

**Data#3**

# **FY20 Interim Results Briefing**

19<sup>th</sup> 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



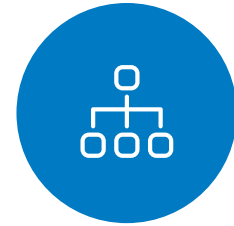
Modern Workplace



Security



Data & Analytics



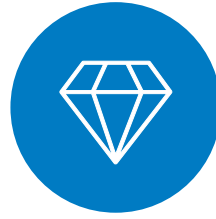
Connectivity

**Consulting**

**Project Services**

**Support Services**

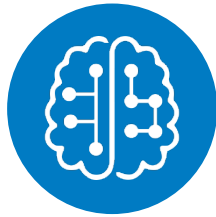
# Digital Transformation



**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”



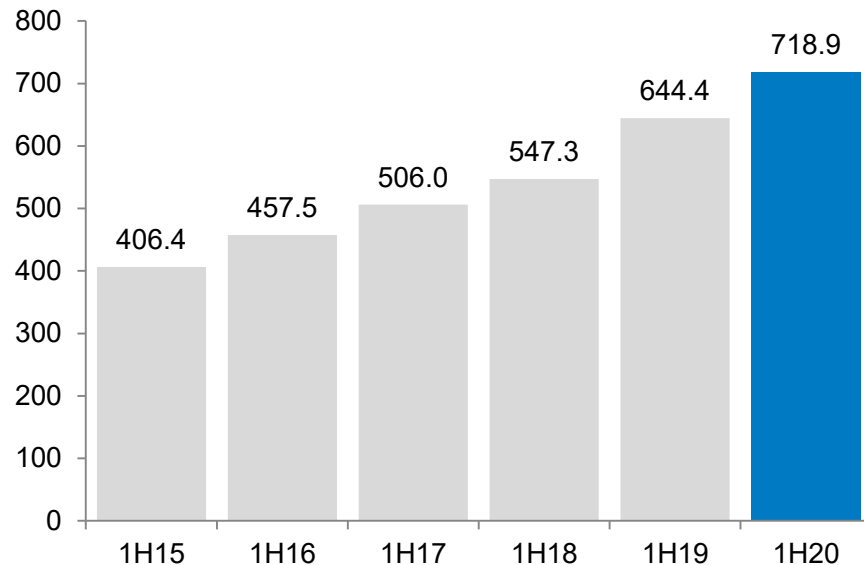
## **1H FY20 Financial Performance**

# 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
Gross Profit (excluding Other revenue)	Up 7.7%	\$88.6M
Gross margin %	Down 0.5 pp	12.3%
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

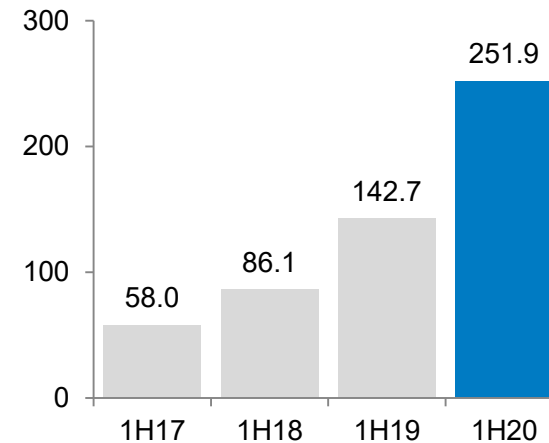
**Total revenue (\$M)**



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)**

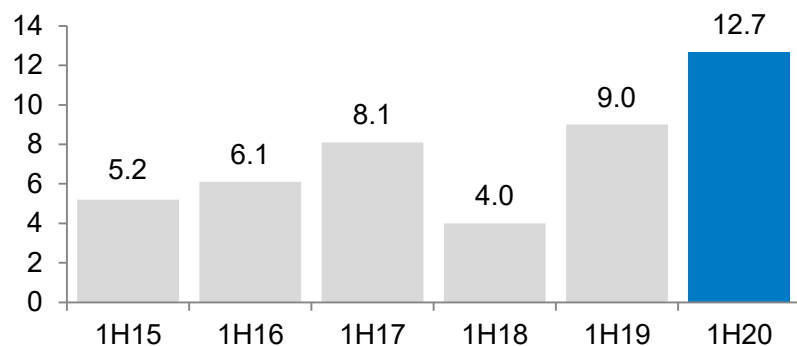


Approximately 60% of revenue under contract.

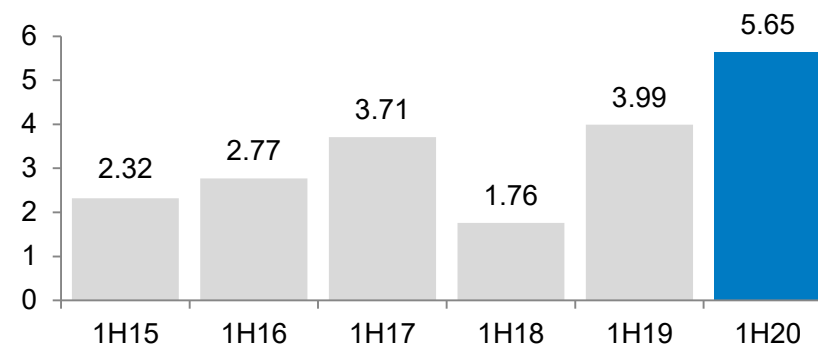
All business units and regions on or ahead of plan, except for Consulting.

# Sustained earnings growth

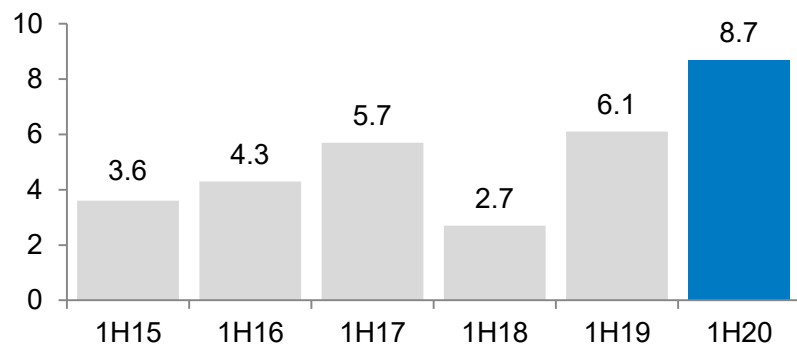
**NPBT (\$M)**



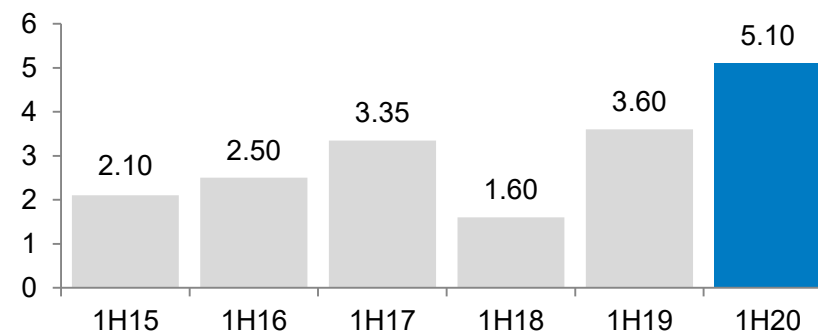
**Basic EPS (cents)**



**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



**Cybersecurity** poses increasingly larger threats and continues to grow



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



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



**Artificial intelligence & robotics** are in early adoption phase



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



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



**Data analytics** are increasingly mainstream



Superior **customer service** remains a key differentiator

# 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

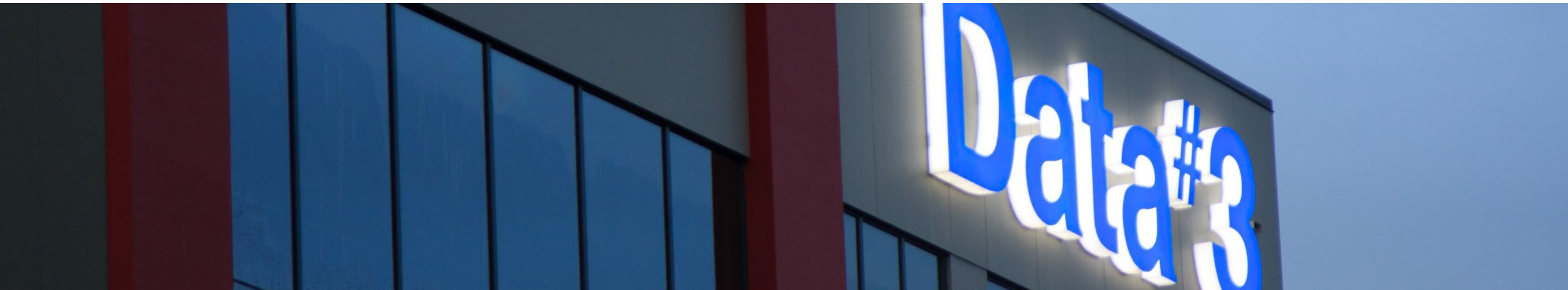
### **Internal factors:**

- 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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