

MiX Telematics
Results presentation
for the year ended 31st March 2011

Stefan Joselowitz – Group CEO
Megan Pydigadu – Group Financial Director

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TELEMATICS
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Year at a glance - cash performance

- ❑ Cash generated from operations R190m (2010 : R175m)
- ❑ Net cash R6m (2010 : -R48m)
- ❑ Net gearing / Group equity ratio 0% (2010 : 7.4%)
- ❑ Net interest cover at EBITDAR level 17.5 times (2010 : 11.0 times)
- ❑ Dividend declared at **6 cps** (2010 : 5 cps)



+8.7%



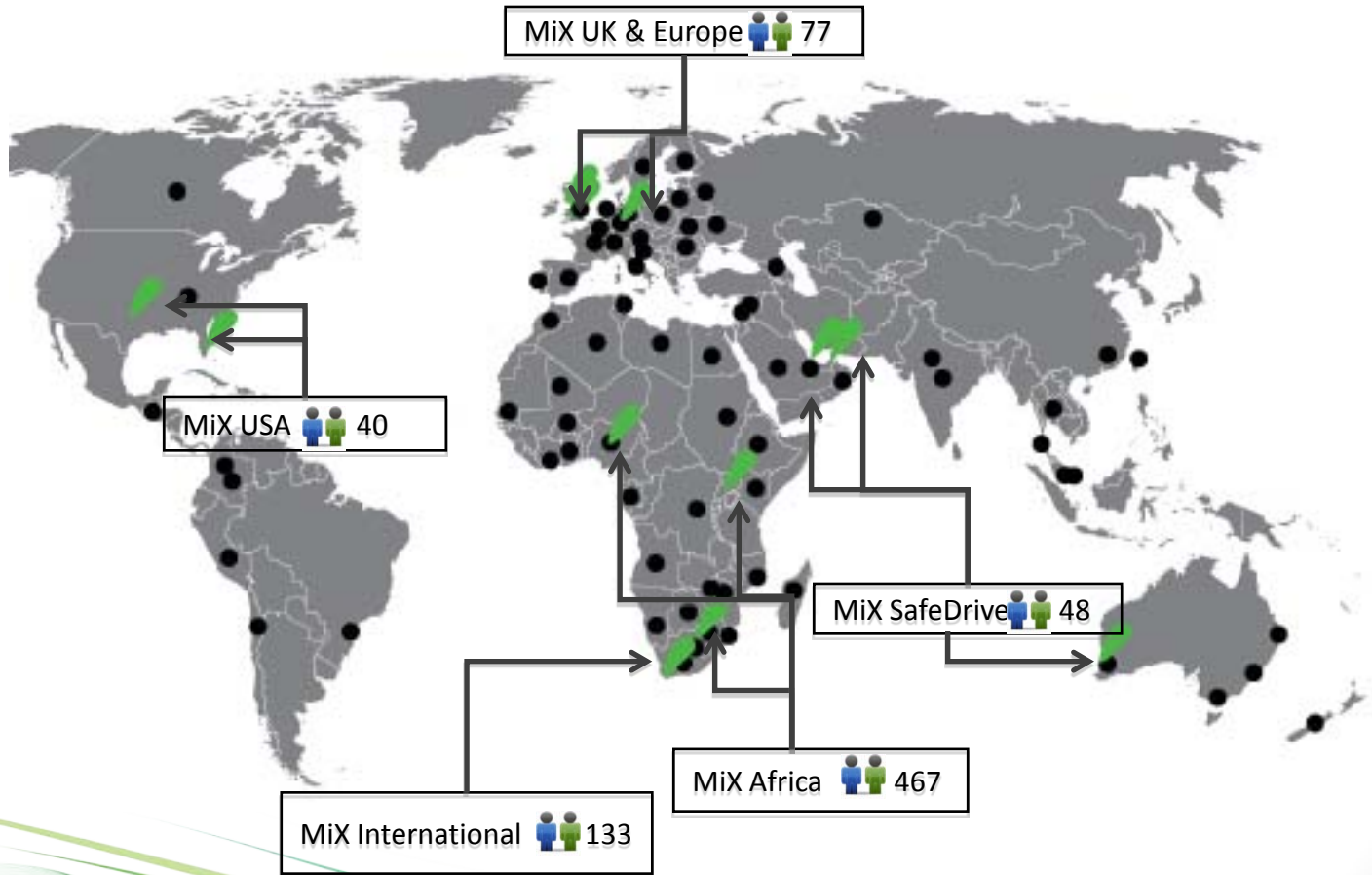
+20%

Year at a glance – Core attributes

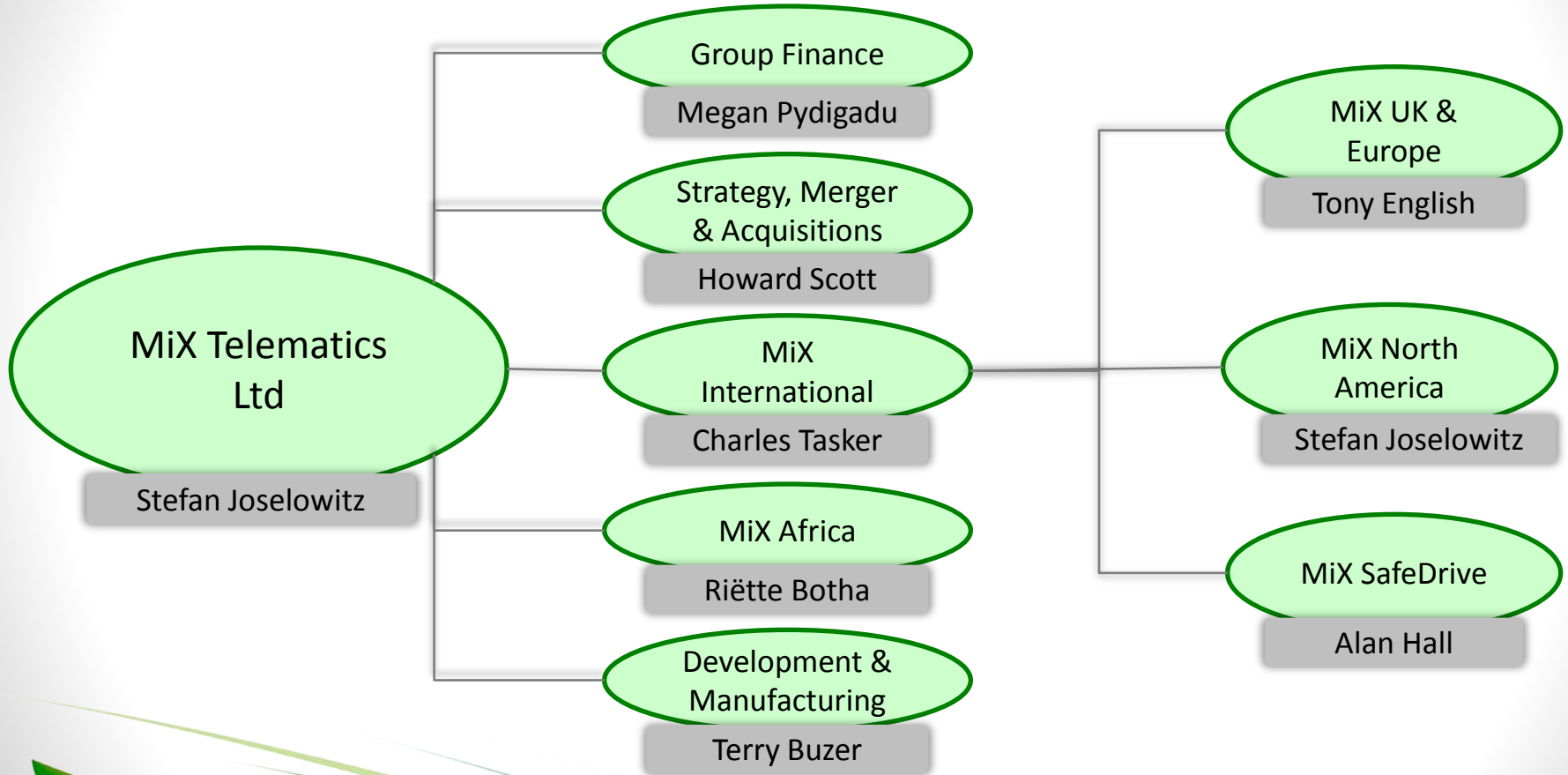
- ❑ MiX is back on the growth track
- ❑ Group cash generation is strong
- ❑ Annuity revenue has grown to 56.7% of total revenue
- ❑ MiX has established a global footprint



Geographic spread



Executive structure



Operational update

MiX AFRICA

- Strong fleet subscriber growth
- SVR subscriber growth was weak
- Landed Eskom tender
- Established presence in East Africa
- Strengthened SA motor dealership distribution channel
- Impressive cash generation
- Innovative entry level product launched after year end
- Acquired stake in Intellichain logistics software company



Operational update

MiX INTERNATIONAL

- ❑ Rest-of-world sales were strong
- ❑ Released major new software platforms in Europe
- ❑ Released Smartphone apps for all major brands
- ❑ Restructured R&D division:
 - Investment increased to R37,8m (2010: R25,7m)
 - Improved speed to market
 - Further rationalisation of product platforms
- ❑ Established a hosted data centre in Miami, USA
- ❑ Launched major carbon offset initiative



Carbon offset initiative



- ❑ MiX announces carbon neutrality post year end
- ❑ MiX Carbon Offset Initiative (COI) service to our clients
 - Facilitates easy offset of their vehicle related emissions
- ❑ MiX technology also assists clients in reducing vehicle emissions



Operational update

MiX EUROPE

- ❑ Grew fleet base despite tough trading conditions
- ❑ Launched DLD upsell phase
- ❑ Rationalisation of Datatrak network in progress (UK)
- ❑ Started process to convert Datatrak clients to MiX platform
- ❑ Refocusing Of business to core activities



Operational update

MiX NORTH AMERICA

- ❑ Key focus area is Oil & Gas industry
- ❑ Strong growth in fleet management subscribers
- ❑ Assumed responsibility for Latin America
- ❑ 2 mega deals landed post year end
- ❑ Strong sales pipeline – pressure now on rollout



Operational update

MiX SAFEDRIVE

- ❑ Key focus area is Oil & Gas industry
- ❑ Decent subscriber growth
- ❑ Consulting services remains a core activity
- ❑ Strong growth in Middle East & Australia
- ❑ Turmoil in ME provided 2nd-half headaches
- ❑ New business unit head





**Financial Results
for the year ended
31 March 2011**



Income statement

	(R million)	12 months March 2011	Percentage Increase	12 months March 2010
Revenue		887	5.5%	840
EBITDAR		200	11.8%	179
Operating profit		117	6.7%	110
Profit before taxation		106	13.7%	93
Taxation		-34	27.3%	-27
Profit for the year		72	8.2%	66
Adjusted headline earnings		93	10.3%	84
EBITDAR margin %		22.6%		21.3%
Operating income margin %		13.2%		13.1%
Earnings per share (cents)		10.9	8.2%	10.1
Headline earnings per share (cents)		11.3	12.1%	10.1
Adjusted headline earnings per share (cents)		14.1	10.3%	12.8



Reconciliation of headline earnings and adjusted headline earnings

	(R million)	March 2011	Percentage Increase	March 2010
Profit attributable to shareholders		71 501		66 088
Adjusted for:				
Net loss on disposal of property, plant and equipment		61		496
Impairments		3 132		-
Exchange gain on settlement of net investment in foreign operation		-174		-
Taxation effect on the above components		22		-111
Headline earnings		74 542	12.1%	66 473
Amortisation of assets arising out of business combinations		21 405		20 801
Tax effect on amortisation of assets arising out of business combinations		-3 231		-3 217
Adjusted headline earnings		92 716	10.3%	84 057



Financial position

	(R million)	March 2011	March 2010
Assets			
Property, plant and equipment		45	44
Intangible assets		647	653
Available-for-sale financial asset and other assets		-	3
Deferred tax assets		11	8
Inventory		35	30
Inventory held in client vehicles		28	25
Trade and other receivables		114	127
Taxation		2	2
Total assets excluding cash		882	892
Cash and cash equivalents		110	155
Restricted cash		2	1
Total assets		994	1 048



Financial position

	(R million)	March 2011	March 2010
Equity		683	650
Liabilities		311	398
Borrowings – non current		36	96
Deferred tax liabilities		28	27
Provisions – non current		1	15
Trade and other payables		133	124
Borrowings		27	72
Taxation		5	4
Bank overdraft		41	35
Provisions		40	25
Total equity and liabilities		994	1 048



Net cash (debt)

	(R million)	March 2011	March 2010
Net cash (debt)			
Cash and cash equivalents		110	155
Bank overdraft		41	35
Net cash		69	120
Borrowings – non-current		36	96
Borrowings – current		27	72
Net cash (debt)		6	(48)

Condensed group statement of cash flows

	(R million)	March 2011	March 2010
Cash generated from operating activities		190	175
Net finance costs		-10	-15
Taxation paid		-36	-36
Net cash generated from operating activities		144	123
Capital expenditure		-57	-45
Proceeds from disposal of PPE		1	1
Net cash utilised in investing activities		-56	-44

Condensed group statement of cash flows

	(R million)	31 March 2011	31 March 2010
Net borrowings repaid		-103	-33
Dividends paid		-33	-26
Net cash utilised in financing activities		-136	-60
Net (decrease) increase in cash and cash equivalents		-48	19
Cash and cash equivalents at beginning of period		120	112
Exchange losses on cash and cash equivalents		-2	-12
Cash and cash equivalents at end of period		70	120

Abbreviated segmental analysis

<u>2011</u>	(R million)	Total revenue	Inter-segment revenue	EBITDAR	Assets
Africa	Vehicle tracking & recovery	343	-8	90	247
	Fleet management	200	-1	59	50
United Kingdom	Fleet management	154	-	-	88
North America	Fleet management	52	-	-1	14
Middle East	Fleet management	110	-	15	51
International	Fleet management & development	201	-164	50	224
Corporate and consolidation		-	-	-13	430
Inter segment elimination		-173	173		-110
TOTAL		887	0	200	994



Thank you

Stefan Joselowitz
Chief Executive Officer

and

Megan Pydigadu
Group Financial Director



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