

# Transnet reports R1.6m half-year loss

By [Nelson Banya](#)

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Transnet on Friday reported a R1.6bn loss in the six months to 30 September on the back of declining rail, port and pipeline volumes amid higher costs.



Source: Archive

Transnet made a R159m profit during the same period last year.

Although its revenue rose 8.6% to 39.2bn in the six months thanks to tariff increases for its services, costs rose 9.5% to R25.3bn due to higher payroll, electricity and security expenses.

Transnet has struggled to provide adequate freight rail and port services in South Africa due to equipment shortages and maintenance backlogs after years of under-investment.

On 1 December the South African government, Transnet's sole shareholder, said it would inject R47bn to help the firm meet its immediate debt obligations.

Transnet has debts of R130bn and has seen freight volumes decline to 150 million metric tons in the financial year 2022/23 from 226 million tonnes in 2017/18, while reporting port backlogs of as much as three months.

## ABOUT THE AUTHOR

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