



↑ Turnover - Groupup 42.0%

↑ Profit before Taxationup 41.6%

↑ Attributable Incomeup 13.1%

↑ Headline Earnings per Shareup 14.8%

REVIEWED INTERIM REPORT FOR THE HALF YEAR ENDED 28 FEBRUARY 2003

The board of directors of Nu-World Holdings Ltd, (herein after referred to as Nu-World or the Group) is again pleased to report satisfactory growth results for the interim period to 28th February 2003.

Nu-World is a leading South African source for branded consumer durables. The Group manufactures, imports, exports and distributes a one-stop supply of a broad range of consumer durables under a total of 19 international and local brands.

The Group holds a majority interest in subsidiary company Prima Australasia Pty Ltd, a Melbourne based distributor of branded consumer durables.

At the outset of the period under review, the Group increased its shareholding in Prima Australasia to 51% (Feb 2002 : 44.7%). Prima has emerged as an integral part of the Group's growth strategy and is consolidated as a subsidiary as from 1 September 2002 (in these accounts). Where appropriate, deconsolidated comparative figures have been provided.

Notwithstanding the difficult economic conditions however, the Group achieved satisfactory growth for the period.

FINANCIAL OVERVIEW

Growth has been achieved in turnover, operating income, attributable income and headline earnings per share.

Headline earnings per share is up by 14.8% to 90.4 cents (Feb 2002 : 78.8 cents).

The Group remains in an ungeared position with cash balances on hand up 25.0% to R69,849m. (Feb 2002 : R55,889m).

The focus on working capital management is reflected in the increase in cash on hand year-on-year and the continued improvement in the debtors book and stock control.

The net asset value per share at 1323 cents, has increased by 14.4 % (Feb 2002 : 1157 cents).

The accounting policies used in the preparation of the results are consistent with those applied in the prior year, and are in accordance with the South African Statements of Generally Accepted Accounting Practice.

OPERATIONAL REVIEW

In-house manufacturing / Exports
Small electrical appliances

Nu-World is South Africa's leading low-cost, high-volume manufacturer, importer and exporter of small electrical appliances.

Manufacturing performed well during the period. The current strength of the Rand has placed pressure on exports. Export margins are down, but our international customers are enthusiastic about a new range of stainless steel appliances currently being finalised for the USA, UK, Europe and Australia. Top-end, value-added appliances will afford higher margins in export markets.

Consumer Electronics
JVC * Telefunken * Thomson * Nu-Tec
Nu-World's consumer electronics division, with our range of complimentary international brands, differentiated within distinct market segments, from price-entry to top-end, performed reasonably under difficult market conditions.

Prima Australasia Pty Ltd
Telefunken * Akai * Prima Electronics * Nu-Tec

The Australian market has been under pressure since the beginning of calendar 2003. Prima is performing reasonably well in difficult market conditions.

The introduction of Telefunken, by Prima, into the Australian market, has proved successful. The Telefunken brand now represents a sizeable percentage of the company's turnover and continues to win market share.

PROSPECTS

Notwithstanding difficult market conditions over many years, the diversified nature of the Nu-World Group, together with its international reach, has provided shareholders with twelve consecutive years of growth.

The economic climate in the South African market is expected to improve in the short to medium term. It is anticipated that there will be a significant reduction in interest rates during the forthcoming six months.

Lower inflation and increased discretionary income and expenditure, will provide a healthier climate for sales of consumer durables.

Government's electrification programme has pledged to undertake 243,000 grid and 14,000 non grid connections by March 2004. The electrification programme together with the national housing initiative will provide an improving platform for growth in the electrical appliance and consumer electronics sectors.

Directors are optimistic that the Group remains strategically well positioned to sustain growth for the remainder of the financial year.

CORPORATE GOVERNANCE

The Group, at all levels subscribes to the spirit of good corporate governance as set out in both the King Report and the JSE Listings Requirements and accepts the need to conduct the enterprise with integrity, transparency and equal opportunity.

SEGMENTAL REPORTING

The Group predominantly markets and distributes Branded Consumer Durables, and therefore the disclosure of segmental information in terms of AC115 would not be meaningful. Nevertheless the Group reports comprehensively on its performance without divulging information that could jeopardise its competitive advantage.

DIVIDENDS

Nu-World has resolved to continue the policy of a single annual dividend paid after the end of each financial year.

THE BOARD

The non-executive directors continue to play an important role in the strategic direction of the Group, as well as provide valuable operational guidance and advice, which is always appreciated. It gives us great pleasure to welcome Mr D. Piaray to the board as a non-executive director.

REVIEW BY INDEPENDENT AUDITORS

The financial information has been reviewed by Tuffias Sandberg whose unqualified review report is available for inspection at the company's registered office.

DIRECTORS

M.S. Goldberg BCom MBA (Wits) (Chairman), J.A. Goldberg BSc (Eng) (Wits) (Managing), G.R. Hindle CA (SA), B.H. Haikney CA (SA) (Company Secretary), P. Gross B.Com L.L.B. (Wits)*, J.M. Judin Dip Law (Wits)* ,D.Piaray BEng (Chem) (Wits) BCom (Unisa) MBA (Wits)*(* Non-executive Directors.)

Johannesburg
28 May 2003

Registered office	Computershare
35 - 3rd Street	Investor Services Ltd.
Wynberg, Sandton	P.O. Box 61051
2199	Marshalltown 2107
Share Code: NWL	
ISIN Code: ZAE000005070	

INCOME STATEMENT

	Reviewed Six Months Ended 28 Feb 2003 R000	Unaudited Six Months Ended 28 Feb 2002 R000	% Change	Year Ended 31 Aug 2002 R000
Turnover	655,926	461,818	42.0%	942,084
Net operating income	38,582	28,522	35.3%	60,846
Depreciation	3,982	2,131		4,724
Interest paid	4,747	5,309		8,355
Income before taxation	29,853	21,082	41.6%	47,767
Taxation	5,381	4,772		9,998
Income after taxation	24,472	16,310	50.0%	37,769
Income from associate company		778		2,296
Outside shareholders interest	5,139			
Attributable income	19,333	17,088	13.1%	40,065
Dividend	6,791	5,903		5,903
Retained earnings for the period	12,542	11,185	12.1%	34,162
Headline earnings and earnings per share				
Net income attributable to ordinary shareholders	19,333	17,088	13.1%	40,065
Adjustments:				
Net goodwill amortised	280			
Headline earnings	19,613	17,088	14.8%	40,065
Attributable earnings	19,333	17,088	13.1%	40,065
Headline earnings	19,613	17,088	14.8%	40,065
Earnings per share (cents)	89.1	78.8	13.1%	184.7
Earnings per share (cents) - weighted	89.1	78.8	13.1%	184.7
Headline earnings per share (cents)	90.4	78.8	14.8%	184.7
Headline earnings per share (cents) - weighted	90.4	78.8	14.8%	184.7
Dividend per share (cents)	31.3	27.2		27.2
Interest cover	7.3	5.0	46.6%	6.7
Shares in issue	21,695	21,695	0.0%	21,695
Shares in issue - weighted	21,695	21,695	0.0%	21,695

BALANCE SHEET

	Reviewed Six Months Ended 28 Feb 2003 R000	Unaudited Six Months Ended 28 Feb 2002 R000	Year Ended 31 Aug 2002 R000
Assets			
Non-current assets			
Fixed assets	37,148	30,503	36,203
Goodwill	10,923		
Investment in associate		20,911	21,082
Current assets			
Inventory	174,376	119,580	117,385
Trade and other receivables	183,848	134,330	156,563
Cash equivalents	69,849	55,889	87,143
Total assets	476,144	361,213	418,376
Equity and liabilities			
Shareholders' interest	286,961	251,016	274,846
Minority interest	18,512		
Non-current liabilities	8,733	10,430	8,950
Current liabilities			
Trade and other payables	161,938	99,767	134,580
Total equity and liabilities	476,144	361,213	418,376
Debt : Equity Ratio	0.0%	0.0%	0.0%
NAV (cents per share)	1,323	1,157	1,267

DECONSOLIDATED COMPARATIVE INFORMATION

Fixed assets	35,563	30,503	16.6%
Inventory	134,006	119,580	12.1%
Trade and other receivables	147,304	134,331	9.7%
Cash equivalents	68,392	55,890	22.4%
Non-current liabilities	8,733	10,430	(16.3%)
Trade and other payables	120,405	99,767	20.7%
Equity at beginning of period	274,846	240,684	240,684
Conversion of subsidiary to associate		(853)	
Foreign currency translation difference	(1,195)		
Transfer to deferred taxation	358		
Transfer to minority interest	410		
Retained earnings for the period	19,333	17,088	40,065
Dividend paid	(6,791)	(5,903)	(5,903)
Equity at end of period	286,961	251,016	274,846

STATEMENT OF CHANGES IN EQUITY

CASH FLOW STATEMENT

	Reviewed Six Months Ended 28 Feb 2003 R000	Unaudited Six Months Ended 28 Feb 2002 R000	Year Ended 31 Aug 2002 R000
Cash generated/(utilised) by operating activities	(10,124)	6,096	45,920
Cash generated by operations	8,630	21,830	71,734
Interest paid	(4,747)	(5,309)	(8,355)
Dividend paid	(6,792)	(5,909)	(5,856)
Taxation paid	(7,215)	(4,516)	(11,603)
Cash flows from investing activities	(7,170)	(12,666)	(18,736)
Purchase of tangible fixed assets	(2,969)	(4,544)	(14,003)
Proceeds on disposal of fixed assets	21		1,189
Increase in investment in associate		(8,122)	(5,922)
Increase in investment in subsidiary	(4,222)		
Cash flows from financing activities	0	(2,619)	(5,119)
Repayment of long term borrowings		(2,619)	(5,119)
Net increase/(decrease) in cash and cash equivalents	(17,294)	(9,189)	22,065
Cash and cash equivalents at the beginning of the period	87,143	65,078	65,078
Cash and cash equivalents at the end of the period	69,849	55,889	87,143

