

CONTROL INSTRUMENTS GROUP LIMITED

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2006

PRESS RELEASE



CONTROL INSTRUMENTS - SERIOUS ABOUT GROWING

Control Instruments is serious about growing. That is the message from Richard Friedman, Group MD. Speaking at the results presentation, Friedman said that the Group was well on its way to achieving its strategic objectives of getting bigger, globalising and reducing its dependence on any one area of its operations. He added that the strong underlying growth in revenue, normalised operating profit and normalised profit before tax is reflecting the growth of the Group.

Compared with the same period in 2005, the Group's results for the six months ended 30 June 2006 show 90% growth in revenue to R334 million. The results prepared in accordance with IFRS show an increase of 135% in operating profit to R44 million, an increase of 140% in profit before tax to R38 million and an increase in profit after tax of 105% to R29.6 million.

Commenting on the presentation of the results, Friedman said that the core metrics the Group used to manage its businesses are, turnover; operating profit and profit after interest before IFRS adjustments and tax. A normalised income statement for the six months ended 30 June 2006 that excludes the effects of IFRS has been included as the directors believe that this more accurately reflects the business. The normalised results show an 85% increase in operating profit to R35 million and a profit before tax of R28 million, an increase of 70%, compared with the same period in 2005. The Group's cash flow is strong, despite the acquisitions and the increase in debt.

Friedman said that the acquisition of Tripmaster in the USA, coupled with existing sales through SiemensVDO means that the Group is a global player in the "full-functional" vehicle fleet management market with in excess of 250 000 fleet management units sold and operating in more than 43 countries worldwide. He noted that the Fleet Management business performed strongly both locally and internationally, with Tripmaster performing better than expected. The Group has said it is actively looking for further opportunities to expand its international operations.

The Group's office in the United Kingdom, set up in response to the major changes taking place in the local OEM automotive industry, is showing good prospects. There is business in the pipeline and a strong working relationship with Pi Technologies (a leading UK automotive electronic design house) has been established.

The Automotive Aftermarket operations turned in a good performance despite the disruptions of consolidating it with the business of Dana South Africa that was acquired towards the end

of 2005. Friedman said that the acquisition of Gabriel, South Africa's leading manufacturer and supplier of shock absorbers, should be completed in the last quarter of the year. Gabriel should add significantly to the growth of the Automotive Aftermarket business in 2007.

The breakdown of revenue for the period shows that the three areas of business (Fleet Management, OEM and Automotive Aftermarket) are each contributing approximately one third of the revenue. Friedman said that the Group has been striving towards achieving this balance and remove reliance on one area of the business. The acquisitions have contributed to this goal. He added that good progress is being made with the integration of the acquisitions made over the past nine months and the full effect of the acquisitions should be felt in 2007.

During the period, 16 667 000 shares were issued at R6.00 per share, a R50 million loan was raised to fund the acquisitions and 8 148 672 treasury shares were cancelled and delisted.

An interim dividend of 3.5 cents per share in respect of the six months ended 30 June 2006 has been declared.

Control Instruments last closed at R4.73.

ENDS

NOTES TO EDITORS

Control Instruments develops, manufactures and distributes products and services into niche sectors of the worldwide automotive industry. Its activities are focused on fleet management systems; high quality, branded aftermarket products; and technical components used by the original equipment vehicle manufacturers (OEMs).

The Group's overall aim is to globalise its operations in its selected areas in order to maximise its growth opportunities.

Fleet Management

Control Instruments designs and manufactures a comprehensive range of fleet and asset management products that are sold worldwide under the SiemensVDO FM and Tripmaster TM brand names.

These products are focussed into the commercial vehicle market, but also have applications in specialised vertical market segments, such as materials handling; emergency vehicle operations; and safety critical applications.

Vehicles and other assets are linked to their operators through Control Instruments' FM-Web application software and its associated 24x7x365 Bureau Service. Relevant and pertinent

information is directed to the desktop, PDA or mobile telephone of an operator on a real-time basis in easily usable format.

Control Instruments acquired Tripmaster, based in the United States, at the beginning of 2006. Control Instruments and Tripmaster have a combined installed user base in excess of 250 000 onboard computers and telematics units in over 43 countries.

Automotive Aftermarket

Control Instruments distributes an extensive range of high quality, branded automotive aftermarket products throughout sub-Saharan Africa. Focussing on long-term relationships with world-class suppliers and wholesale and retail outlets in sub-Saharan Africa, Control Instruments offers a significant basket of products.

Well known brand names include, ACSA-MAG, Airtex, Autocom, Britax, Echlin, Hermetite, MAG Brakes, PH, Siemens VDO, Trucklite, VDO, VDO Dayton and Warn Winch.

Control Instruments recently acquired the business of Gabriel in South Africa (this is pending final Competition Board approval). Gabriel is the leading supplier of aftermarket shock absorber products in South Africa and is a world recognised brand name.

OEM

Control Instruments designs and manufactures products and components that are used by the original equipment vehicle manufacturing industry worldwide.

Control Instruments has world-class engineering and manufacturing facilities that enable it to compete globally in its selected areas where a combination of high technology, low manufacturing costs and flexibility are required by customers.

The main focus is on electronic and plastic products that are used inside the passenger compartment of vehicles; electronic engine management systems; vehicle security; and vehicle telematics products.

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