Year-end results

28 February 2011

Agenda

> Group Overview	Robert Venter
> Financial Results	Alex Smith
> Operational Overviews	Robert Venter
> Closing Remarks	Robert Venter

ALTRON

Overview

> Good volume growth and market share gains at Bytes with profits increasing substantially

> Pleasing results from Powertech as a result of increased efficiencies and expense control

> Altech experienced difficult trading conditions in East Africa but H2 showing good improvement over H1

> Good control over working capital

> Strong balance sheet and cash flow

> Dividend increase of 20% to 108 cents per share, maintaining cover but passing on benefit of increased dividend from Altech

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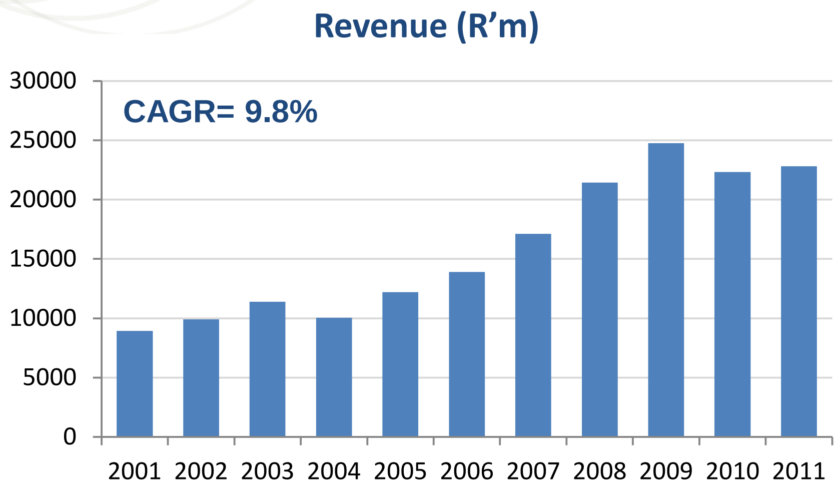
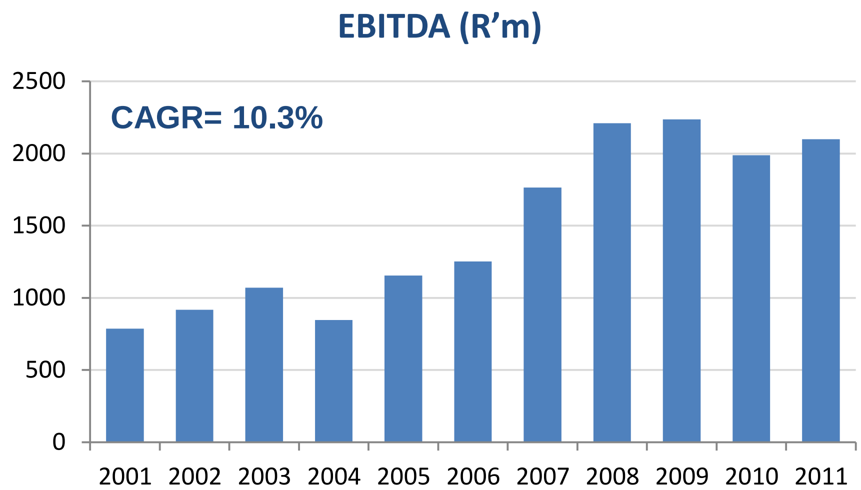
Financial highlights for the year ended 28 February 2011

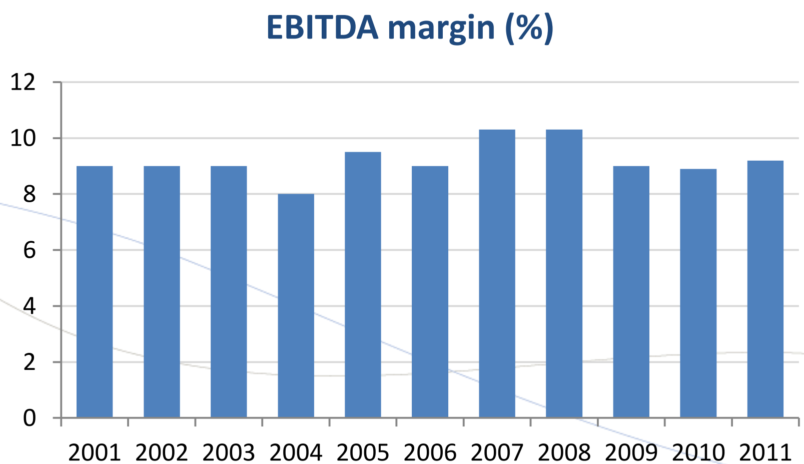
R'm	February 2011	February 2010	% change
Revenue	22 810	22 336	2
EBITDA	2 099	1 987	6
EBITDA margin (%)	9.2%	8.9%	
HEPS (cents)	228	198	15
Adjusted diluted HEPS (cents)	243	217	12
RONA	20.0%	18.3%	
Cash net of borrowings	(75)	(464)	

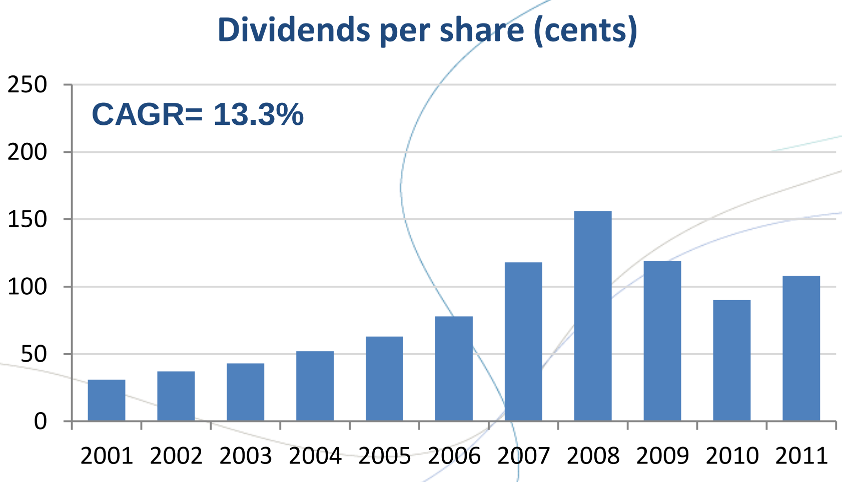
ALTRON

Financial history









Subsidiaries of Altron

* ALTECH
Leading Technologies: Touching Lives

62%

Powertech

100%

BYTES
TECHNOLOGY GROUP

100%

* ALTRON

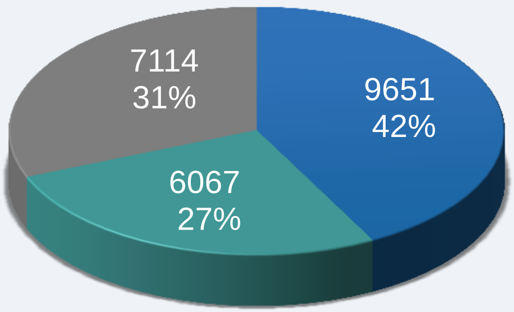
* listed on JSE

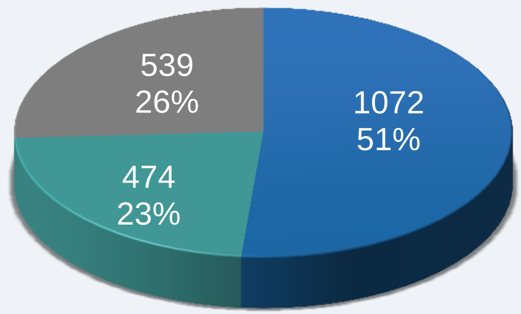
Contribution per subsidiary

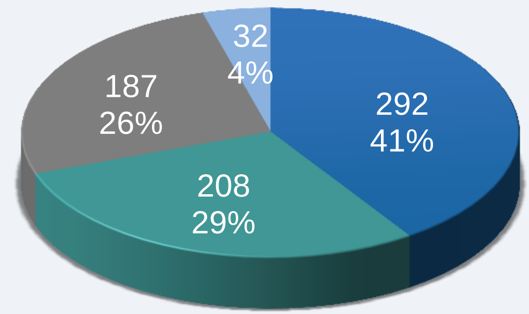
R'm

Revenue* | **EBITDA*** | **Headline earnings**

Feb 11



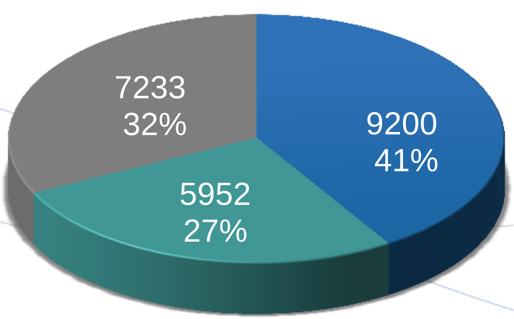


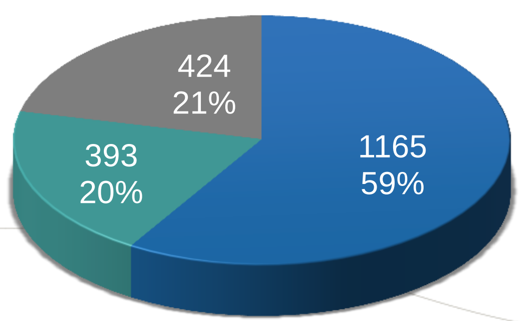


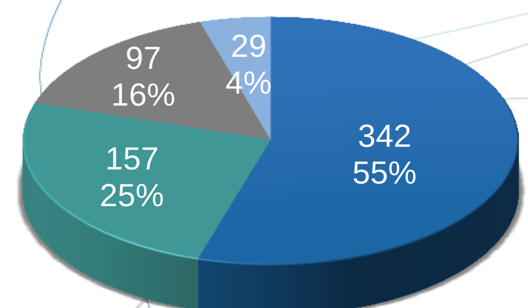
Altech | Bytes | Powertech | Corporate & financial services

R'm

Feb 10



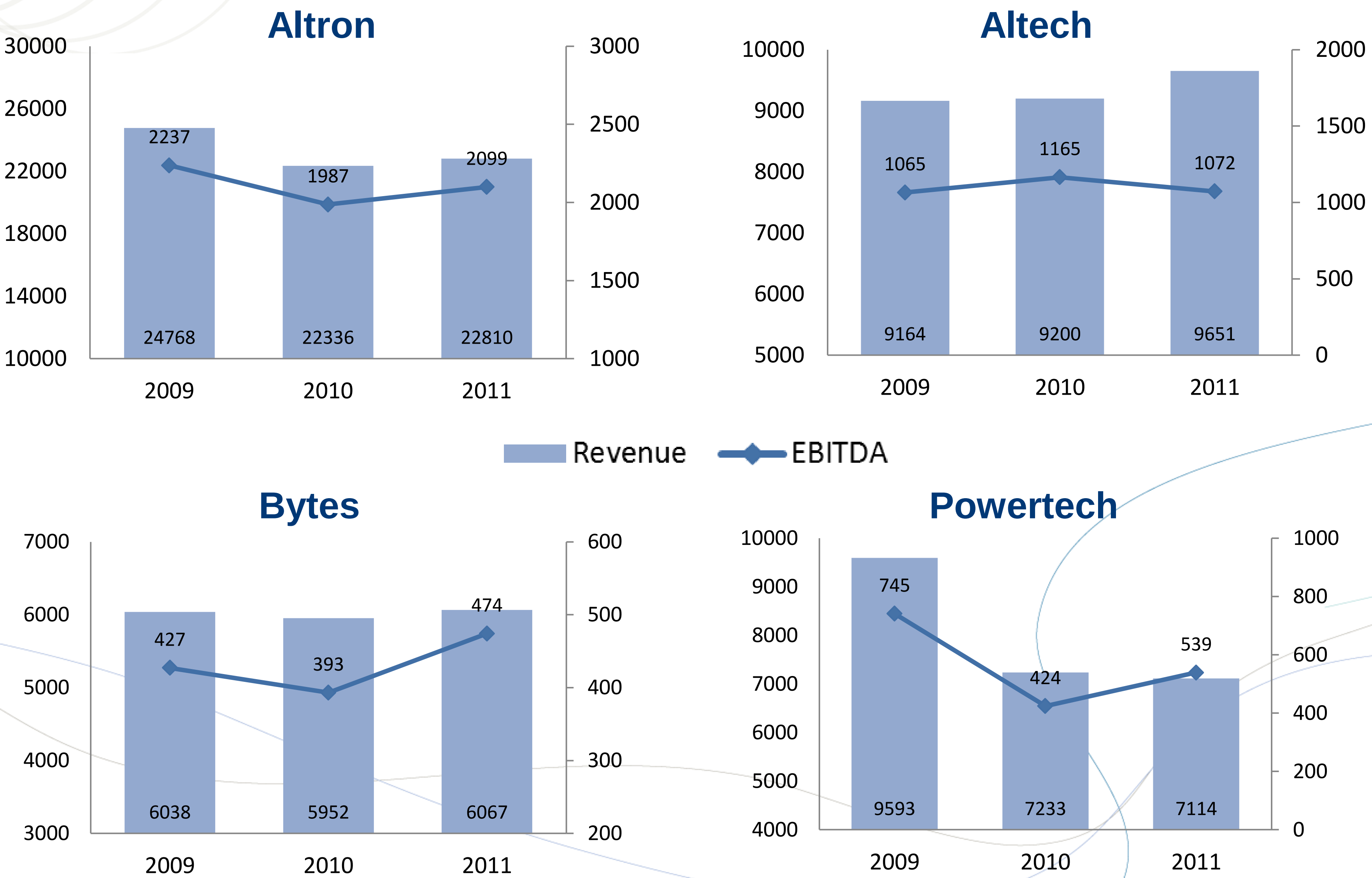




* Revenue & EBITDA excludes Corporate & Financial

Three year view per subsidiary

Figures in R'm



Transformation and sustainability

- Altron's BBBEE Vision 2012 targets essentially met a year in advance
- Altron: Level 3 contributor
  - Ranked 25th overall and 2nd in the General Industrials sector by FM/Empowerdex 2011 survey
- Altech: Level 3 contributor
  - 3 Empowerment transactions concluded – all at 25% equity
    - Altech Netstar with Thebe Investment Corporation and Identity Partners
    - Altech UEC with consortium led by Power Matla
    - Altech Radio with Southern Palace Group
- Powertech: Level 3 contributor
- Bytes: Level 2 contributor
  - Winner of the The Top Empowered Company in the ICT sector at The Metropolitan Oliver Empowerment Awards
- Dedicated Sustainability department established
- Leader in Integrated reporting standards

ALTRON

ALTRON

Financial Results

Alex Smith
Chief Financial Officer

Group income statement

R'm	February 2011	February 2010	% change
Revenue	22 810	22 336	2
Operating profit before capital items	1 524	1 477	3
EBITDA	2 099	1 987	6
EBITDA margin	9.2%	8.9%	
Net investment income	(99)	(76)	
Capital items	(291)	(105)	
Foreign exchange losses	(36)	(91)	
Taxation	(437)	(457)	
Headline earnings per share (cents)	228	198	15
Adjusted diluted HEPS (cents)	243	217	12

Adjusted & diluted headline earnings

R'm	February 2011	February 2010
Headline earnings	719	625
Amortisation of intangibles and BEE costs (net of tax and non-controlling interest)		
- Altech - Amortisation of intangibles	20	21
- BEE costs	4	-
- Bytes	11	18
- Powertech	29	29
Adjusted headline earnings	783	693
Dilution adjustments		
- Aberdare	(9)	(3)
- Dilutive options – Altech	(4)	(5)
Adjusted diluted headline earnings	770	685

Efficiency

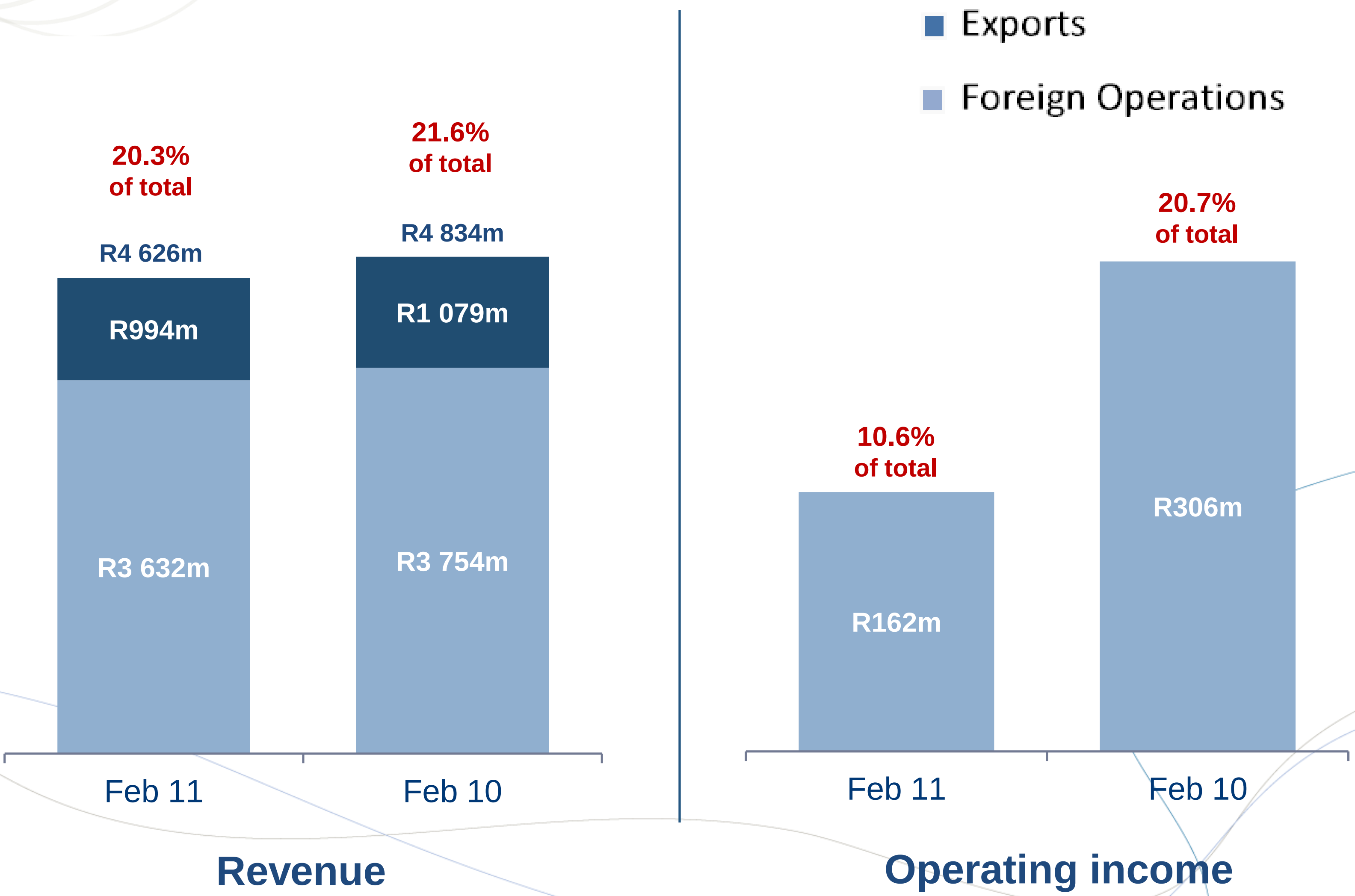
- Altron's focus on cost control over the last two years resulted in cash savings of around R100m. In real terms, this amounts to approximately R800m

- Powertech has led the group in cost savings, achieving around R300m in cash savings and around R500m in real terms

- Bytes has held its cost base flat in rand terms over the last two years, representing a R300m saving in real terms

- Altech has seen its costs increase in line with inflation despite its acquisitive and top line growth over the period

Exports and foreign operations



ALTRON

Summarised balance sheet

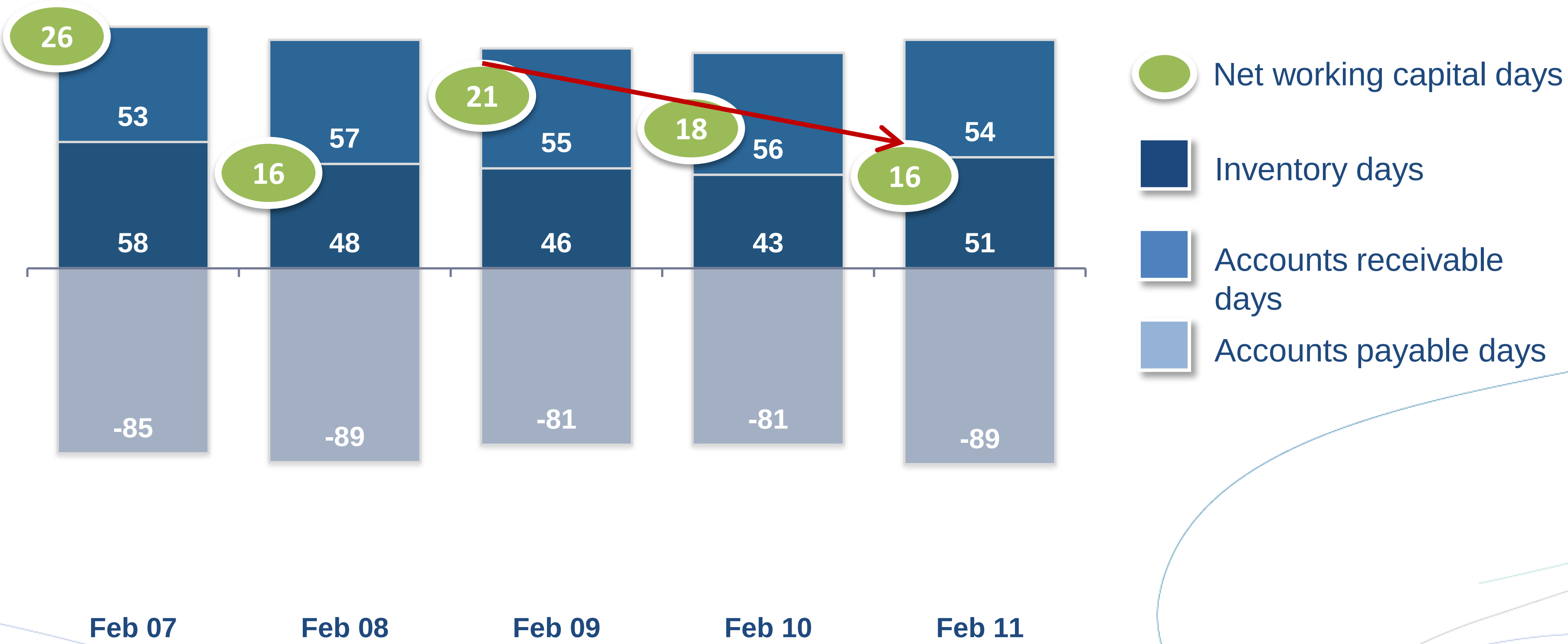
R'm	February 2011	February 2010
Total non-current assets	5 329	5 839
Current assets	5 709	5 433
Cash balances	1 381	1 255
Total assets	12 419	12 527
Shareholders' equity	5 075	4 745
Non-controlling interests	1 239	1 610
Non-current liabilities	1 020	994
Current liabilities	5 085	5 178
Total equity and liabilities	12 419	12 527

ALTRON

Cash flow statement

R'm	February 2011	February 2010
Cash flow from operating activities	1 077	1 290
Cash generated by operations	2 114	2 033
Net finance expense	(96)	(67)
Changes in working capital	(57)	384
Taxation paid	(419)	(522)
Cash available from operating activities	1 542	1 828
Dividends paid, including to non-controlling interests	(465)	(538)
Investment activities	(686)	(1 239)
Financing activities	(307)	(18)
Net increase in cash and cash equivalents	84	33
Cash and Cash equivalents at the beginning of year	1 174	1 180
Effect of exchange rate fluctuations on cash held	(5)	(39)
Net Cash and cash equivalents at the end of year	1 253	1 174

Working capital

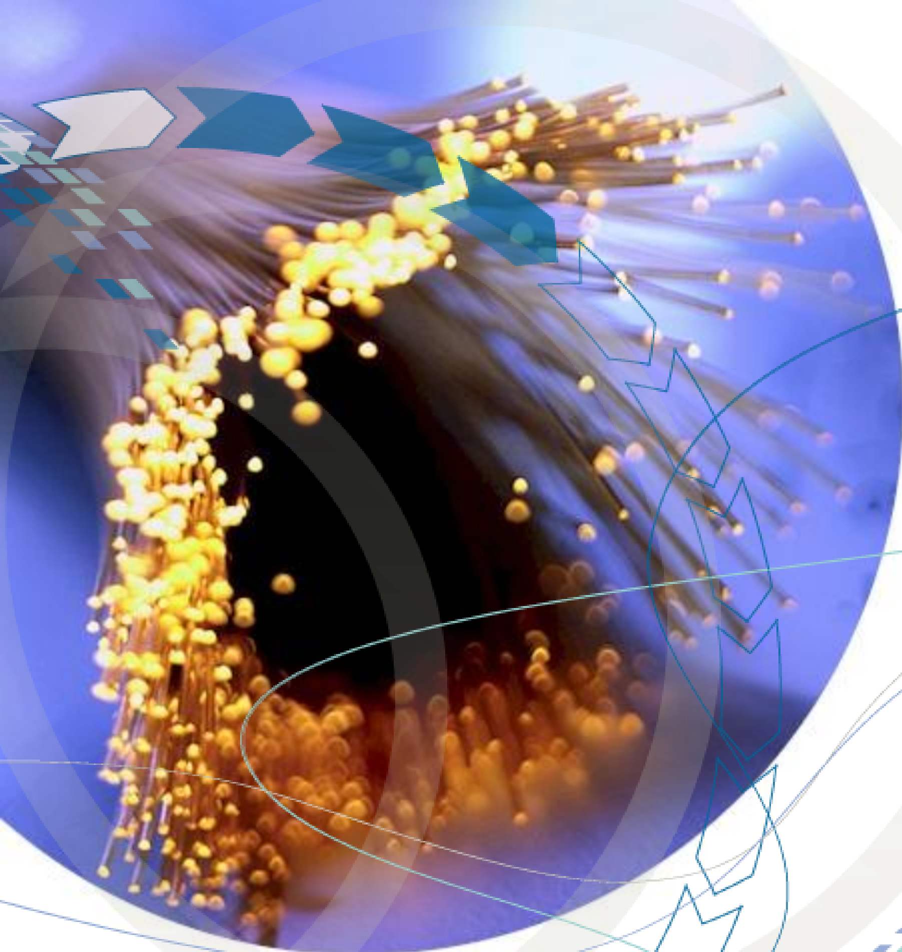


R1 567m	R1 598m	R1 989m	R1 625m	R1 660m	Net working capital
R17 126m	R21 431m	R24 768m	R22 336m	R22 810m	Revenue

Operational overviews

Robert Venter

Chief Executive



Leading Technologies: Touching Lives

Operational overview - Altech

Altech financial summary

R'm	February 2011	February 2010	% change
Revenue	9 651	9 200	5
EBITDA	1 072	1 165	(8)
EBITDA margin (%)	11.1	12.7	
HEPS (cents)	488	571	(15)
Adjusted diluted headline earnings	515	586	(12)
ROE	22.2	26.1	
Cash net of borrowings	54	39	

ALTECH
Leading Technologies: Touching Lives

Altech divisional review

Company / division	Feb 11 Revenue R'm	% change	Feb 11 EBITDA R'm	% change	Comments
Autopage Cellular	5855	4.6	296	(4.7)	ARPU improved by 3.2%. Interconnect rate impact less than expected. Growth in VAS and pre-paid vouchers.
Netstar	944	7.3	319	12.5	Increase in new car sales positively impacted SVR. Continued strong growth in Fleet Management – Local Government tenders won.
Tech Concepts	48	43	(1)	(123)	New network in place. VoIP Infrastructure completed.
UEC	1145	6.1	82	10.7	Global STB hardware market continuing to become more competitive. Sales growth through Multichoice into South Africa and Africa.
AAD	285	3.8	29	8.8	Solid results despite difficult market and economic conditions in SA. Increased market share.
Information Technology	706	15.7	132	(3.8)	Isis strengthened position with existing customers, expansion of services. ACS continued positive growth trend with e-Security and EFT POS terminals . West Africa experienced delayed deliveries but maintained market share. Good order pipeline. NuPay performed well.
Converged Services - Local	320	(4.1)	67	(3.1)	Customer growth in SADC region. Over supply of two-way radios after World Cup. BEE deal with Southern Palace Group.
Converged Services - International	426	(3.2)	132	(38)	Increased broadband pricing pressures. Forex losses. Delay in planned roll out of network. Various once-off costs in H1. Carrier bandwidth sales positive. Data center now operational.
Group eliminations	(78)		16		
Total	**9651**	**4.9**	**1072**	**(8.2)**	

Altech opportunities and challenges

Opportunities	Challenges
Acquisition of Swisttech (ISV) - good synergies with Isis	New entrants and competitive pricing in East Africa
Three Empowerment transactions concluded	Changes in the local telecommunications sector
Cash generative business with 84% annuity revenue	Maturing nature of key sectors served
Technology Concepts network now live	Strength of the rand – in particular impact on Altech UEC
Netstar / OCTO Telematics deal -Insurance telematics	
Data centre in East Africa provides opportunity for new revenue stream	
DTT standard finalized	
Bharti Airtel entrance in East Africa - new customer	
Liberalisation of SA telecoms sector - Technology Concepts network now live	

The way forward

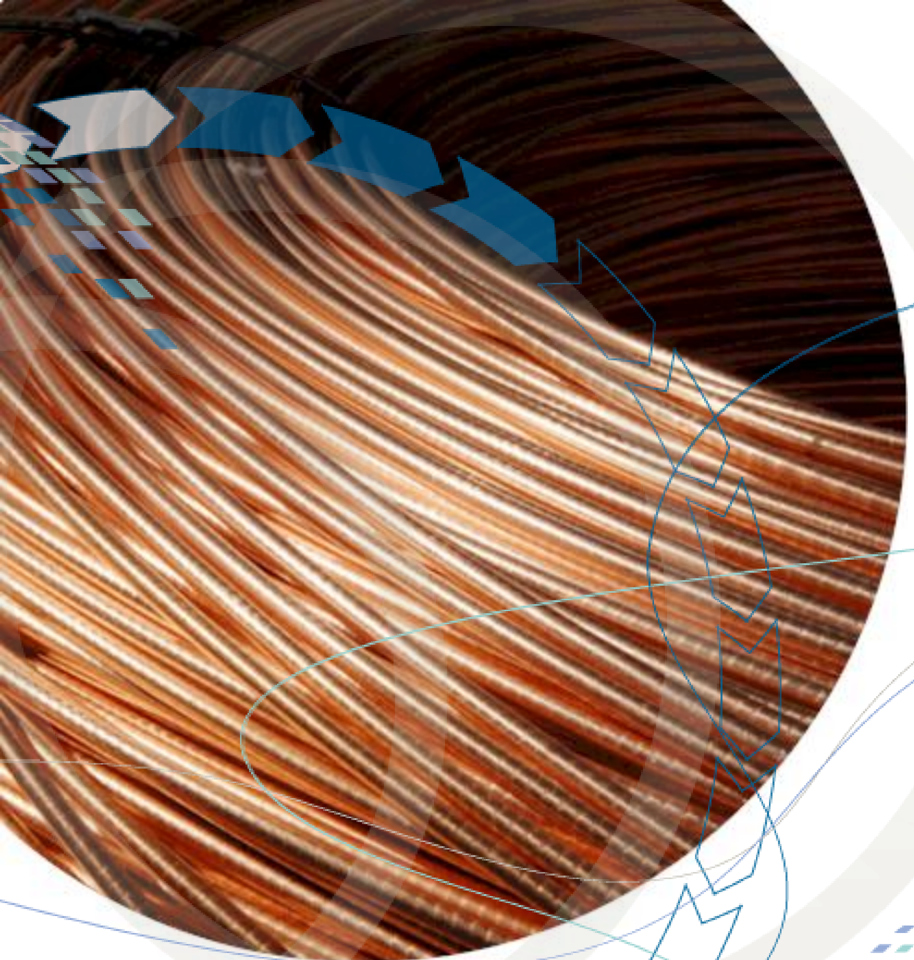
> East Africa remains core focus
  - Improvement strategy implemented
  - With funding plan now in place revenue streams should be activated in the short term

> Global and local expansion will continue

> Strong focus on margins, cost containment, working capital and cash flow management

> Succession planning and entrenching of new management

ALTECH
Leading Technologies: Touching Lives



Powertech

Operational overview - Powertech

Powertech financial summary

R'm	February 2011	February 2010	% change
Revenue	7 114	7 233	(2)
EBITDA	539	424	27
EBITDA margin (%)	7.6%	5.9%	
Headline earnings	187	97	93
Adjusted diluted headline earnings	207	123	68
ROE	7.5	4.1	
Cash net of borrowings	(279)	(501)	

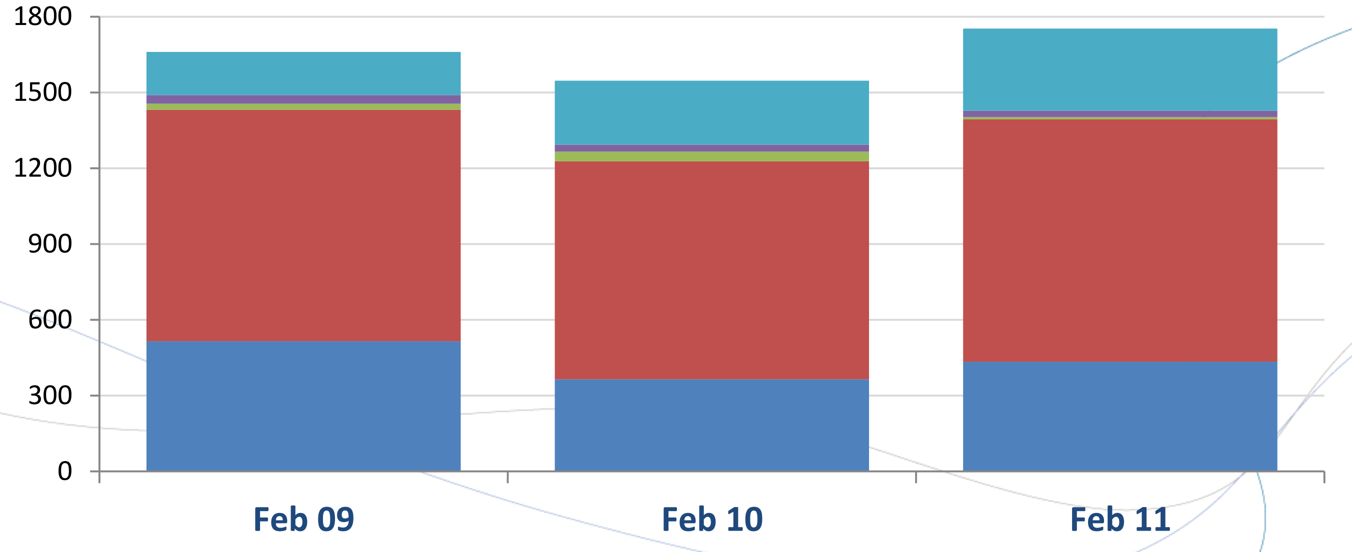
Powertech

Powertech divisional review

Company	Feb 11 Revenue R'm	% change	Feb 11 EBITDA R'm	% change	Comments
Powertech Cables	3904	10	162	43	Demand still strained particularly construction and property markets. Higher copper price positively influenced revenue. Currently at 65-70% capacity utilization.
Powertech Transformers	1305	(27)	211	43	Increase in profits driven by efficiencies and favourable product mix. Strong performance from Power Transformers, on back of Eskom, Municipalities and SADC Countries. Distribution Transformers demand increased.
Powertech Batteries	892	6	89	13	Good performance from Automotive batteries in replacement market. Recovery in industrial division on better demand from mines for maintenance supplies. Telecoms market very slow. Overall production scrap rates reduced by more than half.
Powertech Industrial Group	494	(6)	27	(9)	Decline in back-up power market. Solid performance from Crabtree and Strike. Calidus core product range showing improving trend, but still below expectations.
System Integrators	740	26	60	31	IST and TIS delivered good performances on the back on new contracts won.
Group Eliminations	(221)		(10)		
Total	**7114**	**(2)**	**539**	**27**	

Powertech order book

	Feb 2009	Feb 2010	Feb 2011
Cables	R 515m	R 365m	**R 435m**
Transformers	R 916m	R 863m	**R 958m**
Batteries	R 25m	R 38m	**R 9m**
Industrial	R 34m	R 28m	**R 26m**
Systems Integrators	R 170m	R 253m	**R 325m**
Total	**R 1 663m**	**R 1 547m**	**R 1 753m**



Powertech opportunities and challenges

Opportunities	Challenges
Recovery in Building and Construction sector	Delayed recovery of the Building and Construction sector
Resources sector continues to improve	Significant increase of international competition, particularly in the cable business
Batteries business to expand into OEM market	Volatility of commodity prices, particularly copper
Africa expansion	Delays in government infrastructure spend
New sizable contracts won e.g. • Aberdare's 5 year ESKOM contract for ABC (R350m); • PTT's additional award of work from Eskom; • IST's contract for Mobile Workforce Management (R221m); Battery Supply (R110m) • TIS's contract for Cable Accessories to City Power (R60m over 3 years)	Strength of the rand

Efficiency as a focus area

> Cost savings were achieved through process and facilities efficiency not only a reduction in headcount

> 3-4 year ongoing process

> R500 million saved over the last 2-3 years across the group in real terms

> Efficiency driven by:
- Rationalization and consolidation of factories
- Consolidation of branches
- Process reengineering and automation
- Smart purchasing (and hedging where necessary)
- Getting the pricing / volume equation right

Powertech

The way forward

> Drive Value Added Services
  - Transformer installations and commissions
  - Powertech IST/TIS projects

> Leverage Cable business
  - Efficient manufacturing and volume throughput
  - Better utilisation of equipment

> Africa focus
  - SADC
  - East Africa
  - Nigeria

> Traction in new products launched
  - Switchgear and ancillaries
  - Full calcium batteries

Powertech

Operational overview - Bytes

Bytes financial summary

R'm	February 2011	February 2010	% change
Revenue	6 067	5 952	2
EBITDA	474	393	21
EBITDA margin (%)	7.8	6.6	
Headline earnings	208	157	32
Adjusted diluted headline earnings	219	173	27
ROE	20.3	17.1	
Cash net of borrowings	46	(146)	

BYTES
TECHNOLOGY GROUP

Bytes operational review

Company	Feb 11 Revenue R'm	% change	Feb 11 EBITDA R'm	% change	Comments
Systems Integration	699	16	43	52	Record year. Gained Market share.
Managed Solutions	848	(3)	106	54	Excellent performance. Substantial technology refresh being undertaken by customers.
Document Solutions (Local and UK)	2036	(1)	201	16	Xerox division performed well. NOR Paper and LaserCom below expectation. BDS UK turned around.
Connect	566	(14)	22	(65)	Outsource and Communications performed well. Intelleca, weak performance.
Healthcare Solutions	193	14	56	15	Good performance. Investment in new offerings underway.
People Solutions	86	13	9	42	Greatly improved results as the market recovers.
International Operations	1751	1	55	8	Software Services UK performed very well. 12% strengthening of the Rand impacted translation. Steady progress in other international operations.
Group Eliminations	(112)		(18)		
Total	**6067**	**2**	**474**	**21**	

Bytes opportunities and challenges

Opportunities	Challenges
Capitalise on refreshed long term distributor relationships (e.g. Xerox and NCR)	Improving / maintaining margins in light of demands from customers to reduce costs
African expansion	Countering effects of change in Microsoft model and rebate structure
Major clients undergoing IT revamp	Replacing non-recurring NHS revenues in UK
New product development	Consolidation of IT industry
Leverage current customer base (particularly Retail and Banking sectors)	Returning LaserCom and NOR Paper to satisfactory performance levels

The way forward

> Reorganisation now complete, continue to embed strategy

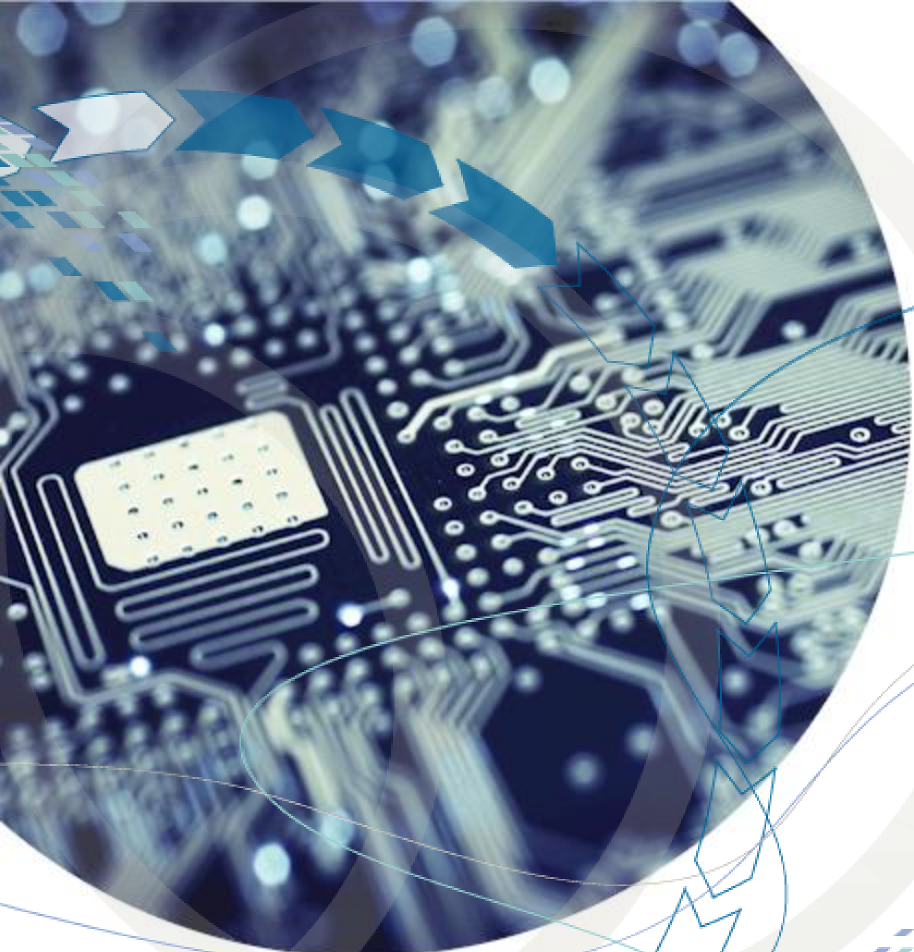
> Principle Supplier Relationships remain key

> Cross selling between businesses now facilitated by a designated internal function

> BSI, BMS and Connect to move up value chain - where better margins exist

> Actively progress and conclude suitable acquisitions

BYTES TECHNOLOGY GROUP



ALTRON

Closing remarks

Robert Venter
Chief Executive

Outlook

> The group is well positioned to take advantage of opportunities that arise as the economy recovers as cost-base is very competitive

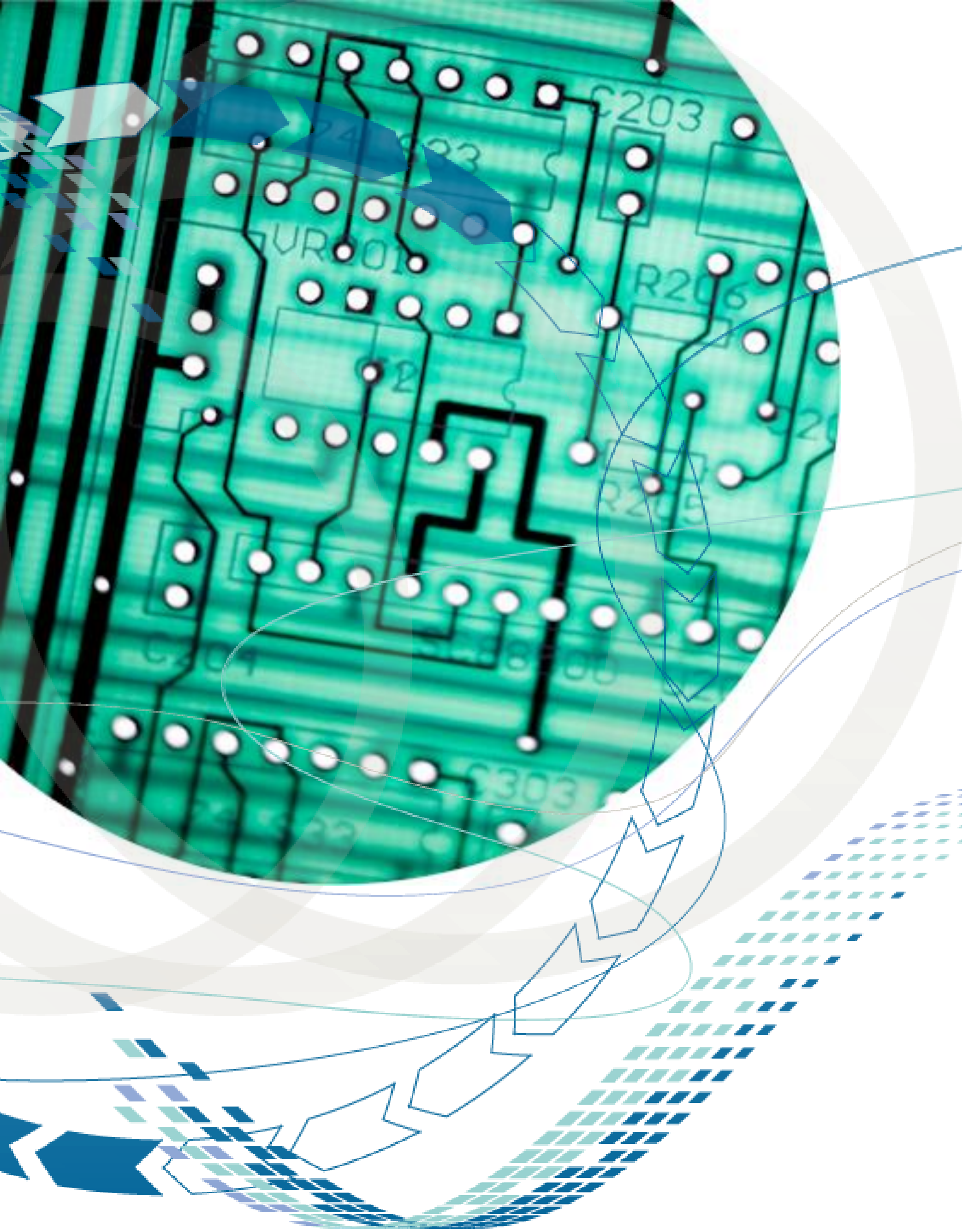
> Recovery of the building and construction sector is necessary in order to see a full rebound of cable business

> Acquisitions back on radar screen for Bytes and Powertech and remain a focus for Altech

> Improvement of Altech's East Africa business and the Powertech Cables business is a focus area for the group

> African expansion remains a priority

ALTRON



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Thank you