



## OneLogix Group Limited

(Registration number 1998/004519/06)  
Share Code: OLG ISIN Code: ZAE000026399  
("OneLogix" or "the group")

## HIGHLIGHTS

- REVENUE UP 57%
- OPERATING PROFIT UP 74%
- HEPS UP 23%
- CASH GENERATED FROM OPERATIONS UP 92%

### AUDITED ANNUAL FINANCIAL RESULTS FOR THE YEAR ENDED 31 MAY 2007

#### CONDENSED CONSOLIDATED INCOME STATEMENT

	Audited Year ended 31 May 2007 R'000	Audited Year ended 31 May 2006 R'000
Revenue	263 338	167 890
Operating and administration costs	(216 416)	(142 525)
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	<b>46 922</b>	<b>25 365</b>
Depreciation and amortisation	(12 139)	(5 360)
<b>Operating profit</b>	<b>34 783</b>	<b>20 005</b>
Finance income	372	240
Finance costs	(5 487)	(2 027)
<b>Profit before taxation</b>	<b>29 668</b>	<b>18 218</b>
Taxation	(8 798)	(2 377)
Share of associate income	30	–
<b>Net profit</b>	<b>20 900</b>	<b>15 841</b>
<i>Attributable to:</i>		
– Minority interest	1 916	460
– Equity holders of the company	18 984	15 381
<b>Net profit</b>	<b>20 900</b>	<b>15 841</b>
Number of shares in issue ('000):		
– Total	197 273	197 273
– Weighted	197 273	197 273
– Diluted	197 273	197 273
<b>Basic and headline earnings per share (cents)</b>		
– Basic and fully diluted	9,6	7,8
<b>SEGMENTAL ANALYSIS</b>		
<b>Revenue</b>		
Logistics	242 352	149 923
Services	20 986	17 967
	263 338	167 890
<b>Operating profit</b>		
Logistics	37 223	21 480
Services	5 715	4 448
Corporate	(8 155)	(5 923)
	34 783	20 005
<b>Commitments</b>		
Operating lease commitments (not exceeding five years)	3 992	827

The group has authorised capital expenditure over the next twelve months of R50 million. R22 million is already committed.

#### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Audited Year ended 31 May 2007 R'000	Audited Year ended 31 May 2006 R'000
Net cash generated from operations	40 528	21 107
Net cash flows from investing activities	(72 221)	(38 350)
Net cash flows from financing activities	43 588	17 548
<b>Net increase in cash resources</b>	<b>11 895</b>	<b>305</b>
Cash resources at beginning of year	6 375	6 070
Cash resources at end of year	18 270	6 375

#### CONDENSED CONSOLIDATED BALANCE SHEET

	Audited at 31 May 2007 R'000	Audited at 31 May 2006 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>144 396</b>	<b>84 113</b>
Property, plant and equipment	123 598	63 661
Intangible assets	20 251	19 919
Interest in associate	30	–
Loans and receivables	517	533
<b>Current assets</b>	<b>61 971</b>	<b>33 440</b>
Inventories	1 986	2 310
Trade and other receivables	41 715	24 755
Cash resources	18 270	6 375
<b>Total assets</b>	<b>206 367</b>	<b>117 553</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>81 635</b>	<b>60 883</b>
Ordinary shareholders' funds	79 260	60 224
Minority interests	2 375	659
<b>Liabilities</b>		
<b>Non-current liabilities</b>	<b>62 534</b>	<b>28 648</b>
Interest-bearing borrowings	56 553	24 381
Deferred tax	5 981	4 267
<b>Current liabilities</b>	<b>62 198</b>	<b>28 022</b>
Trade and other payables	35 138	17 287
Interest-bearing borrowings	20 181	8 765
Taxation	6 879	1 970
<b>Total equity and liabilities</b>	<b>206 367</b>	<b>117 553</b>
Net asset value per share (cents)	40,2	30,5
Net tangible asset value per share (cents)	29,9	20,4

#### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Retained income	Other reserves	Minority interests	Total
At 1 June						
2005	1 973	32 619	10 386	–	199	45 177
Share issue expenses	–	(135)	–	–	–	(135)
Net profit	–	–	15 381	–	460	15 841
At 31 May						
2006	1 973	32 484	25 767	–	659	60 883
Profit on sale of shares by the staff 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

## COMMENTS

The directors of OneLogix Group Limited ("OneLogix" or "the company") are pleased to present the audited annual financial results for the year ended 31 May 2007 ("the year").

#### Basis of presentation

OneLogix adopted International Financial Reporting Standards ("IFRS") for the previous financial year ended 31 May 2006 ("the previous year"). IFRS has accordingly been consistently applied for the year.

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 continue to perform well across the board:

**Vehicle Delivery Services ("VDS")** remains the group's stellar performer. VDS' growth strategy implemented over the past few years continues to drive a superior performance in the cross-border as well as the local auto-logistics markets. The strategy has been furthered by continued investment in fleet expansion, facilities, IT software, people, improved management efficiency and the culture within the company. This has enabled VDS to grow its existing business base and significantly expand its market share.

**PostNet**, a franchised chain of 218 business service outlets which serve the high growth SME market, has delivered another good performance. The successful revitalisation of the PostNet brand over the past two years has built a solid platform for future growth.

**Media Express** performed well to retain a substantial market share in the price sensitive niche market of express printed media delivery. The company successfully expanded its product range during the year by leveraging synergies within its regional network and within PostNet's services offering including excess baggage and same-day courier services.

**4Logix and Gijima** performed well, led by a skilled management team. Long-term contracts of a high revenue, low margin nature offer solid growth prospects. The business provides logistics solutions for the rail of bulk commodities to ports throughout South Africa.

#### Acquisition

As previously announced on 26 June 2007 OneLogix has acquired Press Support – a newspaper and magazine distribution company. This is a complementary business to Media Express and expands OneLogix's established footprint in the printed media distribution market.

#### Financial results

Revenue for the group increased by 57% from R168 million to R263 million. Operating profit grew by 74% to R34,8 million, representing approximately 13% of revenue. Net profit before tax was up 63% from R18,2 million to R29,7 million. Headline earnings per share rose by 23% from 7,8 cents per share to 9,6 cents per share.

The group's effective tax rate is now more representative of the future tax rate at 30% (2006: 13%).

Despite the increased working capital requirements commensurate with growth in revenue, cash generated from operations increased from R21,1 million to R40,5 million which again underpinned earnings. The group invested a total of R72,2 million in infrastructure. Approximately R12,8 million was allocated to vehicle storage facilities, R3,7 million to IT infrastructure, R54,6 million to the expansion of the VDS fleet and R1,1 million to other

assets. The infrastructure spend was financed by cash generated from operations and a R43,6 million increase in interest-bearing borrowings.

As all previous tax losses are now fully reversed, the group will be in a tax-paying position in 2008 and anticipates that cash flows generated from operations will accordingly reduce in relation to earnings in the new financial year.

Property, plant and equipment includes land and buildings, mainly situated in Pomona, Kempton Park at a cost of R30 million and also in Pinetown, Durban at a cost of R4,7 million. These properties were financed at favourable fixed rates over a 10 year period and represent R14,9 million of the group's interest-bearing borrowings at year-end. These properties are accounted for at cost and any improvements are amortised over 10-20 years.

#### BEE

The interim results for the six months ended 30 November 2006, as published on 7 February 2007, set out the impact on attributable earnings of the group's BEE deal in terms of which 25,1% of earnings is attributable to the group's BEE partners. In the first half of the year this was not accounted for as the historical accumulated loss which had resided in the group's main operating subsidiary, OneLogix (Pty) Limited, had not been completely reversed. Following complete reversal in the second half of the year, OneLogix accounted for the impact of the BEE transaction on attributable earnings, which will continue going forward. The effective impact for the year was a reduction in attributable earnings of 5,6%. Had the group been required to account for the impact for the full year, there would have been a reduction in attributable earnings of approximately 16%.

#### Prospects

The outlook for the year ahead to May 2008 remains positive.

The directors believe that organic growth will be the key driver of the group's growth in the year ahead. This should be sustainable over the medium to long-term as a result of the group's strategic positioning in lucrative niche markets and skilled management with a customer-centric approach and strong execution of operational and business processes.

VDS in particular will enjoy the full benefit of major local market contracts, certain of which became operational late in the year and others of which will become operational in September 2007, after year-end. In addition the recently acquired Press Support business will contribute towards earnings for a full year with effect from June 2007.

OneLogix will also continue to investigate further earnings-enhancing acquisitive opportunities.

#### People

We are satisfied that OneLogix is continually enhancing its strong management team to deliver well on strategic and operational objectives.

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

By order of the board

Ian Lourens (CEO)

21 August 2007

Cameron McCulloch (Financial Director)

**Directors:** SM Pityana (Chairman)\*, NJ Bester, AC Brooking\*, AJ Grant\*#, IK Lourens (CEO), T Matshazi\*, CV McCulloch (Financial Director), JG Modibane\*#.

\* Non-executive director # independent director

**Registered office:** 46 Tulbagh Road, Pomona, Kempton Park (PO Box 85392, Emmarentia, 2029)

**Company secretary:** Probity Business Services (Proprietary) Limited, Third Floor, JHI House, 11 Cradock Avenue, Rosebank 2196

**Transfer secretaries:** Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107)



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