

Datatec Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1994/005004/06)
ISIN: ZAE000017745
Share Code: DTC
("Datatec" or "the Company" or "the Group")

TRADING STATEMENT

Datatec, the international Information and Communications Technology (ICT) company, is publishing a trading statement for the year ended 28 February 2019 ("FY19").

In terms of paragraph 3.4(b)(i) of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from the previous corresponding reporting period ("FY18").

The preparation of the FY19 results has reached the stage where the Group has such a reasonable degree of certainty and expects that for FY19:

- Underlying* earnings per share will be 6.6 US cents, 12.2 US cents higher than the 5.6 US cents underlying* loss per share reported in FY18 and 23.8 US cents higher than the 17.2 US cents underlying* loss per share from continuing operations reported in FY18;
- Headline earnings per share will be 0.7 US cents, 19.8 US cents higher than the 19.1 US cents headline loss per share reported in FY18 and 30.6 US cents higher than the 29.9 US cents headline loss per share from continuing operations reported in FY18;
- Earnings per share will be 5.5 US cents, 15.0 US cents and 73% lower than the 20.5 US cents reported in FY18, as a result of the profit generated on sale of the Disposal Group in FY18 (as defined below). Earnings per share from continuing operations will be 0.6 US cents, 53.9 US cents higher than the 53.3 US cents loss per share from continuing operations reported in FY18.

The year over year increase in underlying* earnings per share and headline earnings per share is primarily as a result of the very good progress made in reshaping Westcon International combined with continuing improved performance in Logicalis and Analysys Mason.

During the prior year (FY18), the Group completed the sale of Westcon Americas to SYNEX and the sale of Logicalis SMC (together the "Disposal Group"). The earnings of the Disposal Group for the first half of FY18 are included in the underlying* earnings per share and headline earnings per share for FY18. On a directly comparable continuing basis, the year over year improvement in underlying* earnings per share and headline earnings per share is even more notable.

The financial information on which this trading statement is based has not been reviewed nor reported on by the Group's external auditors.

The Company intends to release its FY19 results on SENS on 16 May 2019.

** underlying earnings per share excludes impairments of goodwill and intangible assets, profit or loss on sale of investments and assets, amortisation of acquired intangible assets, unrealised foreign exchange movements, acquisition-related adjustments, fair value movements on acquisition-related financial instruments, restructuring costs relating to fundamental reorganisations and the taxation effect of all of the aforementioned.*

Johannesburg

7 May 2019

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)