

**DATACENTRIX HOLDINGS LIMITED**  
**(INCORPORATED IN THE REPUBLIC OF SOUTH AFRICA)**  
**(REGISTRATION NUMBER: 1998/006413/06)**  
**JSE CODE: DCT**  
**ISIN: ZAE 000016051**

("Datacentrix" or "the Group")

**UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2009**

**Key Financial Indicators**

- Headline earnings per share (HEPS) remained the same at 26.8 cents
- Earnings per share (EPS) increased from 26.7 cents to 26.8 cents
- Net asset value increased by 6% to 195.6 cents
- Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 8% to R79.7 million
- Cash generated from operations of R80.5 million resulted in cash on hand of R240 million
- Interim dividend of 13.4 cents per share

**Abridged Consolidated Income Statement for the six months ended 31 August 2009**

	Unaudited 6 months ended 31 August 2009 R'000	Unaudited 6 months ended 31 August 2008 R'000	Audited 12 months ended 28 February 2009 R'000
<b>Revenue</b>	<b>687 587</b>	<b>699 234</b>	1 513 322
<b>Operating profit</b>	<b>70 649</b>	<b>67 963</b>	153 176
Net interest received	8 495	10 456	23 304
<b>Profit before taxation</b>	<b>79 144</b>	<b>78 419</b>	176 480
<b>Income taxation expense</b>	<b>(26 633)</b>	<b>(26 069)</b>	(56 061)
- normal and deferred taxation	(23 143)	(22 990)	(50 314)
- secondary taxation on companies	(3 490)	(3 079)	(5 747)
<b>Earnings for the period attributable to ordinary shareholders</b>	<b>52 511</b>	<b>52 350</b>	<b>120 419</b>
<b>Basic earnings per ordinary share (cents)</b>	<b>26.8</b>	<b>26.7</b>	61.5
Diluted basic earnings per ordinary share (cents)	26.6	26.4	61.0
<b>Dividend per share (cents)</b>	<b>13.4</b>	<b>13.0</b>	30.0
<b>Headline earnings per ordinary share (cents)</b>	<b>26.8</b>	<b>26.8</b>	61.5
Diluted headline earnings per ordinary share (cents)	26.5	26.4	61.0
Weighted average number of shares in issue* (000s)	195 785	195 785	195 785
Weighted average number of shares in issue for purposes of dilution* (000s)	197 379	198 212	197 295
*adjusted for treasury shares			
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	<b>79 733</b>	<b>73 652</b>	165 534
<b>Reconciliation between earnings for the period attributable to ordinary shareholders and headline earnings</b>			
Earnings attributable to ordinary shareholders	52 511	52 350	120 419
(Profit) loss on sale of assets	(110)	45	(64)
<b>Earnings for the purpose of basic and diluted headline earnings per share</b>	<b>52 401</b>	<b>52 395</b>	120 355

**Abridged Consolidated Balance Sheet at 31 August 2009**

	Unaudited 31 August 2009 R'000	Unaudited 31 August 2008 R'000	Audited 28 February 2009 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>83 278</b>	<b>77 968</b>	82 623
Property and equipment	46 028	33 111	41 275
Goodwill	15 596	15 596	15 596
Other intangible assets - software	2 258	1 883	1 542
Deferred taxation assets	17 325	23 059	20 954
Long-term receivables	2 071	4 319	3 256
<b>Current assets</b>	<b>481 487</b>	<b>481 969</b>	527 710
Inventories	19 125	11 062	10 438
Trade and other receivables	216 485	262 866	284 431
Current taxation asset	6 210	-	-
Cash and cash equivalents	239 667	208 041	232 841
<b>TOTAL ASSETS</b>	<b>564 765</b>	<b>559 937</b>	610 333
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>	<b>383 000</b>	<b>318 647</b>	360 625
Share capital	21	21	21
Share premium	37 381	37 354	37 366
Treasury shares	(37 336)	(37 116)	(37 166)
Equity-settled share scheme reserve	18 572	15 872	15 272
Retained earnings	364 362	302 516	345 132
<b>Non-current liability</b>	<b>12 915</b>	<b>17 353</b>	16 328
Deferred revenue – long-term portion	12 915	17 353	16 328
<b>Current liabilities</b>	<b>168 850</b>	<b>223 937</b>	233 380
Trade and other payables	131 786	162 281	179 511
Provisions	1 084	1 568	1 132
Deferred revenue – short-term portion	32 545	32 254	43 505
Lease smoothing liability	1 558	259	1 145
Current taxation liabilities	1 877	27 575	8 087
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>564 765</b>	<b>559 937</b>	610 333
Net asset value (adjusted for treasury shares) per share (cents)	195.6	162.7	184.2
Tangible net asset value (adjusted for treasury shares) per share (cents)	186.5	153.8	175.4
Weighted average number of shares in issue (000s)	195 785	195 785	195 785

**Abridged Consolidated Statement of Changes in Equity for the six months ended 31 August 2009**

	Share capital R'000	Share premium R'000	Treasury shares R'000	Equity settled share scheme reserve R'000	Retained earnings R'000	Total R'000
<b>Balance at 29 February 2008</b>	21	38 145	(35 901)	12 672	279 539	294 476
Profit for the period	-	-	-	-	52 350	52 350
Treasury shares movement	-	-	(1 215)	-	-	(1 215)
Share-based payments	-	-	-	3 200	-	3 200
Dividends	-	-	-	-	(29 373)	(29 373)
Profit on sale of treasury shares	-	(791)	-	-	-	(791)
<b>Balance at 31 August 2008</b>	21	37 354	(37 116)	15 872	302 516	318 647
Profit for the period	-	-	-	-	68 069	68 069
Treasury shares movement	-	-	(50)	-	-	(50)
Share-based payments	-	-	-	(600)	-	(600)
Dividends	-	-	-	-	(25 453)	(25 453)
Profit on sale of treasury shares	-	12	-	-	-	12
<b>Balance at 28 February 2009</b>	21	37 366	(37 166)	15 272	345 132	360 625
Profit for the period	-	-	-	-	52 511	52 511
Treasury shares movement	-	-	(170)	-	-	(170)
Share-based payments	-	-	-	3 300	-	3 300
Dividends	-	-	-	-	(33 281)	(33 281)
Profit on sale of treasury shares	-	15	-	-	-	15
<b>Balance at 31 August 2009</b>	21	37 381	(37 336)	18 572	364 362	383 000

**Abridged Consolidated Cash Flow Statement for the six months ended 31 August 2009**

	Unaudited 6 months ended 31 August '09 R'000	Unaudited 6 months ended 31 August '08 R'000	Audited 12 months ended 28 February '09 R'000
Profit before taxation	79 144	78 419	176 480
Adjusted for non-cash items	4 207	(2 133)	(8 259)
Working capital changes	(2 887)	(44 177)	(35 581)
- Inventory	(8 687)	(86)	538
- Trade and other accounts receivable	67 946	(29 468)	(49 339)
- Trade, other accounts payable and liabilities	(62 146)	(14 623)	13 220
<b>Cash generated from operations</b>	<b>80 464</b>	<b>32 109</b>	<b>132 640</b>
Net interest received	8 495	10 456	23 304
Dividend paid	(33 281)	(29 373)	(54 826)
Taxation paid	(35 424)	(22 960)	(70 335)
<b>Net cash inflow (outflow) from operating activities</b>	<b>20 254</b>	<b>(9 768)</b>	<b>30 783</b>
<b>Net cash outflow from investing activities</b>	<b>(13 258)</b>	<b>(1 688)</b>	<b>(16 566)</b>
<b>Net cash outflow from financing activities</b>	<b>(170)</b>	<b>(2 399)</b>	<b>(3 272)</b>
Net increase (decrease) in cash and cash equivalents	6 826	(13 855)	10 945
Cash and cash equivalents at the beginning of the period	232 841	221 896	221 896
<b>Cash and cash equivalents at the end of the period</b>	<b>239 667</b>	<b>208 041</b>	<b>232 841</b>

**Basis of Preparation**

The abridged interim financial statements of the Group are prepared as a going concern on a historical cost basis, except for certain financial instruments which are stated at amortised cost or fair value. The abridged interim financial statements conform to International Accounting Standard 34: Interim Financial Reporting, the Listings Requirements of the JSE Limited and the Companies Act of South Africa (Act 61 of 1973). The principal accounting policies, which comply with International Financial Reporting Standards ("IFRS"), have been consistently applied in all material respects in the current and comparative periods, except for the IFRS 8 Operating Segments standard which has an effect only on disclosure. The Group has adopted IFRS 8, Operating Segments which requires that the segments shown are those that the Chief Operating Decision Maker uses internally to make operating decisions. All significant disclosures as required by this standard have been included in this commentary. All other new interpretations and standards were assessed and adopted. These results have not been reviewed or reported on by the Group's auditors.

## The Business of Datacentrix

Datacentrix is a leading, empowered ICT integrator that provides high performing, secure ICT solutions to the corporate and the public service sectors throughout South Africa. Its main activities comprise the supply, integration and optimisation of IT infrastructure, business solutions and related services to its client base.

## Commentary

The directors of Datacentrix present the interim financial results of the Group for the period ended 31 August 2009. While the overall results are flat, strong performances were recorded in all but one business unit. The fundamentals of the business remain sound, including in the poor performing business unit which experienced significant deal slippage. Previously identified strategic growth areas have showed strong performance and the Group will continue to cautiously invest in the areas that are closely aligned to the core focus of the Group.

Both HEPS and EPS remained unchanged at 26.8 cents. Operating performance (EBITDA) increased by 8% to R79.7 million. Cash generated from operations was a robust R80.5 million, with cash on hand of R240 million, with no interest-bearing debt. Tangible net asset value per share increased by 6% from 175 cents to 187 cents per share.

## Segmental Analysis

Unaudited 6 months ended	Infrastructure		Managed Services		Business Solutions		Other		Total Group	
	31 Aug '09 R'000	31 Aug '08 R'000	31 Aug '09 R'000	31 Aug '08 R'000	31 Aug '09 R'000	31 Aug '08 R'000	31 Aug '09 R'000	31 Aug '08 R'000	31 Aug '09 R'000	31 Aug '08 R'000
Revenue	522 510	582 935	149 533	118 901	52 424	39 842	(36 880)	(42 444)	687 587	699 234
Operating profit	46 864	55 605	16 747	8 499	7 070	4 112	(32)	(253)	70 649	67 963
Net interest received	-	-	-	-	-	-	8 495	10 456	8 495	10 456
Profit before taxation	46 864	55 605	16 747	8 499	7 070	4 112	8 463	10 203	79 144	78 419
Income tax expense	(13 591)	(16 126)	(4 857)	(2 465)	(2 050)	(1 192)	(6 135)	(6 286)	(26 633)	(26 069)
- normal and deferred taxation	(13 591)	(16 126)	(4 857)	(2 465)	(2 050)	(1 192)	(2 645)	(3 207)	(23 143)	(22 990)
- secondary taxation on companies	-	-	-	-	-	-	(3 490)	(3 079)	(3 490)	(3 079)
Earnings for the period attributable to ordinary shareholders	33 273	39 479	11 890	6 034	5 020	2 920	2 328	3 917	52 511	52 350
Segment assets	429 586	464 550	95 549	59 469	24 321	20 601	15 309	15 317	564 765	559 937
Segment liabilities	135 409	202 654	34 160	26 762	12 000	11 776	196	98	181 765	241 290

The Infrastructure and Managed Services Divisions continue to ensure that they hold the highest sales, pre-sales and technical vendor accreditations, ensuring that they remain the most cost effective partners for the supply, installation and ongoing maintenance of equipment, over the entire lifespan of such equipment. Datacentrix has solidified its position as an HP GOLD Preferred Partner, recognising the Group as one of HP's top performing and most engaged partners in the various specialisations, it is also one of only two fully accredited HP Storage Works Solutions Specialists and is a fully certified Service Specialist Professional Service Partner. Datacentrix has retained its status as an IBM Premier Partner and Microsoft Gold Certified Partner.

The Infrastructure Division has seen good performance in almost all except for one business unit for the six months under review. Whilst spending slowed in the traditional client base, the division increased wallet share in newer clients. This together with the broadening of the portfolio of services has resulted in good performances from most business units.

Encouraging performances were noted in newly identified growth areas, including the Managed Print Services (MPS), Outsourcing and Resourcing businesses. The Outsourcing business revenue has seen a healthy improvement, with a recent sizable win for desktop maintenance and service desk outsource for a leading telecommunications company. The Outsource business has also re-signed a significant contract that had come to term. The Managed Print Services business unit won a number of deals in the period under review including its involvement in the FIFA Confederations Cup. This unit strengthened its execution engine and increased efficiencies resulting in improved profitability. The significant performance improvements in the Managed Services Division resulted in a higher contribution to the Group performance.

The Business Solutions Division has successfully developed its ERP business unit over the six month period, seeing growth from its existing clients seeking improved capabilities from existing systems. Datacentrix' business process management (BPM) clients, Vodacom and Medihelp, recently received awards at ITWeb's inaugural BPM Excellence awards ceremony. The Enterprise Content Management business has seen healthy double digit growth contributing to an improved performance.

The Group's senior management team was strengthened with the promotion of Kenny Nkosi to the position of MD for the government business unit with effect from 1 September 2009. He brings with him a wealth of experience and the Group has full confidence in his ability to take the government business to the next level.

The current economic turmoil has further offered Datacentrix the opportunity to strengthen its management team through the recruitment of senior management skills who became available within the marketplace. The Group is committed to investing in its management and execution capabilities and to enhancing its competitive position to capture opportunities in the markets.

**Directorate**

The board is pleased to announce the appointment of Mrs Dudu Nyamane to the board with effect 29 June 2009. Mrs Nyamane rejoins the board after serving for a period and we look forward to her invaluable contribution.

**Prospects**

Datacentrix monitors global and local industry trends and the impact thereof on the industry. Company CIOs continue to be under pressure to cut costs in the face of revenue challenges. Whilst there has been much talk of "green shoots", the macroeconomic environment remains challenging and uncertain, resulting in limited visibility of future trading conditions. Datacentrix expects to maintain its market share in an evidently tough environment. An integral part of Datacentrix' business model has always been to focus on "must have" instead of "nice to have" offerings. That way the Group continues to find a market, despite tough financial times and tight budgets.

**Dividend**

An interim dividend of 13.4 cents has been declared in line with the dividend policy of two times cover on HEPS.

Declaration date:	Tuesday, 06 October 2009
Last day to trade:	Friday, 23 October 2009
Share trade ex dividend:	Monday, 26 October 2009
Record date:	Friday, 30 October 2009
Payment date:	Monday, 02 November 2009

Share certificates may not be dematerialised or rematerialised between 26 October 2009 and 30 October 2009, both days inclusive.

For and on behalf of the Board:

Gary Morolo  
Chairman

6 October 2009

Directors: Gary Morolo (Non-executive Chairman), Ahmed Mahomed (CEO), Alwyn Martin\*, Dudu Nyamane\*, Elizabeth Naidoo (FD), Joan Joffe\*, Thenjiwe Chikane\*  
\*independent, non-executive

Company Secretary: Ithemba Governance and Statutory Solutions (Proprietary) Limited

Registered Office: Block 7, Sanwood Park, 379 Queens Crescent, Lynnwood, Pretoria

Transfer Secretaries: Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg

Sponsor: Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited