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Slowdown Hits Austria Post's First Half

Austria Post saw its earnings before interest and tax (EBIT) drop by eight percent to EUR 75.4 million in the first half-year, compared with the same period in 2008. Group revenue was 3.6 percent down at EUR 1.16 billion.

The publically listed company said it had achieved cost savings of EUR 36 million but this had been insufficient to compensate for a EUR 42.8 million drop in revenue and salary increases amounting to EUR 22 million.

Further measures to counteract the economic crisis will include initiatives both to increase sales and reduce costs. Austria Post said it would not fill job vacancies; a collective wage agreement for new employees, effective from August 1, 2009, would help meet the objective of finding savings to offset salary increases in 2009.

In addition, the company aims to cut non-staff related operating costs by at least EUR 30 million in the current year.

In the first half, the mail division produced an EBIT of EUR 114.5 million, EUR 21.2 million lower than in the first half last year. Mail revenue dropped by 4.5 percent; letter mail declined by 4.8 percent, while direct mail (infomail) dropped by 4.9 percent owing to lower advertising spending and markedly lower volumes from mail order companies.

(Slowdown Hits Austria Post's First Half continued)

The parcels and logistics division made an operating loss of EUR 3.4 million. Overall revenue was three percent lower, owing to price pressure, but standard parcel revenue rose by 2.3 percent year-on-year to EUR 62 million thanks to volume from new customer Hermes from June 1, 2009.

Austria Post's trans-o-flex subsidiary in Germany made the largest contribution - about 75 percent of premium parcel revenue.

The branch network division returned an operating loss of EUR 4 million despite 1.3 percent revenue growth generated mainly by sales of mobile and fixed line telephony.

Total cash flow before changes in working capital amounted to EUR 82.7 million. Changes in working capital amounted to minus EUR 23.8 million in the first half. Cash flow from operating activities totalled EUR 58.9 million.

"We expect that the deteriorating economic situation will continue to have a negative effect on letter mail, parcel delivery and direct mail volumes," the company said in its outlook statement. "Negative growth influences letter mail and parcel delivery volumes of Austria Post late in the business cycle...in the second half of 2009, mail volumes are expected to continue declining."

Europe

La Poste Profits Drop in First Half

Groupe La Poste saw its half-year operating profit drop sharply by 34 percent to EUR 453 million owing to volume decline and the impact of the economic slowdown. Net profit fell by 19 percent to EUR 388 million.

Group revenues were 2.3 percent lower than the previous first half-year at EUR 10.27 billion. Mail revenues declined by 4.8 percent to EUR 5.668 billion with domestic volume down by 6.2 percent. A 1.3 percent revenue boost from higher stamp prices failed to compensate for a combination of negative factors, La Poste said.

Revenue from parcels and express declined by 4.8 percent to EUR 2.15 billion; express subsidiary GeoPost accounted for EUR 1.48 billion (6.3 percent less than last year), while ColiPoste accounted for revenue of EUR 665 million, just one percent lower than last year thanks to continued strong growth in e-commerce.

La Poste achieved a 0.6 percent reduction in operating costs in the first six months and expects to save a total of EUR 200 million in 2009. It forecasts full year revenues of about three percent below 2008 and said that priorities for the second half are to prepare for legal reform and a promised state capital injection of EUR 2.7 billion.

Swiss Post Predicts Lower Profits in 2009

Higher wage costs and lower volumes were major factors driving down profits at Swiss Post in the first half year. Lower rates for letters from July 1 will place additional pressure on full year results, which the company expects to produce significantly lower profits than in 2008.

In the first half, operating profit (EBIT) was CHF 365 million compared with CHF 419 million in the same period last year. Operating income was CHF 4.27 billion compared with CHF 4.38 billion.

Tough trading conditions resulting from economic slowdown had an adverse effect on mail and logistics operations while PostFinance and PostBus experienced growth, Swiss Post said.

Addressed letter volume was down 4.8 percent by the end of June. PostMail's operating result fell by only CHF 7 million to CHF 127 million thanks in part to savings resulting from new letter centres, which have now completed their commissioning stage.

PostLogistics experienced a CHF 3 million drop in operating profit to CHF 15 million, and the Strategic Customers and Solutions unit, which focuses on markets outside Switzerland, made a CHF 10 million operating loss.

The post office network made an operating loss of CHF 67 million, CHF 29 million more than the same period last year, owing to higher staff costs, according to Swiss Post.

Swiss Post International maintained its sales volume and increased its operating profit by CHF 13 million to CHF 29 million.

Likewise, PostFinance produced significantly better half-year results year-on-year, thanks to continuous inflow of new money. Its operating profit was CHF 198 million, CHF 44 million higher than the same period in 2008.

PostBus more than doubled its operating profit from CHF 11 million to CHF 24 million on the back of new routes launched in response to demand.

De Post/La Poste Maintains EBIT Level

De Post/La Poste of Belgium made a non-recurring, exceptional pre-tax profit of EUR 117 million in the first half year as a result of having to cover employee medical costs being transferred to a non-profit organisation managed by the trade unions.

Excluding the exceptional profit, De Post/La Poste increased earnings before interest and tax to EUR 139 million from EUR 135 million in the first half last year.

The company said the economic slowdown had an impact on results in the first six months; however, the effects had been limited by cost reduction.

Turnover fell by 1.5 percent on a comparable basis to EUR 1.11 billion in the face of a 4.5 percent drop in volumes. This decline was partially compensated for by price increases and commercial initiatives, the company said.

De Post/La Poste's chief executive officer, Johnny Thijs, said the company aimed to achieve the same operating profit this year as in 2008. That would mean stepping up cost reduction because volumes were expected to continue falling in 2010.

Pedersen Leads Post Danmark

K. B. Pedersen is the new chief executive officer of Post Danmark and deputy CEO of Posten Norden, the company formed by the merger of Post Danmark and Posten AB of Sweden.

Mr. Pedersen takes up his position, which includes overall responsibility for operations development at Posten Norden, on the departure of Helge Israelsen, who was CEO of Post Danmark for 21 years and who steered the company through the merger.

Finn Hansen has joined the Post Danmark executive board. He heads letters activities in Denmark, including the post office network, and is a member of Posten Norden's group management.

Mr. Pedersen announced half year results for Post Danmark revealing a major reduction in profit after tax to DKK 253 million compared with DKK 616 million in the same period last year. He said the profit performance was unsatisfactory and the company had initiated a wide-ranging rationalisation programme to address the situation.

The profit decline resulted mainly from a DKK 482 million drop in income. Letter volumes dropped by ten percent and parcel volumes by even more, according to the company.

"We keep strong focus on having earnings restored and this makes very heavy demands on the efficiency of our operations in the light of the very significant volume decline for letters," said Mr. Pedersen.

Norway Post Improves Earnings

Norway Post has reported that it improved earnings in the first half through extensive efficiency measures and cost reduction. Its earnings before non-recurring items and write-downs were NOK 381 million, NOK 70 million more than in the same period last year.

Operating revenue for the first half was NOK 13.8 billion, compared with NOK 14.1 billion in the same period of 2008. Revenue was boosted by a NOK 259 million payment from government for "unprofitable services". But economic slowdown and electronic substitution depressed the overall revenue figure.

posten

Norway Post's Spinnaker profitability programme was launched in 2008 to compensate for a volume decline resulting from permanent changes in customer demand. "It's good to see that the efficiency programme is delivering as expected and has produced increased earnings in a year of economic downturn," said Dag Mejdell, chief executive officer of Norway Post.

Efficiency measures have impacted positively on quality of service: in the second quarter, 89.6 percent of A mail was delivered overnight, well above the licence requirement of 85 percent.

Itella Reviews Universal Service Funding

Itella is reviewing how various possible funding models for the universal service would affect the group's organisation and domestic functions.

The review is being undertaken prior to implementation of the EU postal directive which provides for full market opening in 2011. One approach being studied is the transfer of Itella's domestic mail services to an independent subsidiary in order to provide accounting transparency.

TNT Offers to Pay its Dividend in Shares

TNT has offered its shareholders the option of taking an interim dividend of EUR 0.18 in ordinary shares instead of cash.

Shareholders representing more than 49 percent of capital have elected to be paid in stock which has resulted in the issue of about 1,992,500 new ordinary shares. The offer gave one new TNT ordinary share for every 91 dividend rights, representing a value 3.82 percent above the cash dividend value.

Royal Mail Repeats Call to End Strikes

At the end of August, Royal Mail again called on the Communication Workers Union to end local strikes and resume its involvement in the company's change and modernisation.

It met union leaders, urging them to lift a ban on local union representatives working with the company to implement "essential, fair and reasonable changes" to modernise the business and improve efficiency.

Royal Mail made a further attempt to persuade the union to engage with phase 4 of the 2007 Pay and Modernisation agreement that the union has signed.

"At the moment, it is clear that the union's real focus is on damaging customer confidence, undermining the universal postal service and looking for any route to block the change and modernisation it claims to support," the company said in a statement.

PostFinance Boosts Loan Offer to SMEs

Swiss Post's PostFinance is moving forward with plans to offer more services to small and medium sized enterprises (SMEs) by cooperating with Valiant to provide loan products that will be sold in post offices.

PostFinance is not permitted to offer loans independently and therefore collaborates with banks in its lending business. The new collaboration with Valiant replaces one with UBS. It will expand the product range for both businesses and private borrowers from this autumn.

PostFinance will be responsible for sales and marketing of loans while Valiant will bear the credit risk and be remunerated accordingly. SMEs will have access to a more comprehensive range of products and, over time, PostFinance will increase the number of its customer advisors from 700 to 1,000.

The partners will establish a joint processing centre in Berne where they will pool their competencies.

Chronopost Develops its Information Systems

Chronopost, La Poste's French express subsidiary, is to work with IT company TIBCO to develop an enterprise exchange platform supporting the sharing and reuse of data across all Chronopost's applications and platforms.

The project is part of the Phoenix programme that defines the information system outlined in Chronopost's three-year plan. This programme will deliver a proprietary method for accessing information. It will develop a custom user interface, provide information traffic management and share information between different processes.

Chronopost said the TIBCO exchange platform would help speed time to market for new customer services by automating process capabilities and rapidly creating and maintaining data flows.

Poczta Polska Prepares to Modernise

Poczta Polska of Poland plans to lay off 2,400 employees as part of a redundancy programme that will continue into 2010.

The programme will contribute to planned savings of PLN 10 million. In addition, Poczta Polska will sell property valued at PLN 80 million to generate funds for investment.

Mail volumes have increased considerably in Poland in the past ten years, but Poczta Polska needs to modernise and improve its quality of service. It faces competition from InPost which set up in 2006 and now has 200 retail branches located in Polish towns and cities.

The company forecasts that its 2009 full year loss will not exceed PNL 185 million; it achieved a gross profit of PNL 220 million on a turnover of PNL 3.6 billion in the first six months of the year.

Secure Email via Free Outlook Add-On

Swiss Post has linked its IncaMail secure email service to Microsoft Outlook via an add-on that is available as a free download.

The add-on displays additional buttons on Outlook allowing users to select either a “confidential” or “registered” email option. The confidential service, charged at CHF 0.75 per message, transmits emails without making them visible to third parties. The registered service costs CHF 2 per message and provides both encryption and confirmation of delivery.

The Outlook function charges fees directly to customers’ IncaMail accounts.

Deutsche Post DHL Extends its Disaster Aid

Deutsche Post DHL has enhanced the disaster management services it offers in cooperation with the United Nations Development Programme (UNDP) by launching a module which prepares airports for the demand they will have to meet during a disaster.

Get Airports Ready for Disaster, or GARD, is a new joint initiative that has just completed two pilot projects in the Indonesian airports of Makassar and Palu. The initiative involves on-site training and assessments of airports’ capacity to cope with surges in demand that result from disaster relief efforts.

In 2009 and 2010, the DHL GARD team plans to complete projects at airports close to disaster prone areas in Asia and the Americas.

Head of the GARD programme, DHL vice-president Matt Hemy, said most airports are overwhelmed when they are confronted with managing a disaster and coordinating massive support from other countries.

“Delivering aid to the affected communities would be faster and more effective if airports were well prepared for the sudden onset of natural catastrophes and this is a key driver for our GARD programme,” Mr. Hemy said.

DHL Launches Eco-Friendly Packaging

DHL Express has announced a new packaging range that it claims will both simplify shipping and reduce environmental impact.

The branded range extends from an envelope to a pallet box and includes seven boxes of different sizes, two triangular tubes and four wine boxes. Each item is claimed to minimise the amount of raw materials used. Increased strength and compression resistance means that total surface area can be reduced.

DHL plans on making items available to customers in most countries by late 2009. They will be supplied as flat packs to reduce the need for storage space.

GLS Expands its Dutch Parcel Shop Network

Royal Mail-owned European parcels group GLS is expanding its business-to-consumer service in the Netherlands by increasing its number of parcel shops to 270 and is launching an additional drop-off returns service.

GLS offers recipients the option of collecting their parcels. The proportion using the pick-up service has increased from 15 percent to 40 percent in the past half year, according to the company, as a result of growth in internet purchasing.

The new returns service allows recipients to drop off items at parcel shops rather than have them collected from their home.

Itella and IVANAhelsinki Launch New Range

Itella is expanding its partnership with Finnish art brand IVANAhelsinki by hosting an exhibition at the Postal Museum and launching postal products featuring the new Tiira pattern.

The Tiira collection comprises four products, including a postcard and gift packaging. Itella said the first IVANAhelsinki range, launched last spring, received positive consumer feedback and exceeded sales projections.

Night Star to Build New German Hub

Night Star Express

Night Star Express is to invest EUR 3.5 million in a new hub in central Germany to handle is increasing business.

Volumes for the overnight express service rose by ten percent to 3.3 million shipments in 2008, and the company's existing hub at Eichenzell has reached capacity.

Continuous Online Temperature Tracking

Trans-o-flex ThermoMed for temperature controlled shipments is now using an automated, satellite-based temperature control system in all its vehicles and warehouses. It has also launched an online ordering tool.

The temperatures and location of each vehicle are transmitted to the ThermoMed hub in Kassel, Germany, every five minutes. This makes it easier for the company to schedule pick-ups in real time and provides customers with a continuous record of their products' temperatures in transit, available online.

The new online ordering tool makes it easier for small shippers to access the network and gives larger shippers a more flexible connection to ThermoMed's EDP system, the company said.

DHL Global Mail Gains Russian Licence

DHL Global Mail has gained a licence to operate postal services in Russia that include a business-to-consumer parcels service.

Inbound and domestic services in Russia will be provided through a network of distribution partners with final delivery by Russian Post.

Outbound international mail will be collected by DHL and despatched to the company's central mail terminal in Frankfurt for final delivery through Deutsche Post DHL's distribution channels.

Additional services include Hybrid Print & Mail, which involves centralised data management, decentralised printing and direct marketing support to customers who want to enter new markets outside Russia in countries including Germany, the UK and the United States.

DHL Global Mail said it intends to extend its services to other CIS countries including the Ukraine, Kazakhstan and Belarus.

UK Car Makers Choose TNT and DHL

TNT Innight and DHL Exel Supply Chain have both secured contracts from UK automotive brands Jaguar and Land Rover.

TNT Innight is distributing parts throughout Germany from a European storehouse in Flévy, France, for Land Rover and from Grossostheim in Germany for Jaguar. It is also managing returns and cash-on-delivery services in during the day.

DHL Exel Supply Chain is carrying out pan-European, inbound logistics for both brands following its successful implementation of a UK parts collection service. A DHL team based at the Jaguar and Land Rover facility in Solihull, UK, has been working to bring about greater visibility and control throughout the supply chain.

DHL Integrates with EBay Sales Management

DHL Parcel Germany has signed a cooperation agreement with Afterbuy, a Germany eBay sales management subsidiary serving online traders.

Under the agreement, customers will be able to print DHL shipping labels via an interconnection between Afterbuy's online software and DHL's shipping software. The transport status of parcels will be transmitted directly to the order overview with the shipping number, dispatch confirmation and shipment date.

>>In Brief - Europe

Royal Mail Beats Quality Target
Royal Mail exceeded its quality of service target for first and second class mail, business bulk mail, international mail and standard parcels in the three months from the third week in March to June 7. First class mail achieved a 94.5 percent next day delivery performance.

New HR Chief at Itella
Jaana Jokinen will join Itella from Nokia on November to take up the position of senior vice president, HR. The current senior vice president for HR, Tuike Karppinen, will take over responsibility for Itella's Finnish HR functions.

Seabourne Offers Online Booking
Seabourne Express Courier is using Velocity International software from NetDespatch to expand its international express delivery services and provide a system by which customers can book and track shipments online.

GLS Chooses Itella in Estonia
GLS has appointed Itella Logistics as its delivery partner in Estonia to cut delivery times by one day.

Night Flying Ban Possible at Frankfurt
Nighttime cargo flights might be banned at Frankfurt Airport following a decision by the Hesse administrative court ruling that the state government should regulate night flights on a stricter basis. The court gave the go-ahead for the EUR 4 billion expansion of the airport with a fourth runway and third passenger terminal.

UPS Fails to Find Enough Irish Linguists
UPS is to close its call centre in Dublin owing to the lack of multilingual staff in Ireland. The centre will now be subcontracted to an external provider capable of handling enquiries from customers in Ireland, France, Belgium, the Netherlands and Switzerland.

GLS France Expands Hubs
GLS France has expanded capacity at its hubs in Fleury and Lyon in order to keep pace with rising parcel volumes and to maintain quality of service.

TNT Expands Special Services in Russia
In Russia, TNT Express has extended coverage of services for delivery of dangerous and sensitive goods to Khabarovsk and Vladivostok.

DHL Parcel Reception in St. Petersburg
DHL has teamed up with refuelling complexes operated under the BP brand in St. Petersburg to provide round-the-clock reception of express shipments.

GO! Loses Both Managing Directors
The two managing directors at German express operator GO! have left the company. The chairman, Michael Jäschke, and Thomas Eichberger have been appointed temporary managing directors by shareholders while the board seeks permanent replacements.

Americas

USPS Offers Staff an Incentive to Leave

The United States Postal Service (USPS) is offering up to 30,000 employees in mail processing facilities a one-time financial incentive to retire or resign before the end of the current financial year on September 30, 2009.

It aims to save up to USD 500 million in labour costs by accelerating staff reductions. This will contribute to the 2009 target of USD 6 billion in total cost savings.

In a deal with two unions, the American Postal Workers Union and the National Postal Mail Handlers Union, the Postal Service will pay a total of USD 15,000 to employees agreeing to leave, USD 10,000 in the first quarter of the next fiscal year and USD 5,000 in fiscal year 2011.

The Postal Service said that advances in mail processing technology, coupled with declining volumes, required more aggressive matching of work hours to work load. Letter carriers, however, are not eligible for the incentive scheme owing to growth by 1.5 million a year in the number of US addresses.

Losses in the third quarter of the Postal Service's fiscal year amounted to USD 2.4 billion. Revenue dropped by nine percent to USD 16.3 billion despite a price rise. Full year losses are forecast to reach USD 7 billion.

Postal Retail Outlets Under Review

A total of 413 United States Postal Service retail outlets remain under consideration for possible consolidation under the Station and Branch Optimisation and Consolidation initiative, which is being reviewed by the Postal Regulatory Commission.

The study began earlier this summer and is examining outlets across the country and focusing on those close together to determine whether consolidation would be feasible without loss of access.

The Postal Service said that reducing over-capacity in retail service delivery would be a good business move in the light of losses and the need to cut costs. It pledged that every effort would be made to maintain and improve customer access to services.

No final action to consolidate will be taken until after October 2.

USPS and FedEx Continue GXG

The United States Postal Service (USPS) and FedEx Express have renewed their alliance to provide Global Express Guaranteed (GXG), offering date certain international delivery across the world.

GXG shipping labels and packaging carry the logos of both companies. The co-branded service, launched in 2004, is available either at participating postal retail outlets or online through the Postal Service Click-N-Ship facility.

US Express Market Set for Continued Decline

A study by consultants Air Cargo Management Group (ACMG) predicts that the United States express market in set for major decline again in 2009 after a volume fall in 2008.

Overall US domestic air freight and express revenue dropped about three percent to USD 31.9 billion in 2008, but volume, measured in revenue ton miles, was 9.7 percent down, according to the annual *US Domestic Air Freight & Express Industry Performance Analysis.*

Fuel surcharges in 2008 masked a near ten percent volume decline, said Robert Dahl, managing director of ACMG.

First half data for 2009 shows an industry-wide volume reduction of about 18 percent with express volumes down by about the same amount.

In the US domestic market, FedEx remains the leader with a share of about 44.8 percent of daily express shipments in the fourth quarter of 2008. UPS is a close second with a 42.5 percent share, the report says.

The 180-page study also contains market trends, statistical analysis, a strategic review of the major companies and analysis of freight aircraft usage.

UPS Shipping Software for eBay Sellers

UPS has integrated its WorldShip shipping system with eBay Selling Manager applications to give sellers based in the United States a direct, free connection.

Traders can import their eBay order information into Worldship, export shipping data from WorldShip, and automatically update their orders with UPS tracking numbers.

"Direct data transfer of eBay order information to and from WorldShip provides sellers with an easy way to ship UPS without the hassle of re-keying information," said Jordan Colletta, vice president of customer technology and marketing.

Teamsters Call on FedEx to Split Top Jobs

The Teamsters transport union for a second time has called for FedEx shareholders to split the role of company founder Fred Smith as both chief executive and chairman of the board.

The union wrote to shareholders asking for their support. A similar request last year failed with the Teamsters gaining 34 percent of shareholder votes.

FedEx rejects the proposal. In a statement contained in its official invitation to the annual general meeting, it told shareholders they were best served by having Mr Smith as both chairman and chief executive, promoting unified leadership and direction and allowing a single, clear focus for the chain of command to execute strategic initiatives.

Asia-Pacific

Graeme John to Retire from Australia Post

Australia Post's managing director Graeme John will retire in December after 20 years with the corporation and 16 years as its chief executive.

"Graeme's vision and leadership have taken Australia Post from a break-even commission in 1989 to a relevant, strong and consistently profitable business," said chairman David Mortimer announcing the retirement.

Mr John said he had stayed on a year longer than he originally planned when the world economic crisis hit. He was now confident that Australia Post is well prepared for the challenges ahead.

"In recent months, the board has approved AUD 700 million worth of investments in the future of Australia Post. Now is the right time to hand over to a successor who can steer the corporation through the next phase of its evolution," he said.

From October, Jim Marshall, general manager mail and networks, will be chief operating officer responsible for day-to-day management of the business, while Mr John will advise the board on strategic issues and continue his work on international alliances and partnerships.

Mr Mortimer said there were strong internal candidates for the top job but the board would also consider external candidates.

Australia Post Launches Car Insurance

Australia Post is adding insurance to its range of financial services, beginning with a competitively priced car insurance and adding travel and home contents insurance in coming months.

Insurance will be sold under the Australia Post brand in conjunction with provider A&G Insurance Services. It will be offered online or via a phone hotline and will be advertised in post offices via a brochure.

A Newspoll just published found that as many as 15 percent of Australian vehicle owners had reduced their level of coverage on account of the recession, switching to less expensive products or cancelling their insurance altogether.

"We know many Australians are looking to move to more competitively priced insurance but they still want a reputable company behind their policy," said Australia Post's group manager financial services, Andrew Wiseman.

Japan Post/Nippon Express Deal in Doubt

Japan Post could postpone the planned integration of its parcel delivery operations with Nippon Express on account of a government veto, the Japanese press has reported.

The internal affairs and communications minister, Tsutomu Sato, is said to have refused to approve an integration plan submitted by Japan Post Service. He asked Japan Post's president to review the integration's timing and to state how Japan Post would respond if its earnings were affected by the deal.

The integration was first announced in October 2007 as a move to compete more effectively with Yamato Transport and Sagawa Express. An initial plan to integrate in April this year was delayed until October to allow time for computer systems to be integrated.

UPS Offers Online Shipping at DHgate.com

UPS is making its shipping tools available to the Chinese online wholesale marketplace, DHgate.com, to give sellers the means to calculate shipping costs, request a pick-up, track shipments and review transit times for international shipments.

DHgate connects more than 300,000 China-based suppliers with 1.4 million global buyers. It was founded by former Joyo.com chief executive Diane Wang in 2004.

Freightways Increases Full Year Profits

New Zealand express, mail and information management company Freightways achieved record results in the year to June 30, 2009.

Revenue increased by five percent to NZD 340 million and earnings before interest, tax, depreciation and goodwill amortisation rose three percent to NZD 70.5 million. Consolidated net profit was seven percent higher year-on-year at NZD 34.6 million.

The company experienced lower volumes and earnings in its core express and its DX Mail businesses but increased profits from information management.

Gati Figures Reflect Air Freighter Losses

Indian trucking and logistics company Gati saw profits drop in the year to June 30, 2009, owing partly to losses from a now discontinued unprofitable air freighter operation.

Overall operating profits declined by 34 percent to INR 358 million following an INR 183 million loss from the air freighter business before it was terminated in March.

Consolidated revenue rose by eight percent to INR 8 billion and revenue from the main road express and supply chain business increased by 9.9 percent to INR 5.8 billion.

The company ended the year with a net loss of INR 187 million compared with a net profit last year of INR 198 million.

Toll Group Remains on Acquisition Path

Australia's Toll Group increased its full year net profit by 14 percent to AUD 298 million. The company said its profit situation, coupled with a strong balance sheet, put it in a strong position for further merger and acquisition activity.

Group revenue increased by 16 percent to AUD 492 million while operating profit (EBIT) rose by nine percent to AUD 466 million.

>>In Brief - Asia-Pacific

DHL Enhances Vietnam Services
DHL continues to expand in Vietnam. Its express joint venture DHL-VNPT Express has a new USD 2 million centre in Hanoi to improve services in the north of the country. Meanwhile, DHL Global Forwarding has launched a China-Vietnam cross-border trucking service as an alternative to air and ocean freight.

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