Audited Group financial results for the year ended 31 March 2013

MiX TELEMATICS MOBILE INFORMATION EXCHANGE

HIGHLIGHTS

Revenue R1 171 million 15.0%

HEPS 20.1 cents per share 26.4%

Annuity revenue R687 million 19.1%

Net cash R88 million 93.5%

EBITDA R285 million 19.8%

Subscribers 359 000 30.5%

The audited Group financial results were prepared under the supervision of Megan Pydigadu CA(SA) in her capacity as Group Financial Director and were made available on 10 June 2013.

Chief Executive Officer's Report for Fiscal 2013

MiX Telematics is a leading global provider of fleet and mobile asset management solutions, delivered as software as a service, or SaaS.

Fiscal 2013 proved to be another strong year for the MiX Telematics Group. Our overall subscriber base grew to over 359 000 active subscribers, an increase of over 30%. While total revenue was up 15% to R1 171 million, we have seen acceleration in the growth of our recurring revenue component, which grew over 19% to R687 million. Our subscriber base is the economic engine of our business and we believe the Group's strong performance in this area bodes well for the future.

EBITDA was up nearly 20% at R285 million. We finished the year with headline earnings of R132 million, up 26% over the previous year. This translates to 20.1 cents per share (15.9 cents per share in 2012).

We derive the majority of our revenues from subscriptions to our fleet and mobile asset management solutions. Our subscriptions generally include access to our SaaS solutions, connectivity, and in many cases, use of an in-vehicle device. We also generate revenues from the sale of in-vehicle devices, which enable customers to use our subscription-based solutions. Sales are generated through the efforts of our direct sales teams, staffed in our regional sales offices, and through our global network of distributors and dealers. The direct sales teams focus on marketing our fleet solutions to multi-national enterprise accounts and to other large customer accounts.

We have built our software solutions to be highly scalable and flexible to support geographically distributed fleets of any size. We currently provide subscription services to customers ranging from small fleet operators and consumers to large enterprise fleets of more than 10 000 vehicles.

We have globalised sales, distribution and support capabilities. We currently maintain a direct or indirect sales and support presence, with localised application support in 24 languages, for customers in 112 countries across Africa, Asia, Australia, Europe, the Middle East, North America and South America. In seven of those countries, we own and manage regional operations and engage directly with our customers. In the balance of the countries we generally deal through third-party distributors. Our regional operations source products and services from the business we call MiX International. This operation, based in Stellenbosch, South Africa, is responsible for much of the design, development and procurement of the MiX range of products and services. MiX International is a central services organisation that wholesales our products and services to our regional distribution network. We believe our global presence gives us an important advantage in competing for business from multi-national enterprise fleet customers.

Our solutions deliver a measurable return by enabling our customers to manage, optimise and protect their investments in commercial fleets or personal vehicles. We generate actionable intelligence that allows a wide range of customers, from large enterprise fleets to small fleet operators and consumers, to reduce fuel and other operating costs, improve efficiency, enhance regulatory compliance, promote driver safety, manage risk and mitigate theft.

All of our regional fleet operations grew their subscriber bases but some fared better than others against plan. As a consequence of our global subscriber growth, MiX International performed well during the year under review. At the beginning of the year, we transferred the business relationship management of all of our third-party distributors based in the Middle East from MiX International to our regional operation headquartered in Dubai – although this was an absolutely logical move from an operational efficiency perspective, it has skewed the segmental picture from a year-on-year comparative perspective by approximately $1 million of EBITDA in favour of MiX MEA.

- **Middle East** – We have a well-established operation in place with a committed distributor channel in multiple countries. Our experienced team has delivered a great performance with a series of solid wins that not only kept us ahead of plan for the period, but also bode well for the future.
- **Africa** – This operation enjoyed a great year with growth at both top-line and profit level. The team delivered substantial subscriber growth, winning prize contracts in the midst of tough competition. New product offerings, which include a trailer-tracking solution, are being viewed favorably by customers. As we reported at the half-year, we are also pleased with our recent acquisition of Intellichain, which has bedded down nicely. Intellichain's integrated supply-chain management software dovetails with our MiX Fleet Manager offerings and enhances our ability to further grow the SaaS component of our annuity stream.
- **North America** – Although we did see strong subscriber and annuity revenue growth out of this operation, this was mainly due to the rollout of two large deals that had been won in the previous fiscal year. Our North America segment has historically been focused on the oil-and-gas industry, which is generally characterised by large fleet sales opportunities but relatively long sales cycles. We are currently competing for a number of high value tenders on which we are cautiously optimistic but in the meantime, the team is seeking new vertical opportunities to complement the oil-and-gas vertical. In addition, we are gaining momentum in our efforts to develop the Latin American market.
- **Europe** – Although this business was behind plan for the year primarily due to difficult trading conditions, we did achieve some slow but steady improvement as the year progressed. We won a sizeable bus deal in Ireland and this, coupled with the ongoing rollout of a leading bus operator in Belgium and a four-year contract extension by Go-Ahead Bus in the UK, has firmly positioned us as a leading supplier to the bus and coach industry in the region. The business delivered double-digit subscriber growth for the year but Sterling revenue is down on the previous comparative period for two reasons:
  - In the comparative period we still had revenue from One Stop Shop (the business we disposed of in the 2012 financial year).
  - We converted the legacy Datatrak subscribers onto our core MiX platform and then closed down the Datatrak network in fiscal 2012. This conversion resulted in lower average revenue per subscriber carrying forward into our latest fiscal year.
- **Australia** – This operation has delivered excellent performance for the year and in the process has concluded a number of large deals both in the resource sector and most notably, a sizeable deal with a bus operator, which is our first regional beachhead in the bus and coach market, a vertical in which we have developed significant expertise.

Consumer Solutions – The activities of this operation are not strictly restricted to the Business-to-Consumer (B2C) market – there is also a large Business-to-Business (B2B) component to this operation. Through our widely recognised Matrix and Beam-e brands, we provide our customers with a broad range of value-added safety and convenience features such as "Crash Alert", "No-Go-Zones", and even an automated "Tax Logbook" which is accessed by our customers online through our SaaS platform. In addition, we provide our business customers with location-based services for fleet movement and depot management purposes. This division delivered strong performance this year particularly at the subscriber growth level. As we reported at the half-year, there has been broad market acceptance of our new Beam-e offering. Analysis of the numbers will reveal that the subscriber growth in our Consumer Solutions business does not appear to have flowed through to the revenue line – this is not the case; earlier this fiscal year, we renegotiated the cellular data package that we use in this division to a non-CIB (connection incentive bonus) package. The *quid pro quo* for foregoing this CIB (and the resultant negative impact on our revenue line) is that our monthly cellular data costs have reduced and the overall effect is that this change is earnings enhancing. Our Consumer Solutions division currently operates primarily in South Africa but our team is in the process of taking the first steps towards globalisation.

Moving onto a few additional indicators:

Annuity revenue

We are pleased to again show strong growth at a subscriber level with an overall increase in our active base (net of churn) of over 30% year-on-year. Although some subscriber growth is attributable to our lower ARPU (average revenue per user) services such as Beam-e, we have seen good growth flowing through to the annuity revenue line, which totalled R687 million for the period, a year-on-year rise of over 19%. Our annuity revenue has risen to close to 60% of total revenue.

Cash

The Group delivered a strong performance in the second half of the year and generated cash from operations of close to R288 million for the year (R192 million in 2012) and we concluded the year in a net cash position (net cash on hand minus outstanding debt) of R88 million. This was achieved even after paying out dividends of R79 million to shareholders this year. As a consequence of the continued strong generation of cash and profitability the Board has approved a final dividend of 6 cents per share. When added to the interim dividend of 4 cents per share paid in December, this gives a total distribution of 10 cents per share (an increase of 25% over the prior year).

Having put another solid year behind us, our team is excited about the new opportunities and challenges that we face in the year ahead. Despite a turbulent economic outlook in many of the territories in which we operate, we believe we have the passion, talent, technologies, geographic spread and strategies in place to meet our growth objectives.

On behalf of the Board of Directors, we would like to extend our gratitude to our employees for their ongoing hard work and commitment. Thank you!

Summary consolidated income statement

	Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 Audited R'000
Revenue	**1 171 480**	1 018 482
Cost of sales	**(424 545)**	(390 926)
Gross profit	**746 935**	627 556
Other (expenses)/income – net	**(421)**	7 008
Operating expenses	**(565 318)**	(488 176)
Operating profit (note 4)	**181 196**	146 388
Finance income	**2 018**	2 392
Finance cost	**(3 348)**	(5 265)
Profit before taxation	**179 866**	143 515
Taxation	**(51 400)**	(40 275)
Profit for the year	**128 466**	103 240
Attributable to:		
Shareholders of the parent	**128 471**	103 240
Non-controlling interests	**(5)**	–
	128 466	103 240

Summary consolidated statement of comprehensive income

	Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 Audited R'000
Profit for the year	**128 466**	103 240
Other comprehensive income/(losses):		
Exchange differences on translating foreign operations	**37 090**	29 816
Exchange differences on net investments in foreign operations	**3 142**	(6 718)
Other comprehensive income for the year, net of tax	**40 232**	23 098
Total comprehensive income for the year	**168 698**	126 338
Attributable to:		
Shareholders of the parent	**168 703**	126 338
Non-controlling interests	**(5)**	–
	168 698	126 338
Ordinary shares ('000)		
– in issue	**659 963**	657 200
– weighted average	**658 456**	657 045
– diluted weighted average	**674 772**	662 322
Attributable earnings per share (cents)		
– basic	**19.5**	15.7
– diluted	**19.0**	15.6

Summary consolidated statement of financial position

	31 March 2013 Audited R'000	31 March 2012 (Restated) Audited R'000	1 April 2011 (Restated) Audited R'000
ASSETS			
Non-current assets			
Property, plant and equipment	**96 547**	85 207	81 038
Intangible assets	**645 736**	643 086	647 013
Finance lease receivable	**6 359**	–	–
Deferred tax assets	**13 868**	13 266	11 302
Total non-current assets	**762 510**	741 559	739 353
Current assets			
Inventory	**38 927**	35 903	26 355
Trade and other receivables	**186 987**	163 125	114 744
Loan to external party	**–**	6 001	–
Finance lease receivable	**3 604**	–	–
Taxation	**4 823**	–	1 897
Restricted cash	**8 235**	3 133	1 852
Cash and cash equivalents	**147 702**	118 695	110 007
Total current assets	**390 278**	326 857	254 855
Total assets	**1 152 788**	1 068 416	994 208
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	**790 491**	–	–
Share capital	**–**	13	13
Share premium	**–**	787 589	787 353
Other reserves	**(111 362)**	(154 745)	(179 844)
Retained earnings	**188 750**	139 233	75 413
Equity attributable to shareholders of the parent	**867 879**	772 090	682 935
Non-controlling interest	**(5)**	–	–
Total equity	**867 874**	772 090	682 935
Non-current liabilities			
Borrowings	**–**	–	36 070
Deferred tax liabilities	**8 605**	25 816	28 170
Provisions	**283**	–	1 092
Total non-current liabilities	**8 888**	25 816	65 332
Current liabilities			
Trade and other payables	**184 397**	157 038	133 190
Borrowings	**3 472**	22 941	27 508
Taxation	**10 691**	11 403	4 669
Provisions	**21 461**	28 963	40 606
Bank overdraft	**56 005**	50 165	39 968
Total current liabilities	**276 026**	270 510	245 941
Total equity and liabilities	**1 152 788**	1 068 416	994 208
Net cash (note 6)	**88 225**	45 589	6 461
Net asset value per share (cents)	**131.5**	117.5	103.9
Net tangible asset value per share (cents)	**33.7**	19.6	5.5
Capital expenditure			
– incurred for the year ended	**94 147**	77 466	**–**
– authorised but not spent	**44 497**	37 304	34 815

Summary consolidated statement of changes in equity

Year ended 31 March 2013	Stated capital R'000	Share capital R'000	Share premium R'000	Other reserves R'000	Retained earnings R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 April 2011	–	13	787 353	(179 844)	75 413	682 935	–	682 935
Total comprehensive income for the year	–	–	–	23 098	103 240	126 338	–	126 338
Dividend declared of 6 cents per share (note 8)	–	–	–	–	(39 420)	(39 420)	–	(39 420)
Shares issued in relation to share options exercised	–	*	236	–	–	236	–	236
Share-based payment	–	–	–	2 001	–	2 001	–	2 001
Balance at 31 March 2012	–	13	787 589	(154 745)	139 233	772 090	–	772 090
Total comprehensive income for the year	–	–	–	40 232	128 471	168 703	(5)	168 698
Dividends declared of 8 cents and 4 cents per share, respectively (note 8)	–	–	–	–	(78 954)	(78 954)	–	(78 954)
Shares issued in relation to share options exercised	464	*	2 425	–	–	2 889	–	2 889
Share-based payment	–	–	–	3 151	–	3 151	–	3 151
Transfer from share capital and share premium to stated capital	790 027	(13)	(790 014)	–	–	–	–	–
Balance at 31 March 2013	790 491	–	–	(111 362)	188 750	867 879	(5)	867 874

**Amount less than R1 000*

Reconciliation of headline and adjusted headline earnings

	Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 Audited R'000
Profit for the year attributable to shareholders of the parent	**128 471**	103 240
Adjusted for:		
(Profit)/loss on disposal of property, plant and equipment and intangible assets	**(314)**	430
Impairment of product development costs capitalised	**5 158**	1 332
Foreign currency translation reserve released due to liquidation of intermediary subsidiary holding company	**394**	–
Tax effect on the above components	**(1 357)**	(323)
Headline earnings attributable to shareholders of the parent	**132 352**	104 679
Headline earnings per share (cents)		
– basic	**20.1**	15.9
– diluted	**19.6**	15.8
Headline earnings attributable to shareholders of the parent	**132 352**	104 679
Amortisation of intangible assets arising out of business combinations	**10 421**	18 500
Trading loss from business unit disposed of	**–**	3 509
Tax effect on the amortisation of intangible assets arising out of business combinations	**(1 644)**	(3 235)
Adjusted headline earnings attributable to shareholders of the parent	**141 129**	123 453
Adjusted headline earnings per share (cents)		
– basic	**21.4**	18.8
– diluted	**20.9**	18.6

Summary consolidated statement of cash flows

	Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 (Restated) Audited R'000
Operating activities		
Cash generated from operations	**287 847**	192 477
Net financing costs	**(1 541)**	(3 632)
Taxation paid	**(74 388)**	(35 769)
Net cash generated from operating activities	**211 918**	153 076
Investing activities		
Capital expenditure, net of government grant received	**(91 940)**	(77 466)
Loan granted to external party	**–**	(5 486)
Acquisition of business, net of cash acquired	**23**	–
Proceeds on sale of property, plant and equipment and intangible assets	**966**	867
Increase in restricted cash	**(5 103)**	–
Net cash used in investing activities	**(96 054)**	(82 085)
Financing activities		
Proceeds from issuance of ordinary shares	**2 889**	236
Repayment of borrowings	**(19 701)**	(41 548)
Dividends paid to company's shareholders	**(78 874)**	(39 374)
Net cash used in financing activities	**(95 686)**	(80 686)
Net increase/(decrease) in cash and cash equivalents	**20 178**	(9 695)
Net cash and cash equivalents at beginning of the year	**68 530**	70 039
Exchange gains on cash and cash equivalents	**2 989**	8 186
Net cash and cash equivalents at end of the year	**91 697**	68 530

Summary segment analysis

		Total revenue R'000	Intersegment revenue R'000	EBITDA R'000	Assets R'000
Year ended 31 March 2013					
Africa	Consumer solutions	**343 578**	**(11 910)**	**86 580**	**279 239**
	Fleet solutions	**281 937**	**(5 838)**	**92 429**	**83 047**
Europe	Fleet solutions	**128 116**	**(576)**	**(4 796)**	**60 078**
North America	Fleet solutions	**155 657**	**–**	**2 271**	**53 067**
Middle East and Australasia	Fleet solutions	**265 598**	**–**	**32 445**	**129 133**
Brazil	Fleet solutions	**–**	**–**	**(2 062)**	**4 529**
International	Fleet solutions and development	**330 755**	**(315 837)**	**92 728**	**243 284**
Total		**1 505 641**	**(334 161)**	**299 595**	**852 377**
Corporate and consolidation entries		**–**	**–**	**(15 055)**	**415 493**
Inter-segment elimination		**(334 161)**	**334 161**	**–**	**(115 082)**
Total		**1 171 480**	**–**	**284 540**	**1 152 788**
Year ended 31 March 2012					
Africa	Consumer solutions	342 324	(8 546)	73 523	253 162
	Fleet solutions	232 542	(2 953)	79 040	79 082
Europe	Fleet solutions	126 782	–	(6 541)	71 110
North America	Fleet solutions	156 013	(298)	13 532	54 365
Middle East and Australasia	Fleet solutions	131 393	–	14 528	72 333
International	Fleet solutions and development	286 433	(245 208)	83 450	258 692
Total		1 275 487	(257 005)	257 532	788 744
Corporate and consolidation entries		–	–	(19 980)	408 349
Inter-segment elimination		(257 005)	257 005	–	(128 677)
Total		1 018 482	–	237 552	1 068 416

Notes to the summary consolidated financial results

1. Independent audit

These summary consolidated financial results have been audited by our independent auditors, PricewaterhouseCoopers Inc., who have performed their audit in accordance with the International Standards on Auditing. A copy of their unqualified audit report is available for inspection at the Company's registered office.

2. Basis of preparation and accounting policies

These summary consolidated financial statements have been derived from the audited consolidated financial statements of MiX Telematics Limited for the year ended 31 March 2013, and have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards ("IFRS") and are in compliance with Section 8.57 of the Listings Requirements of the JSE Limited and the requirements of the Companies Act of South Africa. A copy of the full set of consolidated financial statements is available for inspection at the Company's registered office.

The accounting policies are consistent in all material respects with those applied in the preparation of the consolidated financial statements for the year ended 31 March 2012, except for the reclassification of in-vehicle devices from inventory held in client vehicles (installed) and inventory (uninstalled) to property, plant and equipment (note 12). The Group has adopted all the new, revised or amended accounting pronouncements as issued by the International Accounting Standards Board ("IASB") which were effective for the Group from 1 April 2012. None of the adopted pronouncements had a material impact on the consolidated results for the year ended 31 March 2013.

3. Operating segments

The MiX Telematics businesses are managed primarily on a geographic and also on a product basis. This is in accordance with the profit measures as evaluated by the chief operating decision-maker of the Group. A reconciliation of EBITDA to operating profit is set out in note 4.

4. Operating profit and EBITDA

	Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 Audited R'000
Operating profit and EBITDA		
Operating profit	**181 196**	146 388
Add depreciation, amortisation and impairments (note 5)	**103 344**	91 164
EBITDA per segmental analysis	**284 540**	237 552

5. Depreciation, amortisation and impairment

	Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 Audited R'000
Depreciation, amortisation and impairments		
Depreciation and amortisation	**87 765**	71 332
Amortisation of intangible assets arising out of business combinations	**10 421**	18 500
Impairment of intangible assets	**5 158**	1 332
Total	**103 344**	91 164

Notes to the summary consolidated financial results

continued

6. Net cash

Net cash is calculated as being net cash and cash equivalents, excluding restricted cash less interest-bearing borrowings.

7. Borrowings

Borrowings decreased from R22.9 million to R3.5 million at 31 March 2013. The decrease in borrowings is due to repayments of R26.0 million during the year offset by draw downs of R6.5 million. The reduction in borrowings has contributed to a decrease in finance costs as compared to the prior financial year.

8. Dividends

Final dividend

A final dividend of R52.6 million (2012: R39.4 million) was declared during the year and paid on 9 July 2012. Using shares in issue of 657.2 million (2012: 657.0 million) this equates to a dividend of 8.0 (2012: 6.0) cents per share.

Interim dividend

An interim dividend of R26.4 million (2012: Nil) was declared during the year and paid on 10 December 2012. Using shares in issue of 659.5 million this equates to a dividend of 4.0 (2012: Nil) cents per share.

9. Contingencies

Services Agreement

In terms of an amended network services agreement with Mobile Telephone Networks Proprietary Limited ("MTN"), MTN is entitled to claw back payments from MiX Telematics Africa Proprietary Limited in the event of early cancellation of the agreement or certain base connections not being maintained over the term of the agreement. Furthermore, no connection incentives will be received going forward. The maximum potential liability under the arrangement is R65.1 million. No loss is expected under this arrangement.

Taxation

During the previous financial year, MiX Telematics Africa Proprietary Limited received a query and a subsequent reassessment of its tax liability relating to the claiming of tax allowances in respect of section 24C of the South African Income Tax Act of 1962. In terms of this assessment, the South African Revenue Services ("SARS") disallowed the section 24C allowance going back to 2008 and charged interest thereon of approximately R4 million. MiX Telematics Africa Proprietary Limited had been claiming the section 24C allowance on the basis of a legal opinion obtained from a prominent South African law firm. The section 24C allowance had always been fully disclosed in its tax return and had been previously allowed by SARS. At 31 March 2013, after a successful appeal of the revised assessment, SARS issued a letter informing the Company that they will waive the amount of interest charged. As no connection incentives are received going forward, the section 24C allowance is not claimed any longer. The deferred tax liability in respect of the section 24C allowance was transferred to current tax payable and paid over to SARS during the current financial year.

10. Exchange rates

The following major rates of exchange were used:

		Year ended 31 March 2013 Audited R'000	Year ended 31 March 2012 Audited R'000
SA Rand:United States Dollar	– closing	**9.24**	7.69
	– average	**8.50**	7.43
SA Rand:British Pound	– closing	**14.04**	12.29
	– average	**13.43**	11.84

11. Business combination

On 1 May 2012, the Group acquired the business of Intellichain Proprietary Limited ("Intellichain") (constituting employees and specific assets and liabilities), a supply chain management software business. The services offered by Intellichain are compatible with the Group's existing fleet management solutions and the acquisition broadens the array of services offered to current and future fleet management customers. The purchase consideration amounted to the outstanding balance of the loan provided to Intellichain in the prior financial year including interest accrued. The fair values of the assets acquired and liabilities assumed are as follows:

	R'000
Property, plant and equipment	**182**
Software	**5 739**
Trade receivables	**756**
Cash and cash equivalents	**23**
Trade and other payables	**(654)**
Total identifiable assets	**6 046**
Acquisition date fair value of consideration paid	**6 046**

The Group has finalised the identification and allocation of fair values to all assets and liabilities acquired. The post-acquisition revenue of R6.6 million and the post-acquisition loss of R1.6 million have been included in the consolidated results. Had Intellichain been consolidated from 1 April 2012, the consolidated income would show pro-forma revenue of R7.1 million and a net loss of R1.8 million in respect of this business.

The at-acquisition fair value of trade receivables was R0.8 million of which none is expected to be uncollectible at 31 March 2013.

No material acquisition-related expenses were incurred in relation to the acquisition of the business.

12. Restatement

The Group has certain tracking devices which are installed in customer vehicles ("in-vehicle devices"). In prior years, the Group classified in-vehicle devices installed as inventory held in client vehicles, which was included as a separate financial statement line item under current assets in the statement of financial position. In addition, devices which were designated for installation in client vehicles were accounted for as inventory.

During the current year, the Group changed the classification of in-vehicle devices to property, plant and equipment, since they represent tangible items that are held for use in the supply of services, and are expected to be used for more than one period. Management have adjusted their accounting policy accordingly.

The reclassification has been adopted retrospectively and the comparative amounts have been restated accordingly.

The Group's income statement continues to include a systematic allocation of the cost of installed in-vehicle devices in cost of sales in the form of depreciation (previously rental units consumed), and the change in classification therefore has no impact on the Group's income statement or statement of comprehensive income or any of the earnings per share measures for the year ended 31 March 2012.

The effect on the consolidated statement of financial position as at 1 April 2011 (beginning of the comparative financial year) is an increase in property, plant and equipment of R36.2 million (comprising both installed and uninstalled in-vehicle devices), the elimination of inventory held in client vehicles of R28.0 million (representing installed in-vehicle devices) and a decrease in inventory of R8.2 million (representing uninstalled in-vehicle devices).

The effect on the consolidated statement of financial position at 31 March 2012 (comparative year) is an increase in property, plant and equipment of R39.8 million (comprising both installed and uninstalled in-vehicle devices), the elimination of inventory held in client vehicles of R29.7 million (representing installed in-vehicle devices) and a decrease in inventory of R10.1 million (representing uninstalled in-vehicle devices).

The Group classifies cash payments to acquire property, plant and equipment as investing activities, and the change in classification of in-vehicle devices from inventory to property, plant and equipment therefore resulted in a change in classification of cash flows associated with the acquisition of such items. This is because the Group now considers the expenditure associated with the acquisition of in-vehicle devices to have been made for resources intended to generate future income and cash flows. The effects on the consolidated statement of cash flows for the year ended 31 March 2012 is an increase in cash generated from operations of R26.7 million, and an increase in net cash used in investing activities of R26.7 million.

13. Subsequent events

Other than the items discussed below, the directors are not aware of any matter material or otherwise arising since year-end and up to the date of this report, not otherwise dealt with herein.

Dividends declared

Shareholders are advised that, subsequent to 31 March 2013, a cash dividend of 6 cents per share has been declared by the Board. The dividend has been declared out of income reserves in respect of the twelve months to 31 March 2013. The dividend will be subject to a dividend withholding tax at a rate of 15%, which will result in a net dividend of 5.1 cents per share to those shareholders who are not exempt in terms of section 64F of the Income Tax Act. There are no Secondary Tax on Companies credits utilised against the dividend. The stated capital of MiX Telematics Limited is 660 212 500 shares of no par value. MiX Telematics' tax reference number is 9155/661/84/7. The dividend timetable is set out below:

Last date to trade *cum* dividend	Friday, 28 June 2013
Trading *ex* dividend commences	Monday, 1 July 2013
Record date	Friday, 5 July 2013
Payment date	Monday, 8 July 2013

Shares may not be dematerialised or rematerialised between Monday, 1 July 2013 and Friday, 5 July 2013, both dates inclusive.

Banking facilities

Subsequent to year-end the Group obtained an overdraft facility of R10 million from Nedbank Limited. The facility is unsecured and bears interest at prime less 2%.

Restructuring

Subsequent to year-end, the Europe fleet solutions segment announced a restructuring plan. The total expected cost of the restructuring is approximately R2.7 million. The restructuring will result in operating cost savings for the segment.

14. Changes to the Board of Directors

On 31 March 2013, R Friedman, a non-executive director, resigned from the Board of Directors.

On 13 May 2013, E Banda was appointed as an independent non-executive director and as a member of the audit and risk committee. F Roji has resigned as non-executive director of the Board of Directors and has been appointed as an alternate director to H Brody with effect from 13 May 2013.

For and on behalf of the Board:

SR Bruyns **SB Joselowitz**

Midrand

4 June 2013

MiX Telematics Limited

Incorporated in the Republic of South Africa. Registration number 1995/013858/06

JSE code: MIX ISIN: ZAE000125316 ("MiX" or "the Company" or "the Group")

Registered office: Matrix Corner, Howick Close, Waterfall Park, Midrand

Directors: SR Bruyns* (Chairman); SB Joselowitz (CEO); EN Banda*; R Botha; HR Brody*; TE Buzer; CH Ewing*; RA Frew*; ML Pydigadu; F Roji (Alternate); HG Scott, RA Shough*, CWR Tasker; AR Welton*

**Non-executive*

Company secretary: Java Capital Trustees and Sponsors Proprietary Limited

Auditors: PricewaterhouseCoopers Inc.

Sponsor: JAVA CAPITAL

For more information on our final results, please visit our website at:

www.mixtelematics.com

BASTION GRAPHICS