



ADAPT IT SHINING PERFORMANCE IN A CHALLENGED ICT SECTOR

The company continues to deliver value and growth substantially above the average for the sector

- 38% increase in turnover to R796 million
- 58% increase in operating profit to R136 million
- 36% increase in headline earnings per share (HEPS)

Durban, Thursday, 18 August, 2016: JSE-listed Adapt IT, today announced its financial results for the year ended 30th June, 2016.

Adapt IT provides specialised software solutions and services to the Education, Manufacturing, Energy and Financial Services sectors.

According to Adapt IT CEO, Sbu Shabalala, the strong performance can be attributed to various factors including the implementation of a strategy focused on sustainable growth and diversification.

"The Adapt IT strategy is to remain an industry focused niche software provider which grows turnover and profit at a much higher rate than the South African ICT market. We have certainly achieved this goal in the period under review and in the face of adverse trading conditions in the market," he says.

He notes annuity turnover increased to a healthy 55% over the 2015: 52%, operating margins are up from 15% to 17%. "This is a very strong performance in a sector that is seriously challenged in the current economic climate."

Shabalala reports that 73% of turnover was derived from the South African market, 13% from other African countries and the remaining 14% being split between the Americas, Australasia and Europe.

- Adapt IT retaining a level 2 B-BBEE rating and improving customer service remain strategic objectives for the group
- Geographic turnover: 73% of turnover was derived from the South African market, 13% from other African countries and the remaining 14% being split between the Americas, Australasia and Europe

"In terms of currency – 80% of turnover was generated in Rands; 11% in US Dollars and 9% stemmed from the specific country currency in the rest of our international markets," he adds.

Adapt IT's acquisition of CQS Investment Holdings was consolidated from 31 December, 2015 which Shabalala says has served to enhance the group's presence in the Financial Services sector.

"The acquisition of CQS has significantly increased the contribution of this market by providing expansion into the auditing and accounting professions with a broader range of software offerings."

Shabalala confirms that retaining a level 2 B-BBEE rating and improving customer service remain strategic objectives for the group. He adds that Adapt IT is implementing organic growth plans that aim to consolidate and grow sector focus in the company's various operating segments and to extend its reach into African markets and beyond. "In striving to achieve these objectives we will innovate by developing new software offerings and will target new markets through our combined sales efforts. We will continue to seek earnings enhancing acquisitions to supplement our growth strategy," concludes Shabalala.

About Adapt IT

Adapt IT provides a variety of specialised IT software solutions and services to Education, Manufacturing, Financial Services and Energy sector clients. Adapt IT has over 800 employees and customers in 38 countries in Africa, Asia, Australasia, Europe and the Americas, and its services and solutions span the IT lifecycle, from consulting and application design and development, through to delivery and support.

For more information, visit www.adaptit.co.za

Editorial contacts:

[Zareen Hartley](#)

Group Marketing Executive, Adapt IT

Johannesburg | South Africa

T: +27 11 460 5373

E: zareen.hartley@adaptit.co.za

Blain Communications

[Deirdre Blain](#)

M: +27 83 230 5522

E: blain@iafrica.com