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Toll Holdings Limited

June 2006 Results Presentation Update

Paul Little – Managing Director
Neil Chatfield – Chief Financial Officer

August 2006



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2006 – A Year of Transformation

- Company transforming acquisitions
 - Patrick Corporation
 - SembCorp Logistics
- Acquisition integration and synergies well progressed
- Outstanding underlying result in core operations
- Pacific National back on track
- Positioned for growth and value



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Earnings Composition

\$m	Base Ops	Toll NZ	PNL	Patrick	SembLog	Virgin Blue	Total
<i>Revenue</i>							
<i>2006</i>	3,529	607	171	231	111	252	4,901
<i>2005</i>	3,176	606	-	-	-	-	3,782
<i>EBIT*</i>							
<i>2006</i>	235	61	23	46	12	3	380
<i>2005</i>	190	60	-	-	-	-	250

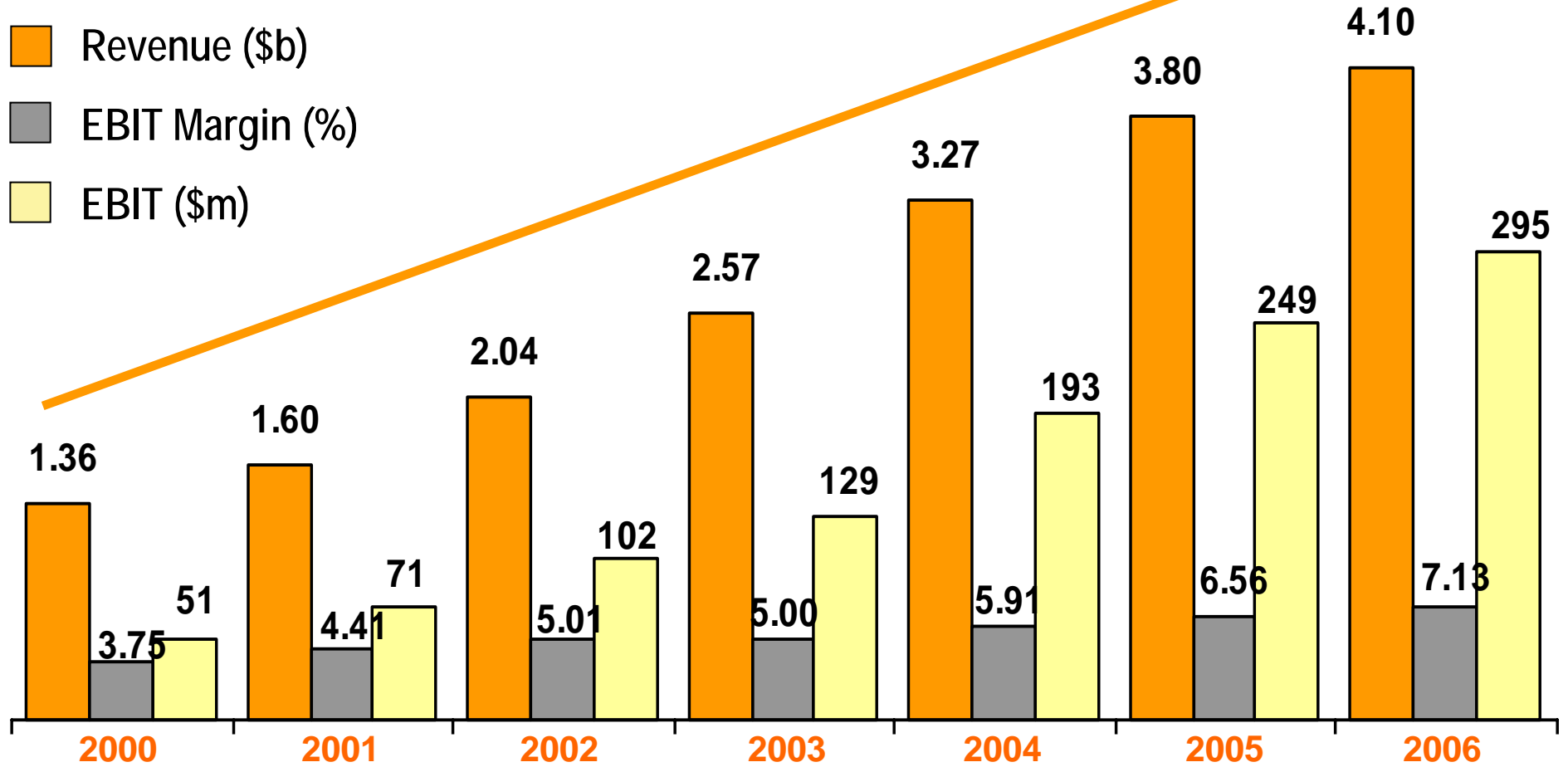
*EBIT is pre amortisation of PPA adjustments.

*Comparatives adjusted for AIFRS introduction, excluding AIFRS non-recurring items



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Key Results - excluding 2006 acquisitions



- Excludes Pacific National Equity accounted results
- 2005 comparative adjusted for AIFRS introduction



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Balance Sheet / Debt Position

\$ Billion

Total assets 15.00

*Net debt ** 5.15

Total Equity 6.02

**Net Debt Composition*

<i>Core Toll including acquisition costs</i>	3.55
<i>SembCorp Logistics</i>	(0.25)
<i>Patrick Corporation</i>	0.76
<i>Virgin Blue</i>	0.24
<i>Pacific National</i>	0.60
<i>Reset Preference Shares</i>	<u>0.25</u>
	<u>5.15</u>

Gearing 46%

2006 Interest Cover 4.6 times

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Cashflows

	\$m
■ Cashflow from operations ↑ 65%	627
■ Investment in acquisitions (net of cash)	2,415
■ Net investment in capital expenditure	331
■ Focus on working capital	
■ Debt refinancing underway	



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Acquisition Accounting

- AIFRS requires purchase price allocation
- Identification of intangibles including customer contracts, brands, technology \$1.0 billion
- Amortisation of intangibles (Pre Tax)
 - 2006 \$16.2 million
 - 2007 (estimated) \$95.0 million
- Restructure costs will go directly to P&L, expect 2007 non-recurring cost

*Patrick / PN (\$732m), SembLog (269m)



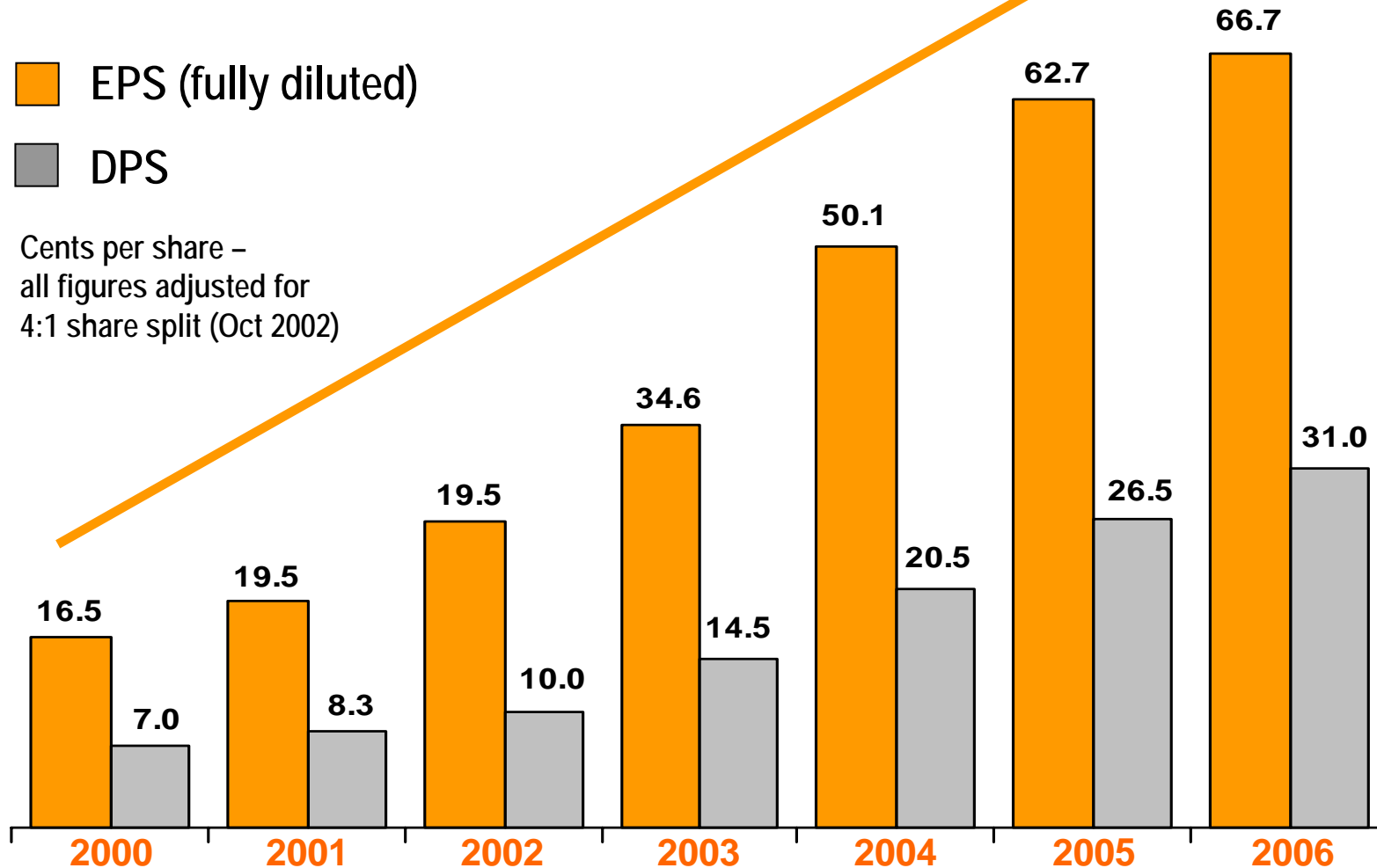
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Shareholder Returns

■ EPS (fully diluted)

■ DPS

Cents per share –
all figures adjusted for
4:1 share split (Oct 2002)



- 2005 EPS adjusted for AIFRS implementation
- 2006 EPS is pre-amortisation of intangibles arising from acquisition



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Pacific National

		2006	2005	% Change
Revenue	\$m	1,480	1,366	↑ 8.3
EBIT	\$m	142.8	183.4	↓ 22.1
Margin	%	9.6	13.4	↓ 28.3

Assumes 100% ownership basis for year



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Pacific National - Strong Outlook



Fundamentally good business with strong future

- Positive outlook for freight rail sector
- Government support for freight rail
- Strong customer relationships and market position

Coal

- High overseas demand
- Well managed supply chain

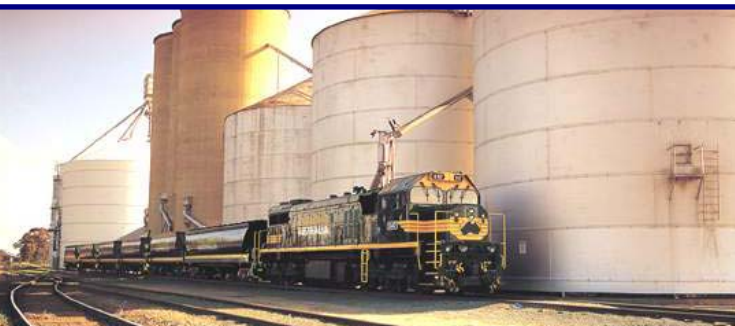
Intermodal

- PN well positioned in market
- Discussing short term solution for North/South corridor infrastructure improvements completed
- East/West corridor focus on service improvements



Grain

- Volumes seasonal
- Working with industry to streamline supply chain





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Pacific National - Short Term Focus



Acacia Ridge Terminal

Negotiation on terminal access charges nearing completion

PN Tasmania

MOU signed
\$118m Fed and State Govt (track)
\$38m PN (rolling stock)

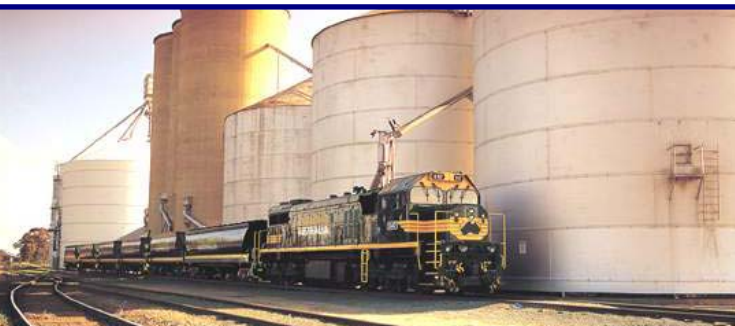


Victoria

Working constructively with Govt
Access arrangements and funding for freight network

PN Queensland

Independent review to establish pricing going forward



Industrial Relations

Stage 1 agreed, stage 2 underway
Target 30 September 06

Increase Volumes / Yield

Plans in place



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Toll's Commitment to Rail



- Investment in rail good for Australia
- Environmentally sound
- Safer – decongests roads
- Cost-effective
- Significant investment will continue
- PN partner must share Toll's long-term commitment to rail



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SembCorp Logistics Acquisition



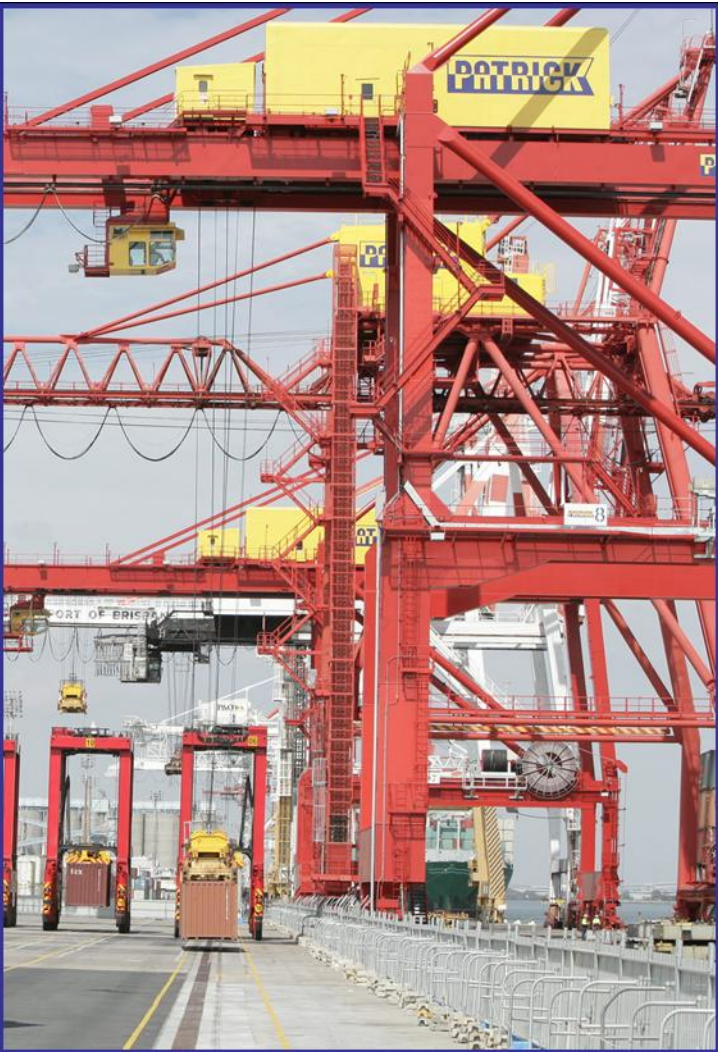
- Revenues \$111m – after tax profit \$8.2m
- 100% ownership – 20 March 2006
- Traded in line with acquisition assumptions
- Integration to plan
- Management retention programs – effectively implemented
- Growth opportunities – organic and acquisition
- Exposure to high growth sectors



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Patrick Acquisition



- Control 10 May with 100% ownership from 1 July 2006
- Patrick traded in line with expectations
 - After tax profit \$23.5m
 - Revenues \$232 m
- Integration – Patrick rail and ports divisions well progressed
- Overall port volumes – maintaining steady growth
- Strong performance in new financial year anticipated



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Virgin Blue



- Revenues since acquisition \$250m
- After tax earnings (excluding acquisition costs) \$0.7 m
- Impacted by seasonal factors
- Underlying results In line with expectations
- Continuing to enhance market position – new initiatives
- Reviewing equity investment
- Supportive of VB management
- Enhance shareholder value



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ACCC Undertakings



- High quality assets generated significant buyer interest
- Information Memoranda released next month
- Preferred bidders will be known by December 2006
- \$1.5 billion divestiture proceeds achievable
- East-West rail 'starter kit' underway
- Competition undertakings will not distract from ability to provide customers with highly efficient, integrated service proposition



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Sale of Pacific National 50%



- 45+ expressions of interest
- Strategic buyers (international & domestic), private equity investors, funds
- Timing of divestment on track
- Expect winning bidder announced Dec 06
- Toll and ACCC working closely to achieve right result



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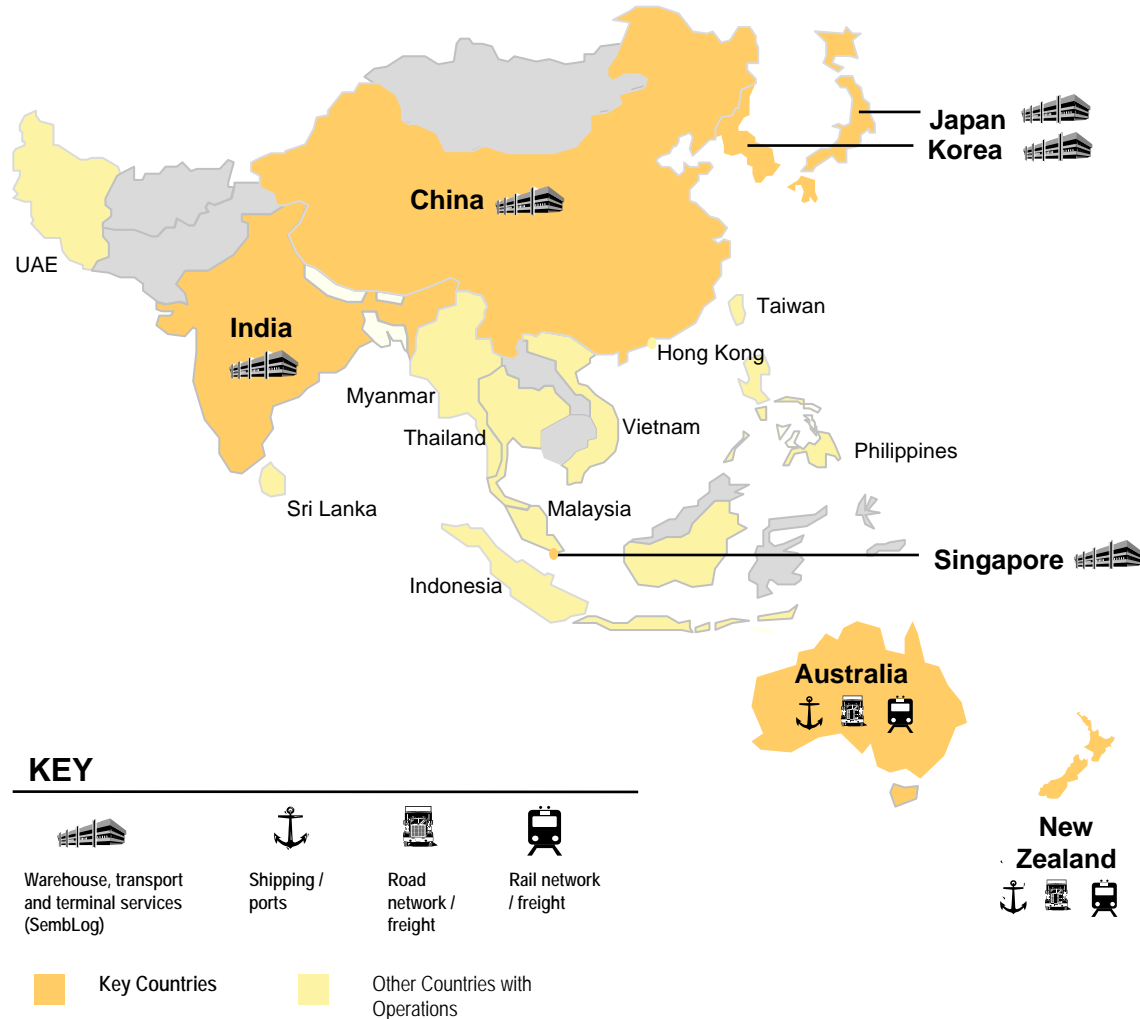
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The New Toll Group



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A Global Scale Integrated Logistics Provider



Snapshot of Merged Group

Market Cap:	~ \$9 billion
Annual Revenue:	> \$8 billion
Total Assets:	> \$11 billion
ASX Ranking	Currently Top 30
Total Employees	> 30,000
Global Operations	17 Countries



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Toll Group



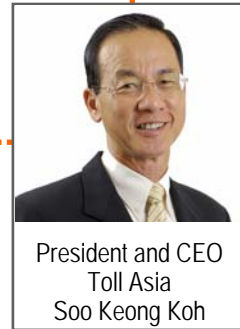
Managing Director
Paul Little



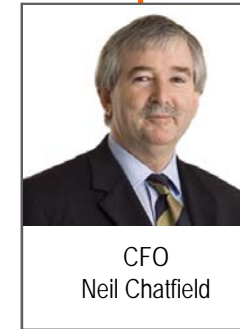
Executive Director
Chairman Virgin Blue
Mark Rowsthorn



Director Strategy /
M&A
Stephen Stanley



President and CEO
Toll Asia
Soo Keong Koh



CFO
Neil Chatfield



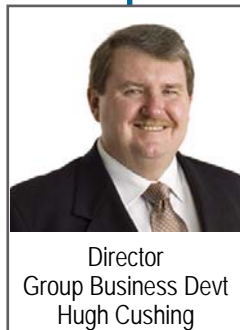
Company Secretary
Bernard McInerney



CEO
Brett Godfrey



CEO
Don Telford



Director
Group Business Devt
Hugh Cushing



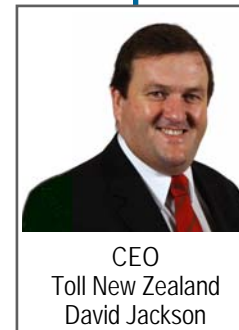
Divisional Director
Ports and Infrastructure
(Mark Rowsthorn &)
Graham Lyon



Divisional Director
General and Auto
Alan Mitchell



Divisional Director
Australian Transport
John Ludeke



CEO
Toll New Zealand
David Jackson



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Integration Activities - Operational

- Merging int'l forwarding
- Merging Aust Transport ops – W'hsing / Rail forwarding / Fleet
- Combining Bulk, Ports management and growth strategies
- Business development – sectors / cross-border / Asia
- Merging of pre-existing Asian operations

The Toll logo is displayed in a stylized, bold, yellow font with a black outline. The letters are slanted and have a dynamic, forward-moving feel.

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Integration Activities - Technology

- Proven, highly reliable technology
- SembLog - outstanding w'housing and freight identification technology
- Patrick - strong port based technology
- Cross-border logistics capability
- Standardise platforms



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Integration Activities - General

- Eliminate HO duplication
- Combine procurement efforts
- Combine treasury management
- Drive common risk management
- Dispose of unnecessary assets



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Integration Activities - Synergies

- Cost synergy emphasis
- Overheads / procurement / systems
- Exceed cost synergies inside timeframe
- Capital expenditure synergies
 - Property
 - IT
 - Fleet and Equipment
- Monitoring



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Competitive Landscape

- Offshore competition
- Consolidation a feature
- Industry backed solutions
 - Rail / Road / Air
- Strong industry providers
- Governments understand need for funding



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Competitive Dynamics

- Customers seeking
 - Solve complex SC issues
 - Cost leverage
 - Broader relationships - outsource
- Suppliers must have
 - Scale / coverage / reliability / broad and integrated capabilities
- Capacity constraints



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Economic Conditions and Outlook



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Economic Conditions

- ✓ Trading conditions favourable – particularly strong growth in resource sector
- ✓ Signs emerging of improved conditions in New Zealand
- ✓ Major Asian economies showing strong growth
- ✓ Company continuing to closely monitor fuel costs



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Outlook

- ✓ Continued growth in shareholder value
- ✓ Customer interest and activity at all time high
- ✓ Core Australian businesses performing strongly, PN results improving, integration of Patrick and SembCorp Logistics proceeding well
- ✓ Acquisition based growth remains on agenda
- ✓ Very strong financial outlook



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Questions