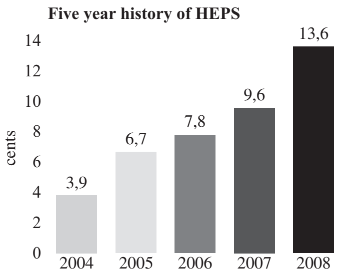
OneLogix Group Limited

(Registration number 1998/004519/06)
Share Code: OLG ISIN Code: ZAE 000026399
("OneLogix" or "the group")

HIGHLIGHTS

- **RECORD PERFORMANCE**
- REVENUE UP 95%
- OPERATING PROFIT UP 79%
- NET PROFIT UP 72%
- HEPS UP 42%
- ACQUISITION DELIVERING AHEAD OF EXPECTATIONS



AUDITED ANNUAL FINANCIAL RESULTS FOR THE YEAR ENDED 31 MAY 2008

CONDENSED CONSOLIDATED INCOME STATEMENT

	Audited Year ended 31 May 2008 R'000	Audited Year ended 31 May 2007 R'000
Revenue	**512 531**	263 338
Operating and administration costs	**(424 830)**	(216 416)
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	**87 701**	46 922
Depreciation and amortisation	**(25 288)**	(12 139)
Operating profit	**62 413**	34 783
Finance income	**450**	372
Finance costs	**(12 738)**	(5 487)
Share of associate income	**86**	30
Profit before taxation	**50 211**	29 698
Taxation	**(14 286)**	(8 798)
Net profit	**35 925**	20 900
Attributable to:		
– Minority interest	**7 322**	1 916
– Equity holders of the company	**28 603**	18 984
Net profit	**35 925**	20 900
Number of shares in issue ('000):		
– Total	**210 131**	197 273
– Weighted	**210 131**	197 273
– Diluted	**210 131**	197 273
Basic and headline earnings per share (cents)		
– Basic and fully diluted	**13,6**	9,6
SEGMENTAL ANALYSIS		
Revenue		
Logistics	**490 085**	242 352
Services	**22 446**	20 986
	512 531	263 338
Operating profit		
Logistics	**64 608**	37 223
Services	**7 165**	5 715
Corporate	**(9 360)**	(8 155)
	62 413	34 783
Commitments		
Operating lease commitments (not exceeding five years)	**12 454**	4 194

The group has authorised capital expenditure over the next twelve months of R81,8 million. R27,2 million is already committed.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Audited Year ended 31 May 2008 R'000	Audited Year ended 31 May 2007 R'000
Net cash generated from operations	**41 570**	40 528
Net cash flows from investing activities	**(73 239)**	(72 221)
Net cash flows from financing activities	**22 400**	43 588
Net (decrease)/increase in cash resources	**(9 269)**	11 895
Cash resources at beginning of year	**18 270**	6 375
Cash resources at end of year	**9 001**	18 270

CONDENSED CONSOLIDATED BALANCE SHEET

	Audited At 31 May 2008 R'000	Audited At 31 May 2007 R'000
ASSETS		
Non-current assets	**227 533**	144 396
Property, plant and equipment	**181 450**	123 598
Intangible assets	**45 457**	20 251
Interest in associate	**116**	30
Loans and receivables	**510**	517
Current assets	**92 616**	61 971
Inventories	**3 189**	1 986
Trade and other receivables	**80 426**	41 715
Cash resources	**9 001**	18 270
Total assets	**320 149**	206 367
EQUITY AND LIABILITIES		
Equity	**145 452**	81 635
Ordinary shareholders' funds	**133 091**	79 260
Minority interests	**12 361**	2 375
Liabilities		
Non-current liabilities	**80 686**	62 534
Interest-bearing borrowings	**71 128**	56 553
Deferred tax	**9 558**	5 981
Current liabilities	**94 011**	62 198
Trade and other payables	**61 685**	35 138
Interest-bearing borrowings	**29 473**	20 181
Taxation	**2 853**	6 879
Total equity and liabilities	**320 149**	206 367
Net asset value per share (cents)	**63,3**	40,2
Net tangible asset value per share (cents)	**41,7**	29,9

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Share premium R'000	Retained income R'000	Other reserves R'000	Revaluation reserves R'000	Minority interests R'000	Total R'000
At 31 May 2006	1 973	32 484	25 767	–	–	659	60 883
Profit on sale of shares by the share trust	–	–	–	52	–	–	52
Dividend declared in subsidiary	–	–	–	–	–	(200)	(200)
Net profit	–	–	18 984	–	–	1 916	20 900
At 31 May 2007	1 973	32 484	44 751	52	–	2 375	81 635
Shares issued	128	14 916	–	–	–	–	15 044
Dividends declared in subsidiaries	–	–	–	–	–	(975)	(975)
Minorities acquired on acquisition of subsidiary	–	–	–	–	–	923	923
Revaluation of fixed properties	–	–	–	–	10 184	2 716	12 900
Net profit	–	–	28 603	–	–	7 322	35 925
At 31 May 2008	**2 101**	**47 400**	**73 354**	**52**	**10 184**	**12 361**	**145 452**

COMMENTS

The directors of OneLogix are pleased to present the audited financial results for the year ended 31 May 2008, which represent a record achievement for the group since inception and reflect exceptional growth in all key performance indicators notwithstanding weakened economic conditions.

Basis of preparation

The accounting policies applied in preparation of the audited annual financial statements are consistent with those applied in the audited financial statements for the previous year ended 31 May 2007, save for the change in policy of revaluating properties and not carrying them at cost.

The consolidated audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), *International Accounting Standard (IAS 34)* and the Companies Act (Act 61 of 1973) as amended.

The annual financial results have been audited by PriceWaterhouseCoopers Inc. and their unqualified audit opinion is available for inspection at the registered office of OneLogix.

Review of operations

The group's businesses have outperformed expectations despite challenging trading conditions, particularly in the latter half of the year under review.

Vehicle Delivery Services ("VDS") operates in the vehicle logistics market and is the major driver of group revenue and profitability. During the year VDS continued to capture increasing market share in the contracting local passenger market, reflecting the benefit of past investment in critical components of the value chain such as logistics, IT and systems and people. This has resulted in recognised superior levels of service that helped boost market share despite declining vehicle sales. VDS further maintained its dominance in the cross-border vehicle logistics market.

The strategic decision was taken in September 2007 to leverage existing capability and enter the local commercial vehicle logistics market through Commercial Vehicle Delivery Services (Pty) Limited ("CVDS"). The company specialises in auto logistics of vehicles larger than 3,5 tonnes used for instance in the construction and mining industries, which on account of size must be individually driven rather than moved in bulk aboard carriers.

While escalating fuel prices do affect VDS' and CVDS' margins, increases are provided for contractually with clients bound to absorb these to an extent.

PostNet, a franchised chain of 223 business service outlets for the high growth SME market, sustained its record performance. Processes that more effectively evaluate and secure new business opportunities began in 2004 and are now yielding significant benefits for the business. With a 14 year history of successive growth, PostNet is a defensive asset in OneLogix's portfolio – well established and largely resilient to market cyclicality. The award to PostNet of the distribution rights for Neotel further positions the business for strong growth.

Media Express continued to perform well and retained a substantial share in the price sensitive niche market of express delivery service. The group will continue to investigate integrated initiatives with PostNet as a means to boosting performance.

Press Support and Magscene, the recent acquisitions which began contributing to earnings from June 2007, excelled beyond expectations. These companies distribute upwards of 30 million newspapers and magazines per annum direct to the end user and have strengthened OneLogix's presence in the printed media distribution market. Press Support enjoys a strong foothold at national airports and other tourist gateways, which the company sees as a growth driver in light of an anticipated increase in tourism. Magscene has a spread of titles aimed at the full spectrum of market segments. Focus going forward will be on expanding market share in this major sector and honing operational efficiencies to optimise profitability.

4Logix and Gijima are relatively high revenue, low margin businesses that offer logistics solutions for the rail of bulk commodities to ports throughout South Africa. A number of long-term contracts continue to drive a solid and sustainable performance.

Financial results

Revenue increased by 95% to R512 million from R263 million for the previous year. Operating profit grew by 79% to R62,4 million, representing approximately 12,2% of revenue. Net profit before taxation was up 69% from R29,7 million to R50,2 million. Headline earnings per share ("HEPS") rose by 42% from 9,6 cents to 13,6 cents per share. Included in the depreciation and amortisation charge is an amount of R2,4 million relating to the amortisation of intangibles identified on the acquisition of Press Support. This charge is expected to recur for the next five years.

In spite of increased working capital requirements commensurate with growth in revenue as well as payment of tax (see below), cash flow from operations increased from R40,5 million to R41,6 million. The group invested R65,6 million in infrastructure, of which R54,9 million relates to expansion of the VDS fleet, R5,2 million to IT infrastructure, R3,6 million to storage facilities and R1,9 million to other assets. During the year the cash portion of the purchase price for Press Support of R9,8 million was settled. The infrastructure spend and cash investment in Press Support were financed by cash generated from operations and a R22,4 million increase in interest-bearing borrowings.

As previously announced all tax losses have been utilised and the company is now in a tax-paying position. Taxes of R17,9 million (2007: R2,2 million) were paid during the year.

Property, plant and equipment includes land and buildings, mainly situated in Pomona, Kempton Park and also in Pinetown, Durban. The properties were revalued by independent valuers at year-end to R46,7 million, an increase of R15 million year-on-year. They have been financed at favourable fixed rates over a 10 year period and represent R13,9 million of the group's interest-bearing borrowings at year-end. The properties are accounted for at fair value and any improvements are depreciated over 10-20 years.

Notwithstanding the growth in revenue, the group's debtors days remain satisfactory and in line with prior periods.

BEE dilution

As anticipated and previously announced, the full dilution resulting from the group's BEE transaction was incurred during the year at 11,7%, compared with 5,6% in the previous financial year.

Prospects

The outlook for the year to May 2009 remains positive.

The directors believe the company will post organic growth, even in the face of current economic conditions (see 'Review of operations' above). Proven sustainability during downturns in markets and the economy, established infrastructure, experienced management and exciting growth initiatives should help to achieve this. A focus on highly competitive offerings to growth niche markets is a key strength.

In addition the directors believe that the present market conditions could yield attractive acquisition opportunities to extend the group's offering in current areas of focus and to potentially expand into related growth niche markets. OneLogix will therefore continue to investigate further earnings-enhancing acquisition opportunities.

People

As previously announced on 13 February 2008 a number of changes were effected to the board of OneLogix. Cameron McCulloch, former CFO of OneLogix, was promoted to the newly-created position of COO and Geoff Glass was in turn appointed as the new CFO with effect 1 March 2008. These appointments are proving beneficial for the group. We are also satisfied that the OneLogix businesses are continually enhancing their existing strong management teams and staff in order to deliver on strategic and operational objectives.

We thank our management, employees, business partners, customers, suppliers, business advisors and shareholders for their continued and invaluable support.

By order of the board

Ian Lourens (CEO) **Geoff Glass** (CFO)

20 August 2008

Directors: SM Pityana *(Chairman)**, NJ Bester, AC Brooking*, GM Glass *(CFO)*, AJ Grant*#, IK Lourens *(CEO)*, T Matshazi*, CV McCulloch *(COO)*, JG Modibane*#

** Non-executive director # Independent director*

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Transfer secretaries: Computershare Investor Services (Proprietary) Limited
Ground Floor, 70 Marshall Street, Johannesburg, 2001 (P O Box 61051, Marshalltown, 2107)

Investor relations: Envisage Investor & Corporate Relations

Designated advisor