

Adapt IT reports 36% turnover increase as growth strategy pays off

- **Turnover** up 36% to R1,35 billion (2017: R994 million)
- **EBITDA** up 39% to R270 million (2017: R194 million)
- **HEPS** up 14% to 66,97 cents (2017: 58,76 cents)
- **Normalised HEPS** up 11% to 87,59 cents (2017: 78,96 cents)
- **Dividend per share** up 25% to 17,10 cents (2017: 13,70 cents)

Johannesburg, 16 August 2018 - JSE-listed Adapt IT, a software provider to the global Education, Manufacturing, Energy, Financial Services, Communications and Hospitality sectors, today announced its financial results for the year ended 30 June 2018.

Turnover increased 36% to R1,35 billion for the year, organic growth from continuing operations being 13% and acquisitive growth contributing 30%.

“Adapt IT’s diversified growth strategy has contributed positively to above-industry turnover growth during the reporting period,” says Adapt IT CEO, Sbu Shabalala. “Our Pan-African market focus on software sales also assisted with the improvement in organic growth, while the company’s strategic entry into the Hospitality sector, through acquisition, was additive.”

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 39% to R270 million, while profit before interest and tax (PBIT) grew 45% to R218 million. Profit attributable to equity shareholders grew 38%, while the weighted average number of shares in issue grew 5% over the prior period.

The acquisitive growth contribution of 30% comprised mainly of the Micros South Africa hospitality group acquisition, which was consolidated with effect from 1 July 2017. Micros has a talented team of over 300 employees, providing world-class solutions for the Hospitality industry. The Hospitality division supports business-critical processes by providing best-of-breed software solutions to 4,200 hotel, retail and food and beverage outlets in 18 countries.

Adapt IT initiated a share buyback programme to take advantage of the ADI share recently having been undervalued. Since 1 July 2017, Adapt IT repurchased 9,3 million shares or 5.8% of the issued shares, at a weighted average price of 784 cents per share, utilising cash of R73 million.

“Adapt IT is a well-diversified software business providing solutions that enable customers to achieve more. We aim to continue delivering growth and returns, which are above the sector average, in line with our 2020 annualised revenue target of R3 billion and beyond,” concludes Shabalala.

About Adapt IT

Adapt IT provides software to over 10 000 customers in Education, Manufacturing, Energy, Financial Services, Communications and Hospitality sectors worldwide.

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

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