



Agenda		ALTECH Leading Technologies: Touching Lives
01 Corporate Overview		Craig Venter (CEO)
02 Financial Results		Dr John Carstens (CFO)
03 Divisional Performance Review		Craig Venter (CEO)
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05 The Way Forward		Craig Venter (CEO)



The slide features a dark blue background with a world map and a glowing globe centered on Africa. Below the map is a binary code pattern. The ALTECH logo is on the left, and the text 'Corporate Overview' and 'Craig Venter (CEO)' is on the right. A small image of a person is next to the CEO name.


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Leading Technologies: Touching Lives

Corporate Overview

Craig Venter (CEO)

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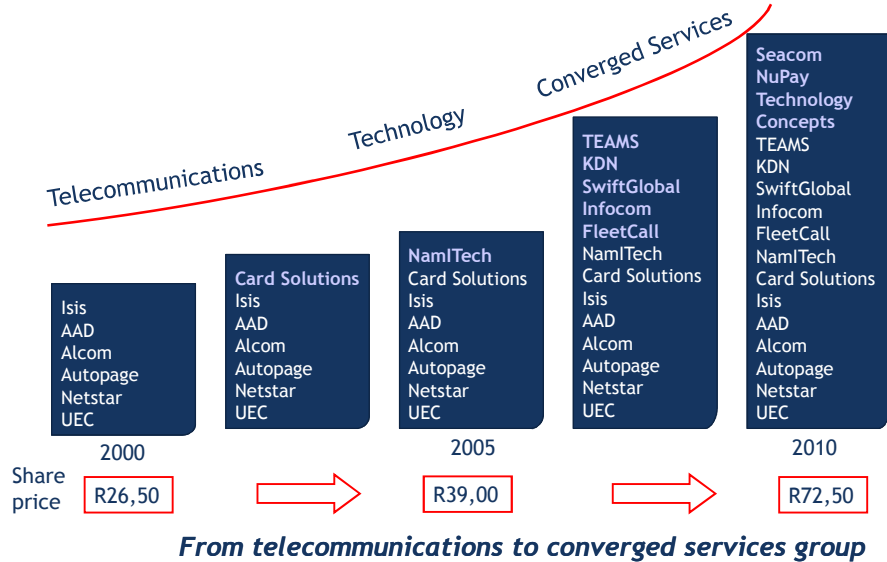
Financial Highlights



➤ Revenue	R9.2 billion
➤ Operating profit	R933 million
➤ Operating income margin	10.1%
➤ Profit after tax (PAT)	R585 million
➤ EPS	536 cents per share
➤ Adjusted HEPS	605 cents per share
➤ Net cash	R616 million
➤ Return on equity	26.1%

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The Altech Journey



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Transformation and Corporate Responsibility



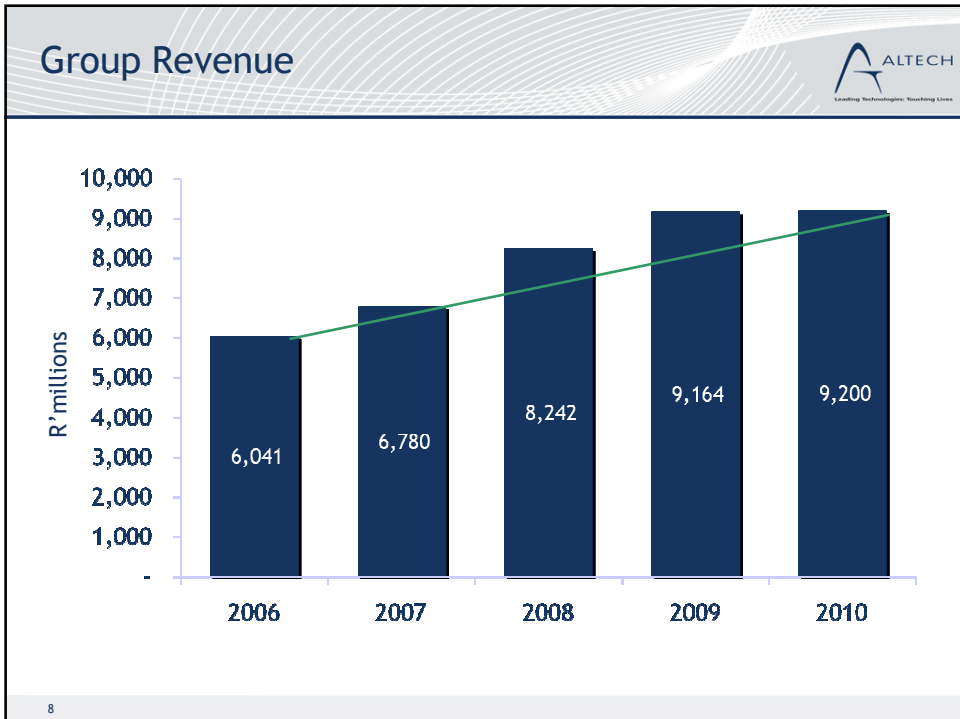
- Transformation transactions
 - ➔ 25% +1 share BEE transaction in relation to Altech Netstar SVR, Altech Netstar Fleet Solutions (including Comtech) concluded with Thebe Investments and Identity Partners (Value: R1.5 billion)
 - ➔ Altech UEC - transaction to be announced in the near term
 - ➔ Altech Alcom - replacement of existing BEE partner to be announced
- King II compliant with significant progress towards King III
 - ➔ Board representation
 - ➔ Independent chairman
 - ➔ IT governance - appointment of technical officer
- Sustainability and BEE transformation targets achieved
- 1% of net profit allocated annually towards CSI
- Adherence to Carbon Footprint (Environment) requirements

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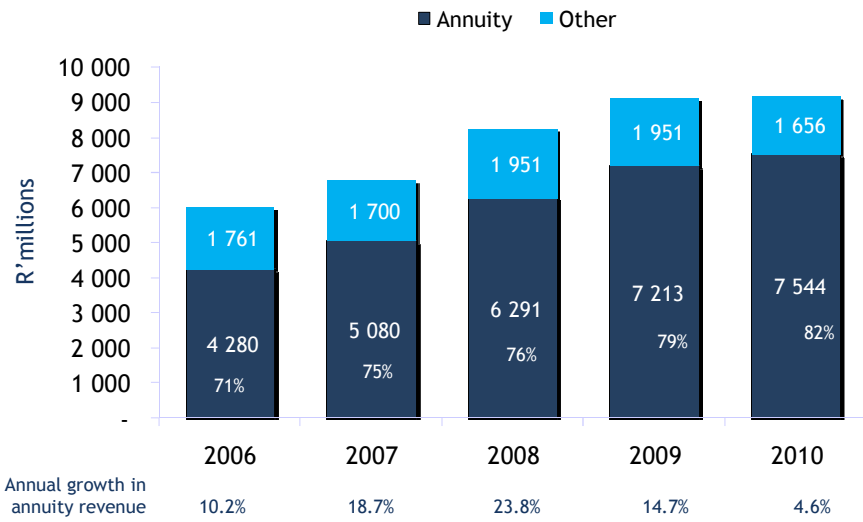
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Financial Results
Dr John Carstens (CFO)

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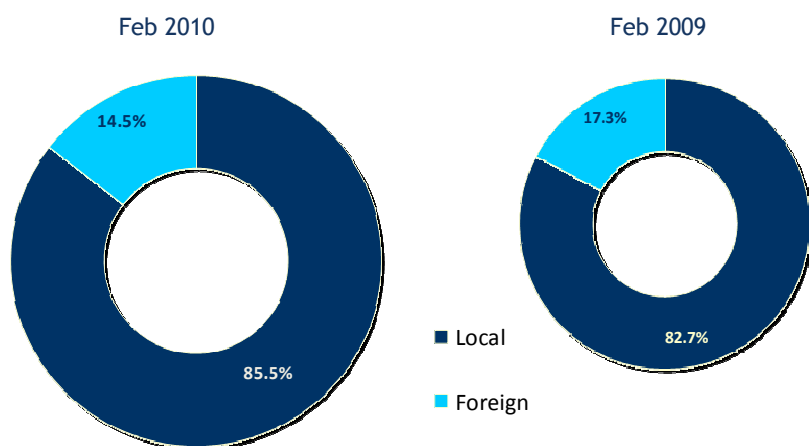


Annuity vs Other Revenue



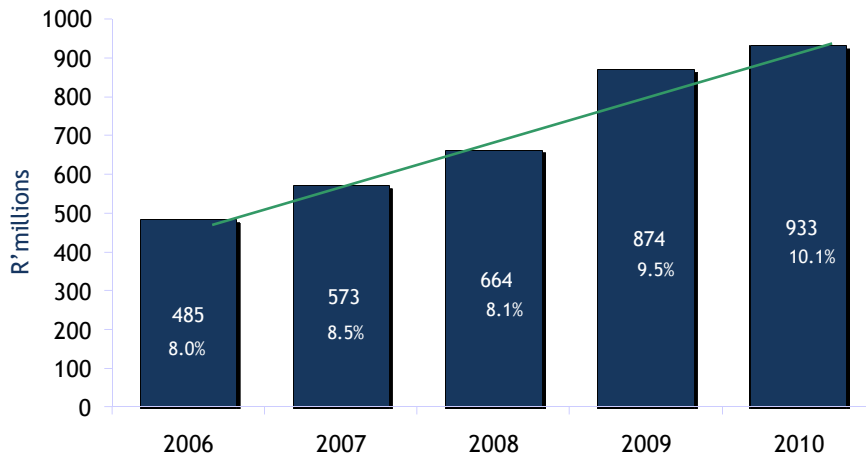
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Local vs Foreign Revenue Split



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Group Operating Profit

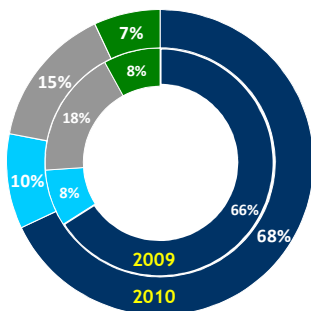


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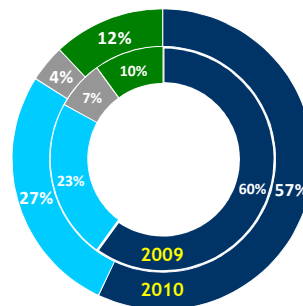
Contribution by Division



Revenue



Operating Profit



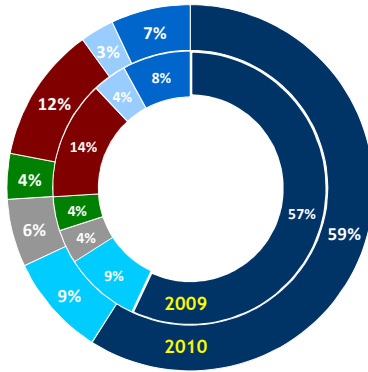
- Telecommunications
- Converged services
- Multi-media and Electronics
- Information Technology

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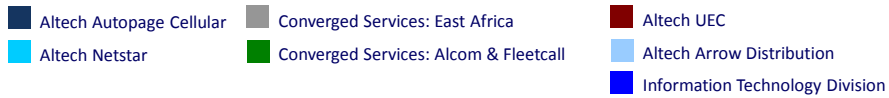
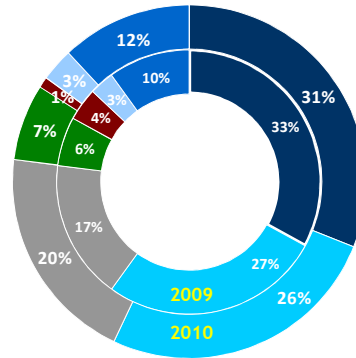
Contribution by Operations



Revenue



Operating Profit



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Income Statement



	Feb 2010 R'm	Feb 2009 R'm
Revenue	9,200	9,164
Operating income	933	874
Net finance cost	(15)	(2)
Income before other items	918	872
Capital items	(42)	(2)
Income before taxation	876	870
Taxation - Normal	(259)	(227)
- STC	(32)	(27)
Income after taxation	585	616
Minority shareholder's interest	(65)	(67)
Attributable earnings to equity holders	520	549
Adjusted HEPS (cents)	605	592

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Balance Sheet



	Feb 2010 R'm	Feb 2009 R'm
Fixed assets	1,051	837
Intangible assets	824	287
Goodwill	775	835
Long-term loans	130	-
Deferred taxation	86	112
Net assets held for sale	-	79
Current assets	2,204	2,575
Inventories	370	416
Accounts receivable	1,218	1,248
Net cash	616	911
Total assets	5,070	4,725
Deferred taxation	(95)	(73)
Total liabilities	(2,368)	(2,105)
Total equity	2,607	2,547

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Cash Flow Statement



	Feb 2010 R'm	Feb 2009 R'm
Cash generated	1,150	1,048
Working capital	52	12
Taxation	(303)	(207)
	899	853
Other activities	(869)	(1,244)
	30	(391)
Dividend paid	(325)	(289)
Cash utilised	(295)	(680)
Opening balance	911	1,591
Closing balance	616	911

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Divisional Performance Review

Craig Venter (CEO)

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Divisional Structure



Telecoms	Converged services	IT	Multi-media & electronics
<p>ALTECH AUTOPAGE Getting it right for you. All Ways!</p> <p>ALTECH NETSTAR Leaders in Vehicle Tracking & Recovery</p> <p>ALTECH technology concepts Leading Technologies: Consider it done</p> <p>ALTECH NETSTAR TRAFFIC KEEP MOVING</p>	<p>ALTECH stream Affordable Broadband Solutions</p> <p>ALTECH KTN Leading Technologies: Touching Lives</p> <p>ALTECH SWISS GLOBAL Leading Technologies: Touching Lives</p> <p>ALTECH Intacom Leading Technologies: Touching Lives</p> <p>ALTECH GDNS London Leading Technologies: Touching Lives</p> <p>ALTECH ALCOM MATOMO Communications Anywhere</p> <p>ALTECH ALCOM RADIO Leading Technologies: Touching Lives</p> <p>ALTECH FREECALL National Airtime • Any Time</p> <p>ALTECH Data International Mauritius</p> <p>ALTECH stream Affordable Broadband Solutions</p>	<p>ALTECH Information Technologies Leading Technologies: Touching Lives</p> <p>ALTECH ISB Leading Technologies: Touching Lives</p> <p>ALTECH WEST AFRICA Leading Technologies: Touching Lives</p> <p>ALTECH CARD SOLUTIONS Leading Technologies: Touching Lives</p> <p>ALTECH NuPay Payments made easier</p>	<p>ALTECH UEL Leading Technologies: Touching Lives</p> <p>ALTECH SDL Leading Technologies: Touching Lives</p> <p>ALTECH MediaVerge Leading Technologies: Touching Lives</p> <p>ALTECH ARROW ALTECH DISTRIBUTION Powering the supply chain</p>

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Divisional Results



	Revenue		Operating profit		Comments
	R'm		R'm		
	2010	2009	2010	2009	
Telecoms					
Autopage Cellular	5,597	5,264	296	290	→ Increased VAS and data revenue → Improved customer quality → Restructuring and rationalisation concluded
Netstar	880	829	254	235	→ Strong growth in Fleet Management
Tech Concepts	34	-	4	-	→ New acquisition; achieved significant growth
Division Total	6,511	6,093	554	525	
Converged Services					
East Africa	548	418	196	146	→ Already contributing 20% to operating profit
Alcom	276	372	43	59	→ Margins maintained
Fleetcall	59	-	23	-	→ New acquisition performing well; good margins
Division Total	883	790	262	205	

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Divisional Results



	Revenue		Operating profit		Comments
	R'm		R'm		
	2010	2009	2010	2009	
Multi-Media & Electronics					
UEC	1,079	1,324	5	33	→ Deferred orders due to economic slowdown → Strengthening of the Rand
AAD	275	325	25	30	→ Margins maintained; market leadership enhanced
Division Total	1,354	1,649	30	63	
IT					
Isis	120	118	18	21	→ Stable performance
ACS	219	165	42	27	→ Strong EFTPOS and e-Security growth
West Africa	210	272	47	60	→ Impacted by 25% depreciation in Naira vs Rand
NuPay	74	-	12	-	→ New acquisition, strong performance
NSA	-	203	4	(21)	→ Business sold effective April 2009
Division Total	623	758	123	87	

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Altech Autopage Cellular



- Positive performance as a result of
 - Growth in contract and Broadband/Data subscriber numbers
 - ↳ Contract: 859,015 (2009: 804,007) with a 9.2% market share
 - ↳ Pre-paid: 108,581 (2009: 177,388) with 0.1% market share
 - ↳ Data: 76,772 (2009: 52,972)
 - Focus on cost reduction and rationalisation (incl. back office efficiency)
- Margins maintained
 - Focus on higher value acquisition (quality customer)
 - Increased VAS and Broadband/Data subscribers (voice and data mix)
 - Improved cost of sales through effective stock management and handset pricing
- ARPU improved to R397 per subscriber (up from R381 in August 2009)
- Quality of customer base improved through stricter credit policies

Altech Autopage Cellular



➤ Impact of lower interconnect rates on Altech Autopage Cellular

- Impact on Least Cost Routing (LCR) business in medium term
- Altech Autopage Cellular is currently the 4th largest LCR operator in SA
- Currently contributes c.11.9% to Altech Autopage Cellular's total revenue
- Estimated R20 million impact on profit in next year
- Fully accounted for in group budgets
- Offset by annual cost savings of R53 million (reduction of staff complement in Nov 2009 by 217 employees and other cost rationalisations)

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Altech Autopage Cellular



➤ Focus going forward

- Ongoing improvement of operational efficiencies
- Continue the growth in Broadband/Data (incl. new products from Network Operators which are about to be launched)
- Continue the growth in VAS
- Exploit natural synergies between Altech Technology Concepts and Altech Autopage Cellular creating a converged Voice and Broadband/Data entity

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- Solid performance achieved on back of
 - ➔ Stable SVR business: Increase in operating profit to R205 million (2009: R199 million)
 - ➔ Good growth in Fleet Management business: Operating Profit increased c.19% to R49 million (2009: R41 million)
- Improved cost of sales
 - ➔ Investment in R&D to reduce SVR unit price (reduction in input cost)
- ARPU
 - ➔ SVR improved to R130 (2009: R129)
 - ➔ Fleet Management reduced to R263 (2009: R278)
 - Increased sale of low-end products e.g. Vigil Lite
 - Improved market share

- Market share
 - ➔ SVR stable at 39% (2009: 39%)
 - ➔ Fleet Management increased to 20% (2009: 17%)
- Netstar Traffic
 - ➔ JV with ITIS (UK) achieved breakeven
 - ➔ Pilot with JRA successful
 - ➔ Relationships secured with Garmin, Kagiso and Primedia
 - ➔ Positive contribution expected to continue
- Going forward
 - ➔ Recovery of new vehicle sales
 - ➔ Focus on improving operational efficiencies
 - ➔ Continue to consider potential international acquisitions (South America)



Altech UEC



- Performance impacted by
 - ➔ Economic slowdown which resulted in deferred orders
 - ➔ Once-off impairment of accumulated R&D of R65 million
- Delays in Digital Migration project
 - ➔ Digital Migration will happen due to International Telecoms Union (ITU) and SA Government Contractual Commitments
- New CEO appointed with effect April 2010 with international credentials in the set-top box (STB) and convergence technology arena (Pace Networks Global GM)

➤ Focus going forward (Local)

- Transition from Standard Definition(SD) to High Definition(HD)
- RSA Digital Migration
 - ↳ Potential roll-out of c.9 million STBs
 - ↳ Participated in the Digital Terrestrial Trials
 - Free To Air: SABC and eTV
 - Pay TV: MNet
- Order received from Sentech of 70,000 units
- Confirmed orders received from ODM for the next 9 months
- Signed exclusive retail partnership agreement with Ellies
- Focus on high end STB customers with particular emphasis on HD (higher margins)

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➤ Focus going forward (International)

- Growing market penetration in emerging markets of Africa, India, Middle East, Eastern Europe and Latin America
- Supply agreement concluded and orders confirmed from Tier 1 operator in Turkey, Digiturk, for 130,000 units
- Secured orders to date for 60,000 units in Australia Digital Migration project
- Strong pipeline for DVB-T and DVB-S in Africa - currently identified specific opportunities in Angola, Nigeria and Kenya
- Pursuing strategic opportunities in converged technology arena such as Hybrid, HD and IPTV STBs for both local and international markets (higher margins with High End STBs)

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Information Technology



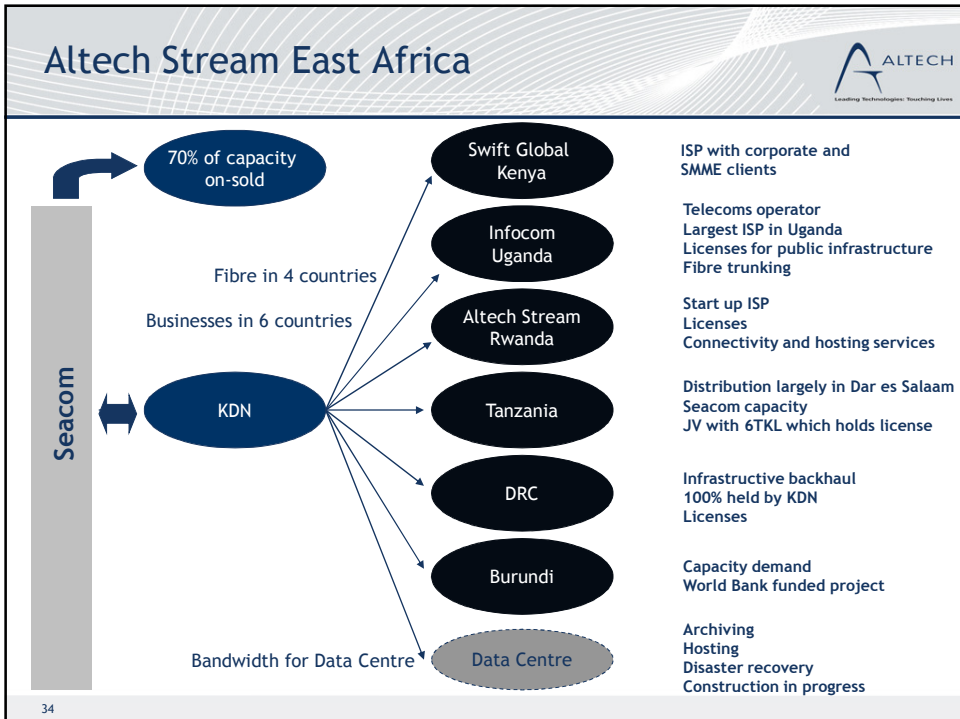
- Improved performance largely due to material contributions from
 - Altech Card Solutions - significant increase in EFTPOS terminal sales and e-Security
 - ↳ Received significant e-Security contracts from Standard Bank
 - ↳ Secured EDCON as a major customer in EFTPOS transaction switching
 - Altech West Africa - increased market share and improved production efficiencies
 - Altech Isis - satisfactory performance
- Focus going forward
 - Expanding Altech West Africa - increasing product offering
 - Expanding e-Security and EFTPOS terminal base in Africa
 - Continue and increase the drive of Altech Isis's products and services via Altech's East and West African hubs

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Altech Stream East Africa Division

Wessie van der Westhuizen (CSO)

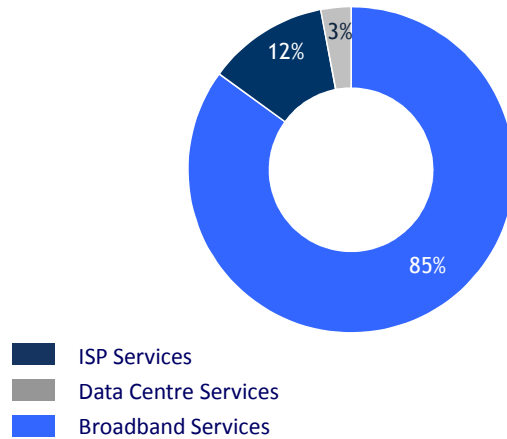
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Altech Stream East Africa



Revenue Split



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Altech Stream East Africa



- Exceptionally successful investment
 - ➔ Already contributing 20% to Group operating profit
- Average Capex investment per year of USD20 million (60.8% Altech and 39.2% Sameer)
- Enhancing systems and processes
- Regional fibre network integration is in progress
- Fibre complemented by wireless and DSL access networks
- Altech Mauritius set up to optimise African business opportunities
 - ➔ Significant return on Seacom capacity investment over the past 5 months
 - ➔ Potentially channel Altech West Africa business through Mauritius

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The Way Forward



- Altech will continue to diversify its income base within the TMT sector through globalisation, M&A activity and convergence opportunities
 - ➔ Continue to grow profit contribution from investments/acquisitions thereby complementing the Operating Profit contribution and further reducing reliance on any single entity i.e.
 - ➔ Altech Stream East Africa (R196 million)
 - ➔ Altech Netstar (R254 million)
 - ➔ Altech Technology Concepts (R4 million)
 - ➔ Altech West Africa (R47 million)
 - ➔ Altech NuPay (R12 million)
 - ➔ Continue transformation of Altech Technology Concepts up the value chain to include Data Hosting, e-Security, internet, enterprise cloud services, data archiving and capacity on demand

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The Way Forward



- Continue to capitalise on convergence
 - ➔ Data Centre
 - ➔ Altech UEC's development of IPTV STBs
 - ➔ Fibre to the Home (FTTH) and IPTV in East Africa
- Evaluating expansion of Altech Data Centre strategy across Africa
- Continue expansion of global footprint via acquisitions locally and globally with focus on
 - ➔ IT environment: South Africa and Europe/Asia
 - ➔ Possible small IT (software engineering) investment in China at a competitive price to complement and support other Altech businesses
 - ➔ Telecoms: Evaluating Altech Netstar partnership/acquisition with established local operators in Brazil

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The Way Forward



- East Africa remains core focus
 - Bedding down investment and business model in East Africa (6 countries) before rolling-out elsewhere in Africa
- Succession planning
 - 6 new Altech Executive appointments made
 - Utilise new skill sets acquired through the Altech Academy
- Dividend policy
 - Altech has paid a dividend every year since inception (33 years)
 - Maintain current dividend cover

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Questions