Hard roads for Cargo Carriers

By Edward West

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Cargo Carriers (CRG) raised its dividend 76.5% for the year to February after its logistics and transport related operations performed well in an operating environment of low economic growth and industrial relations interruptions.

A final cash dividend of 20c (2012: 8c) per share was declared after headline earnings per share rose to 108.8c from 60.7c last year.

The total dividends for the year came to 30c compared with just 17c in the previous financial year.

The acquisition of a 55% shareholding in Buks Haulage in Zambia had contributed largely to the 21.5% increase in revenue to R721.3m.

Increases in the administration, employment and depreciation costs reflected the effect of the consolidation of Buks Haulage into the group results.

Group profit for the year amounted to R26.1m compared with R12.9m last year. The industrial division reported increases in both revenue and profits.

The loss in the agricultural division was greater than last year and it was in this division that a large amount of debtor provisioning had been affected.

"The operations in the agricultural segment are under continuous scrutiny and review," the company said. The loss before finance income and costs from the agriculture segment widened to R16.6m from R10.6m.

The supply chain services segment was also negatively affected by debtor provisions and its loss before finance income and cost increased from R5,4m to R10.7m.

Profits were up from the property segment, rising from R8,6m to R14.3m.

"The increase in headline earnings per share reflects the improved quality of earnings within the business coupled with growth initiatives being successfully implemented," the company said.