

INTERIM REPORT FOR THE SIX MONTHS ENDED 31 AUGUST 2007

- REVENUE INCREASED 4%
- EARNINGS DECLINE REFLECTS DOWNTURN IN TRADING CONDITIONS
- RECOMMENDED DIVIDEND UNCHANGED AT 10,6 CENTS PER SHARE

GROUP FINANCIAL HIGHLIGHTS

	6 months 31 August 2007	6 months 31 August 2006	Change %	12 months 28 February 2007
Revenue	(R'000) 4 575 744	4 386 891	4	9 085 649
Operating profit	(R'000) 103 552	133 249	(22)	339 757
Weighted average number of shares in issue	('000) 107 075	105 710	1	105 867
Number of shares for dilution calculation	('000) 110 035	109 413	1	109 104
Earnings per share	(cents) 50,7	76,6	(34)	175,4
Diluted earnings per share	(cents) 49,3	74,0	(33)	170,2
Headline earnings per share	(cents) 50,1	76,1	(34)	174,0
Diluted headline earnings per share	(cents) 48,7	73,5	(34)	168,8
Dividend payable – December 2007	(cents) 10,6	10,6	–	–
Total assets	(R'000) 2 053 983	1 768 457	16	2 371 165

ABRIDGED GROUP INCOME STATEMENT

	Unaudited 6 months 31 August 2007 R'000	Unaudited 6 months 31 August 2006 R'000	Change %	Audited 12 months 28 February 2007 R'000
Revenue	4 575 744	4 386 891	4	9 085 649
Cost of sales	(3 988 308)	(3 829 031)	4	(7 718 177)
Gross profit	587 436	557 860	5	1 367 472
Selling and administration expenses	(483 884)	(424 611)	14	(1 027 715)
Operating profit	103 552	133 249	(22)	339 757
Net finance costs	(9 745)	(10 945)	(11)	(32 082)
Profit before taxation	93 807	122 304	(23)	307 675
Taxation	(29 910)	(39 749)	(25)	(113 997)
Net profit for the period	63 897	82 555	(23)	193 678
Attributable to:				
Equity holders of the Company	54 256	80 965	(33)	185 683
Minority shareholders	9 641	1 590	506	7 995
	63 897	82 555	(23)	193 678
Reconciliation of headline earnings				
Net profit attributable to equity holders	54 256	80 965		185 683
Non-trading items				
– capital profit on sale of business	(750)	(600)		(1 666)
Less: capital gains tax	109	55		193
	(641)	(545)		(1 473)
Headline earnings	53 615	80 420	(33)	184 210

ABRIDGED GROUP BALANCE SHEET

	Unaudited 31 August 2007 R'000	Unaudited 31 August 2006 R'000	Audited 28 February 2007 R'000
Assets			
Non-current assets			
Plant and equipment	78 034	66 930	69 441
Goodwill	154 574	153 174	154 574
Investments	112 942	1 082	106 001
Deferred taxation	34 720	22 851	32 296
	380 270	244 037	362 312
Current assets	1 673 713	1 524 420	2 008 853
Total assets	2 053 983	1 768 457	2 371 165
Equity and liabilities			
Capital and reserves			
Share capital and reserves	438 558	515 356	438 089
Minority interest	15 882	2 879	12 217
Total equity	454 440	518 235	450 306
Non-current liabilities			
Advance from minority shareholders	260 596	5 668	269 953
Lease liabilities	71 849	54 167	63 491
Life assurance funds	40 048	31 134	37 669
Interest-bearing borrowings	7 133	–	7 092
	379 626	90 969	378 205
Current liabilities	1 219 917	1 159 253	1 542 654
Total equity and liabilities	2 053 983	1 768 457	2 371 165
Net asset value per share (cents)	424	489	421

ABRIDGED GROUP CASH FLOW STATEMENT

	Unaudited 6 months 31 August 2007 R'000	Unaudited 6 months 31 August 2006 R'000	Audited 12 months 28 February 2007 R'000
Operating profit adjusted for non-cash items	114 858	142 101	383 945
Working capital changes:			
Movement in inventory	53 805	21 192	(231 528)
Movement in trade and other receivables	(35 883)	(51 972)	(53 588)
Movement in trade and other payables	(136 064)	(39 028)	141 895
Cash generated from operations	(3 284)	72 293	240 724
Net finance costs paid	(9 745)	(10 945)	(32 082)
Dividends paid	(210 432)	(44 480)	(55 745)
Taxation paid	(69 414)	(34 797)	(92 119)
Cash flow from operating activities	(292 875)	(17 929)	60 778
Cash flow from investing activities	(15 532)	(17 309)	(157 789)
Cash flow from financing activities	(8 811)	1 720	293 590
Net cash flow for period	(317 218)	(33 518)	196 579
Cash and cash equivalents at beginning of period	330 513	133 934	133 934
Cash and cash equivalents at end of period	13 295	100 416	330 513

GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Non- distributable reserve R'000	Share-based payment reserve R'000	Retained earnings R'000	Attributable to equity holders of the Company R'000	Minority interest R'000	Total equity R'000
At 28 February 2006	14 475	5 896	2 320	454 450	477 141	1 289	478 430
Issue of shares	720				720		720
Net profit for period				80 965	80 965	1 590	82 555
Dividends paid				(44 480)	(44 480)		(44 480)
Share-based payment reserve			1 010		1 010		1 010
At 31 August 2006	15 195	5 896	3 330	490 935	515 356	2 879	518 235
Issue of shares	3 562				3 562		3 562
Net profit for period				104 718	104 718	6 405	111 123
Dividends paid – traditional				(11 265)	(11 265)	(422)	(11 687)
Dividend paid – special				(149 853)	(149 853)		(149 853)
Share-based payment reserve			1 010		1 010		1 010
Sale of interest to minority shareholder				(3 355)	(3 355)	3 355	–
Cost relating to sale of interest to minority				(22 084)	(22 084)		(22 084)
At 28 February 2007	18 757	5 896	4 340	409 096	438 089	12 217	450 306
Issue of shares	247				247		247
Net profit for period				54 256	54 256	9 641	63 897
Dividends paid				(54 603)	(54 603)	(5 976)	(60 579)
Share-based payment reserve			569		569		569
At 31 August 2007	19 004	5 896	4 909	408 749	438 558	15 882	454 440

COMMENTARY ON RESULTS

- Group results for the period under review were adversely affected by external factors and a general slowdown in the economy. The combination of the introduction of the new National Credit Act and higher interest rates has translated into six consecutive monthly reductions in year-on-year national new vehicle sales. Lower demand for new vehicles, and consequent higher stocking levels, has placed pressure on used vehicle prices.
- From marginally increased revenue of R4,6 billion, Group operating profit declined 22% to R103,6 million. Shareholders are reminded that a 15% equity share in the Group was sold in terms of a Black Economic Empowerment deal concluded in December 2006. From the proceeds of the transaction shareholders were paid a special dividend of 140 cents per share in March 2007. The increased share of earnings attributable to minority shareholders has resulted in headline earnings declining 34% to R53,6 million.
- Tighter margins, increased costs of financing the fleet, and lower resale values have resulted in a 47% decline in profit before taxation of the Car Hire division. The second half of the financial year represents the "high" season and improved results are expected.
- Volumes in the Marine and Leisure division were negatively impacted by the dampened consumer demand. Cost-cutting and restructuring measures have been implemented and, with the summer months approaching, a substantial improvement is anticipated.
- Tough trading conditions are expected to prevail during the balance of the financial year. The Group has tightened control over operating costs and working capital levels; however the directors believe that the Group will be hard-pressed to match the record earnings achieved in the year ended 28 February 2007.

DIVIDEND

A dividend (dividend number 41) of 10,6 cents per share will be paid on Tuesday, 18 December 2007 to members reflected in the share register of the Company at the close of business on the record date, Friday, 14 December 2007. Last day to trade "cum" dividend is Friday, 7 December 2007. First day to trade "ex" dividend is Monday, 10 December 2007. Share certificates may not be dematerialised or rematerialised from Monday, 10 December 2007 to Friday, 14 December 2007, both days inclusive.

BASIS OF PREPARATION

The results of the Group for the six month period ended 31 August 2007 have been prepared in accordance with IAS34: Interim Financial Reporting, International Financial Reporting Standards, the Listing Requirements of the JSE Limited and Schedule 4 of the Companies Act of South Africa. The accounting policies of the Group have been consistently applied to these results and are the same as those applied to the results at 28 February 2007.

CORPORATE GOVERNANCE

The Group is committed to maintaining the high standards of governance as embodied in the King Report on Corporate Governance and complies with the significant principles of both the Report and the JSE Limited Listing Requirements.

The results have not been audited or reviewed by the Group's external auditors.

By order of the Board of Directors

SK Jackson BCom (Hons) (Tax Law), CA(SA)

Secretary

8 October 2007

REGISTERED OFFICE

1 Wilton Crescent
Umlhanga Ridge
4319

TRANSFER SECRETARIES

Computershare Investor Services 2004
(Proprietary) Limited
PO Box 61051
Marshalltown, 2107

SPONSOR

PricewaterhouseCoopers
Corporate Finance (Pty) Limited
Private Bag X36
Sunninghill, 2157

DIRECTORS

M Zimmerman (Chairman), JD McIntosh (Managing), LCZ Cele, MPD Conway, JTM Edwards, L Gadd, SK Jackson, VP Khanyile, RTAC Nethercott, CL Odendaal, JW Alderslade (alternate)

SEGMENT ANALYSIS

	TOTAL		RETAIL MOTOR		CAR HIRE		MARINE AND LEISURE		FINANCIAL SERVICES		CORPORATE SERVICES/OTHER	
	2007 R'000	2006 R'000	2007 R'000	2006 R'000	2007 R'000	2006 R'000	2007 R'000	2006 R'000	2007 R'000	2006 R'000	2007 R'000	2006 R'000
Revenue	4 575 744	4 386 891	4 281 811	4 092 753	112 758	87 820	154 242	173 621	10 271	14 941	16 662	17 756
Operating profit	103 552	133 249	101 298	124 334	2 969	5 553	(3 668)	4 805	10 110	8 228	(7 157)	(9 671)
Net finance costs	(9 745)	(10 945)	(37 980)	(27 476)	(34)	(40)	(3 786)	(1 019)	1 883	1 080	30 172	16 510
Profit before taxation	93 807	122 304	63 318	96 858	2 935	5 513	(7 454)	3 786	11 993	9 308	23 015	6 839
Total assets	2 053 983	1 768 457	1 425 842	1 243 235	397 486	312 250	150 167	156 261	52 565	39 528	27 923	17 183
Total liabilities	1 599 543	1 250 222	874 182	830 652	361 187	293 311	32 410	50 351	47 486	34 890	284 278	41 018
Number of employees	3 123	2 800	2 642	2 383	285	228	134	123	3	3	59	63

