783.9)	5,604.5
Intersegment revenue	-	-	-	23.3	(23.3)	-	-	-
Total segment revenue	4,641.7	605.2	357.6	2,807.2	(23.3)	8,388.4	(2,783.9)	5,604.5
Segment Result	351.6	61.1	10.9	204.2	-	627.8	(204.2)	423.6
Share of profit of associates and joint ventures	2.9	2.3	-	-	-	5.2	-	5.2
Total Segment Result	354.5	63.4	10.9	204.2	-	633.0	(204.2)	428.8
Depreciation and amortisation arising from acquisition accounting	(7.0)	(18.1)	(1.5)	-	-	(26.6)	-	(26.6)
Write-down of investment in listed company	(10.4)	-	-	-	-	(10.4)	-	(10.4)
Net finance costs						(61.2)	28.1	(33.1)
Loss on disposal of discontinued operations						(1,080.5)	1,080.5	-
Share of minority interest on discontinued operations						(36.3)	36.3	-
Profit before tax						(582.0)	940.7	358.7
Income tax expense						(108.8)	4.4	(104.4)
Profit for the period						(690.8)	945.1	254.3

SEGMENT INFORMATION (CONTINUED)

Business Segment - 2007	Toll Australia / NZ $M	Toll Asia $M	Toll Global Forwarding $M	Discontinued $M	Elimination $M	Consolidated $M	Less Discontinued Operations $M	Consolidated (Continuing Operations) $M
Revenue								
Operating segment revenue	4,251.2	461.2	145.0	5,093.3	-	9,950.7	(5,093.3)	4,857.4
Intersegment revenue	-	-	-	255.2	(255.2)	-	-	-
Total segment revenue	4,251.2	461.2	145.0	5,348.5	(255.2)	9,950.7	(5,093.3)	4,857.4
Segment Result	296.0	48.6	4.9	774.0	-	1,123.5	(774.0)	349.5
Share of profit of associates and joint ventures	4.0	11.5	-	11.6	-	27.1	(11.6)	15.5
Total Segment Result	300.0	60.1	4.9	785.6	-	1,150.6	(785.6)	365.0
Depreciation and amortisation arising from acquisition accounting	(7.7)	(16.6)	-	(97.6)	-	(121.9)	97.6	(24.3)
Non recurring restructure and transaction costs						(10.4)	2.6	(7.8)
Net finance costs						(335.8)	30.6	(305.2)
Gain on sale of discontinued operations						828.0	(828.0)	-
Share of minority interest on discontinued operations						(80.2)	80.2	-
Profit before tax						1,430.3	(1,402.6)	27.7
Income tax expense						(144.7)	151.4	6.7
Profit for the period						1,285.6	(1,251.2)	34.4

DISCONTINUED OPERATIONS

2008

Effective 30 June 2008, the majority of the Toll New Zealand operations were sold to the New Zealand Crown for NZ$690m equity value.

Effective 30 June 2008, the directors authorised the payment of a special dividend (in specie distribution) of Virgin Blue Holdings Ltd shares to Toll Holdings Ltd shareholders. As a result, Virgin Blue Holdings Ltd became a discontinued operation of the Toll Group effective on that date.

2007

Pursuant to Undertakings given to the ACCC on 11 March 2006 in connection with regulatory clearance of the consolidated entity's acquisition of Patrick Corporation Limited, and the Group's restructure, accepted by the ACCC on 18th April 2007 the consolidated entity, amongst other things, divested its interest in the Patrick Tasmanian Shipping and Forwarding businesses and transferred the Group's Pacific National and Port's businesses to Asciano. The demerger of Asciano from Toll and the associated transfer of the Pacific National and Patrick Ports related businesses was effective 15 June 2007.

Profits attributable to discontinued operations were as follows:

	Consolidated	
	2008	**2007**
	$M	**$M**
Results of discontinued operations		
Revenue	2,783.9	5,093.3
Other income	18.0	22.8
Expenses	(2,625.8)	(4,472.9)
Share of profit of associates and joint ventures	-	11.6
Results from operating activities (before tax)	176.1	654.8
Income tax expense	(53.9)	(191.4)
Results from operating activities, net of income tax	122.2	463.4
(Loss)/ Gain on disposal of discontinued operation (net of transaction costs)	(1,080.5)	828.0
Share of minority interest on discontinued operations	(36.3)	(80.2)
Income tax benefit on transaction costs associated with gain on sale of discontinued operation	49.5	40.0
Profit for the period	(945.1)	1,251.2

Reconciliation of movement in retained earnings

	Retained Earnings $M
Balance at 1 July 2007	816.0
Profit for the year attributable to equity holders	(694.7)
Dividends to shareholders - ordinary	(157.7)
Dividends to shareholders - special	(32.2)
Dividends to shareholders – in specie distribution	(304.6)
Balance at 30 June 2008	(373.2)
Balance at 1 July 2006	566.4
Profit for the year attributable to equity holders	1,278.7
Amounts transferred from reserves upon sale of discontinued operations	188.4
Actuarial gain/(loss) in defined benefit superannuation plans	(1.2)
Dividends to shareholders - ordinary	(207.4)
Dividends to shareholders – demerger related	(1,008.9)
Balance at 30 June 2007	816.0

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	Consolidated 2008 $M	Consolidated 2007 $M
Share of associates' and joint ventures' net profit accounted for using the equity method	5.2	15.5

Details of investments in associates and joint ventures are as follows:

Name	Country	Ownership 2008 %	Ownership 2007 %
PrixCar Services Pty Ltd	Australia	50	50
Macquarie Textile Holdings Pty Ltd	Australia	34	34
Unibulk Pty Ltd	Australia	50	50
Minto Properties Pty Ltd	Australia	50	50
SeaHighway Pty Ltd	Australia	50	50
Tenix Toll Defence Logistics Pty Ltd	Australia	50	50
Toll Goodman Property Services Pty Ltd (formerly TMG Services Pty Ltd)	Australia	50	50
Toll Dnata Airport Services Pty Ltd (formerly Toll Air Services Pty Ltd)	Australia	50	100
Toll – Jalco Distribution Pty Ltd (formerly Patrick-Jalco Distribution Pty Ltd)	Australia	50	50
WA Vehicle Terminals Pty Ltd	Australia	50	50
Actraint No 126 Pty Ltd	Australia	50	50
QLM Pty Ltd	Australia	50	50
Toll Mermaid Logistics Broome Pty Ltd	Australia	50	50
SOPS Limited Liability Company	Azerbaijan	32	32
Cargo Services (Logistics) Ltd	British Virgin Islands	22	22
Cargo Services (Investments) Ltd	British Virgin Islands	22	22
Cargo Services (Sea and Air) Ltd	British Virgin Islands	22	22
Cargo Services (Shipping Agencies) Ltd	British Virgin Islands	22	22
UAC Asia Ltd	Hong Kong	50	-
United Asia Terminals (Yantian) Ltd	Hong Kong	40	-
Bharat STARS Services Pty Ltd	India	34	-
PT I-Logistics BALtrans Indonesia	Indonesia	30	-
Footwork Express Co. Ltd	Japan	38	38
Zari Haulage Sdn Bhd	Malaysia	45	45
Cargo Consortium (Klia) Sdn Bhd	Malaysia	34	-
Lion-Kimtrans Logistics Sdn Bhd	Malaysia	25	-
Toll Zari Holdings (Malaysia) Sdn Bhd	Malaysia	30	30
SembCorp-Translink Parami Logistics Ltd (in liquidation)	Myanmar	30	30
Metrobox Auckland Limited	New Zealand	-	42
Hubei Nan Yang (Shenzhen) Air Express Ltd	People's Republic of China	50	-
Shenyang-SML International Distripark Ltd	People's Republic of China	49	49
Shenzen-Chiwan Petroleum Supply Base Company Ltd	People's Republic of China	16	16
Shenzhen Yantian Port Logistics Services Co Ltd	People's Republic of China	30	-
Polynesian Blue Limited	Samoa	-	31
BES Technology Pte Ltd	Singapore	35	35
DGM Support (Asia) Pte Ltd	Singapore	15	15
Toll Logistics (Asia) Ltd (formerly Sembawang Kimtrans Ltd) (now 100% owned subsidiary)	Singapore	-	26
ST-KN Pte Ltd (in liquidation)	Singapore	49	49

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Name	Country	Ownership 2008 %	Ownership 2007 %
Zuellig Insurance Brokers Pte Ltd	Singapore	49	49
Pacorini-Toll Pte Ltd	Singapore	50	50
SembCorp Network Pte Ltd	Singapore	50	50
Jet Quay Pte Ltd	Singapore	29	7
STLogi Track Pte Ltd	Singapore	-	38
Cosco Container Depot Pte Ltd (in liquidation)	Singapore	40	40
BALtrans Clover Cargo WC (Pty) Ltd	South Africa	37	-
Higgins Global Logistics (Pty) Ltd	South Africa	41	-
Twala Global Cargo (Pty) Ltd	South Africa	23	-
Ceylinco Toll Integrated Logistics (Pvt) Ltd	Sri Lanka	50	50
UCM Oil-Tex Threading Ltd	Thailand	29	29
Prixcar Services (Thailand) Pty Ltd	Thailand	33	33
CWT-SML Logistics LLC	United Arab Emirates	30	30
JPM Logistics Inc	USA	28	-