
CD Cargo posts a CZK 6 million pre tax profits in Q3

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Czech News Agency reported that CD Cargo, a subsidiary of national rail operator Ceske drahy in charge of freight transport, returned to profits in Q3 for the first time this year, posting a CZK 6 million pre tax profit against a CZK 371 million pre tax loss in the first half.

Mr Zdenek Vetrovec spokesman of the company said that "The positive results were backed by a turn around in the volume of industrial production, in particular in September, and higher demand for transport. The data signal a change in trend when after almost a year of falls of the whole transport market, signs of the market's revival are now clearly visible."

CD Cargo transported 17.6 million tonnes of goods in the third quarter, up by 14% QoQ. Sales in July to September 2009 period reached CZK 3.4 billion. In January to September 2009 period, CD Cargo transported 48.7 million tonnes of goods, down by 26.8% YoY. Total sales in the period sank by 23% to CZK 10.3 billion.

Mr Vetrovec noted that "The difference between EBITDA and EBT reflects high write offs totaling CZK 788 million. CD Cargo thus continues to have a sufficiently positive cash flow."

For the full year, CD Cargo expects an EBITDA profit at around CZK 800 million and a book loss at CZK 350 million. It plans to be profitable again next year.

(Sourced from Czech News Agency)

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