



- ▲ EARNINGS PER SHARE UP 47%
- ▲ OPERATING PROFIT UP 16%
- ▲ ATTRIBUTABLE EARNINGS UP 37%



## INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

GROUP INCOME STATEMENT				
	Unaudited six months ended	Unaudited six months ended	Audited year ended	
	30 Sept 2004	30 Sept 2003	31 March 2004	
	R'000	R'000	% Change	R'000
Revenue (note 1)	981 913	1 044 577	(6)	2 069 163
Operating profit	112 538	97 318	16	229 451
Interest received	3 741	4 022		6 093
Finance costs	(6 557)	(14 991)		(26 607)
Profit before taxation	109 722	86 349	27	208 937
Taxation	(37 936)	(30 331)		(70 787)
Profit after taxation	71 786	56 018		138 150
Outside shareholders' interest	(18 613)	(17 329)		(38 519)
Earnings attributable to ordinary shareholders	53 173	38 689	37	99 631
<b>Determination of headline earnings</b>				
Attributable earnings	53 173	38 689		99 631
Goodwill impairment/amortisation	1 008	1 050		1 733
Profit on disposal of property, plant and equipment	(177)	(19)		(839)
Profit on disposal of investment	(4 385)	(1 583)		(1 583)
Headline earnings	49 619	38 137		98 942

SHARE INFORMATION				
	Unaudited six months ended	Unaudited six months ended	Audited year ended	
	30 Sept 2004	30 Sept 2003	31 March 2004	
	R'000	R'000	% Change	R'000
Headline earnings per share (cents)	88	63	40	163
Earnings per share (cents)	94	64	47	164
Diluted earnings per share (cents)	92	64	44	160
Dividends per share proposed/declared				
Interim dividend (cents)	31	20	55	20
Final dividend (cents)	-	-	-	46
Total dividend for the period (cents)	31	20		66
Weighted average number of shares in issue ('000)	56 598	60 646		60 571

GROUP BALANCE SHEET				
	Unaudited six months ended	Unaudited six months ended	Audited year ended	
	30 Sept 2004	30 Sept 2003	31 March 2004	
	R'000	R'000	% Change	R'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	95 703	105 596		102 922
Intangible assets	15 231	13 844		11 454
Investments	190	-		-
Deferred taxation	25 994	28 514		22 655
Long-term receivables	5 688	4 980		5 688
	142 806	152 934		142 719
<b>Current assets</b>				
Inventories	437 788	531 244		501 476
Accounts receivable	274 092	281 939		247 718
Cash and cash equivalents	54 680	10 734		75 933
	766 560	823 917		825 127
Total assets	909 366	976 851		967 846
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Ordinary shareholders' funds	313 326	267 388		312 339
Outside shareholders' interest	154 643	153 961		170 918
	467 969	421 349		483 257
<b>Non-current liabilities</b>				
Long-term borrowings	10 279	10 455		11 642
<b>Current liabilities</b>				
Bank borrowings	-	82 571		41 745
Short-term borrowings	5 135	1 781		3 027
Trade and other payables	425 983	460 695		428 175
	431 118	545 047		472 947
Total equity and liabilities	909 366	976 851		967 846

GROUP CASH FLOW STATEMENT				
	Unaudited six months ended	Unaudited six months ended	Audited year ended	
	30 Sept 2004	30 Sept 2003	31 March 2004	
	R'000	R'000	% Change	R'000
Cash generated from operations	103 905	90 984		285 247
Net finance charge	(2 816)	(10 969)		(20 514)
Dividends paid	(39 027)	(32 772)		(48 904)
Taxation paid	(54 304)	(42 699)		(96 961)
Net cash inflow from operating activities	7 758	4 544		118 868
Net cash flow from investing activities	36 491	(14 434)		(15 857)
Net cash flow from financing activities	(23 757)	(84 548)		(91 424)
Net increase (decrease) in cash and cash equivalents	20 492	(94 438)		11 587
Cash and cash equivalents at the beginning of the period	34 188	22 601		22 601
Cash and cash equivalents at the end of the period	54 680	(71 837)		34 188

Segment information	Engineering Consumables	Capital Equipment and Spares	Non Segment Allocations	Total
<b>Unaudited six months ended 30 September 2004</b>				
Revenue	517 465	464 448	-	981 913
Operating income	73 219	39 767	(448)	112 538
<b>Unaudited six months ended 30 September 2003</b>				
Revenue	498 130	546 447	-	1 044 577
Operating income	73 165	26 381	(2 228)	97 318

Geographical segments:  
The group has not reported segment information by geographical location as the operations occur substantially within Southern Africa.

STATEMENT OF CHANGES IN EQUITY				
	Unaudited six months ended	Unaudited six months ended	Audited year ended	
	30 Sept 2004	30 Sept 2003	31 March 2004	
	R'000	R'000	% Change	R'000
<b>Share capital</b>				
Balance at beginning of period	2 873	3 642		3 642
Share options issued	69	105		129
Shares purchased in terms of share buy-back scheme	(137)	(858)		(898)
Balance at end of period	2 805	2 889		2 873
<b>Share premium</b>				
Balance at beginning of period	28 037	125 036		125 036
Share options issued	2 663	4 237		5 157
Shares purchased in terms of share buy-back scheme	(27 924)	(96 058)		(102 156)
Balance at end of period	2 776	33 215		28 037
<b>Accumulated profits</b>				
Balance at beginning of period	281 429	214 987		214 987
Earnings attributable to ordinary shareholders	53 173	38 689		99 631
Dividends paid	(26 857)	(22 392)		(33 189)
Balance at end of period	307 745	231 284		281 429
<b>Ordinary shareholders' funds</b>	313 326	267 388		312 339

OTHER INFORMATION			
Depreciation and impairment/amortisation	11 758	11 335	23 273
Net asset value per share (cents)	558.5	462.8	543.5
Tangible net asset value per share (cents)	531.4	438.8	523.6
Shares in issue ('000)	56 101	57 776	57 463

### NOTES TO THE FINANCIAL INFORMATION

**Accounting policies**  
The financial information is prepared in accordance with South African Statements of Generally Accepted Accounting Practice and the principal accounting policies as set out in the Group's 2004 annual report have been consistently applied throughout the six month period under review.

**Note 1**  
Revenue for the corresponding previous six months includes the revenue of Engineparts (Pty) Ltd, which was disposed of effective 1 April 2004 (see comments below).

### COMMENTS

**Group activities**  
The Invicta Group continues to be a major regional player in the importation and distribution of:  
• Bearings, belts, seals, power transmission products, geared motors and fasteners (Bearing Man)  
• Agricultural machinery and equipment (Northmec)  
• Construction and earthmoving equipment, turf grooming equipment and golf utility cars (CSE)  
• Automotive and motorcycle parts (Autobax)

### Disposal by Invicta of its 51% shareholding in Engineparts (Proprietary) Limited ("Engineparts")

CSE Equipment Company (Proprietary) Limited ("CSE"), a wholly owned subsidiary of Invicta, entered into an agreement to dispose of its 51% stake in Engineparts to BKM Investments (Proprietary) Limited ("BKM") and Investec Bank Limited ("Investec"), respectively ("the share sale agreement") ("the disposal"). In terms of the share sale agreement, Invicta disposed of its 51% stake in Engineparts, to BKM and Investec for a total consideration of R13 621 494. BKM acquired 38.5% of Engineparts for a cash consideration of R10 281 494, while Investec acquired 12.5% of Engineparts for a cash consideration of R3 340 000. The effective date of the disposal was 1 April 2004. The board of directors has considered the terms of the disposal and is unanimously of the opinion that the disposal is in the best interests of the Company and its shareholders.

**Financial overview**  
The Group has, mainly due to buoyant conditions in the agricultural machinery division, delivered good growth. Earnings attributable to ordinary shareholders increased by 37% to R53 173 000, which translates to earnings per share of 94 cents per share, up 47%.

2 739 484 shares were repurchased during the period. The resultant reduction in the number of shares in issue has contributed to the improved earnings per share. The sale of Engineparts contributed 8 cents per share to EPS.

**Prospects**  
The Group does not anticipate the same level of growth in the second half of the financial year, largely due to a slow-down in the agricultural sector.

**M Rose-Innes** **A Goldstone**  
*Chairman* *Managing Director*

### DIVIDEND

Notice is hereby given that an interim dividend of 31 cents per share has been declared. The last day to trade ("CUM" the dividend) in order to participate in the dividend will be Friday, 19 November 2004.

The shares of Invicta Holdings Limited will commence trading "EX" the dividend from Monday, 22 November 2004 and the record date will be Friday 26 November 2004. The dividend will be paid to members on Monday, 29 November 2004.

Share certificates may not be dematerialised or rematerialised between Monday, 22 November 2004 and Friday 26 November 2004, both days inclusive. In accordance with AC107, the interim dividend of 31 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

**C Barnard** Johannesburg  
*Secretary* 1 November 2004

REGISTERED OFFICE	TRANSFER SECRETARIES	DIRECTORS
Invicta Holdings Limited Unit 1A, Ground Floor, Searld House Alphen Park, Constantia Main Road Constantia 7806 PO Box 89 Constantia 7848	Computershare Investor Services 2004 (Pty) Limited Ground Floor 70 Marshall Street Johannesburg 2001 PO Box 61051 Marshalltown 2107	M Rose-Innes, A Goldstone Di Samuels*, Dr CH Wiese* * Non-executive
	<b>SPONSOR</b>	Nedbank Capital