CargoCarriers

(Registration number 1959/003254/06)

Reviewed results for the year ended 29 February 2008 and Dividend Announcement

consolidated income statement

	2008 R'000	2007 R'000
Revenue	**419,587**	424,849
Other revenue	**5,507**	4,178
Interest income	**4,366**	5,093
Operating and administration costs	**(373,353)**	(372,964)
Depreciation	**(23,628)**	(25,124)
Profit/(Loss) on disposal of tangible assets	**380**	(751)
Loss on disposal of investment in subsidiary	**(1,282)**	-
Adjustments to value of assets	**38,953**	15,710
Impairment of Zimbabwe operations	**(6,364)**	-
Income/(losses) from associates and joint venture	**1,558**	(1,149)
Profit from operating activities	**65,724**	49,842
Finance costs	**(15,413)**	(10,382)
Profit before taxation	**50,311**	39,460
Taxation	**(9,510)**	(10,192)
Profit of the group for the year	**40,801**	29,268
Attributable to:		
Equity holders of the parent	**40,032**	28,912
Minority interests	**769**	356
Profit for the year	**40,801**	29,268

financial information

	2008 R'000	2007 R'000
Dividend per share (cents)		
- interim declared during the year	**9.5**	9.5
- final declared after year end	**9.0**	9.0
Total dividends	**18.5**	18.5
Earnings per share (cents)	**206.3**	149.0
Adjustments:		
- (Profit)/Loss on sale of tangible assets	**(1.4)**	2.8
- Loss on disposal of investment in subsidiary	**4.7**	-
- Write up of investment property to fair value	**(172.7)**	(69.2)
- Impairment of Zimbabwe operations	**32.8**	0.5
Headline earnings per share (cents)	**69.7**	83.1
Borrowings		
Capacity utilised (%)	**58.7**	39.8
Total net borrowing capacity (R'000)	**141,959**	119,075
Capital commitments (R'000)	**12,221**	3,286
Net asset value per share (cents)	**1,463**	1,215
Ordinary shares in issue		
(closing and weighted average) (R'000)	**19,406**	19,406

consolidated balance sheet

	2008 R'000	2007 R'000
Non-current assets		
Tangible assets	**283,093**	325,382
Deferred taxation	**2,008**	143
Investments in associates	**7,736**	2,576
Investment in joint venture	**10,533**	9,617
Non-current assets held for sale	**95,000**	-
Current assets		
Trade and other receivables	**77,630**	56,100
Taxation	**7,770**	1,753
Cash and cash equivalents	**14,949**	51,691
	498,719	447,262
Equity		
Ordinary shareholders' interest	**283,919**	235,773
Minority shareholders' interest	**-**	2,377
Non-current liabilities		
Deferred taxation	**54,008**	42,558
Interest-bearing long-term loans	**70,966**	73,226
Current liabilities		
Trade and other payables	**62,535**	67,488
Short-term portion of interest-bearing borrowings	**27,291**	25,840
	498,719	447,262

consolidated cashflow statement

	2008 R'000	2007 R'000
Operating profit after non-cash flow items	**51,173**	52,535
Decrease/(Increase) in working capital	**(26,654)**	7,531
Cash generated by operations	**24,519**	60,066
Interest received	**4,366**	5,093
Finance costs paid	**(15,413)**	(10,382)
Dividends paid	**(3,590)**	(6,210)
Taxation paid	**(9,607)**	(12,793)
Cash inflow from operating activities	**275**	35,774
Net cash inflow/(outflow) from financing activities	**19,650**	41,665
Net cash flow from investing activities	**(56,667)**	(75,903)
- Disposal of investment in subsidiary	**48**	-
- Investment in associate	**(1,560)**	-
- Increase in loan to joint venture and associates	**(167)**	(7,694)
- Replacement of tangible assets	**(57,602)**	(78,141)
- Proceeds on sale of tangible assets	**2,614**	9,932
Cash generated/(utilised) during period	**(36,742)**	1,536
Net cash at beginning of period	**51,691**	50,155
Net cash at end of period	**14,949**	51,691

segmental analysis

	2008 R'000	2007 R'000
Revenue		
Industrial	**261,062**	237,394
Agricultural	**124,994**	155,376
Consumer	**9,481**	10,464
Aviation	**2,988**	-
Supply chain services	**22,453**	23,209
Property	**4,116**	2,584
	425,094	429,027
Profit from operating activities		
Industrial	**39,086**	36,705
Agricultural	**(7,855)**	1,068
Consumer	**(217)**	(744)
Aviation	**75**	-
Supply chain services	**(4,318)**	(2,897)
Property	**38,953**	15,710
	65,724	49,842

consolidated statement of changes in equity

	Share Capital	Non-Distributable reserves	Distributable reserves	Other reserves	Total
Opening balance 1 March 2006	194	37,142	162,602	-2,663	197,275
Revaluation of tangible assets		13,233			13,233
Transferred to deferred taxation		-3,837			-3,837
Foreign currency translation reserve				3,940	3,940
Prior year adjustment			2,460		2,460
Transfers between reserves		13,432	-13,432		-
Profit for the period			28,912		28,912
Dividends paid during the year			-6,210		-6,210
	194	**59,970**	**174,332**	**1,277**	**235,773**
Opening balance 1 March 2007	194	59,970	174,332	1,277	235,773
Revaluation of tangible assets		15,474			15,474
Transferred to deferred taxation		-4,487			-4,487
Foreign currency translation reserve				717	717
Prior year adjustment					-
Transfers between reserves		33,305	-33,305		-
Profit for the period			40,032		40,032
Dividends paid during the year			-3,590		-3,590
	194	**104,262**	**177,469**	**1,994**	**283,919**

commentary

Review

The company's results for the year were mixed. The surge in the commodity based industries and in property values have resulted in record earnings per share for the company, an increase of 38% from last year. This is tempered by the agricultural operations which incurred far higher operating costs through moving sugar cane from wet fields as a result of the untimely rains.

The impairment of the assets of the Zimbabwe subsidiary in view of the uncertainties in that country resulted in a charge to the income statement of R6.4 million.

The agreed final tranche of equity in the empowerment company Buhle Betfu Holdings (Pty) Ltd was sold to the empowerment partners, making this company a Black owned transporter. This sale resulted in the deconsolidation of that company from the Cargo Carriers results and being accounted for as an associate. This has decreased reported revenue and profits.

The rise in interest rates and the increase in borrowings have resulted in an increase in the interest charge.

The sale of the letting enterprise and its property within Cargo Carriers Workshop Property (Pty) Ltd is expected to be concluded in the new financial year. Delays have been experienced with the finalisation of the application to the Competitions Commission.

Prospects

The strategic positioning of the company in the commodity transport area continues to be beneficial and the current year's agricultural outlook is positive. Consequently prospects for the coming year are favourable.

Dividend Declaration

A final dividend (no. 34) of 9.0 (2007:9.0) cents per share has been declared to shareholders recorded in the books of the company at the close of business on Friday, 20 June 2008. The last date to trade cum dividend will be Thursday, 12 June, 2008 and the shares will trade ex dividend from the commencement of business on Friday, 13 June 2008. The dividend will be paid on Monday, 23 June, 2008. Share certificates may not be dematerialised/rematerialised between Friday, 13 June 2008 and Friday, 20 June 2008, both days inclusive.

accounting policies

The financial results to year end February 2008 have been prepared in accordance with IAS 34, the requirements of the South African Companies Act, Act 61 of 1973, and the Listing Requirements of the JSE Limited.

The accounting policies applied in the current year are consistent with prior years.

restatement of prior year figures

The comparative figures for other revenue and the investment in the joint venture have been changed. This is due to the reclassification between other revenue and operating and administration costs of rental income earned by investment property as well as the amount owing by the joint venture partner that was reflected in trade receivables in the prior period being reallocated to the equity accounted investment. These changes have also effected the classification of certain items in the cashflow statement in the prior year between working capital changes and investment in joint ventures.

independent auditor's report

These results have been reviewed by Ernst & Young and their review opinion is available on request from the company secretary at Cargo Carriers Limited's registered office. The Group's annual report will be available by the end of May 2008.

Registered Office
140 North Reef Road, Elandsfontein, 1406

Transfer Secretaries
Computershare Investor Services 2004 (Proprietary) Limited
70 Marshall Street, Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Website
www.cargocarriers.co.za

Cargo Carriers Limited
Registration number:1959/003254/06
Incorporated in the Republic of South Africa
("Cargo Carriers" or " the company")
JSE Share code: CRG ISIN Code: ZAE000001764

By order of the board
MJ Bolton
Company Secretary
13 May 2008

Directors
S G Chilvers (Chairman), G D Bolton,
M J Bolton, A E Franklin, B B Fraser, V Raseroka

Sponsor ARCAY MOELA
Arcay Moela Sponsors (Pty) Limited
Registration number 2006/033725/07

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