



BOATING # CAMPING # FISHING

SUPER CHEAP AUTO GROUP LIMITED (SUL)
INTERIM REPORT
FOR THE 26 WEEK PERIOD ENDED 29 DECEMBER 2007

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Interim Financial Report	B

SECTION A

APPENDIX 4D HALF YEAR REPORT

SUPER CHEAP AUTO GROUP LIMITED (SUL)

ABN 81 108 676 204

Statutory Results

Current Reporting Period: From 1 July to 29 December 2007
Previous Reporting Period: From 2 July to 30 December 2006

Results for Announcement to the Market

		Amount \$'000
Revenue from ordinary activities	Up 17.1% to	365,674
Profit from ordinary activities after tax attributable to members	Up 37.8% to	12,465
Net profit for the period attributable to members	Up 37.8% to	12,465

For commentary on the results refer to the Company Release and Investor Presentation.

Net Tangible Assets per Security

	2007 \$	2006 \$
Net Tangible assets per security	0.63	0.53

Financial Information

The Appendix 4D should be read in conjunction with the consolidated financial report for the 26 weeks ending 29 December 2007 as set out on pages 3 to 18.

Foreign Entities

Foreign entities have been accounted for in accordance with Australian Accounting Standards.

Dividends – Ordinary Shares

	Amount per security	Franked amount per security
2008 Interim dividend declared 20 February 2008 (payable 2 April 2008)	5.5¢	5.5¢
Record date for determining entitlements to the interim dividend	11 March 2008	

The Company does not have a Dividend Reinvestment Plan.

Information on Audit or Review

The interim report is based on accounts which have been subject to review.

SECTION B

**SUPER CHEAP AUTO GROUP LIMITED
INTERIM FINANCIAL REPORT
FOR THE 26 WEEKS ENDED 29 DECEMBER 2007**

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DIRECTORS' REPORT

The Directors of Super Cheap Auto Group Limited submit herewith the financial report for the 26 week period ended 29 December 2007.

Directors

The names of the Directors of the Company during or since the end of the period are:

R D McIlwain
R A Rowe
D D McDonough
R J Wright
P A Birtles

Review of Operations

The consolidated net profit for the period was \$12,465,000 (2006: \$9,045,000). Sales for the period were \$365,674,000 (2006: \$312,327,000).

Highlights during the half year included:-

- Supercheap Auto opened 2 new stores and closed 1 store during the period to take total store numbers to 247 as well as refurbishing 21 higher trading stores and relocating 1 store to different premises. BCF opened 13 stores and acquired 1 store from an external entity to take total store numbers to 45;
- Supercheap Auto had sales of \$287.4 million which represented an increase of 7.3% over the prior comparative period, whilst BCF sales of \$78.3 million were 76.3% higher than the comparative period;
- \$30.9 million was invested in new and refurbished stores and \$6.8 million in infrastructure and systems during the period. Net external debt increased by \$9.3 million.

Dividends

On 20 February 2008, the Directors declared a dividend of 5.5 cents fully franked. The dividend will be paid on 2 April 2008.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "Rounding off" of amounts in the Directors' Report and Financial Report. Amounts rounded are rounded off to the nearest thousand dollars.

Auditor's Independence Declaration

A copy of the auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is included at page 5 of this report.

Signed in accordance with a resolution of Directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors.



R D McIlwain
Director



P A Birtles
Director

Brisbane
20 February 2008

PricewaterhouseCoopers
ABN 52 780 433 757

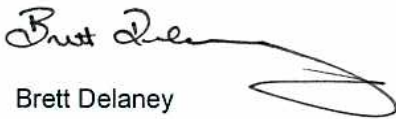
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Auditor's Independence Declaration

As lead auditor for the review of Super Cheap Auto Group Limited for the half year ended 29 December, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Super Cheap Auto Group Limited and the entities it controlled during the period.



Brett Delaney
Partner
PricewaterhouseCoopers

Brisbane
20 February 2008

CONSOLIDATED INCOME STATEMENT
For the 26 weeks ended 29 December 2007

	Notes	Consolidated entity	
		29 December 2007 \$'000	30 December 2006 \$'000
Revenue from continuing operations	3	365,795	312,478
Other income	4	41	75
Total revenues and other income		<u>365,836</u>	<u>312,553</u>
Expenses			
Cost of sales of goods		219,804	189,925
Other expenses:			
- selling and distribution		41,712	34,422
- marketing		22,943	21,882
- occupancy		25,501	20,582
- administration		33,965	29,632
Borrowing costs expense		4,028	3,471
Total expenses		<u>347,953</u>	<u>299,914</u>
Profit before income tax	5	17,883	12,639
Income tax expense	6	<u>(5,418)</u>	<u>(3,594)</u>
Profit attributable to members of Super Cheap Auto Group Limited		<u>12,465</u>	<u>9,045</u>
Earnings per share for profit attributable to the ordinary equity holders of the company			
		Cents	Cents
Basic earnings per share		11.7	8.5
Diluted earnings per share		11.6	8.5

The above consolidated income statement must be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
As at 29 December 2007

	Notes	Consolidated entity	
		29 December	30 June
		2007	2007
		\$'000	\$'000
ASSETS			
Current assets			
Cash and cash equivalents	7	11,378	6,271
Trade and other receivables	8	17,143	14,591
Inventories	9	193,041	159,880
Total current assets		<u>221,562</u>	<u>180,742</u>
Non-current assets			
Property, plant and equipment	10	76,004	67,262
Deferred tax assets	11	8,602	7,991
Intangible assets	12	60,567	58,613
Total non-current assets		<u>145,173</u>	<u>133,866</u>
Total assets		<u>366,735</u>	<u>314,608</u>
LIABILITIES			
Current liabilities			
Trade and other payables	13	95,104	62,243
Borrowings	14	45,507	31,410
Current tax liabilities	15	3,216	5,611
Provisions	16	6,709	5,800
Total current liabilities		<u>150,536</u>	<u>105,064</u>
Non-current liabilities			
Trade and other payables	17	9,307	8,194
Borrowings	18	70,000	70,000
Deferred tax liabilities	19	0	0
Provisions	20	6,694	6,824
Total non-current liabilities		<u>86,001</u>	<u>85,018</u>
Total liabilities		<u>236,537</u>	<u>190,082</u>
Net assets		<u>130,198</u>	<u>124,526</u>
EQUITY			
Contributed equity	21	84,233	84,233
Reserves		(1,043)	(1,168)
Retained profits		47,008	41,461
Total Equity		<u>130,198</u>	<u>124,526</u>

The above consolidated balance sheet must be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 26 weeks ended 29 December 2007

	Notes	Consolidated entity	
		29 December 2007 \$'000	30 December 2006 \$'000
Total equity at the beginning of the period		124,526	112,930
Changes in the fair value of cash flow hedges, net of tax		338	(450)
Changes due to revaluation of long term inter company debt		(336)	0
Exchange differences on translation of foreign operations		(12)	125
Net (expense)/income recognised directly in equity		(10)	(325)
Profit for the period		12,465	9,045
Total recognised income and expense for the period		12,455	8,720
Transactions with equity holders in their capacity as equity holders:			
Dividends provided for or paid		(6,918)	(5,321)
Employee share options		135	188
Total equity at the end of the period		130,198	116,517
Total recognised income and expense for the period is attributable to:			
Members of Super Cheap Auto Group Limited		12,455	8,720

The above consolidated statement of changes in equity must be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT

For the 26 weeks ended 29 December 2007

	Notes	Consolidated entity	
		29 December 2007 \$'000	30 December 2006 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		402,819	340,978
Payments to suppliers and employees (inclusive of goods and services tax)		(341,666)	(290,837)
Rental payments:			
- external		(22,871)	(16,841)
- related parties		(3,591)	(4,286)
Income taxes paid		(7,900)	(3,454)
Net cash inflow from operating activities	25	26,791	25,560
Cash flows from investing activities			
Payments for business acquired		(1,549)	0
Payments for property, plant and equipment		(22,927)	(17,956)
Proceeds from sale of property, plant and equipment		155	35
Net cash (outflow) from investing activities		(24,321)	(17,921)
Cash flows from financing activities			
Proceeds from borrowings		155,300	95,135
Repayments of borrowings		(142,100)	(89,441)
Interest paid		(3,701)	(2,909)
Dividend paid to company's shareholders		(6,918)	(5,321)
Repayments of advances to related parties		0	0
Net cash (outflow) from financing activities		2,581	(2,536)
Net increase/(decrease) in cash and cash equivalents		5,051	5,103
Cash and cash equivalents at the beginning of the period		6,271	6,372
Effects of exchange rate changes on cash and cash equivalents		56	43
Cash and cash equivalents at the end of the financial period	7	11,378	11,518

The above consolidated cash flow statement must be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 26 WEEKS ENDED 29 DECEMBER 2007

1. Basis of preparation of half-year financial report

This general purpose financial report for the interim half year reporting period ended 29 December 2007 has been prepared in accordance with the requirements of the Corporations Act 2001 and Accounting Standard AASB134: Interim Financial Reporting.

The interim financial report does not include full disclosures of the type normally included in an annual financial report. Accordingly, it is recommended that this financial report be read in conjunction with the annual financial report for the period ended 30 June 2007 and any public announcements made by Super Cheap Auto Group Limited and its controlled entities during the interim reporting period in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2. Segment information

The consolidated entity is organised on a global basis into the following business segments:

Supercheap Auto: Retail and distribution of motor vehicle spare parts and accessories, tools and equipment.

BCF (Boating, Camping and Fishing): Retail and distribution of boating, camping and fishing equipment.

Business Segments

Half-year 2007	Supercheap Auto \$'000	BCF \$'000	Total continuing operations \$'000	Inter-segment eliminations/ unallocated \$'000	Consolidated \$'000
Total segment revenue	287,485	78,336	365,821	15	365,836
Unallocated revenue					0
Total revenue and other income					365,836
Segment result (pre-borrowing costs)	18,117	4,813	23,038	(1,019)	21,911
Borrowing costs				(4,028)	(4,028)
Profit before income tax					17,883
Half-year 2006					
Total segment revenue	267,900	44,427	312,327	226	312,553
Unallocated revenue					0
Total revenue and other income					312,553
Segment result (pre-borrowing costs)	16,015	832	16,847	(737)	16,110
Borrowing costs				(3,471)	(3,471)
Profit before income tax					12,639

Notes to the Consolidated Financial Statements (continued)

	Consolidated entity	
	29 December 2007 \$'000	30 December 2006 \$'000
3. Revenue		
From continuing operations:		
<i>Sales revenue</i>		
Sale of goods	365,674	312,327
<i>Other revenue</i>		
Interest	121	151
	<u>365,795</u>	<u>312,478</u>
4 Other Income		
Other income	<u>41</u>	<u>75</u>

Notes to the Consolidated Financial Statements (continued)

	Consolidated entity	
	29 December 2007 \$'000	30 December 2006 \$'000
5. Income and Expenses		
Profit before income tax includes the following specific expenses:		
Net loss on disposal of property, plant and equipment	248	149
Depreciation		
- Computer systems	2,349	1,830
- Plant and equipment	3,599	2,817
- Motor vehicles	186	152
Total depreciation	<u>6,134</u>	<u>4,799</u>
Amortisation		
- Computer software	1,346	1,340
	<u>1,346</u>	<u>1,340</u>
Borrowing costs		
Interest and finance charges	4,028	3,471
Amount capitalised	0	0
Borrowing costs expensed	<u>4,028</u>	<u>3,471</u>
Rental expense relating to operating leases		
- Lease expenses	25,026	19,876
- Equipment hire	892	663
Total rental expense relating to operating leases	<u>25,918</u>	<u>20,539</u>
Foreign exchange gains and losses		
- Net foreign exchange loss/(gains)	<u>(94)</u>	42
Employee benefits expense		
Superannuation expense	3,454	2,949
Salaries and wages	56,562	48,408
	<u>60,016</u>	<u>51,357</u>

Notes to the Consolidated Financial Statements (continued)

	Consolidated entity	
	29 December 2007 \$'000	30 December 2006 \$'000
6. Income Tax		
(a) Income tax expense		
Current tax	5,991	3,866
Deferred tax	(609)	(277)
Adjustments for current tax of prior periods	36	5
	5,418	3,594
Deferred income tax (revenue) expense included in income tax expense comprises:		
(Increase)/decrease in deferred tax assets	(853)	(1,141)
Increase/(decrease) in deferred tax liabilities	244	864
	(609)	(277)
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax expense	17,883	12,639
Tax at the Australian tax rate of 30% (2006: 30%)	5,365	3,792
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax consolidation adjustments re NZ branch	(80)	(79)
Sundry items	18	22
	5,303	3,735
Difference in overseas tax rates	72	27
R&D credits	0	(173)
Adjustments for current tax of prior period	48	5
Restatement of New Zealand deferred tax balance to 30%	(5)	0
Income tax expense	5,418	3,594
(c) Amounts recognised directly in equity		
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss but directly debited or credited to equity		
Net deferred tax – debited/(credited) directly to equity	1	(232)
	1	(232)

Notes to the Consolidated Financial Statements (continued)

	Consolidated entity	
	29 December 2007 \$'000	30 June 2007 \$'000
7. Current assets – cash and cash equivalents		
Cash at bank and in hand	<u>11,378</u>	<u>6,271</u>
8. Current assets – trade and other receivables		
Trade receivables	9,216	5,639
Provision for impairment of receivables	(81)	(74)
	<u>9,135</u>	<u>5,565</u>
Other receivables	2,399	2,753
Tax receivable	622	1,176
Prepayments	4,987	5,097
	<u>17,143</u>	<u>14,591</u>
9. Current assets – inventories		
Finished goods, at lower of cost or net realisable value	<u>193,041</u>	<u>159,880</u>
10. Non-current assets – property, plant and equipment		
Plant and equipment - at cost	86,122	77,346
Less accumulated depreciation	(25,481)	(22,258)
Net plant and equipment	<u>60,641</u>	<u>55,088</u>
Motor vehicles – at cost	1,719	1,423
Less accumulated depreciation	(785)	(792)
Net motor vehicles	<u>934</u>	<u>631</u>
Computer systems – at cost	31,323	26,104
Less accumulated depreciation	(16,894)	(14,561)
Net computer equipment	<u>14,429</u>	<u>11,543</u>
Total net property, plant and equipment	<u>76,004</u>	<u>67,262</u>
11. Non-current assets – deferred tax assets		
Deferred tax asset	<u>8,602</u>	<u>7,991</u>

Notes to the Consolidated Financial Statements (continued)

	Consolidated entity	
	29 December 2007 \$'000	30 June 2007 \$'000
12. Non-current assets – intangible assets		
Goodwill - at cost	52,948	52,112
Less impairment charge	0	0
Net goodwill	<u>52,948</u>	<u>52,112</u>
Trademarks - at cost	14	14
Less accumulated depreciation	0	0
Net trademarks	<u>14</u>	<u>14</u>
Computer software - at cost	17,667	15,203
Less accumulated amortisation	(10,062)	(8,716)
Net computer software	<u>7,605</u>	<u>6,487</u>
Total net intangibles	<u>60,567</u>	<u>58,613</u>
13. Current liabilities – trade and other payables		
Trade payables	72,459	43,138
Other payables	22,645	19,105
	<u>95,104</u>	<u>62,243</u>
14. Current liabilities – borrowings		
Secured		
Commercial bill	44,746	31,540
Less borrowing costs capitalised, net	(215)	(271)
Total current liabilities – secured interest bearing liabilities	<u>44,531</u>	<u>31,269</u>
Unsecured		
Related parties	1	2
Unsecured bank financing	975	139
Total current liabilities – unsecured interest bearing liabilities	<u>976</u>	<u>141</u>
Total current liabilities – interest bearing liabilities	<u>45,507</u>	<u>31,410</u>
15. Current liabilities – tax liabilities		
Income tax payable	<u>3,216</u>	<u>5,611</u>

Notes to the Consolidated Financial Statements (continued)

	Consolidated entity	
	29 December	30 June
	2007	2007
	\$'000	\$'000
16. Current liabilities – provisions		
Make good provision	313	284
Employee benefits	6,396	5,516
	<u>6,709</u>	<u>5,800</u>
Movements in provisions – dividends		
Carrying amount at the start of the financial period	0	0
Dividend declared	6,918	9,579
Payments/other sacrifices of economic benefits	(6,918)	(9,579)
Carrying amount at the end of the financial period	<u>0</u>	<u>0</u>
17. Non-current liabilities – trade and other payables		
Straight line lease adjustment	9,307	8,194
18. Non-current liabilities – borrowings		
Secured		
Cash advance	70,000	70,000
Secured interest bearing liabilities		
Total secured interest bearing liabilities (current and non-current) are:		
Commercial bills	44,531	31,269
Cash advance	70,000	70,000
Total current and non-current secured interest bearing liabilities	<u>114,531</u>	<u>101,269</u>
19. Non-current liabilities – deferred tax liabilities		
Deferred tax liabilities	0	0
20. Non-current liabilities – provisions		
Make good provision	5,335	5,558
Employee benefits – long service leave	1,359	1,266
	<u>6,694</u>	<u>6,824</u>
21. Contributed equity		
Ordinary shares fully paid (106,429,622 ordinary shares)	84,233	84,233

Notes to the Consolidated Financial Statements (continued)

	Parent entity	
	29 December	30 December
	2007	2006
	\$'000	\$'000
22. Dividends		
Ordinary Shares		
Dividends provided for or paid during the half year.	6,918	5,321
Dividends not recognised at the end of the half year		
Subsequent to the end of the half year, the Directors have recommended the payment of an interim dividend of 5.5 cents per ordinary share fully franked based on tax paid at 30%. The aggregate amount of the dividend expected to be paid on 2 April 2008, out of retained profits at 29 December 2007, but not recognised as a liability at the end of the half year is	5,854	4,257

23. Business combinations

Acquisition by controlled entity

On 15 November 2007, BCF Australia Pty Ltd acquired certain assets and assumed certain liabilities of the Campbells Pro Tackle business from an entity external to the Group.

Net assets acquired and goodwill are as follows:

	2007
	\$'000
Purchase consideration	
Cash Paid	1,500
Direct costs relating to the acquisition	49
	<hr/>
Total purchase consideration	1,549
Provisional allocation of Fair value of net identifiable assets acquired (refer below)	713
	<hr/>
Goodwill	836
The goodwill is attributable to Campbells Pro Tackle strong position and profitability in the fishing market and synergies expected to arise after the company's acquisition	
Fair value of identifiable net assets acquired	
Inventory (net of provisions)	700
Plant and equipment	16
Employee entitlements	(4)
Other creditors	(6)
Net deferred tax assets	7
	<hr/>
Net identifiable assets acquired	713
	<hr/>

The amounts recognised by the vendor immediately before acquisition for each class of asset and liability are not significantly different from the fair values included in the table above.

The acquired business contributed revenues of \$0.2 million to the Group for the period 15 November 2007 to 29 December 2007. If the acquisition had occurred on 1 July 2007, the contribution to group revenue would have been \$0.8 million. The contribution to group net profit after tax is not significant.

24. Events occurring after reporting date

Subsequent to the end of the half year, BCF Australia Pty Ltd completed the acquisition of the 2 retail accessories stores of JV Marine World for \$6.3 million, buying certain assets and assuming certain liabilities. The company retains the ability to put back one of the retail stores to the vendor if certain conditions are not fulfilled by 31 March 2008. There is no reason to believe that these conditions will not be met.

The financial effects of the above transaction have not been brought to account at 29 December 2007. The operating results and assets and liabilities of the company will be brought to account from 4 February 2008.

25. Reconciliation of profit after income tax to net cash inflow from operating activities

	Consolidated entity	
	29 December 2007 \$'000	30 December 2006 \$'000
Profit from ordinary activities after related income tax	12,465	9,045
Depreciation and amortisation	7,471	6,139
Net loss/(gain) on sale of non-current assets	248	149
Non-cash employee benefits expense/share based payments	135	150
Net interest expense	3,907	2,909
Change in operating assets and liabilities, net of effects from the purchase of controlled entities		
- (increase) in receivables	(3,106)	(400)
- (increase) in inventories	(32,455)	(31,707)
- increase in payables	37,960	37,967
- increase in provisions	778	1,659
- (increase) in deferred tax	(612)	(351)
Net cash inflow from operating activities	<u>26,791</u>	<u>25,560</u>

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Super Cheap Auto Group Limited, it is our opinion that:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 29 December 2007 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the period ended on that date; and
 - (ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



R D McIlwain
Director



P A Birtles
Director

Brisbane
20 February 2008