

Courts

The audited results for the Twelve (months ended March 31, 2001 with corresponding figures for 2000 are as follows:

	2001 \$000s	2000 \$000s
Turnover	<u>4,459,982</u>	<u>5,226,263</u>
Operating Profit	930,311	1,604,539
Net Interest Costs	<u>(246,864)</u>	<u>(263,586)</u>
Profit before Deferred Profit & Taxation	683,447	1,340,953
Deferred Profit transfer	<u>92,431</u>	<u>(569,497)</u>
Profit before Taxation	775,878	771,456
Taxation	<u>(198,961)</u>	<u>(229,358)</u>
Profit after Taxation	576,917	542,098
	\$	\$
EARNINGS PER STOCK UNIT	0.60	0.57

ABRIDGED BALANCE SHEET AS AT 31ST MARCH, 2001

	2001	2000
	\$000s	\$000s
Fixed Assets	1,034,069	1,001,419
Investments & Intangible Asset	12,828	13,578
Net Current Assets	<u>3,260,809</u>	<u>2,832,433</u>
Net Assets	4,307,706	3,847,430
Deferred Profit Reserve	<u>(1,814,720)</u>	<u>(1,907,151)</u>
Shareholders Fund	<u>2,492,986</u>	<u>1,940,279</u>
	\$	\$
NET ASSETS PER STOCK UNIT	2.60	2.02

Notes

Trading

Turnover for the current year declined by 15% over the previous year due to lower credit sales. Our margins were also reduced as we sought to maintain our competitive edge in a very difficult market. As a result of these factors operating profit was lower.

Action to improve the debtors portfolio has shown positive results with bad debts costs for the year in line with expectations. Further improvements are expected during the new financial year.

With the lower credit business, borrowing requirements fell and with that finance costs. The net transfer from the deferred profit reserve reflected the contraction in the debtors portfolio and as a result Profit before Tax was slightly ahead of last year.

After adjusting for the bonus issue, earnings per share were 60 cents as compared with 57 cents last year.

Future Prospects

For the first few weeks of the new financial year sales bookings have been ahead of the previous

year. The recent launch of "Options" and our new catalogue has increased the proportion of credit business and this will benefit margins. The addition of cellular phones to our product range have also had a significant impact on sales with demand outstripping supplies.

There is a strong promotional schedule for the year and with signs of economic stability and reduced interest rates the company should do well. However, success will be very much dependent on consumer confidence, further lowering of interest rates and economic growth.

Bonus Issue/Dividends

The directors intend to recommend a one for four bonus share issue at the Annual General Meeting. There will also be a recommendation for a final dividend of 1.50 cents per share including the bonus issue, which equates to a 5% increase in the full year dividend amount over last year.
Resolutions at AGIVI

Resolutions at AGM

The directors have decided to propose at the Annual General Meeting to be held on the 13th September 2001:

1. That the Authorised Share Capital of the company be and is hereby increased from \$480,000,000 to \$600,000,000 by the creation of 240,000,000 new ordinary shares of 50 cents each, such shares to rank pari passu with the existing ordinary capital of the company, and that all unissued share capital of the company which shall hereafter from time to time be issued in the form of ordinary shares, as soon as the same shall be issued and fully paid up, shall be converted into ordinary stocks transferable in units of 50 cents each
2. That on the recommendation of the Directors, and Pursuant to article 136 of the Articles of Association of the Company, it is desirable to capitalise the sum of \$119,856,185 standing to the credit of revenue reserves and accordingly that the same be set free for distribution amongst the members on condition that the same shall not be paid in cash but be applied in paying up in full unissued shares of the Company and to be allotted and issued as fully paid up to and amongst the members of the Company in the proportion of one 50 cent par value ordinary share for every four 50 cent ordinary stock unit held by each member on record at the close of business on 27th September 2001 excluding fractions of new shares which fractions shall be rounded up or down as the case may require to the nearest whole number of shares to which the members shall be entitled; and that the 239,712,370 ordinary 50 cent shares so issued be converted into ordinary stock transferable in units of 50 cents each and shall rank for all dividends paid subsequent to 14th

September 2001.

3. That a final dividend of 1.5 cents (2000 - 1.75 cents) per share, less income tax be paid, making together with the interim dividend a total of 2.15 cents (\$0.0215) in respect of the year ended 31 st March 2001 (2000 - 3.05 cents). The final dividend if approved, will be paid on 19th October 2001 to registered shareholders as at the 5th October 2001.
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