



**PRESS RELEASE – UNDER EMBARGO UNTIL**

**MONDAY 12<sup>th</sup> NOVEMBER AT 7AM**

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**9th November 2012**

**INTERIM RESULTS RELEASE – 12<sup>th</sup> NOVEMBER 2012**

**Re: INVICTA HOLDINGS CONTINUES STEADY CLIMB**

Investment holding company Invicta Holdings continues to deliver outstanding results, visible in their interim results to 30 September 2012. A Top 100 company for 17 consecutive years listed on the Johannesburg Stock Exchange and headquartered in South Africa, Invicta Holdings Ltd is one of the leading distributors of capital equipment, spare parts and engineering consumables in Southern Africa. In the interim period, Group revenue increased by 37% to R3 514 billion, with profits up by 16%. Operating income grew by 21% to R315m and HEPS by 23% to 313 cents per share. Working capital management resulted in cash generation of R276m, up R99m from the previous period last year.

“The Group continues to follow a well-defined strategy which includes local and international expansion,” says Invicta Holdings CEO Arnold Goldstone. The proposed acquisition of Singapore Stock Exchange listed company Kian Ann Engineering, signals the Groups’ arrival onto the international market. “This is a very exciting time for the Invicta Group,” says Goldstone. “The successful conclusion of this acquisition will diversify the Group’s base beyond Southern Africa, and expansion into Asia is a natural progression for our business - Singapore provides an ideal entry point into several Asian markets”. Kian Ann will provide Invicta with scale in distribution for expanding its reach into Asia, leveraging on

the operations in Africa to create a more sizeable parts group, boosting diversity and further expansion in the region. The Group concluded several local acquisitions totalling R394m.



Industrial consumable leader BMG (Bearing Man Group) grew revenue by 26% through organic and acquisitive growth and continues to be a significant profit generator for the Invicta Group. The purchase of Man-Dirk, a leading industrial tool and equipment distributor to the mining and industrial sector, is their largest acquisition to date. The purchase of OMSA, a leading lubrication and filtration system supplier with effect from 1 April 2012, strengthens BMG's product range and service offering substantially.

"We continue to take advantage of domestic growth opportunities, despite adverse trading conditions following the labour unrest in the mining and freight transport sectors, which remain a concern for the Group," says Goldstone.



The demand for capital equipment in all sectors has increased steadily and has resulted in the best first-half results to date. Revenue grew by 50% to R1.68m and operating profits grew by 58% to R148m. "The CEG has delivered exceptional results. While all divisions performed well, service and spare parts have been particularly impressive," says Goldstone. "Capital investments will be made in the remainder of the year to extend warehouses and assembly plants in the Durban area."

Trading conditions in the Group's sectors appear to be following the same path as in the first half of the year, however the unrest in the mining sector and subsequent lack of

confidence in this sector is a set-back. “We mentioned our concerns around the mining industry previously, and management continues to monitor this situation closely,” says Goldstone. The agricultural machinery and construction sectors appear stable and should remain strong.

The Board remains optimistic and confident of the Group’s continued success.

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Photos: Invicta Holdings CEO Arnold Goldstone



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Please contact Charmagne to arrange interview with Goldstone.

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