



**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**

	6 Months to 31 March 2012 Sh '000	6 Months to 31 March 2011 Sh '000	At 30-Sep-2011 Sh '000
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	-	-	292,578
Gain on disposal of a subsidiary, Premier Power 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	-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
<b>Profit for the period</b>	<b>142,703</b>	<b>72,739</b>	<b>288,706</b>
Other comprehensive income:			
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	83,185
<b>Total comprehensive income for the period</b>	<b>96,623</b>	<b>83,810</b>	<b>371,891</b>
Profit for the period attributable to:			
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:			
Owners of the parent	96,767	83,816	343,389
Non-controlling interests	-144	-6	28,502
	96,623	83,810	371,891
	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
<b>ASSETS</b>			
<b>Non-current assets</b>			
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
	<u>2,048,564</u>	<u>1,202,941</u>	<u>2,074,249</u>
<b>Current assets</b>			
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
	<u>3,036,963</u>	<u>3,072,226</u>	<u>3,487,990</u>
<b>Total assets</b>	<u>5,085,527</u>	<u>4,275,167</u>	<u>5,562,239</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
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	<u>1,940,715</u>	<u>1,602,756</u>	<u>1,862,329</u>
Non-controlling interests	36,519	19,136	57,993
<b>Total equity</b>	<u>1,977,234</u>	<u>1,621,892</u>	<u>1,920,322</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	333,667	223,559	327,519
Borrowings	208,809	9,185	209,151
	<u>542,476</u>	<u>232,744</u>	<u>536,670</u>
<b>Current liabilities</b>			
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
	<u>2,565,817</u>	<u>2,420,531</u>	<u>3,105,247</u>
<b>Total equity and liabilities</b>	<u>5,085,527</u>	<u>4,275,167</u>	<u>5,562,239</u>

V V Gidoomal  
Director

E M Grayson  
Director

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

	Share capital	Revaluation surplus	Revenue reserve	Translation (deficit)/ reserve	Attributable to owners of the parent	Non-controlling interests	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
<b>6 Months to 31 March 2011</b>							
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	-	-	72,745	-	72,745	-6	72,739
Exchange difference arising on translation of foreign operations	-	-	-	11,071	11,071	-	11,071
Total comprehensive income	-	-	72,745	11,071	83,816	-6	83,810
Issue of bonus shares	55,699	-	(55,699)	-	-	-	-
Dividend paid – 2010	-	-	-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
<b>6 Months to 30 September 2011</b>							
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	-	-	187,459	-	187,459	28,508	215,967
Revaluation surplus on property	-	79,650	-	-	79,650	-	79,650
Deferred tax on revaluation surplus	-	-23,895	-	-	-23,895	-	-23,895
Exchange difference arising on 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	-	(4,955)	4,955	-	-	-	-
Deferred tax on excess depreciation transfer	-	1,487	-1,487	-	-	-	-
Non-controlling interests in 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
<b>6 Months to 31 March 2012</b>							
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	-	-	142,847	-	142,847	-144	142,703
Exchange difference arising on 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	-	-	-	-	-	(21,330)	-21,330
Dividend paid – 2011	-	-	-18,381	-	-18,381	-	-18,381
At 31 March 2012	167,097	256,430	1,555,090	-37,902	1,940,715	36,519	1,977,234

**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
<b>Cash flows from operating activities</b>			
Cash generated from/(used in) operations	217,760	-56,871	168,761
Tax paid	-3,532	-69,841	-92,187
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<b>Net cash generated from/(used in) operating activities</b>	<b>214,228</b>	<b>-126,712</b>	<b>76,574</b>
<b>Cash flows from investing activities</b>			
Purchase of investment properties	-	-	-453,452
Purchase of property, plant and equipment	-68,913	-34,277	-88,054
Purchase of intangible assets	-18	-277	-993
Proceeds on disposal of property, plant and equipment	6,845	337	3,503
Net cash inflow on disposal of a subsidiary, Premier Power Equipment & Products Private Limited	158,917	-	-
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<b>Net cash generated from/(used in) investing activities</b>	<b>96,831</b>	<b>-34,217</b>	<b>-538,996</b>
<b>Cash flows from financing activities</b>			
Net loans (repaid)/received	-290,978	292,048	751,035
Dividend paid	-18,381	-17,824	-17,824
Interest paid	-142,923	-75,048	-186,652
Repayment of hire-purchase finance	-1,945	-2,150	-12,818
Cash brought in by non-controlling interests		-	10,349
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<b>Net cash (used in)/generated from financing activities</b>	<b>-454,227</b>	<b>197,026</b>	<b>544,090</b>
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<b>(Decrease)/increase in cash and cash equivalents</b>	<b>-143,168</b>	<b>36,097</b>	<b>81,668</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>151,188</b>	<b>76,476</b>	<b>76,476</b>
<b>Effects of exchange rate changes on the balance of cash held in foreign operations</b>	<b>-7,643</b>	<b>-776</b>	<b>-6,956</b>
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<b>Cash and cash equivalents at the end of the period</b>	<b>377</b>	<b>111,797</b>	<b>151,188</b>
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## 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
<b>Reconciliation of profit before tax to cash generated from operations</b>			
Profit before tax	163,473	106,245	427,926
Adjustments for:			
Depreciation on property, plant and equipment	23,175	20,623	46,933
Leasehold land amortisation	77	45	146
Fair value gains on investment properties	-	-	-292,578
Gain on disposal of a subsidiary	(108,908)	-	-
Gain on disposal of property and equipment	-1,471	-79	-1,006
Intangible assets amortisation	367	375	834
Interest expense	142,923	75,048	186,652
Exchange translation on opening reserves	-4,162	15,890	16,862
Property and equipment written off	-	-	104
Exchange adjustment on borrowings	-17,081	-2,088	-6,022
Adjusted profit before working capital changes	198,393	216,059	379,851
Decrease/(increase) in inventories	333,279	-259,870	-596,225
Increase in trade and other receivables	(38,173)	-72,107	-108,665
(Decrease)/increase in trade and other payables	(275,739)	59,047	493,800
Cash generated from/(used in) operations	217,760	-56,871	168,761
<b>Analysis of changes in borrowings:</b>			
At the beginning of the year	1,841,160	1,108,965	1,108,965
Loans received	1,846,057	1,730,927	1,863,143
Repayments	-2,137,035	-1,438,879	-1,112,108
Loan eliminated on disposal of a subsidiary	-20,010	-	-
Hire purchase facility repaid	-1,945	-2,150	-12,818
Exchange rate adjustments	-17,081	-2,088	-6,022
At the end of the period	1,511,146	1,396,775	1,841,160
<b>Analysis of hire-purchase by cash flow:</b>			
Financing at beginning of the year	2,816	15,634	15,634
Loans repaid in the year	-1,945	-2,150	-12,818
At the end of the period.	871	13,484	2,816

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**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:

	<b>6 Months to 31 March 2012 Sh '000</b>	<b>6 Months to 31 March 2011 Sh '000</b>	<b>At 30-Sep-2011 Sh '000</b>
Cash and bank balances	123,198	155,425	197,489
Bank overdrafts	-122,821	-43,628	-46,301
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At the end of the period.	377	111,797	151,188
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