

UNAUDITED INTERIM REPORT FOR THE SIX MONTHS ENDED 31 AUGUST 2006

- **45% INCREASE IN PROFIT FOR THE PERIOD**
- **40% INCREASE IN HEADLINE EARNINGS PER SHARE**
- **39% INCREASE IN RECOMMENDED DIVIDEND**

GROUP FINANCIAL HIGHLIGHTS

	6 months 31 August 2006	6 months 31 August 2005	Change %	12 months 28 February 2006
Revenue	(R'000) 4 386 891	2 775 015	58	6 756 951
Profit from operations	(R'000) 133 249	85 200	56	252 711
Weighted average number of shares in issue ('000)	21 142	20 840	1	21 011
Number of shares for dilution calculation ('000)	21 883	21 534	2	21 869
Earnings per share (cents)	383,0	272,4	41	786,1
Diluted earnings per share (cents)	370,0	263,6	40	755,2
Headline earnings per share (cents)	380,4	272,4	40	775,6
Diluted headline earnings per share (cents)	367,5	263,6	39	745,1
Recommended dividend per share (cents)	53,0	38,0	39	183,0
Total assets	(R'000) 1 768 457	1 145 433	54	1 766 828

ABRIDGED GROUP INCOME STATEMENT

	Unaudited 6 Months 31 August 2006 R'000	Unaudited 6 Months 31 August 2005 R'000	Change %	Audited 12 Months 28 February 2006 R'000
Revenue	4 386 891	2 775 015	58	6 756 951
Cost of sales	(3 829 031)	(2 440 252)	57	(5 728 309)
Gross profit	557 860	334 763	67	1 028 642
Selling and administration expenses	(424 611)	(249 563)	70	(775 931)
Profit from operations	133 249	85 200	56	252 711
Finance costs	(10 945)	500	(2 289)	(12 731)
Profit before taxation	122 304	85 700	43	239 980
Taxation	(39 749)	(28 711)	38	(73 870)
Profit for the period	82 555	56 989	45	166 110
Attributable to:				
Equity shareholders of the company	80 965	56 774	43	165 157
Minority interests	1 590	215	640	953
	82 555	56 989	45	166 110
Reconciliation of headline earnings				
Net profit attributable to equity holders	80 965	56 774		165 157
Non-trading items				
- capital profit on sale of business	(600)	-		(2 565)
Less: capital gains tax	55			363
	(545)			(2 202)
Headline earnings	80 420	56 774	42	162 955

ABRIDGED GROUP BALANCE SHEET

	Unaudited 31 August 2006 R'000	Unaudited 31 August 2005 R'000	Audited 28 February 2006 R'000
Assets			
Non-current assets			
Plant and equipment	66 930	29 911	57 621
Goodwill	153 174	35 950	153 174
Investment in associate companies	1 082	-	1 082
Deferred taxation	22 851	20 677	27 614
	244 037	86 538	239 491
Current assets	1 524 420	1 058 895	1 527 337
Total assets	1 768 457	1 145 433	1 766 828
Equity and liabilities			
Capital and reserves			
Share capital and reserves	515 356	369 379	477 141
Minority interest	2 879	1 129	1 289
Total equity	518 235	370 508	478 430
Non-current liabilities			
Advance from minority shareholders	5 668	625	4 668
Life assurance funds	31 134	23 339	32 639
Lease liabilities	54 167	35 068	44 099
	90 969	59 032	81 406
Current liabilities	1 159 253	715 893	1 206 992
Total equity and liabilities	1 768 457	1 145 433	1 766 828
Net asset value per share (cents)	2 447	1 758	2 267

ABRIDGED GROUP CASH FLOW STATEMENT

	Unaudited 6 months 31 August 2006 R'000	Unaudited 6 months 31 August 2005 R'000	Audited 12 months 28 February 2006 R'000
Cash flow from operating activities	(17 929)	(52 473)	116 109
Cash flow from investing activities	(17 309)	(9 885)	(263 391)
Cash flow from financing activities	1 720	-	(1 675)
Net cash flow for period	(33 518)	(62 358)	(148 957)
Cash and cash equivalents at beginning of period	133 934	282 891	282 891
Cash and cash equivalents at end of period	100 416	220 533	133 934

SEGMENT ANALYSIS

	TOTAL		RETAIL MOTOR		CAR HIRE		MARINE AND LEISURE		FINANCIAL SERVICES		CORPORATE SERVICES/OTHER	
	2006 R'000	2005 R'000	2006 R'000	2005 R'000	2006 R'000	2005 R'000	2006 R'000	2005 R'000	2006 R'000	2005 R'000	2006 R'000	
Revenue	4 386 891	2 775 015	4 092 753	2 677 801	87 820	74 938	173 621	-	14 941	11 298	17 756	10 978
Profit from operations	133 249	85 200	124 334	76 904	5 553	8 520	4 805	-	8 228	5 697	(9 671)	(5 921)
Finance costs	(10 945)	500	(27 476)	(8 808)	(40)	(625)	(1 019)	-	1 080	709	16 510	9 224
Profit before taxation	122 304	85 700	96 858	68 096	5 513	7 895	3 786	-	9 308	6 406	6 839	3 303
Total assets	1 768 457	1 145 433	1 243 236	716 211	312 250	241 460	156 260	-	39 528	33 916	17 183	153 846
Total liabilities	1 250 222	774 925	829 718	522 633	294 760	207 021	49 836	-	34 890	24 534	41 018	20 737
Total employees	2 800	1 948	2 383	1 699	228	193	123	-	3	3	63	53

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 2005	12 394	5 896	682	327 879	346 851	286	347 137
Net profit for period				56 774	56 774	215	56 989
Dividend paid				(30 567)	(30 567)		(30 567)
Share-based payment reserve			819		819		819
At 31 August 2005	12 394	5 896	1 501	354 086	373 877	501	374 378
Issue of shares	2 081				2 081		2 081
Net profit for period				108 383	108 383	738	109 121
Dividend paid				(8 019)	(8 019)	(20)	(8 039)
Share-based payment reserve			819		819		819
Purchase of minority interest						(365)	(365)
Sale of interest to minority shareholder						435	435
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
Dividend 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

COMMENTS ON RESULTS

- The six months ended 31 August 2006 represented a period of buoyant economic conditions and increased prosperity for the country. These conditions promoted the continuation of strong demand for motor vehicles, after a record-breaking 2005.
- Given the ever-increasing base off which current results are measured, the Directors are proud that the Group has maintained its earnings growth record. The 41% increase in earnings per share has enabled the recommendation of a dividend of 53 (2005: 38) cents per share. The Group balance sheet remains strong, with no long-term liabilities and cash reserves of R100 million.
- The retail motor segment benefited from the strong economy and recorded a pleasing 42% growth. The businesses acquired last year have been bedded down and are producing sound results.
- Whilst the car hire division has experienced volume growth, intense competition has led to a decline in hire rates and operating margins. As the car hire industry's rates are sensitive to the cost of finance, the recent and further anticipated interest rates hikes will maintain the pressure. Peak season volumes during the next six months are expected to increase earnings to a level in line with last year.
- The marine and leisure division was acquired in October 2005 and its business is of a cyclical nature. The period under review contains the winter months of April to August when trading levels are low. The second half results are predicted to reflect considerable increase, in line with the corresponding period last year.
- A sound and consistent earnings growth was achieved by the financial services segment.

PROSPECTS

- It is expected that economic trading conditions during the second half of the financial year will not be as favourable as those during the period under review.
- The Group has a track record of successful trading during tougher conditions and the Directors are confident that a satisfactory level of earnings growth will be achieved and that the full year results will be in line with shareholders' expectations.

BASIS OF PREPARATION

The results have been prepared in accordance with IAS 34: Interim Financial Reporting, the Listing Requirements of the JSE Limited and Schedule 4 of the Companies Act of South Africa. The accounting policies of the Group, which comply with International Financial Reporting Standards (IFRS) have been consistently applied to these results and are the same as those applied to the results at 28 February 2006.

DIVIDEND

An interim dividend (dividend number 39) of 53,0 cents will be paid on Monday, 18 December 2006 to members reflected in the share register of the Company at the close of business on the record date Friday, 15 December 2006. Last day to trade "cum" dividend is Friday, 8 December 2006. First day to trade "ex" dividend is Monday, 11 December 2006. Share certificates may not be dematerialised or rematerialised from Monday, 11 December 2006 to Friday, 15 December 2006, both days inclusive.

BLACK ECONOMIC EMPOWERMENT

CMH supports the Government's BEE initiatives and over the years has been successful in introducing black shareholders into selected operating companies. The Group has exceeded its training and development targets and has timeously submitted all reports required in terms of the relevant Acts. The Group is at an advanced stage of negotiation to introduce a BEE equity partner at Group level. Details of the scheme and the financial effects thereof will be communicated to shareholders early in November 2006.

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.

DIRECTOR

Mr Alec Rogoff passed away during July 2006 after serving 12 years as a non-executive director. His support and wise counsel will be sorely missed.

By order of the Board of Directors

SK Jackson BCom (Hons) (Tax Law), CA(SA)
Secretary
10 October 2006

REGISTERED OFFICE

1 Wilton Crescent
Umhlanga 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)
MPD Conway, JTM Edwards, SK Jackson, RTAC Nethercott, CL Odendaal



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USED MOTOR SPARES & REBUILDS

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