



**Toll Holdings Limited**  
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13 October 2009

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

**Lodged Through ASX On Line**  
Total No. of Pages: 2

Dear Sir

**MEDIA RELEASE – FOOTWORK EXPRESS JAPAN**

Please find attached a media release for immediate release to the market.

Yours faithfully  
**TOLL HOLDINGS LIMITED**

  
**Bernard McInerney**  
**Company Secretary**

Encl.



13 October 2009

**MEDIA RELEASE**

**Toll Group takes control of top ten logistics provider in Japan**

The Toll Group, Asia's leading provider of integrated logistics, today announced the acquisition pending regulatory approval of Footwork Express, a Japanese express freight operator and one of the country's largest logistics companies.

"This acquisition is not only an important expansion of Toll's express freight operation; it is also a significant investment by an Australian company in the Japanese freight and logistics market. Japan has the largest economy in Asia and the second largest in the world and this acquisition gives Toll a very significant presence in this key market," said Toll Group's Managing Director Paul Little.

Footwork Express employs more than 5,000 people, has revenue of approximately A\$775 million and is one of the top ten domestic logistics providers in Japan. Toll has held a minority stake in the business since April 2006. "The control that we will gain from the acquisition of the remaining equity will allow us to make the operational changes needed to secure the future success of Footwork within Japan and the region.

"The Toll Group's range of world class express service providers includes Toll IPEC, Toll Priority, Toll Express and NQX Freight System. These businesses are market leaders and the expertise the Group has built over the years, combined with the knowledge of the Japanese market that comes from our existing stake in Footwork, give us confidence in this acquisition.

"When we acquired the IPEC express parcels business in Australia during 1998 it was underperforming and had fallen well behind its competitors. Over the next few years we turned that business around laying the groundwork for the business' market leadership today. I am delighted that Pat Kearns who led the Toll IPEC transformation has agreed to head up Toll's presence in Japan and will be working closely with Footwork's senior management and customers.

"We anticipate the acquisition will be EPS positive in year one. The acquisition will be funded out of Toll's existing cash reserves," concluded Mr Little.

The acquisition price of A\$95 million (including an estimated potential earn out payment of \$15 million) for the remaining 64 per cent interest reflects an enterprise value of \$270 million, including the business' existing debt of A\$120 million.

As a result of recent changes to accounting standards, Toll will be required to write down the carrying value of its existing 36 per cent holding to a fair value based on the 64 per cent that is being acquired. This will result in a non-cash charge of up to A\$30 million in the 2009/10 year.

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