

## Five-Year Review

	2007	2006	2005	2004	2003
Revenue (R'000)	1 201 904	1 034 397	882 205	763 782	770 738
EBITDA (R'000)	124 564	88 661	78 084	59 009	52 222
Total assets (R'000)	457 345	450 141	367 709	321 329	321 473
Cash holdings (R'000)	173 841	165 615	167 146	131 022	117 784
HEPS (cents)	40.4	28.7	25.7	21.3	20.6
EPS (cents)	40.0	25.5	21.5	16.9	17.2
Net asset value (cents)	127.0	124.9	109.4	95.8	80.1
Tangible net asset value (cents)	118.6	116.2	96.6	79.1	60.5
Actual number of shares in issue ('000)#	195 655	195 647	195 801	195 024	189 040
Number of employees	670	568	567	453	390
Group employment equity: % Black staff	51%	51%	51%	48%	43%
Group employment equity: % Designated staff	66%	67%	66%	67%	63%

EBITDA: Earnings before interest, taxation, depreciation and amortisation

# Adjusted for treasury shares

## Corporate Profile

Datacentrix is a leading empowered IT reseller, providing computing power and business solutions with value adding benefits to corporate South Africa. It is based in Pretoria with regional offices in Johannesburg, Cape Town and Durban, with its logistics centre in Midrand.

### Vision

Datacentrix strives to be the **partner of choice** for IT infrastructure, business solutions, outsourcing and other related IT services to corporate South Africa.

### Mission

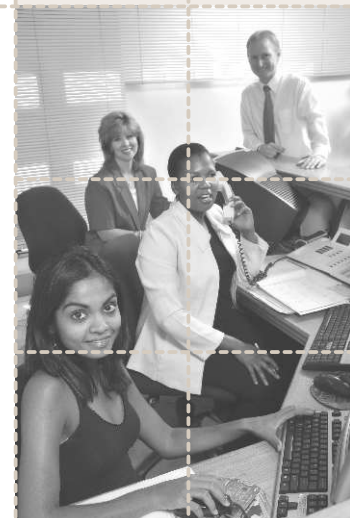
The mission of the Datacentrix group is to **invest** in people, **maximise** stakeholder wealth, **embrace** black economic empowerment and **represent** leading technology partners with distinction.



## Group Values

The group's values are fundamental to Datacentrix' continued success and underpin its relationships with all its stakeholders - both internal and external. These values are:

- Performance-driven
- Passion
- Pride
- Professionalism



## Technology Partners

Datacentrix has long standing relationships with its global technology partners, which allow it to offer market leading technologies to its clients.

Over the past year, the company received multiple partner awards as a technology expert that delivers quality solutions focused on client requirements. These global partnerships remain critical to the company's success as a leading IT solutions provider.

Datacentrix' strategic position linking international manufacturers and the local market adds business value to the regional ICT industry. This value chain is supported by a range of IT services that the company offers and is further enhanced by attractive pricing model supported by direct purchases from its technology partners.

## Client Relationships

Datacentrix is proud of the high quality of its client base that it has built and maintained over the years. The overall client objective is to assist clients in making the best decisions about technology solutions - to achieve improved business performance and competitive advantage.

It is this client satisfaction that drives Datacentrix' business as well as the consistent provision of quality products, solutions, technical expertise, execution skills and client support that has earned Datacentrix respect and loyalty throughout the years.

## Shareholder Value

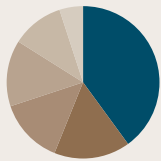
Datacentrix' IT skills continue to differentiate the company from its competitors. The company's commitment to winning profitable market share, to providing excellent service to its clients and to delivering improved returns to its shareholders is evident in its day-to-day operations.

Datacentrix ensures that its shareholders profit from their investments and that their confidence in the company grows.

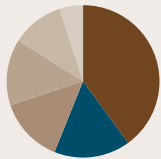
The Datacentrix group attributes its continued success and growth to its profound business strategy, stringent operational and financial controls, strong client principles, partner focus, empowerment profile, workforce capabilities, quality products, superior service levels and its performance-driven culture.



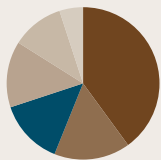
## Corporate Profile (continued)



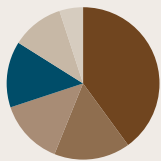
**Aka Capital (Pty) Ltd (controlled) - 40%**



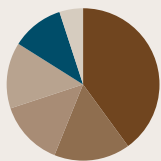
**Public and corporate investors - 16%**



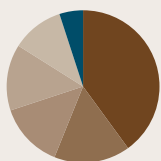
**Directors, management and staff - 14%**



**Investec - 14%**



**Nedbank Group - 11%**



**Datacentrix Holdings Share Trust - 5%**

## Black Economic Empowerment

### Overview

Datacentrix has heightened its profile as a leading black empowered IT reseller since its public listing in 1998. It is especially proud of its achievements in black empowerment and has played a leading role in this domain both within the ICT industry and amongst the locally listed companies. Datacentrix' proactive stance on tackling economic empowerment is what earned the group its 'A' rating for its empowerment credentials from Empowerdex, an independent research and rating agency. The organisation has made exceptional contributions to all areas of BEE since joining forces with Aka Capital including employment equity, skills development, affirmative procurement, as well as enterprise and social development.

### Composition of Board and Management

The demographic profile of the board of directors is as follows:  
 Black (six of nine): 67% (2006: 45%)  
 Historically disadvantaged (seven of nine): 78% (2006: 55%)  
 Female (three of nine): 33% (2006: 27%)

The demographic profile of the company's senior management and directors is as follows:

Black (nine of thirty three): 27% (2006: 25%)  
 Historically disadvantaged (seven of thirty three): 21% (2006: 25%)  
 Female (seven of thirty three): 21% (2006: 22%)

### Employment Equity

Datacentrix' success can be attributed to its simple business model, exceptional people culture and solid work ethics. The workforce is made up of skilled and committed people who contribute their talents and energy into growing the company and increasing its market share. Attracting and retaining high quality people continues to be a critical ingredient in its success.

Employment equity has been embraced at all levels of Datacentrix. The total workforce constitutes 51% black (2006: 51%) and 33% female representatives (2006: 35%). Formal employment equity reports were submitted to the Department of Labour in September 2006. At year-end, the company's operational management comprised 32% (2006: 25%) black and 25% (2006: 28%) female managers.

### Skills Development

Skills development of staff is another key driver of performance and encompasses a two-pronged approach. Technology training ensures that technical skills stay abreast of the latest developments, while professional training ensures that employees continue to serve clients with excellence, maintaining Datacentrix' reputation in the market place. Human Resources implements and oversees the company's training programmes. During the year, Datacentrix received over R562,540 from the ISSETT SETA as part of the recovery of skills levies. The required Workplace Skills plan and report for 2005/2006 were submitted timeously and approved by the necessary authorities.

Additional to the company's skills plan, Datacentrix provides on-going bursaries, in-service training and learnership training programmes as part of an employment creation initiative.

Datacentrix also offers professional training to students from disadvantaged groups by utilising its education budget, which the company established in 2000. This training serves to equip students with the necessary qualifications and preparation for their entry into the workplace. Bursaries are offered in the fields of information technology, commerce, marketing and business management. Employment opportunities and further on-the-job training, coupled with mentoring programmes, are offered to students after graduation.

Students at tertiary institutions are identified to take up permanent employment at Datacentrix after graduating from their respective studies. Selection occurs on an ad hoc basis and is usually in conjunction with presentations that Datacentrix conducts at the respective campuses. These students receive in-service training, which includes exposure to the multi-disciplinary facets of IT.

In addition, the group runs a learnership programme, in conjunction with educational institutions, that requires students to obtain relevant, practical experience in order to attain their respective certifications. Students may be offered permanent employment once their studies are completed. Based on performance, individual learners may qualify to be fast-tracked and trained for future management positions within the group.

Datacentrix is proud to announce a joint training initiative with Microsoft, the Datacentrix/Microsoft Learning Academy. The Academy provides students across the country with the theoretical and practical experience required to enter the IT working arena. After completion of the learnership programme, students will boast NQF level 5 (MCSE or MCSD) and 12 months practical experience.

#### Preferential Procurement

A procurement initiative was launched during March 2004 with the objective to increase direct procurement from enterprises that have made significant progress in the area of BEE. Datacentrix' existing supplier list has been examined and procurement procedures reviewed and formalised to allow more black-owned companies access to the procurement budget as well as to manage the costs of goods and services purchased. Datacentrix' operating expenditure mostly comprises its purchases from its international technology partners, which have made great progress over the past year in conforming to the required BEE schedules of the DTI codes of good practice.

#### Corporate Social Investment

Datacentrix fully recognises the need to create a tangible improvement in the quality of life of disadvantaged South Africans and has set aside funds for a Corporate Social Investment (CSI) programme.

During the financial year under review, the group donated funding to a number of organisations and charities, either in the form of monetary or computer equipment donations. The following organisations are some of those that have benefited from Datacentrix' CSI programme:

Abraham Kriel, Abused and Abandoned Kids Education, Bachana Mokoena Primary School, Be a Friend Foundation, Botshabelo, Captain Crime Stop, Casa Caritas, Caterpal, Elkanah House, Endeni Orphanage, Good Hope Foundation, Hoërskool Overkruin, JC Dynamics Youth, Laerskool Menlopark, LifeLine/YouthLinde West Rand, LoveLife, Pick 'n Pay Woman's Day Charity, People Opposing Woman Abuse (POWA), Roundabout Playpumps, SA Brain Research Institute, San Salvador Home, St Luke's Hospice, Sunday Times Youth Campaign, Timios Homes, Transvalia School for Epilepsy, University of Johannesburg, University of Pretoria, Western Cape Council for the Blind and Zifuneleni Junior Secondary School in Soweto.

#### Environment

Datacentrix operates in an office-based environment and as a result does not have a formal environmental policy. The group is however mindful of conducting its operations in an environmentally responsible manner. It controls the extent of its paper, energy and water consumption. It recycles both paper and toner cartridges, engages in effective waste management and recycles refurbished computer equipment to charities and other deserving causes.

#### Enterprise Development

Datacentrix believes in the support and development of small and mid-sized enterprises (SMEs) from historically disadvantaged communities and is committed to supporting emerging and black-owned SMEs through its discretionary spend. Enterprise development is a key component of the company's delivery mechanism as well as BEE and transformation framework. The strategy since 1999 has been to identify potential partners that would enhance and complement Datacentrix' product and service offerings to its clients, and provide mentoring and skills development through on-the-job training. There are presently 34 SMEs that form a comprehensive network of partners across South Africa to assist in the servicing of clients throughout the country.

“The workforce is made up of **skilled** and **committed** people who contribute their **talents** and **energy** into growing the **company** and increasing its **market share**.”



## Corporate Profile (continued)

### National Footprint

Datacentrix has regional offices situated in Pretoria, Johannesburg, Cape Town and Durban. The company's logistics centre is based in Midrand. Datacentrix services its clients through a national footprint with additional service centres based in Polokwane, Nelspruit, Bloemfontein, George and Port Elizabeth. A country-wide network of black-owned small and mid-sized enterprises (SMEs) assists with servicing outlying clients and enables Datacentrix to rollout national projects with their support.



- Datacentrix Offices
- Service Centres
- Logistics Centre
- SME Partners

## Group Focus

The group's activities focus on the following business areas:

### Infrastructure and Related Services

- Enterprise systems
- Enterprise systems management
- Hardware solutions
- Software solutions
- Network solutions
- Microsoft licensing and services
  - Platforms
  - Support
  - Upgrades
  - Migrations
  - Advanced projects
- Software asset management
- Security solutions
- IT infrastructure projects
- Vendor warranty services
- Hardware services
  - Install, move, add, change and dispose (IMACD) deployments
  - Configuration
  - Non-warranty repairs
- Desktop, server and infrastructure outsourcing
  - Selective outsourcing
  - Managed output solutions
- Resourcing



### Solutions

Professional services, consulting, implementation, training and support in the areas of:

- Business solutions
- Enterprise resource planning
- Productivity applications
  - Microsoft Great Plains
  - Microsoft customer relationship management
  - Business intelligence and performance management
  - Data warehousing
  - Workflow and business process management
- Optimisation and content management
- Development and business integration
- Archiving solutions

