

THE CAR & GENERAL GROUP OF COMPANIES

UNAUDITED INTERIM REPORT

FOR THE SIX MONTHS ENDED 31 MARCH 2012



### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 MARCH 2012

Turnover         2,787,764         2,764,696         6,086,106           Cost of sales         -2,256,936         -2,269,020         -5,017,506           Gross profit         530,828         495,676         1,068,600           Other operating income         7,198         3,753         17,593           Gain in fair value of investment property         -         -         222,578           Gain on disposal of a subsidiary, Premier Power         -         -         -           Equipment & Products Private Limited         108,908         -         -           Interest expense         -176,415         -161,164         -447,876           Interest expense         -142,923         -75,048         -138,652           Net exchange losses         -5,073         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,703         72,739         228,706           Other comprehensive income:         -         -         -         -         -         -         -         -         -         -         -         -         -         -		6 Months to 31 March 2012 Sh '000	6 Months to 31 March 2011 Sh '000	At 30-Sep-2011 Sh '000
Gross profit         530,828         495,676         1,068,600           Other operating income         7,198         3,753         17,593           Gain on disposal of a subsidiary, Premier Power         292,578         292,578           Equipment & Products Private Limited         108,908         -         -           Selling and distribution costs         -159,050         -153,709         -311,339           Administration expenses         -176,415         -161,164         -447,876           Interest expense         -12,923         -75,048         -186,652           Net exchange losses         -3,073         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,703         72,739         288,706           Other comprehensive income:         -         -         -         -           Revaluation surplus on property         -         -         -         -           Deferred tax on revaluation surplus         -         -         -         -         -           Itranslation of foreign operations         -46,080         11,071         27,430	Turnover	2,787,764	2,764,696	6,086,106
Other operating income Gain in fair value of investment property Gain on disposal of a subsidiary, Premier Power Equipment & Products Private Limited Selfing and distributin costs Administration expenses Interest expenses         108,908 -153,709         -311,339 -311,339           Administration expenses Interest expenses         -176,415         -161,164         -447,876 -447,876           Net exchange losses         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit before taxation         163,473         106,245         427,926           Other comprehensive income:         -         -         79,650           Deferred tax on revaluation surplus         -         -         -           Exchange difference arising on translation of foreign operations         -         46,080         11,071         27,430           Total comprehensive income for the period         96,623         83,810         371,891           Profit for the parent Non-controlling interests         -         142,847         72,745         260,204           142,703         72,739         288,706         -         246,020         -         -           Other comprehensive income attributable to:         -         -	Cost of sales	-2,256,936	-2,269,020	-5,017,506
Gain in fair value of investment property         -         292,578           Gain on disposal of a subsidiary, Premier Power         108,908         -           Selling and distribution costs         -         159,050         -153,709         -311,339           Administration expenses         -         -164,155         -161,164         -447,976           Interest expense         -142,923         -75,048         -166,652           Net exchange losses         -5,073         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,703         72,739         288,706           Other comprehensive income:         -         -         -         -         23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         27,430         -         -         -         23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         83,185         -         -         246,080         11,071         83,185           Profit for the period attributable to:         -         -         - </td <td>Gross profit</td> <td>530,828</td> <td>495,676</td> <td>1,068,600</td>	Gross profit	530,828	495,676	1,068,600
Gain on disposal of a subsidiary, Premier Power Equipment & Products Private Limited Selling and distribution costs         108,908         -           Administration expenses         -159,050         -153,709         -311,339           Administration expenses         -176,415         -161,164         -447,876           Interest expense         -5,073         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,703         72,739         288,706           Other comprehensive income:         -         -         79,650           Revaluation surplus on property         -         -         -         23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         83,185           Total comprehensive income for the period         96,623         83,810         371,891           Profit for the parent Non-controlling interests         -144, -6         28,502           142,703         72,739         288,706           Owners of the parent Non-controlling interests         -96,767         83,816         343,389           Non-controlling interests         -144<	Other operating income	7,198	3,753	17,593
Selling and distribution costs         -159,050         -153,709         -311,339           Administration expenses         -176,415         -161,164         -447,876           Interest expense         -142,923         -75,048         -186,652           Profit before taxation         163,473         106,245         4227,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,923         72,739         288,706           Other comprehensive income:         -         -         79,650           Deferred tax on revaluation surplus on property         -         -         79,650           Deferred tax on revaluation surplus         -         -         23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         27,430           -46,080         11,071         83,816         343,891           Profit for the period attributable to:         -         -         28,502           Owners of the parent Non-controlling interests         -142,847         72,745         260,204           Non-controlling interests         -144         -6         28,502           142,703         72,739         288,706           Ow		-	-	292,578
Administration expenses $-176,415$ $-161,164$ $-447,876$ Interest expense $-122,923$ $-75,048$ $-186,652$ Net exchange losses $-3,263$ $-4,978$ Profit before taxation $163,473$ $106,245$ $427,926$ Taxation charge $-20,770$ $-33,506$ $-139,220$ Profit for the period $142,703$ $72,739$ $288,706$ Other comprehensive income: $  79,650$ Deferred tax on revaluation surplus $  -23,895$ Exchange difference arising on translation of foreign operations $-46,080$ $11,071$ $23,185$ Total comprehensive income for the period $96,623$ $83,810$ $371,891$ Profit for the period attributable to: $0$ $142,703$ $72,739$ $288,706$ Owners of the parent $142,847$ $72,745$ $260,204$ Non-controlling interests $-144$ $-6$ $28,502$ $142,703$ $72,739$ $288,706$ $142,703$ $72,739$ $288,706$ Owners of the parent $142,6703$ $72,739$ $288,706$			-	-
Interest expense         -142,923         -75,048         -186,652           Net exchange losses         -5,073         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,703         72,739         288,706           Other comprehensive income:         -         -         -79,650           Deferred tax on revaluation surplus         -         -         -23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         27,430           Total comprehensive income for the period         96,623         83,810         371,891           Profit for the parent Non-controlling interests         -142,847         72,745         260,204           Non-controlling interests         -142,703         72,739         288,706           Owners of the parent Non-controlling interests         -142,703         72,739         288,706           Total comprehensive income attributable to:         0         -27,739         288,706           Owners of the parent Non-controlling interests         -144         -6         28,502           96,623         83,810 </td <td></td> <td></td> <td></td> <td></td>				
Net exchange losses         -5,073         -3,263         -4,978           Profit before taxation         163,473         106,245         427,926           Taxation charge         -20,770         -33,506         -139,220           Profit for the period         142,703         72,739         288,706           Other comprehensive income:         -         -         79,650           Revaluation surplus on property         -         -         79,650           Deferred tax on revaluation surplus         -         -23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         27,430           Total comprehensive income for the period         96,623         83,810         371,891           Profit for the period attributable to:         0         -         288,706           Owners of the parent Non-controlling interests         142,847         72,745         260,204           Non-controlling interests         142,703         72,739         288,706           Total comprehensive income attributable to:         0         -         285,502           Owners of the parent Non-controlling interests         96,767         83,816         343,389           Non-controlling interests         -         -	-			
Taxation charge       -20,770       -33,506       -139,220         Profit for the period       142,703       72,739       288,706         Other comprehensive income:       -       -       79,650         Deferred tax on revaluation surplus       -       -       -23,895         Exchange difference arising on translation of foreign operations       -46,080       11,071       27,430         -46,080       11,071       83,185       -       -       -         Profit for the period attributable to:       96,623       83,810       371,891         Profit comprehensive income attributable to:       -       -       28,502         Owners of the parent Non-controlling interests       142,703       72,739       288,706         Total comprehensive income attributable to:       -       -       28,502         Owners of the parent Non-controlling interests       142,703       72,739       288,706         Total comprehensive income attributable to:       -       -       -       28,502         Owners of the parent Non-controlling interests       -       -       28,502       -       24,623       83,816       343,389         Non-controlling interests       -       -       -       4       -       6       2	-			
Profit for the period         142,703         72,739         288,706           Other comprehensive income:         . </td <td>Profit before taxation</td> <td>163,473</td> <td>106,245</td> <td>427,926</td>	Profit before taxation	163,473	106,245	427,926
Other comprehensive income:         -         -         79,650           Deferred tax on revaluation surplus         -         -         -23,895           Exchange difference arising on translation of foreign operations         -         -46,080         11,071         27,430           -46,080         11,071         83,185         -	Taxation charge	-20,770	-33,506	-139,220
Revaluation surplus on property Deferred tax on revaluation surplus79,650Exchange difference arising on translation of foreign operations $-46,080$ $11,071$ $27,430$ $-46,080$ $11,071$ $83,185$ Total comprehensive income for the period $96,623$ $83,810$ $371,891$ Profit for the period attributable to: $142,847$ $72,745$ $260,204$ Owners of the parent $142,703$ $72,739$ $288,706$ Non-controlling interests $-144$ $-6$ $28,502$ $142,703$ $72,739$ $288,706$ Total comprehensive income attributable to: $96,767$ $83,816$ $343,389$ Owners of the parent Non-controlling interests $96,767$ $83,816$ $343,389$ $144$ $-6$ $28,502$ $96,623$ $83,810$ $371,891$ ShShSh	Profit for the period	142,703	72,739	288,706
Deferred tax on revaluation surplus         -         -         -         -         -         -         -         23,895           Exchange difference arising on translation of foreign operations         -46,080         11,071         27,430         -         -         46,080         11,071         23,895           Total comprehensive income for the period         96,623         83,810         371,891         -         -         -         3         3         3         -         -         260,204         -         -         4         -         6         28,502         -         142,703         72,739         288,706         -         142,703         72,739         288,706         -         -         142,703         72,739         288,706         -         -         -         -         28,502         -         142,703         72,739         288,706         -         -         -         28,502         -         -         -         -         -         -         -         -         28,502         -         -         -         -         -         -         28,502         -         -         -         28,502         -         -         -         28,502         -         -	Other comprehensive income:			
Exchange difference arising on translation of foreign operations $-46,080$ $11,071$ $27,430$ $-46,080$ $11,071$ $83,185$ Total comprehensive income for the period $96,623$ $83,810$ $371,891$ Profit for the period attributable to: $0$ $0$ $0$ $0$ Owners of the parent $142,847$ $72,745$ $260,204$ Non-controlling interests $-144$ $-6$ $28,502$ $142,703$ $72,739$ $288,706$ Total comprehensive income attributable to: $0$ Owners of the parent Non-controlling interests $96,767$ $83,816$ $343,389$ $-144$ $-6$ $28,502$ $96,623$ $83,810$ $371,891$ ShShSh	Revaluation surplus on property	-	-	79,650
translation of foreign operations $-46,080$ $11,071$ $27,430$ Total comprehensive income for the period $96,623$ $83,810$ $371,891$ Profit for the period attributable to: $96,623$ $83,810$ $371,891$ Owners of the parent Non-controlling interests $142,847$ $72,745$ $260,204$ $142,703$ $72,739$ $288,706$ Total comprehensive income attributable to: $96,767$ $83,816$ $343,389$ Non-controlling interests $-144$ $-6$ $28,502$ $142,703$ $72,739$ $288,706$ Total comprehensive income attributable to: $96,767$ $83,816$ $343,389$ Non-controlling interests $-144$ $-6$ $28,502$ $96,623$ $83,810$ $371,891$ Sh       Sh       Sh       Sh	Deferred tax on revaluation surplus	-	-	-23,895
-46,080         11,071         83,185           Total comprehensive income for the period         96,623         83,810         371,891           Profit for the period attributable to:         96,623         83,810         371,891           Owners of the parent Non-controlling interests         142,847         72,745         260,204           142,703         72,739         288,706           Total comprehensive income attributable to:         96,767         83,816         343,389           Owners of the parent Non-controlling interests         96,767         83,816         343,389           Owners of the parent Non-controlling interests         96,767         83,816         343,389           Sh         Sh         Sh         Sh				
Total comprehensive income for the period         96,623         83,810         371,891           Profit for the period attributable to:         0         142,847         72,745         260,204           Owners of the parent         142,847         72,745         260,204         -144         -6         28,502           Mon-controlling interests         142,703         72,739         288,706         -142,703         72,739         288,706           Total comprehensive income attributable to:         0         96,767         83,816         343,389         -144         -6         28,502           Owners of the parent         96,767         83,816         343,389         -144         -6         28,502           96,623         83,810         371,891         -5         28,502         -144         -6         28,502           96,623         83,810         371,891         -5         -5         -5         -5	translation of foreign operations			
Profit for the period attributable to:       142,847       72,745       260,204         Owners of the parent       142,847       72,739       280,202         142,703       72,739       288,706         Total comprehensive income attributable to:       96,767       83,816       343,389         Non-controlling interests       -144       -6       28,502         96,623       83,810       371,891         Sh       Sh       Sh		-46,080	11,071	83,185
Owners of the parent       142,847       72,745       260,204         .144       -6       28,502         142,703       72,739       288,706         Total comprehensive income attributable to:       96,767       83,816       343,389         Owners of the parent       96,623       83,810       371,891         Sh       Sh       Sh       Sh	Total comprehensive income for the period	96,623	83,810	371,891
Non-controlling interests         -144         -6         28,502           142,703         72,739         288,706           Total comprehensive income attributable to:         96,767         83,816         343,389           Owners of the parent Non-controlling interests         96,767         83,816         343,389           96,623         83,810         371,891           Sh         Sh         Sh	Profit for the period attributable to:			
Non-controlling interests         -144         -6         28,502           142,703         72,739         288,706           Total comprehensive income attributable to:         96,767         83,816         343,389           Owners of the parent Non-controlling interests         96,767         83,816         343,389           96,623         83,810         371,891           Sh         Sh         Sh	Owners of the parent	142,847	72,745	260,204
Total comprehensive income attributable to:           Owners of the parent Non-controlling interests         96,767         83,816         343,389           96,623         -144         -6         28,502           96,623         83,810         371,891           Sh         Sh         Sh	Non-controlling interests	-144	-6	28,502
Owners of the parent Non-controlling interests         96,767 -144         83,816 -6         343,389 28,502           96,623         83,810         371,891           Sh         Sh         Sh		142,703	72,739	288,706
Non-controlling interests         -144         -6         28,502           96,623         83,810         371,891           Sh         Sh         Sh	Total comprehensive income attributable to:			
96,623 83,810 371,891 Sh Sh Sh		96,767	83,816	343,389
Sh Sh Sh	Non-controlling interests	-144	-6	28,502
		96,623	83,810	371,891
Earnings per share - basic and diluted 4.27 2.18 7.78		Sh	Sh	Sh
	Earnings per share - basic and diluted	4.27	2.18	7.78



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2012

	At 31-Mar-2012 Sh '000	At 31-Mar-2011 Sh '000	At 30-Sep-2011 Sh '000
ASSETS			
Non-current assets			
Investment property	1,405,750	659,720	1,405,750
Property, plant and equipment	615,718	517,629	644,616
Operating lease prepayments	14,428	14,776	14,602
Intangible assets	2,934	3,899	3,511
Deferred tax asset	9,734	6,917	5,770
	2,048,564	1,202,941	2,074,249
Current assets			
Inventories	1,896,745	1,954,414	2,290,769
Trade and other receivables	996,488	934,477	971,035
Taxation recoverable	20,532	27,910	28,697
Cash and bank balances	123,198	155,425	197,489
	3,036,963	3,072,226	3,487,990
Total assets	5,085,527	4,275,167	5,562,239
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	167,097	167,097	167,097
Revaluation surplus	256,430	204,143	256,430
Revenue reserve	1,555,090	1,239,697	1,430,624
Translation (deficit)/reserve	-37,902	-8,181	8,178
Equity attributable to owners			
of the parent	1,940,715	1,602,756	1,862,329
Non-controlling interests	36,519	19,136	57,993
Total equity	1,977,234	1,621,892	1,920,322
Non-current liabilities			
Deferred tax liabilities	333,667	223,559	327,519
Borrowings	208,809	9,185	209,151
	542,476	232,744	536,670
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Current liabilities			
Borrowings	1,425,158	1,431,218	1,678,310
Trade and other payables	1,128,973	989,313	1,424,065
Taxation payable	11,686	-	2,872
	2,565,817	2,420,531	3,105,247
Total equity and liabilities	5,085,527	4,275,167	5,562,239

E M Grayson Director



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY At 31 MARCH 2012

	Share capital Shs'000	Revaluation surplus Shs'000	Revenue reserve Shs'000	Translation (deficit)/ reserve Shs'000	Attributable to owners of the parent Shs'000	Non- controlling interests Shs'000	Total Shs'000
6 Months to 31 March 2011							
At 1 October 2010	111,398	204,143	1,240,475	-19,252	1,536,764	19,142	1,555,906
Profit for the period Exchange difference arising on	-	-	72,745	-	72,745	-6	72,739
translation of foreign operations	-	-	-	11,071	11,071	-	11,071
Total comprehensive income	-	-	72,745	11,071	83,816	-6	83,810
lssue of bonus shares Dividend paid – 2010	55,699 -	-	(55,699) -17,824	-	- -17,824	-	- -17,824
At 31 March 2011	167,097	204,143	1,239,697	-8,181	1,602,756	19,136	1,621,892
6 Months to 30 September 2011							
At 1 April 2011	167,097	204,143	1,239,697	-8,181	1,602,756	19,136	1,621,892
Profit for the period Revaluation surplus on property Deferred tax on revaluation surplus Exchange difference arising on	- - -	- 79,650 -23,895	187,459 - -	- -	187,459 79,650 -23,895	28,508 - -	215,967 79,650 -23,895
translation of foreign operations	-	-	-	16,359	16,359	-	16,359
Total comprehensive income	-	55,755	187,459	16,359	259,573	28,508	288,081
Transfer of excess depreciation Deferred tax on excess	-	(4,955)	4,955	-	-	-	-
depreciation transfer Non-controlling interests in	-	1,487	-1,487	-	-	-	-
subsidiary	-	-	-	-	-	10,349	10,349
At 30 September 2011	167,097	256,430	1,430,624	8,178	1,862,329	57,993	1,920,322
6 Months to 31 March 2012							
At 1 October 2011	167,097	256,430	1,430,624	8,178	1,862,329	57,993	1,920,322
Profit for the period Exchange difference arising on	-	-	142,847	-	142,847	-144	142,703
translation of foreign operations	-	-	-	-46,080	-46,080	-	-46,080
Total comprehensive income	-	-	142,847	-46,080	96,767	-144	96,623
Non-controlling interests on disposal of a subsidiary Dividend paid – 2011	_	-	-18,381	-	- -18,381	(21,330)	-21,330 -18,381
At 31 March 2012	167,097	256,430	1,555,090	-37,902	1,940,715	36,519	1,977,234
	,		.,	51,002	.,	20,010	.,,201



#### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 MARCH 2012

	6 Months to 31 March 2012 Sh '000	6 Months to 31 March 2011 Sh '000	12 Months to 30 Sep-2011 Sh '000
Cash flows from operating activities			
Cash generated from/(used in) operations Tax paid	217,760 -3,532	-56,871 -69,841	168,761 -92,187
Net cash generated from/(used in) operating activities	214,228	-126,712	76,574
Cash flows from investing activities			
Purchase of investment properties Purchase of property, plant and equipment Purchase of intangible assets Proceeds on disposal of property, plant and equipment Net cash inflow on disposal of a subsidiary, Premier Power Equipment & Products Private Limited	-68,913 -18 6,845 158,917	-34,277 -277 337 -	-453,452 -88,054 -993 3,503 -
Net cash generated from/(used in) investing activities	96,831	-34,217	-538,996
Cash flows from financing activities			
Net loans (repaid)/received Dividend paid Interest paid Repayment of hire-purchase finance Cash brought in by non-controlling interests	-290,978 -18,381 -142,923 -1,945	292,048 -17,824 -75,048 -2,150 -	-17,824
Net cash (used in)/generated from financing activities	-454,227	197,026	544,090
(Decrease)/increase in cash and cash equivalents	-143,168	36,097	81,668
Cash and cash equivalents at the beginning of the period	151,188	76,476	76,476
Effects of exchange rate changes on the balance of cash held in foreign operations	-7,643	-776	-6,956
Cash and cash equivalents at the end of the period	377	111,797	151,188



## NOTES TO THE STATEMENT OF CASH FLOWS

	6 Months to 31 March 2012 Sh '000	6 Months to 31 March 2011 Sh '000	At 30-Sep-2011 Sh '000
Reconciliation of profit before tax to cash generated from operations			
Profit before tax	163,473	106,245	427,926
Adjustments for:			
Depreciation on property, plant and equipment Leasehold land amortisation Fair value gains on investment properties Gain on disposal of a subsidiary Gain on disposal of property and equipment Intangible assets amortisation Interest expense Exchange translation on opening reserves Property and equipment written off Exchange adjustment on borrowings	23,175 77 - (108,908) -1,471 367 142,923 -4,162 - - 17,081	20,623 45 - - 79 375 75,048 15,890 - -2,088	46,933 146 -292,578 - - -1,006 834 186,652 16,862 104 -6,022
Adjusted profit before working capital changes	198,393	216,059	379,851
Decrease/(increase) in inventories Increase in trade and other receivables (Decrease)/increase in trade and other payables	333,279 (38,173) (275,739)	-259,870 -72,107 59,047	-596,225 -108,665 493,800
Cash generated from/(used in) operations	217,760	-56,871	168,761
Analysis of changes in borrowings:			
At the beginning of the year Loans received Repayments Loan eliminated on disposal of a subsidiary Hire purchase facility repaid Exchange rate adjustments	1,841,160 1,846,057 -2,137,035 -20,010 -1,945 -17,081	1,108,965 1,730,927 -1,438,879 - - -2,150 -2,088	
At the end of the period	1,511,146	1,396,775	1,841,160
Analysis of hire-purchase by cash flow:			
Financing at beginning of the year Loans repaid in the year	2,816 -1,945	15,634 -2,150	15,634 -12,818
At the end of the period.	871	13,484	2,816



## NOTES TO THE STATEMENT OF CASH FLOWS (continued)

## Cash and cash equivalents:

For the purposes of the statement of cash flows, cash and cash equivalents at period end comprise the following:

	6 Months to 31 March 2012	6 Months to 31 March 2011	At 30-Sep-2011
	Sh '000	Sh '000	Sh '000
Cash and bank balances Bank overdrafts	123,198 -122,821	155,425 -43.628	197,489 -46,301
	-122,021	-43,020	-40,301
At the end of the period.	377	111,797	151,188