



# Invicta

## HOLDINGS LIMITED

(Registration number 1966/002182/06)  
(Share code: IVT) (ISIN code: ZAE000029773)

# INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2001

REVENUE UP 41%

OPERATING INCOME UP 49%

HEADLINE EARNINGS PER SHARE UP 15%



### GROUP INCOME STATEMENT

	Unaudited 6 months ended 30 Sept 2001 R'000	Unaudited 6 months ended 30 Sept 2000 R'000	% Change	Audited year ended 31 March 2001 R'000
Revenue	621 144	439 250	41%	1 057 384
Operating income	43 686	29 296	49%	77 127
Interest received	3 188	8 486		13 290
Interest paid	(8 580)	(3 907)		(12 014)
Income before taxation	38 294	33 875	13%	78 403
Taxation	(13 983)	(11 147)		(23 061)
Income after taxation	24 311	22 728	7%	55 342
Attributable to outside shareholders	(7 456)	(5 205)		(15 758)
Attributable to ordinary shareholders	16 855	17 523		39 584
Ordinary dividends paid				
Interim dividend	-	-		7 917
Final dividend	11 261	11 707		11 707
Retained earnings	5 594	5 816		19 960
<b>Determination of headline earnings</b>				
Earnings	16 855	17 523		39 584
Amortisation of goodwill and trademarks	930	100		1 173
Reorganisation costs	-	-		618
Headline earnings	17 785	17 623		41 375

### SHARE INFORMATION

Headline earnings (cents)	23	20	15%	48
Earnings per share (cents)	22	20	10%	46
Diluted earnings per share (cents)	22	20		45
Dividends per share proposed/declared				
Interim dividend (cents)	8	8		8
Final dividend (cents)	-	-		14
Total dividend for the period (cents)	8	8		22
Weighted average number of shares in issue ('000)	77 240	88 599		86 286

### GROUP BALANCE SHEET

	Unaudited 6 months ended 30 Sept 2001 R'000	Unaudited 6 months ended 30 Sept 2000 R'000	Audited year ended 31 March 2001 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	71 152	71 598	60 456
Loans receivable	8 888	9 238	8 766
Deferred taxation	7 362	2 855	6 088
Goodwill	15 965	12 508	16 871
Trade marks	500	700	791
	103 867	96 899	92 972
<b>Current assets</b>			
Inventories	351 123	316 737	340 066
Accounts receivable	195 946	178 681	181 544
Bank and cash balances	45 491	151 112	74 028
	592 560	646 530	595 638
Total assets	696 427	743 429	688 610
<b>EQUITY AND LIABILITIES</b>			
Ordinary shareholders' equity (Note 2)	256 446	267 078	263 878
Outside shareholders equity	92 275	92 542	88 342
	348 721	359 620	352 220
<b>Non-current liabilities</b>			
Long-term debt	11 212	16 669	13 107
<b>Current liabilities</b>			
Interest bearing	80 969	62 636	82 749
Non-interest bearing			
- Other	255 525	212 731	240 534
- Amount due to Bearing Man Vendors	-	91 773	-
	336 494	367 140	323 283
Total equity and liabilities	696 427	743 429	688 610
Net asset value per share (cents)	333,9	305,0	328,1
Net tangible asset value per share (cents)	312,5	289,9	306,1
Shares in issue	76 794 931	87 557 871	80 436 671

### GROUP CASH FLOW STATEMENT

Cash generated from/(utilised by) operations	55 209	(18 734)	33 248
Net finance (charge)/income	(5 392)	4 579	1 276
Dividends paid	(14 177)	(11 767)	(21 208)
Taxation paid	(22 083)	(5 681)	(17 187)
Net cash inflow/(outflow) from operating activities	13 557	(31 603)	(3 871)
Net cash flow from investing activities	(28 328)	(40 766)	(126 808)
Net cash flow from financing activities	(15 528)	2 821	(37 771)
Net decrease in cash and cash equivalents	(30 299)	(69 548)	(168 450)
Cash and cash equivalents received from business acquired	1 120	-	-
Cash and cash equivalents at the beginning of the period	(6 299)	162 151	162 151
Cash and cash equivalents at the end of the period	(35 478)	92 603	(6 299)

### STATEMENT OF CHANGE IN EQUITY

	Unaudited 6 months ended 30 Sept 2001 R'000	Unaudited 6 months ended 30 Sept 2000 R'000	Audited year ended 31 March 2001 R'000
<b>Share capital</b>			
Balance at beginning of period	4 007	4 878	4 878
Shares purchased in terms of share buy-back scheme	(213)	(500)	(871)
<b>Balance at end of period</b>	3 794	4 378	4 007
<b>Share premium</b>			
Balance at beginning of period	147 504	186 764	186 764
Shares purchased in terms of share buy-back scheme	(12 813)	(21 382)	(39 260)
<b>Balance at end of period</b>	134 691	165 382	147 504
<b>Foreign currency translation reserve</b>			
Balance at beginning of period	-	7	7
Foreign currency movements	-	-	(7)
<b>Balance at end of period</b>	-	7	0
<b>Retained income</b>			
Balance at beginning of period	112 367	80 184	80 184
Change in accounting policy	-	11 311	11 311
	112 367	91 495	91 495
Net income	16 855	17 523	39 584
Dividends paid	(11 261)	(11 707)	(18 712)
Balance at end of period	117 961	97 311	112 367
<b>Ordinary shareholders' equity</b>	256 446	267 078	263 878

### NOTES TO THE FINANCIAL INFORMATION

Note 1

#### Accounting policies

The principal accounting policies as set out in the Group's 2001 annual report have been consistently applied throughout the six month period under review.

Note 2

#### Ordinary shareholders equity

Persuant to the terms of a special resolution, approving the general repurchase of shares passed at the Annual General Meeting of the company on 27 July 2001, 4 272 640 ordinary shares of the company were repurchased during the six months ended September 2001, of which 3 642 740 have been cancelled.

Note 3

#### Acquisition of businesses

During the period under review the Group acquired the businesses of Aftakas, an assembler and distributor of power take-off shafts, yokes and components to the agricultural industry, for R4 million, and Turbochargers/Partlek, a distributor of quality turbochargers and electrical components to the automotive industry, for R7 million.

### COMMENTS

#### GROUP OVERVIEW

The Invicta Group has established itself as a major player in the importation and distribution of bearings and transmission products, agricultural equipment, construction equipment, and automotive engine spares.

#### RESULTS

The board is pleased to announce the Group's financial results for the six months to 30 September 2001. Revenue increased by 41% and operating income increased by 49% compared with the six months ended 30 September 2000. An increase of 15% in headline earnings was achieved. It is especially pleasing that cash generated from operations improved by R73,9 million, from cash utilised of R18,7 million in the comparative period, to cash generated of R55,2 million during this period.

#### PROSPECTS

Current trading conditions continue to be difficult, given world economic events. Management continues to focus on improved profitability and cash generation, whilst seeking suitable acquisitions.

M Rose-Innes  
Chairman

A Goldstone  
Managing Director

### DIVIDEND

Notice is hereby given that an interim dividend of 8 cents per share has been declared to shareholders. The last day to trade ("CUM" the dividend) in order to participate in the dividend will be Friday, 23 November 2001. The share of Invicta Holdings Limited will commence trading "EX" the dividend from the commencement of business on Monday, 26 November 2001 and the record date will be Friday, 30 November 2001. Dividends will be paid to members on Monday, 3 December 2001.

Share Certificates may not be dematerialised or rematerialised between Monday, 19 November 2001 and Friday, 30 November 2001, both days inclusive.

In accordance with AC107, the interim dividend of 8 cents per share proposed by the directors' as shown in the share information has not been reflected in the financial statements.

By order of the board

A Goldstone

Secretary

Johannesburg  
5 November 2001

#### REGISTERED OFFICE

Invicta Holdings Limited  
Constantia Uitsig Farm  
Spaanschemat River Road  
Constantia 7806  
PO Box 89  
Constantia 7848

#### TRANSFER SECRETARIES

Mercantile Registrars Limited  
10th Floor, 11 Diagonal Street  
Johannesburg 2001  
PO Box 7184  
Johannesburg 2000

#### DIRECTORS

M Rose-Innes, A Goldstone  
DL McCay\*, DI Samuels\*  
Adv CH Wiese\*  
\* Non-executive