

share (cents)	1,8	1,7	2,6
Headline earnings per ordinary share (cents)	1,8	1,7	2,6
Fully diluted headline earnings per ordinary share (cents)	1,8	1,7	2,6

Determination of headline earnings

There are no adjustments to profit for period in order to determine headline earnings.

Group statement of changes in equity

	Unaudited six months 31 March 2007 R'000	Unaudited six months 31 March 2006 R'000	Audited year end 30 September 2006 R'000
Ordinary share capital			
Balance at the beginning of period	7 183	7 182	7 182
Issued during the period	1	1	1
Balance at the end of period	7 184	7 183	7 183
Share premium			
Balance at the beginning of period	59 902	59 900	59 900
Premium on issue of shares	3	2	2
Balance at the end of period	59 905	59 902	59 902
Share capital reduction reserve fund			
Balance at the beginning of period	20 876	20 876	20 876
Balance at the end of period	20 876	20 876	20 876
Capital redemption reserve fund			
Balance at the beginning of period	4	4	4
Balance at the end of period	4	4	4
Foreign currency translation reserve			
Balance at the beginning of period	(1 318)	55	55
Reserve on translation of foreign subsidiary	168	(65)	(1 373)
Balance at the end of period	(1 150)	(10)	(1 318)
Property, plant and equipment revaluation reserve			
Balance at the beginning of period	95	-	-
Revaluation of property, plant and equipment	-	-	600
Transfer to/(from) reserves	(4)	-	(505)
Balance at the end of period	91	-	95
Accumulated profit/(loss)			
Balance at beginning of period	(15 554)	(27 851)	(27 851)
Profit for period	12 644	12 010	18 975
Transfer to/(from) revaluation reserve	4	-	505
Ordinary dividend paid	-	-	(7 183)
Balance at the end of period	(2 906)	(15 841)	(15 554)
Ordinary shareholders' equity	84 004	72 114	71 188

Comments

Cullinan Holdings owns businesses that focus on the travel and tourism industry in Southern Africa. The major part of its income comes from Tour Operating under the Thompsons brand in both the incoming and outgoing markets and a day tour and coaching business under the Hylton Ross brand. The retail brand Pentravel operates in the leisure travel sector with 21 outlets located in prime retail shopping malls in the country. A small corporate business is run under the Thompsons Travel label with three branches. The incoming delivery footprint extends to all the major travel nodes in the region. The company also owns Manex, a supplier of accessories to the yacht building industry.

Review of the past six months

Attributable and headline earnings for the six months increased by 5,3% to R12,6 million. The major contributors to this growth were the Inbound division and Hylton Ross, both of whom enjoyed good trading conditions and improved profits. The Outbound division and the Leisure retail operations experienced slower sales.

The group's cash flow remained positive for the period under review.

TRAVEL AND TOURISM**Thompsons Tours (Outbound)**

The Outbound division is a wholesale supplier of travel products and holidays to the South African market. The domestic market is being affected by a weaker rand and online distribution channels. The Outbound division faces the challenge of realigning itself with the changes taking place in the industry.

Thompsons Africa (Inbound)

Thompsons Africa deals with foreign Tour Operators and provides a wide range of services to tourists in the Southern African region. This division provides a full destination management service in South Africa, Namibia, Zimbabwe, Zambia, Mozambique and Mauritius. Thompsons Africa has a geographically well diversified client base with customers in Europe, UK, USA, Far East, Middle East, Australia and South America. The mature UK and Europe market continues to grow and there has been good growth out of the US and Asia which is particularly price sensitive.

Thompsons Africa had a good six months with increased sales and profitability. Although sales are generally priced in rands, the weaker currency has contributed to sales growth by making the Southern

	and Tourism R'000	and Diving R'000	and Tourism R'000	and Diving R'000	and Tourism R'000	and Diving R'000	and Tourism R'000	and Diving R'000	
Revenue	159 791	15 692	175 483	117 229	11 799	129 028	245 552	23 524	269 076
Operating profit/(loss) before exceptional items	15 260	873	16 133	14 548	61	14 609	25 522	(318)	25 204
Other information									
Assets excluding deferred taxation	325 705	11 285	336 990	245 229	10 352	255 581	298 184	12 057	310 241
Current liabilities	217 302	3 072	220 374	183 017	3 191	186 208	236 936	4 841	241 777
Capital expenditure									
- Property, plant and equipment	5 797	39	5 836	6 045	43	6 088	19 058	163	19 221
- Investment properties	-	-	-	-	-	-	-	-	-
- Intangible assets	1 515	-	1 515	2 250	-	2 250	3 706	6	3 712
Depreciation	7 338	102	7 440	4 450	134	4 584	7 103	219	7 322

4. JSE Limited ("JSE")

The directors of the company ensured compliance with the JSE Listings Requirements during the year under review.

Africa destination more competitive. In addition, there are indications that the 2010 World Cup is increasing awareness of Southern Africa as a holiday destination.

Thompsons Africa Touring and Safaris

The Touring and Safaris division provides ground handling services in the Southern African region with offices in 13 tourist hubs in Southern Africa. These services include transfers, day tours, game drives, camping safaris and guaranteed departure tours.

Sales growth in the six months has been good with a commensurate increase in profits. The sales growth has occurred across all offices.

Retail Travel

The Leisure retail outlets have also experienced sales, in rand terms, at the same level as those achieved in the equivalent period of last year.

Thompsons Travel, the corporate retail division, continues to improve but requires a BEE partner in order to achieve the growth required to make this an acceptable business.

Hylton Ross

Hylton Ross Tours operates coaches and vehicles for hire and charter in the domestic travel market and also provides day tours in and around the Western Cape and the Garden Route. It is a well known brand in the travel market and enjoys a substantial market share in the Western Cape.

This company experienced good trading conditions in the six months with increases in both sales and profitability. This is the first full reporting period in which the profits of this acquisition have impacted on the group's results.

YACHTING AND DIVING**Manex**

Manex is a supplier of accessories to the yacht building industry and also distributes diving equipment to the retail trade. Trading conditions for the six months improved on the back of a weaker rand and this division reported improved sales and profits.

Prospects for the next six months

Trading conditions for the Inbound division and Hylton Ross should continue to be good and the full impact of the Hylton Ross acquisition will continue to positively influence the group's results. However challenges exist in the Leisure Retail and Outbound divisions. The appointment of Mr Andre Viljoen as CEO of the group with effect from January 2007 will assist the management of these divisions to realign their businesses to the new environment.

Dividend

The board has declared a dividend of 1 cent per ordinary share (number 128) to all shareholders for the financial year ending 30 September 2007. The salient dates relating to payment of the dividend are as follows:

Last date to trade cum dividend	Friday, 15 June 2007
Shares commence trading ex dividend	Monday, 18 June 2007
Record date	Friday, 22 June 2007
Payment date	Monday, 25 June 2007

Share certificates may not be dematerialised or rematerialised between Monday, 18 June 2007 and Friday, 22 June 2007, both days inclusive.

31 May 2007

(Registration number 1902/001808/06) (Share code: CUL ISIN: ZAE000013710)

Directors

MA Ness (*Non-executive Chairman*), D D Hosking (*Non-executive*)
V E T O'Hana (*Non-executive*) A A Thompson, A N Viljoen
M Tollman (*Non-executive*), L A Pampallis

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For further information on group activities, please write to:
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