

Notes to the Annual Financial Statements (continued)

for the year ended 29 February 2004

9. EARNINGS PER SHARE - GROUP ONLY

	Group	
	2004 R'000	2003 R'000
Earnings attributable to ordinary shareholders	31 746	36 917
Goodwill amortised	8 672	7 677
Net profit from disposal of business	-	(1 383)
Headline earnings for the year	40 418	43 211
	000's	000's
Number of shares:		
Weighted average number of ordinary shares (as restated)	204 272	198 363
Treasury shares (consolidation of share trust)	(9 248)	(9 323)
Weighted average number of ordinary shares (as restated)	195 024	189 040
Effect of dilutive potential ordinary shares	7 604	2 449
Weighted average number of ordinary shares for the purposes of dilution	202 628	191 489
Headline earnings per ordinary share (cents)	20.7	22.9
Diluted headline earnings per ordinary share (cents)	19.9	22.6
Basic earnings per ordinary share (cents)	16.3	19.5
Diluted basic earnings per ordinary share (cents)	15.7	19.3
Prior year as previously stated (refer note 10)		
Headline earnings per ordinary share (cents)	-	21.8
Diluted headline earnings per ordinary share (cents)	-	21.8
Basic earnings per ordinary share (cents)	-	18.6
Diluted basic earnings per ordinary share (cents)	-	18.6

The calculation of earnings per ordinary share is based on the earnings attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the year. The weighted average number of ordinary shares in issue for the year under review is 204 271 818 (2003: 198 362 659).

The calculation of diluted basic and diluted headline earnings per ordinary share is based on the weighted average number of ordinary shares in issue during the year diluted for profit guarantees achieved where the shares are not yet due for issue and for options offered at prices less than the average share price during the year. The diluted weighted average number of ordinary shares in issue for the year under review is 202 627 818 (2003: 191 488 659).

10. CHANGE IN ACCOUNTING POLICIES - GROUP ONLY

The group adopted AC133 - Financial Instruments: Recognition and Measurement during the current financial year. The group's detailed accounting policies in respect of such instruments are set out under the principal accounting policies. As a result of adopting AC133, which constitutes a change in accounting policy, and in accordance with the transition requirements of AC133, comparative figures have not been adjusted except for the restatement of current year opening distributable reserves.

The JSE issued guidance on the consolidation of share trusts and the Datacentrix Holdings Share Trust has accordingly been consolidated into the financial statements of the group. In accordance with the requirements of AC103 - Net profit or loss for the period, fundamental errors and changes in accounting policies, the comparative figures have been restated.

10. CHANGE IN ACCOUNTING POLICIES - GROUP ONLY (continued)

	Previously stated R'000	AC133 R'000	Share trust R'000	Restated R'000
Income Statement				
2003				
Earnings attributable to ordinary shareholders	36 917	-	-	36 917
2004				
Earnings attributable to ordinary shareholders	32 637	(870)	(21)	31 746
- gross	52 017	(1 243)	(5)	50 769
- taxation	(19 380)	373	(16)	(19 023)
Balance Sheet				
2003				
Distributable reserves	105 089	-	(60)	105 029
Share premium	43 754	-	(14)	43 740
Treasury shares	-	-	(10 135)	(10 135)
Bank balances and cash	117 755	-	29	117 784
Loan to share trust	10 238	-	(10 238)	-
2004				
Distributable reserves	137 726	61	(81)	137 706

The adjustments to the 2004 cumulative distributable reserves include an adjustment for the implementation of AC133 to the opening balance of 2004 of R931 000 (gross: R1 330 000, taxation: R399 000) as required by the standard.

11. PROPERTY AND EQUIPMENT - GROUP ONLY

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
COST				
Land	463	-	-	463
Buildings	2 618	-	-	2 618
Motor vehicles	778	306	-	1 084
Furniture and fittings	2 453	388	-	2 841
Computer equipment	14 094	4 334	(166)	18 262
Office equipment	1 275	138	-	1 413
Leasehold improvements	726	55	-	781
Software	1 909	1 695	-	3 604
Total	24 316	6 916	(166)	31 066
	Opening balance R'000	Depreciation R'000	Disposals R'000	Closing balance R'000
ACCUMULATED DEPRECIATION				
Land	-	-	-	-
Buildings	511	119	-	630
Motor vehicles	425	263	-	688
Furniture and fittings	914	473	-	1 387
Computer equipment	6 926	4 657	(93)	11 490
Office equipment	611	228	-	839
Leasehold improvements	192	298	-	490
Software	546	1 259	-	1 805
Total	10 125	7 297	(93)	17 329