

CARRERAS GROUP LIMITED & SUBSIDIARIES

INTERIM REPORT TO STOCKHOLDERS for Six Months to September 30, 2002

The Directors present UNAUDITED RESULTS of the GROUP for SIX MONTHS to September 30, 2002 compared with unaudited results for six months to September 30, 2001

| | Notes | QTR 2 (six months) | | QTR 2 (three months) | | 12 months |
|--|-------|--------------------|--------------|----------------------|--------------|-------------|
| | | UNAUDITED | | UNAUDITED | | AUDITED |
| | | September-02 | September-01 | September-02 | September-01 | March-02 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross operating revenue | 1 | 2,263,198 | 2,175,313 | 1,181,081 | 1,067,081 | 4,462,880 |
| Cost of operating revenue | | (1,087,307) | (1,089,027) | (638,347) | (510,293) | (1,966,232) |
| Gross operating profit | | 1,175,891 | 1,086,286 | 542,734 | 556,788 | 2,496,648 |
| Interest and investment income | | 605,025 | 569,620 | 308,627 | 311,261 | 1,348,067 |
| Other operating income: | | | | | | |
| Exchange gains | | 206,111 | 29,852 | 88,206 | 15,678 | 259,196 |
| Other income | | 38,303 | 9,544 | 25,252 | 2,074 | 22,022 |
| Administrative and marketing expenses | | (546,526) | (609,703) | (257,835) | (249,330) | (1,019,482) |
| Profit before income tax | | 1,478,804 | 1,085,599 | 706,984 | 636,471 | 3,106,451 |
| Income tax | | (434,720) | (356,159) | (235,006) | (198,964) | (748,237) |
| Profit after income tax but before minority interest | | 1,044,084 | 729,440 | 471,978 | 437,507 | 2,358,214 |
| Minority interests | | (1,739) | (1,246) | (1,101) | (577) | (2,970) |

| | | | | | |
|---|------------------|----------------|----------------|----------------|------------------|
| Net profit attributable to stockholders | <u>1,042,345</u> | <u>728,194</u> | <u>470,877</u> | <u>436,930</u> | <u>2,355,244</u> |
| Earnings per ordinary stock unit 2 | <u>214.7</u> | <u>150.0</u> | <u>97.0</u> | <u>90.0</u> | <u>485.2</u> |

Notes:

1. Gross operating revenue represents the invoiced value of products and services sold by the Group, inclusive of special consumption taxes amounting to \$672.551 million (2001: \$627.820 million).
2. Earnings per stock unit is based on the 485,440,000 stock units in issue.

| | GROUP BALANCE SHEET | | | | |
|------------------------------|---------------------|-------------------|-------------------|-------------------|------------------|
| | Unaudited | | Audited | | Unaudited |
| | 30/09/2002 | 30/06/2002 | 31/03/2002 | 30/09/2001 | 30/06/2001 |
| | \$000 | \$000 | \$000 | \$000 | \$000 |
| Current Assets | | | | | |
| Cash and short-term deposits | 3,274,565 | 3,731,734 | 4,775,910 | 4,050,544 | 3,564,832 |
| Short-term investments | 6,174,134 | 5,544,582 | 4,870,618 | 5,341,088 | 4,993,035 |
| Accounts receivable | 352,200 | 378,543 | 449,521 | 456,182 | 412,631 |
| Income tax recoverable | 411,086 | 346,132 | 668,030 | 532,146 | 452,125 |
| Inventories | 119,612 | 156,826 | 123,263 | 147,291 | 203,602 |
| | <u>10,331,597</u> | <u>10,157,817</u> | <u>10,887,342</u> | <u>10,527,251</u> | <u>9,626,225</u> |
| Current Liabilities | | | | | |
| Accounts payable | 638,979 | 955,879 | 497,873 | 1,674,513 | 854,253 |
| Income tax payable | 912,083 | 797,819 | 1,114,876 | 1,002,411 | 885,459 |
| Dividends proposed | 485,440 | - | 1,456,320 | - | 898,064 |
| | <u>2,036,502</u> | <u>1,753,698</u> | <u>3,069,069</u> | <u>2,676,924</u> | <u>2,637,776</u> |

| | | | | | |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Net Current Assets | 8,295,095 | 8,404,119 | 7,818,273 | 7,850,327 | 6,988,449 |
| Long-term Investments | 2,568,846 | 2,465,527 | 2,434,944 | 2,257,144 | 2,679,123 |
| Investment Properties, at Valuation | 190,000 | 190,000 | 190,000 | 138,000 | 138,000 |
| Fixed Assets | 2,188,045 | 2,163,737 | 2,182,959 | 2,073,863 | 2,059,673 |
| Trademarks, at cost | 303 | 303 | 303 | 303 | 303 |
| | <u>13,242,289</u> | <u>13,223,686</u> | <u>12,626,479</u> | <u>12,319,637</u> | <u>11,865,548</u> |
| Financed by: | | | | | |
| Share Capital | 121,360 | 121,360 | 121,360 | 121,360 | 121,360 |
| Reserves: | | | | | |
| Capital | 2,161,659 | 2,144,847 | 2,127,552 | 1,972,684 | 1,954,367 |
| Revenue | <u>10,899,053</u> | <u>10,903,955</u> | <u>10,322,462</u> | <u>9,405,621</u> | <u>9,721,518</u> |
| | <u>13,060,712</u> | <u>13,048,802</u> | <u>12,450,014</u> | <u>11,378,305</u> | <u>11,675,885</u> |
| Stockholders' Equity | 13,182,072 | 13,170,162 | 12,571,374 | 12,255,834 | 11,797,245 |
| Minority Interests | 23,045 | 21,942 | 21,306 | 19,593 | 19,095 |
| Deferred Taxation | 37,172 | 31,582 | 33,799 | 44,210 | 49,208 |
| | <u>13,242,289</u> | <u>13,223,686</u> | <u>12,626,479</u> | <u>12,319,637</u> | <u>11,865,548</u> |

ON BEHALF OF THE BOARD

William Telling
Chief Executive Officer

Marlene Sutherland
Group Finance Director

**Statement of Changes in Stockholders' Equity
for Six Months to September 30, 2002**

| <u>Share</u> | <u>Capital reserves</u> | <u>Revenue reserves</u> |
|----------------|-------------------------|--------------------------|
| <u>Capital</u> | | |
| | Replacement | Unappropriated Insurance |

| <u>Total</u> | Realised Unrealised | | reserve | profits | Claims | |
|--|---------------------|---------------|---------------|---------------|---------------|---------|
| <u>\$'000</u> | <u>\$'000</u> | <u>\$'000</u> | <u>\$'000</u> | <u>\$'000</u> | <u>\$'000</u> | |
| Balances at March 31, 2002 - Audited | 121,360 | 74,304 | 2,053,248 | 49,200 | 10,130,432 | 142,830 |
| 12,571,374 | | | | | | |
| Revaluation adjustments | | | | | | |
| Translation of foreign subsidiary's financials | | | 34,107 | | | 10,811 |
| 44,918 | | | | | | |
| Net gains not recognised in the profit and loss account | | | 34,107 | | | 10,811 |
| 44,918 | | | | | | |
| Provision for the period | | | | 13,674 | | |
| 13,674 | | | | | | |
| Utilisation for the period | | | | (4,799) | | |
| (4,799) | | | | | | |
| Net profit for the period attributable to stockholders | | | | | 1,042,345 | |
| 1,042,345 | | | | | | |
| Dividends | | | | | (485,440) | |
| (485,440) | | | | | | |
| Transfer from/(to) profit and loss account | | | | | | |
| Balances at September 30, 2002 - Unaudited | 121,360 | 74,304 | 2,087,355 | 58,075 | 10,687,337 | 153,641 |
| 13,182,072 | | | | | | |

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Group Statement of Cash Flows
Six Months to September 30, 2002

| | <u>6 months</u> <u>UNAUDITED</u> <u>September-02</u> <u>\$'000</u> | <u>12 months</u> <u>AUDITED</u> <u>March-02</u> <u>\$'000</u> | <u>6 months</u> <u>UNAUDITED</u> <u>September-01</u> <u>\$'000</u> |
|--|---|--|---|
| Cash flows from operating activities: | | | |
| Net profit for the period attributable to stockholders | 1,042,345 | 2,355,244 | 728,194 |
| Items not affecting cash | <u>71,050</u> 1,113,395 | <u>34,933</u> 2,390,177 | <u>9,303</u> 737,497 |
| Changes in working capital | <u>296,229</u> | <u>(5,429)</u> | <u>265,877</u> |
| Cash provided by operating activities | 1,409,624 | 2,384,748 | 1,003,374 |
| Cash (used)/provided by investing activities | (1,454,649) | 1,203,474 | 961,407 |
| Cash used by financing activities | <u>(1,456,320)</u> | <u>(1,383,515)</u> | <u>(485,440)</u> |
| (Decrease)/Increase in cash and short-term deposits | (1,501,345) | 2,204,707 | 1,479,341 |
| Cash and short-term deposits, at beginning of period | <u>4,775,910</u> | <u>2,571,203</u> | <u>2,571,203</u> |
| Cash and short-term deposits, at end of period | <u>3,274,565</u> ===== | <u>4,775,910</u> ===== | <u>4,050,544</u> ===== |