

RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2001

HIGHLIGHTS

Turnover increased by 59% to R394 m

Operational performance (EBITDA) increased by 54% to R30,6 m (excluding e-business) and by 22% to R24,3 m (including e-business)

Headline earnings per share increased by 20% to 13.2 cents (excluding e-business) and by 3% to 11.3 cents (including e-business)

Cash on hand of R45 m with no interest bearing debt

CONSOLIDATED INCOME STATEMENT				
	Group Year ended Feb 2001 R000's	E-business Year ended Feb 2001 R000's	Excluding E-business Year ended Feb 2001 R000's	Group Year ended Feb 2000 R000's
Turnover	394,064	228	393,836	248,437
Operating income before interest, taxation, depreciation & amortisation (EBITDA)	24,298	(6,325)	30,623	19,936
Depreciation	(1,467)	(54)	(1,413)	(794)
Investment written off	(850)	-	(850)	-
Goodwill amortised	(1,700)	-	(1,700)	-
Operating income before interest and taxation (EBIT)	20,281	(6,379)	26,660	19,142
Net interest received	1,699	270	1,429	4,493
Income before taxation	21,980	(6,109)	28,089	23,635
Taxation	(7,503)	1,802	(9,305)	(6,101)
Net income after taxation	14,477	(4,307)	18,784	17,534
Outside shareholders interest	1,292	1,292	-	-
Earnings attributable to ordinary shareholders	15,769	(3,015)	18,784	17,534
Retained income at beginning of the year	30,057	-	30,057	12,523
Retained income at end of the year	45,826	(3,015)	48,841	30,057
Headline and diluted headline earnings per share in cents	11.3	(1.9)	13.2	11.0
Weighted average number of shares in issue ('000)	161,765	161,765	161,765	159,174

CONSOLIDATED BALANCE SHEET		
	Group Feb 2001 R000's	Group Feb 2000 R000's
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets - e-business	21,854	19,885
Fixed assets - other businesses	6,696	2,533
Deferred tax	6,745	4,698
Investments and loans	9,590	6,114
Intangible assets	21,610	-
	66,495	33,230
<b>Current assets</b>		
Inventories	6,467	2,034
Accounts receivable	68,350	50,024
Bank balances and cash	45,089	50,427
	119,906	102,485
<b>Total assets</b>	<b>186,401</b>	<b>135,715</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital and premium	7,099	2,003
Non distributable reserve	7,105	706
Acquisition consideration - shares due to vendors	12,249	14,690
Retained earnings	45,826	30,057
	72,279	47,456
Minority interest and outside shareholder's loan	5,749	3,761
<b>Non-current liabilities</b>		
Acquisition consideration - long term cash due to vendors	9,125	6,775
Long term liabilities	249	448
<b>Current liabilities</b>		
Accounts payable - e-business outside shareholders	14,995	15,443
Accounts payable - other businesses	69,894	48,853

Acquisition consideration - short term cash due to vendors	9,300	6,775
Taxation	4,810	6,204
	<u>98,999</u>	<u>77,275</u>
<b>Total equity and liabilities</b>	<b>186,401</b>	<b>135,715</b>
Net asset value per share (cents)	45	30
Tangible net asset value per share (cents)	31	30
Number of shares in issue ('000)	161,830	159,287

CONSOLIDATED CASHFLOW STATEMENT		
	Group Year ended Feb 2001 R000's	Group Year ended Feb 2000 R000's
Net cash inflow from operating activities - other businesses	19,908	35,219
Net cash outflow from operating activities - e-business	(6,080)	-
Net cash outflow from investing activities	(34,361)	(23,325)
Net cash inflow/(outflow) from financing activities	15,195	(6,080)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,338)</b>	<b>5,814</b>
Cash and cash equivalents at the beginning of the period	50,427	44,613
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>45,089</b>	<b>50,427</b>

## COMMENTS

### Nature of business

The Group's major activities comprise the supply, integration and optimisation of IT-infrastructure, business solutions, e-business solutions and related services to enterprise South Africa.

### Commentary

We present Datacentrix's third set of solid annual results since listing on the JSE main board in September 1998.

The results have been split into e-business and other businesses. The e-business figures relate to the Group's joint venture, Commerce Centre of Southern Africa (Pty) Ltd which had no prior year activity.

Compared to the corresponding prior year results:

Turnover increased by 59% to R394 million

Operational performance (EBITDA) increased by 54% to R30,6 million (excluding e-business) and by 22% to R24,3 million (including e-business)

Headline earnings per share increased by 20% to 13.2 cents (excluding e-business) and by 3% to 11.3 cents (including e-business)

EBITDA margin (excluding e-business) of 7,8% (prior year 8,0%) was achieved.

Taxation has been provided for at an effective rate of 34%, in the prior year it was 25% due to the utilisation of an assessed loss in a subsidiary.

In order to improve focus, E-Centrix, a venture capital fund that the Group had intended to set up as a joint venture was terminated, resulting in R0,85 million being written off.

Diligent asset management and financial controls have resulted in the cash balances of R45 million at year end. This cash balance takes into account significant investments made during the year. The group has no interest bearing debt.

### Infrastructure: supply, integration, optimisation and related services

This focus area continues to be the largest contributor to the Group. Contracts have been secured for the supply and related services from corporate customers that will produce revenue in excess of R200 million per annum for the foreseeable future.

Our unique top rated accreditation and position as warranty services partner for Compaq, HP and IBM makes us the partner of choice for the supply and maintenance of enterprise infrastructure requirements.

Datacentrix's success in server-centric storage solutions has evolved into the enterprise storage marketplace where we provide storage area networks solutions from the leading vendors. Our skills and resources in this area have been pooled into a dedicated business unit from which we expect significant growth.

We have been particularly successful in the area of document and data management in the SAP R/3 environment.

### Business solutions

The Business Solutions unit offers hosted services and the consulting, supply and implementation of business applications for the Microsoft platform.

During the year, the division was strengthened by the awarding of a 5-year, R98 million contract with Genfood.

This business unit employs a sizeable skills base focusing on hosted application services, managed infrastructure, financial systems and data mining.

Business Solutions will be a high growth area going forward, which will include acquisitions of skills to complement our existing offering.

We have strengthened our skills base by acquiring Style Props (Pty) Ltd on 1 September 2000 for a consideration of R14 million. The acquisition was underpinned by profit warranties over a 5 year period and has been successfully integrated into Business Solutions.

### E-business

Datacentrix holds a 70% investment in Commerce Centre, with the other 30% being held by international solution providers

Sterling Commerce Inc and ParaRede SA.

As per our announcement of 25 January 2000, we only expect Commerce Centre to be profitable by Financial Year 2003. We are on track to achieve this objective.

Significant progress has been made with the roll-out of a national product data catalogue for the Retail FMCG industry

which has started producing revenue which will be reflected in the forthcoming financial year.

An enterprise pilot project has also been completed for the leading player in the heavy engineering industry.

During the next financial year an e-business consulting arm will be established.

Datacentrix's share of the total investment in Commerce Centre was R16,4 million at year end.

### Future prospects

With the significant growth initiatives identified in our infrastructure business and the establishment of the new growth divisions of Business Solutions and E-business, Datacentrix has successfully implemented its growth strategy and remains poised to make judicious and opportune acquisitions in the business solutions industry. We are positive that growth will continue in the next financial year.

We expect the shakeout and consolidation in the IT industry to accelerate and are extremely well positioned to take advantage of this.

### STRATE

The company, as part of the JSE initiative to move to an electronic settlement environment for share transactions, moved onto the STRATE system on 26 March 2001.

**Dividends**

As per company policy, no dividend has been declared or paid. The directors believe that the cash resources can be best employed within the company to fund organic and/or acquisitive growth.

For and on behalf of the board.

**Gary Morolo**  
**Chairman**

**Gerhard Uys**  
**Chief Executive Officer**

**24 April 2001**  
**Pretoria**

**Directors:**

**Gary Morolo\* (Chairman), Gerhard Uys, Klaas Lammers, Leon Theron, Sam Nematswerani\*, Joan Joffe\***  
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