



Datacentrix is pleased to present its third set of annual results since its listing in 1998.

Management ought to be commended for a pleasing set of results under the prevalent market conditions and general difficulties experienced by the technology sector and small cap companies. Particularly more pleasing is that the company has continued to show a consistent growth in revenues and operating income in excess of 20% since its listing. The company remains cash positive with no interest-bearing debt and all working capital indices are under control because of diligent management.

Datacentrix has continued to follow a simple and prudent business philosophy underpinned by the following principles: customer-focused approach; performance driven; excellence in execution and delivery; tight financial controls and management; and top technical capability and vendor accreditation.

Datacentrix intends to become and to remain the leading provider in each of the market spaces it competes in. We have made significant progress in this regard and have positioned ourselves to capture even more market share in the coming period through strategies and measures that we have put in place. These include a strong balance sheet; being the partner of choice to the vendors we work with; entering into long-term contractual partnerships with key clients; focus; and superior empowerment credentials.

We believe the above will become important competitive advantages in the coming year or two, which will require tight asset management and positive cash flows.

In full support of the modern corporate governance requirements, Datacentrix will, in the coming period, move to fuller disclosure on issues such as directors' remuneration, employment equity and ethics reporting.

"The company has successfully established itself as the supplier of choice in IT infrastructure and continues to attract the best skills to maintain this position."



“Datacentrix intends to become and to remain the leading provider in each of the market spaces it competes in.”

In the past financial year Christoff Botha resigned as Gensec-NSA's nominee on the Board of Datacentrix following his resignation from Gensec. The Board benefited immensely from his contribution and records its appreciation. In due course the Board expects to make further appointments to the Board in accordance with operational and corporate governance requirements.

Datacentrix is poised to continue differentiating itself from the class of the 1998 listing boom by continuing to show consistent results and emphasising organic growth. The company has successfully established itself as the supplier of choice in IT infrastructure and continues to attract the best skills to maintain this position.

Datacentrix's key strategic priorities remain to: bring the e-commerce venture, Commerce Centre of South Africa (Proprietary) Limited, to profitability by FY 2003 and growing it into a premier business-to-business e-commerce service provider; and to selectively grow our offerings in the business solutions space.

I take this opportunity to thank management for their performance-driven and disciplined approach as well as the Board for their support and guidance.



Gary Morolo
Chairman

Pretoria
23 April 2001



I present Datacentrix's third set of sound results since listing on the JSE Securities Exchange (JSE) Main Board in September 1998. Results have been split into e-business and other divisions. The e-business figures relate to the Group's joint venture, Commerce Centre of Southern Africa (Proprietary) Limited, which has no prior year activity. Compared to last year's results, turnover increased by 59% to R394 million and operational performance (EBITDA) by 54% to R30,6 million (excluding e-business). Including e-business, the increase was 22% to R24,3 million. Headline earnings per share (HEPS) increased from 11,0 cents last year to 13,2 cents this year, excluding e-business. The planned loss from our e-business venture resulted in HEPS of 11,3 cents, which exceeded our forecasted HEPS of 11,0 cents. The operating margin (excluding e-business) decreased from 8,0% to 7,8%.

Diligent asset management and financial controls have resulted in a cash balance of R45 million, despite significant investment in acquisitions and new ventures. The Group has no interest-bearing debt. Taxation has been provided for at an effective rate of 34% (principally because goodwill amortisation is not tax deductible). In the prior year it was 26% due to the utilisation of an assessed loss in a subsidiary.

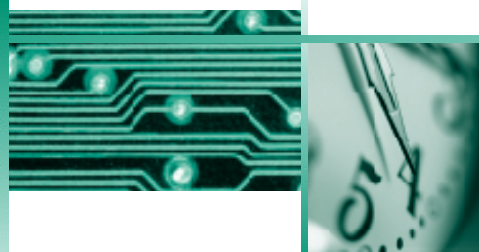
Operational review

The supply of IT infrastructure, integration, maintenance and optimisation has continued to be the largest contributor to the Group's revenue and profit. The Infrastructure Solutions' business is the partner of choice with Compaq, HP and IBM for the supply, integration, maintenance and support of infrastructure requirements to enterprise South Africa.

Supported Software, which was acquired in 1999, has been successfully integrated into the business, and the name changed to Datacentrix Infrastructure Optimisation. This division's skills and expertise in server-centric storage solutions have been consolidated to provide enterprise storage solutions. Through its IXOS document and data management systems, Datacentrix has gone on to dominate the SAP R/3 market in South Africa for this service.

During the year under review fixed property to the value of R2,5 million was acquired in Centurion. This 2000m² facility has strengthened our contractual service delivery to enterprise customers.

“Multi-year contracts in excess of R200 million have been secured for the next financial year.”



“Diligent asset management and financial controls have resulted in a cash balance of R45 million despite significant investment in new ventures and acquisitions.”

The Business Solutions unit offers hosted services and the supply, consulting and implementing of business applications on the Microsoft platform. This division was established with the conclusion of a five-year R98 million contract from Genfood during the year. Organic growth of the company has been the primary focus of management.

We will, however, remain poised to make judicious and opportune acquisitions in the business solutions arena.

Datacentrix holds a 70% investment in its e-business venture, Commerce Centre, with the other 30% being held by international solutions providers, Sterling Commerce Inc and ParaRede SA. When Commerce Centre was launched in January 2000, we predicted profitability by February 2003, which we are on track to deliver. The venture has made significant progress with the roll-out of a national product data catalogue for the fast moving consumer goods (FMCG) industry. This project has started producing revenues which will be reflected in the forthcoming financial year. In addition, an enterprise pilot project has been successfully completed in the heavy engineering industry. During the next financial year, an e-business consulting arm will be established. The approach to e-business remains focused on business-to-business infrastructure, services and technologies.

Multi-year contracts in excess of R200 million have been secured for the next financial year and we completed this year with strengthened relationships with business partners such as Adic, Cisco, Compaq, HP, IBM, Microsoft, Novell,

Sterling Commerce and Veritas. Datacentrix's performance can be credited to excellent customer relationships, attention to service delivery, a South Africa only focus, black empowerment initiatives and vigilant attention to asset management. We continue to commit resources to training, not only within our own organisation, which has assisted us in maintaining low staff turnover levels, but also as part of our economic empowerment and corporate social investment programme.

Our growth strategy is clear:

- To expand infrastructure, optimisation and related services organically;
- to grow Business Solutions and related services organically and acquisitively;
- to execute on our e-business and related services strategy;
- to nurture joint ventures and partnerships in line with strategy; and
- to grow our market share within existing customers.

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



Gerhard Uys
Chief Executive Officer

Pretoria
23 April 2001



Established early 2000, Commerce Centre of Southern Africa (Proprietary) Limited is the e-business solutions provider within the comprehensive Datacentrix service offering to enterprise South Africa.

Commerce Centre is an e-business infrastructure and enabling company which provides the technological and operational infrastructure, enabling companies and communities to engage in business-to-business (B2B) trade. A secure transactional network boasts best-of-breed international technology and offers customers the opportunity to optimise their business efficiency and exploit their global opportunities. The company mission is backed by the experience and success of its shareholders, comprising Datacentrix (70%) and two major global e-business technology providers namely Sterling Commerce and ParaRede.

Sterling Commerce Inc., a 100% subsidiary of SBC Communications Inc., builds and manages electronic commerce trading communities and has been pioneering the practical application thereof for more than two decades. It also offers electronic catalogue and information database solutions that meet the specialised needs of industries ranging from healthcare and pharmaceutical to grocery, transportation and manufacturing. ParaRede is a Portuguese listed company which dominates the Iberian market in business process integration, data synchronisation/master data alignment and supply chain solutions. Their solutions allow data alignment and communication between business partners in the supply chain and they have been particularly successful in the fast moving consumer goods/grocery industry.

Commerce Centre's business philosophy encompasses the enhancement of customer shareholder value by enabling any major community, industry body or enterprise to connect customers and trading partners through either private or public exchanges, using the appropriate internet technologies.

Presently, Commerce Centre is engaged in a number of B2B community and enterprise initiatives. Included are projects in traditional EDI for large enterprises, financial data transmission and private trading exchanges. The services and solutions offered by Commerce Centre are equally applicable to a multitude of industries. However, the initial focus is on the FMCG retail, the heavy engineering, the agricultural and the health industries. Although these initiatives are all in the development stages, the most advanced is the FMCG retail project for which community roll-out has begun.

Commerce Centre is the neutral technology service provider and custodian of the national product data catalogue for the FMCG industry, referred to as the EAN•PDC. This industry initiative is under the auspices of EAN South Africa, and enjoys the exclusive endorsement of the major industry bodies (EAN South Africa, ECR South Africa and GMA) as well as the exclusive support by the major retailers in South Africa (Clicks, Jumbo, Massmart, Metcash, OK Franchise, Pick 'n Pay, Shoprite Checkers and Spar). It was recently announced that the community participation, by means of subscription to the catalogue and the publication of product data, will become a Standard Condition of Trade with the abovenamed retailers by 28 February 2002.

Despite the relatively high start-up costs and the negative market sentiment surrounding e-businesses, Commerce Centre has a focused strategy, best-of-breed technology and an operational infrastructure, all of which differentiates it in the market. We are confident Commerce Centre will be one of the B2B companies around after the inevitable consolidation and will contribute to Group results from 2003.

Stewart Barker
Chief Executive Officer

Pretoria
23 April 2001