

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

**UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2007**

**Key Financial Indicators**

- Revenue increased 15%
- EBITDA increased 33% to R66 million
- Headline earnings per share (HEPS) increased 53% to 22.2 cents
- Earnings per share (EPS) increased 57% to 22.2 cents
- Cash generated from operations of R81 million resulting in cash on hand of R207 million
- Interim dividend increased by 57% to 11.0 cents per share

**Abridged Consolidated Income Statement for the six months ended 31 August 2007**

	Unaudited 6 months ended 31 August 2007 R'000	Unaudited 6 months ended 31 August 2006 R'000	Audited 12 months ended 28 February 2007 R'000
<b>Revenue</b>	<b>693 711</b>	604 262	1 201 904
<b>Operating profit</b>	<b>61 584</b>	44 112	114 433
Net interest received	5 950	5 708	9 750
<b>Profit before taxation</b>	<b>67 534</b>	49 820	124 183
<b>Income tax expense</b>	<b>(24 043)</b>	(22 150)	(45 913)
- normal and deferred taxation	(20 656)	(14 452)	(36 419)
- secondary taxation on companies	(3 387)	(7 698)	(9 494)
<b>Earnings for the period attributable to ordinary shareholders</b>	<b>43 491</b>	27 670	78 270
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	<b>66 428</b>	50 030	124 564
<b>Basic earnings per ordinary share (cents)</b>	<b>22.2</b>	14.1	40.0
Diluted basic earnings per ordinary share (cents)	21.7	13.8	39.2
<b>Headline earnings per ordinary share (cents)</b>	<b>22.2</b>	14.5	40.4
Diluted headline earnings per ordinary share (cents)	21.7	14.1	39.5
<b>Dividend per share (cents)</b>	<b>11.0</b>	7.0	20.2
Weighted average number of shares in issue* (000s)	195 785	195 647	195 655
Weighted average number of shares in issue for purposes of dilution* (000s)	200 129	200 565	199 635
*adjusted for treasury shares			
<b>Reconciliation between earnings for the period attributable to ordinary shareholders and headline earnings</b>			
Earnings attributable to ordinary shareholders	43 491	27 670	78 270
Impairment of goodwill	-	662	661
(Profit) Loss on sale of assets	(49)	-	21
<b>Earnings for the purpose of basic and diluted earnings per share</b>	<b>43 442</b>	28 332	78 952

**Abridged Consolidated Balance Sheet at 31 August 2007**

	Unaudited 31 August 2007 R'000	Unaudited 31 August 2006 R'000	Audited 28 February 2007 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>64 400</b>	<b>74 547</b>	65 297
Property and equipment	31 094	30 322	30 074
Software	1 025	932	867
Goodwill	15 596	15 596	15 596
Investment in joint venture	-	290	-
Deferred tax assets	14 009	21 955	14 582
Long term receivables	2 676	5 452	4 178
<b>Current assets</b>	<b>434 320</b>	<b>328 429</b>	392 048
Inventories	10 006	33 429	9 401
Trade and other receivables	217 056	149 756	208 806
Cash and cash equivalents	207 258	145 244	173 841
<b>TOTAL ASSETS</b>	<b>498 720</b>	<b>402 976</b>	<b>457 345</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>	<b>263 146</b>	<b>212 767</b>	248 468
Share capital	21	21	21
Share premium	40 095	40 735	40 709
Treasury shares	(31 331)	(22 983)	(25 958)
Equity-settled share scheme reserve	11 642	6 842	8 642
Retained earnings	242 719	188 152	225 054
<b>Non-current liabilities</b>	<b>22 768</b>	<b>26 207</b>	20 334
Obligations under finance leases	823	2 849	2 007
Deferred revenue	21 945	23 358	18 327
<b>Current liabilities</b>	<b>212 806</b>	<b>164 002</b>	188 543
Trade and other payables	156 459	110 893	133 643
Provisions	13 234	16 974	18 485
Deferred revenue	27 886	17 987	27 655
Lease liability	393	263	460
Current tax liabilities	14 834	17 885	8 300
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>498 720</b>	<b>402 976</b>	<b>457 345</b>
Net asset value (adjusted for treasury shares) per share (cents)	134.4	108.8	127.0
Tangible net asset value (adjusted for treasury shares) per share (cents)	125.9	100.3	118.6
Weighted average number of shares in issue (000s)	195 785	195 647	195 655

**Abridged Consolidated Statement of Changes in Equity for the six months ended 31 August 2007**

	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 28 February 2006</b>	<b>21</b>	<b>40 311</b>	<b>(20 203)</b>	<b>5 042</b>	<b>219 176</b>	<b>244 347</b>
Profit for the period	-	-	-	-	27 670	27 670
Treasury shares movement	-	-	(2 780)	-	-	(2 780)
Share-based payments	-	-	-	1 800	-	1 800
Dividend paid	-	-	-	-	(58 694)	(58 694)
Profit on sale of treasury shares	-	424	-	-	-	424
<b>Balance at 31 August 2006</b>	<b>21</b>	<b>40 735</b>	<b>(22 983)</b>	<b>6 842</b>	<b>188 152</b>	<b>212 767</b>
Profit for the period	-	-	-	-	50 600	50 600
Treasury shares movement	-	-	(2 975)	-	-	(2 975)
Share-based payments	-	-	-	1 800	-	1 800
Dividends paid	-	-	-	-	(13 698)	(13 698)
Profit on sale of treasury shares	-	(26)	-	-	-	(26)
<b>Balance at 28 February 2007</b>	<b>21</b>	<b>40 709</b>	<b>(25 958)</b>	<b>8 642</b>	<b>225 054</b>	<b>248 468</b>
Profit for the period	-	-	-	-	43 491	43 491
Treasury shares movement	-	-	(5 373)	-	-	(5 373)
Share-based payments	-	-	-	3 000	-	3 000
Dividends paid	-	-	-	-	(25 826)	(25 826)
Profit on sale of treasury shares	-	(614)	-	-	-	(614)
<b>Balance at 31 August 2007</b>	<b>21</b>	<b>40 095</b>	<b>(31 331)</b>	<b>11 642</b>	<b>242 719</b>	<b>263 146</b>

**Abridged Consolidated Cash Flow Statement for the six months ended 31 August 2007**

	Unaudited 6 months ended 31 August 2007 R'000	Unaudited 6 months ended 31 August 2006 R'000	Audited 12 months ended 28 February 2007 R'000
Profit before taxation	67 534	49 820	124 183
Adjusted for non-cash items	1 164	2 632	4 825
Working capital changes	12 705	3 604	(339)
- Inventory	(605)	(28 593)	(4 565)
- Trade and other accounts receivable	(8 038)	60 134	3 167
- Trade, other accounts payable and liabilities	21 348	(27 937)	1 737
<b>Cash generated from operations</b>	<b>81 403</b>	<b>56 056</b>	<b>129 347</b>
Net interest received	5 950	5 708	9 750
Dividend paid	(25 826)	(58 694)	(72 392)
Taxation paid	(16 859)	(18 605)	(44 657)
<b>Net cash inflow (outflow) from operating activities</b>	<b>44 668</b>	<b>(15 535)</b>	<b>22 048</b>
<b>Net cash outflow from investing activities</b>	<b>(4 807)</b>	<b>(846)</b>	<b>(6 077)</b>
<b>Net cash (outflow) inflow from financing activities</b>	<b>(6 444)</b>	<b>(3 989)</b>	<b>7 745</b>
Net increase (decrease) in cash and cash equivalents	33 417	(20 371)	8 226
Cash and cash equivalents at the beginning of the period	173 841	165 615	165 615
<b>Cash and cash equivalents at the end of the period</b>	<b>207 258</b>	<b>145 244</b>	<b>173 841</b>

## Basis of Preparation

The condensed financial statements of the group are prepared as a going concern on a historical cost basis except for certain financial instruments, at amortised cost or fair value. The summarised annual financial statements conform to International Accounting Standard 34: Interim Financial Reporting, the Listing Requirements of the JSE Securities Exchange Limited and the Companies Act of South Africa (Act 61 of 1973). The principal accounting policies, which comply with International Financial Reporting Standards, have been consistently applied in all material respects in the current and comparative periods. All new interpretations and standards were assessed and adopted with no material impact.

## Commentary

The directors of Datacentrix Holdings Limited are proud to announce the interim financial results of the group for the six month period ended 31 August 2007. Growth has been achieved on all the indices normally reported on. There has been strong operational performance across the business.

Headline earnings per share (HEPS) increased by 53% to 22.2 cents and earnings per share (EPS) increased 57% to 22.2 cents. Operating performance (EBITDA) increased by 33% to R66 million. Cash generated from operations was R81 million.

## Infrastructure and Related Services

The Infrastructure and Related Services division continue to be a dominant player in the supply, deployment, maintenance and support of IT infrastructure solutions to enterprise South Africa. In the period under review this division produced healthy organic growth contributing R658 million (2006: R568 million) and R52 million (2006: R38 million) to the group's revenue and segment result (profitability) for the period respectively. Once again the division received a number of awards at HP's Partner-of-the-year event reaffirming our credentials as a trusted partner to both our vendors and customers.

The division experienced strong performance in particular in the enterprise systems, selective outsourcing and commercial segment of the market. We have retained our major clients, renewed existing contracts and grown our existing client base. We continue to ensure that the group is accredited by its vendors at the highest possible level both in the technical and sales arenas. The continued expansion of our service offering has enabled us to provide more services to customers, further enhancing our strategic value to them as a single source service provider. This commitment ensures Datacentrix is a cost effective partner for the supply, installation and maintenance of equipment over its entire life-cycle, providing customers with the ability to focus their resources on their core business. The division's strategic focus remains unchanged.

Client satisfaction is the foundation of our business. Datacentrix's full service focus on the supply and support of IT Infrastructure ensures ease of engagement. Clients are assisted through the various processes including needs assessment, product evaluation and selection, configuration and installation and the support of the infrastructure thereafter.

## Solutions

The Enterprise Resource Planning business unit has consolidated its performance by ensuring that the fundamentals are in place and that projects are delivered as per client expectations. The sales capacity has been enhanced during the period to focus on growth with a sound service delivery foundation. Datacentrix maintains its Microsoft Gold Partner status.

The Workflow and Development business unit has won major projects in the areas of workflow, business intelligence and data-mining during the period. The Optimisation business unit serving the electronic content management and archiving areas has also performed creditably.

Overall the Solutions business has improved its profitability (segment result) to R9.7 million (2006: R6.7 million) and contributed R35 million (2006: R36 million) to the group's revenue.

## Board and Management changes

Vernon Tutton has been appointed Managing Director of Services and Kelebone Tekateka has been appointed Managing Director of Infrastructure Pretoria effective 1 October 2007. We would also like to announce the resignation of Johan Landsberg as Company Secretary. Johan will continue with other key responsibilities within the company. Mavis Thomani, CA (SA), has been appointed as the Company Secretary, effective 2 October 2007.

As previously communicated to shareholders, Stewart Barker resigned as executive director with effect from 1 September 2007. The board thanks Stewart for his contribution.

## Prospects

Datacentrix will continue to consolidate its position in the market space and the outlook remains positive. Both the private sector and government show healthy activity in IT expenditure and as always Datacentrix expects to maintain or increase market share. Indices cited in the past as engines for growth, such as mobile computing, security, storage and new Microsoft releases continue to fuel growth in the infrastructure and services market.

Datacentrix is still well positioned to capitalise on the opportunities outlined above.

## Dividend

An interim dividend of 11.0 cents has been declared in line with our dividend policy of two times cover on HEPS.

Declaration date:	Monday, 1 October 2007
Last day to trade:	Friday, 19 October 2007
Share trade ex dividend:	Monday, 22 October 2007
Record date:	Friday, 26 October 2007
Payment date:	Monday, 29 October 2007

Share certificates may not be dematerialised or rematerialised between 22 October 2007 and 26 October 2007, both days inclusive.

For and on behalf of the Board:

**Gary Morolo**  
**Chairman**  
**2 October 2007**

**Directors:** Gary Morolo (Chairman)\*, Gerhard Uys (CEO), Ahmed Mahomed (COO), Elizabeth Naidoo (CFO), Alwyn Martin\*, Imogen Mkhize\*, Israel Skosana\*, Joan Joffe\* (\*non-executive)

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

**Transfer Secretaries:** Computershare Investor Services 2004 (Pty) Ltd, 70 Marshall Street, Johannesburg

**Sponsor:** Barnard Jacobs Mellet Corporate Finance (Pty) Ltd