



TELEMATICS  
MOBILE INFORMATION EXCHANGE



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over 500,000 installations  
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## MiX Telematics Interim Results Presentation

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November 2009



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# Introduction

- Update is for the half year ended September 2009.
- Half year to September 2009 compared to half year September 2008 and full year March 2009.
- Pro formas are a thing of the past.
- Financial statements alone do not tell the full story:
  - Businesses remain structured for maximum efficiency.
  - We are operating as an integrated group.



## Half-year at a glance Financial indicators

- 657 million shares in issue
  - Basic and diluted 657 million
- Market cap of R414 million (at 63c share price – 12 November 2009)
- Share code “MiX”
- Adjusted Headline Earnings R33m (2009: R43m) 
- Adjusted HEPS 5.0c (2009: 6.7c) 
- PE (at November 12<sup>th</sup> close of 63cps) 4.5 (annualised)



## Half-year at a glance Financial indicators

▪ Revenue R431m (R432m for 6m 2009)

0%

▪ EBITDA R72m (R84m for 6m 2009)

-14%

▪ Annuity revenue R237m (R192m for 6m 2009)

23%

▪ Foreign currency revenue R213m (R177m for 6m 2009)

20%



## Half-year at a glance Cash Performance

- Cash generated from operating activities R80m (R64m)
- Net debt R89m (R178m)
- Net gearing stands at 14% of group equity (28%)
- Net Interest cover 7.9 times at EBITDA level (7.4 times)

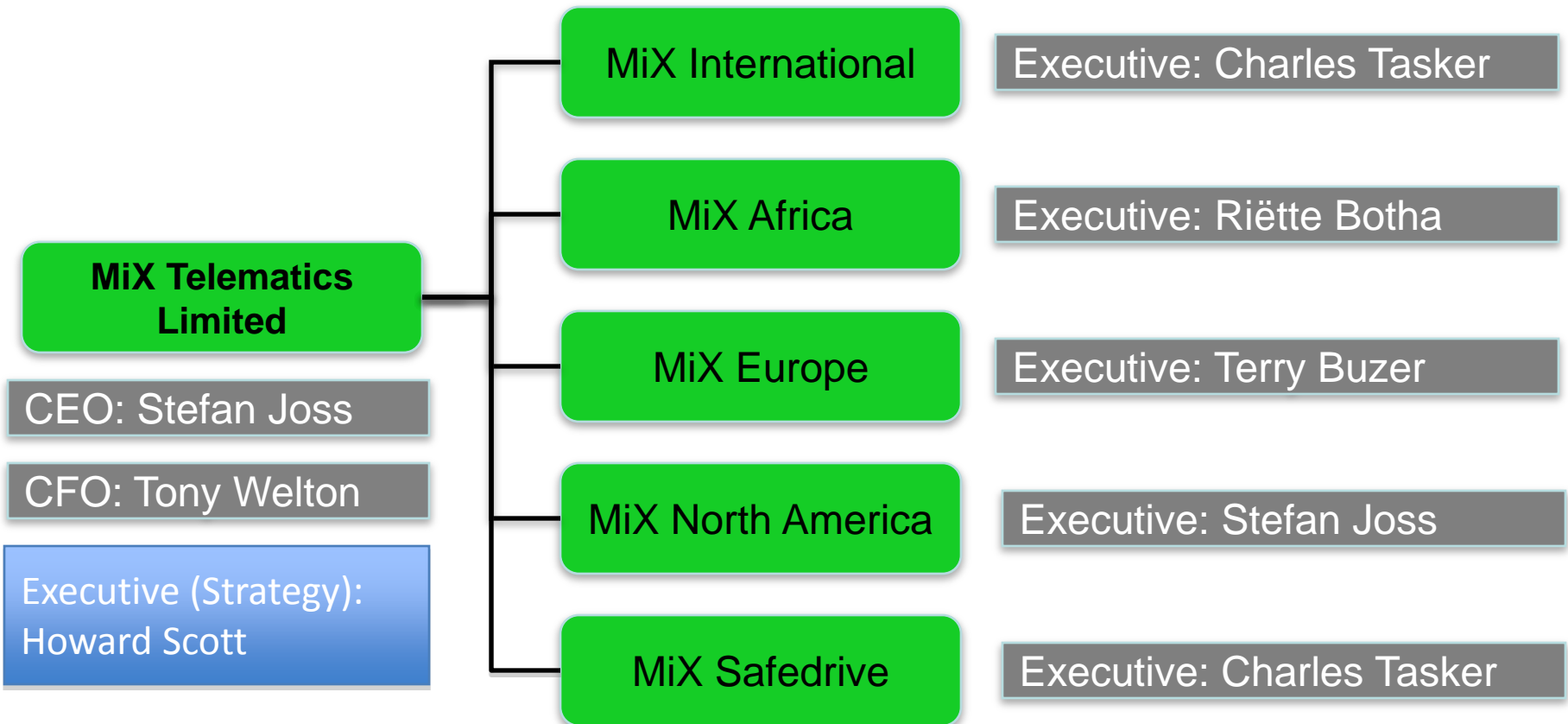


## Half-year at a glance Trading conditions

- Exchange Rate – Rand strength is not favorable
- Retail vehicle sales remain depressed
- Access to asset finance by fleets remain restrictive
- General trading conditions have been brutal
- Decision paralysis by Mega-Fleets



# Group structure





# Operational update 6 months ended September 2009

## ■ **MiX Africa**

- Delivered good profits and strong cash despite sluggish retail sales.
- FM fleet sales into Africa have been encouraging
- Nigeria JV continues to bear fruit

## ■ **MiX Europe**

- Pleasing performance particularly in UK unit.
- Big win for future: British Gas tender
- Tender pipe-line looking good



# Operational update 6 months ended September 2009

## ▪ **MiX Safe-Drive**

- Oil-&-Gas focus resulted in disappointing performance
- Big win for future: PDO (Shell Opco) in Oman
- Pakistan JV has been suspended

## ▪ **MiX North America**

- Oil-&-Gas focus resulted in disappointing performance
- Results compounded by delay in Chevron implementation
- Won tender for driver-training center for Schlumberger

- **O&G industry is showing signs of recovery – businesses are well positioned to take advantage**



## Operational update 6 months ended September 2009

### ▪ **MiX International (CSO)**

- Double whammy of sluggish regional sales and exchange rate
- DLD – In final field trials in Europe
- R&D efforts have continued unabated
- An exciting array of new products and services are scheduled for launch in 2<sup>nd</sup>-half
- JV with Continental to produce in Brazil is back on track



## The future

- We are well set up to weather the storm
  - Strong annuity component
  - Good rand hedge
  - Strong cash generation
  - Good management team
  - Conservatively geared balance sheet
- Oil prices have rebounded to levels where our O&G customers are starting to invest again.
- We are well positioned to take advantage of economic recovery



# Financial results 6 months to September 2009

## INCOME STATEMENT

	(R million)	6 months Sept 2009	Percentage Increase	6 months Sept 2008
Revenue		431	0%	432
<b>EBITDA</b>		<b>72</b>	<b>-14%</b>	<b>84</b>
Operating income		47	-26%	64
Profit before tax		38	-26%	52
Taxation		(14)	-	(15)
Profit for the period		24	-35%	36
<b>Adjusted Headline Earnings</b>		<b>33</b>	<b>-23%</b>	<b>43</b>
Total weighted average shares (000's)		657	-	643
Earnings per share (cents)		3.6	-37%	5.7
<b>Headline Earnings per share (cents)</b>		<b>3.6</b>	<b>-33%</b>	<b>5.4</b>
<b>Adjusted HEPS (cents)</b>		<b>5.0</b>	<b>-25%</b>	<b>6.7</b>



# Financial results 6 months to September 2009

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## **ADJUSTED HEPS RECONCILIATION**

	(R million)	Sept 2009
<b>Earnings per Income Statement</b>		<b>23.7</b>
Loss on disposal of fixed assets		0.1
<b>Headline earnings</b>		<b>23.8</b>
IFRS 3 Amortisation		10.8
Taxation effect on the amortisation		(1.6)
<b>Adjusted headline earnings</b>		<b>33.0</b>

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# Financial results 6 months to September 2009

## FINANCIAL POSITION

	(R million)	Sept 2009	Sept 2008	March 2009
<b>Total assets</b>		<b>987</b>	<b>1081</b>	<b>1103</b>
PPE		45	57	52
Intangible assets		664	721	693
Inventory		32	68	40
Trade and other receivables		115	162	135
<b>Net borrowings</b>		<b>89</b>	<b>178</b>	<b>89</b>
Cash and cash equivalents		86	31	140
Interest bearing borrowings – long		91	121	120
Interest bearing borrowings – short		52	79	81
Bank overdraft		32	9	28



# Financial results 6 months to September 2009

## CASH FLOW

	(R million)	2009
<b>Cash generated from operations</b>		<b>79.7</b>
Net interest expense		(8.7)
Taxation paid		(15.8)
<b>Net cash generated from operating activities</b>		<b>55.2</b>
Capex		(19.3)
Dividends paid		(26.3)
<b>Net cash inflow</b>		<b>9.6</b>
Net cash inflow		9.6
Borrowings repaid		(58.2)
<b>Net decrease in cash and cash equivalents</b>		<b>(48.6)</b>
Cash and cash equivalents less bank overdraft at beginning 31 March 2009		112.4
Exchange rate revaluation – loss		(10.1)
<b>Cash and cash equivalents less bank overdraft at end 30 September 2009</b>		<b>53.7</b>



# Financial results 6 months to September 2009

<b><u>ABBREVIATED SEGMENTAL ANALYSIS</u></b>		Total revenue	Inter- segment revenue	EBITDA	Assets
	(R million)				
Africa	Stolen vehicle recovery	163	-2	37	239
	Fleet management	78	-3	15	66
United Kingdom	Fleet management	120	-1	7	123
North America	Fleet management	10	-	-6	16
Middle East	Fleet management	54	-3	6	50
International	Fleet management & development	72	-60	18	230
All other segments		3	-	-5	143
Group	Goodwill & IFRS3 intangible assets	-	-	-	434
Inter segment elimination		-69	69	-	-314
<b>TOTAL</b>		<b>431</b>	<b>0</b>	<b>72</b>	<b>987</b>

Thank You

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