

Data#3

FY20 Interim Results Briefing

19th February, 2020

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Our Business

Our **vision** is to harness the power of people and technology for a better future.

Data#3 in FY20



1,200+
staff



Founded
in **1977**



Listed on the
ASX in 1997



\$1.4 Billion
in revenue in **FY19**



9 offices across Australia and Fiji
3 integration centres



Approx. 60% revenue under contract



Target market enterprise and government



Largest enterprise software supplier in Asia Pacific



Over 2,000 services projects per year

Our Solutions



Cloud



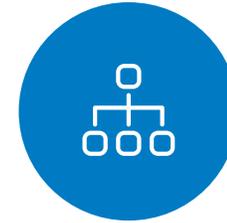
Modern Workplace



Security



Data & Analytics



Connectivity

Consulting

Project Services

Support Services

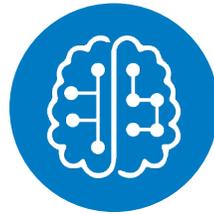
Digital Transformation



Digital Transformation



Blockchain



Artificial Intelligence



Internet of Things



3D Printing

FOUNDATION LAYER



Connectivity



**Cloud
(Public & Private)**



Modern Workplace



Security

Partnering with leading global suppliers



1H FY20 Summary

“We are very pleased with the first half performance, maintaining the longer-term growth trend. The market is growing as digital transformation fuels the overall information technology spend, and we have seen sustained large project activity.

The current period result demonstrates the inherent strength and relevance of our solution offerings in an evolving market, and we are delighted with the rapid growth in our cloud-based business.

Earnings per share increased by 41.5% to 5.65 cents.

The board declared an interim dividend of 5.1 cents per share, up 41.7% on PCP and representing a 90.3% payout ratio”



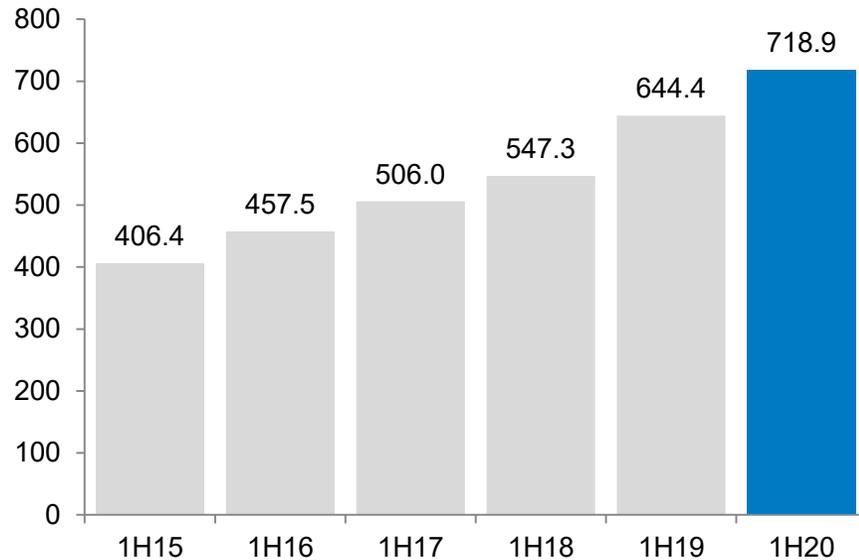
1H FY20 Financial Performance

1H FY20 financial results

Total Revenue	Up 11.6%	\$718.9M
Sales revenue	Up 11.6%	\$718.0M
Public cloud revenue (included above)	Up 76.5%	\$251.9M
Other revenue		\$0.9M
<hr/>		
Gross Profit (excluding Other revenue)	Up 7.7%	\$88.6M
Gross margin %	Down 0.5 pp	12.3%
<hr/>		
EBIT	Up 44.6%	\$12.3M
EBIT margin %	Up 0.4 pp	1.7%
NPBT	Up 40.6%	\$12.7M
NPAT (excluding minority interests)	Up 41.5%	\$8.7M
Basic earnings per share	Up 41.5%	5.65 cents
Dividend per share	Up 41.7%	5.10 cents

Sustained revenue growth, boosted by cloud

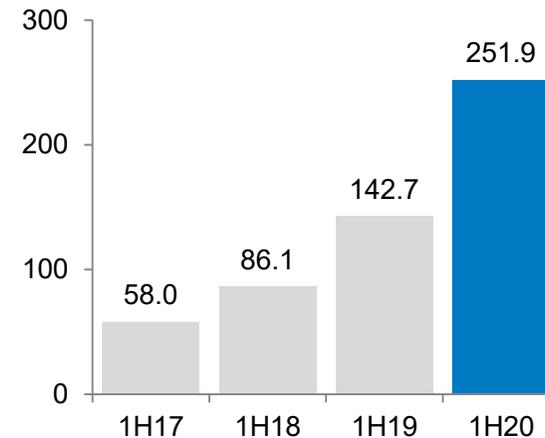
Total revenue (\$M)



Revenue growth fueled by digital transformation projects and cloud-based solutions.

Total revenue includes \$251.9M of public cloud revenues, up 76.5% on PCP.

Public cloud revenue (\$M)

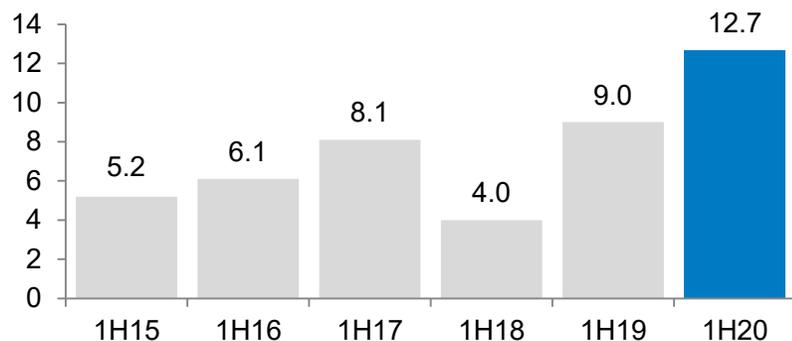


Approximately 60% of revenue under contract.

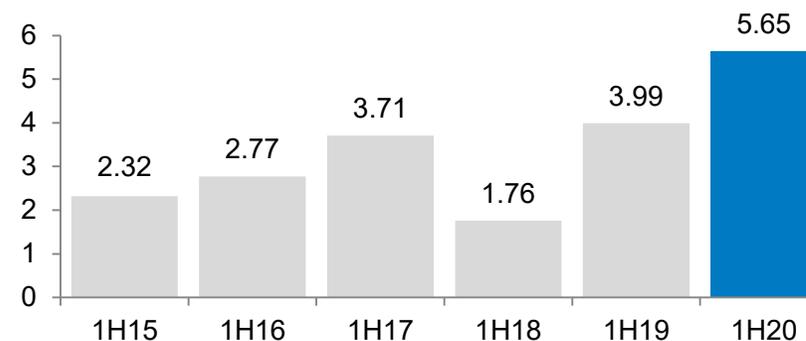
All business units and regions on or ahead of plan, except for Consulting.

Sustained earnings growth

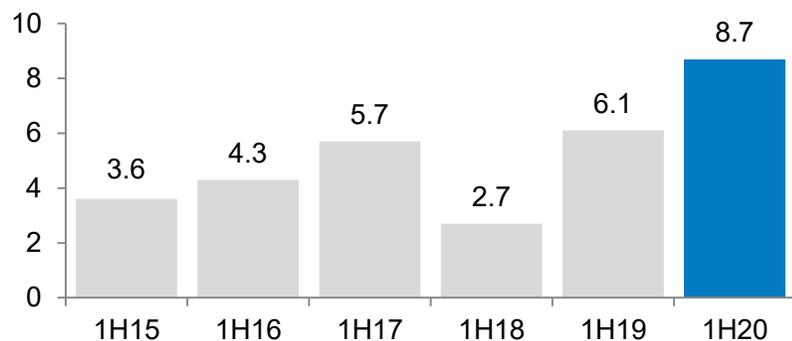
NPBT (\$M)



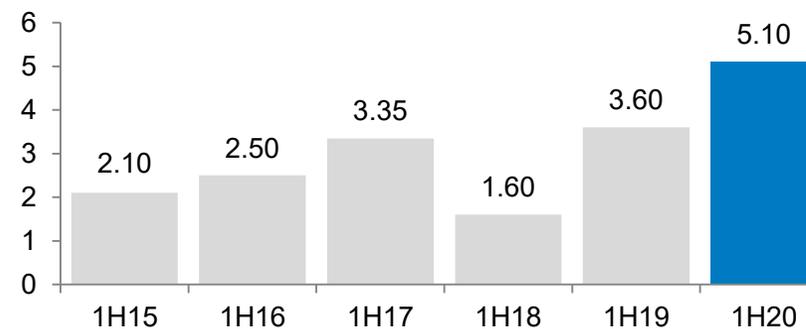
Basic EPS (cents)



NPAT (\$M) – excluding minority interests



DPS (cents)



Solid balance sheet & cash flow

- Strong balance sheet with no material borrowings
- Any borrowings are back-to-back with customer contracts
- Cash flow 'seasonality' consistent with previous years
- Average DSOS of 29.8 days – ahead of target and industry best practice



FY20–22 Trends

Market trends



Digital transformation is a high priority in business strategy



The overall **IT market growth** is fuelled by digital transformation



A convergence of **Information Technology (IT) & Operational Technology (OT)** is creating opportunity



Cybersecurity poses increasingly larger threats and continues to grow



Artificial intelligence & robotics are in early adoption phase



Data analytics are increasingly mainstream



Superior **customer service** remains a key differentiator



Attracting and retaining **skilled resources** is increasingly competitive



Vendor channel models are changing with a greater emphasis on adoption and **customer experience**

Key priorities in FY20



Services –
improving margins



Digital enablement –
helping our customers
succeed in their digital
transformation



Customer experience –
unifying every customer
touchpoint across our
company to improve the
overall customer
experience



Vendor relationships –
investing with the right
vendors, and working
their channel plans to our
mutual benefit

FY20 Outlook

2H business outlook

External factors:

- Market remaining buoyant
- Global geo-political influences on local market
- Monitoring infrastructure supply chain impacts

Internal factors:

- Solid pipeline of integration projects (hardware, software and services)
- Expected improvement in Consulting contribution

FY20 outlook

We see ongoing growth in the Australian IT market, with digital technologies leading business transformation in both the commercial and public sectors, and we believe we remain well positioned to capitalise on these opportunities.

The strong 1H performance and pipeline of opportunities for the 2H give us confidence that we will achieve our full year financial objective, being to deliver sustainable earnings growth over time.



Q&A

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