



Toll Holdings Limited
ABN 25 006 592 089

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Melbourne Victoria 3004

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14 September 2006

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: 02

Dear Sir

REPLACEMENT – KPMG INDEPENDENT AUDIT REPORT

Please find enclosed the replacement *KPMG Independent Audit Report dated 8 September 2006*, which is page 124 of the 'audited Annual Financial Report for the Year Ended 30 June 2006'.

The Annual Financial Report was lodged through 'ASX On Line' on 8 September 2006.

The original KPMG Audit Report had not referred to the Remuneration Report in the Directors Report. The **replacement** KPMG Audit Report confirms that KPMG has audited the relevant requirements surrounding the Remuneration Report as well as the other matters in the Financial Report. The replacement of page 124 is not material and occurred due to an administrative oversight by KPMG.

Yours faithfully
TOLL HOLDINGS LIMITED


Bernard McInerney
Company Secretary

Encl.



Independent audit report to the members of Toll Holdings Limited

Scope

We have audited the financial report of Toll Holdings Limited ("the Company") for the financial year ended 30 June 2006, consisting of the income statements, statements of recognised income and expense, balance sheets, statements of cash flows, accompanying notes 1 to 39, and the directors' declaration. The financial report includes the consolidated financial statements of the consolidated entity, comprising the Company and the entities it controlled at the end of the year or from time to time during the financial year. We have audited the disclosures made by the Company, as permitted by the *Corporations Regulations 2001*, about the remuneration of directors and executives ("remuneration disclosures"), including those required by Australian Accounting Standard AASB 124 *Related Party Disclosures*, under the heading "Remuneration Report" in pages 14 to 28 of the directors' report and not in the financial report. The Company's directors are responsible for the financial report and the Remuneration Report. The directors are also responsible for preparing the relevant reconciling information regarding the adjustments required under the Australian Accounting Standard AASB 1 *First-time Adoption of Australian equivalents to International Financial Reporting Standards*. We have conducted an independent audit of this financial report and the Remuneration Report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement and the remuneration disclosures comply with AASB 124. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the Remuneration Report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian equivalents to International Financial Reporting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows and whether the remuneration disclosures comply with Australian Accounting Standard AASB 124.

The audit opinion expressed in this report has been formed on the above basis.

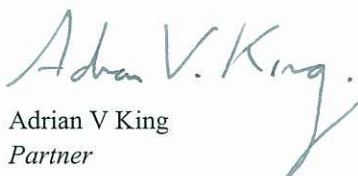
Audit opinion

In our opinion:

- (1) the financial report of Toll Holdings Limited is in accordance with:
 - a) the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2006 and of their performance for the financial year ended on that date; and
 - ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
 - b) other mandatory financial reporting requirements in Australia; and
- (2) the Remuneration Report on pages 14 to 28 of the directors' report complies with Australian Accounting Standard AASB 124 *Related Party Disclosures*.

KPMG

KPMG


Adrian V King
Partner

Place: Melbourne

Date: 8 September 2006