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

Highlights

- Revenue up **28%**
- Operating profit up **26%** and up **18%** excluding profit on sale of assets
- HEPS up **16%**
- NTAV per share up **24%**
- Cash generated by operations up **46%**
- Cash resources per share up **114%** to 45,4 cents
- Total distribution for the year of 9 cents per share

Audited Condensed Financial Results for the year ended 31 May 2012

Condensed Consolidated Statement of Comprehensive Income

	%	Audited Year ended 31 May 2012 R'000	Audited Year ended 31 May 2011 R'000
Revenue	28	**895 302**	701 710
Operating and administration costs	29	**(757 857)**	(588 669)
Depreciation and amortisation	14	**(44 178)**	(38 911)
Operating profit	26	**93 267**	74 130
Finance income	9	**2 755**	2 519
Finance costs	65	**(11 502)**	(6 958)
Profit before taxation	21	**84 520**	69 691
Taxation	26	**(24 664)**	(19 502)
Profit for the year	19	**59 856**	50 189
Other comprehensive income			
Revaluation of land and building		**–**	1 300
Movement in foreign currency translation reserve		**165**	(38)
Income tax relating to components of other comprehensive income		**–**	(182)
Deferred tax increase due to CGT inclusion rate increase		**(760)**	–
Total comprehensive income for the year	16	**59 261**	51 269
Profit attributable to:			
– Non-controlling interest	(47)	**6 127**	11 492
– Equity holders of the company	39	**53 729**	38 697
	19	**59 856**	50 189
Other comprehensive income attributable to:			
– Non-controlling interest		**–**	227
– Equity holders of the company		**(595)**	853
		(595)	1 080
Total comprehensive income attributable to:			
– Non-controlling interest	(48)	**6 127**	11 719
– Equity holders of the company	34	**53 134**	39 550
	16	**59 261**	51 269
Number of shares in issue ('000):			
– Total issued less treasury shares		**225 658**	202 131
– Weighted		**219 355**	203 789
– Diluted		**223 715**	203 789
Basic and headline earnings per share (cents)			
Basic earnings per share (cents)	29	**24,5**	19,0
Diluted basic earnings per share (cents)	26	**24,0**	19,0
Headline earnings per share (cents)	16	**22,1**	19,0
Diluted headline earnings per share (cents)	14	**21,7**	19,0
Reconciliation between basic and headline earnings			
Basic earnings	39	**53 729**	38 697
(Profit)/loss on disposal of property, plant and equipment less taxation and non-controlling interests		**(5 159)**	1
Headline earnings	26	**48 570**	38 698

Condensed Consolidated Statement of Cash Flows

		Audited Year ended 31 May 2012 R'000	Audited Year ended 31 May 2011 R'000
Net cash generated from operations	46	**119 074**	81 727
Net cash flows from investing activities	(1)	**(91 683)**	(93 045)
Net cash flows from financing activities	(629)	**32 199**	(6 087)
Net increase/(decrease) in cash resources		**59 590**	(17 405)
Cash resources at beginning of the year		**42 791**	60 233
Exchange gain/(loss) on cash resources		**113**	(37)
Cash resources at end of the year	140	**102 494**	42 791

The group has authorised capital expenditure over the next year of R82,5 million. R38,0 million is already committed.

Commitments			
Operating lease commitments (not exceeding five years)		**26 060**	16 097

Condensed Consolidated Statement of Financial Position

	%	Audited At 31 May 2012 R'000	Audited At 31 May 2011 R'000
ASSETS			
Non-current assets		**368 190**	314 502
Property, plant and equipment		**327 555**	274 241
Intangible assets		**31 982**	32 498
Loans and receivables		**6 498**	6 271
Deferred taxation		**2 155**	1 492
Current assets		**238 406**	161 443
Inventories		**14 759**	12 157
Trade and other receivables		**119 210**	105 460
Taxation		**1 943**	1 035
Cash resources		**102 494**	42 791
Total assets		**606 596**	475 945
EQUITY AND LIABILITIES			
Equity		**270 390**	230 272
Ordinary shareholders' funds		**264 498**	200 226
Non-controlling Interests		**5 892**	30 046
Non-current liabilities		**149 277**	106 498
Interest-bearing borrowings		**122 431**	81 286
Deferred tax		**26 846**	21 080
Share-based compensation liability		**–**	4 132
Current liabilities		**186 929**	139 175
Trade and other payables		**136 211**	95 595
Interest-bearing borrowings		**50 017**	41 554
Taxation		**701**	2 026
Total liabilities		**336 206**	245 673
Total equity and liabilities		**606 596**	475 945
Net asset value per share (cents)	18	**117,2**	99,1
Net tangible asset value per share (cents)	24	**103,0**	83,0
Cash resources per share (cents)	114	**45,4**	21,2

		Audited Year ended 31 May 2012 R'000	Audited Year ended 31 May 2011 R'000
SEGMENTAL ANALYSIS			
Revenue			
Specialised transport	31	**768 424**	587 088
Retail	(4)	**28 648**	29 908
Reportable segments		**797 072**	616 996
Other	16	**98 230**	84 714
	28	**895 302**	701 710
Segment results			
Specialised transport	32	**93 422**	70 900
Retail	0	**10 788**	10 776
Reportable segments		**104 210**	81 676
Other	(18)	**7 985**	9 692
Corporate items	10	**(18 928)**	(17 238)
	26	**93 267**	74 130
Unallocated:			
Finance income	9	**2 755**	2 519
Finance costs	65	**(11 502)**	(6 958)
	21	**84 520**	69 691

		Audited At 31 May 2012 R'000	Audited At 31 May 2011 R'000
Total assets			
Specialised transport	18	**480 134**	408 313
Retail	18	**16 723**	14 158
Reportable segments		**496 857**	422 471
Other	13	**39 202**	34 733
Corporate items	310	**66 439**	16 214
Unallocated: Taxation and deferred taxation		**4 098**	2 527
	27	**606 596**	475 945
Total liabilities			
Specialised transport	44	**261 993**	181 555
Retail	19	**8 712**	7 292
Reportable segments		**270 705**	188 847
Other	25	**25 575**	20 443
Corporate items	(7)	**12 379**	13 277
Unallocated: Taxation and deferred taxation	19	**27 547**	23 106
	37	**336 206**	245 673

Condensed Consolidated Statement of Changes in Equity

	Share capital R'000	Share premium R'000	Treasury shares R'000	Retained income R'000	Revaluation reserve R'000	Other reserves R'000	Share-based compen-sation reserve R'000	Foreign currency translation reserve R'000	Trans-actions with non-controlling interests R'000	Non-controlling interests R'000	Total R'000
At 1 June 2010 – audited	2 101	41 096	–	128 456	10 184	52	–	–	–	19 427	201 316
Dividends declared to non-controlling interests	–	–	–	–	–	–	–	–	–	(1 100)	(1 100)
Capital distributions	–	(14 149)	–	–	–	–	–	–	–	–	(14 149)
Specific share repurchase	(80)	(6 720)	–	–	–	–	–	–	–	–	(6 800)
Treasury shares purchased	–	–	(264)	–	–	–	–	–	–	–	(264)
Comprehensive income	–	–	–	38 697	883	–	–	(30)	–	11 719	51 269
At 31 May 2011 – audited	2 021	20 227	(264)	167 153	11 067	52	–	(30)	–	30 046	230 272
Dividends declared to non-controlling interests	–	–	–	–	–	–	–	–	–	(3 265)	(3 265)
Capital distributions and dividends to shareholders	–	(15 526)	–	(4 169)	–	–	–	–	–	–	(19 695)
Non-controlling interest acquired	–	–	–	–	–	–	–	–	(1 501)	1	(1 500)
Conversion of shareholding in BEE consortium	297	41 859	(8 431)	–	2 951	–	4 395	(8)	(9 643)	(27 017)	4 403
Share issue expenses	–	(444)	–	–	–	–	–	–	–	–	(444)
Share-based compensation reserve movement	–	–	–	–	–	–	1 314	–	–	–	1 314
General share repurchase	(2)	(319)	–	–	–	–	–	–	–	–	(321)
Treasury shares disposed	–	–	264	–	–	101	–	–	–	–	365
Comprehensive income	–	–	–	53 729	(760)	–	–	165	–	6 127	59 261
At 31 May 2012 – audited	**2 316**	**45 797**	**(8 431)**	**216 713**	**13 258**	**153**	**5 709**	**127**	**(11 144)**	**5 892**	**270 390**

Comments

The directors of OneLogix are pleased to present the condensed consolidated audited annual financial results for the year ended 31 May 2012 ("the year"), reflecting continued growth driven by the strength of our businesses and their management teams, despite challenging and variable economic conditions.

Basis of presentation

The accounting policies and method of measurement and recognition applied in the preparation of the condensed consolidated audited annual financial statements are consistent with those applied in the audited annual financial statements for the previous year ended 31 May 2011.

The condensed consolidated audited annual financial statements have been extracted from the consolidated annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and are presented in terms of the disclosure requirements set out in International Accounting Standards ("IAS") 34, as well as the AC 500 standards, the JSE Limited Listings Requirements and the requirements of the Companies Act, 2008. Financial Director Geoff Glass CA(SA) was responsible for preparing the consolidated annual financial statements.

The condensed consolidated annual financial statements have been audited by PricewaterhouseCoopers Inc. and their unqualified audit opinion, along with the consolidated annual financial statements which were approved on 27 August 2012, are available for inspection at the registered offices of OneLogix.

Review of operations

In line with its resilient business model the group looks to acquire small entrepreneurial businesses, offering them the benefit of a management platform, which allows them to expand and realise their full potential. At the same time the group continues to focus on expanding the existing businesses. For the second consecutive year growth was entirely organic.

Vehicle Delivery Services ("VDS"), now a mature business, continued to perform well. Careful management of costs and continued investment in optimal fleet and IT infrastructure, facilities, and people contributed to the performance. The trend of stronger revenue growth in the first half of the year was retained.

Commercial Vehicle Delivery Services ("CVDS") encouragingly continued to grow by broadening its customer base with a number of new contracts secured during the year.

RFB Logistics ("RFB") and OneLogix Projex exceeded expectations, capitalising on expanded fleet and upgraded administrative processes. A broad customer base in the abnormal and general freight markets, supported by recognised service excellence, continues to stand the business in good stead. The results of these two operations are reported together with VDS and CVDS in the Specialised transport reportable segment.

Atlas Panelbeaters ("Atlas") continued to build on its reputation of good customer service in a difficult market.

PostNet made good progress despite the loss of the annuity income-generating Fax2E-mail service earlier in the year. PostNet remains a valuable contributor to the group with strong reliable annuity income and high margins. The business continues to evaluate new opportunities. The PostNet results are reported in the Retail reportable segment.

Magscene performed well despite margin squeeze from a weakening exchange rate. The business continues to capture increasing market share.

Due to the growth in the group's logistics and transport operations, the group reassessed its reportable segments. The Automotive and Abnormal segment has been renamed, Specialised transport, and includes the results of VDS, CVDS, RFB and OneLogix Projex which are all operations specialising in logistics and transport. The comparative information has been updated accordingly. The other reconciling item includes the results of Magscene and Atlas as these operating segments do not meet the quantitative thresholds for separate reporting.

Financial results

Group revenue grew organically by 28% from R701,7 million to R895,3 million for the year.

Excluding the impact of higher fuel prices which were passed on to customers, revenue increased 23% from the previous year to R864,0 million.

Operating profit increased 26% from R74,1 million to R93,3 million. Excluding profit on sale of assets, operating profit increased by 18% to R87,3 million. Operating margins (excluding profit on sale of assets and recovery of fuel price increases from the customer base) were largely in line with the previous year at 10,1% (May 2011: 10,6%). Strict cost control measures are in place to counter cost pressures on significant cost items for the group.

Net finance costs increased by 98% from R4,4 million to R8,7 million, due to finance costs previously capitalised relating to the development of the Cape Town vehicle facility (completed June 2011) and the group's increased property portfolio in Gauteng and KwaZulu-Natal.

Notwithstanding difficult trading conditions it is encouraging that headline earnings per share ("HEPS") rose 16% from 19,0 cents to 22,1 cents.

Earnings per share ("EPS") rose 29% from 19,0 cents to 24,5 cents, boosted by the capital profit realised from the disposal of a group property in KwaZulu-Natal.

Diluted HEPS and EPS are lower than their respective undiluted measures due to the dilutionary effect of the shares held by the employee BEE Trust as treasury shares.

A concerted effort in working capital management resulted in cash flow from operations growing by 46% from R81,7 million to R119,1 million.

During the period the group invested R120,0 million in operational infrastructure as follows: R76,9 million for fleet; R34,1 million for property developments; R5,7 million for IT infrastructure; and R3,2 million for other assets. Net proceeds on disposal of tangible assets raised R29,1 million. A further investment of R1,5 million in OneLogix Projex increased the group's shareholding from 70% to 80%.

New interest-bearing borrowings of R106,3 million were raised during the period, offset against the repayment of interest-bearing borrowings of R56,7 million. Capital distributions and dividends paid to shareholders during the period amounted to R19,7 million.

Cash resources at the reporting date of R102,5 million increased by 140% from R42,8 million.

Conversion of shareholding

As previously announced on 14 September 2011, in order to align the interests of Izingwe Holdings (Pty) Limited ("Izingwe") more directly with the interests of other shareholders, the company exercised its right to trigger a conversion of shares held by Izingwe and the OneLogix BEE Trust to listed shares in the group with effect from 8 September 2011. As a result Izingwe and the OneLogix BEE Trust now own 10,25% and 2,56%, respectively, of the group's issued ordinary share capital. The OneLogix BEE Trust holds shares on behalf of employees who will receive these shares unconditionally upon vesting in November 2013.

Share repurchase

As announced on 30 November 2011, the company had entered into a share repurchase programme during the prohibited period effective 1 December 2011. OneLogix was entitled to purchase shares up to a maximum aggregate value of R10 million that could not be repurchased at a price greater than the lower of R1,45 per share or 10% above the volume weighted average trading price of the company's shares over the five trading days preceding any particular repurchase. 223 550 shares, totalling R321 249, were subsequently repurchased.

Capital distribution No. 6

Shareholders are advised that a final distribution of 4,5 cents per share (May 2011: 4,0 cents per share) has been declared, by way of a capital reduction out of the share premium account. This takes the total distribution for the year to 9,0 cents per share (2011: 8,0 cents per share). The capital distribution will be paid from contributed tax capital and as such does not constitute a dividend for taxation purposes.

The salient dates in respect of the distribution are as follows:

	2012
Last day to trade *cum* distribution on	Friday ,14 September
Shares will trade *ex* distribution from	Monday, 17 September
Record date	Friday, 21 September
Payment of distribution	Tuesday, 25 September

Shareholders may not de-materialise or re-materialise their shares between Monday, 17 September 2012 and Friday, 21 September 2012, both dates inclusive.

OneLogix will continue to assess the payment of interim and final distributions in light of earnings, after providing for long-term growth and cash/debt resources, the amount of reserves available using going concern assessment, and covenants of banking facilities providers.

Post year-end events

The company invested in a 55% shareholding in Quasar Software Developments (Pty) Ltd (trading as QSA) effective 1 June 2012 for R1,5 million. The majority of the purchase price is attributable to goodwill and intangible assets. The final purchase price allocation will be completed before 31 May 2013. By acquiring control of QSA, OneLogix has ensured the sustainability of this transport specific accounting software, which is integral to all four group companies in the Specialised transport sector. The company will enhance the QSA software packages and seek to realise its full market potential.

Prospects

The group has a proven mix of businesses, each well positioned to take advantage of growth opportunities in their respective market segments even given the difficult trading conditions expected to prevail in the medium term. OneLogix also has a healthy cash reserve available for appropriate earnings-enhancing acquisitions in line with the business model.

People

We remain appreciative that our quality management and employees continue to perform at the highest levels of excellence. We believe that the enabling culture within the group facilitates this delivery by continually encouraging and empowering our people to fully realise their potential.

We welcome Lesego Sennelo to the board and look forward to her valued contribution. She was appointed as an independent non-executive director with effect from 25 July 2012 and as a member of the Audit & Risk and Social & Ethics Committees with effect from 20 August 2012. Debbie Hirschowitz resigned from the Audit & Risk Committee with effect from 20 August 2012.

We further thank our business partners, customers, suppliers, business advisors and shareholders for their ongoing invaluable support.

By order of the board

Ian Lourens — *CEO*
Geoff Glass — *Financial Director*

27 August 2012

Directors: SM Pityana *(Chairman)**, AB Ally* *(Alternate: DA Hirschowitz)*, NJ Bester, AC Brooking*, GM Glass *(FD)*, AJ Grant*#, IK Lourens *(CEO)*, CV McCulloch *(COO)*, JG Modibane*#, LJ Sennelo*#
**Non-executive #Independent*
Registered office: 46 Tulbagh Road, Pomona, Kempton Park (Postnet Suite 10, Private Bag X27, Kempton Park, 1620)
Company Secretary: Probity Business Services (Pty) Limited, Third Floor, The Mall Offices, 11 Cradock Avenue, Rosebank, 2196
Transfer secretaries: Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107)

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