



# Reviewed Condensed Consolidated Interim Results

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

## Our mission

To enable the competitiveness, growth and development of the South African economy by delivering reliable freight transport and handling services that satisfy customer demand.

## Our vision

To meet customer demand for reliable freight transport and handling services through:

- Fully integrating and maximising the use of our unique set of assets
- Continuously driving cost efficiencies
- A demonstrated concern for sustainability in everything we do.

## Income statement

	6 months ended 30 September 2011 Reviewed	6 months ended 30 September 2010 Restated	12 months ended 31 March 2011 Audited
<b>For the period ended</b> (in Rand million)			
<b>Continuing operations</b>			
Revenue	22 438	18 654	37 952
Net operating expenses excluding depreciation and amortisation	(13 014)	(11 233)	(22 189)
<b>Profit from operations before depreciation, amortisation and items listed below (EBITDA)</b>	<b>9 424</b>	<b>7 421</b>	<b>15 763</b>
Depreciation and amortisation	(3 933)	(3 485)	(7 184)
<b>Profit from operations before the items listed below:</b>	<b>5 491</b>	<b>3 936</b>	<b>8 579</b>
Impairment of assets	(335)	(430)	(537)
Post-retirement benefit obligation income/(expense)	77	(4)	(155)
Fair value adjustments	(83)	298	625
(Loss)/income from associates and joint ventures	(4)	49	58
<b>Profit from operations before net finance costs</b>	<b>5 146</b>	<b>3 849</b>	<b>8 570</b>
Finance costs	(2 166)	(1 707)	(3 439)
Finance income	276	273	561
<b>Profit before taxation</b>	<b>3 256</b>	<b>2 415</b>	<b>5 692</b>
Taxation	(917)	(652)	(1 508)
<b>Profit for the period from continuing operations</b>	<b>2 339</b>	<b>1 763</b>	<b>4 184</b>
<b>Discontinued operations</b>			
Loss from discontinued operations, including loss on disposal of discontinued operations and impairments	(21)	(27)	(71)
<b>Profit for the period</b>	<b>2 318</b>	<b>1 736</b>	<b>4 113</b>

## Statement of comprehensive income

	6 months ended 30 September 2011 Reviewed	6 months ended 30 September 2010 Restated	12 months ended 31 March 2011 Audited
<b>For the period ended</b> (in Rand million)			
<b>Profit for the period</b>	<b>2 318</b>	<b>1 736</b>	<b>4 113</b>
<b>Other comprehensive income</b>	<b>1 079</b>	<b>2 381</b>	<b>8 545</b>
Exchange differences on translation of foreign operations	-	-	(6)
Gains on revaluation	1 170	2 707	8 690
Cash flow hedges	135	(139)	65
Actuarial loss on post-retirement benefit obligations	(226)	(187)	(204)
Taxation relating to components of other comprehensive income	(318)	(608)	(2 339)
Other comprehensive income for the year, net of taxation	761	1 773	6 206
<b>Total comprehensive income for the period</b>	<b>3 079</b>	<b>3 509</b>	<b>10 319</b>

## Statement of cash flows

	6 months ended 30 September 2011 Reviewed	6 months ended 30 September 2010 Reviewed	12 months ended 31 March 2011 Audited
<b>For the period ended</b> (in Rand million)			
<b>Cash flows from operating activities</b>	<b>6 241</b>	<b>4 837</b>	<b>13 159</b>
Cash generated from operations	9 984	7 946	16 159
Security of supply petroleum levy	328	328	1 315
Changes in working capital	(2 040)	(934)	792
Cash generated from operations after changes in working capital	8 272	7 340	18 266
Finance costs	(2 158)	(1 719)	(3 428)
Finance income	276	273	466
Taxation refunded/(paid)	317	(643)	(1 379)
Settlement of post-retirement benefit obligations	(131)	(178)	(268)
Derivatives settled and raised	(335)	(236)	(498)
<b>Cash flows utilised in investing activities</b>	<b>(4 502)</b>	<b>(4 783)</b>	<b>(10 423)</b>
Investments to maintain operations	(5 714)	(6 138)	(12 730)
Investments to expand operations	(186)	(30)	135
Changes in investments, loans, advances and other investing activities	(2 852)	3 751	12 791
<b>Cash flows (utilised in)/from financing activities</b>	<b>1 901</b>	<b>7 605</b>	<b>18 418</b>
Borrowings raised	(4 753)	(3 854)	(5 627)
Borrowings repaid	(7 013)	(2 363)	2 932
Net (decrease)/increase in cash and cash equivalents	10 876	7 944	7 944
Cash and cash equivalents at the beginning of the period	3 863	5 581	10 876
<b>Total cash and cash equivalents at the end of the period</b>	<b>14 742</b>	<b>13 525</b>	<b>18 820</b>

## Statement of changes in equity

	Issued capital	Revaluation reserve	Foreign currency translation reserve	Actuarial gains and losses	Cash flow hedging reserve	Other reserve	Retained earnings	Total
<b>For the period ended</b> (in Rand million)								
Opening balance as at 1 April 2010	12 661	22 319	25	2 495	(79)	249	25 677	63 347
Restated comprehensive income for the period (net of taxation)	-	2 008	-	(135)	(100)	-	1 736	3 509
Comprehensive income for the period as previously reported	-	2 001	-	(135)	(100)	-	1 707	3 473
Deferred taxation adjustment on revaluations	-	(24)	-	-	-	-	6	(18)
Deferred taxation adjustment on investment property	-	31	-	-	-	-	23	54
<b>Restated balances as at 30 September 2010</b>	<b>12 661</b>	<b>24 327</b>	<b>25</b>	<b>2 360</b>	<b>(179)</b>	<b>249</b>	<b>27 413</b>	<b>66 856</b>
Comprehensive income for the period	-	4 304	(6)	(12)	147	-	2 377	6 810
Transfer to retained earnings	-	(84)	-	-	-	-	84	-
<b>Balances as at 31 March 2011</b>	<b>12 661</b>	<b>28 547</b>	<b>19</b>	<b>2 348</b>	<b>(32)</b>	<b>249</b>	<b>29 874</b>	<b>73 666</b>
Comprehensive income for the period	-	837	-	(162)	86	-	2 318	3 079
Transfer to retained earnings	-	(18)	-	-	-	-	18	-
<b>Balances as at 30 September 2011</b>	<b>12 661</b>	<b>29 366</b>	<b>19</b>	<b>2 186</b>	<b>54</b>	<b>249</b>	<b>32 210</b>	<b>76 745</b>

## Segment information

	Transnet Freight Rail			Transnet Rail Engineering			Transnet National Ports Authority			Transnet Port Terminals			Transnet Pipelines			Total reportable segments			Other*			Total Transnet		
	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited	6 months ended 30 Sept 2011 Reviewed	6 months ended 30 Sept 2010 Restated	12 months ended 31 March 2011 Audited
<b>For the period ended</b> (in Rand million)																								
Internal revenue	13 056	10 624	22 310	524	267	661	4 043	3 853	7 343	3 544	3 046	6 349	1 052	668	1 128	22 219	18 458	37 791	219	196	161	22 438	18 654	37 952
External revenue	143	133	297	4 500	4 060	8 665	417	358	718	1	1	2	1	1	1	5 062	4 553	9 683	(5 062)	(4 553)	(9 683)	-	-	-
<b>Total revenue</b>	<b>13 199</b>	<b>10 757</b>	<b>22 607</b>	<b>5 024</b>	<b>4 327</b>	<b>9 326</b>	<b>4 460</b>	<b>4 211</b>	<b>8 061</b>	<b>3 545</b>	<b>3 047</b>	<b>6 351</b>	<b>1 053</b>	<b>669</b>	<b>1 129</b>	<b>27 281</b>	<b>23 011</b>	<b>47 474</b>	<b>(4 843)</b>	<b>(4 357)</b>	<b>(9 522)</b>	<b>22 438</b>	<b>18 654</b>	<b>37 952</b>
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	4 877	3 677	8 144	600	547	1 151	3 363	3 235	5 866	1 247	1 078	2 188	792	418	697	10 879	8 955	18 046	(1 455)	(1 534)	(2 283)	9 424	7 421	15 763
Total assets***	59 997	49 954	55 466	7 507	6 465	6 944	62 245	54 218	60 956	13 024	13 197	12 856	22 201	15 862	19 355	164 974	139 696	155 577	5 070	6 731	11 201	170 044	146 427	166 778
Total liabilities***	34 217	30 422	33 925	4 478	3 702	3 802	33 237	26 723	29 850	6 754	7 626	6 637	12 699	11 893	13 530	91 385	80 366	87 744	2 145	(315)	5 651	93 530	80 051	93 395
Capital expenditure**	6 122	5 335	12 542	214	91	532	694	1 037	2 031	361	594	866	2 440	3 260	6 077	9 831	10 317	22 048	(283)	(70)	(544)	9 548	10 247	21 504
Cash generated from operations after changes in working capital	4 386	2 708	7 660	376	646	1 588	3 440	2 946	6 770	1 230	965	2 424	707*	542*	3 450*	10 139	7 807	21 892	(1 867)	(467)	(3 626)	8 272	7 340	18 266

\* Other includes other segments, inter-unit eliminations and consolidation adjustments.  
\*\* Capital expenditure excludes the effects of borrowing costs, includes capitalised finance leases and capitalised decommissioning liabilities.  
\*\*\* Excludes assets and liabilities held-for-sale.  
# Includes an amount of R328 million (2010: R328 million, 31 March 2011: R1 315 million) relating to the security of supply petroleum levy on the NMPP.

