



**PRESS RELEASE – IMMEDIATE RELEASE**

**(SENS ANNOUNCEMENT TUES 5<sup>TH</sup> JUNE 17H30)**

**FINAL ANNUAL RESULTS RELEASE – MARCH 2012**

**5<sup>th</sup> June 2012**

**Re: INVICTA HOLDINGS RELEASES IMPRESSIVE 2012 RESULTS**

Despite challenging trading conditions following the aftermath of the global recession, Invicta Holdings has grown revenue by 24% to R5,599 billion in the period ending March 2012, with profits up by 21%. Earnings per share climbed by 38%.

“This is an exceptional result for us,” says Invicta CEO Arnold Goldstone. “Two of the largest contributors to the group, namely our Capital Equipment Group (CEG) and BMG (Bearing Man Group), both succeeded in doubling revenue over the last 5 year period, through organic and acquisitive growth”.



The CEG has seen a surge in the demand for agricultural equipment, largely fuelled by high grain prices and sales in the tractor market have exceeded all expectations. Total revenue of the CEG increased by 36% to R2,549 billion. Astute management of costs has resulted in an increase of 57% in operating profits to R247million.



The industrial engineering supplier BMG continues to be the core profit base of the Invicta Group, contributing 59% of operating income. Revenue increased by 15% from R2,387 billion to R2,742 billion and operating margin continues to be steady at 14%.

“BMG achieved level 3 BEE accreditation during the year,” says Goldstone, “which strengthened their position with key customers”.

Trading conditions in the sectors in which the Group operates appear to be levelling off.

“The Group is concerned about the lack of investment in mining and related projects in South Africa,” says Goldstone, “and the apparent de-industrialisation of the country is cause for concern. BMG therefore expects tougher trader conditions than the past year.”

“Weaker grain prices may result in lower demand for agricultural equipment for the CEG, but the current demand remains steady”, says Goldstone. “The acquisition of Equipment Spares Parts (ESP) in the last quarter of the financial year should significantly strengthen their future income from spare parts”, says Goldstone.

BMG acquired Operational Marketing (Pty) Ltd and OMSA Valves and Instrumentation (Pty) Ltd (OMSA Group) with effect from 1 April 2012, adding a leader in lubrication equipment, systems and field service to the BMG fold. “This bodes well for BMG’s expansion into filtration, valves and instrumentation,” says Goldstone.

“The Board remains optimistic and confident of the Group’s continued success,” says Goldstone, “and has declared a final dividend of 177 cents per share, an increase of 40% over last year’s 126 cents per share.”

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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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